

WRMS

W Road Maintenance Service AB

Market Review

Belgium

Market Review

Belgium

For

Xxx

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General market review

General information

Market situation

Belgium is a highly structured market with a very strong "circle" consisting of a handful of companies. This "circle" dominate the market and collaborate on projects. They have also a strong cooperation with and influence what products will be approved by the institute. There is big frustration in Belgium - more or less expressed - from several companies outside the "circle". All the smaller contractors are however afraid to offend the larger ones - because the larger contractors "feeding" them with subcontractor assignment

Certification

XXXXXXXXXXXXX
YYYYYYYYYYYYY
ZZZZZZZZZZZZ

Secrétariat GS 6 "Éléments linéaires routiers"

Secretariaat GS 6 "Lijnvormige wegelementen"

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Material supplier

1. Main Supplier (TP, (2K), paint) -> XX%
2. Second Supplier(/Mother Group) (TP, (2C), paint) -> YY%
3. Small Supplier 1 (2K) -> Z%
4. Others (suppl 4 & 5) -> Q%

See enclosure A for estimated volumes

Road construction companies

Company A, Company B, Company C, Company D, Company E

General market information

Habitants: 10.5 MIO

Area: 30,528 square kilometres (rated 141 in size in the world)

Capital: Brussels (1,120,000 habitants)

Largest cities: Antwerpen 460.000; Gent 232.000; Charleroi 201.000, Liege 186.000



Flanders in red, Vallonien in beige

Economy

The Belgian economy is considered stable; with a relatively low growth. I get various information from my sources. Some claim that they can wait for payment from the authorities, XX months; while others believe that they are paying in YY months. Possibly it may be a difference between Q (explanation) and Z (explanation).

Market size**Road network**

Total paved road network XX km (including YY km express roads)

Airports

Airports with paved runways:

Totally: X (of which more than 3 km: Y units, and which more than 2,4 km (and less than 3 km): Z units)

**Products at the market**

Total volume road marking at the market: Q.000 ton

Of which

Paint:	X ton
Thermoplastic:	Y ton
Cold Plastic:	Z ton

Presentation key contracting companies in Road marking at the market

There are approximately X contracting companies in Belgium.

Most well known companies at the market, with market shares, are:

- Contractor A -> X%
- Contractor B -> Y%
- Contractor C -> Z%
- Contractor D -> Q%
- Contractor E -> Å%
- Contractor F -> Ä%

- Others: Contractor G (se enclosure **D**) (Contractor H, Contractor I, Contractor J, Contractor K, Contractor L, Contractor M) -> Ö%

Euroline has been closed down (owner deceased) Dourphonie is under chapter 11, as to insolvency.

A. Contractor A

Logo and link website

Basic data:

Owner: Mr X (Å%), Gent, Belgium
Key Management: Mr Y (Management NV)
Business started/Founded: 1967
Head quarters: ÄÄÄweg 0 PB 0, BE-0000 City, Belgium
Turnover 2011: Ä MEUR
Of which related to Road Marking (estimated): Ö MEUR
Result 2011: Brut Q MEUR; Result before taxes Z MEUR
Number of employees in the company, total: W employees

Other information:

Family..... Position..... important person..... Contracting manager..... Purchaser.....

The company has a very large scale of machinery! X Hoffman maskiner och Y Borum!
See enclosure C.

B. Contractor B**Logo and link website**

Basic data:

Owner: Mr X (Å%), Gent, Belgium
Key Management: Mr Y (Management NV)
Business started/Founded: 1967
Head quarters: ÄÄÄweg 0 PB 0, BE-0000 City, Belgium
Turnover 2011: Ä MEUR
Of which related to Road Marking (estimated): Ö MEUR
Result 2011: Brut Q MEUR; Result before taxes Z MEUR
Number of employees in the company, total: W employees

Other information:

Family..... Position..... important person..... Contracting
manager..... Purchaser.....

The company has a very large scale of machinery! X Hoffman maskiner och Y Borum!
See enclosure C.

C. Contractor C**Logo and link website**

Basic data:

Owner: Mr X (Å%), Gent, Belgium
Key Management: Mr Y (Management NV)
Business started/Founded: 1967
Head quarters: ÄÄÄweg 0 PB 0, BE-0000 City, Belgium

Turnover 2011: Å MEUR
Of which related to Road Marking (estimated): Ö MEUR
Result 2011: Brut Q MEUR; Result before taxes Z MEUR
Number of employees in the company, total: W employees

Other information:

Family..... Position..... important person..... Contracting
manager..... Purchaser.....

The company has a very large scale of machinery! X Hoffman maskiner och Y Borum!
See enclosure C.

D. Contractor D

Logo and link website

Basic data:

Owner: Mr X (Å%), Gent, Belgium
Key Management: Mr Y (Management NV)
Business started/Founded: 1967
Head quarters: ÅÅÅweg 0 PB 0, BE-0000 City, Belgium
Turnover 2011: Å MEUR
Of which related to Road Marking (estimated): Ö MEUR
Result 2011: Brut Q MEUR; Result before taxes Z MEUR
Number of employees in the company, total: W employees

Other information:

Family..... Position..... important person..... Contracting
manager..... Purchaser.....

The company has a very large scale of machinery! X Hoffman maskiner och Y Borum!
See enclosure C.

E. Contractor E

Logo and link website

Basic data:

Owner: Mr X (Å%), Gent, Belgium
Key Management: Mr Y (Management NV)
Business started/Founded: 1967
Head quarters: ÄÄÄweg 0 PB 0, BE-0000 City, Belgium
Turnover 2011: Ä MEUR
Of which related to Road Marking (estimated): Ö MEUR
Result 2011: Brut Q MEUR; Result before taxes Z MEUR
Number of employees in the company, total: W employees

Other information:

Family..... Position..... important person..... Contracting
manager..... Purchaser.....

The company has a very large scale of machinery! X Hoffman maskiner och Y Borum!
See enclosure C.

F. Contractor F

Logo and link website

Basic data:

Owner: Mr X (Å%), Gent, Belgium
Key Management: Mr Y (Management NV)
Business started/Founded: 1967
Head quarters: ÄÄÄweg 0 PB 0, BE-0000 City, Belgium
Turnover 2011: Ä MEUR
Of which related to Road Marking (estimated): Ö MEUR
Result 2011: Brut Q MEUR; Result before taxes Z MEUR
Number of employees in the company, total: W employees

Other information:

Family..... Position..... important person..... Contracting
manager..... Purchaser.....

The company has a very large scale of machinery! X Hoffman maskiner och Y Borum!
See enclosure C.

Definition Road markings & Symbols

Road marking

Lines: Line width, and type:

Middle line – Express road: X cm (Enclosure E 14.2 page 42 in file)

Middle line – national road: Y cm "-

Edge line: Z cm at high speed road (>90 km/hrs+) (17 comment 75 page 48 i file)

Edge line: Å cm at national road with middle line "-

Edge line: Ä cm at national road without middle line "-

All line widths are specified in enclosure E – page 39 in file.

Upon event of need for complete translation of enclosure E, this can be organized against separate offer.

Main Symbols

With measurements in enclosure E – Symbols

Chapter 4 is the most interesting in enclosure E, pages 39 to page 73 in file; and then especially enclosure 4 page 68 to 73.

The most important symbols in Belgium is arrows.

Pictures with measurements:

Pic1

Pic2

Pic3

Pic4

Pic5

Upon event of need for complete translation of enclosure E, this can be organized against separate offer.

Others

Belgium has a history of very strong "circles"; led by Contractor A and Contractor B on entrepreneurial side - and of Material Producer A and Material Producer B on material supplier side.

Many of the other contractors are in a position of dependence of these two main contractors, when they are sub-contractors (and in that respect they are afraid of losing subcontractor volumes). Meanwhile the Material Producer A and the Material Producer B; has historically "controlled" the product certification in Belgium. As they are linked to the large contracting circles, this means obviously substantial disadvantages for the smaller contractors in their material purchase prices.

The last 5 years, several of the smaller contractors used their "local" contacts and has won some medium sized contracts. Furthermore some of the larger companies in traffic signing has entered into road marking. As to their size and power by the authority end client they are not afraid for the "circles". For this reason the Material Producer A and Material Producer B, has felt obliged to deliver to fairly reasonable prices - and the "circles" becomes more and more broken up.

Today Belgium is exposed also from attacks, primarily from Netherlands, where many contractors also takes their material from Material Producer A and Material Producer B.

Belgium can be processed individually from yourselves - but the chances of success increase substantially if you find a good partner.

I have a name for yourself on a person you should meet and evaluate if you are interested:

Mr Xxxx

Sources

This market review is based on:

- Historical information from earlier employments, (early 2000)
- Own interviews from 2010-2014
- Internet research
- Direct input from local partners (Road marking design/definitions etc)
- Company information from Dun & Bradstreet

- Own weighing/adjustments/estimates of historical and new information; so called "Guesstimates"

The buyer is aware about that part of this information is based on historical values, rumours and best knowledge of the market; and that it cannot be claimed and/or considered to be 100% exact and true.