



SBI Energy

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## 2011-2015 Identified as Pivotal Period for Global Smart Grid-Enabling Products Market

NEW YORK, NY--(Marketwire - November 10, 2010) - The next five years will be a pivotal period for the global smart grid market with grid component companies expected to leverage their sales prowess to capture long-term contracts throughout the electric grid supply chain, according to SBI Energy's new industry study **Global Smart Grid-Enabling Products Market**. Eagerly anticipated government cash incentives will prove equally crucial for developers and will inevitably spark sales of smart grid components. Many factors are driving the smart grid-enabler products market growth but the most predominant forces are the aging grid infrastructure, the influence of product marketers to integrate their solutions into these grids, and rapidly advancing technologies required to keep pace with electricity demand. Since 2005, SBI Energy estimates that the global smart grid products market size has grown from \$26 billion to in excess of \$69 billion in 2009 -- a compounded annual growth rate (CAGR) of 22%. SBI Energy forecasts the global market size for smart grid-enabler products will surpass \$186 billion by 2015.

The study divides smart grid-enabling products into five sectors: Integrated Communications, including switches, routers, and telecommunication system technologies such as WiFi, broadband, and WiMax; Advanced Components, including inverters, flow control devices, storage batteries, and microgrids; Advanced Information and Performance Controls, including methods for monitoring power system components, enabling rapid diagnosis and timely response to any event on the grid that disrupts the flow of electricity; Sensing and Response, including technologies that enhance power system measurements and enable the transformation of data into information; and Improved Interfaces and Decision Support, which consist of technologies that effectuate decision support with improved interfaces that lead to more accurate and timely human decision making at all levels of the grid.

Short-term beneficiaries of smart grid investment are infrastructure manufacturers that provide the necessary compliant equipment and technologies. Additionally, companies specializing in the manufacture of various smart grid components (such as smart meters and integrated communications technologies) will enjoy strong demand for their products.

"The development of the smart grid involves a complex mix of technologies, devices, and systems that will be deployed throughout the electric system. The suppliers of products that enable smart grid development and improvement are embarking on substantial marketing campaigns in regions committed to smart grids," says Darren Bosik, SBI Energy analyst. "They can expect an abundance of marketing opportunities through 2015. Now that governments have laid plans for grid improvements and utilities are securing funding to actualize those enhancements, the suppliers of the tools and technologies required for smart grid deployment will become more of a near-term necessity."

Asia, Europe and the United States are the regions with the greatest revenue-generating opportunities for suppliers of smart grid-enabling products. The highest spending on smart grid initiatives will occur in these markets through 2015, with Japan and China accelerating their smart grid deployment more rapidly than other countries.

The U.S.'s dramatic investment in smart grid products is attributed to the installation of smart sensors and devices placed throughout consumer homes and office buildings. However, the smart grid-enabler products industry is comprised of a wealth of other goods and technologies that have helped to fuel sales in Asia and Europe. For instance, sensing and measuring devices continue to comprise more than half of the market share and its estimated market size in 2010 is more than \$47 billion, a 26% increase from 2009. And although it comprises the smallest market share of the five sectors, advanced components will grow sales by nearly 53% to reach almost \$3 billion in 2010.

***Global Smart Grid-Enabling Products Market*** examines several products and technologies that will either become components of the Smart Grid or will become ancillary support systems for the smart grid. The various products that enable the smart grid have been envisioned by the U.S. Department of Energy and fall into categories such as Transmission Automation, System Coordination and Assessment, System Operations, and Distributed Generation and Storage. This report delves into the products that enable these components to collaborate and form the basis of the smart grid system. For more information, please visit: <http://www.sbireports.com/Global-Smart-Grid-2827154/>.

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