

# Turbulence in the CAE/EDA/Simulation Software Market: Cambashi Insights on M&A Activity and Trends

CAMBRIDGE, CAMBRIDGESHIRE, UNITED KINGDOM, March 24, 2025 /EINPresswire.com/ -- The global Manufacturing [CAE \(Computer-Aided Engineering\)/Simulation software market](#) is currently estimated by [Cambashi](#) at \$7.5 billion, making it the largest segment in the [Manufacturing Software market](#) that we research. It is projected to grow at a compound annual growth rate (CAGR) of 9-10% for the next five years.

Extending this definition to include other forms of CAE used in

Architecture, Engineering and Construction ('AEC'), increases the size to give an estimated \$10.1 billion, and the BIM (Building Information Management) market that serves AEC is also growing quickly.

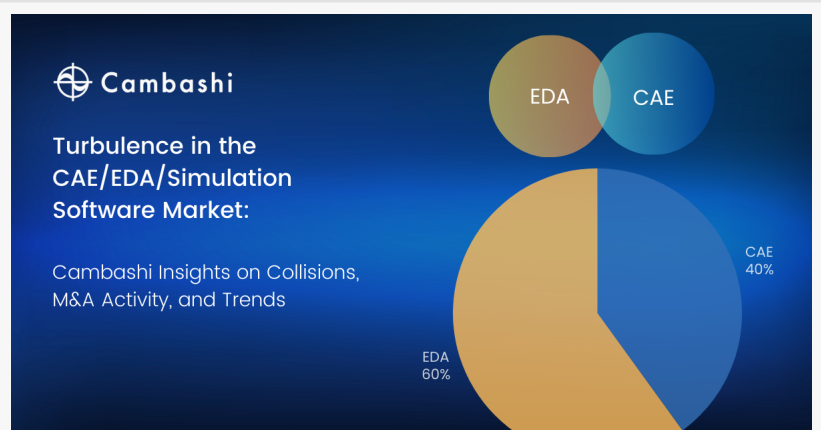
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The global MCAE/Simulation software market is \$7.5 B and projected to grow at CAGR c. 9-10%. AI will increase the EDA and MCAE markets, but we do not expect EDA to grow as quickly as MCAE.”

*Alan Griffiths, Managing Consultant*

While the 'EDA' (Electronic Design Automation) market appears to be larger – approximately \$12 billion – that figure includes design software and services, as well as analysis and simulation software.

Although Bloomberg recently estimated that AI could add \$6 billion to the EDA market, we believe that it is not growing as quickly as MCAE – which will also grow further due to AI. This is one reason why EDA providers are on a 'collision course' with CAE providers; for example, Synopsys acquiring Ansys, and Cadence acquiring Beta CAE. Other reasons are:



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- The theoretical market size for CAE/Simulation (including MCAE) is much greater than that of EDA because it includes all the manufacturing and construction markets.

- The use of CAE/Simulation is growing throughout the product life cycle. For example, in the initial design stages where constraints can be applied, and in later stages of product development where simulation can drastically reduce the amount of physical validation (such as crash and fatigue testing) that is needed.

- The complexity of products is increasing. For example, in the aerospace and automotive industries the use of electronics is increasing as is the move towards electric vehicles. This requires different analytical techniques that come from both the 'CAE' and 'EDA' worlds.

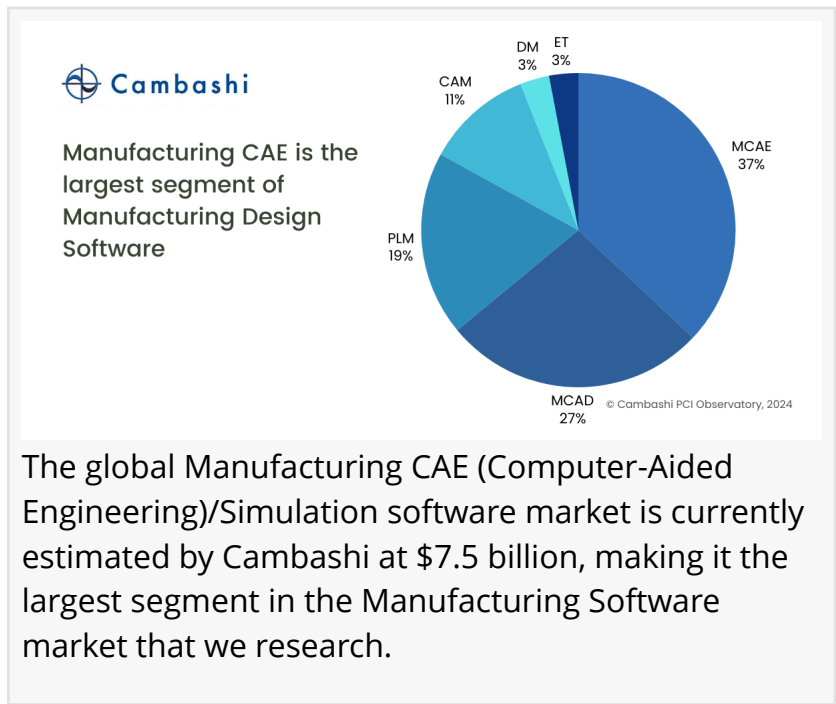
Although M&A brings together different software capabilities, there are also challenges:

- Accuracy and consistency must be maintained when combining workflows.

- Both organizations need to understand the many, different underlying technologies, their benefits and how to apply them in software development and marketing.

Cambashi has prepared a research briefing that addresses the following:

- Who are the key players in CAE/Simulation and what are the main drivers and trends in this market?
- What are the key changes in the way CAE/Simulation capabilities are applied by customers, and why is this increasing demand for the software?
- What is the impact of M&A activities, particularly with 'EDA' companies acquiring 'CAE' companies, and hardware companies buying software companies?
- With CAE 'fishing in the same pond' as AI when it comes to hiring qualified people, how must providers react to skills shortages?
- What does the growth of CAE/Simulation look like by Provider/Product, Industry and Country?



For more information, or to request a briefing, visit <https://cambashi.com/cae/>

#### About Cambashi

Cambashi is a global market research firm specializing in engineering and industrial software intelligence. With decades of expertise, Cambashi provides in-depth market data, industry analysis, and consulting services to assist businesses in navigating the evolving technology landscape.

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