



**International
Market
Strategy**



**International strategic market research and
consultancy on building product and related markets**

September 2007

**PROPOSAL FOR A MULTI CLIENT RESEARCH
PROGRAMME ON SELECTED HEATING
TECHNOLOGIES**

**Heat Pumps
Solar Thermal
Solid Fuel Boilers (including Biomass)**



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TABLE OF CONTENTS

	Page
1. INTRODUCTION	1
2. AIMS OF THE PROGRAMME	2
3. SCOPE OF THE PROJECTS	4
3.1 GEOGRAPHICAL APPROACH	4
3.2 PRODUCT SCOPE AND COVERAGE	4
3.3 TIME SCALE	4
3.4 DISTRIBUTIVE TRADE SCOPE	8
4. METHODOLOGY, TIMING AND SUBSCRIPTION CONDITIONS	9
4.1 OVERALL APPROACH	9
4.1 METHODOLOGY	9
4.2 TIMING	11
4.3 COSTS	11

1. INTRODUCTION

BRG CONSULT's regular annual multi-client programme on heating product markets in Europe covers 30 countries and offers detailed information on 3 core product families:

- boilers and burners
- radiators
- water heaters.

Within the current climate for heating products, there is a strong need to extend the research beyond the core product coverage as the impact of newer, more environmentally friendly technologies gathers apace.

2007 is, as widely predicted, proving to be a critical year for the heating products industry in Europe. There are intensifying concerns about global warming and energy supply, and the political initiatives spawned by such concerns, are driving an accelerating pace of change. As reported in the major BRG CONSULT multi-client study, completed in June 2007, entitled:

**Study on
Eco-Related Developments in
the Domestic Heating Markets in
Europe and the USA 2006-07**

trends up to the end of 2006 had been largely positive. However, unclear direction from policy makers regarding household emissions initiatives has confused many of Europe's householders. This has had a direct impact on the traditional and new heating technology market as consumers postpone new installations until respective governments and the EU give clear guidance.

The hype surrounding new technologies and their development can on occasions hide what is really happening in the markets. BRG CONSULT feels that it is now vital to have a fully up to date view of the market for new technologies. As a result, BRG CONSULT is now launching a supplementary series of country and technology specific studies on selected heating products including:

- heat pumps
- solar thermal water and space heating
- biomass boilers.

In contrast to the recent "Eco-Related" study, the services outlined in the proposal that follows are offered on a very modular basis, enabling clients to "mix-and-match" according to their specific requirements. This document outlines the proposed scope and subscription conditions for this particular programme.

2. AIMS OF THE PROGRAMME

The primary aim of the programme is to provide clients with essential up-to-date information on some of the key alternative technologies covered by BRGC's recent "Eco-Related" study in those countries in which there is significant demand for these products. The reports will be offered either as individual studies or as package options (also incorporating an **interactive database service**) including internationally comparable data on:

- market sizes and trends and forecasts, by product sub-category
- market values and average prices
- market sizes by price segment
- main suppliers with market shares
- profiles of leading manufacturers/suppliers, including details of product ranges and distribution policies and practices (including, for example, OEM and private label supply arrangements)
- forecasts of key trends relating to all of the above topics.

In addition, "Common Modules" cover per country:

- background socio-economic and construction data
- any recent legislative developments
- distribution data including:
 - information on distribution structures
 - profiles of leading distributors.

Fig. 3.1-1 PRODUCT SCOPE SCOPE

Heat Pumps	Solar Thermal Collectors	Solid Fuel Boilers (including Biomass)
<p>Heat pumps: hydronic space heating</p> <p>Geothermal</p> <ul style="list-style-type: none"> - horizontal - vertical bore hole - other (ground water, lake, stream) <p>Exhaust air</p> <p>Outside air-to-water</p> <p>Water heater heat pumps</p> <p>Other heat pumps</p> <ul style="list-style-type: none"> - air-to-air heat pumps - gas heat pumps 	<p>Solar thermal collectors by area (m²)</p> <ul style="list-style-type: none"> Flat plate Vacuum Unglazed <p>Storage tanks (pieces)</p> <p>by:</p> <ul style="list-style-type: none"> type of installation <ul style="list-style-type: none"> - individual housing - collective housing type of system <ul style="list-style-type: none"> - water heating only - combined type of circulation <ul style="list-style-type: none"> - drainback - pressurised - gravity/thermosyphon 	<p>Solid fuel boilers</p> <ul style="list-style-type: none"> Fossil fuel & universal Logwood/bifuel Woodchip Pellets Other biomass <p>by:</p> <ul style="list-style-type: none"> output category <ul style="list-style-type: none"> - < 15 kW - 15-25 kW - 25-35 kW - >35 kW

3. SCOPE OF THE PROJECTS

3.1 GEOGRAPHICAL APPROACH

The programme will be 2 tiered (see Fig 3.1-1/4). On the one hand, BRG CONSULT will update all 30 European countries for:

- market trends, sizes and forecasts
- product segmentations.

A series of detailed reports will then be created for:

- the top 18 heat pump markets
- the top 15 solar thermal markets
- the top 21 solid fuel/biomass markets.

The data content of these reports can be found in Figs 3.1-1/4.

3.2 PRODUCT SCOPE AND COVERAGE

The main focus of the study would be one of updating the key market size, trends and market share (supply) data for those technologies that have been gaining share in recent years but which are not included in the annual updating of BRGC's Market Information Database. The product categories are detailed in Fig 3.1-1/4.

3.3 TIME SCALE

For the technologies being added to the main database, BRGC would aim:

- to firm up on the historical sales trend data for 2004-2006
- provide market share estimates for 2006
- provide forecast both of sales trends and market shares for 2007 based on year-to-date trends
- provide sales trend forecasts to 2011, based on the scenarios prepared for the recent "Eco-Related" adapted to reflect latest trends.

Due to the timing of the research (Autumn/Winter 2007), the studies will adopt dual base years of 2006 and 2007. In summary terms, the reports will depict:

- historical trends from 1997-2006 and forecasts to 2011.

Fig. 3.1-2 HEAT PUMP DATA COVERAGE

Country/output	Market Sizing	Historical Trends	Forecasting	End use	Distribution	Market Values	Technical Segmentations	Manufacturer Sales
France	✓	✓	✓	✓	✓	✓	✓	✓
UK	✓	✓	✓	✓	✓	✓	✓	✓
Germany	✓	✓	✓	✓	✓	✓	✓	✓
Italy	✓	✓	✓	✓	✓	✓	✓	✓
Spain	✓	✓	✓	✓	✓	✓	✓	✓
Portugal	✓	✓	✓				✓	
Netherlands	✓	✓	✓	✓	✓	✓	✓	✓
Belgium	✓	✓	✓	✓	✓	✓	✓	✓
Austria	✓	✓	✓	✓	✓	✓	✓	✓
Switzerland	✓	✓	✓	✓	✓	✓	✓	✓
Ireland	✓	✓	✓	✓	✓	✓	✓	✓
Greece	✓	✓	✓				✓	
Denmark	✓	✓	✓	✓	✓	✓	✓	✓
Norway	✓	✓	✓	✓	✓	✓	✓	✓
Sweden	✓	✓	✓	✓	✓	✓	✓	✓
Finland	✓	✓	✓	✓	✓	✓	✓	✓
Poland	✓	✓	✓	✓	✓	✓	✓	✓
Czech Republic	✓	✓	✓	✓	✓	✓	✓	✓
Slovakia	✓	✓	✓				✓	
Hungary	✓	✓	✓				✓	
Estonia	✓	✓	✓				✓	
Latvia	✓	✓	✓				✓	
Lithuania	✓	✓	✓				✓	
Russia	✓	✓	✓				✓	
Ukraine	✓	✓	✓				✓	
Romania	✓	✓	✓				✓	
Bulgaria	✓	✓	✓				✓	
Slovenia	✓	✓	✓	✓	✓	✓	✓	✓
Croatia	✓	✓	✓				✓	
Turkey	✓	✓	✓	✓	✓	✓	✓	✓

Denotes market sizing in database only

Fig. 3.1-3 SOLAR THERMAL DATA COVERAGE

Country/output	Market Sizing	Historical Trends	Forecasting	End use	Distribution	Market Values	Technical Segmentations	Manufacturer Sales
France	✓	✓	✓	✓	✓	✓	✓	✓
UK	✓	✓	✓	✓	✓	✓	✓	✓
Germany	✓	✓	✓	✓	✓	✓	✓	✓
Italy	✓	✓	✓	✓	✓	✓	✓	✓
Spain	✓	✓	✓	✓	✓	✓	✓	✓
Portugal	✓	✓	✓	✓	✓	✓	✓	✓
Netherlands	✓	✓	✓	✓	✓	✓	✓	✓
Belgium	✓	✓	✓	✓	✓	✓	✓	✓
Austria	✓	✓	✓	✓	✓	✓	✓	✓
Switzerland	✓	✓	✓	✓	✓	✓	✓	✓
Ireland	✓	✓	✓				✓	
Greece	✓	✓	✓	✓	✓	✓	✓	✓
Denmark	✓	✓	✓				✓	
Norway	✓	✓	✓				✓	
Sweden	✓	✓	✓				✓	
Finland	✓	✓	✓				✓	
Poland	✓	✓	✓	✓	✓	✓	✓	✓
Czech Republic	✓	✓	✓	✓	✓	✓	✓	✓
Slovakia	✓	✓	✓				✓	
Hungary	✓	✓	✓	✓	✓	✓	✓	✓
Estonia	✓	✓	✓				✓	
Latvia	✓	✓	✓				✓	
Lithuania	✓	✓	✓				✓	
Russia	✓	✓	✓				✓	
Ukraine	✓	✓	✓				✓	
Romania	✓	✓	✓				✓	
Bulgaria	✓	✓	✓				✓	
Slovenia	✓	✓	✓				✓	
Croatia	✓	✓	✓				✓	
Turkey	✓	✓	✓	✓	✓	✓	✓	✓

Denotes market sizing in database only

Fig. 3.1-4 SOLID FUEL/BIO MASS DATA COVERAGE

Country/output	Market Sizing	Historical Trends	Forecasting	End use	Distribution	Market Values	Technical Segmentations	Manufacturer Sales
France	✓	✓	✓	✓	✓	✓	✓	✓
UK	✓	✓	✓	✓	✓	✓	✓	✓
Germany	✓	✓	✓	✓	✓	✓	✓	✓
Italy	✓	✓	✓	✓	✓	✓	✓	✓
Spain	✓	✓	✓				✓	
Portugal	✓	✓	✓				✓	
Netherlands	✓	✓	✓				✓	
Belgium	✓	✓	✓				✓	
Austria	✓	✓	✓	✓	✓	✓	✓	✓
Switzerland	✓	✓	✓	✓	✓	✓	✓	✓
Ireland	✓	✓	✓	✓	✓	✓	✓	✓
Greece	✓	✓	✓				✓	
Denmark	✓	✓	✓	✓	✓	✓	✓	✓
Norway	✓	✓	✓				✓	
Sweden	✓	✓	✓	✓	✓	✓	✓	✓
Finland	✓	✓	✓				✓	
Poland	✓	✓	✓	✓	✓	✓	✓	✓
Czech Republic	✓	✓	✓	✓	✓	✓	✓	✓
Slovakia	✓	✓	✓	✓	✓	✓	✓	✓
Hungary	✓	✓	✓	✓	✓	✓	✓	✓
Estonia	✓	✓	✓				✓	
Latvia	✓	✓	✓	✓	✓	✓	✓	✓
Lithuania	✓	✓	✓	✓	✓	✓	✓	✓
Russia	✓	✓	✓	✓	✓	✓	✓	✓
Ukraine	✓	✓	✓				✓	
Romania	✓	✓	✓	✓	✓	✓	✓	✓
Bulgaria	✓	✓	✓	✓	✓	✓	✓	✓
Slovenia	✓	✓	✓	✓	✓	✓	✓	✓
Croatia	✓	✓	✓	✓	✓	✓	✓	✓
Turkey	✓	✓	✓	✓	✓	✓	✓	✓

Denotes market sizing in database only

3.4 DISTRIBUTIVE TRADE SCOPE

The study contains, within the product specific modules, information on distribution practices. A separate module (common to all products) provides information on distribution structures in each country, backed up by company profiles of the most important distributors.

The study covers all main channels of distribution of heating and related products including:

- wholesalers/merchants
- DIY superstores
- direct marketing and distribution (including supply-and-fit operations)
- e-commerce.

4. METHODOLOGY, TIMING AND SUBSCRIPTION CONDITIONS

4.1 OVERALL APPROACH

The programme, per country, is made up of:

- 2 modules that are common to all heating products:
 - background data (socio economic and demographic)
 - structural analysis of the distributive trades handling heating products
- product specific modules on:
 - heat pumps
 - solar thermal
 - solid fuel boilers
- manufacturer and distributor company profiles.

4.1 METHODOLOGY

Building from existing material (see Fig. 4.1) there would be three main inputs to the programme:

- supply side research by BRGC's own international team working out of the BRG offices with
 - manufacturers
 - distributors
 - contractors
 - policy makers and legislative bodies
- desk research and secondary research
- development of forecasting modellers by BRGC's specialist team (plus further development of the database by the IT team).

As is customary with all BRG CONSULT multi-client programmes, no part of the project will be outsourced to a secondary agency. All work is to be carried out in-house by BRG CONSULT's team.

Fig. 4.1 PRICING (all prices are shown in Euros)

Country/output	Heat Pumps	Solar Thermal	Solid Fuel/Biomass
France	€ 1,400	€ 1,400	€ 1,400
UK	€ 1,400	€ 1,400	€ 1,400
Germany	€ 1,400	€ 1,400	€ 1,400
Italy	€ 1,400	€ 1,400	€ 1,400
Spain	€ 1,400	€ 1,400	
Portugal		€ 1,400	
Netherlands	€ 1,400	€ 1,400	
Belgium	€ 1,400	€ 1,400	
Austria	€ 1,400	€ 1,400	€ 1,400
Switzerland	€ 1,400	€ 1,400	€ 1,400
Ireland	€ 1,400		€ 1,400
Greece		€ 1,400	
Denmark	€ 1,400		€ 1,400
Norway	€ 1,400		
Sweden	€ 1,400		€ 1,400
Finland	€ 1,400		
Poland	€ 1,400	€ 1,400	€ 1,400
Czech Republic	€ 1,400	€ 1,400	€ 1,400
Slovakia			€ 1,400
Hungary		€ 1,400	€ 1,400
Estonia			
Latvia			€ 1,400
Lithuania			€ 1,400
Russia			€ 1,400
Ukraine			
Romania			€ 1,400
Bulgaria			€ 1,400
Slovenia	€ 1,400		€ 1,400
Croatia			€ 1,400
Turkey	€ 1,400	€ 1,400	€ 1,400
Product Option Package of Country Reports + 30 Country Overview Database	18 Countries	15 Countries	21 Countries
	€ 16,200	€ 13,500	€ 18,900
Full Programme	All Modules		
	€ 27,000		

Unavailable as individual report

4.2 TIMING

Given sufficient client support, it is planned to start work on the programme in September 2007, and to complete the exercise by the end of the year.

4.3 COSTS

A pricing schedule is given in Fig 4.1. It is clear from Fig. 4.1 that although the programme is offered on a modular basis, there is a great deal of overlap between the modules. For this reason very advantageous conditions are offered to companies taking the whole of, or a substantial part of, the total programme.

An order form has been attached at the back of this document. To place an order via post or fax, please print off and return the completed 2 page order form (on pages 12 and 13 of this proposal) as instructed.

For specific or tailored offers, clients are requested to contact BRG CONSULT directly.

Order Form - Selection Box			
Country	Heat Pumps	Solar Thermal	Solid Fuel / Biomass
Price per Report	€1,400		
France	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
UK	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Germany	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Italy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Spain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Portugal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Netherlands	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Belgium	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Austria	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Switzerland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ireland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Greece	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Denmark	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Norway	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sweden	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Finland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Czech Republic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Slovakia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hungary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Estonia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Latvia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lithuania	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Russia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ukraine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Romania	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bulgaria	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Slovenia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Croatia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Turkey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Package Options:	18 Countries	15 Countries	21 Countries
Per Technology:	€16,200	€13,500	€18,900
<i>Full Package of Country Reports + 30 Country Overview Database</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Full Programme	€27,000 <input type="checkbox"/>		

* all prices are exclusive of VAT

Please denote required report(s) or package option(s) with a 'X'

Order Form

Delivery: PDF copy only: free Hard Copy - €15 per report**Method of payment:** I enclose a cheque I have arranged a bank transfer Invoice my Company

Bank details: HSBC plc, 20 Eastcheap, London EC3M 1ED Account No. 11340794
Sortcode 40 02 31 Swift Code: MIDLGB2106G IBAN: GB72MIDL40023111340794

Charge my Visa/MasterCard

Name of cardholder.....

Address of cardholder

Card Security Code (three digit No.)

Card No.Expiry Date

Name..... Address.....

Position.....

Company..... Email.....

Telephone..... Fax.....

Signature..... Date.....

EU COUNTRIES ONLY: Please supply your VAT registration

No.....

BRG Consult sends out a free monthly heating newsletter If you want to receive the newsletter by email please click the following box:

 Please send me the free heating newsletter.

Email:.....

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