



European Federation of the sanitary and heating wholesale trade
Europäische Vereinigung des Sanitär- und Heizungsgrosshandels
Federazione Europea commercianti articoli idrotermosanitari
Confederación Europea de mayoristas de saneamiento y calefacción
Fédération Européenne des Grossistes en appareils sanitaires et de chauffage



OUT WITH THE OLD AND IN WITH THE NEW



"As another year begins, it is now possible to look back at the previous year and see what has been achieved. There were many highlights and I apologise for any I fail to mention. Three, in particular stick out in my mind: The Mostra Convegno as a huge success, a fantastic show, which I was sadly unable to attend. My thanks goes out to the other participants of the meeting for ensuring that everything ran smoothly in my absence. Our trip to Munich for the FEST Congress was most certainly a further jewel in the crown. A perfect mix of competent speakers, workshops, discussions on the one

hand was perfectly complimented by a feast of sport and culture intertwined with business and history on the other, thus giving the delegates an in-depth look at Bavarian life and the German wholesale sector. Although, there is no time to reminisce, it is time to look forward and make the best of the year ahead. In January this year FEST organized the workshop Eco design. FEST is working with the national members associations including the large national merchants to co-ordinate a whole-sector response to proposals from the European Commission to change the way the Energy Efficiency is treated. Therefore FEST set up a workshop just for merchants in the heating sector. The workshop was in close cooperation with the German Federation VdZ, the Forum for Energy Efficiency in the Building Technics. New opportunities for European businesses, affordable energy bills for consumers, increased energy security through a significant reduction of natural gas imports and a positive impact on the environment : these are some of the expected benefits of the energy efficiency target for 2030 put forward by the European Commission in a communication on last year mid July. The proposed target goes beyond the 25% energy savings target which would be required to achieve a 40% reduction of CO2 emissions by 2030. At the same time the framework on energy efficiency put forward aims to strike the right balance between benefits and costs. The Commission's proposal is the basis to drive the European Union towards increased security of supply, innovation and sustainability, all in an affordable way. It is ambitious and at the same time it is realistic. March will be an exciting month for the sector; ISH in Frankfurt may prove to be the catalyst the market has been waiting on over the last few months. We can expect to see new products and technologies being unveiled. I am looking forward to our FEST General Assembly and of course meeting as many of you as possible in the halls, as well. A visit to ISH is always worthwhile, it is an excellent opportunity to experience "construction multiculturalism" – every country and every faith is represented and catered for, no one is left out. If only the real world was so simple."

HOW FEST CAN IMPROVE TO MEET THE NEEDS OF TODAY



Dear merchant , Madam/Sir

You are kindly invited to a discussion – on occasion of the ISH - on how the members of the FEST Association want the organisation to adapt and change to more fully service the needs of members for todays challenging and fast changing times. The impact of new

technology, particularly the internet, is changing the way we do business and challenging the traditional routes to market. It speeds the flow of information and can bring in new players with lower costs to serve, lowering prices and forcing businesses with higher fixed costs out of business. Suppliers can reach customers faster and cheaper than before. We, as an organisation, need to support and help our members to adapt. FEST is in a unique position to respond to these changing conditions. During this strategic discussion, we plan to consider the ideas of members regarding how FEST can help lead the wholesaler through the impact of these changes.....we would like to select a small strategic group of members to take these discussions forward. Please join this short meeting, preferably with a key member from your country association who is happy to contribute to the discussion. We aim to start on Thursday 12 March 2015 in the Congress Center of the Messe Frankfurt at 8.30 a.m. and work hard until 11.00 a.m., allowing our merchant members to leave in order to have plenty of time to visit the ISH exhibition. After a short coffee break the presidents and directors will continue with the FEST General Assembly – on invitation only -, as planned.

This is a unique opportunity to share your ideas about change and **what fest can do to lead the industry at this critical time.** Would you please send a reply email to FEST when you will join this unique opportunity : info@festnews.net

Please turn over to page 2

ENERGY EFFICIENCY IN THE HEATING MARKET : ISH ENERGY PRESENTS ENTIRE SPECTRUM

The heating and environmental controls market has a key role to play making the energy turnaround a success. Over 50 percent of the energy consumed by end users in Germany is for the generation of heat in single and multiple family dwellings and in the industrial sector. At the same time the German market is marked by the slow pace of modernisation. Of the approximately 20.5 million central heating units in German boiler rooms around 70 percent of them are significantly more than 20 years old and, as a result, are not as efficient as they need to be. Modernising the existing outdated heating systems could reduce the amount of energy consumed by end-users by around 13 percent. This is more energy than is produced by all the nuclear power stations together that are still currently connected to the grid. If the existing industrial systems were also modernised, of which similarly only around 17 percent are state of the art, it would even be possible to achieve savings of around 15 percent of end-user energy consumption in Germany. Furthermore the use of modern air-conditioning and ventilation equipment can also bring considerable energy savings. The conclusion from a recently completed survey is that the air-conditioning units in non-residential buildings in Germany are on average around 25 years old. A large part of these do not consume energy efficiently. In spite of the legal obligation according to § 12 of the German Energy Saving Directive (EnEv) less than three percent of the systems that are older than ten years have been audited for their energy use. Energy savings of up to 20.4 terawatt hours of heat energy and 12.5 terawatt hours of electricity would be achievable through operational optimisation, fan replacement or the retrofitting of efficient heat recovery – this equates to around 12.9 million tonnes of CO₂. Increasing the pace of modernisation in the building sector would not simply benefit the climate and the environment, because the heating and environmental controls market is a significant part of the economy that promotes growth, employment and innovation in Germany. The latest developments in the field of energy efficient heating technologies and environmentally-friendly air-conditioning, cooling and ventilation equipment will be on show at the ISH, the leading world trade fair for the industry, in Frankfurt am Main from 10 to 14 March 2015. The theme for the show is 'Comfort meets Technology' and over 2,400 exhibitors, including all market and technological leaders from home and abroad, will have brand new products to present. The range of market-ready products, technologies and solutions on show at the ISH is unique in its diversity. In its breadth and depth the show covers all aspects of future-orientated building controls technology. The leading theme of the ISH Energy section is 'energy efficiency plus' and it is located on the western side of Fair and Exhibition Centre in Halls 8, 9, 10, 11 and in the Galleria. The section focuses on heating and environmental control technology in combination with renewable energies and so shows the entire spectrum of innovative building controls technology. In this 'ISH Energy' section cooling, air-conditioning and ventilation equipment is brought together under the name 'Aircontec'. Here the focus is on sustainable and future-orientated solutions for the air-conditioning and ventilation of buildings. The section 'ISH Water' is dedicated on the one hand to design-orientated bathroom solutions but also to modern, sustainable sanitation technology tailored to meet today's needs. The combination of the two sections of 'ISH Energy' and 'ISH Water' is unique and makes this leading world trade fair both an innovation platform and an important source of inspiration for the sustainable and efficient use of water and energy. You can find more information about this leading world trade fair at: www.ish.messefrankfurt.com.



MESSE FRANKFURT NOT ONLY CONTINUES BUT ALSO EXPANDS OUR CLOSE RELATIONSHIP ON THE OCCASION OF THE ISH 2015

FEST is delighted to inform all member associations that we will not only be continuing but also expanding our close working relationship with Messe Frankfurt on the occasion of ISH 2015. **ISH** is the World's Leading Trade Fair for The Bathroom Experience, Building Services, Energy, Air Conditioning Technology and Renewable Energies. As the world's biggest show for the water and energy business, it is the foremost meeting place for the sector and, therefore, of particular interest to your members. For **wholesalers** from these sectors, a **special package of benefits** has been put together to make visiting the fair as effective and efficient as possible. Thus, you may now offer your members the following **exclusive benefits free of charge** within the framework of the **ISH Upgrade package**:

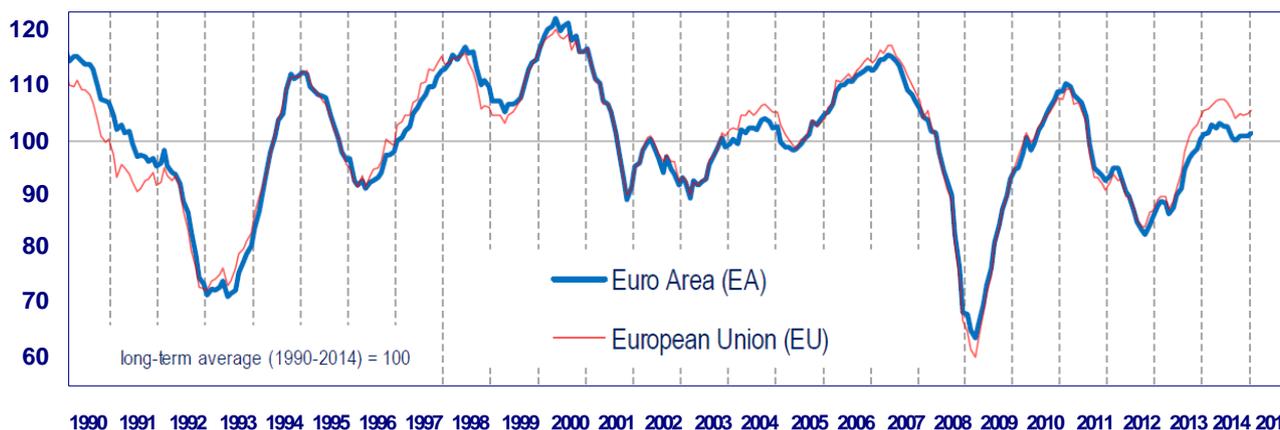


- Season ticket to ISH from 10 to 14 March 2015
- Admission to the Business Lounge with breakfast, refreshments and free WLAN
- Cloakroom service throughout the fair
- Special hotel-room rates in selected hotels in Frankfurt (until the contingent is exhausted)

Registration deadline was 15 February 2015.

But if you are interested in ISH Upgrade program, please contact : upgrade-ish@messefrankfurt.com

ECONOMIC SENTIMENT INCREASES SLIGHTLY IN BOTH THE EUROPEAN UNION AND THE EURO AREA



Brussels, 20 February 2015

The improvement of euro-area sentiment resulted from marked increases in consumer and retail trade confidence, only partly offset by declines in confidence in the services and construction sectors. Confidence in industry remained broadly stable. Amongst the largest euro-area economies, the ESI rose in Germany (+0.4), Spain (+1.0) and Italy (+2.6), while it declined in France (-0.4) and the Netherlands (-1.2). *Industry confidence* remained broadly stable (+0.2) resulting from managers' more optimistic views on *expected production* being counterbalanced by marginally worse assessments of the *current level of overall order books* and of *stocks of finished products*. Of the questions not included in the confidence indicator, the assessment of *past production* improved, while views on *export order books* worsened. The decrease in *services confidence* (-0.8) was due to managers' less optimistic views on *demand expectations*, and, to a lesser degree, *past demand*, while their

assessment of the *past business situation* remained stable. The marked rise in *consumer confidence* (+2.4) was fuelled by upward revisions of all the four components of the indicator. Consumers' assessments of the *future general economic situation* and *future unemployment* improved strongly, while the rise in consumers' expectations about their *financial situation* and *future savings* was less pronounced. The positive development in *retail trade confidence* (+1.6) reflected a marked increase in managers' assessment of the *present business situation*. Also managers' views on the *expected business situation* and - to a lesser extent - the adequacy of the *volume of stocks* were more positive. The deterioration in *construction confidence* (-1.3) was due to downward revisions in both managers' *employment expectations* and their assessment of the level of *order books*. Finally, the deterioration (-2.7) in *financial services confidence* (not included in the ESI) was due to less optimistic appraisals of the *past business situation* and *past demand*, while *demand expectations* improved.

Employment plans saw an upward revision in services and industry, while worsening in the retail trade and construction sectors. *Selling price expectations* decreased markedly in services and, to a lesser degree, in construction and industry, while remaining broadly stable in the retail trade sector. Consumer price expectations plummeted in January. The headline indicator improved slightly in the EU (+0.5) and the largest non-euro area economy, the UK (+0.6), but decreased in Poland (-0.9). While confidence in industry, retail trade, construction and among consumers followed the same patterns as in the euro area, EU services confidence remained virtually unchanged. Finally, confidence in financial services declined in line with the euro area. Also employment and price expectations largely mirrored the euro-area results, except for the retail trade sector where EU managers expected prices to decrease, and for industry where the decrease in price expectations was far more important in the EU than in the euro area.

Source : European Commission Service

UPCOMING Fest EVENTS

- **ISH FRANKFURT 10 – 14 MARCH 2015 MESSE FRANKFURT / STAY : FLEMING'S CONFERENCE HOTEL**
Presidents and directors of the FEST associations have free entrance as VIP Guests and free hotel stay.
- **DEBATE "HOW FEST CAN IMPROVE TO NEED THE NEEDS OF TODAY" followed by THE GENERAL ASSEMBLY AT FRANKFURTER MESSE CONGRESS CENTER THURSDAY 12 MARCH 2015**
- **COMPANY VISITS AUSTRIA & CZECH REPUBLIC** - to be announced in the General Assembly at Frankfurt
- **MOSTRA CONVEGNO MILAN 15 – 18 MARCH 2016**
Presidents and directors of the FEST associations have free entrance as VIP Guests and free hotel stay.
- **GENERAL ASSEMBLY MILAN 16 & 17 MARCH 2016**
On invitation only
- **THE 55TH BIENNIAL CONGRESS**  **SEPTEMBER 2016** congress theme : "Shift into gear"