

**THE UK'S ELECTRONIC COMPONENT  
DISTRIBUTION INDUSTRY  
ANNUAL BENCHMARK REPORT  
2008**

**AN AFDEC ANNUAL TREND SURVEY**

**Confidential for Members and Sustaining Members Only**

**Calendar 2007 Statistics**

AFDEC  
The Manor House  
Buntingford  
Herts  
SG9 9AB  
T: 01763 274748  
F: 01763 273255

Email: [enquiries@afdec.org.uk](mailto:enquiries@afdec.org.uk)

Published May 2008

**INDEX**

	Page
<b>Introduction</b>	<b>iii</b>
<b>Background &amp; Validation Information</b>	<b>iv</b>
<b>Graph No 1. Average Member Annual Sales (£ Mil)</b>	<b>1</b>
<b>Graph No 2. Average Book: Bill Ratio</b>	<b>1</b>
<b>Graph No 3. Gross Margin %</b>	<b>2</b>
<b>Graph No 4. Total Staff Cost as % of Sales</b>	<b>2</b>
<b>Graph No 5. Internal Sales/Mktg Staff Numbers as % of Total Employees</b>	<b>3</b>
<b>Graph No 6. External Sales/Mktg Staff Numbers as % of Total Employees</b>	<b>3</b>
<b>Graph No 7. Total Sales/Mktg Costs as % of Sales</b>	<b>4</b>
<b>Graph No 8. Change in Total Staff Numbers compared with prior year</b>	<b>4</b>
<b>Graph No 9. Promotional Expenditure as a % of Sales</b>	<b>5</b>
<b>Graph No 10. Bad Debt as a % of Sales</b>	<b>5</b>
<b>Graph No 11. Average Debtor Days</b>	<b>6</b>
<b>Graph No 12. Stock Turn (X Times)</b>	<b>7</b>
<b>Graph No 13. Sales per Employee (£000's)</b>	<b>7</b>
<b>Graph No 14. Gross Profit Margin per Employee (£000's)</b>	<b>8</b>
<b>Graph No 15. Operating Expenses as % of Sales</b>	<b>8</b>
<b>Graph No 16. Operating Expenses as % of Gross Profit</b>	<b>9</b>
<b>Graph No 17. % of Business to EMS (Contract Manufacturing)</b>	<b>9</b>
<b>Graph No 18. % of orders from customers received electronically</b>	<b>10</b>
<b>Graph No 19. % of orders placed on suppliers electronically</b>	<b>10</b>
<b>AFDEC Statistical Tables</b>	<b>11 - 16</b>

**DATABASE, 1st January 2007 to 31st December 2007**

## **INTRODUCTION**

AFDEC believe that the supply of quality statistical data about our industry is vital if we are to continually improve the industry's effectiveness.

This document shows a "ten year" rolling analysis for criteria which we believe give a valuable guide to operating-ratios for senior managers within our industry.

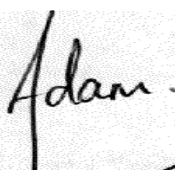
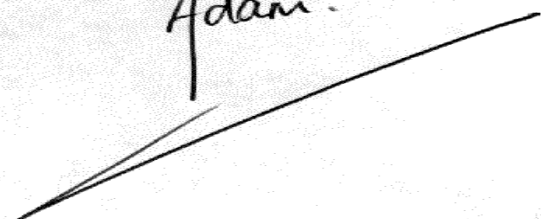
In 2005 we up-dated the databases and transferred the responsibility for collection and analysis of this data to our Secretariat at Buntingford. This year the number of companies contributing to the 2008 study has decreased, however, this still represents 90% of AFDEC distributor membership (by number of companies reporting) with a diverse range of companies providing returns. This decrease in reporting companies is due to continued mergers and acquisitions within the industry, however, these changes have been reflected historically in the database within the report.

AFDEC members now comprise over 84% of the UK's Electronic Component Distribution Industry.

In producing this 2008 Benchmark Report, we have again removed the data for the two largest "low volume" distributors and some small distributors. The reason for this is that their business models would bias the overall results unfavourably. To simplify analysis in future, 2003, 2004, 2005, 2006 and 2007 revenues and related data from "low-volume" and small distributors have been excluded from this report. This will ensure that the Benchmark Report covers the performance of "volume" component distributors only but does mean that trend comparisons should be treated with caution for 2002 and prior years. We therefore believe that the trends indicated are representative of the volume component distribution industry as a whole.

No attempt has been made to interpret or draw conclusions from the attached statistics. They are intended for use by both distributors and component manufacturers as a part of a "benchmarking" process designed to encourage continuous improvement within our industry.

AFDEC have also included blank boxes in this document so individual distributors may complete them and compare with the AFDEC averages.

**Adam Fletcher  
Chairman**

## ELECTRONIC COMPONENT DISTRIBUTORS IN THE UK

### BACKGROUND VALIDATION INFORMATION

N.B. Because of the changes highlighted in the introduction these statistics cannot be compared with the Monthly Reports produced by AFDEC.

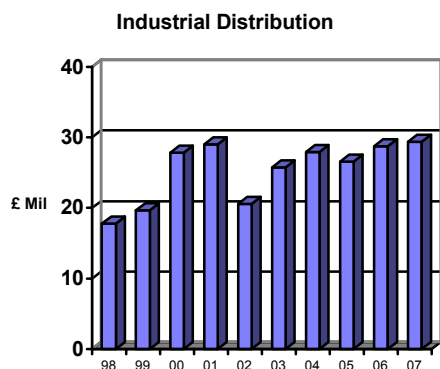
Number of returns this year for each category in attached graphs :-	No. of Company Returns included in this Study		No of Distributors reporting monthly data to AFDEC	
	2006	2007	2006	2007
Large & small companies shipping to industrial markets -	27	25	32	30
Large companies shipping to industrial markets -	5	5	5	5
Small companies shipping to industrial markets -	22	20	27	25

We have pro-rated the actual returns to arrive at the following summary of AFDEC Volume Distributor Membership:-

	Total		Large Groups		Other Distributors	
	2006	2007	2006	2007	2006	2007
Number of employees -	2590	2534	1656	1536	934	998
Number of internal marketing and sales staff -	881	848	538	478	343	370
Number of external marketing and sales staff -	523	469	357	316	166	153
Number of "other" staff -	1081	1017	736	652	345	365
Number of orders received - (millions)	1.99	2.09	0.67	0.63	1.32	1.46
Number of invoices dispatched - (millions)	1.36	1.37	1.00	0.91	0.36	0.46
Number of lines shipped - (millions)	2.99	3.32	1.61	1.42	1.38	1.89
Value of sales to industrial markets - (millions)	£776	£734	£549	£488	£227	£246

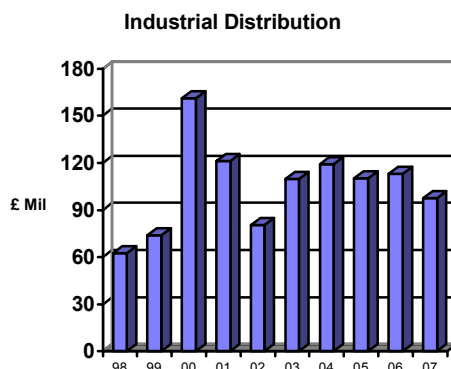
## 1. Average Member Sales

### Total Distribution



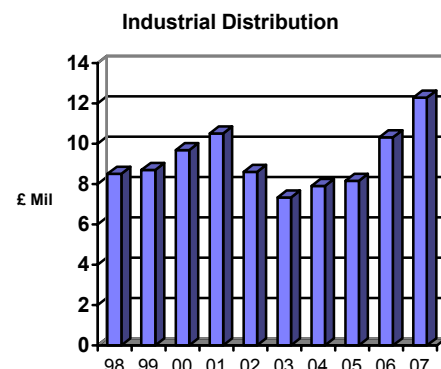
AFDEC 2007 Average   
Our Average

### Larger Distribution Groups



AFDEC 2007 Average   
Our Average

### All Other Distributors

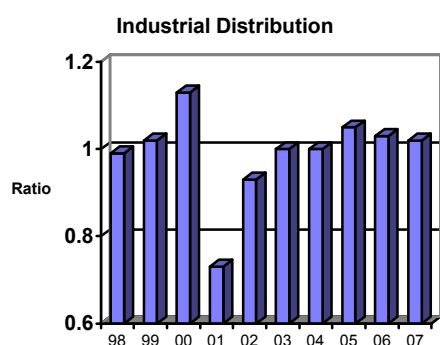


AFDEC 2007 Average   
Our Average

**Calculation Method:** Total sales in £ million for the relevant calendar year divided by the number of members in the relevant category.

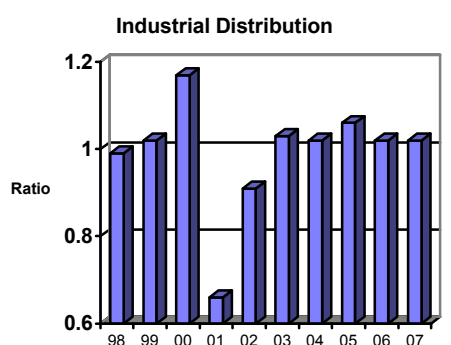
## 2. Book:Bill Ratio

### Total Distribution



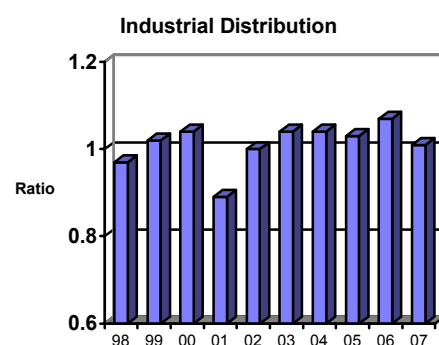
AFDEC 2007 Average   
Our Average

### Larger Distribution Groups



AFDEC 2007 Average   
Our Average

### All Other Distributors



AFDEC 2007 Average   
Our Average

**Calculation Method:** Total bookings for the year divided by total billings for the year.

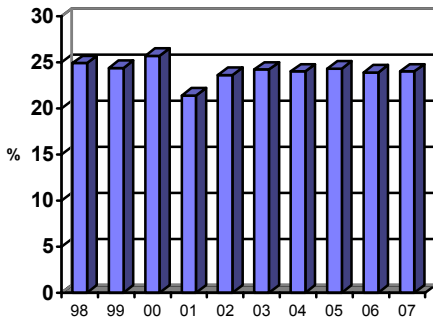
**Note:** With the increase in "Ship to Line" orders, this ratio should be treated with caution.

**Definitions:** "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996

**3. Gross Margin %**

**Total Distribution**

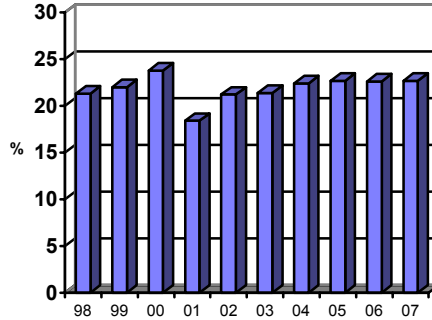
Industrial Distribution



AFDEC 2007 Average % **24.0**  
Our Average %

**Larger Distribution Groups**

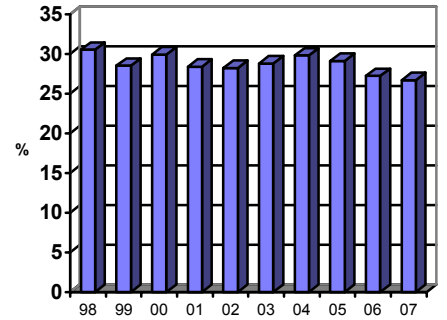
Industrial Distribution



AFDEC 2007 Average % **22.7**  
Our Average %

**All Other Distributors**

Industrial Distribution



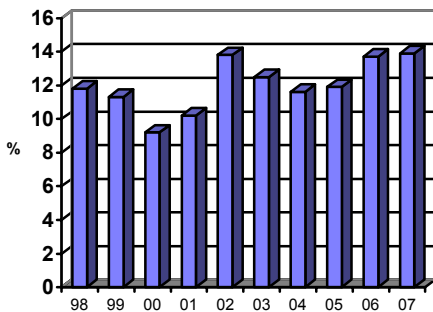
AFDEC 2007 Average % **26.7**  
Our Average %

Calculation Method: **Gross margin % for total net billings of calendar year.**

**4. Total Staff Cost as % of Sales**

**Total Distribution**

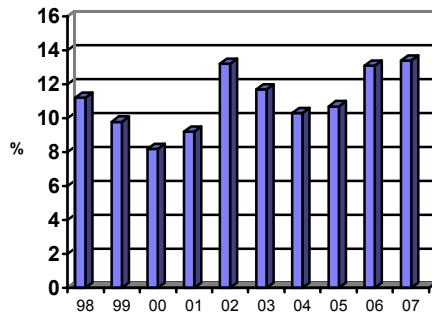
Industrial Distribution



AFDEC 2007 Average % **13.9**  
Our Average %

**Larger Distribution Groups**

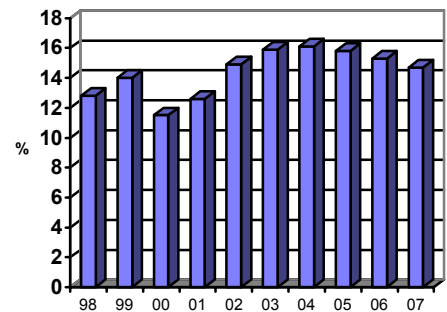
Industrial Distribution



AFDEC 2007 Average % **13.4**  
Our Average %

**All Other Distributors**

Industrial Distribution



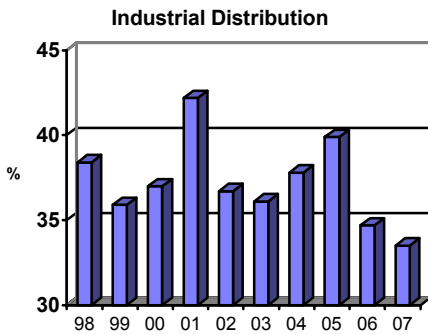
AFDEC 2007 Average % **14.7**  
Our Average %

Calculation Method: **Total staff cost for the year (direct wages and NI contributions only) shown as % of years sales.**

Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996

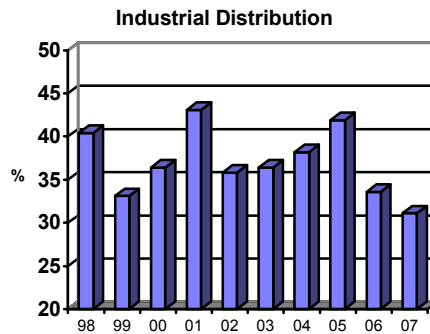
### 5. Internal Sales/Marketing Staff Numbers as % of Total Employees

#### Total Distribution



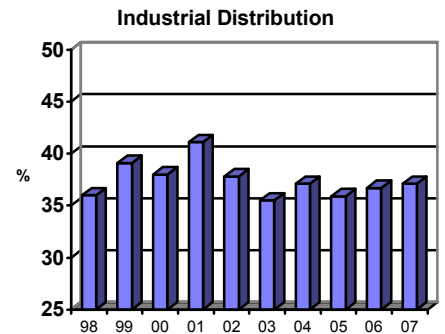
AFDEC 2007 Average % **33.5**  
Our Average %

#### Larger Distribution Groups



AFDEC 2007 Average % **31.1**  
Our Average %

#### All Other Distributors

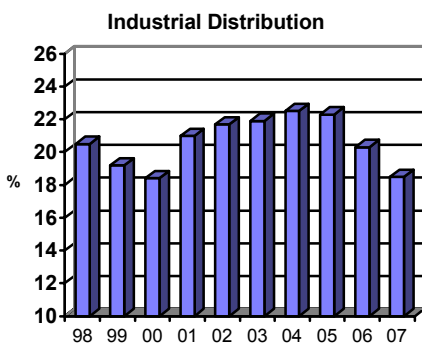


AFDEC 2007 Average % **37.1**  
Our Average %

Calculation Method: Total sales/marketing numbers as % of total employees.

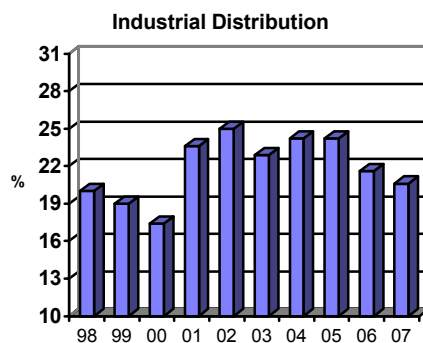
### 6. External Sales/Marketing Staff Numbers as a % of Total Employees

#### Total Distribution



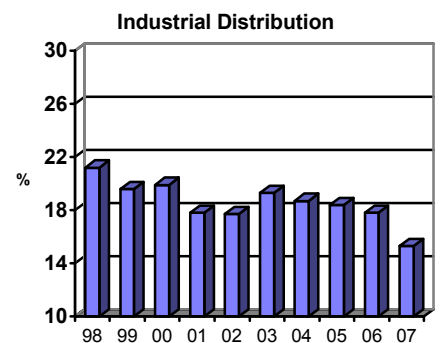
AFDEC 2007 Average % **18.5**  
Our Average %

#### Larger Distribution Groups



AFDEC 2007 Average % **20.6**  
Our Average %

#### All Other Distributors

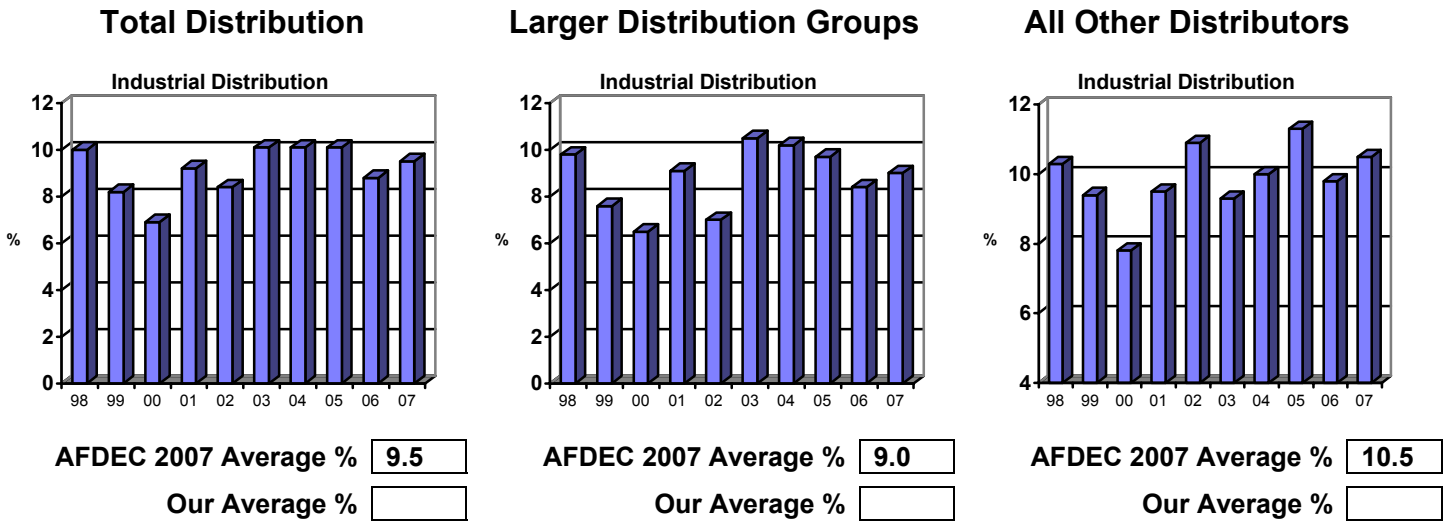


AFDEC 2007 Average % **15.3**  
Our Average %

Calculation Method: Total external sales/marketing numbers as % of total employees.

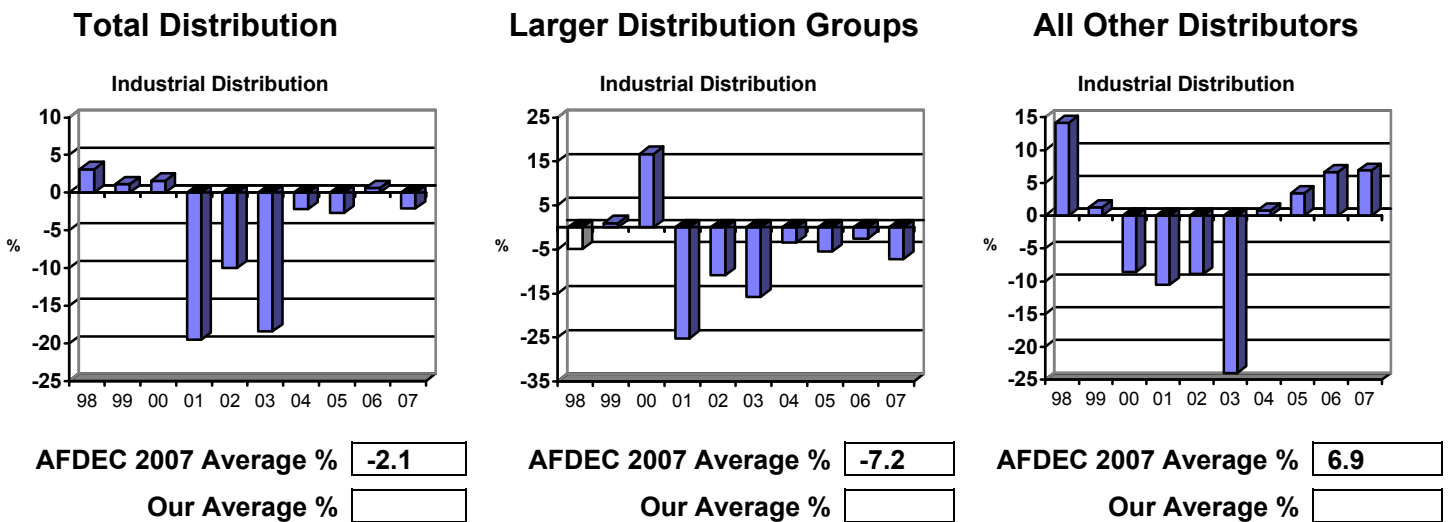
Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996

### 7. Total Sales/Marketing Costs as a % of Sales



Calculation Method: Total sales/marketing cost including Salaries, NI etc, as % of total sales.

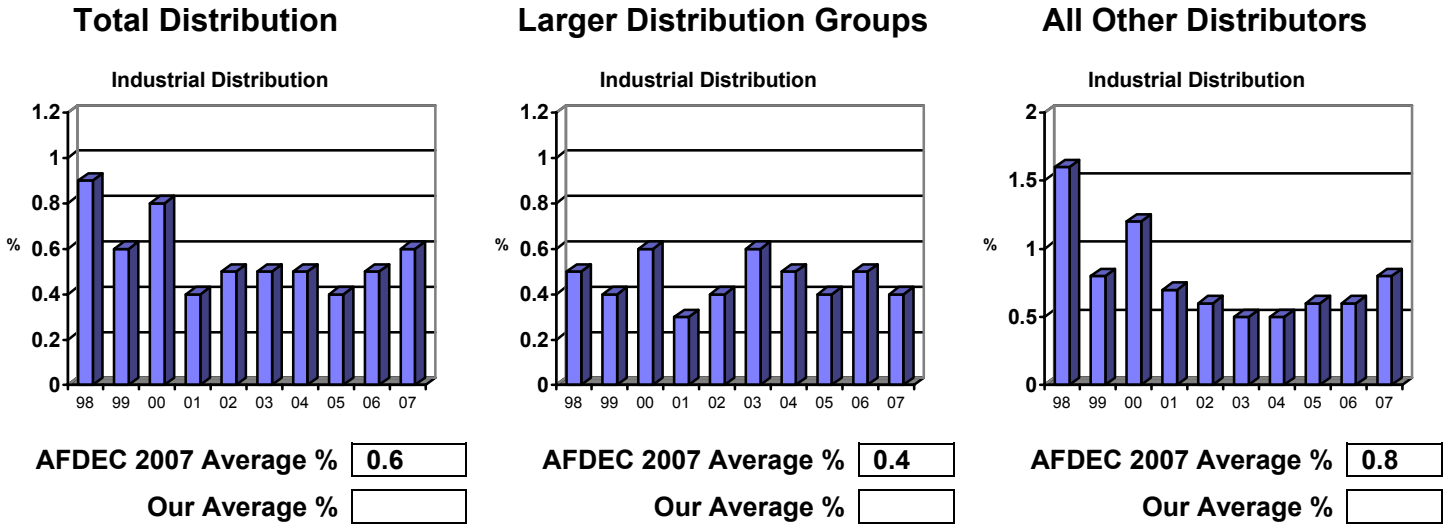
### 8. % Change in Total Staff Numbers Compared with Prior Year



Calculation Method: Difference in % between current year and prior year of total headcount.

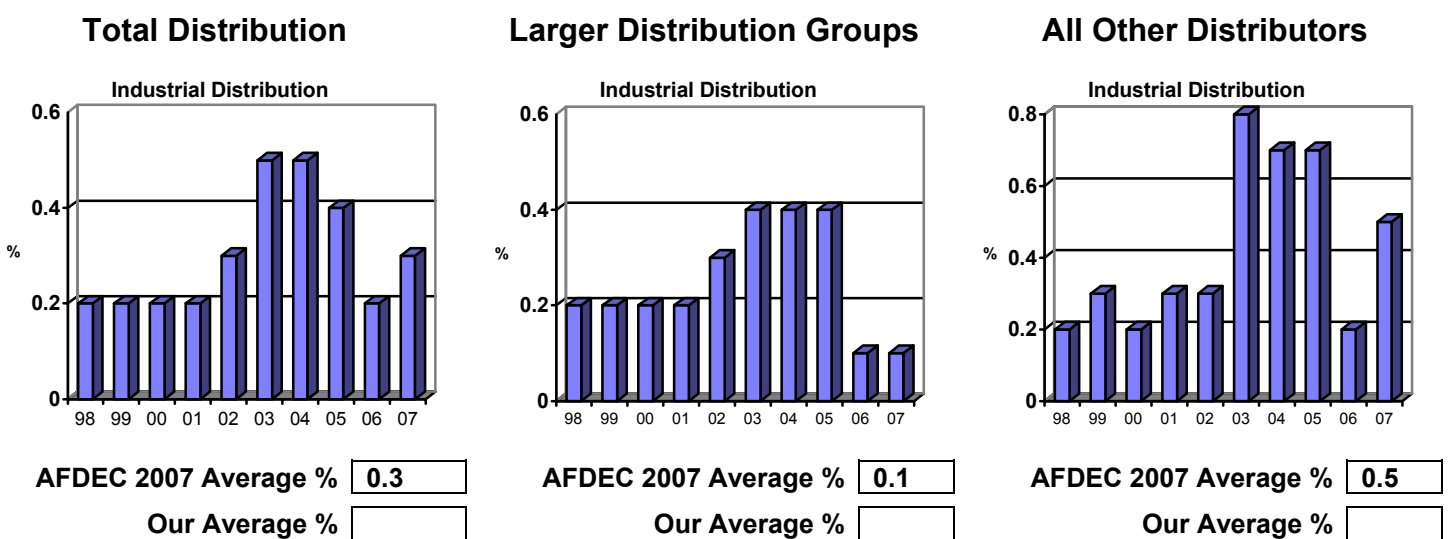
Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996

### 9. Promotional Expenditure as a % of Sales



Calculation Method: Total external promotion expenditure as a % of sales in calendar year.  
Note: this does not generally include catalogue production costs.

### 10. Bad Debt as a % of Sales



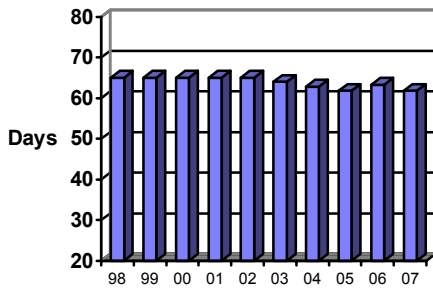
Calculation Method: Total bad debt for the year divided by sales in the year.

Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996

**11. Average Debtor Days**

**Total Distribution**

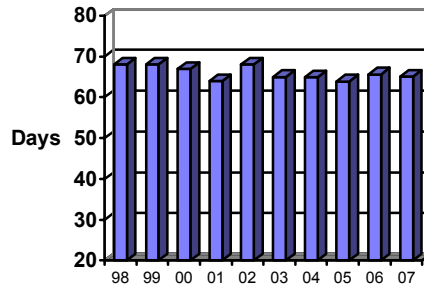
Industrial Distribution



**AFDEC 2007 Average**   
**Our Average**

**Larger Distribution Groups**

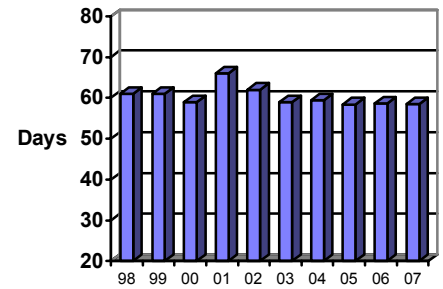
Industrial Distribution



**AFDEC 2007 Average**   
**Our Average**

**All Other Distributors**

Industrial Distribution



**AFDEC 2007 Average**   
**Our Average**

**DEBTORS & DEBTOR DAYS:** Debtor figures are the summation of monthly members returns for trade debtors and include the appropriate VAT.

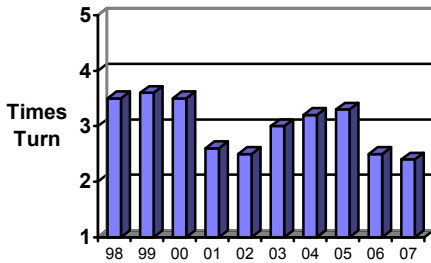
Debtor days are calculated after dividing debtor figures by 1.175 to remove the VAT element. For the purposes of this calculation all months are regarded as having 30 days; debtor days are set at 0 at the start of the calculation. The month's billings total is then subtracted from the VAT less debtors as long as the result is positive and the debtor days are set at 30. The billings figure for the month previous is then subtracted from the remainder as long as the result remains positive and the debtor days are increased by 30 to 60. This process is repeated using the billings figure for the month before the one just used until the result would become negative. This occurs once the remainder of the VAT less debtors is less than the billings of the month being subtracted. This remainder is then divided by the billings of the month being subtracted to quantify its proportion of those billings and the result is multiplied by 30 to express it as the number of days of that month's billings it represents. This figure (less than 30) is then added to the debtor days just established.

**Definitions:** "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996

## 12. Stock Turn (X Times)

### Total Distribution

Industrial Distribution

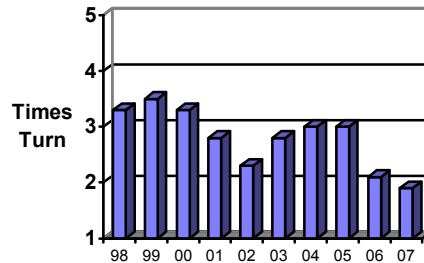


AFDEC 2007 Average

Our Average

### Larger Distribution Groups

Industrial Distribution

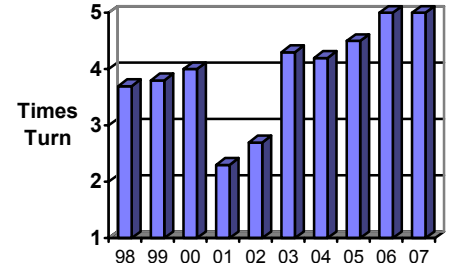


AFDEC 2007 Average

Our Average

### All Other Distributors

Industrial Distribution



AFDEC 2007 Average

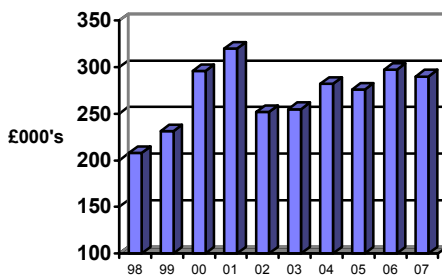
Our Average

Calculation Method: Total cost of goods sold for the 12 months divided by the inventory at year end.

## 13. Sales per Employee (£000's)

### Total Distribution

Industrial Distribution

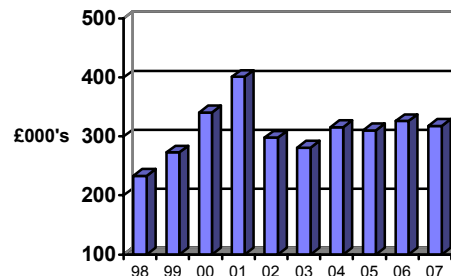


AFDEC 2007 Average

Our Average

### Larger Distribution Groups

Industrial Distribution

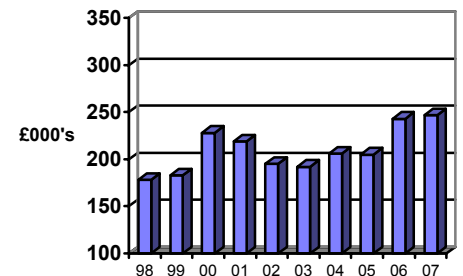


AFDEC 2007 Average

Our Average

### All Other Distributors

Industrial Distribution



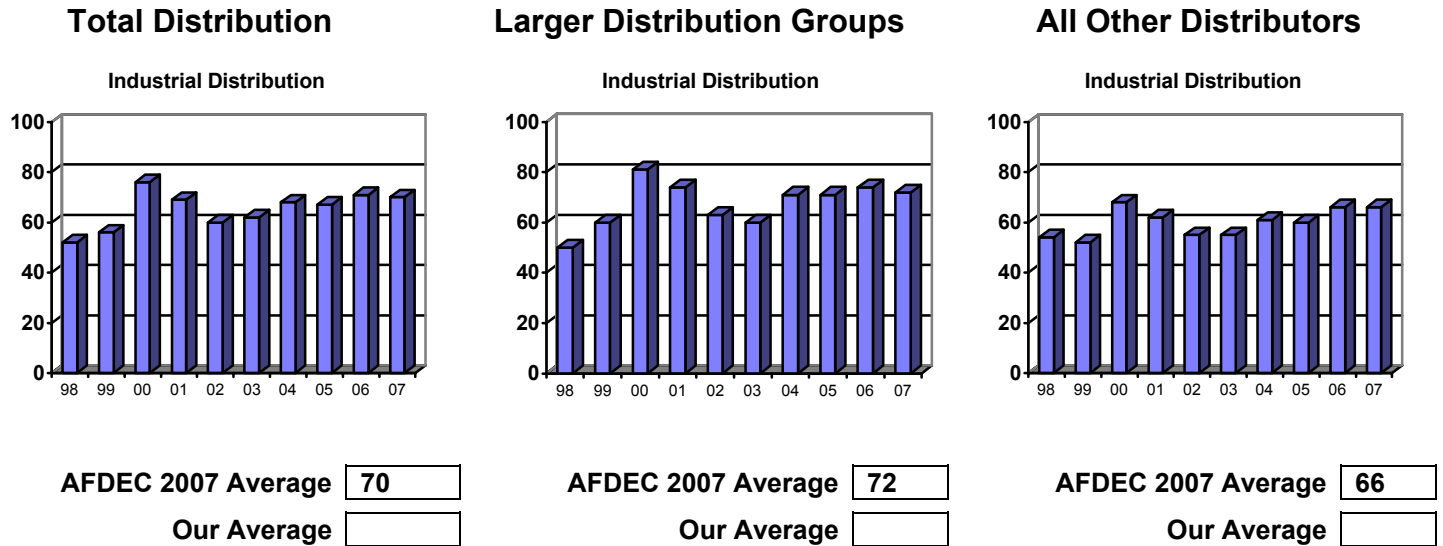
AFDEC 2007 Average

Our Average

Calculation Method: Total sales for the year divided by average number of employees for year.

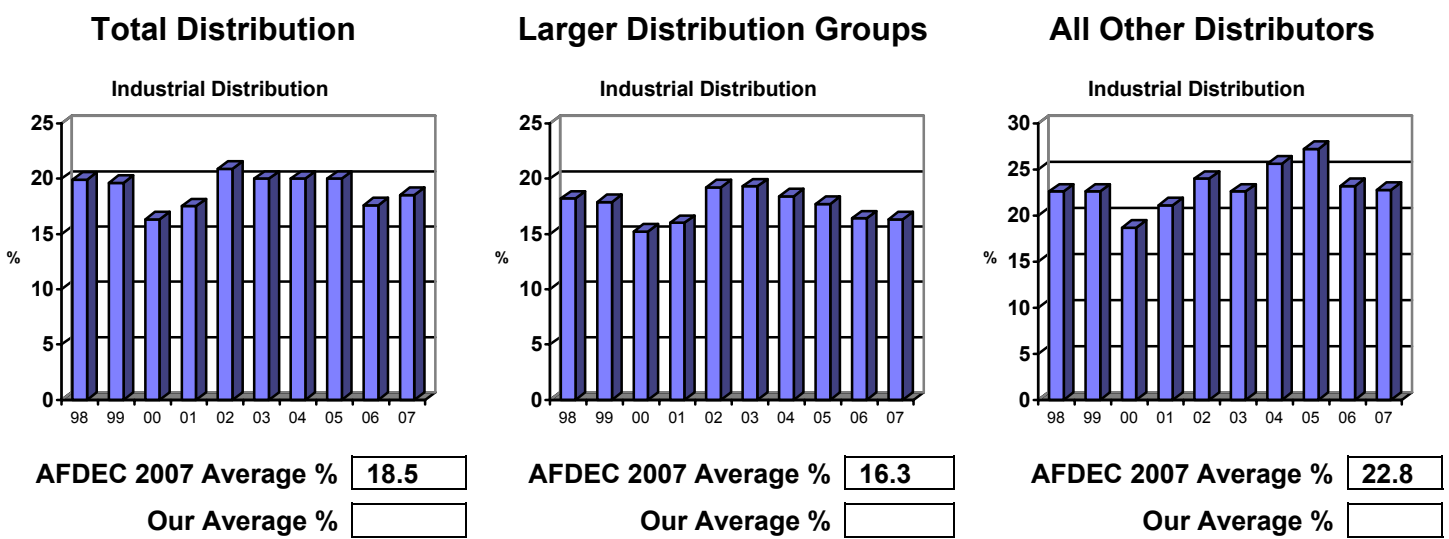
Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996

### 14. Gross Profit Margin per Employee (£000's)



Calculation Method: Total gross margin earned for the year divided by the average number of employees for the year.

### 15. Operating Expense as % of Sales

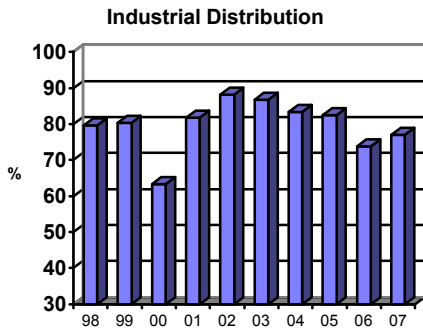


Calculation Method: Total operating expense for year divided by total sales.

Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996

### 16. Operating Expense as % of Gross Profit

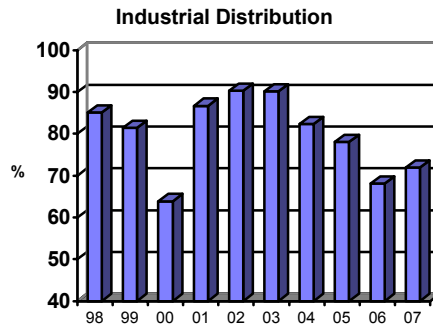
#### Total Distribution



AFDEC 2007 Average %

Our Average %

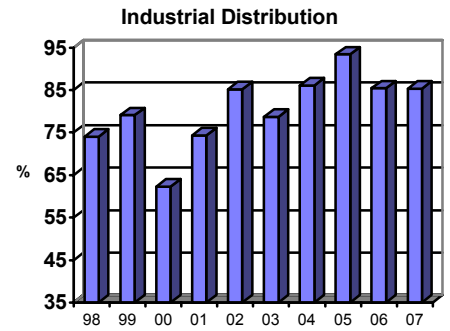
#### Larger Distribution Groups



AFDEC 2007 Average %

Our Average %

#### All Other Distributors



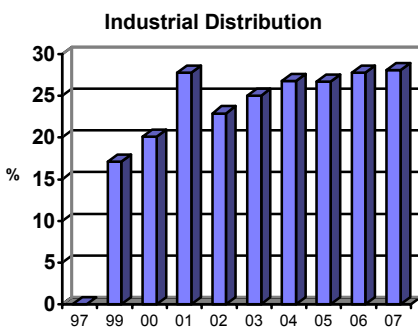
AFDEC 2007 Average %

Our Average %

Calculation Method: Total operating expense for year divided by gross profit for year.

### 17. % of Distributors Sales to EMS Contract Manufacturers

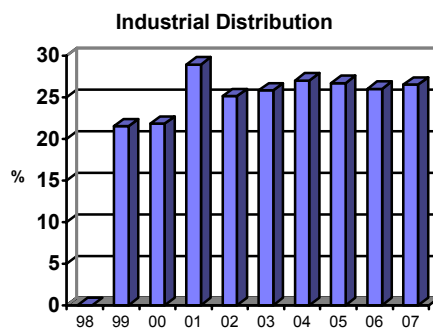
#### Total Distribution



AFDEC 2007 Average %

Our Average

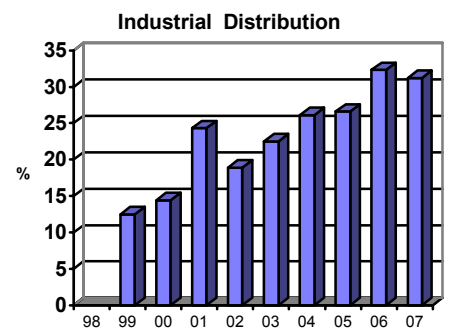
#### Larger Distribution Groups



AFDEC 2007 Average %

Our Average %

#### All Other Distributors



AFDEC 2007 Average %

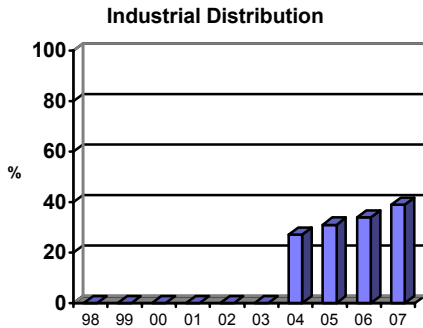
Our Average %

Calculation Method: This information was requested for the first time in the questionnaire sent out for 2000

Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996

**18. % of orders from customers received electronically**

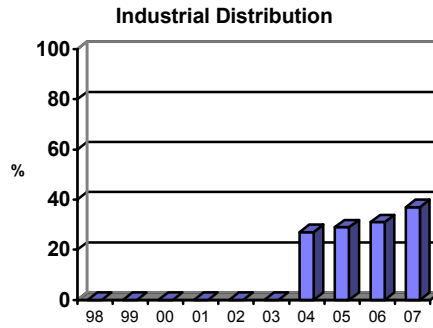
**Total Distribution**



AFDEC 2007 Average %

Our Average %

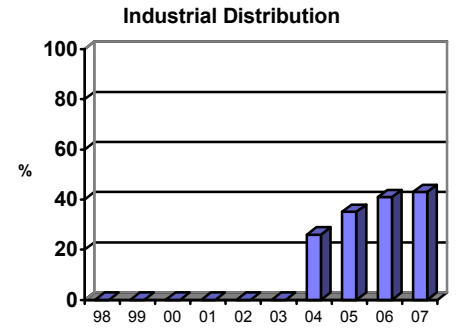
**Larger Distribution Groups**



AFDEC 2007 Average %

Our Average %

**All Other Distributors**

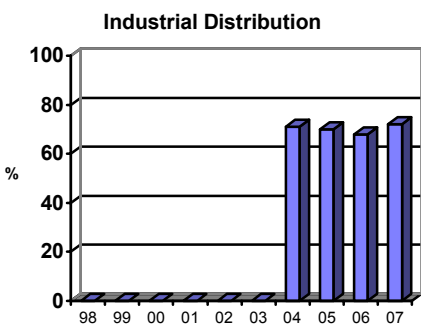


AFDEC 2007 Average %

Our Average %

**19. % of orders on suppliers placed electronically**

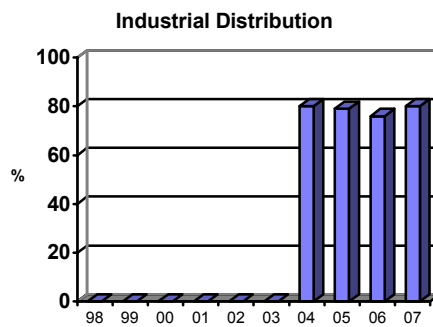
**Total Distribution**



AFDEC 2007 Average %

Our Average

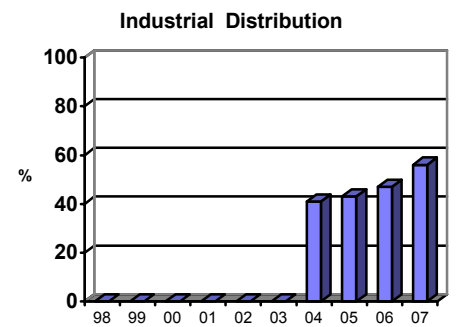
**Larger Distribution Groups**



AFDEC 2007 Average %

Our Average %

**All Other Distributors**



AFDEC 2007 Average %

Our Average %

Calculation Method: **This information was requested for the first time in the questionnaire sent out for 2005**

Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996

**N.B. Because of the changes highlighted in the introduction these statistics cannot be compared with the Monthly Reports produced by AFDEC.**

**PRIVATE & CONFIDENTIAL**

**AFDEC STATISTICS**

**Collated Annual Results: Large & Small Companies Industrial**

**Markets**

Period 1st January to 31st December 2007

	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>Financial Information (Values in £m's)</b>					
1.1 Bookings	746	801	756	771	722
1.2 Billings	734	776	718	754	697
1.3 Gross Profit	177	185	174	181	160
1.4 Operating Expenses	136	136	143	150	138
1.5 Sales & Marketing Expenses	70	68	72	76	71
1.6 Staff Costs	102	106	85	87	87
1.7 Promotional Expenditure	4	4	3	4	4
1.8 Trade Debtors (at year end)	148	165	122	123	119
1.9 Bad Debt	1.95	1.17	3.17	4	4
1.10 Inventory (at year end)	235	234	166	180	177
<b>Personnel Statistics</b>					
2.1 Average No. Employees	2534	2590	2574	2646	2709
2.2 Marketing & Sales Staff, Int	848	881	1019	984	962
2.3 Marketing & Sales Staff, Ext	469	523	571	598	579
2.4 Other Staff	1017	1081	896	1042	1157
<b>Operating Data</b>					
3.1 No. Orders Received (mill's)	2.09	1.99	1.26	1.27	1.06
3.2 No. Invoices Despatched (mill's)	1.37	1.36	1.40	1.41	1.36
3.2 No. Lines Shipped (mill's)	3.32	2.99	2.98	2.97	2.98
<b>Companies Reporting</b>					
4.1 Distributors Reporting Monthly	30	32	39	38	37
4.2 Number of Annual Returns	25	27	27	27	27

**Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996**

**N.B. Because of the changes highlighted in the introduction these statistics cannot be compared with the Monthly Reports produced by AFDEC.**

**PRIVATE & CONFIDENTIAL**

## **AFDEC STATISTICS**

### **Collated Annual Results: Large & Small Companies Industrial Markets**

Period 1st January to 31st December 2007

<b>Performance Parameters &amp; Indices</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<small>(Brackets enclose negative figures)</small>					
5.1 Average Member Sales (mill's)	29.37	28.73	26.6	27.94	25.81
5.2 Average Book:Bill Ratio	1.02	1.03	1.05	1.02	1.04
5.3 Gross Margin (%)	24.0	23.8	24.2	23.9	22.9
5.4 Total Staff Cost as % of Sales	13.9	13.7	11.8	11.5	12.5
5.5 Int. Sales/Mktg Staff Nos as % of Tot Emps	33.5	34.0	39.6	37.2	35.5
5.6 Ext. Sales/Mktg Staff Nos as % of Tot Emps	18.5	20.2	22.2	22.6	21.4
5.7 Sales & Mktg Expenses as % of Sales	9.5	8.8	10.0	10.1	10.2
5.8 Change in Total Staff Numbers (%)	(2.1)	0.6	(2.7)	(2.3)	(20.9)
5.9 Promotional Expend as % of Sales	0.6	0.5	0.4	0.5	0.5
5.10 Bad Debt as % of Sales	0.3	0.2	0.4	0.5	0.5
5.11 Average Debtor Days *	61.8	63.3	61.8	62.8	64
5.12 Stock Turn **	2.4	2.5	3.3	3.2	3.0
5.13 Average Invoice Value	535	572	512	536	512
5.14 Average Value per Line Shipped	221	259	241	254	234
5.15 Staff Cost per Invoice	74.2	78.2	60.5	61.6	63.8
5.16 Staff Cost per Line Shipped	30.7	35.4	28.5	29.2	29.2
5.17 Sales per Employee (£k's)	290	300	279	285	257
5.18 Gross Profit per Employee (£k's)	70	71	67	68	59
5.19 Operating Expense as % of Sales	18.5	17.5	19.9	19.9	19.8
5.20 Operating Expense as % of Gross Profit	76.9	73.4	82.2	83.2	86.4
5.21 % of Sales to Contract Manuft'rs	28.1	28.0	26.6	27.0	25.1
5.22 % of orders received Electronically	39.0	34.0	30.0	26.0	N/A
5.23 % of orders placed Electronically	72.0	68.0	71.0	72.0	N/A

\* Average Debtor Days calculated by reducing the figure for debtors by current & previous month's sales (ie last 60 days sales), finding the equivalent number of days represented by the remainder as a proportion of the sales in the month prior to the previous month.

\*\* Stock Turn calculated using Cost of Goods and Inventory.

---

**Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996**

**N.B. Because of the changes highlighted in the introduction these statistics cannot be compared with the Monthly Reports produced by AFDEC.**

**PRIVATE & CONFIDENTIAL**

## **AFDEC STATISTICS**

### **Collated Annual Results: Large Companies Industrial Markets**

Period 1st January to 31st December 2007

	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>Financial Information (Values in £m's)</b>					
1.1 Bookings	497	558	570	591	554
1.2 Billings	488	549	539	580	536
1.3 Gross Profit	111	123	121	129	113
1.4 Operating Expenses	80	83	94	106	102
1.5 Sales & Marketing Expenses	44	46	52	59	56
1.6 Staff Costs	66	71	57	59	61
1.7 Promotional Expenditure	2	3	2	3	3
1.8 Trade Debtors (at year end)	102	117	92	93	88
1.9 Bad Debt	1	1	2	3	2
1.10 Inventory (at year end)	199	201	138	151	151
<b>Personnel Statistics</b>					
2.1 Average No. Employees	1536	1656	1699	1800	1870
2.2 Marketing & Sales Staff, Int	478	538	705	670	664
2.3 Marketing & Sales Staff, Ext	316	357	410	440	417
2.4 Other Staff	652	736	548	703	822
<b>Operating Data</b>					
3.1 No. Orders Received (mill's)	0.63	0.67	0.84	0.87	0.61
3.2 No. Invoices Despatched (mill's)	0.91	1.00	1.13	1.18	1.14
3.3 No. Lines Shipped (mill's)	1.42	1.61	1.90	1.98	2.04
<b>Companies Reporting</b>					
4.1 Distributors Reporting Monthly	5	5	7	7	7
4.2 Number of Annual Returns	5	5	5	5	5

---

**Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996**

**N.B. Because of the changes highlighted in the introduction these statistics cannot be compared with the Monthly Reports produced by AFDEC.**

**PRIVATE & CONFIDENTIAL**

## **AFDEC STATISTICS**

### **Collated Annual Results: Large Companies Industrial Markets**

Period 1st January to 31st December 2007

	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>Performance Parameters &amp; Indices</b>					
(Brackets enclose negative figures)					
5.1 Average Member Sales (mill's)	97.62	109.75	107.72	116.05	107.14
5.2 Average Book:Bill Ratio	1.02	1.02	1.06	1.02	1.03
5.3 Gross Margin (%)	22.7	22.4	22.5	22.2	21.2
5.4 Total Staff Cost as % of Sales	13.4	13.0	10.5	10.1	11.5
5.5 Int. Sales/Mktg Staff Nos as % of Tot Emps	31.1	32.5	41.5	37.2	35.5
5.6 Ext. Sales/Mktg Staff Nos as % of Tot Emps	20.6	21.6	24.1	24.4	22.3
5.7 Sales & Mktg Expenses as % of Sales	9.0	8.3	9.6	10.2	10.5
5.8 Change in Total Staff Numbers (%)	(7.2)	(2.5)	(5.4)	(3.7)	(18.2)
5.9 Promotional Expend as % of Sales	0.4	0.5	0.4	0.5	0.6
5.10 Bad Debt as % of Sales	0.1	0.1	0.4	0.4	0.4
5.11 Average Debtor Days *	65.1	65.6	63.9	64.9	65
5.12 Stock Turn **	1.9	2.1	3.0	3.0	2.8
5.13 Average Invoice Value	535	550	475	492	471
5.14 Average Value per Line Shipped	343	340	283	293	262
5.15 Staff Cost per Invoice	71.9	71.4	49.9	49.8	54.0
5.16 Staff Cost per Line Shipped	46.2	44.1	29.7	29.6	30.1
5.17 Sales per Employee (£k's)	318	331	317	322	286
5.18 Gross Profit per Employee (£k's)	72	74	71	72	61
5.19 Operating Expense as % of Sales	16.3	15.1	17.4	18.2	19.0
5.20 Operating Expense as % of Gross Profit	71.9	68.1	78.0	82.3	90.1
5.21 % of Sales to Contract Manuff'trs	26.5	26.2	26.7	27.3	25.9
5.22 % of orders received Electronically	37.0	31.0	29.0	26.0	N/A
5.23 % of orders placed Electronically	80.0	77.0	80.0	81.0	N/A

\* Average Debtor Days calculated by reducing the figure for debtors by current & previous month's sales (ie last 60 days sales), finding the equivalent number of days represented by the remainder as a proportion of the sales in the month prior to the previous month.

\*\* Stock Turn calculated using Cost of Goods and Inventory.

---

**Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996**

**N.B. Because of the changes highlighted in the introduction these statistics cannot be compared with the Monthly Reports produced by AFDEC**

**PRIVATE & CONFIDENTIAL**

## **AFDEC STATISTICS**

### **Collated Annual Results: Small Companies Industrial Markets**

Period 1st January to 31st December 2007

	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>Financial Information (Values in £m's)</b>					
1.1 Bookings	248	243	186	180	167
1.2 Billings	246	227	180	174	161
1.3 Gross Profit	66	62	52	52	46
1.4 Operating Expenses	56	53	49	45	36
1.5 Sales & Marketing Expenses	26	22	20	17	15
1.6 Staff Costs	36	35	28	28	26
1.7 Promotional Expenditure	2	1	1	1	1
1.8 Trade Debtors (at year end)	46	47	30	30	30
1.9 Bad Debt	1	0	1	1	1
1.10 Inventory (at year end)	36	33	28	29	27
<b>Personnel Statistics</b>					
2.1 Average No. Employees	998	934	875	846	839
2.2 Marketing & Sales Staff, Int	370	343	314	314	298
2.3 Marketing & Sales Staff, Ext	153	166	161	158	162
2.4 Other Staff	365	345	348	339	335
<b>Operating Data</b>					
3.1 No. Orders Received (mill's)	1.46	1.32	0.42	0.40	0.46
3.2 No. Invoices Despatched (mill's)	0.46	0.36	0.27	0.23	0.23
3.2 No. Lines Shipped (mill's)	1.89	1.38	1.08	0.98	0.93
<b>Companies Reporting</b>					
4.1 Distributors Reporting Monthly	25	27	32	31	30
4.2 Number of Annual Returns	20	22	22	22	22

---

**Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996**

**N.B. Because of the changes highlighted in the introduction these statistics cannot be compared with the Monthly Reports produced by AFDEC.**

**PRIVATE & CONFIDENTIAL**

**AFDEC STATISTICS**

**Collated Annual Results: Small Companies Industrial Markets**

Period 1st January to 31st December 2007

	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>Performance Parameters &amp; Indices</b>					
(Brackets enclose negative figures)					
5.1 Average Member Sales (mill's)	12.30	10.32	8.16	7.91	7.33
5.2 Average Book:Bill Ratio	1.01	1.07	1.03	1.04	1.04
5.3 Gross Margin (%)	26.7	27.2	29.1	29.8	28.8
5.4 Total Staff Cost as % of Sales	14.7	15.3	15.8	16.1	15.9
5.5 Int. Sales/Mktg Staff Nos as % of Tot Emps	37.1	36.7	35.9	37.1	35.5
5.6 Ext. Sales/Mktg Staff Nos as % of Tot Emps	15.3	17.8	18.4	18.7	19.3
5.7 Sales & Mktg Expenses as % of Sales	10.5	9.8	11.3	10.0	9.3
5.8 Change in Total Staff Numbers (%)	6.9	6.7	3.4	0.8	(24.0)
5.9 Promotional Expend as % of Sales	0.8	0.6	0.6	0.5	0.5
5.10 Bad Debt as % of Sales	0.5	0.2	0.7	0.7	0.8
5.11 Average Debtor Days *	58.5	58.6	58.4	59.4	59
5.12 Stock Turn **	5.1	5.0	4.5	4.2	4.3
5.13 Average Invoice Value	535	634	667	761	715
5.14 Average Value per Line Shipped	130	165	166	177	172
5.15 Staff Cost per Invoice	78.7	97.2	106.3	122.4	113.4
5.16 Staff Cost per Line Shipped	19.1	25.2	26.2	28.4	27.4
5.17 Sales per Employee (£k's)	247	243	205	206	192
5.18 Gross Profit per Employee (£k's)	66	66	60	61	55
5.19 Operating Expense as % of Sales	22.8	23.2	27.2	25.6	22.6
5.20 Operating Expense as % of Gross Profit	85.3	85.4	93.4	86.1	78.7
5.21 % of Sales to Contract Manuflt'rs	31.2	32.3	26.6	26.1	22.5
5.22 % of orders received Electronically	43.0	41.0	35.0	28.0	N/A
5.23 % of orders placed Electronically	56.0	47.0	43.0	41.0	N/A

\* Average Debtor Days calculated by reducing the figure for debtors by current & previous month's sales (ie last 60 days sales), finding the equivalent number of days represented by the remainder as a proportion of the sales in the month prior to the previous month.

\*\* Stock Turn calculated using Cost of Goods and Inventory.

**Definitions: "Larger Groups" are groups with annual electronic component sales in the UK of over £50 Mill in 1996**