

Current situation in the German Shopfitting Industry - April 2014

According to the latest survey of the dlv on the business situation in Q4, 2013 of its approximately 150 member companies, the situation is as follows::

- the shopfitting relevant orders judge 51% of the companies to be better compared to the previous year 2012. 16% reported no changes, and 34% reported a lower order volume.

More trends

- 59% of companies say delivery times in the next 12 months are normal, 39% consider the delivery times to be shorter.
- The composition of shopfitting/construction is according to 77% as unchanged. The remaining 23% see an increase in Gypson board construction compared to classical store building construction (46%) and a trend towards the use of wood over metal (69%).
- The Euroshop went very well for the vast majority of Shopfitters

☐ Conclusion: The shopfitters are confident about the year 2014.

Current economic situation in Germany - April 2014

- According to the government statistics Germany is economically better off than most Euro-States. But 2013 was not good.
- 2014 should be better: The GDP in 2014 will be 2% higher as in 2013 according to all estimates.
- Construction investment is also expected to increase in 2014, between 3.2 and 4.6%.
- The high level of employment and low interest rates stimulate the consumer climate as well as a good income growth and moderate inflation: The consumer confidence has risen continuously since the beginning of 2013.
- At the moment there is stability in the labor market. A mild winter and a good economy in many areas have a positive effect on the unemployment rate, continuously reduced since the beginning of 2014.
- The Federal Ministry of Labour and Social Affairs showed in July 2013 in an investigation a further fall in unemployment rate up to 2030 from 5.3% in 2012 to 4.2%, however, warning about increasing shortage of skilled workers.

Further comments at the ISO AGM 26.04.14 at the presentation by Carsten Schemberg:

The lack of skilled production workers is already now a problem as everybody seems to want higher education. A number of bankruptcies in the shopfitting business has occurred due to the mass retailers pressure on price- and performance.

The German consumers are again *spending* their money, e.g. on Consumer electronics, clothes, wanting „emotional“ and „authentic“ products.