



Your Business Bulletin from Thanet & East Kent Chamber

Thanet & East Kent Insider

4th November 2012 Issue No.: 197

1. Your Railway, Our Business

The Chamber Business Networking Breakfast on Friday 16th November 2012 will feature a presentation by Vince Lucas, Service Delivery Director at Southeastern Railway. Vince will outline the current and future operations of our railway network which includes the UK's first High Speed service to London St Pancras. Of interest to any company trading in East Kent, the presentation will give delegates the latest information on this vital aspect of our logistics infrastructure. Owners of commercial or residential property will gain an insight into land values and transport routes for freight and passengers. There will be ample time for networking and questions. The event will take place in Manston beginning at 0730 hrs and will finish just before 0900 hrs. Booking is essential. The price of £12 for Chamber members includes a full English breakfast with a vegetarian option. To reserve your place, email admin@tekco.co.uk with the subject line "Railway Breakfast 16 November 2012". There are a limited number of places for non-members at £20 each.

2. Do You Look Beautiful?

If you attended our recent Renewable Profits, Renewable Energy seminar on 19th October 2012, visited the Discovery Park with us or attended our Golf Day at Prince's Golf Club on 12th October 2012, your image, beautiful or otherwise, will be on our official photographer's website at <http://www.photoboxgallery.com/DDCC>. Feel free to operate the slide show or to click on individual slides that feature your best side. There are 860 photographs available for your commercial or social purposes. For a license to use or for printed hi-res copies in almost any format, Chamber members are invited to contact Rosie Anton direct for discounted prices. She can be reached at Anton Images by email to wrosie@hotmail.com and by telephone to 07812379845 or 01304 620663.

3. Discovery Park

As predicted in the Chamber Newsflash sent to members last week, the owners of the Discovery Park had some important announcements to make last Friday. John Ryall of ITV Meridian included a rounded account of developments

in his broadcast on the evening news of Friday 1st November 2012. Few can doubt the veracity of Discovery Park’s managing Director Paul Barber’s claim that “the buildings here are truly world-class, everyone tells us that”, but not everyone was aware of the plans to create a minimum of 3,000 jobs by 2017. The final total could even be twice as much with 6,000 jobs being within the scope of the more optimistic forecasts. Readers of the Thanet & East Kent Insider edition 191 of 5th August 2012 will be aware of the full background of the new owners and their success in regenerating the former Samsung site in Billingham. The loss of 450 jobs there when Samsung closed was a bitter blow to the Teeside economy which has since been sweetened considerably by the creation of 2,000 jobs on site in 65 companies including prestigious names from the private and public sector such as Balfour Beatty, Biotech Solutions, BSKyB, CapGemini, NFU Mutual, NHS and the Audit Commission. Do you share that optimism? Click on “New Sandwich Jobs” at <http://www.itv.com/news/meridian/2012-11-01/developers-predict-up-to-6-000-jobs-for-sandwich/> and hear for yourself. The Chamber makes a contribution to the broadcast at 01:30.

4. Recovery Park

We have heard about our wonderful Discovery Park, but is East Kent now in the Recovery Park? Certainly, the latest data from the Office for National Statistics and Kent County Council’s ever-excellent department of Business Intelligence might give us cause to think so. No-one is quite sure who first gave us the phrase “Lies, lies and damned statistics”, but whether it was Benjamin Disraeli, Mark Twain or Uncle Tom Cobley, it is regularly trotted out when someone else’s data does not fit your opinion. Politicians of all parties are reluctant to claim any “green shoots of recovery”; perhaps they bear in mind the controversy that continues to surround Gordon Lamont’s use of the phrase as Chancellor of the Exchequer in 1991. It seems that there is something distinctly unmanly about premature speculation which does not sit well with mature statements on the economy. Wild predictions can lead to business leaders being caught with their pants down and exposed to the righteous indignation of the press. Indeed, this Chamber has always been reluctant to quote monthly changes in unemployment, preferring, as we did in the last edition of this business bulletin, to gauge progress through the annual differences rather than the less reliable short term fluctuations. But, and you knew there was going to be a ‘but’, there is a measure of encouragement in the quarterly changes in the unemployment figures for East Kent. As the table below indicates, in the three months to September 2012, Canterbury alone of the four district of East Kent records an increase in unemployment. Thanet, Dover and Shepway have all witnessed a fall in the jobless total, not by much, but a fall it is. Just as Doncaster Rovers supporters welcome a goal scored of any description, most East Kent companies will appreciate the upturn and will look forward to confirmation in the next quarter. We have added the figures for Sevenoaks on the basis that since Downton Abbey appeared on our television screens, there has been an increased appetite for viewing the progress of the upper classes.

5. Unemployment Quarterly Change

District	September 2012		Change since July 2012	
	Number	% of Workforce	Number	%
Thanet	4,806	6.1%	-18	-0.4%
Canterbury	2,381	2.4%	+5	+0.2%
Dover	2,477	3.8%	-166	-6.3%
Shepway	2,663	4.3%	-54	-2.0%
Sevenoaks	1,207	1.7%	-64	-5.0%
Kent	35,037	3.3%	-912	-2.5%
GB	1,488,740	3.8%	-20,170	-1.3%

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6. What About The National Picture?

This Chamber represents Dover, Thanet and East Kent. The happenings in the Midlands and the Outer Hebrides are understandably of less interest to the majority of our members. Nevertheless, national trends impact on our balance

sheets and it is worth noting that there is further encouragement to be gained from the improvement in Gross National Product, described by our esteemed national broadcaster as “arguably the most important of all economic statistics” [BBC, 26 April 2011]. The table below shows the trend since September 2011 and reveals at once the new-found strength of manufacturing and the continuing weakness of the construction sector. The steep rise overall in the last quarter can only be partly explained by the London 2012 Olympics. Chamber members will be looking for gains in the service and banking sector to be translated into easier access to capital.

7. UK Gross Domestic Product

Quarter	Manufacturing	Construction	Services	GDP
2011 Q3	-0.4	-0.5	+0.8	+0.6
2011 Q4	-0.9	+0.3	-0.1	-0.4
2012 Q1	0.0	-6.6	+0.2	-0.3
2012 Q2	-0.8	-3.2	-0.1	-0.4
2012 Q3	+1.1	-2.5	+1.3	+1.0

8. Comment On Energy Costs

We are grateful to Martyn Young, Procurement Services Director at Chamber member Zero Trace Procurement of 118 Piccadilly, Mayfair, London tel: 0781 353 7456, for his informed comments on energy costs and sending us the latest Market Report from E.ON. In an email to the Chamber last Friday, Martyn tells us that: “Gas storage yesterday was at an all-time high in the UK.” Noting the sharp differences between the steep rises in domestic prices recently announced by energy companies and the contract price for industrial users, Martyn adds: “Seasonal rises have started – but not particularly for gas contracts which are pretty flat if you look around. Just highlights the difference between the domestic and business markets.” Anyone who watches the evening news will know that disturbances in the Middle East can often have repercussion on the pump prices in East Kent petrol stations. The experts at E.ON comment on events in October 2012: “Shelling across the Turkey/Syria boarder intensified, which increased prices due to the inherent supply risk, however, towards the end of the month high stockpiles in the US and poor economic data pulled the price back down.”

9. Facts About Energy Costs

Supply	Year		Month
	Oct 2011 – Oct 2012		October 2012
Average front month power contract price	10% lower		12% higher
Average front month gas contract price	no change		10% higher
Average front month oil contract price	3% higher		3% higher
Average Apr'13 Annualised power price	7% lower	Apr'13	3% higher
Average Apr'13 Annualised gas price	4% lower	Apr'13	3% higher
Average Apr'13 Annualised oil price	4% lower	Apr'13	4% lower

10. Manston Airport Meeting

We are grateful to Heidi Godden of Kent International Airport Consultative Committee (KIACC) for informing us of the public meeting scheduled for Friday 30th November 2012 at 6.30pm at Kent International Airport, Manston. We emphasize that this is not a Chamber event but is being organised by KIACC as part of its public remit. Heidi tells us

that: "The Constitution of KIACC provides for one meeting a year at which the public can attend. In recent years, in keeping with our wish to provide a public forum for discussion on airport issues, the Chairman has extended this provision so that the public can not only attend but have the opportunity to speak. So far nobody has objected to this commonsense approach! After the formal business of the meeting there will be ample opportunity for members of the public to ask questions and make suggestions (but not, please, long speeches). It would be helpful in making best use of time if people with specific questions could let us have them in advance so that they can be grouped together, suggestions to secretary.manstonkiacc@talktalk.net. And if they are not reached they can be passed on to the appropriate quarter for a response." In the past, these meetings have provoked some enthusiastic reactions from a minority of protesters.

11. New Companies

Jon Cleverdon of Cleverdons Chartered Accountants has contacted the Chamber with the news that: "The number of businesses in the UK stood at a record high at the start of 2012, official figures from the Department for Business, Innovation and Skills (BIS) have revealed. The statistics show an increase of 300,000 businesses compared with the 4.5 million recorded at the start of 2011. Of the 4.8 million private sector businesses in operation at the beginning of 2012, 99.9 per cent of them were small and medium sized enterprises. According to the data, SMEs account for 59.2 per cent of private sector employment and 48.8 per cent of private sector turnover. Commenting on the figures, Business Minister Michael Fallon said: "Today's figures show that we now have a record number of private sector businesses in the UK. We have always said that private sector is central to healing and rebalancing our economy and this increase is another encouraging sign. We know that our entrepreneurs drive growth, so we will continue to do everything we can to help unleash and unlock entrepreneurs' potential. The additional tax relief for angel investment, reforms to employment law, investment in business mentoring and further cuts in red tape are just some of the actions government is taking to create a better business environment." The two largest business support organisations in the East Kent coastal business community, the Dover and Thanet & East Kent Chambers of Commerce, operate the East Kent Business Advice Clinic without any of the investment in business mentoring mentioned by Michael Fallon or any government funds to support SMEs. We will inform members if the situation changes.

12. Tough Boss

This Chamber benefits from a lively correspondence from members, much of which is entirely unsuitable for publication. From time to time, one of our members will send us a tale which is not libellous, political nor insulting to a public body. Such was the case last week with this account from a senior executive at a manufacturing company. We have our doubts about this story, but we leave it to readers to judge for themselves. "It was my first job and as you can imagine I was keen to make a good impression on my boss, not an easy task. We get on really well these days; we even had our family holidays together last year. When I first joined the firm in the early eighties as a somewhat naïve young man in his first posting, the country was in the middle of a recession, orders were at record lows, the business was on a knife edge and the boss was at his most vindictive. I wonder now why they took me on, but it was part of reform across the group and I was just grateful for the chance. We did get through the rough patch. When I look back on it, I realise how well prepared we were for the current downturn, which has had little effect on us thank goodness. I suppose experience does count in tough times. Anyway, on my first day the general manager brought me to see the big boss. 'Well, then come on young man. We must decide which office you are in. What's your name? What's your name? Be quick about it. Time is money you know.' 'Peter, sir', I said. 'Peter?' he exploded. 'That's not good enough. Not good enough at all. We don't use first names here. Your manager is Johnson. Our accountant is Perkins and the post boy is Miller. Come on, lad, spit it out. What's your name?' I had no choice but to tell him. 'Darling, sir. I'm Peter Darling.' There was a moment's lull in the storm and then he said quietly. 'Very well, your office is second on the left, Peter.' We have not had a cross word since.

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It's happening now, it's happening in Thanet & East Kent.
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Thanet & East Kent Chamber Limited

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