

Changing landscape of the global hygienic and aseptic valves market

COVID 19, Digitalization and Changing Consumer habits are transforming the end-user industry, as we know it.

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Hygienic and Aseptic Valves Market Outlook

The global hygienic and aseptic valves market is comprised of specialty valves primarily used for manufacturing, handling, and packaging applications that require sterile, “germ-free” conditions. These valves are widely used in the food & beverage and pharmaceuticals & biotech industries. These valves also find use in the personal care, specialty chemicals and other life science industries.

The hygienic and aseptic valves market is moderately fragmented. The market consists of a few large-scale suppliers who specialize in manufacturing single-seat and multi-seat valves (also known as mix proof valves) for both hygienic and aseptic applications. In addition to the large multinational suppliers, there are several hundreds of medium and small-scale suppliers providing quarter-turn valve type for hygienic use.

Reliability, serviceability and cleanability are the top three criteria influencing the purchase decisions of hygienic and aseptic valves. However, many of the segments within the food and beverage industry continue to operate on very low margins, so pricing continues to play a crucial factor in influencing purchase decisions as well.

The big food and beverage, and pharmaceuticals products manufacturers prefer integrated solutions and equipment providers and key vendors with processing systems integration expertise. Therefore, the majority of the hygienic and aseptic valve market revenues are generated via direct sales between the customer and suppliers who are able to provide an entire processing system over individual component suppliers.

General end-user and regional trends

Increasing capital investments in the food and beverage industry in key regions around the world, such as the US, Western Europe, China, and India, is expected to result in a steady demand for hygienic valves over the forecast period.

The ongoing urbanization, a growing middle class and rising standards of living have led to higher affordability amongst the spenders, towards specialty foods, premium pharma, and personal care products, in the emerging economies of Asia. The spike in demand for high-value food products has led to several international and domestic investments towards the production of cheese, yogurt and confectionaries. ARC has also seen an explosive growth of microbreweries brewing craft beers and winemaking in the



Aseptic single seat valves like those pictured above are designed for aseptic applications in the food, beverage, dairy, pharmaceutical, and chemical industries. Source: SPX flow

region. Also, a rise in domestic consumption of premium pharma products over domestically available general medicine has led to several international brands investing in the area.

Several instances of food-related microbial infection in processed food due to unsanitary practices have led to countries such as India and China to emphasize food safety standards, regulating the sourcing and manufacturing process. An increase in the wages of the working class in the emerging economies of Asia is steadily pushing demand for process automation. These factors have led to many domestic mid-sized end-users to migrating from manually operated batch processing to fully automated continuous processing to practice clean-in-place (CIP) process sanitization techniques and adhere to the required guidelines and standards.

The legalization of marijuana use in parts of North America is a mixed bag, with both positive and negative impacts on the market. The widespread usage of recreational marijuana has led to a decline in the demand for alcoholic beverage consumption. However, the increasing demand for medical marijuana has led to the establishment of new production processes for manufacturing cannabinoid-based pain-relieving and soothing drugs in the global pharmaceutical industry.

Impact of COVID 19 Outbreak and Digitalization

The global economic slowdown resulting from regional lockdowns and other social distancing measures due to the COVID-19 pandemic has led to a dramatic decrease in customer spending over

shutdown of plant operations for traditional processing plants despite the burgeoning increase in demand for processed foods and processed meat for domestic usage.

However, those processing plants equipped with the latest valve digitalization technologies such as remote monitoring, diagnostics, management, and maintenance were able to continue their operations with minimal personnel on-site. ARC anticipated the COVID 19 pandemic would serve as an eye-opener for end-users previously hesitant to embrace automation and digitalization of the convention process across several end-user industries.

Future Outlook

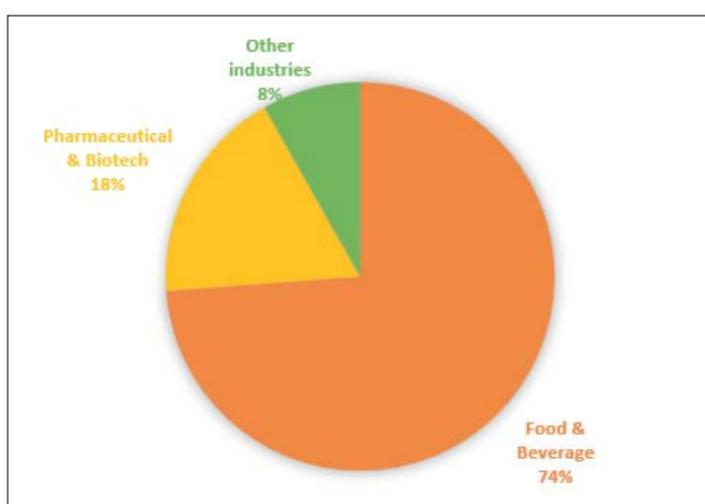
The combined impacts of the essential nature of the food and pharma businesses, along with decreased consumer spending, an expanding customer base, the growing emphasis on food safety regulations, and a drive towards process automation and digitalization will shelter the global hygienic and aseptic valves market from experiencing the historical slowdowns seen in other industries. As a result, ARC anticipates continued stable demand for hygienic and aseptic valves over the next five years.

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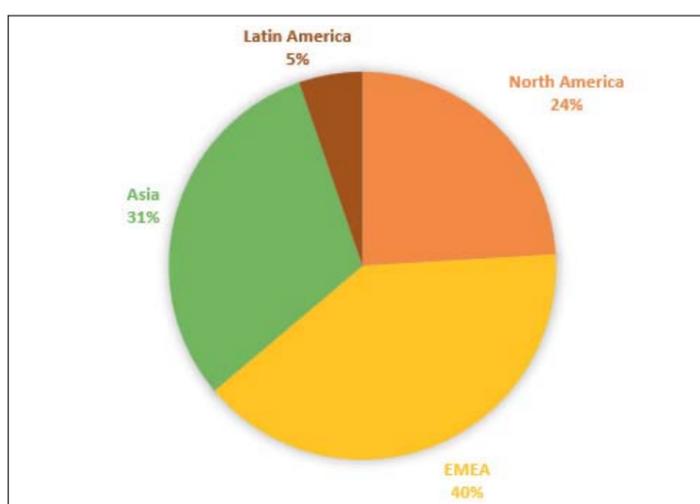
Changing lifestyles and a growing awareness towards health and wellness are the major trends influencing buying patterns in more mature markets like North America and Western Europe. These trends are driving food and beverage manufacturers to invest in the production of alternative foods such as soy and almond milk, energy drinks, high protein foods, and plant-based meat alternatives. ARC has also seen an uptick in demand for specialty health supplement products such as multi-vitamins, minerals, protein supplements, and other wellness products.

the past two quarters. However, the essential nature of the products produced by the food and beverage and pharma industries provides a buffer that minimizes the effects of global economic conditions. In fact, stay at home orders around the world have compelled many consumers to rely heavily on ready to eat/convenience foods. This trend has led to an uptick in sales of processed food across various parts of the world.

The lockdown and the spread of Infection amongst plant operators, most notably in meat processing plants in North America, forced the



Market share by industry type, Arc Advisory Group



Market share by region, Arc Advisory Group

About the Author

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team in North America and has authored several different industrial valves reports in the company. Sandeep started his career as an industrial valves design engineer and has been working as a research analyst tracking the global and regional industrial valves, process control equipment and instrumentation market for over eight years. ARC Advisory group houses seven different industrial valve studies based on various valve type and application - <https://www.arcweb.com/market-studies/hygienic-aseptic-valves>