

Investment needed

2017 has been a bit of a roller coaster for the PVC-U sector. Steve Haines, Stuga sales and marketing director, reviews the year, considers the consolidation and recommends more investment to get fabricators up-to-speed



Stuga's market research has led it to conclude that the PVC-U window industry is very likely around 10%-15% down financially, and 15%-20% down in volume, compared with 2016. Significant, but not a disaster and following a very good year in 2016 it isn't perhaps as bad as it seems. Indications are that it is now improving in many sectors and we are seeing this through service work levels. There are clearly sectors and individual companies within the industry that fly against these trends and some of these will be taking market share from others in their sector. New build is an obviously buoyant sector.

One factor that appears clear is that much of the PVC-U window and door industry is consolidating with large organisations being created out of takeovers and amalgamations. This is particularly so for fabrication and 2017 saw the continuation of this trend in particular with

regards to the Customade/Polyframe Group and Roy Frost's new group of GJB and Lister Trade on a slightly smaller scale.

Glass and extrusion related industries have consolidated considerably over recent years and it was inevitable that PVC-U window and door fabrication would follow. Keeping efficient local manufacture and distribution seems to work well for PVC-U windows and doors.

When investment is considered one thought is to hold off buying equipment due to uncertainties but the other side of the coin suggests that PVC-U fabrication is into the survival of the fittest, meaning investing is vital for some that haven't done enough or haven't kept up with the times. In fact quite a lot of investment that is happening or needed is to replace obsolescent or worn out equipment.

A number of Stuga's sawing and machining centers are much older than the 10 to 15 years expected lifespan. This finds Stuga nursing some machines for owners who, for whatever reason, haven't changed them. It has been particularly noticeable in the last two to three years that successful Stuga fabricators are choosing top of the range machines where they have the volumes to justify them. The fabricators purchasing these new machines have clearly had the vision to reinvest and been planning considerable capital investment on an ongoing basis which is why they are at the top of their game. □

