

# Panel Surfacing up to 2020

Supply, demand and dynamics of the global wood panel surfacing business

4<sup>th</sup> Edition, 2016



# REPORT BACKGROUND

## New edition of THE point of reference for the decorative surfacing industry

We are pleased to announce the publication of our **new global panel surfacing report**. The last highly successful and well received report was published in 2010 and has established itself as the point of reference for the decorative surfacing materials for wood panels.

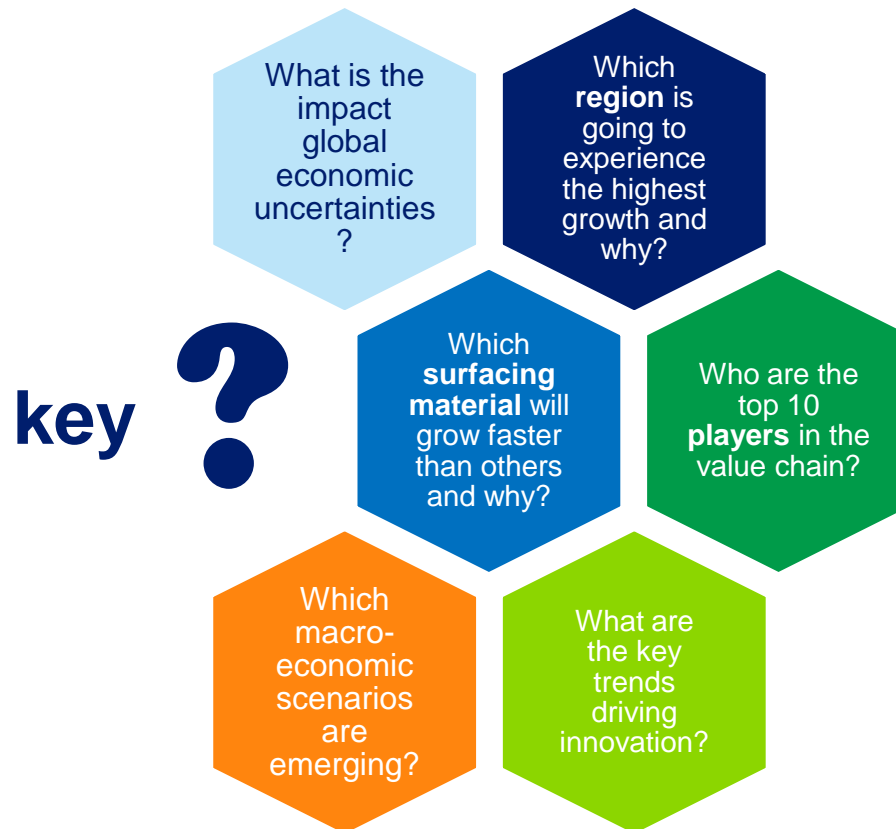
At that time Pöyry stated that demand and investment were moving East and that Europe and North America would face the challenges of maturing markets. The new edition has confirmed this prediction.

- Our report presents three market demand scenarios based on assumed set of different macroeconomic conditions and comments on how those are expected to impact on the surfacing sector demand and trade flows.
- The competition between different surfacing materials and main changes since our last report have been addressed. Key substitution dynamics were taken into account when we formed our strategic conclusions of where the sector is expected to be heading in the next five years.
- In today's increasingly competitive environment it is tough for CEOs to make decisions and anticipate future dynamics. Our report aims to be a supportive tool to top management executives as well as sales and marketing managers providing real global macroeconomic, supply, demand and industry insights.



# KEY QUESTIONS ANSWERED

What does the future hold for decorative surfaces?



# REPORT SCOPE

Six main surfacing materials are covered. Edgebanding is added as a new feature

## Products covered

- Paper-based:
  - low pressure / thermofused melamine *(does not include backer and overlay)*
  - HPL and CPL laminates *(does not include backer and overlay)*
  - paper foils *(incl. pre / post impregnated and low basis weight paper)*
- Non-paper based:
  - liquid coatings *(only liquid coatings directly applied on the substrate panels)*
  - thermoplastic foils *(incl. PVC, PP, PET, PMMA/ABS)*
  - veneer *(only veneer applied for decorative surfacing purposes)*
- Other *(powder coating, directly printed wood panels, etc, are covered on a global basis with out the regional split)*
- Edgebanding **(NEW)**
  - paper, plastic, laminates, veneer, other



# REPORT SCOPE

We look into the future because we understand the past. We have unique insights based on over 20 years of industry experience

## Market dynamics and segmentation

- Market drivers
  - macroeconomic
  - furniture, construction and flooring
- Supply/demand situation
  - historical: 2010 - 2015
  - outlook: 2015 - 2020, three scenarios: high, central and low **(NEW)**
- Substitution dynamics
- Costs analysis

## Industry structure

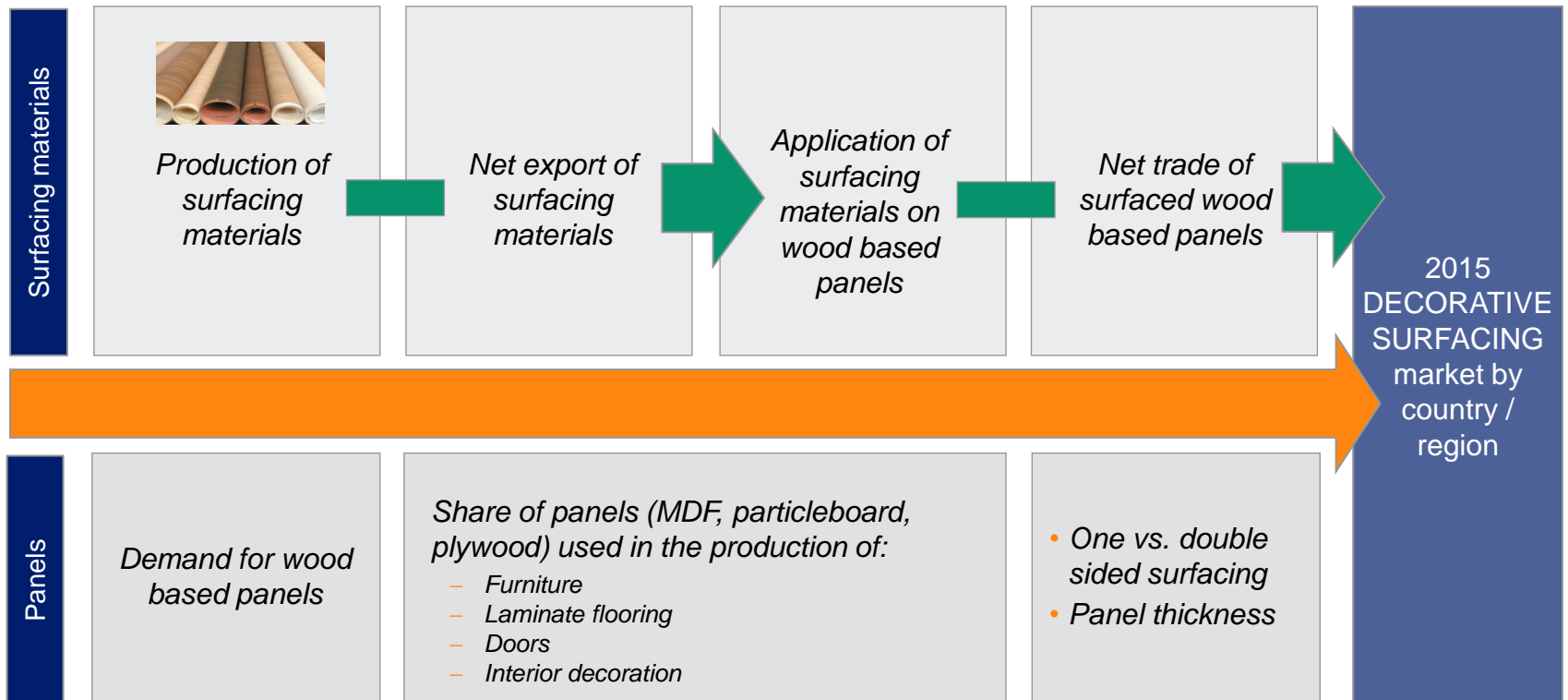
- Key industry participants: suppliers and **users (NEW)**
- M&A activities in the panel and surfacing material value chain

## Innovation and trends



# DEMAND FOR SURFACING MATERIALS – APPROACH & SCOPE

The demand for surfacing materials in a country/region is measured at the point of panel consumption, i.e. when a panel is consumed in the production of furniture, laminate flooring or interior decoration



# PÖYRY DEMAND OUTLOOK METHODOLOGY

Our proprietary methodology is robust and proven



## Economic development

- GDP and Industrial output
- Unemployment and Demographics
- Asset prices and Interest rates



## Construction

- Residential housing
- Commercial projects
- Renovation and remodelling



## Furniture consumption

- Value
- Volume
- Type of furniture



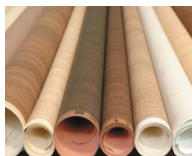
## Furniture production

- Value
- Volume
- Type of furniture



## Wood based panel demand

- Particleboard raw/surfaced
- MDF/HDF raw/surfaced
- Plywood raw/surfaced



## Surfacing material demand

- LPM
- Laminates
- Paper foils
- Thermoplastic foils
- Liquid coatings
- Veneer
- Edgebanding



## Development of alternative scenarios



### Relative construction market risk

- Economic risk
- Input cost risk

### Historic volatility in construction output

- Standard deviation in growth
- Cyclicity

Pöyry's proprietary demand scenarios for panels and surfacing materials link economic macro developments with specific industry trends through econometric models and **expert discussions** with key stakeholders in the value chain

- Industry competitiveness
- Market penetration
- Capacity investments

• Consumer trends

- Substitution
- Market penetration

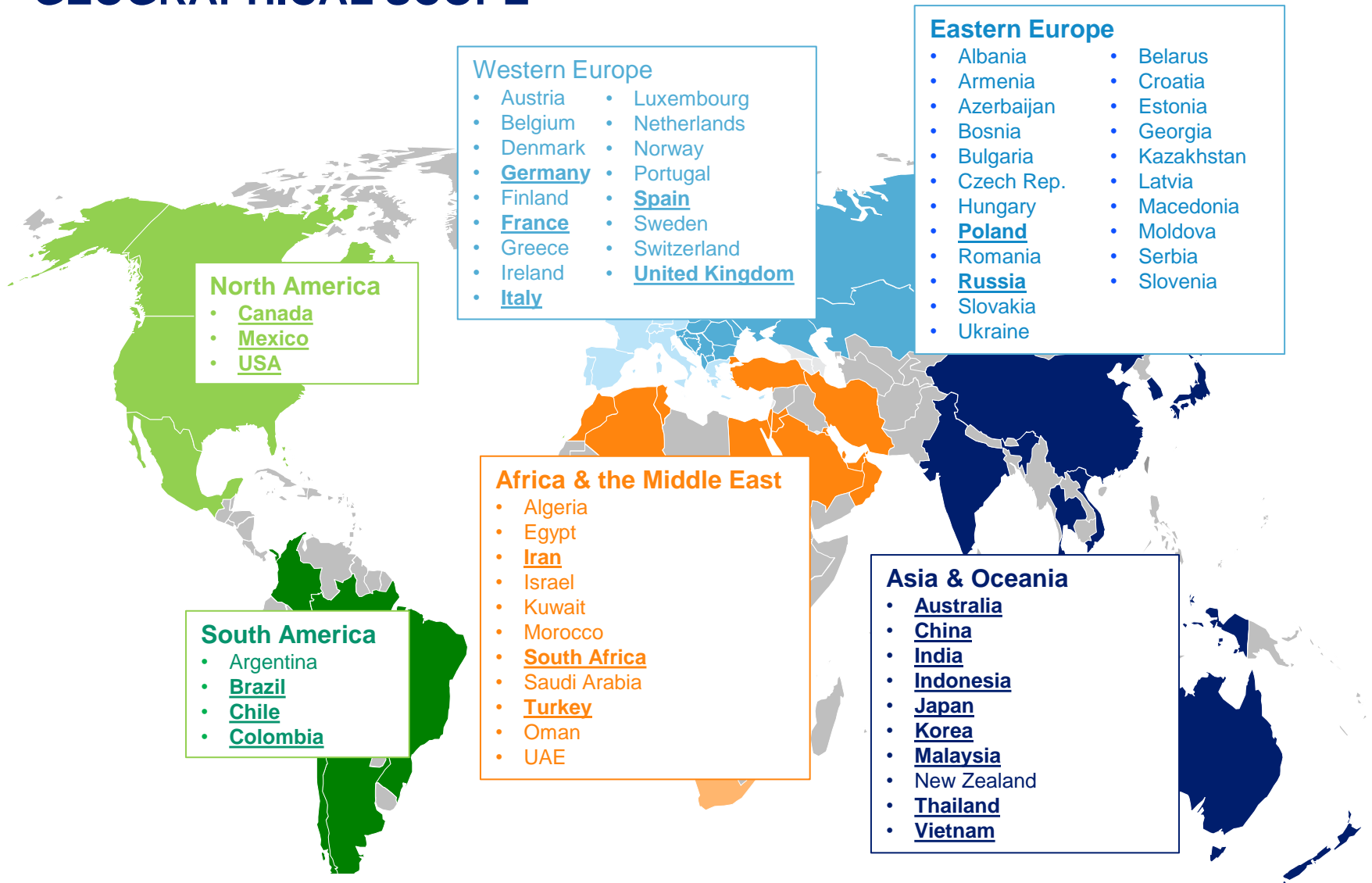
• Costs

- Capacity investments
- Substitution
- Market penetration

• Quality

• Environment

# GEOGRAPHICAL SCOPE



Countries underlined and in bold are profiled



# ORDER FORM

Please fill in & send by email to: [ania.krolak@poyry.com](mailto:ania.krolak@poyry.com)

Region	Fee, EUR	Your choice (please tick)
EMEA	10,000	<input type="checkbox"/>
North America	7,000	<input type="checkbox"/>
South America	7,000	<input type="checkbox"/>
Asia	10,000	<input type="checkbox"/>
Q&A session	complimentary	
customisation	to be quoted	
<b>TOTAL</b>	<b>34,000</b>	
<b>TOTAL</b> <i>If all 4 regions ordered (10% discount)</i>	<b>30,600</b>	

Name and Job Title: \_\_\_\_\_

Company: \_\_\_\_\_

Date: \_\_\_\_\_

Ania Krolak, Senior Consultant  
Phone: +44 20 7932 8232  
E-mail: [ania.krolak@poyry.com](mailto:ania.krolak@poyry.com)

Consulting. Engineering. Projects. Operations.

