



Discover the secret of real light

Comparison of commercial luminaires from the Czech Republic, DACH countries and China

The dynamics of the commercial lighting market have brought complex challenges and opportunities, especially in recent years. The Chinese market, dominating the exports, naturally raises questions about quality, sustainability and certifications. Low prices may be attractive, but they also carry the risks of higher costs associated with installation, occupancy approval and operation, despite China's ever-increasing share of imports into Europe.

Europe as the main market for LED luminaires

Interesting data from various reports provide insight into the dynamics of the lighting market. According to [Grand View Research](#), Western Europe became the largest market for LED luminaires as early as in 2018 with almost 67% market share.

Also, the prediction has been confirmed that the luminaires segment will see a demand growth of 16.5 % between 2019 and 2025 thanks to lighting replacement projects.

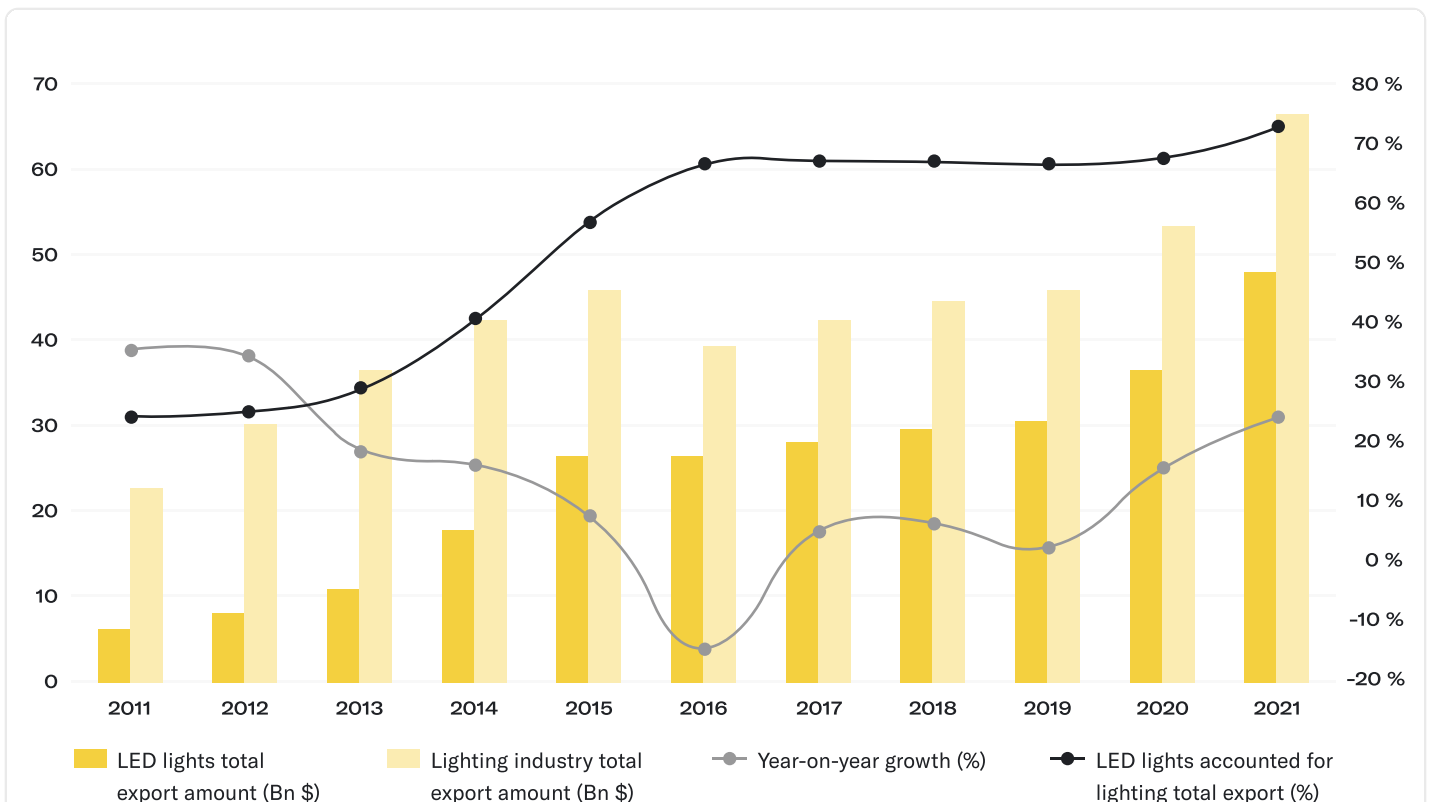
The European regional market is currently dominated by major players such as Signify Holdings, Osram GmbH and the Zumtobel group. A key strategy adopted by the main market players in order to gain competitive advantage is the development of innovative products.

The introduction of regulations for Standard Deviation Colour Matching (SDCM), advanced energy-saving capabilities and lower overall cost of operating LED luminaires compared to conventional CFL bulbs has fueled the demand for LED luminaires across the region. The introduction of smart lighting and its wide use in residential, commercial and industrial areas currently represents the greatest potential for market growth.

China's export growth

In 2021, China's lighting industry exports reached a total value of \$65.470 billion, representing a year-on-year increase of nearly 25%. At the same time, it became obvious that the post-covid period has followed this trend and Europe has become more open to products from China.

China's lighting industry export amount in 2011–2021



Source: [General overview of China's lighting industry exports in 2021](#) (Roc Don)

"Over the last decade, we have witnessed an accelerating trend in the balance of trade between the European Union and China, where the rapid increase in imports from China indicates the increasing dependence of European markets on Chinese manufacturers and raises questions about the long-term sustainability and strategic independence of business relations."



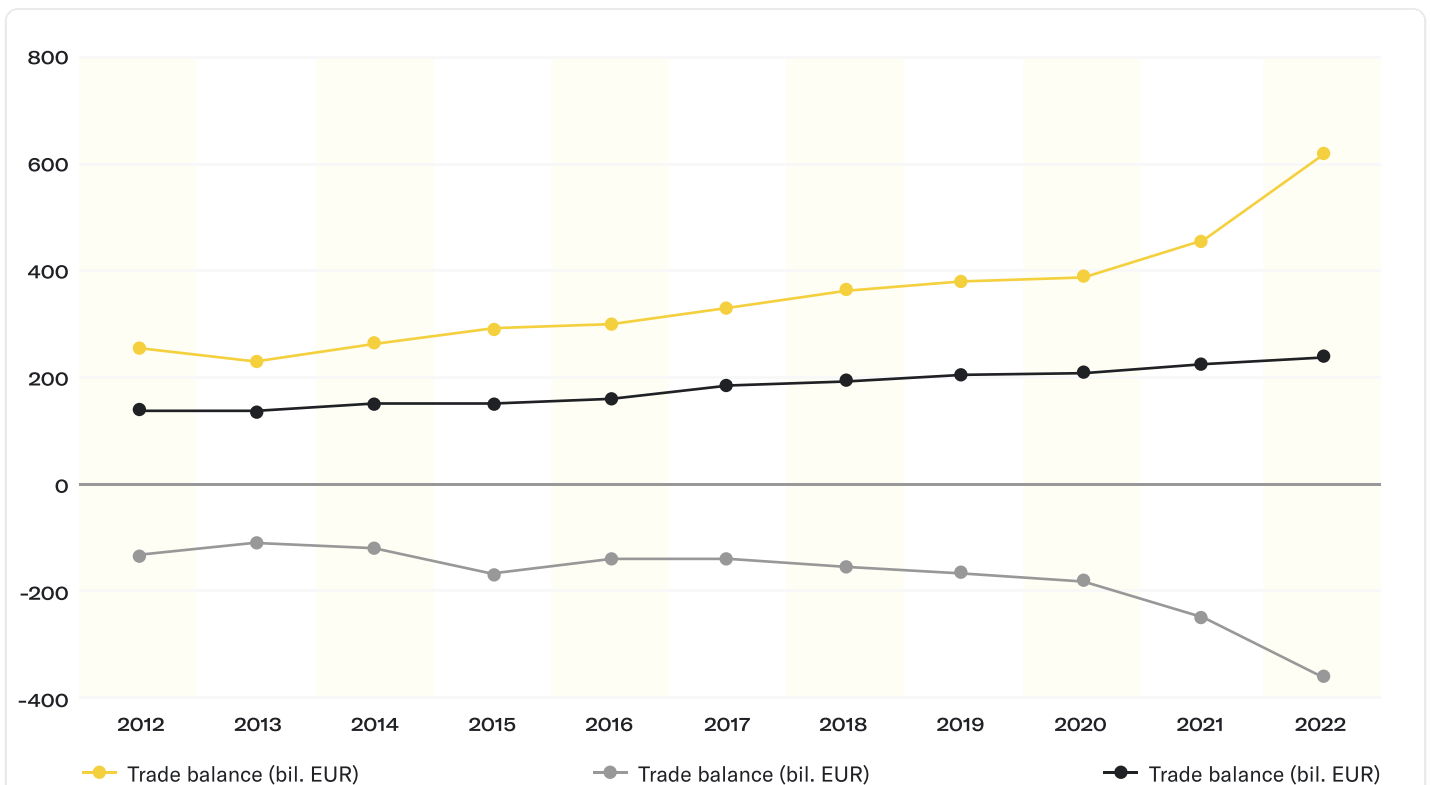
Prof. Dr. Clemens Fuest

Problems associated with installing luminaires from China

Luminaires imported from China may at first glance look attractive due to their low price, but they represent potential complications and additional costs associated with their use.

- Higher installation costs**
 Luminaires from China can lead to more complicated installation and a higher failure rate, which will ultimately bring about increased installation costs and delays in construction deadlines.
- Certification issues**
 Problems associated with invalid certificates cause non-compliance with local regulations and may result in higher costs for obtaining the certificate of occupancy. In extreme cases, it may be necessary to replace a cheap solution with a properly certified one.
- Operation and service costs**
 Lower quality is usually related to higher energy consumption, more frequent breakdowns and difficulty in obtaining spare parts. The problem arises especially with deliveries, where there is a higher amount of products tailored to the given project.
- Problems with ESG reporting**
 China is trying to copy innovative solutions, but is currently lagging behind in sustainability, ESG regulations and the development of smart solutions.

The balance of Trade between the EU and China in 2012-2022



Source: [Trade balance of the European Union with China 2012-2022](https://www.statista.com/chart/1000000/trade-balance-of-the-european-union-with-china-2012-2022) (Statista.com)

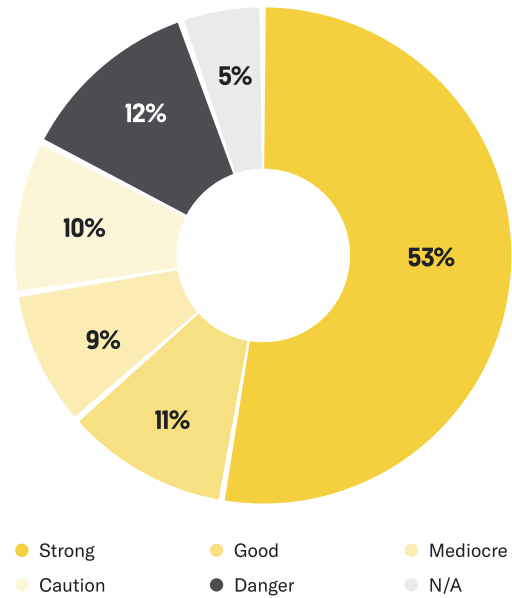
This combination of issues raises questions about the long-term viability of imported luminaires, and highlights the importance of careful selection before making a final decision on the supplier for your project.

We grapple with choosing lighting suppliers. Conversations about Chinese vs. European lighting quality are intricate. While China offers lower costs, installation and certification challenges persist. However, the long-term view favors European manufacturers due to rising quality demands and smart system applicability in buildings.



Václav Mareš, ARBOL

The Plimsoll financial health ratio



Stability of the European market

The European lighting manufacturing industry is growing rapidly with 53 % of companies showing strong financial health. This remarkable fitness ranks this industry among the top performers in improving the overall financial health, making it one of the most sought-after industries in the financial world.

5 key parameters European customers are interested in

- Low return rate**
Customers appreciate the low return rate, which is considered a proof of the high quality of the lighting systems.
- Customer care**
The key factors include direct communication with manufacturers for non-standard situations, timely delivery, and adaptability to project changes.

The Plimsoll financial health ratio

TIERS		STRONG		GOOD		MEDIocre		CAUTION		DANGER	
		Previous	Latest	Previous	Latest	Previous	Latest	Previous	Latest	Previous	Latest
Tier 1	\$10,633m < Sales	30%	20%	10%	20%	30%	20%	20%	20%	10%	20%
Tier 2	\$10,633m < Sales < \$100.56m	58%	54%	6%	12%	13%	12%	16%	15%	7%	7%
Tier 3	\$100.56m < Sales < \$31.60m	67%	65%	13%	14%	4%	7%	7%	5%	10%	9%
Tier 4	\$31.60m < Sales < \$10.87m	56%	55%	17%	14%	5%	7%	8%	11%	15%	13%
Tier 5	Sales < \$10.87m	52%	53%	8%	7%	9%	10%	10%	11%	21%	20%

Source: Plimsoll Insights, Financial Health, October 2023, Lighting Manufacturers (European)

- **Superior technical service**
Includes updated materials and training for architects. This combination guarantees reliable operation of lighting systems.
- **Trouble-free occupancy approval**
Customers are looking for manufacturers who provide true parameters in their technical specifications, such as luminous intensity, glare and settings.
- **Healthy lighting**
The role that lighting plays in the health of building end-users is becoming increasingly important to the customers. Paying attention to the impact of light on human health is a key factor when choosing luminaires for your project.

Czech? Checked.

“At Halla, we have focused on the feedback provided by our customers from Western Europe regarding the quality of luminaires from the Czech Republic. The obtained data clearly show that the price-performance ratio plays a key role in the decision whether to use suppliers from the Czech Republic. The differences are minimal, and Czech quality is on a par with German one, while lower production costs and flexible customization represent a significant added value for our customers. As well as the possibility to consult the project directly with the manufacturer and related care in the form of qualified sales representatives and technical support.”



Roman Šiška, Halla

Customer feedback revealed the following:

- In terms of lighting quality, the differences between Czech and German manufacturers are minimal, which clearly shows the similar level of development of both markets.
 - In the Czech Republic, lower production and service costs benefit larger development projects. Tailor-made solutions and high customization are key advantages offered by Czech lighting manufacturers.
- It is noticeable that the Czech Republic actively participates in matters related to ESG. The local research and development has been focused on green technologies and technological innovations, with manufacturing companies closely following the trends in the area of healthy living, long-term sustainability hand in hand with quality, and the development of smart solutions for energy management and intelligent building management.

Main trends in the development of lighting systems

Halla, a Czech manufacturer of luminaires, focuses on innovative approaches to the development of lighting solutions that not only illuminate various spaces, but also reduce overall energy consumption as part of fulfilling our sustainability commitments. Here is a brief overview of how Halla achieves these goals:

- **Efficient energy consumption**
Our luminaires are designed to minimize energy consumption while achieving the highest possible efficiency. We integrate technologies such as dimming, daylight control and motion detection, enabling even greater energy savings.
- **Comprehensive building management**
Lighting is not only a source of light, but a key element of comprehensive building management. With our Halla Smart system, users can comfortably control both individual luminaires and complex DALI systems including, for example, entire office buildings.
- **High quality components**
The use of high-quality components and renewable materials in production ensures a long life of products and a low impact on the environment.
- **Recyclability**
Emphasis is placed on the sustainability of products from the beginning to the end of their life cycle. Luminaires have been designed with recyclability in mind and they meet EPD certification, demonstrating a commitment to responsible material handling.
- **Eco-friendly packaging and shipping**
When distributing our luminaires, emphasis is placed on ecological packaging, which uses recyclable paper pallets and thus minimizes packaging material. In this way, the ecological footprint of not only the luminaires themselves, but also of their transport is reduced.

30 years of traditional Halla quality

Halla is an established Czech manufacturer of commercial lighting systems with more than 30 years of history. Here is an insight into our world and philosophy.

Our own production in the Czech Republic

- With more than 30 years on the market, we have extensive experience in the development, production and sale of technically advanced luminaires of cutting edge design.
- We take pride in developing and manufacturing luminaires in our own production facility in Nové Město nad Metují in the Czech Republic. This allows us to maintain high quality standards as well as a high degree of customization even for the most complex projects.
- Thanks to our configurator, we have been able to reduce the time required for project designing by 90%.



Care and Commitment

- We form a part of buildings and our lights are responsible for the quality of life inside. Halla's Manifesto emphasizes our care for each project, providing precise and high-quality light conditions.
- At Halla, we not only supply luminaires, but also create light that pushes the boundaries of quality and care for the environment.

Innovations and Technologies

- With our complete mechanical and assembly workshop, and warehouse controlled via online mobile terminals, we are flexible and able to respond quickly to market needs.
- We have invested in a modern light laboratory, equipped with the latest technologies, including a goniophotometer and an integrating sphere. This allows us to test and guarantee a high standard of luminaires.



"In the world of lighting manufacturers, it's not just about luminaires, but also about creating an environment that shows we care. At Halla, we know that first-class care is not just words but the basis for building long-term partnerships. We are convinced that only through first-class partnerships can we provide our customer with first-class projects and innovative solutions."



Lukáš Krch, Halla



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