

Bathroom May 2010



International Market Strategy

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Czech Republic: New BAUHAUS Store

DIY chain BAUHAUS had set up a new store in Ceske Budejovice. It will compete with OBI and BAUMAX in the location. It is seventh BAUHAUS outlet in the Czech Republic.

Source: Hospodarske Noviny

East Eurpe: SANITEC Improves Sales and Expands Production Capacities

Polish producer of bathroom ceramics owned by the Finnish group SANITEC, SANITEC KOLO, increased its market share with regards to sanitary ceramic products to 35% in 2009 and to 30% concerning all product segments. As its sales on the local market continue to grow, the firm is expanding its output capacities. However, on the Eastern European market, for example in Ukraine, SANITEC is still recording lower sales. It expects a slight improvement in the second quarter of 2010 but only in the Czech Republic and Slovakia.

Source: Puls Biznesu

Europe: Development of DIY sector

The market volume of the DIY retail sector was 1.5% down throughout Europe in 2009. Germany was still the biggest market with a volume of € 42.96 billion, followed by France with €19 billion. The level of buying intention has risen from 19 to 23% on average.

Source: www.diyonline.de

Europe: Growth for BRICORAMA Extended Trading Surface

Last year the French DIY retail group BRICORAMA recorded a sales increase of 2.6% to € 675.7 million. However, this is 0.9% down on the previous year in like-for-like terms. France accounted for a € 443.4 million share of the total. This amounts to an increase of 2.3% so that the previous year's like-for-like figures were almost maintained.

Sales in the Benelux countries were 0.2% down to € 212.8 million, mainly because of the downswing in the Netherlands, whereas the market in Belgium remained stable. Sales of the company's stores in Spain showed a clear decline in like-for-like terms. However, the three new store openings here resulted in an overall increase of 62% to € 19.6 million. The company now has eight outlets in this country.

The overall number of stores, including the 28 franchise outlets, has risen from 178 to a total of 187. The company expects both sales and profit to rise by around five per cent in 2010.

Source: NEXIS

Finlad: KESKO Loosing Ground

The sales losses in the DIY and builders' merchant division of the Finnish KESKO GROUP of companies continued in March as well. The loss for the first quarter as a whole amounts to 6.7% on a volume of € 499.6 million. At -5.6% the drop recorded by the domestic DIY stores was somewhat less extreme than the -7.9% suffered abroad.

Source: www.thelocal.se

Romania: LASSELSBERGER Expects Growth by 10%

LASSELSBERGER ROMANIA - estimates a 10% increase in business in 2010. The manufacturer of ceramic tiles estimates a turnover of €38.5 million in Romania as exports rise. LASSELSBERGER had turnover of €35 million in 2009, with a market share of 36%. For this year, LASSELSBERGER estimates 2% increase of the market share.

The recession in the constructions sector, the drop in the number of residential and non residential projects and also the blockade in loans have been the main reasons for the decline in the ceramic tiles for walls and floors market. The Romanian ceramic tiles market has dropped to €110 million, 40% lower in 2009, compared to 2008. Positive figures in the market are expected only in 2011. LASSELSBERGER ROMANIA closed a production facility in Bucharest in July 2009, as a result of the recession in the construction industry.

Source: AUSTRIA TODAY

Sweden: CLAS OHLSON Announces Increase

CLAS OHLSON, the Swedish DIY retailer, announced a sales increase of three per cent to €36.8 million for the month of March. The increase amounted to 1% in both the home market (€17.9 million) and in Norway (€14.98 million), while growth in Finland and Britain (€3.9 million combined) came to 22% compared to the same month last year.

Source: www.diyglobal.com

Sweden: VILLEROY & BOCH Closes Växjö Plant

VILLEROY & BOCH has decided to terminate its operation in Swedish Växjö. The production will be transferred to the plants in Roselare, Belgium, and Roden, Netherlands. The termination will go on from July to December 2010. All 19 employees at the Växjö plant have been issued redundancy notices.

This is a consequence of the recession. The demand for bathtubs has severely dropped and the high Swedish costs has negatively effected the profitability.

Source: Smålandsposten

Ukraine: Ceramic Tile Output up in March 2010

Ceramic tile output in Ukraine in March 2010 grew by 6.6% year-on-year, to 3,600 m², while in February 2010 the growth was 2% year-on-year, according to the State Statistics Committee.

In January to March 2010, ceramic tile production fell by 3.8% year-on-year to 9,300 m².

Ceramic tile output in March 2010 against February 2010 rose by 22.5%, while in February 2010 the rise was 4.9% compared to January 2010.

As reported, ceramic tile production in Ukraine in 2009 grew by 7.3% compared to 2008, to 44.264 million m².

Source: Ukraine Business Daily

United Kingdom: HOME RETAIL GROUP Suffers Profit Fall

ARGOS and HOMBASE parent HOME RETAIL GROUP reported an 11% fall in annual profits and predicted a difficult 2010 for the retail industry.

The group posted underlying pre-tax profits of £293 million for the year to February, but the result was better than original estimates and comes after it raised forecasts twice since the start of the year as conditions improved.

HOME RETAIL, which saw sales across its ARGOS and DIY chain HOMBASE rise 2% over the year, also announced it would return more than £150 million to shareholders over the next 12 months amid reports it is seeking to fend off pressure to break-up the group.

The group said the 349-strong HOMBASE chain delivered its strongest sales performance for five years - up 2.7% like-for-like against a 10.2% fall the year before.

HOMBASE benefited from the withdrawal of competitors such as furniture and kitchen group MFI, which went into administration in 2008.

But strong weather in last year's peak spring home-moving season and self-help measures such as a product range overhaul and targeted promotions also helped trading, according to HOME RETAIL GROUP. The company has likewise been slashing costs to offset a difficult recession and housing slump since the credit crunch struck.

It said there was a fall in store staff roles of around 5 per cent at HOMBASE and further cuts within ARGOS, thought to total around 200 roles across both.

The group aims to revamp around 130 of the 745 stores this financial year to include new catalogue browsers, stock checker units, kiosks and technology, as well as updated jewellery displays and improvements to customer areas.

Around 500 stores are expected to undergo the overhaul over the next three years.

Source: Yorkshire Post