

Defence Equipment (Industrial Report) - UK - December 2014

Report Price: £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“The Strategic Defence and Security Review in 2010 has heavily influenced what the sector has been able to achieve over the last four years. With the spending cuts lasting for at least another year, strategies and defence equipment procurement will continue to be chosen with efficiency and ‘best value’ as the main two priorities.”
 – Lewis Cone, Research Analyst

This report looks at the following areas:

- What are the key determinants driving the defence equipment industry?
- Was the market affected by the financial crisis and how has it recovered since? Has there been any structural changes as a consequence?
- How has the government influenced and shaped the development of the sector?
- What are the key issues the UK industry needs to address to be able to maintain its global position in an ever-competitive market?
- How have companies adapted to cost pressures and the changing nature of threats?
- What does the future hold for the UK's defence equipment industry?

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Defence Equipment (Industrial Report) - UK - December 2014

Report Price: £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Executive Summary

Market size

Figure 1: UK defence departmental expenditure limits and defence spending, 2009/10-2013/14

Figure 2: MoD equipment expenditure, 2009/10-2013/14

Market trends

Figure 3: Military holdings in the UK, Germany, Cyprus and Gibraltar within the scope of the Conventional Armed Forces in Europe Treaty, by equipment group, 2010 and 2014

Figure 4: Defence spending 2009 and 2013, world's top six

Market factors

The Defence Industrial Policy still dictates the industry's purchasing and investment decisions

Monopolistic market for complex weapons restricts other entrants to the sector

The Defence Growth Partnership is hoped to boost the sector's growth potential

The outcome and implementation of Strategic Defence and Security Review expenditure cuts has had the greatest impact upon defence activity and performance

Companies

Forecast

Total Departmental Expenditure Limit followed SDSR guidelines from 2012/13, but economic growth and political agendas lead to an uncertain future

Figure 5: Defence budget, planned and revised, 2010/11-2015/16

The next SDSR, due in 2015, is expected to follow a similar pattern to the last review, but the contents are subject to change depending on political and economic factors

The UK's position as the second largest defence equipment exporter in the world will come under increasing danger

What we think

Introduction

Definitions

Methodology

Abbreviations

Political

Figure 6: Trends in public sector total managed expenditure, 2004/05-2013/14

Figure 7: Trends in public sector total managed expenditure graph, 2004/05-2013/14

Market positioning

UK Economy

Key points

Overview

Figure 8: UK GDP, 2003-14 Q2

Figure 9: Quarters after GDP peak, 1979, 1990 and 2008

Inflation

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: reports@mintel.com

Defence Equipment (Industrial Report) - UK - December 2014

Report Price: £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Interest rates
House prices
Consumer spending
Manufacturing
Business investment

Market Factors

Key points
Strategic defence policy
Royal Navy
Royal Air Force
Royal Navy
RAF
Defence policy

Market Size

Key points

Figure 10: The UK defence departmental expenditure limits and defence spending, 2009/10-2013/14
Figure 11: The UK defence departmental expenditure limits and defence spending graph, 2009/10-2013/14
Figure 12: The UK defence departmental capital expenditure limits, 2006/2007-2010/11
Figure 13: The UK defence departmental capital expenditure limits, 2011/12-2013/14
Figure 14: The UK defence departmental cash resource expenditure limits, 2011/12-2013/14
Figure 15: The UK defence departmental cash resource expenditure limits graph, 2011/12-2013/14
Figure 16: The UK defence annually managed expenditure limits, 2009/10-2013/14
Figure 17: The UK defence annually managed expenditure limits graph, 2009/10-2013/14
Figure 18: MoD equipment expenditure, 2009/2010-2013/14
Figure 19: MoD equipment expenditure graph, 2009/10-2013/14
Figure 20: MoD Research and development expenditure outturn, 2007/2008-2011/12
Figure 21: UK defence expenditure by industry, 2008/09-2012/13
Figure 22: MoD major equipment projects, as at 31 March 2013

PPP/PFI

PFI

Figure 23: MoD PFI projects, 2013

Market Trends

Key points

Figure 24: Number of vessels in the Royal Navy and Royal Auxiliary Fleet, 2005-13
Figure 25: Number of vessels in the Royal Navy and Royal Auxiliary Fleet graph, 2005-13
Figure 26: Aircraft fleets, by type of aircraft, for the Royal Navy Fleet Arm, 2005-13
Figure 27: Aircraft fleets for the Royal Navy Fleet Arm, by type of aircraft, 2005, 2009 and 2013
Figure 28: Aircraft fleets for the Royal Air Force, by type of aircraft, 2005-13

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: reports@mintel.com

Defence Equipment (Industrial Report) - UK - December 2014

Report Price: £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- Figure 29: Aircraft fleets in the Joint Helicopter Command and Joint Force Harrier, by type of aircraft, 2005-13
- Figure 30: Aircraft fleets in the Joint Helicopter Command and Joint Force Harrier graph, by type of aircraft, 2005, 2009 and 2013
- Figure 31: Number of tanks and artillery holdings in the UK, Germany, Cyprus and Gibraltar within the scope of the Conventional Armed Forces in Europe Treaty, 2005-14
- Figure 32: Number of tanks and artillery holdings in the UK, Germany, Cyprus and Gibraltar within the scope of the Conventional Armed Forces in Europe Treaty graph, 2005, 2008, 2011 and 2014
- Figure 33: Number of Armoured Combat Vehicle Holdings in the UK, Germany, Cyprus and Gibraltar within the scope of the Conventional Armed Forces in Europe Treaty, 2005-2014, (Number)
- Figure 34: Aircraft holdings in the UK, Germany, Cyprus and Gibraltar within the scope of the Conventional Armed Forces in Europe Treaty, 2005-14
- Figure 35: Military holdings in the UK, Germany, Cyprus and Gibraltar within the scope of the Conventional Armed Forces in Europe Treaty, by Equipment Group, 2010 and 2014
- Figure 36: Defence spending 2009 and 2013
- Figure 37: Defence spending 2009 and 2013, world's top six

Industry Structure

Key points

Industry development

- Figure 38: Analysis of the changes in the structure of the weapons and ammunition industry, 2010-2014,
- Figure 39: Analysis of the changes in the structure of the air, spacecraft and related machinery industry, 2010-14
- Figure 40: Analysis of the changes in the structure of the air, spacecraft and related machinery industry, 2010-14
- Figure 41: Analysis of the changes in the structure of the ship and floating structures industry, 2010-14

Structure by employment

- Figure 42: Analysis of the employment structure of the weapons and ammunition manufacturing industry, 2013 and 2014
- Figure 43: Analysis of the employment structure of the weapons and ammunition manufacturing Industry graph, 2013 and 2014
- Figure 44: Analysis of the employment structure of the air, spacecraft and related machinery industry, 2013 and 2014
- Figure 45: Analysis of the employment structure of the shipbuilding and repair Industry, 2013 and 2014

Structure by turnover

- Figure 46: Analysis of the financial structure of the weapons and ammunition manufacturing industry, 2013 and 2014
- Figure 47: Analysis of the financial structure of the air, spacecraft and related machinery manufacturing industry, 2013 and 2014
- Figure 48: Analysis of the financial structure of the air, spacecraft and related machinery manufacturing industry graph, 2013 and 2014
- Figure 49: Analysis of the financial structure of the shipbuilding and repair industry, 2013 and 2014

Defence contracts

Company Profiles

AWE Management

- Figure 50: Financial analysis of AWE Management, 2009-13

BAE Systems

- Figure 51: Financial analysis of BAE Systems, 2009-13

BAE Systems' Surface Ships

- Figure 52: Financial analysis of BAE Systems' Surface Ships, 2009-2013, (£ 000)

BAE Systems (Operations)

- Figure 53: Financial analysis of BAE Systems (Operations), 2009-13

HP Enterprise Services Defence & Security UK

- Figure 54: Financial analysis of HP Enterprise Services UK, 2009-13

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com
 CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
 Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
 EMAIL: reports@mintel.com

Defence Equipment (Industrial Report) - UK - December 2014

Report Price: £995.00 | \$1611.35 | €1263.96

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Netma

AgustaWestland

Figure 55: Financial Analysis of AgustaWestland, 2009-13

Cobham

Figure 56: Financial analysis of Cobham, 2009-13

QinetiQ

Figure 57: Financial analysis of QinetiQ, 2010-14

Rolls-Royce

Figure 58: Financial analysis of Rolls-Royce, 2009-13

Figure 59: Profiled companies' turnover, 2009-13

Forecast

Key points

Market size

Figure 60: Defence budget, 2010/11-2014/15

Figure 61: Revised defence budget, 2010/11-2015/16

Figure 62: Defence budget, planned and revised, 2010/11-2015/16

Figure 63: Post-Main Gate major equipment projects, 2013

Figure 64: Estimated payment under MoD PFI contracts, based on signed defence deals as of March 2013

Industry

Further Sources and Contacts

Trade associations

Trade magazines

Trade exhibitions

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: reports@mintel.com