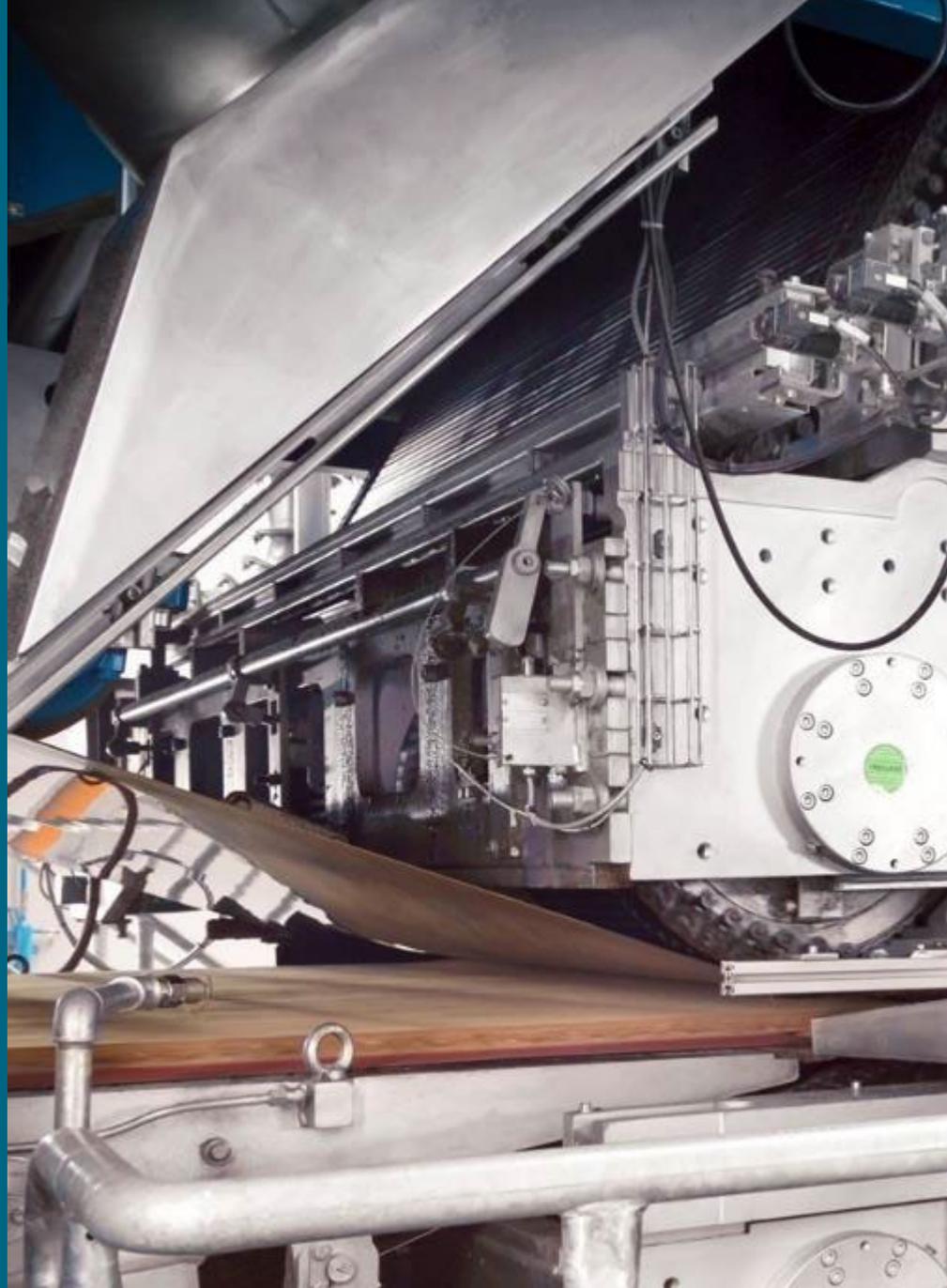


# Woodworking Machinery – Opportunities in a Challenging Market Environment

February 20, 2025

VDMA Woodworking Machinery

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# Opportunities In a Challenging Market Environment

## Agenda

- 1. Market environment & economic situation** – Current status and trends
- 2. Future opportunities** – Strategies for sustainable growth
- 3. Political framework** – Key demands for competitiveness

## A world full of uncertainty

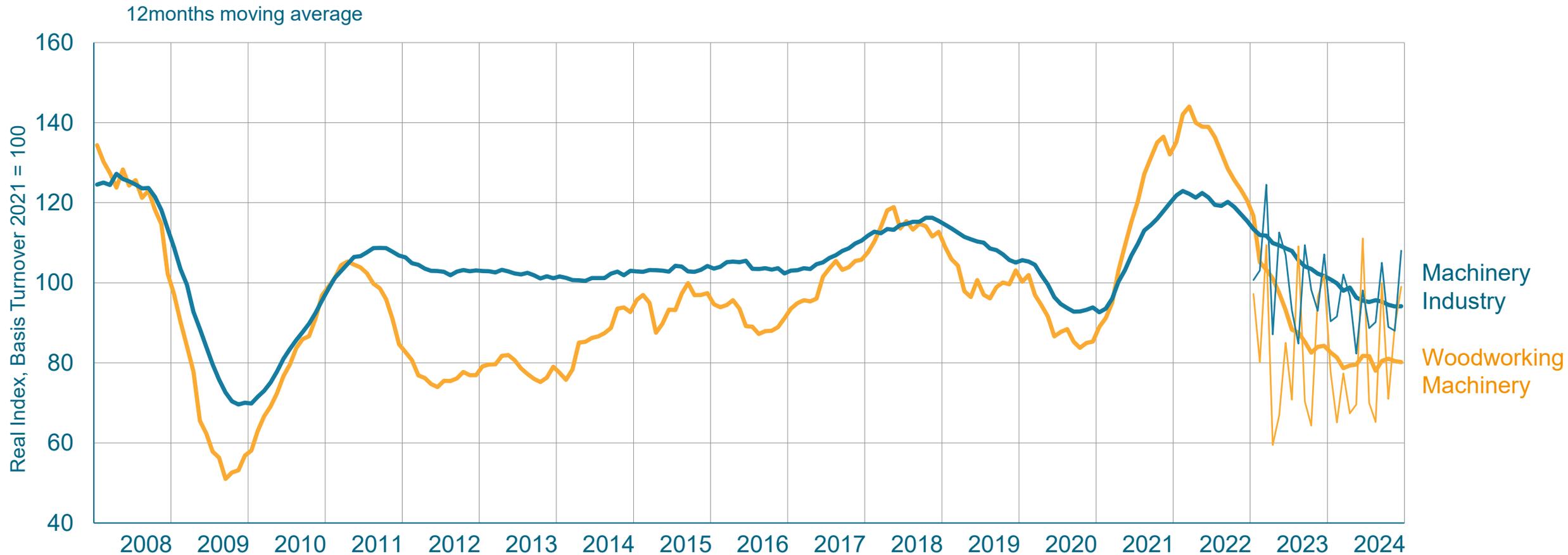


- **Economic Slowdown** – Weak markets, declining demand, and slower growth in major economies.
- **Geopolitical Tensions** – Ongoing conflicts (e.g., Ukraine, Middle East, Taiwan), trade wars, and sanctions yield uncertainties.
- **Climate Change** – Extreme weather events, energy transition challenges, and regulatory risks.

**A burden to entrepreneurial decision-making and investment in industry.**

# Declining Demand Following Robust Pandemic Years

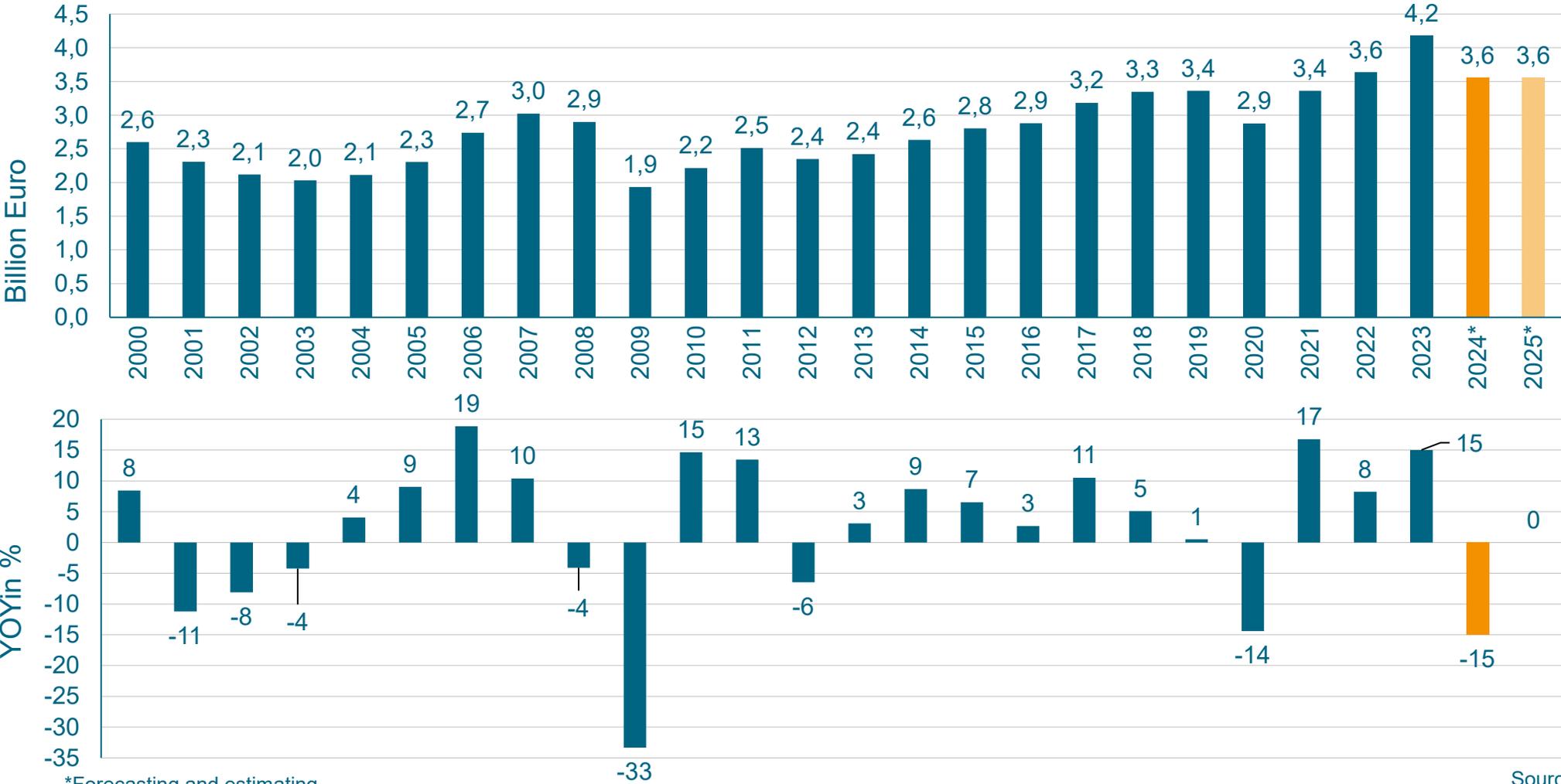
## Incoming Orders in Machinery Industry and Woodworking Machinery



Source: VDMA

# Production of Woodworking Machines in Germany

## Unexpected all-time high in 2023 – Decline in 2024 and 2025

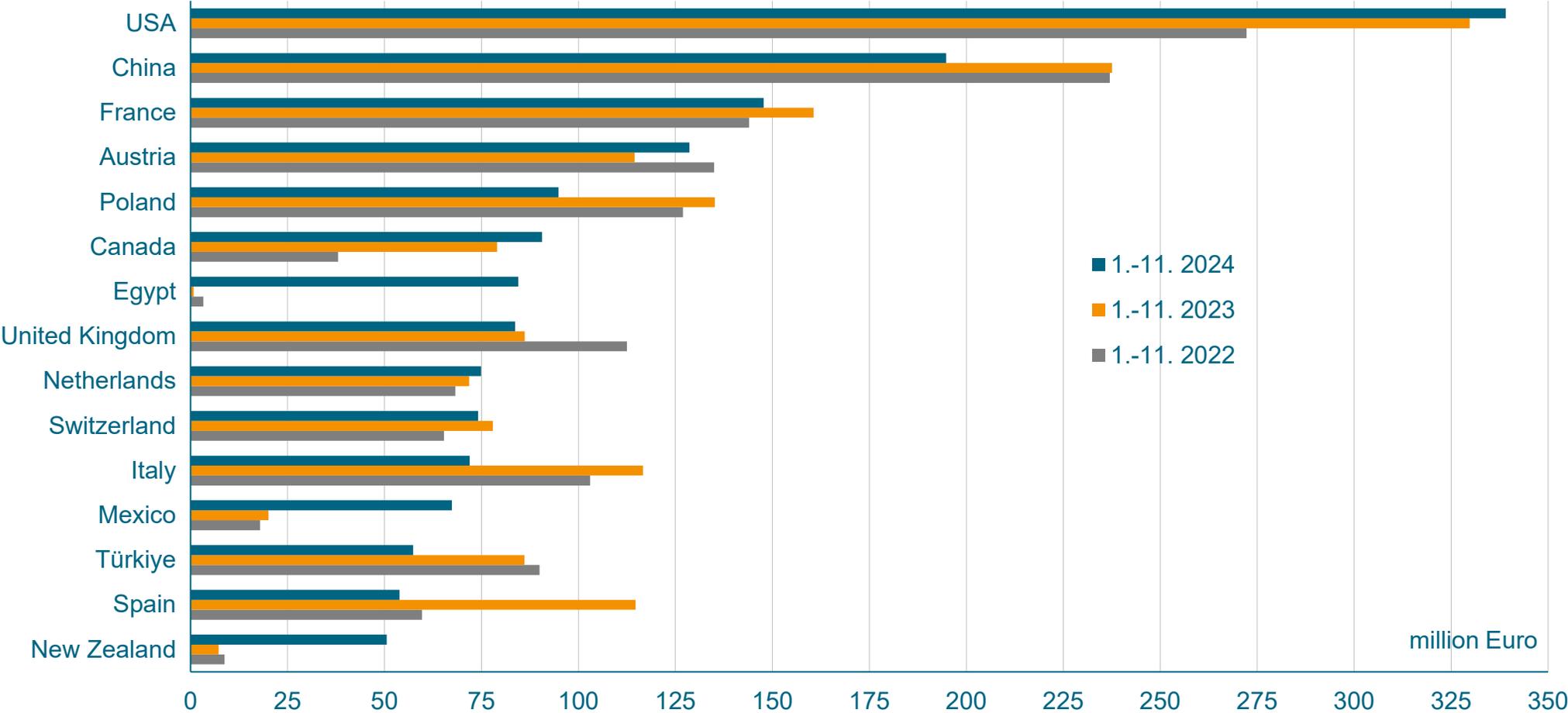


\*Forecasting and estimating

Source: VDMA, Statistisches Bundesamt

# German Exports of Woodworking Machinery Jan. – Nov. 2024

## Weak Core Markets in Europe, USA Strong, and there are Opportunities



German Export, Jan.-Nov. 2024: -11,6%, 2,2 bn. Euro

Source: VDMA, Macrobond, Statistisches Bundesamt

A vertical image on the left side of the slide showing a stack of light-colored wooden planks, likely pine or spruce, arranged in a staggered pattern. The planks are stacked horizontally, with some showing natural wood grain and knots. The lighting is even, highlighting the texture of the wood.

## Strategies for sustainable growth

### The Demand is Evident...

- » Many projects in the pipeline – good level of inquiries, but without final “GO”
- » Regional impulses for the next 6 months tend to come from overseas (USA)

### ...and we are prepared!

- » Sales and Tech Partnerships with other companies
- » New Markets: Geographic Expansion and Product Diversification (“Non-Wood”)
- » Integrating Automation Innovators and Startups
- » Hiring young, tech-savvy talents



## Promising Future – Two strong Drivers

### Our Raw Material

- » Wood means **sustainability** and is the material of the **future**.



### Automation

- » Scarcity of skilled labor whilst increasing demand for individualized products (mass customization) yields higher level of automation, which our industry is exceptionally well prepared for.



# Wood-based Construction and Housing

- » Positive image and increasing public acceptance
- » Growing market share in construction and housing (despite bureaucracy and regulatory barriers)
  - » In Germany, around 22% of all residential and non-residential buildings are now made of wood, and the figure for detached and semi-detached houses is as high as 28%.
- » Many current projects for wooden buildings of unknown dimensions, e.g. in Osaka (Grand Ring), Eindhoven (Dutch Mountains), Berlin (Schumacher-Quartier)



# Our Customers' Key Challenges

## Production...

- » Labor and skills shortages require **automation** and **digitalization**
- » Cost and material efficiency pressures drive demand for **smarter production technologies**

## ...and Product

- » Sustainability through recycled and alternative raw materials
- » Intelligent solutions for timber construction
- » Innovative wood-based materials (e.g. wood foam or 3d-printed wood)

## Machinery Industry as Solution Provider

# The future for our Woodworking Community is promising

- » Continuously developing new ideas for products and production technologies
- » Huge opportunities for us, the machinery industry, and our customers
- » Policymakers must establish competitive framework conditions and, most importantly, reduce bureaucratic obstacles for wooden housing and construction



Bildquelle: Oliver Maier, Voodin Blade Technology

## Liebe Politiker,

wir bauen auf euch!

Genau wie 4 Millionen Arbeitskräfte und  
40 Millionen Mietende.



See you in Hannover!

