27506 BMF UK leisure 04-05 1/7/05 11:39 Page 1

FURTHER INFORMATION

British Marine Federation
Marine House
Thorpe Lea Road
Egham
Surrey
TW20 8BF

t: +44 (0) 1784 47 33 77
f: +44 (0) 1784 43 96 78
e: research@britishmarine.co.uk

British Marine
Federation

British Marine
Federation

UK LEISURE MARINE

Industry Bulletin 2004-2005

27506 BMF UK leisure 04-05 1/7/05 11:39 Page 3

BMF maintains a computer model of the UK leisure marine industry. This is based on a detailed turnover declaration form that is received each year from every member. Analysed together, this data provides accurate and detailed information on the whole industry.

The BMF computer model is used to publish a bulletin of industry statistics every January. Additionally, BMF members enjoy exclusive and confidential consultancy advice offering analysis of this data - this is used to analyse clusters of suppliers to establish the value of a particular market niche, market shares and trends over time.

For further information please contact BMF's Industry researcher, Karen Boss on 01784 223615 or e-mail research@britishmarine.co.uk.

UK LEISURE MARINE - Industry bulletin January 2004 - 2005

Please read in conjunction with explanatory notes.

Table 1.1 Total Industry revenue 1997 - 2004

£ Millions

	1997	1998	1999	2000	2001	2002	2003	2004
	1,289	**1,265**	**1,341**	**1,467**	**1,611**	**1,743**	**1,838**	**1,994**
% inc. on previous year		-1.8%	6.0%	9.4%	9.8%	8.2%	5.5%	8.5%

source: BMF January 2005

Table 1.2 BMF Industry forecasts 2004 - 2005

£ Millions

	2004	2005
	1,994	**2,060**
% inc. on previous year		3.3%

source: BMF January 2005

Table 1.3 Year on year comparisons, 2003 v. 2004

	2003	2004	
Revenues	**£1,838M**	**£1,994M**	**+ 8.5%**
Employment	**30,094**	**28,605**	**-4.9%**
Exports	**£794M**	**£839M**	**+ 5.6%**

Exports 42% of Total Revenue in 2004

source: BMF January 2005

UK LEISURE MARINE - Industry bulletin January 2004 - 2005

Please read in conjunction with explanatory notes.

Chart 1.1 Industry trend 1997-2004 and forecast 2005

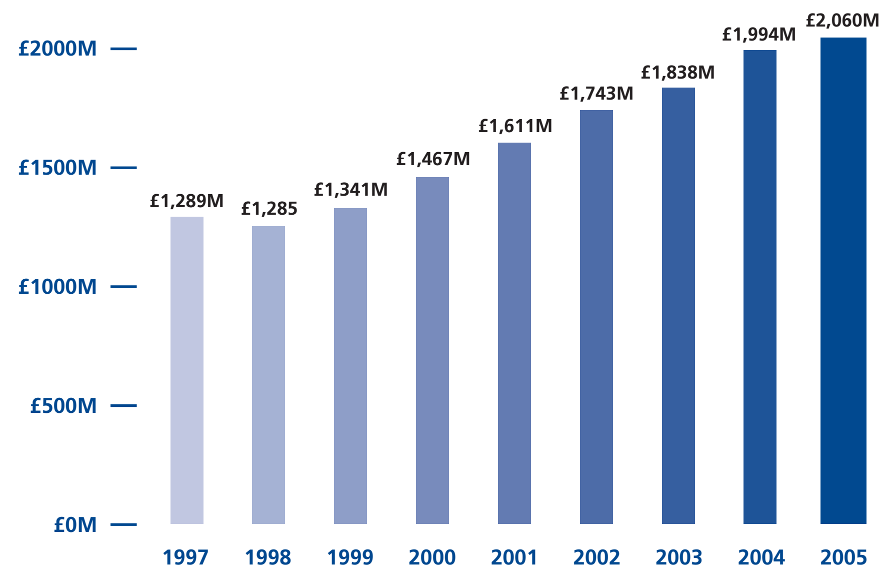


Table 1.4 UK Export revenues, 2004

£ Millions

	Boats	Engines	Electronics	Eqmt.	Services	Totals	
Eurozone	193.9	9.0	5.0	76.3	74.3	358.5	42.7%
Other EU Member	35.5	0.9	30.9	5.8	7.4	80.5	9.6%
Other Europe	34.1	1.1	9.1	8.4	15.6	68.3	8.1%
North America	126.9	4.4	46.4	26.5	7.4	211.6	25.2%
South America	3.0	0.4	0.1	0.9	0.2	4.6	0.5%
Australia	14.4	1.4	3.5	2.6	1.2	23.1	2.7%
New Zealand	0.1	0.2	0.1	0.6	0.5	1.5	0.2%
Asia	2.0	1.0	2.4	25.7	0.8	31.9	3.8%
Middle East	10.3	2.8	0.2	3.8	4.7	21.8	2.6%
Other	1.5	1.3	0.3	3.5	30.7	37.3	4.4%
Totals	421.7	22.5	98.0	154.1	142.8	839.1	100.0%

note: recreational craft only
source: BMF January 2005

UK LEISURE MARINE - Industry bulletin January 2004 - 2005

Please read in conjunction with explanatory notes.

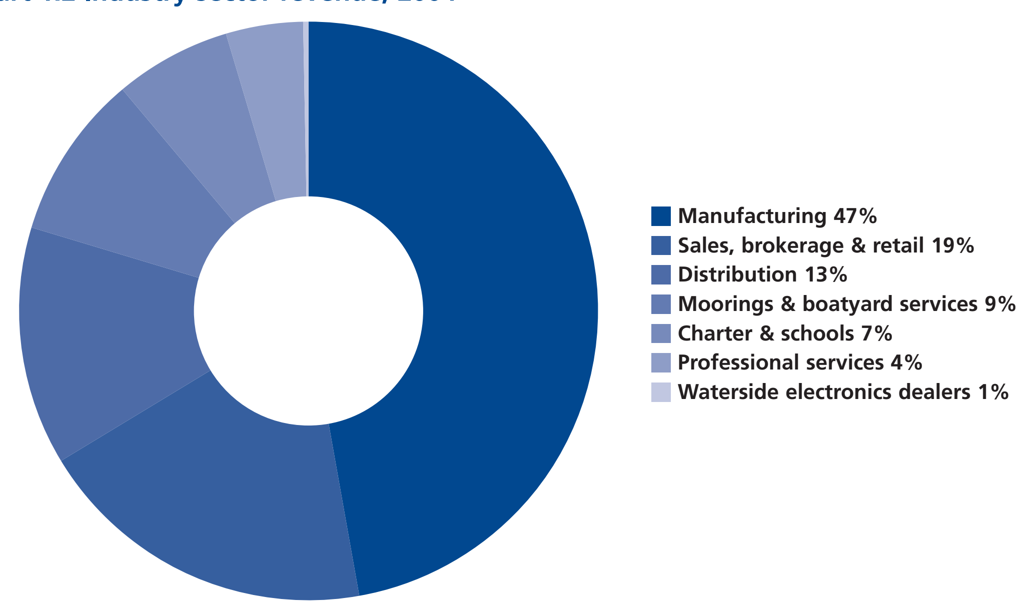
Table 1.5 Industry sector revenue, 2005

£ Millions

Boatbuilding	618.7
Power and propulsion (mnfr.)	29.3
Electronics (mnfr.)	82.9
Equipment (mnfr.)	206.9
Inland Hire & Charter	45.6
Wholesale Distribution	264.7
Insurance	16.8
Finance	41.2
Professional Services	27.4
Moorings/Berthing/Storage	110.0
Boatyard Services/Repairs	73.0
New Boat sales (Dealer sales)	236.8
Brokerage	48.6
Retail	95.9
Coastal Charter	53.0
Sea school	30.5
Waterside electronics dealer	12.3
Total	**1,994**

Note: these figures are indicative only based on returns to date. For more details please contact BMF.
source: BMF January 2005

Chart 1.2 Industry sector revenue, 2004



UK LEISURE MARINE - Industry bulletin January 2004 - 2005

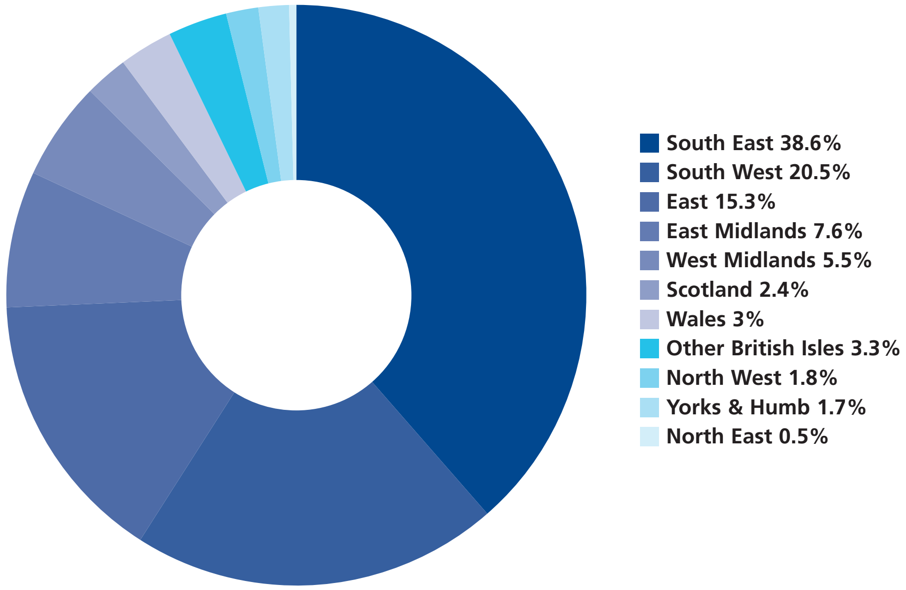
Please read in conjunction with explanatory notes.

Table 1.6 Industry revenue by RDA region, 2004

£ Millions	
South East	769.2
South West	409.5
East Anglia	304.2
East Midlands	152.1
West Midlands	109.0
Scotland	47.5
Other British Isles	65.7
Wales	59.6
North West	35.7
Yorks & Humb	33.6
North East	7.6
Total	**1,994**

source: BMF January 2005

Chart 1.3 Industry revenue by RDA region, 2004



UK LEISURE MARINE - Industry bulletin January 2004 - 2005

Please read in conjunction with explanatory notes.

Table 1.7 Industry revenue by trading activity, by region, 2004

£ Millions	South East	South West	East Anglia	East Midlands	West Midlands	Scotland	Wales	North West	North East	Yorks & Humb	Other British Isles	Total	
Boatbuilding	42.0	253.4	179.2	25.4	64.6	0.1	25.3	11.5	4.0	5.1	8.3	618.9	31.0%
Power and propulsion (mnfr.)	4.5	0.7	5.7	7.5	9.1	0.9	0.0	0.9	0.0	0.1	0.0	29.4	1.5%
Electronics (mnfr.)	76.2	2.6	3.8	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0	82.9	4.2%
Equipment (mnfr.)	77.4	71.7	29.6	10.5	5.0	0.1	0.0	0.3	0.0	6.2	6.1	206.9	10.4%
Inland Hire & Charter	5.6	2.8	17.3	1.4	8.3	4.4	1.7	2.1	0.1	1.9	0.0	45.6	2.3%
Wholesale Distribution	177.0	15.3	27.0	24.3	0.7	4.1	2.8	2.0	0.1	2.5	8.9	264.7	13.3%
Insurance	7.7	2.6	0.8	0.5	2.9	0.1	1.7	0.0	0.0	0.6	0.0	16.9	0.8%
Finance	41.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	41.2	2.1%
Professional Services	15.1	3.0	2.7	0.3	1.0	1.6	0.7	0.1	0.1	0.2	2.5	27.3	1.4%
Moorings/Berthing /Storage	51.0	13.5	7.2	3.0	1.6	15.2	4.1	2.1	0.8	1.9	9.4	109.8	5.5%
Boatyard Services /Repairs	28.3	9.2	7.4	2.4	2.3	6.1	7.5	1.8	0.8	3.7	3.5	73.0	3.7%
New Boat sales (Dealer sales)	119.2	9.4	7.2	59.3	4.4	7.1	2.5	6.1	0.5	1.3	19.8	236.8	11.9%
Brokerage	22.4	4.1	5.9	6.1	0.5	0.2	4.0	0.2	0.2	2.4	2.5	48.5	2.4%
Retail	20.1	15.8	9.5	11.4	7.6	4.3	7.5	8.2	1.0	7.6	3.0	96.0	4.8%
Coastal Charter	50.3	0.9	0.2	0.0	0.0	0.6	0.5	0.0	0.0	0.1	0.4	53.0	2.7%
Sea school	24.6	2.0	0.5	0.1	0.5	0.8	0.6	0.1	0.0	0.1	1.2	30.5	1.5%
Waterside electronics dealer	6.8	2.4	0.3	0.0	0.2	1.7	0.7	0.3	0.0	0.0	0.1	12.5	0.6%
Total	769.2	409.4	304.3	152.2	109.0	47.3	59.6	35.7	7.6	33.7	65.9	1,994	100.0%

notes: RDA regions apply
source: BMF January 2005

Table 1.8 Employment by sector, 2004

No. of people	Permanent	Temporary	Total	
Boatbuilding	7,857	283	8,140	28.5%
Power and propulsion (mnfr.)	402	9	411	1.4%
Electronics (mnfr.)	974	101	1,075	3.8%
Equipment (mnfr.)	4,574	169	4,743	16.6%
Inland Hire & Charter	1,173	691	1,864	6.5%
Wholesale Distribution	1,824	48	1,872	6.5%
Insurance	390	26	416	1.5%
Finance	85	1	86	0.3%
Professional Services	1,796	172	1,968	6.9%
Moorings/Berthing/Storage	1,726	298	2,024	7.1%
Boatyard Services/Repairs	1,307	160	1,467	5.1%
New Boat sales (Dealer sales)	896	62	958	3.3%
Brokerage	332	40	372	1.3%
Retail	1,044	126	1,170	4.1%
Coastal Charter	970	132	1,102	3.9%
Sea school	596	210	806	2.8%
Waterside electronics dealer	129	2	131	0.5%
Total	26,075	2,530	28,605	100.0%

note: Permanent staff includes working directors and permanent part-time
source: BMF January 2005

Table 1.9 Employment by region, 2004

No of people	Permanent	Temporary	Total	
South East	**8,357**	**732**	**9,089**	31.8%
South West	**5,799**	**594**	**6,393**	22.3%
East Anglia	**4,684**	**348**	**5,032**	17.6%
East Midlands	**1,196**	**43**	**1,239**	4.3%
West Midlands	**1,648**	**296**	**1,944**	6.8%
North East	**181**	**12**	**193**	0.7%
North West	**919**	**86**	**1,005**	3.5%
Yorkshire & Humberside	**592**	**83**	**675**	2.4%
Scotland	**858**	**253**	**1,111**	3.9%
Wales	**1,001**	**85**	**1,086**	3.8%
Other Britain	**755**	**83**	**838**	2.9%
Total	25,990	2,615	28,605	100.0%

note: Permanent staff includes working directors and permanent part-time, RDA regions apply
source: BMF January 2005

Table 2.0 Industry size & structure, 2004

	no. firms	%	workforce	%	revenue	%	£/person
One man bands/ self employed	**1,210**	30%	**1,210**	4%	**£95M**	5%	**£78,500**
Small firms (2-4 people)	**1,741**	43%	**4,152**	15%	**£222M**	11%	**£53,400**
Medium size firms (5-9 people)	**547**	13%	**3,016**	11%	**£215M**	11%	**£71,400**
Large firms (10-99 people)	**526**	13%	**10,944**	38%	**£810M**	40%	**£74,000**
Very large firms (100+)	**28**	1%	**9,283**	32%	**£652M**	33%	**£70,300**
	4,052	100%	**28,605**	100%	**£1,994M**	100%	**£69,700**

note: Workforce includes working directors, the self-employed and part-time staff
source: BMF January 2005

EXPLANATORY NOTES 2004

INDUSTRY DEFINITION 'LEISURE MARINE'

The British leisure marine industry is a distinct group of over four thousand firms and sole traders that provide specialised products and services to marine leisure users across the world. These include: new leisure craft, second-hand boats, engines, insurance, finance, mooring, berthing and storage, boatyard service and repair, chandlery, waterways holidays, sailing holidays, boating equipment, marine electronics, deck hardware, clothing, safety equipment, sailing schools, corporate events, watersports kit etc. Leisure marine is separate from commercial marine or maritime industries such as oil & gas, shipbuilding, port development, the cruise industry, port management, ship repair etc. BMF is predominantly leisure orientated but many members are also involved in commercial areas. For example British builders of small commercial workboats are strongly represented within BMF.

INDUSTRY COVERAGE

Industry size is based on confidential turnover declaration forms from BMF members together with estimates for non members. The size of the Industry as a whole, including non-members, is calculated by stratifying the industry and then estimating the BMF penetration for each layer. This provides the baseline numbers for the total no. of firms, the total workforce and the total industry revenues. Analysis of the size and structure of the industry is shown in appendix.

INDUSTRY SIZE v ECONOMIC VALUE v MARKET VALUE

Business people, accountants and journalists see Industry Size as the revenues of all firms added up together. The Chancellor, on the other hand, is more interested in the economic value, also known as value-added ie. 'vatable' turnover. The value-added has been calculated for the industry and this turns out to be equal to approximately 50% of gross industry revenues.

Because most of the industry's products and services are sold directly, the sales value will often be counted only once at the point of sale to the end user. Brokerage fees, agents fees, insurances and finance are all written down by BMF as handling fees, commission or earnings. This means that the BMF figure for each trading activity will often be a good guide to the total end-user market value

Historical industry values are at current prices ie. the effect of product price inflation is included in the figures shown. When we forecast the future value of the industry for the next few years this will be in constant 2004 prices ie. inflation affects are excluded from the forecasts.

BMF INDUSTRY FORECASTS

These are based on trade feedback at boat shows and general economic trends. The forecasts are 60% UK with a 20% exposure to European markets and a 20% exposure to US markets.

ACCURACY - WITHIN £20 MILLION

Due to the fragmented nature of the industry it is impossible to produce perfect information. However, BMF's estimates of total industry revenues are believed to be within £20 million of the true figure ie. within 1.0% .

DISCLAIMER

BMF can take no responsibility for decisions taken using the information provided in this bulletin of statistics.

UK LEISURE MARINE - Industry bulletin January 2004 - 2005

Please read in conjunction with explanatory notes.

Appendix 2004 - Industry Size and Structure

MEMBERSHIP SAMPLE | TOTAL MARINE INDUSTRY

note: OMB= one-man-bands **holecount**

	Business type ONE ONLY	BMF sample no. of firms	No. of workers	Revenue £M		TOTAL NO FIRMS integer	sample proportion % percent	TOTAL WORKFORCE sample integer	proportion % percent	TOTAL TURNOVER millions	sample proportion % percent
1	South East OMB	57	57	5.38	1	380	15%	380.0	15%	36	15%
2	South East small (2-4)	202	567	31.67	2	505	40%	1,416	40%	79.19	40%
3	South East medium (5-9)	88	575	62.04	3	135	65%	884	65%	95.44	65%
4	South East large (10-99)	145	3,473	351.94	4	161	90%	3,858	90%	391.04	90%
5	South East v. large (100+)	14	4,345	327.80	5	14	100%	4,345	100%	327.80	100.00%
6	South West OMB	33	33	1.77	6	244	14%	244	14%	13.13	14%
7	South West small (2-4)	109	307	18.35	7	303	36%	851	36%	50.98	36%
8	South West medium (5-9)	53	359	20.36	8	91	59%	613	59%	34.58	59%
9	South West large (10-99)	57	1,481	77.76	9	70	81%	1,828	81%	96.00	81%
10	South West v. large (100+)	6	4,117	300.01	10	6	100%	4,117	100%	300.01	100%
11	East Anglia OMB	16	16	0.88	11	164	10%	164	10%	8.99	10%
12	East Anglia small (2-4)	46	130	8.27	12	177	26%	498	26%	31.81	26%
13	East Anglia medium (5-9)	48	318	24.30	13	114	42%	753	42%	57.53	42%
14	East Anglia large (10-99)	58	1,636	96.50	14	99	59%	2,796	59%	164.45	59%
15	East Anglia v. large (100+)	4	1,724	99.00	15	4	95%	1,814	95%	104.21	95%
16	East Midlands OMB	14	14	0.46	16	144	10%	144	10%	4.71	10%
17	East Midlands small (2-4)	27	84	6.22	17	104	26%	321	26%	23.94	26%
18	East Midlands medium (5-9)	16	98	8.23	18	38	42%	231	42%	19.47	42%
19	East Midlands large (10-99)	15	461	79.36	19	26	59%	787	59%	135.66	59%
20	East Midlands v. large (100+)	0	0	0.00	20	0	0%	0	0%	0.00	0%
21	West Midlands OMB	11	11	0.52	21	113	10%	113	10%	5.32	10%
22	West Midlands small (2-4)	29	79	3.46	22	112	26%	302	26%	13.31	26%
23	West Midlands medium (5-9)	19	123	8.17	23	45	42%	291	42%	19.33	42%
24	West Midlands large (10-99)	27	583	24.30	24	46	59%	997	59%	41.54	59%
25	West Midlands v. large (100+)	2	625	52.21	25	2	100%	625	100%	52.21	100%
26	Scotland OMB	5	5	0.11	26	83	6%	83	6%	1.82	6%
27	Scotland small (2-4)	21	60	2.44	27	131	16%	375	16%	15.22	16%
28	Scotland medium (5-9)	8	55	1.60	28	31	26%	210	26%	6.14	26%
29	Scotland large (10-99)	10	239	12.30	29	28	36%	663	36%	34.16	36%
30	Scotland v. large (100+)	0	0	0.00	30	0	0%	0	0%	0.00	0%
31	Wales OMB	11	11	0.59	31	147	8%	147	8%	7.92	8%
32	Wales small (2-4)	17	51	1.59	32	85	20%	255	20%	7.97	20%
33	Wales medium (5-9)	13	83	4.39	33	40	33%	254	33%	13.52	33%
34	Wales large (10-99)	10	246	19.14	34	22	45%	546	45%	42.53	45%
35	Wales v. large (100+)	1	100	0.03	35	1	100%	100	100%	0.03	100%
36	North West OMB	5	5	0.10	36	67	8%	67	8%	1.29	8%
37	North West small (2-4)	14	42	1.71	37	70	20%	210	20%	8.55	20%
38	North West medium (5-9)	9	61	2.51	38	28	33%	188	33%	7.73	33%
39	North West large (10-99)	12	333	11.51	39	27	45%	739	45%	25.57	45%
40	North West v. large (100+)	0	0	0.00	40	0	0%	0	0%	0.00	0%
41	North East OMB	0	0	0.00	41	0	0%	0	0%	0.00	0%
42	North East small (2-4)	5	12	0.37	42	25	20%	58	20%	1.85	20%
43	North East medium (5-9)	0	0	0.00	43	0	0%	0	0%	0.00	0%
44	North East large (10-99)	4	79	3.32	44	9	45%	174	45%	7.37	45%
45	North East v. large (100+)	0	0	0.00	45	0	0%	0	0%	0.00	0%
46	Yorks & Humb OMB	3	3	0.36	46	40	8%	40	8%	4.83	8%
47	Yorks & Humb small (2-4)	16	50	2.68	47	80	20%	248	20%	13.42	20%
48	Yorks & Humb medium (5-9)	5	34	0.94	48	15	33%	105	33%	2.88	33%
49	Yorks & Humb large (10-99)	9	188	8.77	49	20	45%	417	45%	19.48	45%
50	Yorks & Humb v. large (100+)	0	0	0.00	50	0	0%	0	0%	0.00	0%
51	N. Ireland OMB	3	3	1.39	51	67	5%	67	5%	30.84	5%
52	N. Ireland small (2-4)	18	53	2.57	52	150	12%	438	12%	21.38	12%
53	N. Ireland medium (5-9)	2	17	0.70	53	10	20%	85	20%	3.59	20%
54	N. Ireland large (10-99)	5	81	5.35	54	19	27%	300	27%	19.80	27%
55	N. Ireland v. large (100+)	1	115	3.80	55	1	100%	115	100%	3.80	100%
	TOTALS	**1,303**	**23,142**	**1,697.23**							
		sample members	member workforce	member rev							