

Purchasing Power of Automotive Industry Puts the Squeeze on Technical Textiles Manufacturers

Increased OEM purchasing power stemming from consolidation within the automotive industry, combined with their stringent cost cutting measures means European technical textile producers are really feeling the squeeze. Fibre manufacturers have had to cut prices and operate at reduced margins to remain competitive a new study from international market consultants Frost & Sullivan reveals.

([PRWEB](#)) July 26, 2002 -- The study, focussing on the European market for technical textiles used in airbags, seat belts, carpets, seat upholstery and tyres forecasts a compound annual growth rate of 1.6% from 2001 to 2008 and predicts that the market will be worth \$1.18 billion by 2008.

Emma Smith, Research Analyst with Frost & Sullivan explains "All segments of the technical textiles market are under increasing price pressure, which is exacerbated by overcapacity in the fibre production industry and the threat of Asian imports. Combined with this, we have the ever increasing pressures on manufacturers to reduce the weight of textiles - currently around 11kg per motor car, to aid fuel efficiency, to make fibres recyclable and to improve their safety. It seems that they will need to make considerable investments in the research and development of new fibres at a time when there is no margin left in the industry"

Companies have responded by enforcing divestments, mergers, acquisitions and joint ventures in order to focus on key business areas and by cutting jobs. However, it is not all bad news for the manufacturers. The report reveals that automotive component manufacturers are unlikely to move to using imported products owing to their perceived lower quality, delivery speed concerns and partnerships with existing suppliers on R&D issues.

The report gives a detailed view of the Automotive Technical Textiles market, with an insight into competitive positioning, market attractiveness, pricing trends and strategic recommendations for success.

European Market for Automotive Technical Textiles B085-84

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Sales Contact

European Automotive technical Textiles (report code B085) is available to purchase from: Frost & Sullivan, 4100 Chancellor Court, Oxford Business Park, Oxford, OX4 2GX, UK. Contact: Bill Stringer +44 (0) 1865 398651, bill.stringer@frost.com

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Background

Frost & Sullivan Chemicals and Food Group is the strategic market consultant delivering insight and



understanding to support business growth internationally. We identify and analyse the critical market challenges companies must address to become successful competitors in their industry. Our work is focused on these challenges in order to provide our clients with market strategies that enable them to increase revenues, market share and profitability.

The Group continuously monitors a comprehensive spectrum of chemical and food markets for trends, market measurements and strategies and delivers powerful data via research publications, bespoke market intelligence projects and customised consulting.

Our team of expert analysts is structured around six key areas:

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