Weather Resistant Barriers 2014
Residential and Commercial Construction

Build Your Own Business Case
A dynamic Market Model and Forecast Tool is included, in addition to the base report. This interactive tool allows for “what if” scenario-building market projections, and is a powerful business planning resource.

More details inside

The gold standard for information and insights in the building products industry
Background

Growth in demand for weather resistant barriers (WRB), including both air and vapor barriers, is rapidly expanding, as owners and building codes are demanding more energy efficient buildings. Buildings account for about 40% of energy demand, and 40% of carbon dioxide emissions, according to the US Department of Energy. Advances in building science, combined with new and evolving codes, are driving fundamental shifts in the construction practices for residential and commercial buildings.

Key requirements for energy efficient buildings with comfortable environments are air tightness and reduced thermal bridging to lower heating and cooling costs. Moisture control is required to keep building occupants comfortable and healthy. WRBs perform a critical role in meeting the needs of modern homes and buildings.

Green certification, newly adopted codes and homeowner desire to reduce energy costs are driving WRB innovation and new product developments. The 2012 IECC residential energy codes have been adopted by five states and will be more broadly adopted in coming years. These codes require new diligence around energy efficiency, which includes higher insulating values, “tighter” homes and improved water and moisture management.

Commercial building construction is going through a similar revolution in building design, including energy efficiency and air and moisture management. Initiatives such as “Zero Energy” continue to gain more attention with a focus on innovation in integrated design for the entire building envelope. This approach is pushing the industry to shift attention from individual components to whole-system design. It’s also driving the need to provide material systems that offer superior performance over a wider range of conditions.

Product manufacturers will need to concentrate on installation techniques, as well as material and system performance. High-performance building envelope systems are more sensitive to improper installation than conventional systems, and the consequences of improper installation are critical. More favorable building envelope economics depend on cost savings achieved from downsizing mechanical systems due to better energy efficiency. If the envelope is not constructed properly, it results in either an HVAC system that cannot meet the higher-than-designed space conditioning loads, or diminishes the degree of downsizing (and cost savings) that engineers are willing to specify.
All of the above-mentioned market developments and trends are driving product innovation and resulting in a wide variety of new product introductions from year to year. Examples of new products: fluid applied air and water systems that include weather barriers; fluid applied flashing; joint compound and sealants; continuous insulation systems; integrated rain screen ventilation matting combined with house wrap; and house wrap with a 3-D pattern that retains drainage space in any wall installation. New product and system innovations will be a mainstay in this rapidly-evolving industry.

This targeted market assessment from Principia will provide an excellent perspective on the current market, trends, and outlook for building barriers and wraps in North America. The study will cover all major types of barrier and wrap products and materials used in both residential and commercial buildings.
About the Program

The program will draw upon primary research with over 200 value chain participant interviews.

Report Format

The report will be structured for easy reference. The outline for the program is shown below, subject to change based on subscriber input.

1. Summary / Introduction

Executive summary of the current market size, trends and developments, keys for future success and outlook.

2. Product Review

A review of WRB products, along with recent product advances and developments. Product review by:

- System / function
  - Weather resistant and insulating systems
  - Vapor barrier
  - Vapor and moisture barrier
  - Air barrier
- Producer / brands
- New products
- Warranties and approvals
- Value added services

3. Market Assessment

A thorough analysis of demand in North America will provide the baseline. A three-year projection will provide insights into how demand is most likely to shift by material, channel and region.

- Current (2013) estimated demand for all building barrier and wrap products (volume and value)
  - By material type
  - By application
    - Wall
    - Roof
  - By construction type (i.e. single family, multifamily, commercial)
  - By new construction vs. replacement & remodel
  - By product function
    - Weather resistant and insulating systems
    - Vapor barrier
    - Vapor and moisture barrier
    - Air barrier
  - By distribution channel
  - By region (according to U.S. Census Bureau regions and Canada)

- Distribution channel dynamics
  - Flow of product by distribution outlet and region
  - Factors influencing trade within distribution channels

- Supply assessment
  - Supplier share for each material
  - Acquisitions, divestitures and partnerships
  - New product developments
  - Inter-material competition

- Year-over-year forecast demand to 2016, segmented as above
  - Market, technical and regulatory trends affecting potential demand
4. **Product and Purchasing Trends**
We will be conducting 200 interviews to provide a fresh industry perspective. You will learn what key players are saying about the current and future direction of the market.

- Manufacturers
  - Market reaction to new products
  - Product warranty claims
  - Bundling and delivery trends
  - Others

- Distributors/Dealers
  - Product demand shifts
  - Channel changes
  - Dealer inventory levels
  - Brand preferences
  - Sole sourcing trends
  - Others

- Contractors/Installers
  - Product usage / material and system preferences
  - Shifts in needs
  - Key influencers
  - Others

5. **Business Assessment**
A realistic business assessment to help define industry opportunities.

- Size of opportunity for WRBs
- Changing customer requirements
- Impact of legislative changes
- Ability to create value in the distribution channel
- Critical path to serve the opportunity

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**Weather Resistant Barriers**

**Categories in Focus:**

**Classification**

- Vapor barrier
- Air barrier
- Vapor and moisture barrier
- Weather resistant and insulating
- Material combinations

**Construction Type**

- Single family
- Multifamily
- Light commercial
- Heavy commercial

**Market Sector**

- New construction
- Remodeling and repair

*Report does not include commodity OSB or plywood panels.*
Subscription Features

WRB 2014 is an invaluable tool providing all industry participants a 360 degree view of the business. The foundation of each subscription is a written report detailing the key metrics for the industry, broken down by product, application, distribution channel, region and supplier.

All key issues impacting the current and projected state of the industry will be detailed. Background on major industry participants will be provided in snapshot profiles.

In addition, subscriptions will include the following unique elements:

Voice of Customer Survey Results: Understand Critical Market Success Factors

Voice of Customer will be captured directly from over 150 interviews with manufacturers, distributors and dealers, builders & contractors, property owners and other relevant trade sources. The results of the interviews will be portrayed in graphical and tabular form to provide insights on the current and projected future state of the market. Correlations and contrasts will be depicted among the different industry participants, WRB products and geographic regions. Subscribers will be able to focus on the issues most pertinent to their business.

- Distributors & Retailers
  - Product usage and preference trends
  - Market reaction to new products
  - Reaction to new suppliers
  - Sourcing trends
  - Technology changes
  - Regional trends and developments

- Builders & Contractors
  - Loyalty to brand
  - Service requirements
  - Level of inquiries, RFQs
  - Product usage / material and system preferences
  - Sales and marketing techniques and tools
  - Consumer preferences
  - Competition with other insulation products
  - Installation trends and issues
  - Equipment developments
Weather Resistant Barriers Market Model and Forecast Tool: Create Your Own Forecasting Scenarios

Subscribers have access to the WRB Market Model and Forecast Tool. This interactive tool enables subscribers to evaluate the market through whatever lens they choose. The Principia Market Model and Forecast Tool is based on Principia’s proprietary process used to develop industry forecasts and demand assessments. Key variable data include:

- Base year assumptions
- Forecasts of year-over-year GDP growth
- Population growth, market trends and other related metrics
- Housing starts, building permits, and remodeling spending forecasts of year-over-year growth
- Penetration rate of WRB into each application for residential and commercial construction

This powerful analytical and planning tool will enable clients to construct their own “what-if” scenarios of future demand and growth to develop their go-to-market strategies.

Inside the Principia Market Model and Forecast Tool

Information from different sources is compiled and analyzed to create demand forecasts based on a wide range of scenario assumptions, including your own.

Modify Your Own Forecast

The Principia Market Model and Forecast Tool lets you insert your own assumptions and “what-if” scenarios.
Using the Study

This report will serve as an important baseline analysis for forecasting and business planning purposes by existing and new industry participants. Using 2013 as the baseline, the study will analyze the drivers and trends of the WRB and roofing markets by region, distribution channel, market segment and material type, and will provide forecasts covering the next three years.

The study will provide insights into current and future products and competitive positioning, and will help companies anticipate unmet customer needs. The report also provides business insights on:

- Up-to-date assessment of the WRB market and products
- Voice of Customer on major trends in design, material usage and market conditions
- Identified product development needs and channel opportunities
- Market share review for leading WRB producers
- Profiles of the leading companies active in the business
- Strategic insights into this fast-changing industry

Why Subscribe?

The study will serve as an essential reference for executives responsible for forecasting and business planning at all companies currently involved in or seeking to participate in the growing WRB segments of residential and commercial building construction in North America. These include:

- Manufacturers of WRB materials
- Architectural, engineering, and general contracting firms
- Builders, remodeling contractors, specifiers, energy use consultants
- Facility managers and property management companies
- WRB product distributors and retailers
- Private equity firms
Subscription Information

Scope
The report focus is WRB in residential and commercial construction. Geographical scope is North America (US & Canada).

Study Timing
The report will be launched in the third quarter of 2013 with the study completed in the first quarter of 2014. We are prepared to discuss the findings with you to meet your individual information needs.

To Subscribe
To subscribe to WRB 2014, please fill out the attached form and return to us.
The subscription price is $12,500 prior to September 30, 2013 and $15,000 thereafter.

Subscribers to this report are offered a private presentation by the Principia project team with an open discussion about the report, and to address any company-specific issues. The consultation is included in the stated subscription price.
Subscription Agreement

This agreement is between Principia Consulting, LLC and ___________________________________________ (Client).

Client agrees to subscribe to this multi-client study focused on WRB 2014. Client agrees to maintain the report as company confidential for a period of three years from the signature date herein. Client will not reproduce in part or in whole the report by any means, will refrain from oral or written publication of any information presented in the report, and will take every precaution to prevent the disclosure of information in the report to any third party. Principia Consulting, LLC will not provide the information contained in this report, in whole or in part, to any party that is not a subscriber to the program except for limited use for marketing purposes.

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Principia is a leading consultancy serving the building products industry with a range of consulting and research services.

Principia is knowledgeable about the basis for participation throughout all levels of the value chain, and what it takes to be successful.