press release

German component distribution sees 2025 as a year of setting the course and calls for future-oriented investments in infrastructure and education

Sales of electronic components distribution (according to FBDi e.V.) fell by more than 35% in the fourth quarter of 2024. Incoming orders are not providing any stimulus. The outlook remains subdued until mid-2025.

Andreas Falke: 'We have survived the challenging year 2024 and are wondering what 2025 will bring. Economics is psychology and 'now it's getting psychological'. - Concerns about geopolitics and the rise of populists are holding back the economy, and customers remain cautious. What is needed now is courage and innovation at all levels to turn hope and expectation into desire and growth. 2025 - especially for Germany - will be the year of setting the course in society, economy and politics".

Berlin, 5 February 2025 – The fourth quarter of 2024 also remained well below the same quarter of the previous year, with a decline of more than 35%. At EUR 704 million, the turnover of FBDi's reporting members was the lowest since the end of 2020. For the whole of 2024, reporting members thus lost 36% of their previous year's turnover, reaching EUR 3464 million.
The biggest losses were suffered by semiconductors, which lost 41% of the previous year's turnover over the year as a whole, ending up at EUR 2192 million. The trend was slightly more positive for IP&E, which achieved a total volume of 1120 million euros for the year as a whole, a decline of only 25%. Especially Electromechanics (-15.8% y-o-y and BtB 1.04) and Power Supplies (-20.0% y-o-y and BtB 1.04) stand out positively.

The only ray of hope is the increase in incoming orders, which rose by 24% year-on-year to EUR 639 million in the fourth quarter of 2024 and, at 0.91, still resulted in the highest book-to-bill ratio in 2024 - but unfortunately from a much too low base. As a result, the book-to-bill chart looks more positive than it is, as the negative development of billings makes the result look more positive. Nevertheless, the trend raises hopes for the second half of 2025.

FBDi Managing Director Andreas Falke: “The global market is clearly dividing into blocs in the electronic components industry. Unfortunately, Europe is weakening and continues to lose global market share to the US and China. The exploding AI market there is not reflected in Europe. The December WSTS forecast for 2024 predicts growth of +39% (!) for the US electronics market, +18% for Asia Pac and -7% for Europe.
Europe needs to strategically reposition itself to avoid being left behind. Our capabilities are undisputed, but our advantage is not relevant in the new growth areas. We must embrace innovation more enthusiastically, otherwise the future will continue to overtake us.
Innovation is being stifled by regulation (from GDPR to CBAM and LKSG) and reporting requirements. In addition to the spirit of research, discoverers and start-ups need freedom and tolerance for error to develop new things. This is another reason why FBDi is part of the alliance of associations for the reduction of bureaucracy. Let's give new impetus to sustainable innovation in the key user markets. From our point of view, as we have already stated in previous statements, we have recognised the all-electric society as the best possible basis for Europe to become independent and competitive, and we are calling for a corresponding focus on infrastructure development and education.”

The FBDi and its managing director Andreas Falke are cautious about the outlook for 2025: “The trend in bookings, albeit at a low level, gives rise to positive expectations for the second half of the year, but the overall economic situation and the rise in protectionism are not helping economic growth. Overall, we expect a stabilisation at the level of 2024.”

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Fachverband der Bauelemente Distribution e.V. (www.fbdi.de):
Founded in 2003, FBDi e.V. is an established player in the German association landscape and bundles the interests of its members from the distribution sector, who represent around three quarters of the sales volume of electronic components in Central Europe (DACH). In doing so, it oversees the entire electronics value chain.
In addition to the preparation and further development of data on the Central European distribution market, competence teams on important regulatory topics in the electronics industry (including CE, directives and ordinances) generate a high level of market-related competence. This qualifies the FBDi as a sought-after partner for politics, electronics manufacturers and customers.
Through its membership in the international distribution association IDEA, the FBDi exchanges information with other associations at the European level.

Member companies (as per January 2025):
Regular members: Acal BFi Germany; AL-Elektronik Distribution; Arrow Europe; Avnet EMG EMEA; Beck Elektronische Bauelemente; Blume Elektronik Distribution; Bürklin Elektronik; CODICO; Conrad Electronic; DACOM WEST; Distrelec; Ecomal Europe; Endrich Bauelemente; EVE; Future Electronics Deutschland; Glyn; Gudeco Elektronik; Haug Components Holding; Hy-Line Holding; JIT electronic; Kruse Electronic Components; MB Electronic; MEDI Kabel; Memphis Electronic; Menges Electronic; MEV Elektronik Service; mewa electronic; Mouser Electronics; Multi-Bauelemente-Service mbs; Neumüller Elektronik; pk components; Püplichhuisen; RS Components; Rutronik Elektronische Bauelemente; Schukat electronic; SE Spezial-Electronic; SEMITRON W.Röck; TTI Europe; WDI.

Supporting members: TDK Europe, Recom.

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