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Tool Distribution Market Report – UK, 2011-2015 Analysis

New AMA report Reviews Developments in the Distribution of Portable Tools

“The tool distribution market is highly fragmented with national organisations competing with many regional and local distributors. The health of the market is directly related to the performance of the UK building and construction sector, influenced by both new-build and repair, maintenance and improvement activities. As a consequence, the market has been impacted by the recession and prospects for growth will be linked to recovery in construction in the next few years.”

This is the **first** edition of the report and reviews the developments in the tool distributors market. A brief summary of the report is included on the following page.

Priced at £665, the report is currently available from AMA Research Ltd,
Telephone 01242 235724 or e-mail at sales@amaresearch.com.uk.

Editors Note:

Attached is a summary of the report. Please use brief extracts if you wish, **but we would request that references to company market shares are not published without our prior permission.**

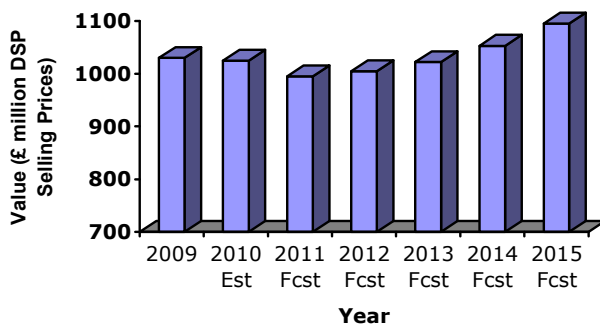
If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Andrew Hartley or Chris Moore on (01242) 235724.

Please include our web address and telephone number on any review printed; it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

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Tool Distribution Market Report UK 2011-2015 Analysis

UK Tool Distribution Market 2009-2013



This first edition of the Tool Distribution market provides a comprehensive analysis of the structure of the industry, and reviews the main distribution channels including DIY multiples, industrial products distributors, specialist distributors, builders merchants and others - including the Internet, garden centres, independents hardware stores and electrical wholesalers. The distributors' main product sectors are analysed including product market sizes and trends. The report also provides a forecast of market prospects up to 2015.

'Tools' embraces a wide range of products, but AMA's report includes portable power and hand tools, for use in building, home improvement and garden applications - with both professional and DIY versions generally available. Definition is relatively complex because of multiple applications and overlap of sectors, but the report excludes industrial, automotive, large/machine tools etc.

The health of the tool distribution market is directly related to the performance of the UK building and construction sector, influenced by both new-build and repair, maintenance & improvement activities. Until late 2007/early 2008, this buoyant market experienced annual growth rates of around 4%, reaching an estimated £1.2bn in 2007. However, the construction downturn of 2008/09 impacted the sector heavily and the tool distribution market declined by an estimated 14% over this period, reaching a market size of around £1,030m in 2009. The market stabilised in 2010 as housebuilding recovered marginally, supported by steady performance in several key non-domestic construction sectors, such as infrastructure and education.

Professional power tools accounted for the majority of tool sales in 2010, with around a 65-70% share of the market. This sector has lost share in recent years due to homeowners switching to undertaking DIY tasks themselves and some professionals switching to purchasing DIY tools due to the effects of the recession. Although power tools continue to gain share, hand tools currently account for an estimated 50-55% share of the tools market - though this varies between sectors.

The tool distribution merchant market is highly fragmented, reflecting the wide range of products, users and areas of application. Key distribution channels are DIY multiples with around 30%, industrial products distributors, specialist tool distributors, builders merchants and others including the Internet, garden centres, independent hardware stores and electrical wholesalers etc. Increasing numbers of e-tailers are offering power and hand tools online, with the Internet also benefiting the specialist and general distributor channels.

Product range includes tools for driving, drilling & breaking; cutting & grinding; carpentry & woodworking; and gardening (although there continues to be a blurring of the definitions within the building tools sectors). The largest product category in the market is the driving, drilling & breaking tool sector with over 35% share, with garden tools also significant.

Despite the difficult climate, some sectors are still performing relatively well, with lithium-ion products particularly popular. While 2011 is set to be a difficult year, the tool distribution market is expected to recover and show growth in 2012, reaching a market size of around £1.1bn in 2015.

AMA Research's "**Tool Distribution Market Report – UK 2011 – 2015 Analysis**" report is available in hard copy or electronic format for £665 and can be ordered online at www.amaresearch.co.uk or by calling 01242 235724.