

Where there's muck there's brass:

Rats and rubbish top the list as the brightest prospects for the UK's small businesses for next five years

London 24th November 2009: New research from Finaccord, a market research consultancy specialising in financial services research, reveals that enterprises specialising in 'rats and rubbish' will be the fastest growing small business segments over the next five years. The research - the first of its kind - reveals which segments within the small business community are likely to grow most rapidly between now and 2013. At the other end of the scale, small manufacturers and independent fuel retailers are set to experience the fastest decline.

According to the research, budding entrepreneurs who are looking for a fast growth market should set their sights on pest and vermin control services. The number of businesses in this segment is forecast to grow by 17% by 2013. A rising pigeon population, climate change and a growing prevalence of insects such as bed bugs and tropical ants caused by increasing foreign travel are part of the reason for this growth.

The number of small enterprises in scrap and waste disposal services is forecast to grow strongly in the next five years fuelled by new European legislation and rising demand for environmentally friendly disposal facilities. Finaccord predicts the number of enterprises in the segment to grow by over 15% by 2013.

Other small business segments expected to undergo significant growth in the next five years are TV, film and video production (13.5% growth forecast), barristers (13%) and cultural facilities, event organisers and venues (also 13%).

The research provides cold comfort for independent local shops including bakeries, delicatessens, sub-post offices and newsagents. As supermarkets eat up more of the grocery market, the number of small bakeries and delis is predicted to decline by nearly 12% by 2013, while the government's closure programme will mean that sub-post offices will see their numbers fall by just over 12%. Many newsagents will also close, with the number of small enterprises in the sector forecast to decline by more than 12%, driven by changes in the way consumers access content and by supermarkets muscling in on this traditionally local market. Fortunes are set to be even worse for independent fuel retailers and small manufacturing businesses, which are set to shrink by 12.5% and 14% respectively.

"Whilst entrepreneurs thinking of setting up a business are often drawn to seemingly glamorous ventures or so-called 'lifestyle businesses', our research shows that there's business potential in some less obviously alluring activities such as dealing with 'rats and rubbish', proving the adage that 'where there's muck there's brass'", said Alan Leach, Director, Finaccord. "This research is designed to give a clear snapshot of a vital section of the UK's economy. Whilst businesses of all sizes have been hit by the recession, looking to the future and investing in those areas that are set to expand offer real prospects for the future."

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About the research

The findings from this press release are taken from Finaccord's new research study '*An Anatomy of Small Businesses in the UK: Figures and Forecasts to 2013*.' The company's projections are based on primary and secondary research carried out during the third quarter of 2009. Data from the Office of National Statistics, Experian and Sector Skills Councils have been combined with telephone interviews with professional and trade associations and modelling to produce both backcast and forecast information for the number of small enterprises with annual revenues of up to £5 million in 105 distinct business segments.

Growth rates are stated as the absolute forecast rate of growth or decline in the number of small businesses between 2009 and 2013.

About Finaccord

Finaccord is a market research, publishing and consulting company specialising in financial services. It provides its clients with insight into and information about major issues in financial services in the UK, Europe and further afield, with a particular focus on marketing and distribution topics such as affinity marketing, bancassurance and strategic alliances. It has also developed unique expertise in analysis of dynamics in the small business sector in the UK.