

The UK EMS Industry

2021-2026



Report Synopsis

The UK EMS industry is focused on the aerospace and defence, including security, medical, control & instrumentation, industrial, energy, including renewable, cleantech and transportation industries. For EMS companies these sectors will provide significant opportunities. They are highly fragmented with few large- volume manufactures and a large number of small and medium sized companies often working in niche markets. Their demand is centred on high mix, low to medium volume production that can be supported, certainly in the industrialisation stage but often through the complete product life cycle, by UK manufacturing.

In 2020, the UK EMS market was boosted by strong growth for COVID related medical equipment, in particular ventilators, with several companies reporting significantly lower revenues in 2021 as demand returned to pre-pandemic levels. As a result, and combined with the shortage of materials and components, growth was limited to 0.4% in 2021 despite strong underlying demand. UK EMS revenues increased by an estimated 7.0% in 2022, growth boosted by the carry-over of delayed orders from the prior year and the pass through of higher material and component prices at no margin. Based on the current outlook UK EMS revenues should benefit from strong underlying demand, this despite a weakening economy, with GAGR growth of 5.0% in the period to 2026.

Within the UK the EMS industry there are around 250 to 260 companies with UK manufacturing operations. In 2021, Plexus was the leading EMS provider based on revenues generated from manufacturing operations in the UK and was followed by Sony, Axiom, STI and ESCATEC. The Top 5 companies accounted for 22.5% of UK EMS revenues in 2021 and the Top 10 34% of revenues.

Although TT Electronics Global Manufacturing Solutions division reported global sales of £323.0 million in 2022 (2021: £220 million) the company has scaled back its manufacturing presence in the UK and combined with delayed orders during the year , the company dropped out of the Top 10 in 2021.

Overseas-owned companies accounted for 38% of UK generated EMS revenues in 2021, and accounted for the Top 8 companies, twelve of the Top 20 and 13 of the Top 30. Foreign-owned companies pose a significant threat to the leading UK-owned EMS providers by being able to utilise their UK manufacturing operations for prototyping/NPI and then move volume production offshore to take advantage of lower costs or to produce in the market of consumption.

The need to be competitive in both the latest technology and the range of services offered will make it difficult for UK companies with sales currently under £10 million to scale-up their activities. As a result, the UK EMS industry will continue to be characterised by a long tail of smaller companies.

This fully updated report, a part of Reed Electronics Research's series of studies on the European Electronic Manufacturing Services (EMS) Industry provides a strategic assessment of the UK EMS industry for the period 2021-2026 and includes:

- EMS revenue forecasts through to 2026 for the UK and summary data for Europe.

- An overview of the key markets and drivers for the UK EMS industry.

- A ranking of the Top 30 EMS providers with UK manufacturing facilities & the Top 20 based on global revenues.

- Profiles of the leading 39 UK EMS providers.

- A directory of approaching 260 UK EMS manufacturing facilities.

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Companies Profiled: Active PCB Solutions; Asteelflash Bedford; Axiom Manufacturing Services; Axis Electronics; CB Technology; Challenger Solutions; Chemigraphic; Cogent Technology; Connor Solutions; Corintech; Custom Interconnect; DVR; Dynamic EMS; EC Electronics; Elite Electronic Systems; ESCATEC Mechatronics; Esprit Electronics; Icon Electronics; Incap Electronics UK; Integrated Technologies; Jaltek; Kelvinside Electronics; Kingfield Electronics; N.E.M.CO; Nitronica; NOTE; OSI Electronics; Pektron; Plexus; Raytheon; Season Electronics; Smart Made Simple (SMS Electronics); Sony UK Technology Centre; Surface Technology International; Texcel Technology; Tioga; TT Electronics; Ultra EMS; Wilson Process Systems

5 Directory of UK EMS Manufacturing Locations

No of Pages: 92

Who will benefit

RER's Series of reports on the Electronics Manufacturing Services (EMS) industry is essential research for all areas of the electronics industry including:

- Distributors and manufacturers of electronic components and materials - the profiles and directory provide a detailed analysis of potential customers, highlights growth markets by sector and country/region. The understanding and interpreting of the market trends will also be important as this market further develops.

- Production equipment suppliers – the profiles and directory provide a detailed analysis of potential customers, track key EMS trends and provide location information.

- OEMs – A comprehensive guide to the major EMS companies in the UK.

- EMS – The report provides a complete overview of the UK EMS industry, including revenue forecasts, competitor information and the trends which will have an impact on business in the period to 2026.

- Other organizations which will benefit from the report include: Government, including investment organizations; Financial and industry analysts; Academic institutes & universities tracking developments in the electronics industry.

RER published its first study on the European EMS industry in 1993 and since then has tracked the development of the industry through a series of comprehensive reports. We also provide custom reports and consultancy to meet your specific information needs. For further information please visit www.rer.co.uk or contact andrew.fletcher@rer.co.uk



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