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# THE LIGHTING FIXTURES MARKET IN CHINA

For the first time in its history, the Chinese lighting fixtures market faced a **setback**: used to grow at rates exceeding 10% per year, in 2015 it recorded an increase of only 2%. This is the result of a Traditional distribution system that more or less holds (CSIL estimates a growth of around 6%) and a downturn of the Project channel (between 6% and 7%). More specifically, the biggest slowdown was registered in the outdoor segment, which reached negative picks of -20% in the street lighting business. Public estimates say that at least **500 small**

**and medium enterprises failed**, mainly because of the "price war" (up to 40% less in the component business) and the decline of public investments (especially for street lighting) in the LED segment. **Now**, the total number of companies operating in China is in the order of 10 thousand and among them, the best performers, have increased their workforce. This was due to the on-going rise of export: +15% in 2015, with higher picks in the USA, in the UK, in India and in Vietnam. CSIL forecasted that **LED share** in China

would have overcome 50% by 2015. Ex-post, CSIL adjusted its estimates to a slightly lower share because of the decline of prices dynamic, above mentioned. The lighting fixtures market in China might start a **process of concentration**. Among the best suited to keep and consolidate their positions, there are Inesa Feilo, NVC, Opplé, Tospo, FSL, Kingsun, Yankon, Unilumin and Changfang. These companies show EBITDA of around 15%, up compared to the previous year.



Messe Frankfurt / Shanghai International Lighting Fair