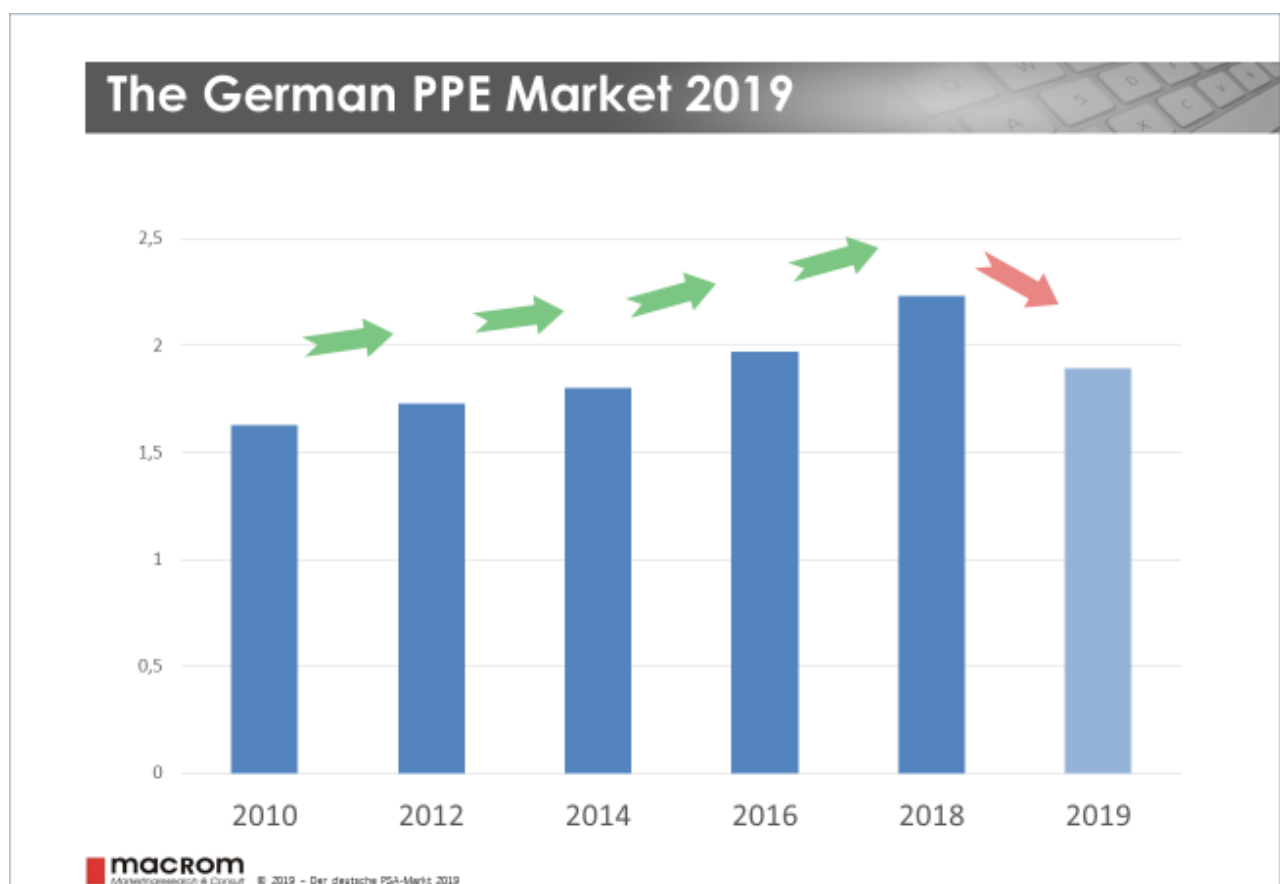


The German PPE Market 2019: Mood of crisis despite all-time high

The German PPE market was able to continue its dynamic growth from 2016 to 2018 and thereby skip the sales mark of two billion euros on the level of manufacturers. As the PPE buyers invested in better protection and in design-oriented and more comfortable products, the industry was able to benefit from the favorable economic conditions. However, already the last quarter of 2018 indicated, that the trend is turning. Sales in the first half of 2019 are significantly lower than in the previous year.

The positive economic situation and the increasing number of employed people, which reached a record-high in 2018, formed the base for growth with personal protective equipment items, which was able to manifest on the quantitative but even more on the qualitative level.



Market development 2010 - 2018 und forecast on the basis of half-year change in sales 2019
Base: Value in Basis: Wert in bn € (factory / importers price excl. VAT)

Due to the shortage of qualified employees, the PPE-managers have made every effort to minimise risks that could affect the employee's productivity. At the same time, the educational work of manufacturers, distributors and employers' liability insurance association (BG Bau) is bearing fruit, so that residual potential could be tapped to a greater extent.

On the basis of a largely good business situation, investments were also increasingly made in design-oriented and more comfortable protective equipment, because it increases the motivation of the wearer as well. Also the increasing number of elderly employees contributes to the qualitative growth, due to the use of products that achieve higher market prices. This applies e.g. to products such as prescription safety goggles with varifocal lenses or powered air purifying respirators that make it possible to work longer under respiratory protection.

Multifunctional products, protecting the wearers as comprehensive as possible against several risks, still continue to be the trend. This particularly affects the submarkets of protective footwear, protective clothing and hand protection. Due to crowding out into other product areas average sales with these products increase as well.

On the basis of these developments, the manufacturers and distributors have succeeded in not only compensating the continuous losses of potential that are caused by new machines, automation, reorganization of work processes or job relocations in many professional environments, but to transfer them into a dynamic growth market.

However, as the manufacturers' current sales figures show, marketing conditions in most PPE product areas have declined significantly since the last quarter of 2018. Particularly affected are suppliers to the automotive sector. Unlike in the financial crisis in 2008, it can be assumed that this will not be a short-term slump now, as the German economy faces disruptive upheavals in many areas. Compared to the first half of 2018, manufacturers' sales dropped by up to 20 percent.

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