

Pellet Fuels Institute Membership Meeting

Breakfast
Thursday, March
6, 2014

Don Johnson, *HPBA*
Director of Market
Research



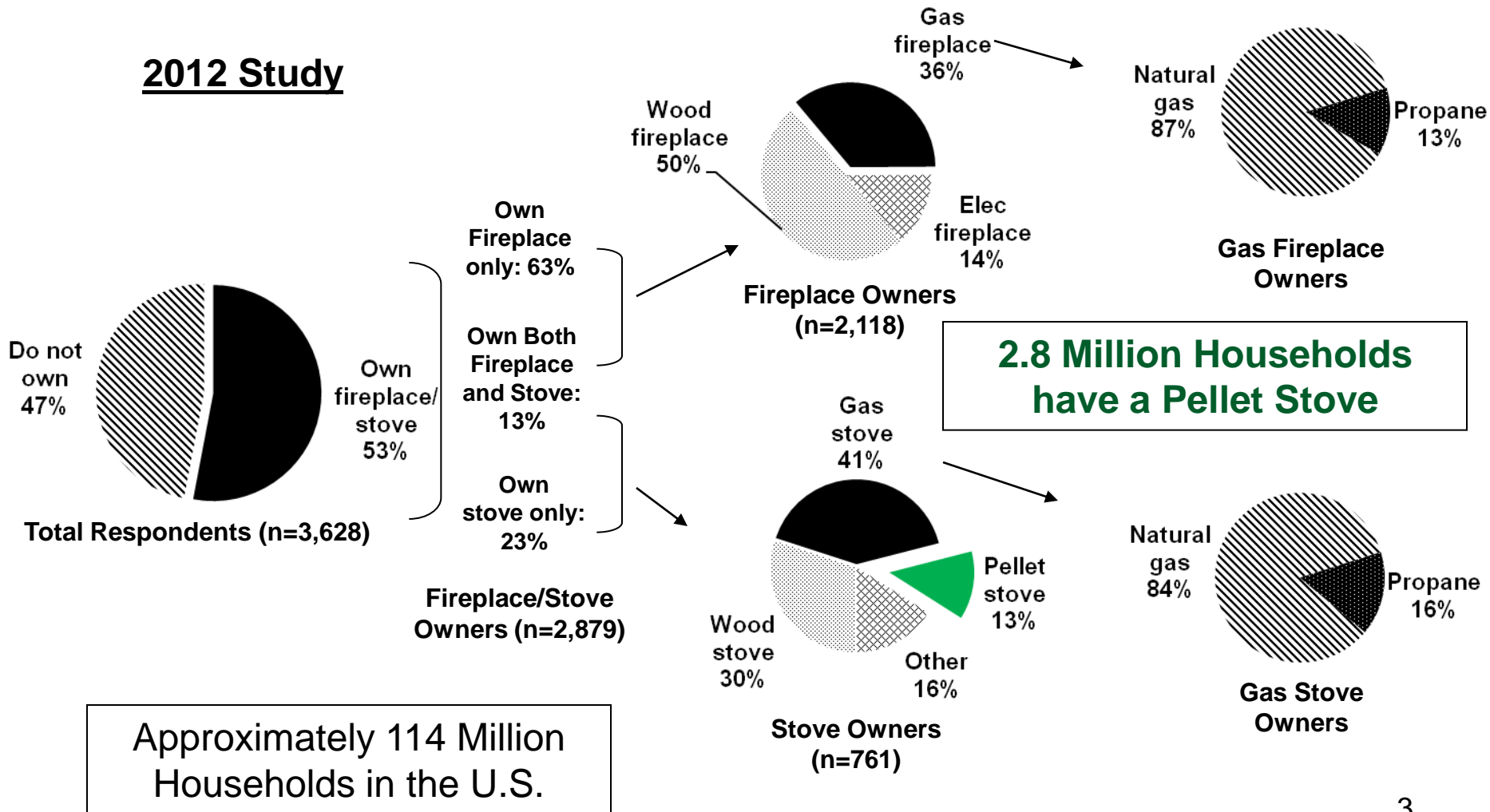
Agenda

- Hearth appliance shipment statistics
- Pellet appliance shipment statistics
- Biomass central heating shipment statistics



Own Fireplace/Stove in Primary Residence

2012 Study



“Top of the Line” Hearth Industry Shipment Statistics



“Top of the Line” Hearth Shipment Statistics

- Generated with HPBA’s *Quarterly Industry Survey*
- Data released at HPBExpo
- Posted on web site shortly after HPBExpo



U.S. Hearth Appliance Shipments in 2013



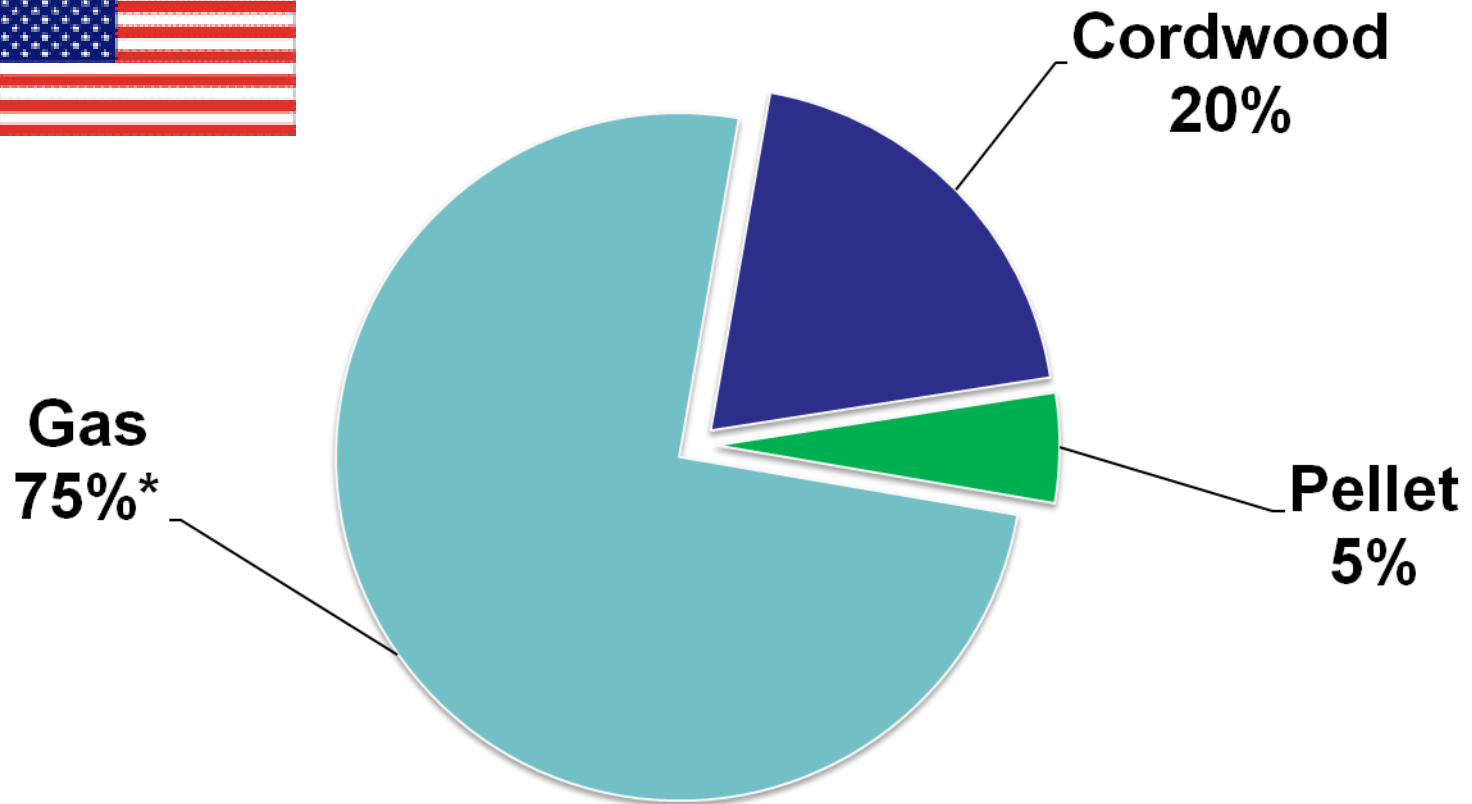
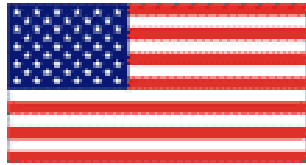
- Cordwood – 206,409
 - Gas – 784,633*
 - Pellet – 54,055
- **TOTAL – 1,045,097**

*Includes an Estimated 322,600 Gas Logs Shipped In North America

Electric Hearth Appliance Shipments in North America – 1,600,000

Note: Gas Log and Electric Data Estimated Annually

U.S. Hearth Appliance Shipments by Type of Fuel -- 2013

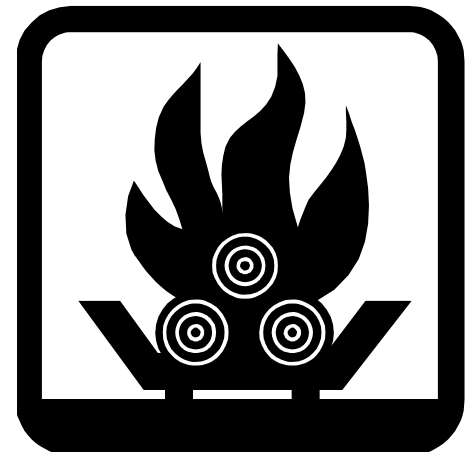


***Includes Gas Log Data**

U.S. Hearth Appliance Shipments Between 2012 and 2013 . . .

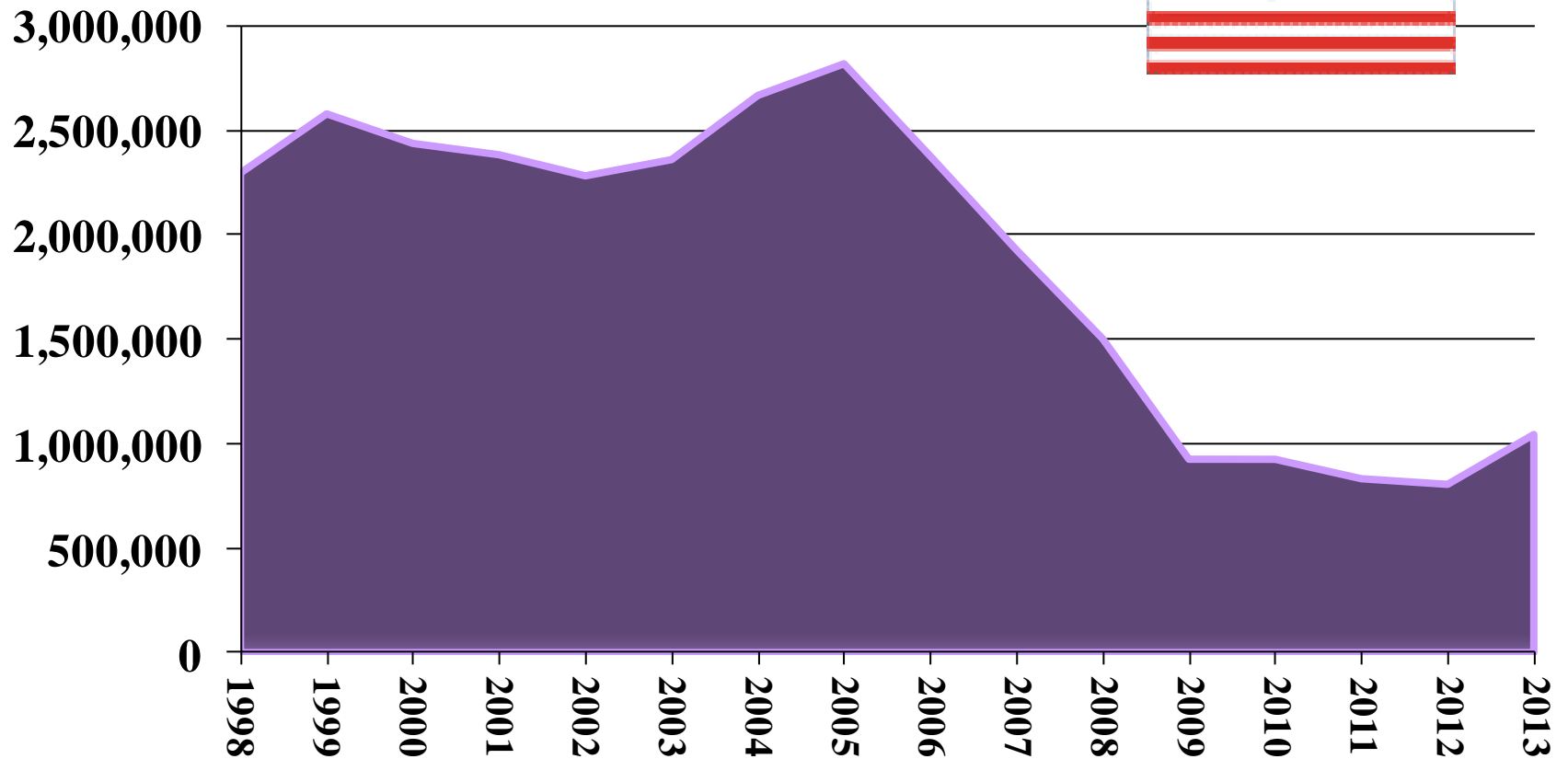
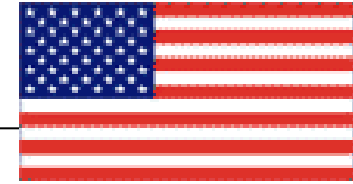
- **Cordwood** appliance shipments **increased 15%**
 - From 180,066 to 206,409
- **Gas** appliance shipments **increased 36%**
 - From 577,942 to 784,633
- **Pellet** appliance shipments **increased 12%**
 - From 48,277 to 54,055
- **Electric** appliance shipments **increased 7%**
 - From 1,500,000 to 1,600,000

Overall, industry
increased 30%
between 2012 and
2013 (excluding
Electric Appliances)



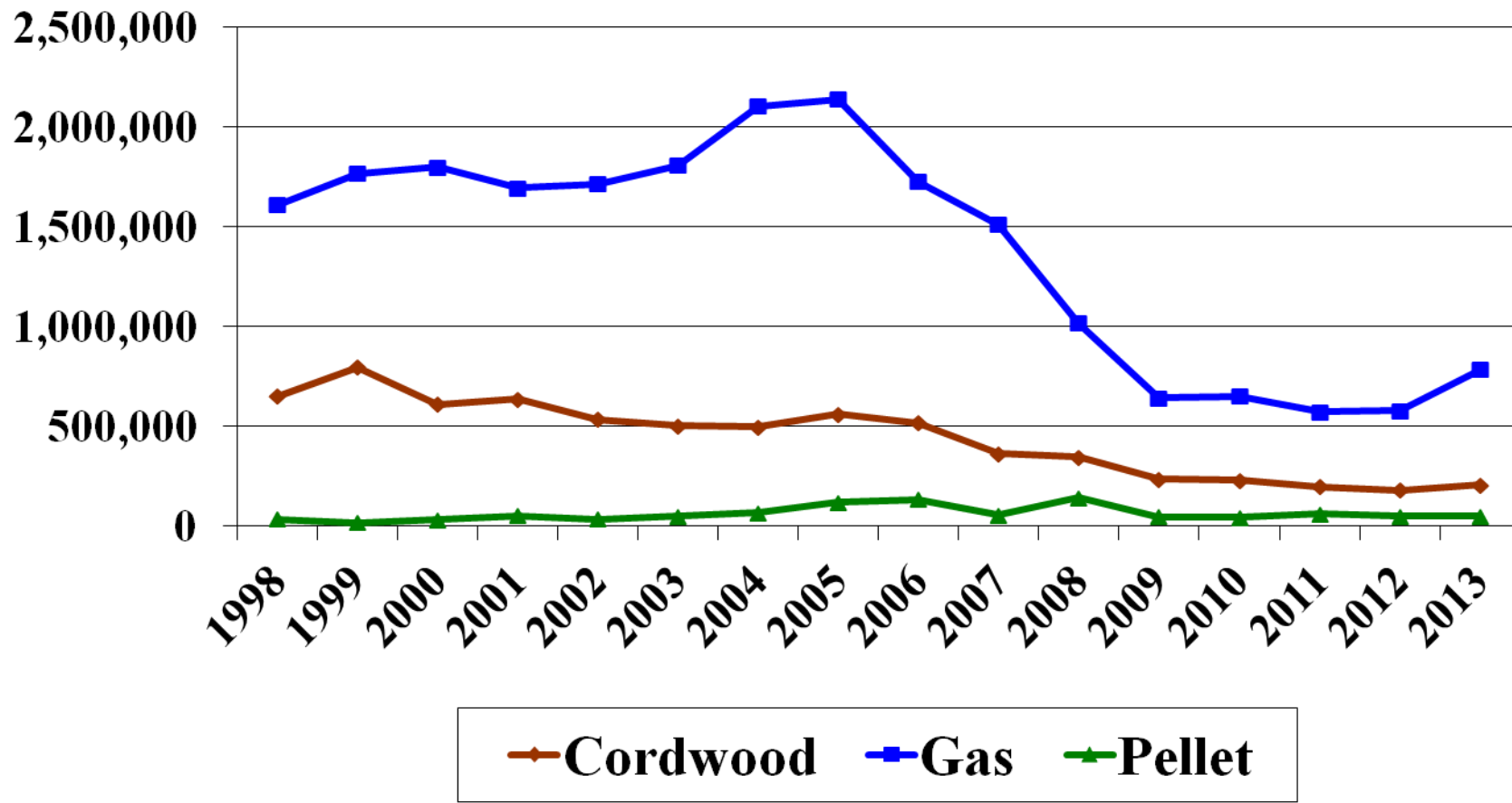
Total U.S. Hearth Appliance Shipments

1998--2013



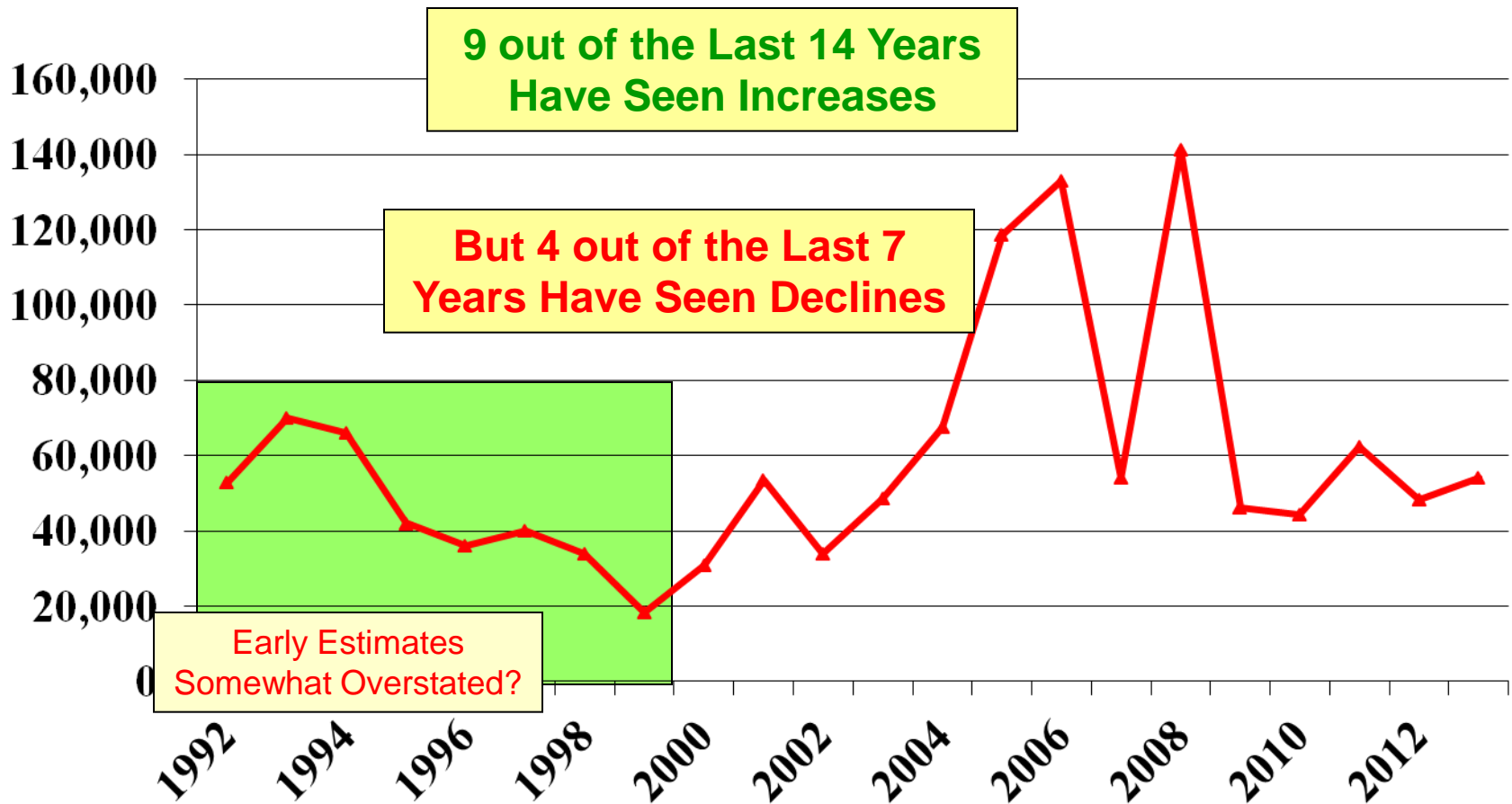
U.S. Hearth Appliance Shipments

1998--2013

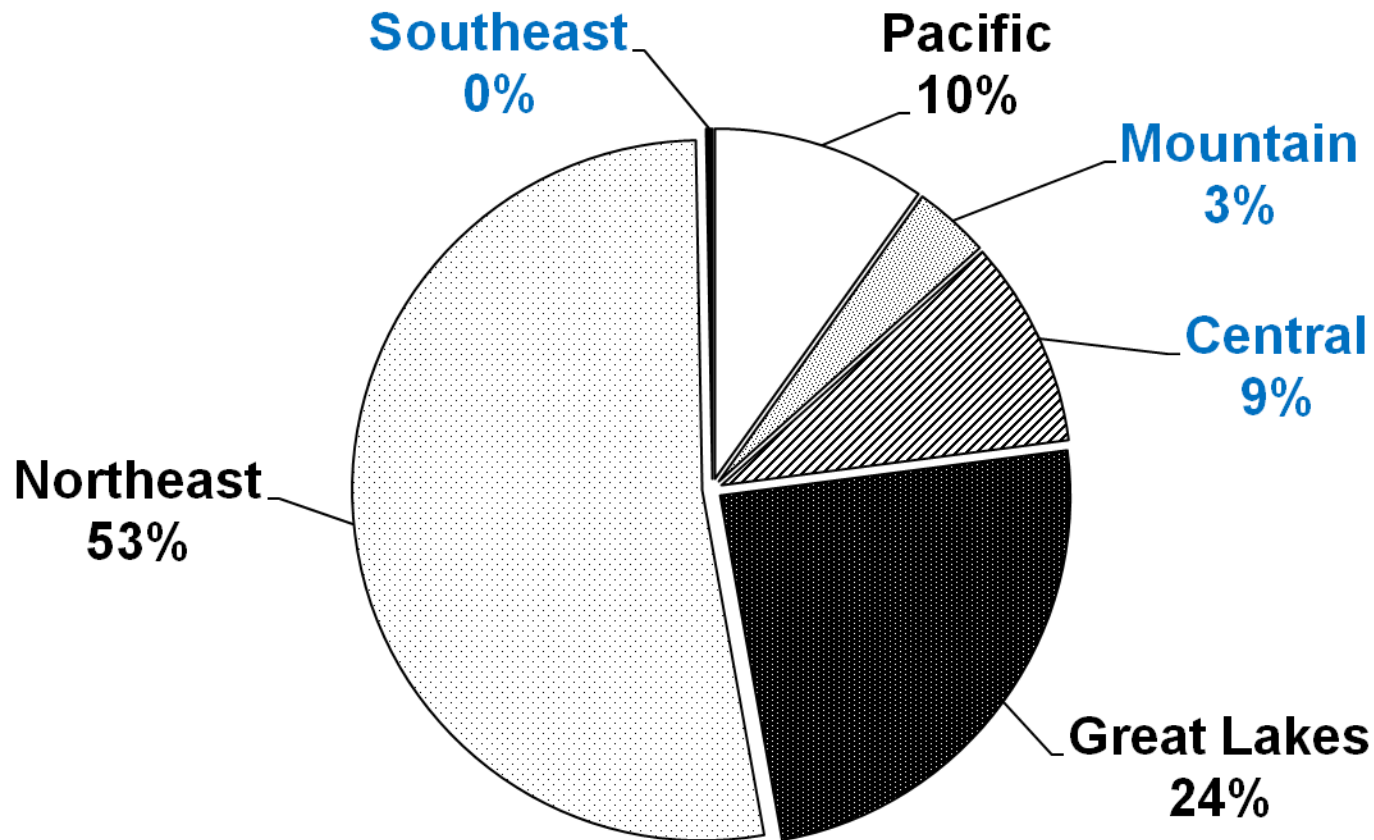


U.S. Pellet Appliance Shipments

1992--2013

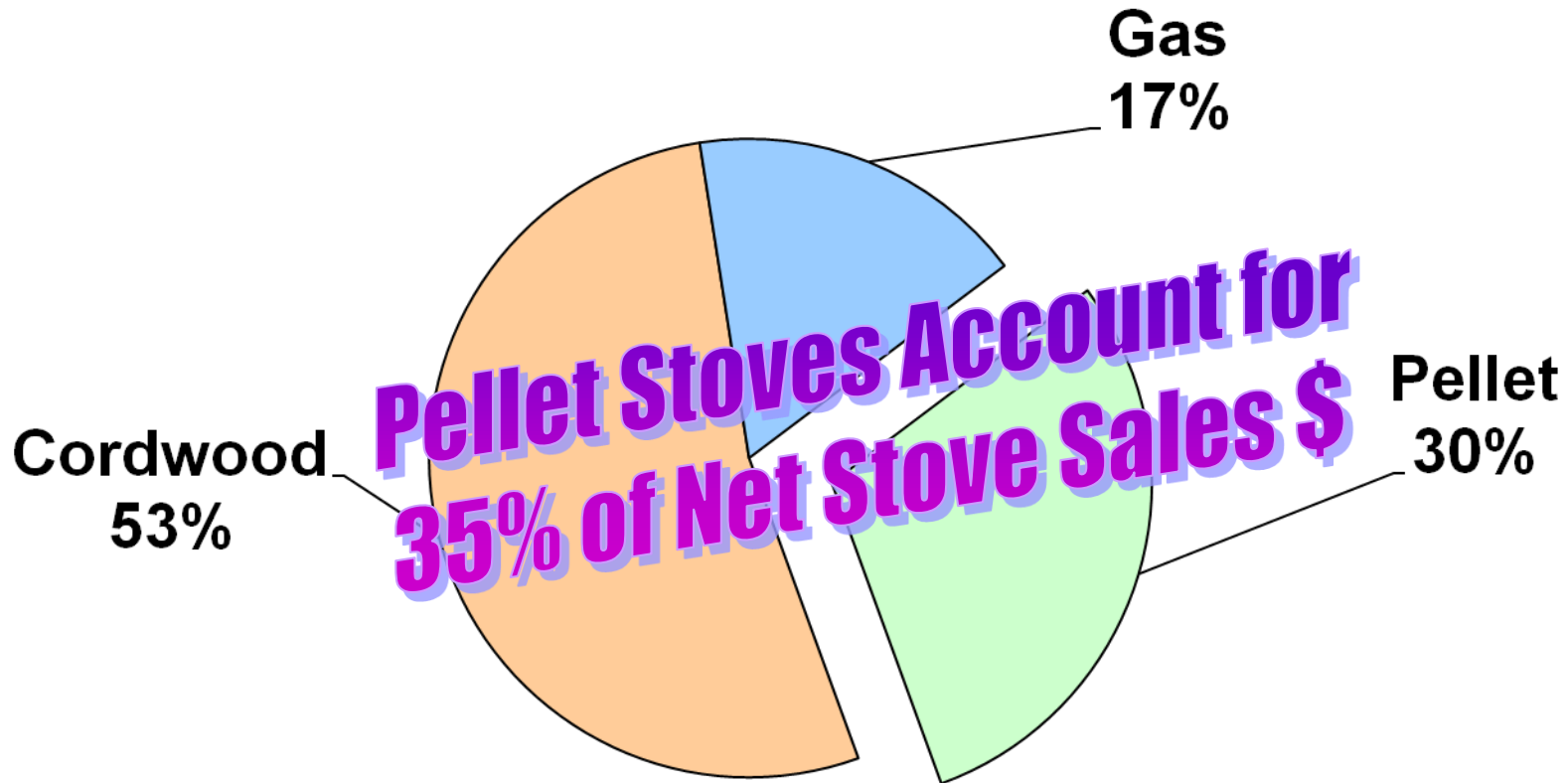


U.S. Pellet Appliance Shipments 2013



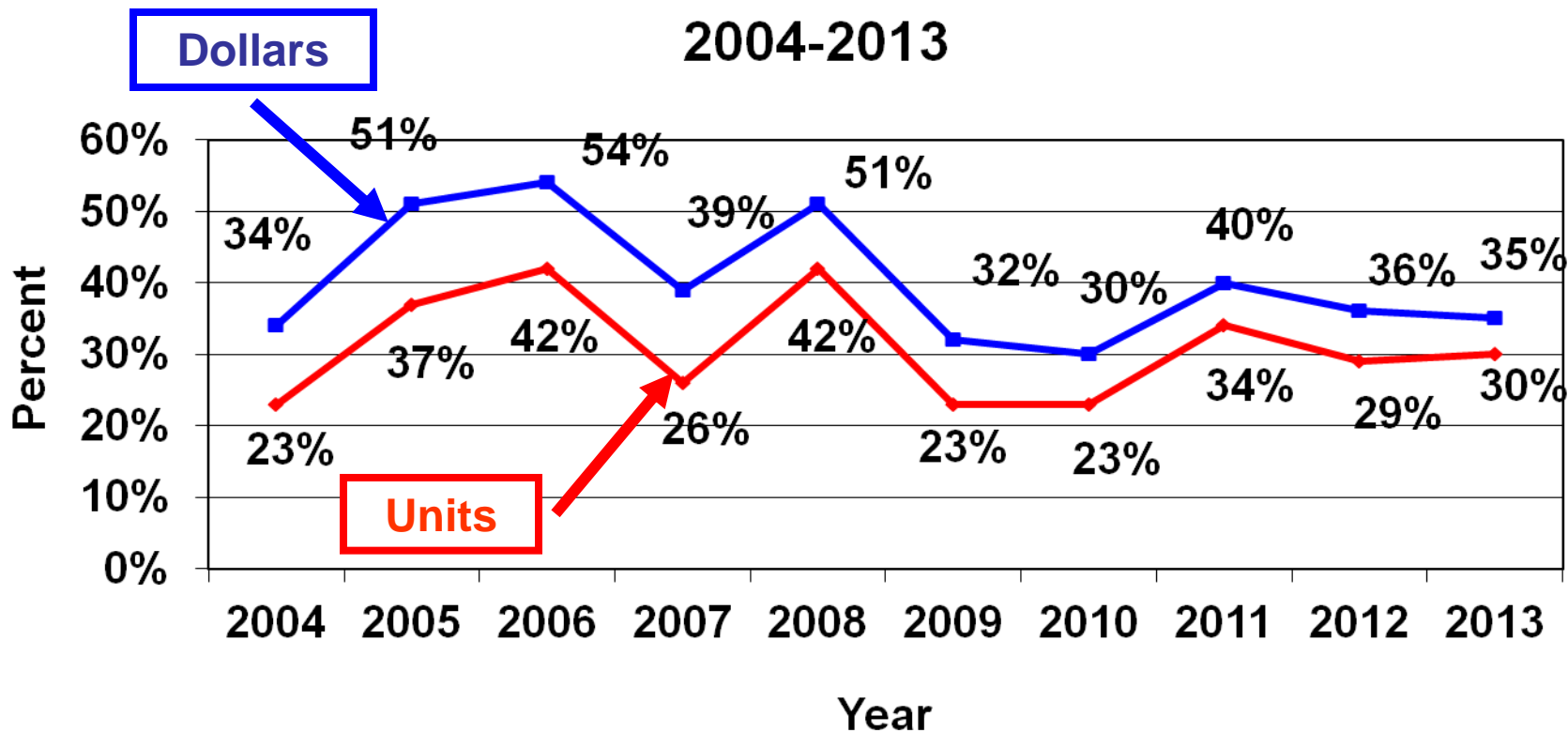
U.S. Freestanding Stove

Appliance Shipments by Type of Fuel -- 2013



Pellet Stoves vs. Freestanding Stoves

Percent of Pellet Stoves vs. Freestanding Stoves
2004-2013

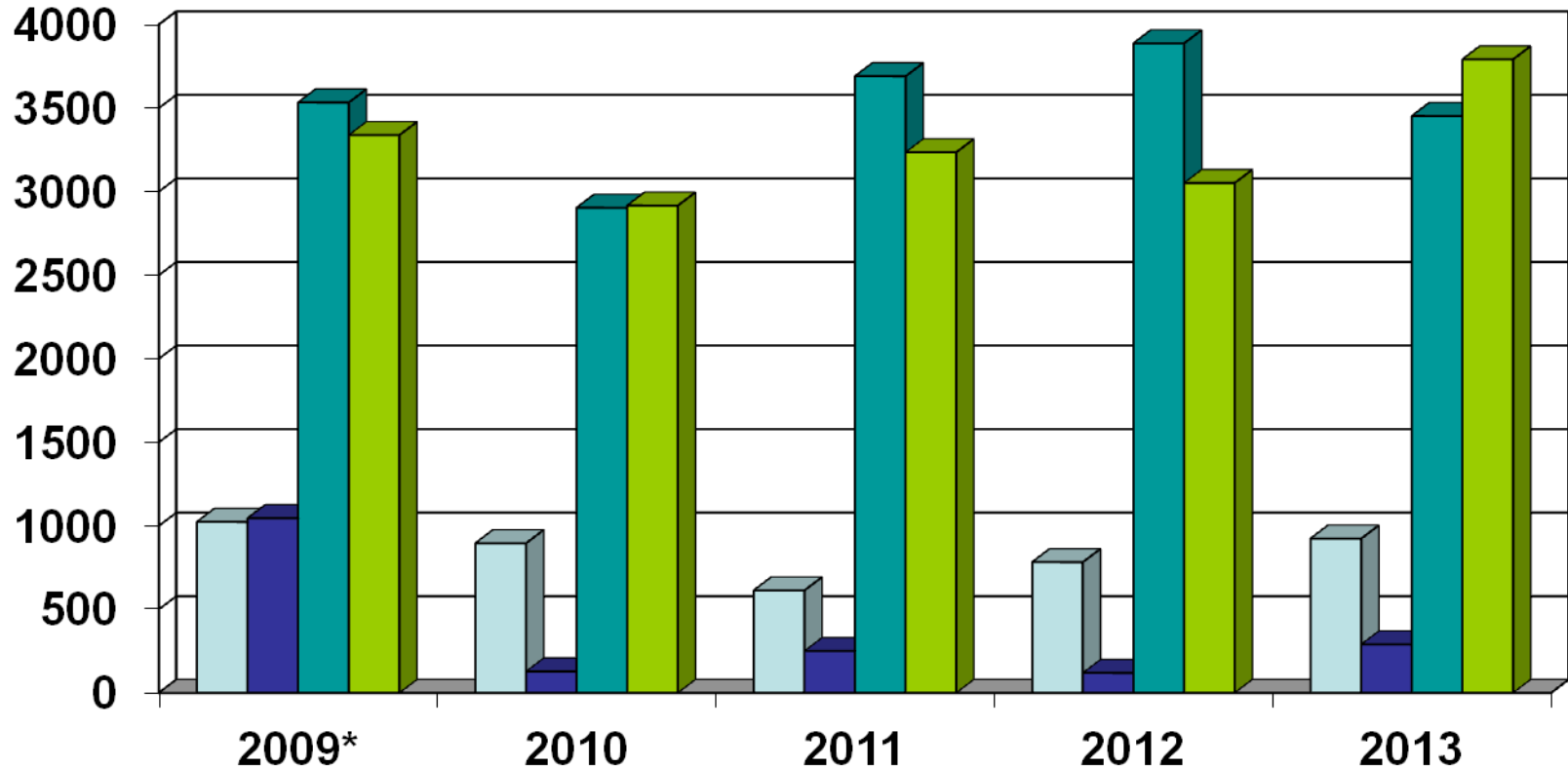


Central Heating Systems Fueled with Biomass Fuels

- Program started 2Q09
- Two categories collected:
 - Central Heating Systems fueled with Pellets
 - Central Heating Systems fueled with Cordwood/Wood Chips



Central Biomass Heating Units Shipped Since April 2009



■ Pellet (US) ■ Pellet (Canada) ■ Wood Chip (US) ■ Wood Chip (Canada)

*April 2009 through December 2009

Pellet Appliance Observations

- Pellet Appliance Shipments and Sales are the most **volatile** in the hearth industry
- When the consumers view the price of **heating their home to be expensive**, then **sales and shipments dramatically increase**
- When the consumers view the price of **heating their home to be reasonable**, then **sales and shipments are much less robust**





Questions?