Insulated Wire & Cable

US Industry Study with Forecasts for 2019 & 2024

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# Table of Contents

**EXECUTIVE SUMMARY**

**MARKET ENVIRONMENT**
- General .......................................................... 4
- Macroeconomic Environment .......................... 5
- Fixed Investment Trends .................................. 9
- Construction Expenditures ............................. 12
- Manufacturing Outlook .................................. 14
- Technology Trends ........................................ 19
  - Fiber Optics ................................................. 20
  - Multiplex Wiring ........................................ 21
  - Telecommunications Technology ................ 22
  - Superconductivity ...................................... 23
- Historical Market Trends ............................... 25
- Pricing Patterns ............................................ 27
- Regulatory Factors ....................................... 30
- International Environment ............................ 32
  - World Supply & Demand .............................. 33
  - US Foreign Trade ...................................... 35
  - Imports .................................................... 36
  - Exports ................................................... 38

**MATERIALS**
- General .......................................................... 41
- Metals ............................................................ 43
  - Copper ...................................................... 45
  - Aluminum & Other Metals ........................... 48
- Plastics .......................................................... 50
  - Polyvinyl Chloride ...................................... 52
  - Polyethylene ............................................. 53
  - Polypropylene .......................................... 54
- Thermoplastic Elastomers ............................. 54
- Nylon ............................................................. 55
- Fluoropolymers & Other Plastics ................. 56
- Optical Fibers ................................................ 57

**PRODUCTS**
- General .......................................................... 59
- Building Wire & Cable .................................. 61
- Thermoplastic Insulated ............................... 65
- Thermostet Insulated ................................... 66
- Other ............................................................. 66
  - Power Wire & Cable ..................................... 67
  - Underground Distribution ............................ 70
  - Portable .................................................... 72
  - Other ........................................................ 73
- Electronic Wire & Cable ................................ 74
  - Coaxial ..................................................... 77
  - Multiconductor .......................................... 79
  - Other ........................................................ 80
- Apparatus Wire & Cordage ............................ 82
  - Flexible Cordage ........................................ 84
  - Appliance Wire .......................................... 85
- Other ............................................................. 85
- Primary, Ignition, & Battery Wire & Cable ...... 86
  - Fiber Optic Cable ....................................... 89
  - Single-Mode .............................................. 93
  - Multimode ............................................... 94
- Magnet Wire ................................................ 95
- Other Wire & Cable Products ............... 96

**MARKETS**
- General .......................................................... 100
- Electrical Equipment .................................. 102
  - Electrical Equipment Industry Overview ........ 103
  - Insulated Wire & Cable Demand .................. 105
    - Power Transmission & Distribution Equipment 107
    - Other .................................................. 109
- Construction ................................................. 110
  - Residential Construction Expenditures .. 111
  - Nonresidential Building Construction Expenditures .................................................. 113
  - Nonbuilding Construction Expenditures115
  - Insulated Wire & Cable Demand ........... 117
  - Residential ............................................. 119
  - Nonresidential ......................................... 120
  - Nonbuilding ............................................ 121
- Telecommunications ................................. 122
- Telecommunications Equipment .................. 123
  - Industry Overview ................................... 123
  - Insulated Wire & Cable Demand ............ 126
  - Backbone ............................................... 128
  - Last Mile ................................................ 129
  - Other ........................................................ 131
- Motor Vehicles ........................................... 131
- Motor Vehicle Industry Overview .......... 131
- Insulated Wire & Cable Demand ............ 134

**INDUSTRY STRUCTURE**
- General .......................................................... 145
- Industry Composition .................................. 146
- Market Share ............................................... 148
- Mergers & Acquisitions .............................. 152
- Cooperative Agreements ............................ 154
- Product Development & Manufacturing .... 156
- Marketing & Distribution ......................... 158

**COMPANY PROFILES**
- Alcatel-Lucent SA ......................................... 160
- Amphenol Corporation ................................ 162
- Atkore International .................................... 166
- Belden Incorporated ...................................... 168
- Berkshire Hathaway ...................................... 172
- Carlisle Companies ...................................... 178
- CommScope Holding ..................................... 182
- Corning Incorporated .................................... 186
- Delphi Automotive ........................................ 190
- Encore Wire ............................................... 193
- Freeport-McMoRan Incorporated .................. 195
- Fujikura Limited ......................................... 197
- Furukawa Electric ........................................ 201
- General Cable ............................................. 206
- Hitachi Limited .......................................... 213
- Koch Industries ........................................... 216
- LEONI AG .................................................... 219
- Leviton Manufacturing ................................ 222
- LS Corporation ........................................... 225
- National Wire & Cable ................................. 229
- Nexans SA ................................................... 231
- Okonite Company ......................................... 235
- PKC Group .................................................. 237
- Prysmian SpA ................................................ 238
- Rea Magnet Wire .......................................... 244
- Southwire Company ...................................... 246
- Sumitomo Electric ........................................ 253
- TE Connectivity ........................................... 256
- United Copper Industries ............................ 261
List of Tables

EXECUTIVE SUMMARY
1 Summary Table ........................................... 3

MARKET ENVIRONMENT
1 Macroeconomic Indicators ................. 9
2 Nonresidential Fixed Investment .......... 11
3 Construction Expenditures ............... 14
4 Manufacturers’ Shipments ................. 19
5 Insulated Wire & Cable Market, 2004-2014 .................................. 26
6 Selected Insulated Wire & Cable Price Deflators .................................. 29
7 US Foreign Trade in Insulated Wire & Cable ..................................... 36

MATERIALS
1 Insulated Wire & Cable Material Demand ...................... 42
2 Metal Demand in Insulated Wire & Cable ...................... 45
3 Copper Demand in Insulated Wire & Cable by Product ..... 47
4 Aluminum & Other Metals Demand in Insulated Wire & Cable ...................... 50
5 Plastics Demand in Insulated Wire & Cable ...................... 52

PRODUCTS
1 Insulated Wire & Cable Supply & Demand ...................... 60
2 Building Wire & Cable Supply & Demand ...................... 64
3 Power Wire & Cable Supply & Demand ...................... 69
4 Underground Distribution Cable Demand ...................... 71
5 Portable Power Wire & Cable Demand ...................... 73
6 Other Power Wire & Cable Demand ...................... 74
7 Electronic Wire & Cable Supply & Demand ...................... 76
8 Coaxial Cable Demand ...................... 79
9 Multiconductor Wire & Cable Demand ...................... 80
10 Other Electronic Wire & Cable Demand ...................... 81
11 Apparatus Wire & Cordage Supply & Demand ...................... 83
12 Primary, Ignition, & Battery Wire & Cable Supply & Demand ...................... 88
13 Fiber Optic Cable Supply & Demand ...................... 93
14 Magnet Wire Supply & Demand ...................... 96
15 Other Wire & Cable Supply & Demand ...................... 99

MARKETS
1 Insulated Wire & Cable Demand by Market ...................... 101
2 Electrical Equipment Shipments ...................... 105
3 Electrical Equipment Wire & Cable Demand ...................... 106
4 Power Transmission & Distribution Wire & Cable Demand ...................... 109
5 Other Electrical Equipment Wire & Cable Demand ...................... 110
6 Residential Building Construction Expenditures ...................... 112
7 Nonresidential Building Construction Expenditures ...................... 115
8 Nonbuilding Construction Expenditures ...................... 117
9 Construction Wire & Cable Demand ...................... 119
10 Telecommunications Wire & Cable Demand ...................... 128
11 Motor Vehicle Indicators ...................... 134
12 Motor Vehicle Wire & Cable Demand ...................... 138
13 Machinery Shipments ...................... 141
14 Industrial Machinery & Equipment Wire & Cable Demand ...................... 142
15 Other Wire & Cable Markets ...................... 144

INDUSTRY STRUCTURE
1 US Insulated Wire & Cable Sales for Selected Manufacturers, 2014 ...................... 147
2 Selected Acquisitions & Divestitures ...................... 153
3 Selected Cooperative Agreements ...................... 156

List of Charts

MARKET ENVIRONMENT
1 Insulated Wire & Cable Market, 2005-2014 ...................... 27
2 Insulated Wire & Cable Price Deflators, 2004-2024 ...................... 30
3 World Insulated Wire & Cable Demand by Region, 2014 ...................... 35
4 Insulated Wire & Cable Imports by Source, 2014 ...................... 38
5 Insulated Wire & Cable Exports by Destination, 2014 ...................... 40

MATERIALS
1 Insulated Wire & Cable Material Demand, 2014 ...................... 43
2 Copper Demand in Insulated Wire & Cable by Product, 2014 ...................... 48

PRODUCTS
1 Insulated Wire & Cable Demand by Product, 2004-2024 ...................... 61
2 Building Wire & Cable Demand by Type, 2014 ...................... 65
3 Power Wire & Cable Demand by Type, 2014 ...................... 70
4 Electronic Wire & Cable Demand by Type, 2014 ...................... 77
5 Apparatus Wire & Cordage Demand by Type, 2014 ...................... 84

MARKETS
1 Insulated Wire & Cable Demand by Market, 2004-2024 ...................... 102

INDUSTRY STRUCTURE
1 US Insulated Wire & Cable Market Share, 2014 ...................... 148
An expected strong recovery in construction expenditures will fuel growth in US demand for several types of wire, including building, power, and magnet.

US demand to rise 6% annually through 2019

Insulated wire and cable demand in the US is projected to increase 6.0 percent annually to $27.2 billion in 2019, as the market continues to recover from its depressed 2009 level. A strong expected recovery in construction expenditures will fuel growth in demand for several types of wire, including building, power, and magnet wire and cable.

Building wire & cable to offer best opportunities

Among the different product types, building wire and cable held the largest share of demand in 2014 and will see the most rapid advances through 2019, reaching $8.3 billion. An acceleration in growth of building construction expenditures, after a period of tepid improvement between 2009 and 2014, will drive advances. Among other types, power, magnet, and fiber optic wire and cable will also see strong advances. On the other hand, due to slow growth in US motor vehicle production through 2019, primary, ignition, and battery wire and cable demand will see a pronounced deceleration from the previous five-year period, when demand was driven by robust increases in vehicle output.

Construction to be fastest growing market

Among the major markets for insulated wire and cable, construction is forecast to see the fastest growth. In addition to building wire, rising construction expenditures will also benefit demand for other types of wire used in building construction, such as coaxial cable.

Electrical equipment was the largest market for insulated wire and cable in 2014 at $5.8 billion. Demand in this market is projected to increase 3.9 percent per annum through 2019. Increasing electricity production -- as well as use of new sources of power generation, such as solar and wind farms -- will increase demand for power transmission and distribution wire. However, decelerating growth in the production of appliances and other electrical equipment will restrain increases in demand for other types of wire and cable used in the electrical equipment market, such as appliance wire and hook-up wire. Slower price growth than between 2004 and 2014 will also limit advances in spending on wire for electrical equipment.

The telecommunications market also uses a vast array of wire and cable products with demand in this market projected to reach $5.4 billion in 2019. The continued use of electronic devices that rely on wireless technology will reduce demand for the wire and cable historically used to connect such devices. However, the growing use of electronic devices will also require continued improvements to the existing telecommunications infrastructure, especially in last-mile upgrades.
Fiber optic cable demand totaled $1.5 billion in 2014. By 2019, demand is projected to rise to $1.9 billion, an acceleration from the previous five-year period. A recovering telecommunications sector and rising expenditures by communications utilities companies will contribute to demand growth. However, marginal declines in communications equipment shipments will restrain more rapid growth. In addition, fiber optic cable competes with other types of cable, such as coaxial cable, in last-mile telecommunications applications. Frequently, hybrid fiber-coaxial networks, where fiber is used for the backbone of the network, while coaxial cable is used to connect individual customers; a fiber backbone that is largely built out will limit further growth in fiber optic cable demand in such applications. In nominal terms, shipments of fiber optic cable are expected to rise 3.4 percent per annum through 2019 to $2.2 billion. While production in 2004 was robust between 2004 (when the bust in fiber optic demand after 2001 caused a sharp decline) and 2008, production was more stable through 2014. Imports from countries like China made up a significant portion of demand in 2004, but the US trade surplus increased significantly with the moderate growth in domestic demand.
United Copper Industries Incorporated
2727 Geesling Road
Denton, TX  76208
940-243-7676
http://www.unitedcopper.com

Annual Sales:  $120 million (estimated)
Employment:  230 (estimated)
Key Products:  copper building wire and cable

United Copper Industries produces copper building wire and cable products for electrical distribution applications in the residential, commercial, and industrial construction markets. The Company is owned by private equity firm KPS Capital Partners LP (New York, New York).

The Company participates in the US insulated wire and cable industry via the production and sale of copper building wire and metal-clad cables for electrical distribution end uses in residential, commercial, and industrial buildings. United Copper Industries conducts manufacturing and distribution operations at a facility in Denton, Texas. The Company markets products in the US via a network of national, regional, and local electrical distributors.

United Copper Industries makes 600-volt (V) copper building wire in THHN, THWN-2, XHHW-2, MTW, TFFN, NM-B, and UF-B models. These wires are composed of solid or stranded copper conductors, polyvinyl chloride (PVC) or crosslinked polyethylene insulation, and PVC or nylon jackets. Among the Company’s cable products are 600-V metal-clad cables in standard, multiconductor, ground, oversized neutral, multi-neutral, and healthcare facility-grade types having solid or stranded conductors, PVC insulation, nylon jackets, and interlocked

### TABLE III-5

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Related Studies

Electric Power Transmission & Distribution Equipment
US demand for electric power transmission and distribution (T&D) equipment is expected to rise 5.5 percent annually through 2019 to $33.4 billion. Switchgear and pole and transmission line hardware will be the fastest growing products. The residential sector and industrial and nonutility generators will be the fastest growing markets. This study analyzes the $25.5 billion US electric power T&D equipment industry, with forecasts for 2018 and 2024 by product and market. The study also evaluates company market share and profiles industry competitors.

#3256 ............... December 2014 ............... $300

Electric Motors
US electric motor demand will rise 5.4 percent per year through 2018 to $16.2 billion. Growth in the dominant AC motors segment will outpace DC types. The motor vehicle market will grow the fastest and remain the largest category, followed by the heating/cooling and machinery markets. IHP electric motors will outpace FHP types in both value and volume terms. This study analyzes the $12.5 billion US electric motor industry, with forecasts for 2018 and 2023 by type, power rating, and market. The study also evaluates company market share and profiles industry players.

#3238 ............ December 2014 ............... $200

World Industrial Rubber Products
Global demand for industrial rubber products will rise 6.6 percent annually to $158 billion in 2018. More than half of all additional product demand will be accounted for by China. Rubber hose will be the fastest growing product segment. Industrial equipment and construction will be the fastest growing markets. This study analyzes the $115 billion world industrial rubber product industry, with forecasts for 2018 and 2023 by market, product, world region, and for 27 countries. The study also evaluates company market shares and profiles industry players.

#3250 ............... December 2014 ............... $6300

World Insulation
Through 2018, global demand for insulation will rise 5.0 percent annually to 24.9 billion square meters of R-1 value. The Asia/Pacific region will grow the fastest, driven by building construction activity and manufacturing and industrial output. Foamed plastic insulation will lead value gains. This study analyzes the current world industry, at 19.5 billion square meters of R-1 value, with forecasts for 2018 and 2023 by material, market, world region, and for 21 countries. The study also evaluates company market share and profiles industry players.

#3206 ............... October 2014 ............... $6500

World Lighting Fixtures
Global demand for lighting fixtures is projected to increase at a 6.9 percent annual rate through 2018 to $176 billion. China will remain the largest while India grows the fastest. The dominant nonportable lighting fixture segment will experience the most rapid growth. The key construction market will grow the fastest. This study analyzes the $126 billion world lighting fixture industry, with forecasts for 2018 and 2023 by product, market, world region, and for 20 countries. The study also evaluates company market share and profiles industry competitors.

#3192 ............... August 2014 ............... $6400

About The Freedonia Group

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