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Precast Industry Growth Tops 5%, According to NPCA Benchmarking Report

Tracking closely with the overall growth in the construction industry, the precast concrete sector grew by 5.2% in 2013, with total sales of \$16.2 billion, according to the NPCA Benchmarking Report, an annual report commissioned by the association from an independent survey company. The survey, conducted in the spring of 2014, tracks sales data from the previous fiscal year.

The growth in the precast sector slightly outpaced the 4.8% growth estimated by the U.S. Census Bureau for the value of construction in 2013. Precast manufacturers consumed 11 million tons of cement in 2013, up from 10 million tons the previous year. The manufacturers produced about 33 million cubic yards of concrete, the same as the previous year.

In the sub-categories tracked by the Benchmarking Report, three products showed significant increases over 2012. Utility buildings grew by 50%, to \$526 million in sales and 2.8% of the total market. Utility vaults, which are the largest single category, reported \$2.7 billion in sales, growing about 5% and encompassing 14.4% of the overall market. Septic tanks and grease interceptors registered a combined 8% increase, totaling \$924 million in sales.

Three emerging categories in the industry are the product lines of architectural wall panels, concrete pavers and precast concrete pavement systems. Architectural wall panels grew by 8% to \$752 million in sales and a 4.1% share of the precast market. Concrete pavers, which were previously listed in the "other" category, have grown to become a \$37 million segment of the overall market. The growing acceptance of PCPS by some DOTs across the country has created a new market for precasters, who manufactured \$37 million worth of the rapid repair road systems last year.

The problems funding highway work and infrastructure throughout the country are also reflected in this year's Benchmarking Report. Box culverts and 3-sided structures retreated 13% in sales, to \$688 million, while manhole sales dipped about 5% to \$1.4 billion.

Finally, the catch-all category of "Other Precast Concrete Products" grew 17% to \$981 million, marking the growing diversity of precast concrete products in the construction marketplace and the increasing ability of precast manufactures to create customized products for their customers.

The Benchmarking Report extrapolates data from the annual Precast Industry Benchmarking Survey, which is issued every year to precast concrete plants in North America. This year's survey included 62 precast concrete companies, representing 211 plants. Other sections of the report include a compilation and analysis of plant sales, operations data, compensation tracked by position, and benefits.