

2019-20 Industry Snapshot: Motor Vehicle Body, Paint and Interior Repair in Australia (Source: IBISworld)

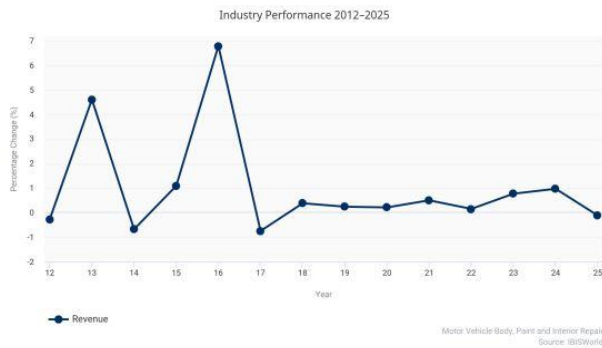


Industry Definition

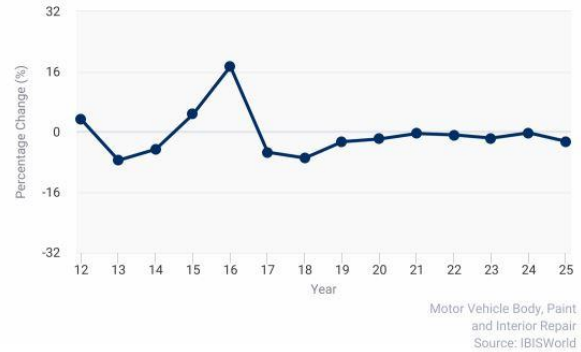
The motor vehicle body, paint and interior repair industry includes companies that primarily engage in repairing, panel beating or spray painting smashed or damaged motor vehicles. The industry also includes companies that replace, repair or tint automotive glass, and companies that perform interior repairs, car wash or cleaning services (Reeves, M. IBISworld, Oct 2019).

Total Revenue 2020: +\$7.8bn	Annual Growth 2015-20: +1.4%	Annual growth 2020-25: +0.5%
Profit Margin 2020: +7.9%	Wages as a share of Revenue: -24.7%	Number of Businesses 2015-20: +1.1%

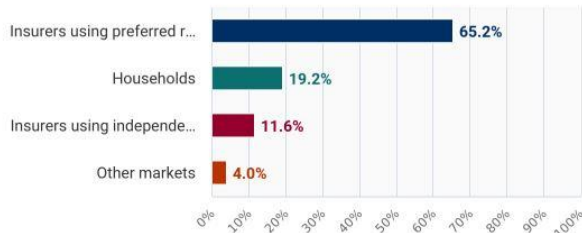
(Reeves, M. IBISWorld, Oct 2019)



Annual Change in Number of vehicle accident deaths 2012-2025



Major Market Segmentation

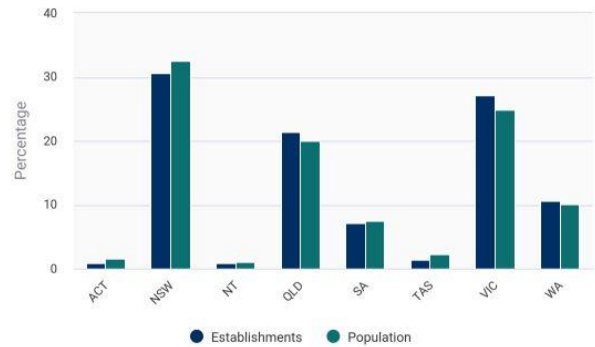


2020 INDUSTRY REVENUE

\$7.8bn

Motor Vehicle Body, Paint and Interior Repair
Source: IBISWorld

Distribution of Establishments vs Population



Motor Vehicle Body, Paint and Interior Repair
Source: IBISWorld

(Reeves, M. IBISWorld, Oct 2019)

Industry Summary

- As the Motor Vehicle Body, Paint and Interior Repair industry tend to rely on vehicle accident repairs to generate revenue, new automobile safety systems and reduced vehicle accident rates have negatively impacted revenue creation. This is exacerbated by Australia's relative modern fleet.
- These negative impacts for industry are offset by the growing fleet of Australian registered vehicles and the higher discretionary income of consumers.
- The industry grew at an annualized 1.4% over the five years through 2019-20, to reach \$7.8 billion. Industry revenue is expected to grow by 0.2% during the same period.
- Many smash repairers rely on consumer claims to insurance companies for work. This has increased the ability of insurance companies to direct work to insurers' preferred smash repairers (PSR) and to squeeze profit margins through PSR agreements. Insurer aligned chains and joint ventures and PSRs will continue to impact the industry to the detriment of many non-aligned smash repairers. Strong price competition has already reduced prices.
- Industry revenue is forecast to grow at an annualised 0.5% over the five years through 2024-25, to reach \$8 billion.

Source: Reeves, M (October 2019). IBISWorld industry report S9412: Motor Vehicle Body, Paint and Interior Repair in Australia.