

Kitchen Manufacturers – Keep an Eye on this Trend!

Untapped Market – Smart Living, Multi-Functional Space



Eric Pothier, Director of Business Development, Richelieu gave an excellent presentation on an upcoming trend that could open new business opportunities for kitchen manufacturers.

Here are the key points from Eric’s presentation worth noting as you consider your next area to grow:

- Micro living is happening everywhere, not just in densely populated major cities, but in cities of all sizes across North America
- Driven by population growth and lack of affordable housing
- 45% of people in the US are single (sorry no CDN stats available)
- 30% live alone and spend a disproportionate percentage of income on rent
- Key demographic groups for functional smaller spaces are Students, Millennials and Baby Boomers
- Colleges/Universities want their students to have productive housing for studying/living and need to make existing real-estate more efficient
- Millennials want a great lifestyle and live close to where they work
- Boomers are looking for a higher end “Pied a Terre” in the city close to theatre and restaurants
- Micro spaces cost 5-10% to build, but generate 25% more income for developers
- Scaled down space in construction makes micro-living affordable
- No one wants to live in a hotel room, so design is critical to create great living space
- Micro units average 275 – 350 sq’, but projects are in the works at just over 200 sq’
- Sliding/folding/opening are all important functions, hinged doors take too much space
- You can do a lot with sliding door systems, when you start talking to architects early enough you can start getting creative – so think ahead
- Mix of materials is important; deep textured melamine, super mats, High gloss, stone, glass, but they all have to work together
- Need to create an environment that appeals to a lot of different people and their tastes
- Heavy-duty pull out tables that fit in a standard drawer, create temporary; preparation, work and dining space.
- Small Island in kitchens add storage, preparation and eating area, while creating a more social environment than traditional small galley kitchens.
- Beds are big; a queen bed can take up a 1/3 of floor space in a micro unit. New multifunctional wall beds, easily converts a desk or sofa into a bed. With piston motion, beds soft open and close and can hold up to a 12” mattress (it’s a real bed), designed to sleep in every day
- Space has to be multifunctional
- Open shelving – Every closed cabinet makes the space feel smaller

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- Kitchens are using lots of vertical pull down solutions
- Students, Millennials and second home Baby Boomers don't have as much stuff, kitchens need to be redesigned
- Less cabinets, but better organized
- Standard appliances in North America still have too big a footprint
- Need to look at difference appliances
- Induction cooktops are great because the cooktop doesn't get as hot and you can use it as a countertop
- 18" or drawer dishwashers, less dishes in a micro space
- 24" wide Fridge, no one wants to live with a bar fridge
- Multifunction oven with microwave / steam / grill
- Closets have to be creative, with the a closet organizers, small space doesn't mean less clothes
- Community is very important – want outdoor recreation area (pool, outdoor kitchens etc.)
- Lack of parking – but people in micro living don't need it, car sharing is getting used
- Storage is critical, but not for dishes and glasses, life storage needs to be accessible (bikes, skis, golf clubs). No garages means no storage lockers
- There is much opportunity for kitchen manufacturers – just need to consider the above.

True cost of space

CITY	SQ' Cost	Queen bed	Dining	Closet
New York	\$1 800	\$151 200	\$113 400	\$64 800
Denver	\$500	\$42 000	\$31 500	\$18 000
Miami	\$614	\$51,500	\$38,700	\$22,000
Boston	\$1,000	\$84,000	\$63,000	\$36,000
Toronto	\$815	\$68,000	\$51,000	\$29,000
Vancouver	\$1,020	\$86,000	\$64,000	\$37,000
Montreal	\$350	\$29 400	\$22 050	\$12 600

For more information. Contact Eric Pother at epothier@richelieu.com