

“one **industry**
one **voice**”

Builders Merchant Building Index



Monthly Report for November 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. Quarterly data is indexed on Q3 2014. The monthly series tracks what is happening in the market month by month and includes an in-depth review every Quarter. This trend series gives our industry access to far more accurate and 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 suppliers into the supply chain, this up-to-date data is based on actual sales out from merchants to builders and other trades.

Measuring the level of RMI work in the economy is hugely important to everyone including Government. Yet until now there has not been any decent measure of RMI, or even an approximation of it. For want of one, some economists have turned to their own informal measures – such as counting skips in the road where they live. 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. The first two Expert Brands within the Heavy Building Materials category, IKO plc speaking for Roofing, and Alumasc Water Management Solutions, speaking for Civils, Metal Rainwater & Drainage were included in the third quarter report. Others are joining them in the Q4, 2015 report. 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.

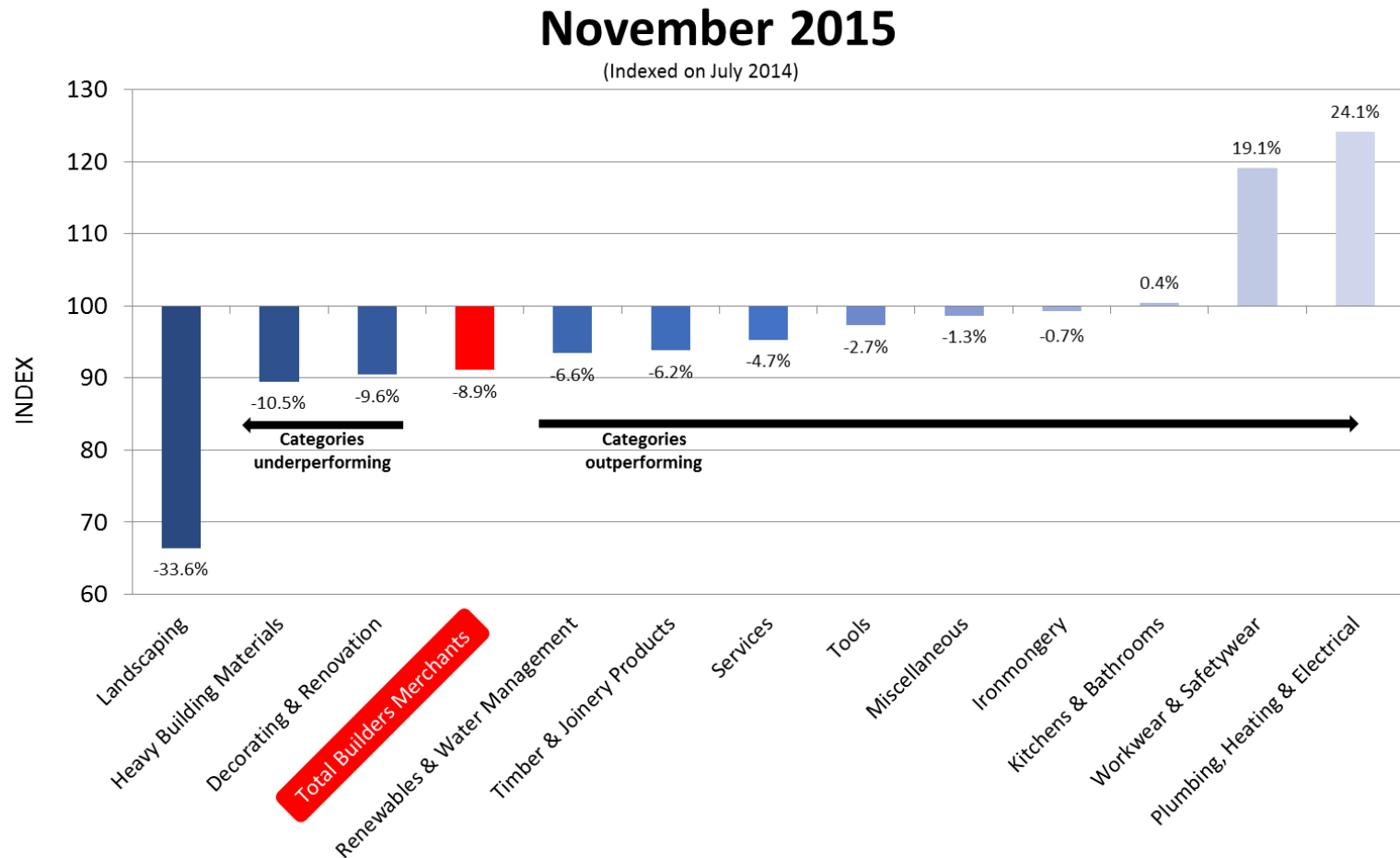
GfK insights go deeper than the category sectors contained in this document. They can trace product group performance and track features that are relevant to you. GfK can also produce robust like-for-like market comparability tailored to the requirements of an individual business. As more merchants join 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

Overall Index and Categories

July 2014 – November 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	Sep 15	Oct 15	Nov 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	99.2	99.7	91.1
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	100.8	102.2	93.8
Heavy Building Materials	100	87.1	98.4	97.3	84.6	64.1	75.6	80.7	96.6	95.1	89.6	102.2	103.2	89.5	98.9	99.2	89.5
Decorating & Renovation	100	89.6	96.1	94.9	86.6	66.8	78.3	78.8	91.8	87.4	84.6	96.4	100.6	91.6	98.0	98.8	90.4
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	98.6	99.1	97.3
Workwear & Safetywear	100	91.7	102.7	121.8	118.5	77.3	101.8	94.9	95.4	87.5	97.7	105.9	105.5	97.6	119.6	118.9	119.1
Ironmongery	100	88.4	98.3	98.5	90.0	71.4	86.7	85.6	97.0	95.8	90.1	101.1	104.9	93.3	102.7	103.2	99.3
Landscaping	100	81.7	85.0	74.4	61.1	44.9	50.4	58.6	85.4	105.3	101.1	109.5	105.6	86.5	85.4	81.1	66.4
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	116.9	125.0	124.1
Renewables & Water Management	100	85.7	103.7	110.8	79.7	115.4	88.7	86.6	120.4	97.0	79.1	102.0	73.7	66.0	101.3	97.0	93.4
Kitchens & Bathrooms	100	87.7	97.3	100.1	96.9	72.7	83.4	92.2	101.1	89.6	89.6	98.5	103.9	89.7	101.9	101.2	100.4
Miscellaneous	100	92.4	111.0	110.0	100.2	78.7	94.1	87.5	96.1	91.0	85.5	100.1	101.6	92.3	102.4	105.2	98.7
Services	100	91.0	89.5	107.4	92.8	79.1	80.5	87.7	104.4	92.5	91.9	99.6	104.9	95.3	100.9	103.7	95.3

Overall Index and Categories



Overall Index and Categories

Quarterly (Indexed on Q3, 2014)

VALUE EX VAT £	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015
Total Builders Merchants	100	87.5	89.6	101.1	102.8
Timber, Sheet & Joinery Products	100	88.4	90.7	98.2	102.1
Heavy Building Materials	100	86.2	88.6	100.5	102.2
Decorating & Renovation	100	86.9	87.1	93.9	101.6
Tools	100	96.1	89.1	95.4	97.5
Workwear & Safetywear	100	107.9	99.2	98.9	109.6
Ironmongery	100	90.6	93.9	100.1	104.9
Landscaping	100	67.6	72.9	118.4	104.0
Plumbing, Heating & Electrical	100	108.6	110.7	104.8	110.4
Renewables & Water Management	100	105.7	102.1	96.1	83.3
Kitchens & Bathrooms	100	94.6	97.1	97.4	103.7
Miscellaneous	100	95.3	91.5	91.2	97.7
Services	100	99.6	97.2	101.3	107.4

When comparing quarterly with monthly indices, note that the index for a quarter can be quite different from the indices for its three constituent months. In Landscaping above, the index for Q215, 118.4, looks stronger than the monthly indices suggest for April, May and June (105.3, 101.1 and 109.5). Individual months are indexed on July 2014, which was a relatively strong month in landscaping.

Overview

John Newcomb, Managing Director BMF



Sales in November look positive however they are overshadowed by sales figures in October which were stronger.

Total Builders' Merchants' sales in November were 5.5% higher than November 2014. Allowing for one additional trading day this year, average daily sales were still 0.5% ahead. However, set against a strong October, November 2015 sales were 8.6% down. The fall was less, down 4.3%, when adjusted for the number of trading days. See page 9 in report. The performance of individual product categories makes interesting reading.

Heavy Building Materials fell 9.8% compared to October 2015 but increased 5.7% Year-on-Year. Timber & Joinery decreased 8.2% compared to the previous month but was up 4.7% on November 2014. Both categories are on Page 10.

Landscaping reported an 18.2% seasonal drop Month-on-Month. It was 8.8% ahead of November 2014.

Renewables fell 3.7% compared to October but experienced the highest Year-on-Year increase of 17.1% on November 2014.

Both Decorating & Renovation and Kitchens & Bathrooms were lower Month-on-Month (8.4% and 0.8% respectively) but were up Year-on-Year (4.5% and 3.6%).

Sales of Tools slipped compared to the previous month (-1.9%) and compared to November 2014 (-5.2%).

Workwear & Safetywear was the only category to have grown compared to October 2015, although only marginally, 0.1%. It was also ahead 0.5% Year-on-Year.

Plumbing, Heating & Electrical fell 0.7% compared to October, but rose 11% compared to November 2014.

Ironmongery fell 3.8% Month-on-Month but increased 10.4% Year-on-Year.

Sales of Services dropped 8.1% compared to the previous month, but were 2.7% ahead of November 2014.

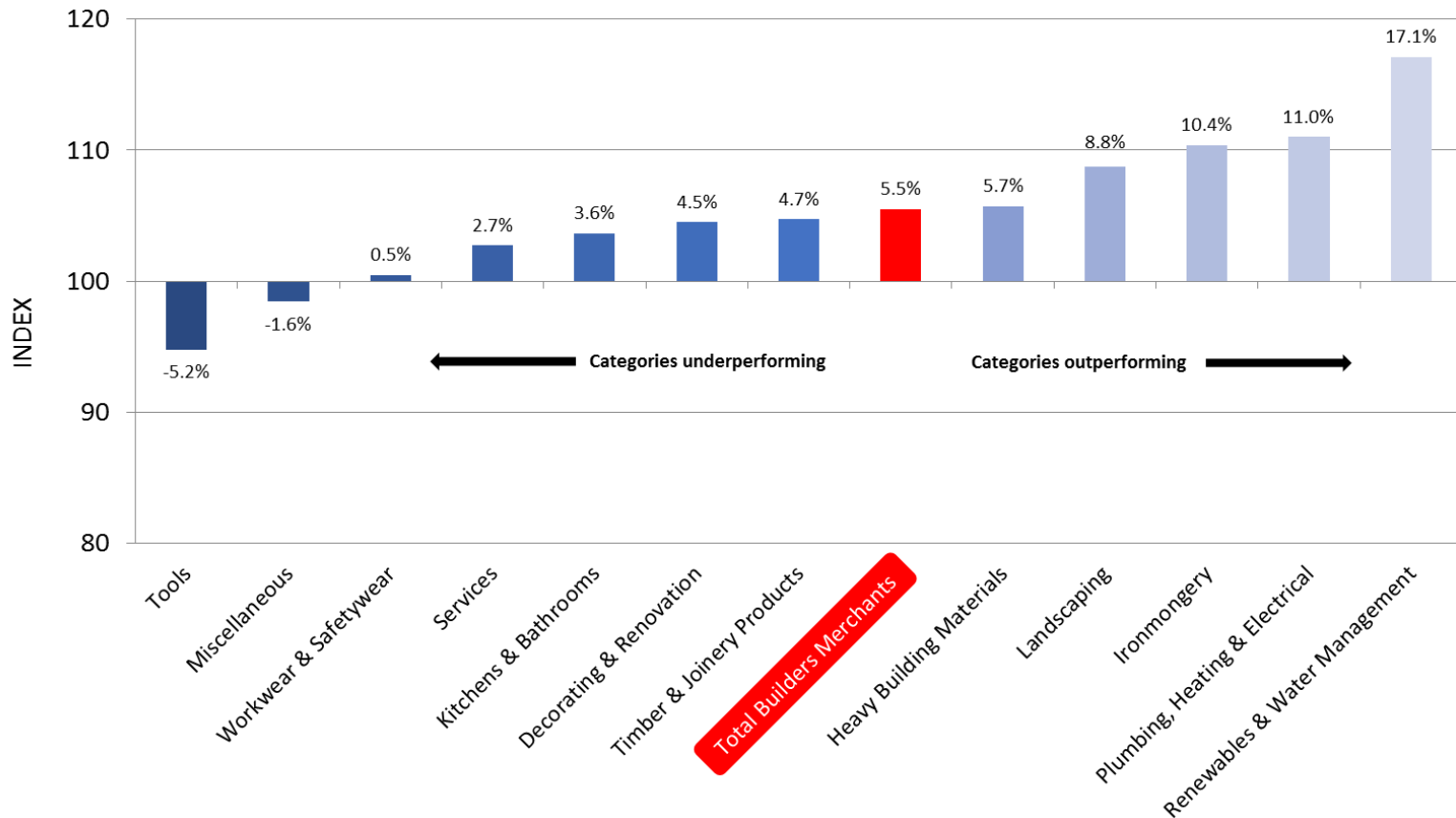
The report provides insights and certainties. Look closely to see how our sales compare.

Monthly Report

November Year-on-Year Data



November 2015 v November 2014

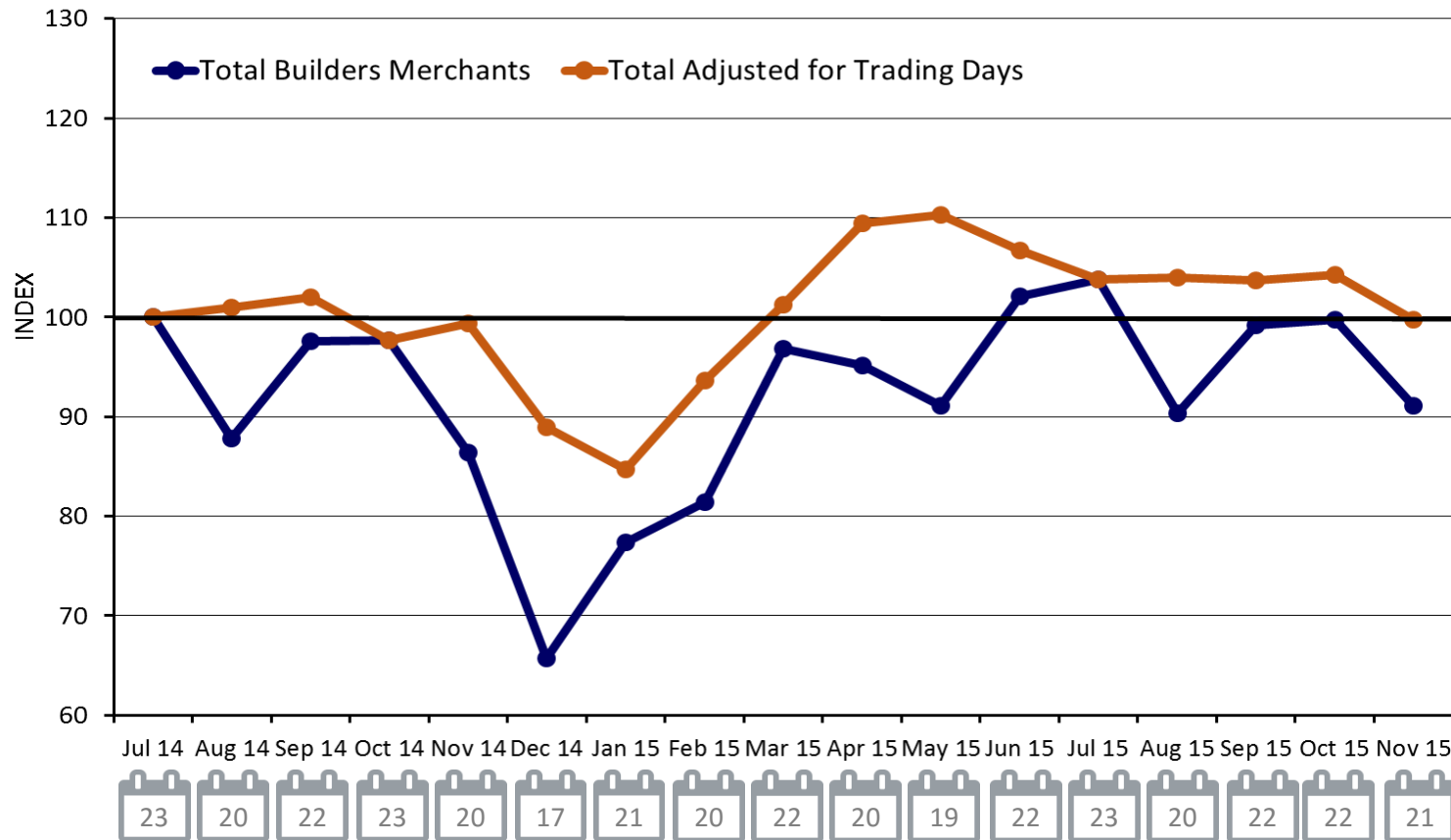


Monthly Report

Adjusted for Trading Days



Total Builders Merchants Index v Total Adjusted for Trading Days Index

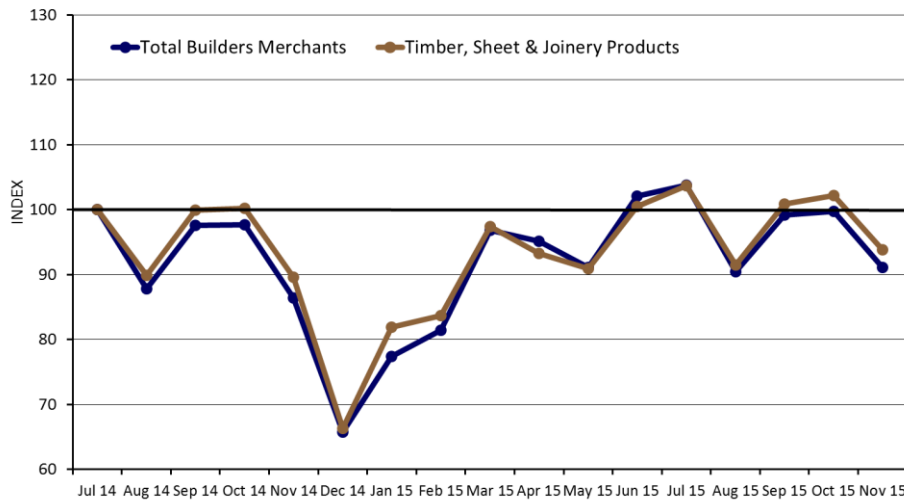


Monthly Report

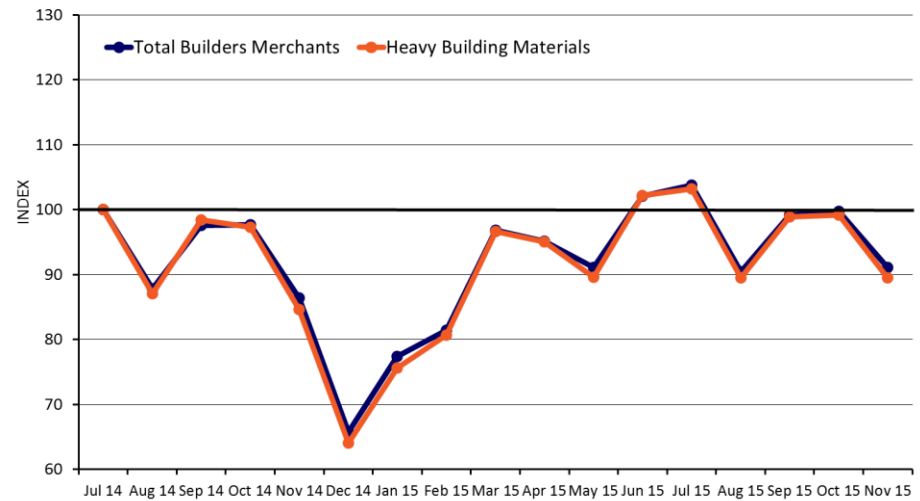
November 2015



Timber, Sheet & Joinery Products



Heavy Building Materials



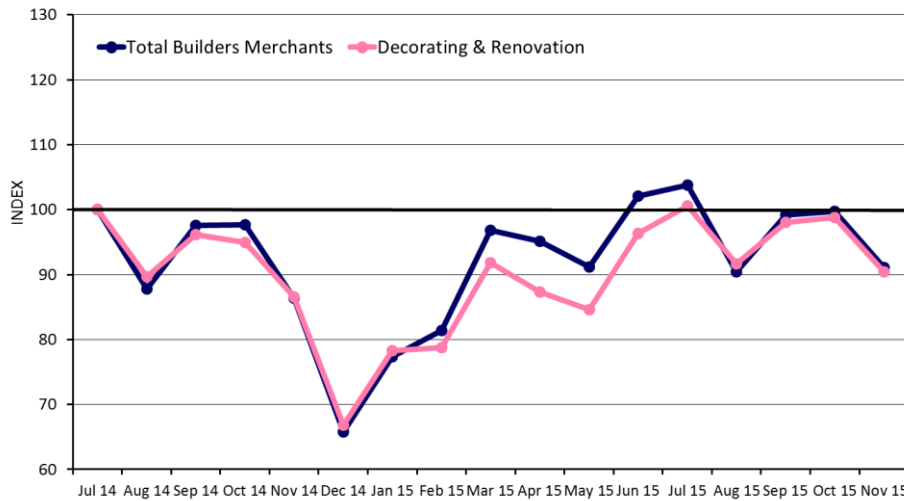
Charts indexed on July 2014

Monthly Report

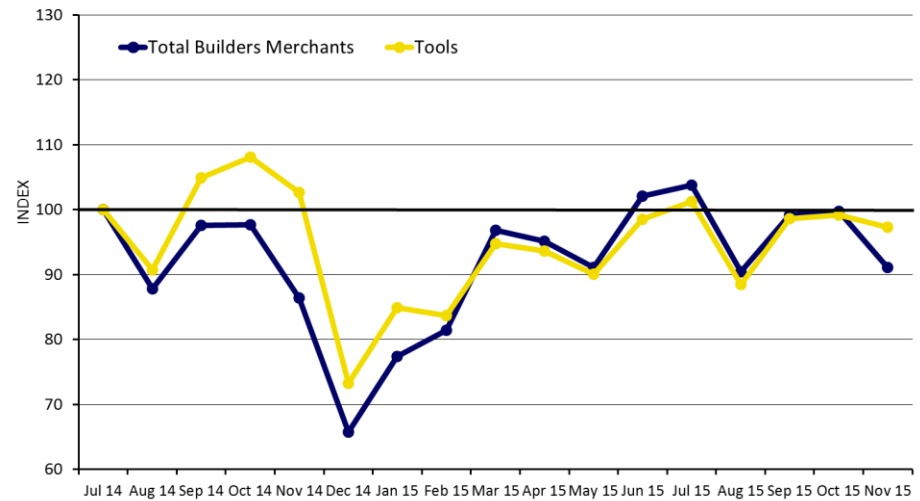
November 2015



Decorating & Renovation



Tools



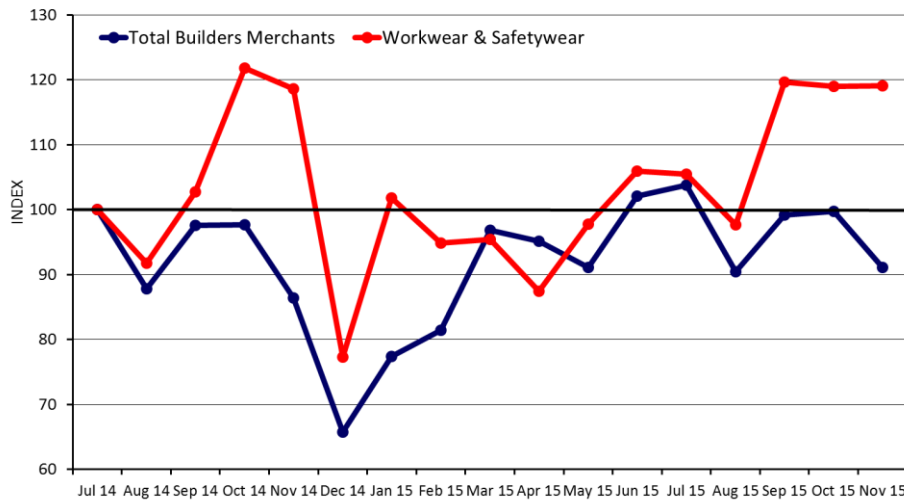
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Monthly Report

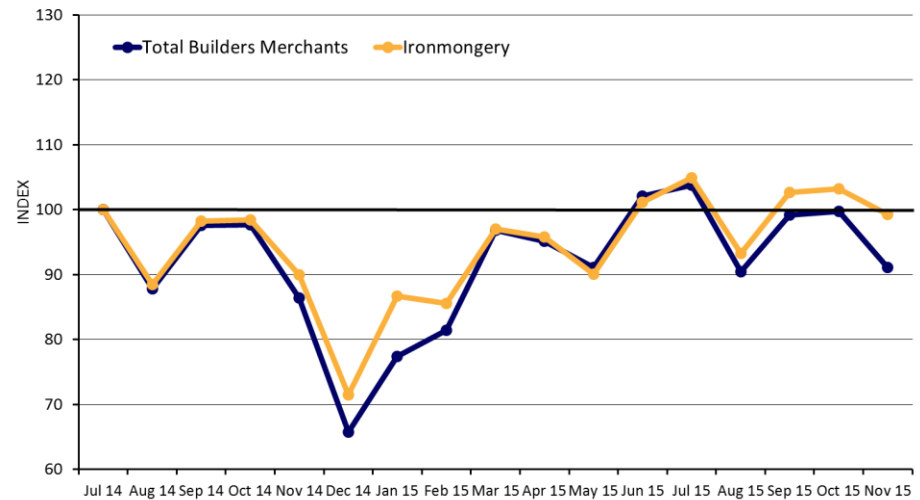
November 2015



Workwear & Safetywear



Ironmongery



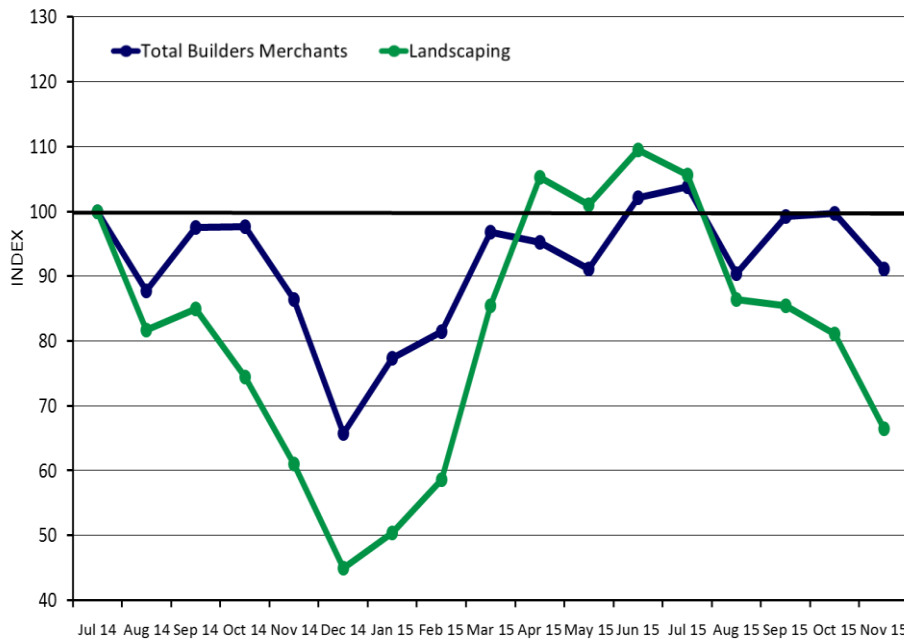
Charts indexed on July 2014

Monthly Report

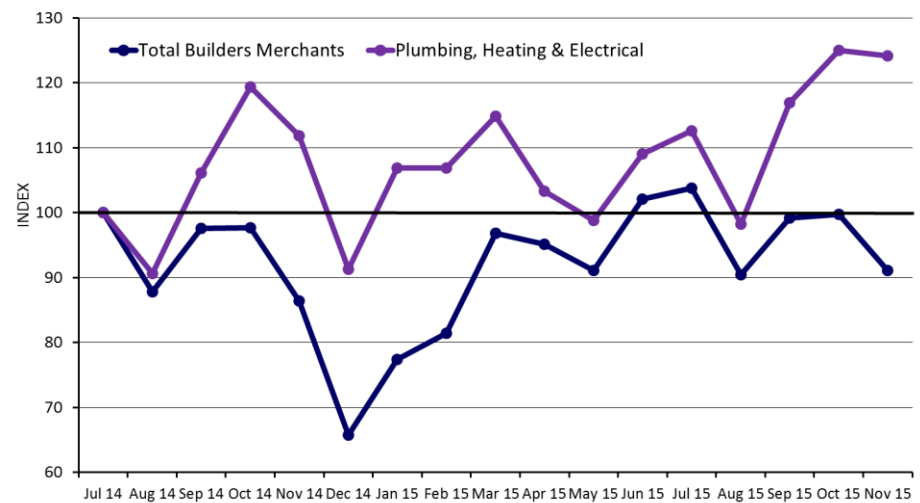
November 2015



Landscaping



Plumbing, Heating & Electrical



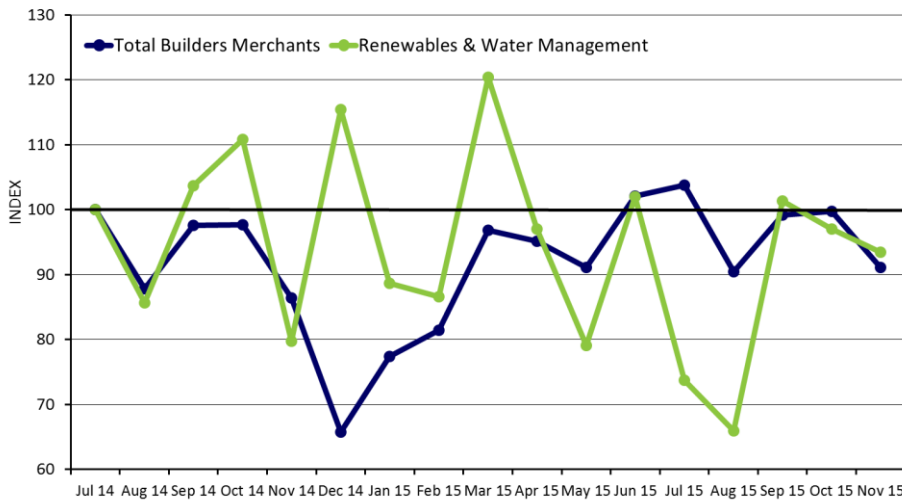
Charts indexed on July 2014

Monthly Report

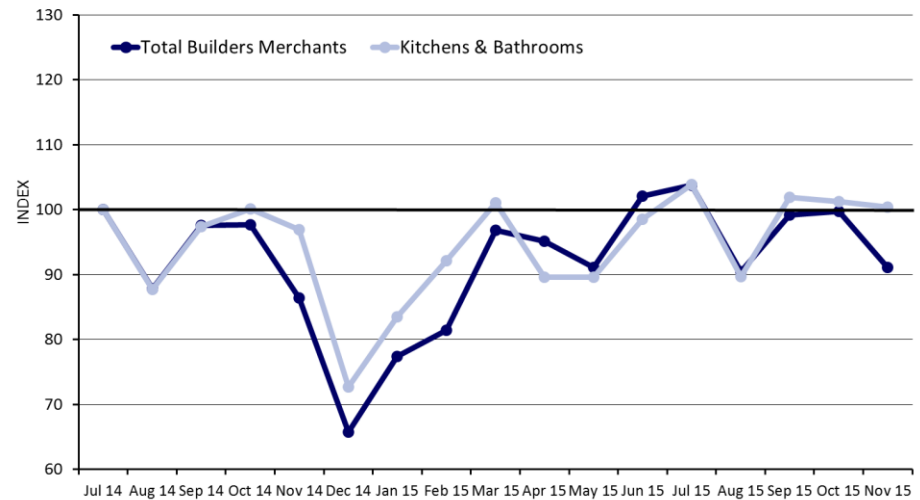
November 2015



Renewables & Water Management



Kitchens & Bathrooms



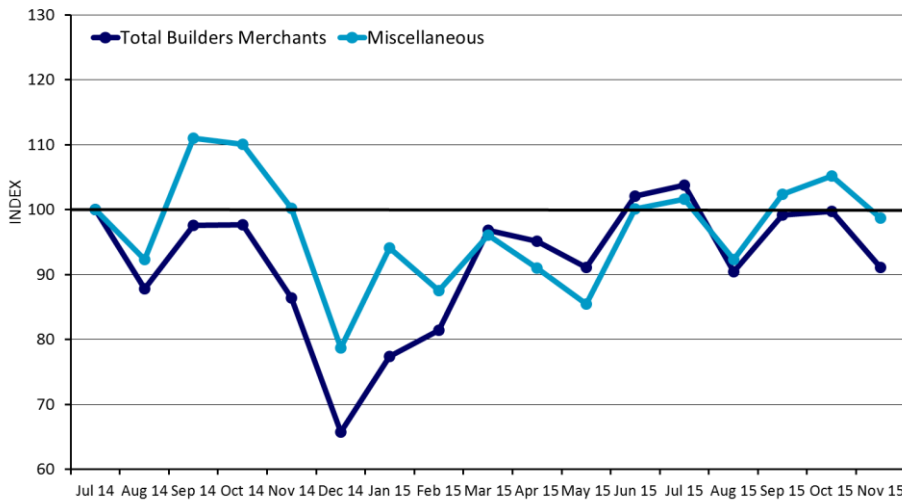
Charts indexed on July 2014

Monthly Report

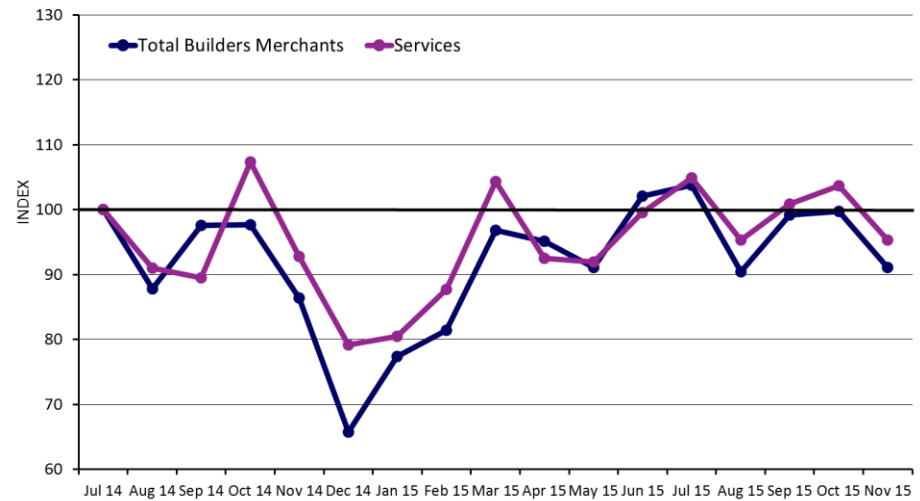
November 2015



Miscellaneous



Services



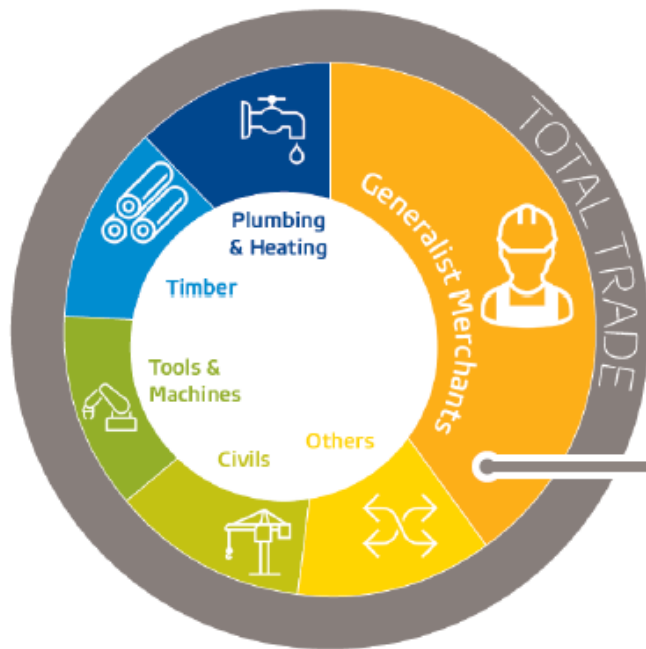
Charts indexed on July 2014

GfK's Panel

Generalists Builders Merchant Panel (GBMs*)



The Multiple Generalist Builders Merchants Channel



Generalist Builders Merchants

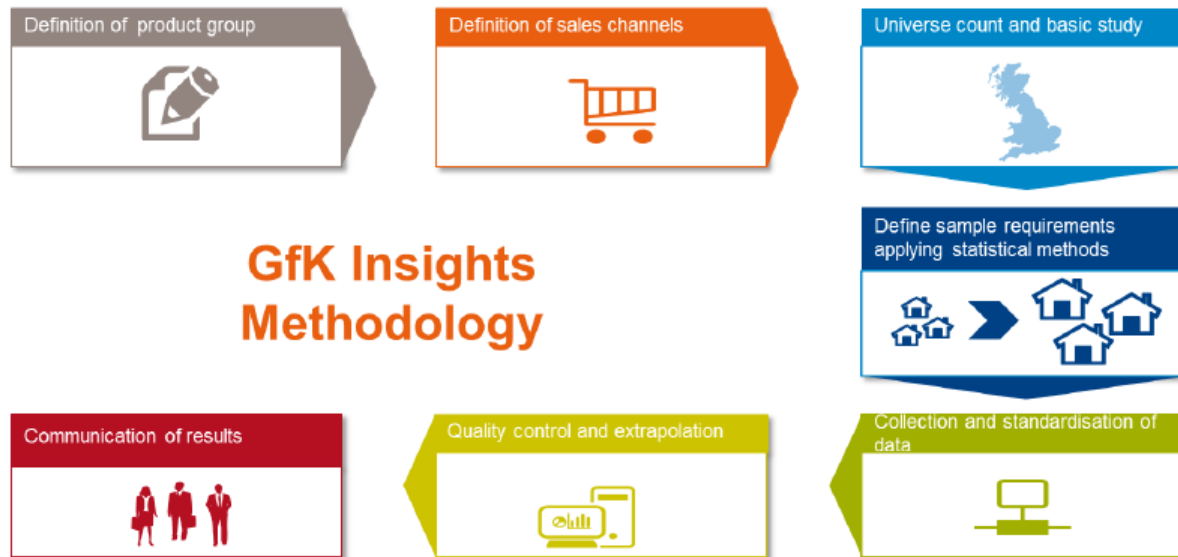
Builder Merchants handle an extended range of building materials and components (e.g. doors, windows, interior furnishing materials, insulation materials, tiles, cement, mortar, adhesives, sealants, nails, hardware products, pipes, ironware, paint) and generate their turnover with professional end users.

Multiple merchants are those defined as having more than 3 outlets or a turnover of greater than £3m p.a.

Examples include:

National	BUILDBASE
	JEWSON
	TP Travis Perkins
Multi Regional	EHSmith
	MKM
	gibbs & dandy
Regional	RIDGEONS
	Bradford's
	COVERS

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

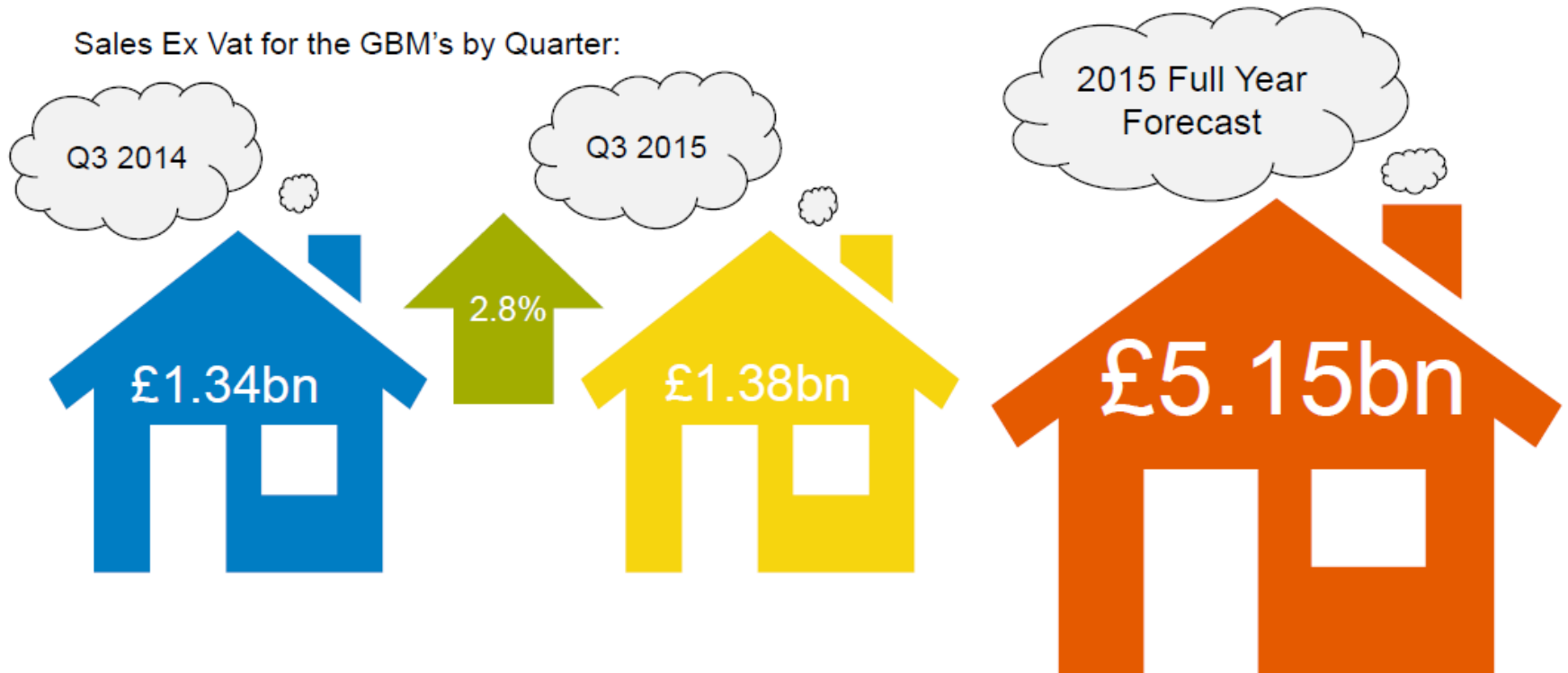
OTHER SERVICES

GfK Insights



The first quarter on previous years quarter can now be reviewed!
The news is good! Year on year growth in Q3 2015 on 2014 of 2.8%

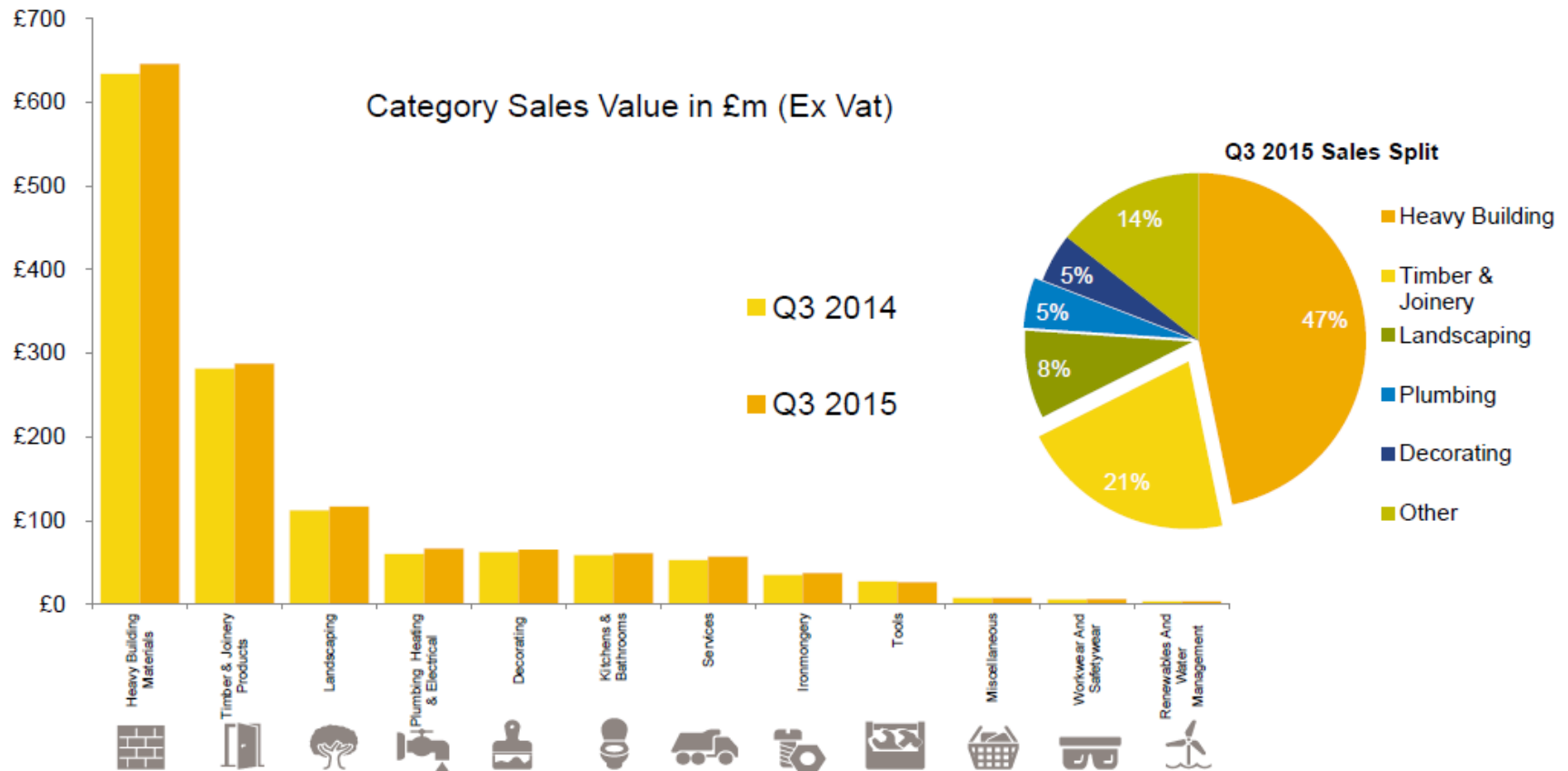
Sales Ex Vat for the GBM's by Quarter:



Source: GfK's GBM TCR report. Data July 2014 to Sept 2015 showing £ ex Vat Value

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Total GBM sales value by Category – Year on Year



Source: GfK's GBM TCR report. Data July 2014 to Sept 2015 showing Ex Vat Value

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Contact Us

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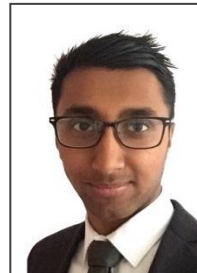


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