

“one **industry**
one **voice**”

Builders Merchant Building Index



Monthly Report for August 2015

Building the Industry & Building Brands from Knowledge



Introduction

John Newcomb, Managing Director - BMF



The Builders Merchant Building Index (BMBI) report uses data from GfK's ground-breaking Builders Merchants Panel, which analyses data from over 80% of generalist builders' merchants' sales throughout Great Britain.

GfK's Builders Merchants Panel started collecting data in July 2014, and all monthly trend data in the BMBI is indexed on this month. The monthly series tracks what is happening in the market month by month and will include an in-depth review every Quarter. This trend series gives our industry access to far more comprehensive data than that available to other construction sectors.

Instead of looking to Government, the ONS, the CPA or individual surveys to find out what is happening in the market, data from the Builders Merchants Panel is setting a new standard to give us a thoroughly reliable market picture which can also inform the wider construction industry. Unlike data from other sources, which tends to be based on estimates, or sales from the supplier into the supply chain, this valuable up-to-date data reflects actual sales to builders and other trades.

Measuring the level of RMI work in the economy is hugely important to everyone including Government. David Smith, the economist who writes for the Sunday Times, even created a 'Skip Index' – an informal measure of RMI activity by builders and tradesmen based on the number of skips in his road. The Builders Merchants Panel provides an accurate alternative on a national scale.

We recognise the importance of sharing this data. In this spirit, MRA Marketing proposed creating the Builders Merchant Building Index to communicate to the wider market as the voice of the industry as well as the voice of individual Expert Brands. Mike Rigby and his team at MRA Marketing will produce the Builders Merchant Building Index and will contact you to explain how this will work and outline the opportunities it brings.

However, GfK insights are able to go deeper than the category sectors contained in this document. They can trace product group performance and track features that are relevant to you. GfK can also produce robust like-for-like market comparability tailored to the requirements of an individual business. As more merchants join in to submit their monthly sales-out data the quality of this information can only become more extensive and rigorous. Merchants or Suppliers who are interested in getting involved should contact Ricky Coombes at Ricky.Coombes@gfk.com

John Newcomb, Builders Merchant Federation

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one voice”

Overall Index and Categories

July 2014 – August 2015 (Indexed on July 2014)

VALUE EX VAT £	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15	Aug 15
Total Builders Merchants	100	87.8	97.6	97.7	86.4	65.7	77.4	81.4	96.8	95.2	91.1	102.1	103.8	90.4
Timber, Sheet & Joinery Products	100	89.9	100	100.2	89.6	66.3	81.9	83.7	97.4	93.3	90.9	100.5	103.7	91.5
Heavy Building Materials	100	87.1	98	96.9	84.3	63.8	75.3	80.3	96.2	94.7	89.3	101.8	102.8	89.2
Decorating & Renovation	100	89.6	99.5	98.6	90.1	69.4	81.6	82.2	95.6	90.8	87.8	99.9	104.4	95.0
Tools	100	90.8	104.9	108.1	102.6	73.2	84.9	83.7	94.7	93.6	90.1	98.5	101.2	88.5
Workwear & Safetywear	100	91	102.8	121.8	118.5	77.2	101.8	94.9	95.4	87.3	97.7	105.9	105.5	97.6
Ironmongery	100	88.4	98.3	98.5	90	71.4	86.7	85.6	97	95.8	90.1	101.1	104.9	93.3
Landscaping	100	81.7	85	74.4	61.1	44.9	50.4	58.6	85.4	105.3	101.1	109.5	105.6	86.5
Plumbing, Heating & Electrical	100	90.7	106.1	119.4	111.8	91.2	106.8	106.8	114.9	103.3	98.8	109.0	112.6	98.2
Renewables & Water Management	100	85.6	103.7	110.8	79.8	115.5	88.6	86.6	120.3	97.1	79.1	102.0	73.7	66.0
Kitchens & Bathrooms	100	87.7	97.3	100	96.9	72.7	83.4	92.2	101.1	89.6	89.6	98.5	103.8	89.7
Miscellaneous	100	92.3	110.9	109.9	100.2	78.7	94.1	87.5	96	91	85.5	100.1	101.6	92.3
Services	100	91	89.5	107.4	92.8	79.1	80.5	87.7	104.4	92.5	91.9	99.6	104.9	95.3

Overview

John Newcomb, Managing Director - BMF



The impact of the number of trading days in each month is once again in evidence. Bearing this in mind, it is worth comparing and contrasting the month on month and year on year figures in this month's report.

Total Builders' Merchants' sales in August 2015 were down almost 13% (-12.9%) compared to the previous month July 2015, but they were up 3% (2.98%) year on year compared to August 2014. See Page 6 (P6)

When adjusted for trading days Total Builders' Merchants' sales in August (20 days) were marginally up (0.2%) on the previous month of July (with 23 days) and up 3% year on year (P7) compared to August 2014 (20 days).

Taking a closer look at individual product categories also makes interesting reading. Sales of different product categories varied significantly.

Heavy Building Materials were down -13.3% on July 2015 but up 2.5% year on year. Timber & Joinery fell just under -12% (-11.77%) from July, but was better by 1.76% than August 2014. Both are on Page 8.

Landscaping was down -18.1% on the previous month (P11) but up year on year by almost 6% (5.84%). Decorating & Renovation (P9) dropped just under -9% (-8.98%) from July, but rose almost 6% (5.95%) compared with August 2014.

Plumbing, Heating & Electrical sales were down -12.8% compared to the previous month of July (P11) but 8.3% stronger year on year compared to August 2014. Services (P13) slipped -9.1% compared with the previous month, but were up 4.8% year on year.

Both Tools (P9) and Renewables & Water Management (P12) were down month on month and year on year, Tools by -12.56% on July and -2.5% year on year, and Renewables & Water Management by -10.6% on July and -23% compared to August 2014.

Each month of data added expands our understanding of the market and the patterns of product category sales trends within it.

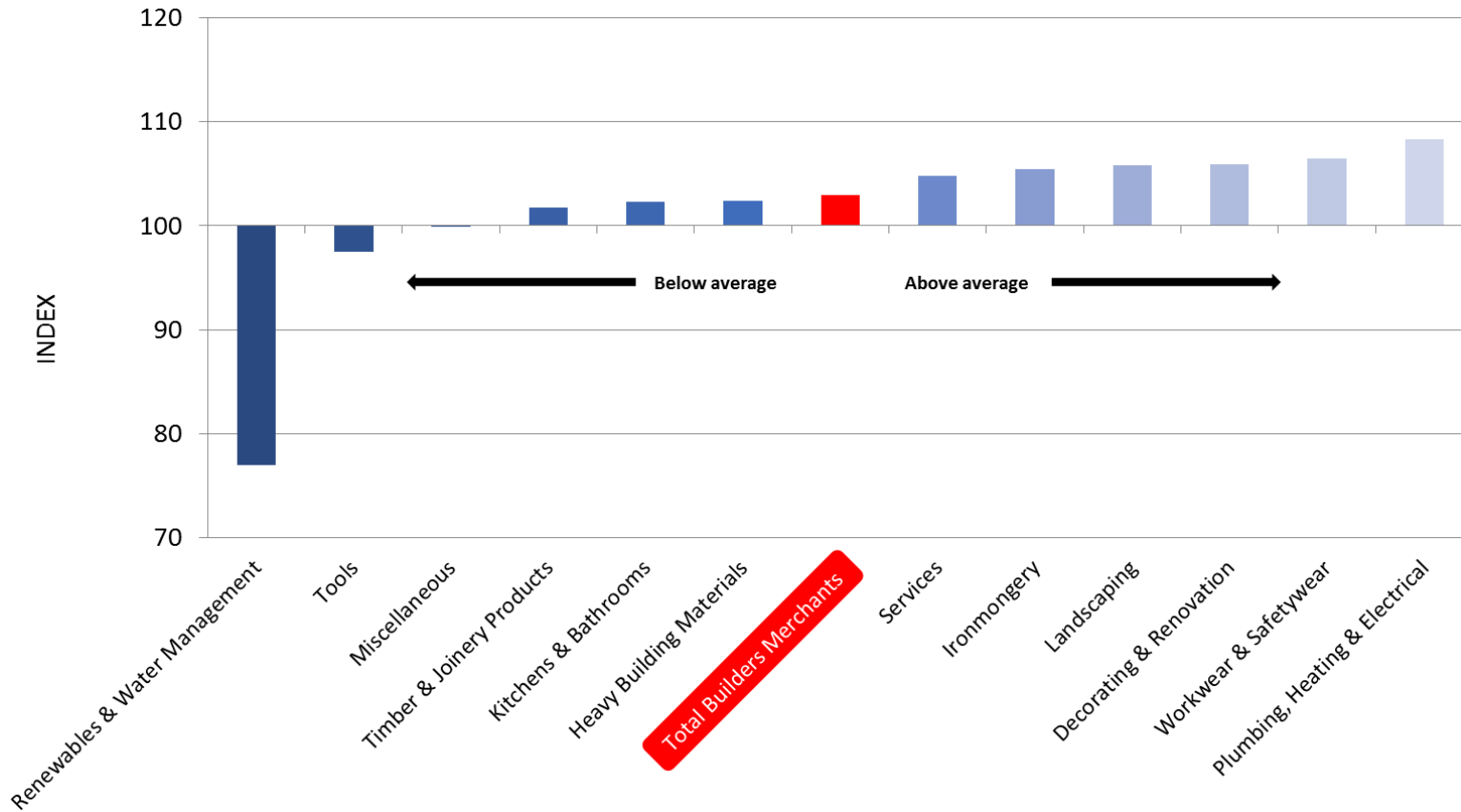
Our understanding of trends and seasonal trading patterns will continue to improve dramatically as the Builders Merchant Building Index develops. This is great, accessible data to find out how your sales compare with the market. It is really worth taking the time to study it closely.

Monthly Report

August Year-on-Year Data



August 2015 v August 2014



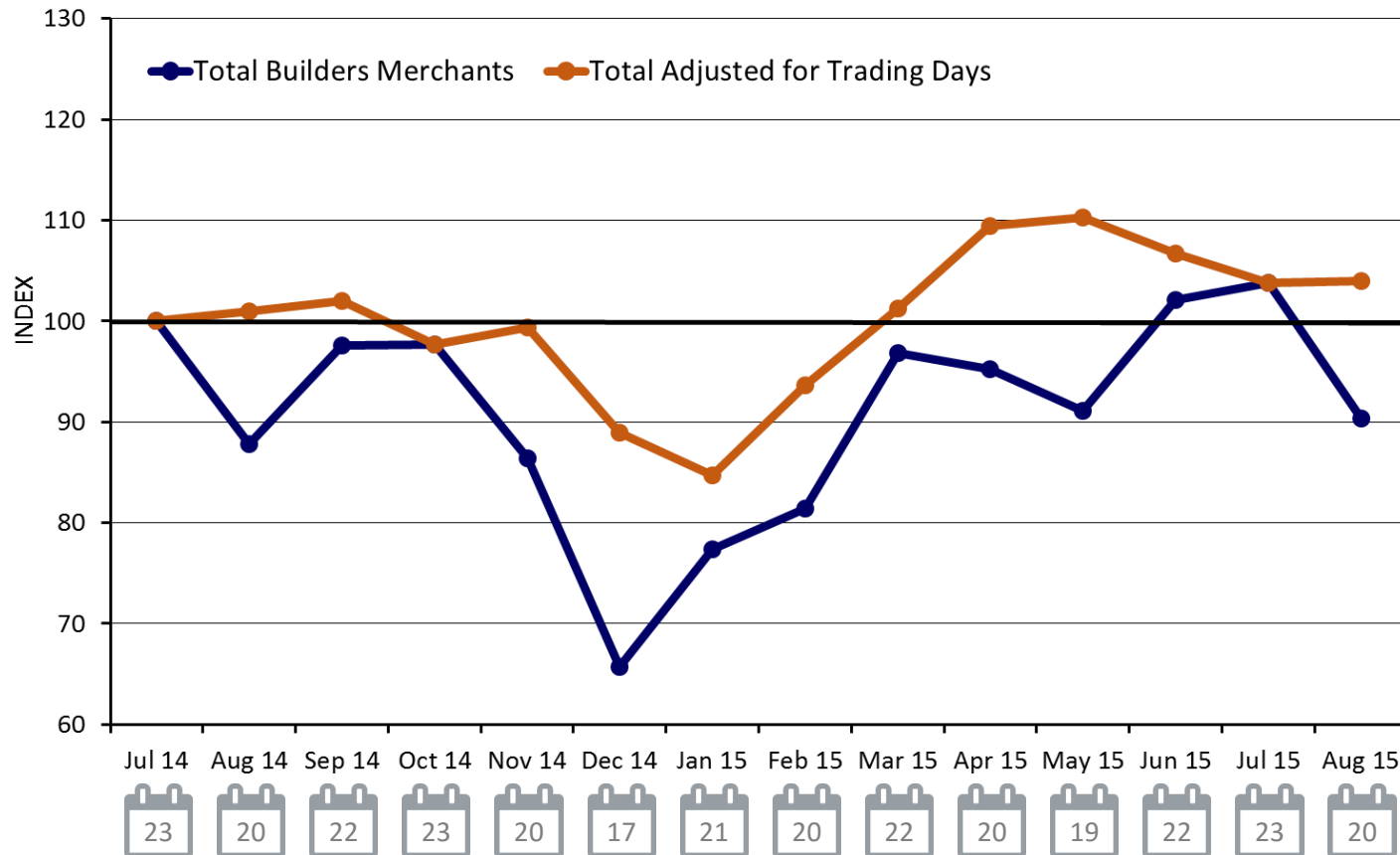
Total Builders Merchants

Monthly Report

Adjusted for Trading Days



Total Builders Merchants Index v Total Adjusted for Trading Days Index

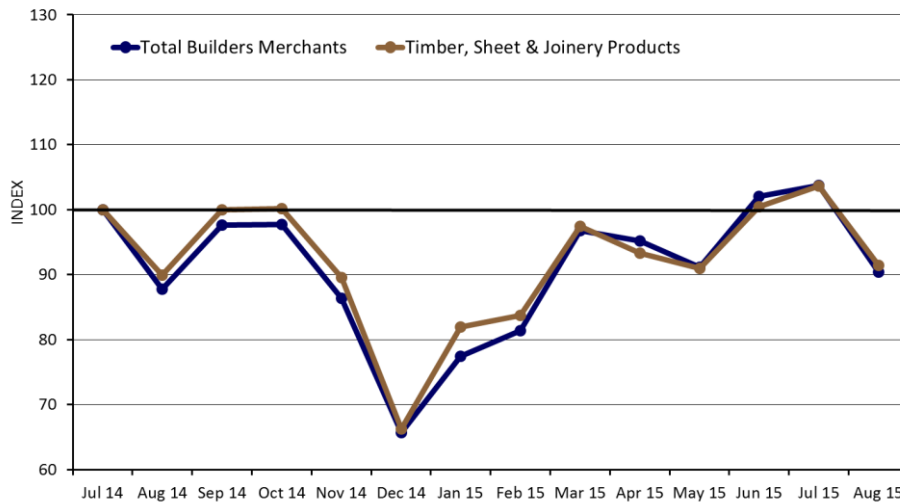


Monthly Report

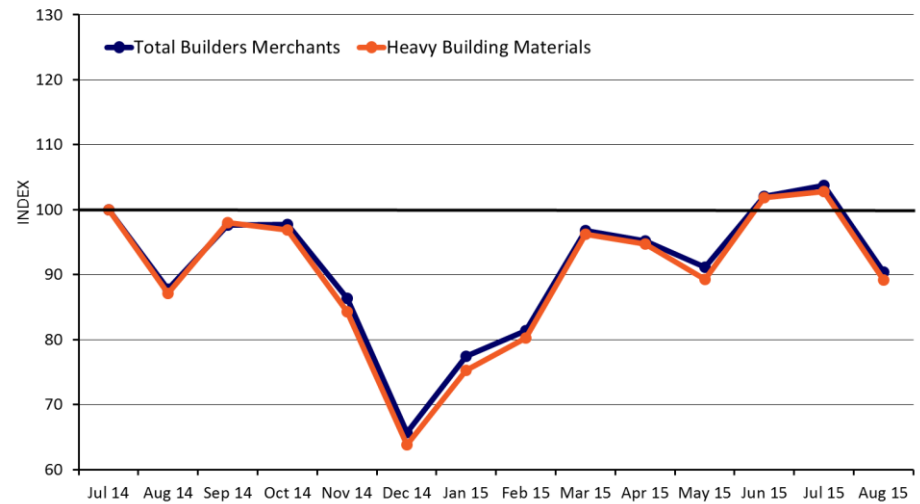
August 2015



Timber, Sheet & Joinery Products



Heavy Building Materials



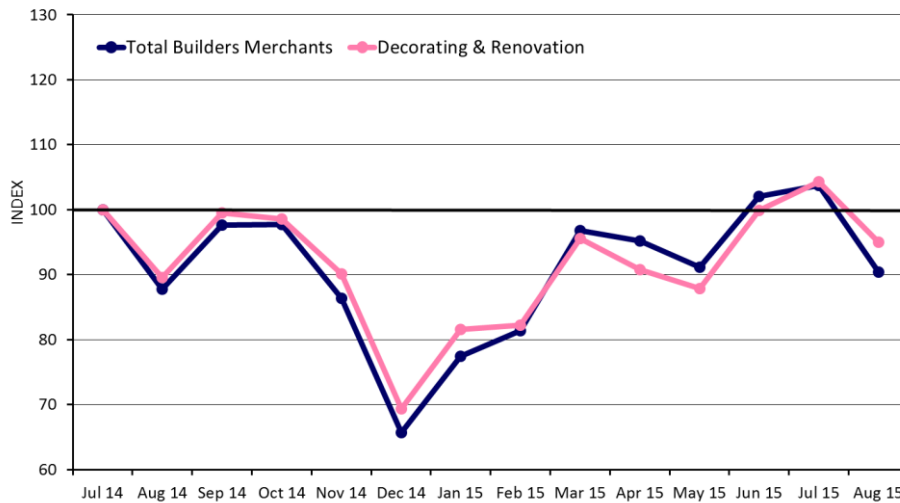
Charts indexed on July 2014

Monthly Report

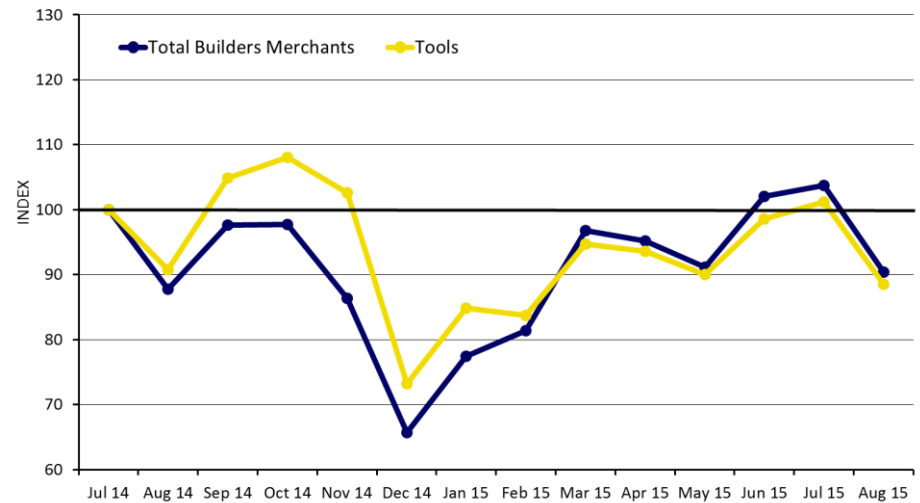
August 2015



Decorating & Renovation



Tools



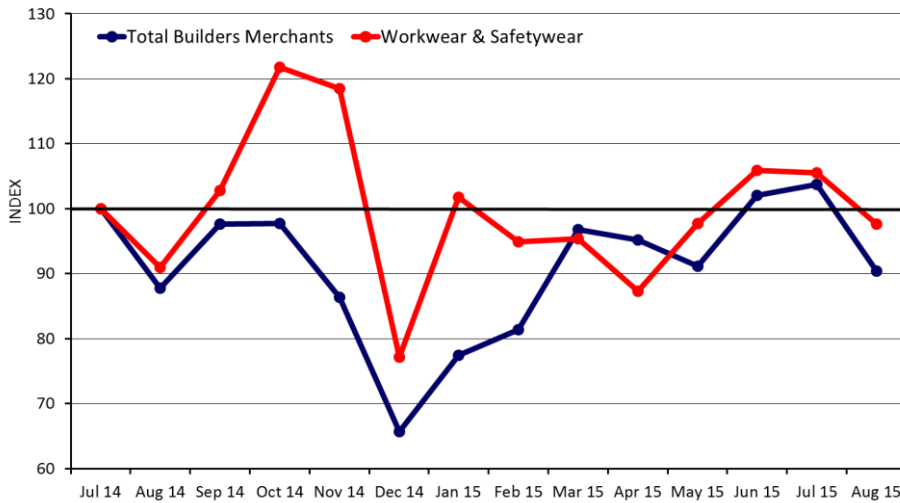
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Monthly Report

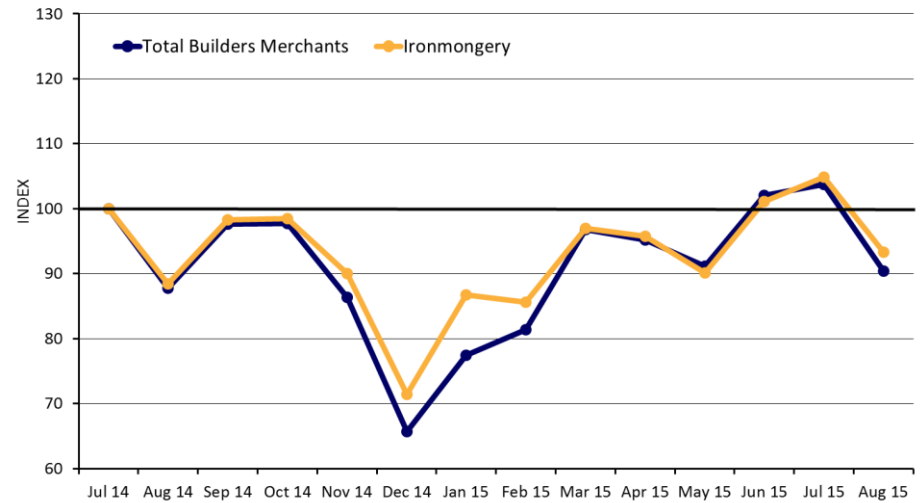
August 2015



Workwear & Safetywear



Ironmongery



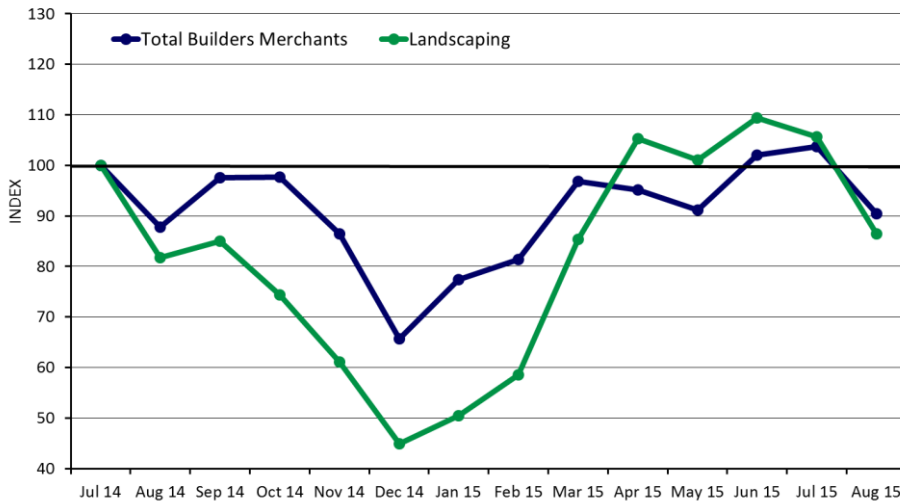
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Monthly Report

August 2015

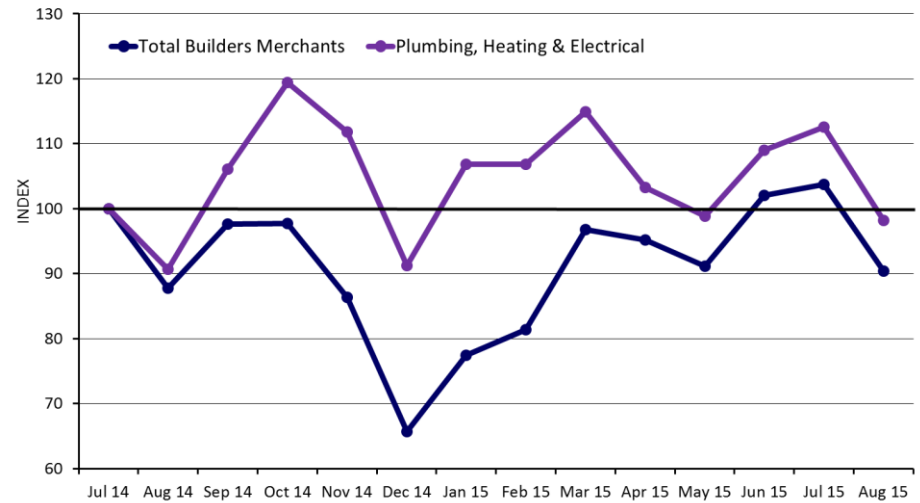


Landscaping



Note: this chart uses the scale 130 to 40

Plumbing, Heating & Electrical



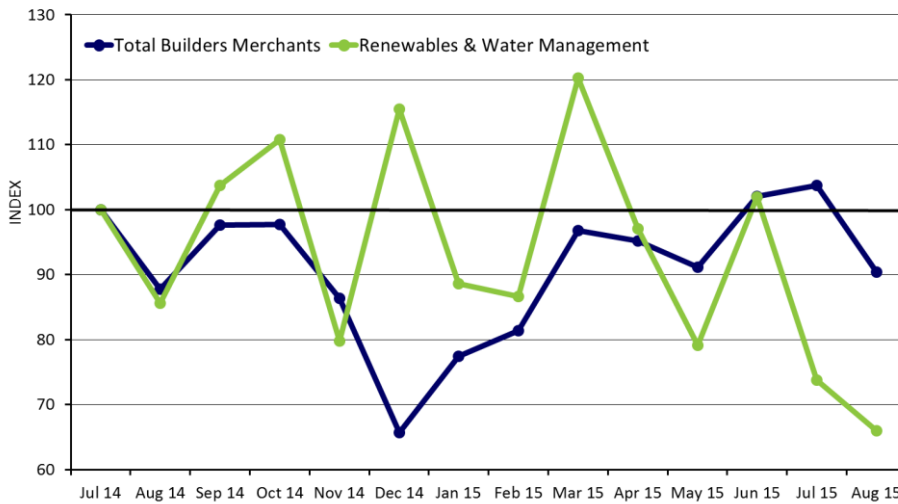
Charts indexed on July 2014

Monthly Report

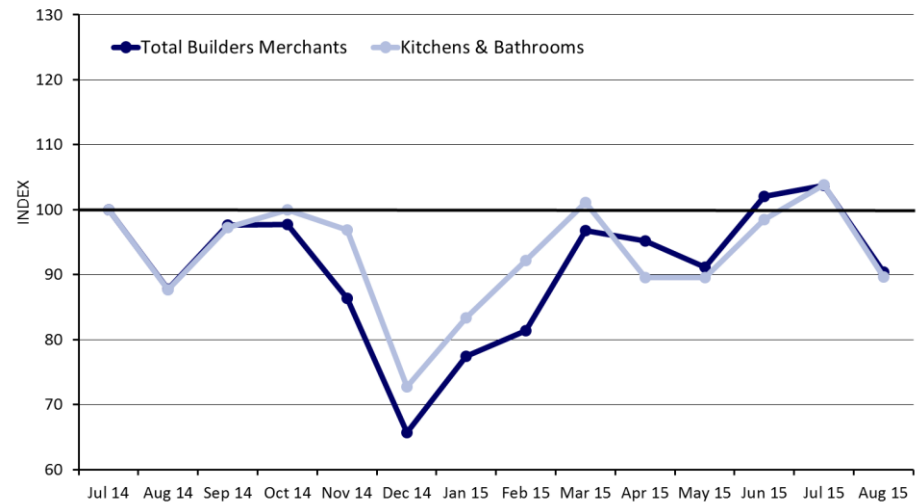
August 2015



Renewables & Water Management



Kitchens & Bathrooms



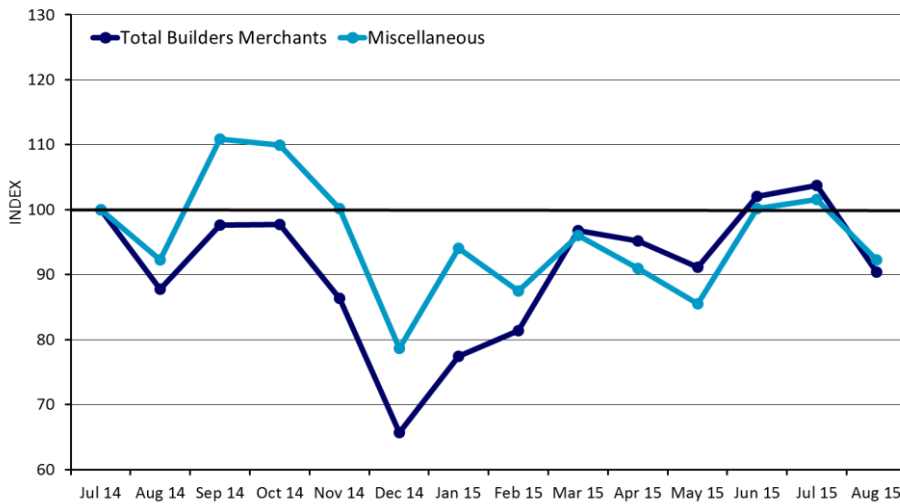
Charts indexed on July 2014

Monthly Report

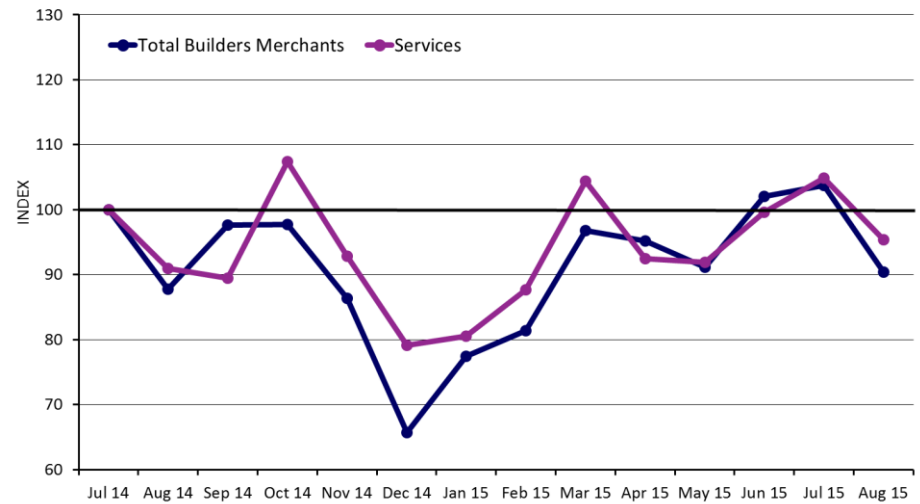
August 2015



Miscellaneous



Services



Charts indexed on July 2014

GfK's Panel

Generalists Builders Merchant Panel (GBMs*)



Product Categories

- Heavy Building Materials
- Timber & Joinery Products
- Landscaping
- Decorating
- Plumbing, Heating & Electrical
- Kitchens & Bathrooms
- Services
- Ironmongery
- Tools
- Miscellaneous
- Workwear & Safetywear
- Renewables & Water Management



The panel contains 18 merchants covering 20 GBM fascia's, including:



National



Multi Regional



Regional



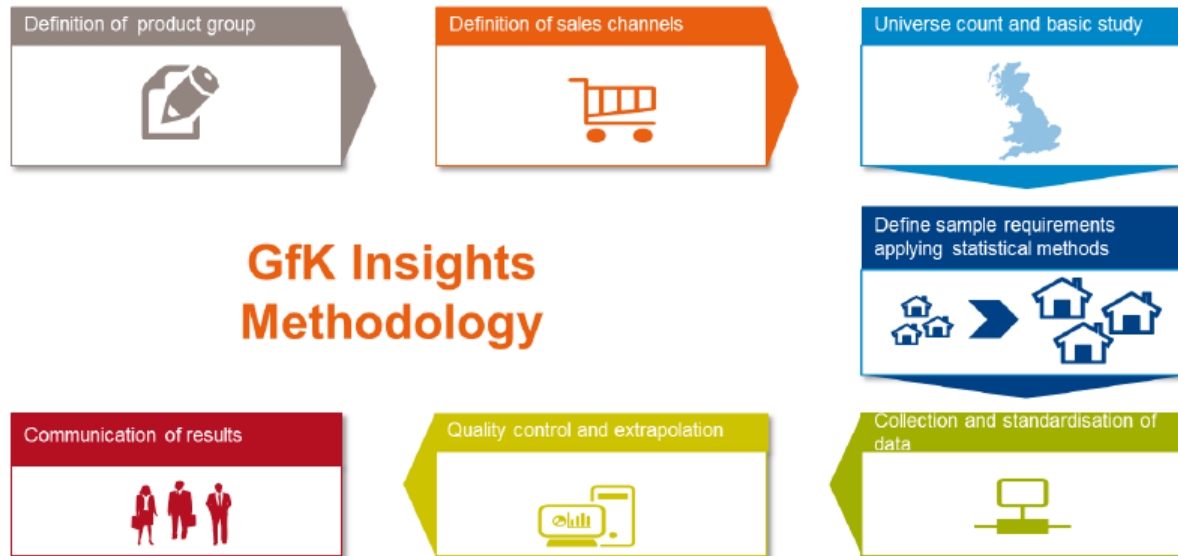
With one years data gathered we can confirm that the annual value of the GBM Panel between July 2014 – June 2015 was:



GfK live data represents 80% coverage of all *Multiple GBMs.

*Multiple Generalist Builders Merchants; selling a mixture heavy-side & light-side products through more than 3 branches or with a turnover of more than £3m p.a.

GfK Insights Methodology



GfK collect live sales-out data from our panel of merchant partners.

We add value to that data through the application of each sold product's unique technical features. We compare like-for-like products and categories from like-for-like merchants and aggregate this within our reports.

Our international methodology is based on robust scientific principles and delivers continuous, reliable information that can be applied to your business requirements.

GfK's Product Categories



TIMBER, SHEET & JOINERY

TIMBER

SHEET MATERIALS

FLOORING

MOULDINGS

STAIRS & STAIRPARTS

WINDOW & FRAMES

DOORS/DOOR FRAMES

OTHER TIMBER PRODUCTS

HEAVY BUILDING MATERIALS

BRICKS / BLOCKS / DAMP PROOFING

DRAINAGE/ CIVILS/ GUTTERING

LINTELS / PADSTONES

CEMENT / AGGREGATE / CEMENT ACCS

PLASTERS, PLASTERBOARDS AND ACCESSORIES

ROOFING PRODUCTS

INSULATION

BUILDERS METALWORK

OTHER HEAVY BUILDING EQUIPMENT/MATERIAL

DECORATING & RENOVATION

PAINT / WOODCARE

PAINT BRUSHES / ROLLERS / PADS

ADHESIVES / SEALANTS / FILLERS

TILES AND TILING ACCESSORIES

DEC PREPARATION AND SUNDRIES

TOOLS

HAND TOOLS

POWER TOOLS

POWER TOOL ACCESSORIES

SITE / BUILDING EQUIPMENT

LADDERS & ACCESS EQUIPMENT

WORKWEAR & SAFETYWEAR

CLOTHING

PPE

SAFETY EQUIPMENT

IRONMONGERY

FIXINGS AND FASTENINGS

SECURITY

DOOR FURNITURE

OTHER IRONMONGERY

LANDSCAPING

GARDEN WALLING / PAVING

DRIVEWAYS / BLOCK PAVING / KERBS

DECORATIVE AGGREGATES

FENCING AND GATES

DECKING

GARDEN HAND TOOLS

GARDEN POWER TOOLS

OTHER GARDENING EQUIPMENT

PLUMBING, HEATING & ELECTRICAL

PLUMBING EQUIPMENT

BOILERS, TANKS AND ACCESSORIES

HEATING EQUIPMENT AND WATER HEATERS

RADIATORS AND ACCESSORIES

ELECTRICAL EQUIPMENT

LIGHTING AND LIGHT BULBS

RENEWABLES & WATER MANAGEMENT

WATER SAVING

RENEWABLES & VENTILATION

KITCHENS & BATHROOMS

BATHROOM

SHOWERING

FITTED KITCHENS

MAJOR APPLIANCES

MISCELLANEOUS

CLEANING

AUTOMOTIVE

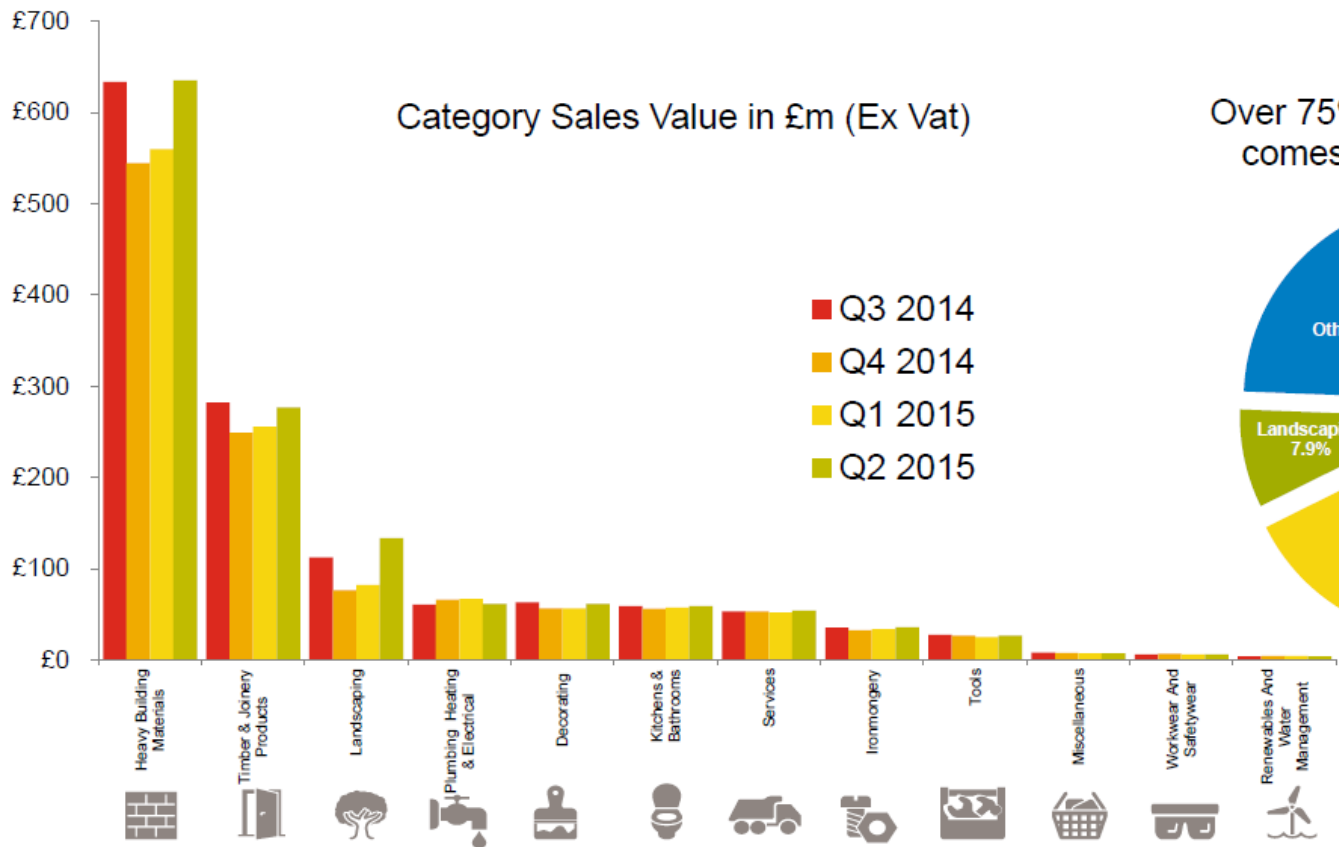
OTHER

SERVICES

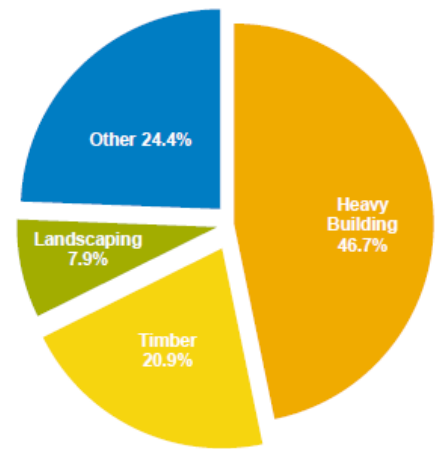
TOOL HIRE

OTHER SERVICES

How is the total value for GBM split between the product categories



Over 75% of cumulative sales comes from 3 Categories.



Contact Us

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