## US Pipes

## Our business

We manufacture large diameter fibre reinforced concrete pipes ( $f$ RCP ${ }^{\text {TM }}$ ) at our new facility in Plant City, Florida. Our pipes are used for drainage in civil and commercial construction and in the development of residential sub-divisions.

## Strategy

-Aggressively grow the market for James Hardie fibre reinforced concrete pipe against competing products.

-Position $f R C^{T M}$ as a lower-installed cost alternative to steel reinforced concrete pipes.

- Target the large USA civil engineering and construction products market which is benefiting from the USA Government's transport infrastructure program.
-Participate in key markets across the USA.


## Results

-Sales revenue and volume grew each quarter as market awareness increased and the range of products expanded.

## Trading conditions

-Highway construction declined slightly but remained at historically high levels.

## Highlights

-Product range was expanded to include $12^{\prime \prime}, 15^{\prime \prime}, 18^{\prime \prime}, 24^{\prime \prime}$ and 30 " diameter drainage pipes. The larger diameter pipes enable the business to compete for an increasing number of construction projects in the south-east.
-The appointment of a third national distributor helped generate increased demand in the south-east and provides a platform for future sales growth across the USA.
-Growing market acceptance led to steady growth in sales within the first year of local manufacturing.
-Significant progress was made in achieving regulatory approvals.
-The Florida Engineering Society awarded the 2001 Governor's New Product Award in the Large Company Category to Hardie Pipe for HardiStorm $f R C P^{T M}$ speed drain.

## Outlook

-Production expected to increase to meet growing demand as awareness increases among construction contractors.
> "Contractors love our pipe because it is light, long and strong and allows them to complete jobs faster and at lower cost than if they were using traditional steel reinforced concrete pipe."

ROB BOTTEMA, SALES AND MARKETING MANAGER, US PIPES

