

## Aircraft Interiors 2017

The fourth report on this market from  
Counterpoint Market Intelligence Limited

**The ever-increasing demands of passengers and the airlines who serve them for new products and a better flying experience continues to drive innovation in Aircraft Interiors.**

**Meeting these demands has proven to be a challenge for even the biggest industry players, and has led to calls for a structural change in the supply chain from the Aircraft Manufactures.**

**However, the sector produces returns well-above the industry average for those who get it right, and this has attracted a multitude of fresh ideas from the smallest of start-ups to an automotive giant.**

**In response, the two largest interiors companies have both been bought within the last year by aircraft equipment companies. This should bring yet more expertise and investment into what is already a highly dynamic and exciting sector**

This is Counterpoint's fourth report on the aircraft interiors industry. As before, our team for this report continues to include Ben Bettell, who brings with him 35+ years of experience in the interiors sector.

**Our new 433-page report offers the following market analysis;**

- The estimated growth in this \$14.6 billion market over the next 10 years.
- How the market segments by:
  - o All aircraft types: i.e. Airbus, ATR, Boeing...through to Sukhoi SuperJet
  - o OE, aftermarket (retrofit) and spares
- Market shares in each sector:
  - o Seats (identified by seat class)
  - o Galleys & Galley inserts
  - o Lavatories
  - o Crew rest compartments
  - o Monuments
  - o Cabin lighting
  - o Interior panels
  - o Overhead luggage bins
  - o Floor coverings
  - o In-flight entertainment & Connectivity (now analysed separately from IFE)

**We analyse demand drivers, including;**

- Line fit
- Retrofit
- Replacement cycles
- The airlines' search for differentiation to improve the passenger experience

**We describe the market and its key characteristics;**

- How the SFE model is maturing and the aircraft OEMs' desire to attract new suppliers
- The scope for (and experience of) new entrants and which sectors they are targeting
- The continuing evolution of seating classes
- Technology change
- Why IFEC has the fastest growth of the eleven sectors we analyse

**We analyse the strategies being pursued by suppliers;**

- E.g. technology differentiation, aesthetics, product range expansion, use of low cost countries.
- The achievements of successful consolidators over the last 20 years

**The report provides profiles of 147 companies. Our profiles cover;**

- Origins and ownership; Our estimate of sales; plus financials if obtainable; Operations and technology; Customers and contracts; Strategy; Recent Developments; Our comments

We offer purchasers of this report a one-hour free teleconference to discuss any aspects of this report.

## CONTENTS

1. **SUMMARY**
2. **MARKET DEFINITION AND SEGMENTATION**
3. **GLOSSARY**
4. **METHODOLOGY**
  - 4.1. **Sources of information**
  - 4.2. **Our market model**
  - 4.3. **Company profiles and analysis of trends**
5. **OVERALL INTERIORS MARKET**
  - 5.1. **Market size**
  - 5.2. **Drivers of growth, OE and aftermarket**
    - 5.2.1. Retrofit programmes
    - 5.2.2. Leasing company modifications and reconfigurations
    - 5.2.3. Growth beyond our 10-year forecast period
  - 5.3. **Industry structure and sector-wide trends**
    - 5.3.1. Overall commercial aircraft interiors market shares
    - 5.3.2. The move to Supplier Furnished Equipment
    - 5.3.3. Consolidation of suppliers
    - 5.3.4. The role of China
    - 5.3.5. Opportunities for new entrants and smaller companies
    - 5.3.6. Interiors Certification
    - 5.3.7. Evolving trends in line fit interiors
    - 5.3.8. Aviation Brand and Brand Experience Specialists
    - 5.3.9. Intellectual property
    - 5.3.10. Corporate jets, VIP aircraft and completion centres
    - 5.3.11. The use of composites in interiors
    - 5.3.12. Waste and recycling
    - 5.3.13. Aircraft Interiors Mock-up/prototypes
    - 5.3.14. Other trends
      - 5.3.9.1. Outsourcing by aircraft OEMs
      - 5.3.9.2. Lead times
      - 5.3.9.3. Use of low cost countries
      - 5.3.9.4. The influence of airlines
      - 5.3.9.5. Intensity of commercial competition
      - 5.3.9.6. The role of MRO companies in interiors
      - 5.3.9.7. Additive Manufacturing (AM) of aircraft interior components
      - 5.3.9.8. Investment in capex to meet demand
      - 5.3.9.9. How important is location?
6. **SEATS**
  - 6.1. **Market size**
  - 6.2. **Market growth**
    - 6.2.1. Commercial aircraft
    - 6.2.2. Business jets & VIP aircraft
  - 6.3. **Market model**
    - 6.3.1. Replacement cycle
  - 6.4. **Market shares**
  - 6.5. **Market trends**
    - 6.5.1. Emergence of a new seat class distribution
      - 6.5.1.1. Single Aisle Lie-Flat Seating (SALFs)
      - 6.5.1.2. Super Business Class Seating (SBCs)
      - 6.5.1.3. High Density Business Class Seating (HDBCs)
      - 6.5.1.4. Premium Economy Seating (PYC)
      - 6.5.1.5. Fixed-back Economy Seating
    - 6.5.2. New types of seats
    - 6.5.3. To recline, or not to recline

- 6.5.4. Seating standardisation or differentiation
- 6.5.5. NRE/NRC
- 6.5.6. Seat supplier profitability
- 6.5.7. Leasing companies
- 6.5.8. BFE versus SFE
- 6.5.9. New entrants and capacity requirements
- 6.5.10. Low cost manufacturing strategy
- 6.5.11. Intellectual property
- 6.5.12. Aftermarket
- 6.5.13. Manufacturing and operations
- 6.5.14. Seat components
- 6.5.15. Integration of IFEC to the seat
- 6.5.15. Heating and cooling
- 6.5.15. M&A in seating

## **7. GALLEYS**

### **7.1. Market size**

### **7.2. Market growth**

### **7.3. Market model**

- 7.3.1. Aircraft configuration
- 7.3.2. Replacement cycle

### **7.4. Manufacturing and operations**

### **7.5. Principal suppliers**

### **7.6. Trend analysis**

## **8. ELECTRIC GALLEY INSERTS**

### **8.1. Market size**

### **8.2. Market growth**

### **8.3. Market model**

- 8.3.1. Aircraft configuration
- 8.3.2. Replacement cycle

### **8.4. Manufacturing and operations**

### **8.5. Principal suppliers**

- 8.5.1. Market shares – electric inserts

### **8.6. Trend analysis**

### **8.7. Intellectual property**

### **8.8. Second tier suppliers**

## **9. GALLEY STOWAGE BOXES, TROLLEYS AND CARTS**

### **9.1. Market size**

### **9.2. Market growth**

### **9.3. Market model**

- 9.3.1. Aircraft configuration
- 9.3.2. Replacement cycle

### **9.4. Manufacturing and operations**

### **9.5. Principal suppliers**

- 9.5.1. Galley containers
- 9.5.2. Carts/trolleys

### **9.6. Trend analysis**

### **9.7. Intellectual property**

### **9.8. Second tier suppliers**

## **10. LAVATORY MODULES**

### **10.1. Market size**

### **10.2. Market growth**

### **10.3. Market model**

- 10.3.1. Aircraft configuration
- 10.3.2. Replacement cycle

### **10.4. Manufacturing and operations**

### **10.5. Procurement**

- 10.6. Principal suppliers
- 10.7. Trend analysis
- 10.8. Intellectual property
- 10.9. Second tier suppliers
- 11. CREW REST COMPARTMENTS**
- 11.1. Market size
- 11.2. Market growth
- 11.3. Market model
  - 11.3.1. Aircraft configuration
  - 11.3.2. Replacement cycle
- 11.4. Manufacturing and operations
- 11.5. Principal suppliers and market
- 11.6. Trends
- 11.7. Intellectual property
- 11.8. Tier 2 suppliers
- 12. MONUMENTS**
- 12.1. Market size
- 12.2. Market growth
- 12.3. Market model
  - 12.3.1. Aircraft configuration
- 12.4. Manufacturing and operations
- 12.5. Principal suppliers
- 12.6. Trend analysis
- 12.7. Intellectual property
- 12.8. Second tier suppliers
- 13. LIGHTING**
- 13.1. Market size
- 13.2. Market growth
- 13.3. Market model
  - 13.3.1. Aircraft configuration
  - 13.3.2. Replacement cycle
- 13.4. Manufacturing and operations
- 13.5. Principal suppliers
- 13.6. Trend analysis
- 13.7. Intellectual property
- 14. INTERIOR PANELS**
- 14.1. Market size
- 14.2. Market growth
- 14.3. Market model
  - 14.3.1. Aircraft configuration
  - 14.3.2. Replacement cycle
- 14.4. Manufacturing and operations
- 14.5. Principal suppliers
- 14.6. Trend analysis
- 14.7. Intellectual property
- 14.8. Second tier suppliers
- 15. OVERHEAD LUGGAGE BINS**
- 15.1. Market size
- 15.2. Market growth
- 15.3. Market model
  - 15.3.1. Aircraft configuration
  - 15.3.2. Replacement cycle
  - 15.3.3. Manufacturing and operations
- 15.4. Principal suppliers
- 15.5. Trend analysis
- 16. IN-FLIGHT ENTERTAINMENT AND CONNECTIVITY**

- 16.1. Introduction**
- 16.2. IFEC Market size and growth**
- 16.3. IFE Market size and growth**
- 16.4. Cabin connectivity Market size and growth**
- 16.5. Market model**
  - 16.5.1. Aircraft configuration
    - 16.5.1.1. Which aircraft have IFEC?
    - 16.5.1.2. What IFE configuration will prevail in the future?
    - 16.5.1.3. Connectivity will grow steadily
    - 16.5.1.4. Business jet/VIP Cabin Management Systems
    - 16.5.1.5. The search for bandwidth and the rise of cloud-based solutions
  - 16.5.2. Replacement cycle
- 16.6. Increasing capability through partnerships**
- 16.7. Increasing capability through acquisition**
- 16.8. Increasing capability through capex**
- 16.9. Principal suppliers**
- 16.10. Trend analysis**
  - 16.10.1. Integration of IFEC to the seat
- 16.11. In-seat power supply systems**
  - 16.11.1. Market size
  - 16.11.2. Market growth
  - 16.11.3. Market and product numbers
  - 16.11.4. Principal suppliers
  - 16.11.5. Other trends
- 17. FLOOR COVERINGS**
- 17.1. Market size**
- 17.2. Market growth**
- 17.3. Market model**
  - 17.3.1. Aircraft configuration
  - 17.3.2. Replacement cycle
- 17.4. Manufacturing and operations**
- 17.5. Principal suppliers**
- 17.6. Trend analysis**
- 17.7. Intellectual property**
- 17.8. Second tier suppliers**
- 18. COMPANY PROFILES – MAJOR SUPPLIERS**

*Profiles of 6 companies*
- 19. COMPANY PROFILES – SMALLER SUPPLIERS**

*Profiles of 147 companies*
- 20. COUNTERPOINT MARKET INTELLIGENCE LIMITED TERMS OF BUSINESS**

## WHY COUNTERPOINT?

Counterpoint Market Intelligence Limited was formed by George Burton and Richard Apps in 2004 to offer original, independent and rigorous research into aerospace markets. Between them, George and Richard have over 40 years of experience in senior positions in aerostructures, engine components, and aerospace equipment.

Counterpoint now has an international business, with 80% of sales outside the UK. Sales of research reports have led to consultancy projects. Two thirds of sales are to the aerospace industry – aircraft and engine prime contractors and first and second tier suppliers. Other clients are private equity funds, investment banks and government organisations.

In addition to this report the following reports are available from Counterpoint Market Intelligence Limited:

- Aerostructures 2017
- Aero-engine and IGT components 2017
- Tooling & automated assembly for aerostructures 2017
- Aerospace Actuation 2016
- Airborne Pods 2016
- Mini reports;
  - Aerospace valves 2017
  - Aircraft fluid conveyance 2017
  - Aerospace Machining 2016
  - Environmental control systems 2015
  - Engine controls and fuel systems 2015
  - Aerospace ball screws 2015
  - Aircraft harnesses and electrical standard parts 2015
  - Stuffing for airframes 2015

Counterpoint Market Intelligence Limited also undertakes consultancy studies for its clients in areas including the following:

- Deep-dive market analysis
- Evaluation of the strategic positioning of businesses
- Market and strategy-related due diligence for M&A
- Acquisitions search

### How to buy the report

Please contact us using the contact details below or email us on [enquiries@cpmil.com](mailto:enquiries@cpmil.com).

George Burton  
Tel: +44 (0)1747 852805  
Mobile: +44 (0)7770 982153  
e-mail: [georgeburton@cpmil.com](mailto:georgeburton@cpmil.com)

Richard Apps  
Tel: +44 (0)1235 868051  
Mobile: +44 (0)7741 035969  
e-mail: [richardapps@cpmil.com](mailto:richardapps@cpmil.com)

Ben Bettell  
Tel: +44 (0)1258 840355  
Mobile: +44 (0)7884 060777  
e-mail: [benbettell@cpmil.com](mailto:benbettell@cpmil.com)

Business address: Counterpoint Market Intelligence Ltd, Curlew Meadow, Denchworth, Oxfordshire OX12 0EA, UK

Website: [www.cpmil.com](http://www.cpmil.com)

## COUNTERPOINT MARKET INTELLIGENCE LIMITED TERMS AND CONDITIONS OF TRADING

### Limitation on liability of Counterpoint Market intelligence Limited

Counterpoint Market Intelligence Limited makes no representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained in this report. Counterpoint Market Intelligence Limited shall not be held liable for consequential and indirect losses or loss of profit or revenue resulting from the use of this report. No recommendations are made or should be implied from this report.

### Intellectual Property

In so far as any information provided by Counterpoint Market Intelligence Limited is not in the public domain Counterpoint Market Intelligence Limited will retain ownership of any intellectual property in that information but customers will have a right to use the information provided solely within their own companies and subsidiaries. Customers shall not sell nor give this report to companies or persons outside their own company and subsidiaries.

### Payment

Payment of Counterpoint Market Intelligence Limited's invoices is to be made within 30 days of the date of invoice.

### Governing Law and Jurisdiction

Any dispute or claim arising out of or in connection with this report (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the Law of England and Wales. The purchaser of this report irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Report (including non-contractual disputes or claims).