

Construction-Boom in VAE: Enormous Sales Potential for German Floor Covering Producers

Altogether 24 German exhibitors participate in the 3rd Domotex Middle East (www.domotex-middle-east.com) from 25 to 27 May 2008 in the "Dubai International Convention and Exhibition Center". 21 of those exhibitors show their products in the scope of the joint stand under the seal of approval "Made in Germany", as Hans Joachim Schilgen, managing director of the Verband der Deutschen Heimtextilien-Industrie e.V. (association of German hometextile industry) (www.heimtex.de), Wuppertal, told Textination. 5 of them are manufacturers of textile floor coverings proper. The other exhibitors offer different kinds of floor coverings as well as accessories and equipment for floor coverings. The first German pavilion started here in 2006 successfully.

The gigantic building boom in the United Arab Emirates/ UAE, especially in Dubai, offers to dedicated German floor covering producers an enormous sales potential, as was stressed by the association. Crucial for success on site is, however, that the enterprises not only focus on a one-time fair presentation but work the market constantly and show special engagement on location even outside of the fair. The right partners on site also belong here; a partnership has to be maintained in personal contact.

2005 around 95,000 sqm German weave and tufting-ware was delivered to the VAE. The preliminary numbers of the Federal Statistics Office show for 2007 more than 92,000 sqm. From experience the final numbers are, however, higher.

Organizer of the Domotex Middle East is the Deutsche Messe (German Fair) in Hannover (www.messe.de). Around 250 exhibitors show on more than 12,000 sqm exhibition area their branch products for the expected more than 7,000 trade visitors from the Middle East. According to Angela Schachen, managing director of the Deutsche Messe Dubai Branch, the unbroken construction boom in the gulf region creates an enormous demand for floor coverings of all kinds. Currently more than 1,400 construction projects worth around 700 Bill USD

are run in this region. Of those the VAE is absorbed in 32%, so that the construction segment has developed to be the most important economic factor after crude oil. The construction industry added around 7.05% to the GNP of the VAE and attained a value of 11.1 Bill USD. For the time period 2007 to 2010 an average growth rate of 6.8% p.a. is predicted for this industrial branch. According to a survey of the World Economic Forum the VAE presents the most competitive economy of the Arabian region and take in the 32nd rank in 125 states rated. The Emirates are the most important economic partners of Germany in the Middle East.

One of the latest overviews over the current mammoth construction undertakings in Dubai like the artificial island worlds "The Palm", "The World" and the two super towers "Al Burj" (height 1,200 m/ expected finish of construction 2010) and "Burj Dubai" (height 818 m), shows the website www.dubai.de of the Cologne special events organizer EWTC – Emirates World Travel Cologne (www.ewtc.de). One-third of all cranes in the world work at the moment in Dubai. "The Dubai Mall", one of the biggest shopping- and pleasure centers worldwide, will open on August 28th - on 550,000 sqm 1,200 shops and 120 restaurants plus entertainment offers will present themselves. In Dubai already 45 shopping-malls exist. The Sovereign Sheik Mohammed bin Rashid al Maktoum is very much pressed for time. Within the next decades the domestic oil wells will dry up. Until then they need to develop to the greatest touristic center on Earth. Already there are many tourists from Germany coming here to buy luxury goods for cheap – the weak US-Dollar lures them. The Dirham, the currency of the VAE, is linked to the US-Dollar.

German companies are valued by Arabian business people since many years for their high quality, profound technology and reliability. End of 2008 the tower Burj Dubai should be inaugurated. For this project substantial orders have been given to the German middle class. E.g. the parquet manufacturer Lopark, Nied-

erzier/Rhineland, received the exclusive contract to produce for 900 flatlets in the super tower “Burj Dubai“ high-quality and flame-retardant equipped parquet “Royal Muiracatiara“ (German Oak) for altogether 95,000 sqm

and to coordinate the laying on site (www.lopark-at-burj-dubai.com). This was so far the biggest order in Lopark's-company history.

Gert Krockert, Translation Dr. Heidi Arndt