UK Chemical Distribution Report

Contributed by MBD
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UK CHEMICAL DISTRIBUTION MARKET RESEARCH REPORT

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After researching the UK chemical distribution market development and taking into account various other factors the following conclusions can be drawn from MBD's report:

MARKET REVIEW 2000-2004:

During 2004 MBD believe the value of goods bought by UK chemical distributors increased by 3% to a review period peak of Â£6.12 billion excluding VAT, with the market continuing to account for around 15% of total chemical products demand. Between 2000 and 2004 the market has increased year-on-year, culminating in an overall increase of 10%.

MARKET FORECAST 2005-2009:

Distributors are expected to gain share from chemicals manufacturers, which abandon their attempts at distribution in favour of concentrating on core capabilities, namely the production of chemicals. However at the same time distributors are facing competition from manufacturers which have been increasingly expanding into direct selling via the Internet and further threat is also arising from dotcom exchanges. The value of goods bought for resale by UK chemical distributors is anticipated to demonstrate real term growth during the entirety of the five year forecast period up to 2009. Annual growth is expected to culminate in an overall increase of 7% in real terms between 2004 and 2009.

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