



Review of the UK Marine Scientific Industry 2024 – 2025

By the Society of Maritime Industries' Marine Science
and Technology Group (MSTG) Council

The 13th edition of this report provides an insight into current
business activity within the Marine Science and Technology sector
in the UK.

Society of Maritime Industries

(SMI) is the voice of the UK's maritime engineering and business sector promoting and supporting companies which design, build, refit and modernise ships, and supply equipment and services for all types of commercial and naval ships, ports and terminals infrastructure, digital technology, maritime defence and security, marine science and technology, maritime autonomous systems and marine renewable energy.



Contents

Executive Summary	4
Company Overview	6
Annual Turnover	8
Proportion of Turnover in Export Sales	9
Company Size	7
Market Activity	10
Export Markets	13
Areas of Growth	15
Business Trends in the last 12 months	16
Business Trends in the next 12 months	17
Significant Factors Affecting Business	18
Survey Methodology	20

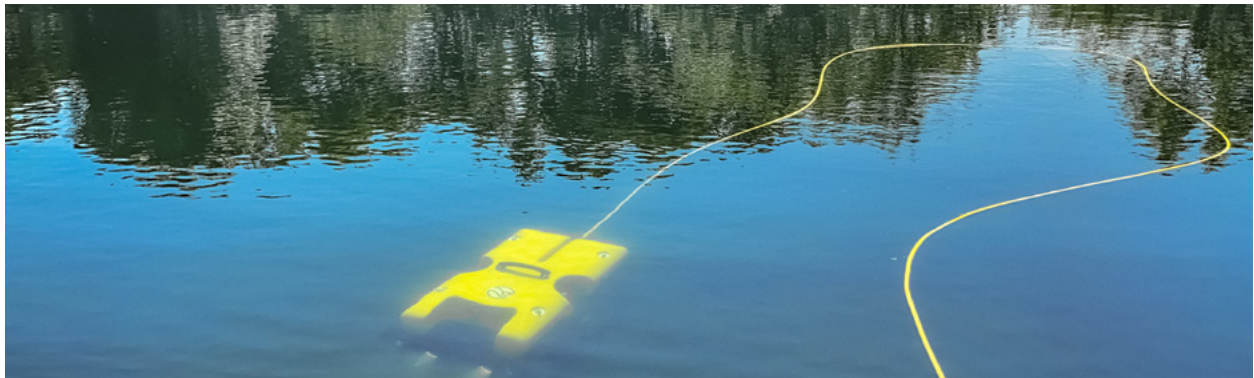
Executive Summary

Overall sentiment across the industry was overwhelmingly positive, with strong expectations for growth over the next 12 months.

- 96 UK based companies responded to this survey of which 33% were subsidiaries of an overseas parent company, this is higher than in 2021.
- The proportion of companies trading for more than 5 years was 89%, the same as in 2021.
- The survey results include responses from a large proportion of SMEs and once again a large proportion of manufacturers and/or service providers made up the respondents. Although it was 88% this year whereas it was 91% in 2021.
- The market size estimate for MST business (based on 100 companies) was £2.02bn which is an increase from £1.56bn in 2021.
- The total value of exports (again based on 100 companies) also increased from £589m in 2021 to £724m this year. This is expected as overall market value increases.
- 82% of companies reported an increase in turnover over the past year, compared to 70% in 2021.
- 72% of companies increased their headcount in the last 12 months, compared to 62% reporting an increase in 2021.
- Oil and gas remains the largest single market influence on the commercial MST sector. This year it was closely followed by environmental monitoring and renewable energy.
- Export controls were cited as having the biggest impact on business over the past 12 months. This was closely followed by Brexit, Skill shortages and Trade barriers, all having some level of impact on 70% or more of companies surveyed.
- Europe remains the most important export market for the MST sector however, this was closely followed by USA/Canada and Asia Pacific. USA was cited as the biggest area of growth over the last 12 months, the same as in 2021.
- 88% of respondents are predicting growth for the next 12 months, which is a slight decrease compared to 91% in 2021. However, only 1 company (1%) predicted a decrease in business trend over the next 12 months, with the remaining 11% predicting no change.



Company Overview



96 UK based companies responded to this survey of which 33% were subsidiaries of an overseas parent company. With the exception of 2015, this sample size has been around the norm for previous iterations of the report. This year 89% of the companies interviewed had been in business for more than 5 years, which is the same percentage as last year.

Figure 1 shows the breakdown of how many years the companies have been operating, the vast majority of companies are well established and have been operating for 20+ years.

How long has your business operated in the Marine Science and Technology sector?

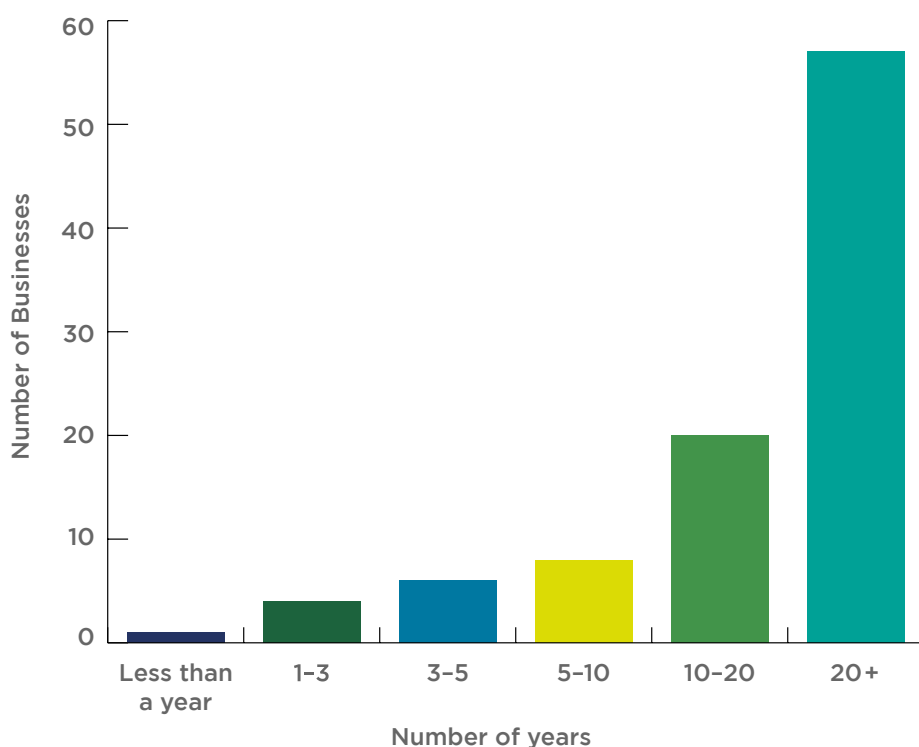


Figure 1: Number of years the responding companies have been in business.

The sample this year showed that 88% of companies were either in manufacturing and/or services (Figure 2). This is a slightly lower proportion of manufacturers/ service providers than in 2019 with a figure of 91%. Those who selected 'other' consisted of 2 research institutes, 1 charity, 1 naval architect firm and 1 safety and environmental consultancy.

What is your main area of business?

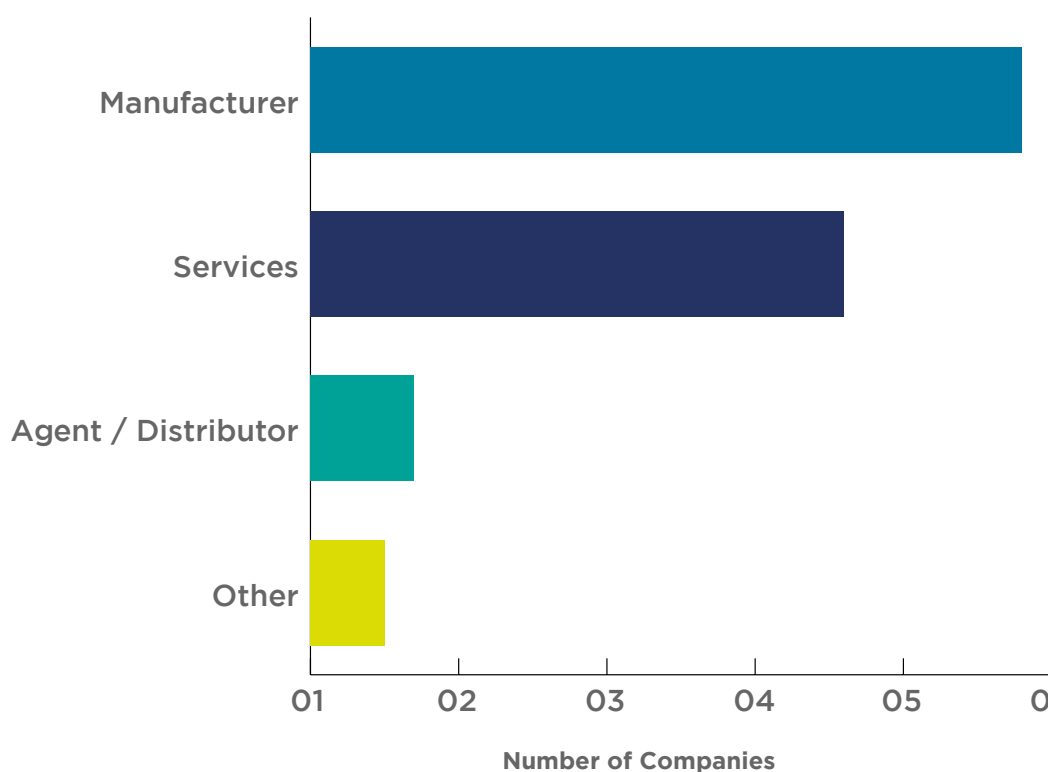


Figure 2: Respondents main area of business



Annual Turnover

The sector continues to be dominated by small and medium sized enterprises (SMEs) with an annual turnover of less than £50 million (72% of responders).

The most common bracket was £5-10m, which is an increase from 2021 when it was £2-5million. This year 16 companies reported £5-10m and 11 reported £2-5m turnover, as seen in Figure 3.

What is the size of your company's annual turnover?

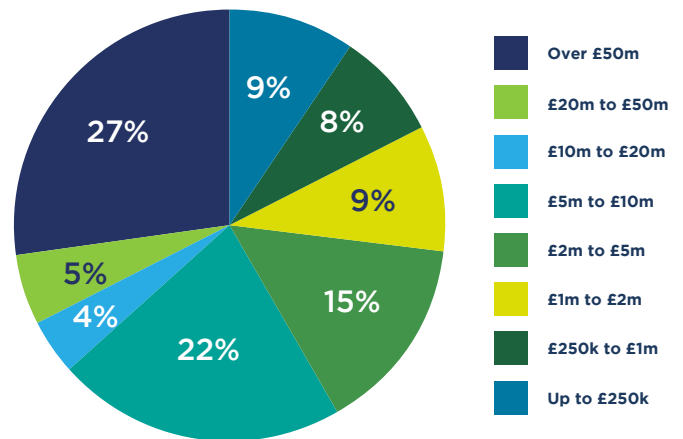


Figure 3: Annual Turnover

Utilising our year-on-year method for a crude estimation of market size we arrive at £1.496bn for the 74 companies which responded to the question.

This computes to a normalised figure (for 100 companies) of £2.022bn for 2025 (£1.558bn in 2021, £1.651bn in 2019, £1.629bn for 2018), shown in Figure 4. This value shows a big increase since the last survey. This could be due recovering from the pandemic and /or the longer gap between this survey and the previous one.

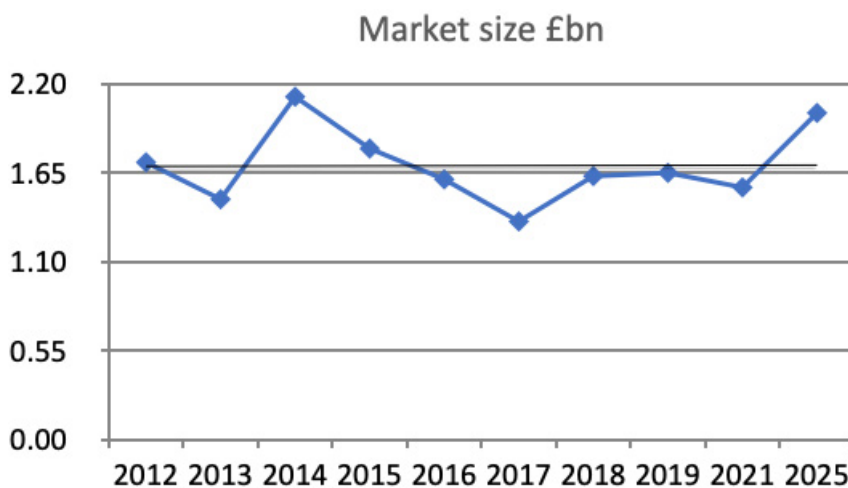


Figure 4: Normalised market share 2012-2025

Proportion of turnover in export sales (%)

What proportion of your company's annual turnover is export sales from the UK?

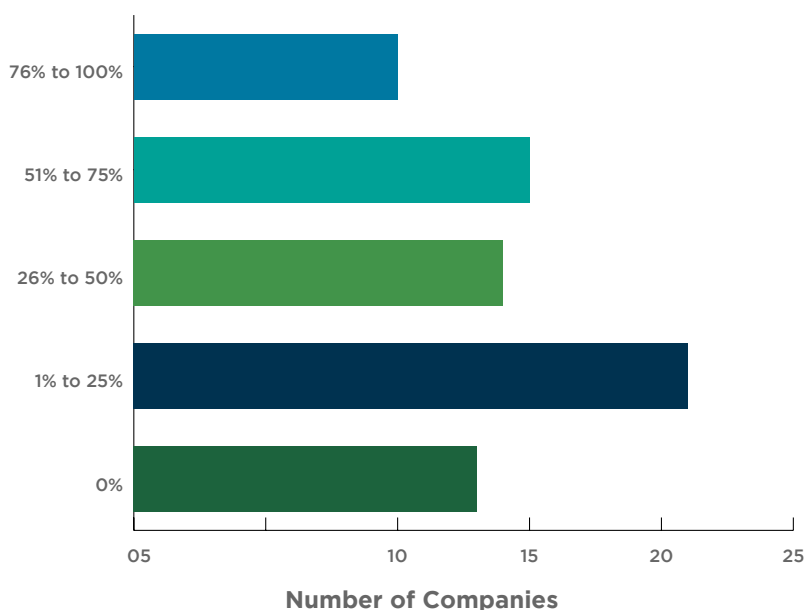


Figure 5: Proportion of company export sales

A large proportion of the companies surveyed (82%) export at least some of their products and services. This is an increase on the past two surveys (65% in 2021 and 75% in 2019), which could be due to recovery from the pandemic as well as an increase in global Ocean Enterprise market.

Around a third (34%) of companies reported that exports made up more than 51% of their annual turnover

(Figure 5), this is a large increase when compared to 19% in 2021 and 20% in 2019. If we calculate the total value of exports based on the normalised market size value (for 100 companies) we arrive at a figure of £724m (£589m for 2021 and £581m for 2019), as shown in Figure 6. This is increase expected due to the increased overall market size and the increased proportion of companies exporting.

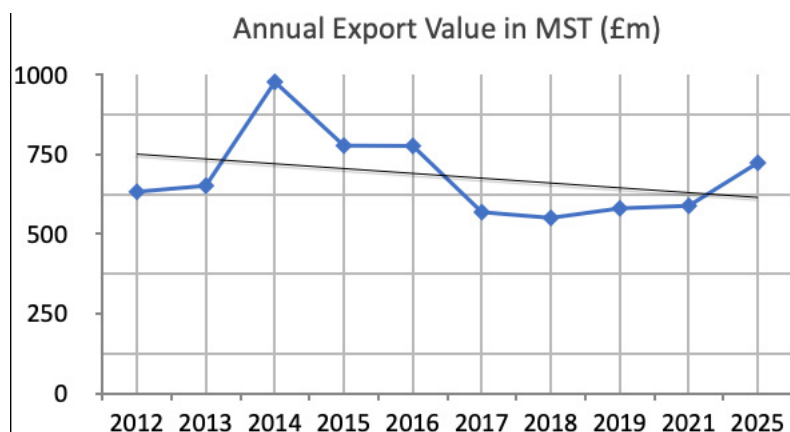


Figure 6: Proportion of company export sales

Company Size

The total number of personnel employed by companies surveyed this year was 22,040 in 96 companies, when you normalise this figure for 100 companies you get a total of 22,958 people working in the industry. This is an increase from 13,150 in 76 companies, normalised (for 100 companies) to 17,302 in 2021. The majority of companies (63%) reported having less than 50 employees as seen in Figure 7.

How long has your business operated in the Marine Science and Technology sector?

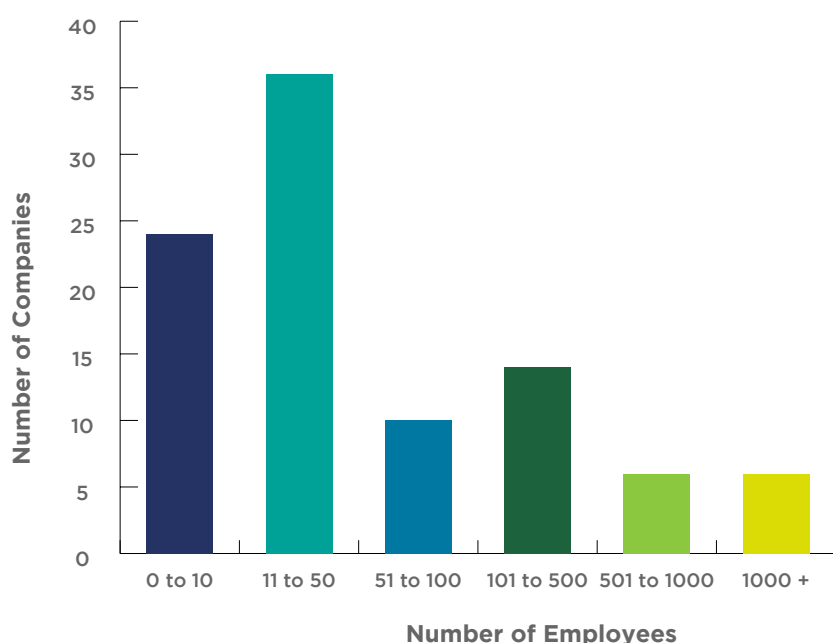
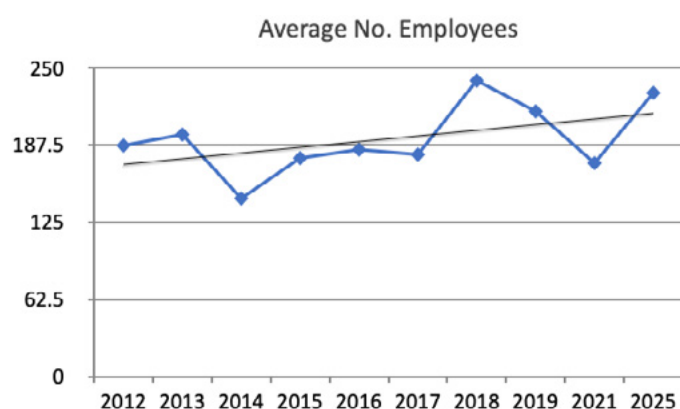


Figure 7:
Number of Employees per company



When looking at the average number of jobs/employees per company, this figure has increased too. The average number of employees per company was 230, compared to 173 in 2021 and 215 in 2019 (Figure 8). If we plot the data for the last 10 years the number employed per company is on an uphill trend.

Figure 8: Average number of employees per company 2012-2025

Market Activity

The majority of companies surveyed still supply into the Oil and Gas sector with 76% claiming it to be one of their markets, this is down slightly from 80% 2021 and 2019. However, interestingly this year the Oil and Gas sector is no longer the dominant user of MST services. Renewable Energy has overtaken Oil and Gas slightly with 82% of companies surveyed citing it as one of their market sectors (this is up from 71% in 2021 and 72% in 2019). Figure 9 shows the breadth of applications to which the products and services in the MST sector supply. Defence (66% vs 53% in 2021) and Environmental Monitoring (65% vs 68% in 2021) are major users of MST, followed by Ports and Harbours (56% vs 47% in 2021), Maritime Security (52% vs 25% in 2021) and Academic Research (44% vs 49% in 2021).

Which of these are your market sectors?

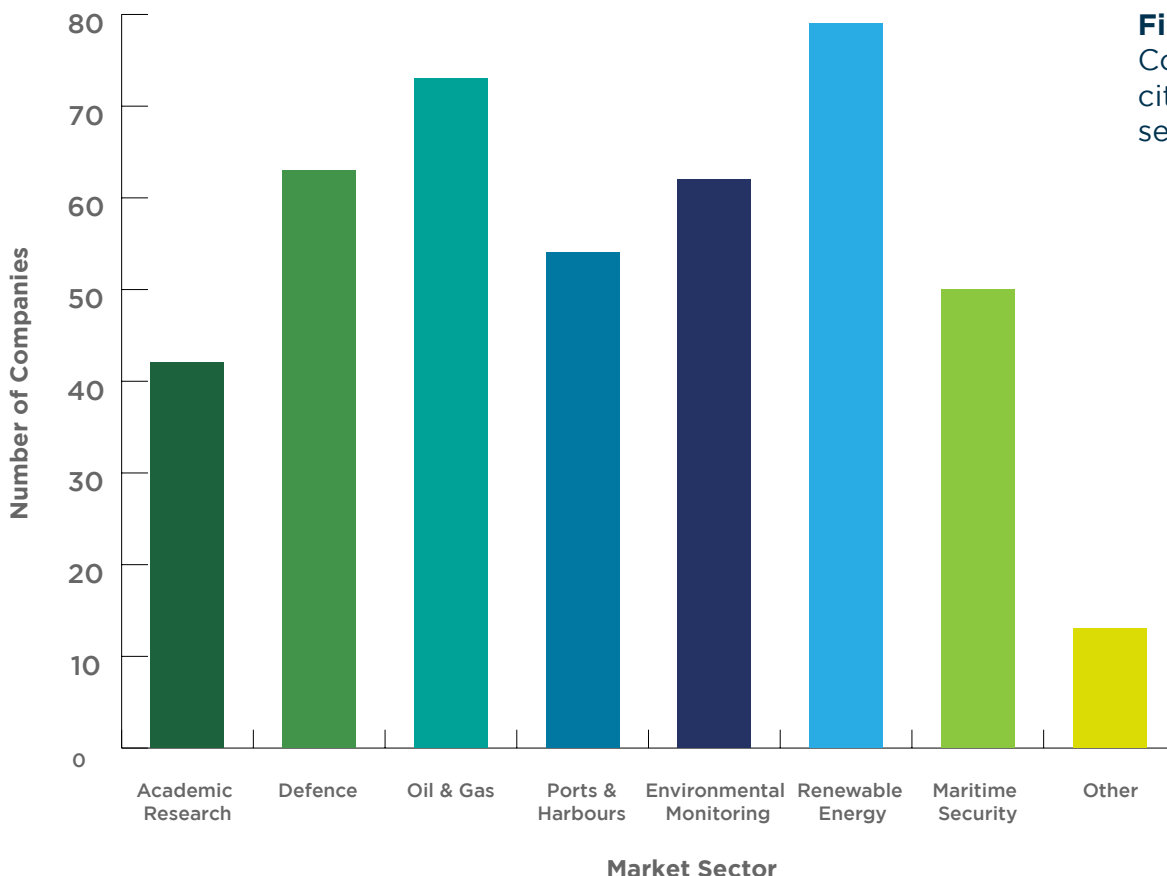


Figure 9:
Companies citing market sectors

Sectors cited in the 'Other' category included Agriculture, Aquaculture and Fisheries, Automotive and Aerospace (Transport), Geophysical Surveys, Meteorology and Hydrographic Surveys.

When companies were asked to name their single main market sector Oil and Gas was still the most quoted (26% compared to 29% in 2021) with Defence (19% compared to 13% in 2021), Environmental Monitoring (17% compared to 14% in 2021) and Renewable Energy (16% compared to 21% in 2021) being the next most quoted (Figure 10).

Sectors cited in the 'Other' category included Aerospace, Agriculture, Aquaculture and Fisheries, Decarbonisation and Hydrographic Survey. Three companies stated that all sectors were equal and one said it varied throughout the year.

Which of these was your main market sector?

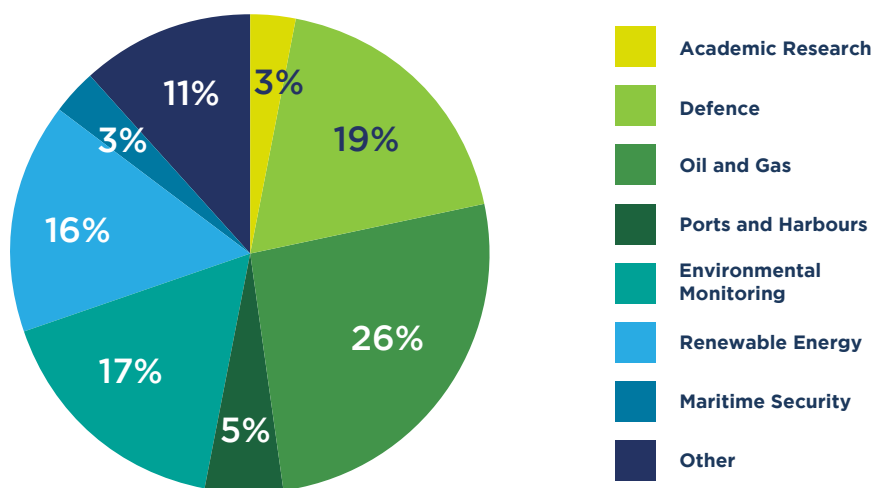


Figure 10: Companies citing main market sector





Export Markets

When asked which regions companies exported to, the European market was again quoted by more companies than any other region (80% vs 79% in 2021). Other important markets were USA/Canada (71%, same as 2021) and Asia-Pacific (63% vs 64% in 2021),

as seen in Figure 11. Note this year there continued to be a significant percentage (15%) of companies responding 'Not Applicable', presumably because they don't export at all.

To which of these market areas do you export?

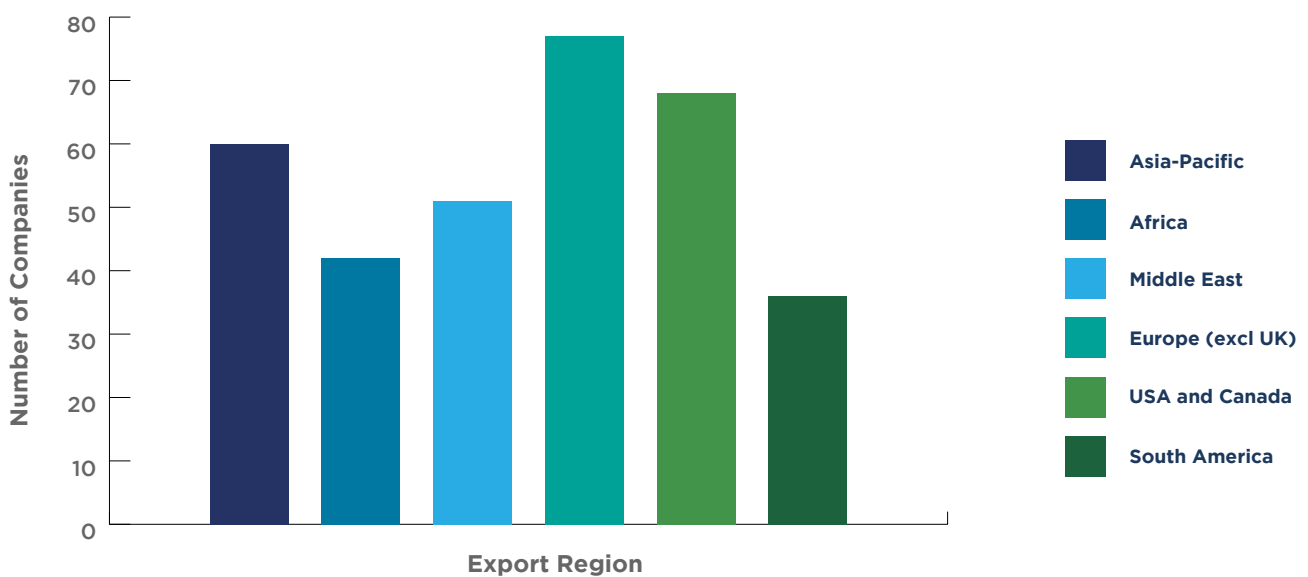


Figure 11: Export Markets

When asked about their main export region in the last year Europe still comes top as the largest market with 48% of companies citing it as their main market (up from 41% in 2021 and 33% in 2019) (Figure 12). This is followed again by USA and Canada with 24% of responders (down from 29% in 2021) citing that as their main market. Interestingly, although Asia-Pacific was cited as an important region in the previous question, when it comes to being a main export region only 4% of companies selected it.

Which was your main export region last year?

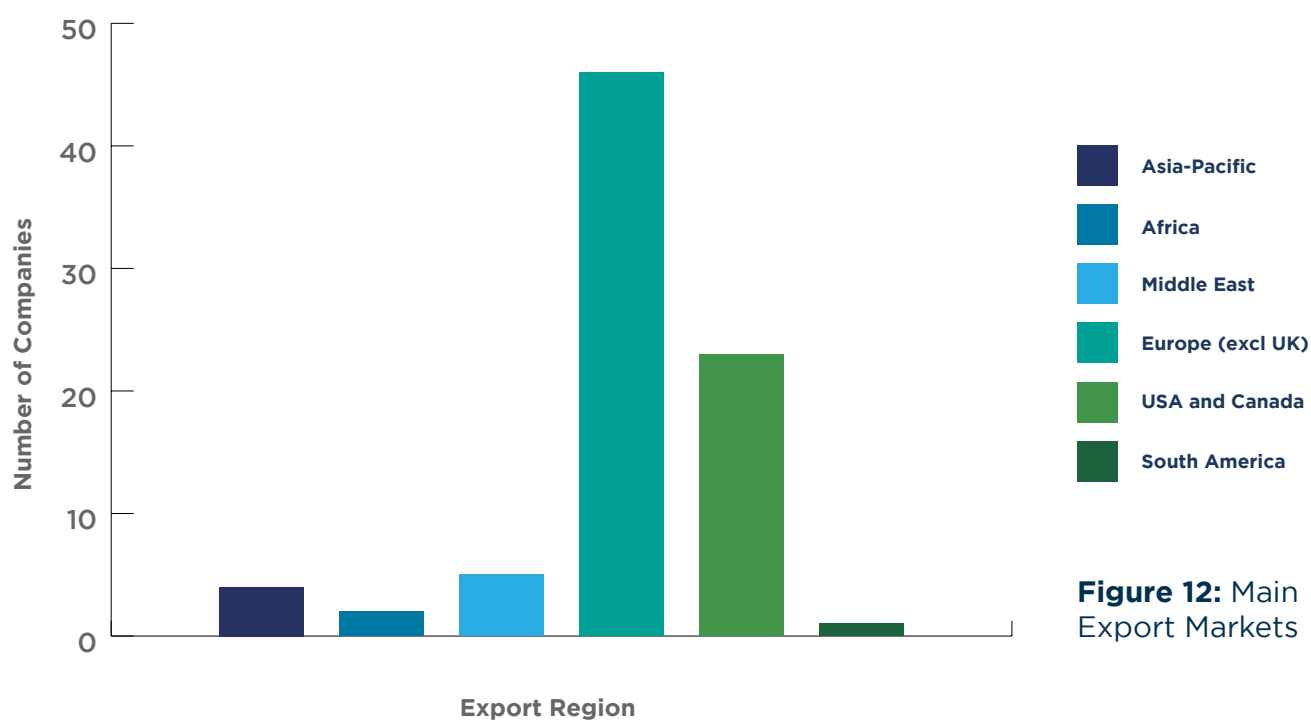


Figure 12: Main Export Markets



Areas of Growth

Companies were asked in which countries they had seen their most significant growth the previous year and the USA came out on top again but not by as big a margin as in previous years. The UK was close behind, followed by Norway and Brazil (Figure 13). Interestingly Brazil, Canada, Singapore, Ireland, Romania and Guyana were not mentioned in 2021 but were all growth regions this year.

There were 15 countries just mentioned by one company so these were not included on the graph but were: Chile, China, Denmark, India, Japan, Morocco, Nigeria, Poland, Qatar, Saudi, Senegal, Sweden, Taiwan, The Netherlands and UAE. Other respondents claimed that they saw overall growth on a continent in general such as Europe (3 mentions), the Middle East (2 mentions) and Africa (1 mention).

In which specific countries, if any, have you have experienced growth in the past 12 months?

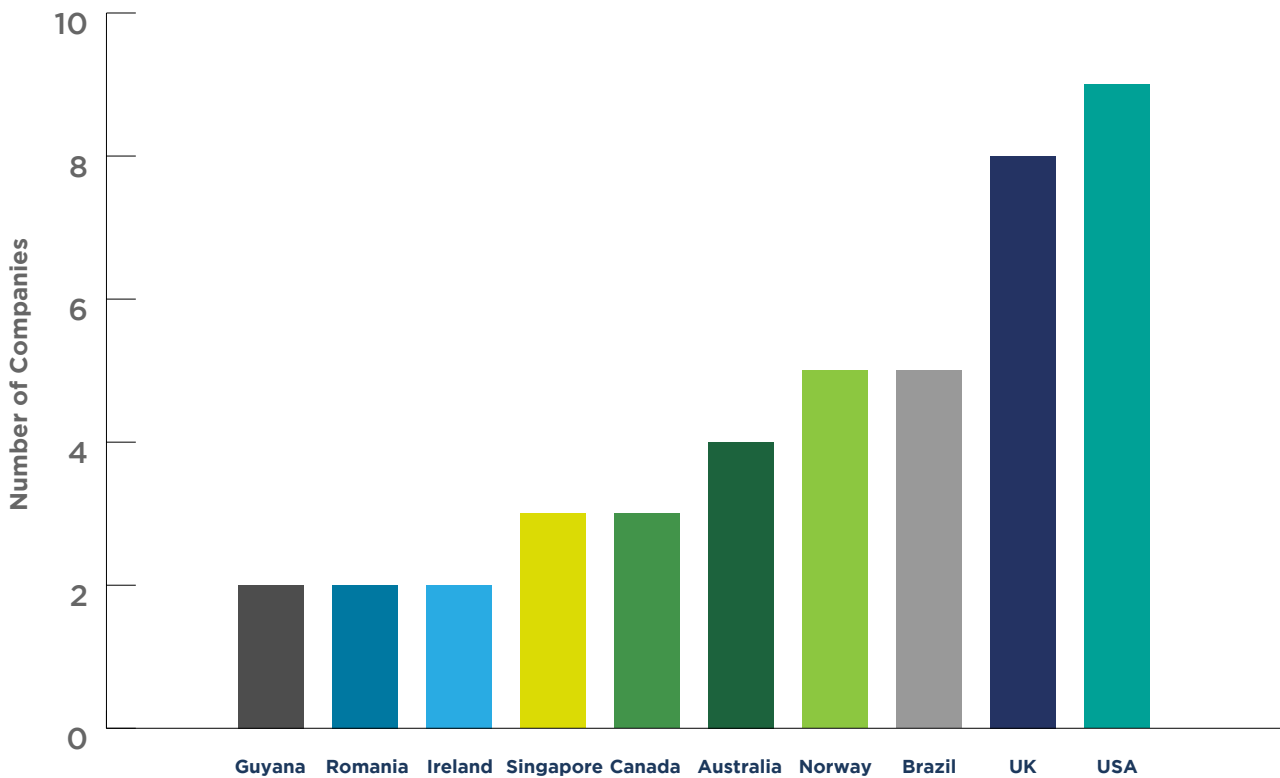


Figure 13: Areas of growth

Business Trends in the past 12 months

Turnover

82% of companies reported an increase in turnover in the past 12 months (Figure 14). This is a big increase from the 70% that reported an increase in 2021. Only 2% of companies claimed that their turnover had decreased in the previous 12 months, which is a big decrease compared to the 10% who claimed turnover had gone

down in 2021. The percentage of companies claiming that there had been no change to their turnover went down from 19% in 2021 to 16% in 2025. These results show a very positive trend in terms of company turnover and could be due to the industry recovering from COVID and/or Brexit, as well as an increase in the Ocean Enterprise market globally.

Which was your main export region last year?

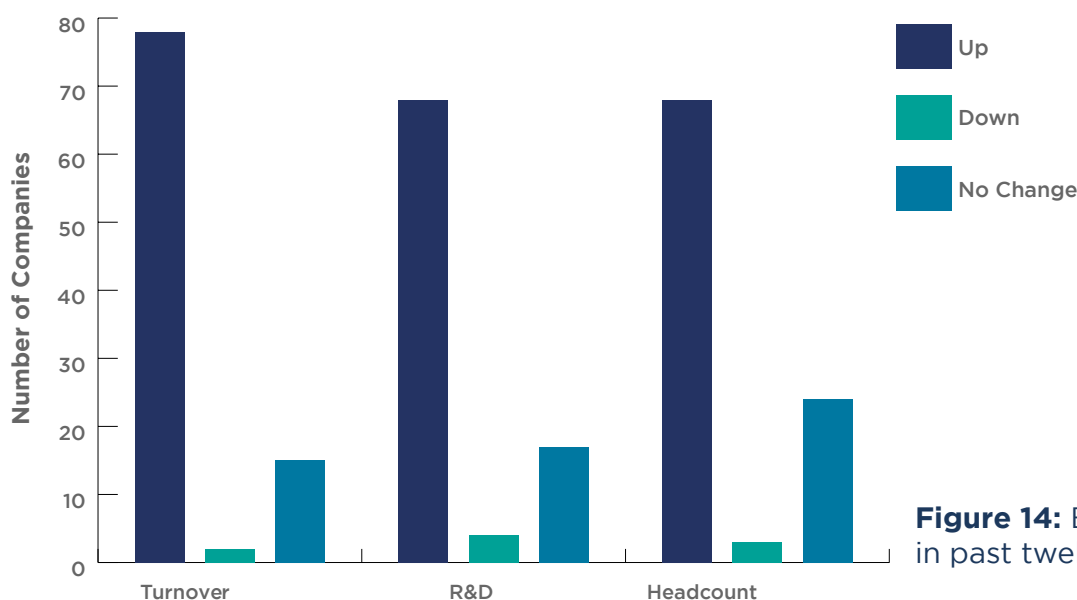


Figure 14: Business trends in past twelve months

R&D

Year on year the R&D expenditure of the companies surveyed increases. This year 76% of companies reported an increase in their R&D in the past 12 months. This is an increase on 2021 (61% of companies) and carries on the upward trend (2019: 60%, 2018: 46%). Only 4% of companies reported a decrease in R&D expenditure (Figure 14), this is much lower than the 10% in

2021. This brings it back in line with the 2% of companies reporting a decrease in 2019. 19% of companies reported no change in their R&D expenditure over the past 12 months, which is lower than the 29% reporting this in 2021. Again, this could be due to recovering from reduced production and R&D during the global pandemic or the effects of Brexit, or a combination of the two.

Headcount

72% of companies surveyed reported that they had increased their headcount over the previous 12 months (Figure 14), this is an improvement on the 62% in 2021 and 57% in 2019. The percentage of companies that claimed a decrease in headcount was only 3% compared to 4% in 2021. The remaining 25% reported no change, which is down from 33% in 2021. This again reflects the industry expanding and a positive future outlook.

Business Trends in the next 12 months

Companies are once again expressing a positive outlook for the year ahead. As illustrated in Figure 15, 88% of companies anticipate growth over the next 12 months. This is a slight decrease from 2021 where 91% of companies were anticipating growth. However, it remains roughly constant with previous years – 90% in 2018 and 80% in 2019.

Similarly, only 1% of companies (1 respondent) expect a downturn in the next 12 months, which is the same as in 2021. 11% of respondents predicted no change in the next 12 months, which is slightly up from the 8% predicting no change in 2021. Overall, there is still a very positive trend predicted over the next 12 months.

Expected general business trend over the next 12 months

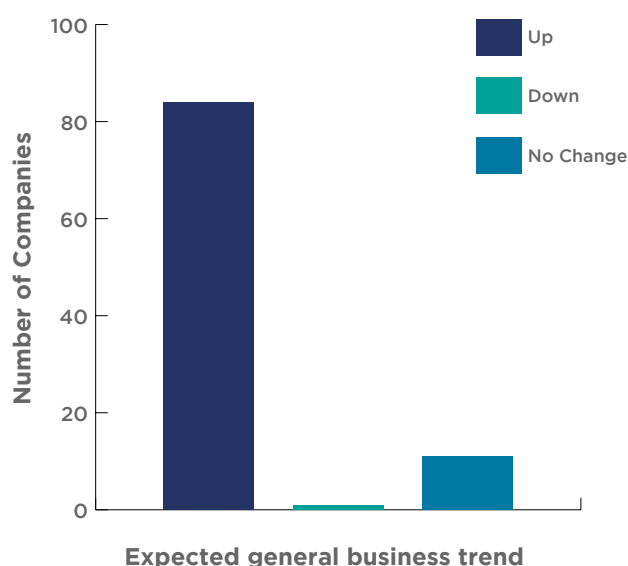


Figure 15: Expected Business trends in the next 12 months

Significant Factors Impacting Business

Factors that have had the biggest effect on business

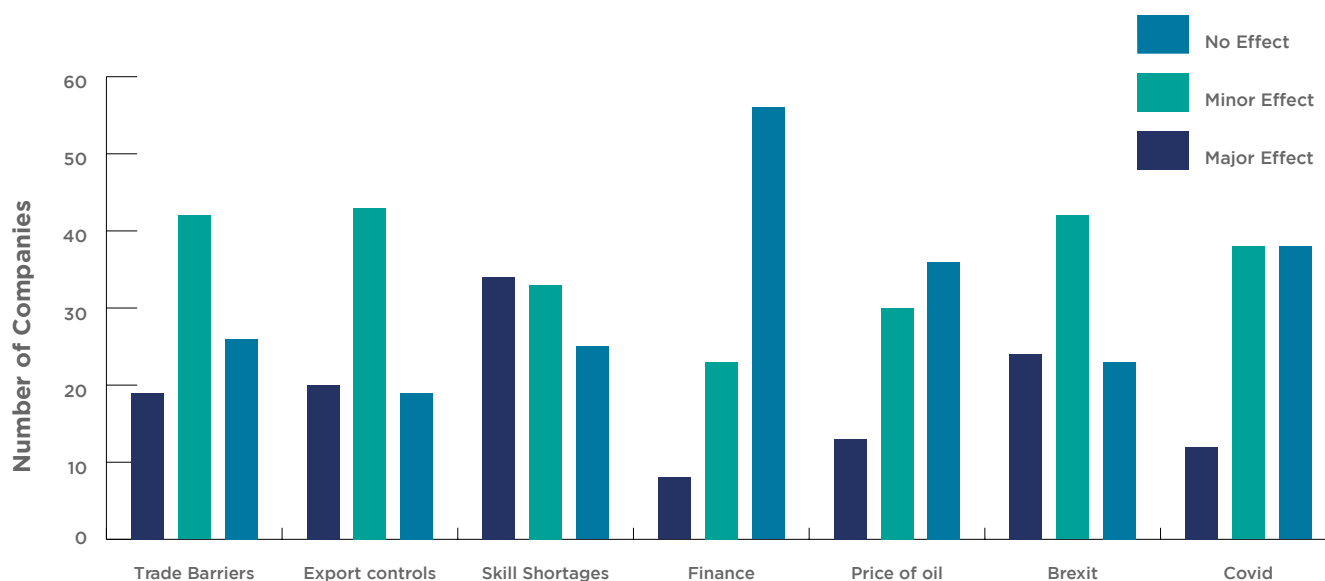
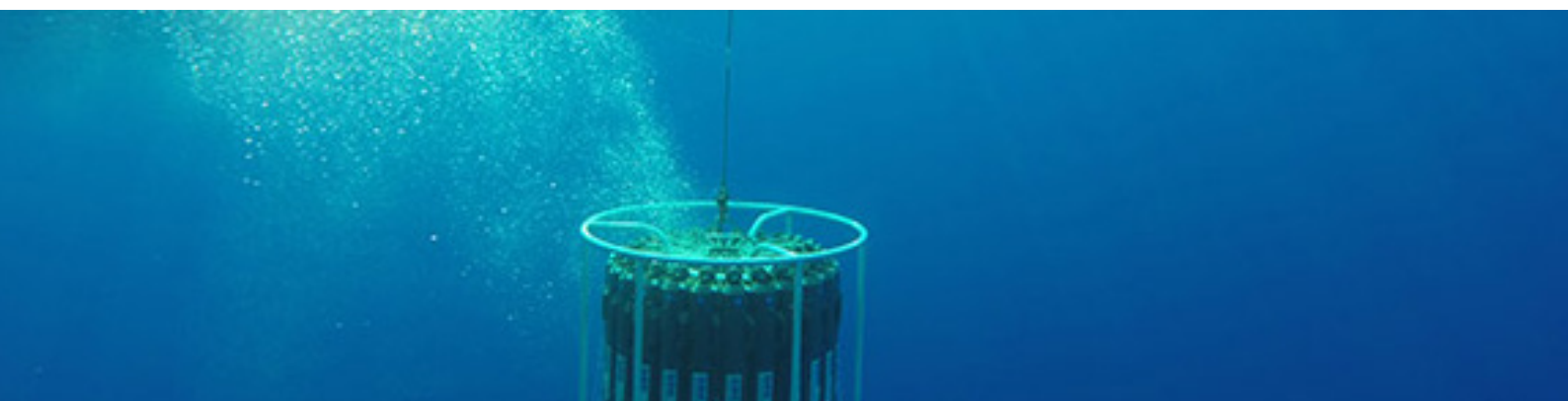


Figure 16: Factors that had the biggest effect on business

Skill shortages were cited as having the biggest effect on business overall in the past 12 months, with 70% of respondents claiming it was either having a major (36%) or minor (34%) effect on their business (Figure 16). This is an increase from the 57% (21% major impact and 36% minor impact) of respondents who cited skill shortages as an issue in 2021. Brexit was again reported as the second biggest impact with 69% of respondents reporting either a major (25%) or minor (44%) impact on business. This is down from 85% (25% major effect and 60% minor effect) reporting it as an impact in 2021.





Export controls was cited as having an impact on business by 66% of the respondents, with 21% citing it as a major impact and 45% as a minor impact, this is down from 73% in 2021 (21% major and 52% minor). Trade barriers were cited by 64% of companies surveyed (20% major and 44% minor), which is slightly higher than 2021 (60%: 12% major and 48% minor).

Covid was cited as having the biggest impact on business in 2021 with 88% of respondents noting it as either a major (42%) or minor (46%) effect. Unsurprisingly now the pandemic is over the impact of Covid was only cited by 53% of respondents (13% major and 40% minor).

The price of oil was cited by 45% of respondents (14% major and 31% minor) which is slightly higher than 2021, when 38% of respondents cited it as an issue (14% major and 25% minor). Finally, access to finance was cited as having an impact on business by 32% of respondents, which 8% citing it as a major impact and 24% as a minor impact. This is very similar to 2021 when 34% of respondents (4% major and 30% minor) cited it as an issue.

When respondents were asked what other factors have been impacting their business the following were cited: US Government changes and tariffs (11 respondents), Changing regulatory environment (3 respondents), Material prices (generally) and supply chain of electrical components (2 respondents), Age of the business owner (1 respondent), Certification & Classification (1 respondent), Delayed public procurement projects (1 respondent), UK Government changes (1 respondent), Immigration rules (1 respondent), Lack of Government decisions on marine decarbonisation (1 respondent), Lack of graduates (1 respondent), Transition from crewed to uncrewed (1 respondent).

Survey Methodology

The data for the 2025 report was collected in the form of a questionnaire carried out online and presented to senior managers of UK businesses currently active in the MST sector during the trade show Ocean Business in April 2025.



The collection of this data at Ocean Business was performed by Kiera Beerstecher and Harvey James from the University of Southampton and the presentation was carried out by Emma Johnson of SMI.

