



UK LEISURE, SUPERYACHT AND SMALL  
COMMERCIAL MARINE INDUSTRY  
KEY PERFORMANCE INDICATORS 2010/11

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# INTRODUCTION

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This report details a range of economic indicators within the UK leisure, superyacht and small commercial marine industry. This includes revenue, value added, international trade and employment. The data is presented at a total UK level, by region and by sector.

The BMF industry model providing this data consists of two parts. The first is based directly on primary data received from BMF Members' declaration forms for their last annual business performance prior to April 2011. The second is founded on a comprehensive assessment of non-member marine companies in the UK.

This Key Performance Indicators (KPI) report is published annually to enhance knowledge of the industry and identify trends over time. It is only possible to complete the industry model reliably through the time dedicated by BMF Members in completing their forms accurately, for which thanks is extended. All data is held in complete confidence.

For further information please call 01784 223615 or e-mail [research@britishmarine.co.uk](mailto:research@britishmarine.co.uk).

# HEADLINE FIGURES

- Total revenue of the UK leisure, superyacht & small commercial marine industry is £2.901 billion (-2.1% from 2009/10)
- Value added contribution, the principal measure of national economic benefit, is £906.1 million, 31.2% of revenue (-3.0% from 2009/10)
- International trade is £1.073 billion, 37% of the total revenue (-6.6% from 2009/10)
- Full time equivalent (FTE) UK employees c. 31,300 across the industry (-2.7% from 2009/10\*)
- UK businesses c. 4,200

NB: Figures quoted are subject to rounding

## Industry Revenue & Value Added Over Time

(£ billion)



The marine industry continues to show resilience during these challenging economic times; its impact is still prevalent but not to the same extent as during 2009/10. Overall, revenue and value added contribution have decreased only marginally in 2010/11 from the previous year, by -2.1% and -3% respectively. Employment also decreased slightly while international trade is back to similar revenue levels as reported in 2007/8.

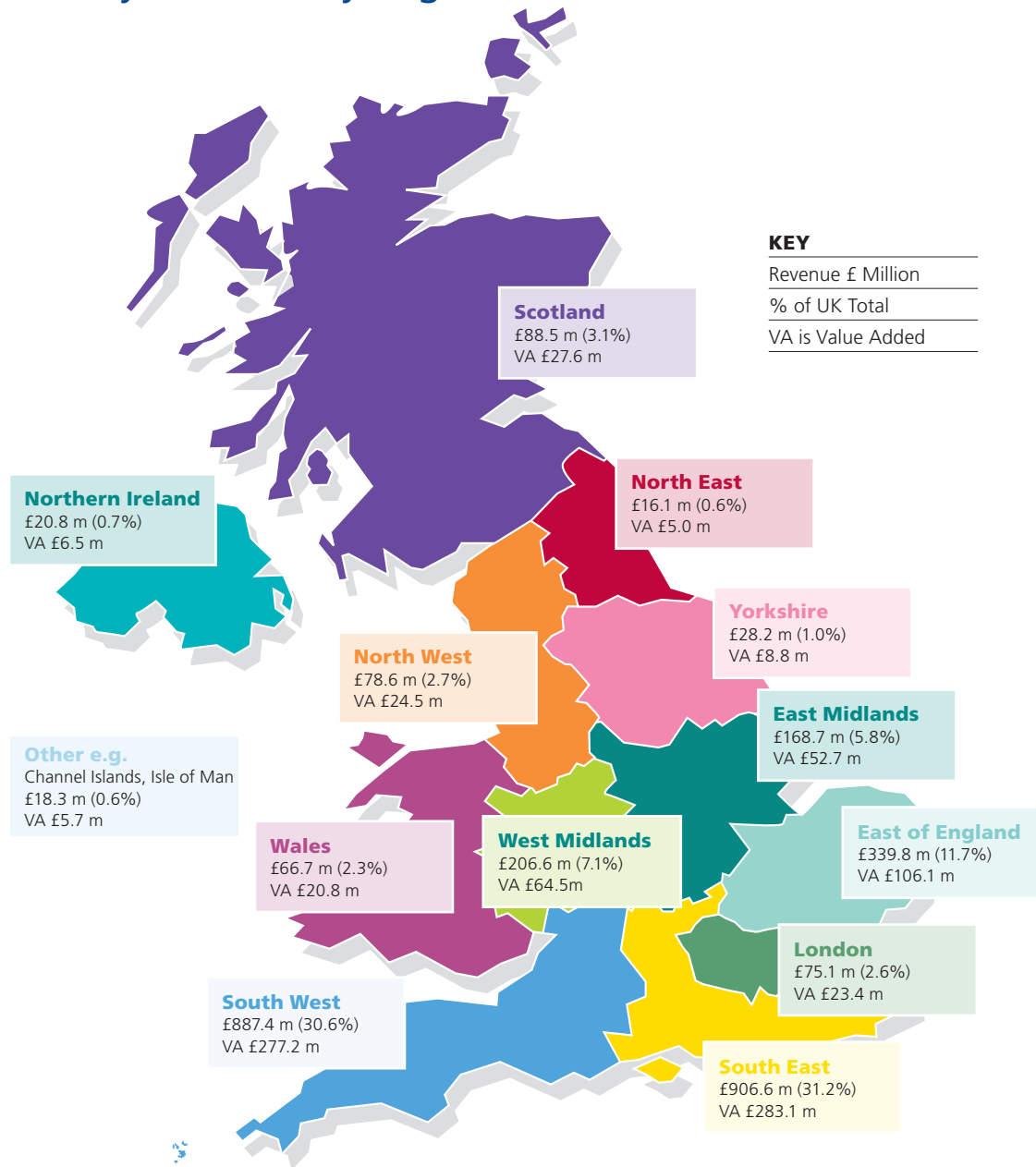
\*2009/10 slightly adjusted to remove non-marine employees from one company

# REVENUE AND VALUE ADDED

Total UK Industry Revenue £2.901 billion

Value Added Contribution £906.1 million

## Industry Revenue by Region

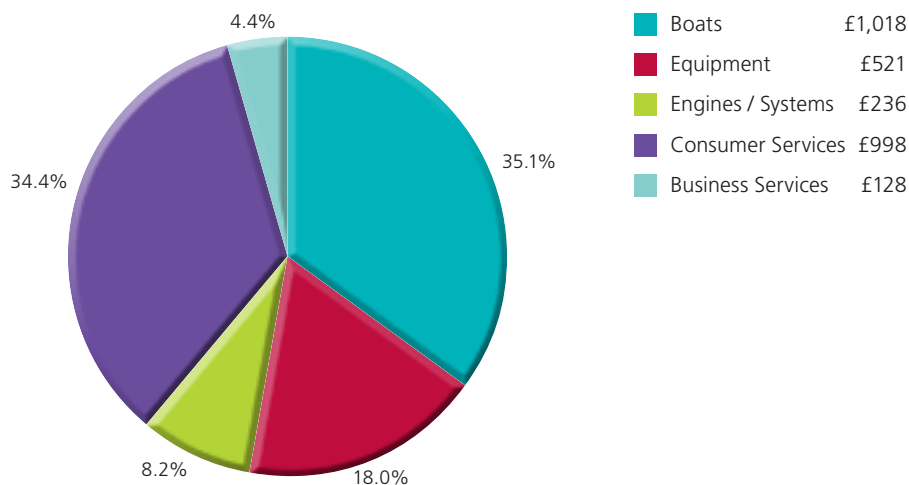


Across the different regions and countries within the UK, the marine industry revenue is fairly consistent from a year ago; the majority reporting a decline in line with the overall average. The largest decline from 2009/10 in absolute revenue terms was in the South East and South West, but the East of England decreased proportionally slightly more than others (-6.6%).

# REVENUE AND VALUE ADDED

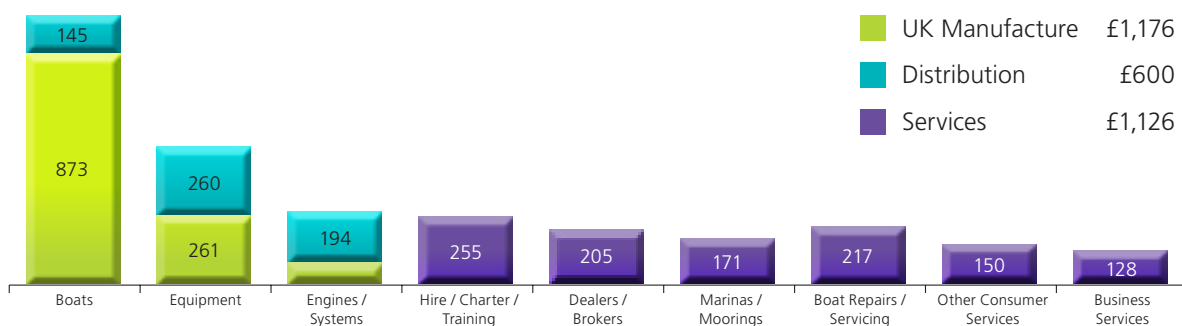
## Industry Revenue by Core Sector

(to nearest £ million)



## Industry Revenue by Sector

(to nearest £ million)



Revenue for UK manufacture and distribution is -2.9% lower than in 2009/10, with boats decreasing the most by -5% and equipment and engines / systems by -0.2%. Consumer services are -1.9% from the previous year. Notably, the superyacht (over 24m) and small commercial workboat (under 24m) sectors are known to be growing markets in 2010/11.

# REVENUE AND VALUE ADDED

## Industry Revenue by Detailed Sector

(£ million)

	£ million	% of UK total
<b>Manufacture in the UK</b>		
Motor/Power Boat Manufacture	753.03	26.0
Sail Boat Manufacture	107.01	3.7
Electronics Manufacture	19.13	0.7
Deckgear/Rigging Manufacture	132.39	4.6
Engines/Systems Manufacture	42.02	1.4
Other Manufacture	122.14	4.2
<b>Total Manufacture in the UK</b>	<b>1,175.72</b>	<b>40.5</b>
<b>Distribution</b>		
Motor/Power Boat Distribution	97.79	3.4
Sail Boat Distribution	42.92	1.5
Electronics Distribution	122.80	4.2
Deckgear/Rigging Distribution	27.42	0.9
Engines/Systems Distribution	194.42	6.7
Other Distribution	114.45	3.9
<b>Total Distribution</b>	<b>599.80</b>	<b>20.7</b>
<b>Consumer Services</b>		
Boat Repairs/Service/Installation	216.54	7.5
Coastal/Sea Charter/Passenger Boats	96.50	3.3
Inland Boat Hire/Passenger Boats	87.45	3.0
Sailing Schools/Training	61.56	2.1
Dealers/New Boat & Craft Sales	125.19	4.3
Brokers/Second-Hand Boat & Craft Sales	79.45	2.7
Chandleries/Online Stores	96.92	3.3
Coastal Marinas/Moorings	120.69	4.2
Inland Marinas/Moorings	50.59	1.7
Finance/Insurance/Legal/Surveyors	32.88	1.1
Other Services	30.42	1.0
<b>Total Consumer Services</b>	<b>998.20</b>	<b>34.4</b>
<b>Business Services</b>		
Business Consultants	29.25	1.0
Financial/Insurance/Legal	14.48	0.5
Other Services	83.82	2.9
<b>Total Business Services</b>	<b>127.56</b>	<b>4.4</b>
<b>Total</b>	<b>2,901.27</b>	<b>100.0</b>

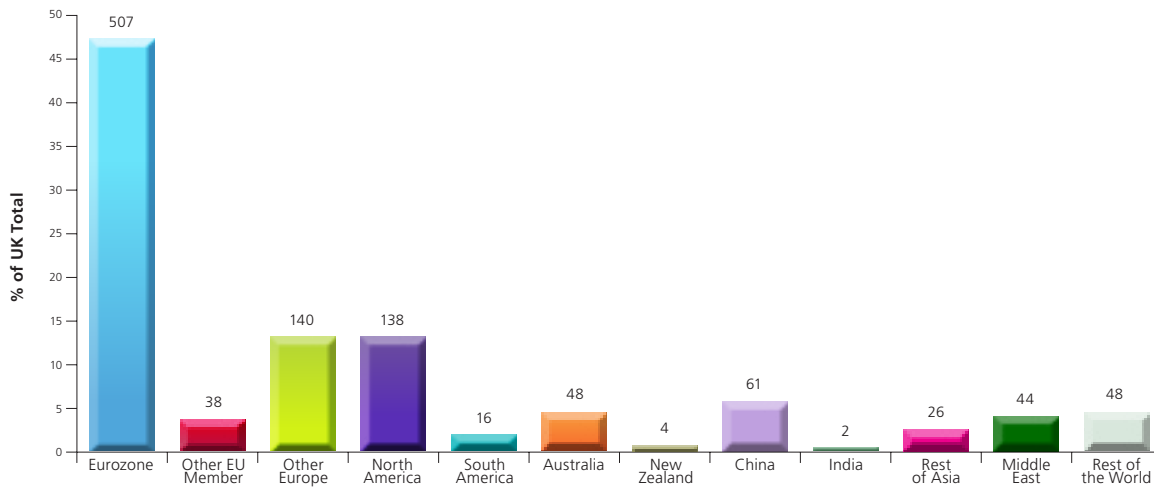
Revenue for manufacture within the UK represents 40.5% of the total industry, distribution 20.7% and services to consumers and businesses 38.8%. The majority of individual sectors are fairly flat or marginally lower than last year with the exception of sail and motor/power boat manufacture and distribution.

# INTERNATIONAL TRADE

Total International Trade £1.073 billion

## International Trade by Market

(to nearest £ million)



## Proportion of International Versus Domestic Trade

	Domestic Trade	International Trade
Boat Manufacture in the UK	36.1%	63.9%
Equipment Manufacture in the UK	61.4%	38.6%
Engines/Systems Manufacture in the UK	80.8%	19.2%
Boat Distribution	48.9%	51.1%
Equipment Distribution	79.2%	20.8%
Engines/Systems Distribution	83.5%	16.5%
Consumer Services	85.0%	15.0%
Business Services	75.5%	24.5%
<b>Total</b>	<b>63.0%</b>	<b>37.0%</b>

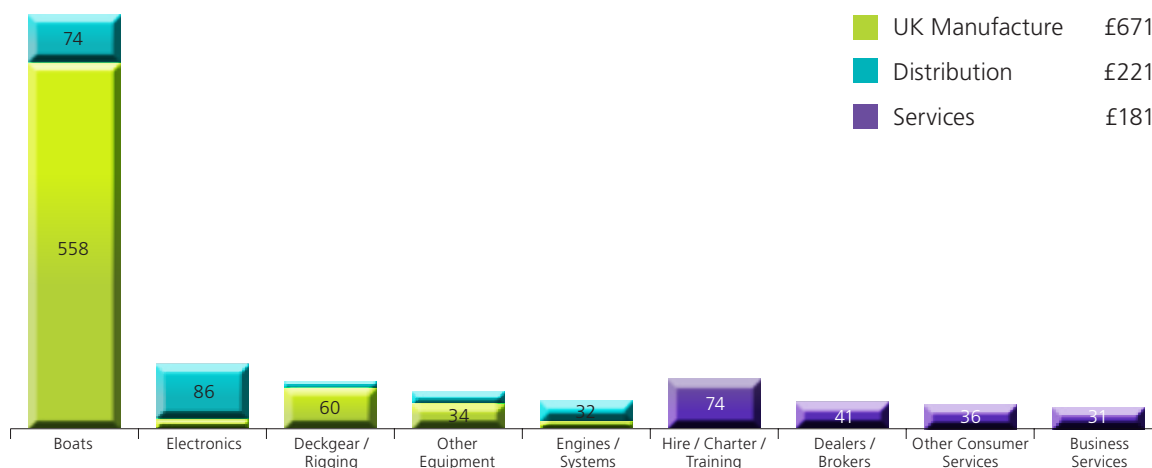
International trade has decreased in revenue overall by -6.6%. Trading has increased to the emerging markets of China and South America, while exporting to North America has recovered slightly from the previous year and Australia has also increased.



# INTERNATIONAL TRADE

## International Trade by Product / Service

(to nearest £ million)



## International Trade by Product / Service and Market

(£ million)

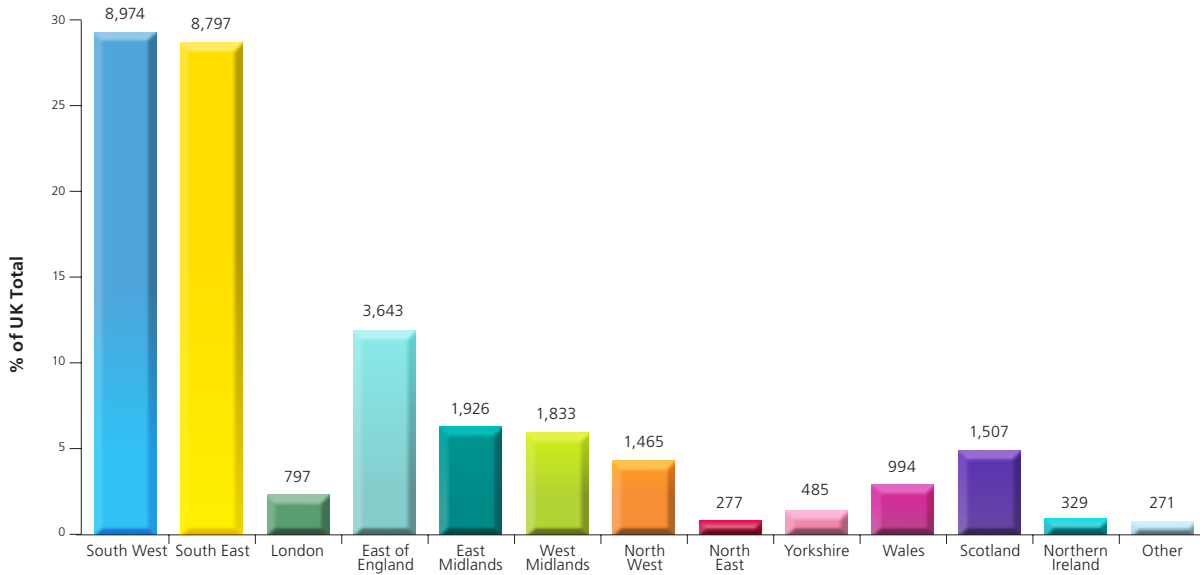
	Total	Euro Zone	Other EU Members	Other Europe	North	South	Aus/New Zealand	Middle East	Asia	Rest of World
Boat UK Manufacture	557.81	245.95	14.91	66.91	61.20	13.73	31.22	31.50	69.84	22.54
Electronics UK Manufacture	12.00	6.84	0.44	0.64	2.24	0.09	0.67	0.12	0.46	0.49
Deckgear/Rigging UK Manufacture	59.81	27.68	2.03	1.15	17.70	0.28	4.46	0.64	1.23	4.63
Other Equipment UK Manufacture	33.59	18.03	1.38	2.34	4.59	0.18	1.70	1.89	1.54	1.95
Engine/Systems UK Manufacture	8.06	4.82	0.57	0.79	0.48	0.05	0.24	0.24	0.51	0.37
Boat Distribution	74.23	38.93	1.45	25.93	4.94	0.02	2.54	0.06	0.25	0.11
Electronics Distribution	85.74	38.93	2.45	6.81	25.52	0.04	6.92	2.42	1.72	0.94
Deckgear/Rigging Distribution	5.77	4.00	0.38	0.41	0.35	0.02	0.07	0.08	0.34	0.13
Other Equipment Distribution	22.81	9.78	6.24	0.83	3.05	0.15	0.82	1.09	0.57	0.27
Engine/Systems Distribution	32.11	9.18	1.23	9.87	3.83	0.09	0.32	0.20	6.70	0.67
Hire/Charter/Training	73.53	47.94	0.96	12.21	4.61	0.19	1.07	2.42	2.07	2.06
Dealers/Brokers	40.52	24.43	2.97	4.69	2.31	0.16	0.59	1.31	0.76	3.30
Other Consumer Services	35.59	16.13	1.56	4.94	3.48	0.12	0.82	1.07	0.77	6.70
Business Services	31.22	14.40	1.91	2.92	3.60	0.55	1.28	1.45	1.64	3.46
<b>Total</b>	<b>1,072.78</b>	<b>507.05</b>	<b>38.50</b>	<b>140.45</b>	<b>137.91</b>	<b>15.66</b>	<b>52.72</b>	<b>44.50</b>	<b>88.40</b>	<b>47.61</b>

Manufacture in the UK accounts for the majority of international trade at 62.5% of the total, while distribution represents 20.6% and services 16.9%. Compared to 2009/10, the revenue decrease overall is predominantly due to the decline in value of UK boat manufacture exported (-14.5%).

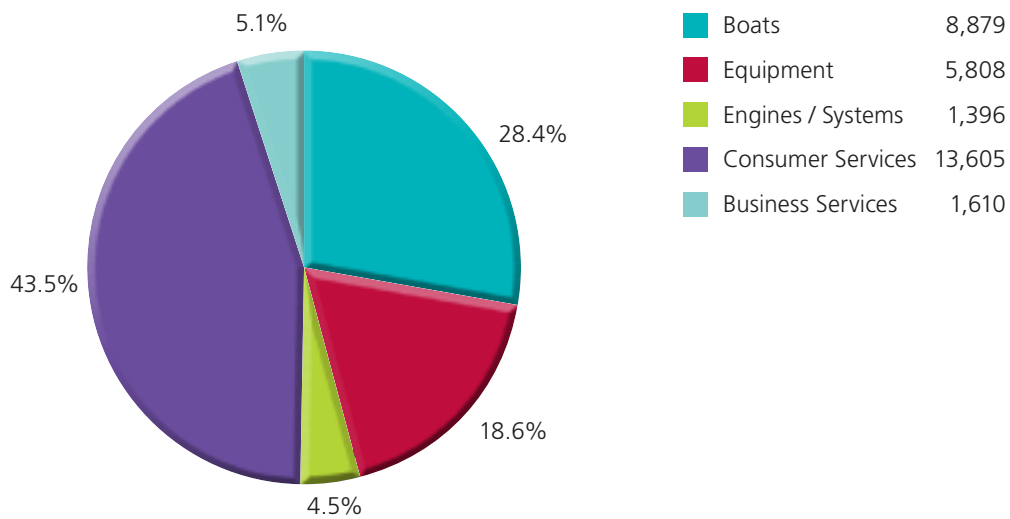
# EMPLOYMENT

Total UK Employment (FTE) c. 31,300

## Employment (FTE) by Region



## Employees (FTE) by Core Sector



The decrease of -2.7% from 2009/10 in marine employment is evident across all regions and countries, with absolute employment numbers mostly affected in the East Midlands followed by the South West and East of England.

# EMPLOYMENT

## Employment by Detailed Sector

	UK Employees	% of UK total
<b>Manufacture in the UK</b>		
Motor/Power Boat Manufacture	7,007	22.4
Sail Boat Manufacture	1,230	3.9
Other Boat Manufacture	228	0.7
Electronics Manufacture	287	0.9
Deckgear/Rigging Manufacture	1,665	5.3
Other Equipment/Accessories Manufacture	1,591	5.1
Engines/Systems Manufacture	500	1.6
<b>Total Manufacture in the UK</b>	<b>12,508</b>	<b>40.0</b>
<b>Distribution</b>		
Motor/Power Boat Distribution	247	0.8
Sail Boat Distribution	126	0.4
Other Boat Distribution	41	0.1
Electronics Distribution	871	2.8
Deckgear/Rigging Distribution	313	1.0
Other Equipment/Accessories Distribution	1,082	3.5
Engines/Systems Distribution	896	2.9
<b>Total Distribution</b>	<b>3,575</b>	<b>11.4</b>
<b>Consumer Services</b>		
Boat Repairs/Service/Installation	3,474	11.1
Coastal/Sea Charter/Passenger Boats	1,001	3.2
Inland Boat Hire/Passenger Boats	1,536	4.9
Watersports Rental	105	0.3
Sailing Schools/Training	1,096	3.5
Dealers/New Boat & Craft Sales	819	2.6
Brokers/Second-Hand Boat & Craft Sales	927	3.0
Chandleries/Online Stores	1,624	5.2
Coastal Marinas/Moorings	1,530	4.9
Inland Marinas/Moorings	755	2.4
Finance/Insurance/Legal/Surveyors	405	1.3
Other Services	334	1.1
<b>Total Consumer Services</b>	<b>13,605</b>	<b>43.5</b>
<b>Business Services</b>		
Business Consultants	365	1.2
Financial/Insurance/Legal	214	0.7
Other Services	1,032	3.3
<b>Total Business Services</b>	<b>1,610</b>	<b>5.1</b>
<b>Total</b>	<b>31,298</b>	<b>100.0</b>

Similarly to revenue, the overall UK employment decrease from 2009/10 is largely being driven by sail and motor/power boat manufacture and distribution (-8.3%). Employment for equipment and engines are on a par with the overall average trend while employment for services to consumers and businesses are relatively stable.

# INDUSTRY & BMF MEMBERSHIP PROFILE

## Total Industry Structure

The BMF estimate the total UK leisure, superyacht and small commercial marine industry to have the following structure and size for both members and non-members.

	Size Category	No. of Businesses	UK Employees (FTE)	Revenue (£ million)
Small	<1 to 5	3,083	7,190	448,263
	>5 to 10	624	4,860	369,718
	>10 to 25	343	5,350	438,231
Medium	>25 to 50	99	3,548	418,553
	>50 to 100	35	2,489	294,502
	>100 to 250	11	1,673	178,616
Large	>250	7	6,188	753,387
<b>Total</b>		<b>4,202</b>	<b>31,298</b>	<b>2,901.27</b>

The industry comprises a majority of companies with 5 or less employees (73.4%) who provide 23% of all employees and 15.5% of all revenue.

There are 52 companies with over 50 employees which account for 33.1% of all employees and 42.3% of the total industry revenue.

## BMF Membership

BMF Membership is highly representative of the UK leisure, superyacht and small commercial marine industry, accounting for 72.9% of the total UK marine revenue.

BMF Members employ 56.5% of all the marine labour force and are 31.3% of all businesses.

The majority of larger companies in the marine industry are within BMF Membership, including an estimated 88.7% of those with over 50 employees.

Within membership, there are an estimated 35.8% of all companies with between 5 and 50 employees and 28.8% of those with 5 or less employees.

# UK ADULT BOATING PARTICIPATION

The Watersports & Leisure Participation 2010 survey commissioned by the BMF, MCA, RNLI, RYA and BCU gives an accurate view on UK adult participation levels in the UK and overseas, the sample size being a robust 12,000.

The latest survey found 5.61% of UK adults went boating in 2010, which equates to up to 2.9 million adults, compared to 7.21% in 2009. This decline in boating was in casual participation, and occasional and enthusiast boaters remain relatively stable in their activity.

2010	Average % of UK adult population	Maximum number of adults
<b>Any boating activity</b>	<b>5.61</b>	<b>2,917,000</b>
Canoeing	2.15	1,160,000
Motor Boating/Cruising	0.92	517,000
Small Sail Boat Activities	0.81	461,000
Water Skiing	0.56	326,000
Yacht Cruising	0.52	306,000
Power Boating	0.51	302,000
Windsurfing	0.48	283,000
Canal Boating	0.42	250,000
Rowing/Sculling	0.36	219,000
Using Personal Watercraft	0.35	212,000
Small Sail Boat Racing	0.17	113,000
Yacht Racing	0.14	98,000

To download the full report providing detailed demographics, frequency and household ownership by boat type, please visit [www.britishmarine.co.uk/research](http://www.britishmarine.co.uk/research)

# EXPLANATORY NOTES

## Marine Trading Activities

The UK leisure, superyacht and small commercial marine industry comprise over 4000 businesses and sole traders.

The figures presented relate to all the leisure, superyacht (over 24m) and small commercial (up to 24m) marine industry, including the manufacture and supply of craft, equipment, engines/systems and accessories as well as all the services to consumers and businesses.

Activities represented are drawn from both coastal and inland sectors of the marine industry which encompasses all privately owned and charter/hire boats and craft, superyachts and small commercial workboats. This includes all motor/power boats, sailing yachts/dinghies, narrowboats/barges, RIBs/inflatables, personal watercraft, windsurfers, canoes and other speciality boats and craft.

## Sample & Methodology

The methodology combines primary data from BMF Members through completion of the Declaration of Turnover Form which is circulated each year for their last financial performance prior to April. This data is provided for company headquarters when there are multiple sites.

To determine the remaining marine companies outside of membership, a list of marine companies was obtained from the reputable business list provider, Experian. Desk research was conducted on each company to ensure they were relevant i.e. leisure, superyacht and small commercial marine and not shipping, naval etc. This provided non-member company names, sizes, locations and sectors.

## Industry Revenues

The revenue for members has been taken directly from information provided by them and this accounts for almost three-quarters of the total revenue for the industry. The non-members revenue is determined via a data model which has been based on the factual information provided by Experian with assumptions on revenue by company size based on members.

To ensure 'double counting' is minimized the handling fees and commissions or earnings have been provided by BMF members as their revenue, where relevant. This is applicable to brokerage and agents, insurance companies and underwriters, finance houses, finance brokers and solicitors. There will be an element of double counting in boatbuilding and distribution / dealership revenue when the boat is built in the UK then sold within the industry before selling to the end consumer. However all double counting has been eliminated by measuring the value added contribution of the marine industry which is the principle measure of national economic benefit i.e. the revenue the Treasury is interested in. The value-added approach used in this model is the Output Approach (sales minus the costs of intermediate inputs i.e. goods and services) of the total revenue.

# EXPLANATORY NOTES

## International Trade Activities

Countries within Europe are grouped as follows for the purposes of international trade:

- **Eurozone:** Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia, Spain.
- **Other EU Member Countries:** Bulgaria, Czech Republic, Denmark, Hungary, Latvia, Lithuania, Poland, Romania, Sweden.
- **Other European Countries:** Croatia, Gibraltar, Monaco, Norway, Switzerland, Turkey.

## Accuracy

Accurate statistics are vital to our function as the national representative body for the industry in the UK. BMF carries out random checks to verify Members' declarations of their turnover via Companies House. The non-member list was investigated thoroughly to ensure all businesses included in the model are relevant, i.e. leisure, superyacht and small commercial marine. Extensive quality assurance of the data model on both the source data and subsequent analysis has been conducted.

The large majority of Members complete their declaration form annually and data for non-returned forms (< 5%) is based on previous year's figures. The Member data represents the majority of the revenue (c. 73%) and data for the remaining non-member companies is based on a business list, with revenue based on a model by company size. It is important to note that non-member companies whose core business is not marine have not been included, therefore our figures are a conservative estimate. Overall, the confidence level is estimated to be c. 95% for the headline industry figures.

## Disclaimer

BMF takes no responsibility for decisions taken using the information provided in this report.

# OTHER REPORTS AVAILABLE

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## UK Markets

Free downloads on [www.britishmarine.co.uk/research](http://www.britishmarine.co.uk/research) include:

- Bi-Annual Marine Industry Trends reports
- Annual Watersports & Leisure Participation report, including boat ownership
- Superyacht UK Annual Industry report
- Boat park and boat production estimates by type and size

### **Economic Benefits of Inland Marinas 2008**

Launched in 2008 in partnership with British Waterways and the Environment Agency, with support from The Broads Authority and TYHA members. The report assesses and documents the economic significance and impact of inland marinas in the UK at a country and regional level, and details contribution at a local level through a series of sixteen case studies, based on primary research.

**BMF members - £30**

**Non-BMF Members - £150 (discounted from £300)**

### **Economic Benefits of Coastal Marinas in the UK & Channel Islands 2007**

Launched in 2007 in partnership with the Crown Estate and Jersey Harbours, with support from TYHA members. The report assesses and documents the economic significance and impact of coastal marinas in the UK and Channel Islands at a country and regional level, and details contribution at a local level through a series of nine case studies, based on primary research.

**BMF members - £30**

**Non-BMF Members - £150 (discounted from £300)**



# OTHER REPORTS AVAILABLE

## International Markets

### **ICOMIA Global Boating Industry Statistics Book 2010 – Free for BMF Members**

Normally a cost of €300 to BMF Members, this year BMF has purchased the publishing rights to this new edition of the report so members can download it for free from [www.britishmarine.co.uk/research](http://www.britishmarine.co.uk/research). The 2007 and 2008 versions are also held in archives.

This annual report by ICOMIA (International Council of Marine Industry Associations) contains a summary of data from 23 major marine leisure markets in the world, estimated to represent over 90% of the global sector. It also includes trade data for 35 countries, superyacht statistics courtesy of ShowBoats International / Boat International Media and marine outboard engines and personal watercraft sales.

Non-BMF Members can purchase the report for €600 direct from ICOMIA [www.icomia.org](http://www.icomia.org)

### **Individual Country Reports - Free for BMF Members**

Please visit [www.britishmarine.co.uk/international](http://www.britishmarine.co.uk/international) for individual reports providing market information and contacts on the following:

- European Emerging Markets – Croatia, Poland, Russia, Slovenia, Turkey, Ukraine
- Middle East – Abu Dhabi, Bahrain, Dubai, Egypt, Kuwait, Qatar, Saudi Arabia
- Brazil & Mexico

Reports (December 2010) are also available on the key superyacht markets of Holland, Germany, Italy and the USA, researching the buying processes of the yards and how UK companies should best approach them.

UK Trade & Investment (UKTI) commissioned reports are also available providing generic information on different countries.

