

### 3 EXECUTIVE SUMMARY

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The global poultry processing equipment market was valued at USD 2.95 billion in 2014, and is projected to reach USD 3.83 billion by 2020, at a CAGR of 4.7% during the forecast period. The factors responsible for driving the growth of the industry are the increased consumption of processed food, the government support for the use of equipment in developing countries, the demand for food safety, safety of workers, the presence of small and medium enterprises in developing countries, rising raw material costs, and international trade rules.

The increased preferences for meat consumption of the people worldwide have led to an increase in demand for processing machineries. The practice of processing poultry has seen significant changes, owing to the developments made in the poultry processing equipment industry. Poultry processing is now carried out with the help of automated equipment that are equipped with latest technologies such as X-ray scanners, high-speed composite alloy cutting blades, and sensors among others. The mechanization of this process has not only influenced and reduced the labor-intensive work, but has also led to positive changes in the safety issues in the processing industries.

The poultry processing equipment market, by equipment type, is segmented into six types – killing & defeathering, evisceration, cut-up, deboning & skinning, marinating & tumbling, and others. Killing & defeathering dominates the poultry processing equipment market. This segment is estimated at USD 671.5 million in 2015, and is projected to reach USD 864.2 billion by 2020, at a CAGR of 5.2% during the forecast period. Killing and defeathering was closely followed by cut-up which held a share of 21.8% of the overall poultry processing equipment market in 2014. In terms of poultry type, the market is divided into four segments, namely, chickens, turkeys, ducks, and others. Chickens held the largest share of 84.9% of the overall poultry processing equipment market in 2014, followed by turkeys which held a share of 6.9% in the same year. In terms of product type, the market is divided into seven segments, namely fresh processed, raw cooked, pre-cooked, raw fermented sausages, cured, dried, and others. The fresh processed segment held the largest share of 28.2% of the overall poultry processing equipment market in 2014, followed by raw cooked which held a share of 22.0% in the same year.

In order to keep up with the increasing demand for processed poultry meat, poultry meat processors are required to increase their production capacity as well as their production rate. This will ensure that the processing activities are performed on time, and the processing companies are able to deliver better quality of products to the consumers. As there is a rise in the population, the need for food is also increasing. With increased globalization, the consumer preference has changed to ready-to-eat processed food. Hence, it is estimated that inclination towards the convenience poultry products would increase, which would in turn affect the equipment industry as well. North America has a huge market for processed poultry products. The norms related to food safety and hygiene mandates poultry processing companies to reduce human errors in poultry processing. Automation of process combined with automatic sorting and grading systems helps to process poultry as per the required standards. This requirement of high production rate and high quality of products has created a huge market potential for poultry processing equipment.

The global poultry processing equipment market is highly competitive, with a large number of global and local market players. Players in this market have adopted various strategies to expand their global footprint and increase their market share. Agreements & contracts, partnerships, new product launches, expansions & investments, and mergers & acquisitions are some of the key strategies adopted by players to achieve growth in the poultry processing equipment market.