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Floorcoverings Market – UK 2011-2015

New AMA report reviews developments in the UK Floorcoverings Market

“Following moderate rates of growth 2005-07, the UK floorcoverings market experienced a significant value decline of around 18% in the 2008-10 period to around £1.8bn. Decline has been experienced in all sectors, but rates of decline have varied considerably with vinyl recording the most positive performance. Into 2011, the prospects for the floorcoverings market are mixed, with overall sales forecast to be relatively flat, though the market is forecast to achieve value growth of around 3-4% in 2012 as key sectors benefit from refurbishment projects surrounding the Olympic Games”

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

Priced at £665, the report is currently available from AMA Research Ltd.
Telephone 01242 235724 or e-mail at sales@amaresearch.co.uk.

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.**

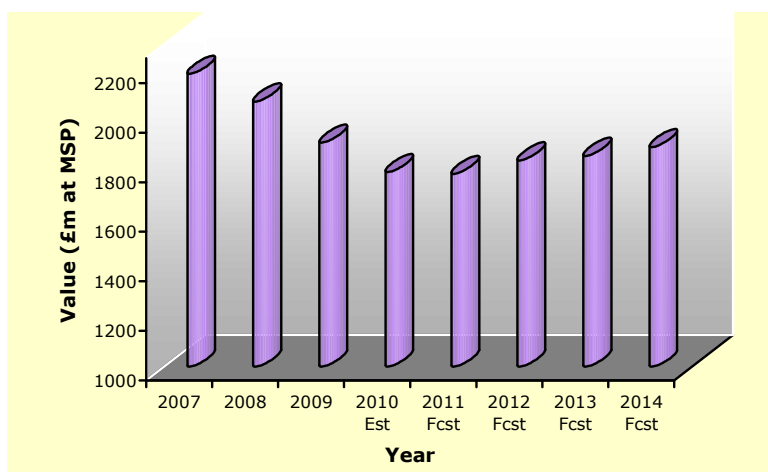
If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Andrew Hartley or Chris Moore on (01242) 235724.

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.

AMA Research Ltd
Montpellier House
Montpellier Drive
Cheltenham
Gloucestershire GL50 1TY
Tel: +44 (0)1242 235724
Fax: +44 (0)1242 262948
E-mail: andrewhartley@amaresearch.co.uk
Website: www.amaresearch.co.uk

Floorcoverings Market UK 2011-2015

UK Market for Floorcoverings 2007-2014 (£m at MSP)



Following moderate rates of growth 2005-07, the UK floorcoverings market experienced a significant value decline of around 18% in the 2008-10 period to around £1.8bn. Decline has been experienced in all sectors, but rates of decline have varied considerably with vinyl recording the most positive performance.

The floorcoverings market has suffered from lower demand in both domestic and contract sectors in 2009-10 leading to significant value decline. The domestic market has been particularly subdued with housebuilding and house moving levels falling by up to 50% from their 2007 peak, depressing demand for carpet and laminates in particular.

Product mix in the sector has remained relatively stable over the last 2-3 years with only moderate changes experienced by the major products groups since 2008 – perhaps indicating that the major product groups are establishing their own relative strengths in key end-use markets and applications.

Carpet dominates the product mix with estimated value share of 56% in 2010, down marginally from 57% in 2008. Wood flooring has also suffered slight share decline with falling sales for laminates in 2007-10 and value decline of over 25% over the period. In contrast, vinyl has performed relatively well with value decline of only 5% in 2008-10, with buoyant demand from health and education helping to sustain the market.

The contract sector has also been less positive 2009-10, with a significant decline in demand from key applications such as offices and retail, although some public sectors have remained fairly positive to date – eg health and education.

The overall floorcoverings market has remained under significant price pressures throughout the period with manufacturers in some sectors unwilling or unable to pass on increased costs to consumers. Pricing pressure has also become more apparent in the contract sector, resulting in some product substitution and specification switches for interior finishing trades, such as flooring, as main contractors strive to reduce costs.

There have been some changes in distribution of domestic floorcoverings with the demise of some leading outlets – though flooring multiples and independents still account for over 65% of the domestic market. In addition, other channels have continued to modify their product ranges in response to changing consumer tastes - particularly for laminates and vinyl.

Into 2011, the prospects for the overall floorcoverings market are mixed, with overall sales forecast to be relatively flat, though the market is forecast to achieve value growth of around 3-4% in 2012 as key sectors benefit from refurbishment projects surrounding the Olympic Games. However, further recovery in the housing market and key commercial sectors is likely to be tempered by significant cuts in public sector capital budgets from mid-2011 onwards, which will impact on market recovery.

AMA Research's report "**Floorcoverings Market – UK 2011-2015**" is available in hard copy or electronic format for £665 and can be ordered online at www.amaresearch.co.uk or by calling 01242 235724.