Germany boasts an unparalleled density of renowned R&D institutes and world-leading manufacturers and suppliers for electrical and electronic materials, components, and equipment across the value chain; ranging from microelectronic components to electrical household appliances, automation systems, electronic medical equipment, and automotive electronics.

Investment opportunities are many and varied. Plug in and find out why Germany satisfies the essential conditions for market success in one of the world’s most dynamic industry sectors.
Industry Overview: The Electronics & Microtechnology Industry in Germany | Issue 2019/2020

Germany is recognized the world over as an innovative microelectronics production and research location. The country is by some distance Europe’s leading production and sales market. One in three chips produced in Europe today is made in Germany.
Photonics in Germany 2019

The German Education and Research Ministry’s brochure "Photonics in Germany 2019" provides information about the latest innovations in research and industry, long-term trends and hot international topics in optical technologies. On pages 12-13, Germany Trade & Invest discusses the importance of the photonics industry for a variety of German economic sectors and opportunities for foreign investors in the country.
The ZVEI and Germany Trade & Invest (GTAI) publish a joint paper on foreign direct investment once a year.

The publication outlines the current long-term trends in the area of microsystems technology. It informs about current developments and results from German science and industry.
Fact Sheet: Photonics in Germany | Issue 2017/2018

Germany is Europe’s leading photonics nation, with more than 41 percent of continental production.

Fact Sheet: Microelectronics in Germany | © GTAI

Fact Sheet: Microelectronics in Germany | Issue 2017/2018

Germany is a major microelectronics force, securing its place at the top of the international table as Europe’s leading semiconductor production location.
Testimonials

Roberto Multineddu, Managing Director, DAIKIN Applied Germany GmbH

“We are an applied dedicated company, sales and service for large scale air-conditioning for commercial and industrial applications. In 2016, we decided to expand our business especially in Germany, because there is a big market for us. The reason why we chose Frankfurt is that it is a central location within Europe, an international environment, and a vibrant start-up scene. To reach this conclusion, we had big support from the GTAI team to study the market and German culture in a very short term, which we appreciate very, very much!” (2018)
Michael Sorkin, General Manager - Formlabs GmbH

"Formlabs, the leading manufacturer of accessible 3D printing solutions, chose Germany to establish its European operations. From our EU headquarters in Berlin we are able to work with leading engineering companies to implement 3D printing into their prototyping and digital manufacturing needs. Germany is the land of engineering and the perfect place to develop Formlabs’ innovative 3D printing solutions." (2016)
Ed Nabrotzky, Chief Solutions Officer - Omni-ID Inc.

"Germany has long been a thought leader in manufacturing and automation. Most recently, the vision and investment in Industrie 4.0 has started bringing together some very interesting vendors and concepts that we are convinced will play a big part of the future of the plant floor. Being an engaged part of this ecosystem was a major factor in founding our new German subsidiary last year." (2016).

BAI Li, General Manager, Liaoning Julong Europa | © Liaoning Julong Europa/GTAI

BAI Li, CEO - Julong Europe GmbH

"Germany is a high-tech country, one in which we treasure the professionalism, knowledge and high level of education among the workers. Talented workers are the most important conditions for the development of a company and the key element of Germany’s global competitiveness. That is a reason for us to select Germany as an investment location." (2013)

Our Industry in Numbers

- EUR 191.5 billion turnover
- 872,000 employees in Germany (+ 706,000 abroad)
- 29% of all R&D employees in Germany
- EUR 17.2 billion R&D expenses
- EUR 26.5 billion innovation expenditures
- 24% of total R&D expenditures of German industry
- 26% of total patent applications in Germany (12,000 per year)
- 1/6 of all "hidden champions" in Germany
- 22% of all Foreign Direct Investment in Germany
- 51% export share (13% of total German exports)

Source: ZVEI 2018
"Leadership in materials, equipment, and device manufacturing makes Germany an ideal place to bring next-generation electronics to market."

*Oliver Seiler, Director Mechanical & Electronic Technologies, Germany Trade & Invest*

**Market Opportunities: Internet of Things**

Internet of Things applications are of significant strategic importance for microelectronic manufacturers. According to McKinsey, IoT will create up to USD 11 billion in value added in 2025. This is equivalent to around 11 percent of global economic output; with the most lucrative application markets being the production (up to USD 3.7 billion), cities (USD 1.7 billion) and health economy sectors (USD 1.6 billion). Within Germany, IoT-generated turnover is expected to double in just two years from a forecast level of EUR 24.5 billion in 2018 to more than EUR 50 billion in 2020 according to Deloitte.
The Internet of Things also gives rise to the age of the “connected car” and, ultimately, autonomous vehicles. The automobile sector is driving increased chip demand, with increased digitalization and electrification creating semiconductor growth of more than 100 percent over the last 18 years. Automotive electronics account for around 80 to 90 percent of innovations in modern vehicles and is the semiconductor sector’s main industry sector client, accounting for around 45 percent of domestic industry demand. Germany shows the highest growth rate forecasts in the usage of microelectronic for vehicles in Europe.

Market Opportunities: Automotive Electronics
Market Opportunities: Automotive Electronics

Germany shows the highest growth rate in the usage of microelectronic for vehicles among well established automotive regions and countries

Usage of microelectronics for vehicles (in USD billion) and its compounded annual growth rates
Comparison across different world regions and countries in 2016 and 2021

Market Opportunities: Automotive Electronics - Usage of microelectronics for vehicles (in USD billion) and its compounded annual growth rates | © German Electrical and Electronic Manufacturers’ Association (ZVEI) (2017)

Features Markets Germany
Markets Germany 02/2018 - The Cluster Republic | © GTAI

Issue 02/2018

- "Welcome to the Cluster Republic"
Issue 01/2018

• "The Secret Agents of Industry 4.0"

Issue 03/2017

• "The Power of Tiny"
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