

HISTORIC VEHICLE RESEARCH INSTITUTE



*"... to uphold the freedom ..."*

## THE BRITISH HISTORIC VEHICLE MOVEMENT

# A £4 BILLION HOBBY

## RESEARCH REPORT



# FOREWORD

by John Surtees OBE

In September, I was at the Goodwood Revival Meeting to take part in a parade of cars that had been driven by Juan Manuel Fangio. It celebrated 100 years since his birth and 60 years since his first F1 victory. I drove a 250F Maserati Formula One car.

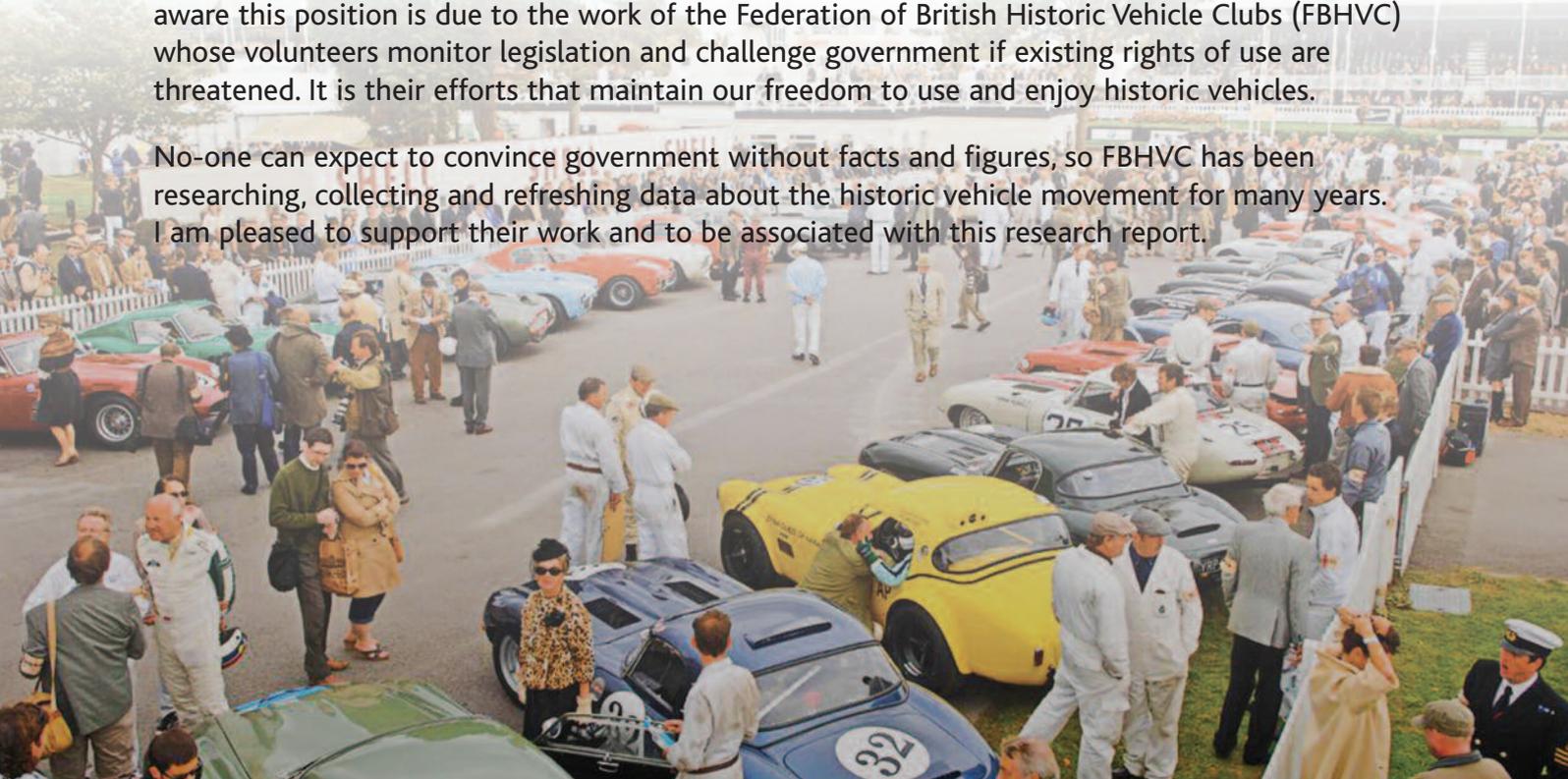
The Revival Meeting now draws support from all over the world. Owners bring their historic vehicles on which the meeting relies for its great success. Famous drivers both past and present attend and take part. There is racing to enjoy and hundreds of cars, motorcycles and commercial vehicles are on display around the circuit in addition to about 4,000 cars using the classic car parking area over the weekend. This now forms a car show in its own right.

Visitors to the event spend hours inspecting the exhibits, many reminiscing on past ownership, other involvement with similar machines or just past dreams. These vehicles are driven by their owners to the event and are maintained and restored by them at their own expense. This is a demonstration of our national mobile heritage being preserved for posterity – and all without any public money.

This huge spectacle would be impossible if individual owners could not use their historic vehicles on the road. Who would spend money to maintain a car they can't use?

Luckily, we are fortunate in this country. As far as using a historic vehicle on the public road is concerned, we can go when and where we wish, some countries have restrictions. I am very much aware this position is due to the work of the Federation of British Historic Vehicle Clubs (FBHVC) whose volunteers monitor legislation and challenge government if existing rights of use are threatened. It is their efforts that maintain our freedom to use and enjoy historic vehicles.

No-one can expect to convince government without facts and figures, so FBHVC has been researching, collecting and refreshing data about the historic vehicle movement for many years. I am pleased to support their work and to be associated with this research report.



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## THE BRITISH HISTORIC VEHICLE MOVEMENT

# A £4 BILLION HOBBY

## RESEARCH REPORT

The economic & social benefits for the United Kingdom arising from interest in the preservation and use of vehicles that are over 30 years old.

DECEMBER 2011



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## DEFINITIONS

**Historic vehicle** – a vehicle made more than 30 years ago. Such vehicles have usually been retired from the purpose for which they were built and are now being preserved for posterity.

**Historic vehicle movement** – the collective industry, activity & social interaction resulting from interest in historic vehicles – see page 6.

**Specialist traders** – businesses that specialise in serving the needs of historic vehicle owners.

## ACKNOWLEDGEMENTS

Thanks are due to the many traders, curators, club officers and individuals who responded to the survey that underpins this report. It was clear that most had taken considerable trouble answering the questions while those who were telephoned when further clarification was needed could not have been more helpful. FBHVC is grateful to those who have offered photographs and illustrations. All have been provided at no cost.

# OVERVIEW

## About the research

This is the third time FBHVC has 'measured' the economic and social impact of the historic vehicle movement in Britain. The first, in 1997, was the first ever survey aimed at measuring the value to a national economy generated by interest in historic vehicles.

The second was in 2006 as part of a pan-European survey. It found that the historic vehicle movement was worth £3.2 billion annually to the UK economy and generated a quarter of all European historic vehicle related economic activity.

The reason for this third assessment was the need to bring the data collected in previous research up to date and to assess the extent to which the British historic vehicle movement has been affected by the recent and on-going global recession.

The findings indicate that the overall economic value has been maintained, keeping up with inflation. It has risen to £4.3 billion on what is a conservative calculation.

The number of people earning some, or all, of their income from the historic vehicle movement has increased by 1,000 since 2006 to over 28,000. This trend is remarkable as patterns of vehicle use and ownership were found to be largely unchanged.

Since spending on historic vehicles is more a lifestyle choice than a necessity, it is noteworthy that the overall value of the historic vehicle movement has at least been maintained during a period of general recession.

In addition to the questions that provided the data leading to the figures in this report, the survey also asked traders, clubs and museums about their concerns and predictions for the next five years.

The majority of businesses are positive about the future and are expecting to grow over the next five years. 40% are expecting to recruit new staff during this period.

Despite this general optimism, however, a strong message came from traders that the current regulatory burden discourages activity and risks hampering both the desire and ability to grow.

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## Methodology

The research is based on four groups of data that were collected during the summer of 2011. Each related to activity over the preceding year.

The four groups were:

- specialist traders (10% return);
- FBHVC subscriber clubs (51% return);
- museums (25% return); and
- individual enthusiasts (over 11,000 responses).

# Key findings

## *Economic value (pages 8-9)*

- The historic vehicle movement generates business worth £4.3 billion a year in UK.
- Nearly £1 billion of this comes from overseas.

## *Employment and stability (pages 10-11)*

- Over 28,000 people earn some or all of their living serving the historic vehicle movement.
- 41% of businesses surveyed expect to recruit new staff within the next five years.
- 57% of businesses surveyed have been trading for more than 20 years.

## *Number and use of historic vehicles (pages 12-13)*

- Over 850,000 vehicles made before 1981 survive.
- 82% of these vehicles are used no more than twice a month.
- Historic vehicles are responsible for no more than 0.24% of overall vehicle mileage.

## *Cultural background and social activities (pages 14-15)*

- 31% of historic vehicle owners have a household income of less than £25,000.
- 68% of historic vehicles are valued at less than £10,000.
- There are 4.5 million person-attendances per year at FBHVC club activities alone.

## *The next five years (page 16)*

- 52% of traders expect their businesses to grow in the next five years.
- 66% of traders are concerned that increasing regulation will hamper growth.

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## Methodology continued

The first three groups were sent paper questionnaires. Individuals were encouraged to participate in an on-line survey, resulting in over 11,000 responses. A paper option was available on request. Results from non-UK residents were discarded. Anomalous or contradictory responses were checked with respondents (if they could be identified) or ignored.

The results were analysed and extrapolated to provide the figures contained in this report. Care was taken to avoid double counting, especially in respect of vehicle sales and purchases where only the (lower) sales figure was used for analysis.

With over 11,000 individual responses, the level of confidence in the ability to generalise the data is above 95%. The confidence level for the paper returns is higher.

# THE HISTORIC VEHICLE MOVEMENT

by Lord Montagu of Beaulieu, President of FBHVC

The National Motor Museum receives many thousands of visitors each year. They span all ages and come from all backgrounds. There are over a hundred other motor or road transport museums and these could not exist if it was not for widespread public interest in historic vehicles. Some people are more interested than others and this report is about the contribution made to the social and economic fabric of the country by those for whom interest in historic vehicles is a hobby – or more.

These are people who own and cherish historic vehicles, who look after and preserve motoring heritage. They sustain a substantial world-class industry, spending significant sums in the general economy in pursuit of their hobby. They generate community activities, mount public



*Lord Montagu's father's 1899 Daimler, one of the five exhibits in the Montagu Motor Museum when it opened in 1952.*

spectacles and use their vehicles to raise money for charities. Collectively, they, the industry they support and their historic vehicle based activities are what we refer to as the Historic Vehicle Movement. This is now a worldwide activity, but its foundations are very firmly in Britain where interest in old vehicles began long before many of today's historic vehicles had been conceived.

The Federation of British Historic Vehicle Clubs is at the centre of the historic vehicle movement. It comprises 500 clubs with a gross



*Historic vehicles come in all shapes and sizes, but few are larger than this Thornycroft Antar tank transporter, and none are lighter than a cyclemotor. [Peter Quinn and Andrew Pattle photos].*



membership of over quarter of a million people, most of whom own road vehicles over 30 years old. The clubs vary in size and the majority cater for cars or motorcycles but there are places for everything from cyclemotors to tank transporters.

FBHVC's purpose is to uphold the freedom to use properly maintained historic vehicles on the road without upgrading them to meet later standards. Without that freedom, the vehicles would become useless, owners would not spend money on them and a significant part of our motoring heritage would be lost.

When the Montagu Motor Museum opened at Beaulieu in 1952 as a tribute to my motoring pioneer father, John Scott Montagu, we had just five early motor cars. There was no MoT and no national speed limit. The star exhibit, my father's 1899 Daimler which had been the first motor car to be driven into the yard at the House of Commons, was just 53 years old, younger than, say, a Jaguar XK120 or Vincent Black Prince is today.

By the time the National Motor Museum had taken over from the Montagu Motor Museum twenty years later, MoTs and the 70mph national speed limit had become facts of life.

My father's Daimler could no more have met the normal standards set for the MoT than it could have broken the new national speed limit. Yet we could still use that wonderful car in its original form because the regulations had been crafted so that, in general, no vehicle was expected to meet standards higher than those that applied when it first was made.

This happy state of affairs remains to this day, but should never be taken for granted. We must be vigilant at all times and be ready to react promptly when threats arise, backing our case with up to date, well researched, data – hence this survey undertaken in collaboration with the Historic Vehicle Research Institute.

I close by thanking everyone who has been involved in the work leading to this report.



*An XK 120 Jaguar and a Vincent Black Prince being enjoyed recently. The Jaguar could have been bought new at the time the Montagu Motor Museum opened, and both are older today than the Daimler opposite was when the museum was established.*

*[Porter Publishing and Graham Smith photos].*



# RESEARCH FINDINGS

## Economic value

The survey questionnaires enquired into both sides of what might loosely be called the historic vehicle movement's income and expenditure account: traders, clubs and museums were all asked about their most recent annual turnover, while individuals were asked about their expenditure. Exceptions to this were that businesses were also asked about their spending with other specialist traders, and individuals were asked about the value of any sales of vehicles they may have made in the previous year.

### **Turnover from the historic vehicle movement exceeds £4.3 billion annually.**

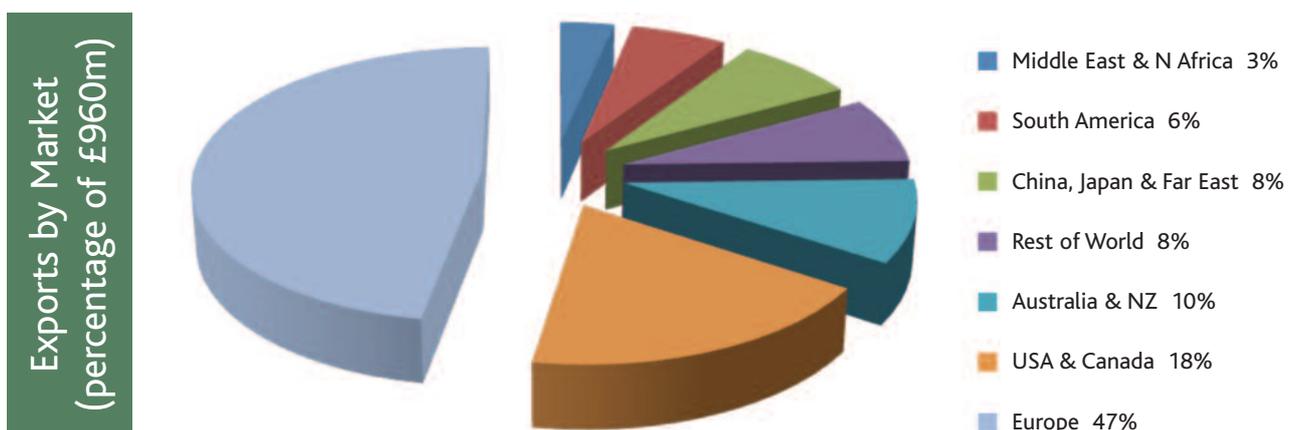
The survey showed that the amount of money changing hands in the British economy each year as a result of the hobby of owning and maintaining historic vehicles exceeds £4.3 billion. Further amounts are spent by non-owners with an interest in historic vehicles.

### **Over £3.3 billion of this turnover is through 3,800 specialist traders.**

The historic vehicle movement supports over 3,800 businesses that offer goods or services to historic vehicle owners and enthusiasts. These specialist traders are together responsible for over £3.3 billion of the turnover.

### **£960 million of the specialist trade turnover comes from outside the UK.**

More than 60% of businesses that responded to the survey export goods or services. The gross value of these exports is over a quarter of the overall value of this specialist trade. Mainland Europe is by far the largest market, accounting for almost half of all exports.



### **£308 million of specialist trade turnover is business-to-business.**

80% of specialist trade respondents reported significant levels of spending with other specialist traders at an average total annual spend of just under £100,000.

### **Museums and FBHVC member clubs generate turnover of over £90 million.**

£70 million is generated by museums and £22 million by the 500 FBHVC clubs.

### **British historic vehicle owners and enthusiasts spend £3 billion annually.**

Owners spend £2.1 billion with the specialist trade, clubs and museums. A further £910 million is spent in connection with their hobby in the general economy, outside the specialist trade.

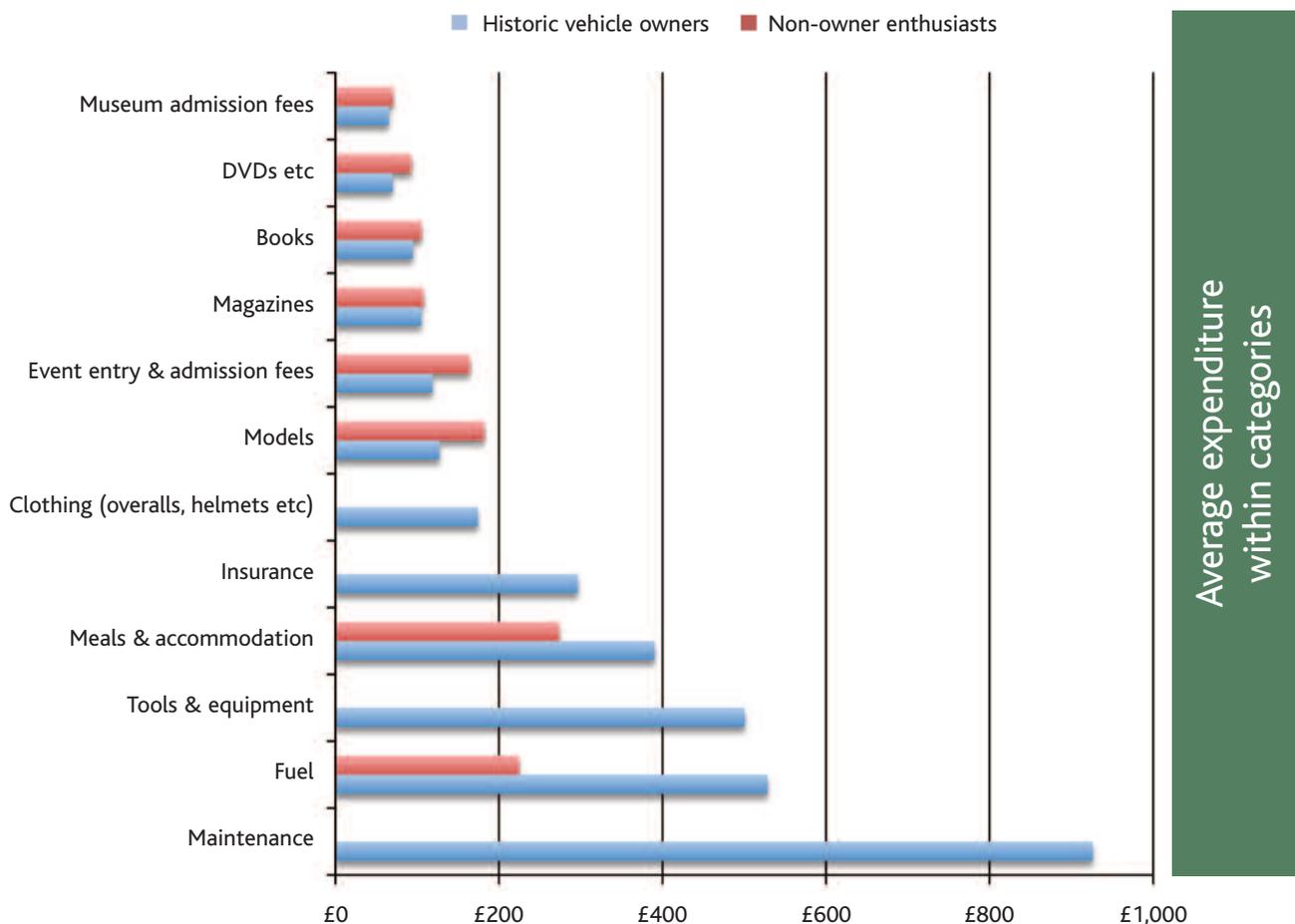
### **The gross value of historic vehicle sale transactions exceeds £505 million p.a.**

70% of historic vehicle sales are carried out privately and most are for modest sums under £10,000. 10% of transfers are gifts or within families. 61% of transactions were below £5,000 with a further 18% under £10,000. Only 3% were above £50,000.

Secondary data from motorbase.com indicates that historic vehicle auctions in UK between July 2010 and June 2011 yielded sales with a gross value of £57 million. The 4% of vehicle sales that take place through auction houses thus account for over 10% of all sales by value.

### **The average historic vehicle owner spends £2,900 a year on their hobby.**

Ignoring vehicle purchases and the cost of restoration (which are not usually incurred on an annual basis) the overall average per capita expenditure of historic vehicle owners is £2,900. This includes the costs of maintaining and using their historic vehicles, buying publications and attending events. Non-owner enthusiasts responding to the survey spent an average of £920 a year on their hobby.



### **The total value of British historic vehicles is approximately £7.4 billion.**

This result, calculated from data obtained during the survey process, gives an average value of £8,250 per vehicle.

# Employment and stability

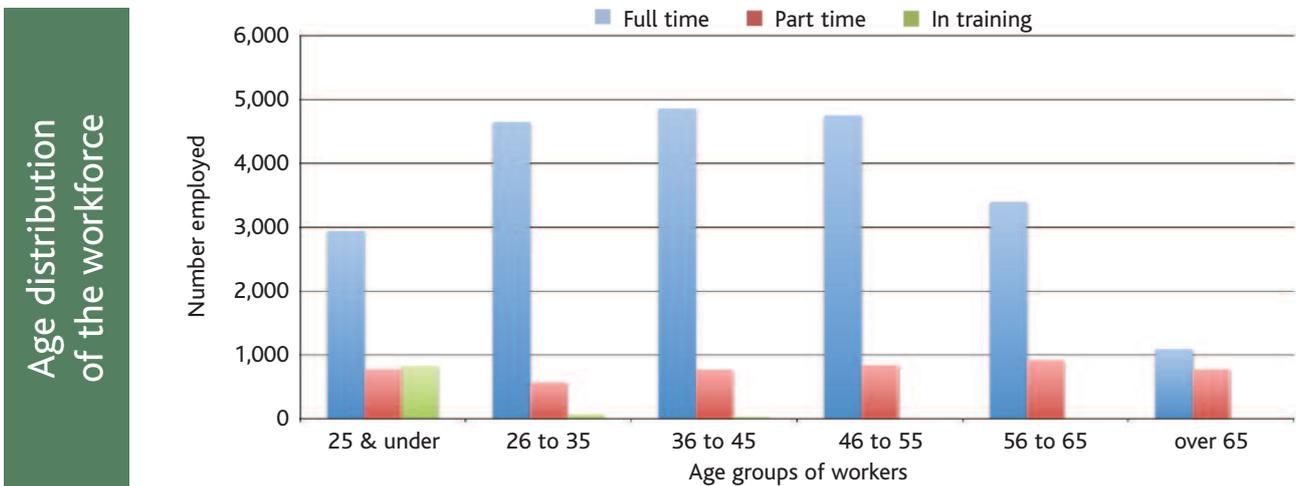
Traders, museums and clubs were asked about the people who earn some, or all, of their living through historic vehicle related work. They were asked to indicate their ages and how many worked full time, how many part time and how many were trainees. They were also asked about their experiences recruiting staff in the previous year as well as their probable needs for future recruitment over the next five years. Museums were also asked about the numbers and ages of volunteers.

## 28,000 people earn some or all of their living from historic vehicle work.

79% are working full time for the companies that employ them, 17% part time & 4% are trainees. 1% of the total comes from temporary or occasional workers. Museums and FBHVC clubs account for 750 paid workers. A further 1,000 volunteers work part time in museums.

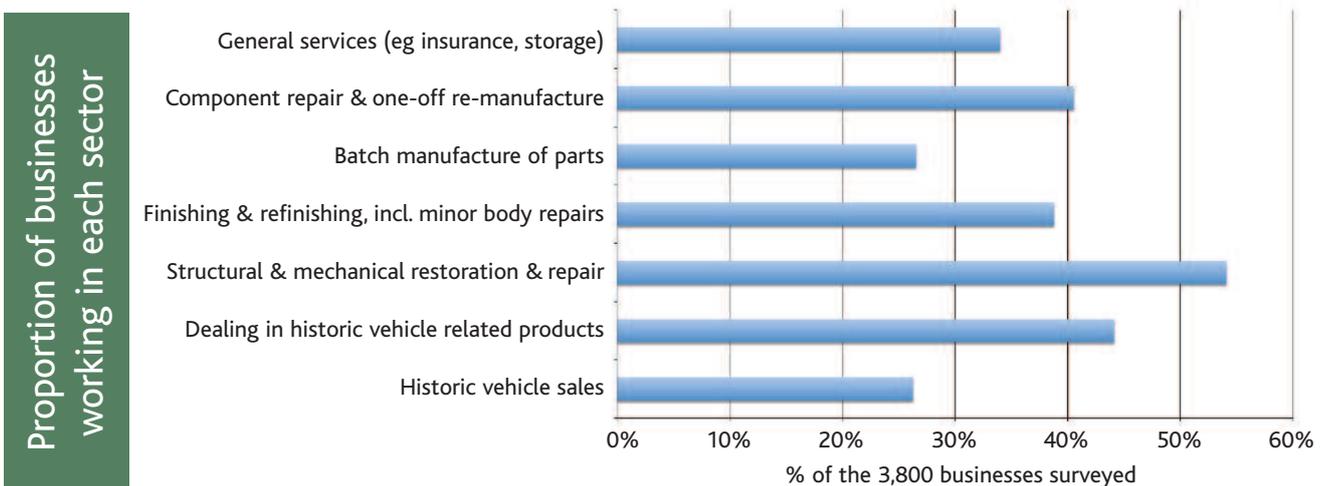
## 57% of people working in the specialist trade are below 45 years of age.

The age distribution of workers in the specialist trade is shown on the chart below.



## 65% of specialist traders have more than one speciality.

Services for historic owners come in many guises. The survey questionnaire divided these into seven broad groups, and asked specialist traders to state which group, or groups, covered their activity. 35% had only one type of service, but 65% offered two or more.

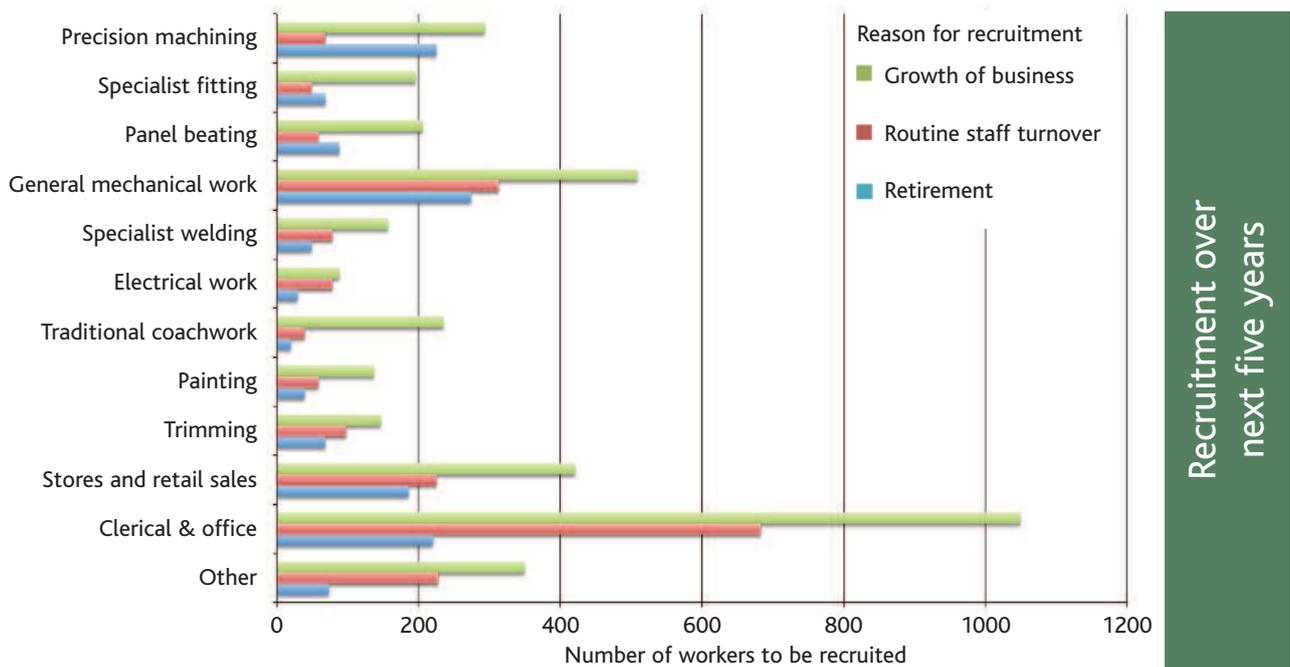


**57% of traders had no need to recruit new staff in the last year.**

This includes the 35% of specialist traders that are either sole traders, or partnerships of two, with no employees. Of the 43% of specialist traders that did recruit staff in the last year, 56% reported difficulty finding workers with relevant manual skills, while 37% had difficulty finding staff with the necessary knowledge. 6% indicated that pay had been an issue in recruitment.

**41% of businesses expect to recruit new staff within five years.**

Anticipated growth was cited as the reason for future recruitment in over 53% of cases, with forthcoming staff retirement accounting for less than 18%. This represents more than 7,000 jobs across the sector in the next five years, with over half being new due to growth.

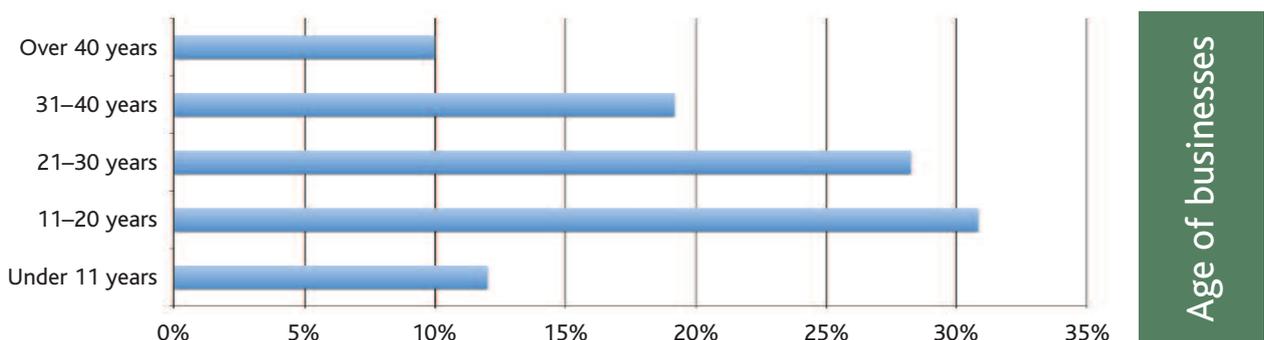


**Fewer than a quarter of specialist traders offer apprenticeships.**

23% of those responding said they offered apprenticeships, and expected to be taking on an average of just under two apprentices each over the next five years. The number of businesses with apprentices in training during the period of the survey was even lower at 16%, with an average of 1.4 apprentices each.

**57% of specialist traders have been in business for over 20 years.**

If longevity of business entities is an indicator of stability within a sector, the historic vehicle movement is remarkably stable. Longevity could also indicate stagnation, but the fact that over 10% of the businesses surveyed have come in to the sector within the last ten years, suggests this is not a problem for the specialist trade.

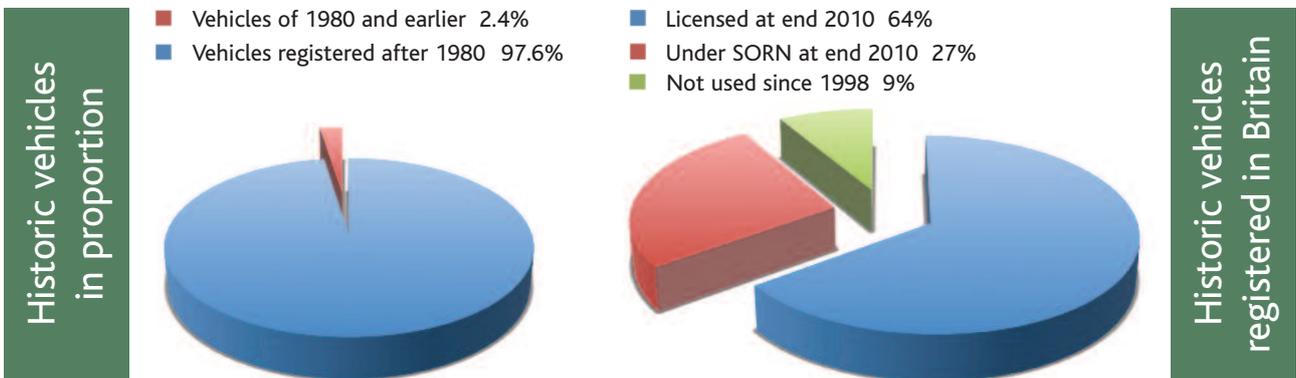


# Number and use of historic vehicles

Individuals were asked to give an outline description of up to five of their historic vehicles - make, model, type, age and condition. They were also asked how long they had had each vehicle, how much it had been used in the last year, how it had been acquired and whether it was licensed for use on the road. If they owned more than five historic vehicles, they were asked how many in total.

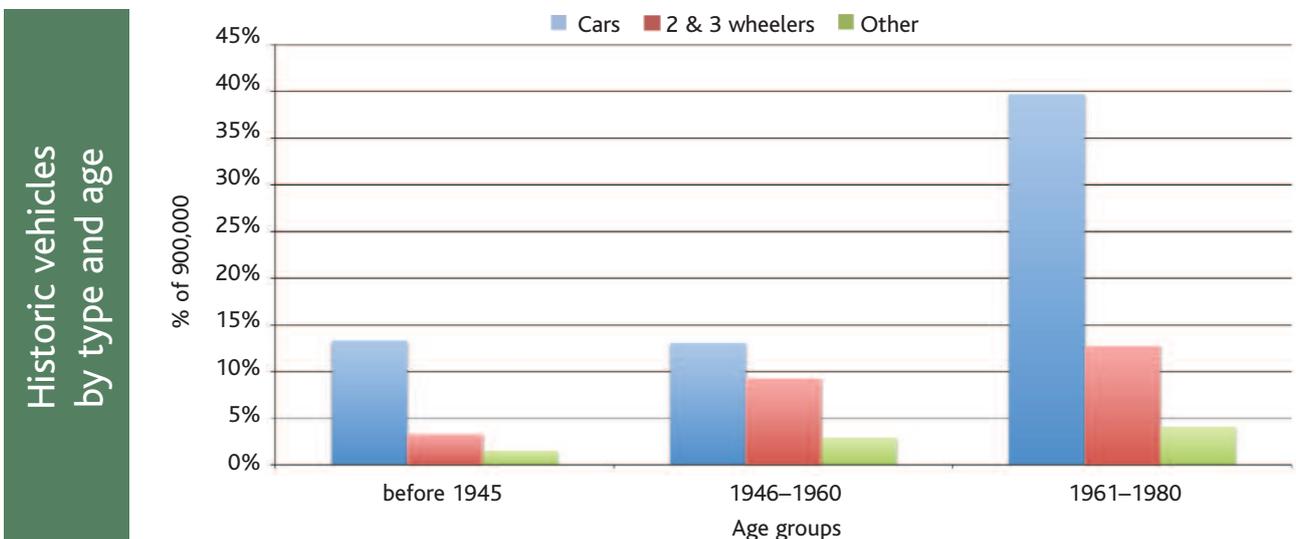
## There are over 850,000 pre-1981 vehicles in Britain.

Survey responses indicate a total historic vehicle population of between 865,000 and 900,000. The survey also showed that there are between 60,000 and 95,000 historic vehicles that have not been in use since the Statutory Off Road Notification system (SORN) was introduced over a decade ago. Some are not registered, others will continue to lie dormant on DVLA records until they are next licensed. Secondary data obtained from DVLA showed that, at the end of 2010, the 805,588 pre-1981 vehicles that were either licensed or recorded as off road (under a SORN) represented under 2.5% of the overall active vehicle population of 35.5 million.



## 66% of historic vehicles are cars, 25% motorcycles or three-wheelers.

The survey found that over 90% of historic vehicles are of types made for personal use. The remainder is made up of buses, coaches & goods vehicles (~5%); ex-military vehicles (~2%); agricultural vehicles (~1%); and steam vehicles (<1%).

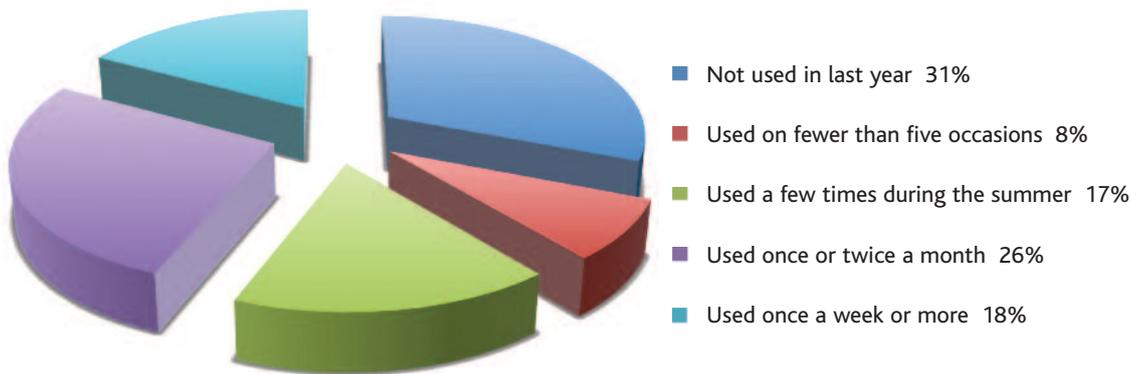


**35% of historic vehicles have changed hands within the past 5 years.**

Although 22% of historic vehicles have been in the same ownership for over 20 years, nearly 60% have changed hands within the last ten years.

**82% of historic vehicles are used no more than once or twice a month.**

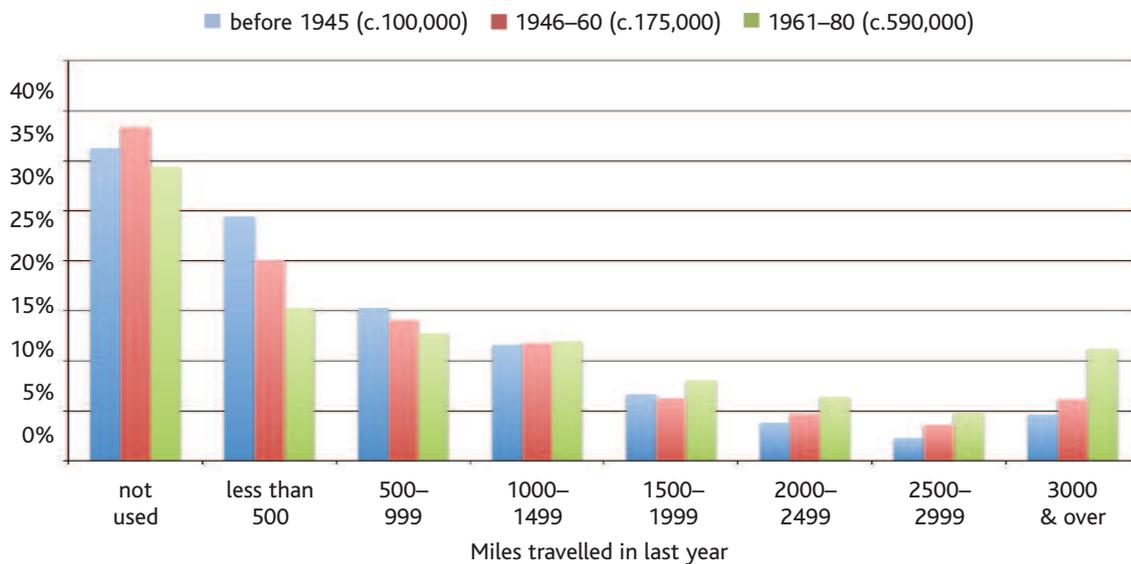
The use of historic vehicles was assessed in two ways – how often they are used, and how far they travel. The chart below shows that nearly a third of historic vehicles were not used at all in the preceding year, while 18% are used on a weekly, or more frequent, basis.



Frequency of use of historic vehicles

**50% of historic vehicles cover fewer than 500 miles a year.**

500 miles a year is less than 10 miles a week. The majority of historic vehicles cover fewer miles.



Historic vehicle age groups and distances travelled

**Historic vehicle use is responsible for less than 0.25% of traffic.**

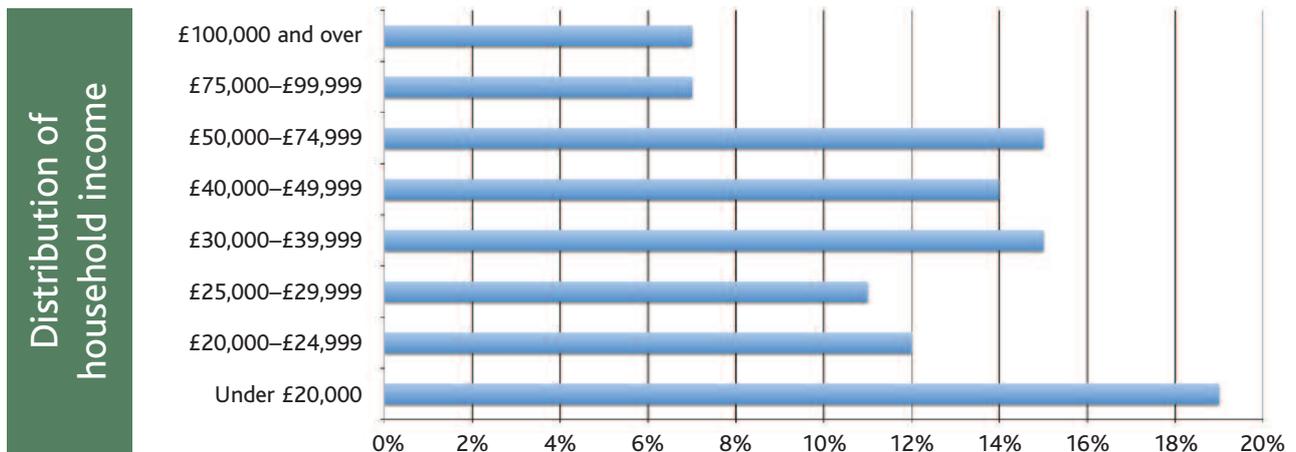
Department for Transport road traffic statistics for 2010 showed an estimated total vehicle circulation across all categories of vehicles of 308,100 million miles. The survey showed that circulation in historic vehicles over the past year was less than 750 million miles which is 0.24% of the total.

# Cultural background and social activities

Individuals were asked about employment status, household income, age and gender. They were also asked about whether they are involved in any community activities on a voluntary basis. Additionally, FBHVC clubs were asked about the number and character of events they organise and the numbers of people attending.

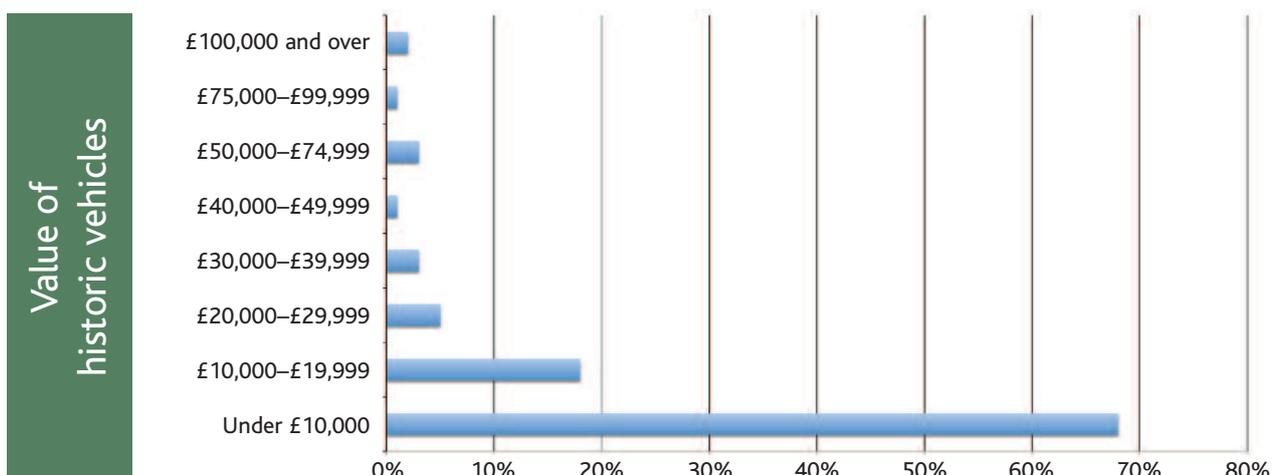
## Over 30% of respondents had household income of less than £25,000.

The survey found that 57% of historic vehicle owners live in households whose annual income is below £40,000, with nearly 20% having an income below £20,000.



## Nearly 70% of historic vehicles are valued at less than £10,000.

68% of historic vehicles have a value below £10,000 while 2% are considered to be worth more than £100,000. The average value is £8,250.



## 55% of historic vehicle owners are aged under 60.

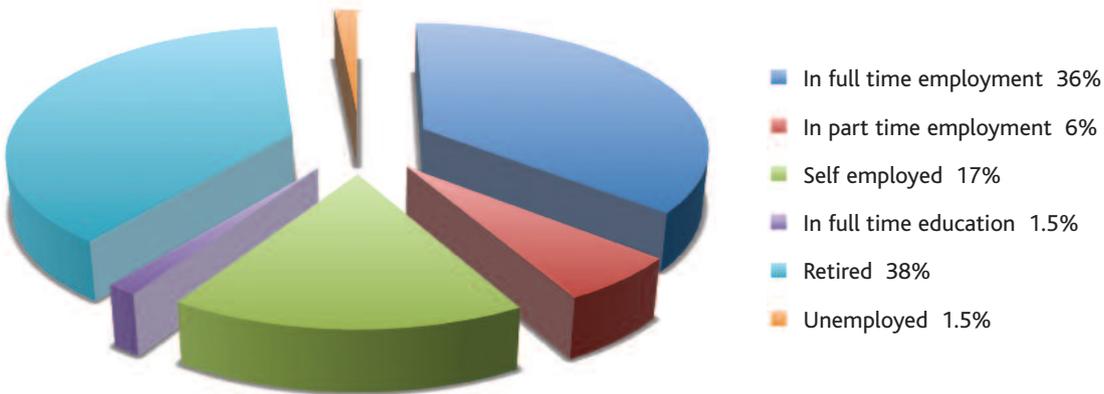
The survey found that 55% of historic vehicle owners are aged under 60. It also found that 60% are between 50 and 70 and that there are twice as many under 20 as there were over 80. 97% of respondents were male.

### **35% of historic vehicle owners perform voluntary work.**

16% of historic vehicle owners are involved as unpaid volunteers in charity work, 5% in education, 5% in live performance, 4% in sport, 3% in healthcare, and 1% in politics. 15% are involved in a variety of other voluntary activities that are of benefit to the community ranging from work in museums and libraries to delivering meals on wheels. Many volunteer in more than one capacity.

### **59% of historic vehicle owners are in employment.**

38% of historic vehicle owners are retired with 3% either in full time education or unemployed.



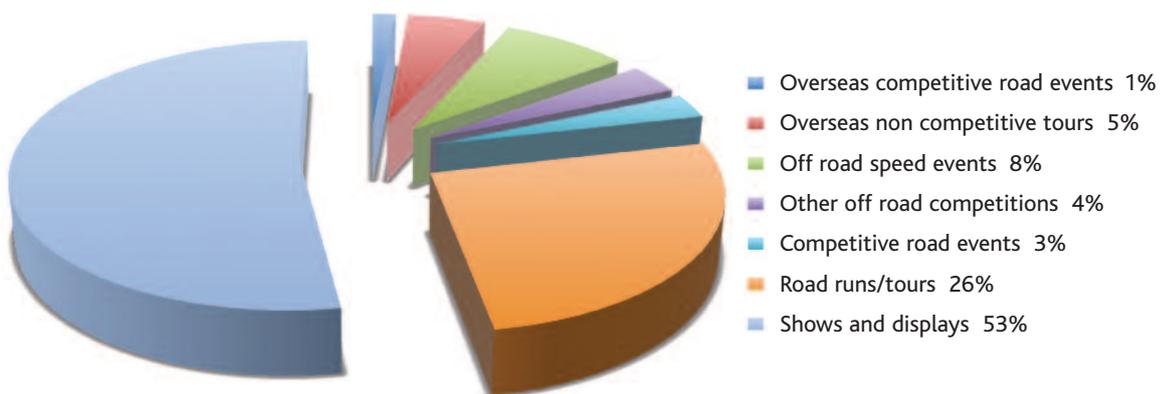
Occupations

### **FBHVC clubs attract 4.5 million attendances a year at over 27,000 separate activities.**

FBHVC's 500 subscriber clubs range in size from ten members to over 15,000. Activities range from purely social gatherings with half a dozen individuals meeting on a weekday evening to full scale race meetings attracting thousands. Some large clubs reported having more than 50 regional social gatherings a month where the emphasis is on talking and sharing information about historic vehicles. At the other end of the scale, several clubs organise individual events that each attract over ten thousand spectators.

### **Owners enjoy a wide range of events, with displays & shows being the most popular.**

The types of historic vehicle event attended by respondents were predominantly non-competitive, but a significant minority participate in competitive motor sport. Owners use historic vehicles when attending events on 86% of occasions. They are active participants at 67% of the events they attend. 40% of events attended were within 50 miles of home base. Fewer than 8% of events were overseas and less than 1% were outside Europe. Attendance at events led to 855,000 nights away from home in UK and 300,000 overseas.



Character of events attended

# The next five years

*Traders and museums were asked to predict whether their turnover from historic vehicle activity would grow, shrink or remain the same over the next five years. They were also asked if they had concerns about changing vehicle or business regulations. FBHVC clubs were asked to predict how their membership might change over the next five years and were also asked about their concerns.*

## ***52% of traders expect their historic vehicle turnover to grow.***

39% expect their level of historic vehicle business to remain the same, while 9% expect it to diminish. The pattern amongst museums was similar with 57% expecting growth.

## ***34% of specialist traders expect the nature of their business to change.***

Of those who expect the nature of their historic vehicle work to change, 35% are planning to move into new areas of activity, while 17% are preparing for the retirement of the proprietor. Again, the pattern amongst museums was similar with 43% planning changes to encourage return visits.

## ***66% of traders have concerns about business regulations.***

A common theme in the responses was that the regulatory burden, especially for small businesses, hampers growth and discourages employment.

## ***68% of traders are concerned about the risk of regulations affecting historic vehicle usage and thus reducing demand for services.***

49% of FBHVC clubs and 50% of museums share the concern that changing vehicle regulations could discourage or prevent owners from using their historic vehicles.

## ***46% of traders expect difficulty when recruiting staff.***

Three themes stood out: finding skilled workers is not easy; training for vehicle technicians is not relevant to historic work; and there is a perception that young people have little interest in learning manual skills. The proportion of museums expecting difficulty was higher, at 67%.

## ***32% of FBHVC clubs expect their membership to grow.***

48% of clubs are expecting their membership levels to remain much the same, and 20% are expecting numbers to shrink.

## ***40% of non-owner respondents aspire to become owners.***

Amongst non-owner respondents, 40% were aiming to acquire an historic vehicle within the next five years. Of these, just over a third had owned an historic vehicle previously.

## ***30% of FBHVC clubs expect problems due to ethanol in fuel.***

Problems associated with the ethanol content of fuel have been a serious discussion point amongst all motorists, not just historic vehicle owners, and 30% of clubs believe that the side effects of ethanol in fuel are likely to have an adverse effect on historic vehicle use.

## ***A quarter of FBHVC clubs are concerned about the costs of the hobby.***

23% of clubs responding to the question about concerns for the next five years mentioned the increasing costs of maintenance and fuel as being likely to reduce vehicle usage and hence club activity.

# COMPARISONS

**Note.** The 2006 survey was part of a pan-European exercise involving 11 countries. The value ranges of questions and results were based on the euro and the kilometre, making direct comparison difficult. It should also be noted that in 1997, the definition of an historic vehicle was one over 20 years old. Since 1997, this definition has changed twice. In 2006, historic vehicles were defined as being those over 25 years old. This was extended to those over 30 years in 2008.

## The main numbers

| <b>HV(M)=historic vehicle (movement)</b>        | <b>1997</b>     | <b>2006</b>    | <b>2011</b>    |
|---|-----------------|----------------|----------------|
| Annual turnover from HVM                        | £1.6bn          | £3.2bn         | £4.3bn         |
| Value of exports by HVM traders                 | over £300m      | £320m          | £960m          |
| People earning some/all income from HVM         | 25,000          | 27,000         | 28,000         |
| Proportion of HV licensed for use               | 64%             | 75%            | 66%            |
| Proportion of HV covering less than 1,000 miles | 36% under 1,500 | 67% under 900  | 63%            |
| Mileage in HV by members of FBHVC clubs         | 516m miles      | 350m miles     | 288m miles     |
| HV values                                       | not reported    | 67% under £10k | 70% under £10k |
| HV owner household income - average             | not reported    | 30% under £20k | 30% under £25k |
| Attendances at FBHVC club activities            | 500,000         | over 1.1m      | over 4.5m      |

**Turnover.** According to the Retail Price Index, £1.6bn in 1997 would be £2.0bn in 2006 and £2.4bn now. £3.2bn measured in 2006 equates to £3.8bn today. Both earlier exercises pointed out that it had not been possible to assess turnover in some sectors. Improvements in methodology have made it possible to identify £500m turnover that had not been counted in 2006. When this is taken in to account, the historic vehicle movement today has the same value in real terms as in 2006.

**Exports.** The proportion of turnover originating from overseas in 1997 was the same as now at close to 20%. It is probable that the 2006 value of exports was understated.

**Numbers of workers.** The difference between the 2006 and 2011 data is small, but the number of people earning income from the historic vehicle movement has increased, despite the recession.

**Numbers and use of vehicles.** The number of historic vehicles licensed for use has dropped by nearly a tenth and overall circulation in historic vehicles is diminishing (at least within FBHVC clubs). Approximately 4% of historic vehicles are now being driven further than they were in 2006.

**Household incomes.** The Institute of Fiscal Studies gives mean household income in the UK for 2009-10 as £519 a week, or about £26,000 per annum. The equivalent figures in 2006 (for the 2004-05 year) were £477 and £24,500. The number of historic vehicle owners living in households with less than average income is unchanged since 2006 at 30%. In 2006, 21% of historic vehicle owners had household income above £60,000. The 2011 figures are not directly comparable, but indicate that 29% of owners have household income above £50,000, with 14% above £75,000.

**Attendance at FBHVC club activities.** This is the most marked change between the surveys. It is not, however, the result of an explosion of activity over the five years but is the result of a more balanced response from FBHVC subscriber clubs enabling the researchers to gain a better understanding of the high volume of low-key activity undertaken on a regional basis by the large national/international clubs. These figures relate only to 500 FBHVC subscriber clubs and exclude events and activities organised by others.

# OBSERVATIONS

*The research leading to this report collected a considerable quantity of primary data about all aspects of the British historic vehicle movement. Secondary data was provided by the Driver and Licensing Vehicle Agency and motorbase.com. Other statistical information has been obtained from publicly accessible records. These observations seek to put all this information into context.*

## **Economic value**

The survey has shown that the historic vehicle movement generates business of considerable value. This report describes £4.3 billion worth of economic activity arising from interest in historic vehicles.

FBHVC has identified over 3,800 businesses that offer services to owners of historic vehicles. This group, the specialist trade, is responsible for business worth over £3.3 billion. £960 million, or 28%, of this arises from exported goods and services. Mainland Europe and North America are the main export destinations.

Between them, specialist museums and FBHVC member clubs generate another £90 million. Museum turnover, at £70 million annually, is noteworthy as several major collections, such as Coventry Transport Museum, are publicly owned and have free admission. Clubs may not generate much business in value terms, but their activity has significance beyond the financial as it is frequently the catalyst that encourages owners to use, and hence maintain, their vehicles.

The specialist trade, clubs and museums account for £3.4 of the £4.3 billion value of business. The £900 million difference results from spending by historic vehicle owners purchasing goods and services from outside the specialist trade. Examples include purchasing historic vehicles privately (£230 million), fuel (£122 million) and meals & accommodation when attending events (£49 million).

Ignoring vehicle purchases and occasional major repairs or restoration, the average historic vehicle owner spends £2,900 p.a. Routine maintenance accounts for the largest portion of this, but significant sums are spent on fuel and the various costs associated with attending events.

For pragmatic reasons, the research leading to this report was limited to the key players in the movement that could be identified and counted: owners and specialist organisations. It is not possible, for instance, to know how many bed & breakfast establishments benefit from spectators attending historic vehicle events, but it is clear that many do.

There is thus further economic activity generated by the historic vehicle movement that it has not been possible to quantify. This is additional to the £4.3 billion and arises from two significant groups that it is not practical to measure: non-owner enthusiasts and the general public.

Non-owner enthusiasts are those who do not own an historic vehicle, but for whom interest in some aspect of road transport heritage is a specific hobby. The survey was able to establish that those in this group spend an average of £920 a year on their hobby. This relates to the costs of attending events (fuel, meals and accommodation etc) and buying historic vehicle media, models and so on.

Large numbers of the general public also attend historic vehicle events. There are thousands of these events each year ranging from high profile international events, such as the Revival Meeting at Goodwood mentioned in John Surtees' Foreword, to local historic vehicle shows that are no larger than a village fête. The cost of attending the larger events is often £20 or more per person before travel is considered.

An indication of the knock-on benefit to local economies from events comes from a recent local study undertaken by FBHVC and the University of Brighton that showed that the one-day London to Brighton Veteran Car Run attracts 20,000 spectators and generates over £1.1 million in economic benefit for the City of Brighton and Hove.

## Employment and stability

The business generated by the 3,800 specialist traders, the clubs and the museums helps to keep more than 28,000 people in employment. This is in addition to the employment sustained by expenditure outside the specialist trade, such as the £900 million spent by historic vehicle owners and the unquantified amount spent by the general public attending historic vehicle events.

The report has confirmed the finding of previous studies that the historic vehicle movement is well-founded and stable. Nearly 60% of the specialist trade have been in business for more than 20 years. Longevity is more pronounced in clubs and museums.

The fact that so many organisations serving historic vehicle owners are such long-established entities gives confidence in the long range economic viability of the sector.

## Number and use of historic vehicles

The survey obtained data about the number of historic vehicles in UK in two ways – first, by calculating the overall vehicle population from the survey returns and, second, by asking DVLA. The calculation produced a total of just under 900,000 pre-1981 vehicles, with 66% licensed, while DVLA's figure (a snapshot taken at the end of 2010) was just under 806,000

*This aerial photograph of the Great Dorset Steam Fair shows only half the site. The rows of parked vehicles show just how many people are attracted to this annual event. [GDSF photo].*



pre-1981 vehicles with 71% licensed and 29% under a SORN.

The figures are consistent given that there are historic vehicles that have been off the road for so long that they are not subject to the SORN requirements.

DVLA also stated that at the end of 2010 there were 35,500,000 vehicles on the register either licensed or under a SORN. The historic vehicle population is thus under 2.5% of the national vehicle park.

Half this historic vehicle population travels fewer than 500 miles in a year, including the third of historic vehicles that are either unused or do no more than go for an annual MoT test.

When comparing the 2011 survey results with those from 2006, it was interesting to note that although overall historic vehicle use within the control group (FBHVC subscriber clubs) had diminished, the number of historic vehicles travelling over 1,000 miles a year had increased by 4%. The proportion of historic vehicles licensed for use fell from 75% to 66% over the same period. The most likely explanation for this apparent contradiction is that owners of multiple historic vehicle are covering similar overall distances in fewer vehicles.

The survey found that overall historic vehicle circulation in the preceding year was less than a quarter of one percent of the Department for Transport estimate of total circulation for 2010.

## Cultural background & social activities

If one goes to any major historic vehicle event, the crowds look just like any busy high street with more or less equal numbers of men and women, families and people of all ages and backgrounds. Yet historic vehicle owners responding to the survey were predominantly male, and most were over 50.

The important thing to note is that although the hands-on business of owning and looking after historic vehicles appeals to many more men than women, the interest in historic vehicles extends far beyond those who actually own them.

The survey confirmed the previous findings that the historic vehicle movement appeals across all strata of society and, with many

historic vehicles changing hands in hundreds of pounds, rather than thousands, the hobby is accessible to those on modest incomes.

Most historic vehicle activity is low key, low cost and family friendly, the typical event being organised by a club and involving little more than a group visit to a tourist attraction.

### ***The next five years***

Businesses and museums are generally optimistic about the next five years, but have strong concerns about the level of regulation and red tape with which they have to cope.

Most clubs are also positive about the future, although only a third expect their membership numbers to grow. Nearly half the clubs that responded expect their membership to become older, suggesting that they don't expect much turnover of membership, but 10% of clubs are expecting their membership to become younger.

Those clubs that were expecting membership to become younger had one thing in common: a busy programme of activity.



*Activity attracts younger members. [Photo by Nick Bosworth of the Steam Apprentices Club].*

18% of individuals responding owned an average of 1.7 "future historics" – that is vehicles over 20 years old that will join the ranks of historic vehicles in the fullness of time. If this is typical across the movement, the historic vehicle population will grow by approximately 7% over the next 10 years.

Aging membership and increasing costs were the two topics most frequently mentioned as potential problems by clubs, many of which had already noted an adverse effect from the steep increase in fuel prices since 2009.

### ***In conclusion***

This 2011 survey set out to bring data collected in 2006 up to date and to assess how the British historic vehicle movement had weathered the global recession.

It has achieved both goals: the figures reported are up to date and they demonstrate that the historic vehicle movement has not diminished as a result of the recession. In addition, the research also measured a substantial area of spending that the 2006 exercise had identified but was unable to quantify. It also looked at specialist traders' predictions for the immediate future, something that the earlier studies had not been able to assess.

The research team is indebted to the businesses, clubs, museums and many thousands of individuals who responded to the survey. The support and co-operation from all quarters has been exemplary, especially when further information or clarification has been requested while those who were asked for photographs could not have been more helpful.

**The historic vehicle movement is worth more than £4.3 billion a year to the national economy, supports more than 28,000 jobs and is responsible for less than a quarter of one percent of traffic.**

Although amongst many, these three key findings taken on their own demonstrate why the historic vehicle movement must not become the target of restrictive measures, whether directly or unintentionally. This sizable industry and all of those employed within it rely on historic vehicle owners spending money on their hobby. This is money they would not spend if they could not use their vehicles.

FBHVC exists to 'uphold the freedom' to use historic vehicles on the road. FBHVC must make sure it achieves its aim, for if it does not, all of this support, all of this co-operation will be wasted, the national economy will suffer, many jobs will be lost and hundreds of thousands of individuals will lose their pastime. With this up to date information about the historic vehicle movement, with existing political contacts and with the right strategy, there is no reason why FBHVC should not be successful.

# RESEARCH TEAM



**Dr. Paul Frost BA (Hons), MSc., PhD. Researcher**

Currently Head of the School of Service Management, University of Brighton. Has worked in education, development and research for over 30 years. He is co-founder and Chairman of the Historic Vehicle Research Institute, as well as co-founder and director of motorbase.com, an organisation dedicated to the sharing of information to unite the historic vehicle community.

**Dr. Chris Hart BA (Hons), MA (Economics), PhD (Linguistics). Researcher**  
 Currently a senior lecturer in Advertising at the University of Chester. Researcher on the 1997 and 2006 studies. Co-founder and Vice Chairman of the Historic Vehicle Research Institute. Successful author and presenter as well as director of Midrash Publishing. Worked in education, commercial research and publishing for over 30 years.



**Dr. Jaime Kaminski BA (Hons), PhD, FRGS. Researcher**

Jaime is a lecturer and research fellow at the University of Brighton Business School where he works for the Cultural Informatics Research Group. He is also Head of Heritage Research for the Business School's 'Cultural Business, Impact, Strategy and Technology' (CUBIST) research group. Jaime specialises in the study and assessment of socio-economic impact and business issues associated with heritage.

**Geoffrey A. Smith Chartered MCIPD. Project Director**

Vice-President of the Federation of British Historic Vehicle Clubs. Chairman of FBHVC 1998 to 2002. Co-founder and director of the Historic Vehicle Research Institute. Retired – past career in Motor Industry (Manufacturing, Engineering and Human Resources).



**Jim Whyman. Administration**

Vice-President of the Federation of British Historic Vehicle Clubs. Instrumental in establishing FBHVC in 1988 serving as secretary for all but four years from 1988 to 2008. Currently provides freelance administrative services to clubs and associations of all types. Past career in motor club administration, competition organisation and motoring journalism.

**Photograph credits – front cover:**

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1960 Velocette Venom  
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rear cover: Peter McFadyen

inside front cover: Chris Hart

**page 2:**

Work on Bristol 401 carburettors  
*Spencer Lane-Jones Ltd*

Norton race preparation  
*Geoff Smith*

Reassembly after respray  
*David Hurley*

Line boring a Riley block  
*Thos. Hamlin & Sons*

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