European Federation of the Parquet Industry
Fédération Européenne de l'Industrie du Parquet
Föderation der Europäischen Parkett-Industrie

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Press release

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THE EUROPEAN PARQUET INDUSTRIES IN 2012

Still looking for the silver lining

Further amplifying the January forecast of the FEP (European Federation of the Parquet Industry) issued at the start of the DOMOTEX fair in Hannover, the consolidated data provided by member companies and affiliated national associations indicates that the market still does not show the signs of the recovery announced and expected by the European authorities. The general picture is, as expected, not uniform with considerable variations from country to country.

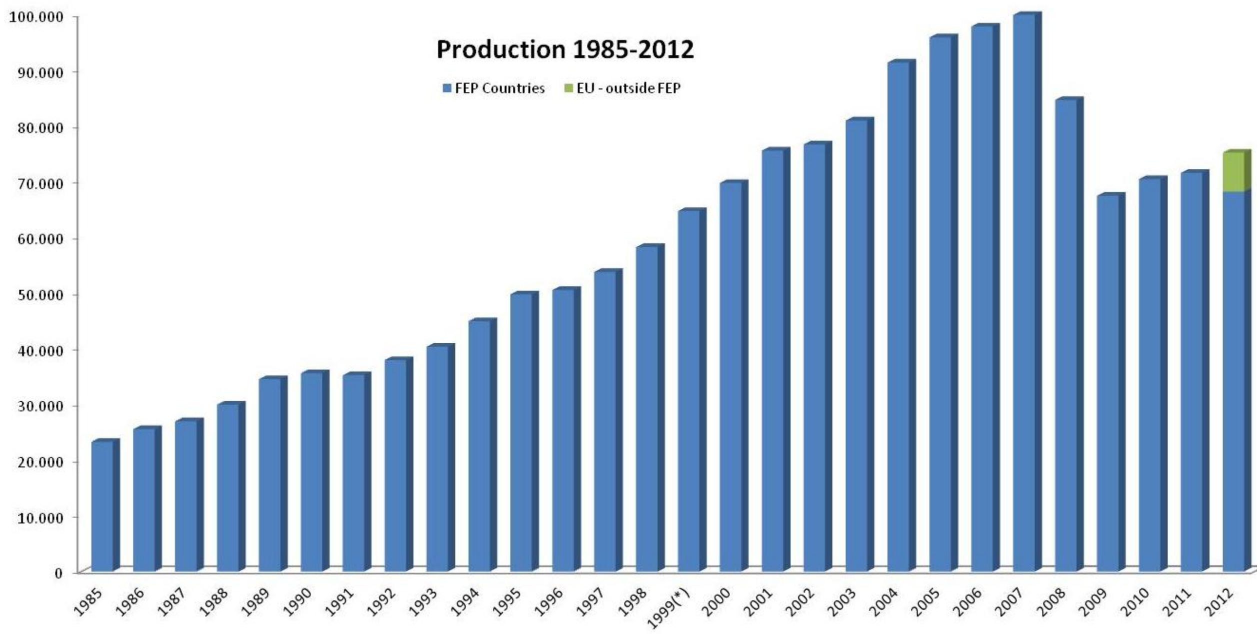
Compared to 2011, the overall consumption figures in 2012 point to a decline of 5.88%. As far as production is concerned, the trend already witnessed in the previous years, namely the strategic choices made by several producing companies to relocate their production in European countries outside the FEP territory, was once again confirmed.

Parquet production in Europe

	FEP Countries		EU - outside FEP	Total	
	000 m²	+ / - %	000 m²	Total	+ / - % Total
1985	23.300			23.300	
1986	25.580	9,79%		25.580	
1987	26.991	5,52%		26.991	
1988	29.997	11,14%		29.997	
1989	34.566	15,23%		34.566	
1990	35.634	3,09%		35.634	
1991	35.294	-0,95%		35.294	
1992	37.977	7,60%		37.977	
1993	40.396	6,37%		40.396	
1994	44.972	11,33%		44.972	
1995	49.798	10,73%		49.798	
1996	50.578	1,57%		50.578	
1997	53.836	6,44%		53.836	
1998	58.308	8,31%		58.308	
1999(*)	64.774	11,09%		64.774	
2000	69.812	7,78%		69.812	
2001	75.621	8,32%		75.621	
2002	76.741	1,48%		76.741	
2003	81.039	5,60%		81.039	
2004	91.453	12,85%		91.453	
2005	95.977	4,95%		95.977	
2006	97.911	2,02%		97.911	
2007	100.334	2,47%		100.334	
2008	84.725	-15,56%		84.725	
2009	67.523	-20,30%		67.523	
2010	70.500	4,41%		70.500	
2011	71.630	1,60%		71.630	
2012	68.266	-4,70%	7.000	75.266	

(*) As of 1999, figures shown represent total market in FEP area.
No distinction is made between "traditional" and "new" member countries.

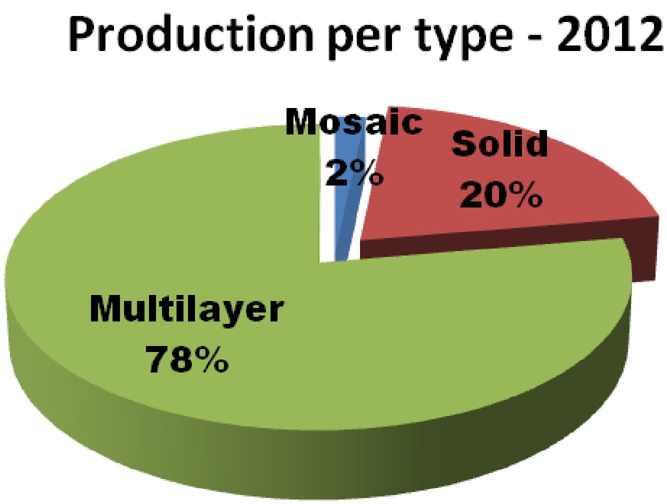
While the total production in FEP territory went down by 4.7% to a volume of 68,266,133 m², the total production in Europe (FEP countries + EU countries outside FEP) is estimated to reach over 75 million m². Increases were recorded in Poland and Belgium, while all other countries were at the best stabilizing.



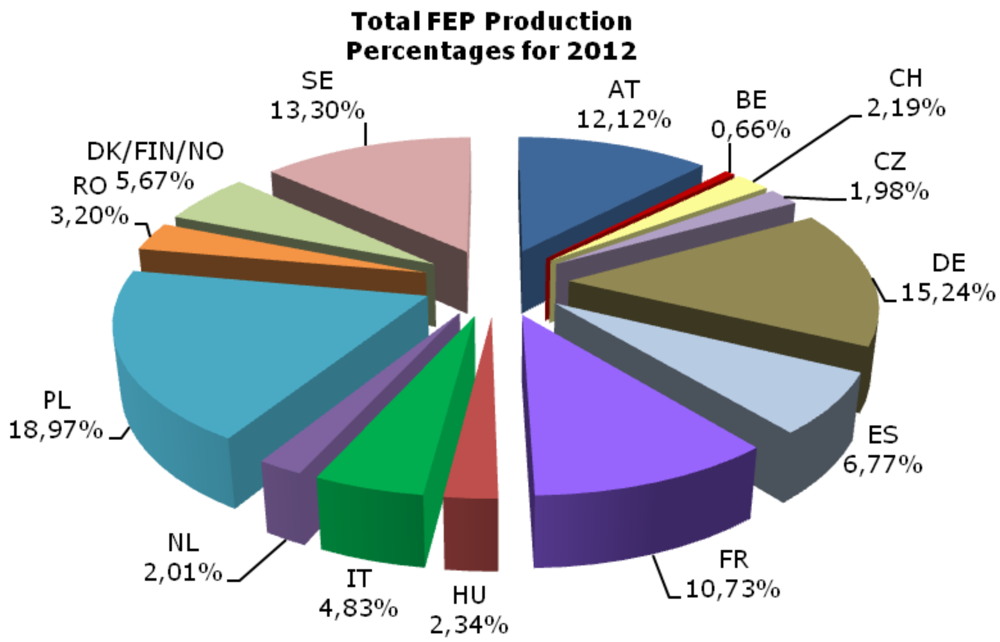
Consumption in the FEP area declined by 5.88%, to a level of 87,509,000 m² with Austria, Germany and Belgium able to slightly increase their share.

000 m²	Production development 2012/2011	Consumption development 2012/2011
AT	0,47%	1,97%
BE	3,93%	0,41%
CH	-15,87%	-0,65%
CZ	-6,90%	-25,94%
DE	0,51%	1,55%
ES	-10,08%	-25,75%
FR	-3,85%	-4,24%
HU	-10,54%	-10,58%
IT	-14,96%	-15,00%
NL	-3,59%	-17,49%
PL	4,02%	-1,73%
RO	0,00%	0,00%
SK	-13,15%	-5,97%
DK/FIN/NO	-30,07%	-5,13%
SE	-3,15%	-6,89%
FEP	**-4,70%**	**-5,88%**

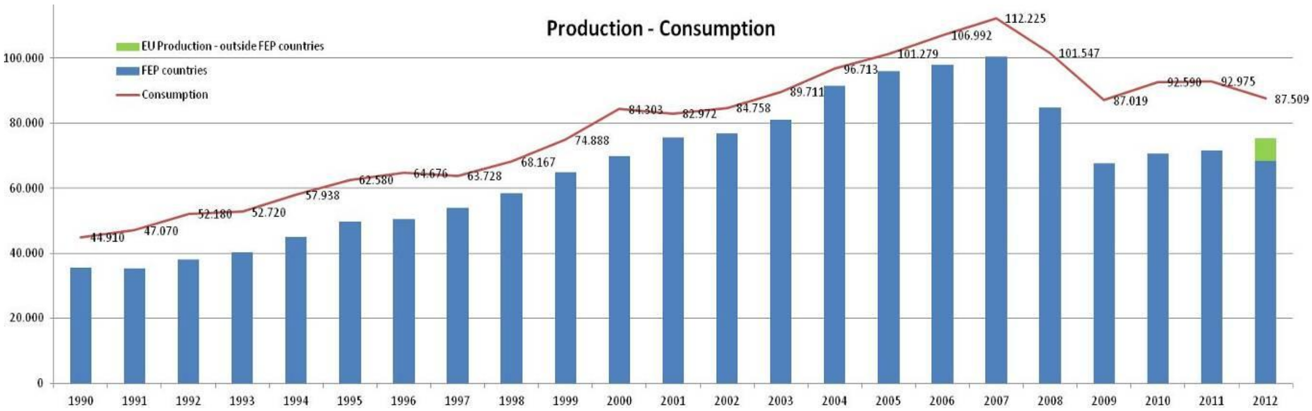
The 2012 total parquet production per type remains similar to the picture already presented in 2010 and 2011, whereby multilayer comes in first with 78% being followed by solid (including lamparquet) with 20% and mosaic at 2% of the total cake.



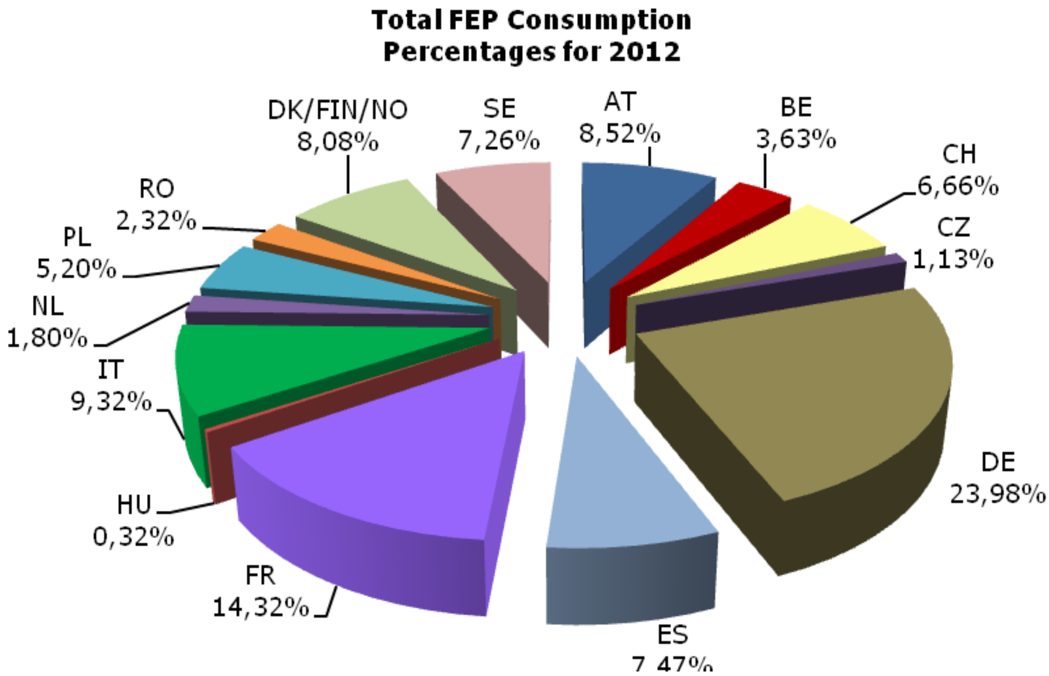
In absolute production figures by country, Poland is consolidating its top position with 18.97%, Germany still ranks second at 15.24% and Sweden completes the usual podium with 13.3%.



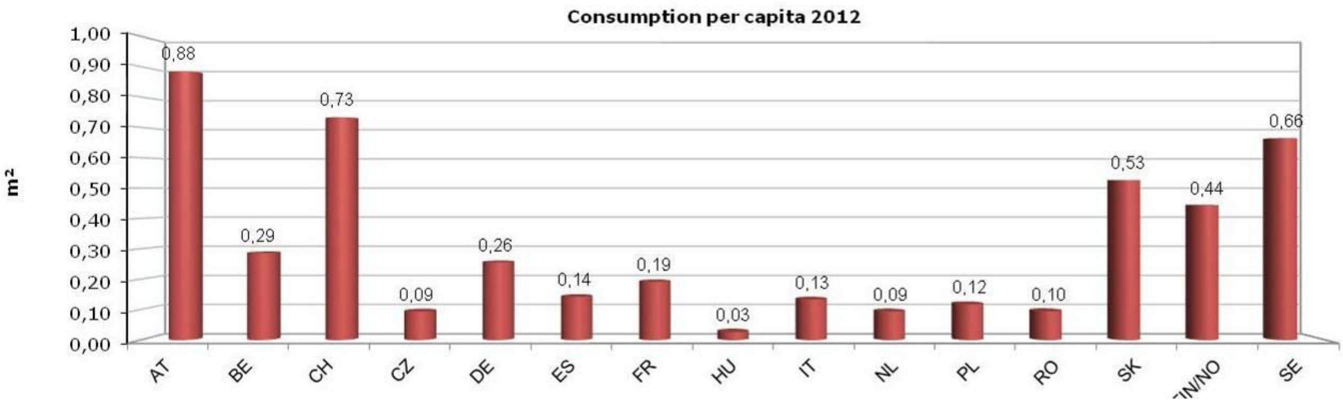
Consumption in the FEP area lost 5.88%. According to the figures received, the expectations expressed in the January prognosis were not far from reality, but a little too optimistic.



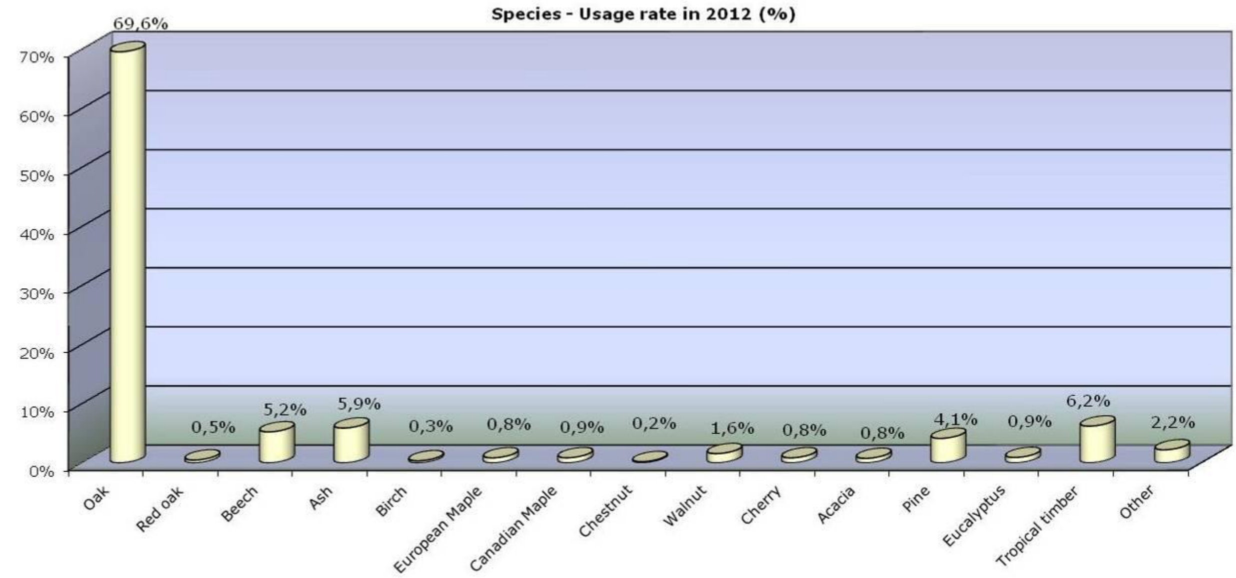
In terms of consumption per country, Germany consolidated further its first position with 23.98% (an increase of more than 2% compared to 2010) and is still followed by France which is losing some more ground to 14.32%. Italy was able to maintain its third position with 9.32%.



The per capita parquet consumption remains the highest in Austria (0.88 m²) and Switzerland (0.73), followed by Sweden at 0.66 m². In the total FEP area, the consumption per inhabitant lost one point at 0.22 m² in 2012.



Use of wood species



The usage of wood species in 2012 as shown on the above graph indicates that oak is advancing further to close to 70%, tropical wood species follow the opposite direction and now show a mere 6.2%. Ash and beech are the two other most common chosen species with 6.5% and 6.1% respectively.

Outlook for 2014

In a continuingly volatile economic situation in the EU, where even the leading financial institutions and the European Commission adapt their forecasts on practically a weekly basis, it is hardly possible to give a waterproof prognosis on developments in the European Parquet Industry in the coming year.

The latest market indicators tend to point indeed in the direction of challenging times that still lay ahead. Much will depend on the state of affairs in the construction business, the degree of flexibility of access to housing loans (especially for young people), the evolution on the employment market and related consumer confidence. A prompt structural solution for the economic problems and existing inequalities within the EU-27 guaranteeing a return of long term political stability is a must. The widening economic & financial gap between Northern & Southern regions of the EU has to be contained, controlled and progressively bridged.

FEP, hence, does not expect that existing and important differences between member countries adhering to our federation will simply vanish in the short term. This would be wishful thinking and unrealistic. Nevertheless, since the start of the crisis in early 2008 the European Parquet Industry has proven to be resilient and able to cope with myriad adversities. It even succeeded to safeguard its market share amongst competing flooring solutions. Real wood quality flooring remains very much in vogue and the never ceasing innovative focus both in the technical field and design make the growing variety of parquet products always better and increasingly attractive for the end consumer.
Reason enough to confront the challenges with motivation and look into the future with confidence!

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More information on this issue is available from the FEP Secretariat in Brussels.
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