

### Your Business Bulletin from Thanet & East Kent Chamber

Thanet & East Kent Insider

17<sup>th</sup> September 2011 Issue No.: 170

### I. Chamber At 10 Downing Street

Retailers and suppliers throughout the East Kent coastal business community are menaced by an initiative from Liverpool that threatens to remove a large number of buyers and customers for their goods and services. Liverpool City Council together with its port operator is seeking to change the terms of a government subsidy of over £18 million which was given to Liverpool on the strict and agreed understanding that its new facilities would not be used as a start or finish point for cruises. Cruise passengers represent a considerable source of income for many shops and wholesalers throughout East Kent. The Thanet & East Kent Chief Executive joined the Leader of Southampton City Council, the Chairman of Haven City Gateway and the Chief Executive of Hampshire Chamber of Commerce in presenting the case for East Kent and Hampshire at 10 Downing Street last Thursday. Extensive television and press coverage ensured that the issue received a high profile, aided in no small part by our good friends at Visit Kent. In this pre-Olympic year, Visit Kent has proved again that it is the gold medallist, top step of the podium, best in class regional tourism body in the UK in support of local business, see <a href="http://www.itv.com/meridian-east/stormy-waters-ahead18052/">http://www.itv.com/meridian-east/stormy-waters-ahead18052/</a>. Although on the day of the visit the Prime Minister was in Libya with President Sarkozy, we are confident that the government will think twice before contemplating handing such a large sum to Liverpool and the assert-rich Peel Ports Group when there are much more pressing needs closer to home in East Kent.

### 2. Why Link With Southampton?

Just as the Thanet & East Kent Chamber has a louder voice in partnership with the Dover District Chamber of Commerce, we can present a stronger case by linking with the number one cruise ship port in the UK, Southampton. In second place is Dover which welcomed around 300,000 cruise ship passengers last year. The Thanet & East Kent Chamber works in close liaison with our friends in Dover to encourage as many cruise ship passengers as possible to visit our East Kent towns in Margate, Ramsgate, Broadstairs, Deal, Sandwich, Dover, Whitstable, Herne Bay and Canterbury with their manifest attractions and beaches rather than head for the overcrowded inland cities. By joining forces with official bodies in Southampton, we benefit from their marketing expertise and contacts and the backing of Associated British Ports, see

http://www.dailyecho.co.uk/news/9253228.Cruise\_Wars\_dock\_at\_Downing\_St/?action=complain&cid=9672614

#### 3. 'Move It, Sell It' Business Networking Breakfast

Described by one new member as "the best presentation and networking breakfast I have ever attended in over 20 years", the Chamber's Business Networking Breakfast at the Fayreness Hotel, Kingsgate, Broadstairs on 9<sup>th</sup> September 2011 welcomed as its main speaker Kieran Ring, Chief Executive of the Global Institute of Logistics, see <u>www.photoboxgallery.com/DDCC</u> for images of the delegates and speakers. An excellent breakfast served at table prepared delegates for a rich menu of innovation

and opportunity. Based at prestigious offices in New York, Kieran was visiting East Kent as part of a European tour of commercial ports. Unfettered by PowerPoint and unencumbered by props and handouts, Kieran gave a masterly demonstration of how to meet the commercial needs and interests of your audience and yet keep everyone thoroughly entertained. Kieran chartered the course of an IPod from its manufacturer in China to its final destination in the hands of a customer in East Kent. Passing through 20 different logistical stages, the product generates an invoice at almost every point, causing delay, expense and frustration to the parties involved. He outlined a streamlined system whereby best practice procedures bring a new approach of "Relay Not Delay" with consequent benefits to the consumer, the manufacturer and every transit port. Drawing on his Irish origins and the ability to learn from an imposed regime, Kieran also outlined the future of logistics through "Port Clustering" initiatives whereby shared experiences and open communication channels can bring improved efficiencies and cost-savings. He chronicled the missed opportunities to Britain in the decade from 1965 when the country lost its prime position in Europe as a gateway to the continent through closing its ports because of industrial disputes at a time when containerisation was revolutionising international trade. While our ports have never recovered that business, continental ports at Rotterdam, Hamburg and Antwerp have flourished. Research by the Chamber reveals that just two UK ports are listed in the top 100 busiest container terminals in the world; Felixstowe 32<sup>nd</sup> and Southampton 72<sup>nd</sup> which in English football terms equates as of this evening to a Crystal Palace in the Championship and a Burton Albion in League Two. The Container Ports Premiership table is headed by Singapore, Hong Kong, Shanghai and Shenzhen with Busan, Guangzhou and Qingdao fighting it out for the next three places. [See AAPA World Port Rankings 2009]. Clearly, the UK needs to move it and sell it rather better than we do now and to learn from those who do it well; one of the reasons why after the breakfast the Chamber escorted Kieran Ring, the Managing Director of Seaspeed International, the Chairman of DPPT and a senior manager at Canterbury Christ Church University on a visit to Hornby, one of the stars of East Kent industry. A tour of Hornby's magnificent Visitor Centre accompanied discussions on international transport issues and trade links with China,

#### 4. How Can GIL Help East Kent?

The Global Institute of Logistics is a valuable friend and advisor to the Thanet & East Kent and Dover Chambers of Commerce. If we seek best practice in our area, we must communicate with those who actively seek it on a global scale. Following the visit to Hornby, the Chamber introduced Kieran Ring to the Harbour Master at Ramsgate and to Howard Holt, Managing Director of Seeports, for professional discussions on aspects of port management. Later, the party visited the London Array offices in Ramsgate to review the challenges and opportunities for port operators provided by the offshore energy industry. Chamber members will be interested in how we might direct more of the huge Foreign Direct Investment in non-fossilised fuel energy generation towards local suppliers. The final call was at C G Hibbert, suppliers to the cruise ship industry since 1767. The Chamber will build on its strong links with GIL to organise a joint Maritime Symposium with expert presentations from major figures in the industry.

#### 5. Brush Up Your Public Speaking

We are grateful to Jenny Overy of Chamber member Canterbury Christ Church University for drawing our attention to a Business Forum event due to take place at Hall Enterprise Centre, Harbledown, Canterbury on Tuesday 18<sup>th</sup> October 2011 from 0745 hrs to 1030 hrs. Entitled "Presentation Skills to Aid Good Communication Skills", the session will be of interest to anyone with a requirement to speak in public. Jenny tells us: "Business Presentations can be great fun and hopefully rewarding, but these skills do not come overnight or easily to everyone, but a little practice can take you and your business a very long way." On the basis that not everyone is as gifted a speaker as Kieran Ring, see 1 above, interested parties are requested to email Jenny direct to Jenny.overy@canterbury.ac.uk or to telephone 01227 782672.

#### 6. Chamber Scoop

Chamber members at the Business Networking breakfast on 9<sup>th</sup> September 2011 were the first to hear a public announcement of a change of ownership of the Fayreness Hotel in Kingsgate, Broadstairs. Frank Thorley, Managing Director of Thorley Taverns, took the opportunity to brief Chamber members on the sale of his hotel to Shepherd Neame. Frank had been approached by the Faversham-based brewer and had named his non-negotiable price which Shepherd Neame had been happy to meet. Chamber discussions with the Shepherd Neame Retail Director revealed later that the company has been a long-time admirer of the Fayreness and welcomed the opportunity to add this prestigious hotel to its growing list of accommodation outlets in Kent. Frank Thorley said that he would continue to patronise the Fayreness as a paying customer. The Chamber considers that this is a good deal for all parties with the hotel staying under East Kent ownership and the promise of a secure future for staff and the wide range of local suppliers.

#### 7. Tax & Pension Advice

Jon Cleverdon of Cleverdons Chartered Accountants, tel: 01843 866599, reminds us that HM Revenue and Customs (HMRC) has announced new tax return penalties that come into effect this Autumn. Fines for late returns and new obligations for

pension arrangements suggest that an imminent meeting with a suitably qualified accountant may save Chamber members much anxiety. We recommend: Acorn Bowman Finance & Investment Management of Broadstairs tel: 01843 609365; J Cleverdon Chartered Accountants of Broadstairs 01843 866599; J W Accountancy Services of Shepherdswell tel: 01304 830229; Kemps Accounting Solutions Ltd of Broadstairs tel: 01843 861188; KJA Bookkeeping Services Ltd of Canterbury tel: 08941 653034: Levicks Chartered Accountants of Broadstairs, Canterbury and Maidstone tel: 01843 862716; Michael Martin Partnership Ltd of Whitstable tel: 01227 770500 and Neville Weston Chartered Certified Accountants of Ramsgate tel: 01843 594571.

### 8. Worst Nightmare

The Chamber continues to hear accounts from local companies of employment disputes where the employer is the innocent party but finds the current legislation appears to favour the malingering worker. You might think that an employer will obviously be against any measure that restricts the right to dismiss an employee instantly for any reason at all, but that is not the case. The vast majority of Chamber members take a responsible attitude towards their workforce in the full knowledge that it is only through modern work practices and mutual respect that a company can reach its full potential and benefit everyone involved; directors, managers and employees. There remains nonetheless a tiny percentage of workers who use their knowledge of employment legislation to frustrate, embarrass and, in some cases, destroy the company where they work for reasons beyond the ken of hard-working owners and shareholders. One way to ensure that you do not succumb to such practices is to take advantage of a professional employment insurance scheme such as that offered by the Thanet-based Boys & Maughan Solicitors. The EmployAssure package addresses the needs of small and medium-sized companies with a fixed fee service that is renewable every twelve months and provides a comprehensive review of your employment contracts with quarterly updates, indemnity insurance and legal representation at an employment tribunal if required. Details of this valuable service are available direct from Boys & Maughan by telephone to the offices in Ramsgate tel: 01843 595990 and Margate tel: 01843 234000. The best way to avoid nightmares is to eat and drink sensibly during the day. Including EmployAssure in your diet will help you sleep soundly too.

### 9. Golf Update

The number of teams registering for the Chamber Golf Day at the Royal Cinque Ports Golf Club on Friday 7<sup>th</sup> October 2011 has reached an all-time high and bookings are now closed. Companies from the Thanet and Dover Chambers will compete for a variety of awards and trophies from a prize table with a value of nearly £30,000. The Thanet & East Kent Insider will report on the proceedings with full details of the winners. Images from the Chamber's Spring Tournament at Prince's Golf Club can be found at www.photoboxgallery.com/DDCC.

#### **10. A Crisp Result**

Kent Crisps continues to extend its range of retail outlets and can list over 200 points of sale. One of the latest to stock the hand cooked snacks produced by Quex Foods at Birchington is Folkestone's Eurotunnel terminal which offers the full range of four flavours including the Great Taste Award Winner Ashmore Cheese and Onion. Anthony Curwen, managing director of Quex Foods, said: "We want Kent Crisps to be ambassadors for the county. Each bag is filled with potatoes grown at Quex, and through Eurotunnel we have a fantastic opportunity to promote Kent not just to local residents, but to visitors from across Britain and Europe." Kent Crisps will also feature at the Canterbury Eurofair from 23<sup>rd</sup> to 25<sup>th</sup> September 2011 and the Broadstairs Food Festival which runs for three days from 30<sup>th</sup> September 2011. Kent Crisps offer a local alternative to the national brand heavily advertised by Gary Lineker. We understand at the Chamber that no matter how many packets of Kent Crisps you eat, your ears do not get any bigger. Must be worth a try.

#### **II. Energy Prices**

We are again grateful to Martyn Young of Atlantic Business Resources for supplying the latest Market Report from E.ON. Martyn notes that the Libyan oilfields will not be producing for about another 6 months. Assuming that relative peace returns to the country, oil companies will shortly begin to send staff back to inspect plants and get the machinery working. Martyn advises: "Summer 2012 is looking as if it may be a good time to contract. "

#### **Commercial Energy Costs**

|  | Year Aug 2010 – Aug 2011 |           |
|--|--------------------------|-----------|
| Supply                                   |                          |           |
| Average front month power contract price | 17% higher               | 8% higher |
| Average front month gas contract price   | 32% higher               | 9% higher |
| Average front month oil contract price   | 42% higher               | 6% lower  |
| Average Annualised power price           | 13% higher               | 2% higher |
| Average Annualised gas price             | 21% higher               | 1% higher |

# 12. How Are We Doing?

Compared to our European neighbours in Greece, Italy, Spain and Portugal, there is a measure of satisfaction in the latest employment data. But then, one could argue that the current Consumer Prices Index inflation rate of 4.5% is modest compared to the 28.9% Retail Prices Index, inflation rate of 28.9% recorded in August 1975. However you present the current inflation rate, it is still more than double the government's target of 2% and represents a downturn since August 2010, 3.1% CPI and August 2009, 1.6% CPI. This month's unemployment figures are also not doing us any favours, as can be seen from the table below. It is very much a tribute to the strengths of our institutions and the integrity of our reporting procedures that world financial markets trust the UK to reduce its budget deficit and to find a successful remedy for our current economic ills.

# 13. Unemployment In East Kent

Of the wards in Thanet, Viking and Birchington South are the only ones to record a significant increase in employment in the last twelve months with gains of 29% and 25% respectively. Royal Tunbridge Wells is the only one of twelve districts in Kent to claim more people in work now than in August 2010. Households in this wealthy mid Kent town have less reason than anyone in the county to write letters signed "Disgusted of Tunbridge Wells". Although there are just three more residents there now with a job than a year ago, the chauffeurs or butlers who are now earning a wage will no doubt be repeatedly touching their forelocks in gratitude for their posts. We have not received any confirmation that Downton Abbey will be filming in the town, but we will keep readers fully informed.

|                 | August 2011 |                | Change since August 2010 |        |
|-----------------|-------------|----------------|--------------------------|--------|
|                 | Unemployed  | % of workforce | Number                   | %      |
| Thanet          | 4,436       | 5.6%           | +513                     | +13.1% |
| Ashford         | 1,906       | 2.7%           | +161                     | +9.2%  |
| Canterbury      | 2,368       | 2.4%           | +291                     | +14.0% |
| Dover District  | 2,359       | 3.6%           | +354                     | +17.7% |
| Maidstone       | 2,410       | 2.5%           | +253                     | +11.7% |
| Shepway         | 2,577       | 4.2%           | +164                     | +6.8%  |
| Swale           | 3,194       | 3.8%           | +326                     | +11.4% |
| Tunbridge Wells | 1,173       | I.8%           | -3                       | -0.3%  |
| Kent            | 34,730      | 3.3%           | +3,236                   | +10.3% |
| South East      | 139,304     | 2.6%           | +6,600                   | +4.9%  |
| GB              | 1,515,030   | 3.9%           | +118,022                 | +8.4%  |

# 14. Message From Kent Economic Board

The Adult Health and Social Care Market was the subject of an email received at the Chamber from Roger Gabriel, Skills Manager at the Kent Economic Board. Roger states: "We are writing to invite you to a business growth consultation on the afternoon of Monday, 19th September for businesses with special interests in Adult Health and Social Care. During the course of this year Kent County Council (KCC) with Kent Economic Board (KEB) has been hosting a programme of consultations with the sectors of the economy with significant growth potential for Kent. This consultation is part of that continuing programme, but untypically it is focussing on the market potential that an ageing population presents economically and therefore will appeal to all businesses that might serve this market. With this in mind, the aim of this business growth meeting is to open a dialogue with all businesses that will benefit from this shifting demography. The event will be championed by Cedric Frederick, Chief Executive of Avante Partnership, a leading provider of residential care homes and care at home services in the South East. Cedric is a member of the KEB Business Advisory Board. We start proceedings with a short introduction, followed by three general presentations, which will present you with views from different perspectives on future challenges and opportunities for growing your business. Further details can be found at <u>www.keb.org.uk</u>. An email to <u>sylvana.jones@kent.gov.uk</u> will secure a place."

# 15. Colourful Incident Off The Goodwin Sands

In keeping with the maritime flavour of this edition of the Thanet & East Kent Insider, we are pleased to quote the words of one Chamber member who tells us of an incident off the coast of Ramsgate. We have our doubts about this story but we leave it to readers to judge for themselves. "It happened quite a few years ago now. Many chamber members will know of the dangers of sailing too close to the Goodwin Sands, but that is just what happened to two small freighters on their way to Tilbury. I remember the sailors had to be airlifted by helicopter from the sands. Come to think of it, it must have been in late 1978 just after the opening of the Northfleet Hope Terminal. Anyway, the two ships had been routed from Rotterdam, but due to the bad weather and high seas were hugging the coast off Deal. While they were taking avoiding action to miss the Goodwin Sands, they collided. It was most unfortunate. One vessel was carrying 10,000 large tins of red paint and the other 20 foot containers of blue paint. Luckily, there were no casualties, but 16 crew members were marooned."

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BOYS & MAUGHAN

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