**Summary of the EUROPUR Market Report FY 2023**

The **EUROPUR Market Report FY 2023** provides an extensive analysis of the **European flexible polyurethane (PU) foam industry**, focusing on **market performance, production trends, trade flows, raw materials, and industry challenges**. The report covers **upholstered furniture, mattresses, and automotive applications**, as well as **sustainability and recycling developments**.

**Key Highlights from the Report:**

**1. Market Performance**

* **Total PU Flexible Foam Production (2023):** **1.59M tonnes**, of which **1.37M tonnes was slabstock foam**.
* **Market Growth:** **1.2% increase in total PU foam production** compared to 2022, **despite a 5% decline in Western Europe**.
* **Regional Disparities:**
  + **Eurasia (+41%)** and **Turkey (+8%)** saw strong growth.
  + **Western Europe (-5%)** experienced declines.
  + **Turkey surpassed Poland as the largest slabstock foam producer** in Europe.
* **Turnover of the European PU Foam Industry:** **€5.1 billion**.
* **Employment:** **24,380 full-time employees** in the PU foam sector.

**2. Upholstered Furniture & Mattress Market Trends**

* **Global upholstered furniture market valued at $73B (2023), down 8% from 2022.**
* **EU furniture market worth €112B, employing over 900,000 people.**
* **Mattresses:**
  + **Global mattress market: $30B (2023)**, down from **$31B in 2022**.
  + **Europe's market share fell to 20%** due to rising imports from China.
  + **"Bed-in-a-box" e-commerce stagnated**, forcing brands to shift to hybrid online/offline strategies.

**3. Trade Flows & Imports**

* **EU mattress industry affected by U.S. anti-dumping measures**:
  + **Poland, Slovenia, Bulgaria, Italy, and Spain hit with 100-700% tariffs.**
  + **EU mattress exports to the U.S. fell by €70M (-62%) in 2023.**
  + **China dominates EU mattress imports (46% of total imports).**
* **Foam Imports & Exports:**
  + **Total PU foam imports into the EU dropped by 14.1% in volume.**
  + **China increased its share of EU foam imports (20.7% increase).**
  + **Turkey, Serbia, and Kosovo emerging as key exporters to the EU.**

**4. Competitive Landscape & M&A Trends**

* **Major consolidation in the industry:**
  + **Carpenter acquired Recticel Engineered Foams**.
  + **New recycling-focused investments (Retour Matras, Triple Helix, Repsol, NEVEON-Brantner joint venture).**
* **Backwards & forwards integration continues:**
  + **Foamers investing in mattress production**.
  + **Major players entering re-polyol production** for sustainability.

**5. Sustainability & Circular Economy**

* **Recycling Regulations:**
  + EU targets **25% recycled content in foams by 2025**, increasing to **50%+ by 2030**.
  + Growing **investment in chemical and mechanical recycling solutions**.
* **Sustainability as a Market Driver:**
  + Foamers integrating **mass balance approaches** and **bio-based polyols**.
  + **Mattress EPR schemes expanding in France, Spain, Belgium, and the Netherlands.**

**6. Raw Materials & Cost Challenges**

* **Global raw material prices stabilized in 2023** after extreme volatility in previous years.
* **TDI supply in Europe remains disrupted**, with **BASF closing its Ludwigshafen plant**.
* **MDI capacity increasing, but demand remains weak**.
* **Polyols market oversupplied**, with China leading production expansion.

**7. 2024-2025 Market Outlook**

* **Market expected to remain weak through 2024**, with slight improvement in 2025.
* **Foamers must adapt to rising sustainability pressures, raw material cost volatility, and changing trade dynamics**.
* **Potential for further consolidation and acquisitions in the furniture and mattress segments**.

**Elements for the Final Report (Based on Our Structure)**

**2. Background on Vita Group**

* **Industry leader in flexible PU foam with strong furniture foam presence**.
* **Market valued at €5.1B, employing 24,380 workers across Europe**.
* **Competitors: Carpenter (Recticel acquisition), Neveon, Organika, Plama-Pur**.

**3. Competitor Analysis**

* **Major players ranked by foam production & revenue**.
* **Turkey surpassing Poland as Europe’s largest slabstock foam producer**.
* **Market consolidation: Carpenter’s takeover of Recticel reshaping the landscape**.
* **Competitive strategies: Forward integration into mattresses & re-polyol production**.

**4. European Market Overview (Furniture Foam)**

* **Furniture foam accounts for a significant portion of PU production**.
* **Upholstered furniture market at $73B (-8% YoY)**.
* **Foam demand impacted by rising imports of low-cost furniture from Asia**.
* **EU anti-dumping measures cutting off U.S. export opportunities**.

**5. Turkey and China Market Assessment**

* **China dominates PU raw material supply and finished foam exports to the EU**.
* **Turkey now leads Europe in PU slabstock foam production** (214K tonnes, +8% YoY).
* **Foam production in Eurasia (+41%) signals increasing self-sufficiency in Russia & Kazakhstan**.

**6. M&A Landscape (Furniture Foam Growth & Consolidation)**

* **Carpenter-Recticel merger strengthening competition**.
* **M&A opportunities: Niche furniture foamers, sustainable material producers**.
* **Recycling market investments (Retour Matras, Triple Helix, Repsol, NEVEON-Brantner JV)**.

**7. Conclusion & Strategic Recommendations**

* **Invest in sustainability and recycling to comply with EU regulations**.
* **Expand market share in Turkey, Poland, and Eastern Europe**.
* **Explore acquisitions of smaller, high-margin furniture foam producers**.
* **Develop cost-efficiency strategies to counter rising raw material costs**.