

**Manufacturing & Engineering**

In association with  
yorkshire and humber  
**mas**  
The manufacturing advisory service

By Robin Watson,  
MAS Regional Director



**IS there room for cautious optimism? 'Official' figures claim that Britain came out of the recession in the final quarter of last year, and that manufacturers saw output grow for the first time since early 2008, with an increase of 0.4%.**

**In reality, what does this mean for our region's manufacturing companies? Well, there will be no surprises when I say we're far from 'home and dry' yet, but I do believe there is an air of cautious optimism spreading amongst the local manufacturing community.**

**A large number of those we're speaking to each day are still finding conditions difficult, but are beginning to express a greater deal of optimism than they were six months ago. They can see new marketing opportunities developing and are perhaps seeing a gradual return of those customer orders that dropped by the wayside during 2009.**

**A stronger upturn is evident for those businesses making products for use in the construction and aerospace industries. Manufacturers in the oil and gas supply chain, however, are still finding conditions more difficult than most, having entered the recession at a later stage.**

**Recovery as a whole will be patchy and fragile and some industries will inevitably struggle more than others for some time to come. But those manufacturers that have set themselves up to be flexible and responsive to changing market conditions will be most likely to survive in the long term.**

**I can confidently say that firms have been doing everything they can to retain their core staff during the recession so as not to leave themselves open to skills gaps in the future. The majority have chosen to deploy tactics such as shorter working weeks rather than direct redundancies where-ever possible.**

**So where does this leave us in the short to medium term? One thing the recession has taught us is that managing cashflow is the number one key priority to survival and growth. Changes in customer order patterns have been witnessed by almost everybody, forcing manufacturers to adopt a 'Just in Time' approach to replenishing stock.**

**At MAS Yorkshire & Humber, we're currently carrying out between 80 and 100 manufacturing reviews each month, which is double what we've seen in previous years - with companies seeking advice to find new ways of reducing costs and improving competitiveness.**

**A priority for MAS moving forward is to help manufacturers access those emerging 'Low Carbon' markets (in the renewable energies, nuclear and construction industries for example) that will present real opportunities for the South Yorkshire economy in the years to come.**

# James likes to assist

By **Fiona Firth**

**J**ames Caan doesn't mess about. Spot a problem. Do something about it. In this case it's the sluggish property market which has whetted the appetite of the investor, entrepreneur, philanthropist and star of TV's *Dragon's Den*.

Caan has introduced a £1 billion initiative through Look4aProperty.com/money to finance interest-free loans in a bid to kick-start the market by easing the burden of fees for home buyers and sellers.

The loans are available through selected estate agents nationwide with Sheffield and North Derbyshire firm Blundells the first in the north of England to sign up.

Caan, who is chairman of Look4aProperty.com/money, officially launched the Blundells Assist scheme with a ribbon-cutting ceremony at the firm's Campo Lane branch.

He said: "This product will help buyers and sellers all over the UK to finally move into the home they want - and that will help stimulate our struggling economy."

He went on: "The housing market is a critical component of the UK economy. In the last couple of years the market has seen quite a slump. I think we all



need to come together to stimulate the market, whether it's the government doing something or individuals like myself.

"An interest-free component in the transaction often makes all the difference to whether you can or can't purchase a property.

"We were looking for a product to give individuals an opportunity to buy and sell."

The loans - funded by Hitachi

Capital - can be used to help buyers and sellers cover costs such as estate agent fees, stamp duty and legal fees.

Caan added: "In surveys, a lot of people told us they were frustrated because interest rates are the lowest in history and their friends who already had mortgages were saying how much they were coming down.

"But, because building societies aren't doing 100 per cent mortgages - only 85 per cent to 90 per cent - people who want to buy said they couldn't because they had to find money for a deposit and the fees.

"If there was ever a time to buy, then it's now when interest rates are half a per cent. We are trying to take away the immediate burden. Being able to pay the fees back over three years without interest makes a difference.

"As the market goes through a recovery, we feel this product should be very popular. It's been designed to address immediate needs."

Aaron Turner, CEO of Look4aProperty.com/money said: "Regulations are so tight now that people need to save huge sums just to cover their deposits.

"That leaves very little leftover for additional and unavoidable costs.

"This initiative will give people the flexibility to move now, and pay later on an interest-free basis."

Blundells reported 40 new instructions under the new scheme in its first five days, with 20 existing vendors also transferring over to it.

Director Steve Hinshelwood said: "This initiative gives home buyers and sellers another way of getting on to the property ladder without having to pay fees upfront.

"We hope this will encourage more people to embark on the property search and stimulate the housing market across Sheffield and North Derbyshire."

Helping home sales with new scheme

Left: James Caan

Below left: James launches the interest free loan scheme at Blundells

Photos: Dean Atkins

Below: With customers Andrew and Laura Law

Photos: Dean Atkins



## The first customers to sign up

**L**aura and Andrew Law were the first to sign up to Blundells Assist, hoping it will help them to sell their house at Bradway, Sheffield. They are planning to move into a new home they have built themselves.

Laura said: "We put our house on the market a couple of years ago, just as all the reports started about the recession.

"It was for sale for about five months and we had a buyer

but, because she couldn't sell her house, we got stuck in a chain. Then she wanted to reduce her offer and we ended up taking the house off the market."

Andrew went on: "The house is now back on the market at £275,000. Stamp duty goes up to 3 per cent on properties over £250,000 and we were concerned that could put some people off. Hopefully the option of an interest free loan will make a difference to

people who might want to buy our house.

"It also works the other way round. When we have to pay our fees, we can also take the interest free loan and that will help us to have extra cash in the early days to set up our new home."

Laura added: "We hope the new package gives people the confidence to start buying again. I hope it kick starts the process and gets people moving - literally."

