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Siding

US Industry Study with Forecasts for **2012 & 2017**

Study #2376 | July 2008 | \$4700 | 309 pages

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Demand in the US for fiber cement siding is forecast to rise 5.1 percent per year through 2012, representing the fastest growth for any major type of siding material.

US demand to reach 115 million squares in 2012

Demand for siding materials is projected to increase 1.6 percent per year to over 115 million squares in 2012. Gains will derive largely from an expected recovery in residential construction, particularly in single-family housing. In value terms, demand will increase 3.4 percent annually through 2012 to \$12.4 billion. This is a stronger performance than for volume demand and reflects ongoing increases in the average price per square, driven in part by a shift toward higher-value siding materials.

Vinyl siding to remain largest material segment

Consumption of vinyl siding is projected to increase 1.6 percent annually to more than 45 million squares in 2012. Growth will be moderated by competition from fiber cement siding, which continues to expand its presence in the residential market. Producers responded by developing specialty, higher-value versions of vinyl siding to better compete with fiber cement.

Stucco and related siding materials demand is projected to increase 2.1 percent annually through 2012. Gains will be concentrated in EIFS, stone-facing products and other siding materials which are used primarily in nonresidential markets. Traditional stucco siding, on the other hand, will post slower gains. Consumption of brick

US Siding Demand, 2007 (106.6 million squares)



siding materials is projected to increase 1.7 percent per year through 2012. Gains will be primarily in the dominant residential market, although the much smaller nonresidential market will post more rapid growth.

Consumption of wood siding materials is projected to decline 1.9 percent annually through 2012. A number of factors have contributed to the declining market position for wood siding, including high material and installation costs, high maintenance requirements, competition from alternative materials and restrictions on timber harvests.

Demand for fiber cement siding is forecast to rise 5.1 percent per year

through 2012, representing the fastest growth for any major type of siding material. However, this is a significant deceleration from the explosive growth achieved during the 1990s, as demand for fiber cement siding begins to mature in certain geographic regions, particularly the South and Southwest.

Metal panel siding demand is expected to increase 1.6 percent per year through 2012, driven by anticipated growth in nonresidential construction spending. Metal panels are most often used in industrial building applications, but also find use in office and commercial building to a lesser extent.

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Sample Text, Table & Chart

MARKETS

Improvement & Repair

Demand for siding materials used in the residential improvement and repair market is projected to increase annually by more than 40 million squares in 2008, with performance recorded in previous years which tends to be more stable. The residential construction market accounted for 46 per

**SAMPLE
TEXT**

Current siding improvement and repair opportunities exist in the large base of homes built in the 1950s, 1960s and 1970s, a pool of homes for which siding replacement may be desirable. In general, single-family homeowners are more likely than residential building owners to spend to repair or improve the exterior because of a variety of factors, including the desire to limit exterior repairs later and interest in customizing the home to suit their preferences. The manufactured housing segment is least likely to undergo such improvements because it is considered low cost housing. In general, there is a strong consumer tendency to trade-up into either a better manufactured home or a site-built home instead of remodeling the older manufactured home's exterior.

Demand for siding in the residential improvement and repair market is driven by a variety of factors which affect the type of siding material ultimately selected for the project. For instance, a consumer stung by a defective product or improper installation will often switch to a siding product with a more established reputation. Additionally, a consumer whose siding is damaged because of insufficient or delayed maintenance would be more likely to seek an alternate material that requires less upkeep. However, in cases where damage is relatively minor or if the damage is limited to a relatively small area of the structure's exterior, homeowners are more likely to simply replace the damaged parts with

160

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TABLE V-8

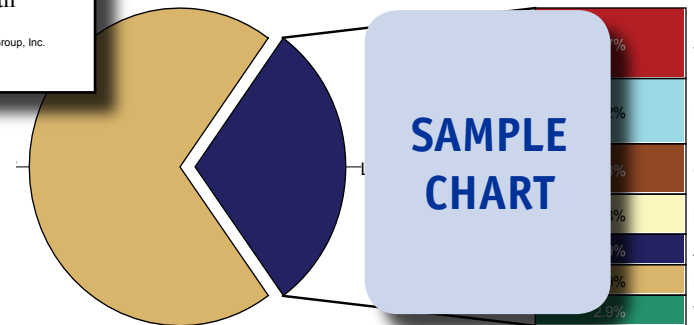
SOUTH SIDING DEMAND BY SUBREGION & MARKET
(million squares)

Item	1997	2002	2007	2012	2017
South Construction Exps (bil 2000\$) 25					2.0
squares/mil 2000\$ construct					5
South Siding Demand					7
By Subregion:					
South Atlantic					6
East South Central					9
West South Central					2
By Market:					
Residential					5
New					6
Improvement & Repair					9
Nonresidential					2
New					8
Improvement & Repair					4
% South					0
Total US Siding Market					6.0

**SAMPLE
TABLE**

CHART VI-7

SIDING MARKET SHARE BY COMPANY, 2007
(\$10.5 billion)



Sample Profile, Table & Chart

COMPANY PROFILES

Mitten Incorporated

70 Curtis Avenue North
 Paris, Ontario N3L 3T2
 Canada
 519-442-1111
<http://www.mitten.com>

Sales: US
 Employ: 100

Key Pro: Siding

SAMPLE PROFILE

Mitten Incorporated, which formerly operated as Mitten Vinyl, is a producer of vinyl siding, soffit, fascia, trim, complementary products and building accessories. The privately held company markets its building products worldwide through a network of independent distributors.

The Company participates in the US siding industry through the production of vinyl siding products, which includes a range of profiles and colors, for use in residential applications. Vinyl siding from Mitten encompasses a variety of standard, premium and specialty products. This siding is covered by a limited lifetime transferable warranty.

Mitten's standard siding includes OREGON PRIDE and CAMBRIDGE product lines, which feature a range of profiles and color choices, all of which are finished with woodgrain texture. In 2007, the Company introduced four new colors for OREGON PRIDE and CAMBRIDGE siding: HEARTHSTONE, PRAIRIE GOLD, STRATUS and CLAY. Premium siding from Mitten includes the SENTRY line, which is made with a low-gloss cedar grain texture in eleven colors and features a contoured lock system that securely attaches panels to walls

TABLE III-16

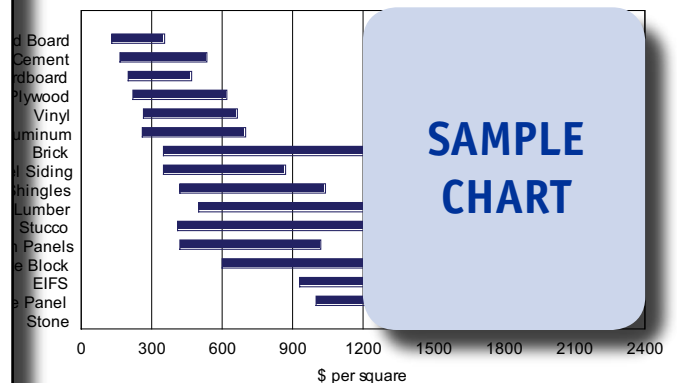
FIBER CEMENT SIDING MARKETS (million squares)

Item	1997	2002	2007	2012	2017
Res Bldg Constr Expend (bil 2000\$)	32.0	32.0	32.0	32.0	32.0
squares/mil 2000\$ bldg construct					
Fiber Cement Siding Demand					
Residential:					
New					
Improvement & Repair					
Nonresidential:					
New					
Improvement & Repair					
\$/square					
Fiber Cement Siding Sales (mil \$)					
% fiber cement					
Total Siding Demand (mil squares)	97.0	107.0	100.0	100.0	126.0

SAMPLE TABLE

CHART III-2

RANGE OF INSTALLED COSTS FOR SELECTED SIDING MATERIALS, 2007



SAMPLE CHART

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OTHER STUDIES

World Roofing

Global roofing demand is forecast to expand 2.9 percent annually to 10.3 billion square meters in 2012, with a value of \$65 billion. The emerging economies of Asia will register the fastest growth in demand for roofing materials through 2012, and China will surpass the US as the world's largest roofing market by area. This study examines the world roofing industry, with forecasts for 2012 and 2017 by product and market in 31 countries. It also evaluates market shares and profiles industry participants worldwide.

#2368 06/2008 \$5800

Brick & Block

US demand for brick and block will reach \$7.9 billion in 2012. Growth will be greatest in concrete products, reflecting stronger growth in key nonresidential building markets. Demand for clay brick will benefit from a recovery in residential building activity, especially in new single-family housing. This study analyzes the 14.2 billion unit US brick and block industry, with forecasts for 2012 and 2017 by product, market, application and US geographic region. It also evaluates company market share and profiles major players.

#2331 05/2008 \$4500

World Drywall & Building Plasters

Global demand for drywall will grow 4.5% annually through 2012. Prospects in the Asia/Pacific region will be particularly robust, while sales growth in the dominant North American market will significantly lag all other regions. Drywall based on synthetic gypsum will account for an increasing share of demand. This study analyzes the 7.8 billion square meter world drywall industry, with forecasts for 2012 and 2017 by product, market, world region and for 14 countries. It also evaluates market share and profiles major players.

#2335 04/2008 \$5500

Insulation

US insulation demand will rise 5.3% annually through 2012, based on renewed growth in housing construction. Fiberglass will remain the leading insulation material and outpace demand for the second largest type, foamed plastic. Reflective insulation and radiant barriers will see the fastest growth, albeit from a small base. This study analyzes the \$8.5 billion US insulation industry, with forecasts for 2012 and 2017 by product, market and US region. It also evaluates company market share and profiles major players.

#2302 03/2008 \$4600

World Siding (Cladding)

Global demand for exterior siding (or cladding) will grow 3.8% yearly through 2010 based on a pickup in nonresidential building construction. Metal, concrete and stone, and fiber cement siding will grow the fastest. China, India and Russia will lead gains, while growth rates in developed countries will be slower. This study analyzes the 4.3 billion square meter world siding industry for 2010 and 2015 by product, market, world region and for 31 countries. It also evaluates market share and profiles major producers.

#2159 02/2007 \$5500

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