

“one **industry**
one **voice**”

Builders Merchant Building Index



Monthly Report for November 2016

Building the Industry & Building Brands from Knowledge



Introduction

John Newcomb, Managing Director BMF



This Builders Merchant Building Index (BMBI) report utilises GfK’s ground-breaking Builders Merchant Point of Sale Tracking Data, which analyses data from over 80% of generalist builders’ merchants’ sales throughout Great Britain.

Trend data in the BMBI is indexed on the 12 month period July 2014 to June 2015. 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.

GfK’s Builders Merchant Point of Sale Tracking Data is setting a new standard to give us a reliable market picture. Unlike data from sources based on estimates, or sales from suppliers to the supply chain, this up-to-date data is based on actual sales from merchants to builders contractors and other trades.

Measuring the level of Repair Maintenance & Improvement (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. The Builders Merchant Point of Sale Tracking Data provides a reliable measure on a national scale.

We recognise the importance of sharing this data. In this spirit, MRA Marketing produces 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. We now have 11 Expert Brands: Crystal Direct, Keylite Roof Windows, Timbmet, Alumasc Water Management Solutions, Hanson Cement, IKO PLC, Keystone Lintels, Knauf Insulation, Encon Insulation, Ibstock and Heatrae Sadia providing valuable commentary on market trends and influences.

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 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

The BMBI website enables you to compare Landscaping with Heavy Building Materials, or Kitchens with Timber on our interactive charts. Download the latest report, read the news or search through comments or blogs at www.bmbi.co.uk. Follow us and the Experts [@theBMBI](https://twitter.com/theBMBI)

Monthly: Index and Categories

July 2015 – November 2016 (Indexed on monthly average, July 2014 – June 2015)

VALUE EX VAT £	Index	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16	Nov 16
Total Builders Merchants	100	115.4	100.5	110.3	110.9	101.3	74.0	88.2	101.3	110.0	113.6	111.4	115.7	111.1	113.7	113.8	112.3	113.6
Timber & Joinery Products	100	113.8	100.4	110.6	112.1	102.9	74.7	91.3	101.6	107.1	108.9	106.0	112.1	107.8	112.2	113.3	112.8	113.7
Heavy Building Materials	100	115.6	100.3	110.8	111.1	100.2	72.2	87.1	100.8	110.1	114.3	111.7	116.2	111.9	114.4	114.6	113.4	114.1
Decorating	100	114.8	104.6	111.9	112.7	103.2	78.4	90.9	101.3	106.6	107.5	105.4	108.1	107.8	112.5	109.8	108.3	110.4
Tools	100	107.9	94.4	105.1	105.7	103.7	75.9	89.6	99.7	104.1	106.9	99.8	104.0	101.5	102.4	104.6	106.5	111.3
Workwear & Safetywear	100	105.9	98.0	120.1	119.4	119.6	75.7	112.6	106.5	105.5	96.3	96.5	107.6	98.5	98.6	101.0	110.9	133.2
Ironmongery	100	114.1	101.5	111.7	112.3	108.1	84.3	100.5	108.9	113.0	112.8	110.9	112.8	111.0	115.8	119.8	118.0	119.9
Landscaping	100	132.4	108.4	107.0	101.7	83.2	59.0	65.2	88.9	115.7	137.7	144.2	144.7	132.0	129.2	119.9	110.2	97.2
Plumbing, Heating & Electrical	100	107.3	93.6	111.4	119.1	118.3	89.6	106.3	114.6	115.2	110.8	101.4	103.3	100.5	103.6	111.7	116.0	132.4
Renewables & Water Saving	100	75.7	67.7	104.0	99.6	95.9	76.0	78.1	71.8	72.5	67.1	64.8	75.5	63.7	63.1	72.8	61.2	73.4
Kitchens & Bathrooms	100	112.4	97.0	110.3	109.6	108.6	77.5	91.6	109.0	110.5	106.7	98.0	107.6	101.7	105.3	111.4	109.4	121.7
Miscellaneous	100	106.3	96.6	107.1	110.1	103.3	83.7	104.0	107.4	112.9	113.1	107.4	113.3	115.3	114.5	115.7	113.6	122.2
Services	100	112.7	102.5	108.4	111.4	102.4	83.1	86.2	102.3	114.6	111.3	116.7	116.1	115.5	115.2	111.1	108.3	107.1

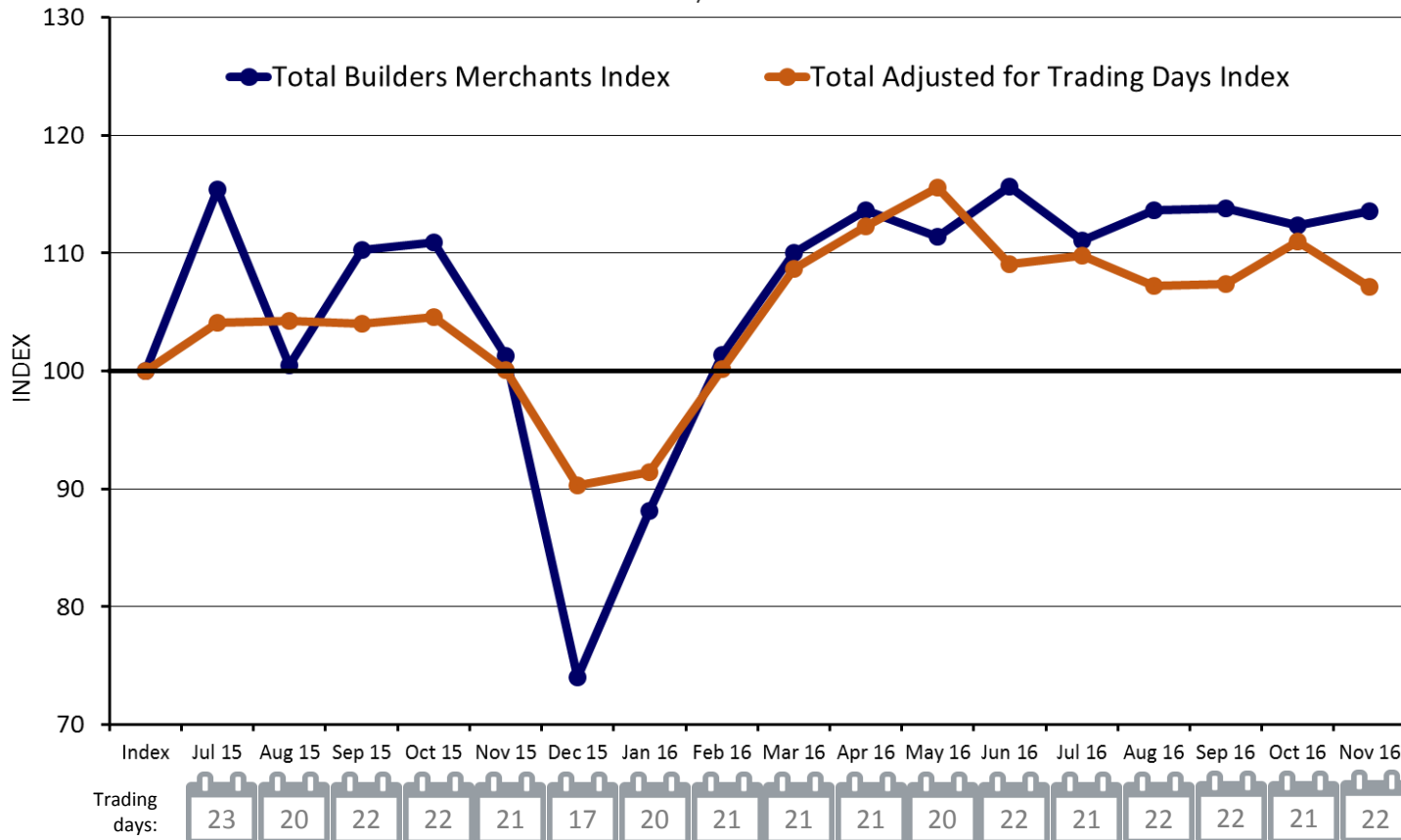
Monthly Index

Adjusted and Unadjusted for Trading Days



Total Builders Merchants Index v Total Adjusted for Trading Days Index

Indexed on July 2014 - June 2015



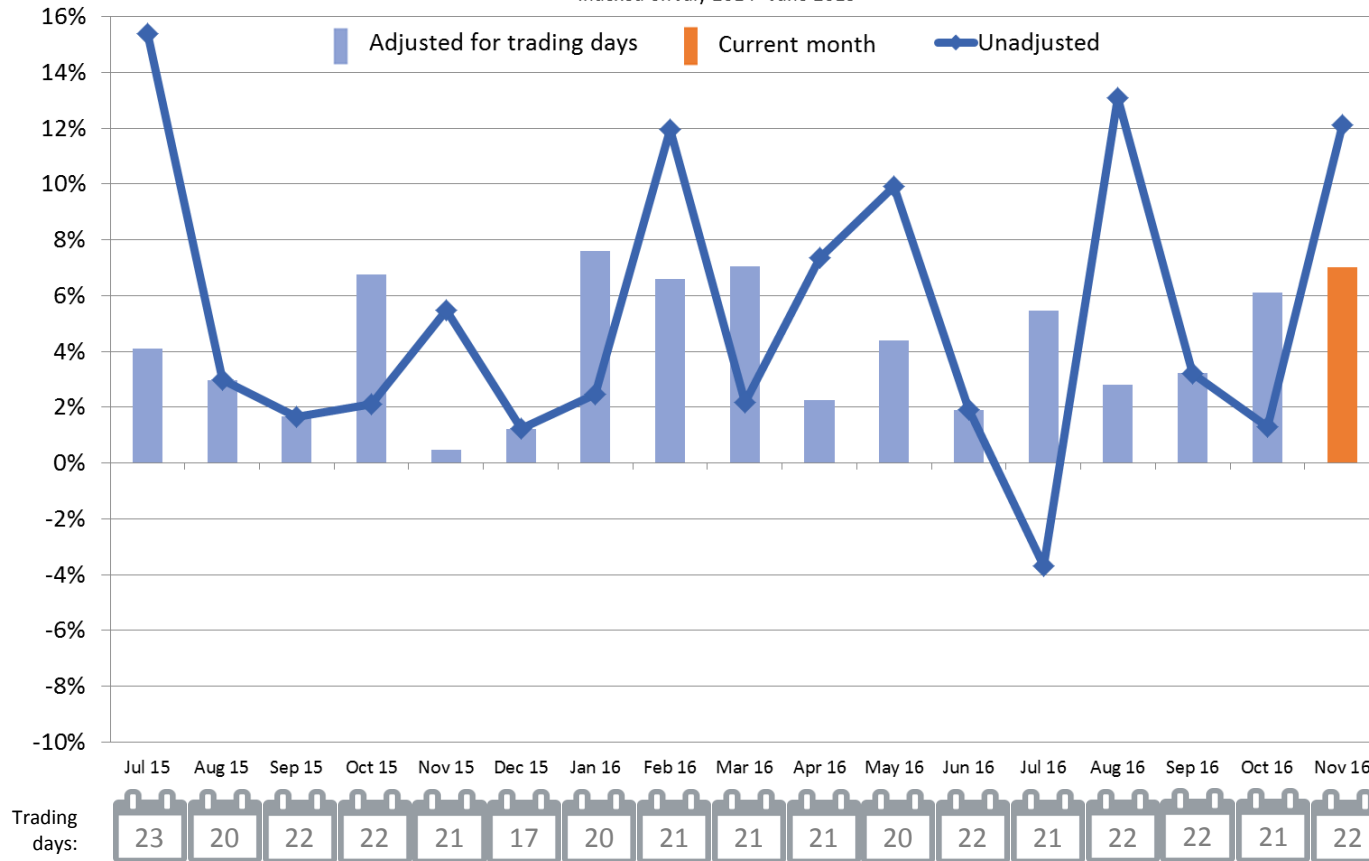
Monthly Sales

Adjusted and Unadjusted for Trading Days



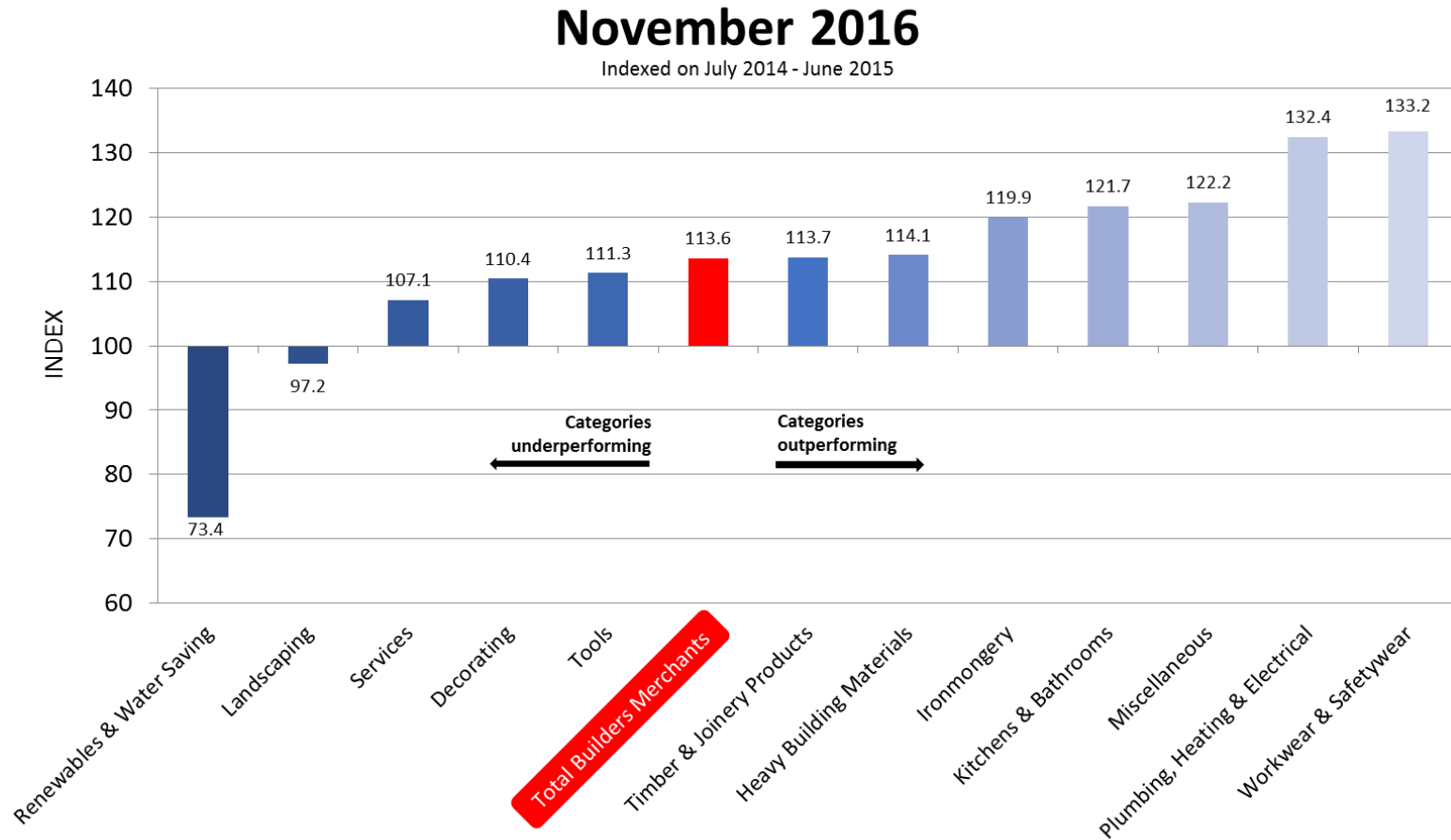
Monthly: Year on Year

Indexed on July 2014 - June 2015



Monthly: Index and Categories

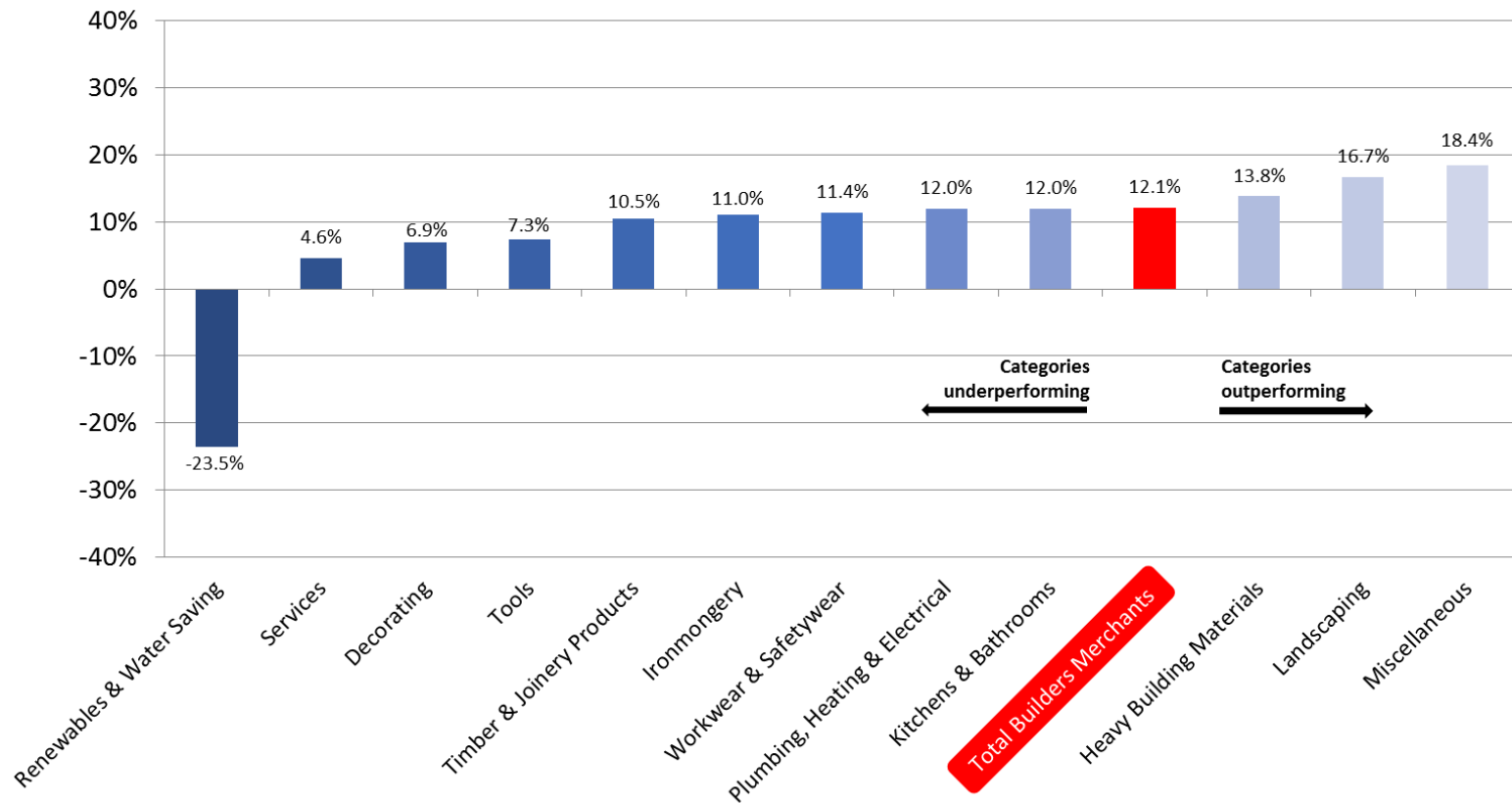
November 2016 index



Monthly: this year v last year

November 2016 sales

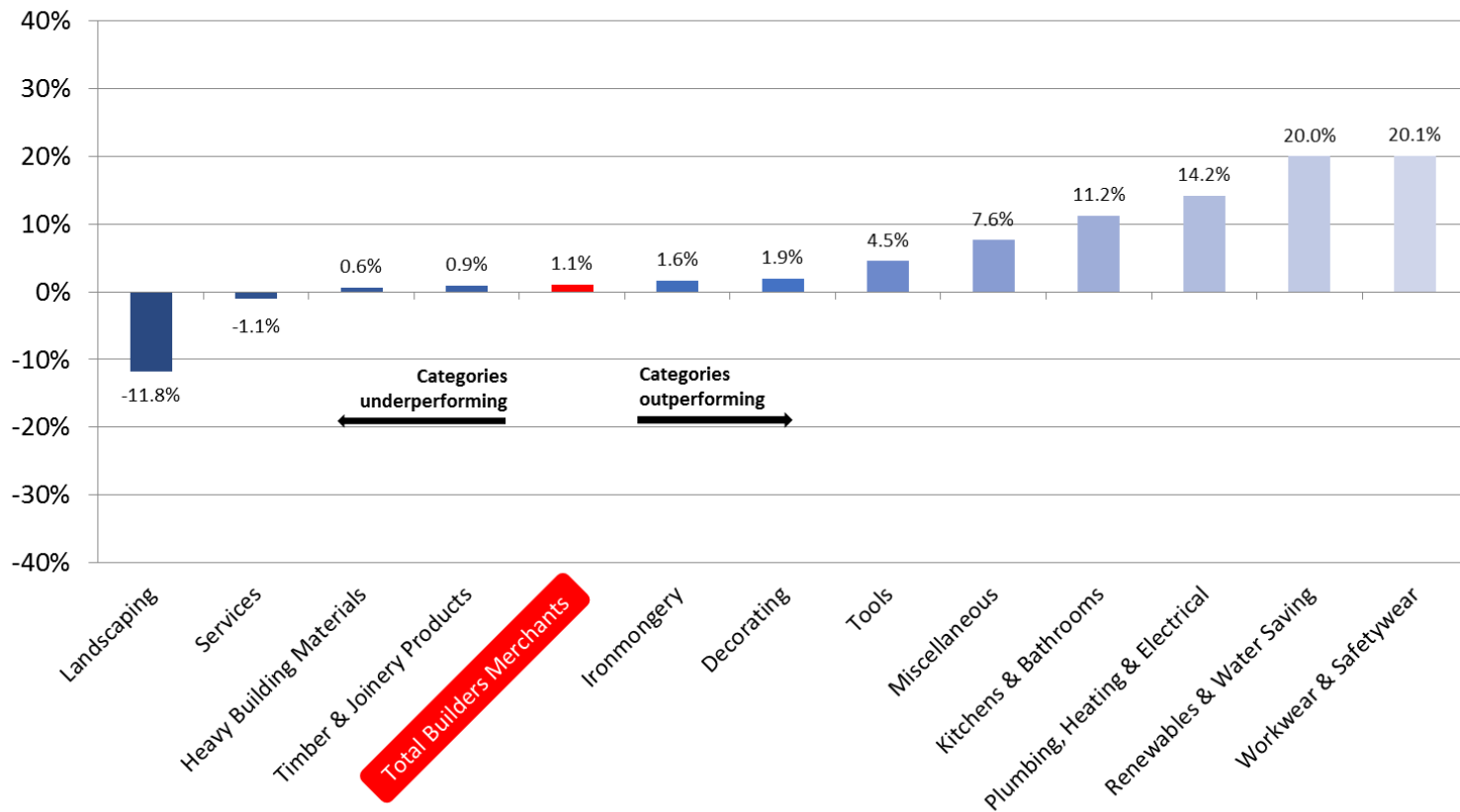
November 2016 v November 2015



Monthly: this month v last month

November 2016 sales

November 2016 v October 2016



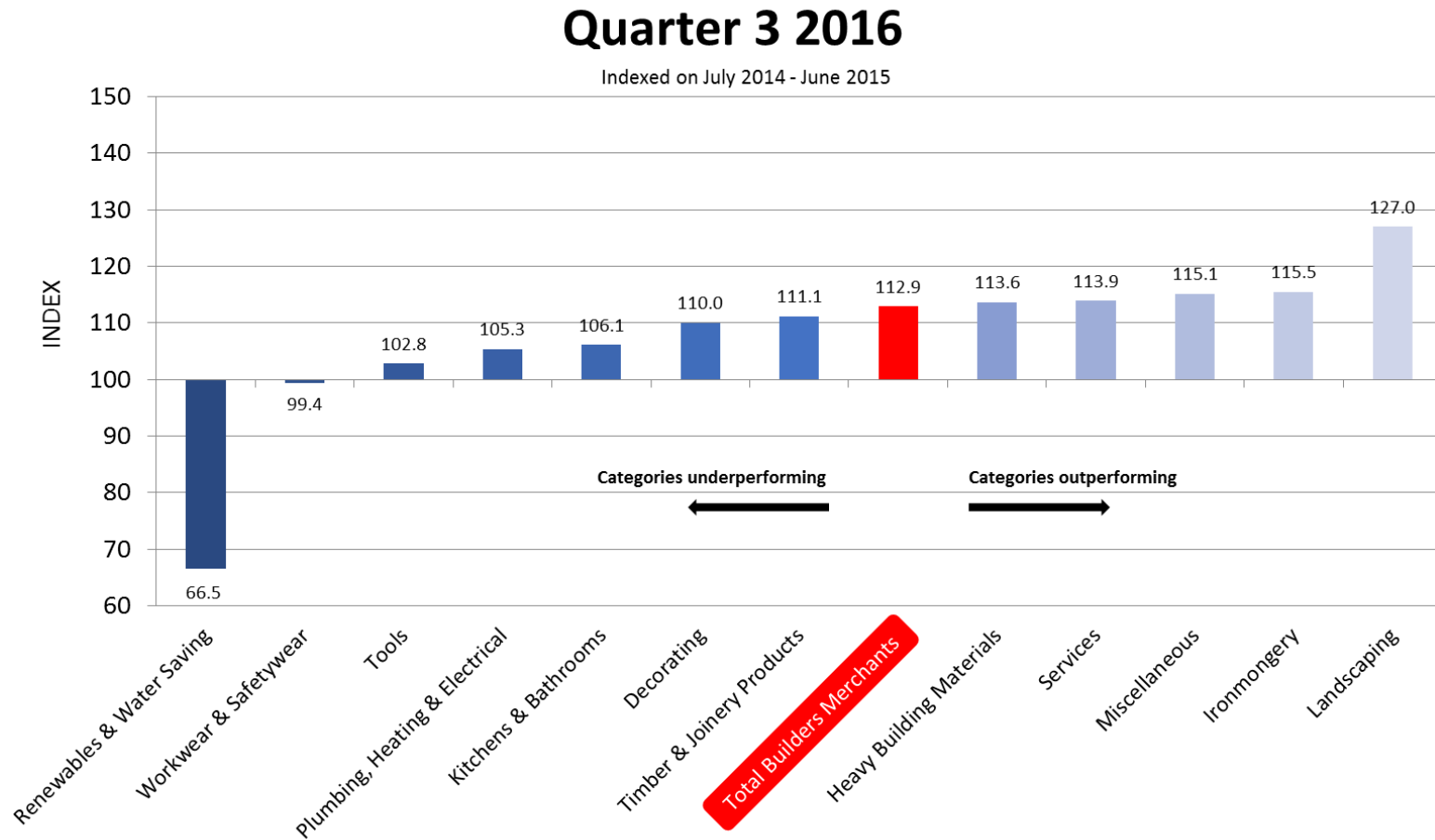
Quarterly: Index and Categories

Quarterly (Indexed on July 2014 to June 2015)

VALUE EX VAT £	Index	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016
Total Builders Merchants	100	108.7	95.4	99.8	113.6	112.9
Timber & Joinery Products	100	108.3	96.6	100.0	109.0	111.1
Heavy Building Materials	100	108.9	94.5	99.3	114.1	113.6
Decorating	100	110.4	98.1	99.6	107.0	110.0
Tools	100	102.5	95.1	97.8	103.5	102.8
Workwear & Safetywear	100	108.0	104.9	108.2	100.1	99.4
Ironmongery	100	109.1	101.6	107.5	112.2	115.5
Landscaping	100	115.9	81.3	89.9	142.2	127.0
Plumbing, Heating & Electrical	100	104.1	109.0	112.0	105.2	105.3
Renewables & Water Saving	100	82.5	90.5	74.1	69.1	66.5
Kitchens & Bathrooms	100	106.6	98.5	103.7	104.1	106.1
Miscellaneous	100	103.4	99.0	108.1	111.3	115.1
Services	100	107.9	99.0	101.0	114.7	113.9

Quarterly: Index and Categories

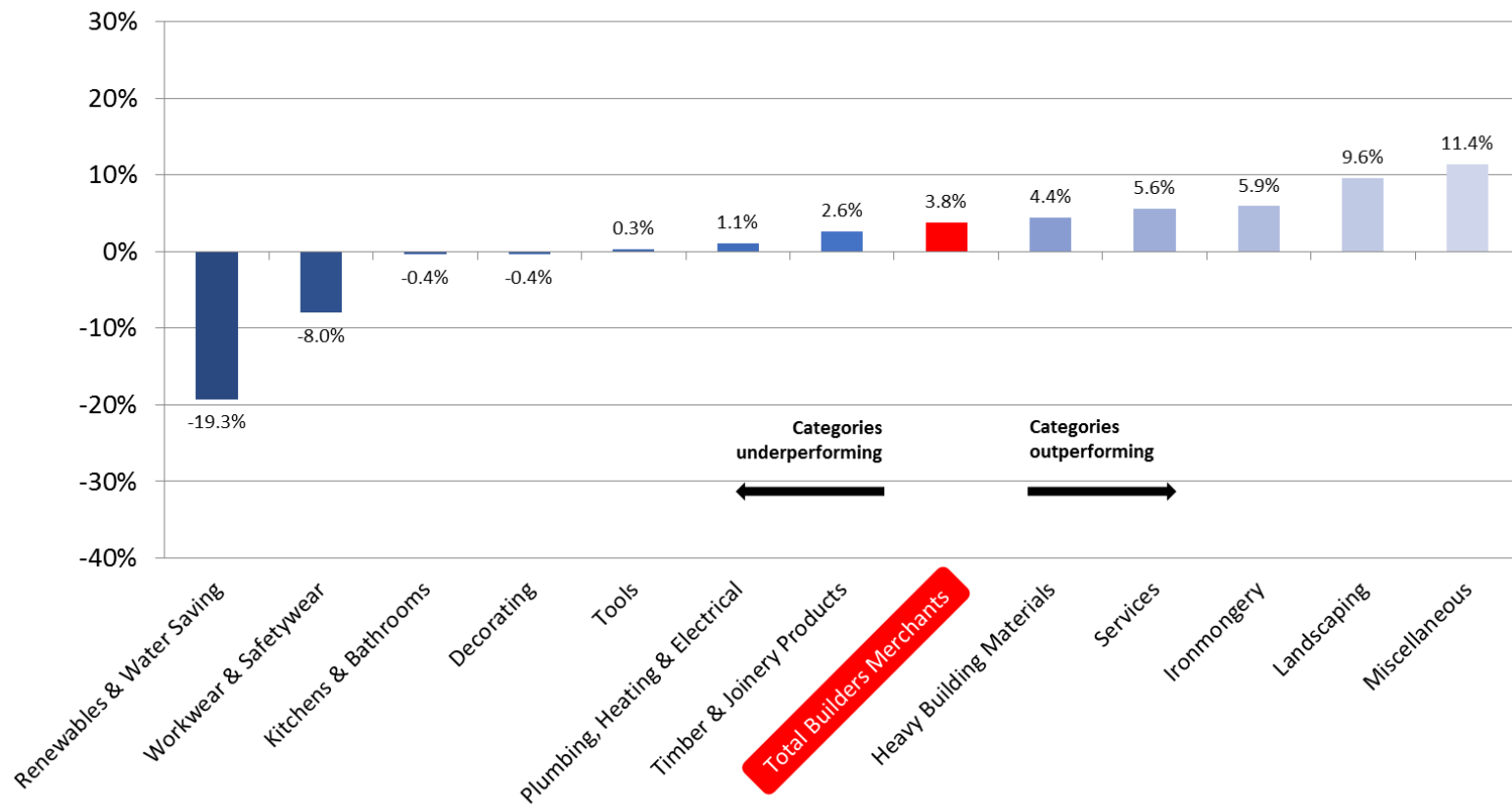
Q3 2016 index



Quarterly: this year v last year

Q3 2016 sales

Quarter 3 2016 v Quarter 3 2015



Quarterly: quarter on quarter

Q3 2016 sales

Quarter 3 2016 v Quarter 2 2016

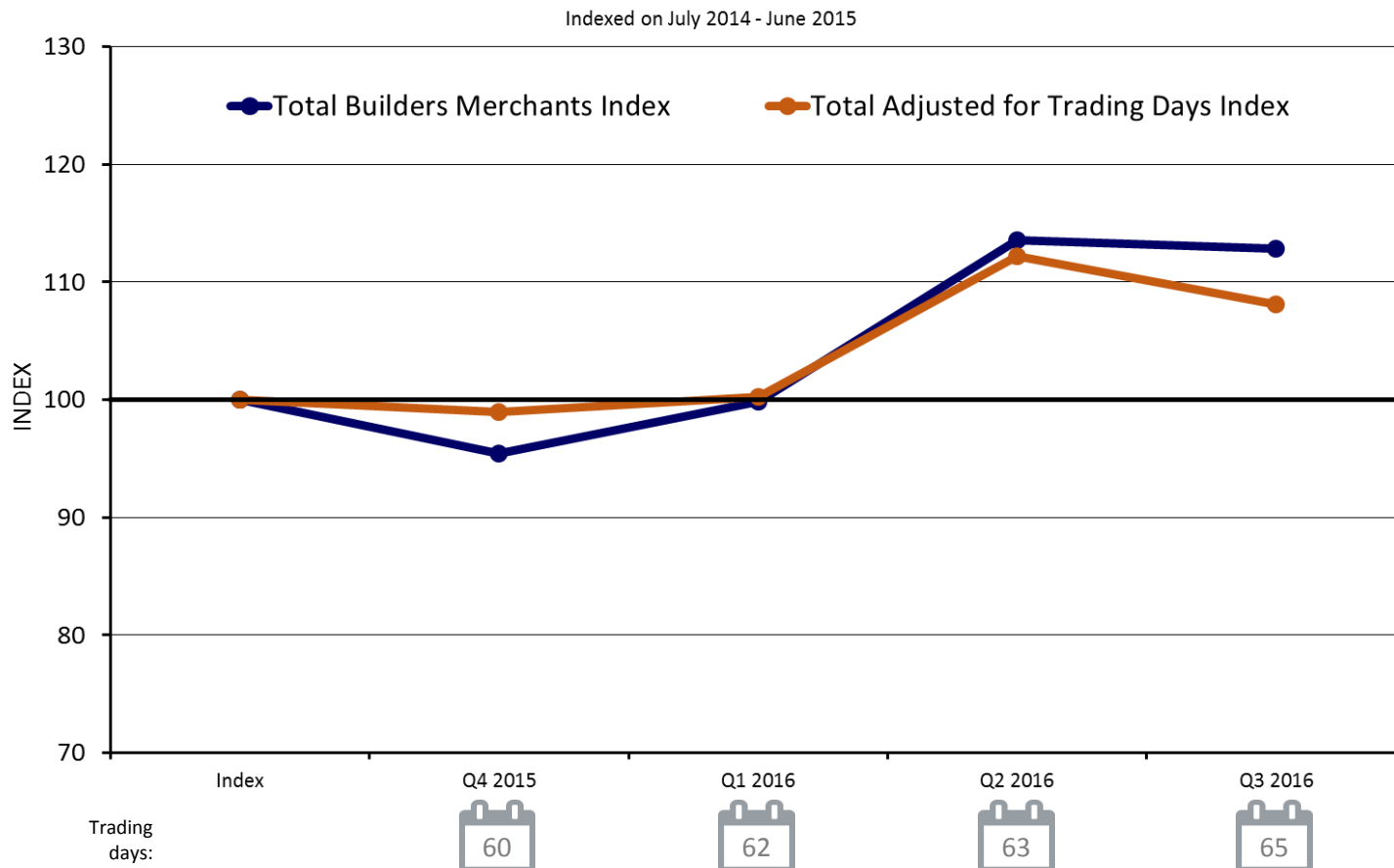


Quarterly Index

Adjusted and Unadjusted for Trading Days



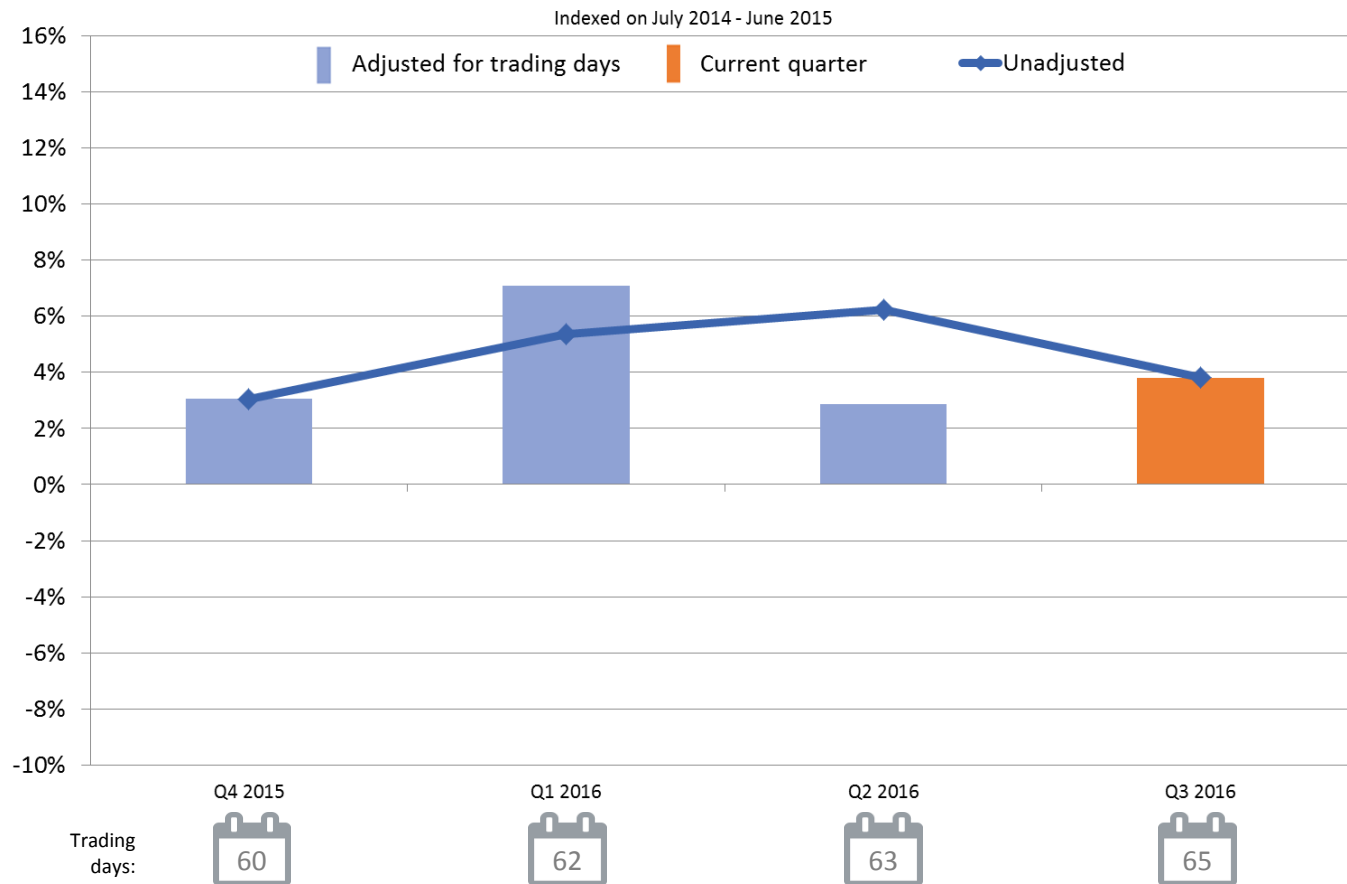
Total Builders Merchants Index v Total Adjusted for Trading Days Index



Quarterly Sales

Adjusted and Unadjusted for Trading Days

Quarterly: Year on Year



Overview

John Newcomb, Managing Director BMF



Despite political uncertainty and turmoil, builders' Merchants sales in November were well up compared with last year and have increased in 11 of the last 12 months.

Year on Year

Sales in November were 12.1% higher than November 2015 and 7.0% up when adjusted for one additional trading day this year. Although its season is coming to an end, Landscaping (+16.7%) continued to perform well compared with the same month in 2015. Heavy Building Materials (+13.8%) outperformed merchants generally. Five other categories saw double-digit growth, including Kitchens & Bathrooms (+12.0%), Workwear & Safetywear (+11.4%), Ironmongery (+11.0%) and Tools (10.5%).

Month on Month

November was 1.1% higher than October, although 3.5% lower when adjusted for a difference in trading days. Seven categories did better than merchants' total sales. Workwear & Safetywear (+20.1%), Plumbing Heating & Electrical (+14.2%) and Kitchens & Bathrooms (11.2%) performed very strongly. Only two categories sold less, Tools (-1.1%) and Landscaping (-11.8%), reflecting the end of its season.

Last three months

Sales in the three months September to November were 5.3% higher than the same period in 2015. Heavy Building Materials (the largest category) was 6.2% higher and Landscaping (+12.1%) was strongest.

Compared with the previous three months (June to August), September to November sales were 0.2% down. Seven categories sold more, including Plumbing Heating & Electrical (+17.1%) and Workwear & Safetywear (+13.3%). Timber & Joinery Products, the second-largest category was 2.3% higher. Landscaping was down the most, 19.4% lower from high peak sales in June to August.

Index

November's Builders Merchants Building Index was 113.6 (107.1 when adjusted for trading days). The two strongest categories were Workwear & Safetywear (133.2) and Plumbing Heating & Electrical (132.4).

For greater detail and benchmarking your market contact Ricky Coombes at GfK.

The Expert Panel

Speaking for their markets



The Builders Merchant Building Index (BMBI) includes a growing panel of industry Experts. In each quarterly report they comment on the market, with a particular focus on the story behind the trends. Experts are leading brands, or brands aspiring to become leaders, who are the voice of their markets.

The Q3 2016 report, which includes commentary from our experts is available [here](#)

Meet the Builders Merchant Building Index Experts:

Steve Halford, Group Managing Director, Crystal Direct is BMBI's Expert for PVCU Windows and Doors



Jim Claydon, Managing Director, Hanson Cement is BMBI's Expert for Cement and Aggregates



Mike Beard, Merchant Development Director, Encon Insulation is BMBI's Expert for Insulation Products - Distribution



John Duffin, Managing Director, Keylite Roof Windows is BMBI's Expert for Roof Windows



Andy Williamson, Group Managing Director, IKO PLC is BMBI's Expert for Roofing Products



Tony France, Sales Director, Ibstock is BMBI's Expert for Bricks



Nigel Cox, Managing Director, Timbmet is BMBI's Expert for Timber & Panel Products



Derrick McFarland, Managing Director, Keystone Lintels is BMBI's Expert for Lintels



Paul Rivett, Managing Director, Heatrae Sadia is BMBI's Expert for Water Heating



Steve Durdant-Hollamby, Managing Director, ALUMASC is BMBI's Expert for Civils, Metal Rainwater & Drainage



John Sinfield, Managing Director, Knauf Insulation is BMBI's Expert for Mineral Wool Insulation



Additional Experts will be joining the panel in 2017

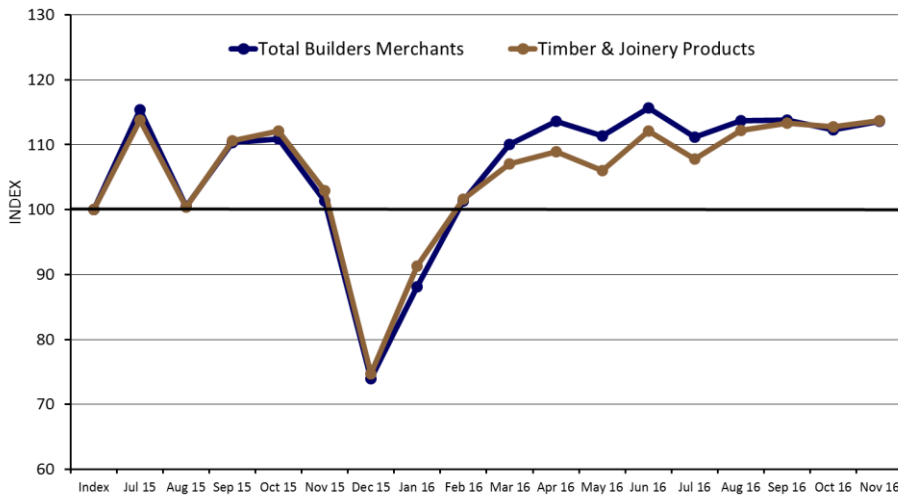


Monthly Report

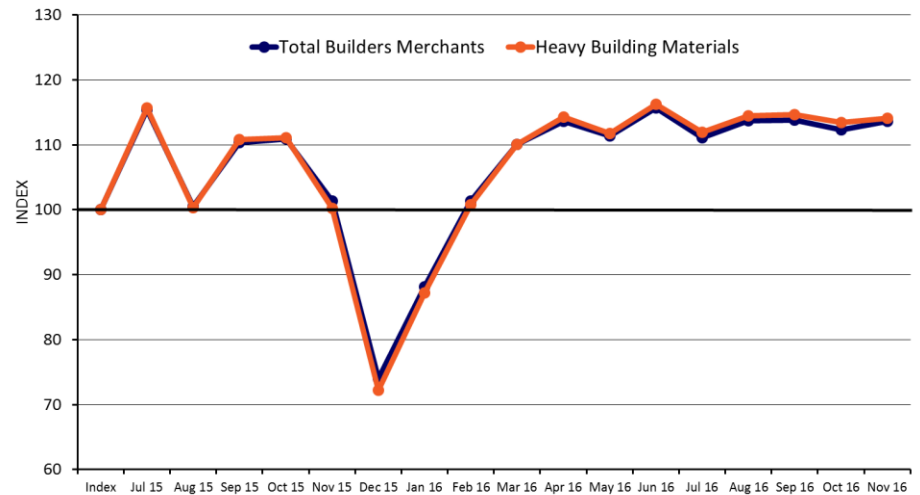
November 2016



Timber & Joinery Products



Heavy Building Materials



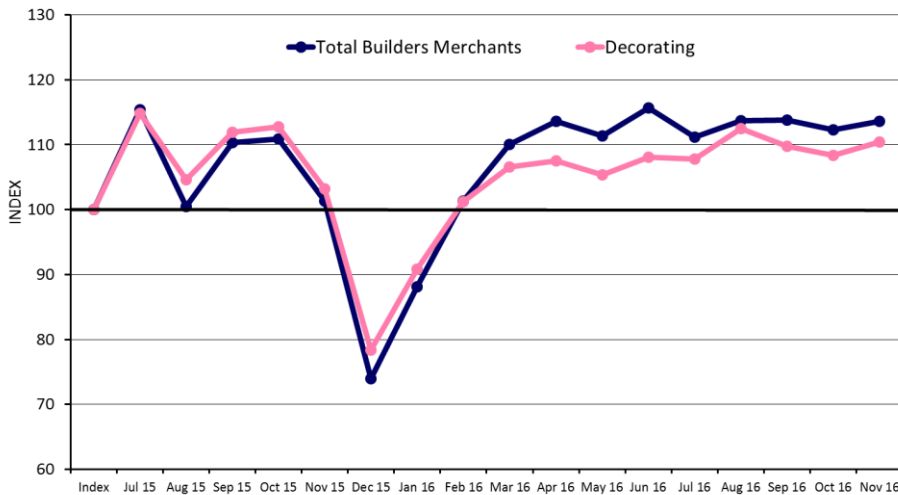
Charts indexed on July 2014 – June 2015

Monthly Report

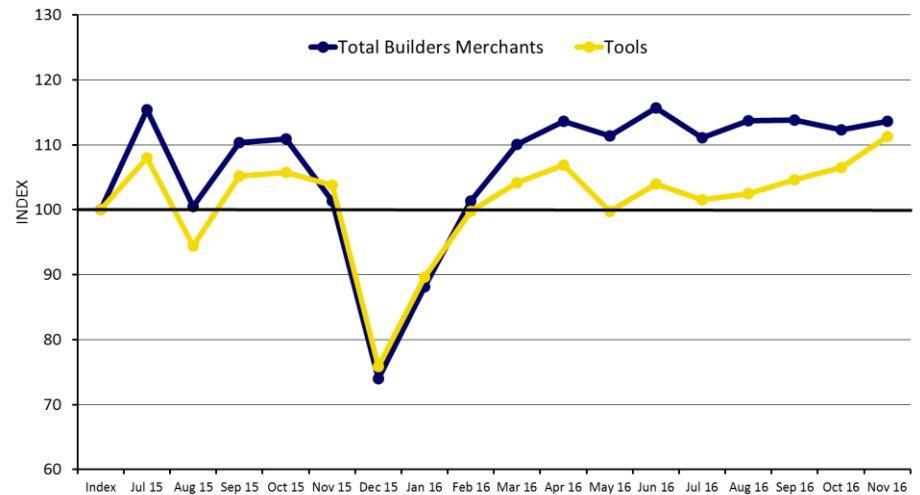
November 2016



Decorating



Tools



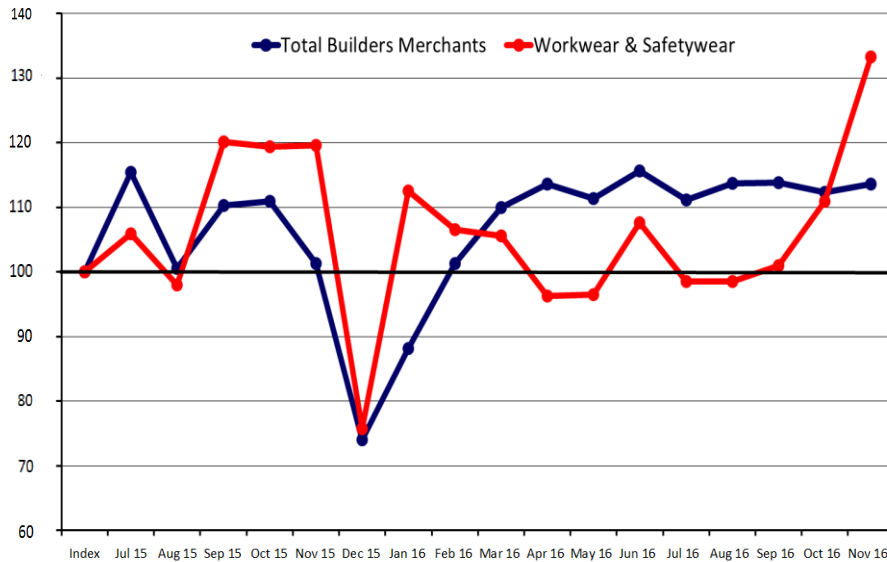
Charts indexed on July 2014 – June 2015

Monthly Report

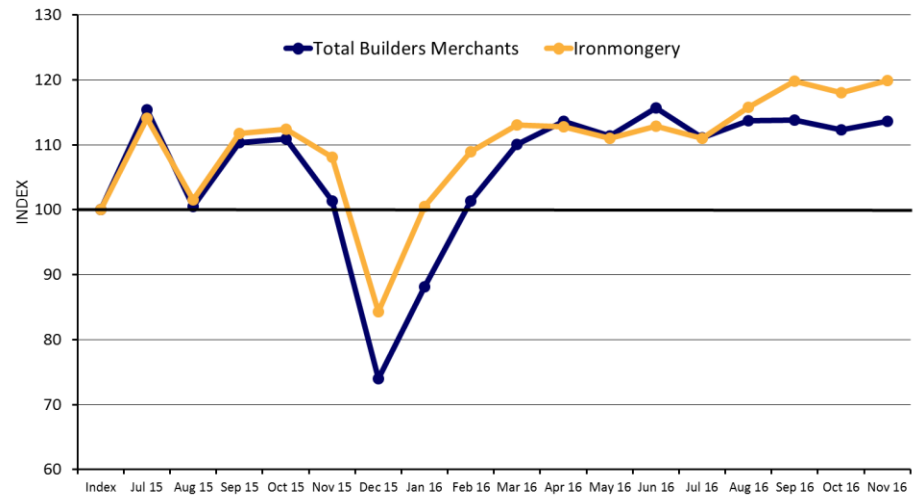
November 2016



Workwear & Safetywear



Ironmongery



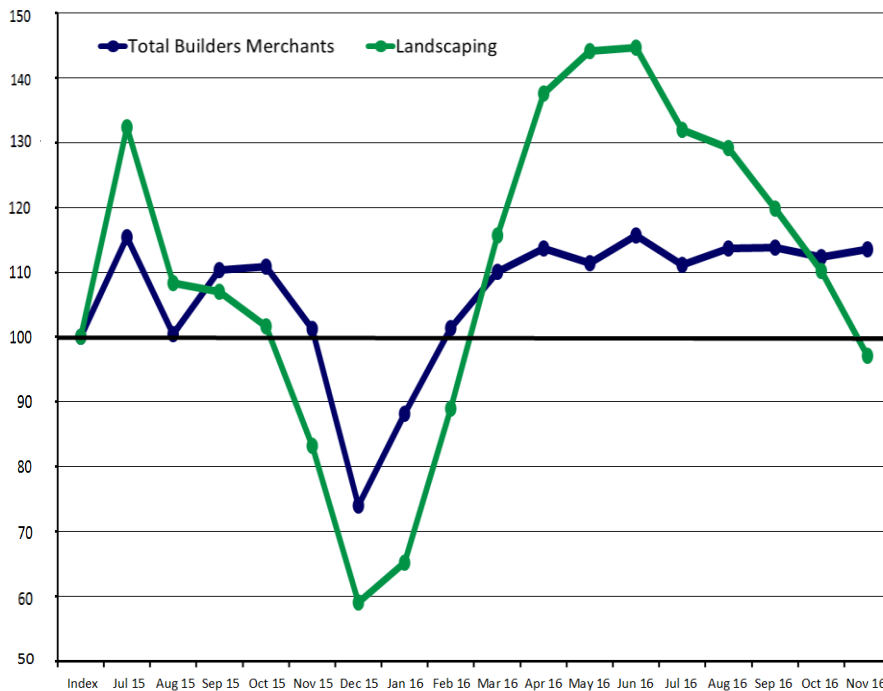
Charts indexed on July 2014 – June 2015

Monthly Report

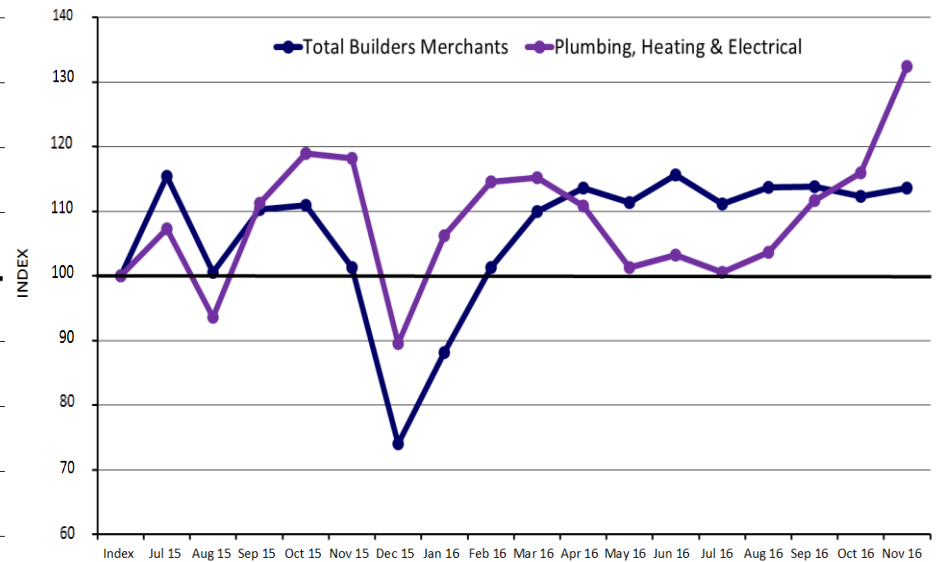
November 2016



Landscaping



Plumbing, Heating & Electrical



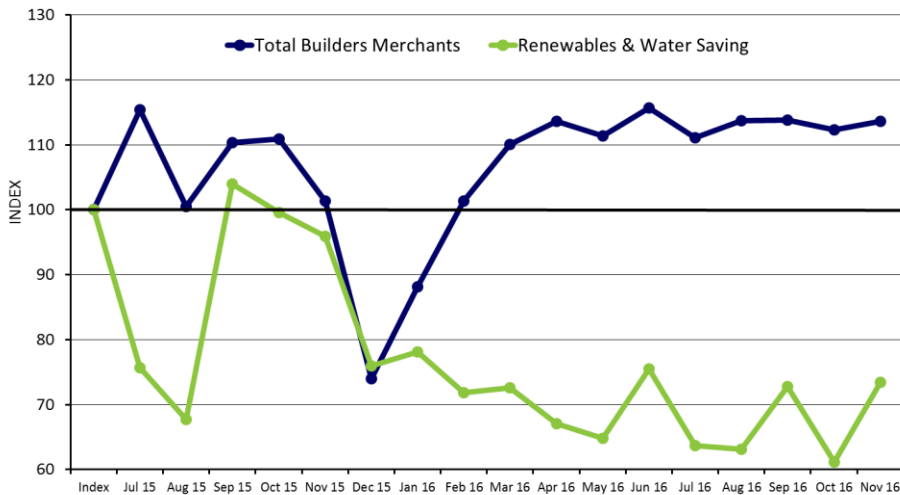
Charts indexed on July 2014 – June 2015

Monthly Report

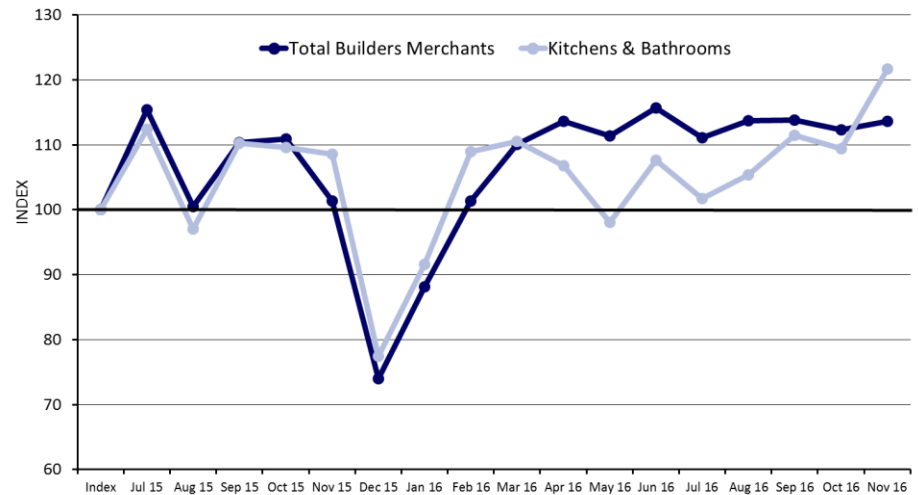
November 2016



Renewables & Water Saving



Kitchens & Bathrooms



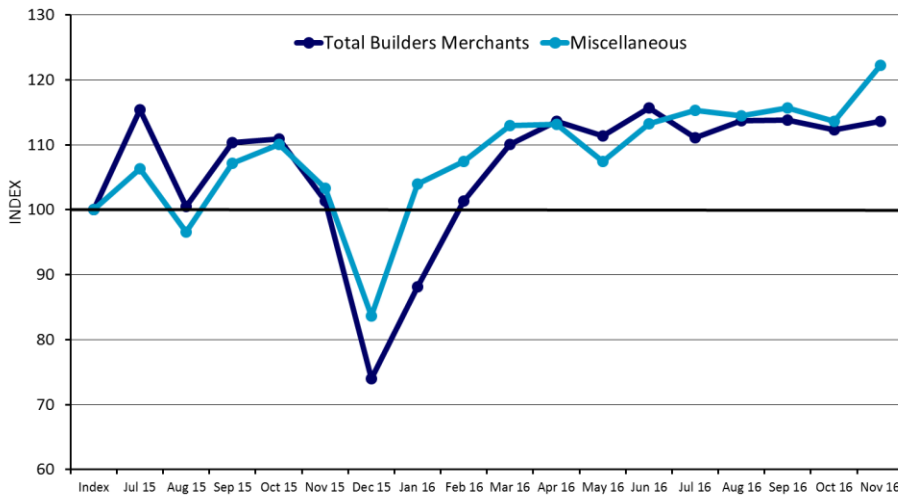
Charts indexed on July 2014 – June 2015

Monthly Report

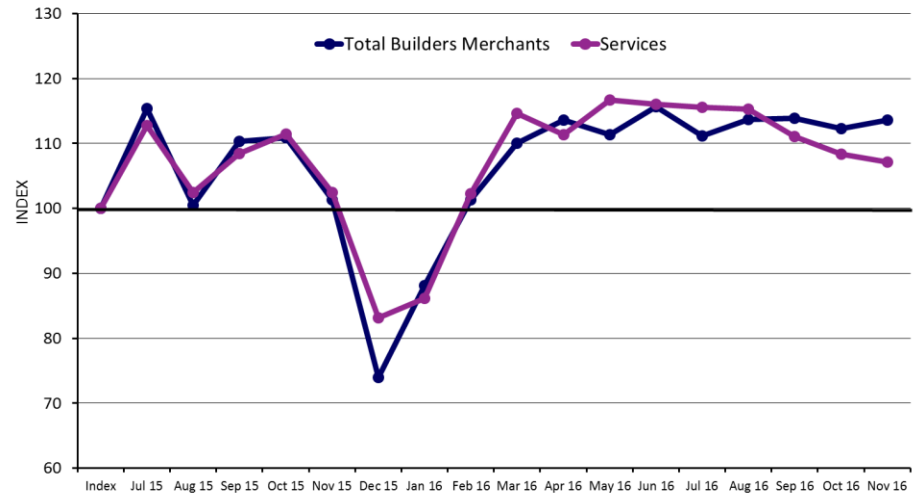
November 2016



Miscellaneous



Services



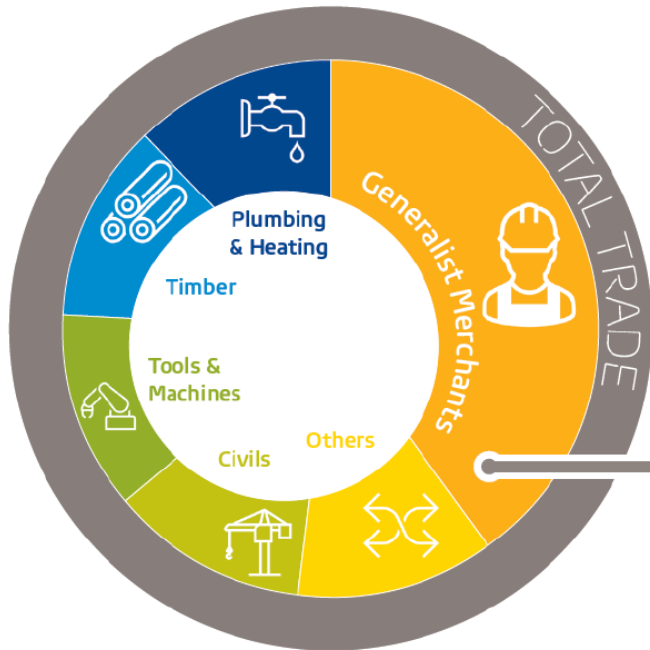
Charts indexed on July 2014 – June 2015

GfK's Panel

Generalists Builders Merchant Panel (GBMs)



The Multiple Generalist Builders Merchants Channel



Generalist Builders Merchants

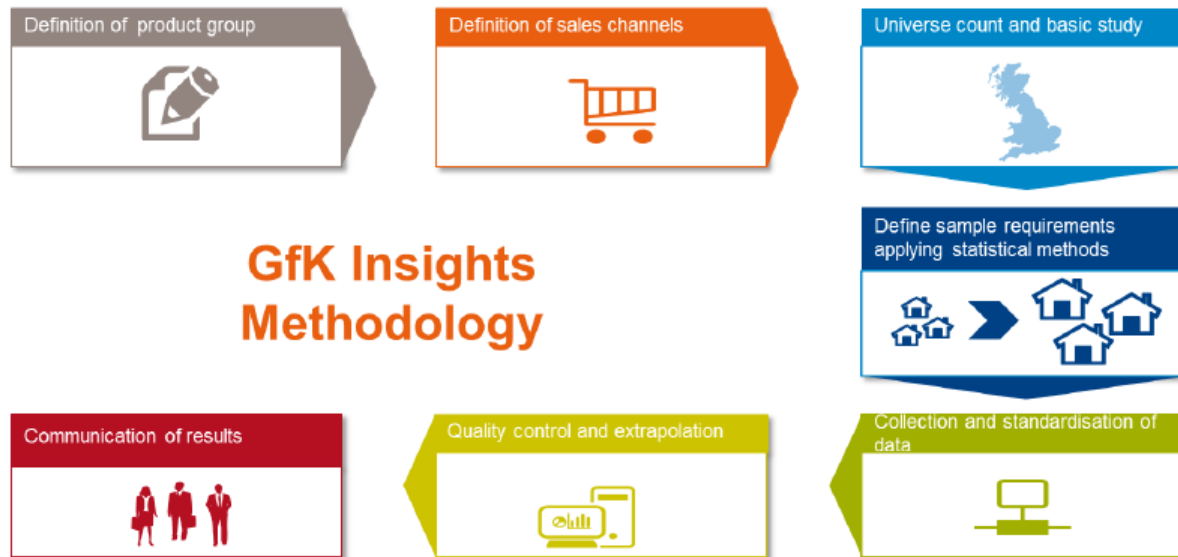
Builder Merchants handle an extended range of building materials and components (e.g. doors, windows, interior furnishing materials, insulation materials, tiles, cement, mortar, adhesives, sealants, nails, hardware products, pipes, ironware, paint) and generate their turnover with professional end users.

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

Examples include:



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

Reports cover category headline values & in-depth, brand-level insights



Headline values available

Timber & Joinery Products

Timber
Sheet Materials
Cladding
Flooring & Flooring Accessories
Mouldings
Stairs & Stairparts
Window & Frames
Doors/Door Frames

Heavy Building Materials

Bricks Blocks & Damp Proofing
Drainage/Civils/Guttering
Lintels
Cement/Aggregate/Cement Accs
Concrete Mix/Products
Plasters Plasterboards And Accessories
Roofing Products
Insulation
Cement Mixers/Mixing Buckets Products
Builders Metalwork
Other Heavy Building Equipment/Material

Decorating

Paint/Woodcare
Paint Brushes Rollers & Pads
Adhesives/Sealants/Fillers
Tiles And Tiling Accessories
Decoration Preparation & Decorating Sundries
Wall Coverings

Tools

Hand Tools
Power Tools
Power Tool Accessories
Ladders & Access Equipment

Workwear And Safetywear

Clothing
Safety Equipment

Ironmongery

Fixings And Fastenings
Security
Other Ironmongery

Landscaping

Garden Walling/Paving
Driveways/Block Paving/Kerbs
Decorative Aggregates
Fencing And Gates
Decking
Other Gardening Equipment

Plumbing Heating & Electrical

Plumbing Equipment
Boilers Tanks & Accessories
Heating Equipment/Water Heaters/Temperature Control/Air Treatment
Radiators And Accessories
Electrical Equipment
Lighting And Light Bulbs

Renewables And Water Management

Water Saving
Renewables & Ventilation

Kitchens & Bathrooms

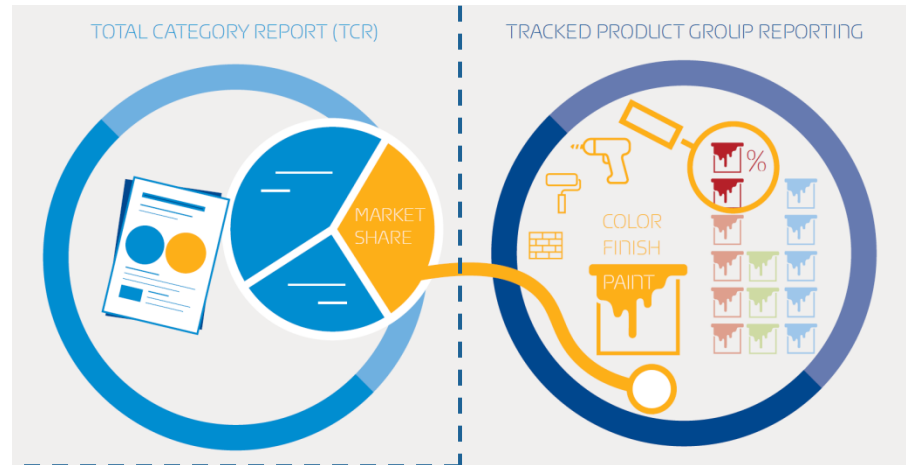
Bathroom (Including Showering)
Fitted Kitchens
Major Appliances

Miscellaneous

Cleaning/Domestic/Personal
Automotive
Glass
Other Furniture & Shelving
Other Misc

Services

Toolhire / Hire Services
Other Services



In-depth product group reporting

Monthly sales values, volumes, pricing analysis & distribution facts available by brand and key product features.

For insights on your product group please contact Pete Church at GfK (pete.church@gfk.com).

Available categories:

Heavyside

Bricks
Insulation

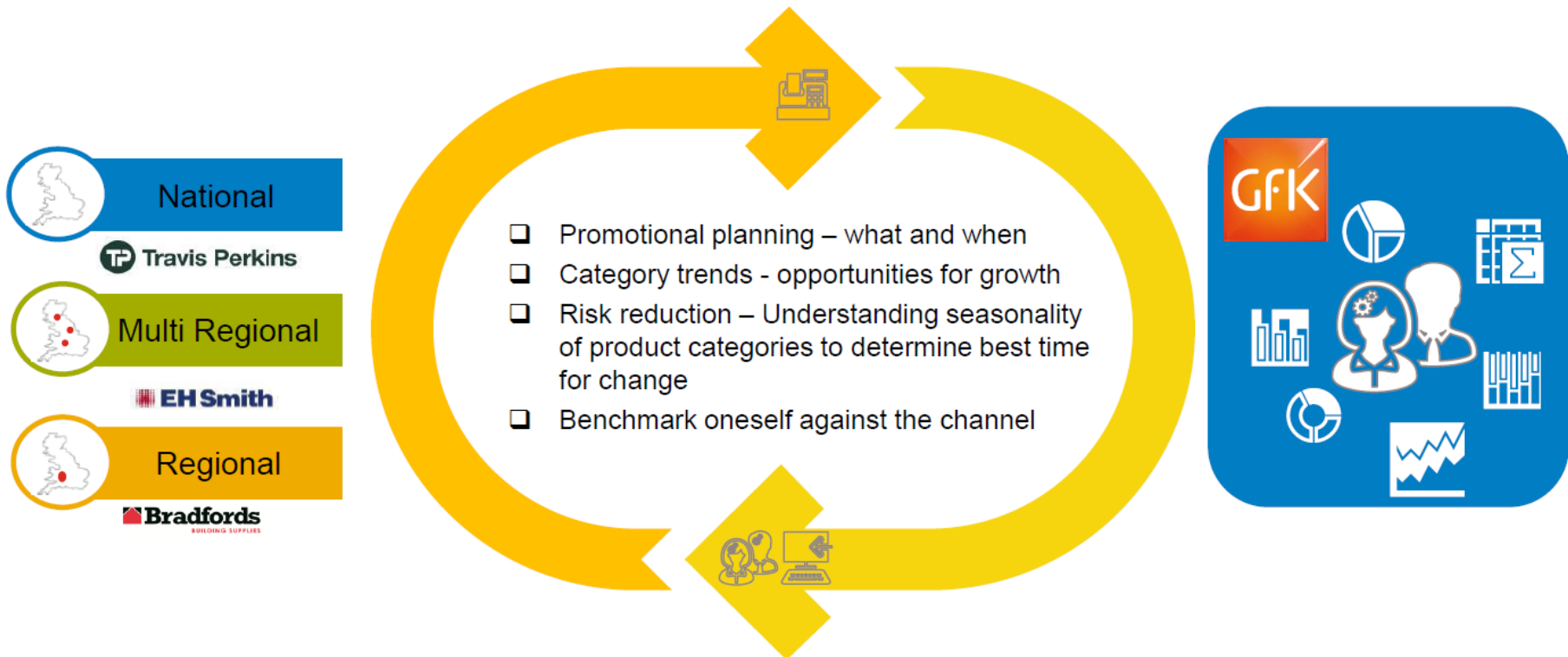
Lightside

Emulsion Paints (incl. Masonry & Base)
Trim Paints
Primers/Undercoats
Woodcare
Adhesives
Sealants
Fillers/PU Foam
Tile Fixing (Adhesives/Grout)

GfK Insights



How can these top level insights help.



GfK's insights can go much further! Gain competitive advantage.

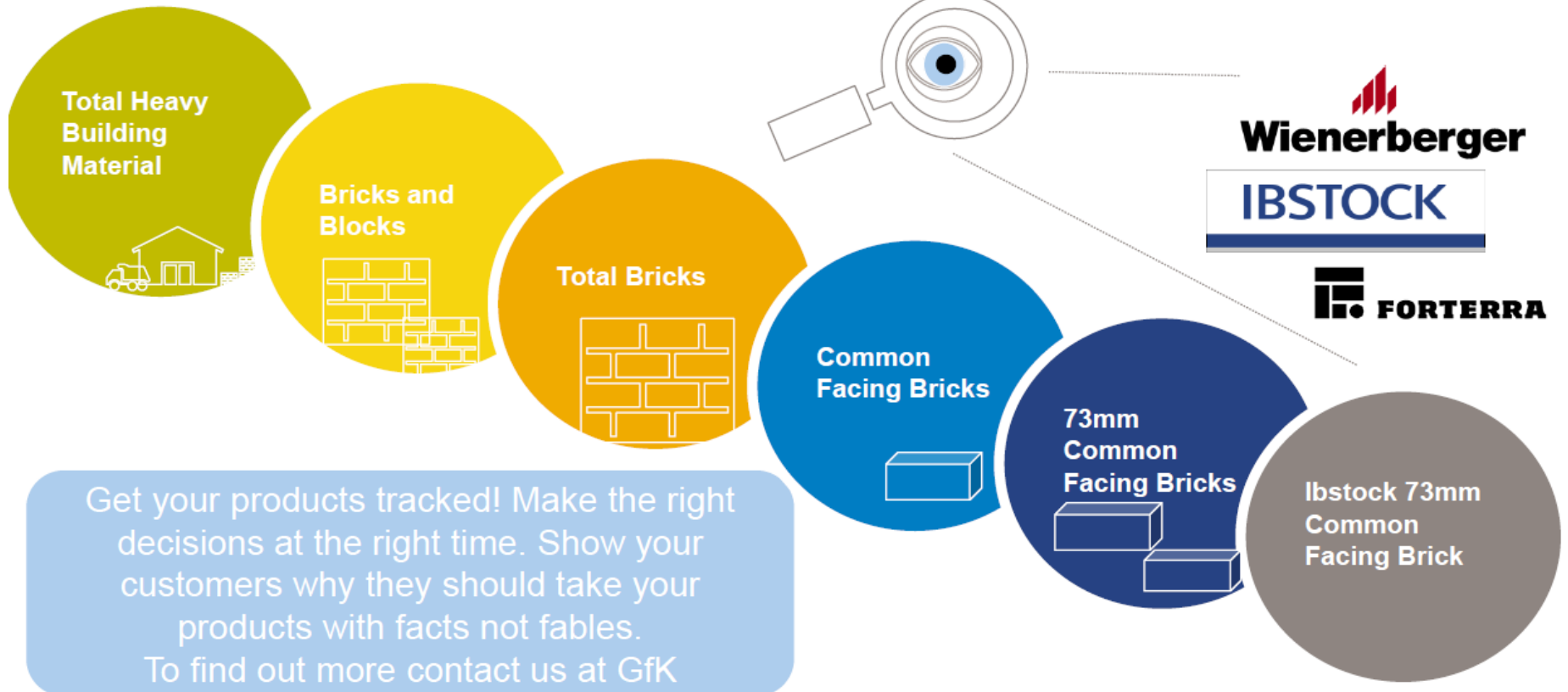
GfK provides the most detailed trade insights in the UK down to product feature level

© GfK November 14, 2016 | BMF Q3 2016 General Builders Merchant Panel update

GfK Insights



Bricks Product Group insights at feature by brand level are now available! Enabling informed strategic and tactical decision making.



Get your products tracked! Make the right decisions at the right time. Show your customers why they should take your products with facts not fables. To find out more contact us at GfK

Contact Us

For further information



Ricky Coombes

Channel Account Manager

ricky.coombes@gfk.com

+44 (0) 7810 633 119



Richard Frankcom

Senior Account Manager (Trade)

richard.frankcom@gfk.com

+44 (0) 20 7890 9543



Ammar Qayyum

BMF Industry Analyst

ammar.qayyum@bmf.org.uk

+44 (0) 2476 854987



Lucia Di Stazio

Managing Director

lucia@mra-marketing.com

+44 (0) 1453 521621



Mike Rigby

CEO

mike@mra-marketing.com

+44 (0) 7785 367 716



Peter Church

Business Development Manager

pete.church@gfk.com

tel +44 (0) 7342 056 050



Tom Rigby

Business Development Manager

tom@mra-marketing.com

+44 (0) 7392 081276