Foreword

By: Marina Bill, Chairperson IFR Industrial Robot Suppliers Committee

Dear Reader,

Dear Robotics Community,

I am very pleased and honored to introduce the IFR report, and what an interesting time it is to reflect on the trends in our industry!

Who could have imagined the “new normal” when the year started? In the short-term, robotics and automation have played an important role in enabling many industries to quickly adapt production to items including ventilators and masks, addressing a crucial societal need.

In the longer term, COVID-19 is changing our perceptions of the role of technology in society and accelerating megatrends that will ultimately increase the adaptation of robotics and automation and that underscore the key value both bring to society.

Before we look ahead, Let us look back to 2019.

- 2019 saw the first decline after six consecutive years of growth, with approximately 373,000 units sold in 2019 (-12% compared to 2018).
- The decline was broad-based across all regions - with Asia and the Americas both down -13% followed by Europe -5%, reflected in almost all industries, led by declines in Electrical & Electronics -17% and Automotive -16%.
- China remained the largest market accounting for 38% of total worldwide installations, despite fewer units sold (-9%), followed by Japan with 13% and United States with 9% of total installations.
- By the end of 2019, approximately 2.7 million units (+12% compared to 2018) of industrial robots have been in operation worldwide.

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This broad-based decline reflected increasing global trade tensions and an overall dampening of the economic outlook and related investment climate for our key customer industries and should not hide the fact that the underlying trend of increased industrial automation remains very strong for the robotics industry.

Not surprisingly, the economic outlook continued to steadily deteriorate this year for almost all major economies with a resulting overall decline in global GDP projected to be between -3% to -6% for 2020.

Looking ahead, the WR report examines potential recovery scenarios in the Forecast section (cf. Chapter 4). However, the level of uncertainty remains very high and it is impossible to forecast with any accuracy the extent and duration of the economic impacts and the related customer industry outlook.

While COVID-19 is the greatest single catalyst for change in industry in a generation, it hasn't started any new trends. Instead, it has accelerated four mega-trends that are fundamentally changing the face of manufacturing in the long-term: the individualized consumer, labor shortages, uncertainty and digitalization.

Technology, in the shape of robotics and automation, and enabled by artificial intelligence, offers many solutions to the challenges presented by these four mega-trends – and by major events such as the pandemic. The pace of change and adoption of robotics driven by AI is accelerating -- from the largest global blue-chip companies to the smallest workshops and SMEs.

Looking ahead, the adoption of robotics and automation in a post COVID-19 world is critical, both to protect the health of the employees and to enhance business continuity.

Imagine a world where manufacturing is flexible enough to cope with unexpected changes in demand at any scale. Imagine a world where people no longer need to do dull, dirty, dangerous or repetitive work. Instead they enjoy value added employment and a healthy, more enjoyable work environment.

Despite the short-term challenges, that world is closer than you think and our industry is playing a key role in delivering that promise.

Best Wishes,

Marina Bill