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Builders Merchants Market Report – Western Europe 2011–2015

New AMA report provides a major review of the Western European Builders Merchants Market

“The EU builders merchant market has performed very differently in separate countries, particularly over the last 3 years, with Belgium and France performing relatively well. The German builders merchant market, serving a struggling construction market in recent years, has not progressed strongly, though has not experienced the level of downturn compared to the UK and Netherlands. In the UK, market development has been volatile, with strong growth in 2004-07, before a relatively significant decline in 2008-10 compared to other key markets – particularly reflecting a major decline in housing construction and RMI work.”

A brief summary of the report is included on the following page.

Priced at £795, the report is currently available from AMA Research Ltd, Telephone 01242 235724 or e-mail at sales@amaresearch.com.

Editors Note:

Attached is a summary of the report. Please use brief extracts if you wish, **but we would request that references to company market shares are not published without our prior permission.**

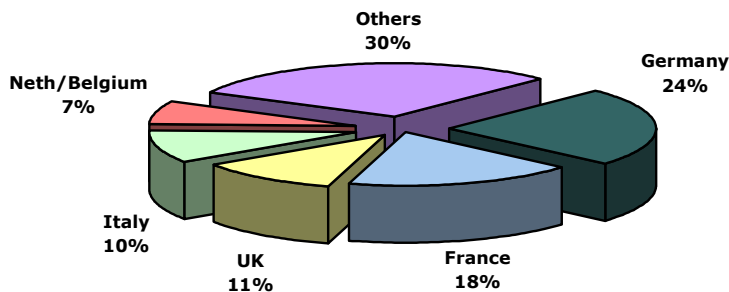
If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Chris Moore or Andrew Hartley on (01242) 235724.

Please include our web address and telephone number on any review printed, it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

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Builders Merchants Market Report – Western Europe 2011-2015 Analysis

European Union – Builders Merchant Market – by Major Country 2010



This report provides an analysis of the Builders Merchants markets in **Germany, France, Belgium,** and the **Netherlands,** and includes a review of the differences in structure of the respective countries, highlighting market sizes, key market trends, major suppliers and distribution issues.

Each country report includes a brief review of recent key economic and construction data, highlighting the impact on the building materials sector. Performances between

countries have varied significantly in recent years, though in 2008-10 construction markets have generally experienced a downturn, but this has been much less marked in some EU countries.

In overall terms, construction accounts for around 6% of the EU-27 economy, though this varies substantially between countries. For example, in Ireland and Spain construction output had been well over 10% of their respective economies up to 2008, but this has now fallen back dramatically as their respective housebuilding booms rapidly came to an end.

In terms of the overall builders merchants market within the European Union countries, there are various estimates of market size. We estimate the market in the EU to be worth around €120-125 billion (Euros) in 2010, equivalent to around £105-110 billion (Sterling), depending on exchange rates.

The EU builders merchant market has performed very differently in separate countries, particularly over the last 3 years, with Belgium and France performing relatively well. The German builders merchant market, serving a struggling construction industry in recent years, has not progressed strongly, though has not experienced the level of downturn in 2009-10 compared to the UK and Netherlands. In the UK, market development has been volatile, with strong growth in 2004-07, before a relatively significant decline in 2008-10 compared to other key markets – particularly reflecting a major decline in housing construction and RMI work.

2011 is expected to be a difficult year throughout the EU. Government spending levels are being cut back in virtually every country to reduce debt levels towards/below the 3% threshold. Inevitably, public sector construction works are a target for budget cuts and this is already feeding through into the builders merchants markets in some countries. In addition, new housing activity is likely to be impacted as consumer spending and confidence levels fall, and RMI work typically depends on consumer confidence which is relatively fragile across all major European economies.

2011 has seen some significant restructuring among Builders Merchants, with St. Gobain continuing to strengthen their position in the European market. This has been achieved with Wolseley agreeing to sell parts of their group operations to St. Gobain which will have a significant impact in several key markets – particularly France and the UK. These companies have expanded further and consolidated their positions in various markets. Some examples of recent developments in particular are that CRH has now gained a foothold in Germany and Saint-Gobain now spans the heavyside and lightside in the Netherlands, as well as in France. In 2009-11, there has also been significant activity among buying groups with expansion and mergers/co-operations within national boundaries, as well as pan-European links being developed.

AMA Research's report "**Builders Merchants Market Report – Western Europe 2011-2015 Analysis**" is available in hard copy or electronic format for £795 and can be ordered online at www.amaresearch.co.uk or by calling 01242 235724.