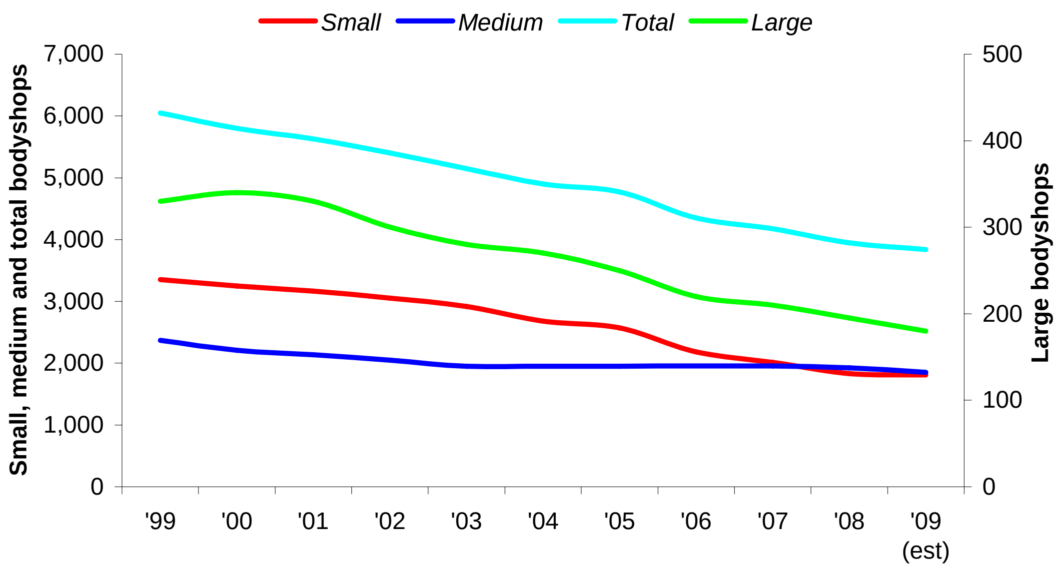
Figure 40 - Trends in the number of primary bodyshops by size of bodyshop, 1999-2009



Source: Trend Tracker

Small Bodyshops

- In 1999, small bodyshops employing up to nine staff and repairing up to 19 cars a week accounted for 55% of all primary bodyshops, a share which remained fairly stable until 2004. After subsequent decline in their numbers, these small bodyshops accounted for an estimated 47% of all primary bodyshop outlets by 2009.
- Part of the decline in the proportion of small bodyshops within the primary bodyshops population is due to both closures and businesses converting to secondary bodyshops that include mechanical repairs in their work mix. The decline is also partly due to some small bodyshops increasing in size to become medium bodyshops.
- Smaller bodyshops have managed to survive in the past by operating with lower overheads with relatively few courtesy cars, and by operating below the one-tonne VOC compliance threshold of the EPA regulations. Smaller bodyshops have also had a different work mix from that of larger bodyshops with less direct work from insurance companies and more retail and sub-contracted work.
- The introduction of the Paint and Products Directive (PPD) in 2007 which prevents the sale and supply of non-compliant paint products, and the development of the Thatcham/BSI PAS 125 body repair Kitemark standard, have significantly eroded the cost advantage that small bodyshops have enjoyed over their larger counterparts.

Medium-sized Bodyshops

- The proportion of medium-sized bodyshops employing between 10-25 employees and carrying out between 20 and 49 repairs a week has increased from 39% of all primary bodyshops in 1999 to an estimated 48% in 2009.

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- The number of medium-sized bodyshops remained static from 2003 to 2005 but rose slightly in 2006/07 as a number of small bodyshops grew to become medium-sized and some large bodyshops downsized. Their number has since fallen in 2008 and 2009 as a result of the decline in the number of insurance accident claims and a reduction in the size of approved repair networks by insurance, fleet and accident management companies.
- Although medium-sized bodyshops have begun to account for a larger proportion of all primary bodyshops, they continue to survive on marginal levels of profitability, particularly on work sourced directly from insurance and accident management companies.
- Low contractual labour rates on insurance and accident management work, high operating costs, shrinking repair times, falling labour efficiencies due to high non-productive staff ratios and potentially falling demand due to higher levels of total losses are all eroding profitability for medium-sized bodyshops.
- Fluctuating levels of demand for insurance repairs to private cars pose significant difficulties for medium-sized bodyshops. Contractual arrangements with insurers and accident managers prevent bodyshops from lifting labour rates during periods of increased repair demand.

Large Independent Bodyshops and Groups

The vast majority of independent bodyshops in the UK are relatively small, single-site businesses employing fewer than ten staff and repairing up to 20 cars per week. There has, however, been a significant increase in outlet concentration with the emergence of large, single-site independents, a small number of independent bodyshop groups and one very large independent group.

Figure 41 - Largest independent bodyshops in the UK, 2009

	Turnover £m	No of sites	Turnover per site £000
Nationwide Crash Repair Centres	£179.3	73	£2,457
Just Car Clinics	£42.6	23	£1,853
DWS Bodyworks	£40.0 (e)	14	£2,857
ADR Accident Repair Centres	£24.9 (e)	10	£2,490
Howard Basford	£19.5 (e)	9	£2,170
Seward Accident Repair Centres	£18.0 (e)	8	£2,250
Apollo Motor Group (Cosham)	£18.0 (e)	9	£2,000
Balgores Motors (1982)	£15.0 (e)	8	£1,875
Exway Coachworks	£14.0 (e)	8	£1,750
BP Rolls	£13.9	4	£3,465
KC Autos	£13.1 (e)	4	£3,281
Alton Cars	£11.5 (e)	5	£2,308
Derek Gladwin	£11.5 (e)	6	£1,917
Bennett's (Scotland)	£11.5 (e)	4	£2,875
Wrights Accident Repair Centres	£11.5 (e)	4	£2,865
Rye Street Coachworks	£9.7 (e)	4	£2,425
HB Panelcraft	£8.3 (e)	3	£2,767
Karl Vella Autobody Repairs	£8.0	4	£2,009
Northern Accident Repair Co	£8.0	4	£1,994
Motofix Accident Repair Centres	£7.9 (e)	4	£1,975

Source: Motor Trader ('e' = estimated)