

2 EXECUTIVE SUMMARY

The **global processed meat market** has grown exponentially in the last decade and this growth is expected to continue. Factors such as increasing demand for protein rich convenience food, busy lifestyles of two - income middle class families of developing countries of the Asia-Pacific and South American regions is driving the market for processed meat. The ever-growing population, especially in developing nations, and their increasing income are expected to result into rise in demand for food both fresh and processed. As a result, the processing of meat is expected to increase in the near future.

R&D activities carried out across all regions, especially in Europe, to develop low-cost production techniques are expected to add pace to the growth rate of the meat processing equipment market. The major restraint of this market is the small and medium organizations in Asia-Pacific, Latin America, and South African countries catering to the demands of local market but which cannot afford the costly meat processing equipment. Lack of awareness among the processors about the technological advancement in the industry is another restraining factor of the market.

TABLE 1

**PROCESSED MEAT: MARKET REVENUE, BY GEOGRAPHY,
2011 – 2018 (\$MILLION)**

Region	2011	2012	2013-e	2018-p	CAGR% (2013-2018)
North America	121,334.6	141,960.7	166,377.1	377,046.8	17.8
Europe	89,404.5	100,221.8	112,447.9	204,909.6	12.8
Asia-Pacific	73,439.4	81,664.1	90,892.3	159,354.2	11.9
ROW	35,845.2	37,722.1	40,475.7	57,740.6	7.4
Total	320,023.7	361,568.7	410,193.0	799,051.2	14.3

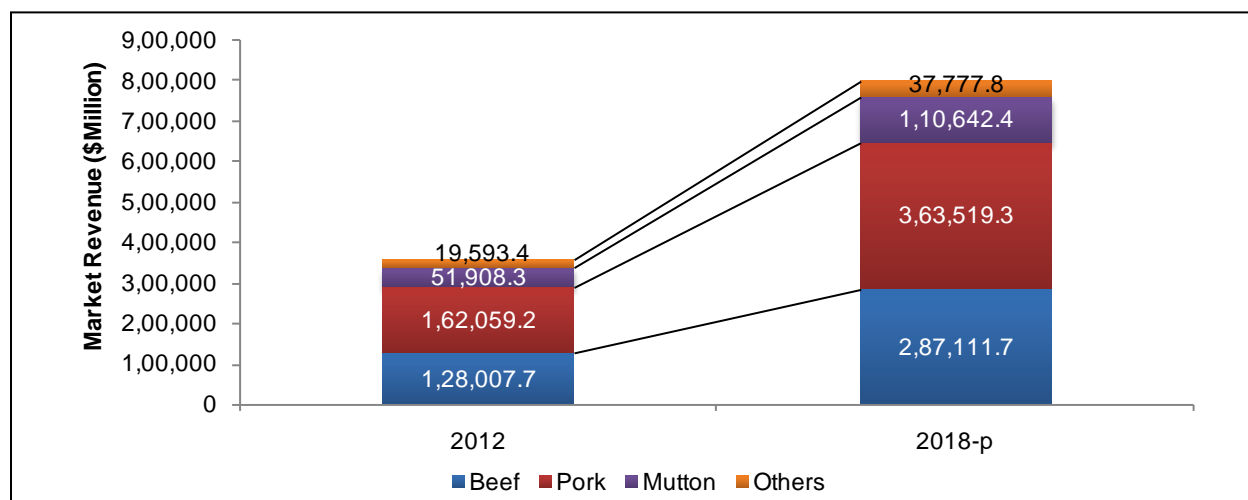
e – Estimated; p – Projected

Source: Experts Interview, Research Publication, MarketsandMarkets Analysis, Company Press Release, FAO

In 2012, the global processed meat market was valued at \$361,568.7 million. The market is estimated to expand at a CAGR of 14.3% from 2013 to 2018, to reach \$799,051.2 million by 2018. North America is the matured market with availability of numerous types of processed meat products. The market accounted for nearly 40% of the total value in 2012. Asia-Pacific is the promising market due to the increased acceptance of processed meat by the steadily growing middle class consumers. Asia-Pacific market accounted for 23% of the total market revenue at \$81,664.1 in 2012. The ROW market is estimated to grow with a CAGR of 7.4% during the period under review.

FIGURE 4

**PROCESSED MEAT: MARKET REVENUE, BY MEAT TYPES,
2012 - 2018 (\$MILLION)**



Source: Experts Interview, Research Publication, MarketsandMarkets Analysis, Company Press Release, FAO

Pork holds the top position with a market share of around 45% of the total revenue in 2012, growing at a CAGR of 14.6% from 2013 and is projected to reach \$363,519.3 million by 2018. It is followed by beef market which was \$128,007.7 million in 2012, growing with CAGR of 14.6% for the projected period. The market of beef has a share of around 35%, and is projected to be \$287,111.7 million by 2018. The mutton market has a relative low share in the processed meat market, and in 2013 it is estimated to be \$58,699.8 million.

TABLE 2

**MEAT PROCESSING EQUIPMENT: MARKET REVENUE, BY GEOGRAPHY,
2011 - 2018 (\$MILLION)**

Region	2011	2012	2013-e	2018-p	CAGR% 2013-2018
North America	2,752.8	2,910.2	3,082.9	4,391.2	7.3
Europe	2,028.4	2,144.6	2,272.0	3,207.2	7.1
Asia-Pacific	1,738.6	1,838.3	1,947.7	2,804.9	7.6
ROW	724.4	763.4	806.0	1,092.1	6.3
Total	7,244.2	7,656.5	8,108.6	11,495.3	7.2

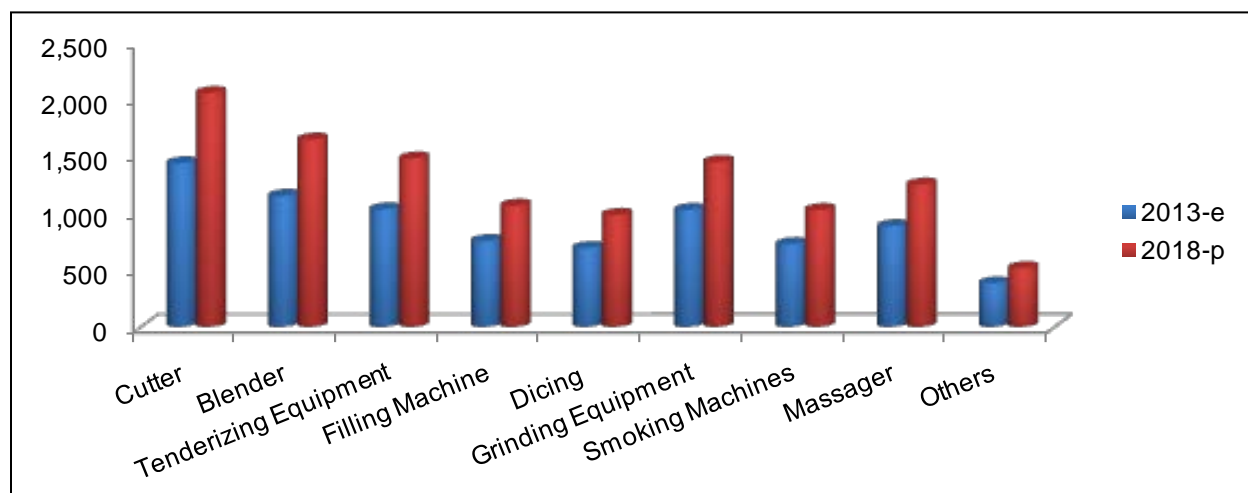
e – Estimated; p - Projected

Source: Expert Interviews, Related Research Publication, MarketsandMarkets Analysis

In North America, as more people now prefer processed meat, the processed food manufacturers are now demanding customized machines for the same. Due to the increasing concern of food safety and quality, food manufacturers prefer separate machineries. With a market share of around 38% in 2012, North American region is projected to reach \$4,391.2 million by 2018, growing at a CAGR of 7.3% from 2013 to 2018. The market value in Europe is projected to increase from \$2,144.6 million in 2012 to \$3,207.2 million by 2018, at a CAGR of 7.1%. Asia-Pacific market is estimated to grow at a CAGR of 7.6% and is projected to reach \$2,804.9 million by 2018.

FIGURE 5

**MEAT PROCESSING EQUIPMENT: MARKET REVENUE, BY TYPES,
2013 - 2018 (\$MILLION)**



e – Estimated; p - Projected

Source: Expert Interviews, Related Research Publication, MarketsandMarkets Analysis

The cutter equipment was the largest market accounting up to 18% of total share. The revenue reported for cutter market was \$1,360.0 million in 2012 and is projected to reach \$2,059.9 million by 2018. Blender equipment, which is used to mix spices with the meat, is the second largest market with revenue of \$1,089.4 million in 2012. Grinding equipment with a share of 13% is estimated to grow with a CAGR of 7.1%. Dicing equipment which accounts for around 9% of the total market is estimated to grow at the CAGR of 7.3% from 2013 to 2018.