Natural appearance drives growth in composite lumber

Demand for wood-plastic composite (WPC) and plastic lumber will be spurred by increasing consumer interest in more aesthetically pleasing materials. Such products as capstock-coated WPC decking and cellular polyvinyl chloride (PVC) molding and trim and windows and doors are exhibiting greater usage because of their ability to recreate the grains and textures of natural wood lumber, while offering users longer lifespans and minimal maintenance needs. Capstock-coated products now dominate decking demand in the WPC segment, while cellular PVC products will take market share from traditional plastic lumber products across a wide range of applications.

Decking remains leading application

Decking will remain the leading application for WPC and plastic lumber going forward. Not only will homeowners continue to install decks to create outdoor entertainment and recreation areas, but they will increasingly add such features as outdoor kitchens, firepits, and hot tubs to their decks. Decks will be larger in size and will require more railings and other components to create the benches, tables, privacy lattices, and other related features.

New application spurs gains

The newest application for WPC and plastic lumber is backing material for luxury vinyl tile (LVT) flooring. Such materials as USFloors’ CORETEC WPC backing enhance comfort underfoot and add durability to LVT without sacrificing other performance properties, such as ease of installation. As more LVT floors are installed in homes and commercial structures, specifiers will opt for those products with WPC and plastic lumber backings, further spurring gains.

Manufacturers seek new applications

A key development in the industry is the effort of manufacturers who formerly concentrated on decking to offer other WPC and plastic lumber products. Such items as fencing and landscaping products can be marketed as complementary items used to create outdoor showpieces ideal for entertaining guests or areas for family leisure and recreational activities. Other producers offer exterior trim, stressing its ability to enhance the look and value of a home.

Study coverage

This study analyzes the US market for wood-plastic composite (WPC) and plastic lumber. It presents historical demand data (2005, 2010 and 2015) plus forecasts (2020 and 2025) by material, product (decking, fencing, molding and trim, flooring, windows and doors, landscaping and outdoor products, other), market (residential buildings, nonresidential buildings, nonbuilding construction, agricultural) and region of the US. In addition, the study considers key market environment factors, assesses the industry structure, evaluates company market share and profiles US industry players.
CONTENTS SUMMARY

Executive Summary
Market Environment
Materials
Wood-Plastic Composite Lumber
  Cellulosic Material
  Plastic Resins
  Additives & Modifiers
Plastic Lumber
  PVC
  Polyethylene
  Other Resins
  Additives & Modifiers
Products
  Decking
  Molding & Trim
  Fencing
  Flooring
  Landscaping & Outdoor Products
  Windows & Doors
  Other Applications
Markets
  Residential Buildings
  Nonresidential Buildings
  Nonbuilding Construction
  Agricultural
Regions
  Regional Demographic & Economic Trends
  Population Patterns
  Economic Outlook
  Regional Construction
  Housing Trends
  Regional WPC & Plastic Lumber Demand
  Northeast
  Midwest
  South
  West
Industry Structure
  Industry Composition
  Market Share
  Manufacturing
  Product Development
  Competitive Strategies
  Marketing
  Distribution
  Mergers & Acquisitions
  Competitive Agreements
Company Profiles

TABLES SUMMARY

Executive Summary
  1 Summary Table

Materials
  1 Wood-Plastic Composite & Plastic Lumber Demand
  2 Composite Lumber Materials Demand
  3 Plastic Lumber Materials Demand
  4 Composite & Plastic Lumber Demand by Application & Material

Products
  1 Decking Demand
  2 Decking Demand for Wood-Plastic Composite & Plastic Lumber
  3 Wood-Plastic Composite Decking Demand by Function
  4 Wood-Plastic Composite Decking Demand by Market
  5 Wood-Plastic Composite Decking Demand by Material
  6 Plastic Decking Demand by Function
  7 Plastic Decking Demand by Market
  8 Molding & Trim Outlook
  9 Molding & Trim Demand for Composite & Plastic Lumber
  10 Molding & Trim Demand for Composite Lumber by Market
  11 Molding & Trim Demand for Plastic Lumber by Market
  12 Molding & Trim Demand for Composite Lumber by Market
  13 Fencing Demand
  14 Fencing Outlook
  15 Fencing Demand for Composite & Plastic Lumber
  16 Fencing Demand for Composite & Plastic Lumber by Material
  17 Flooring Outlook
  18 Use of Composite Lumber in Luxury Vinyl Tile
  19 Flooring Demand for Composite Lumber by Market
  20 Landscaping Products Outlook
  21 Landscaping Demand for Composite & Plastic Lumber
  22 Composite/Plastic Lumber Landscaping Products Demand by Material
  23 Composite/Plastic Lumber Landscaping Products Demand by Market
  24 Windows & Doors Demand
  25 Window/Door Demand for Composite & Plastic Lumber by Material
  26 Window/Door Demand for Composite & Plastic Lumber by Market
  27 Other Demand for Composite & Plastic Lumber by Product
  28 Other Demand for Composite & Plastic Lumber by Market
  29 Other Demand for Composite & Plastic Lumber by Material

Markets
  1 Composite & Plastic Lumber Demand by Market
  2 Residential Buildings Demand for Composite/Plastic Lumber by Market
  3 New Residential Demand for Composite & Plastic Lumber by Material
  4 New Residential Demand for Composite & Plastic Lumber by Application
  5 Residential Improvement & Repair Demand for Composite & Plastic Lumber by Material
  6 Residential Improvement & Repair Demand for Composite & Plastic Lumber by Application
  7 Residential Composite & Plastic Lumber Demand by Housing Type
  8 Nonresidential Buildings Demand for Composite & Plastic Lumber
  9 New Nonresidential Demand for Composite & Plastic Lumber by Material
  10 New Nonresidential Demand for Composite & Plastic Lumber by Application
  11 Nonresidential Improvement & Repair and Demand for Composite & Plastic Lumber by Material
  12 Nonresidential Improvement & Repair Demand for Composite & Plastic Lumber by Applications
  13 Nonbuilding Construction Demand for Composite & Plastic Lumber
  14 New Nonbuilding Construction Demand for Composite & Plastic & Plastic by Material
  15 New Nonbuilding Construction Demand for Composite & Plastic Lumber by Application
  16 Nonbuilding Improvement & Repair Demand for Composite & Plastic Lumber by Material
  17 Nonbuilding Improvement & Repair Demand for Composite & Plastic Lumber by Application
  18 Agricultural Composite & Plastic Lumber Demand

Regions
  1 Wood-Plastic Composite & Plastic Lumber Demand by Region
  2 Northeast: Demand for Composite & Plastic Lumber by Subregion & Application
  3 Midwest: Demand for Composite & Plastic Lumber by Subregion & Application
  4 South: Demand for Composite & Plastic Lumber by Subregion & Application
  5 West: Demand for Composite & Plastic Lumber by Subregion & Application

Industry Structure
  1 Wood-Plastic Composite & Plastic Lumber Sales for Selected Companies, 2015
  2 Selected Acquisitions & Divestures
  3 Selected Cooperative Agreements
MARKETS

Demand for WPC and plastic lumber in nonresidential building construction is forecast to grow X percent yearly to $x million in 2020. Growth will be boosted by rising nonresidential building expenditures, particularly in the office and commercial and institutional construction segments. Structures as retail establishments, restaurants, hotels, and facilities where creating a more residential or rustic look to a building are key design considerations can be outfitted with WPC and plastic lumber products that resemble natural wood, but are more durable than wood lumber.

WPC and plastic lumber demand in the nonresidential market will also be supported by their perception as being environmentally friendly building materials. WPC lumber is made from sawdust and wood scraps sourced from sawmills as a waste byproduct of lumber production and reclaimed plastics (such as recycled grocery bags), while several types of plastic are made in part (if not wholly) from reclaimed plastics. Builders and architects selecting WPC and plastic lumber use these materials to earn Leadership in Energy and Environmental Design (LEED) credits for the structures in which they are installed. The long lifespan of WPC and plastic lumber products (compared to those made from natural wood) also supports their perception as environmentally friendly products as some construction professionals feel that the use of these items keeps construction wastes out of landfills.

The nonresidential market accounts for a much smaller share of WPC and plastic lumber demand than does the residential market. There are a number of reasons for this, chief among them being:

- More expensive than natural wood lumber
- Lack of structural strength compared to other building materials
- Aesthetic properties of WPC and plastic lumber are of minimal importance in many market segments

This study can help you:

- Determine your market & sales potential
- Learn more about industry competitors
- Assess new products & technologies
- Identify firms to merge with or acquire
- Complement your research & planning
- Gather data for presentations
- Confirm your own internal data
- Make better business decisions

TABLE V-8

<table>
<thead>
<tr>
<th>Item</th>
<th>2005</th>
<th>2010</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonresidential Building Constr (bil $)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ lumber/000$ construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonresidential Bldg WPC/Plastic Lumber</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By Material:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wood-Plastic Composite</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plastic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By Market:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Improvement &amp; Repair</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% nonresidential WPC &amp; Plastic Lumber Demand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: The Freedonia Group
Wood-Plastic Composite & Plastic Lumber
US Industry Study with Forecasts for 2020 & 2025

Study #3414
May 2016
$5500

Related Studies

Wood & Competitive Decking
This study analyzes US demand for decking. It presents historical data (2005, 2010, and 2015) and forecasts (2020 and 2025) by product (e.g., wood, wood-plastic composite, plastic), market (e.g., residential building, nonresidential building, and nonbuilding construction), application (new construction, improvement and repairs), and US region. The study also considers market environment factors, details industry structure, evaluates company market share, and profiles industry competitors.
#3411 .................. May 2016 ................... $5600

World Prefabricated Housing
Global demand for prefabricated housing will rise 2.7 percent annually through 2019 to 3.4 million units. Gains will be driven by the Asia/Pacific and Africa/Mideast regions and by Central and South America, based on advances in overall housing activity as well as increasing market penetration of prefabricated housing. This study analyzes the 2.9 million unit world prefabricated housing industry, with forecasts for 2019 and 2024 by type for six world regions and 20 major countries. The study also evaluates company market share and profiles industry participants.
#3375.............. February 2016 ............... $6200

World Windows & Doors
Global demand for windows and doors is projected to rise 5.9 percent annually through 2019 to $233 billion. Growth in the dominant Asia/Pacific market will slow but remain the fastest growing, followed closely by North America. Doors will outpace windows, and nonresidential buildings will outpace the residential market. This study analyzes the $175 billion world window and door industry, with forecasts for 2019 and 2024 by product, material and market in 6 world regions and 21 major countries. The study also details company market share and profiles industry players.
#3294.................. July 2015 ................... $6500

Hard Surface Flooring
Demand for hard surface flooring in the US is forecast to advance 6.1 percent per year to 11.3 billion square feet in 2019, valued at $16.7 billion. The key residential market will post the fastest growth, driven by gains in housing completions and a shift toward hard surface flooring in living and dining areas, where carpet has predominated. This study analyzes the 8.4 billion square foot US hard surface flooring industry, with forecasts for 2019 and 2024 by product and market. The study also evaluates company market share and profiles industry competitors.
#3284..................April 2015.................... $5300

Freedonia’s methods

• Establishing consistent economic & market forecasts
• Using input/output ratios, flow charts & other economic methods to quantify data
• Employing in-house analysts who meet stringent quality standards
• Interviewing key industry participants, experts & end users
• Researching a proprietary database that includes trade publications, government reports & corporate literature

About The Freedomia Group

The Freedomia Group is a leading international industry market research company that provides its clients with information and analysis needed to make informed strategic decisions for their businesses. Studies help clients identify business opportunities, develop strategies, make investment decisions and evaluate opportunities and threats. Freedomia research is designed to deliver unbiased views and reliable outlooks to assist clients in making the right decisions. Freedomia capitalizes on the resources of its proprietary in-house research team of experienced economists, professional analysts, industry researchers and editorial groups. Freedomia covers a diverse group of industries throughout the United States and other world markets. Industries analyzed by Freedomia include:

Automotive & Transport • Chemicals • Construction & Building Products • Consumer Goods • Energy & Petroleum • Industrial Components • Healthcare & Life Sciences • Machinery & Equipment • Metals, Minerals & Glass • Packaging • Plastics & Other Polymers • Security • Services • Textiles & Nonwovens • Water Treatment

The Freedomia Group is a division of MarketResearch.com

About MarketResearch.com

With offices in London, New York City, and Washington D.C., MarketResearch.com is the leading provider of global market intelligence products and services. With research reports from more than 720 top consulting and advisory firms, MarketResearch.com offers instant online access to the world's most extensive database of expert insights on industries, companies, products, and trends.

Contact Freedomia

1.800.927.5900 (US & Canada)
+1 440.684.9600 (Int'l)
email: info@freedoniagroup.com
website: freedoniagroup.com

Click here to purchase study online