

[CLICK TO VIEW](#)

[Table of Contents 2](#)

[List of Tables & Charts 3](#)

[Study Overview 4](#)

[Sample Text, Table  
& Chart 5](#)

[Sample Profile, Table &  
Forecast 6](#)

[Order Form & Corporate  
Use License 7](#)

[About Freedonia,  
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Related Studies, 8](#)



# Insulation

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US Industry Study with Forecasts for **2017 & 2022**

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[www.freedoniagroup.com](http://www.freedoniagroup.com)



**The Freedonia Group**

767 Beta Drive

Cleveland, OH • 44143-2326 • USA

Toll Free US Tel: 800.927.5900 or +1 440.684.9600

Fax: +1 440.646.0484

E-mail: [info@freedoniagroup.com](mailto:info@freedoniagroup.com)

## Table of Contents

### EXECUTIVE SUMMARY

### MARKET ENVIRONMENT

General .....	4
Macroeconomic Environment.....	5
Demographic Trends .....	9
Consumer Trends .....	13
Consumer Spending.....	14
Consumer Financing .....	16
Building Construction .....	20
Residential Buildings.....	22
Housing Starts.....	24
Housing Stock .....	29
Improvements & Repairs.....	32
Nonresidential Buildings .....	34
New .....	34
Improvements & Repairs.....	37
Manufacturing Outlook.....	39
Pricing .....	42
Historical Market Trends.....	44
Foreign Trade .....	48
World Insulation Overview .....	50

### OVERVIEW

General .....	53
R-Values .....	54
Material Variations in Thermal Resistance.....	55
Environmental & Regulatory Issues .....	57
Building Codes .....	58
Energy Efficiency Tax Credits.....	60
Green Building .....	62
LEED .....	62
Other Programs .....	64
Climate Change .....	65
Indoor Air Quality.....	67
Renewable Resources & Recycling .....	69
Health & Safety Issues .....	72
Foamed Plastics .....	72
Fiberglass .....	74
Vermiculite.....	75
Insulation Demand.....	76

### PRODUCTS

General .....	79
Fiberglass .....	83
Materials .....	84
Product Forms .....	86
Markets .....	91
Residential Buildings .....	92
Nonresidential Buildings.....	94
Industrial & HVAC Equipment .....	95
Other Markets .....	96

Foamed Plastics .....	97
Product Forms .....	97
Markets .....	101
Resins.....	103
Rigid Urethane.....	104
Products .....	106
Markets .....	108
Polystyrene .....	110
Products.....	111
Markets .....	114
Other Foamed Plastics.....	116
Cellulose.....	118
Product Forms .....	119
Markets.....	122
Mineral Wool .....	124
Product Forms .....	127
Markets.....	130
Reflective Insulation & Radiant Barriers .....	132
Product Forms .....	135
Markets.....	136
Other Insulation .....	138
Materials .....	139
Perlite .....	140
Vermiculite.....	142
All Other Materials.....	143
Product Forms .....	146
Markets.....	147

### MARKETS

General .....	150
Demand by Market Value .....	151
Demand by R-1 Value .....	154
Residential Buildings .....	157
Materials .....	159
Dollars/R-Value Comparison .....	163
Applications .....	166
New Housing .....	170
Attic Reinsulation .....	173
Improvement & Replacement .....	176
Nonresidential Buildings .....	179
Materials .....	180
Dollars/R-Value Comparison .....	184
Applications .....	186
Institutional.....	188
Commercial .....	189
Office .....	190
Industrial.....	190
Other Nonresidential.....	191
Nonbuilding Construction .....	191
Industrial & HVAC Equipment .....	191
Materials .....	193
Dollars/R-Value Comparison .....	195
Applications .....	197
Industrial Equipment .....	198
HVAC Equipment.....	199

Other Insulation Markets .....	199
Materials .....	200
Applications .....	202

### REGIONS

General .....	204
Regional Demographic & Economic Activity .....	205
Population Patterns.....	206
Economic Outlook.....	209
Construction Activity.....	213
Housing Trends .....	215
Regional Insulation Demand .....	218
Northeast .....	221
New England .....	224
Middle Atlantic .....	225
Midwest .....	227
East North Central .....	231
West North Central .....	233
South .....	234
South Atlantic .....	236
East South Central.....	238
West South Central.....	239
West.....	241
Mountain .....	243
Pacific.....	245

### INDUSTRY STRUCTURE

General .....	247
Industry Composition .....	248
Market Share .....	252
Manufacturing & Product Development .....	258
Competitive Strategies.....	261
Marketing & Distribution .....	265
Acquisitions & Divestitures .....	268
Cooperative Agreements.....	270

### COMPANY PROFILES

Advanced Fiber Technology.....	275
Armacell International.....	276
BASF SE.....	278
Bayer AG .....	282
Berkshire Hathaway.....	284
Bridgestone Corporation.....	289
Carlisle Companies .....	291
Carpenter Company .....	295
Covertch Fabricating .....	296
Dow Chemical.....	298
Dyplast Products.....	303
Evonik Industries .....	304
Fi-Foil Company.....	306
Grace (WR) & Company .....	307
Guardian Industries .....	308

(continued on following page)

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## Table of Contents

### COMPANY PROFILES

(continued from previous page)

Homasote Company .....	310
Hood Companies .....	311
Innovative Energy .....	314
Innovative Insulation .....	316
Insulation Solutions .....	317
Knauf Gips KG .....	319
Louisiana-Pacific Corporation .....	321
Materis .....	323
Owens Corning .....	325
PFB Corporation .....	329
Polyair Inter Pack .....	331
PPG Industries .....	332
Pregis Corporation .....	334
Reynolds Group .....	335
Rmax Incorporated .....	336
ROCKWOOL International .....	338
RPM International .....	342
Saint-Gobain .....	344
Sealed Air .....	347
Sonoco Products .....	348
Specialty Vermiculite .....	350
Sto AG .....	351
Other Companies Mentioned in Study .....	353

## List of Tables/Charts

### EXECUTIVE SUMMARY

1 Summary Table .....	3
-----------------------	---

### MARKET ENVIRONMENT

1 Macroeconomic Indicators .....	9
2 Population & Households .....	13
3 Personal Consumption Expenditures .....	16
4 Consumer Financing Environment, 2002-2012 .....	19
5 Building Construction Expenditures .....	21
6 Residential Building Construction Expenditures .....	24
7 New Housing Indicators .....	28
8 Housing Stock by Type .....	31
9 Residential Improvement & Repair Expenditures .....	34
10 Nonresidential Building Construction Expenditures .....	37
11 Nonresidential Building Improvement & Repair Expenditures .....	38

12 Manufacturers' Shipments .....	42
13 Average Insulation Prices .....	44
14 Insulation Market, 2002-2012 .....	47
15 Insulation Foreign Trade .....	50

### OVERVIEW

1 Insulation R-Values by Material .....	57
2 Insulation Demand by Value .....	78

### PRODUCTS

1 Insulation Demand by Material .....	82
Cht Insulation Demand by Material, 2012 .....	83
2 Fiberglass Insulation Demand by Product Form .....	91
3 Fiberglass Insulation Demand by Market .....	92
4 Foamed Plastic Insulation Demand by Market .....	103
5 Foamed Plastic Insulation Demand by Resin .....	104
6 Rigid Urethane Foam Insulation Demand by Product .....	108
7 Rigid Urethane Foam Insulation Demand by Market .....	110
8 Polystyrene Foam Insulation Demand by Product .....	114
9 Polystyrene Foam Insulation Demand by Market .....	116
10 Other Foamed Plastic Insulation Demand by Market .....	117
11 Cellulose Insulation Demand by Product Form .....	122
12 Cellulose Insulation Demand by Market .....	124
13 Mineral Wool Insulation Demand by Material .....	127
14 Mineral Wool Insulation Demand by Product Form .....	129
15 Mineral Wool Insulation Demand by Market .....	131
16 Reflective Insulation & Radiant Barrier Demand by Type .....	135
17 Reflective Insulation & Radiant Barrier Demand by Market .....	138
18 Other Insulation Demand by Material .....	140
19 Other Insulation Materials Demand by Product Form .....	147
20 Other Insulation Materials Demand by Market .....	149

### MARKETS

Cht Insulation Markets by Market Value, 2012 .....	153
Cht Insulation Demand by R-1 Value, 2012 ..	157
Cht Cost/R-Value Comparison of Residential Insulation Materials, 2012 .....	166

Cht Cost/R-Value Comparison of Nonresidential Insulation Materials, 2012 .....	186
Cht Cost/R-Value Comparison of Industrial & HVAC Insulation Materials, 2012 .....	197
1 Insulation Demand by Market Value .....	153
2 Insulation Demand by R-1 Value .....	156
3 Residential Buildings Market for Insulation by Material .....	163
4 Residential Buildings Market for Insulation by Application .....	170
5 New Housing Applications for Insulation .....	173
6 Residential Attic Reinsulation Applications for Insulation .....	176
7 Residential Improvement & Repair Applications for Insulation .....	179
8 Nonresidential Buildings Market for Insulation by Material .....	183
9 Nonresidential Buildings Market for Insulation by Application & Type .....	188
10 Industrial & HVAC Equipment Markets for Insulation by Material .....	195
11 Industrial & HVAC Insulation Markets by Application .....	198
12 Other Insulation Markets by Material .....	201
13 Other Insulation Markets by Application .....	203

### REGIONS

1 Population by Region .....	209
2 Gross Domestic Product by Region .....	212
3 Construction Expenditures by Region .....	215
4 Regional Housing Indicators .....	218
5 Insulation Demand by Region .....	220
Cht Insulation Demand by Region, 2012 .....	220
6 Northeast Insulation Demand by Subregion & Market .....	224
7 Midwest Insulation Demand by Subregion & Market .....	231
8 South Insulation Demand by Subregion & Market .....	236
9 West Insulation Demand by Subregion & Market .....	243

### INDUSTRY STRUCTURE

1 Insulation Revenues for Selected Manufacturers, 2012 .....	251
Cht Insulation Market Share, 2012 .....	254
2 Selected Acquisitions & Divestitures .....	270
3 Selected Cooperative Agreements .....	272

*Growth will be driven by a general increase in building construction spending, as well as by changes in building codes and construction practices that call for greater energy efficiency.*

## US demand to rise 7.6% annually through 2017

US demand for insulation is projected to advance 7.6 percent annually to \$10.3 billion in 2017. Growth will be given a big lift from a general increase in building construction spending from a low 2012 base. Gains will also be boosted by changes in building codes and construction practices that call for structures to use energy more efficiently. Such measures as the 2012 International Energy Conservation Code (IECC) and the most recent Leadership in Energy and Environmental Design set of codes - LEEDv4 -- will spur construction professionals to add more insulation to reduce energy consumption.

## Gains in residential market to outpace nonresidential

The residential market is forecast to see double-digit annual insulation demand advances through 2017, spurred by a strong rebound in housing starts. Not only will more houses be erected, but builders will install more insulation per new structure to comply with the 2012 IECC. Residential insulation demand will also be supported by efforts to upgrade insulation in existing houses, as homeowners opt to reduce utility bills by adding insulation to attics and walls, and by sealing gaps to prevent air leaks.

Demand for insulation in the nonresidential market will see solid growth through 2017, spurred by rising nonresidential building construction, particularly in the



office and commercial segments. Advances will be further boosted by increasing interest in green building practices, such as those put forth by the LEED rating system, that call for the use of more insulation with higher R-values. Not only does the increased insulation reduce utility bills, but many business owners find an environmentally friendly reputation to be important in attracting customers.

## Fiberglass insulation to remain market leader

Fiberglass insulation accounted for just under one-half of insulation demand by value in 2012. Fiberglass insulation will remain the market leader through 2017,

with growth in building construction expenditures spurring demand. The material's low cost, insulative properties, fire resistance, and ease of installation make fiberglass insulation a popular choice with construction professionals and do-it-yourself homeowners.

Demand for foamed plastic insulation, which accounted for the second largest share of the market in 2012, is forecast to grow at near the industry average annual rate through 2017. Rebounding building construction will boost demand. Foamed plastics have traditionally been used more extensively in the nonresidential market, but the residential market will offer solid growth prospects going forward.

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## Sample Text, Table & Chart

### PRODUCTS

**Industrial & HVAC Equipment** -- Unlike other markets for fiberglass insulation in the industrial and HVAC equipment market rose between 2007 and 2012. Increases in industrial construction spending supported demand, as did rising energy costs, which prompted plant managers to add insulation to ductwork, pipe systems, and HVAC equipment. Fiberglass insulation, because of its low cost and effectiveness, was often specified by cost-conscious consumers for use in pipe systems and other equipment.

Demand for fiberglass insulation in the industrial and HVAC equipment market is projected to rise to 1.2 billion pounds in 2017. This will be a 10% increase from 1.1 billion pounds in 2012. Gains in industrial construction spending, plant managers and other personnel are expected to drive demand between 2007 and 2012. Those gains, along with additional energy efficiency measures, will probably not result in a decline in the near future. Moreover, the increase in energy costs, most notably by US manufacturers will restrain energy costs going forward, making energy efficiency upgrades a less pressing priority. Demand for fiberglass insulation in industrial and HVAC applications will be supported by increases in industrial building construction spending and continuing interest in energy efficiency measures.

Fiberglass insulation demand in industrial and HVAC markets consists primarily of batts and blankets. These materials are installed around air conditioning and heating ducts, boilers, and power and manufacturing equipment. Rigid board fiberglass is also used, particularly in heating duct applications. Fiberglass is often specified in these applications because it is a fire-resistant material, an important consideration where fire and combustion are concerns.

Industrial and HVAC equipment applications for fiberglass insulation include coverings for pipes and machinery, as well as ductwork.

106

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SAMPLE  
TEXT

TABLE V-3

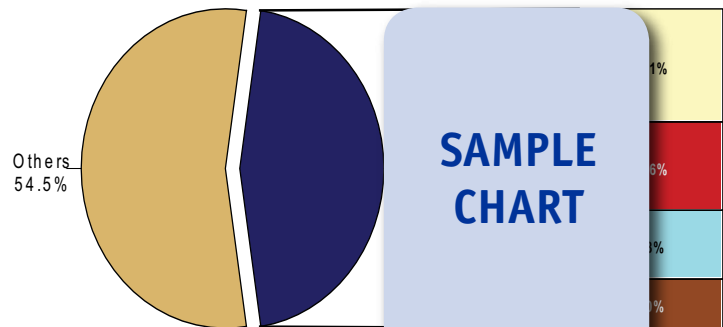
### RESIDENTIAL BUILDING MARKET FOR INSULATION BY MATERIAL (million dollars)

Item	2002	2007	2012	2017	2022
Residential Building Construction (bil \$) \$ insulation/000\$ construction					
Residential Building Insulation Demand:					
Fiberglass					
Foamed Plastics:					
Rigid Urethane					
Other Foamed Plastics					
Cellulose					
Mineral Wool					
Reflective & Radiant					
Other					
% residential buildings Insulation Demand					

SAMPLE  
TABLE

CHART VII-1

### INSULATION MARKET SHARE, 2012 (\$7.1 billion)



SAMPLE  
CHART

## Sample Profile, Table & Forecast

**TABLE VI-6**  
**NORTHEAST INSULATION DEMAND BY SUBREGION & MARKET**  
 (million dollars)

Item	2002	2007	2012	2017	2022
Northeast Constr Expenditures (bil \$)	155	175	190	200	210
\$ insulation/000\$ construction	0.02	0.02	0.02	0.02	0.02
Northeast Insulation Demand	3	3	4	4	4
By Subregion:					
New England	1	1	1	1	1
Middle Atlantic	2	2	3	3	3
By Market:					
Residential	1	1	1	1	1
Nonresidential	2	2	3	3	3
Industrial, HVAC, & Other	0	0	0	0	0
% Northeast Insulation Demand	65	62	71	70	70



**COMPANY PROFILES**

**Polyair Inter Pack Incorporated**  
 330 Humberline Drive  
 Toronto, Ontario M9W 1R5  
 Canada  
 416-679-6600  
<http://www.polyair.com>

Annual Sales:  
 Employment:  
 Key Products:

**SAMPLE PROFILE**

Polyair Inter Pack is a manufacturer of packaging, packaging machinery, and insulation products. According to the Company, the majority of its sales are generated in the US. The Company is owned by Glencoe Skydome Holdings LP (Chicago, Illinois), an operating unit of private equity firm Glencoe Capital LLC (Chicago, Illinois).

The Company is active in the US insulation industry through the production of ULTRAFLECT and FLEXFOIL reflective insulation, and FLEXOTHERM vapor barriers. ULTRAFLECT reflective insulation, which consists of aluminum insulating, heat sealed air bubble layers, provides high thermal insulation performance for construction and home renovating applications. This insulation can be installed in attics and walls, under floors and slabs, and in heating, ventilation, and air conditioning systems. FLEXFOIL reflective insulation, which is intended for construction and retail packaging applications, comprises heat sealed air bubble layers encased by 99 percent pure aluminum foil. FLEXOTHERM multipurpose reflective vapor barriers are used in walls, attics, radiant floors, and basements in residential and commercial structures. These barriers are made from polyethylene film laminated to 99 percent pure aluminum foil.

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**STUDY COVERAGE**

This Freedonia study, *Insulation*, presents historical demand data (2002, 2007, 2012) and forecasts for 2017 and 2022 by product, market and US region. The study also considers market environment factors, details industry structure, evaluates company market share and profiles 37 industry players..



**OTHER STUDIES**

**World Siding (Cladding)**

The global siding market is projected to rise 5.1 percent annually to 5.7 billion square meters in 2017, valued at \$89 billion. North America will be the fastest growing regional market, while the Asia/Pacific region will remain dominant. Masonry and concrete will remain the most popular siding products. This study analyzes the 4.4 billion square meter world siding industry, with forecasts for 2017 and 2022 by product, market, world region and for 36 countries. The study also evaluates company market share and profiles industry players.

#3101 ..... November 2013 ..... \$6300

**World Windows & Doors**

Through 2017, global demand for windows and doors is expected to rise 7.1 percent annually to \$223 billion. China was the world's largest window and door market in 2012, and will see its share of global demand rise to 36 percent of the total in 2017. Plastic window and door products will see the fastest demand gains worldwide. This study analyzes the \$158 billion world window and door industry, with forecasts for 2017 and 2022 by product, material, market, world region, and for 21 countries. The study also evaluates company market share and profiles industry players.

#3039 ..... June 2013 ..... \$6400

**Green Building Materials**

US green building materials demand is forecast to increase 11 percent annually to \$86.6 billion in 2017. Permeable pavement and structural products (e.g., recycled concrete, FSC-certified lumber) will grow the fastest. Exterior products such as energy-efficient windows and green roofing will remain the largest segment. This study analyzes the \$51.8 billion US green building material industry, with forecasts for 2017 and 2022 by product, market and US region. The study also evaluates market environment factors and profiles industry participants.

#2995 ..... February 2013 ..... \$5100

**Insulation in China**

Demand for insulation materials in China is projected to grow 9.4 percent per annum through 2016 to 65.7 billion yuan. Foamed plastic will remain the dominant product while mineral wool and fiberglass will grow the fastest from small bases. Residential and nonresidential building construction will be the fastest growing markets. This study analyzes the 42 billion yuan insulation industry in China, with forecasts for 2016 and 2021 by product, market and geographic region. The study also evaluates company market share and profiles industry participants.

#2932 ..... January 2013 ..... \$5400

**World Insulation**

Global insulation demand is forecast to rise 5.5 percent annually to 23.1 billion square meters of R-1 value in 2016. The Asia/Pacific region will remain the largest and fastest growing market, followed by North America. The best growth opportunities will be found in foamed plastic and fiberglass insulation. This study analyzes the 17.7 billion square meter global insulation industry, with forecasts for 2016 and 2021 by material, market, world region and for 21 major countries. The study also evaluates company market share and profiles industry players.

#2956 ..... October 2012 ..... \$6300

**About The Freedonia Group**

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