

# Bathroom April 2010



## International Market Strategy

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### Monthly Special

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## Europe: HORNBAACH Profits Rose

In the recently completed business year (1<sup>st</sup> March 2009 to 28<sup>th</sup> February 2010) the HORNBAACH GROUP increased its net sales by 3.7% to € 2.853 billion. The HORNBAACH-BAUMARKTB-AG sub-group, which had 131 DIY and garden stores in operation in nine countries throughout Europe on the reporting date, increased its net sales by 3.4% to € 2.686 billion. Foreign countries in Europe accounted for 41.3% of the total. This growth was provided by the branches in Germany and western Europe in particular.

Sales in Germany went up by 2.8% to € 1.577 billion. Sales in the foreign markets rose by 4.2% to € 1.109 billion following two new openings. Sales were 0.7% up in like-for-like terms and at constant currency rates (unadjusted for currency rate effects: plus 0.3%), and 1.8% up in Germany. On the other hand, like-for-like foreign sales fell at constant currency rates by 0.9%.

Source: [www.idnes.cz](http://www.idnes.cz)

## France: Conversion Makes Progress

The French DIY chain BRICOMARCHE, which is part of the LES MOUSQUETAIRES GROUP, has now converted 400 of its 524 outlets in France (ten fewer than at the end of 2008) to its new image and new concept that were introduced in 2009. In addition, the company operates 35 DIY stores in Portugal and 70 in Poland.

Source: NEXIS

## France: MR. BRICOLAGE Sales Hold Up

The French DIY group, achieved total gross sales of € 1.8882 billion in 2009, a result that is 0.2% down on the previous year. The 418 stores under the MR. BRICOLAGE banner (with a retail area of 1.258 million m<sup>2</sup>) accounted for € 1.7730 billion of the total. They generated an increase of 0.4%. On the other hand, the group's 88 CATENA stores (87,000 m<sup>2</sup>) recorded sales of just € 115.2 million, which means they failed by 9.4% to keep up the previous year's levels.

In France the MR. BRICOLAGE stores were 0.85% down like-for-like, while sales of the CATENA outlets were 1.1% down. Sales in the overseas territories (DOM-TOM) recorded further growth. The 51 international stores located in ten different countries reported sales of € 191.2 million, which is 0.7% below the previous year's result. This amounted to a decline of 8.8% like-for-like, which was caused in particular by a 16.6% downswing in eastern Europe.

Source: [www.diyonline.de](http://www.diyonline.de)



## Germany: German DIY Stores Show Increase

In 2009 the German DIY market had a volume of € 17.9 billion, 2% up on 2008. The increase amounted to a meagre of 0.7% in 2009. Information from the BHB DIY Retailers' Association reveals that especially positive progress was experienced by live plants (+6.4%), garden and bathroom furniture (+4.3%) and leisure/craft/hobby (+4.3%). The most severe fall of -4.1% was reported for wood/plastics. The Association expects sales to remain stable for the year 2010.

Source: Heute

## Germany: Investment in the Network

Last year the 370 TOOM DIY stores, which are part of the German REWE GROUP, recorded sales of around € 2 billion, or 1.9% more than the previous year. According to REWE, this increase was a result of the favourable weather conditions, in combination with adjustments to the DIY retail concept and investment to close the gaps in the network of sales outlets.

Source: [www.diyglobal.com](http://www.diyglobal.com)

## Turkey: BAUMAX Opening Store in Turkey

In the beginning of March launched of the first BAUMAX store in Turkey. According to information from the group's head office in Samsun, an industrial and trading centre, this marks the opening of the biggest DIY store in the Black Sea region. The outlet, which is 14,000 m<sup>2</sup> in size, features a geothermal heating and cooling system. This is already the group's fifth store with such a system, which is designed to reduce CO<sup>2</sup> emissions by 75%.

BAUMAX opened another new store with a retail area of around 12,000 m<sup>2</sup> at Gmunden in Austria on 1<sup>st</sup> March 2010. This store features a pellet heating system, and LED technology is used for the illuminated signs. BAUMAX now operates 144 stores in nine different countries.

Source: [www.diyglobal.com](http://www.diyglobal.com)



## Ukraine: NOVA LINIA EXPANDING

NOVA LINIA, a Ukrainian DIY retailer, opened its 15<sup>th</sup> store at the end of February in Sevastopol. This is the company's second outlet in the Crimea. It has a retail area of 15,000 m<sup>2</sup>, of which 2,000 m<sup>2</sup> is taken up by a garden centre and 3,500 m<sup>2</sup> by a building supplies store. The product range covers 72,000 articles, and a sum equivalent to around €6.7 million was invested in the project. The next opening is imminent: it is scheduled for 27 March 2010 in Bucha, near Kiev.

Source: [www.diyonline.de](http://www.diyonline.de)

## United Kingdom: DIY Sales Remains Stable

The market volume of the British DIY stores in 2009 was estimated at around £7 billion. That represents growth of something less than 1% on 2008, but a decline of 3% compared with 2003. Falling property prices, diminishing consumer confidence and a tendency to move house less frequently have, above all, had an adverse affect on bigger investments such as kitchens or bathrooms fittings. It is believe that the DIY retailers will now benefit from the popularity of smaller home improvement projects. They are expecting the market to remain stable in 2010, followed by growth of between 3-5% from 2011 to 2013.

Source: Evening Standard



## United Kingdom: New Complete Shower Cubicle Installed in Just Three Hours

MEDIA is a brand new range of 'plug and play' complete cubicles that, provided water is in place, can be fully installed and ready for use in just three hours.

NOVELLINI UK, said to be Europe's largest producer of walk-in showers, cubicles, wet rooms and shower cabin products, has developed a stylish, high quality and, competitively priced range of shower cubicles that provides builders and specifiers with a product that can be fitted quickly saving time and money.

Assuming water is available during first fit, the new MEDIA cabins can be very quickly installed without the need for back wall tiling or use of silicon grouting or waterproofing yet the unit is completely sealed.

The MEDIA range is supplied with a fully thermostatic mixer shower and in a comprehensive range of sizes and formats including, corner, pivot door/side panel and quadrant. Supplied in white, the profiles are antibacterial to inhibit mould and bacteria growth and aid cleaning.

This is a very economical alternative to a traditional shower re-fit in terms of both purchase price and 'down time'. Campus and university social housing, mobile homes, pods, M.O.D installations could also benefit from Media, anywhere in fact where working to the tightest budget within a very limited time frame is a priority."

Source: [www.novellini.com](http://www.novellini.com)

## United Kingdom: WICKES's Sales Increased

The retail division of TRAVIS PERKINS, which basically consists of WICKES, the British DIY chain, increased its sales in 2009 by 4.3% to £ 980.7 million. The contribution of new openings came to 1.2% of the total. The division's growth amounted to 3.2%. WICKES' core product ranges experienced a decline of 0.8% in 2009. By contrast, the kitchens and bathrooms category notched up an increase of 27.7%. At the end of the first seven weeks the division was 2.4% below the level achieved in the comparable period last year.

Source: Evening Standard



## Monthly Special: **Market Summaries for 13 'Group 1' Countries Published**

BRG CONSULT is pleased to announce that it has recently published preliminary 'Product Summaries' for the 13 largest (Group 1) countries as follows:

- France
- Germany
- UK
- Italy
- Spain
- Belgium
- Netherlands
- Austria
- Sweden
- Poland
- Russia
- Czech Republic
- Turkey.

The product sections covered by the programme are as follows:

- baths
- shower trays
- ceramic sanitary ware and alternatives
- taps and mixers
- shower enclosures, conventional shower cubicles and bath screens
- hydromassage baths, hydrotherapy cubicles, combined products and shower panels.

*For more detailed information on the developments within the European bathroom product markets and BRG CONSULT's studies, please contact Mr. David Harrop on ([dkharrop@brgconsult.com](mailto:dkharrop@brgconsult.com)) or alternatively call +44 (0)208 832 7860.*

***A detailed proposal is available upon request.***

Source: BRG CONSULT