The Italian Defense Industry: Market Opportunities and Entry Strategies, Analyses and Forecasts to 2016

Description: This report is the result of ICD's extensive market and company research covering the Italian defense industry. It provides detailed analysis of both historic and forecast defense industry values including key growth stimulators, analysis of the leading companies in the industry, and key news.

Why was the report written?

The Italian Defense Industry Market Opportunities and Entry Strategies, Analyses and Forecasts to 2016 offers the reader insights into the market opportunities and entry strategies adopted by foreign original equipment manufacturers (OEMs) to gain market share in the Italian defense industry.

What is the current market landscape and what is changing?

The annual defense budget of Italy in 2011 stood at US$27.34 billion, which is inclusive of homeland security, defense function and other non-essential expenditures of the military. The defense function budget of Italy’s armed forces recorded a CAGR of -2.41% during the review period. However, this is expected to increase at a CAGR of 4.46% during the forecast period. The total defense budget of Italy is also expected to increase at a CAGR of 4.46% over the forecast period.

What are the key drivers behind recent market changes?

The Italian government is keen to continue to modernize its military and equip its forces with the latest technology. Over the forecast period, government efforts to restore the competency of its forces lost during the period of lower spending will support the national military budget. Furthermore, The Italian government has awarded high priority to the peacekeeping operations of its armed forces, including UN and NATO missions. Italy is one of the leading contributors to global peacekeeping operations, and is the sixth largest contributor to the UN peacekeeping budget.

What makes this report unique and essential to read?

The Italian Defense Industry Market Opportunities and Entry Strategies, Analyses and Forecasts to 2016 provides detailed analysis of the current industry size and growth expectations from 2011 to 2016, including highlights of key growth stimulators. It also benchmarks the industry against key global markets and provides detailed understanding of emerging opportunities in specific areas.

Scope:

- The report provides detailed analysis of the current industry size and growth expectations from 2011 to 2016, including highlights of key growth stimulators. It also benchmarks the industry against key global markets and provides detailed understanding of emerging opportunities in specific areas.
- The report includes trend analysis of imports and exports, together with its implications and impact on the Italian defense industry.
- The report covers five forces analysis to identify various power centers in the industry and how these are expected to develop in the future.
- The report allows readers to identify possible ways to enter the market, together with detailed descriptions of how existing companies have entered the market, including key contracts, alliances and strategic initiatives.
- The report helps the reader to understand the competitive landscape of the defense industry in Italy. It provides an overview of key defense companies, both domestic and foreign, together with insights such as key alliances, strategic initiatives and a brief financial analysis.

Reasons To Buy:

- The report looks at historical performance as well as future industry projections using the in-house model. The report is a mixture of graphs, charts, tables and text in an effort to give the reader the maximum
possible information in the most efficient and visually appealing manner.

- The report helps marketing agencies in the industry to promote their business by aligning their capabilities and business practices with their customers' changing needs, while it also helps suppliers to benchmark their efforts with those of their competitors.

- The report uncovers the business outlook, key challenges and opportunities identified by suppliers and buyers, enabling industry stakeholders to understand the business sentiment prevailing in the industry.

Key Highlights:

- The internal security budget in the defense budget, stood at a CAGR of -2.16% during the review period, this is expected to increase at a CAGR of 4.46% during the forecast period. This growth is due to the planned procurement of transport vehicles for surveillance purposes, materials armament and technical equipment to protect the forces and increase effectiveness.

- The Italian Ministry of Defense (MOD) has gradually invested in command, control, communication and intelligence surveillance, target acquisition reconnaissance (C4-ISTAR) systems. In 2010, US$500 million has been spent on the acquisition of C4-ISTAR systems and this is anticipated to remain stable over the forecast period.

- The Italian Ministry of Defense (MOD) is expected to spend on the joint development of missile systems with other countries. These programs will be undertaken to develop and acquire advanced missile and missile defense systems for the land, naval and aerial forces of the country. The MOD plans to acquire medium-to-long range precision guided missile systems for the navy and army. The country also plans to enhance its current surface-to-surface missile systems (THESEUS) due to obsolesce.

- Defense imports to Italy fell sharply in 2008–2009, as the country faced high levels of fiscal deficit during these years and, subsequently, reduced its spending. During the forecast period, defense imports are expected to decline further, due to further cuts to the defense budget.

- Italy follows a strict offset policy for all of its defense procurements. All defense deals above US$6.5 million have an offset obligation of 70–100% of the contract value. The penalty for not fulfilling the offset obligation is 10% of the unfulfilled obligation.

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