US demand to grow 7.1% through 2006

Demand for cast polymer materials is forecast to advance 7.1 percent per year to 172 million square feet in 2006. Gains will be fueled by ongoing consumer interest in high-end surfacing materials which are durable and require minimal maintenance, particularly in the residential countertop arena where cast polymers continue to gain market share at the expense of laminates and tile. Advances will also be powered by a meteoric increase in engineered stone demand which is benefiting from broader distribution and growing consumer awareness.

Further gains will be driven by the increasing use of cast polymers in applications other than countertops, the traditional use for these materials. Falling prices will contribute to additional volume demand by making cast polymers more affordable to a larger pool of potential customers, although this will restrain growth in market value to some extent.

Engineered stone to grow 17% yearly

Demand for engineered stone (available in quartz or marble) is expected to register stellar growth of 17 percent per year to 46 million square feet in 2006. Engineered stone, especially quartz, is still a relatively new material in the US market, but will account for more than 25 percent of cast polymer sales in 2006, matching cultured stone as the second largest type. Gains will be driven by performance and aesthetic advantages, including greater scratch and stain resistance, as well as an appearance that provides the sparkle and pattern available in natural stones such as granite.

Solid surface materials will remain the largest cast polymer material type with nearly half of all volume sales in 2006 and will record respectable gains. In contrast, demand for cultured stone will be weak due to competition from other surfacing products.

Countertops to remain dominant

Although the residential countertop market will continue to account for more than 60 percent of cast polymer material demand, the industry continues to search for and develop additional applications. Cast polymer materials can be used in a variety of other building applications including nonresidential countertops, sinks, shower pans, bathtubs, shower and bathtub surrounds, bath accessories, flooring, exterior and interior wall cladding, window sills and architectural embellishments.

Promising gains are projected for less established end-uses such as nonresidential countertops, particularly those used in office, commercial and institutional buildings, and construction applications such as flooring and wall cladding, albeit from a small base. The small markets include furniture, fixtures, drawer pulls, gifts, signs and guitars.

West to lead regional gains

The South boasted the largest regional cast polymer demand in 2001, with 35 percent of sales in volume terms. However, the West will post slightly faster average annual gains through 2006. Key factors for growth in the West include strong projected growth in construction expenditures, overall economic activity and population through 2006. The Midwest and Northeast are expected to post more modest gains.

Study coverage

These and other key findings are included in the 211-page Freedonia industry study, Solid Surface & Other Cast Polymer Materials, available for $3800. The study presents US historical demand data for 1992, 1996 and 2001, plus forecasts to 2006 and 2011 by product, end use and regional market in the US. In addition, the study examines the market environment, assesses the industry structure, evaluates market share and profiles 36 leading industry competitors.

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Further gains will be restrained by competition from natural materials such as granite and marble, which are popular as high-end surface materials that add status to the home and in commercial settings, as well as engineered stone, a low maintenance surface that more closely resembles natural stone with many of its performance advantages. Additionally, the relatively high price of solid surface can be prohibitive to the use of the materials in many markets, particularly commercial, industrial and institutional markets, which can be more cost conscious and less style conscious compared to residential building. Volume gains will also be adversely affected by a projected decline in single-unit new housing starts and the shrinking average size of new homes.

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Quartzitec was one of the five largest supplier of engineered stone materials to the US market in 2001 with a four-percent share of sales. The Company’s QUARTZSTONE engineered quartz products are made from a blend of granular quartz and a cement binder. Quartzitec manufactures QUARTZSTONE at its 40,000-square-foot headquarters facility in Sussex, New Brunswick, Canada. The facility’s production operations utilize Italy-based Breton Spa’s TERASTONE engineered stone manufacturing technology. This technology involves a vibration and compaction process in a vacuum chamber that removes any air bubbles that may have been trapped in the raw quartz/cement mixture. The process results in a dense, perfectly calibrated engineered stone product that is lightweight, easy to install and affordable. According to Company, Quartzitec is the first and only company to use the TERASTONE process in North America. The Company obtains its quartz from a deposit situated nearby its headquarters site.

Key Products: engineered quartz tiles and unit pavers

US Sales: 85%, or about $8.5 million (verified by company, 10/02)
Annual Sales: over $10 million (verified by company, 10/02)
http://www.quartzitec.com

15 Turner Court
Sussex, New Brunswick, Canada E4E 2S1
877 255 9600

 Profiles for 36 participants in the US industry

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Annual Sales:
US Sales: 85%, or about $8.5 million (verified by company, 10/02)

Company Profiles

markets these engineered quartz products under the QUARTZSTONE trademark.

Quartzitec specializes in the development and manufacture of quartz based agglomerate tiles and exterior unit pavers. The privately-held company markets these engineered quartz products under the QUARTZSTONE trademark.

Company Profiles
World Carpets & Flooring
This study analyzes the world market for carpets and flooring. It presents historical data and forecasts to 2006 and 2011 by product (e.g., carpets and rugs, resilient flooring and nonresilient flooring); by market (e.g., residential construction, nonresidential construction, transportation equipment); by world region and for major individual countries. The study also examines the world macroeconomic environment, details industry structure, presents company market share data and profiles leading competitors.
#1622 ..........................12/2002 .............................$4700

World Flat Glass
World flat glass demand will grow 3.9% annually through 2006. Gains in architectural glass will be driven by stronger overall construction spending and greater use of value-added glazing in new structures and renovations. Motor vehicle glass will benefit from the continuing popularity of larger vehicles which use more glass per unit. This study analyzes the US$37.3 billion global flat glass industry to 2006 and 2011 by market, region and for 21 countries. It also evaluates market share and profiles key firms.
#1359..........................11/2002 .............................$4700

Plumbing Fixtures & Fittings
Demand for plumbing products in the US will reach $9.8 billion in 2006. Gains will be driven by increasing applications in repair and improvement markets and continuing trends toward larger bathrooms and kitchens in new residential construction. Bathtub and shower fixtures and lavatory, kitchen and other sink fittings offer the best prospects. This study analyzes the US plumbing products industry to 2006 and 2011 by material, product, market and region. It also evaluates market share and profiles key companies.
#1356 ..........................02/2002 .............................$3900

World Cement
Worldwide demand for cement will reach US$144 billion in 2006. China will remain the largest market and account for 37% of global demand. Other developing countries will also benefit from accelerating construction, most notably Turkey, India, Brazil and Thailand. Non-blended pozzolanic cements, masonry cement and other types will lead gains. This study analyzes the world cement industry to 2006 and 2011 by type, market, region and for over 20 countries. It also details market share and profiles key firms.
#1579 ..........................06/2002 .............................$4700

Kitchen & Bath Countertops
Demand for residential countertops will grow 3.9% annually through 2005. Advances will be primarily driven by increasing penetration of costlier materials (e.g., solid surface, natural and engineered stone), as well as a shift toward higher value laminates and tiles. Ongoing product innovation will also drive value gains. This study analyzes the $11.7 billion US residential countertops industry to 2005 and 2010 by material, product, market and region. It also presents market share data and profiles leading companies.
#1516 ..........................01/2002 .............................$3700

Decorative Laminates
Demand for decorative laminates in the US will grow 5.3% annually through 2005. High pressure laminates will grow the fastest based on their superior resistance to dents, abrasions and stains, and fueled by the laminate flooring market. Low pressure laminates will remain the leading segment, led by decorative foils and saturated papers. This study analyzes the $3 billion US decorative laminates industry to 2005 and 2010 by material, type and market. It also evaluates market share and profiles key companies.
#1345 ..........................02/2001 .............................$3700

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