

Growth, uninterrupted

Demand for power quality, backup, and generation drives sales. by Dan Carazo

According to Yolanda Hernandez, director of marketing for Chloride Power, the North American market makes up 42% of the global market for single-phase and three-phase uninterruptible power systems (UPS) products. "North American sales of single-phase UPS products currently total \$2.1 billion, while three-phase UPS sales are at \$1.4 billion, and services that support both of these segments total \$900 million," Hernandez said.

"The UPS market is currently experiencing a convergence between IT and power solutions," she added. "In terms of applications, IT represents close to 50% of the total market driven primarily by data centers."

Not surprisingly, energy efficiency is playing a key role in creating demand.

"Concerns about rising energy costs and power consumption due to denser servers and data center retrofits are driving customer demand for better—as well as more efficient—power quality equipment monitoring management systems," Hernandez said. "North American sales growth can be attributed to steady growth in IT—for example, the healthcare UPS market is estimated to grow at a CAGR of 9.4% between 2007 and 2014, driven by the deployment of IT equipment."

In another UPS market, the need for improved power quality and power backup applications designed to support the industrial market has exploded in recent years.

"We've seen a big surge of interest in the use of single-phase UPS in the industrial channel," said Suzette Albert, senior product manager for EGS, Solahd. "There has been an increased usage of smaller UPS from 300VA to 20kVA as industrial facilities have grown to rely more heavily on microprocessor-based PCs, robotics, and control-oriented processes."

Albert noted that many buyers are

choosing to spend a little now rather than a lot later.

"In 2009, the North American market for single-phase UPS in the 300VA to 20kVA range will increase 5% to 6% to \$200 million," Albert explained. "This growth is being driven by the reasonable costs for UPS products compared to the often staggering costs for an unprotected equipment failure or assembly line downtime."

GENERATE DEMAND

"The generator market is immense," said Dean Van Riper, corporate marketing for Baldor Electric. "The most significant trend is that the loss of power has become a serious issue in the minds of the corporate world. More commercial standby units are being installed today due to the huge business loss from power outages.

"We are seeing steady growth in 20 to 500kW power systems for mobile generators and commercial standby," he continued, "and steady growth is expected in the foreseeable future for larger power systems in 500kW to

2,000kW power nodes, as what was once seen as a luxury has now evolved into a necessity."

"In our business, we see growth in both land-based and marine generators, with marine's growth significantly higher," said Dan Roemer, account manager, large motors and generators for ABB. "Demand for these generator systems is caused when generating capacity cannot meet demand. This may be due to a continued rise in demand for electric power, growth associated with the building of new infrastructure,

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or long lead times for other components during construction."

According to Roemer, generator set packagers, engine manufacturers, and system integrators are the primary markets that require generator products.

"Energy-efficient operation is usually an important factor for these products," he said. "The U.S. government is looking for industry to provide energy savings and reliable power production." ■

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PLUGGED IN: The N.A. generator set markets are estimated to reach \$4.29B in 2013. (Source: Frost & Sullivan)