

Perspective

World Contracting News, Views & Comments

Submit your news for publication to Denise Anderson at danderson@bscai.org

AUSTRALIA-NEW SOUTH WALES

ISS Has Plans For Tempo

In what it says is its second or third largest acquisition, ISS, the world's biggest cleaning company, has purchased the remaining 51 percent of Tempo Services, a cleaning and security company and one of Australia's top 20 employers, from DB Capital Partners, the private equity arm of Deutsche Bank. The company, which will be known as ISS, will focus more on integrated facilities management. Currently, at Tempo, which provides cleaning and security services to 80 per cent of Australia's top 200 companies, 70 percent of the business is site based, involving services such as cleaning and security and about 30 percent is facilities management. About 50 out of a total of 21,000 jobs, mainly in management, are likely to be lost as part of the takeover. Gerard Brand of ISS, who is based in Copenhagen, will become executive chairman and John Schaeffer, who founded Tempo 51 years ago, will stay on as deputy chairman.

AUSTRALIA-NEW SOUTH WALES

Self-cleaning Bathroom May Soon Be A Reality

Professor at the University of New South Wales, Rose Amal, is bringing an outdoor self-cleaning surface technology indoors to the bathroom. Tiny particles of titanium dioxide absorb UVA light, which excites electrons and gives the particles an oxidizing ability that can then kill microbes and break down organic compounds from vehicle and industrial emissions into carbon dioxide and water. The titanium dioxide nanoparticles also have another property, called "superhydrophilicity" that helps them self-clean by creating water that does not form droplets, but rather runs straight off the surface, washing as it goes. As titanium dioxide can only be activated by UVA present in sunlight, Professor Amal and her team have been trying to manipulate the titanium

dioxide nanoparticles so they can absorb light at higher wavelengths. Lab trials show that glass coated with the new nanoparticles can be activated by visible light from a lamp to kill bacteria *Escherichia coli*, and degrade volatile organic compounds. If the trials are successful, the self-cleaning coatings will be useful on tiles, glass screens and benches in bathrooms and hospitals. Professor Amal expects it will be another year before the nanoparticles will be ready for large-scale production.

BRAZIL-RIO DE JANEIRO

ENEAC To Be Held In May

The National Meeting of the Companies of Cleaning and Conservation, ENEAC, will be held May 17-21, 2006, in Rio de Janeiro, Brazil. The event will be held at the Hotel Club Med Rio das Pedras. For more information go to <http://www.exitoeventos.com.br/eneac/>.

CANADA-CALGARY

Coverall Expands In Calgary

Coverall Cleaning Concepts, a leader in the commercial cleaning industry, has opened a new Master Regional Support Center in Calgary. The Support Center is owned by Bill Thelen, a long-term Coverall Master Franchise Owner whose other Support Centers are located in Washington state and British Columbia. According to Thelen, Calgary is the fastest growing city in Canada, boasting a growth rate of 7 percent over the last five years. Thelen's Calgary Support Center which opened for business on December 29, 2005 is located at #103 2816 11th Street NE, Calgary, AB T2E 7S7.

CANADA-CALGARY

Office Space Is Tight

While the vacancy rate for Calgary's prime downtown office market is 0.4% down from 4.9% a year ago, rental rates for top-quality space is going for \$40 a square foot, the first time ever the rates have been that high. Buildings under construction are almost 80% preleased but rental rates do depend on building quality with space generally in the \$35-to-\$37 per-sq.-ft. range and buildings in lower classifications are in the \$25-to-\$27 per-sq.-ft. range.

CANADA-ONTARIO

City Of Fredericton Goes Green

The City of Fredericton has become the second city in Canada, the first in the Atlantic Region, and one of just a very few in North America to only use Green cleaning products in its city-owned and managed facilities. In making their decision to go Green, the city tested and evaluated various environmentally preferable cleaning products over a three-year period. The city has decided to purchase its Green cleaning supplies from Whisco, a leading Fredericton-based janitor distributor serving New Brunswick, Canada for over 35 years. The manufacturer selected to provide the city's Green cleaning products is Enviro-Solutions.

CHINA-HONG KONG

Facility Provider Increases Presence In China

ISS, is attempting to take advantage of a trend in China where foreign high-technology companies are expanding their presence and China itself is building 53 research parks nationwide. ISS aims to increase its presence over the next five years by acquiring property service companies in the country and offering the special services research facilities require. The company initially operated in the country in the mid-1990s through a joint venture with the Beijing government. Since that time, ISS has bought HongRun, a Shanghai based company that has operations in 70 cities and EastPoint, Hong Kong's largest facility services provider. Its workforce has jumped from an initial 3,000 to 10,000 through the acquisitions and the company hopes to increase that number to 50,000 by 2010. One obstacle ISS is encountering is the rise

in wages, as salaries in parts of China have risen on average, ten percent in 2005. But the company is enthusiastic about China. According to one spokesman, the market for cleaning and facility services on the mainland is potentially 13 billion US dollars, and the Hong Kong market is approximately 1.3 billion US dollars. ISS reported turnover of about 12.4 million US dollars in China last year.

CHINA-SHANGHAI

Shanghai Introduces Quality Ratings

New rules implemented by the Shanghai Building Cleaning Committee will allow only top rated cleaning and maintenance companies with the best safety records to clean buildings 100 meters and higher. Three ratings levels will be based on the each particular company's registered capital, trading years, employee numbers and accident incident rates. The initiative goes into effect in July 2006.

GERMANY-BERLIN

Companies Adopt Integrated Facility Management In Central Europe

The market for integrated facility management in central Europe is expected to grow from \$4.40 billion in 2005 to \$6.70 billion by 2011. The demand is most prevalent in the private sector, which represents 80.5 percent of end users including the finance, IT and telecom and aerospace sectors as well as manufacturing industries. Large manufacturing industries with several offices and production sites dispersed across central Europe as well as multi-site companies such as banks and insurance firms, prefer contracting with a 'single-stop' FM provider to meet all of their needs. But market growth is also predicted in the public sector due to the implementation of recent initiatives (such as the partnership between private and public sector program (PPP)). Accordingly, the public sector, representing 19.5 percent of market revenues, will increase its involvement in outsourcing I-FM. In keeping with this trend, hospitals, universities, schools and city authorities are likely to boost investments in I-FM projects. Building operation and maintenance offer the highest revenues in I-FM and Germany is leading the pack. However, competition has soared with Germany, France and the United Kingdom all trying to penetrate the central European I-FM market. In an effort to overcome competition, several I-FM companies are promising a wide range of services or are adopting a low price policy.

JAPAN-TOKYO

Economy Is Recovering

Japan is overcoming a 10-year slump with economists at BNP Paribas Securities Ltd. now forecasting 3.5 percent GDP growth in fiscal 2006, up from previous estimates of 2.4 percent growth. Indicators that the economy is recovering are: GDP for the fourth quarter is at an annualized 5.5 percent growth in real terms, outpacing growth in the US and Europe; domestic demand is the main driver of the growth versus exports as in previously short-lived recoveries; job offers equaled the number of job-seekers for the first time in over 13 years in December; and the unemployment rate fell again in December to 4.4 percent, its lowest in seven years.

NEW ZEALAND-AUCKLAND

Air New Zealand Is Outsourcing

Air New Zealand (Air NZ) is looking into outsourcing its plane cleaning and plans to select one of three cleaning companies that have bid for the job. The airline said the affected staff of 113 workers would be able to transfer to the new employer on existing terms and conditions or accept redundancy. Supposedly at least 100 Air NZ workers have already elected to take voluntary redundancy. Auckland based cleaners account for 70 of the workers, 13 are in Wellington and 30 in Christchurch.

SOUTH KOREA-SEOUL

Bill Tabled Again

A bill that will allow companies to hire temporary workers for up to three years was delayed again due to opposition from minority parties. The government-initiated laws, which have been on hold at the National Assembly for 16 months, will be brought forth in March at the next parliamentary session. Labor groups claim the bills will encourage the use of temporary workers, while government and business say preventing the use of these workers will create a hardship for companies and the companies will be required to hire them as permanent staff after a three year period. In addition, they claim the package will provide temporary workers with legal protection.

SWEDEN-STOCKHOLM

Network Expands Into Scandinavia

Network Services Company reports that its European alliance partner, INPACS, has expanded its presence into Scandinavia. INPACS now services customers in more than 20 European countries, distributing janitorial supplies and equipment and disposable paper and plastic products. Julius Maske AS/S-Gruppen ASA in Norway and Nyblomgruppen AB in Sweden joined INPACS on January 1, 2006. Pamark Oy, a distributor based in Finland, joined IGEFA—which is a member of the INPACS group—as an associate member on January 1, 2006. Together, these three Scandinavian companies have 12 locations and 60,000 customers, and are the leading suppliers in a number of product categories in their national markets. Network (www.nsconline.com), which is composed of more than 70 independent distributors in North America, broadened its international capabilities in 2005 through relationships with overseas distributors. In addition to INPACS (www.inpacs.com), Network formed a strategic alliance with Igepa (www.igepa-group.com), a Germany-based organization of distributors serving more than 20 European countries with printing paper and related supplies. NetPrint, a division of Network, is the largest distributor of printing paper and related supplies in the United States. “We formed alliances with INPACS and Igepa fully expecting them to grow and prosper,” says R. James Alexy, President and CEO of Network. “We are leveraging our combined strengths to serve multi-national corporations in an increasingly global economy.” Based in Mt. Prospect, IL, Network Services Company is the largest supplier of janitorial supplies, foodservice disposables, industrial packaging products, and printing materials in the US. These products are sold primarily to foodservice, building service contractor, healthcare and industrial markets.

TAIWAN-TAIPEI

Economy To Expand By 5 Percent

A recent report by investment bank Lehman Brothers, predicts that Taiwan's economy will benefit from rising global demand for its electronic products and low interest rates in 2006. The projection of 5 percent growth will be the nation's largest in over three years. Taiwan is the world's largest supplier of LCD panels for computers and televisions and most of the economic growth will come from electronic firms. For example, Taiwan's biggest manufacturer of LCD panels, Au Optronics Corporation, is planning to

invest 2.9 billion US dollars in new facilities in 2006 to keep up with global demand.

UK-LONDON

Company Loses Contract At Underground

Britain's largest independent cleaning firm, Blue Diamond's contract with the London Underground was terminated on grounds the company was paying employees the legal minimum wage of 5.05 pounds an hour instead of the 5.50 pounds allegedly agreed to in their contract. A spokesperson for Blue Diamond said the company was under commercial pressure from clients to hold wages down. The Transport and General Workers Union, which warned the Underground about the underpayment, is considering lodging a claim for back pay on behalf of the workers for the four months they were underpaid.

UK-LONDON

Study Shows Emerging Companies Growing

While growth in the UK cleaning service market was uneven, averaging 5.5% in 2004 and 7.8% in 2005, a new study of 1,500 companies by UK industry analyst Plimsoll Publishing, revealed that 358 emerging cleaning services companies increased sales by a minimum of 16% in 2005, averaging 42.8% growth, twice the average of the rest. The study showed most of the growth in the market is going to a select group of companies and these companies are not necessarily the larger companies in the market. While barriers to entry into the market are low, competition is high and smaller companies focus less on the overall market and more on their immediate competitors. 320 of the 1500 companies were found to be suffering the consequences of the success of the high growth companies; collectively they saw sales fall by -13.8%, with the average decline at -14.8%. Copies of the report are available from Plimsoll Publishing for £305. Web: www.plimsoll.co.uk.

US-MICHIGAN

Janitor Returns \$10,000

An Employee of Kimco Services, Angela Jones, found a purse with \$10,000 cash in it at the Detroit Metro Airport where she was cleaning. She returned it to its owner who was leaving on a flight to Hong Kong. Ms. Jones was given a certificate of commendation and a check for \$100 for her honesty.

US-MICHIGAN

Truvox And WFBSC Announce \$10,000 Prize

Truvox International, and WFBSC are seeking entries for the Truvox International Young Executive Award 2006. WFBSC awards this honor at its World Congresses held every two years. The winner, who will be announced at the WFBSC World Congress in Seoul, South Korea in October, will receive \$10,000 and will attend the next World Congress in 2008 in Argentina. The title of this year's competition is "Healthy Buildings - Healthy People." To enter, entrants must submit a paper, 3,500 words or less, on how the WFBSC can promote the best solutions to positively enhance a sustainable work environment. The specific topic for entries is: "The quality of the work environment plays a major part in the productivity and well-being of employees. Building service contractors can have a significant impact on the workplace and can contribute to improving the health of building occupants as well as to sustainability on a wider scale." All entrants must be under 35 years of age as of October 31, 2006, have worked in the building service contract industry for at least two years, and be in middle or executive management with the potential for advancement to senior management. In addition, employers must agree to sponsor travel and accommodation costs to the World Congress in Seoul and pay 50 percent of the conference registration fee should they be judged as one of the three finalists. The winner's employer must also agree to sponsor costs to the 2008 World Congress in Argentina. An independent panel will judge all entries and finalists will be notified by July 1, 2006. Finalists will present their papers during the open forum session of the Congress and will participate in the Young Executive Award sessions. A panel of experts will select the winner following the presentation by the finalists. Entries must be written in English and be submitted by June 1, 2006 via e-mail ONLY to mvesey@cleaningassoc.org.

UPCOMING EVENTS

BSCAI Annual Convention and Trade Show

Nashville, Tennessee
March 24-28, 2006

Visit the BSCAI website at www.bscai.org for more information or call 703-359-7090.

16th Congress of the World Federation of Building Service Contractors

Seoul, Korea
October 16-19, 2006

Visit the WFBSC website at www.wfbsc.org and the website at www.kasmo.or.kr for more information.



International Dimensions is published monthly for the members of the World Federation of Building Service Contractors.

WFBC CORPORATE MEMBERS

3M Canada - London, ON
800-265-1840 www.mmm.ca

Atlas Graham - Winnipeg, MT
204-775-4451 www.ag.ca

Avmor, Ltd. - Laval, QC
450-629-8074
www.avmor.com

Bay West Paper Corp. -
Harrodsburg, KY
800-223-0001
www.baywestpaper.com

Cascades Tissue Group -
Candiac, QC
450-444-6457
www.cascades.com

Choisy Laboratories Ltd. -
Louiseville, QC
819-228-5564
www.choisy.com

ConverPro, Inc. -
St.-Cesaire, QC
450-469-5588
www.converpro.com

Crypton Care -
West Bloomfield, MI
248-432-5707
www.cryptoncare.com

Daniels Associates-Phoenix, AZ
602-992-5192
www.danielsww.com

Dustbane - Ottawa, ON
613-745-6861
www.dustbane.ca

Ecolab - St. Paul, MN
651-293-2233
www.ecolab.com

Express Time - Petal, MS
601-583-8101
www.expresstime.net

Grasshopper - Moundridge, KS
620-345-8621
www.grasshoppermower.com

Husky Floor Machines -
Montreal, QC
514-526-4401

www.huskyces.com

Intersoft Software Solutions-
Amsterdam, The Netherlands
+31 20 5811977
www.intersoftsoftware.com

Johnson Diversey -
Sturtevant, WI
262-631-4001
www.johnsondiversey.com

Karcher Canada, Inc. -
Mississauga, ON
888-705-9444
www.karcher.ca

Marino Manufacturing -
Concord, ON
800-265-6267
www.marinomop.com

Mercury Floor Machines -
Englewood, NJ
888-568-4606 www.mercuryfloormachines.com

Nilfisk-Advance Canada Co. -
Mississauga, ON
905-712-3260
www.nilfisk-advance.com

NSS Enterprises -Toledo, OH
800-677-1663 www.nss.com

Parall, Ltd. - Laval, QC
450-687-6666

Pioneer Eclipse -Sparta, NC
800-367-3550
www.pioneer-eclipse.com

Tennant - Minneapolis, MN
773-230-3428
www.tennantco.com

Services Magazine-Fairfax, VA
703-359-7090 www.bscai.org

TruVox-UK
44 (0) 23 8070 2200
www.truvox.com

Wood Wyant, Inc.-Laval, QC
450-680-9731
www.woodwyant.ca

WFBC MEMBER ASSOCIATIONS

Algemene Belgische
Schoomaakunie-Union
Generale Belge du Nettoyage
Brussels, Belgium
Hilde Engels-ABSU.UGBN@skynet.be

Fise
Roma, Italy
Francesco Tiriolo

Association de Empresas de Limpieza
Buenos Aires, Argentina
Norberto Peluso-correo@limpiolux.com.ar

Associacao de Empress de Prestacao de Servicos de Limpeza
E Activades Similares
Lisboa, Portugal
Jose De Moura-aepsilas@mail.telepac.pt

Building Service Contractors Association of Australia
Crows Nest, NSW, Australia
Rick MacKenzie-rmackenzie@bscaa.asn.au

Quebec Building Service Contractors Association, Inc.
Montreal, Quebec, Canada
Roger Gauthier-fortier.gauthier@sympatico.ca

Building Service Contractors Association International
Fairfax, Virginia, USA
Carol Dean-cdean@bscai.org

Association of Housekeeping Agencies
Nocia, U.P., India
Anil Sethi-anirupa@del2.vsnl.net.in

Building Service Contractors of New Zealand, Inc.
Auckland, New Zealand
Marja Verkerk-info@bsc.org.nz

Bundesinnungsverband des Gebaedereiniger-Handwerks
Bonn, Germany
Johannes Bungart RA-biv@gebaeudereiniger.de

Cleaning and Support Services Association
London, United Kingdom
Martyn Vesey-mvesey@cleaningassoc.org

Febrac
Brasilia, Distrito Federal, Brazil
Silvio Gaspar-silviojgaspar@upsbeneficios.com.br

Building Managers Association of the Republic of China
Taipei, Taiwan
Kenneth Kao-pacifico@ms37.binet.net

Federation des Entreprises de Proprete
Paris, France
Carol Sintes-csintes@federation-proprete.com

Japan Building Maintenance Association
Tokyo, Japan
Keizo Kozen-kozen@j-bma.or.jp

Korean Association of Sanitary Maintenance
Seoul, Korea
Young Hoi,Um-kasm@kasm.or.kr

OSB
Hertogenbosch, The Netherlands
info@osb.nl

Sveriges Stadentrepenores Forbund
Stockholm, Sweden
Lars Friberg-ivy.bermanson@almega.se