

FOR IMMEDIATE RELEASE JANUARY 2008

## Tool Hire Specialist Market - UK 2008-2012

New AMA report provides a timely review of the UK Tool Hire market

The tool hire market is estimated to be worth some **£893 million** in 2007. Current forecasts indicate that the market is likely to continue to grow to 2012, reaching an estimated value of around **£1.1 billion**. The market represents a key sector of the overall Construction Equipment Rental Market consisting of plant hire, tool hire and specialist hire, with considerable overlap in core product sectors.

A brief summary of the report is included on the following page.

Priced at £650, the report is currently available from AMA Research Ltd, Telephone 01242 235724 or e-mail at [sales@amaresearch.com](mailto:sales@amaresearch.com).

### **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.**

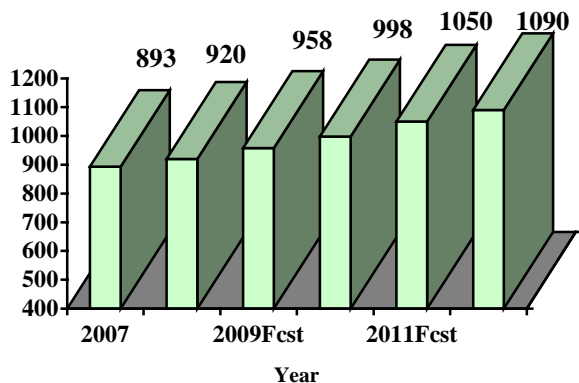
If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Andrew Hartley or Chris Moore on (01242) 235724.

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 Hire Specialist Market 2008-2012

## Tool Hire Market Forecast 2007-2012 (£m)



First published in 1996, this is the **seventh edition** of this report reviewing the Tool Hire Market, a market which is continuing to experience underlying growth.

The tool hire market is estimated to be worth some **£893 million** in 2007. Current forecasts indicate that the market is likely to continue to grow to 2012, reaching an estimated value of around **£1.1 billion**.

The market represents a key sector of the overall Construction Equipment Rental Market consisting of plant hire, tool hire and specialist hire, with considerable overlap in core product sectors

The construction equipment rental market is continually evolving, with an underlying trend to higher levels of concentration. In addition, more specialists are developing core product sectors, gaining market share and, in some instances, divesting non-core operations which fall outside their primary focus.

The **core product sectors** of the UK tool hire market include access equipment; drilling and breaking; lighting, welding and power; gardening and landscaping; plumbing and pumping; cutting and grinding, heating; cooling and drying; carpentry and woodworking; cleaning and floor preparation; concreting and compacting; together with a wide range of miscellaneous products

The UK tool hire market has continued to experience **steady underlying growth** during the last two years reflecting high levels of government expenditure – for example **health and education** – also the impact of health and safety, energy efficiency legislation, and a continuation of the trend to outsourcing and facilities management.

By value, **multiple branch outlets** are estimated to have a **69% share** of the UK tool hire market while the **builders merchants sector**, which is growing strongly, has significantly increased to around **22% share**. However, the share of the smaller hire companies is estimated to have decreased to around 9%.

**Periodic regional growth opportunities** for tool hire, reflecting the impact of climatic factors, such as **severe flooding in 2007** provides strong motivation for many tool hire products – for example, road repairs require mini-excavators, dumpers, compressors, rollers, etc.

Growth prospects in the medium term remain reasonably buoyant, though short term prospects are uncertain and will depend on the impact on the economy of the current global financial problems. Public sector construction and infrastructure projects will provide good opportunities, though DIY-based hire is forecast to suffer a downturn in the short term.

While the tool hire market is becoming increasingly concentrated, for example **Speedy's** acquisition of **Hewden's** tool hire business and **Wolseley's** acquisition of **Brandon Hire**, considerable scope exists in the builders merchants sector for expansion, while core specialists continue to expand via acquisition or product specialisation.

AMA Research's "**Tool Hire Specialist Market UK 2008-2012**" report is available in hard copy or electronic format for £650 and can be ordered online at [www.amaresearch.co.uk](http://www.amaresearch.co.uk) or by calling 0871 3103450.