US industry forecasts to 2009 & 2014

Freedonia®

Commercial & Residential Cleaning Services

Study # 1940 | May 2005 | $4100

US demand to grow 5.5% yearly through 2009

Revenue for commercial and residential cleaning services is projected to advance 5.5 percent per annum through 2009 to over $60 billion. Growth will be driven by the continuing trend toward outsourcing noncore activities among businesses and by the growing number of consumers who have neither the time nor the inclination to do their own cleaning. In addition, improvement in the overall economy will lead to a steady increase in nonresidential floor space and a projected acceleration in the growth of the number of business establishments.

Interior/janitorial segment to see accelerating gains

Interior building cleaning services, also referred to as janitorial services, account for over 80 percent of cleaning service revenue. This segment is expected to see accelerating growth (compared to the previous-five year period) through 2009. Janitorial cleaning services and all other cleaning services will significantly outpace the carpet and

upholstery cleaning segment, where revenues will be restrained by the increasing availability of do-it-yourself equipment and the growing popularity of hard surface flooring in the residential market, which accounts for approximately 80 percent of segment revenues. However, modest gains will be supported by consumer interest in more frequent carpet and upholstery cleaning as a way to combat indoor allergens and by the increasing affordability of the service.

Pool, HVAC cleaning to pace other services

Among the many other types of cleaning services, swimming pool cleaning and maintenance and HVAC cleaning services will provide strong opportunities for growth. Pool cleaning will benefit from rapid new construction growth in the lodging segment and in-migration of US residents to warmer regions, both of which will expand the market base. HVAC cleaning service revenues will continue to benefit from indoor air quality concerns.

Institutional, office markets to remain dominant

All markets for cleaning services will see increases in growth through 2009, with gains ranging between five and six percent. The institutional and office markets will remain the largest segments for cleaning services, together accounting for nearly 55 percent of revenues in 2009. However, these segments have a relatively high level of market maturity, which will limit growth somewhat. The residential market, also a significant end user of cleaning services, will continue to comprise nearly 18 percent of revenues in 2009. This market will benefit from an ongoing rise in the number of dual-income households which can afford and/or require (due to time constraints) residential cleaning services. Among the other markets, transportation equipment cleaning will provide solid growth opportunities, as owners of these fleets turn to outsourcing to cut costs.

Study coverage

Details on these and other findings are contained in ***Commercial & Residential Cleaning Services***, a 231-page Freedonia study available for $4100. This study provides US historical demand data (1994, 1999, 2004) plus forecasts to 2009 and 2014 by service type, market and US region. In addition, it evaluates company market share data and profiles 32 industry competitors.

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Study #1940 - "Commercial & Residential Cleaning Services"

TABLE III-1

COMMERCIAL & RESIDENTIAL CLEANING SERVICE REVENUES
(million dollars)

Item	1994	1999	2004	2009	2014
Gross Domestic Product (bil $)					
$ svs revenue/000$ GDP					
Resident Population (mil persons)					
$ svs revenue/capita					
Cleaning Service Revenues					
By Service:					
Interior Building Cleaning					
Carpet & Upholstery Cleanin					
Other Cleaning Services					
By Market:					
Nonresidential					
Residential					
Transportation					
price deflator (2000 = 100)					
Cleaning Service Revenues (mil 20					

Source: The Freedonia Group, Inc.

Gives historical data through 2004 plus Freedonia forecasts to 2009 and 2014

CLEANING SERVICES

Interior Building Cleaning Services

Revenue for contract interior building cleaning services is expected to ... billion in 2009. Gains will be bol- ... US economy from the 2001 recession, ... ts in both residential and nonresiden- ... iven by growth in the number of dual ... e inclination to do regular cleaning ... end in the nonresidential market as ... use cleaning crews to the outsourcing ... vs. Gains will also be aided by a ... space and the projected acceleration in the growth of the number of business establishments, increasing the potential market for contract cleaning services.

Value gains will also be driven by continued concern over indoor air quality, building appearance and hygiene, which will lead to higher building maintenance standards. Additionally, there is a growing number of firms that offer periodic specialty cleaning — such as before or after parties, for seasonal cleaning, and after disasters such as fires and floods. Not only do a growing number of households take advantage of such services on an as-needed basis, but many households and businesses with regular cleaning contracts also purchase these specialty services.

Nevertheless, further value growth will b... low barriers to entry in this industry, which cre...

SAMPLE PAGE

TABLE III-4

NONRESIDENTIAL CONTRACT CLEANING SERVICE REVENUES
(million dollars)

Item	1994	1999	2004	2009	2014
Business Establishments (million)	6.5				
000$ services/establishment					
Nonres Interior Building Cleani					
By Business Type:					
Franchise/Corporati					
Individual Proprie					
By Building Type:					
Office Building					
Institutional Bu					
Other Commer					
Industrial Build					
Other Nonreside					
% nonresidential					
Total Interior Building Clean					

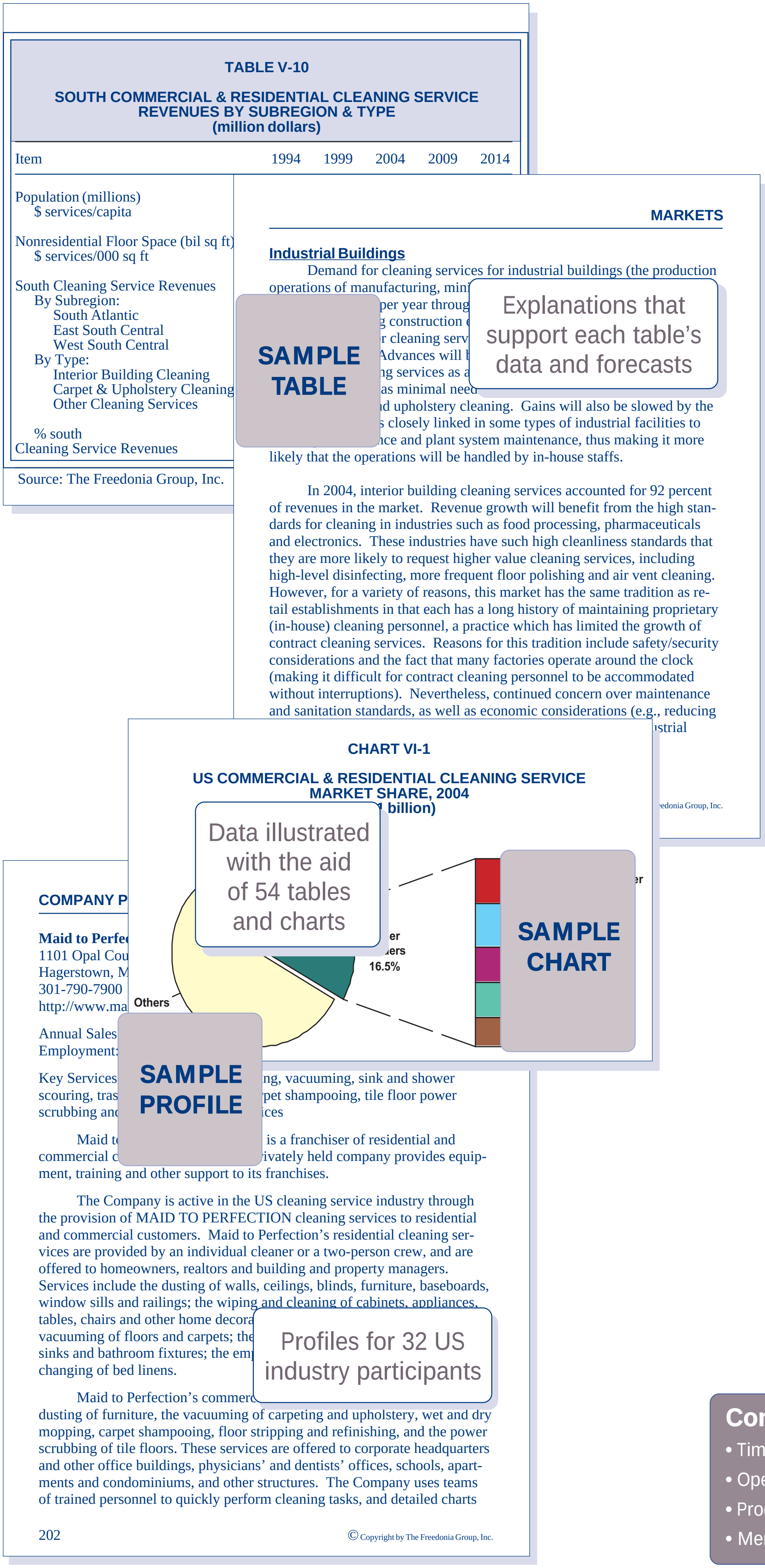
Source: The Freedonia Group, Inc.

"Although nonresidential markets for cleaning services are more resistant than the residential market to slowdowns and recessions in the US economy, as cleaning is a necessary part of doing business, growth in this sector did decelerate between 1999 and 2004. Contributing to this deceleration were an economic recession in 2001; an increase in the number of corporate bankruptcies; and an increase in the vacancy rates of nonresidential space in the 1999 to 2004 period. In addition, company spending on noncore functions such as cleaning was tightened and a leveling off of outsourcing in office and other commercial settings continued."

-- pg. 49

This study can help you:

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



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Home Organization Products

This study examines demand for home organization products in the US. It provides historical data (1994, 1999 and 2004) plus forecasts to 2009 and 2014 for demand by type (e.g., shelving, baskets, hanging storage, sliding storage, bins, free-standing modular units and accessories) and by room (e.g., family room, bedroom, garage, utility room and pantry). In addition, this study examines the market environment, reviews the industry structure, evaluates market share data and profiles US industry participants.

#1967 .... 09/2005 .... $4100

Golf Course Consumables

US golf course consumables demand will reach $1.3 billion in 2009 based on more golf rounds played and continued course construction. The best performing products will include less persistent and lower mobility fertilizers, more specific insecticides and salinity-resistant turf. Regional demand will follow population shifts south and west. This study analyzes the US golf course consumables industry to 2009 and 2014 by product, application and regional market. It also details market share and profiles major players.

#1942 .... 06/2005 .... $4100

Janitorial Equipment & Supplies

The US market for janitorial equipment and supplies will reach $6.4 billion in 2009, supported by a growing number of business establishments and increasing nonresidential floorspace, as well as by ongoing interest in indoor air quality and building maintenance standards. Wipes and backpack vacuums will see the fastest gains. This study analyzes the US janitorial equipment and supply industry to 2009 and 2014 by type, market and US region. It also evaluates company market share and profiles leading players.

#1925 .... 05/2005 .... $4100

Wipes

US consumer and industrial wipes demand will grow 6% yearly through 2009 based on further market segmentation and new product introduction. Baby wipes will remain the top segment while clean room and surface prep wipes grow the fastest. Manufacturing and health care will top out industrial markets. Spunlaced nonwovens will outpace airlaid substrates. This study analyzes the $1.5 billion US wipes industry to 2009 and 2014 by market and material. It also evaluates market share and profiles major players.

#1909 .... 03/2005 .... $4100

Building Maintenance Services

US revenues for building maintenance services will rise over 4% annually through 2008. Gains will be driven by ongoing growth in the number of households and business establishments, and a continuing shift from "do-it-yourself" to "do-it-for-me" maintenance in nonresidential and residential buildings. This study analyzes the $114 billion US building maintenance service industry to 2008 and 2013 by type, market and geographic region. It also evaluates market share and profiles leading industry players.

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