The National Ready Mixed Concrete Association

The only national association representing the ready mixed concrete industry

Prepared Virginia Ready Mixed Concrete Association
September 2017

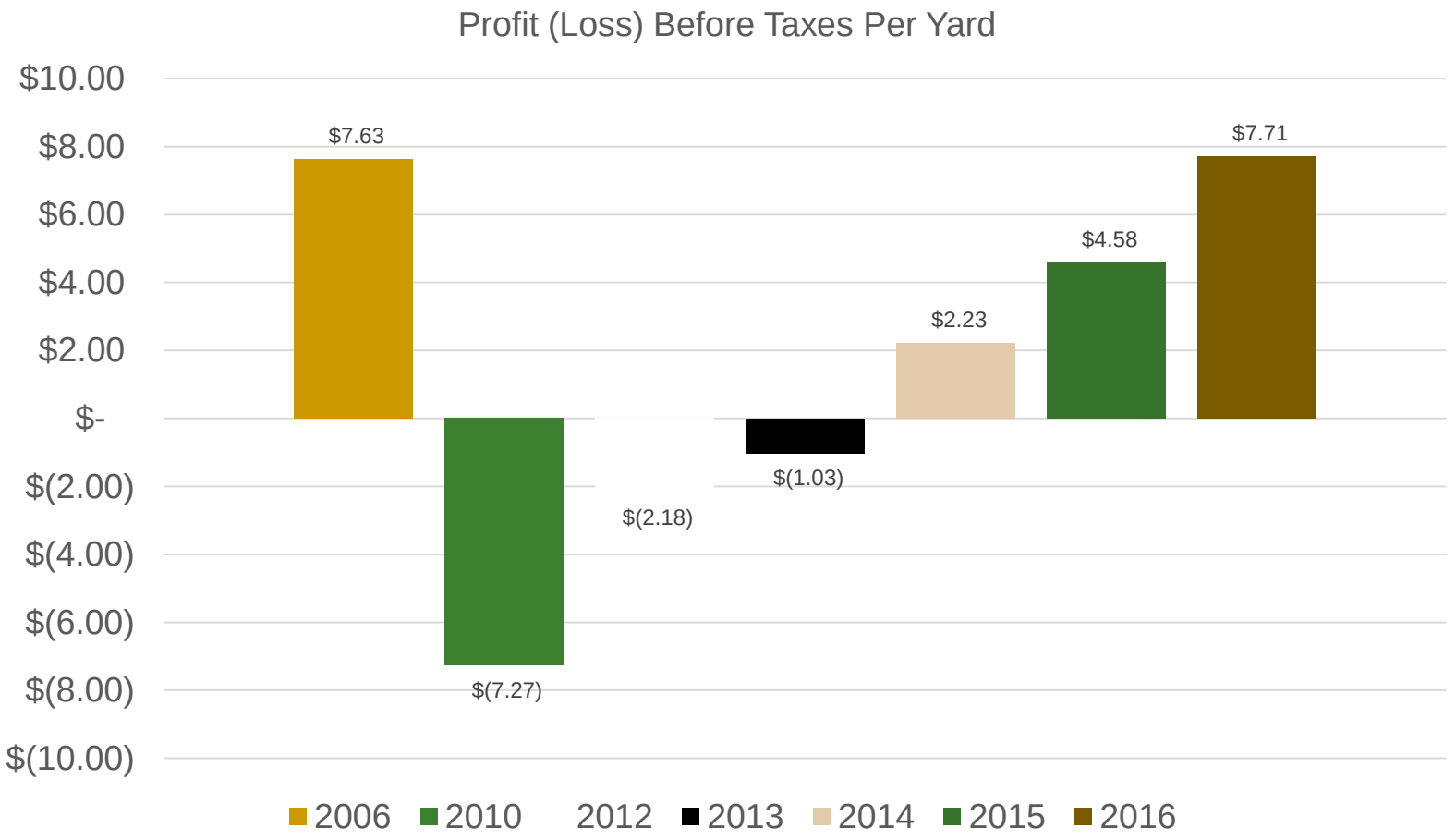
2017 Survey

(2016 DATA)

187 Companies

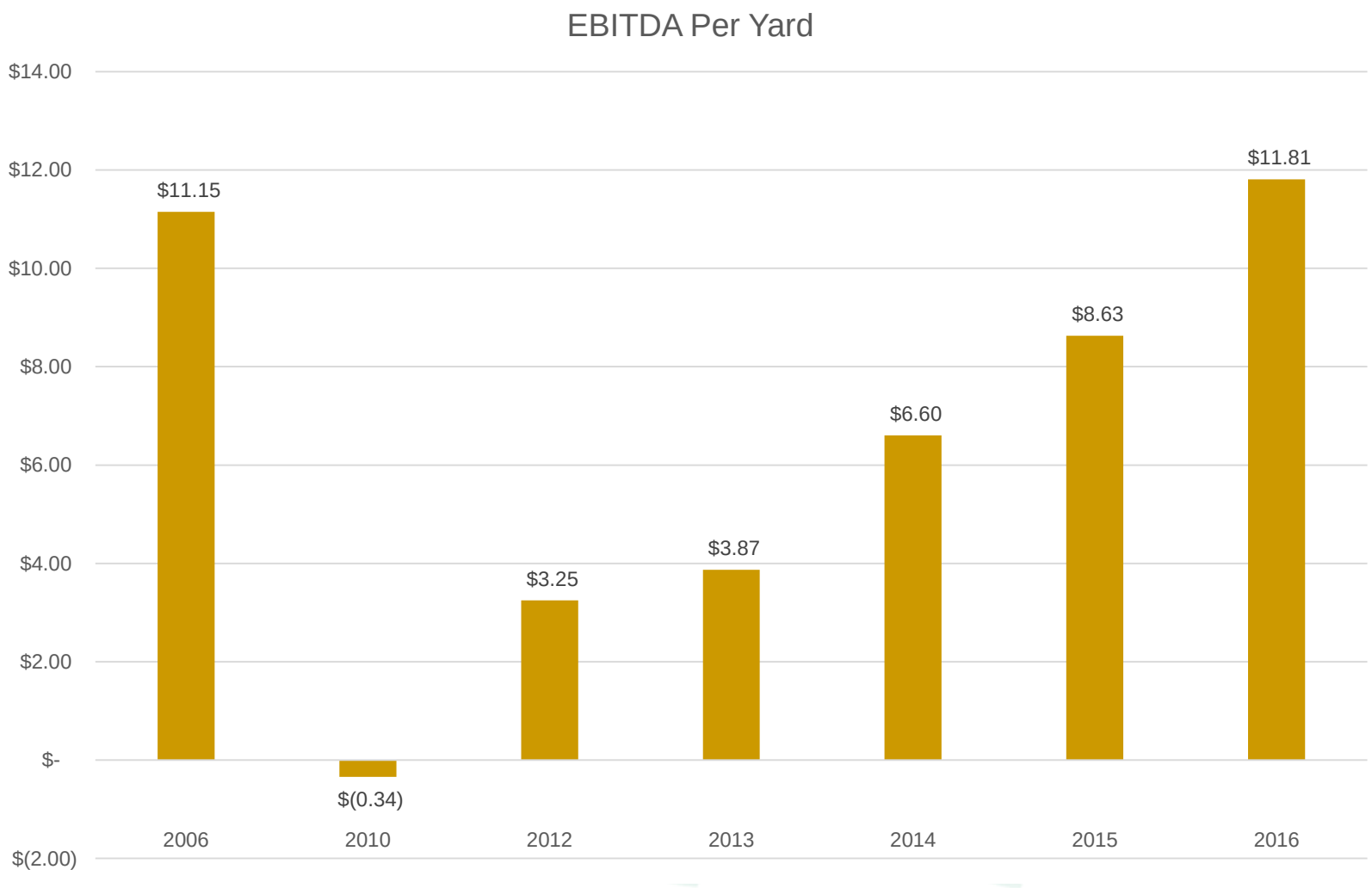
34% of US Ready Mixed Concrete Production

Producers' Profitability Continues to Grow

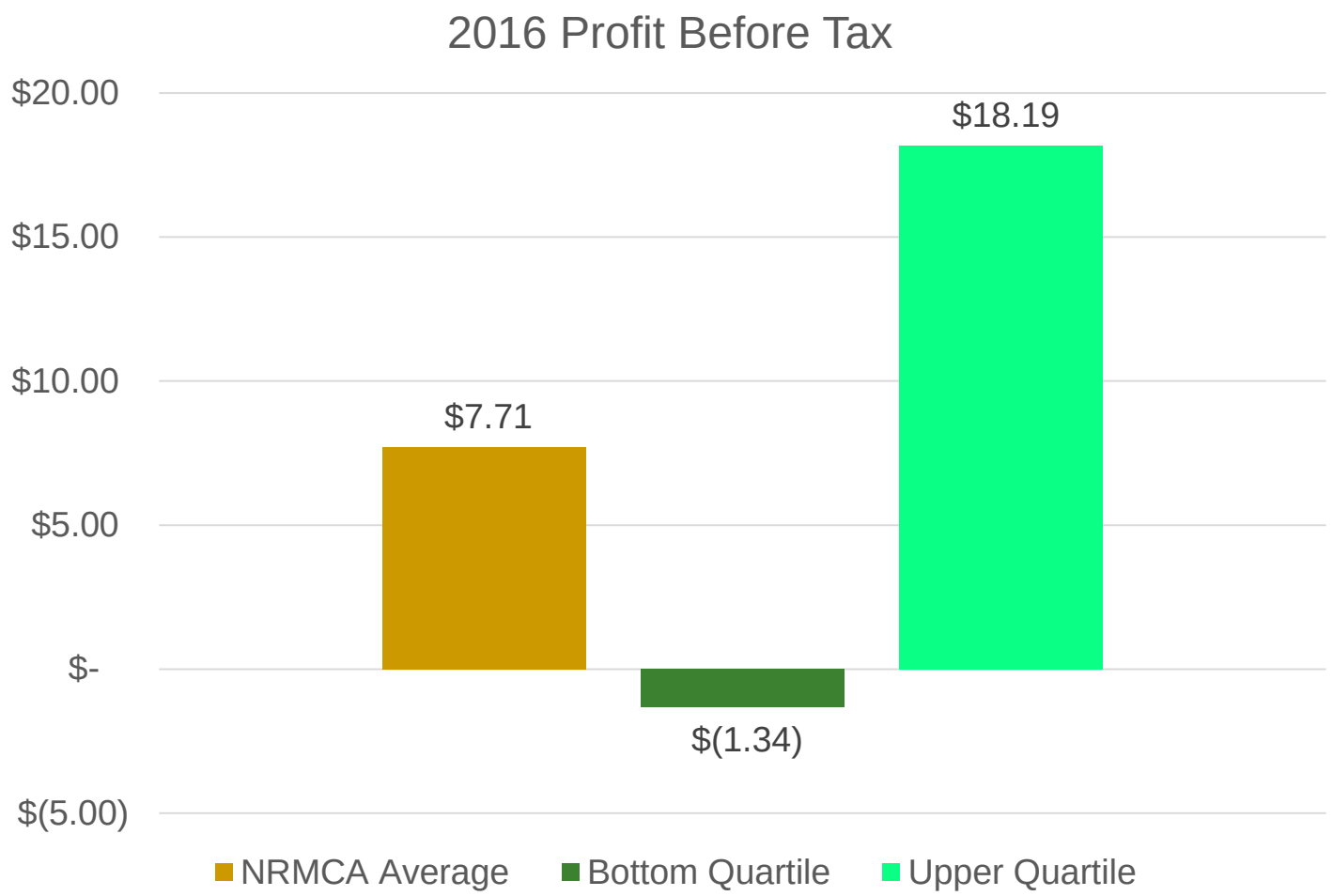


The average participant made $7.71 per yard in 2016 before taxes

Producers' Profitability Continues to Grow



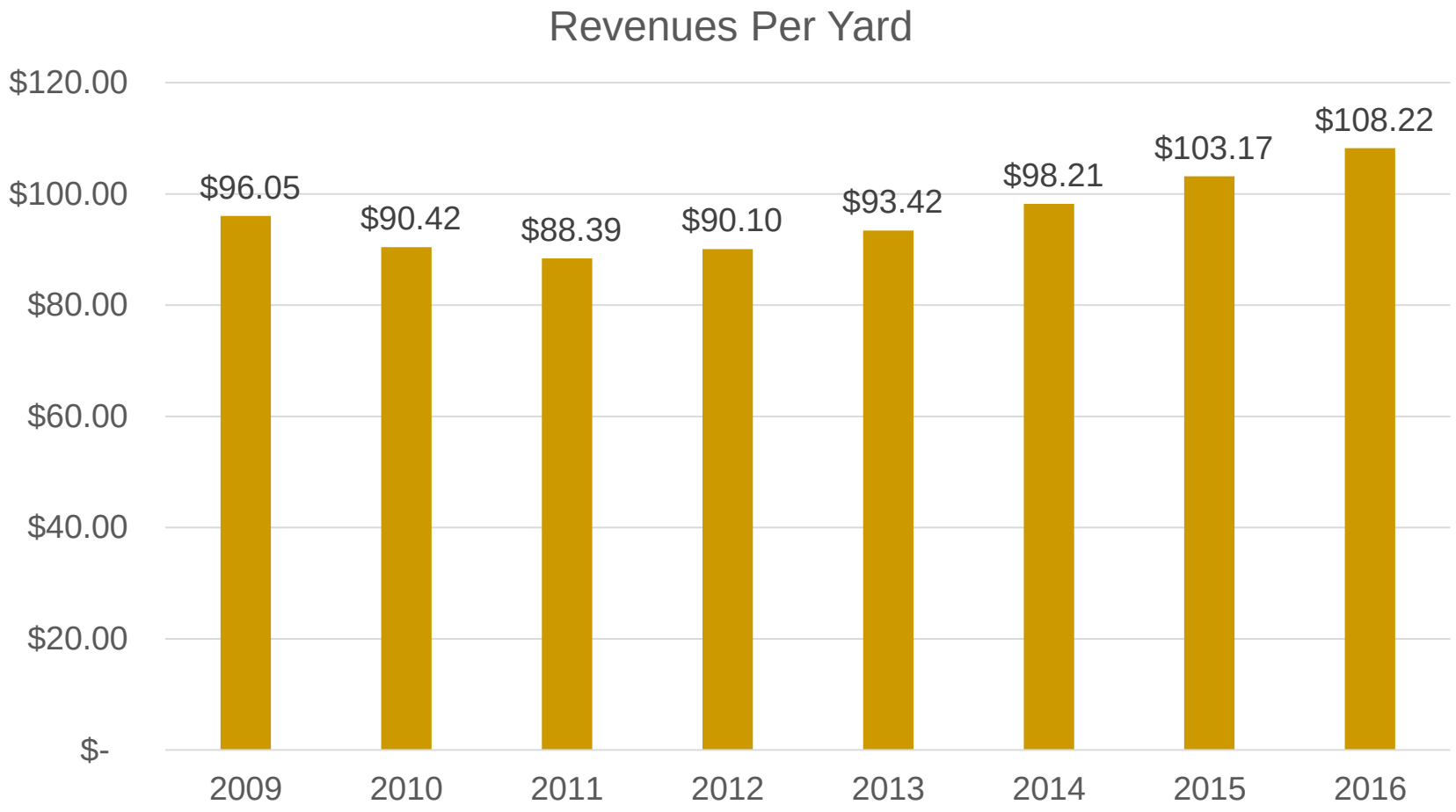
Not everyone is average



The gap in profitability between the bottom and top quartile of $19.53 per yard decreased by $2.54 from 2015.

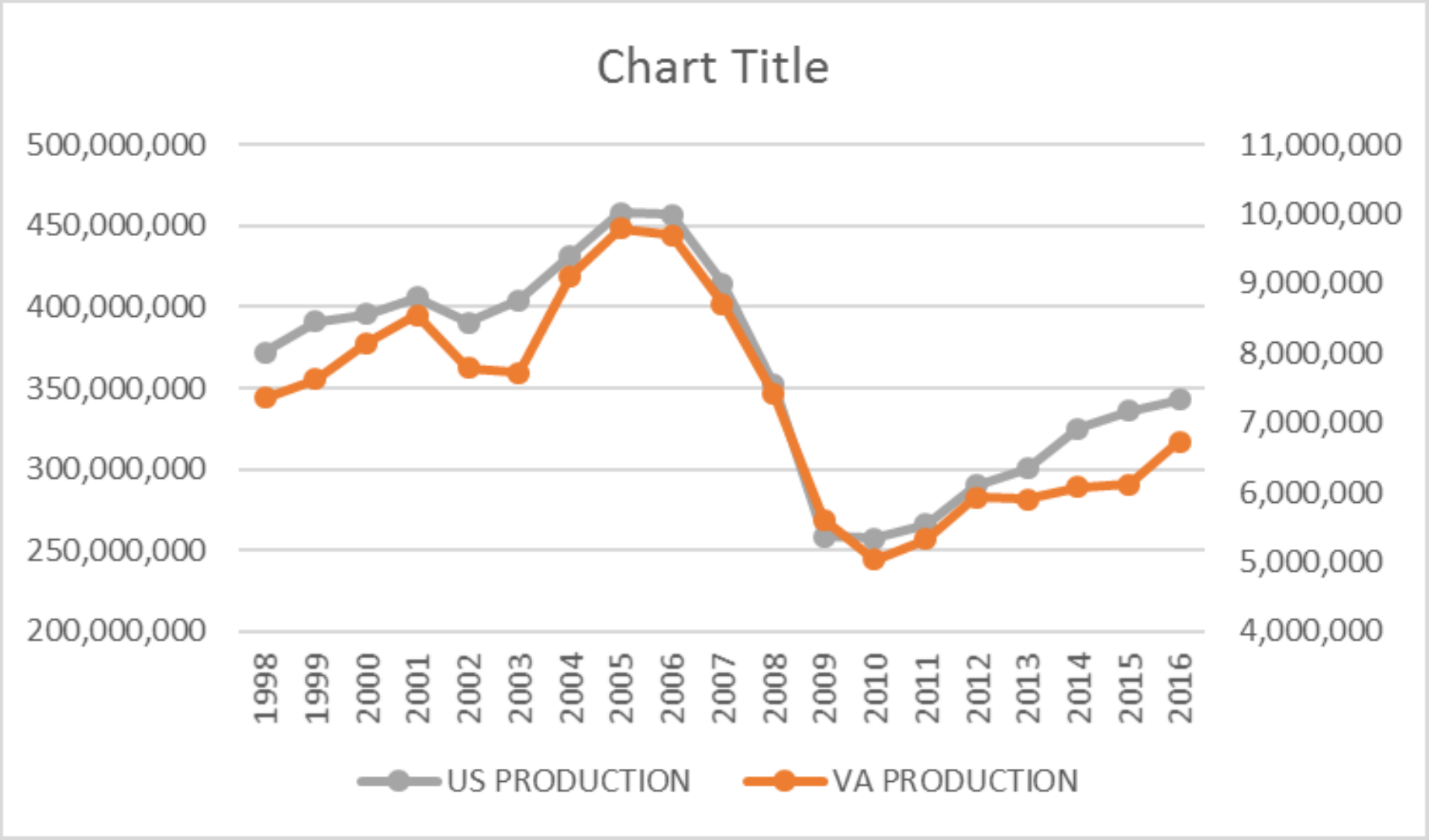
The top quartile was significantly more profitable

Trends – top line revenues

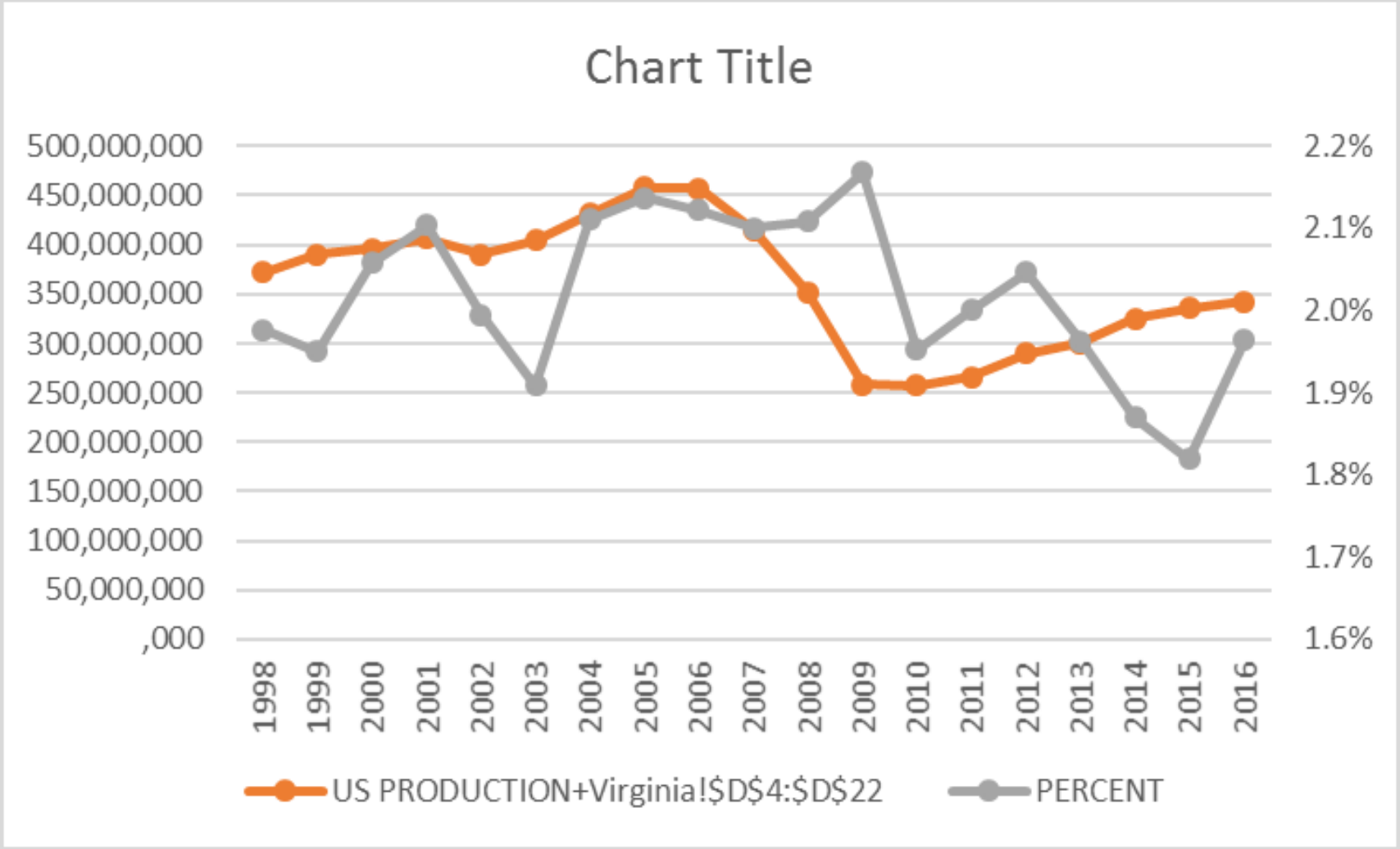


Revenue per yard up 12.7% since 2009

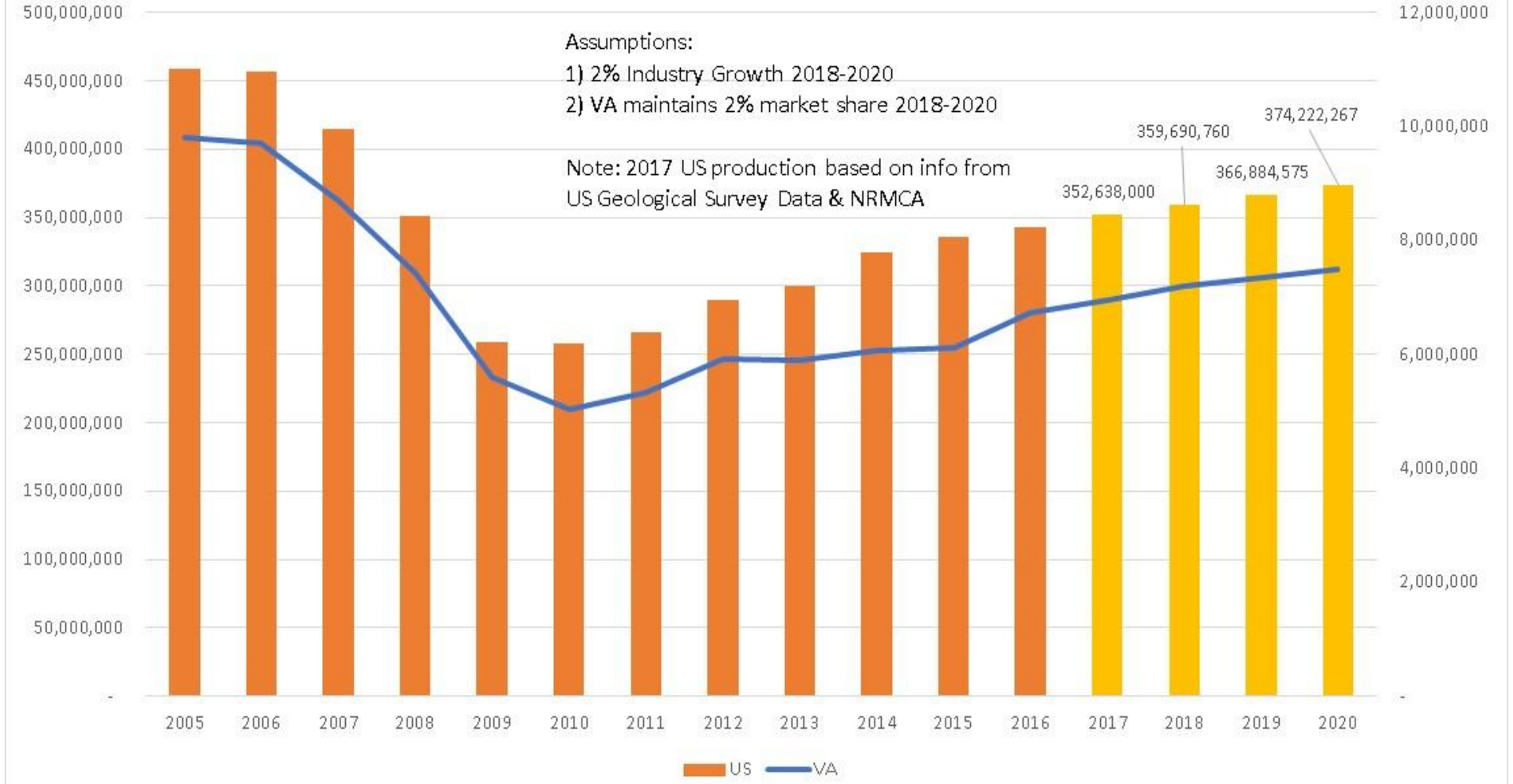
U.S. vs. VA Production

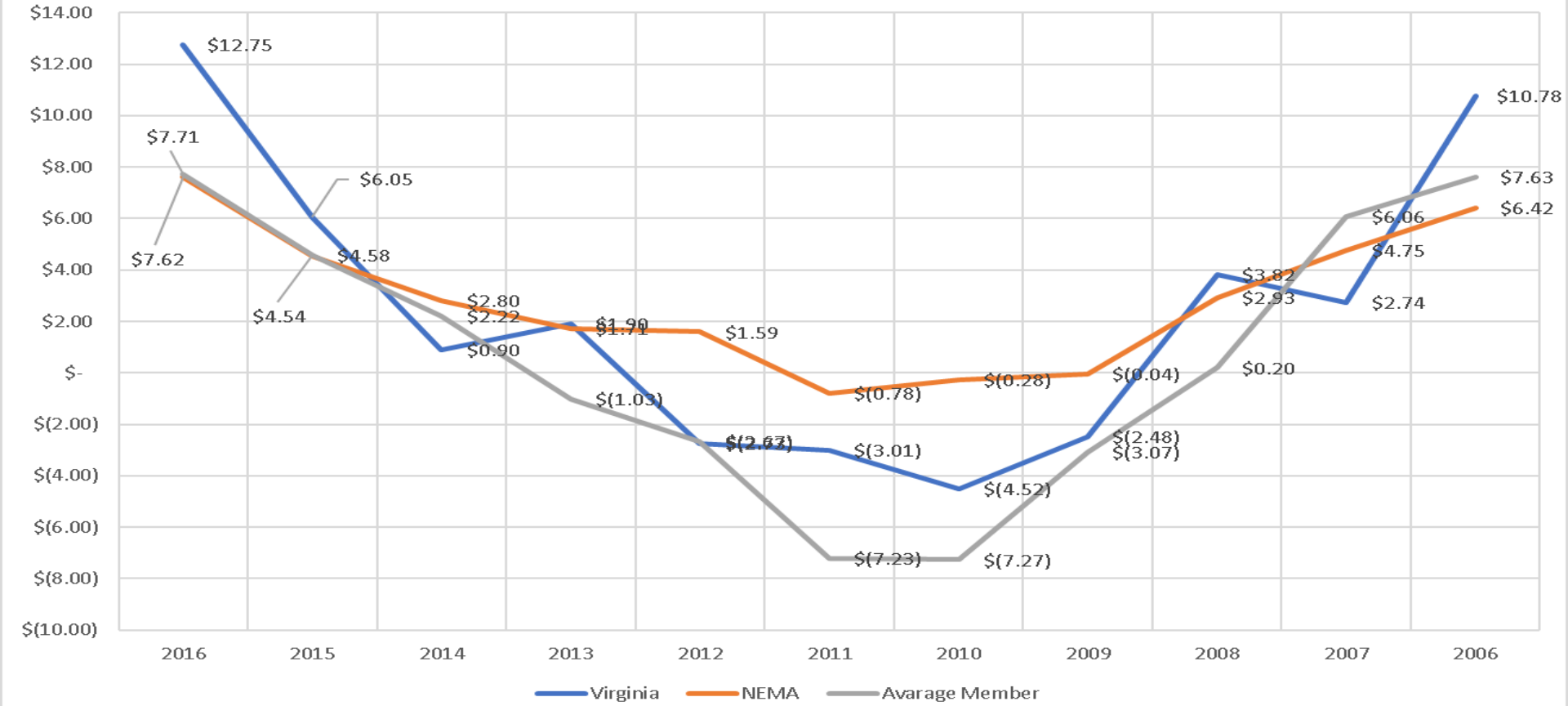


Per Capita Use

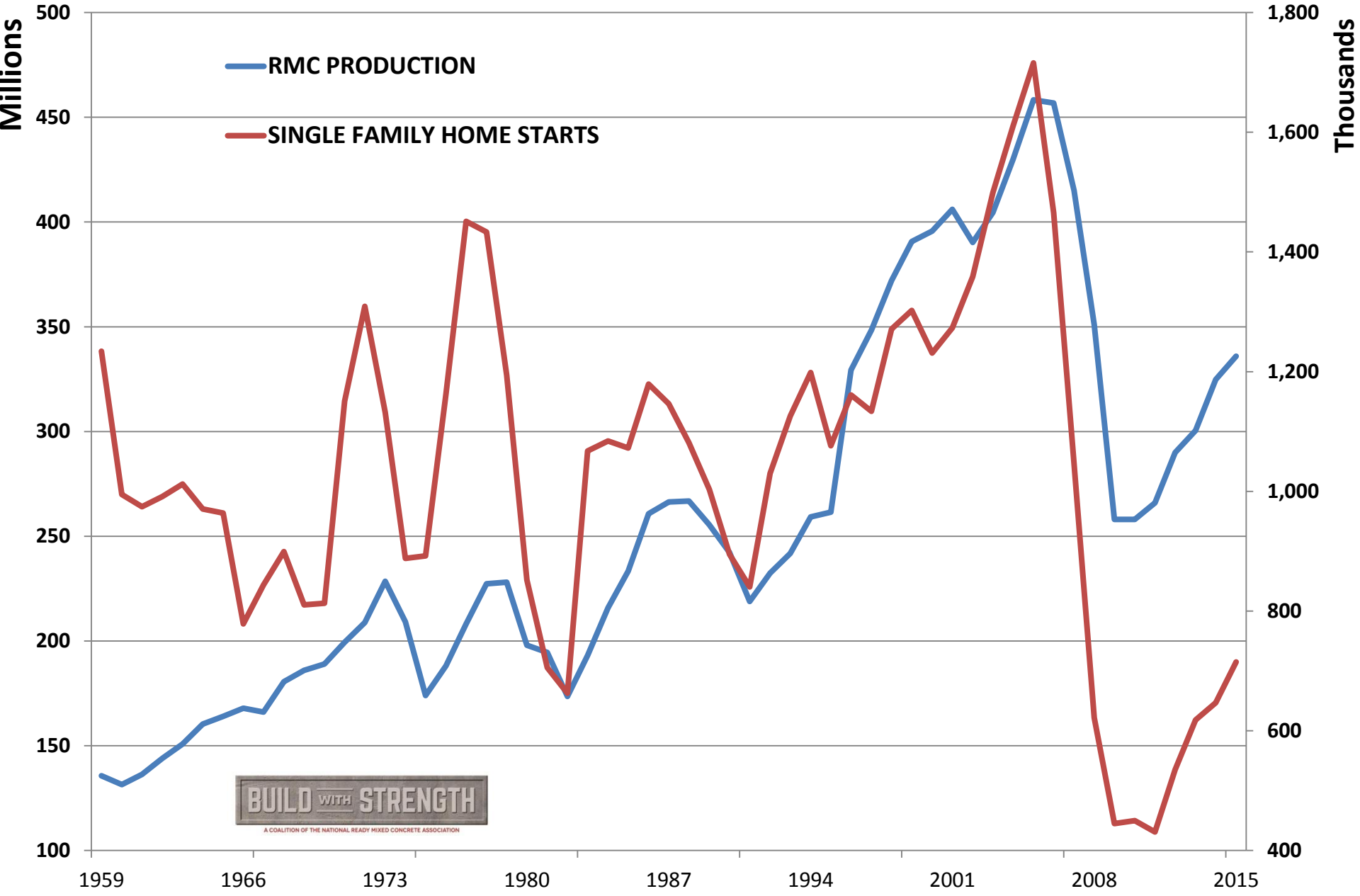


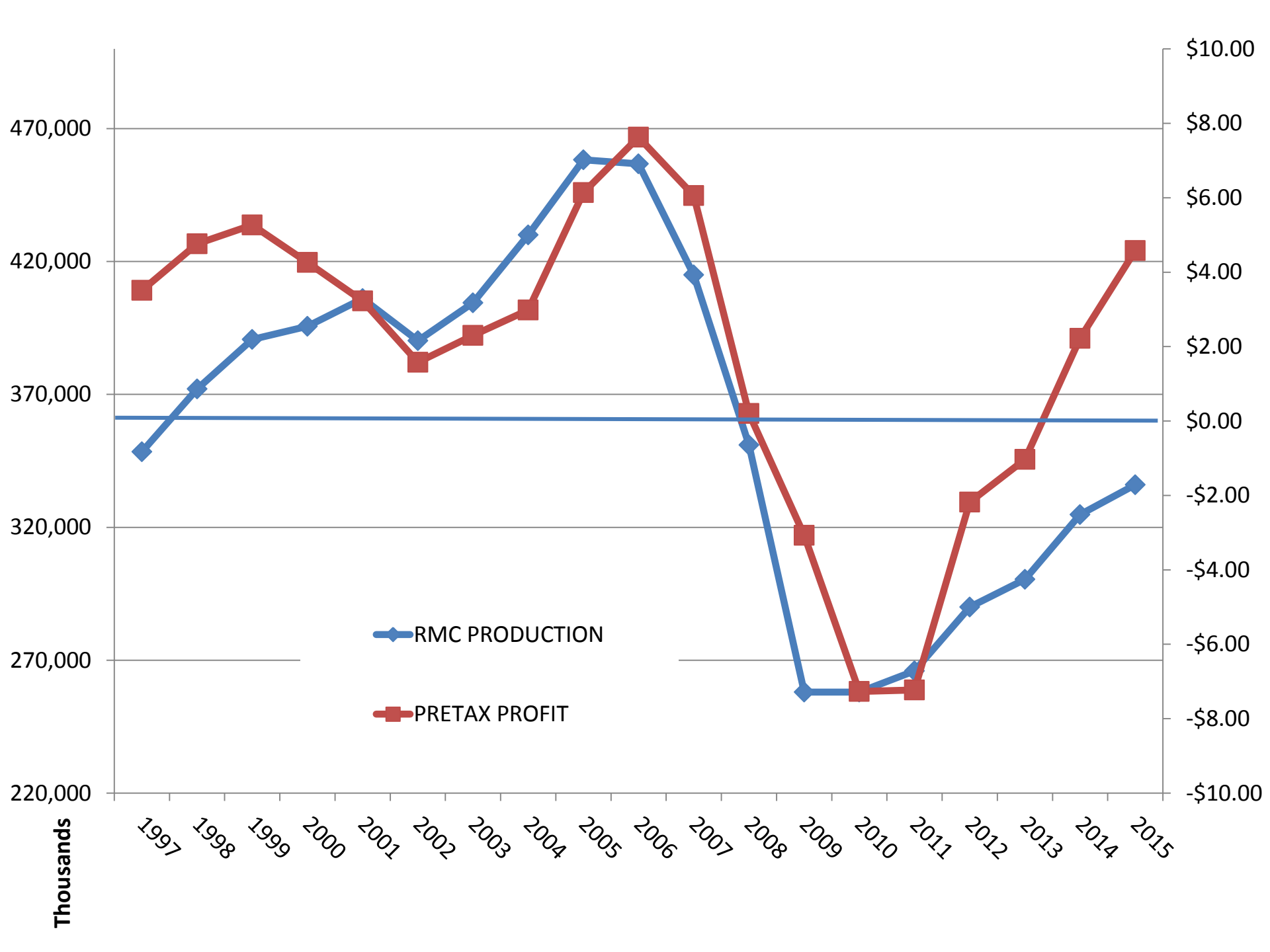
Virginia vs. US Production 2005 - 2020





	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Virginia	$ 12.75	$ 6.05	$ 0.90	$ 1.90	$ (2.73)	$ (3.01)	$ (4.52)	$ (2.48)	$ 3.82	$ 2.74	$ 10.78
NEMA	$ 7.62	$ 4.54	$ 2.80	$ 1.71	$ 1.59	$ (0.78)	$ (0.28)	$ (0.04)	$ 2.93	$ 4.75	$ 6.42
Avarage Member	$ 7.71	$ 4.58	$ 2.22	$ (1.03)	$ (2.67)	$ (7.23)	$ (7.27)	$ (3.07)	$ 0.20	$ 6.06	$ 7.63


Millions
Thousands
RMC PRODUCTION
SINGLE FAMILY HOME STARTS
500
450
400
350
300
250
200
150
100
1,800
1,600
1,400
1,200
1,000
800
600
400
1959
1966
1973
1980
1987
1994
2001
2008
2015
BUILD WITH STRENGTH
A COALITION OF THE NATIONAL READY MIXED CONCRETE ASSOCIATION


470,000
420,000
370,000
320,000
270,000
220,000
Thousands
$10.00
$8.00
$6.00
$4.00
$2.00
$0.00
-$2.00
-$4.00
-$6.00
-$8.00
-$10.00
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
RMC PRODUCTION
PRETAX PROFIT

Concrete Industry Revenue at Stake

Change in Market Shares' Impact on Industry Revenues = **$23B**

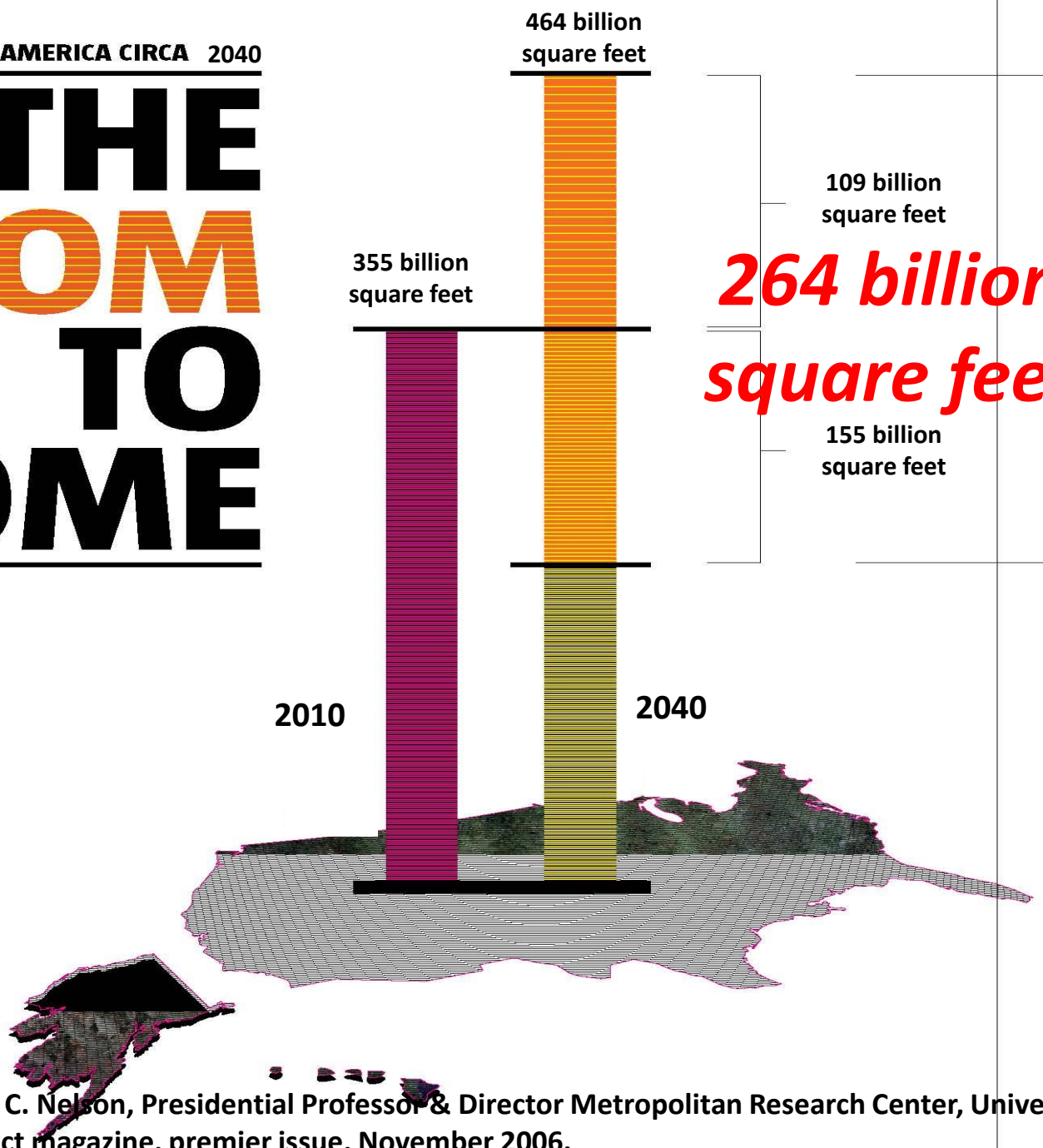
	1% Share Gain Impact on Annual Revenue	Cumulative Past Revenue Loss (2007-2015)	Cumulative Projected 25-Year Revenue Loss
Cement	$ 79,400,000	$ 927,137,136	$ 3,964,557,400
Ready-Mix*	$ 241,766,778	$ 2,823,059,922	$ 12,071,766,593
Brick & Block	$ 51,915,809	$ 606,210,011	$ 2,592,231,819
Other Concrete**	$ 93,329,020	$ 1,089,783,384	$ 4,660,053,635
Total Industry	$ 466,411,608	$ 5,446,190,454	$ 23,288,609,447

Source: U.S. Census Bureau's ASM; PCA

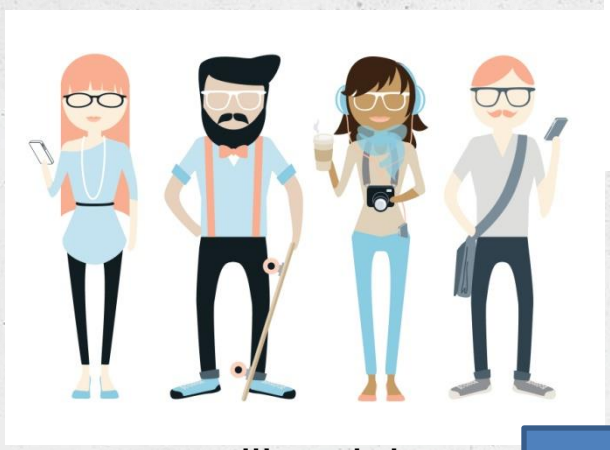
**Methodology employed may lead to a modest underestimation of Ready-Mix*
***Primarily Precast Concrete*
NOTE: An implied annual market reflects an average of the projected 25-year outlook horizon; Market share erosion relative to 2000-2006 average market share

AMERICA CIRCA 2040

THE BOOM TO COME



Source: Data from Arthur C. Nelson, Presidential Professor & Director Metropolitan Research Center, University of Utah. Image from Architect magazine, premier issue, November 2006.



Millennial

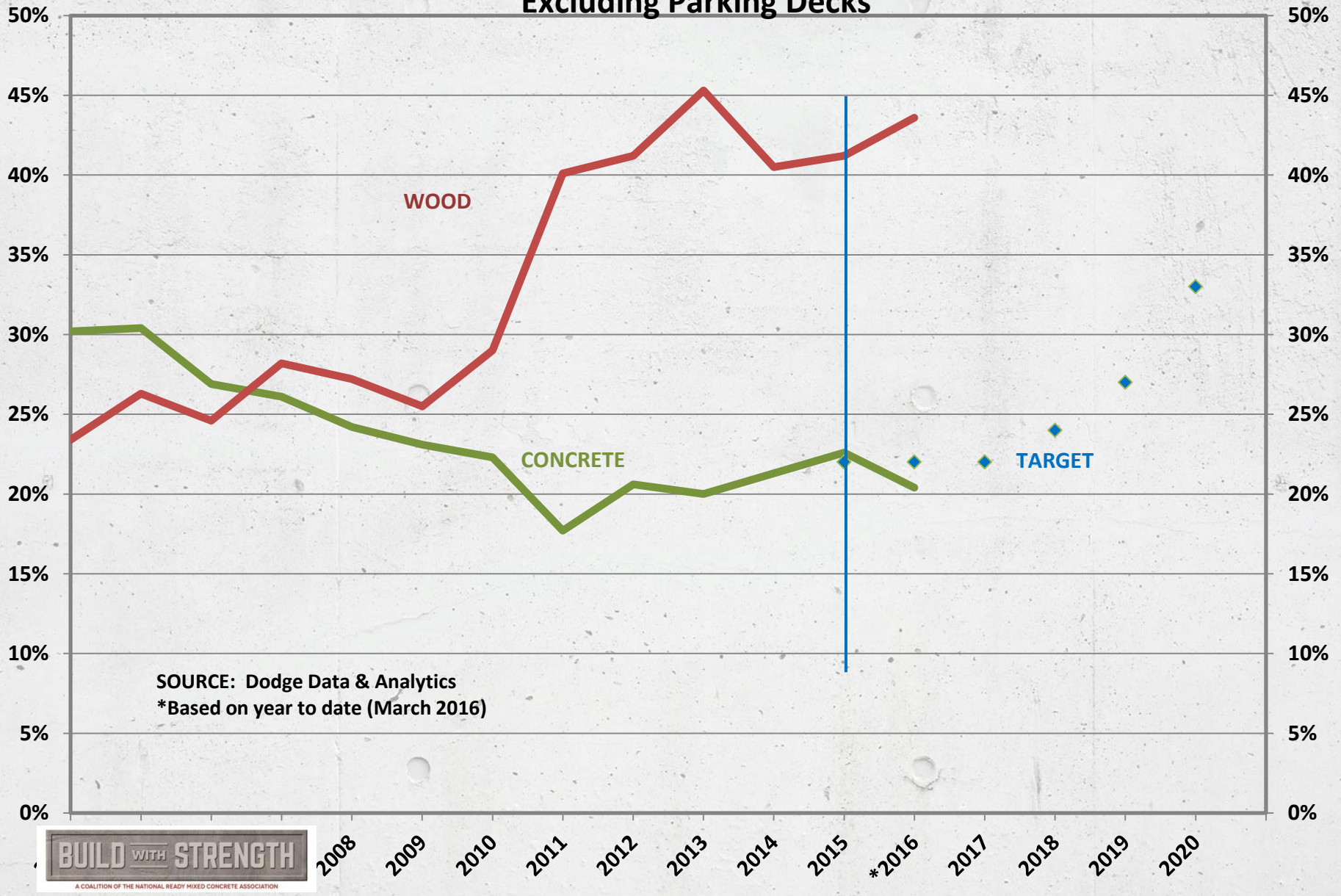
Baby Boomers

BUILD WITH STRENGTH

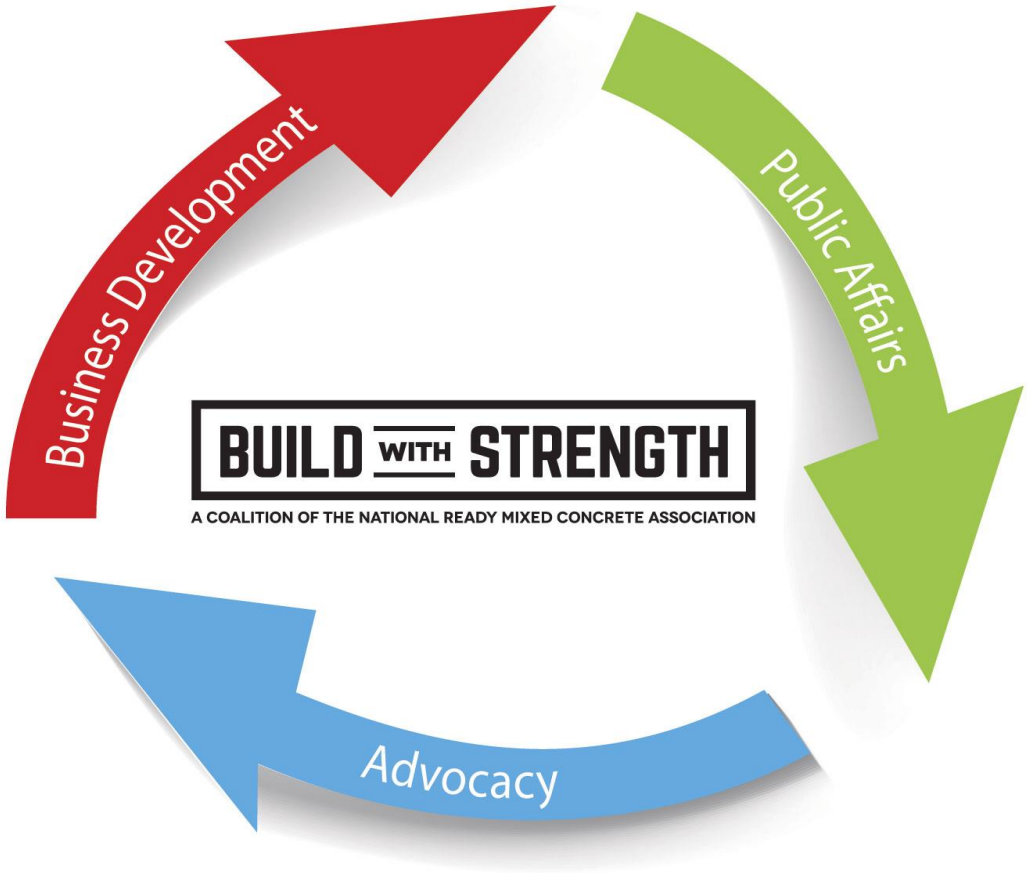
A COALITION OF THE NATIONAL READY MIXED CONCRETE ASSOCIATION

The Marselle – Seattle, WA – PB Architects

% Share of Floor Area of Mid-Rise (4-7 Stories) Excluding Parking Decks

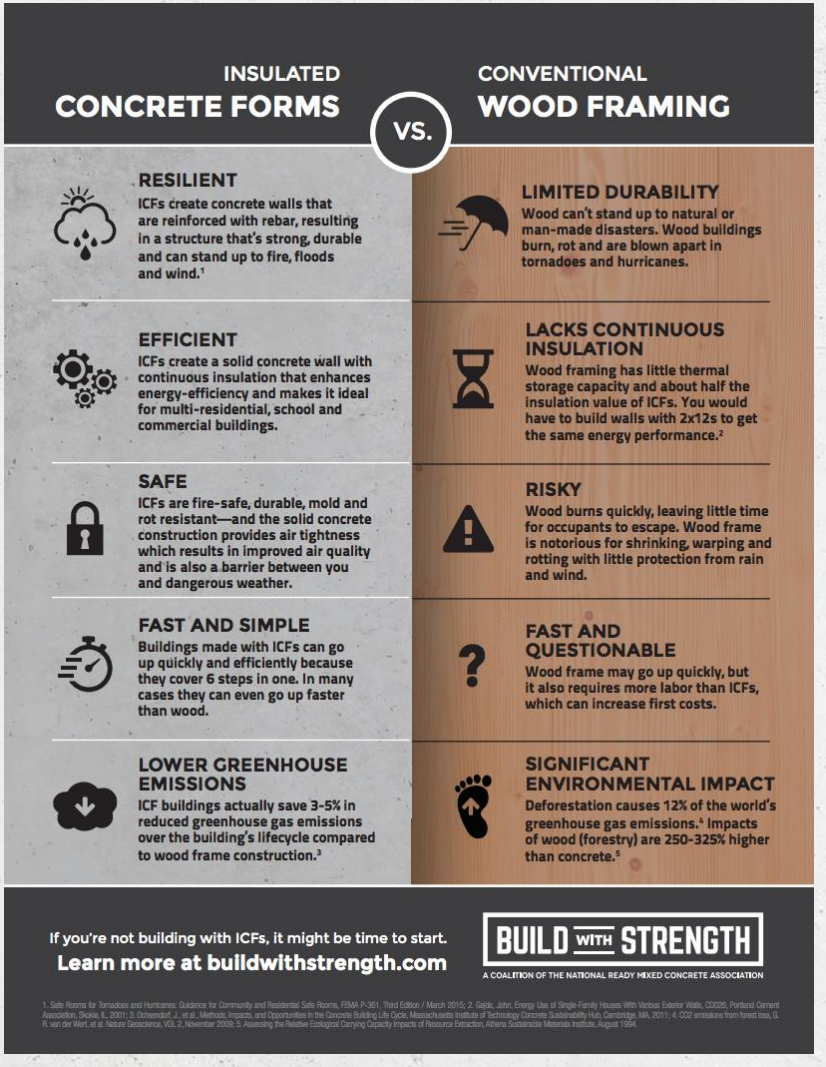


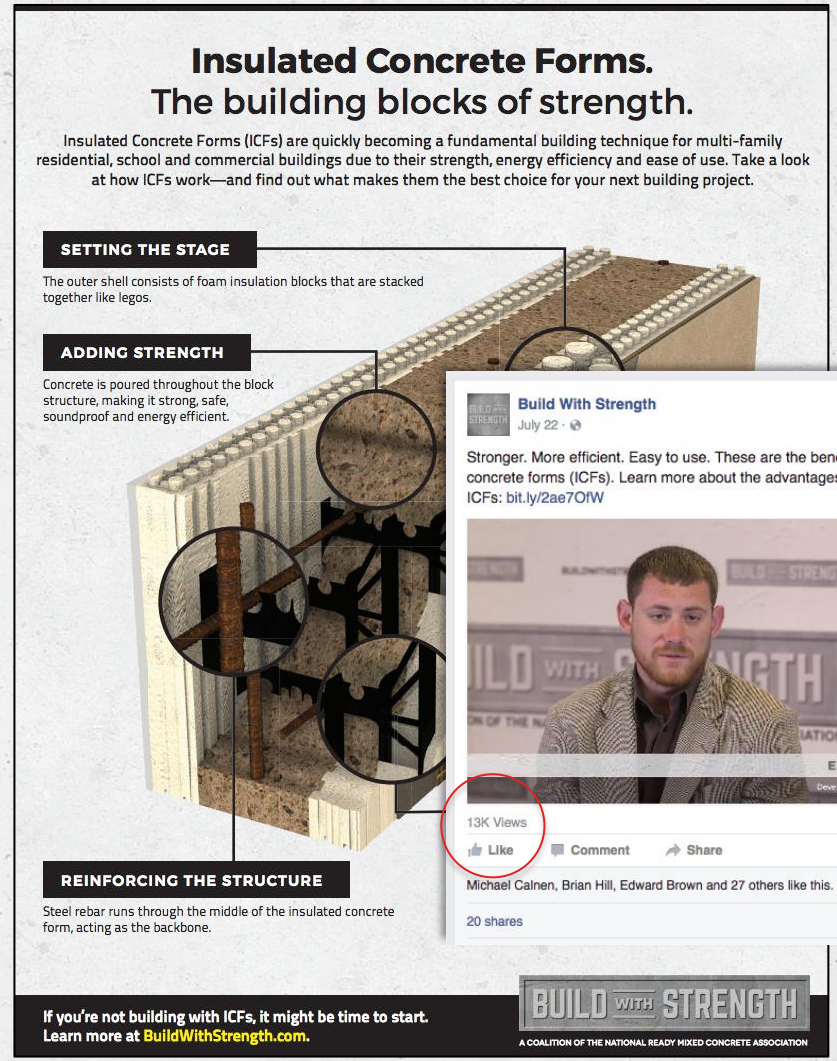
BUILD WITH STRENGTH
A COALITION OF THE NATIONAL READY MIXED CONCRETE ASSOCIATION



NRMCA
NATIONAL READY MIXED CONCRETE ASSOCIATION

INSULATED CONCRETE FORMS





MIT SUSTAINABILITY HUB

At a Glance

Build With Strength

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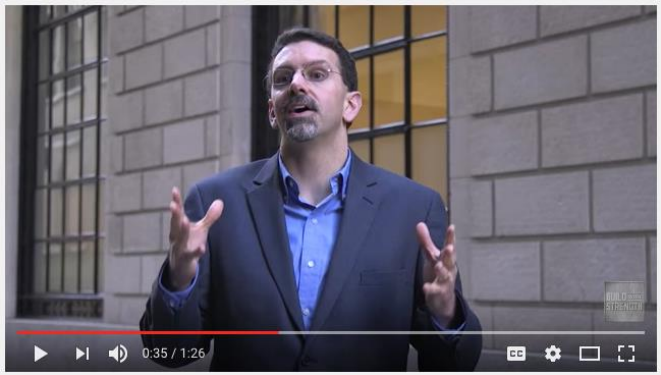

Long Term Values

Build With Strength

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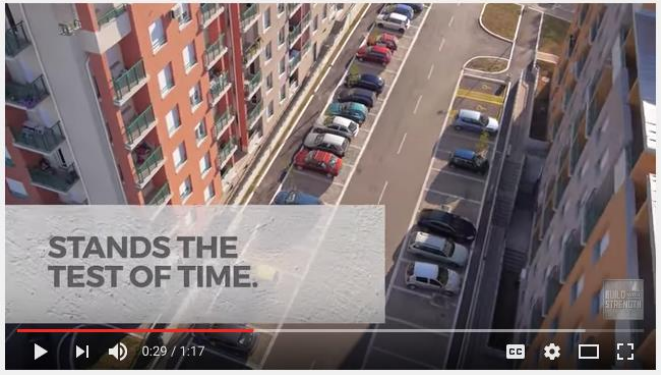

Strength

Build With Strength

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INVESTORS & DEVELOPERS PACKET

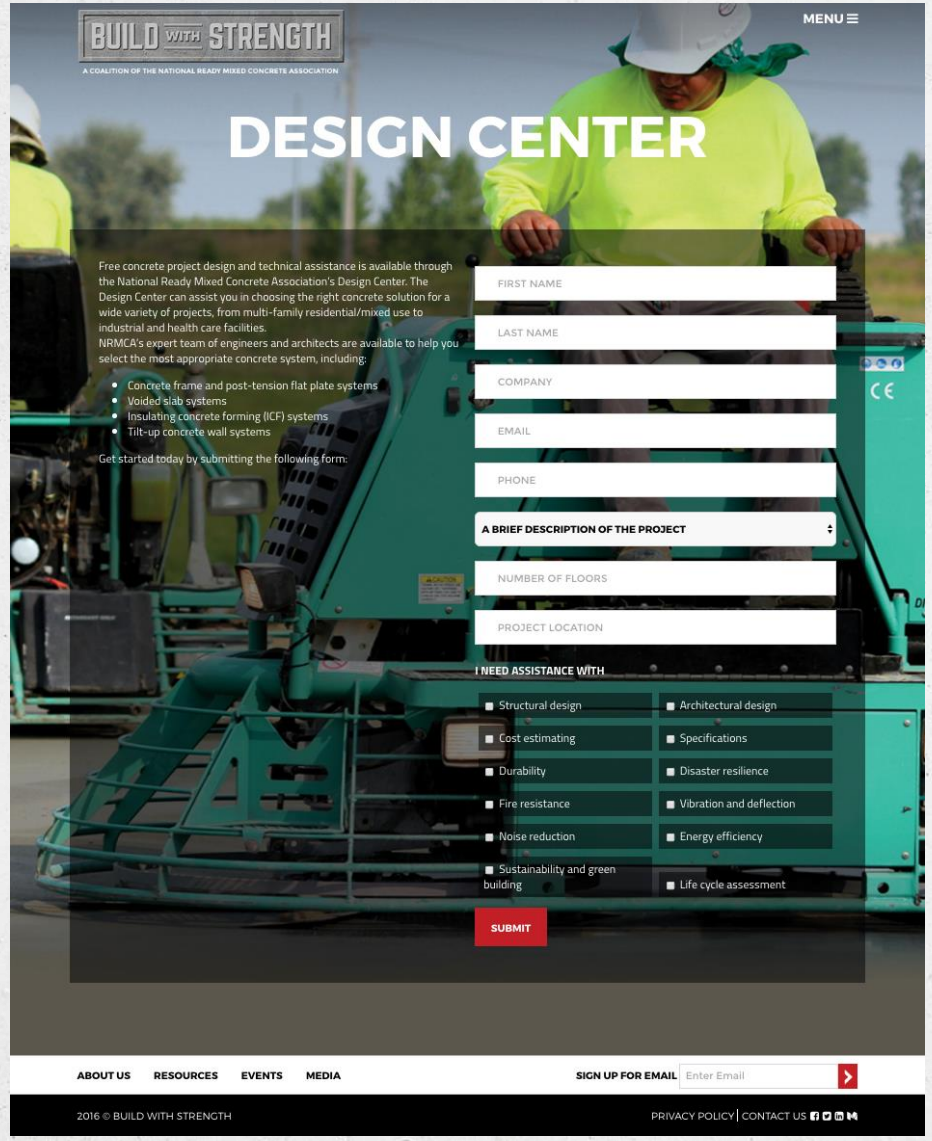
- **Showcase the Build with Strength Investors and Developers Advisory Council**
- Goal: Formalize the coalition and real faces from our target audience with who understands the benefits of concrete
- Launch efforts with contractors, engineers and designers

SURROGATE PACKET

Build and launch a surrogate network

- Develop a bullpen of voices who can participate in rapid response activities
- Leverage voices for pro-active activities
- Provide media training and educational activities

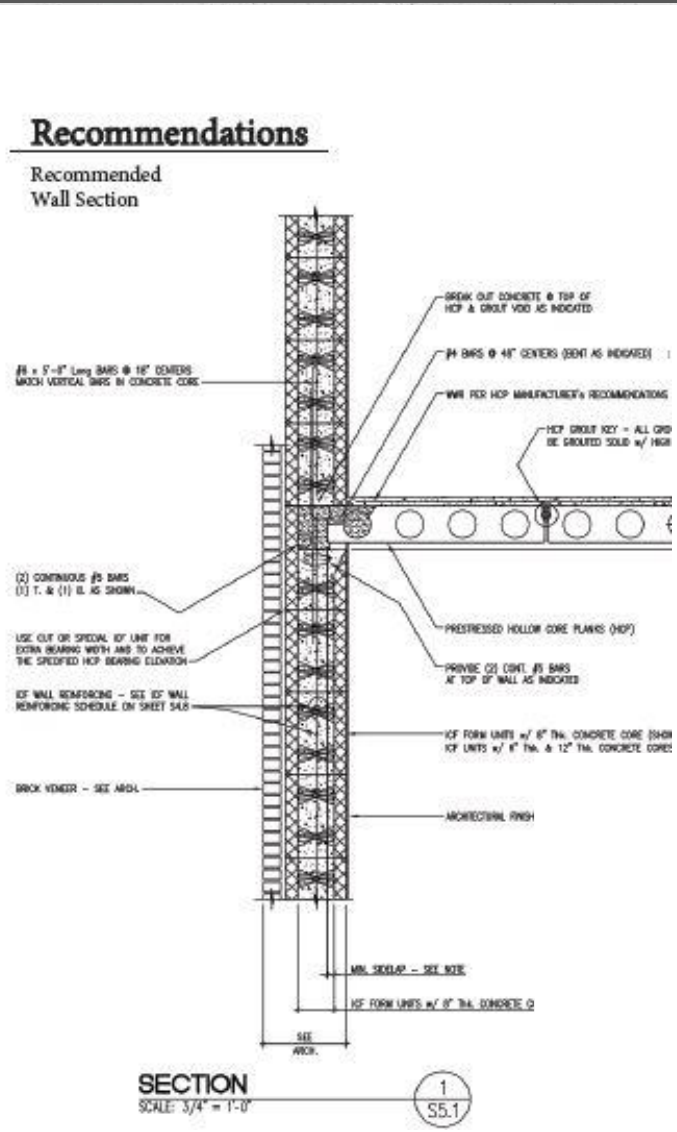
DESIGN CENTER



26+

Requests

CONCRETE DESIGN CENTER



Structural Design

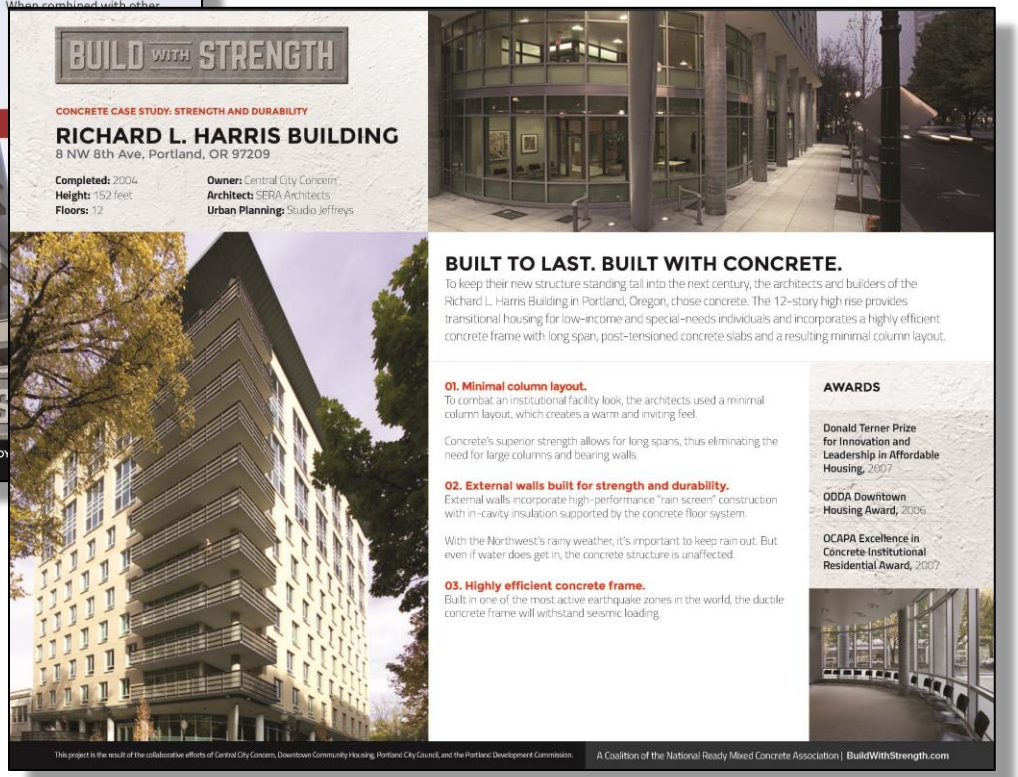
Cost Estimates

Energy Analysis

LEED Optimization

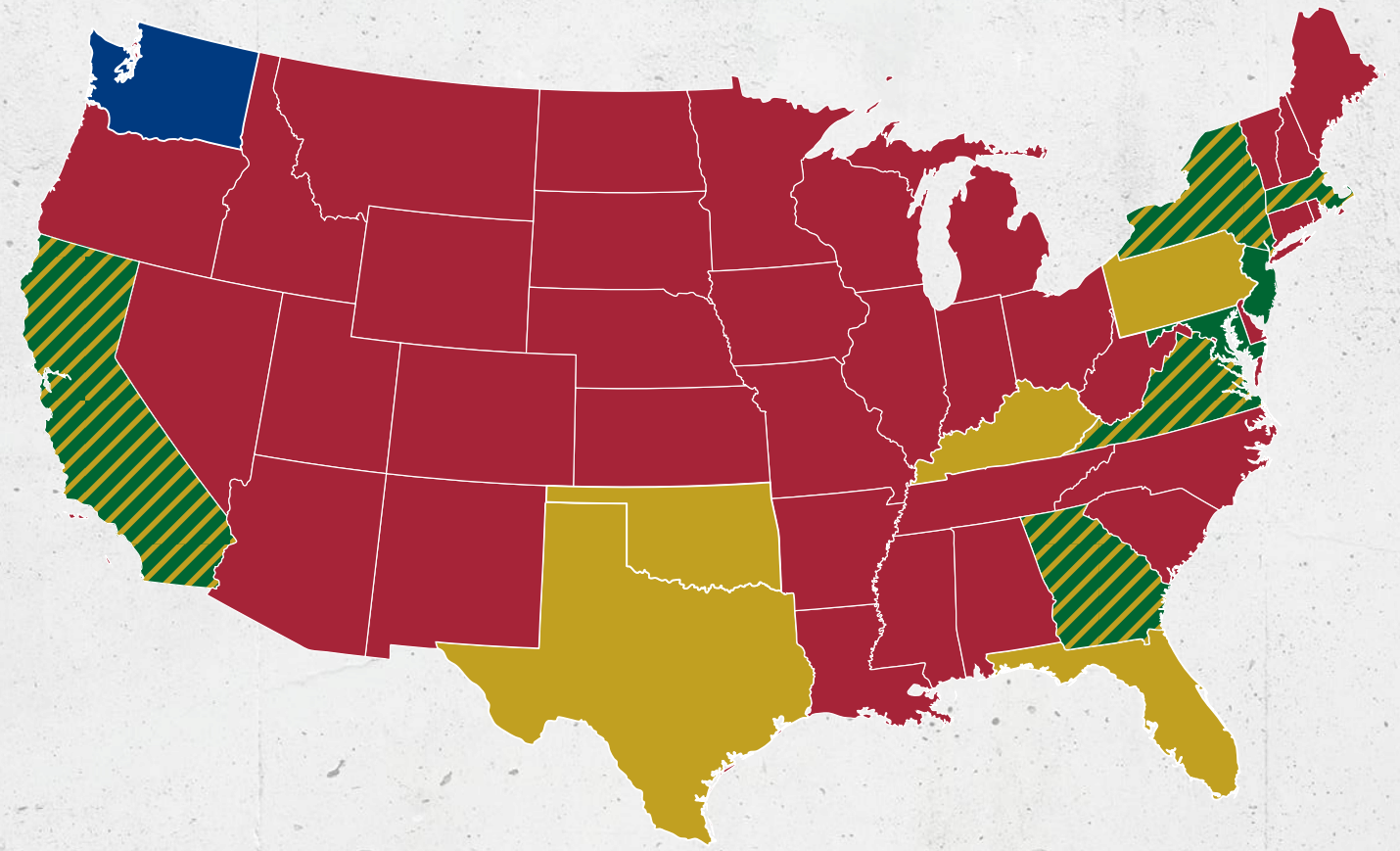
Whole Building LCA

Promotional Resources



Library of fact sheets
Library of case studies

CHANGING LOCAL CODES

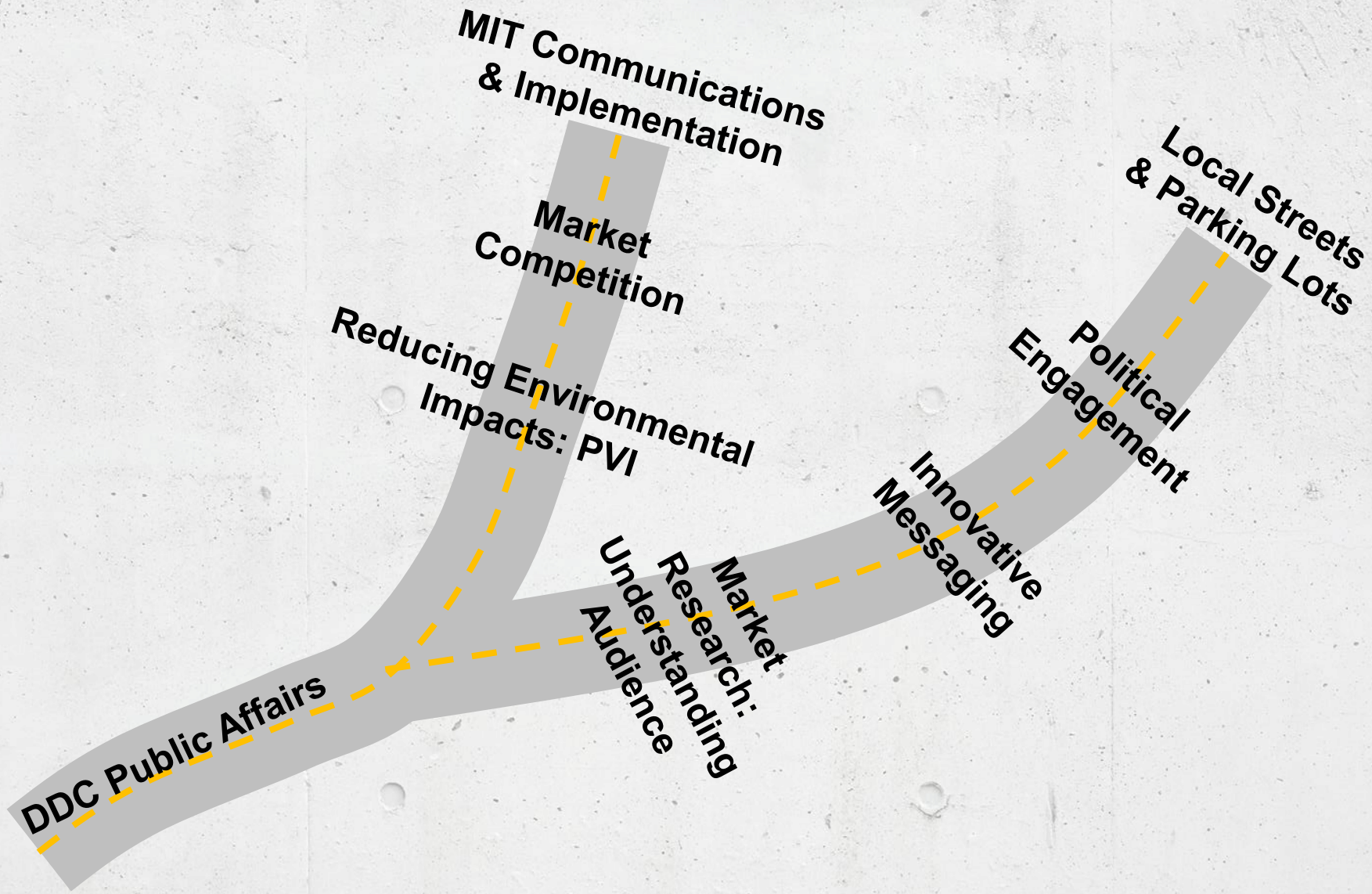


Disaster Resilience

Fire Safety

Green Building

Pavement Communications Strategies



Local Partnerships = More Effective Results

NRMCA

NRMCA STATE AFFILIATE PROGRAM

NRMCA Design Assistance Program

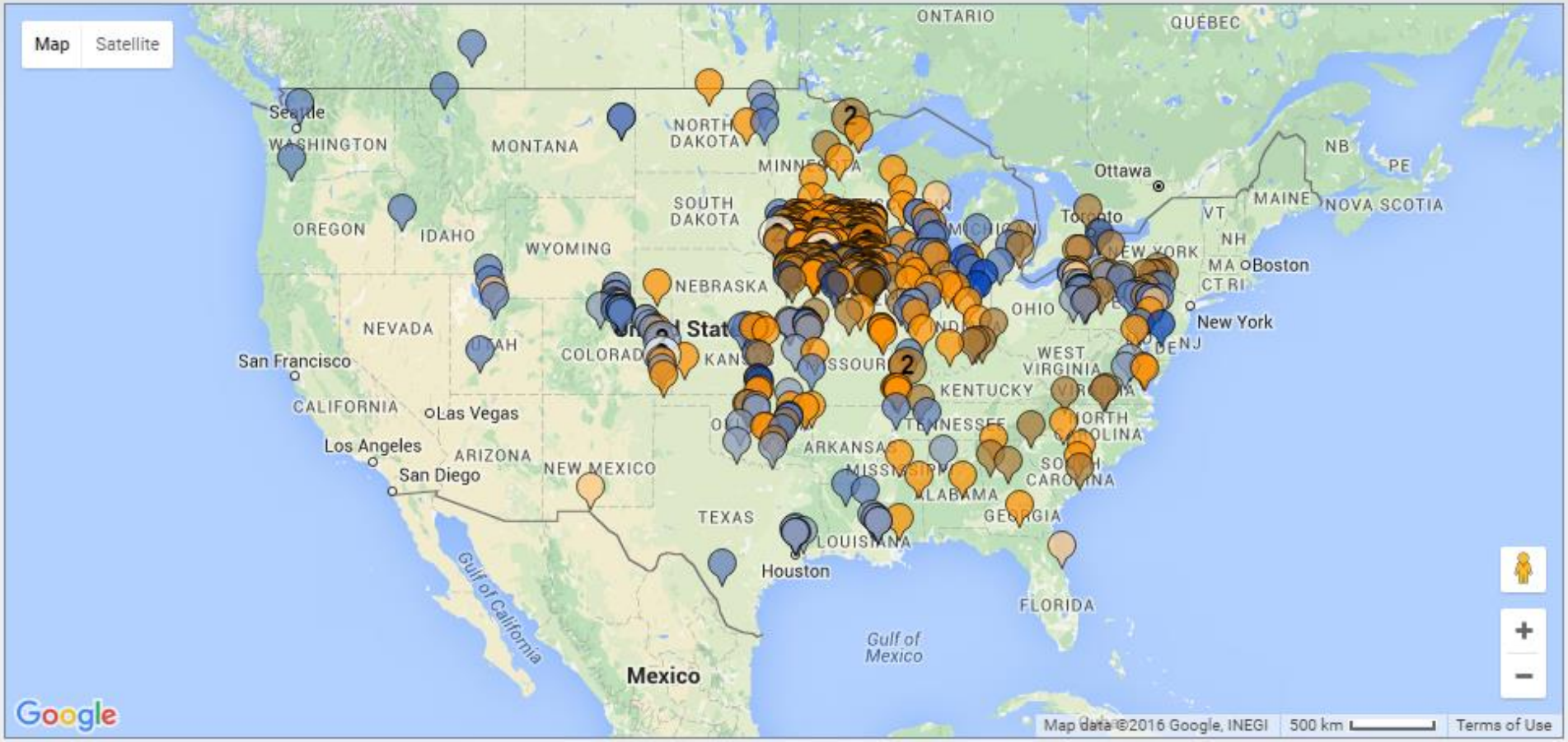
NRMCA®

- 1 R/M Producer
- 1 Contractor
- Cement/Admix/Fiber
- 10-hours

Year # of Boot Camps
2013 = 1
2014 = 5
2015 = 4
2016 = 7

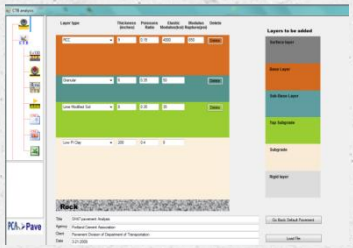
--Boot Camp at ASCC (Sept 2016)

ConcreteTracker

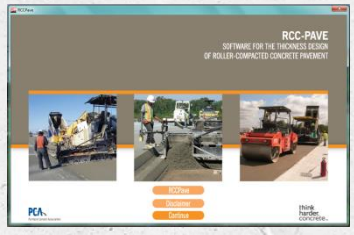


Concrete Pavement Design Website: Joint Project With ACPA, NRMCA, & PCA

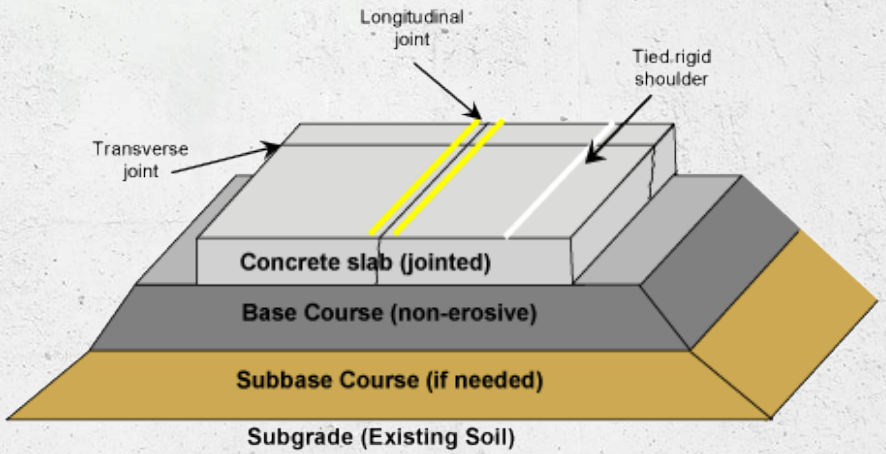
StreetPave 12
Structural Design Software for Street and Road Concrete Pavements



AIRPAVE 11
Structural Design Software for Airfield Concrete Pavements



WinPAS 12
Based on the 1993 AASHTO Guide for the Design of Pavements



~$400,000 with 9-12 month development

JPCP | OVERLAYS | CMS-CTB-FDR | RCC | CRCP

Volunteer Leaders
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Sustainability & Life-Cycle Thinking

CSHub

MIT CONCRETE SUSTAINABILITY HUB

MIT Pavement Focus On:

- Concrete Durability (Modeling and Testing)
- Life-Cycle Thinking (Economics & Environment)
- Communication and Implementation