

EDA State of the Sector Survey Manufacturer Feedback: Q3 2026 (July 2026)





State of the Sector Survey Manufacturer Feedback: Q3 2026

Introduction

These are the results of the Q3 2026 EDA State of the Sector Survey with Manufacturer responses.

There is a separate survey for EDA Wholesalers.

This survey attracted 41 responses, a 34% response rate. As at 24 July 2026 the EDA had 122 manufacturer affiliates.

A summary of wholesaler and manufacturer feedback was shared at our Talking Shop Live Online on Friday 24 July 2026.

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[Q17: What do you think needs to change to encourage more businesses to benefit from apprenticeships? Please use the space below to add your comments.](#)

[Q18: Looking back on 2025, did you experience a rise in bad debt compared to 2024?](#)

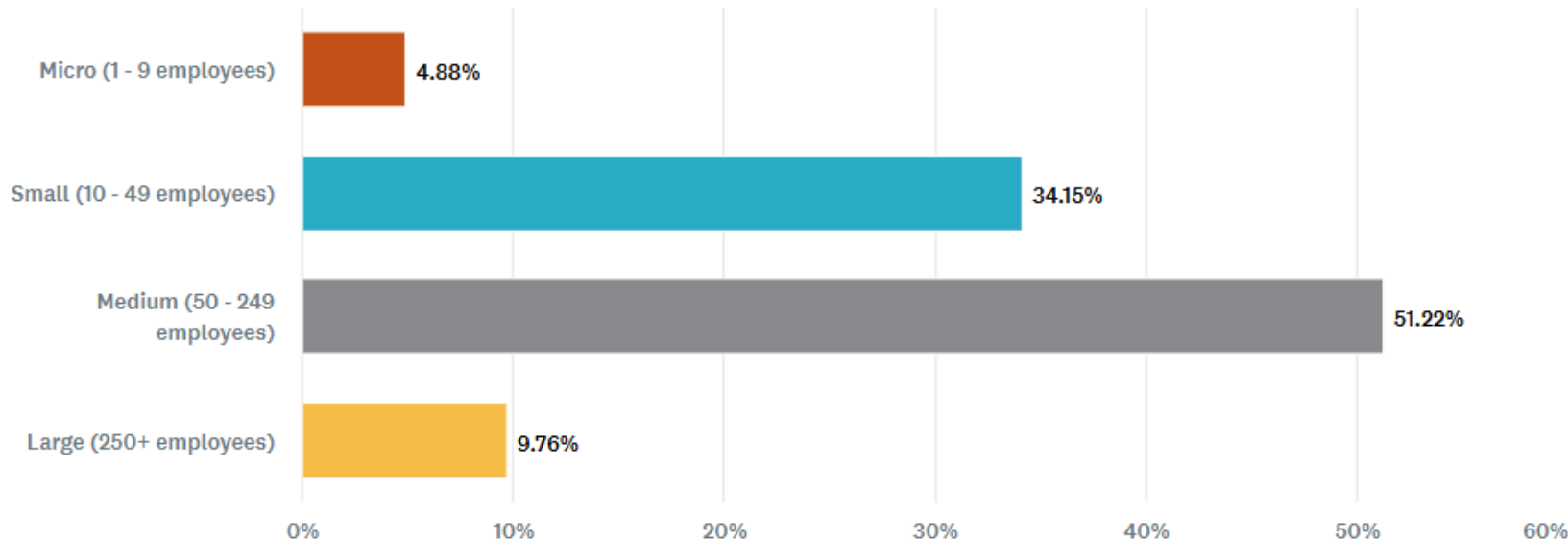
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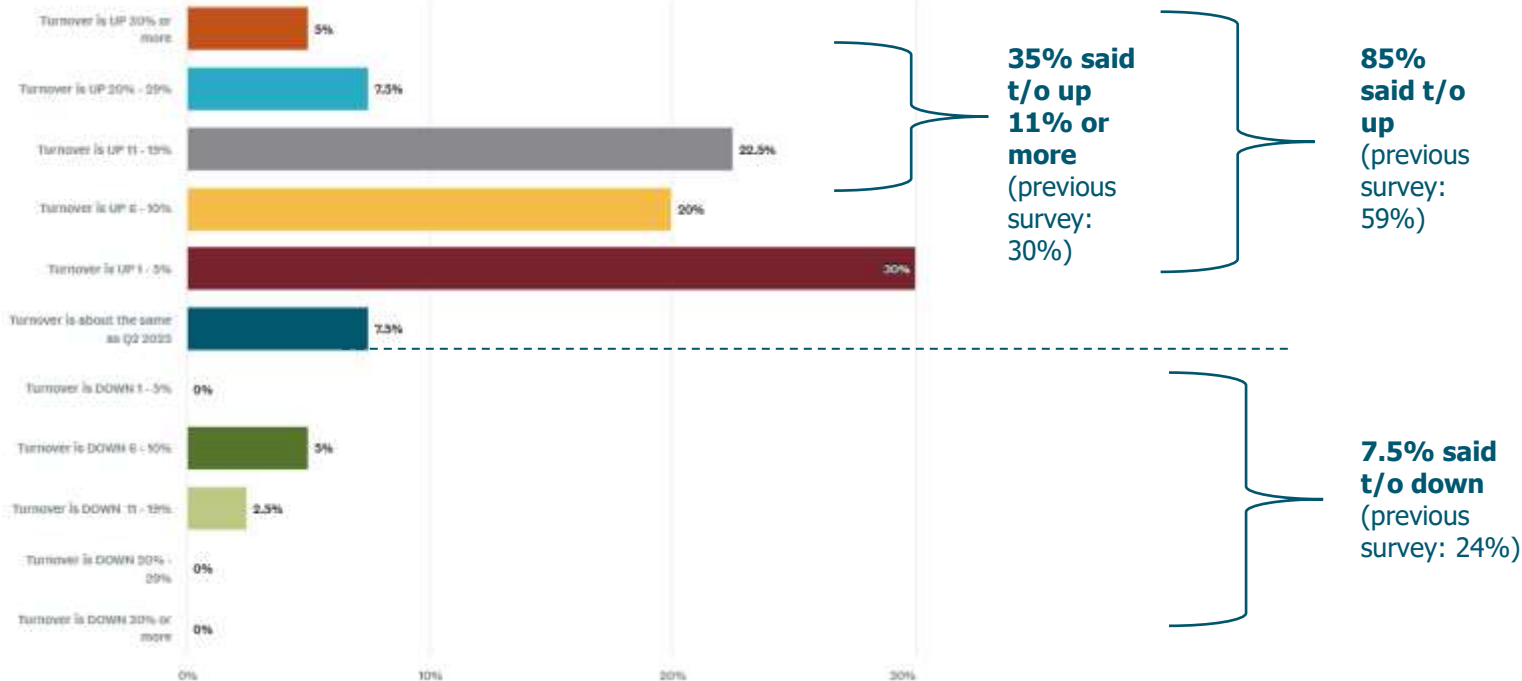
[Q22: In your view will the appointment of Andy Burnham as PM be positive for the industry?](#)

Q1: Please tell us the size of your business



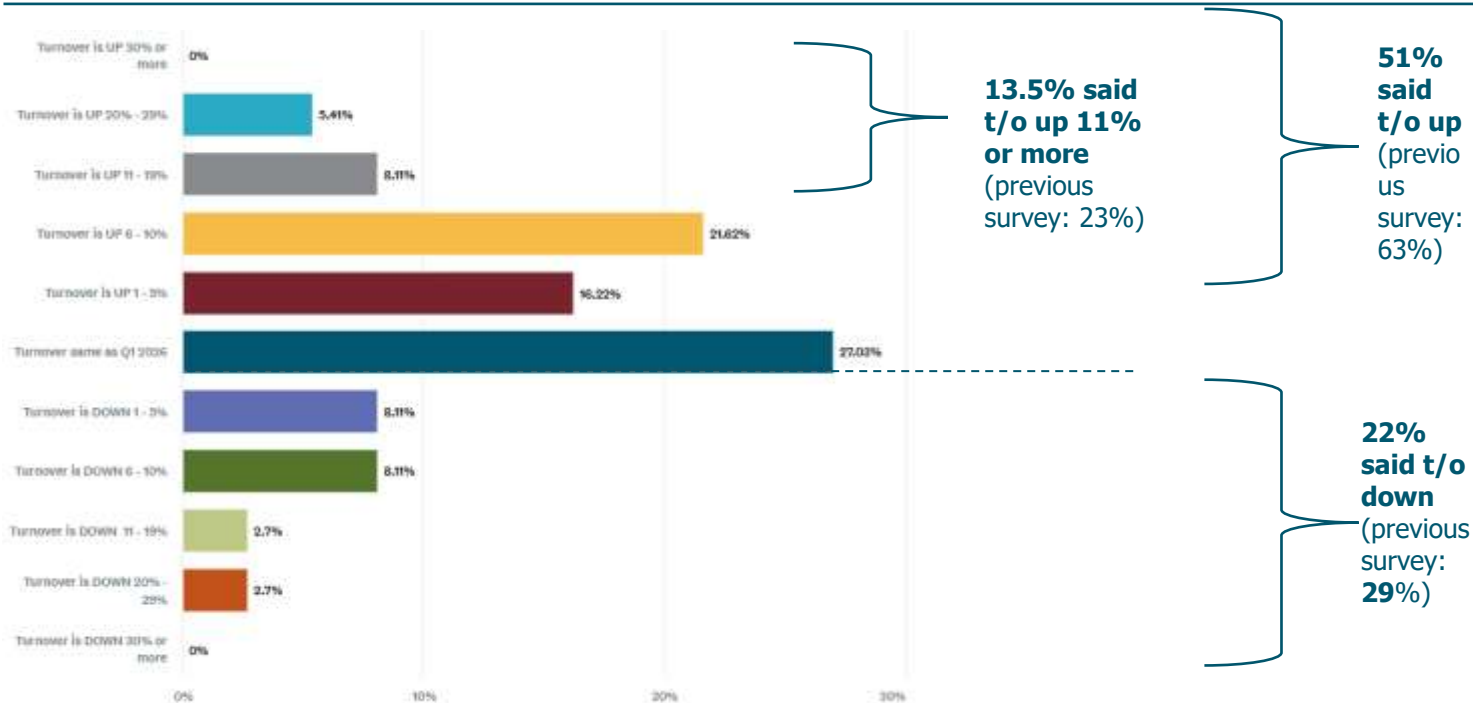
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Q2: Please tell us how your turnover in Q2 2026 compares with turnover in Q2 2025.



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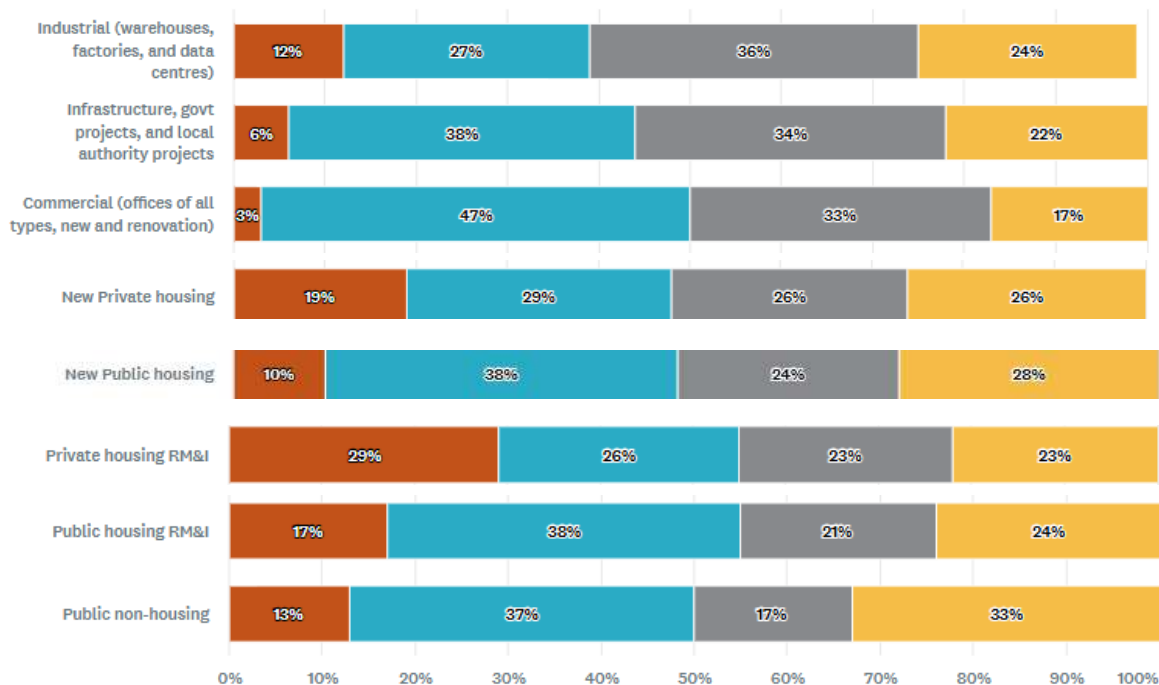
Q3: Please tell us how your turnover in Q2 2026 compares with turnover in Q1 2026.



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Q4: Have you experienced a change in turnover in Q2 2026 compared to Q1 2026 for the following sectors? Ranked by growth (grey band).



Does not apply

Growth in turnover

No change in turnover

Decline in turnover

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Q4: Comments on particular areas of growth

"We are seeing growth in HVAC in terms of air conditioning in offices, industrial spaces and also housing (public and private etc). We also anticipate high growth again in the fibre markets towards Q3 + 4."

"Underlying volume down - inflation is driving turnover."

"High End residential and HORECA (*Hotels, Restaurants, Catering/Cafes*)."

"Hospitality is again on the increase."

Q5: Your Operational Challenges: from a prompted list please tell us which 5 operational challenges are your most pressing at this time?



	July 2025	October 2025	January 2026	April 2026	July 2026
1	Slowdown in the start of projects + Upward pressure on all wages driven by the increases in National Living Wage and National Minimum Wage on my overall wage bill	Increasing business overheads + Delays to project starts	Increasing business overheads	Increasing business overheads	Increasing business overheads
2	Inflation in business overheads	Downturn in market demand	Downturn in market demand	Middle East Crisis	Delays to project starts
3	The slowdown in my traditional market segments	Difficulties attracting, recruiting or retaining staff	Delays to project starts + A slowdown in my traditional market segments	Downturn in market demand	A slowdown in my traditional market segments
4	Transport and logistics costs + Difficulties attracting and recruiting staff	The slowdown in my traditional market segments	Difficulties attracting, recruiting or retaining staff	A slowdown in my traditional market segments	Downturn in market demand
5	Product price deflation	New competitors entering the market	New competitors entering the market	Delays to project starts	New competitors entering the market

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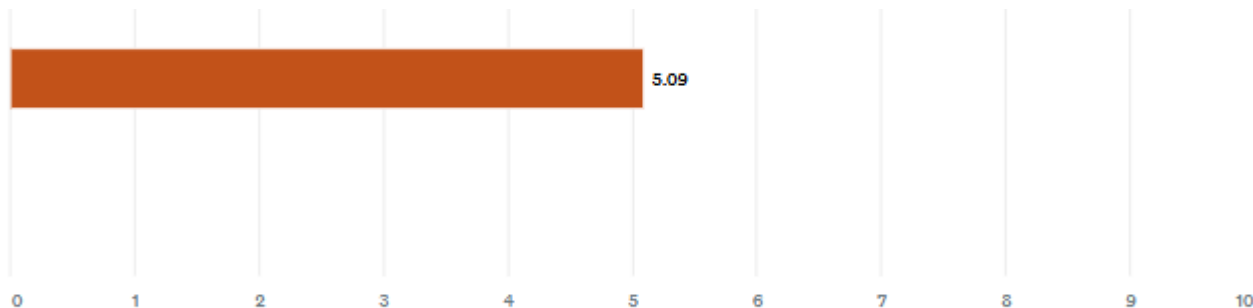
Q5: Comments on operational challenges

"Rising copper costs affecting cable ricing and the volatility of customers switching supply almost on a monthly basis to save pennies."

"Raw material fluctuations are difficult to predict due to the impact of the ever-changing situation in the Middle East"

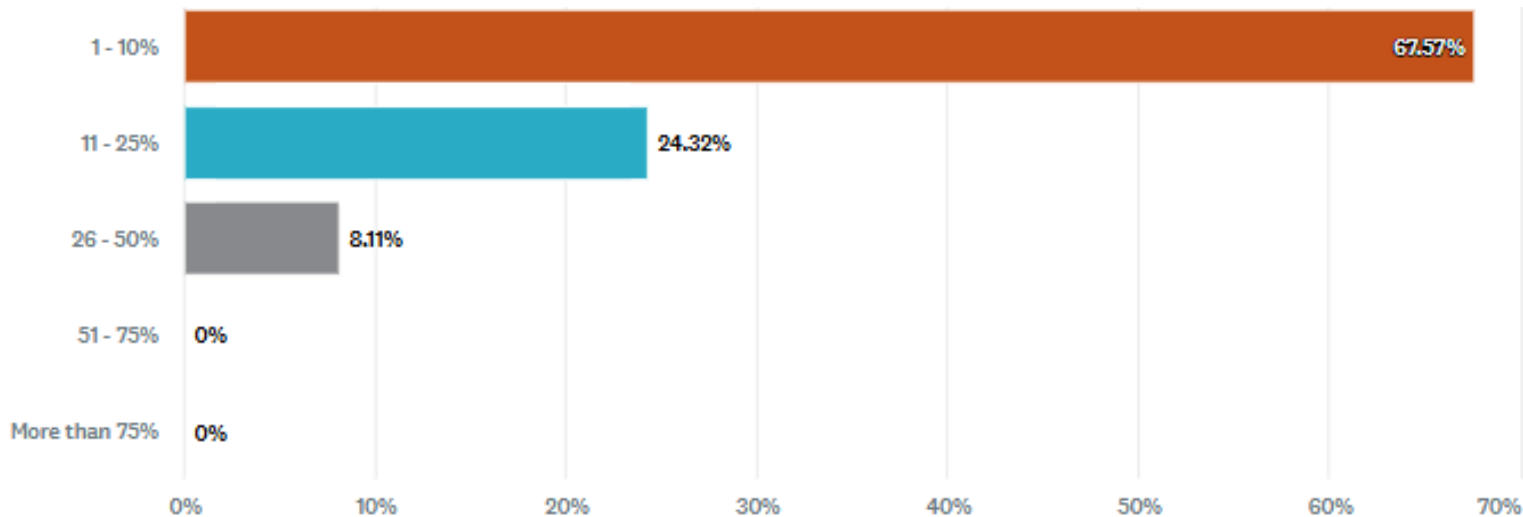
"Political uncertainty"

Q6: In June 2026, the US\$ is the best performing major currency, but what is the impact on your business? Please use the slider where 1 is no impact at all and 10 is a significant impact.

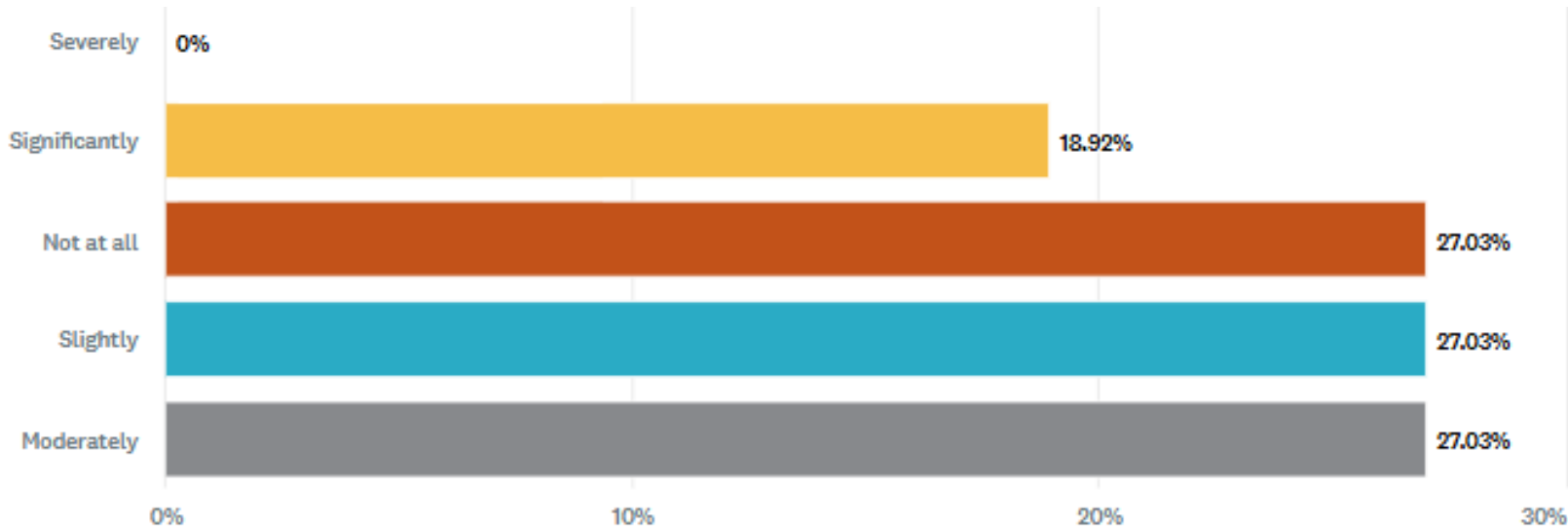




Q7: In 2026, approximately what percentage of your revenue is directly linked to new-build residential projects?

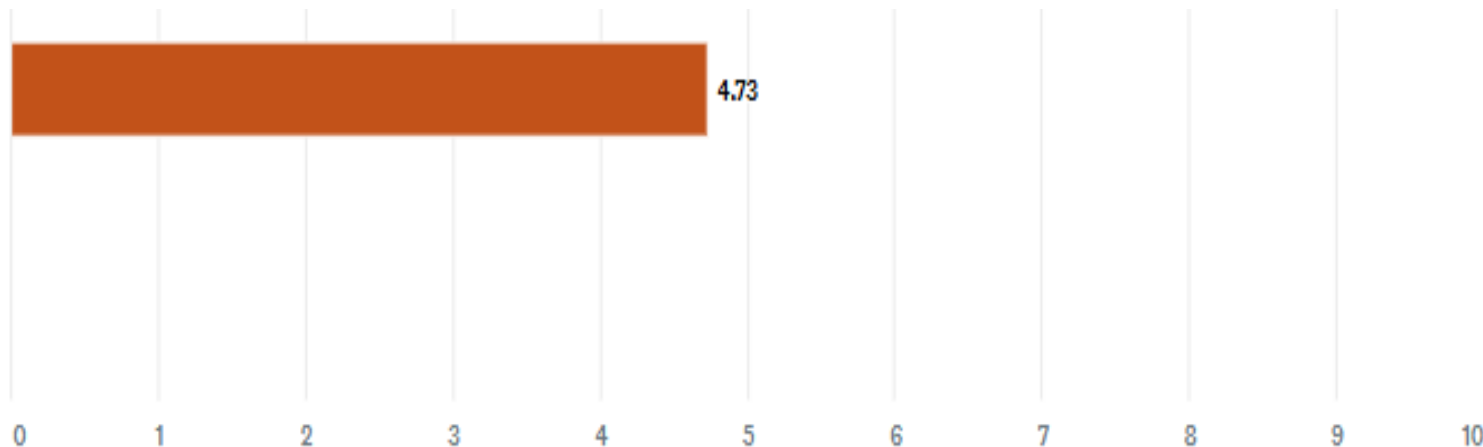


Q8: To what extent has the current slowdown in UK housebuilding affected your overall sales over the past 12 months?



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Q9: How important is the housebuilding market to your growth strategy over the next 3 years? Please use the slider below, where 1 is not important and 10 is extremely important.

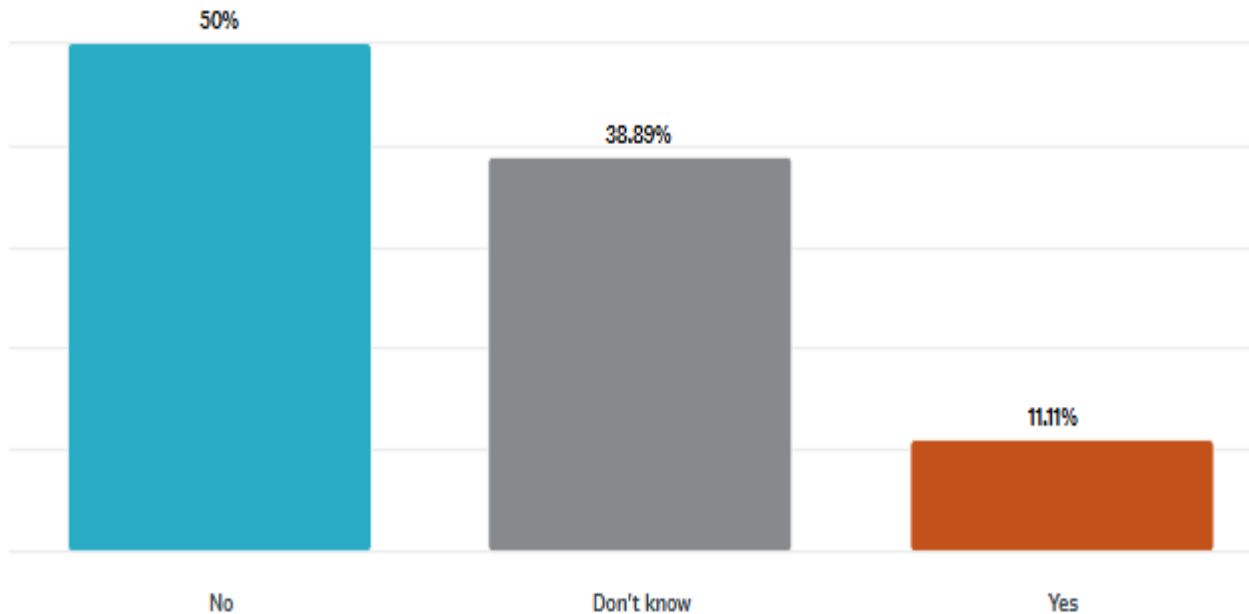


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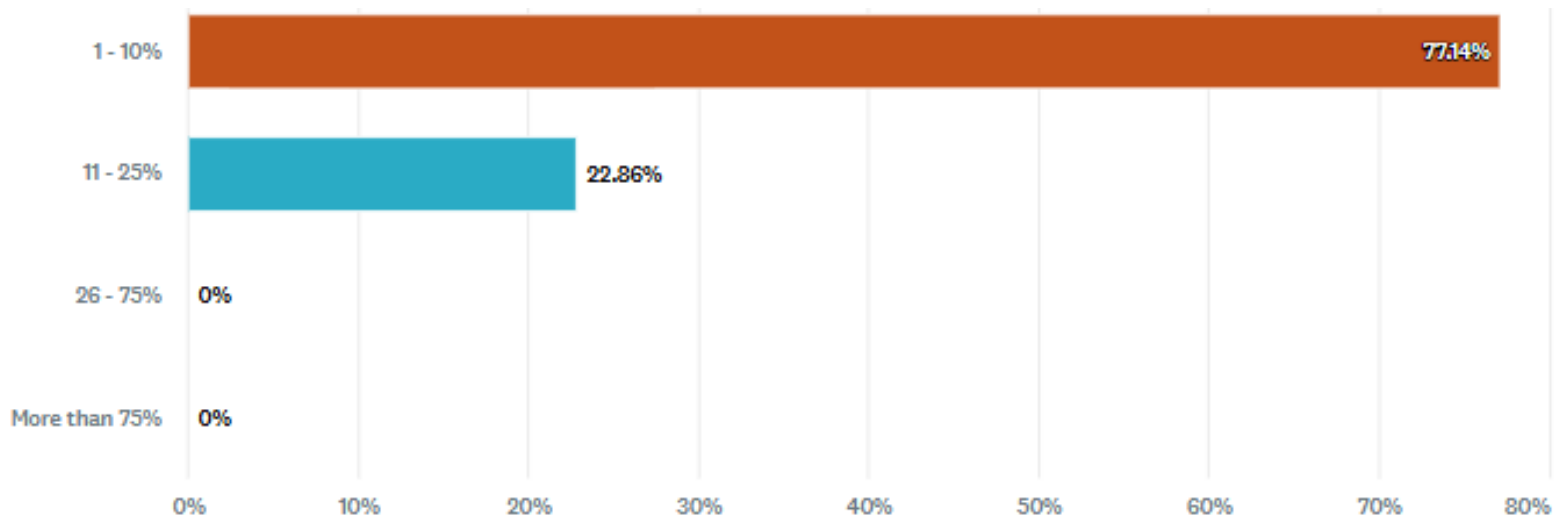
Q10: Do you expect the housing market to recover in the next 12 months?



"The housing market is a critical market for the collective construction industry."

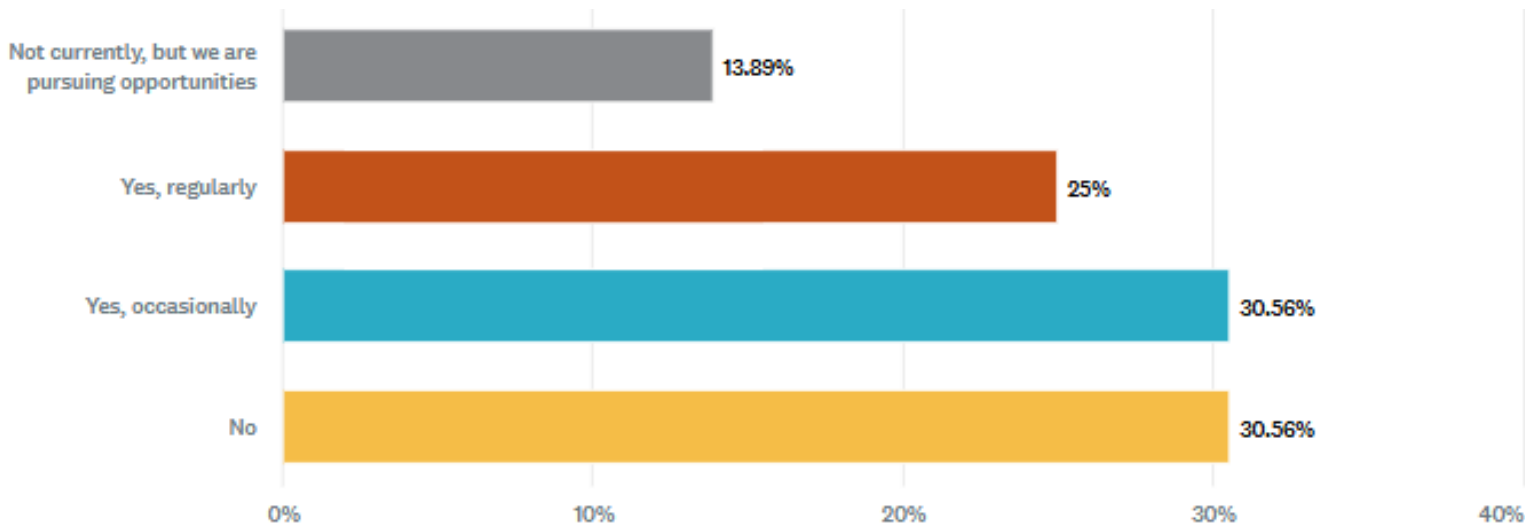


Q11: In 2026, approximately what percentage of your revenue is directly linked to data centre projects?



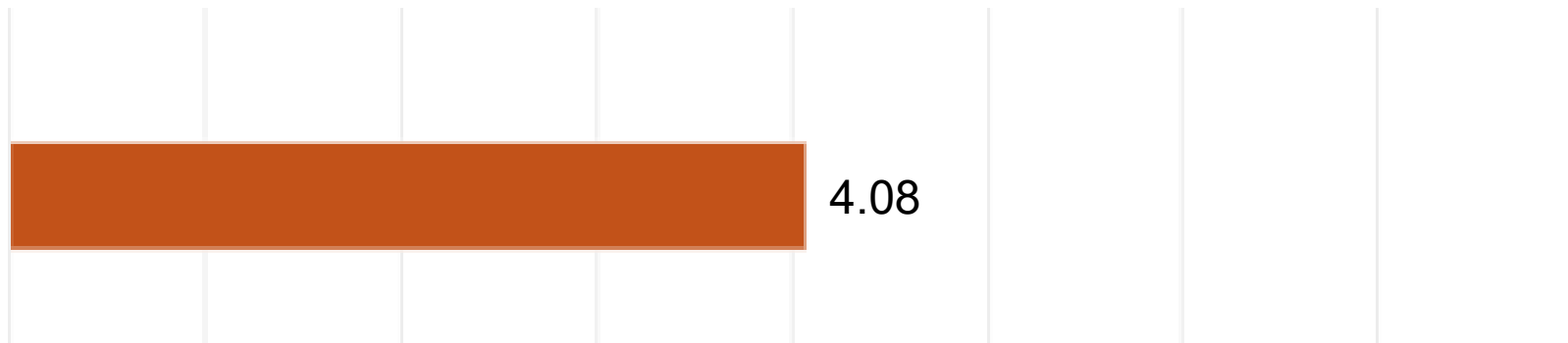


Q12: Is your business currently supplying products for data centre construction or refurbishment?





Q13: How important is the data centre sector to your growth strategy over the next 3 years? Please use the slider below, where 1 is not important and 10 is extremely important.



Q14: What is the biggest opportunity and biggest challenge the growth of UK data centres presents for your business?

Opportunities

- We cannot see any
- Within a Data Centre it is the low and medium voltage distribution networks and externally is the upgrades to the medium and high voltage grid connections.
- Increase in power requirement
- Keeping our competitors busy on large projects
- Existing business with expanded product offering, export and new business in current and overseas territories. Anticipate overseas territories to demonstrate significant growth owing to geographical size purely against UKI.
- Is a big opportunity, but mostly served by big multinationals and subject to throughput of power network
- new addressable market
- The biggest opportunity is to position our company as a multi-discipline infrastructure partner for data centre developments, rather than competing for a single product category
- New build business
- Share of wallet providing a basket of products to meet the needs data centres across, specialist cable and access control categories.
- Light control
- The construction of new Data centres which require Switchgear, Controlgear, and Surge Protection Devices
- Cooling

Challenges

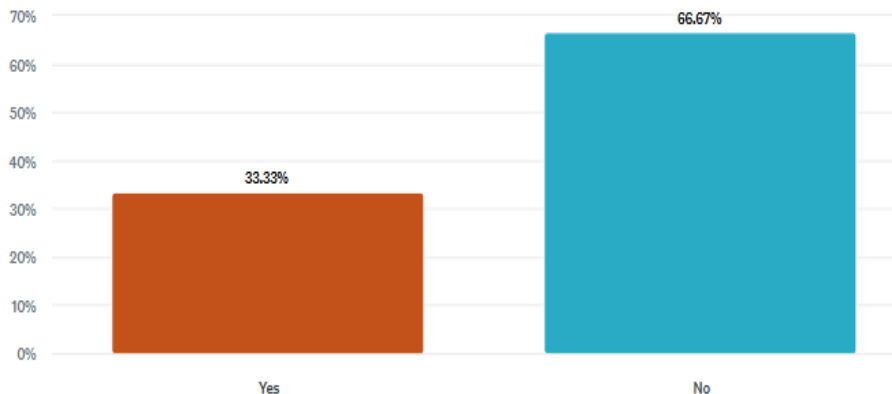
- They generate so much heat as a byproduct of operation, they do not need any of our products
- Competition from imported products.
- Demand
- None
- specification and longer lead times potentially to convert to orders.
- Mostly in the hands of multinational suppliers
- direct manufacturer supply or specification
- The biggest challenge is gaining specification and market visibility in a highly technical sector dominated by established global suppliers with strong data centre credentials.
- Product differentiation
- Dominated by bigger tier 1 brands
- Establishing awareness and suitability of our product offering within the Electrical Wholesale sector.
- Pre-specified projects, some of which involve our brands, others are difficult to switch.
- Power connections to new DC's
- A lot of Data Centres specify components, our challenge is getting our product Specified for use in Data Centres
- Cyclical demand

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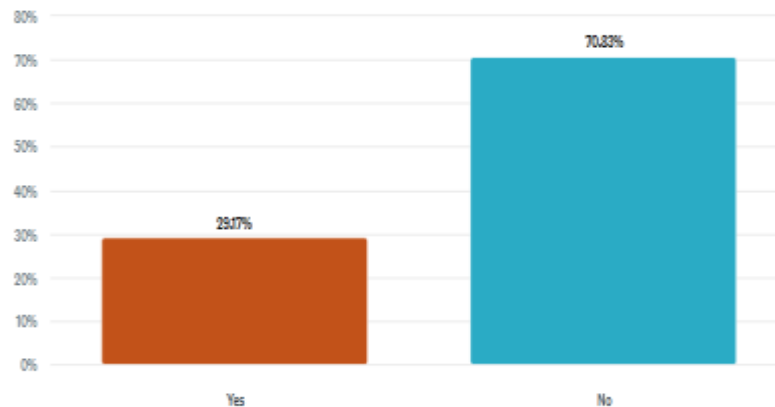




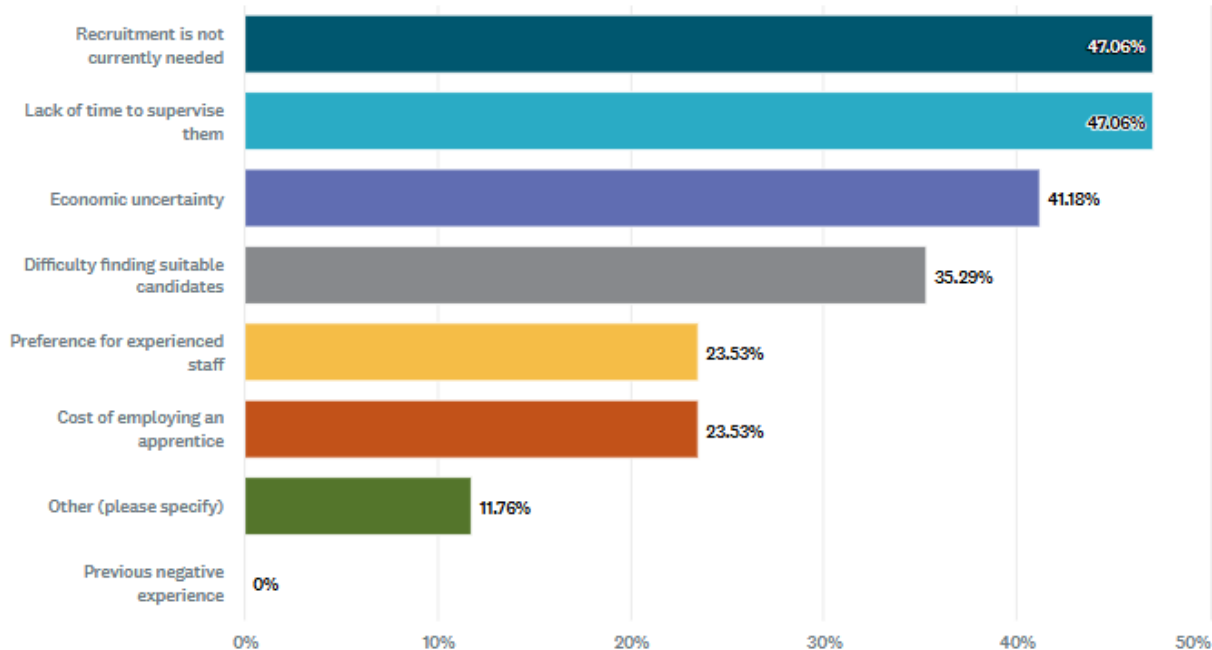
Q15: Have you taken on an apprentice, or more than one, in the last 12 months?



To those who answered No we asked a follow up question: are you planning to take on an apprentice, or more than one, in the next 12 months?



Q16: As you answered No to the previous question, please tell us the factors which are preventing you from taking on an apprentice. Please tick all that apply.



"Will look to do this at some point but need to ensure have the set-up to give them the right development, experience and support."

"Unaware of options." (The EDA has an Apprenticeship Service)

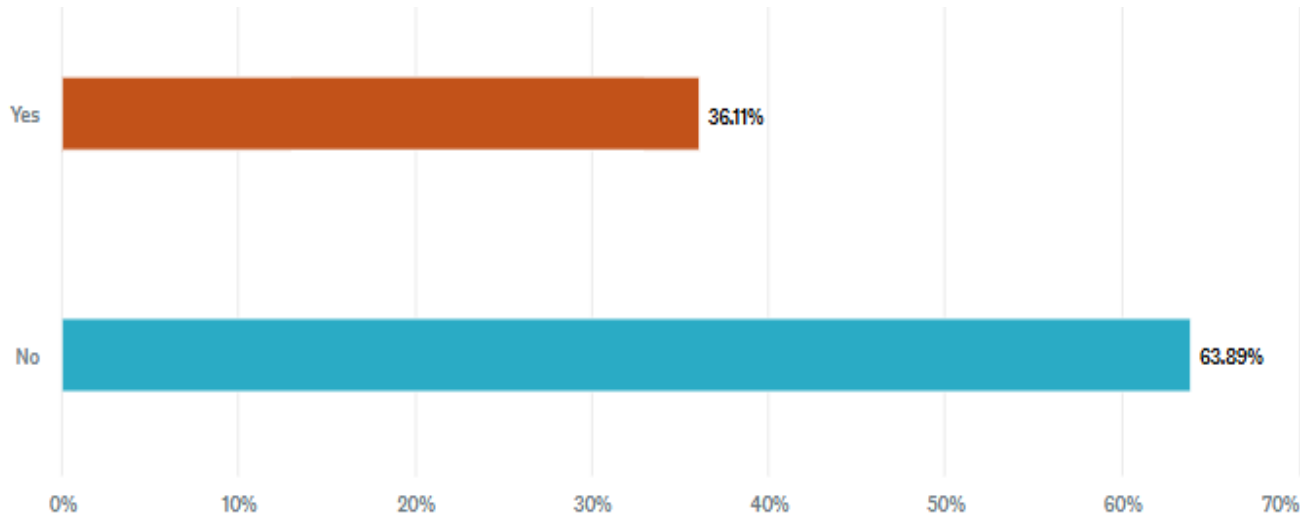
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Q17: What do you think needs to change to encourage more businesses to benefit from apprenticeships? Please use the space below to add your comments.

- The market needs to improve to warrant the additional expense. Current staff need to be given more bandwidth in order to spend the time with any apprentices.
- Nothing needs to change except the mindset of the businesses who have not taken on an apprentice. Everyone should be doing it. Our apprentice has brought vital skills and new ideas, plus an untainted outlook on the industry.
- Increased market demand for our products and a government that will support British manufacturing.
- Upturn in business
- Upturn in demand for products
- A government interested in growth
- Back to the lower wage structure
- Availability and clarity from government
- Needs to be less cost for the first twelve months
- A re-introduction of the YTS but with proportional pay. not minimum wage but equally not £30 per week.
- Greater awareness of what is available
- Awareness and understanding of how to attract the right people
- Businesses like ours need additional support from organisations to help us take on apprentices **(The EDA has an Apprenticeship Service – please talk to Tracy Hewett)**
- Clear supply route for apprentices with easier understood funding processes/ streams
- Make it simple

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Q18: Looking back on 2025, did you experience a rise in bad debt compared to 2024?

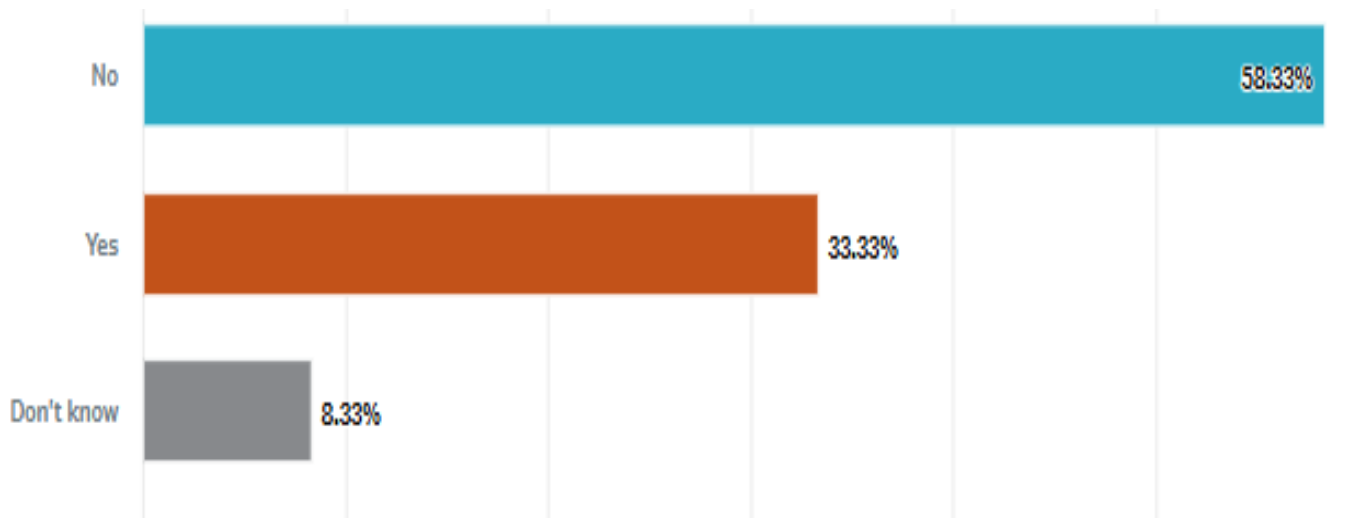


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Q19: So far in 2026, have you experienced a higher number of customer businesses falling into administration compared to previous years?



"Increased debtor days becoming a rising cost of business."

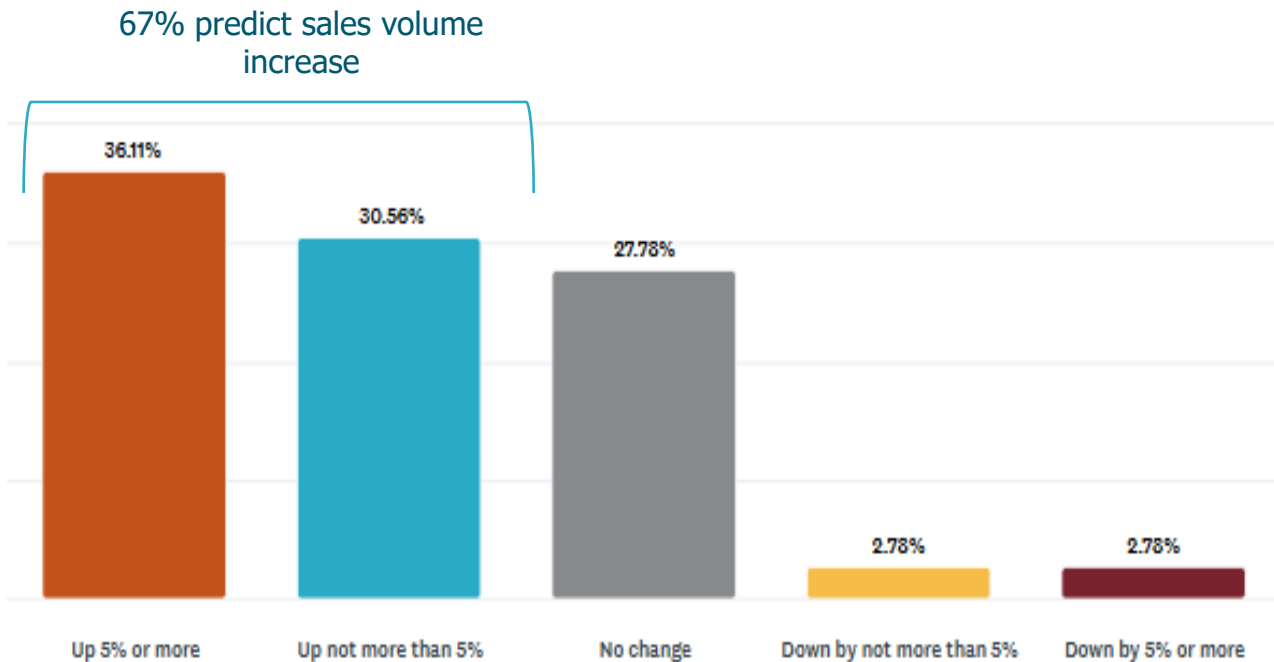
"Debt is a concern."

"Large contractor concerns as to impact on their sub-contractors, "trickle down" effect."

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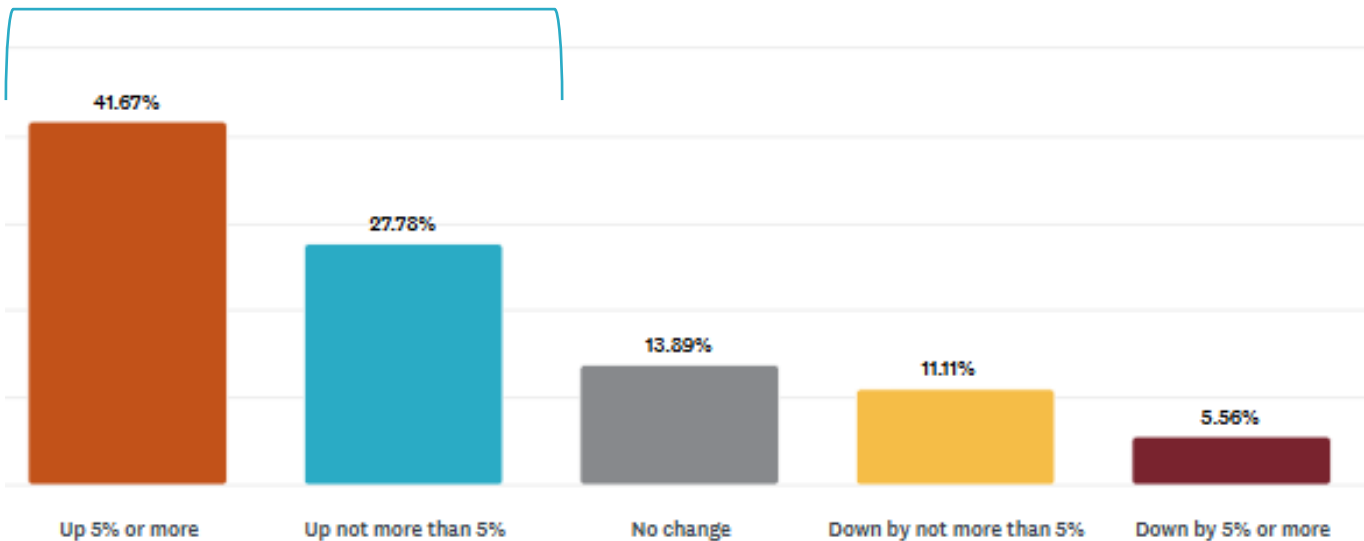
Q20: How to you anticipate sales volumes (like for like sales) will change during Q3 2026?



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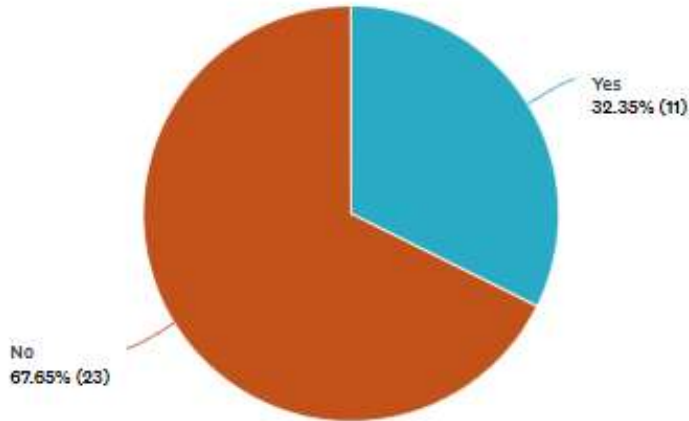
Q21: How to you anticipate sales volumes (like for like sales) will change during 2026?

69% predict sales volume increase



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Q22: In your view will the appointment of Andy Burnham as PM be positive for the industry?



- He's Heat pump crazy
- Increased spend on infrastructure projects
- Will not encourage private investment, so lack of new building and speculative builds
- Will result in more delays in decision making
- Cautiously positive - a major housebuilding programme - Burnham has proposed the largest council housebuilding programme in decades, with a significant shift in public investment towards social housing. If implemented, this could create substantial demand for contractors, housebuilders, civil engineers, building product manufacturers and specialist trades over many years. Infrastructure and regional investment - His "Manchesterism" agenda places strong emphasis on transport, regeneration and devolving investment to cities and regions. This could increase spending on rail, roads, town-centre regeneration and public infrastructure across the UK, particularly outside London. Long-term policy certainty. Construction firms generally value a stable pipeline of public projects. Burnham has consistently argued for long-term planning rather than short funding cycles, which could improve confidence for investment and recruitment.
- Unless he reforms recent tax reforms by the Labour party I cannot see how he can stimulate the economy and consumer confidence
- No new leader of the Labour government can bring about the changes required. A new government is the only answer
- It remains to be seen however the additional salary and NI costs placed on a business without the ability to increase prices has led us to reduce costs in other areas.
- We need a complete change of gov with a new mandate through an election, but the alternatives need some time to prepare for this
- Not a fan of his politics but he does communicate well which may lead to a rise in confidence

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