Freedonia®
Industry Studies ■ Custom Research ■ Focus Reports

NEW US industry forecasts for 2013 & 2018

Construction Chemicals

Study # 2569 | January 2010 | $4700

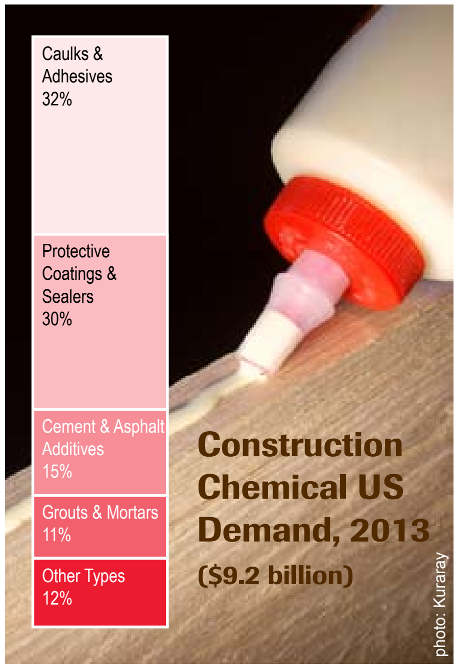
US demand to increase 3.5% annually through 2013

Demand for on-site construction chemicals is forecast to increase 3.5 percent per year to $9.2 billion in 2013. A rebound in the housing market will promote growth, as the residential segment is a significant outlet for components that utilize on-site construction chemicals. Demand will also benefit from a shift in product mix to higher value items and solid levels of residential repair and improvement spending. Further gains will be limited by a significant deceleration (and in some cases, outright declines) in nonresidential building activity, particularly in key construction chemical consuming segments, such as industrial and commercial buildings.

Higher value formulations will continue to gain market share in many product segments, primarily due to environmental and performance issues. For example, concerns over the release of volatile organic compounds during the coating process have initiated a gradual switch to more environmentally friendly formulations, such as water-based coatings and sealers. In addition, many construction chemical suppliers are addressing demand for "green" materials by using more non-petroleum-based raw materials.

Caulks, adhesives to benefit from new housing rebound

Protective coatings and sealers, and caulks and adhesives will remain the largest product types. The coatings and sealers product category will register below-average gains, primarily due to a sharp deceleration in nonresidential



building construction. The nonresidential building segment is very important for protective coatings and sealers due to the harsh environments of industrial facilities and commercial settings, key outlets for these products. In comparison, the residential building segment is of greater importance to caulks and adhesives. As such, demand for caulks and adhesives will benefit from a rebound in the new housing market, as well as steady remodeling and repair activity.

Residential market to offer best growth opportunities

The residential building market will offer the strongest opportunities for growth. Gains will be promoted as new residential construction expenditures come off of a depressed 2008 base and new single-family homes built through 2013 experience a rebound. In addition, new homes are more likely to include amenities, such as multiple bathrooms, a greater number of windows, larger kitchens and decks, which will create greater requirements for various on-site construction chemicals such as coatings and sealers, grouts and mortars, and caulks and adhesives. Repair and maintenance applications will also provide opportunities, supported by favorable growth in residential improvement and repair spending, as well as the gradual aging of the housing stock and the fact many homeowners enjoy remodeling older homes.

Growth in the nonresidential building market will be sluggish, a sharp deceleration from gains experienced between 2003 and 2008. Demand gains through 2013 will be checked by declining construction spending in the industrial, and lodging and commercial sectors, and by below-average spending in the office sector. Slightly offsetting this sluggishness is rising construction spending in the institutional sector, as more hospitals, nursing homes, schools and university dormitories are built. In the nonbuilding market, gains will be driven by the use of better performing materials in road and bridge construction, often achieved by the use of cement and asphalt additives.

Study coverage

This new Freedonia industry study, ***Construction Chemicals***, is priced at $4700. It presents historical demand data (1998, 2003, 2008) and forecasts for 2013 and 2018 by product and application. The study also considers market environment factors, evaluates company market share and profiles key companies.

CONTENTS/TABLES/CHARTS

historical data (1998, 2003, 2008)
plus forecasts for 2013 and 2018

US INDUSTRY STUDY WITH FORECASTS FOR 2013 & 2018

Construction Chemicals

INDUSTRY STRUCTURE

Company Profiles

COMPANY PROFILES
Company Profiles for 29 US industry players such as BASF, WR Grace, RPM, Sherwin-Williams and Sika

PRODUCTS

Proprietary chemicals are displacing bulk commodity chemicals, such as calcium chloride, for several reasons. Many of the mechanisms governing chemical reactions and their effect on concrete properties are not entirely known, and as research continues to break new ground in this area, chemical additives are modified to improve their performance. Balancing the dosage of additives in concrete mixes is a key consideration, especially due to the multifunctionality of some chemical products. While multifunctionality can be an attractive feature, several additives perform these functions regardless of whether they are desired. For example, lignosulfonate water reducers tend to entrain air in concrete, which can reduce the strength of hardened concrete if too much air is trapped. As a result, users must choose multifunctional additives carefully. In some instances, users must compensate for them with other, counterbalancing additives.

TABLE III-27

CEMENT ADDITIVE DEMAND IN ON-SITE CONSTRUCTION BY MARKET (million dollars)

Item	1998	2003	2008	2013	2018
Concrete Demand (mil ton)					
$ additive/ton concrete					
Cement Additive Demand					
By Function:					
Surfactants & Dispersants					
Inorganic Chemicals					
Other					
By Market:					
Building:					
Residential					
Nonresidential					
Highways & Streets					
Other					
% cement additive					
Cement & Asphalt Additive Demand					

SAMPLE TABLE
Historical data for 1998, 2003 and 2008 as well as Freedonia forecasts for 2013 and 2018; data illustrated with the aid of 88 tables and charts

APPLICATION

Residential Bu

The reside chemicals in new multifamily and largest consumer of on-site construction chemicals in the US. Improvement and repair applications represent the majority of this total due to the large housing stock in the US.

Demand for on-site construction chemicals in the residential market is nnually through 2013, rebounding from a promoted by an acceleration in new hous- outright declines during the 2003 to 2008 emodeling expenditures will provide further

SAMPLE PAGE
Explanations that support each table's data and forecasts

s are forecast to see the most rapid gains, as ow levels experienced in 2008. Gains will re- cover, as new residential construction expenditures come off of a depressed 2008 base and new single-family homes built through 2013 experience a rebound. Further gains will be limited as there is expected to be a slight decline in the average size of single-family homes. Despite the size, new homes, particularly luxury models, are more likely to have amenities, such as multiple bathrooms, a higher than average number of windows, larger kitchens and decking, which will in turn require more use of various construction chemicals, such as coatings and sealers, grouts and mortars, and caulks and adhesives for completion. Gains will also be derived from rising construction of housing units designed for senior living. These facilities will be constructed with various components that are ADA-compliant while encompassing the principles of universal design. For example, senior housing may feature large walk-in showers and grab bars that require caulk and adhesives during installation.

Demand for on-site construction chemicals in repair and maintenance applications is forecast to post below-average, although favorable, gains through

Order Information

To order fill out the coupon below and mail to The Freedonia Group, or place your order by phone **toll free (800) 927-5900** (US) or **(440) 684-9600**, or by fax **(440) 646-0484**, or by e-mail at **info@freedoniagroup.com**

Free Handling and Shipping

There is **NO** charge for handling and UPS shipping in the US. Expect delivery in 3 to 5 days. Outside the US, Freedonia provides free airmail service. If you require express delivery, Freedonia provides this to you at cost.

Save Fifteen Percent

If you order three (3) different titles at the same time, you can receive a discount of 15%. **If your order is accompanied by a check, you may take a 5% cash discount** (discounts do not apply to corporate use licenses).

Credit Card Orders

You may charge your order to either **American Express**, **MasterCard** or **Visa**. Please include your credit card account number, expiration date and your signature.

Orders Outside of the US

Checks must be paid in US funds, drawn against a US bank and mailed directly to The Freedonia Group. For wire transfer instructions please contact our customer service department at info@freedoniagroup.com. Or you may use a credit card.

Corporate Use License

Now every decision maker in your organization can act on the key intelligence found in all Freedonia studies. For an additional $2,300 you receive unlimited use of an electronic version (PDF) of the study. Place it on your Intranet, e-mail it to coworkers around the world, or print it as many times as you like! Order it today.

Online Access

The complete text and tables from our studies and reports can be purchased at our website **www.freedoniagroup.com** and through major commercial online hosts.

Other Titles from The Freedonia Group

Specialty Adhesives

US specialty adhesives demand will rise 4.4% yearly through 2013. Strong growth in the medical product and automotive markets will fuel gains in the dominant manufacturing segment. The on-site construction market will grow the fastest. Cyanoacrylates and radiation-cured acrylic adhesives will be the fastest growing types. This study analyzes the $2.4 billion US specialty adhesives industry, with forecasts for 2013 and 2018 by product and market. It also evaluates market share and profiles industry competitors.

#2561.................. 10/2009.................... $4700

Wood Protection Coatings & Preservatives

US demand for wood protection products is forecast to increase 2.2% per year through 2013. Higher value formulations will continue to gain market share, primarily due to environmental and performance issues. Interior wood applications will achieve the best gains, promoted by a rebound in both housing starts and remodeling. This study analyzes the $2.7 billion US wood protection industry, with forecasts for 2013 and 2018 by product, application and market. It also evaluates market share and profiles industry players.

#2509.................. 07/2009.................... $4800

Construction Chemicals in China

Demand for construction chemicals in China will expand 10.1% annually through 2012. Caulks and adhesives will remain the largest segment, followed by cement and asphalt additives. Protective coatings and sealers will be the fastest growing types. The nonresidential building construction market will offer the best opportunities. This study analyzes the 24.6 billion yuan construction chemical market in China, with forecasts for 2012 and 2017 by product, market and region. It also evaluates market share and profiles industry players.

#2420.................. 12/2008.................... $5100

Sealants & Caulks

US sealants and caulks demand will rise at an improved rate of 2.9% yearly through 2012. Gains will be driven by recoveries in the residential building and nonbuilding construction markets, and improved prospects for motor vehicles and aircraft. High performance materials such as silicones and polyurethanes will lead gains. This study analyzes the $3.2 billion US sealants and caulks industry, with forecasts for 2012 and 2017 by material, type and market. It also evaluates market share and profiles major players.

#2393.................. 09/2008.................... $4600

Paint & Coatings

US demand for paint and coatings will rise 3.1% annually through 2012, aided by an improving outlook for construction and manufacturing activity and favorable export opportunities. A rebounding residential market will pace the dominant architectural paint segment, with interior paint outpacing exterior. This study analyzes the $19.7 billion US paint and coating industry, with forecasts for 2012 and 2017 by market, application, end use and formulation. It also evaluates company market share and profiles industry players.

#2386.................. 08/2008.................... $4600

Need analysis on a topic not covered by Freedonia Industry Studies? Call Customer Service for details on **Freedonia Custom Research**

ORDER FORM

Click here to purchase online

Name: ____________________

Title: ____________________

Company: ____________________

Division: ____________________

Street: ____________________
(no PO Box please)

City/State/Zip: ____________________

Country: ____________________

Phone: ____________________ Fax: ____________________

e-mail: ____________________

TITLE	PRICE
Construction Chemicals	**$4700**
☐ Corporate Use License (add to study price)	+ $2300
__ Additional Print Copies @ $500 each	

Total (including selected options): $____________

☐ Enclosed is my check (5% discount) drawn on a US bank and payable to The Freedonia Group, Inc., in US funds (Ohio residents add 7.75% sales tax)

☐ Bill my company ☐ American Express ☐ MasterCard ☐ Visa

Credit Card # ____________________ MONTH YEAR Expiration Date

Signature: ____________________

INQ-2569

The Freedonia Group, Inc. 767 Beta Drive Cleveland, OH 44143-2326 USA **website:** www.freedoniagroup.com
phone: 800-927-5900 (US) or 440-684-9600 **fax:** 440-646-0484 **e-mail:** info@freedoniagroup.com