



## Nottinghamshire Economic Insight Issue 32: September 2012 Business news

### International:

Qantas Airways agreed to form a 10-year alliance with Emirates as it looks to turn around its loss-making international operations. Under the terms of the agreement, the two carriers will collaborate on pricing, sales and flight scheduling. However, there will be no equity investment on either side.

BBC News Business (6.9.12), [Qantas forms Emirates alliance as it seeks turnaround](#), BBC © 2012

Sharp, the struggling Japanese consumer electronics giant, had its credit rating cut to "junk" status by ratings agency Standard & Poor's (S&P). The move followed Sharp's announcement that it had lost about \$1.76bn (£1.12bn; 1.41bn euros) in the April to June quarter. S&P downgraded Sharp two levels to BB+, warning that the company was suffering from weak cashflow and "deteriorating" market conditions. When a company's bonds are rated as "junk" it means some institutions will no longer invest in them.

BBC News Business (31.8.12), [Sharp downgraded to 'junk' by Standard & Poor's](#), BBC © 2012

Chinese car and battery maker BYD, suffered a 94% drop in earnings for the first half of the year and warned of further declines. The company blamed the slide on slowing car sales, both in its home Chinese market and internationally.

BBC News Business (28.8.12), [Chinese carmaker BYD posts 94% drop in half year profit](#), BBC © 2012

Car hire company Hertz agreed a deal to buy rival Dollar Thrifty for \$2.3bn (£1.5bn). The deal marked the end of the long-running takeover battle for one of the largest car rental firms in the US. The new partners said the deal would lead to "significant growth opportunities" and \$160m of cost savings each year.

BBC News Business (27.8.12), [Hertz and Dollar Thrifty agree \\$2.3bn takeover deal](#), BBC © 2012

Ratings agency Standard & Poor's downgraded its outlook for HSBC Holdings from stable to negative. It fears US money laundering investigations could lose the bank business in the long-term. HSBC has already set aside \$700m (£442m) to cover potential fines for channelling funds from countries such as Iran, Mexico and Syria, in breach of US anti-money laundering regulations. In July, HSBC apologised to a US Senate committee for its behaviour.

BBC News Business (24.8.12), [Standard & Poor's downgrades outlook for HSBC](#), BBC © 2012

Debt-struck photography pioneer Kodak said it may sell off its still-camera film and photo paper divisions. The firm has already stopped making digital cameras as part of efforts to reduce its losses after filing for bankruptcy protection in January. It has also been trying to raise funds by selling off more than 1,100 digital imaging patents.

BBC News Business (24.8.12), [Kodak set to quit camera film and photo paper business](#), BBC © 2012

Hewlett-Packard reported a quarterly loss of \$8.85bn (£5.57bn). The world's largest technology firm by sales was forced to write down the value of some assets, mostly related to its purchase of Electronic Data Systems, which it bought in 2008. The firm also had to absorb some sizeable restructuring costs, as it looks to cut some 27,000 jobs, or 8% of its global workforce, by 2014.

BBC News Business (22.8.12), [Hewlett-Packard makes \\$8.8bn loss in third quarter](#), BBC © 2012

## **Europe:**

China signed a deal to buy 50 planes worth \$3.5bn (£2.2bn) from Europe's Airbus. The agreement was part of a slew of trade deals signed by German Chancellor Angela Merkel at the start of a two-day visit to China. An agreement on Airbus plane assembly in China was also signed, according to the Xinhua news agency. Chinese Premier Wen Jiabao said on Thursday 30 August that his country would continue to invest in the EU.

BBC News Business (30.8.12), [China to buy 50 Airbus planes for \\$3.5bn](#), BBC © 2012

French media and telecoms giant Vivendi said it will cut costs, including jobs, as it reported a drop in second-quarter net profits mainly due to its struggling telecoms unit. Net profit fell 46% to 619m euros (\$777m; £490m) on revenue down 1.5% to 6.96bn euros, a statement said. Vivendi said it would cut costs by 500m euros by late 2014 to cope with weakness at its SFR phone business. The cost cuts would come from voluntary redundancies and other cost-saving efforts in procurement, marketing, and information technology.

BBC News Business (30.8.12), [Vivendi plans to cut jobs and costs amid price war](#), BBC © 2012

The European Commission is to investigate budget airline Ryanair's latest attempt to take over its Irish rival Aer Lingus. In June, Ryanair proposed a cash offer for its rival valuing it at 694m euros (\$883m; £561m). However, the Commission said that its initial findings "indicated potential competition concerns". A previous attempt by Ryanair to buy Aer Lingus was blocked by the commission in 2007.

BBC News Business (29.8.12), [Ryanair's Aer Lingus bid faces EU inquiry](#), BBC © 2012

Bookmaker Paddy Power reported a rise in half-year profits thanks to accelerated growth in online gaming and aggressive marketing during the Euro 2012 football tournament. Pre-tax profit was up 21% to 68.7m euros (\$86.3m; £54.5m) with revenue up 29% to 311m euros from the previous year. Online revenue jumped 41% to 191m euros while mobile gaming revenue more than trebled to 53m euros, the firm said. Strong growth in Australia and Italy also contributed to higher earnings.

BBC News Business (29.8.12), [Paddy Power profits boosted by football and online bets](#), BBC © 2012

French bank group Credit Agricole reported a dip in profits following the continuing problems in the eurozone. The group, which includes French regional banks, saw second quarter net income fall 2.1% to 863m euros (\$1.1bn; £683m) from the same period the previous year.

BBC News Business (28.8.12), [Credit Agricole hit by Greece and Italy charges](#), BBC © 2012

Swiss travel operator Kuoni posted a 27% rise in half-year revenues. Turnover for the first six months of 2012 rose to 2.64bn Swiss francs (\$2.8bn; £1.7bn), from 2.1bn Swiss francs the previous year. However, its net loss increased by 14.5% to 49.8m Swiss francs. Kuoni said its Global Travel Services division, which sells holiday tours and business travel to other holiday operators, saw revenue rise sharply. That division saw turnover double in the first half of 2012 to 1.18bn Swiss francs. The firm said leisure travel had seen "significant growth" in Asian markets, noting that the Japanese market had now recovered from the disruption caused by last year's tsunami.

BBC News Business (23.8.12), [Kuoni revenues boosted by Asia travel](#), BBC © 2012

### **National:**

Business Secretary Vince Cable set out his vision for the future of British Industry, looking at where the UK has a competitive advantage now, and where it can build on that in the next twenty years. Actions outlined in the speech included: a new Government backed institution ('business bank') to help companies invest; government and industry partnerships with strategies for specific sectors by 2013; £165 million boost for the skills that businesses need; a new Innovation and Knowledge centre in synthetic biology to boost commercialisation of research; and reformatting government procurement to make sure that businesses have confidence to take long-term investment decisions.

Department for Business, Innovations and Skills (BIS) (11.9.12), [Cable outlines vision for future of British industry](#), © Crown copyright

Fresh complaints about the mis-selling of payment protection insurance (PPI) continue to flood into the Financial Ombudsman Service (FOS). In the first half of 2012 the FOS received 135,170 new complaints, up 27% on the previous six months. Of the new complaints 85,562, or 63%, were about PPI. Of the PPI complaints that were dealt with, 71% were upheld in favour of the customer, a far higher success rate than for other types of complaint.

BBC News Business (11.9.12), [PPI generates more complaints for Financial Ombudsman](#), © BBC © 2012

Annual sales rose at clothing chain Primark, helped by "particularly strong" UK trading over the summer, and a "buoyant" performance in Europe. Owner Associated British Foods (ABF) said like-for-like sales at Primark, which excludes new store openings, rose by 3% in the year to 15 September. Total sales increased by 15%, helped by 19 new branch launches.

BBC News Business (10.9.12), [Primark sees strong rise in annual sales](#), © BBC © 2012

Plans to exempt thousands of businesses from health and safety inspections were announced by the Government. Under new rules to be introduced in April 2013, checks will no longer be routinely carried out on premises considered to be low risk, such as shops. Ministers said the checks can place an unnecessary burden on some businesses, but some trade unions say it risks the safety of employees and customers. The government says it will scrap or change more than 3,000 regulations, and its drive to cut bureaucracy will save companies millions of pounds.

BBC News Business (10.9.12), [Health and safety inspections cut in regulation curb](#), © BBC © 2012

Scott Knowles, Deputy Chief Executive of the Derbyshire and Nottinghamshire Chamber of Commerce welcomed the decision by the Bank of England's Monetary Policy Committee to hold interest rates and the current level of Quantitative Easing steady for September. He also said: "However, to boost growth, there must be a revival in business lending. The latest statistics from the SME Finance Monitor – which echo the Chamber's own research – demonstrate that there are still serious obstacles for many companies seeking external finance and the number of successful applications has fallen. Many companies still say they feel discouraged from applying or are put off by the process..."

The British Chamber of Commerce this week published its case in favour of creating a state-backed British Business Bank (link available in article) which would sit alongside commercial banks and help those new and growing businesses, a proposal which is supported by Derbyshire and Nottinghamshire Chamber of Commerce (DNCC).

Derbyshire and Nottinghamshire Chamber of Commerce (6.9.12), [DNCC backs calls for creation of British business bank](#), © 2012 Derbyshire and Nottinghamshire Chamber of Commerce

The Government has published a response to the closed consultation on changing audit exemptions for small companies and subsidiaries to remove gold plating, and to allow companies to change their accounting framework. The consultation ran from 6 October to 29 December 2011.

Department for Business, Innovation and Skills (6.9.12), [Audit Exemptions and Change of Accounting Framework: Consultation and Summary of Responses](#), © Crown copyright

The company behind the PC World and Currys chains, Dixons Retail, reported a further improvement at its UK and Ireland operations. Like-for-like sales, which exclude new stores, rose 5% in the 12 weeks to 21 July, while total sales rose 2%. The figures were held back by the continuing trading downturn in debt-laden Greece and Italy.

BBC News Business (6.9.12), [Currys and PC World owner Dixons sees sales growth](#), BBC © 2012

Supermarket chain Morrisons reported a dip in sales and profits, blaming the continued pressures on consumer spending. Pre-tax profits for the six months to 29 July were £440m, down £9m on the period the previous year. Like-for-like sales, excluding VAT and petrol sales, fell 0.9%, compared with a 2.2% rise last time.

BBC News Business (6.9.12), [Morrisons sales and profits hit by consumer 'fragility'](#), BBC © 2012

Sports Direct reported a big rise in sales, helped by what it said was the "unprecedented" sporting summer. Retail sales at the 400-strong chain rose 19.9% to £441.4m in the 13 weeks to 29 July, while group total sales rose 25.3% to £519.0m. The European football championship and run-up to the start of the Olympics on 27 July had boosted trade. "Since the end of July trading has remained equally strong," Sports Direct said in a statement.

BBC News Business (5.9.12), [Sports Direct sales jump during summer of sport](#), BBC © 2012

No-frills airline Easyjet said it will introduce allocated seating in its planes from November 2012. The carrier said that introducing allocated seating would improve customer satisfaction and attract more passengers. Customers will still be able to pre-book seats, such as with extra leg-room, for a fee, but the majority will get free allocated seats at check-in.

BBC News Business (5.9.12), [Easyjet to introduce allocated seating for passengers](#), BBC © 2012

The UK petrol and diesel sector is being put under the microscope by the fair trading watchdog amid rising prices at the pumps. The Office of Fair Trading (OFT) announced they would spend six weeks gathering evidence about whether competition is being curtailed.

BBC News Business (5.9.12), [Petrol and diesel price review is launched by OFT](#), BBC © 2012

The Government issued advice to British business leaders on how to protect themselves from cyber threats. At a conference at the Foreign Office, ministers and officials from communications intelligence agency, GCHQ told companies to create a more security-conscious culture. It is estimated that UK businesses lose £21bn a year to cyber crime. Banks, manufacturers, energy suppliers and broadcasters were among those attacked in the current year, officials said. Government departments, engineering firms, academic institutions and even charities have also come under attack.

BBC News Business (5.9.12), [Government to warn businesses about cyber crime threat](#), BBC © 2012

The Financial Services Authority (FSA), UK's financial watchdog, was due to call for a clampdown on commissions paid for selling insurance, loans and bank accounts on Wednesday 5 September. The move came in the wake of a series of mis-selling scandals such as payment protection insurance (PPI). The FSA was not thought to be likely to impose an outright ban on commissions. However, it was expected to demand that payments be dependent on the customer benefiting, not on the volume of sales.

BBC News Business (5.9.12), [FSA calls for clampdown on sales commissions](#), BBC © 2012

Vauxhall is due to stop production for a week at its Ellesmere Port and Luton plants because of falling car sales across Europe. In a statement, the company said the move would "avoid building up stock". Workers at the plants will continue to be paid during the shutdown, which starts on 24 September. Assembly of the next generation Astra at Ellesmere Port is scheduled to start in 2015.

BBC News England (4.9.12), [Vauxhall to shut Ellesmere Port and Luton factories for week](#), BBC © 2012

A dairy processor in West Yorkshire announced an increase in the amount it pays farmers for their milk. Leeds-based Arla Foods UK said its standard litre price would rise from 27p per litre to 29.5p from 1 October. The decision, which was welcomed by farming groups, followed protests outside Arla's Stourton plant by farmers campaigning for fairer prices. It came as an agreement was reached on a new voluntary code of practice for future contracts for milk supplies.

BBC News Leeds & West Yorkshire (4.9.12), [Milk price row: Arla Food UK announces 2.5p price rise](#), BBC © 2012

Pub chains Greene King and the Spirit Pub Company boosted sales over the summer despite the wet weather. Suffolk-based brewer Greene King said like-for-like sales rose 5.1% over the past 18 weeks, while Chef & Brewer chain owner Spirit saw like-for-like sales climb 4.1%. Food sales rose 5.5% during the quarter at Spirit, and 5.2% at Greene King. However firms said the Olympics had disrupted trade, but the poor weather was not a dampener on business.

BBC News Business (4.9.12), [Sales rise at Greene King and Spirit pub chains](#), BBC © 2012

Customers affected by the computer failure at RBS in June must be given "clear and straightforward" information on compensation, Andrew Tyrie, chairman of the Commons Treasury Committee, said. He also said that other banks should be checking their IT systems. A software upgrade failure led to a huge backlog in updating customers' balances at the banking group. RBS has already said it has set aside £125m for customer redress.

BBC News Business (4.9.12), [RBS computer failure needs clear redress, says MP](#), BBC © 2012

The deal to hand the West Coast Main Line rail franchise to First Group has been delayed following a legal challenge by current operator Virgin. Virgin launched the challenge after losing its attempt to continue operating the route. It has run the West Coast Main Line since 1997. Ministers confirmed due to the legal challenge the contract had not been signed and "the competition remains live". Labour had also urged the government to defer signing the contract so that MPs could examine it.

BBC News Politics (3.9.12), [West Coast Main Line First Group deal put on hold](#), BBC © 2012

Insurance firm Direct Line said that its separation from parent group RBS was "substantially complete". The company is expected to be floated by the bank in an initial public offering (IPO) later this year. State-owned RBS was ordered by European regulators to sell the business as a condition of securing its bailout from the UK government.

BBC News Scotland Business (3.9.12), [Direct Line nears RBS separation](#), BBC © 2012

Business Secretary Vince Cable announced that one of the Government-appointed fund managers for green infrastructure is making its first project investment in the small scale waste sector. Foresight's UK Waste Resources and Energy Investments (UKWREI) fund is investing £2 million with a further £2 million of matching private sector funding, in a £21 million project to build a food and green waste processing plant in Dagenham.

Department for Business, Innovation and Skills (BIS) (3.9.12), [Fund manager's first investment for Government in small scale waste project](#), © Crown copyright

The Government is going ahead with its plan to ban retailers from imposing excessive or surprise charges on people who pay by debit or credit card. The plan was first announced in December 2011 following a recommendation from the Office of Fair Trading (OFT). Airlines, theatres and other retailers will have to make sure their card charges are clearly displayed upfront. The Government will also limit the size of the charges, so retailers and traders cannot make a profit from them.

BBC News Business (1.9.12), [Clampdown on debit and credit cards going ahead](#), BBC © 2012

Turmoil in the banking sector and worsening economic conditions left recruitment firm Hays with a £6.5 million loss in the UK and Ireland. A 10% cut in its consultant head count to below 2,000 was offset by a 7% decline in full-year net fee income to £225.3 million as Hays swung from a profit of £3.6 million. The firm, which has a Nottingham office, said: "Trading conditions in the UK have been tough and became increasingly difficult as the year progressed."

this is Nottingham (31.8.12), [Hays UK operation plunges into red](#), © 2012 Northcliffe Media Limited

Half-year profits at insurance group Admiral rose by 7% in the first six months of 2012. The Cardiff-based firm said the better than expected rise meant a pre-tax profit of £171.8m, rather than the £167.7m anticipated by the market. Admiral, which also has offices in Swansea and Newport and employs some 5,500, owns brands such as Diamond, Confused.com and Elephant.co.uk. The firm is said to insure one in 10 cars on the UK's roads.

BBC News Wales (30.8.12), [Admiral insurance: 7% half-year profits rise to £171.8m](#), BBC © 2012

Struggling sportswear chain JJB Sports put itself up for sale after it failed to raise new funds to help revamp its stores. JJB also warned shareholders that any rescue deal may see their holdings in the company rendered worthless. In July 2012, JJB said that sales had deteriorated owing to poor weather and weak demand for replica football kits during the European Championships. The Wigan-based retailer has 180 stores and employs about 4,000 people. Hurt by the economic downturn, it has also struggled to compete with rival Sports Direct. JJB said that in the six weeks to 26 August, like-for-like sales had fallen by 3.3%.

BBC News Business (30.8.12), [JJB Sports puts itself up for sale](#), BBC © 2012

WPP, the world's largest advertising group, reported half-year pre-tax profits of £358m (\$567m), up 7% on the same period the previous year. Revenues were up 5.5% to £4.97bn, dividends per share rose 18% to 8.8p and total billings were up 1% to £21.7bn. However the group's shares fell 4.2% as it reduced slightly its full-year outlook for 2012, advising "caution". The US and Western European markets slowed in the second quarter, it said. However this was offset by stronger growth in the UK and emerging markets, such as Latin America. The group's forecast for cumulative like-for-like revenue growth for the year was reduced from 4% to 3.5%, disappointing shareholders.

BBC News Business (30.8.12), [WPP profits rise but revenue forecast cut](#), BBC © 2012

A business guide aimed at making more firms aware of the potential spending power of disabled people and encourage them to capitalise on the success of the London 2012 Games was launched by the then Minister for Disabled People, Maria Miller. Commonly referred to as the 'purple pound' the combined spending power of disabled people in the UK is £80 billion a year.

Department for Work and Pensions (DWP) (29.8.12), [Minister launches guide for SMEs to realise potential of the 'purple pound'](#), © Crown copyright

Amazon launched its own daily deal website in the UK, beginning with London. AmazonLocal will email geographically-relevant offers to users every morning, and offer reward points to spend on other Amazon products. It enters a hotly-contested market led by Groupon which recently suffered a dip in share price owing to lower-than-expected sales. Amazon has not yet given details of expanding the service across the UK. In the US, where AmazonLocal has been in operation for more than a year, the service is available in most major cities.

BBC News Technology (29.8.12), [AmazonLocal daily deal service launched in UK](#), BBC © 2012

A £10 million fund is available to help councils ensure their communities are able to finalise neighbourhood planning for homes, businesses and facilities in their neighbourhood. More than 200 communities are already using the new planning powers introduced in the Localism Act. Councils have been invited to apply for grants of up to £30,000 for each scheme to help pay for the costs of getting plans in place.

Department for Communities and Local Government (CLG) (29.8.12), [Cash boost for communities supporting neighbourhood planning](#), © Crown copyright

This document is a stocktake on progress in making it easier to run a civil society organisation, such as a charity, social enterprise or voluntary organisation.

Cabinet Office (29.8.12), [Making it easier to set up and run a charity, social enterprise or voluntary organisation: Progress Update](#), © Crown copyright

Security firm G4S said the contract to provide security for the London 2012 Olympic Games had cost it £50m. The figure was at the top end of the scale of losses the company had warned it would bear, after it failed to recruit and train enough of the guards it had promised for the event. The Government was forced to turn to the military for the extra staff, for which G4S confirmed it would pay. G4S chief executive Nick Buckles apologised for the debacle. G4S revealed the cost along with its interim results, where it said half-year pre-tax profits had fallen from £151m to £61m.

BBC News Business (28.8.12), [G4S reveals loss on Olympic security failures](#), BBC © 2012

Aga Rangemaster, maker of the Aga cooker, reported a sharp fall in profit as households rein in home improvements during the recession. Pre-tax profits for the first half year were £1.6m, down 62% on the £4.2m the firm made the previous year. Revenue fell 2% to £119.2m. The company said it expected the UK market to remain weak "for some time". It would therefore be focusing on new markets such as China and the US to boost sales, the firm said.

BBC News Business (24.8.12), [Aga Rangemaster looks overseas as profits fall](#), BBC © 2012

Premier Foods agreed a deal to sell its sweet spreads and jellies unit, including the Robertson's, Hartley's and Sun-Pat brands, to the Hain Celestial Group for £200m. The sale, conditional on shareholder approval, should be completed by the end of October 2012. The owner of Mr Kipling and Oxo is selling off a number of brands to cut its debt levels. In June 2012, the group sold Sarson's vinegar and Haywards pickles.

BBC News Business (23.8.12), [Premier Foods sells Robertson's and Hartley's for £200m](#), BBC © 2012

Energy firm SSE, which trades as Scottish Hydro, Swalec and Southern Electric, announced it would increase its domestic gas and electricity prices by an average of 9% from 15 October. It blamed the increases on the extra cost of using the gas and electricity networks and rising costs in energy wholesale markets. Some 3.4 million gas and five million electricity customers will be affected. However, there will be no more price rises before the second half of 2013.

BBC News Business (22.8.12), [SSE to raise gas and electricity prices](#), BBC © 2012

George Osborne has failed to kick-start the economy and must cut taxes, reduce red tape and invest in new infrastructure to boost growth, the Institute of Directors (IoD) warned. They said that Chancellor George Osborne's growth strategy is largely "ineffective" and "too little, too slowly", as demands increase for radical action in the autumn. A survey of more than 1,200 business leaders found they have "serious concerns" that the recession will last throughout 2012 with only a modest recovery in 2013. The Government is on course to borrow £30 billion more than expected this year, which may lead to a new round of public spending cuts. The Coalition has also been criticised for failing to invest in big infrastructure projects such as expanding Heathrow or building a new airport in the South East.

Robert Winnett, The Telegraph (22.8.12), [Do more and do it now to kick-start the economy, business leaders tell George Osborne](#), © Copyright of Telegraph Media Group Limited 2012

Virgin Atlantic is to begin a short-haul service between London Heathrow and Manchester from March 2013. The airline said its first foray into the UK domestic market would provide competition for British Airways, and a regional link for passengers using its long-haul services from Heathrow.

BBC News Business (21.8.12), [Virgin Atlantic to fly between Heathrow and Manchester](#), BBC © 2012

Airports operator BAA has decided to sell Stansted Airport, ending its long-running legal battle. It had been fighting a 2009 Competition Commission ruling that it must sell Stansted because of the lack of competition between London airports. BAA was told to sell off Stansted and Gatwick, but by then it had already started the process of finding a buyer for Gatwick. It was also ordered to sell off either Glasgow or Edinburgh airports.

BBC News Business (20.8.12), [Stansted Airport to be sold by BAA](#), BBC © 2012

This guidance is aimed at businesses and other organisations which take decisions on a day-to-day basis about whether something is or is not waste; to help ensure that the right decision is taken in more difficult cases.

Department for Environment, Food and Rural Affairs (defra) (20.8.12), [Legal definition of waste guidance](#), © Crown copyright

Chief executive of Sainsbury's, Justin King, attacked Government plans to make temporarily extended Sunday trading hours permanent. Supermarkets and large stores had been allowed to open for longer during the Olympic and Paralympic Games in order to serve the expected rise in tourists and shoppers. Under current legislation, shops in England and Wales measuring more than 280 square metres (3,000 square feet) can open for a maximum of six hours between 10:00 and 18:00 on Sundays. Supermarkets had been able to choose their own opening hours across England and Wales. However, Sainsbury's only extended opening hours at 30 of its 1,000 stores.

BBC News Business (19.8.12), [Sainsbury's chief attacks plans to reform Sunday trading](#), BBC © 2012

Business and Enterprise Minister Mark Prisk called on the most innovative companies in the UK to come forward to be in with a chance of winning a business award from Her Majesty the Queen. The entry deadline for the 2013 Queen's Awards for Enterprise is Friday, 28 September 2012 ([www.queensawards.org.uk](http://www.queensawards.org.uk)).

Department for Business, Innovation and Skills (BIS) (17.8.12), [Enterprising businesses from Yorkshire and Humber showcase their royally recognised innovations](#), © Crown copyright

This call for evidence seeks views on the measures recommended in the Nuttall Review to raise awareness of employee ownership. The deadline for responses is 7 September 2012.

Department for Business, Innovation and Skills (BIS) (7.7.12), [Call for evidence on raising awareness of employee ownership](#), © Crown copyright

### **Regional:**

Less than a third of businesses in Derbyshire and Nottinghamshire would like to see the extended Sunday trading hours for retailers which were trialled during the Olympic Games made permanent, according to a survey by the Derbyshire and Nottinghamshire Chamber of Commerce (DNCC). 33% of local firms were in favour of permanent relaxation of restrictions to Sunday trading hours, 56% were against the idea and 11% were unsure.

Derbyshire and Nottinghamshire Chamber of Commerce (11.9.12), [DNCC survey shows little support for extended trading hours](#), © 2012 Derbyshire and Nottinghamshire Chamber of Commerce

From quarterly export figures released by HMRC for April to June 2012, the Derbyshire and Nottinghamshire Chamber of Commerce identified: the first six months of 2012 showed exports up compared to the previous year; exports for the East Midlands for the first half of 2012 hit £9.1bn to the end of June, compared to £8.5bn for the equivalent period in 2011; exports to Asia and Oceania, mainly India and China, hit £2bn for the first six months, up by 24% compared to the same period in 2011; exports to the Middle-East and North Africa are up by 27%, £140m, for the same period; and exports to the European Union (EU) from January to June 2012 were down by £232m compared to the same period in 2011 - £4bn compared to £4.2bn.

Derbyshire and Nottinghamshire Chamber of Commerce (6.9.12), [Business leaders reflect on new export stats](#), © 2012 Derbyshire and Nottinghamshire Chamber of Commerce

The Tangent Business Hub is launching offices and workshop space at Brook Park, Shirebrook. The accommodation is aimed at growing small and medium-sized firms and represents a major investment by Bolsover District Council. An event on Thursday 13 September was planned to give firms an opportunity to see first hand what is on offer.

this is Nottingham (29.8.12), [Oberoi to open Shirebrook business units](#), © 2012 Northcliffe Media Limited

Despite Britain celebrating the end of a successful Olympic Games, research carried out by RSM Tenon reported that 80% of SMEs in the East Midlands didn't think that the Games would have any positive lasting impact. Alistair Wesson, managing director at RSM Tenon's Nottingham office said: "...It was always going to be difficult for SMEs to know if the Olympics would produce any lasting effect. There is no doubt that the Games was a great success and a terrific showcase for the UK, but we're still hoping for a boost to tourism and overseas investment."

this is Nottingham (24.8.12), [Only 1% say Games will have lasting effect on region's SMEs](#), © 2012 Northcliffe Media Limited

Profits dropped for the fourth consecutive year at East Midlands Airport but passenger numbers were slightly up, according to the annual report of parent company Manchester Airport Group (Mag). It said the airport's profits were down by half a million pounds to £6.6m. 4.3 million passengers used the airport in the financial year 2011-12; 200,000 more than the previous year. Mag said passenger numbers were expected to fall in the short term; Lufthansa's decision to review future options for BMI Baby would have an impact in the short term, but agreements with other carriers would offset this from 2013.

BBC News Nottingham (23.8.12), [East Midlands Airport profits down for fourth year](#), BBC © 2012

East Midlands Airport became the first UK airport whose ground operations are now carbon neutral, six years after it pledged to reduce its carbon footprint, investing £4m in cutting its emissions. Despite the amount of fuel used by the planes themselves, the airport did what it could on the ground, cutting emissions by 3,578 tonnes through energy reduction and renewable energy. It is the first UK airport to plant an on-site 26 hectare willow farm producing wood for a bio-mass boiler to be installed in the terminal building. It also installed two on-site wind turbines, providing 5% of the airport's electricity. The airport is powered entirely by renewable electricity.

this is Nottingham (23.8.12), [EMA gets greener as revenues rise](#), © 2012 Northcliffe Media Limited

Smaller firms in the East Midlands reckon they will increase sales by an average of nearly 70% over the next five years, a survey by Santander claimed. Businesses with a turnover of £20 million or less believe revenue will climb around 11% a year over the next five years.

this is Nottingham (21.8.12), [Companies pin their hopes on future growth](#), © 2012 Northcliffe Media Limited

### **Local:**

Nottingham's two business improvements districts (BIDs) – retail and leisure – are to merge from the New Year. The move will create an organisation with an income of more than £850,000 a year which can be used to improve the city centre and encourage visitors. The new BID will be chaired by Jeff Allen, a chartered accountant who is also a city centre retailer. It will be one of the largest BIDs in the country with around 770 levy-payers made up of city centre retailers and licensed premises.

this is Nottingham (11.9.12), [Go-ahead for Nottingham's two BIDs to merge](#), © 2012 Northcliffe Media Limited

High-end fashion store Hugo boss is spending more than £1 million fitting out its new Nottingham store. It has acquired the former Café Rouge on Bridlesmith Gate. Hugo Boss has until now operated as a franchise from St Peter's Gate in a building which was formerly the Nottingham County Court. No date has been given for the opening of the new store but it is thought that it will be in November 2012.

this is Nottingham (4.9.12), [Hugo Boss to open Nottingham store](#), © 2012 Northcliffe Media Limited

Almost half of small and medium-sized businesses have no company pension scheme in place and should prepare now to avoid cash flow and administration problems, according to Massers Solicitors, a Nottingham law firm. Businesses are set to face increasing pressure to enrol all eligible employees automatically into a pension scheme and contribute towards their pension when the Pensions Act 2008 begins to be implemented in October 2012. There is a timetable for implementation depending on the size of the business. A third of firms are unaware of their responsibility to provide a qualifying pension scheme as a result of the changes. Even more mistakenly believe the Pensions Act will have no impact on their business.

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Wilford based IT specialist XMA won a share of a prestigious multi-billion pound contract to provide IT hardware, solutions, services and support to more than 10,000 public sector agencies and departments. The contract, which runs until 2014, is under a Cabinet Office framework agreement with a purchasing group Pro5. The contract has the potential to be worth more than £4 billion of which XMA's share is expected to be more than £20 million. The framework establishes a partnership of several suppliers who will secure the best deals for public sector departments and authorities buying IT hardware and solutions. XMA is one of only five companies involved in the contract offering full products and services for desktop hardware and one of eight suppliers who can provide comprehensive infrastructure hardware.

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The recession took its grip on Nottinghamshire-based North Midland Construction as sales fell by nearly 20% in the half year to 30 June. Chairman Robert Moyle described it as "disappointing" as revenues fell from £91.3m to £74.8m. A restructuring programme had been implemented to deliver significant cost reduction, he said.

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Thousands of beds, chairs and sofas used by star athletes at the London 2012 Olympic Games were heading to Nottingham after a logistics firm won the contract to deliver them to excited souvenir-hunters all over the country. Park Logistics, based in Colwick, is due to spend the following two months processing items of furniture, fittings and equipment from the Athletes' Village and other Olympic venues after they were bought by members of the public in a once-in-a-lifetime online sale.

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A Nottingham science firm which specialises in high-speed genetic testing saw its revenues leap more than 10% in the first six months of 2012. Source Bioscience, based at the Nottingham Business Park, near junction 26 of the M1, sold services worth £8.4 million from January to June, an increase of 11% on the same period the previous year. The firm has an exclusive UK licence to use some of the fastest and most advanced genetic testing machines in the world, allowing it to carry out overnight tests for customers researching how people might react to new drugs. Source Bioscience has seen a 60% leap in demand for its overnight sequencing service, and expects more growth now that it is operating at weekends too.

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