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# THE US LIGHTING FIXTURES MARKET

## MARKET EVOLUTION

In 2016 the lighting fixtures market in the United States recorded an increase of 3% compared to 2015, reaching a value of USD 20.3 billion. Even if positive, the 2016 growth rate was much lower than those reported in the previous years.

This slowdown can be explained by several factors. On the one hand, international trade registered a contraction, as both import and export declined (by 9% and 8%, respectively). This is particularly true for the technical lighting business, as imports in this segment decreased by 20% in 2016. On the other hand, sales trend in the USA started softening in the second half of 2016. Such a weakness in internal demand is expected to continue in 2017, for which CSIL estimates an even slower growth of 2%. The market is expected to pick up in 2018 (+3.5%) and further improve in 2019 and 2020 (+4% each).

## TOP PLAYERS

This trend is confirmed by leading players operating in the U.S., including **Acuity Brands**, **Hubbell Lighting** and **Cree**.

Acuity Brands reported that their growth rate of lighting solutions in the North American market in the first half of their fiscal 2017 was lower than anticipated. According to Acuity «softness in market demand that began in the third calendar quarter of 2016 and continued through our second quarter may persist through the remainder of our fiscal 2017 (ending August 31st, 2017 - note from the editor)». In fact, as in fiscal year 2016 the group registered an annual growth of 21.7%

in term of revenues, in the first nine months of fiscal year 2017, their year-to-year growth lowered to 8%. **Hubbell Lighting** reported that «the North American luminaire lighting market was soft» and that the pricing pressure would continue to be a challenge. Indeed, net sales of their lighting business group decreased 3% in the first quarter of 2017, primarily due to headwinds on pricing. More specifically, organic net sales of residential lighting products increased by 2%, while commercial and industrial sales declined by 4%. In its 2016 Annual Report, **Cree** projected that the market for commercial LED lighting products would expand in fiscal 2017, while the consumer LED bulb and LED components market would remain highly competitive. However, in the first

three months of 2017, also Cree's Lighting Products revenue (45% of the total) decreased 18%, due to a declined in the number of overall units sold.

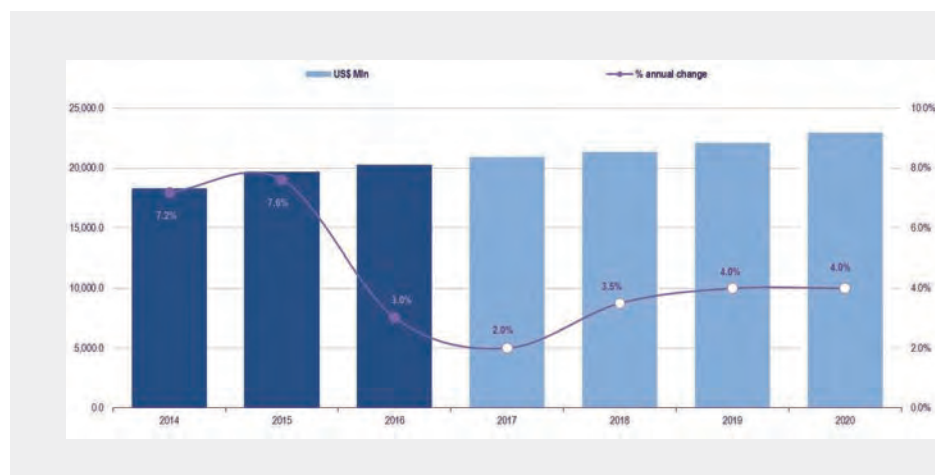
The significance of these players' performance here is more relevant than elsewhere.

In fact, the market of lighting fixtures in North America is much more concentrated than in other areas. In the United States, the top 5 manufacturers of lighting fixtures in term of sales (the local group Acuity Brands, Hubbell, Eaton, Cree and the European Philips Lighting) hold a cumulative market share of 30%, while in Europe the top 5 players (Philips Lighting, Zumtobel, Trilux, Fagerhult, and Osram) accounts for only 19% of the total market.

More info at:

[www.lighting.csilmilano.com](http://www.lighting.csilmilano.com)

U.S. CONSUMPTION OF LIGHTING FIXTURES.  
2014-2016 ESTIMATED DATA AND 2017-2020



Source: CSIL