



## Monthly Business Report

October, 2013

This Month:

### A Closer Look at the Jan/San and Break Room Category



With no growth in most traditional products, the office product industry is now focusing on new product areas with existing customers. The janitorial/sanitation and break room product category is the new saviour for most office product resellers. Dealers who have embraced the Jan/San and break room category are expecting 10-20% of their total sales from this category in the next few years.

Despite the efforts to ensure the traditional office supply chain gets full value from the category, there is still a nagging feeling that the opportunity isn't being fully grasped with both hands.

Office product resellers have a number of competitive advantages and new opportunities in this inefficient, multi-layered industry.

The already crowded cleaning and sanitation industry is in turmoil with resource based giants, niche players and resellers of every breed fighting for market share. What does the near future hold for this industry?

**A DESTRUCTIVE PRICE WAR WHERE EVERYONE LOSES?**

**OR**

**WILL CLEANING AND SANITATION PRODUCTS BE THE FIRST CATEGORY OF GREEN PRODUCTS TO SEIZE MARKET SHARE AND BE MORE PROFITABLE THAN THEIR PREDECESSOR?**



CANADIAN OFFICE PRODUCTS ASSOCIATION  
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## Janitorial and Sanitation Industry

Janitorial and Sanitation (Jan/San) products and services, like most businesses, have their challenges in today's economic environment; sales are flat. But, unlike other office product groups that have been devastated by technology, growth will rebound with the economy, increased activities in office building construction, and growing investments in health care and education.

### How big is the market?

Defining the Janitorial and Sanitation market is the biggest problem. Does the market include products, services and equipment? Does the market include exports which, in the case of Canada, are over 50% of the production? Government numbers (Stats Canada) are not helpful as cleaning products include other products with no additional breakdown.

Various Estimates:

- Global clean industry forecast to grow to \$3 trillion by 2020
- U.S. demand for janitorial equipment and supplies (excluding chemical products?) is forecasted to reach \$7.2 billion by 2017
- The U.S. specialty household cleaners market is expected to reach USD 7.9 billion by 2018
- The strong growth in Canada resulted in a \$9 billion industry in 2010. (Products, services and equipment?)

Regardless of the actual size or current challenges, the category holds enormous opportunities for office products resellers. Jan/San and break room categories are expected to be the fastest growing category for the coming years.

*This report is part of a series of reports developed for the Canadian Office Products Association (COPA). Please contact Sam Moncada, COPA president, at [smoncada@copa.ca](mailto:smoncada@copa.ca) to obtain a full copy or call 905-624-9462 ext. 228.*