The Insight Data

Fabricator & Installer

Market Report

The comprehensive market report on the UK window, door and conservatory industry

insightdata

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November 2013

The annual 'Insight Report' provides the clearest, most concise overview of window, door and conservatory companies in England, Scotland, Wales and Northern Ireland.

While most industry reports research a cross sample of companies and amplify this to create a broad picture, the Insight Report uses data collated during extensive telephone research and interviews carried out with over 15,000 companies on the Insight database.

Elements of the report are supplemented by financial information taken from the latest publicly available set of company accounts, provided to us by a credit reference agency.

As of October 2013 the database consisted of 15,137 window, door and conservatory fabricators and installers.

This report also includes ***Insight Top 30***, which highlights the 30 largest PVC-U fabricators by turnover and 30 strongest by net worth.

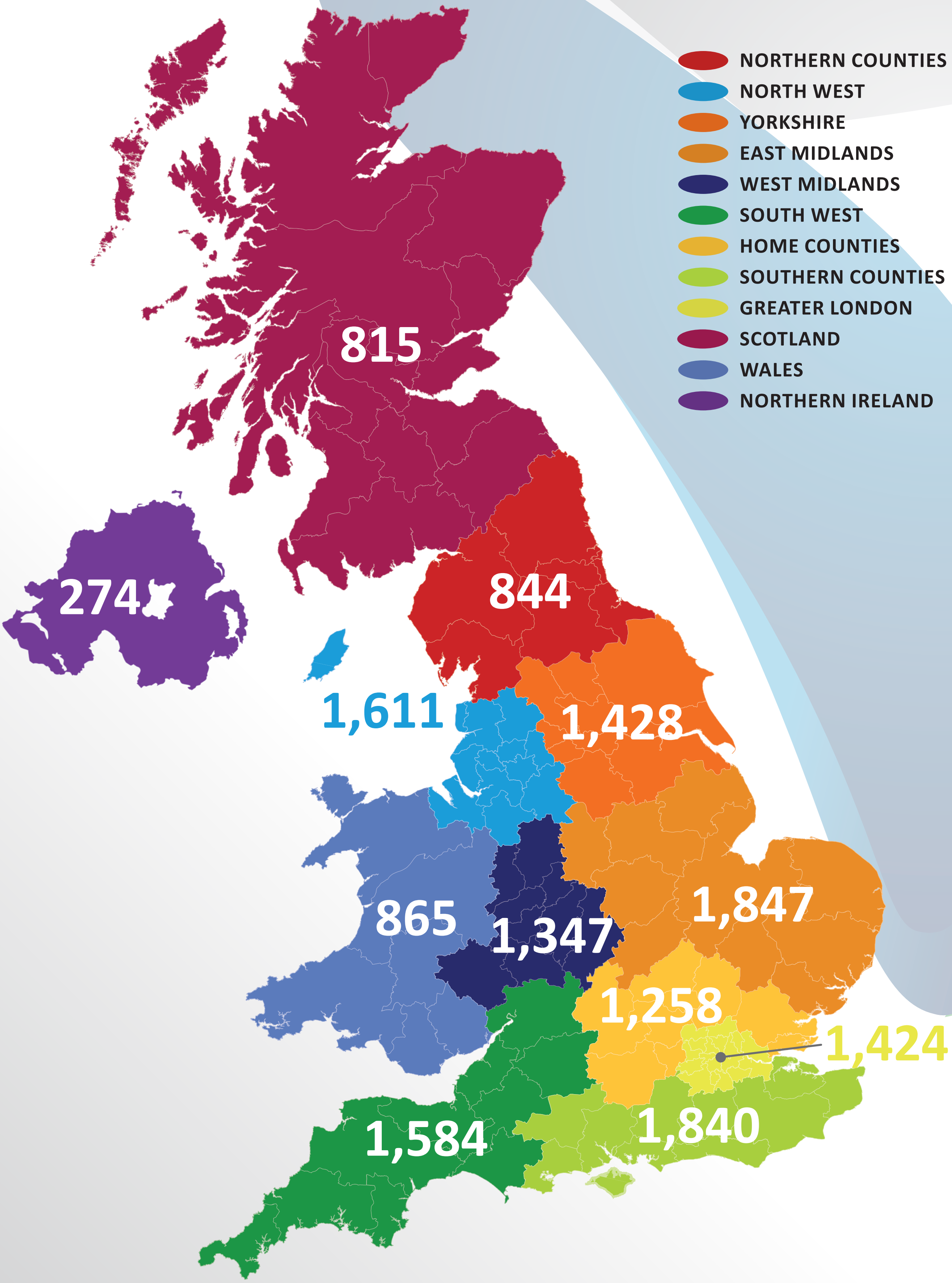
Industry Overview

Below is a geographical representation of the UK Fenestration industry consisting of fabricators and installers of windows, doors and conservatories.

The East Midlands region has the largest number of companies, but the South East has the largest number of companies per square mile. In addition the South East has the fastest rate of businesses entering the market. The Southern Counties alone had 170 new companies added to the database in the last 12 months and Greater London had 120.

Over the last year the number of companies across the industry has increased, reversing a trend of several years. This has been partly stimulated by the number of builders who have now repositioned themselves as home improvement companies, and also a significant increase in the number of 'trade counter' outlets.

Fabricators & Installers by Region



T: 01934 808 293 | **E:** hello@insightdata.co.uk | **W:** insightdata.co.uk

3 Bridgwater Court | Oldmixon Crescent | Weston-super-Mare | North Somerset | BS24 9AY

Manufacturing

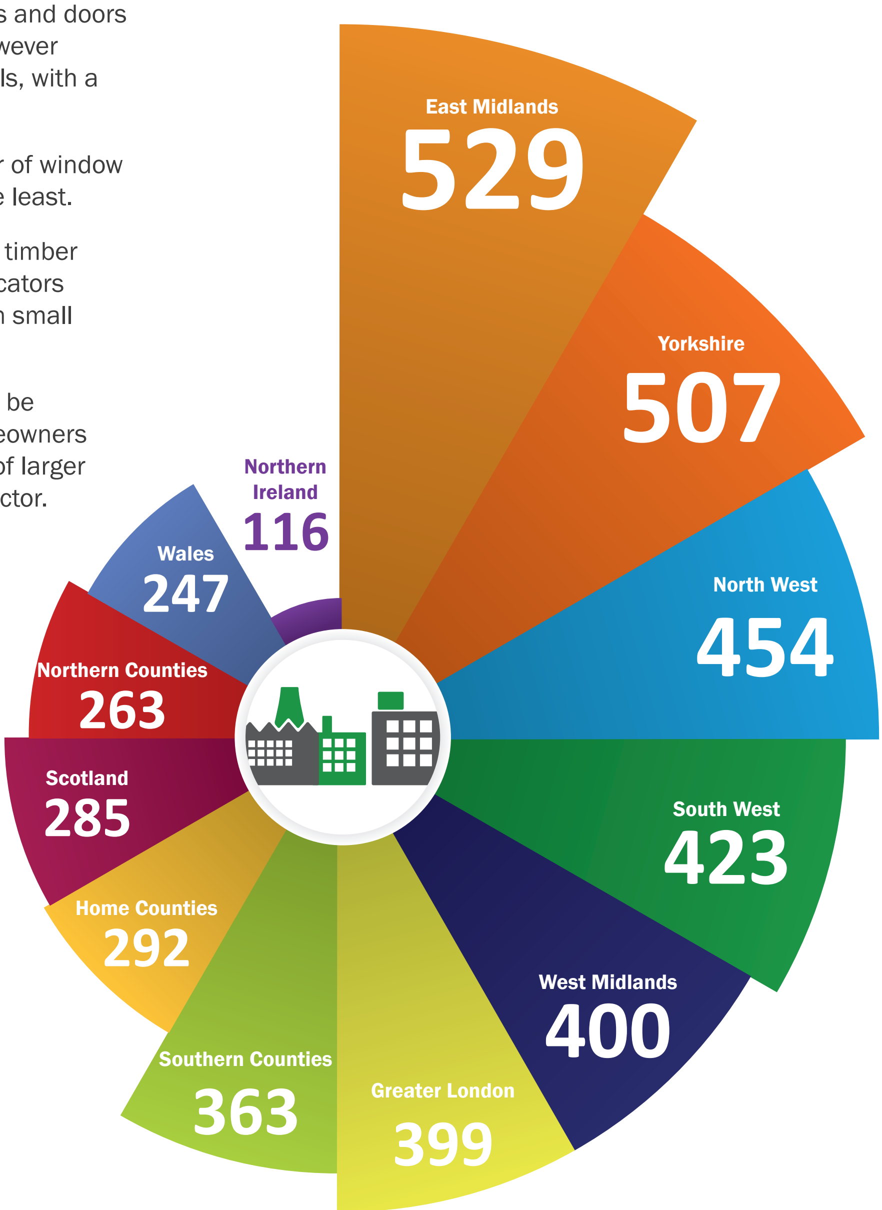
The number of companies that manufacture windows and doors (all materials) has increased marginally to 4,278, however this masks some underlining changes within materials, with a continued decline in PVC-U fabricators.

The East Midlands currently has the greatest number of window and door fabricators with Northern Ireland having the least.

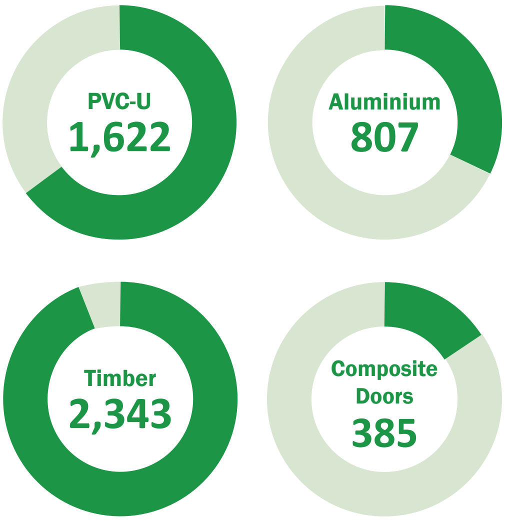
The diagram below shows more companies fabricate timber than PVC-U or aluminium, however most timber fabricators are small local joiners producing bespoke products in small volumes.

Although small in product volumes timber should not be overlooked as the market among installers and homeowners has seen renewed interest in timber, with a number of larger timber fabricators now actively targeting the trade sector.

Number of Fabricators Per Region



Number of Fabricators



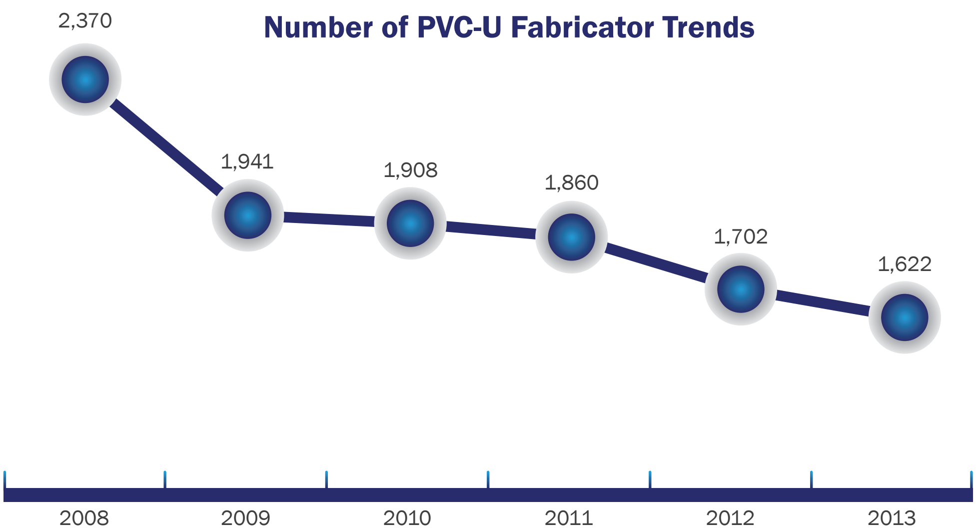
(Note to graph: the figures combined equate to more than the total number of fabricators because a high number of companies manufacture more than one material).

The number of PVC-U fabricators continues to decline, however, the average frame-count per fabricator has increased. This explains why some fabricators are reporting buoyant order books and record sales.

Below 50 frames per week, PVC-U fabricators seem content to continue fabricating as a 'lifestyle business'. The number of fabricators at this size has remained consistent.

The size of fabricator at greatest risk, and those most likely to cease fabrication, are manufacturing 50 to 250 frames per week.

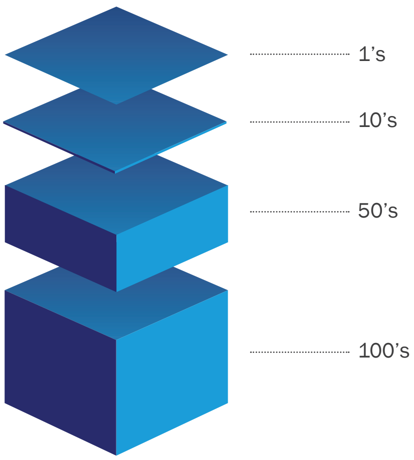
Number of PVC-U Fabricator Trends

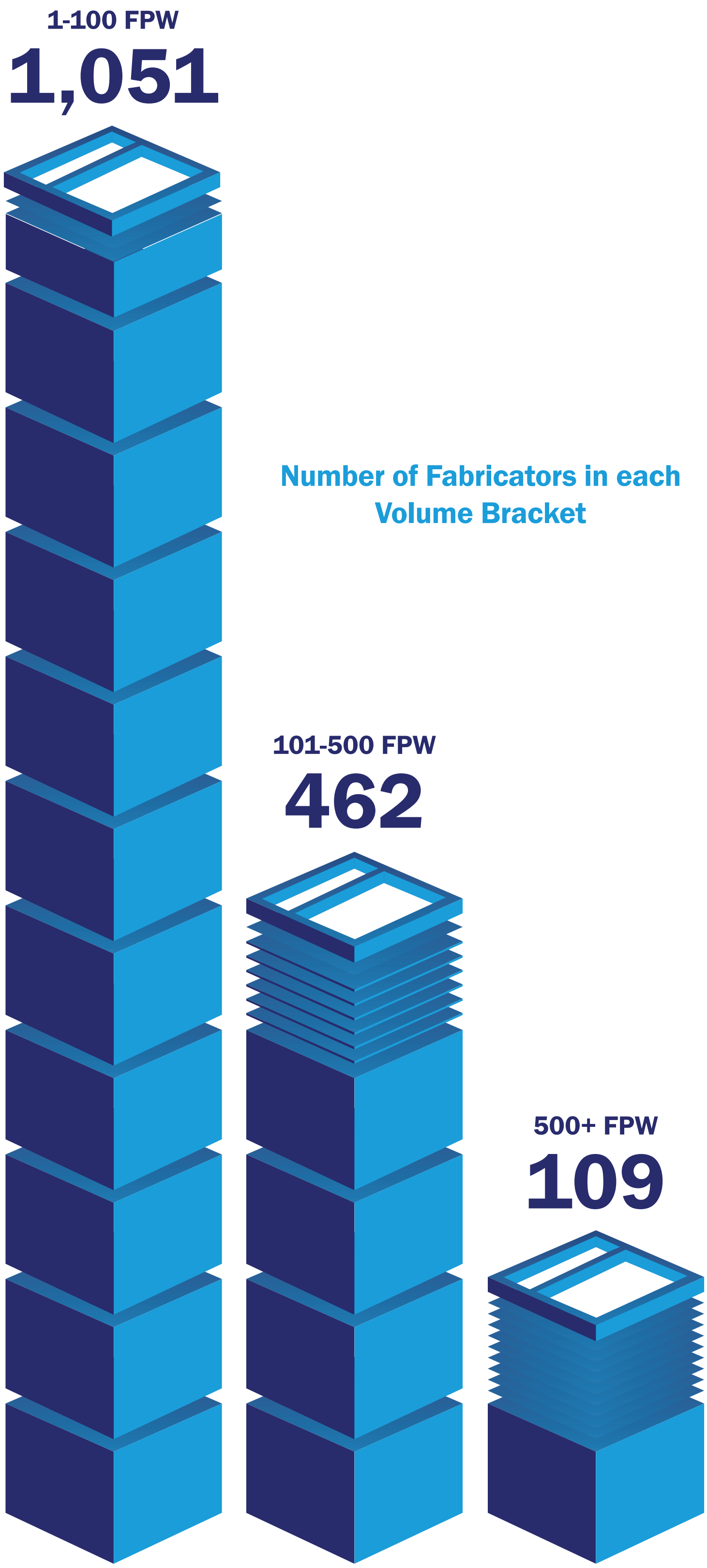


Most PVC-U Fabricators (65%) are still Small – 100 Frames Per Week or Less

The trend towards fabricators dual-sourcing PVC-U systems has slowed significantly. Instead of introducing more PVC-U systems, PVC-U fabricators are moving towards offering alternative products, such as aluminium, composite windows or new products such as Residence 9 from Eclectic Systems Ltd.

A whopping 283 PVC-U fabricators now also fabricate aluminium, a significant rise that represents 17.5% of all PVC-U fabricators. This has been driven by demand for aluminium bi-folding doors; however, aluminium bi-folding doors are also creating awareness and demand for aluminium windows and doors in general among installers and homeowners.





(65% of PVC-U fabricators still manufacture 100 frames per week or less)

Other Related Products

The number of companies that fabricate composite doors has increased marginally to 385, although many of these use 'prepped' slabs. Composite door volume has increased as installers have adopted this product (see Installer report below).

The number of conservatory roof fabricators continues to decline rapidly and is now at its lowest level since Insight Data started recording information in 2007. The market for conservatory roofs is also changing with continued increase in glass rather than polycarbonate roofing material and a move towards 'home extensions'.

The number of fabricators that make conservatory roofs from PVC-U/aluminium now stands at 289 companies.

Installers

Installers are companies that install windows, doors or conservatories. There are 12,498 installers active in the UK, a significant rise over the last 12 months. The industry has seen a number of general builders repackage themselves as double glazing installers.

In addition there are a further 20,651 general builders who are active in general home improvements, including windows, doors and conservatories. Many of these builders are sourcing products from 'trade counters' (see 'trade counters').

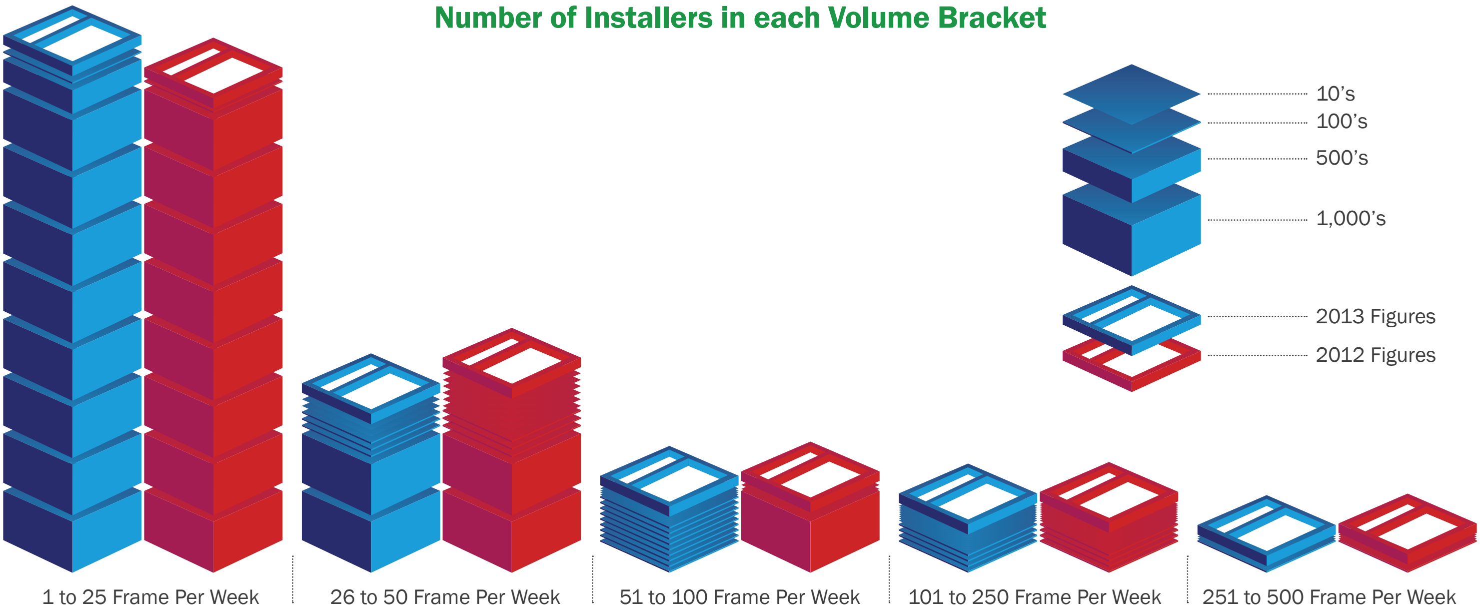
Of the 12,498 window, door and conservatory installers, 9,198 buy-in their products from a fabricator or trade-counter distributor.

One of the most notable changes in the last twelve months is the increase in the number of installers who now supply more than one material. 47% of installers now offer at least two materials (PVC-U, timber or aluminium).

Aluminium in particular should be noted; historically a product aimed primarily at the commercial market, the number of domestic (residential) window and door installers who offer aluminium as an option has increased by almost 50% in two years, driven by consumer interest in aluminium bi-folding doors.

However, there are changes outside the sphere of windows, doors and conservatories. Following the likes of Anglian Windows, who are now 'Anglian Home Improvements', many installers are diversifying and offering a wider range of home improvement products such as garage conversions, driveways and decking, extensions and other home improvements.

Number of Installers in each Volume Bracket



(The number of companies installing 1-25 frames per week has risen; all other categories have declined marginally).

Volumes

The volume of window/door frames per installer has on average fallen marginally. The chart below shows the number of installers against the frames-per-week volume. Across all volume categories (26-50 frames per week, 51-100, 101-250 and 251-500) the number of installers has dropped, while the number of installers at the lower end of 1-25 frames per week has increased to 8,555.

However, data from a recent market research project carried out by Insight Data on behalf of the Consumer Protection Association (CPA) indicates that 29% of installers reported an increase in order values while 34% reported an increase in profit margins.

This indicates that a slight decline in volume for installers has been more than offset with higher order values and margins brought about, primarily, by offering a wider range of higher-value products and materials.

In addition, the chart above does not include local builders who have taken market share from lower-end frame volume, typically sourcing from trade-counter depots. Local builders, who often have an established relationship with the homeowner, have become a direct competitor to traditional window, door and conservatory installers.

Composite Doors

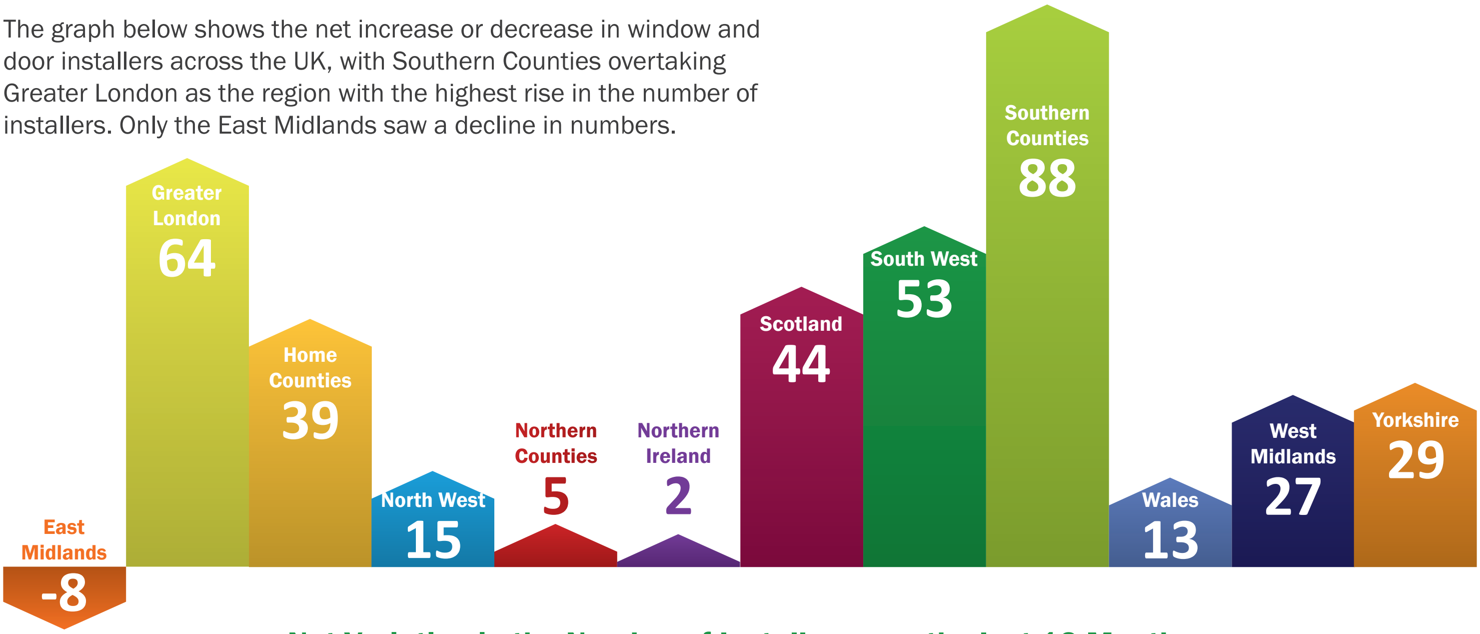
While it may be assumed that all PVC-U door installers are offering composite doors, this has not been the case with many installers taking a cautious approach due to historical problems experienced with some products.

However the last year has seen a surge in PVC-U companies now offering composite doors, rising to 7,835 firms representing 72% of PVC-U window/door installers.

Another significant change is the rise in companies offering more than one composite door product; in fact 639 installers now offer a choice of composite door suppliers/products, a number that is increasing rapidly.

Regional change over the last 12 months

The graph below shows the net increase or decrease in window and door installers across the UK, with Southern Counties overtaking Greater London as the region with the highest rise in the number of installers. Only the East Midlands saw a decline in numbers.



Net Variation in the Number of Installers over the last 12 Months

Trade Counters

A significant shift in distribution channels is occurring across the window, door and conservatory industry. The traditional route of fabricator >> installer >> homeowner is being challenged by a rapidly growing network of trade counters.

Several major suppliers operate in this sector, including SIG Group, Masco and Epwin. Trade Counters sit between the fabricator and the installer/builder, providing a convenient local depot, a wide choice of product availability and additional localised services, such as skip/waste facilities.

A growing number of specialist operators who neither fabricate nor install have sprung up in recent years. These businesses buy-in products in volume from a fabricator, and sell on to small installers, DIY and builders through the depot.

It should be noted that a growing number of larger PVC-U fabricators are now establishing their own networks of trade counters. This provides a strong regional presence and enables the fabricator to capture volume they would not otherwise gain. However, this poses a threat to smaller, regional fabricators that rely on local business.

Conclusions

The Insight Report provides a snapshot of the industry. It is not designed as an in-depth analysis or forecast of volumes.

However, several trends are emerging from the Insight database.

While on the surface the industry appears fairly stable, there is a significant undercurrent of change. This is being seen across many facets:

- Reduction in the number of PVC-U fabricators
- Diversification of materials being manufactured by fabricators
- Route to market (distribution channels)
- Installer diversification in products and materials
- Installer diversification into other home improvement sectors
- Rapid increase in 'local builders' now offering windows and doors
- The rise of the trade counter depot

As a result of this undercurrent, the rate of change within the Insight Database is at its highest ever level. Across the database, there are now some 1,300 changes occurring every month – companies, management, locations, contact details, products and sectors. Over the last six months 60% of companies on the database have experienced some change in their business.

Insight Data has indicated over the last two years a trend we call 'morphing' where double glazing companies are offering general home improvement and building services, while the 20,651 active 'local builders' are now promoting windows, doors and conservatories. Effectively, both are beginning to merge into general home improvement companies.

There are now, effectively, 33,000 companies installing windows, doors and conservatories in the UK.

Insight Top 30 PVC-U Fabricators

The Insight Top 30 is focused on PVC-U fabricators in the UK. The report assesses information collated from the Insight fabricator and installer database cross-referenced with financial data provided by a credit reference agency.

The report shows the top 30 fabricators by turnover, and the top 30 fabricators by net worth. Where the company has not disclosed sufficient financial information on their annual returns, or has consolidated group accounts, they are excluded from the report.

The financial data is the publicly available company accounts that represent the latest filed records available to Insight Data as of 31st September 2013.

Market Sectors

Turnover is not necessarily an indication of performance; a domestic/retail fabricator will have a significantly higher turnover to a trade fabricator producing the same volume of frames.

In addition, some companies offer a wider range of products and services but a financial breakdown of these is not available.

There is no clear market sector that is most profitable; the report demonstrates a spread of companies across retail, trade, commercial and new-build markets.

PVC-U Fabricators ranked by turnover

Rank	Company Name	Turnover (£)
1	Anglian Windows Limited	£208,669,000
2	Everest Limited	£144,445,000
3	Style Group UK Limited	£110,242,918
4	A&B Glass Company Limited	£34,951,339
5	Camden Group Limited	£34,789,010
6	Crystal Windows & Doors Limited	£27,645,634
7	Sidey Limited	£24,763,594
8	Nationwide Windows Limited	£21,112,335
9	Total Glass Limited	£19,627,964
10	Sovereign Group Limited	£19,211,600
11	C R Smith Glaziers (Dunfermline) Limited	£18,363,341
12	Polyframe (Trade) Limited	£16,907,922
13	CWG Choices Limited	£16,151,241
14	Affordable Window Systems Limited	£15,578,109
15	Warmseal Windows (Newcastle) Limited	£15,296,163
16	CMS Enviro Systems Ltd.	£14,987,214
17	Glazerite Windows Limited	£14,764,050
18	Tradelink Direct Limited	£14,126,835
19	Graham Holmes Astraseal Limited	£13,640,266
20	Dunraven Manufacturing Limited	£13,567,878
21	Consort Limited	£12,749,221
22	YWC Group Limited	£12,674,441
23	Garrard Windows Limited	£12,641,068
24	Customade (UK) Limited	£12,484,920
25	Emplas Window Systems Limited	£11,880,163
26	John Fredericks Plastics Limited	£11,711,000
27	Direct Trade (Yorkshire) Limited	£11,073,776
28	Modplan Limited	£11,071,451
29	Ford Windows Limited	£11,011,099
30	Sash UK Limited	£10,937,808

PVC-U Fabricators ranked by net worth

Rank	Company Name	Net Worth (£)
1	Anglian Windows Limited	£67,281,000
2	Style Group UK Limited	£21,438,635
3	Crystal Windows & Doors Limited	£10,500,322
4	Graham Holmes Astraseal Limited	£7,360,780
5	Tradelink Direct Limited	£6,339,850
6	Camden Group Limited	£6,300,544
7	Solar Windows Limited	£5,849,892
8	Sekura Trade Frames Limited	£5,771,321
9	Nova Group Limited	£4,814,981
10	Dunraven Manufacturing Limited	£3,998,461
11	Roundbrand Limited	£3,876,452
12	CWG Choices Limited	£3,866,097
13	Consort Limited	£3,472,118
14	A&B Glass Company Limited	£3,254,783
15	Sash UK Limited	£2,916,218
16	Dempsey Dyer Limited	£2,821,146
17	Britannia Windows (UK) Limited	£2,560,266
18	Warwick Development (North West) Limited	£2,361,968
19	Dungannon Window Company Limited	£2,297,988
20	Total Glass Limited	£2,238,907
21	Sovereign Group Limited	£2,219,059
22	Exterior Plas Limited	£2,164,235
23	Nationwide Windows Limited	£2,146,181
24	YWC Group Limited	£2,003,996
25	Ashford Commercial Limited	£1,868,792
26	Sidey Limited	£1,863,444
27	Customade (UK) Limited	£1,829,923
28	Lister Trade Frames Limited	£1,797,258
29	CMS Enviro Systems Ltd.	£1,700,442
30	Crest Glazing Limited	£1,694,642

This report was produced by Insight Data Ltd.

Insight Data is the specialist provider of business prospect data for the fenestration and building industry. The company employs 30 staff and the managing director, Andrew Scott, has 25 years of experience in the glazing industry.

The company is registered as a data controller with the Information Commissioners Office, is a full member of the internationally recognised Direct Marketing Association (DMA), the UK based GGF (Glass and Glazing Federation), and is twice winners of the Government backed Enterprise Agency Business of the Year Awards.

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Insight Data Ltd
3 Bridgwater Court, Weston-super-Mare, BS24 9AY
T: 01934 808 293 | E: hello@insightdata.co.uk