



canadian kitchen cabinet association

association canadienne de fabricants
d'armoires de cuisine

Newsletter No. 3 - Summer 2007

July 31, 2007

CKCA REGIONAL MEETING
JUNE 19 – 20, 2007
Muskoka, ON

CKCA held a well-attended Regional Meeting, June 19-20, 2007 in Muskoka, Ontario. Delegates toured four plants, including Ora Kitchens, Woodsmiths of Muskoka, RJW and Ross Windows, which afforded the opportunity to see a wide variety of products and interesting operations.



Following the tours, dinner was held at the spectacular Ridge at Manitou Golf Club in Parry Sound, where Dave Clarke, Timothy Eaton BTI made a brief introduction to the WoodLINKS program his school will begin to offer in September 2007.

On June 20th, members' enjoyed a real treat - a round of golf at the Ridge at Manitou Golf Club.



We would like to thank our June Regional Meeting Sponsors.

Akhurst Machinery Ltd.
Becker Acroma Inc.
Bélanger Laminates Inc.
Blum Canada Inc.
Formica Canada Inc.
Hettich International
Maplecraft Doors Ltd.
Mirka Abrasives Inc.
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NEW MEMBERS

CKCA is pleased to welcome the following new members to the association:

Cadillac Coatings, AB
Columbia Kitchen Cabinets Ltd, BC
Eastwood Wood Specialties, ON
Fore Seasons Event Planning, ON
LivingArt Kitchens Inc., ON
Marathon Fasteners & Hardware, ON
Master Cabinetry, ON
Monarch Custom Plywood Inc., ON
Northern Homestead Kitchens, ON
Pacific Rim Cabinets, BC
Teskey Custom Cabinets, ON
Wood Art Industries, AB

CKCA FALL MEETING AND GOLF

Mix business with pleasure on September 18th at CKCA's 4th Annual Golf Tournament in KleinBurg, ON! Included in the day will be a tour of Raywal Limited, in Thornhill, ON, that morning.

We are seeking your assistance in providing us with prizes for the Golf Tournament. Again this year, we will hold a charity raffle during the dinner. A number of very nice prizes have been offered in the past, allowing our industry to provide valuable funds to worthy causes. We urge you to register early for our increasingly popular golf tournament. Registration information has been mailed and emailed to members and is available on www.ckca.ca

**CKCA 2008 ANNUAL FORUM
JANUARY 30-FEBRUARY 3, 2008
SASKATOON, SK**

**UNIQUE OPPORTUNITY TO
SUGGEST RESEARCH PROJECTS
THE VALUE TO WOOD PROGRAM**

CKCA Director Bill DeWinetz, Pacific Rim Cabinets, invites CKCA members with ideas for research projects to submit them to the Value-to Wood Program.



In March 2007, Natural Resources Canada announced a two year renewal of the national initiative to support the Canadian value-added wood products sector. The *Value to Wood* program is based on both research and technology transfer. It is meant to provide

technological solutions directly to Canadian wood product manufacturers.

The Research component is designed to address the knowledge and technology needs of the sector. It brings together specialists from leading wood research organizations across the country: Forintek Canada Corp., the University of British Columbia, the University of Toronto, Laval University and the University of New Brunswick. A nationally co-ordinated research program is already underway and findings are available to Canadian manufacturers.

The Technology Transfer component, under the responsibility of Forintek, is intended to provide access to key resource and market information and to accelerate the implementation of new manufacturing processes and the development of value-added wood products.

A Strategic Research Partnership

The five-year *Value to Wood* program initiated by Natural Resources Canada in May 2002 has a strong research component. The goal is to enhance the development of new knowledge and technology in support of Canadian manufacturers of **Appearance Wood Products, Engineered Wood Products, Manufactured Buildings & Components, Structural & Non-structural Panels and Structural Wood Products.**

The R&D effort is guided by a Research Advisory Committee composed of representatives selected from wood product manufacturing companies of all sizes, product types and regions across Canada (Mr. DeWinetz is a member of this committee). In providing strategic guidance, the Committee identifies research needs, reviews research proposals and recommends funding for those most likely to result in improved

competitiveness and profitability for the Canadian value-added wood product industry.

All Canadian wood product manufacturers can suggest a research topic for consideration by the Committee. The form for submitting research ideas can be found on the CKCA website.

UPDATE YOUR WEBSITE AND DIRECTORY LISTING

CKCA members are encouraged to update their website listing so we show current information on your company.

The CKCA will exhibit at the Woodworking Machinery and Supply Expo in Toronto and the CKCA Membership and Product Directory has always been very popular with attendees. Many consumers look for manufacturers on www.ckca.ca. We will re-publish the Directory on October 1st, so please send us your changes prior to that time. We will send all members a directory at that time as well.

WMC HR AWARDS

The Wood Manufacturing Council is now accepting nominations for the first ever WMC HR Awards; honoring excellence in Human Resources for the advanced wood manufacturing sector.

The objective of the awards program is to recognize industry champions who are addressing the challenges of HR in our industry by proactively creating innovative and effective solutions that ensure the viability of their businesses and the sector. Companies are invited to nominate individuals or firms who are making a difference. Awards criteria and nomination forms can be found on our website www.wmc-cfb.ca

Nominations close September 14, 2007. Winners will be honored and announced at an awards dinner October 26, 2007 during the Woodworking Machinery and Supply Expo, Toronto. For further information, please contact Carrie Morgan at carrie@wmc-cfb.ca.

U.S CABINET DEMAND TO REACH \$16.4 BILLION IN 2010

Mr. Bill Macheras, Dept. Foreign Affairs and International Trade Canada, who spoke at our June 2006 meeting, sent us the following information –

CLEVELAND, OH –(MARKET WIRE) – October 05, 2006 – U.S demand for cabinets is forecast to expand 3.1 percent per year through 2010 (including price increases) to \$16.4 billion. Building design trends that lead to greater cabinets use per residence will boost new residential cabinet demand and help offset a decline in single-family housing completions. Stronger expenditures for residential improvement and repair projects, which are the single largest end use for cabinets, will bolster demand. Changing consumer preferences in cabinet design and various demographic factors will also aid demand. Furthermore, a rebound in new nonresidential construction expenditures will contribute to gains. These and other trends including market share, market leaders, market size and company profiles are presented in “Cabinets,” a new study from The Freedonia Group, Inc., a Cleveland-based industry research firm.

Residential construction is the primary market for cabinets and will continue to dominate the industry through 2010, as renovation activity remains solid. Although the residential market will be restrained by a weak new housing environment, this will be offset somewhat by ongoing changes in home design that encourage the use of cabinets and by the growing popularity

of special-function rooms. However, the nonresidential market is expected to outpace the residential market through 2010. Advances will be driven by a stronger economic outlook that will in turn boost construction of office, commercial and institutional spaces, all of which are key end users of cabinets. Improvement and repair activity in the nonresidential segment will also be healthy. Nevertheless, the small non-construction market will see the fastest gains going forward, bolstered by design trends toward more higher-end amenities in recreational vehicles and boats.

Kitchen cabinets, which represented about 85 percent of cabinet shipments in 2005, will benefit from a continuing trend toward using more cabinets to provide increased utility. In addition, the rising use of kitchen-type cabinets in other rooms of the home (e.g., laundry rooms and media rooms) will also aid increases. Shipments of bathroom cabinets will offer similar growth prospects through 2010. Shipments of other types of cabinets will be led by the strong performance of special-function room cabinets (e.g., hobby / craft, home office, laundry, media center). Store fixtures and cabinets will see a significant recovery through 2010, as new nonresidential construction expands from a weak environment in 2000 to 2005.

SAD NEWS

CKCA has been informed about the passing of one of the association's founding members, Ken Hisey. He was 83.



EMPLOYMENT PROJECTIONS IN THE CABINET SECTOR

The Wood Manufacturing Council (WMC) has released the key findings of its national human resource sector study. The summary report, "On the Cutting Edge" along with detailed research findings and other documents are now available for download at www.wmc-cfb.ca. The study found that the industry is a growing and healthy part of the Canadian labor market – employing over 130,000 people and contributing \$17 billion dollars annually to the Canadian economy. Demand for the industry's products is expected to continue and forecasts predict industry employment will increase to over 160,000 by 2015.

Cabinet - Workforce projections

This sub-sector is one of the most successful within the advanced wood processing sector, due largely to strong demand in new construction in North America since the early 1990s and because of a growing market for these products in the home improvement business. Over this period, imports have not been as competitive with domestic supply because of very high capital spending levels on new plants and equipment, as well as substantial productivity gains domestically.

As a result of this growth, the sub-sector's aggregate workforce increased from fewer than 10,000 persons in the early 1990s to more than 23,000 by 2003. The sub-sector is expected to continue growing at a comparatively strong rate over a least the next decade.

This assumes that sub-sector manufacturers will continue to invest heavily in productivity and quality gains. At present, there is every indication that they will. By 2010, it is anticipated that the total workforce will approach 30,000 persons in Canada, with growth to 36,000 by 2015.