

The regular exchange of information with you is important to us. We are convinced that this is the basis for mutual success, which is why we at STEINEL Solutions are committed to transparent and customer-oriented communication. With the STEINEL News format, we report the most exciting news from STEINEL, inform you about current events on the procurement market, offer you some market news and take a look at technologies.



MERRY CHRISTMAS.

INNOVATE. INSPIRE.

Raw material and supply chain management

European distribution market shrinks by 30 per cent

According to DMASS Europe, the European component markets recorded a significant correction in the summer quarter of 2024. The market shrank by 30.2% to €3.64 billion, with semiconductors being particularly affected with a decline of 38% to €2.27 billion – the lowest figure since the beginning of 2021. Germany showed the strongest losses with a drop of almost 50%, while the United Kingdom and the Iberian Peninsula remained relatively stable. Within semiconductor products, programmable logic, MOS Micro and other logic products were the hardest hit, while optoelectronics fared comparatively better with a drop of 20%.

IP&E components (interconnect, passive, electromechanics) performed more robustly, with a decline of only 12.3% to 1.37 billion euros. Passive components in particular were hit harder than electromechanical components. In regional terms, Germany, Austria and Turkey recorded disproportionately high losses.

Hermann Reiter, Chairman of DMASS Europe, emphasised that although the current market correction following the recent shortage was expected, it was stronger than forecast. The outlook for 2025 could improve, despite existing challenges such as high customer inventories and low new business momentum. In the long term, he sees the distribution industry as a central player in the industrial transformation, while the shortage of skilled labour and structural changes remain key challenges. However, according to Reiter, the industry offers considerable potential for innovation and attractive career opportunities. (1)

Within the components market, passive and electromechanical components are still making ends meet with very small volume reductions. The situation is all the worse for semiconductors, which is causing many manufacturers to shut down entire factories. Other companies are putting the planning and construction of new factories on hold. They do not want to overproduce their components, as this would inevitably lead to a collapse in prices. The other side of the coin, however, is that a significant increase in capacity in these cases takes at least 12 months, even with existing factories that have 'only' been shut down.

Delivery times - situation in the semiconductor industry

The semiconductor industry is currently experiencing a typical correction phase after a long period of euphoria. While high demand and supply bottlenecks led to mass pre-ordering and hoarding during the peak phase, warehouses are now full, orders are declining and there is excess stock. As a result, buyers are sharply reducing their orders, especially for high-runner products, in order to reduce stocks and secure liquidity. However, slow-moving items remain a problem as they take significantly longer to reduce. Delivery times have normalised, manufacturing capacities are stable and there are no bottlenecks in the supply chains.

Nevertheless, the current reluctance to buy could lead to a sudden shortage of important products - especially high-runners - in the medium term when demand picks up again. Delivery times of 12 to 20 weeks can then be expected. The current phase should be used to proactively secure strategic items for the long term, for example through framework agreements and logistics systems. Cautious but planned purchasing will help to avoid future bottlenecks and guarantee stability for customers and management. The focus should be on returning to a sustainable normality. (2)

Only sensible planning across all levels (customer - STEINEL - component suppliers) will save us from problems and the associated additional costs in 2025.

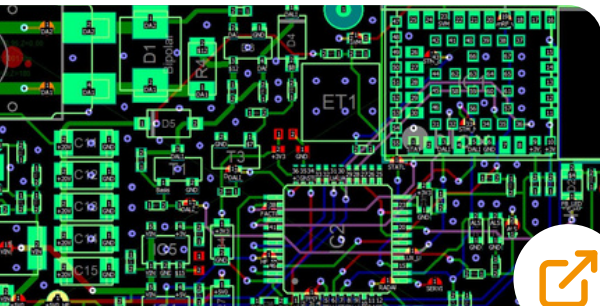
Certifications and quality standards



DNK

The German Sustainability Code is a cross-industry transparency standard for reporting on corporate sustainability performance. STEINEL Solutions was also certified as part of its affiliation with the STEINEL Group.

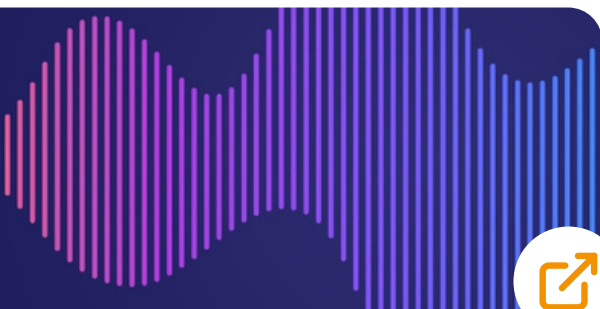
Specialist article



PPCB design - From electronics development to production, everything revolves around the printed circuit board

The (usually) green, copper-coated PCB is a central component in an electronic product and an indispensable part of the electronics industry. Andreas Höhn, Head of PCB Design & Electronics Development Laboratory, describes the interface role of a PCB designer and highlights the key contribution that a PCB makes to a successful end product.

References



Industrialisation and manufacturing services for a visionary audio device

With the Auracast™ TV Streamer, Arendi Products GmbH has created a visionary audio product that enables new audio experiences thanks to Bluetooth® Auracast™ technology.

STEINEL Solutions supports Arendi with EMS services in the areas of product optimisation consulting and industrialisation and is a manufacturing partner for the products.

Sources: (2) [Elektroniknet](#)

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