

Heidelberg gives sales a high five

By Gareth Ward

Heidelberg plans to almost double sales in the next five years, from the record level of €5.1bn for the 2000/2001 financial year to €8bn in five years time.

This will come on the back of growth in China and despite a slight slowing of demand in the first half of this year.

However chairman Bernhard Schreier warns that this expansion is not a foregone conclusion. This can only be achieved if there are no unforeseen economic downturns on markets that are relevant, he says.

"We will achieve this by developing new products and by extending our market shares in all divisions," he adds.

Heidelberg in particular wants to extend its current market share in digital printing from 17% to 30%. This market segment is highly competitive and because of investment in new products, losses increased from €26m to



Bernhard Schreier points to the future

€64m at Heidelberg Digital.

The company says investment in expanding the sales network also pushed profits lower. It also blames intense competition in the prepress market for the relatively poor performance. Nevertheless, divisional sales increased 16% in the sector.

This is below the almost 17% increase in sheetfed sales from €2.8bn to €3.3bn, with the company stating it aims to increase sales in this sector still fur-

ther.

The web division recorded a zero profit, but an improvement on the €7 m loss last time.

The period under review was clearly influenced by the impact of Drupa, but orders and sales both increased during the period and this trend continues with Mr Schreier predicting a further record year for the company.

"We expect Heidelberg to achieve sales and profits in excess of last year's levels," he says.

However the sales increase of 15% was matched by a profit rise of 10%. The biggest increase came in the finishing division where sales rose from €398m to €408m while operating profit was up from €7m to €27m.

In geographical terms, eastern Europe was the strongest performer with sales up 53% while central Europe continues to account for the most sales at €1.9bn, ahead of the €1.8bn

RES rides high on revenue

By Sasa Jankovic

RES Group, Wokingham, has reported a 55% growth in revenue, increasing from £13.9m in 1999 to £21.5m in 2000, and anticipates sales revenues to reach £30m by March 2002.

Robin East, managing director, says: "This growth is a direct result of our strategy to become a specialist distributor of colour imaging technology on the professional imaging market.

"By immersing ourselves in the colour imaging market, we have been part of the growth in colour production workflows and have adapted our business to make the most of the opportunities.

"We have seen the acceleration of professional colour techniques and technologies onto the desktop and our primary focus is to keep pace with developments and provide the market with the products and expertise it needs."

The group also claims a significant point in 2000 was its appointment by Hewlett Packard as a specialist distributor for its

Wizard show

Harry Potter publisher Bloomsbury seems to be having another wizard year. Its shares rose 7.5% last week after announcing that first-half profits should be 'a substantial margin' ahead of last year's £300,000.

Vivendi venture

Reed Elsevier has confirmed it is bidding to buy Vivendi's business titles in the UK and France, including *Building*, *Moniteur* and *Property Week*.

Bouncing cheques

Printing companies are advised to watch out if they bank with NatWest. The bank has decided to tighten up its policy on overdraft limits for business customers. There will be no exceptions: cheques will bounce if firms exceed their overdraft limit.

PMP price plunges

Australian printer and publisher PMP has fallen to record lows on the Australian Stock Exchange after Standard & Poor's said it may downgrade the group's credit ratings after it failed to sell its UK magazine business. PMP has further disclosed it is in talks with banks about its medium term debts.

Quebecor is stable

Credit ratings agency Moody's has revised its summation of Quebecor, lifting the company from negative to stable. It says that the Canadian print and media group has benefited from the acquisition of World Color Press.

Emap beats retreat

Emap has lost nearly £700m with the sale of its US subsidiary to Primedia for \$515m (£366m), just two years after Emap bought the Petersen titles for \$1.2bn.

Some analysts had been hoping for a purchase price closer to £450m but Emap was happy to settle and bring its foray in the US to an end.

"The impending sale closes a difficult and unhappy chapter in Emap's history," says group chief executive Robin Miller. "In the context of a difficult US market, we regard the sale

as a reasonable result."

On top of a £545m mark-down in the company's results, Emap has said the sale will involve a further loss of \$126m. The automotive and sports titles, including Hot Rod and Guns 'n' Ammo, have been hit by a marked downturn in advertising, and with only 3% share of the US magazine market it was squeezed by competitors.

Emap USA's problems were the main reason why chief executive Kevin Hand was ousted last month. Some industry sources say the debacle could make Emap

Marks forging ahead

By Tony Brown

German police are warning of an unprecedented level of forged marks ahead of the switch to the euro next year.

Fearful that the forgeries will be spotted at banks when they are changed into euros next year, criminal gangs are trying to dump the dud on the market now.

Berlin police have already had more than 850 reports of fake notes in the first three months of this year, almost double the rate at the same time last year.

Most at risk are the 1,000 mark (£310) note and the 100-mark (£31) notes in

circulation.

There have been incidents of fraudsters approaching elderly people offering to change marks into euros.

The Berlin police are so concerned that they have cancelled all leave for the start of the next year and senior officers plan to increase the number of police on the city's streets by 1,500.

An added concern is when the euros start to be transported around the country from mid-December.

A total of 14.25 billion euro notes will go into circulation in the first few months of 2001, worth



Business GROW-HOW



From Paul Holohan & the team at
Richmond Capital Partners Limited

STRATEGIC REVIEWS

I feel my business is stagnating and is in need of a new kick-start or something! We lack direction, somehow, and need to make some pretty important decisions about future policies. What do you recommend?

The short answer is to make the **M.O.S.T.** of it!

Mission
Objectives
Strategies
Tactics

The **M.O.S.T.** analysis is one of the best tools in strategic planning. It helps to clarify:-

- where the business intends to go (mission)
- the key goals which will help to achieve this (objectives)
- the options for delivering the objectives (strategies)
- the action plans (tactics)

The key is for the whole process to hang together from top to bottom and also in reverse. Once implemented all actions should be reviewed to ensure they adhere to the plan and on an ongoing basis. It is not an end in itself but a tool for progress.

Businesses can fall into many traps and can miss key opportunities by not carrying out this simple and basic review. The printing industry, at present, should be driving many firms to do what you perceive to be necessary. Well done!

Following the analysis, the end product should then produce an action plan with properly defined timescales, responsibilities, monitoring and control procedures to ensure that implementation moves forward at the necessary pace.

In my experience the best way to monitor progress is through Key Performance Indicators (KPI) which should deliver the goods.

Best results overall will be achieved through teamwork and going through the process can galvanise a team together. One word of advice is to use an experienced facilitator to help you – do NOT attempt it yourself as you are too close to the firm and you would miss an external and totally objective viewpoint!

Good luck!

The author accepts no legal responsibility for the advice given. Comments and advice given in this column do not necessarily represent the views of Printing World.

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BUSINESSADVICE

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Havelock has success

By Sasa Jankovic

Havelock Europa, a leading UK supplier of commercial interiors and point of sale displays, says its Havelock AHI WLL joint venture in the Middle East has traded well for the first five months of this year.

The company claims AHI WLL's contribution in the first half of the year will be better than for the same

period last year.

Chairman Michael Kennedy says: "The group has had a mixed start to the year, with results for the first half affected by the very high seasonal bias towards the second half of the year."

The company says merger activity taking place in the banking sector has also had an effect in slowing down or

deferring capital investment in this market.

However, it claims that low levels of activity in these divisions will recover due to "a strong recovery at Showcard Print and further good progress in the Middle East".

Havelock has screen and digital print operations to produce in store signage and point of sale displays for a

David S Smith's healthy profit

David S Smith's profits have risen by 20% to £72.2m in the year to April 28, but it is warning of trouble ahead because of the weak euro and a 3% fall in demand for corrugated packaging in the UK over the past year.

The decline is partly due

to manufacturing – of Motorola phones for example – being shifted abroad. Overall sales were up 15% to £1.3bn but this conceals big variations. David S Smith's paper wholesaling businesses did well, but corrugated much more poorly.

And there are fears that the downturn in the recycled paper market could hit the St Regis Paper subsidiary.

David S Smith has cut costs with the closure of its Bracknell works and two weeks of downtime across seven mills in February.

legal notices

Appointment of liquidators

● **Pace Colour Ltd Printer.**

Liquidator: CG Wiseman, Deloitte & Touche, Stonecutter Court, 1 Stonecutter Street, London EC4A 4TR

● **John Lindley Son & Co Ltd**

Printing. Liquidators: BS Creber and J Russell, Poppleton & Appleby, 93 Queen Street, Sheffield S1 1WF

● **Stevenage Print Services Ltd**

Printing. Liquidator: AJ Clark, Carter Clark, Meridian House, 62 Station Road, North Chingford, London E4 7BA

● **Amy McPherson (Publishing) Ltd**

Publication of greetings cards. Liquidator: DN Kaye, Crawfords, Stanton House, 41 Blackfriars Road, Salford, Manchester M3 7NB

● **Link Print Finishers Ltd**

Previous company name: Link Print Finishes Print finishing. Liquidators: G Robbins and NC Money,

Casson Beckman Associates, Lichfield Place, 435 Lichfield Road, Aston, Birmingham B6 7SS

● **Fieldglobe Ltd** Previous company name **Vail Printers Ltd** and **Snipfast Ltd** Printing.

Liquidator: P Shah, Parker Wood, 28 Church Road, Stanmore, Middlesex HA7 4XR

● **Wave Office Products Ltd**

Stationery wholesaler. Liquidator: CR Ashurst, Mazars Neville Russell, 37 Frederick Place, Brighton BN1 4EA

● **WCM Associates Ltd** Handbook publisher. Liquidator: A

Simon, Langley & Partners, Langley House, Park Road, East Finchley, London N2 8EX

● **Chameleon Media Ltd** Label designer. Liquidator: RL

Cain, Phillips Cain, 21-23 Station Road, Gerrards Cross, Buckinghamshire SL9 8ES

● **Minizen Ltd** Printing.

Liquidators: A Cooper and J Russell, Poppleton & Appleby, 93 Queen Street,

Sheffield S1

Meetings of creditors

● **Industrial Printing Services Ltd**

at Novotel, Knebworth Park, Stevenage, Hertfordshire SG1 2AX on June 29

● **Printek Screen Process Ltd** at

Southey House, 33 Wine Street, Bristol BS1 2BQ on July 11

● **Papereexchange.com Ltd** at The

Clifton Ford Hotel, 47 Welbeck Street, London W1G 8DN on July 6

Notices to creditors

● **Digital Works (Co UK) Ltd**

Creditors to send claims to R Cain, Phillips Cain, 21-23 Station Road, Gerrards Cross, Buckinghamshire SL9 8ES by August 14

Final meetings

● **Seven Mirrors Publishing House**

Ltd at 36-40 North Parade,

