

BITA MARKET INDEX

FORKLIFT TRUCK MARKET ENJOYS STRONG START TO 2016 BEFORE Q2 COOLING

Forklift orders started 2016 at their strongest level in recent years before softening slightly in the second quarter, according to BITA.

A recent upward trend in demand peaked in March 2016, when an annualised level of 33,400 units were ordered. This represents an 89% increase on the bottom of the market in December 2009 and highlights how strongly the industry has fought back from the global economic downturn.

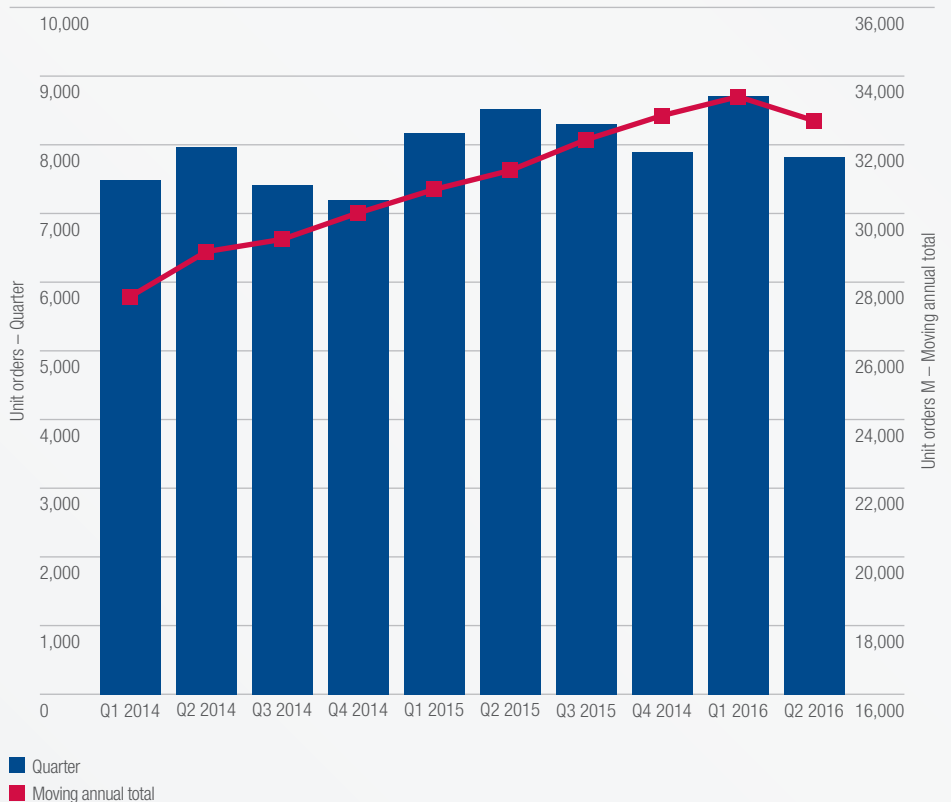
Despite this pause for breath, Britain appears to be recovering from the Brexit decision better than previously expected with indicators from the manufacturing sector, the building industry and consumer spending figures all confounding expectation.

The political uncertainty caused by the impending EU referendum in June caused a slight cooling of the market in quarter two – with a 10% slowdown in orders – but the market remains at historically high levels, underpinned by a number of sound fundamentals, despite the subsequent leave vote.

“The market remains at historically high levels, underpinned by a number of sound fundamentals, despite the subsequent EU referendum result.”

UK FORKLIFT TRUCK MARKET

Unit orders



SECTOR FOCUS

Manufacturing is the largest single sector user of industrial trucks, with almost a third (33.2%) of forklifts used in this industry. This has grown slightly from 33% in 2015 and could be set for further future growth if statistics from the Confederation of British Industry (CBI), are anything to go by. Manufacturers recently reported the strongest export orders in two years as the weak currency makes British goods more competitive abroad. Theoretically, this impact should only strengthen as exporters negotiate new deals based on this favourable pricing, with the CBI also reporting that 34% of businesses reported a rise in output volumes.

Transport and warehousing makes up a significant part of the 'other' classification which accounts for 36.6% of transactions when combined, up from 34.9% last year. There's nothing to suggest this will change any time soon, with online giants such as Amazon and ASOS continuing to expand their operations.

The former recently announced the creation of 1,500 permanent jobs at a new warehouse in Tilbury in Essex opening in spring 2017, hot on the heels of unveiling 500 positions at a warehouse in Doncaster, also slated to open next year.

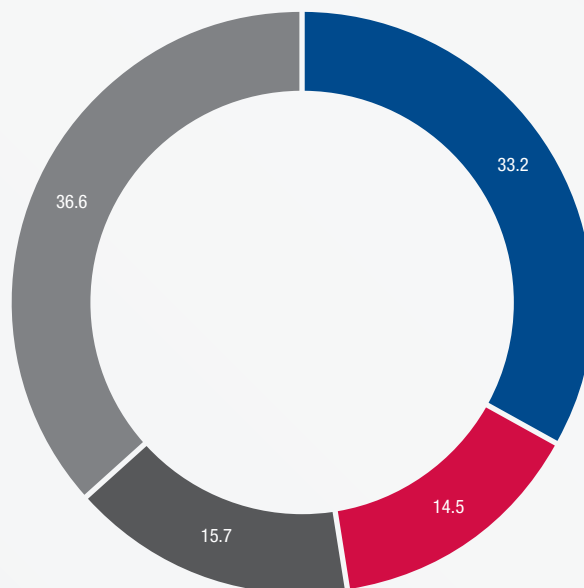
The retail distribution sector has seen a steady proportional decrease over the past five years. Having accounted for 19% of transactions in 2011, this has steadily fallen to 15.7% for 2016 to date, and is consistent with the shift in consumer purchasing behaviours from the high street to online.

Wholesale distribution currently accounts for 14.5% of transactions, down from 16.4% for 2015 as a whole.

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SHARE OF THE MARKET BY SECTOR

%



- Manufacturing industries
- Wholesale distribution
- Retail distribution
- Other (including: Transport and warehousing, primary industries, public services and rental)

TRUCK TYPE FOCUS

Counterbalance trucks continue to be the most in-demand type of industrial truck, accounting for 47.3% of transactions so far in 2016, slightly down from 48.8% in 2015. Warehouse pedestrian trucks represent just more than a third of all transactions (33.8%), a slight uptick from 33.4% in 2015. Warehouse rider trucks make up less than a fifth of the market, accounting for 18% of sales in 2016 to date, up from 16.8% in 2015.

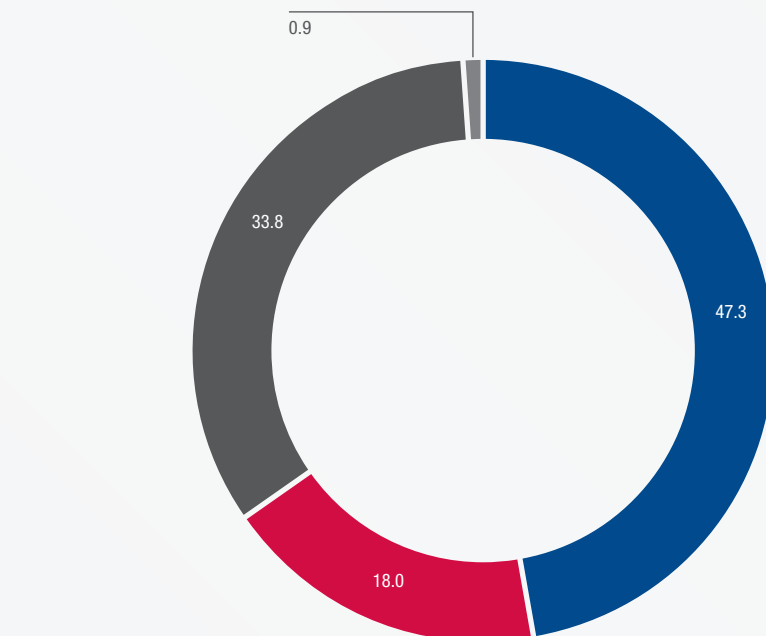
Both the counterbalance and warehouse truck market sectors remain strong with market demand from the UK's major forklift users and especially SMEs showing a high degree of resilience.

Market growth in recent years has been particularly noticeable for electric counterbalance trucks, powered pallet trucks and for very narrow aisle models and less prominent for engine powered counterbalance trucks.

“Market growth in recent years has been particularly noticeable for electric counterbalance trucks, powered pallet trucks and for very narrow aisle models and less prominent for engine powered counterbalance trucks.”

SHARE OF THE MARKET BY CLASS

%



- Counterbalance trucks
- Warehouse rider trucks
- Warehouse pedestrian trucks
- Other (including: Sideloaders and rider trucks)

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Notes for Editors

- The British Industrial Truck Association, BITA, is a substantial and dynamic trade association representing a membership of 78 forklift truck manufacturers, suppliers, service providers and media operating in the UK.
- BITA is the voice of the industry in matters technical and legislative at the highest levels in Europe and internationally. It enjoys a close working relationship with bodies such as the UK Health and Safety Executive, the European Committee for Standardization (CEN) and the International Standards Organisation (ISO).
- As a member of the British Materials Handling Foundation (BMHF) BITA is allied with the Fédération Européenne de la Manutention (FEM), the European manufacturers' association of materials handling, lifting and storage equipment.
- BITA produces a wide range of specialist publications, encompassing best practice and health and safety assurance, as well as technical guidance notes and unique market insight. Its specialist committees include the Truck Suppliers Group (TSG), Technical Policy Committee (TPC), and the Component & Services Group (CSG) among many others.
- BITA members, including many international brands, manufacture and distribute over 90% of all new forklifts procured each year in the UK. They employ 7,000 people directly, and enjoy a combined annual turnover of £1.3bn. BITA members play an increasingly important role in the UK's overall economic health, supply chain effectiveness and environmental performance.