Verdantix Says The Product LCA Software Market Is Set For Rapid Growth From Small Beginnings

Submitted by: Verdantix

Monday, 30 April 2012

London, April 30, 2012. Spending on software for product life cycle assessment (LCA) will grow from €21 million in 2011 to €78 million in 2015 across the six largest European economies according to a new report from independent analyst firm Verdantix (http://www.verdantix.com/). Corporate spending on product LCA software will grow at a compound annual rate of 39% over the 2011 to 2015 period. In the major European economies, 2012 spend on consulting services associated with product LCA software usage will be between €61 million and €91 million.

"Software-based product life-cycle assessment is still a nascent market reflected in the €31 million size of the European market in 2012" commented Emilie Beauchamp, Verdantix Industry Analyst and author of the report. "We expect the European product LCA software market to grow by 45% in 2012 reflecting a powerful mix of business drivers spanning environmental regulation and resource scarcity. Increased use of product LCA software will spur customer-centric sustainability strategies. "

The Verdantix report, Product LCA Software Market Forecast 2011-2015 (http://www.verdantix.com/index.cfm/papers/Products.Details/product_id/346/product-lca-software-market-forecast-2011-2015 finds that growth in demand in Europe is the result of five factors: 1) New European regulations on environmental product labelling which are expected to take effect in 2015; 2) The French government's Grenelle II environmental law that mandates life cycle analysis for environmental product labelling from 2013; 3) Harmonization of LCA methodologies such as the Greehouse Gas Protocol for product life cycles and ISO 14040; 4) Democratization of product LCA software with lower price points, more simple models and better user interfaces; 5) Attempts to achieve competitive differentiation on sustainability by product suppliers like Michelin, Unilever and Volkswagen.

"Adoption of LCA software will be dominated by firms in the technology, consumer products, retail, automotive and building materials sectors" stated Rodolphe d'Arjuzon, Verdantix Global Head of Research. "Firms such as Autodesk and WSP Environment & Energy have launched new solutions that democratize LCA for a wider range of non experts. Established players like PE International offer a powerful combination of LCA software and materials databases. Usage scenarios for LCA software (http://www.verdantix.com/index.cfm/papers/Products.Details/product_id/214/smart-innovators-product-lca-software-2011-glob are expanding into many areas such as eco-design, embedded energy analysis, water footprints and environmental product declarations."

Press Contact:

David Metcalfe
press@verdantix.com

responsesource