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FOR IMMEDIATE RELEASE

### **ECIA Releases Dale Ford's January Industry Market Trends Report**

Atlanta – ECIA has published its January Industry Market Trends Report, compiled by ECIA Chief Analyst Dale Ford. The January Report focuses on the electronic components value chain and is titled, “The Need for an Updated Assessment of the Value of Distribution.”

“Technology and the electronics industry are a powerful force driving direct and indirect markets and economies around the world,” explains Ford in the Executive Summary. “Just as the electronics industry has seen exponential growth in recent years, its global influence has grown exponentially. Some understanding of value can be seen through cumulative revenues and stock market valuations that provide a summarized perspective of worth. However, engaged management must actively consider a more complete picture of value as it seeks to succeed in today’s environment. This analysis provides an outline and observation of key dimensions of value in the electronics industry.”

Ford explains that ‘value’ can be assessed by analyzing activities that occur in the components’ journey along the value chain, e.g. Creation, Capture, Grow, Defend, Measure, Communicate and Promote, and Share.

The area of electronics components distribution presents an important area where in-depth analysis of the value created has not been studied for many years. The typical value pyramid shows revenues ranging from raw materials to electronics components to electronics systems to services, software & content. The value of distribution in most views is completely overlooked. This is a serious oversight given the significant value enabled by distribution services. The first phase of the January Market Trends Report provides a brief review of key aspects of the value of electronic components distribution. The opportunity to create an updated understanding of the value of the electronic component distribution/rep model is also highlighted.

Just as low-cost electronic components enable high-value electronic systems and services, distributors enable the efficient and productive operation of supply chains that bring important benefits to both component manufacturers and customers. In 2003 a study was conducted by the Texas A&M University Industrial Distribution Program to quantify the value of authorized distribution. While this was a highly valuable and comprehensive study, it has been over 15 years since this research was performed and the distribution model has evolved significantly in this time.

ECIA has teamed up with Texas A&M University to present the opportunity to create an update of the analysis of distribution value in a 2020 study. This updated study will deliver a valuable new dimension. The 2003 study was focused primarily on presenting the value of distribution to customers. The updated study will be more focused on provided manufacturer executives with an objective rationale for using distributors and manufacturer representatives.

The January Market Trends Report [Executive Summary is available to all](#) on ECIAnow.org. Members must log in to view the complete Executive Analysis report.

Sponsorships are still being sought for the Texas A&M study, described in more detail in the January Market Trends Report. A critical level of support is needed before the work can begin. If you are willing to support the updated study, please contact Dale Ford at [dford@ecianow.org](mailto:dford@ecianow.org). You can view a webinar presentation describing this proposed study. The presentation slides and the webinar recording are available on the [Training & Resources](#) page of the ECIA website.



## **About ECIA**

The Electronic Components Industry Association (ECIA) is made up of the leading electronic component manufacturers, their manufacturer representatives and authorized distributors. ECIA members share a common goal of promoting and improving the business environment for the authorized sale of electronic components. Comprised of a broad array of leaders and professionals representing all phases of the electronics components supply chain, ECIA is where business optimization, product authentication and industry advocacy come together. ECIA members develop industry guidelines and technical standards, as well as generate critical business intelligence. For more information, visit [www.ecianow.org](http://www.ecianow.org) or call 678-393-9990.