



PRESIDENCY OF
THE REPUBLIC OF TÜRKİYE
**INVESTMENT
OFFICE**

WHITE GOODS HVAC, HOME APPLIANCES INDUSTRY OVERVIEW

INVEST.GOV.TR

March 2024



1 WHITE GOODS
PRODUCTION



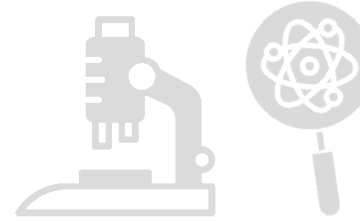
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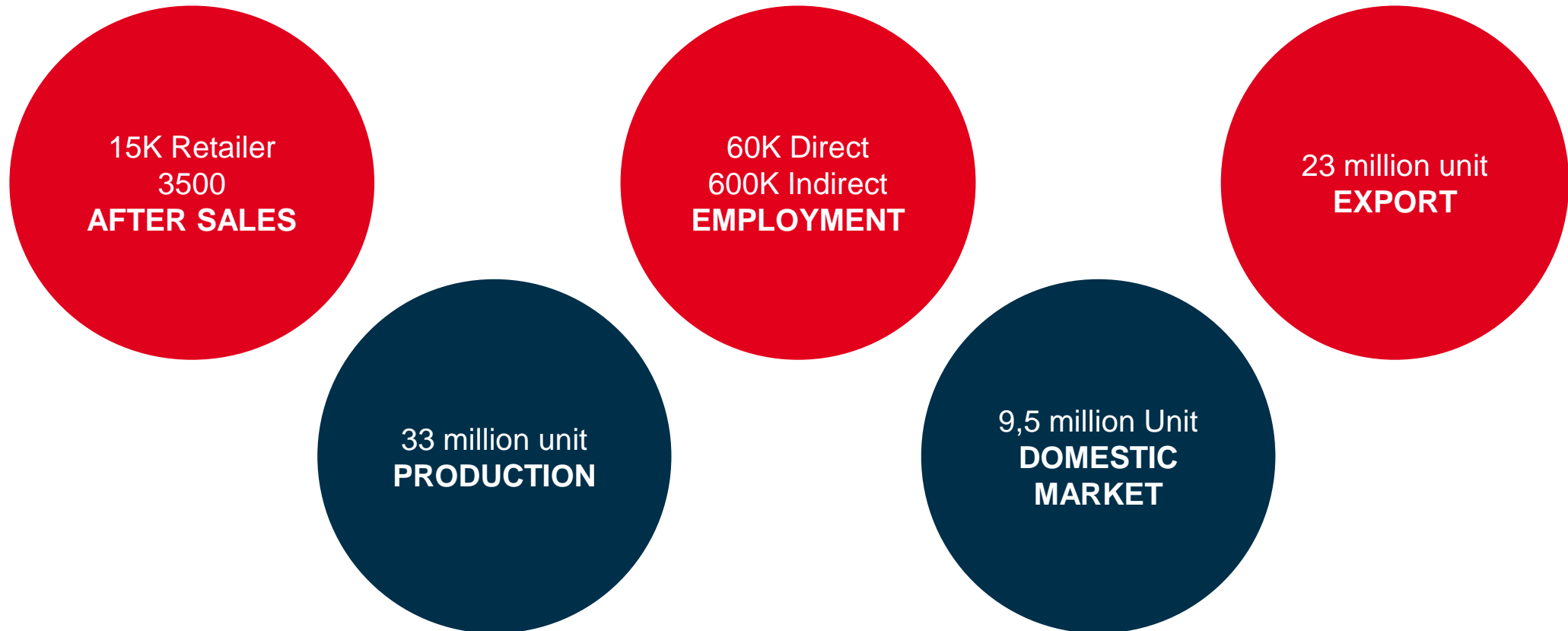
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WHITE GOODS PRODUCTION IN TÜRKİYE

TÜRKİYE IS THE SECOND-LARGEST PRODUCER WORLDWIDE, ACCOUNTING FOR 7% OF GLOBAL WHITE GOODS PRODUCTION.



KEY TAKEAWAYS



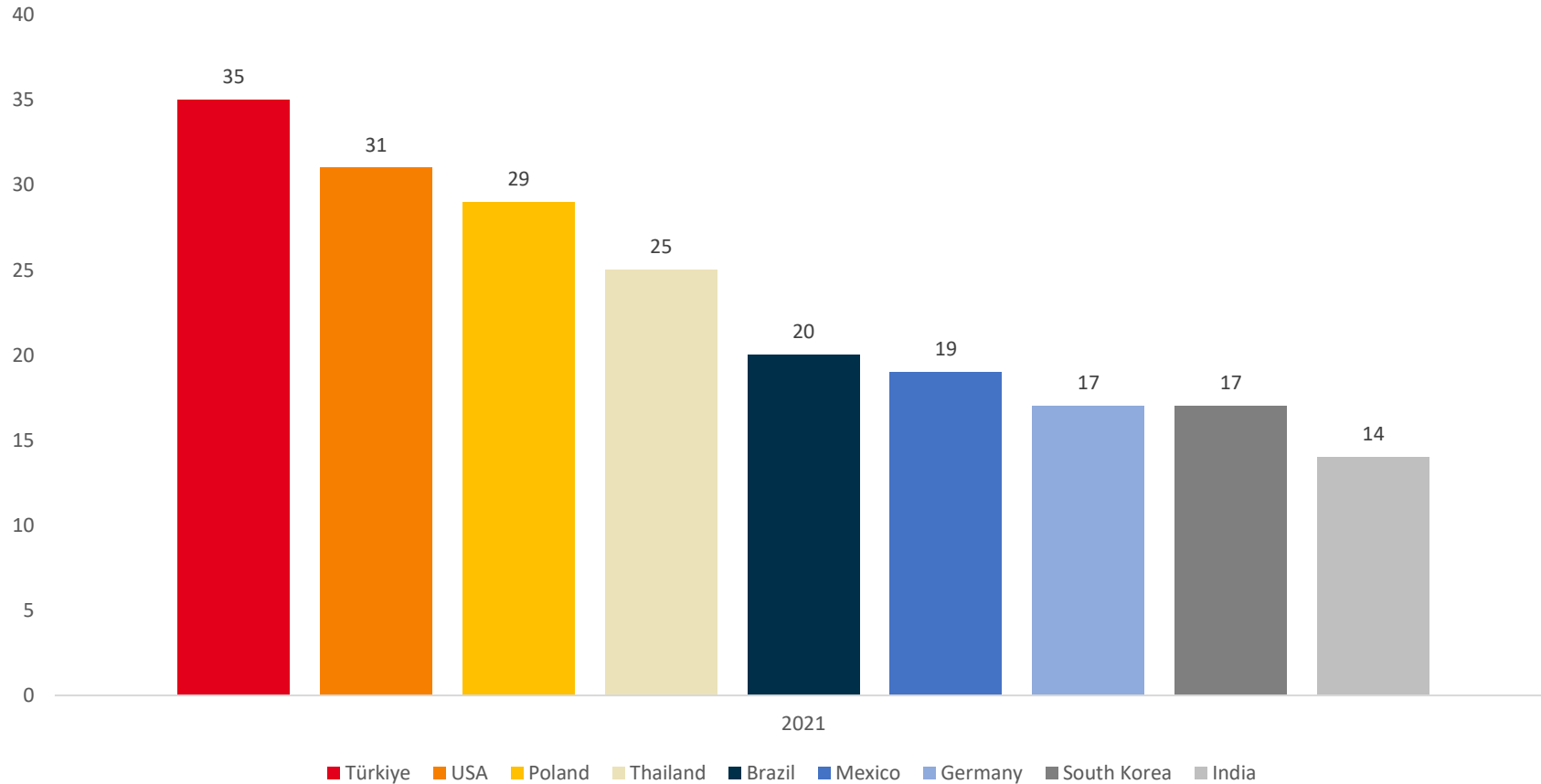
WHITE GOODS PRODUCTION IN TÜRKİYE

TÜRKİYE IS THE SECOND LARGEST PRODUCER IN THE SECTOR



MAJOR DOMESTIC APPLIANCES GLOBAL PRODUCTION (MILLION UNITS)

*China Excluded (275 Million Units)



WHITE GOODS PRODUCTION IN TÜRKİYE

Türkiye IS THE LARGEST WHITE GOODS PRODUCER IN EUROPE AND 2nd LARGEST IN THE WORLD WITH A TOTAL OF ALMOST 60,000 EMPLOYEES....



There are nine significant white good companies that have production facilities in Türkiye:



Turkish white goods industry exports 75% of its production, mostly to European countries.



- Arçelik offers a wide product range with 12 brands (Arçelik, Beko, Grundig etc.). Arçelik A.Ş.' global presence spans more than 50 countries including China and the United States. It operates through its 82 international subsidiaries and over 4,500 branches in Türkiye. The company operates 31 production plants and 30 R&D center in the world.



- Vestel Group of Companies comprises 25 companies, 15 of which are located overseas. With 20,000 employees including 1,800 R&D staff, we are engaged in efforts that shape our industry. We are bringing our technology to 163 countries of the world.



- The Group, one of the largest white goods manufacturers in Europe, relocated its factory from China to Türkiye with a significant investment of 70 million euros. Additionally, Candy Haier Qingdao Haier officially completed the acquisition of the Candy Hoover Group in 2019.



- Kumtel has been among Türkiye's top 500 industrial firms since 2005. In 2016, the company expanded its production and opened a home appliances factory in Ethiopia.



- Simfer is one of the leading Turkish manufacturer of home appliances with exporting to more than 150 countries and is placed in top 500 industrial corporations in Türkiye with a 6 million unit annual production capacity.



- BSH Group's largest manufacturing center is located in Çerkezköy, just 80 miles from Istanbul. They serve with main brands (Bosch, Siemens), special brands (Gaggenau) and local brand (Profilo).



- Whirlpool manufacturing mainly refrigerator and washing machine with Hotpoint, Whirlpool and Indesit brands. Arçelik signed an agreement to acquire Whirlpool's enterprise in Manisa.(May 2021)



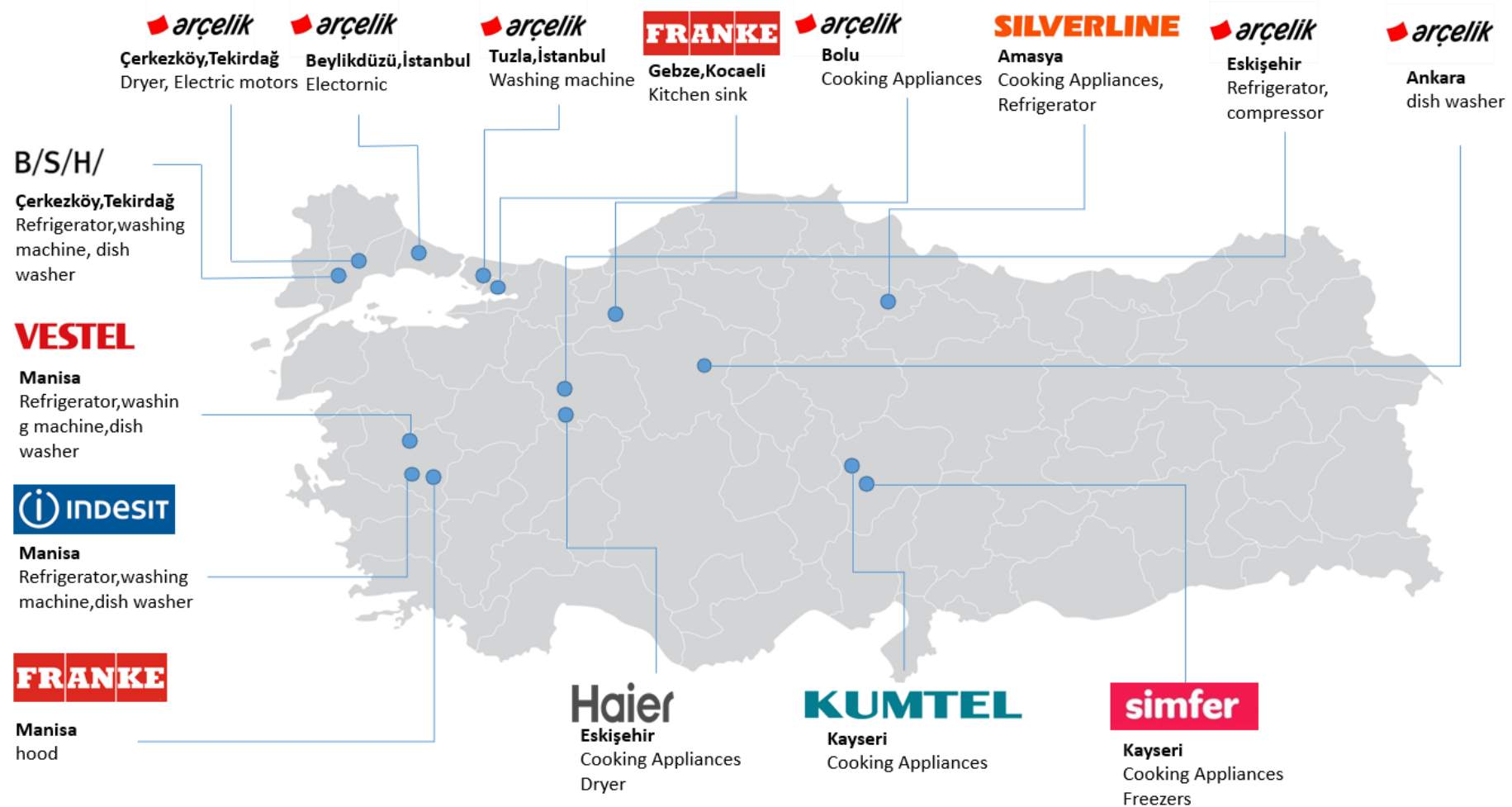
- Franke completed the acquisition of the Faber Group in 2004. Franke opened its factory in Manisa with 1.5 million product capacity that is 5th biggest production in the world.



- Silverline exports to more than 70 countries. The company is one of the top five hood manufacturers in Europe and one of the top ten in the world and has an annual production volume of 2.3 million.

WHITE GOODS PRODUCTION IN TÜRKİYE

BELOW MAP SHOWS LOCATION AND PRODUCT LINES OF THE FACILITIES. ISTANBUL, TEKIRDAG, MANISA, ANKARA, ESKISEHIR AND KAYSERI HAVE EVOLVED TO BE CLUSTERS FOR WHITE GOODS PRODUCTION.



WHITE GOODS IN THE LAST 5 YEARS

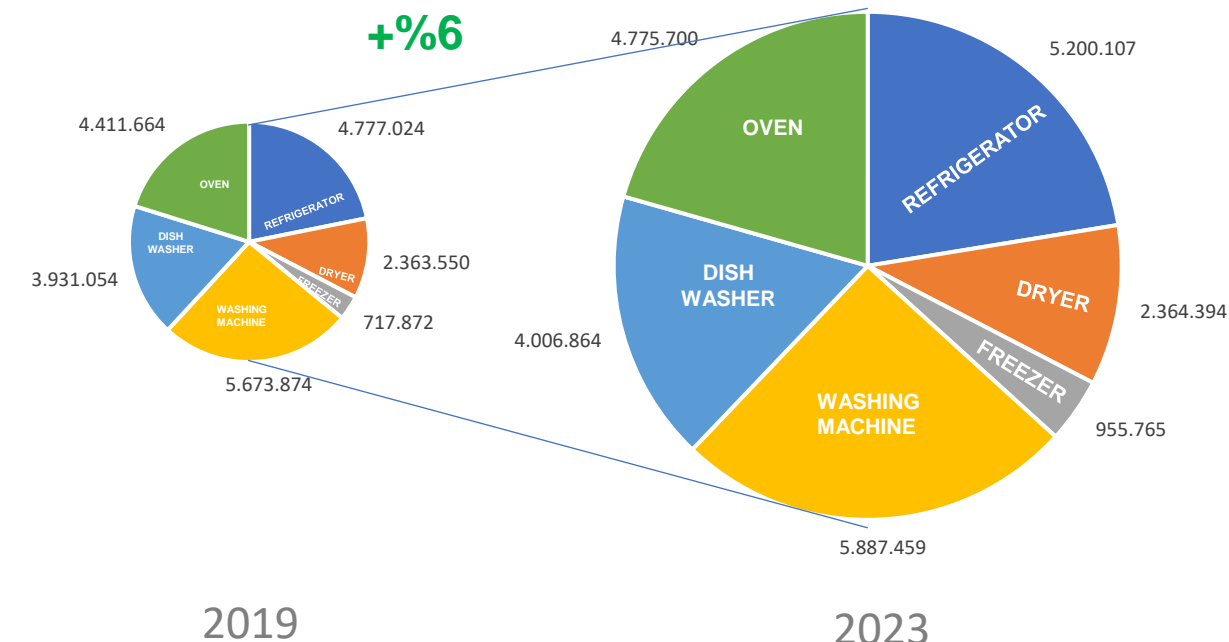
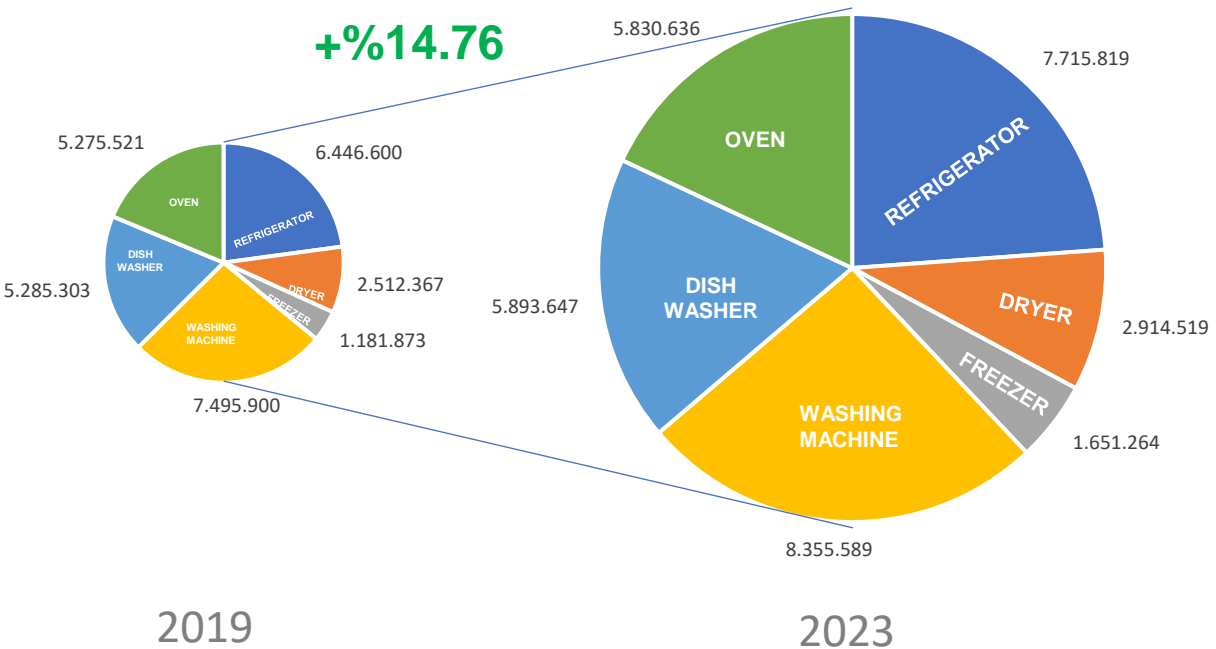
PRODUCTION, EXPORT AND DOMESTIC SALES OF 6 MAIN PRODUCTS



PRODUCTION AND EXPORT CAPACITY INCREASED IN 5 YEARS (UNIT)

PRODUCTION (UNIT)

EXPORT (UNIT)

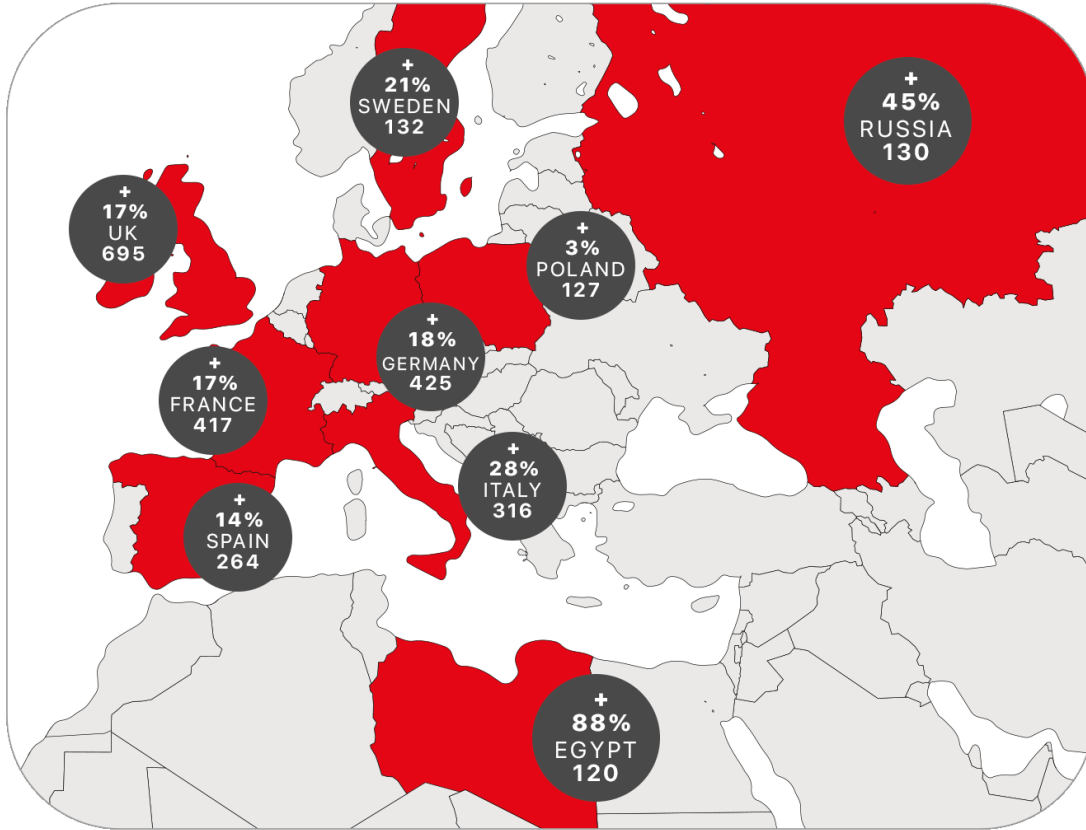


WHITE GOODS IN THE LAST 5 YEARS

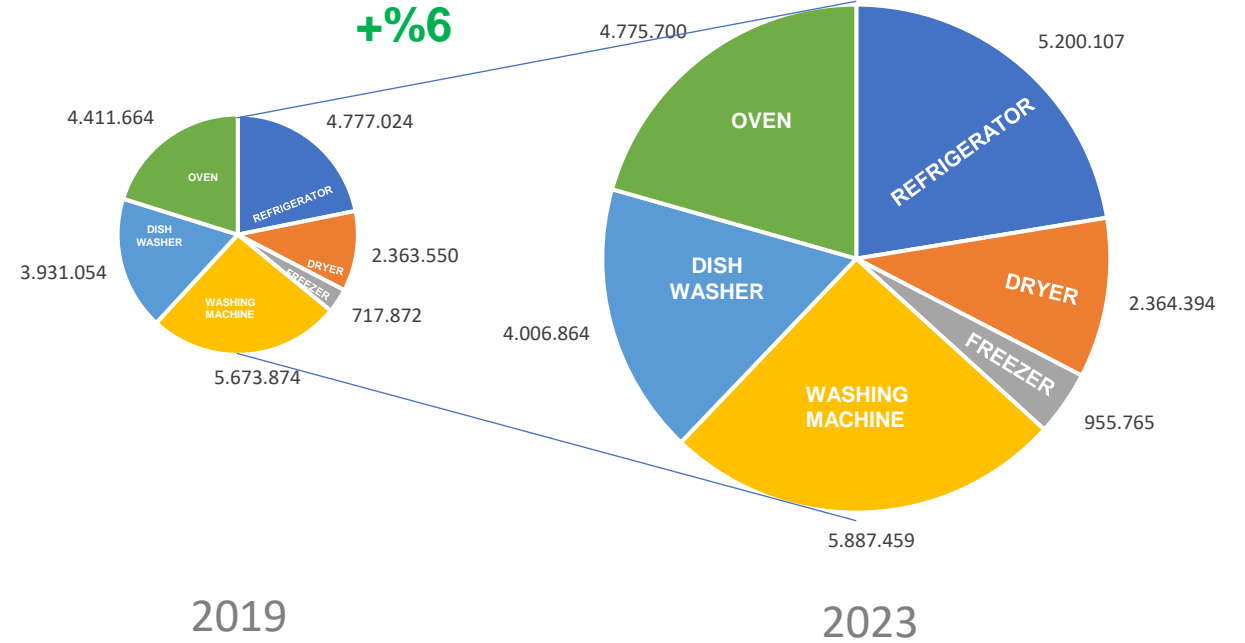
EXPORT OF 6 MAIN PRODUCTS



TÜRKİYE WHITE GOODS EXPORT



EXPORT (UNIT)



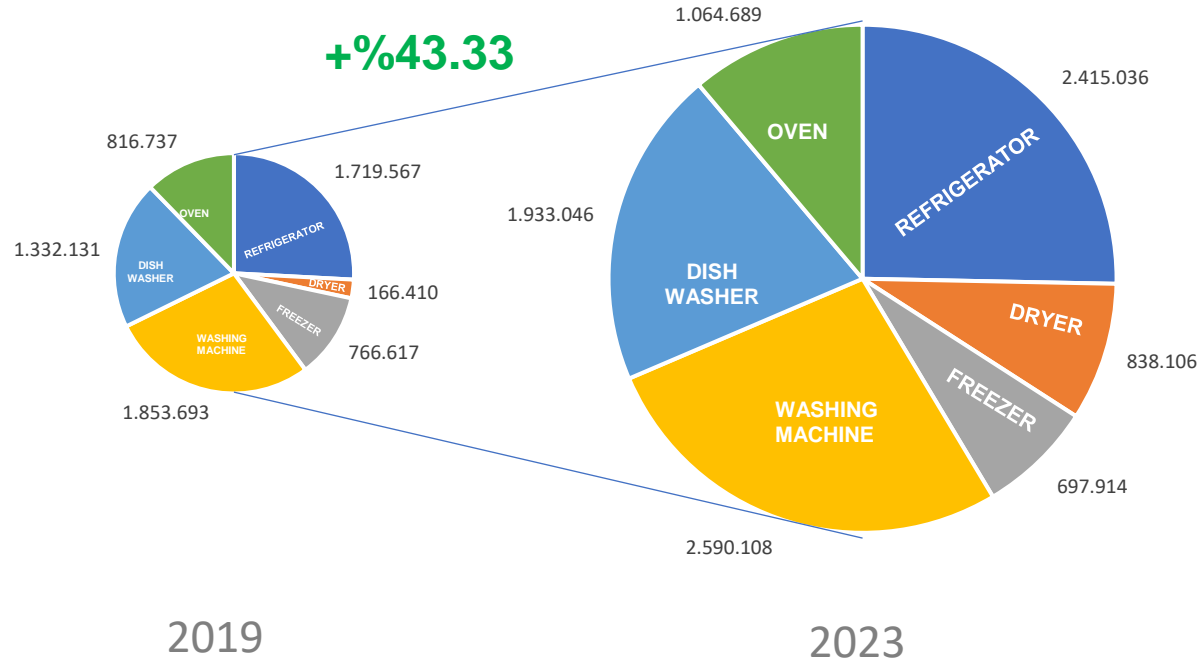
WHITE GOODS IN THE LAST 5 YEARS

PRODUCTION, EXPORT AND DOMESTIC SALES OF 6 MAIN PRODUCTS



DOMESTIC SALES INCREASED IN 5 YEARS

DOMESTIC SALES (UNIT)



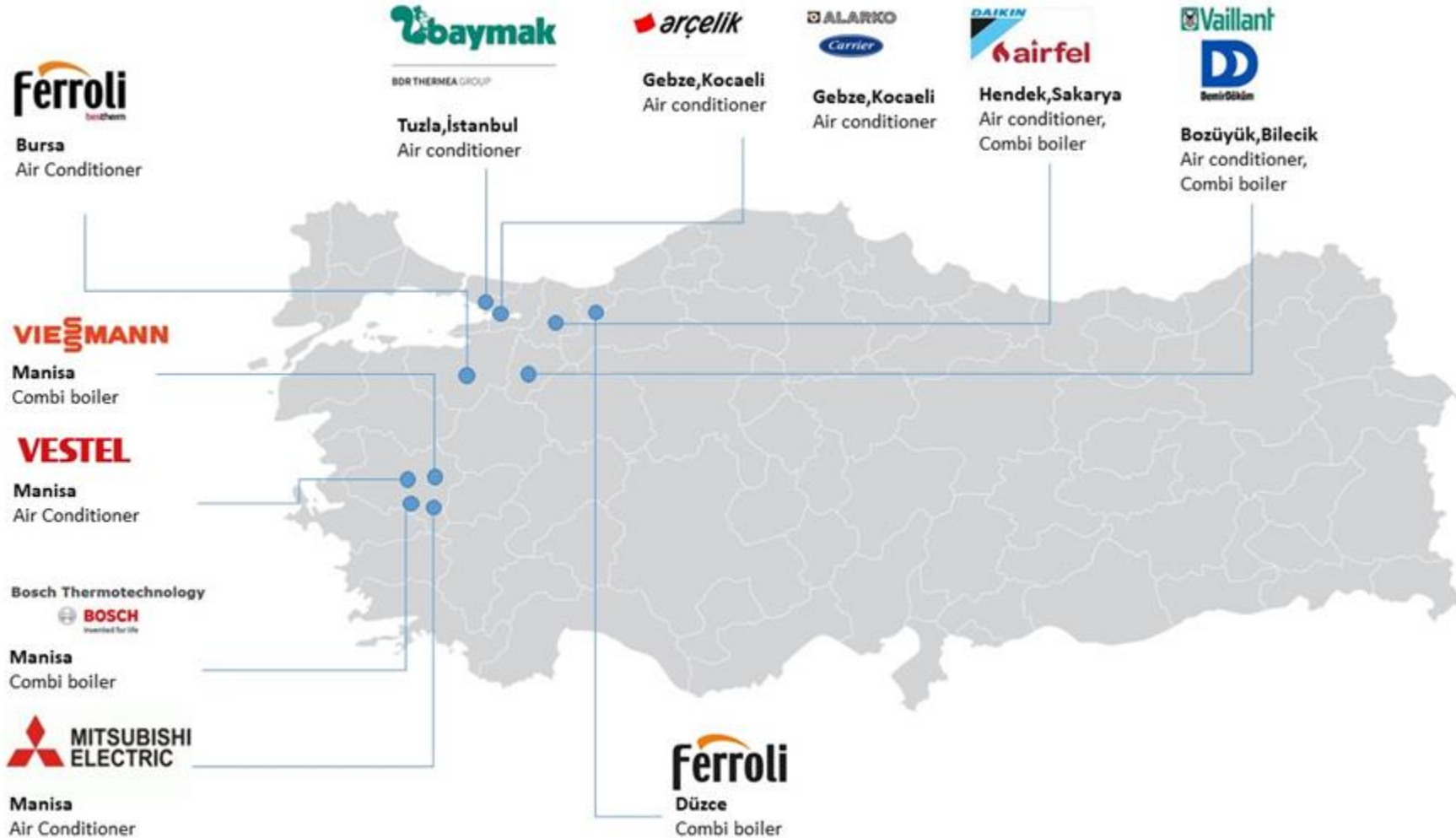
With a production capacity of 33 million units, the Turkish white goods industry has emerged as a significant production hub over the last decade. Türkiye has ascended to become the leading country in Europe in the white goods sector.

The Turkish market witnessed an increase in domestic sales from 6.8 million units in 2013 to 9.5 million units by the end of 2023.

As Europe's largest and the world's second largest production base for white goods, the sector accounts for 7% of the world's white goods production.

HVAC PRODUCTION IN TÜRKİYE

TÜRKİYE HAS A STRONG INDUSTRIAL BASE WITH A TOTAL PRODUCTION VALUE OF USD 4 BILLION...



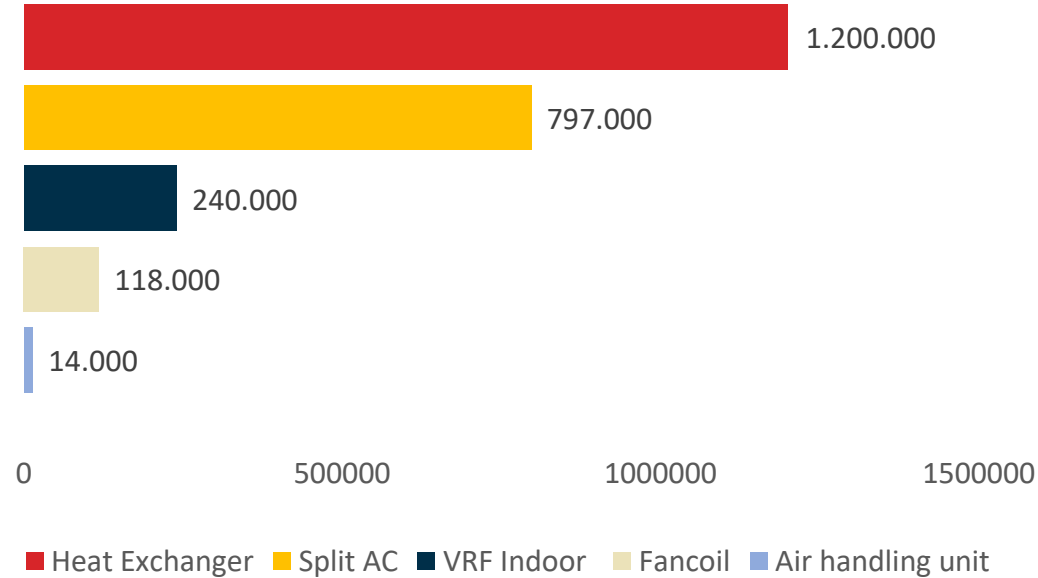
- Türkiye is Europe's manufacturing base for panel radiator, boiler and AHUs.
- The sector in the last ten years to reach USD 1.9 Billion.
- Europe has over 47% share.

HVAC PRODUCTION IN TÜRKİYE

TÜRKİYE HAS A STRONG INDUSTRIAL BASE WITH A TOTAL PRODUCTION VALUE OF USD 3.2 BILLION...



PRODUCTION CAPACITIES FOR SOME PRODUCTS (UNIT)



In addition to the major manufacturers there are some companies which are focusing to manufacture commercial refrigerators as well as deep-freezers in Türkiye.



SMALL HOME APPLIANCES PRODUCTION IN TÜRKİYE

TÜRKİYE HAS A STRONG INDUSTRIAL BASE WITH A TOTAL PRODUCTION VALUE OF TRY 4.5 BILLION...

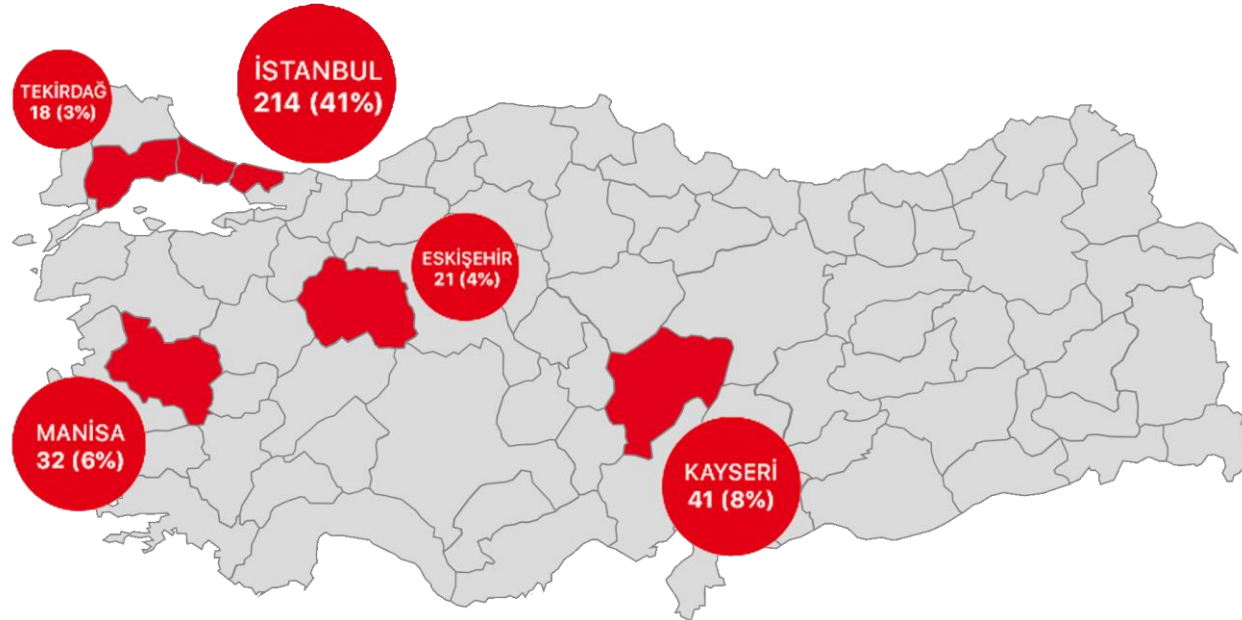


KEY FACTS

- ➔ TRY 4.5 billion total market size
- ➔ 80% capacity utilization rates
- ➔ 60% share of local market in total sales
- ➔ 20K total employment

MANUFACTURERS ARE MOST DENSELY LOCATED IN FIVE CITIES

Supply products for the production are mainly **flat steel, plastics, copper and aluminum**. Istanbul, Bursa, Tekirdag, Manisa, Ankara, Eskisehir, Konya and Kayseri are the clusters for the supply products.



40% of Türkiye's turnover is realized in the **Marmara Region** where SHA sector has grown more than **doubled between 2013-2018** from TRY 2 billion to TRY 4.5 billion.

SMALL HOME APPLIANCES PRODUCTION IN TÜRKİYE

ISTANBUL, MANISA,ESKİSEHIR,TEKIRDAG AND KAYSERI ARE THE CLUSTERS FOR THE PRODUCTION.

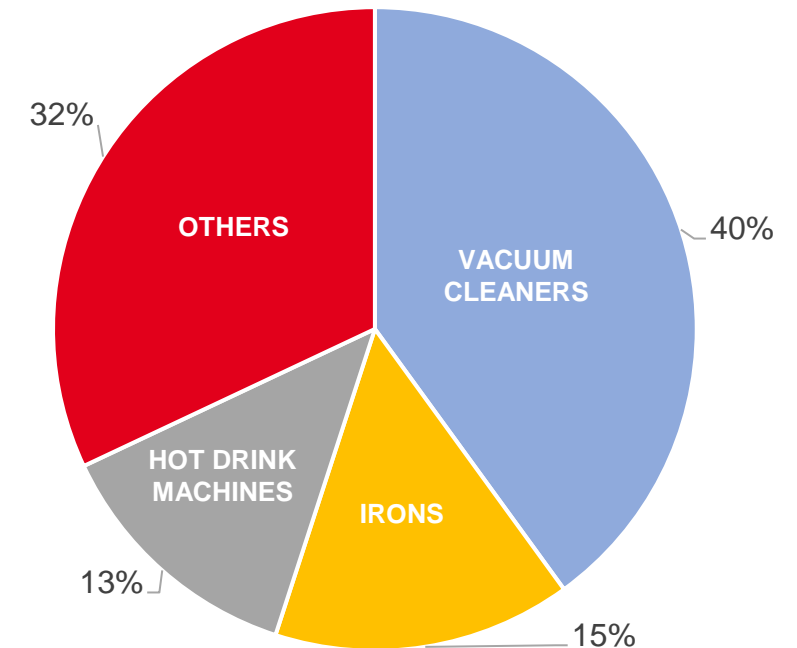


World exports of the small household appliances industry reached **USD 53 billion**. Türkiye's market size is **TRY 4.5 billion**. In 2018, 15.2 Mio small household appliances were sold.

NUMBERS OF EMPLOYERS

City	Manufacturer	Engineer	Technician	Expert	Worker	Admin. Staff	Total
Istanbul	214	519	756	603	10.341	1.341	13.774
Manisa	32	300	203	141	9.650	594	10.920
Eskişehir	21	384	196	86	6.797	232	7.716
Tekirdağ	18	330	170	581	5.947	276	7.322
Kayseri	41	138	59	188	3.716	420	4.562
Türkiye	525	2.563	2.109	2.325	49.469	4.341	64.272

MARKET SHARE (%)

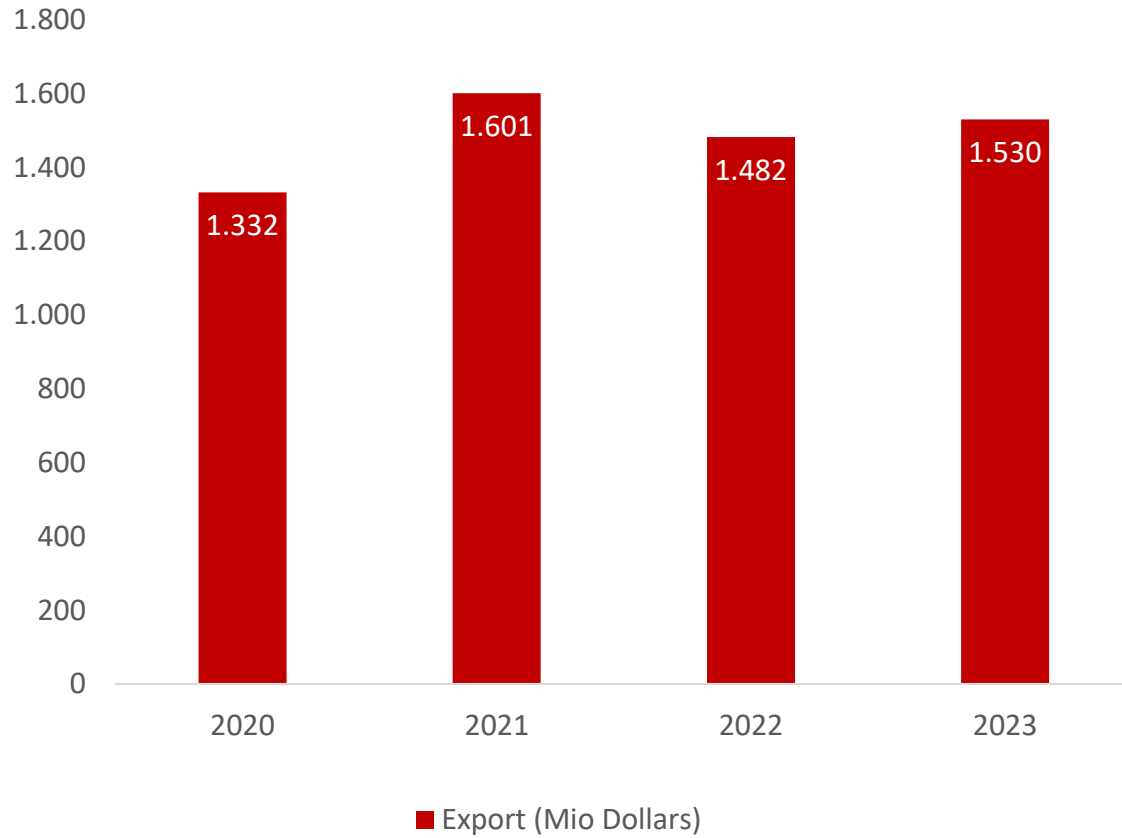


SMALL HOME APPLIANCES FOREIGN TRADE IN TÜRKİYE

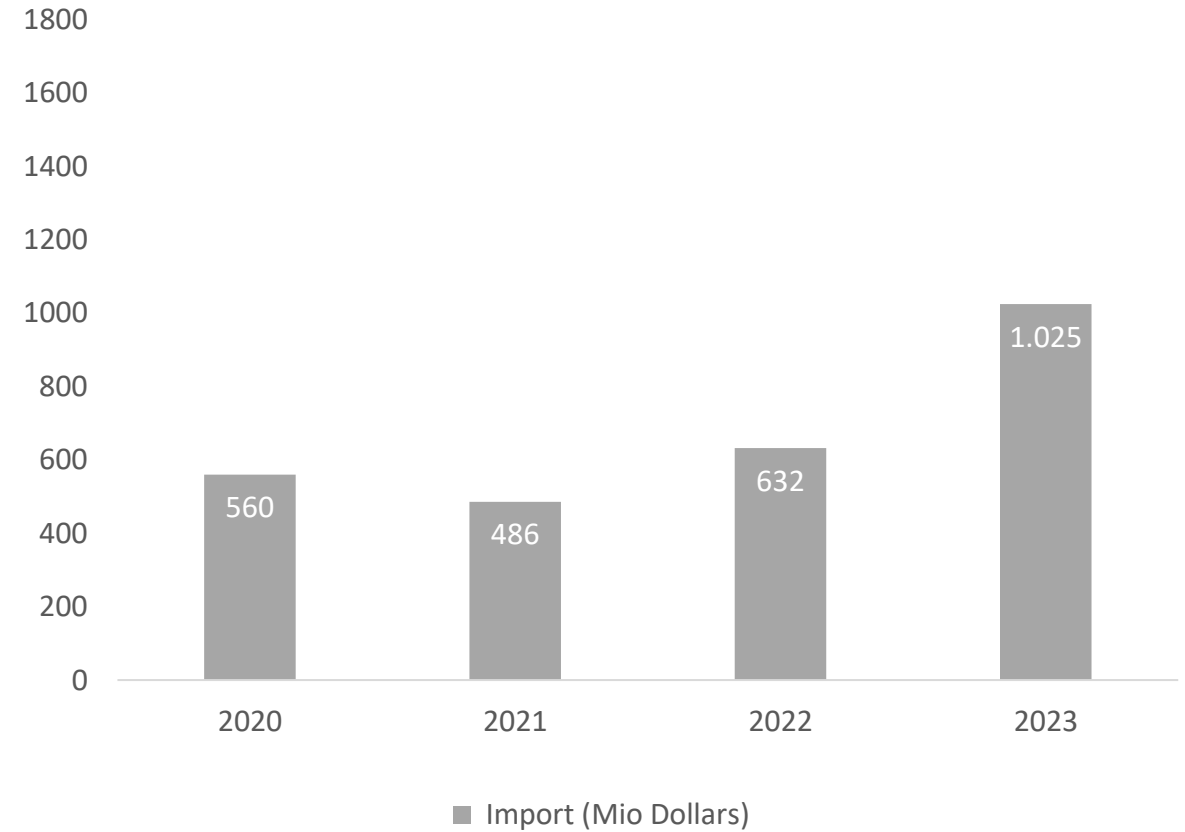
EXPORT OF SMALL HOME APPLIANCES INCREASED %15 IN THE LAST FOUR YEARS



EXPORT



IMPORT

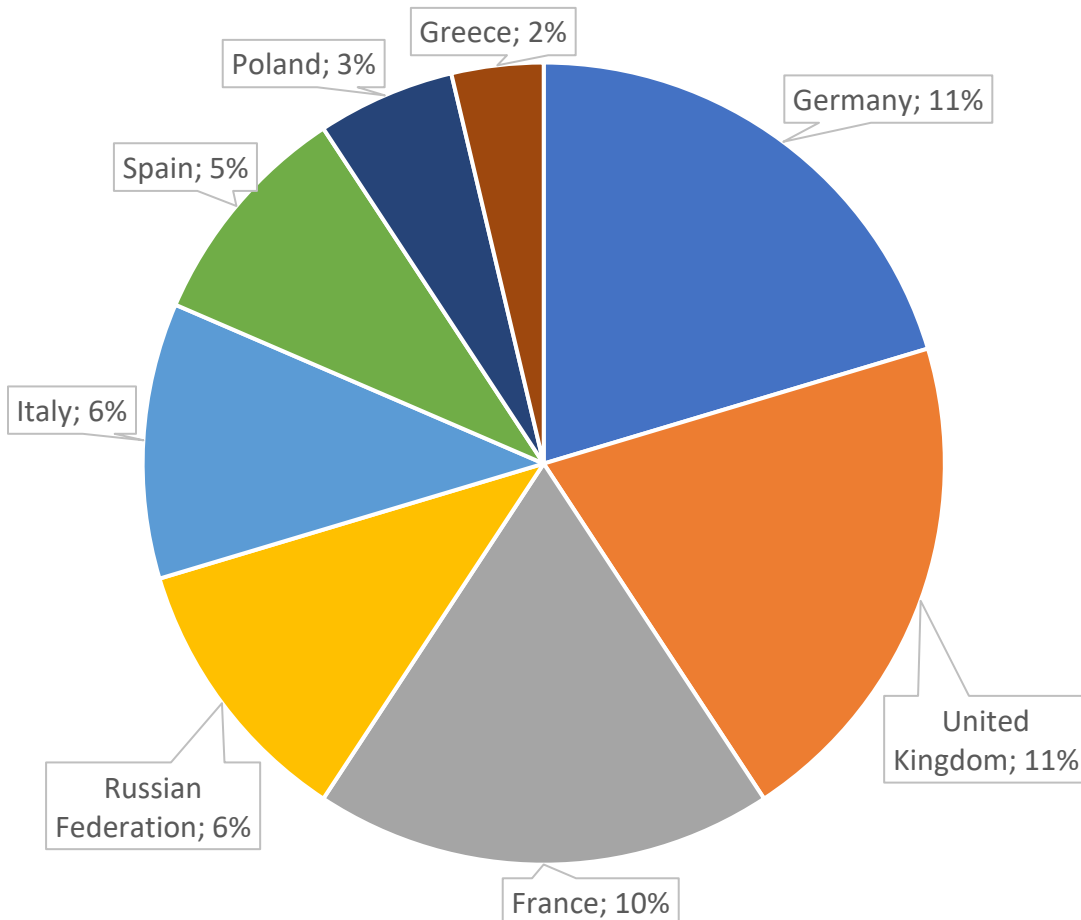


SMALL HOME APPLIANCES PRODUCTION IN TÜRKİYE

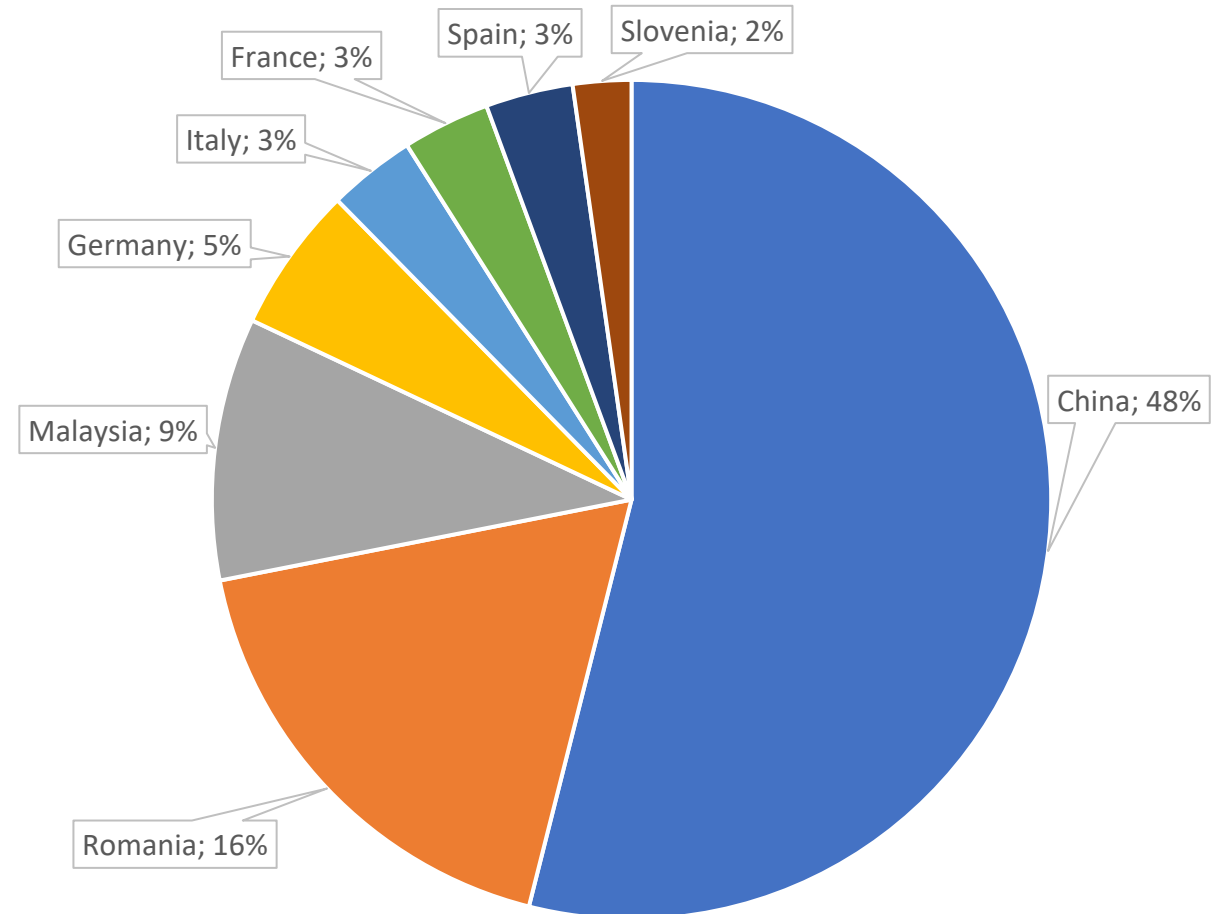
1.2 BILLION OUT OF \$ 490 MILLION IMPORTS WERE MADE FROM CHINA. CHINA'S SHARE IN TÜRKİYE'S IMPORTS IN 2023 IS 48%.



EXPORT BY COUNTRIES(%)



IMPORT BY COUNTRIES(%)





RECENT INVESTMENTS IN WHITE GOODS AND HVAC PRODUCTION IN TÜRKİYE

MAJOR INVESTMENTS DONE IN THE RECENT YEARS FOR WHITE GOODS AND HVAC PRODUCTION IN TÜRKİYE:

2021: Arçelik – acquisition of Whirlpool Manisa production facility for **EUR 78.3 Million**

2019: Haier – acquisition of Candy Hoover Eskisehir production facility and expansion with **TRY 850 Million** investment.
2021: Haier - washing production factory in Eskişehir with an **EUR 40 million** investment.

2018: Vestel - drying machine investment in Manisa production facility – **750K units**

2020: Whirlpool - modernization in Manisa production facility with **TRY 97 Million**

2019 and 2014: Franke – modernization in Manisa facility around **TRY 75 Million**

2018: Mitsubishi – USD 100 Million greenfield investment in Manisa for AC production

Investment 2019: Bestherm - Ferroli partnership in boiler production at Bursa facility at **EUR 5 Million**

2018 and 2013: BSH – modernization in Tekirdag production facility at almost **TRY 2 Billion**

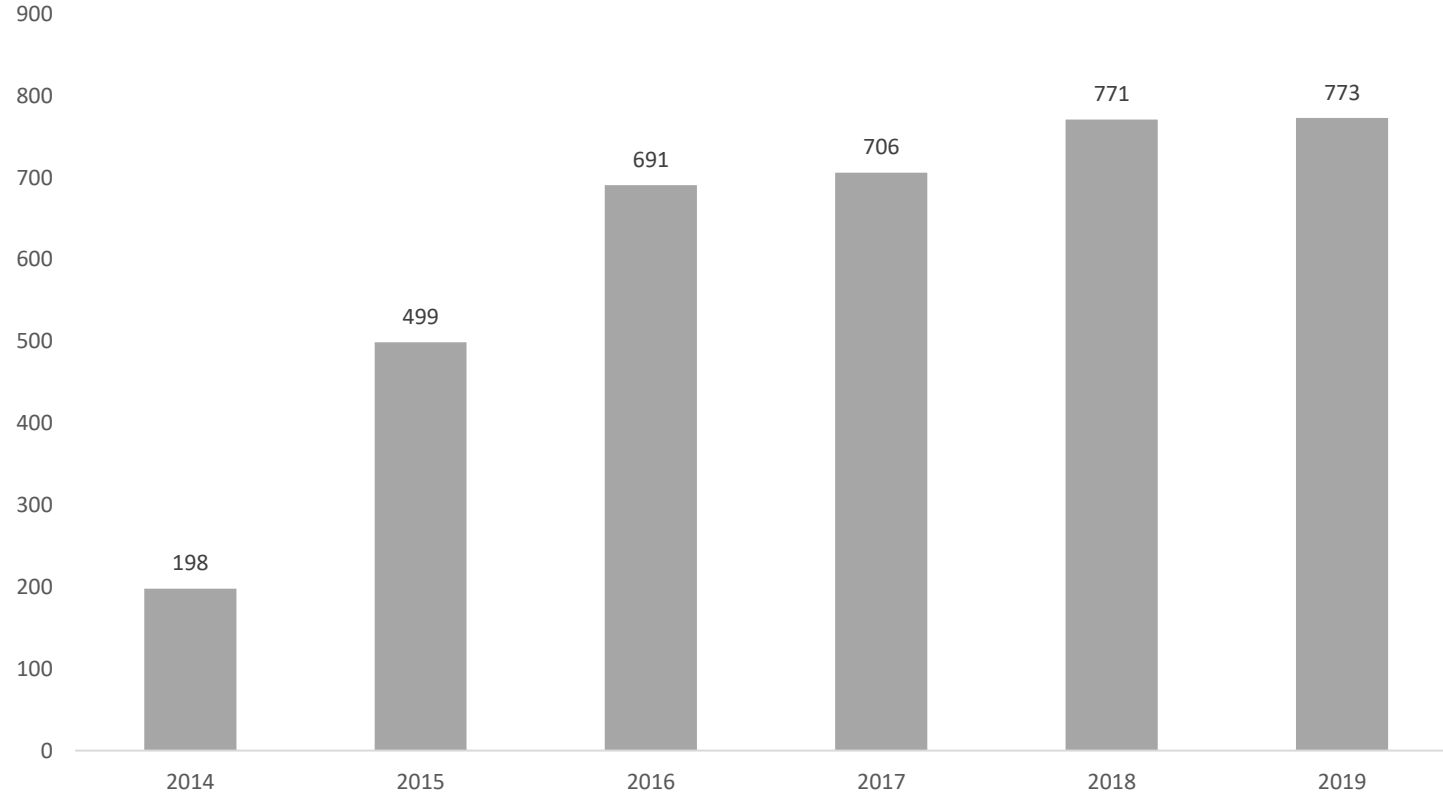
2017 and 2014: Demirdöküm – modernization in Bozüyük production facility at **TRY 52 Million**

PATENTS IN DURABLE CONSUMER GOODS AND HVAC PRODUCTION IN TÜRKİYE

FROM 2010 TO 2019, THE NUMBER OF DOMESTIC PATENT APPLICATIONS IN THE FIELD OF WHITE GOODS AND HOUSEHOLD ELECTRICAL APPLIANCES INDUSTRY IN TÜRKİYE AMOUNTED TO 5,217



PUBLISHED DOMESTIC PATENT APPLICATIONS BETWEEN 2010-2019 (UNIT)



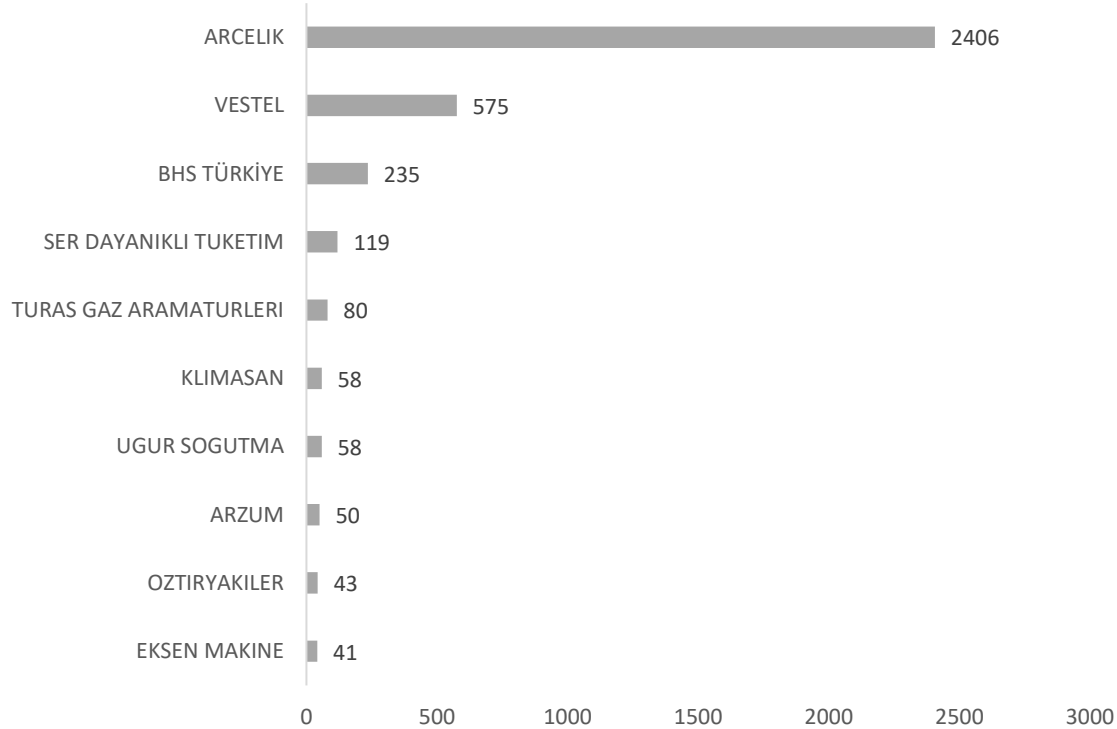
In terms of the number of patents, Arçelik ranks first, followed by Vestel in second place, and BSH in third place.

PATENTS IN DURABLE CONSUMER GOODS AND HVAC PRODUCTION IN TÜRKİYE

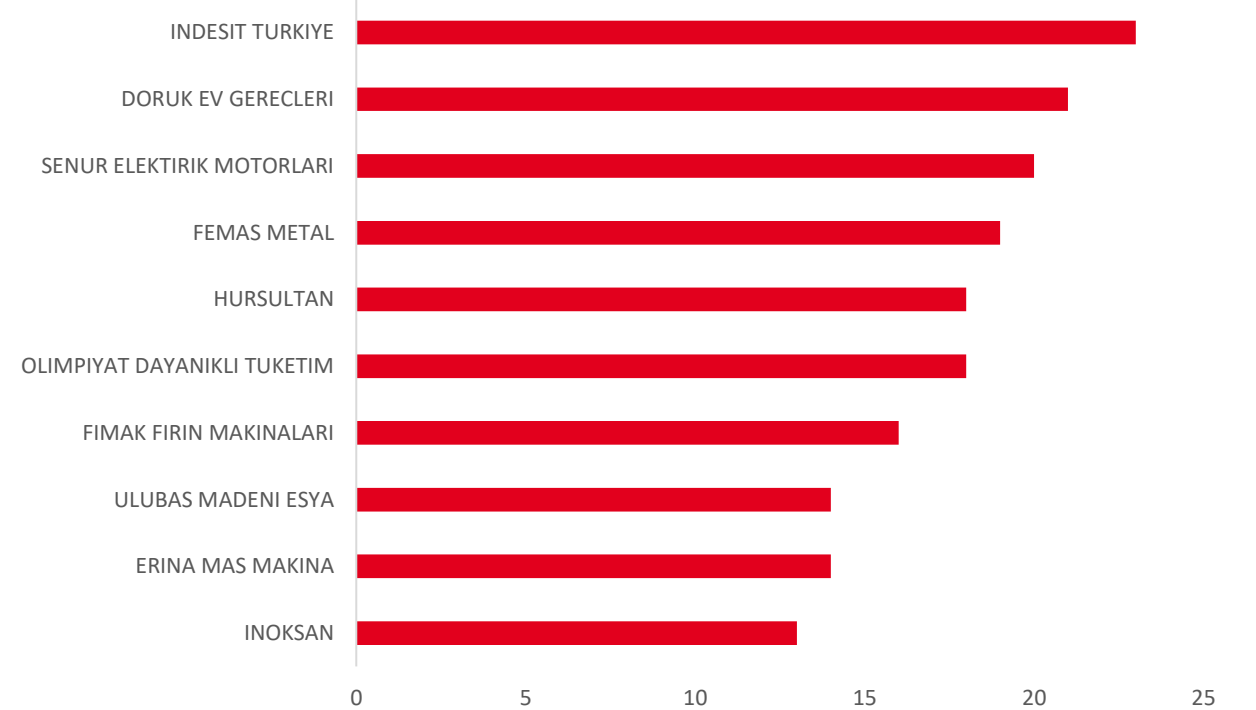
FROM 2010 TO 2019, THE NUMBER OF DOMESTIC PATENT APPLICATIONS IN THE FIELD OF WHITE GOODS AND HOUSEHOLD ELECTRICAL APPLIANCES INDUSTRY IN TÜRKİYE AMOUNTED TO 5,217



TOP TEN DOMESTIC COMPANIES THAT PUBLISHED PATENT APPLICATIONS IN TÜRKİYE (UNIT)



TOP TWENTY PATENT FILING COMPANIES IN DURABLE CONSUMER GOODS AND HOUSEHOLD ELECTRICAL APPLIANCES INDUSTRY (UNIT)

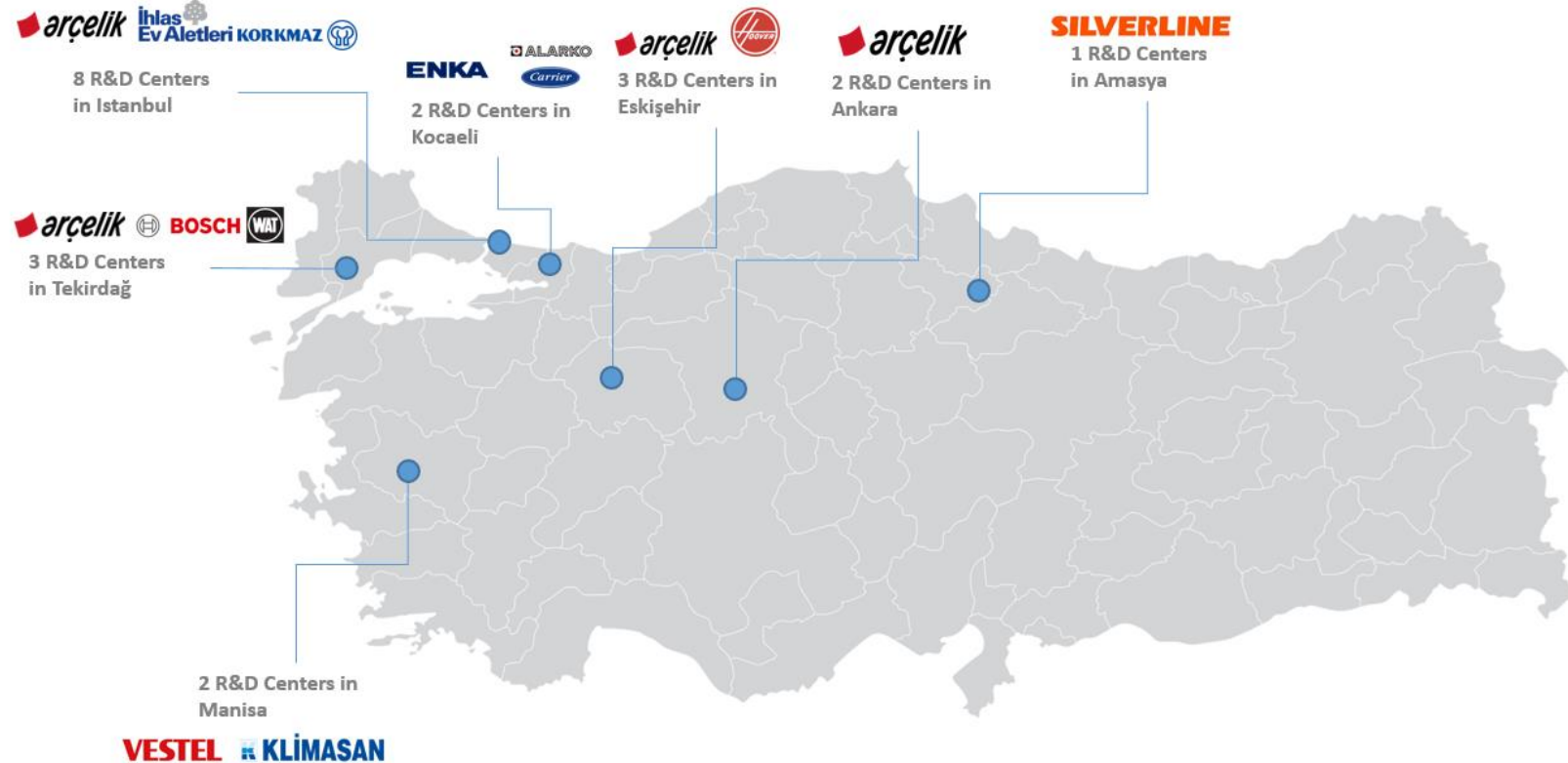


R&D CENTERS IN DURABLE CONSUMER GOODS AND HVAC PRODUCTION IN TÜRKİYE

AS OF JANUARY 2024, 21 OPERATIONAL R&D CENTER IN DURABLE CONSUMER GOODS INDUSTRY AND 18 OPERATIONAL R&D CENTER IN HVAC INDUSTRY...



R&D CENTERS IN DURABLE CONSUMER GOODS



R&D CENTERS IN DURABLE CONSUMER GOODS AND HVAC PRODUCTION IN TÜRKİYE

AS OF FEBRUARY 2024, 21 OPERATIONAL R&D CENTER IN DURABLE CONSUMER GOODS INDUSTRY AND 18 OPERATIONAL R&D CENTER IN HVAC INDUSTRY...



R&D CENTERS IN HVAC INDUSTRY





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