

nxtMOVE helped a manufacturer of medium and high density fiberboard explore high-margin niche markets for its product

The problem

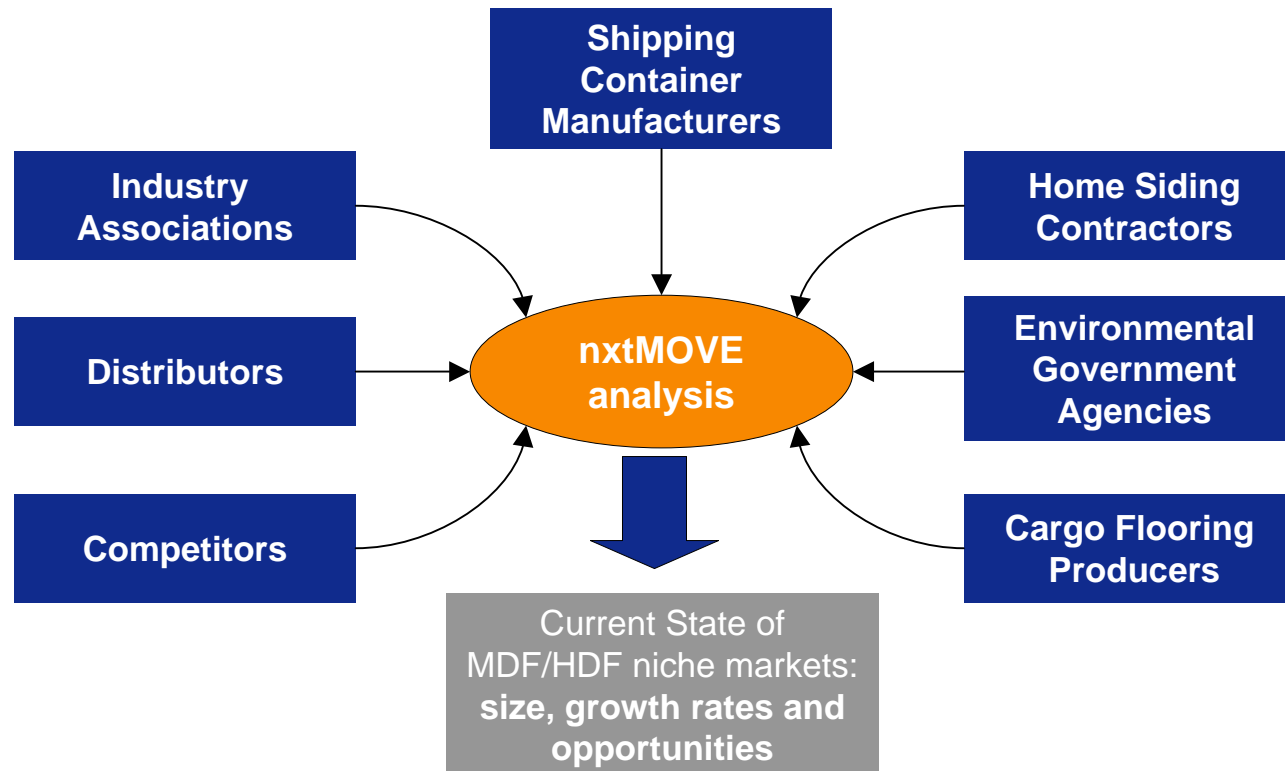
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- The client engaged nxtMOVE to seek high-margin applications for its new environmentally friendly MDF and HDF in order to grow its business.
- The client targeted five segments of the market that it needed nxtMOVE to profile: siding for houses, trailer flooring, colored MDF, fire retardant MDF and moisture resistant MDF.
- Our objectives in this engagement were to determine market size, growth rate and perception/acceptance of MDF and HDF in these non-traditional applications, so as to help the client plan future investment. nxtMOVE also delivered a profile of the “green” MDF and HDF markets as a whole.

nxtMOVE interviewed market participants in a variety of industries across North America to ensure complete market coverage

The approach

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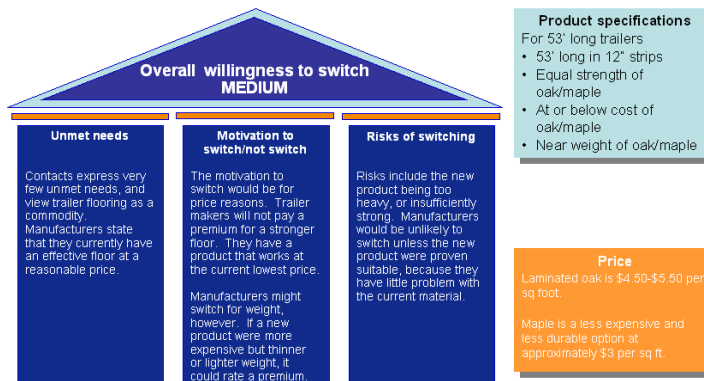
Our findings helped the client understand the limitations of the various niche MDF/HDF markets, and the rapid growth in the overall “green” fiberboard area

The results

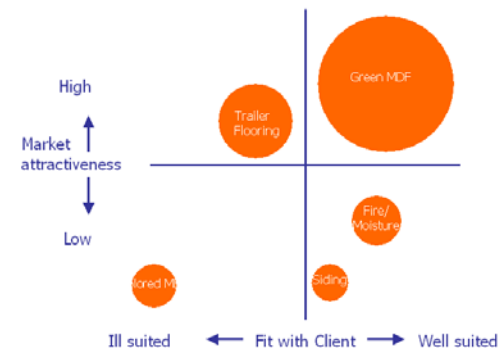
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- nxtMOVE helped the client avoid investing in products that would have served unprofitable markets. Instead, attention was focused on the high growth and attractive margins of environmentally friendly MDF in traditional furniture and building applications.
- nxtMOVE recommended against immediate investment in equipment for new products, but for a heavy increase in the client’s “green” fiberboard efforts.

Trailer flooring – willingness to switch



Comparative market attractiveness



Client actions: In light of our findings, the client was saved from investing in under performing markets, and has increased its efforts in the production of green MDF