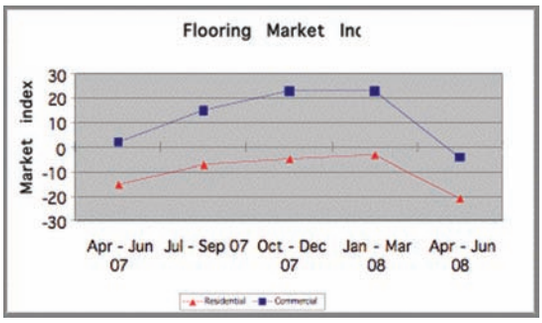
'There is still growth in some parts of the contract market such as schools and hospitals where long term spending plans continue. However, offices, retail, light industrial and leisure have all seen big falls'



The flooring market takes a 'nosedive'

THE Flooring Market Index for the months April to June took a massive nosedive, according to **Mel Budd** (right) of the Leading Edge consultancy (incorporating Consulting Plus).

Both the contract and residential markets showed a big fall compared with the previous year and with the first quarter of 2008.

The commercial flooring market index was minus 4 for the second quarter of the year, the first time there has been a negative figure. Prior to this it had seen steady growth since Spring 2007.

Mel explains: 'There is still growth in some parts of the contract market such as schools and hospitals where long term spending plans continue. However, offices, light industrial, retail and leisure have seen big falls.'

The market index (shown above) is the % of flooring contractors reporting an increase in sales compared to the previous year minus the % reporting a decrease. (Source: Flooring Market Barometer)

The flooring market index for the residential and commercial markets features in flooring market barometer, a regular publication which tracks changes in the size of the UK flooring market, allowing flooring companies to compare their sales against the market trend.

The index is the percentage of flooring contractors reporting an increase in sales compared with the previous year minus the percentage reporting a decrease in sales.

The recruitment activity of flooring contractor businesses is a good indicator of market conditions i.e. the number of businesses looking to take on extra labour.

The number of businesses taking on extra fitters in the April to June period was just 29%, much lower than in previous quarters. This number has been relatively consistent over the previous four quarters with 40 – 50% of businesses looking to take on fitters each survey.

Consequently this was a major drop in recruitment activity and confirms the dramatic slowdown.

The recruitment index at -24 was the lowest it's been and significantly lower than last quarter's index of +6.

A full copy of this report is available from Leading Edge, a marketing and research consultancy focussing on the flooring market. The report is based on interviews with 95 flooring contractors active in both the residential and commercial flooring market.

The report is published within 30 days of the finish of the quarter so up to date market feedback is available. For more details:

- **T: 0118 979 7800**
- **www.lead-edge.co.uk**
- **mel.budd@lead-edge.co.uk**

Gloomy state of flooring recruitment

	Apr–Jun 2007 %	Jul–Sep 2007 %	Oct–Dec 2007 %	Jan–Mar 2008 %	Apr–Jun 2008 %
Our business has been looking to recruit sub-contractors or direct employees in the last three months	47	40	49	48	29
Our business has taken on flooring installers before, but not in the last three months	43	51	44	42	53
I generally work by myself or as a sub-contractor for another company	10	9	7	10	17
TOTAL	100	100	100	100	100
Recruitment index	+4	–11	+5	+6	–24

The winners: From floors to greens

THE squad from Fresco, a member of the Contract Flooring Association, who won the team competition at the FeRFA (Resin Flooring Association) golf day recently. The runners up were Flowcrete, also a CFA member. Paul Ashcroft and Ron Stanley, both of Fresco, came first and third respectively in the individual competition, while Paul also won the competition for the longest drive.

Industry in brief

Payment advice online

From September 1 members of the CFA can expect to find answers to common payment problems – including late or reduced payment or outstanding retentions – via the new NSCC online payment pack as part of the Fair Payment Charter. www.fairpaymentcampaign.co.uk

Recycling in the west

Carpet and carpet tile waste from flooring contractors can now be accepted at the Greenback recycling facility in Melksham, Wiltshire. Greenback, a founder member of Carpet Recycling UK, recently installed shredding and baling facilities expanding its site to handle different carpet types. www.carpetrecyclinguk.com

Milestone for FeRFA

The first group in the FeRFA resin apprenticeship scheme have completed the final module on pumped screeds. On-site assessment through their own companies allowed them to be awarded a full NVQ Level 2 in in-situ resin flooring. Successful candidates obtain the CSCS Blue Skilled Card as well as FeRFA ID badge. FeRFA also offers a surface preparation apprenticeship scheme. www.ferfa.org.uk

Tender price drops

Tender prices fell 2.4% in the first three months of the year despite rising costs to contractors, according to RICS.

Fuel price surcharge

More than half small construction firms are passing on higher fuel prices to customers, according to Bibby Financial Services. It reveals that a quarter of contractors spend less time on the road now.

Flowcrete to Romania

Flowcrete has opened an office in Bucharest, Romania. The firm's Polish office in Warsaw has been upgraded as a distribution centre for the region. Flowcrete also has a presence in Tallinn, Estonia. www.flowcrete.co.uk

QUOTE:

'Modern buildings are just skid marks on the London skyline. They are so dull. Paris and Rome are like supermodels in comparison'

– Guy Ritchie, husband of Madonna, who owns a Mayfair pub