

INSIGHTS.

NEWS, INTELLIGENCE AND EXPERT OPINION FOR EEF MEMBERS

AUTUMN/ WINTER 2011

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UK EXPORTS FLYING HIGH

*Overseas exports have helped manufacturers survive the recession and are now contributing to improved productivity, **Pg 10***

A note from our CEO

Manufacturing Insight for EEF members

Growing exposure to export markets over the past decade has not only helped manufacturing companies survive and recover from the recession but has also been of benefit to the wider UK economy.

As such, EEF continues to highlight opportunities for export growth in our sector. Read on pages 10-13 how we have been working with member companies to boost exports and help resolve the issues that come with entering new markets.

We are also putting pressure on government to cut back on regulations which threaten to

hinder growth. Please read of my role as the sector champion for manufacturing in the government's 'red tape challenge' on page 9.

In March 2012, we will focus on UK competitiveness in the global economy at EEF's inaugural National Manufacturing Conference.

EEF will showcase an impressive line up of very senior manufacturing leaders and politicians who will engage in a stimulating blend of key note addresses, panel debates and best practice workshops.

Terry Scuoler, CEO, EEF



EEF Events

Intelligence-sharing, best practice and networking opportunities

■ LinkedIn to your employees' use of social media?

Various locations, 15 Nov – 14 Dec
Cost: £145* – EEF members
£175* – non-members

■ Managing and negotiating in the modern manufacturing workplace

Various locations, 29 Nov – 12 Jan
£245* – EEF members
£295* – non-members

■ EEF @ Advanced Engineering Show UK 2011

The show brings together some of the UK's highest-growth advanced engineering sectors through four co-located shows – aerospace, advanced composites, energy generation and plastics electronics.
NEC Birmingham, Hall 20, 9-10 Nov
Cost: We are offering a limited number of delegate upgrade passes to

our members, valued at £75 each.
Contact:
jroberts@eef.org.uk

■ EEF National Gala Dinner & awards celebration

Plaisterers' Hall, Old London Wall, London, 26 Jan
Cost: Early booker single (before 31 Dec): £195*
Early booker table of 10: £1900*
Full price single: £215*
Full price table of 10:

£2100*
Contact: rross@eef.org.uk

■ Member Connect

Various locations and dates
Cost: Free and exclusive to EEF members

To see our full events listing and for booking information, **EEF booking line: 0845 293 9850**
www.eef.org.uk/events

*(+VAT)

DESIGNING DEMAND

Ellie Runcie, Director at the Design Council, tells Insights how investing in design can expand your business into overseas markets

Q: How significant is investment in design and innovation to the success of a manufacturing business?

A: Critical, if they are to ensure a secure a sustainable, successful future. Design is integral to innovation – and innovation drives growth, helping to transform markets – look at Apple! Crucially for SMEs faced with big-business competition, design can unlock growth potential by identifying new ideas that enable the diversification of a product or service, opening up new markets. It can help established businesses reposition themselves and communicate more compelling and differentiated brands. This is because good design is always focused on the needs of customers and end users, delivering solutions that add value.

Q: What are the benefits for manufacturers with the Designing Demand programme?

A: They learn how to become more innovative, more competitive and more profitable through the strategic use of design. Over the coming year, the programme is focusing on all sectors of manufacturing; everything from food and drink to aerospace and automotive. Our established team of 55 Design Associates – a national network of design management specialists – lead businesses through an intensive diagnostic process to identify their biggest strategic challenges and explore opportunities for design to overcome.

They provide guidance and direction that enable businesses to implement important changes that will often include investing in design projects that will ensure commercial impact.

Q: What does it cost, and how much time does it take?

A: There is 50 per cent match funding from government towards the cost of mentoring. Depending on the level of intervention, this will mean a cost of either £2.5k or £5k. A company will typically experience six to 10 months on the programme, the end of which sees them join the Design Council's rapidly growing global network of design-led innovators across sectors. Design projects taken forward by companies, as a result of the mentoring service; tend to vary in type and in cost, but often businesses will see substantial returns on their investment.

Q: What sort of returns can be expected from the mentoring programme?

A: Through our mentoring service, typically businesses are likely to see over £25 return on investment for every £1 they have invested in design. It has enabled business owners and entrepreneurs around the UK to open new markets, cut costs and reduce risk. Gripple, a Sheffield-based manufacturer, had a turnover of £18m in May 2007 from the wire joining and tensioning devices they design and



Ellie Runcie, Director of design, innovation services and networks, Design Council

manufacture. Since then, the firm's turnover has grown by 20 per cent per year. It now sells more than 30m of their devices each year to 80 countries. Its products support the vines that produce over 15m litres of wine production each year and hold up the world's longest fence. The company achieved all this by combining a drive to innovate with a commitment to design. With the support of Designing Demand, they embedded design throughout their product development and commercialisation processes.

TRANSFORM YOUR POTENTIAL

To find out how you can become part of the Designing Demand focus on manufacturing, visit: www.designcouncil.org.uk/business

TOUGH JOB AHEAD

Following the death of Apple's co-founder Steve Jobs, the future of the technology giant will largely depend on British-born Jonathan Ive, the design genius behind the iPad and iPhone



London-born designer Jonathan Ive is the senior vice president of industrial design at Apple, reporting directly to the CEO. For the past 15 years, he has been responsible for leading a design team widely regarded as one of the world's best. Ive has played a key role in Apple's success, dreaming up the distinct look and feel of the phones, computers and other gadgets that have become consumer must-haves.

Ive helped design the iMac, iPod, iPhone and iPad, and he had such a close working relationship with

Jobs it is reported some insiders joked they shared a brain. With Apple's executive team now rallying around newly-appointed CEO Tim Cook in the wake of Jobs' death last month, it will be up to Ive and his studio of designers to carry on the artistic legacy that has proven so vital to Apple.

Following Jobs' death at 56 resulting from pancreatic cancer, Mr Cook said Apple has lost a visionary and creative genius, and the world has lost an amazing human being. "Those of us who have been fortunate enough to



know and work with Steve have lost a dear friend and an inspiring mentor. Steve leaves behind a company that only he could have built, and his spirit will forever be the foundation of Apple," he said.

"No words can adequately express our sadness at Steve's death or our gratitude for the opportunity to work with him. We will honor his memory by dedicating ourselves to continuing the work he loved so much."

Apple design chief Jonathan Ive may not be the brand name that Steve Jobs was. But the future of Apple will largely depend on his ability to continue to deliver gadgets that consumers must have.

REVOLUTIONISE THE WAY YOU OPERATE

EEF's business improvement team can help you tackle the challenges of today, to prepare your business for a brighter tomorrow. Contact David Caddle to find out more: dcaddle@eef.org.uk

YOUR REGION NEEDS YOU

EEF's member engagement meetings have transformed into Regional Advisory Boards. Improved transparency, enhanced listening and greater member participation have all driven this important change

EEF's new Regional Advisory Boards will continue to attract senior decision makers from across manufacturing to ensure key issues are captured, debated and articulated effectively.

Member feedback is crucial to our successes in lobbying for manufacturing in London and in Brussels. The meetings continue to promote the interests of regional companies and act as a test bed for shaping EEF services.

In the North West last month, members benefitted from a captivating presentation from Jaguar Land Rover's Halewood Operations Director, Richard Else, who covered the history of the site and the recent success story of the JLR brands.

EEF members were invited to witness first-hand the assembly of the critically acclaimed new Range Rover Evoque – 24 hours prior to its UK launch.

In the Midlands, EEF's two Regional Advisory Boards represent the breadth of manufacturing across the region with senior business leaders from automotive, furniture, aerospace, energy and electronics companies.

Regional Director Richard Halstead said members have

networked with other high-profile companies, debated with politicians, visited other member sites, contributed to national policy and advised EEF on its products and policies.

David Bramwell, Deputy Chair of the East Midlands Advisory Board, said, "I think EEF has an absolutely excellent policy unit with real influence over government thinking about the manufacturing sector. It is very rewarding to know you can talk directly to people who will understand the issues that you have to deal with on a daily basis, be it employment legislation, health and safety or environmental issues and that your views can be passed on to government. It is also a great opportunity to meet with like-minded people to discuss a range of common issues affecting manufacturing and exchange experiences."

BECOME A DECISION MAKER CEOs, MDs and owner managers are encouraged to join our extensive regional networking programme. To enquire about joining your Regional Advisory Board, please find contact details for your Regional Director on the back page of Insights, or online: www.eef.org.uk



DUKE OF YORK OPENS EEF GATESHEAD

At the official opening of EEF's new office in Gateshead, Prince Andrew backed the need for more young people to enter manufacturing.

Meeting local business leaders at the event, the Duke of York heard a range of concerns from manufacturing companies; including the skills gap, training and apprenticeships.

He said: "I do think there should be more apprentices and I applaud the decision of this government to increase the number in the workplace."

MAKING SKILLS MATTER

EEF's Wales Skills Summit brought together local manufacturers to help solve a potential skills shortfall of around 2500 within the next three years



ITV Wales Tonight profiles manufacturing delegates setting the local skills agenda

EEF intends to use regional Skills Summits across England and Wales to gather intelligence on the real skills needs of the industry, to help shape provision and policy.

The second in our Skills Summit series, held at Cardiff's Swalec Stadium in September, gathered local manufacturers, influencers, opinion formers and training providers to understand the depth of the problem and to stimulate change.

EEF Wales Director Paul Byard said despite a potentially daunting outlook for skills, it certainly isn't all doom and gloom for manufacturing in Wales.

"Many businesses are responding by focusing on innovative new products and services – a trend

that more than anything relies upon nurturing the talent of our people. However, we need both industry and government to form partnerships to fulfil our manufacturing potential in Wales," he said.

Gareth Jenkins, managing director of FSG Tool and Die and Chair of the AMaM Sector group in Wales, said that broadening the skills base and enhancing the appeal of manufacturing to young people are key to supporting a vibrant industrial sector.

"The Welsh government has been very positive in its engagement with manufacturing and support for enhancing our skills base to date. Many private sector companies now feel it is entirely appropriate that when companies ask for investment or relocation support, government builds on this positive action by asking them to demonstrate their skills engagement so that we build critical mass while widening the overall skills base," he said.

CONTACT US:

To become involved in the skills debate in your region, find contact details for your local Regional Director on the back page of Insights.

BREAKING THE SKILLS GAP

EEF is working with the Engineering Development Trust on its Year in Industry programme, helping manufacturing companies gain access to talented and dedicated students to drive your business forward.

We know attracting the best young people into your company is a vital business challenge.

The Year in Industry will help you meet this challenge and much more.

Each year thousands of the sharpest young people apply to the scheme, searching for challenging work experience in the year before or during their degree course.

For more information, or to offer a placement, visit: www.etrust.org.uk/

APPRENTICES ON THE AGENDA

Manufacturers enlist the support of EEF's Apprentices and Skills service to boost business growth

Apprenticeships have been high on the agenda of politicians and the press this year, and EEF's own Skills Summits have identified apprenticeships as a business critical issue for the future of manufacturing.

Apprenticeships have contributed to a boost in overall productivity and profitability for our member companies, and also built the foundations of a solid career for many young men and women.

EEF's Apprentices and Skills Business Development Leader Jeff Matthews has been involved with EEF's apprenticeship programme for 12 years. He and the team have united hundreds of companies with the ideal apprentice.

"This year we have doubled the amount of apprentices we work with, and we've also had an intake of around 30 companies which are employing an apprentice for the first time," he said. "We're also seeing an increase in organisations reinstating apprenticeship programmes which have laid dormant for years, and in companies boosting the intake of existing apprentices."

Goodrich, the global supplier of systems and services to the aerospace and defence industries, is increasing its number of apprenticeships from 23 to 34 by the end of this year.



Goodrich apprentices build rafts at EEF's outward bounds team-building event

HR Advisor Nicola Morris said Goodrich sees apprentices as the future of the organisation.

"Our products are built on quality and it's our workforce who makes the products, so it's imperative that we continue this standard by refreshing our intake – especially when longstanding colleagues retire," she said.

Mr Matthews said the quality of apprentices has increased this year, perhaps as a direct correlation of the rise in university tuition fees.

"Today's youngsters are extremely smart and they've realised that an apprenticeship is actually a credible alternative route into higher education, which has a guaranteed

job at the end of it," he said. "They're also aware that just having a degree in engineering doesn't actually help because they're missing those all-important practical skills and work-based experience that you get through an apprenticeship. Today it's about growing a technical workforce through a technical route and that's what employers are heavily investing in."

CONTACT US:

To find out more about how apprenticeships can benefit your business, visit www.eef.org.uk/apprentices

GREEN LIGHT FOR GROWTH

EEF has recently launched its final campaign of 2011, Green and Growth, aimed at creating a simpler and more effective approach to climate and environment policy

If economic growth is to be truly sustainable it needs to be based on both better balanced growth and measures which address environmental concerns such as climate change.

EEF External Affairs Adviser Rocky Lorusso said our research over the next three months will seek solutions to the apparent contradictions between government intentions to become more 'green', against the need to grow the economy.

"On the one hand, government wants UK manufacturing to play a bigger role in the economy. On the other, bad environmental policies drive up costs for companies in the UK which they simply do not face elsewhere reducing their ability to compete," he said.

"At EEF, we believe in an approach to environmental policy that helps companies to meet their environmental responsibilities in an

effective way, allows manufacturers to remain competitive and encourages the UK to become a world leader in environmental technologies."

KEY ACTIONS FOR EEF'S GREEN AND GROWTH CAMPAIGN:

- to push government to reduce the complexity, burden and cost of environmental regulation
- to argue for steps to ensure the UK has secure and competitively-priced energy supplies
- to campaign for measures to help companies develop, produce and commercialise green technologies here in the UK
- to provide our members with support and services to get ahead of the game in these areas



ADDING THE POWER OF YOUR VOICE TO OURS

As part of EEF's Green and Growth campaign we have held successful party conference fringe events linked to our members' climate and environment policy concerns.

At the Conservative Party conference, featuring Energy and Climate Change Minister Greg Barker, we hosted an event titled 'Carrot or stick? Have we got the balance right on climate change?'

The Minister said he wanted to ensure advanced manufacturing was not de-emphasised or sent abroad as result of UK climate change policies.

He said manufacturing must be at the centre of the UK economy and that it is important government is on the side of advanced manufacturing.

Above: Discussing climate change policy at the Conservative Party conference: Energy and Climate Change Minister Greg Barker and Steve Radley, EEF's Director of Policy and External Affairs

RED TAPE CHALLENGE

EEF's CEO Terry Scuoler is championing to cut government red tape and remove barriers to growth for UK manufacturers



Never has it been more important to cut back on red tape and bureaucracy, in order to help fuel the UK's economic recovery. Whilst growth is threatening to stall, regulations weighing down the economy continue to pile up.

In our 2010 report "Reforming regulation: improving competitiveness, creating jobs", EEF analysis determined that over the eight years to 2010, the cost to UK businesses of new regulations more than doubled to £11.5bn.

EEF has now given its full support to the 'Red Tape Challenge', a government initiative asking businesses to advise which regulations are working, which could be improved and which should be scrapped.

At the Conservative Party Conference in Manchester last month, Prime Minister David Cameron said there's too much 'can't do' sogginess around economic growth. He said we need to be a sharp, focused, can-do country.

"We need jobs - and we won't get jobs by growing government,

we need to grow our businesses. So here's our growth plan: doing everything we can to help businesses start, grow, thrive, and succeed," the Prime Minister said.

"Where that means backing off, cutting regulation - back off, cut regulation. Where that means intervention, investment - intervene, invest. Whatever it takes to help our businesses take on the world - we'll do it."

At EEF, we have promoted the initiative to members, collated their views and our CEO Terry Scuoler has acted as the sector 'champion' for manufacturing.

In this role, he is working to ensure issues raised by manufacturers, like the implications of the abolition the default retirement age and the operation of employment tribunals, are heard and acted on.

Mr Scuoler has sat alongside ministers and challenged officials to only keep those regulations which are absolutely essential, but to also find ways to make those which are not, more business friendly.

"Our backing is not unconditional. In return for promoting and supporting this initiative, we expect manufacturers' views to be taken seriously and for the government to deliver substantive reforms that make it measurably easier to do business," he said.

"If that means tackling an issue at the European level, the government will need to show it has the appetite for the often protracted debate with EU officials and partner nations to limit unnecessary regulation."

Between now and the end of the year, the government is due to announce how it will ease the burden in crucial areas like employment law and EEF will be holding it to account.

CONTACT US:

To become involved in the Red Tape Challenge for manufacturing, find contact details for your local Regional Director on the back page of Insights. Or visit: www.redtape-challenge.cabinetoffice.gov.uk

Airbus has completed installation of the first Rolls-Royce Trent XWB flight-test engine on the A380 "flying-testbed" aircraft



PASSPORT TO GROWTH

Export is vital to the prosperity of UK-based manufacturers and to the rebalancing of our economy. Even with dark clouds gathering over some of the UK's main markets, there is still potential to boost activity abroad

Exports continue to drive modern UK manufacturing, with EEF's latest survey showing stronger prospects for overseas sales than domestic orders.

At EEF, 90 per cent of member companies are involved in exporting and for two fifths of these, exports now account for more than half of turnover. EEF Chief Economist Lee Hopley says growing exposure to export markets over the past decade has not only helped manufacturers survive the recession but has also contributed to improved productivity, which has benefited the wider UK economy.

"Across EEF's membership Europe remains the most significant market for UK goods, but we've seen big inroads into faster growing emerging

economies. Around 55 per cent of EEF members export to Asia and more than a third to the Middle East," she said.

Green initiative

Airbus, a subsidiary of EADS, has achieved a brilliant year of export demand, including the world's biggest aircraft order from American Airlines, and the largest order in Australian aviation history, care of national carrier Qantas.

A new £400m plant making carbon-fibre wings for Airbus' new A350 airliner will secure 6,000 jobs at the company in Broughton, North Wales. More than half of the wings' make-up will be carbon fibre, which, says Airbus, will make the A350 25 per cent more fuel efficient than current airliners of the same size.



The wings are one of the most technically sophisticated parts of a plane and typically represent about one fifth of the total value of the aircraft. Airbus said it means job security for the coming years at Broughton, the site where more than 560 orders have been received

for the A350. "The Airbus North Factory, a truly world-leading aircraft wing assembly plant, is a major pillar in the Airbus global setup.

"The opening today marks an important milestone for our A350

programme as we move towards the start of the aircraft final assembly", said Airbus CEO Tom Enders. "This new facility and all the teams working on building our A350's carbon-fibre wings will play a vital role in delivering this new generation aircraft."

Other companies likely to benefit from the Airbus contracts include Rolls-Royce, part of a consortium that will make some of the engines for its aircraft, and Messier-Dowty, which makes landing gear.

Skills breeds success at EDM

EEF member company EDM said securing lucrative contracts with North America, China and Russia has increased its turnover by more than £5m over the three years to 2010. The Manchester-based SME is a supplier of evacuation training and service simulators for all major aircraft and helicopters, and its



export contracts currently account for 80 per cent of annual turnover.

The key to EDM's success, according to Mick Bonney, Associate Director Business Development, is the blending of traditional engineering values with enlightened 21st century team building skills. "It's a place where individual initiative and loyalties are respected," he said. "In part this is reflected in the vigorous recruiting of apprentices and forward-thinking new arrivals into the growing EDM team of more than 130 people."

New product innovation revs up JLR's future

At EEF member company Jaguar Land Rover, some 75 per cent of production is exported, returning £8bn last year.

JLR employs more than 19,000 people directly in the UK and supports up to 140,000 jobs in total through the supply chain, dealer network and wider economy.



JLR has said the company has ambitious growth plans, and will be investing £1.5 billion a year for the next five years on new product developments, and a further £100 million in an advanced research facility at Warwick Manufacturing Group.

The company have also confirmed a £355 million investment in a new, state-of-the-art advanced engine facility to be built in Staffordshire, near Wolverhampton in the Midlands.

CEO Ralf Speth said, "As part of our long-term strategy for the JLR business, we will design, engineer and manufacture a new family of advanced engines. Our engineers are continuously pushing the boundaries of technological innovation to develop new generations of lighter more efficient vehicles and highly advanced powertrains and this will provide impetus for further growth, increased export revenue and even more new jobs."

YOUR EXPORT PRIORITIES

In our January edition of *Manufacturing Focus*, we will report the findings of our export membership survey. The survey will establish what your export market priorities will be over the next year and where there are likely to be opportunities for growth.

Focus on export growth at EEF's manufacturing conference

UK competitiveness in the global economy will be the key focus of our inaugural National Manufacturing Conference in London in March 2012.

For more information about our stimulating blend of key note addresses, panel debates and best practice workshops, see the article on page 16 of *Insights*, or visit: www.manufacturingconference.co.uk

PARTNERS FOR EXPORT SUCCESS - UKTI AND EEF JOIN FORCES

Exports are the lifeblood of the UK manufacturing industry and for many of its businesses, the key to sustained growth. Any compelling business proposition has its challenges, of course, for those seeking to expand overseas. That is why it is key that firms have access to the right resources and support, all in one place, to help them make informed decisions and to ensure they achieve their export potential.

In July 2011, UK Trade & Investment (UKTI) and EEF

signed a memorandum of understanding to work on promoting export services to UK manufacturing and engineering businesses. The joint partnership focuses on developing a range of practical initiatives to help these businesses boost exports and navigate the issues that come with entering new markets.

One of the ways that UKTI delivers its services is through its network of International Trade Teams, who are based in local offices all over the UK - and in 96 countries worldwide. UKTI tailors

its services to suit specific needs - whether delivering export training, creating customized market reports or providing overseas contacts.

By combining the expertise of EEF and UKTI, accessing new markets need not be daunting - rather rewarding. And with the ever changing global economy unlocking a stream of fresh and exciting opportunities - it makes good business sense too.

For more information on UKTI, visit www.ukti.gov.uk

FAIL TO PREPARE...PREPARE TO FAIL

How to manage and negotiate successfully in the workplace

Against today's fragile economic environment, manufacturers are implementing a range of flexible and innovative working practices to remain competitive.

At EEF, we have decades of experience helping our members manage industrial and employee relations at work. Few business support organisations have a better understanding of workforce dynamics, particularly in unionised environments.

Jeff Neild, EEF's National Head of Employee and Industrial Relations, said we support management teams with the advice, coaching and mentoring they need along with the

materials, intelligence, guidance and processes to manage just about any HR scenario.

"Whether it's negotiating on pay or changing terms and conditions, implementing lean manufacturing, optimising working time or working smarter with your headcount, the degree of your success will depend upon your ability to get the engagement and support of your people and trade unions," he said.

"Add to this, an increasingly volatile social environment where trade union activism is on the rise and the challenges for any manager may seem even greater. After all, managing and negotiating in the

modern manufacturing workplace isn't easy."

Between November and December we'll be working with ACAS to deliver a programme of events coupled with advice, guidance and support for businesses to plan for pay negotiations or future strategic or operational change.

Drawing upon our unique insight, research, recent on the ground intelligence and our expertise in helping manufacturers manage employee and industrial relations, the events will help you to plan for and effectively manage and negotiate change, whether a unionised site or not.

LINKEDIN TO YOUR EMPLOYEES' USE OF SOCIAL MEDIA?



The use of social media has blurred the lines between the private and professional world, presenting new and significant challenges for employers.

Social media offers employees the potential to comment, promote and publish whatever they want. It enables access to commentary about your employees, their work, their colleagues, your business and your customers.

At the same time, social media is increasingly useful as a recruitment tool - but to what extent should your managers be searching on social media sites to gain information about potential candidates?

At our 'LinkedIn to your employees' use of social media' events this November and December, we will present an insight into managing employee behaviour and protecting your business interests online.

Our partner JAM, a leading provider of permanent, interim

and contract recruitment solutions, will explore how social media is changing the recruitment process and how you can take advantage of the benefits.

FOR MORE INFORMATION

To attend our *Managing and Negotiating in the Modern Manufacturing Workplace* or our *LinkedIn to your employees' use of social media* events at various UK locations this November and December, phone **0845 293 9850**, or visit: www.eef.org.uk/events

FLEX YOUR OCCUPATIONAL HEALTH MUSCLES

Prof. Sayeed Khan, EEF's Chief Medical Adviser, prescribes a stronger occupational health service as the cure for unnecessary sickness absence



At a time when skills are at such a premium, the experience and technical abilities of employees in manufacturing and engineering are regarded as invaluable.

If employers are prepared to adapt their working practices and adopt a positive approach to the physical and mental wellbeing of their workforce, these skills can continue to be fully utilised.

At EEF, our occupational health services have always been designed to keep your business – and your balance sheet – in the best of health.

Our new occupational health service will help member companies improve competitiveness, boost employee performance, and reduce the financial burden associated with sickness absence and rehabilitation for workers injured on the job.

In partnership with Collingwood Health, the delivery is tailored specifically to manufacturing, and designed to be flexible based on individual company needs. The service is also affordable, with EEF members benefiting from preferential rates.

An effective occupational health strategy can help establish a culture in which employees promote their own wellbeing and follow proper safety procedures to protect their health from work related problems.

This is evidenced by EEF's 2011 Sickness Absence Survey, which shows a clear correlation of falling absence rates amongst those companies with strategies in place to train managers in sickness absence and tougher absence targets.

The survey also shows a positive impact on sickness absence and return to work discussions since the introduction of the 'fit note'.

Our occupational health services can assist you with these activities, keep you on the right side of health and safety legislation, and even help with your insurance premiums.

I encourage you to get involved, ensuring a better future for your organisation, and for the outlook of manufacturing.



Mark Partridge, Chairman of EEF's occupational health partner Collingwood

Health, says the new offering is designed to create an extended, innovative and more flexible occupational health service.

The service will be branded 'EEF Occupational Health provided by Collingwood Health Ltd'. EEF will remain a shareholder and will be influential in evolving the shape and scope of the services.

Lisa Roberts, EEF's Head of Occupational Health, will continue to lead the expanded team.

Mr Partridge says EEF members and clients will benefit from a more comprehensive service, delivered nationwide by a larger team of experienced occupational health practitioners.

"Our occupational health services help businesses improve morale, performance and productivity through preventative, focused action which matches your employee lifecycle, based on a comprehensive health and business needs assessment."

To find out more, phone **0114 261 4064** or email info@eef-ohs.co.uk



MAINTAIN THE COMPETITIVE EDGE

UK competitiveness in the global economy will be the key focus of EEF's inaugural National Manufacturing Conference in London

Manufacturing will always be a vital sector in generating wealth and national prosperity. Yet the global competitive landscape for manufacturing has been witnessing seismic shifts.

At our inaugural manufacturing conference in March 2012, we will have an impressive lineup of manufacturing leaders and politicians who will engage in a stimulating blend of key note addresses, panel debates and best practice workshops.

The conference will examine how UK manufacturing has made huge strides in productivity, maintaining its overall output through tough times.

EEF's CEO Terry Scuoler said today's modern manufacturing

sector contains world-class companies of all sizes who compete in global markets through continuous investment in new products, processes and services.

"Our conference provides the opportunity for manufacturers to challenge leading political decision-makers on the critical issues that need to be addressed if we want the UK to remain and grow as a hub for manufacturing investment," he said.

EEF's National Conference is sponsored by Lombard, and brought to you in association with The Manufacturer magazine.

Delegates are invited to attend EEF's prestigious Manufacturing Dinner at the Dorchester Hotel the evening following the conference.

CONFERENCE AGENDA

- How will we ensure manufacturing in the UK remains competitive?
- *Is the government strategy of deficit reduction the right one? Or should it do more to promote growth and support manufacturing directly more actively and directly?*
- *In the global race for economic success, what more can we do in the UK to improve our competitiveness in key areas such as tax, skills, regulation and energy?*

HOW TO BOOK

For conference bookings, or to request further information, contact Benn Walsh, **0207 401 6033**.

DRESSED FOR SUCCESS

Save more than 10 per cent by booking early for EEF's National Gala Dinner and awards celebration in London this January



EEF's exclusive, black-tie event will celebrate the best of UK manufacturing by presenting the winners of The EEF Future Manufacturing Awards and the EEF Photography Competition.

Our judges and sponsors will have scoured through hundreds of entries for both our awards programmes, to reach an agreement on our national winners for 2011.

This year, we have introduced two new categories for our Manufacturing Awards – recognising outstanding export and young apprentices – to further highlight the resilience, determination and ingenuity of the UK's manufacturing community.

Master of Ceremonies Declan Curry says the awards give manufacturers the chance they deserve to celebrate and take pride in their success.

"Engineering has a crucial role in our economic recovery in the short term, and in the rebalancing of our economy in the long term. Our future lies in providing world-beating products and services that are advanced in their technology, innovative in their design and flexible in their delivery."

The EEF Heroes of Modern UK Manufacturing Photography Competition aims to capture the people, products, places and processes that make UK manufacturing great. Professional and amateur photographers, including young talent, have put the pride back in UK manufacturing by focusing their cameras on the heroes of modern industry.

Alexander Baldock, Managing Director of our headline sponsor Lombard, said the competition provides a genuine opportunity

to show the UK public the real face of today's modern and vibrant manufacturing industry.

Giving his support to the awards, Business Minister Mark Prisk said, "Copies of last year's winning photographs hang proudly in my Westminster office – a daily reminder of what's great about UK manufacturing and how crucial the sector is to rebuilding and rebalancing the UK economy."

HOW TO BOOK

The EEF National Gala Dinner will be held at Plaisterers' Hall, Old London Wall, London, on January 26, 2012. For bookings, or to request further information, contact Rachael Moss, rmoss@eef.org.uk

MANY HAPPY TAX RETURNS



EEF's new member Advantage can access your potential share in £2bn of unclaimed tax credits

EEF member companies could benefit from an average of £40k in rebates through our newly launched initiative tapping into £2bn in unclaimed Research and Development tax credits.

Our new EEF R&D tax credit Advantage helps member companies to access potential rebates by identifying eligibility and submitting claims with expert knowledge of HMRC criteria and the manufacturing sector.

R&D tax credit is a government scheme, designed to support and encourage growth and investment in UK businesses.

In partnership with tax consultants Leyton, our Advantage takes control of the whole process, providing member companies with a 25 per cent discount on the standard claim fee, and accepting no fee for unsuccessful claims.

EEF's Head of National Partnerships Kathy Riley said the scope of projects covered by R&D tax credit is so vast, more than half the manufacturing companies eligible to make a claim don't bother.

"You don't need to have a research department, you don't need to employ scientists, you just need to have invested in an innovative new product, process or service," she said.

"Depending on the technical problems you've overcome, a wide array of projects could qualify for tax credit from developing prototypes and testing new materials, to reorganising the factory and reducing waste."

FOR MORE INFORMATION

EEF Advantages is a portfolio of exclusive deals for members. Whether an essential cost, like insurance, or a desirable business spend, like employee healthcare, EEF Advantages can slash your existing spend and change those 'nice to haves' into 'easy to affords'.

For more benefits, visit www.eef.org.uk/advantages or contact John Planck: jplanck@eef.org.uk

NEW SERVICES TO HELP MANUFACTURERS SUSTAIN GROWTH

In response to the needs of our members, this autumn we have launched our sustainable growth service support.

Member companies have told us sustaining growth continues to be a major challenge, with needs ranging from developing high-level strategy, to learning about best practice in developing new products.

Our new services will help you gain the maximum business benefit from your design, engineering and project management teams.

We address: detailed design tools; patent protection; global product development; optimising the use of domestic and overseas contract engineering; and utilising technology resources.

We also know that every business is different and has its own new product development challenges, so we are able to design a tailor-made service solution, optimised to meet your individual business needs.

For more information, contact Steve Chicken: schicken@eef.org.uk



SHOW ME THE MONEY

Alexander Baldock is Managing Director at asset financier Lombard. He explains how you can access funding to boost growth and development

Against the backdrop of widespread recognition of manufacturing's prominent role in rebuilding the UK economy, it was encouraging to see the Markit PMI figures for September 2011 show a growth in manufacturing output for the first time in three months.

This announcement provides a timely opportunity to emphasise the necessity for on-going investment if manufacturers are to leverage this period of growth to secure a sustained period of recovery and establish the UK's position in the global export market.

Fundamental to this investment is the availability of funding within the current climate. While it would be naïve to believe that the recession hasn't had any impact on lending, in asset finance terms there is no shortage of money available for businesses that want to invest. For example, Lombard has committed to lend £1bn in Q4 this year, with a further £1bn for Q1 2012.

In the past the manufacturing sector has competed very effectively against low cost economies and has been characterised by strong innovation and productivity gains. However, as

FUNDING TIPS

If a business wants to put itself in the strongest position to secure essential funding, there are certain steps that can be taken:

- Research the market: know what is happening around you and how this could affect your business
- Approach funders as early as possible – to allow time for the most appropriate funding solution to be presented
- Develop a sound business case – to give the funder a good understanding of your business goals and how you plan to achieve these
- Talk to your funder regularly – they need a good understanding of your business so that if you require additional funding, this could help speed up that process

other global economies, particularly those outside of the Euro, rebuild their economies, it is imperative that manufacturers take a longer-term strategic view to ensure that UK manufacturing is equipped to compete in the post-recovery global market.

By taking a structured approach to funding and a closer look at the benefits of asset finance such as releasing working capital and minimising risk, the sector will be rewarded by establishing its position within the new export arena.

PRACTICAL GUIDANCE ON BUSINESS-CRITICAL ISSUES

EEF has partnered with Lombard on the delivery of our new monthly Business Bulletin, a publication aimed at helping manufacturers navigate the UK's regulatory and economic environment. Free downloads of this and other publications designed to help your business stay competitive are available online: www.eef.org.uk/publications

IN YOUR NEXT INSIGHTS...

Getting health and safety on the board room agenda

Good management of risk requires the involvement of all, but without commitment and engagement from the top, the odds are stacked against success.

Feedback from EEF's national network of health and safety consultants and the results from our member survey show business leaders are taking a more active role in health and safety management.

But we have determined boards need to be actively involved in monitoring performance at a strategic level and focus attention and resources where most needed.

Until the end of 2011 EEF is running a campaign to provide the tools and knowledge to get health and safety on the agenda in the board room. From auditing, competence and planning through to setting and monitoring meaningful objectives, the campaign will help the board take an active role in strategic health and safety management.

In the next issue of Insights you will find a full overview of how to put the objectives into action. Or find tools and resources online now: www.eef.org.uk/hscampaign

SUBMIT YOUR STORY

Tell us what you want to read about in our next edition of Insights. What advice would benefit your business? Do you have a story to tell? Let us know what you want from your next membership magazine, due out next spring.

MAKE THE MOST OF YOUR MEMBERSHIP

Take advantage of the 15% discount for EEF members at our award-winning conference venues this Christmas. Each of our venues has put together a special festive package to cater to your needs; at Engineers' House in Bristol, Broomgrove in Sheffield, Woodland Grange

Please email your photos, story ideas, interview topics or event listings to Insights Editor Samantha Beech by February, 2012. Email: insights@eef.org.uk

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in Warwickshire and Broadway House in London. For our latest offers and to win great prizes in our monthly competitions, connect with EEF Venues at www.facebook.com/eefvenues and on Twitter [@eefvenues](https://twitter.com/eefvenues). Or visit: www.eefvenues.co.uk.

CONTACT YOUR REGIONAL DIRECTOR

To find out how you can get more involved with EEF, by joining your Regional Advisory Board, or by participating in our policy campaigns; or if you have a query about your EEF membership:

ANDY TÜSCHER

Region Director, North
Email: atuscher@eef.org.uk

Sheffield office:

0114 268 0671

Gateshead office:

0191 497 3240

RICHARD HALSTEAD

Region Director, Midlands
Email: rhalstead@eef.org.uk

Birmingham office:

0121 456 2222

Melton office:

0166 448 4270

JIM DAVISON

Region Director, South East
Email: jdavison@eef.org.uk

Hook office:

0125 676 3969

Cambridge office:

0122 349 5400

PAUL KNIGHT

Region Director, South West
Email: pknight@eef.org.uk

Bristol office:

0117 906 4800

DAVID OST

Region Director, North West
Email: dost@eef.org.uk

Warrington office:

0161 777 2500

PAUL BYARD

Director, Wales
Email: pbyard@eef.org.uk

Bridgend office:

0165 664 1790



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