

## Business in brief

## Good news from Victoria

The Victoria Carpets group reports annual pre-tax profits of £3.5m in the year to March 29, a rise of 27%, following a strong performance in Australia. Group revenue increased 11.3% to £61.7m (an increase of over 25% in the past three years). The company's UK carpet sales were up 6.8% at £24.9m, in a market estimated to be down by around 5%, whilst operating profits rose 9.8% to £1.3m.

## Polyflor is optimistic

James Halstead Plc, the parent company of Polyflor, reports profits for the year to June being 'well ahead of market expectations'. Its UK growth in 2008 was maintained despite problems in the commercial property sector.

## Whitestone buys Eletile

Whitestone Weavers has bought Eletile UK, supplier of luxury vinyl flooring. In a joint venture with Zhangjiagang Elegant Plastics Co in China, the company will trade in the UK as Eletile Ltd, part of Whitestone Weavers. Eletile China, established in 1992, claims 60% of the Chinese market.

## Tarkett sales are up

The Paris-based Tarkett group saw its 2007 revenue rise 9.6% to \$3.27bn (£1.6bn), including a 23% increase in sales in Eastern Europe. Pre-tax revenue was \$214m (£107m) compared with \$176m (£88m) in 2006.

## Kwikgrip snapped up

Everbuild Building Products has acquired the Kwikgrip brand of DIY tapes and flooring products and Purimachos, the UK manufacturer of heat resistant fire cements and other related products.

[www.everbuild.co.uk](http://www.everbuild.co.uk)

## QUOTE:

**'The UK is one of the best places in the world to do business. I want small and medium-sized enterprises to enjoy the same access to public sector contracts as their bigger counterparts'**

– Angela Eagle MP, Exchequer Secretary, commenting on proposals for more opportunities for SMEs to be able to win up to a third of all public sector contracts.

## European wood floor production tops 100m sq m mark

# Low-cost Asian floors 'threat' faces EU producers

THE emerging low cost Asian markets are one of the biggest challenges facing European wood flooring producers.

The warning comes in a statement from the European Federation of the Parquet Industry (FEP) made to accompany its performance statistics for 2007.

Despite describing the European parquet market as 'sound', FEP looks ahead to 2008 and expresses concern about the 'ever increasing and fierce competition' notably from emerging low cost Asian markets, in addition to a growing number of pan-European mergers and takeovers, and the problematic market access to raw material wood.

On a positive note, however, it commends the focused efforts of European parquet producers especially in the fields of quality, innovation and design.

Considering the global market perspective, FEP calls for the adoption of level playing fields based on the principle of 'free, but fair trade' to ensure the continuity and future stability of the parquet industry.

Members of FEP produced the strategically important level 100 m sq m of parquet flooring in 2007, according to new provisional figures from the FEP. This was a 2.47% increase on the previous year.

With significant variations within the various nations, overall total production was boosted by

'surging' volumes in Poland, France and the Czech Republic.

The figures also reveal that the output across the region doubled since 1996, which was double the 25m sq m output of 1986.

Multilayer (engineered) remains by far still the largest type of parquet produced at 76%, with solid accounting for 19% (rising from 16% the year before) and mosaic and lamparquet 3% and 2% respectively.

In absolute production figures, Sweden is still number one with 16.94%, but Poland is rapidly catching up with 16.62%. Germany follows in third place with 12.96%.

As regards pro capita production, Sweden remains on top with 1.85m sq per inhabitant, while Austria is in second place having 1.02m sq per

inhabitant.

Meanwhile, consumption within FEP member countries jumped 4.89% to a new high of 112m sq m during the same period, exceeding the forecast at the start of the year.

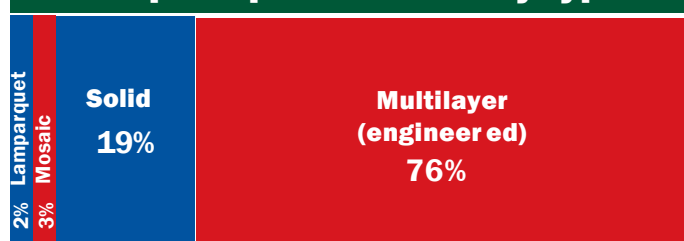
Consumption soared in Poland with surprising sharp declines in Hungary and Poland.

Austria has the highest consumption per capita with 0.9sq m, followed by Sweden (0.78sq m) and Switzerland (0.69sq m). The consumption per inhabitant in FEP territory now amounts to 0.28sq m.

Germany remains Europe's biggest parquet market with a share of 18.5%, followed by Spain, Italy and France.

FEP is represented in the UK by the American Hardwood Export Council.

## European production % by type



## Popularity of wood flooring species in Europe -- 2007

