

**UCIMU: IN 2019 THE ITALIAN MACHINE TOOL,
ROBOT AND AUTOMATION INDUSTRY STOPS GROWING.
DOWNTURN EXPECTED AGAIN IN 2020**

Cinisello Balsamo 17 December 2019. The year 2019 marked the end of the positive trend, started in 2014 by the Italian machine tool, robot and automation industry. Nevertheless, the registered decrease is very moderate and shows how the values of the main economic indicators are returning to normal levels, after the exploit supported by the measures of Industry/Enterprise 4.0. The slowdown will continue in 2020.

This is in brief what was illustrated by **Massimo Carboniero**, President of UCIMU-SISTEMI PER PRODURRE, the Italian machine tools, robots and automation systems manufacturers' association, during the usual end-year press conference.

As evidenced by the **preliminary year's data** processed by the Studies Dept. & Business Culture of UCIMU-SISTEMI PER PRODURRE, in **2019 production** went down to **6,440 million euro**, recording a **4.9% decrease** compared with the previous year.

The outcome was due to the **reduction in the deliveries by Italian manufacturers in the domestic market**, down by 8.1% to **2,860 million euro**, as well as to the **negative trend of exports**, decreased by **2.3%** to **3,580 million euro**.

Based on ISTAT data processing by UCIMU, in the first eight months of the year (latest available survey), the main destination countries for the Made in Italy products of the sector were the following: United States, 257 million euro (+15.1%); Germany, 236 million euro (-4%); China, 205 million euro (-13.4%); France, 158 million euro (+17.6%); Poland, 120 million euro (-16.2%).

On the domestic front, in 2019, the **Italian consumption** of machine tools, robots and automation **dropped by 7.2% to 4,790 million euro**.

The export/production ratio registered a slight increase, changing from 54.1% in 2018 to 55.6% in 2019.

In 2020, the Italian industry of the sector should report a further slowdown, however remaining on very high levels, equal to those of 2017. Production will go down to 5,900 million euro (-8.4%), negatively affected by exports, expected to decrease by 5.3% and to reach 3,390 million euro. Consumption, i.e. the demand of Italian users, will stop at 4,305 million euro (-10.1%). The partial downsizing of the domestic market will have repercussions both on the **deliveries of Italian manufacturers, which will drop to 2,510 million euro (-12.2%)**, and on imports that will attain 1,795 million euro (-7%). The export/production ratio will gain about two percentage points, accounting for 57.5%.

Massimo Carboniero, President of UCIMU-SISTEMI PER PRODURRE, commented: "The analysis of data processed by the Studies Dept. & Business Culture of UCIMU-SISTEMI PER PRODURRE shows that the international situation is clearly influencing the Italian machine tool, robot and automation industry, which registered the first stop after five years of continuous growth".

"After all – went on the President of UCIMU-SISTEMI PER PRODURRE – the fall reported in 2019 and that expected for 2020 are likely to be moderate. However, these results, which are very close to those recorded in 2017, a decidedly positive year, are highlighting a slow repositioning of the Italian industry on normal levels. We can trace back normal levels to 2016, before the explosive effect of Industry/Enterprise 4.0 measures, implemented by the Government authorities".

"This is confirmed by the data regarding the collection of applications to exhibit at 32.BI-MU, the biennial machine tool exhibition taking place at fieramilano Rho from 14 to 17 October 2020. Currently, the surface area booked by the Exhibitors is equal to that booked in the same period for the 2018 edition".

“This said – went on **Massimo Carboniero** – the renewal process of the Italian manufacturing industry and the transformation of production plants also from a digital point of view is keeping on. Indeed, it is necessary to focus on the continuation of this course, to really maintain and increase the competitive advantage of our manufacturing system compared with that of our foreign competitors”.

“In this sense, we think that the new measures for innovation introduced by the Government technically and appropriately meet the need to continue in this direction. I am referring to the activation of the three tax credits. The first one for the activity of Research & Development. The second one, a replacement of Super-Depreciation, with a 6% rate to purchase capital goods, applied to investments up to a maximum of 2 million euro. The third one, a replacement of Hyper-Depreciation, applied to purchase goods 4.0, whose rate is 40% for investments up to 2.5 million euro and of 20% for investments between 2.5 and 10 million euro”.

“Nevertheless, we still fear that to date the tools put at the disposal of the Italian enterprises, such as Super- and Hyper-Depreciation, together with the new ones included in the Budget Law 2020, may cause confusion in the companies accustomed to the mechanisms of the previous competitiveness measures”.

“For this reason, we think that a careful campaign of communication and information is essential – by the Government authorities – so that, from the first months of next year, from the moment when the applicability of the measures will be confirmed, our enterprises can take advantage of them. For its part, UCIMU-SISTEMI PER PRODURRE will continue its training and education activity, open to all enterprises, according to the model defined during the last four years. Moreover, UCIMU will keep on proposing its first-level consulting reserved only for associate member companies”.

“In addition - added **Massimo Carboniero** – we hope that these measures will become structural and lasting several years, as stated in the draft budgetary plan, provided that there is an economic coverage. We understand that all will depend on the actually available resources. However, once again, we reaffirm that the transformation of these measures into a structural, multi-year plan is the most appropriate response to the SMEs’ need to have a clear and defined picture concerning the medium/long-term measures at their disposal, so that they will be able to easily plan their investments and the actions to be undertaken”.

“We welcome the confirmation of the provision for professional education and training 4.0 that allows staff updating according to the new requirements of digitalised factories. However, as tax credit is currently calculated on the costs of the personnel involved in professional education and training for the refresher hours attended, once again, we stress that it is necessary to review it in such a way as to include the cost of teachers and trainers, the most onerous expense item especially for a SME”.

“On the foreign front – observed Massimo Carboniero – the situation is more complicated, due to the context of general economic and political instability. For this reason, we ask for targeted measures to facilitate the internationalisation of our SMEs, especially in the most far-away countries”.

“In particular, we hope that appropriate resources will be allocated to the ICE-Italian Trade Agency’s project of foreign buyers’ Incoming with regard to international trade shows taking place in Italy, with the purpose of encouraging the contact of Italian SMEs with qualified foreign operators coming for the countries with the most interesting development prospects”.

“After all - concluded **Massimo Carboniero** – also following on from the success achieved by the networks of enterprises created to support the promotion of the sector’s Made in Italy in several world areas, characterised by a particularly dynamic demand, we ask the Government authorities to plan **a special action to support the creation of enterprise networks for the study and analysis of specific areas or sectors of destination**. Preparatory to the definition of the trade activity, the projects of study and analysis for a particular market are often onerous and thus difficult to bear for a SME. In this connection, an enterprise network certainly represents a valid solution to this need”.

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