

The Plug 'n Pipe

C A Sothers

Company Newsletter
December 2009
Editor – Steve Craddock

A SLOW BUT STEADY RECOVERY?

2009 will be remembered, without affection, for the deepest recession in the UK since records began, ending with the sixth consecutive quarter of negative growth. UK output is down 5.2% in the last 12 months, and it will come as no surprise that the Construction sector has been hit particularly hard and dropped 13% in one year. Needless to say there has been little in the way of good news to tell you and I can only apologise for the fact that there has only been one newsletter so far this year.

We have tried to keep you informed during the year with individual letters to explain what is happening to us as a company and how we are dealing with the challenges that face us. The support that you have given us for the revised pay structure for 2010 is amazing and, once again on behalf of the directors, I would like to say thank you. It means that we can compete more effectively in the current market place.

The economic outlook for 2010 and 2011 is not particularly encouraging. Growth for the next two years is predicted to be 1% and 2% respectively. Predictions for the construction sector are even less optimistic with another fall for next year of 0.2% followed by an increase of 1.1% in 2011. Needless to say we are working very hard to try and stay ahead of the competition. This is where everyone can make a contribution no matter how small. **We still need your help!** Whether you work in the office or on site we need to deliver a first class service to our customers and we need to do this as cost effectively as possible. One of our steps forward in this process is our commitment to become Quality Assured by gaining the ISO9001 Quality Management Standard – more about that in a later article.

There are some “green shoots” of recovery out there but they are very fragile and the Government has a major role to play to ensure that they are protected and nurtured. The injections of cash into the economy by Quantitative Easing have helped, but they are giving this money to the same people that got us into this mess in the first place – The Bankers! I would have thought that increasing public spending on capital projects would have had more impact on stimulating the economy, particularly in the construction industry that has been hit so badly. But what do I know?

Since drafting this newsletter the subject of Bankers bonus payments has hit the headlines again. They just don't seem to grasp that they were largely

responsible for the catastrophic mess we are in and the fact that we have bailed them out to the tune of £40,000 per person in the UK to try and sort it out!

The only crumb of comfort is that the recession appears to be ending, and there are indications that the growth in the US economy will have a positive impact over here. It is interesting to note what action the US took in response to the global crisis. An extract from their “Recovery” website is shown below:-

On Feb. 13, 2009, Congress passed the American Recovery and Reinvestment Act of 2009 at the urging of President Obama, who signed it into law four days later.



A direct response to the economic crisis, the Recovery Act has three immediate goals:

- *Create new jobs as well as save existing ones*
- *Spur economic activity and invest in long-term economic growth*
- *Foster unprecedented levels of accountability and transparency in government spending*

The Recovery Act intends to achieve those goals by:

- *Providing \$288 billion in tax cuts and benefits for millions of working families and businesses*
- *Increasing federal funds for education and health care as well as entitlement programs (such as extending unemployment benefits) by \$224 billion*
- *Making \$275 billion available for federal contracts, grants and loans*
- *Requiring recipients of Recovery funds to report on the amount of monies spent, the status of the project, the number of jobs created and/or saved, so that the public can track where the total \$787 billion Recovery funds are going and how they are being spent.*

The UK response to the crisis of cutting VAT by 2.5% and printing more money somehow seems a bit lame in comparison!



ISO 9001 Quality Management System

One of the main reasons that we have managed to avoid the effects of the recession for so long is our close relationship with a number of main contractors. We have worked very hard to ensure that we meet, or indeed exceed, their requirements for training, Health & Safety and financial capacity. This has qualified us as a strategic partner or preferred supplier in most cases.

The one requirement that has eluded us so far is the ISO9001 Quality standard. We took the decision almost 2 years ago that this should be one of our strategic goals and we are now in a position to introduce the system in 2010. The aim of the system is to deliver a high quality well managed job every time.

Tony Fletcher and David Bryant have recently completed a series of workshops to develop, implement and audit the system. Tony is putting together the final parts of the training materials so that the system is fully understood and we hope to be in a position to apply for accreditation mid-2010.



INVESTOR IN PEOPLE

It's annual review time again and hopefully most of you will have been reviewed by the time this is published. We have had a lot more feedback this year with everything that has happened and we are working through the reviews to collate the information and build up our training programme for 2010.

Despite the recession, we have continued with the training plans so that when things improve we will be ahead of our competition, and will have the best trained and qualified staff working for our company!

During 2009 we have concentrated on our senior engineers and our Project managers with the SMSTS course. This is a 5 day course which main contractors are insisting will be compulsory from January 2010. So far this year it has cost us £35,000 for this qualification alone.

Other training that has been carried out includes a ladder awareness course for all of the Maintenance engineers, Confined Space Training, PASMA courses, 17th Edition courses and IPAF Training. Total training budget from April 2009 to December 2009 has been £70,000.

Health & Safety Award

We have just been presented with the *Subcontractor of the Month Safety Award* by Miller Construction for our work at the site at Stoke 6th Form College. The site won the overall Northern Region Safety Award. The presentation to site foreman Simon Flanagan was made by Miller Construction's senior site manager Richard Bamford.



Simon Flanagan and Richard Bamford (Miller Construction)

The award was made by Shaun Kearney and Richard Bloomfield, both from Miller Construction, and recognises the significant investment that we have made in training and the development of our safe methods of working. It is further evidence of how important H&S on site has become and this plays an important role in maintaining our position in the supply chain with our clients.

Associated Architects

We have just completed the design, installation and commissioning of mechanical, electrical and public health services to their new premises in the Mailbox. The main contractors were Buildability Ltd. The project presented a number of challenges including the use of the canal water system to provide heating to the offices using water source heat pumps.



We have worked on a number of projects for Associated Architects in the past at the Mailbox including a number of bar and restaurant fit outs, and retail schemes for DKNY and Bang & Olufson. The project team for Sothers was Bob Hibbs, Rodney Clarke and Paul Chapman.

CONGRATULATIONS!

We have two other uplifting items for the Newsletter that make a very pleasant change from the usual doom and gloom.

Firstly we need to say congratulations to Andrew Bott who secured the Apprentice of the Year Award from Birmingham Electrical Training. Andrew faced strong competition for the top award and had to demonstrate his skills and talents across a number of categories. The awards were presented by Phil Upton, who hosts the Breakfast Show on Radio WM, and, as an additional treat, interviewed Andrew live on the Breakfast Show on the morning after the awards ceremony. Andrew performed very well and succeeded in mentioning C A Sothers eight times during the interview! The award also means that the company regain the John Burnett Shield, this is presented to the employer of the Apprentice of the Year. We have now held the award for 3 of the last 4 years.



Robert Hinton, Andrew Bott, Phil Upton and Stephen Craddock



Presentation of the Burnett Shield, Phil Upton, Robert Hinton, Stephen Craddock and John Sims (MD Birmingham Electrical Training)

The second item to celebrate is the success of three of our Project Engineers in achieving their HNC in Contracting Management. John Batsford, Tony Coley and Tim Collins have spent the last two years attending Loughborough University on a part-time basis studying for the qualification.

The course started in November 2007 and was specially designed for projects engineers working full time in the construction industry. The course was focused on the specific needs of the industry and was designed to provide the requisite knowledge, concepts, techniques and skills to effectively fulfil existing and future roles within a company.

The two year programme had eight modular units and these were:-

- Organisation and Management Theories
- Economics and Financial Aspects
- Contracting Operations
- Contract Procedures
- Corporate Management
- Marketing
- Human Resources Management
- An Industry based project



Tony Coley, Tim Collins and John Batsford

In addition to attending college every other week during the academic year, there were heavy demands on their time for additional work and they had to attend two residential weekends during the course. In addition to his HNC award Tim was also named as the Student of the Year.

Robert Turner, Mark Needle and Matt Smith are also studying for the same qualification and have just started their second year. Hopefully we can have a similar photo of them in a subsequent issue of the newsletter.

No pressure then chaps!

COMPANY NEWS

Happy 40th Birthday to Jason Hardcastle



Jason and Yvette

Jason's baby faced looks have recently landed him in trouble with Tesco and Asda when he was refused alcohol because he was unable to produce any ID. Either he is lying or they are employing staff that need a trip to Specsavers!!!



Many congratulations to the ladies in the office for completing the *Race for Life*.



Lisa Foster, Louise Stokes, Serena Hughes and Sue Bartlett

The course was 4 miles long and took place in Sutton Park. They raised the fabulous total of £1500 for Cancer Research UK. They would like to thank everyone that supported them so generously.

Congratulations to Stuart Newey and his partner who have just had a baby boy Connor born on 22nd October 2009.

On the subject of babies there is a mini baby-boom about to hit the company. There are no fewer than 4 people who are waiting for the stork to arrive in the New Year, Mark Blunn, Adam Glendall, Stuart Capaldi and Ian Cooke. We wish them and their partners all the best for the safe arrival of their offspring.

Lee Pardoe has asked me to publicise the "Annual Works drinks party" at the Sound Bar. This will take place on Friday 18th December 2009 from 4.00pm onwards. For details please phone Lee directly on 07970 186629.

I have recently completed a Charity Walk for Kidney Research UK to the summit of Ben Nevis. I raised £1200 and would like to thank all the staff and suppliers that supported me so generously.

Appointments



Sammy O'Hanlon

Sammy is 19 years old and has joined the company as our junior / receptionist. Sammy replaces Kelly who has left to pursue a career in nursing. Sammy is a keen sportswoman playing squash, badminton and cycling. I suggest you do not get between her and a box of chocolates if you value your life, as she has a very sweet tooth!

Please contribute to the newsletter with ideas and suggestions for articles or features.

You can ring me at the office on 0121 507 2044 or email steve.craddock@sothers.com