



Opportunities in the Gear Market?

AVL Consulting and Ecenarro investigated the automotive gear market to understand its potential for further growth of Ecenarro

SUCCESS STORY





THE CHALLENGE

Ecenarro is a specialist in cold forming and a global manufacturer of complex parts for the automotive sector with plants in Spain and Mexico. With an extensive product portfolio that includes essential parts for seating systems, brake systems, steering, suspension and stabilizers as well as chassis, wheel systems, exhaust systems, and engine, Ecenarro knows exactly what its customers need.

In light of electrification, some of Ecenarro's products are affected by the decline in volume of vehicles with conventional powertrains.

To meet the challenge of a changing market, Ecenarro has decided to diversify its business and enter new markets with a new product. One possible option would

be to enter the high-end gear market for automotive applications.

On average a vehicle contains around 100 relevant gears, and they are used in a wide variety of applications, from timing drive for engines, gears in transmissions, steering systems and electro-magnetic brake systems.

Prior to any investments in production, Ecenarro must identify the opportunities and risks of entering the gear market: e.g., which types of gears are expected to grow? How is the entire market expected to evolve?

THE SOLUTION

When Ecenarro was looking for a solution, they knew that AVL would be able to provide them with the most accurate data possible. They were right! Ecenarro commissioned AVL to assess the market expectations for different types of gears.

AVL's databases and previous projects created the basis for this consulting project. But even more essential was the combined input from AVL's experts for engine, transmission and vehicle – all with at least 20-30 years of experience!

AVL investigated the current and expected future demand for gears. To get a complete picture, the following things had to be considered:

- use of gears in various vehicle systems (powertrain, vehicle)
- gear materials
- required accuracy (noise, lifetime requirements)
- engineering efforts as a function of vehicle segments and propulsion type.

THE RESULT

Within two months, AVL's team of experts was able to provide an independent assessment and make predictions about future trends.

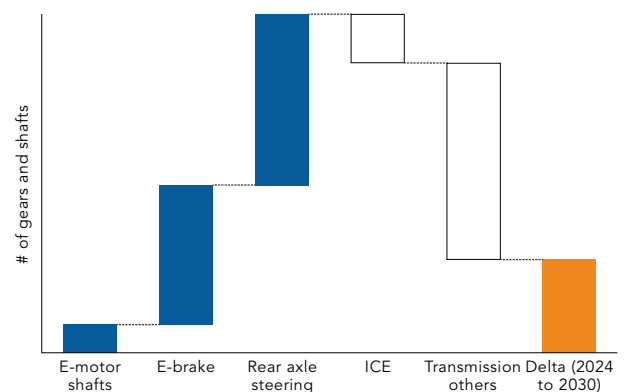
The results show the quantitative distribution for the above-mentioned categories. For obvious reasons, demand for conventional systems such as transmissions is declining. However, others, such as rear-wheel steering systems or electromechanical braking systems, are increasing strongly.

AVL identified certain opportunities for Ecenarro, like high-end gears, but also high-volume standard gears with a limited number of possible customers. This provides valuable input for Ecenarro's business case investigation.



THE PROJECT WITH AVL HELPED US TO HAVE A HOLISTIC APPROACH TO THE MARKET EXPECTATIONS FOR GEAR-TYPE PRODUCTS IN THE AUTOMOTIVE SECTOR. THANKS TO THE RESULTS OBTAINED, OUR PORTFOLIO STRATEGY IS BEING REDEFINED WITH A MUCH DEEPER AND DATA-DRIVEN POINT OF VIEW.

Unai Cornes, Head of Product Engineering and Innovation in Ecenarro S.Coop.



Despite the decline of ICE and transmission, demand for relevant gears and shafts is increasing.



THE ADDED VALUE OF AVL CONSULTING

AVL covers the entire vehicle development process with its engineering, simulation and test solutions. Combined with our strong involvement in current development projects, this allows us to assess current market expectations for gears and the likelihood of updates and further developments impacting the gear demand.

Our research serves Ecnarro as a well-founded and independent second opinion to validate their own preliminary research. It provides valuable input for their business case investigation to future-proof the product portfolio.

- Quantitative and systematic investigation
- Covering the entire automotive gear market
- From a cross-domain team of AVL experts with up to 30 years of experience each.

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