

A Revolution in Construction

Industry Comment

PREDICTION – November 2021

UK CONSTRUCTION GROUPS WILL MERGE, ACQUIRE, BE ACQUIRED OR SEEK NEW INVESTORS.
A CONSOLIDATED INDUSTRY WILL THEN FOCUS ON INVESTMENT IN NEW TECHNOLOGIES.

Top firms must merge to break industry's vicious cycle

26 JANUARY, 2017 | BY GREG MALPASS

With some of the UK's largest contractors having posted massive losses in recent years, you'd be forgiven for thinking, 'Here we go again'.



Greg Malpass

Sven Withthoft



Sven Withthöft
Project Leader
Cologne



EXPERT OPINION
26 JANUARY, 2017 | BY GREG MALPASS



With some of the UK's largest contractors having posted massive losses in recent years, you'd be forgiven for thinking, 'Here we go again'.

The industry's cyclical nature, fragmented structure, low margins and project risk make sustained financial resilience challenging.

A few mainland European groups may disagree. They created and benefited from consolidation in their home markets, then proactively diversified their businesses. The combined market capitalisation of the top three French and top six Spanish is more than twice that of the top 13 UK construction groups; their combined turnover is threefold.

Greg Malpass
Managing Partner, Europe
Think Big Partnership



www.thinkbigpartnership.com

Tel: +44 (0) 771 565 4280; Email: ukconstruction@btinternet.com



RELATED EXPERTISE: BUILDING MATERIALS INDUSTRY INFRASTRUCTURE

The Offsite Revolution in Construction

Offsite is going to be highly disruptive to construction as a whole, and existing companies are at risk of losing considerable value.

Ray O'Rourke

LAING O'ROURKE



Laing O'Rourke chief executive Ray O'Rourke has warned that construction remains in the "dark ages" and has urged the sector to move to more offsite manufacturing.