

What a year it has been!

Looking back at the article written by my colleague Dominic Staniforth last year, the key themes that were plaguing the local and national economy centred around Brexit, US-China trade wars and currency volatility.

Roll forward 12 months, and [unsurprisingly] we find ourselves in exactly the same position, except everything feels ratcheted up 10 notches! One Prime Minister gone, another Brexit deadline looming, UK politics at their most polarised for decades and the mighty Blades in the Premier League. Who said it was all doom and gloom?

Looking at this year's results of Sheffield City Region's Top 50 Manufacturers, the picture has been somewhat of a positive story. I am pleased to report that of the three key metrics we review; turnover, profit and number of employees, all have shown significant growth in the year.

Turnover has increased by 15% to £862m, while profits have soared by 21% to just under £60m. To help facilitate this growth, local manufacturers have invested in their workforce as evidenced by a 9% increase in headcount to 6,287. This is encouraging to see on the back of negative stories in the wider press concerning job lay-offs, particularly in the automotive sector.

A deep dive into the results sheds more light on the underlying picture. For the third consecutive year, Matlock-based Breasley Pillows Ltd tops the table posting turnover of £36m, an increase of £5.2m on the year before. This company has experienced outstanding growth in the past three years by focusing on customer service and high-quality products.

New entrants into the Top 10 show the breadth and expertise this region boasts in specialist engineering and



manufacturing. One such example is Wincobank-based SCX Special Projects Ltd, a company that provides bespoke mechanical handling solutions and has shot from 17th to 3rd in our table.

Having gained publicity from designing and installing the retractable roof on Centre Court at Wimbledon in 2009, the company has further grown its expertise and reputation in this area with contracts to provide the world's first dividing retractable pitch and grow lights at Tottenham Hotspurs Football Club's new stadium, as well as work on the retractable roof for Court No. 1 at Wimbledon. Turnover increased by £9.3m and profits £2.4m, while headcount increased by 10, demonstrating how building on niche expertise can drive real value for a business.

It would however, be amiss of me not to throw some caution to the wind given the events that are unfolding currently. Since the Brexit boost in March 2019, where many companies stockpiled in preparation for a no-deal Brexit, sentiment and importantly confidence has decreased. The August 2019 Manufacturing Purchasing Managers' Index (PMI) fell to 47.4 from 48 in the previous month. Anything below 50.0 represents a contraction in activity but ominously, the movement in August represented the

steepest month of contraction in the manufacturing sector since July 2012. In our experience of talking to clients, businesses continue to invest in headcount, but are postponing the significant capital investment projects. This is not surprising while so much uncertainty exists alongside the risks associated with locking away valuable cash resources in capital projects which may not see a return in the short term.

However, I am confident that the Sheffield City Region's specialist manufacturing sector and its pragmatic approach to business will cut through the hyperbole in the press and continue to deliver growth in jobs and activity for the region. And no doubt having Chris Wilder's overlapping centre backs showcasing Sheffield United in the Premier League will be good for the region too!



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Top 50 Manufact

2019	2018	Company name	Trade description
1	1	Breasley Pillows (The)	Foam conversion and the manufacture of bedding
2		Capital Refractories	Manufacture and sale of refractory materials, ceramic cores and related products
3		Special Quality Alloys	Manufacturers and suppliers of nickel based superalloys and special steels
4	17	SCX Special Projects	Design & manufacture of materials handling & access equipment
5	4	Solpro Manufacturing	Processing of brazing alloys, the manufacture of electrical contacts
6	6	Libra Speciality Chemicals	Manufacture and distribution of chemical products
7	5	Samuel Hodge Holdings	Gas pressure valves and dispensing equipment
8	3	Moorhen Holdings	Roofing and cladding material manufacturers
9	11	Robinson Healthcare Group	Manufacture and distribution of personal hygiene, healthcare and veterinary products
10	8	OSL Group Holdings	Manufacture and factoring of components and services of fire and security
11	7	The Abbey Group UK	Production, treatment and forging of steel
12	21	IFA Metals International	Manufacture of high integrity forged products
13		National Floorcoverings Group	Manufacture and supply of carpets and allied products
14	16	A.T.C. Manufacturing	Manufacture and distribution of textile products
15	27	X-Cel Superturn	Manufacture of precision engineering components
16	10	C.W.Fletcher & Sons,	Manufacture of precision components
17	18	Direct Trade (Yorkshire)	Manufacture and distribution of window frames, doors and conservatories
18	15	Teampartner	Production and sale of popcorn and confectionery
19	12	Robson Handling Technology	Design, manufacture and installation of specialised material handling plant
20	13	Ford Windows	Manufacture of UPVC windows
21	19	John Smedley	Manufacture and sale of knitwear
22	23	Rotor Clip	Supply of retaining rings
23	25	Compass Engineering	Structural engineers
24	28	Advanced Engineering Techniques	Laser engineers, component producer and fabricator
25	26	Jepson Holdings	Manufacture of vehicle number plates and signs
26	30	Charles Thompson (UK)	Subsidiary company.
27	29	Dearneside Fabrications	Metal fabricators
28	37	Liberty Group Holdings	Manufacture, sale and hiring out of site cabins and related equipment
29		Panel Systems (Holdings)	Insulated building products
30		Tickhill Engineering Company	Agricultural and food processing equipment
31	33	Drishaun Holdings	Manufacture and assembly of electrical enclosures
32	39	Kingfield Electronics	Production and assembly of electronic and electro-mechanical apparatus
33	31	Castlegate 263	Manufacture of upvc double glazing
34	35	Thos.Winnard & Sons	Distribution of vehicle components
35	32	Tinsley Bridge	Manufacture and sale of stabiliser bars for the European truck market
36	36	Thos. C. Wild	Manufacture of forged rings for high integrity applications
37		P.M.S. Diecasting	Manufacture of non ferrous metal castings
38	41	Mccalls Special Products	Design and manufacture of high strength bars and fittings
39	38	Metalliform Holdings	Manufacture and sale of contract and educational furniture, office furniture
40		C.W. Sellors (Gold And Silversmiths)	Gold and silversmiths
41		Bowmer Bond (Holdings)	Manufacture and distribution of narrow fabrics
42	49	Atomising Systems	Consultant and contracting engineers, specialising in production of metal powders
43	42	BEN Bennett JR	Quarrying of limestone and the manufacture of cold rolled and hardened and tempered steel strip.
44		Loadhog	Manufacture, distribution and hire of re-useable packaging systems
45	48	J.B. Ingall	Manufacture of steel and alloy foundry castings
46	44	Harvest Healthcare	Manufacture and distribution of pressure therapy and patient handling products
47	45	Chapmans Agricultural	Manufacture of and supply of agricultural and earthmoving parts
48	46	Taylor's Eye Witness	Manufacture and distribution of houseware products
49	50	Penny Hydraulics	Design, manufacture and servicing of hydraulic and electrical components
50		M-Mover Holdings	Manufacture, marketing and rental of industrial moving equipment

Notes on Top 50 SMEs

Figures compiled by BHP Chartered Accountants using latest published financial information at the time of carrying out this survey filed at Companies House and financial data provided by Bureau van Dijk's Fame. To qualify for inclusion, businesses must: • be an independent company OR the ultimate holding company of a UK group • be an SME, i.e. meets two of the following measures - less than 250 employees - less than £36m turnover per annum - less than £18m gross assets • not be a charity, academy, Limited Liability Partnership or listed Public Limited Company • be up-to-date in filing accounts at Companies House • be based in Sheffield City Region • with a manufacturing SIC code listed on FAME

uring SMEs 2019

R/O City	Latest accounts date	Turnover th GBP Last avail. yr	Profit (Loss) before Tax th GBP Last avail. yr	Latest No of Employees Last avail. yr	Total assets
Matlock	4/30/2018	36,002	1,225	218	9,956
Chesterfield	11/30/2018	33,829	1,515	246	23,934
Sheffield	5/31/2018	30,411	4,210	105	31,312
Sheffield	3/31/2018	28,402	4,682	69	19,080
Sheffield	12/31/2017	27,244	41	100	17,161
Sheffield	12/31/2018	26,652	2,020	58	14,659
Sheffield	3/31/2019	26,266	719	214	18,713
Chesterfield	6/30/2018	26,152	4,680	57	28,197
Worksop	6/30/2018	24,733	2,431	158	17,022
Sheffield	12/31/2018	24,533	2,314	192	13,178
Sheffield	10/31/2018	24,448	952	199	46,061
Sheffield	3/31/2018	23,284	2,615	155	15,332
Matlock	12/31/2017	22,768	3,478	123	31,161
Barnsley	12/31/2017	22,246	1,337	203	35,954
Rotherham	3/31/2019	21,856	1,567	163	21,460
Sheffield	12/31/2018	21,447	546	185	13,784
Doncaster	3/31/2018	20,548	1,397	214	8,418
Sheffield	12/31/2017	20,318	-1,643	204	9,723
Sheffield	6/29/2018	20,092	-409	144	12,846
Sheffield	12/31/2018	19,801	1,216	201	8,696
Matlock	3/31/2019	17,977	926	349	14,341
Sheffield	12/31/2017	17,597	2,447	144	11,556
Barnsley	12/31/2017	16,171	1,818	54	6,887
Barnsley	10/31/2018	15,093	366	167	9,254
Sheffield	6/30/2018	15,045	1,052	82	15,537
Mexborough	3/31/2018	13,877	-173	178	14,861
Sheffield	3/31/2018	13,318	1,754	98	8,432
Sheffield	6/30/2018	13,147	2,320	101	19,276
Sheffield	12/31/2018	13,082	1,097	70	4,875
Doncaster	12/31/2017	12,856	1,429	71	12,830
Sheffield	12/31/2017	12,794	-190	110	9,396
Chesterfield	3/31/2018	12,773	930	111	8,740
Mansfield	10/31/2018	12,769	133	139	2,788
Rotherham	12/31/2017	12,754	2,059	31	11,770
Sheffield	9/30/2018	12,355	643	100	6,180
Sheffield	8/31/2018	12,291	784	73	10,385
Rotherham	12/31/2018	11,773	315	99	6,072
Sheffield	12/31/2017	11,215	463	66	9,630
Barnsley	6/30/2018	10,991	611	144	6,239
Ashbourne	4/30/2018	10,472	217	122	8,193
Ashbourne	6/30/2018	10,152	1,069	92	7,817
Sheffield	9/30/2018	9,887	569	74	8,276
Rotherham	12/31/2017	9,576	1,122	72	11,124
Sheffield	12/31/2017	9,499	492	76	16,518
Sheffield	1/31/2018	9,437	240	64	6,408
Rotherham	5/31/2018	9,176	-79	54	5,935
Sheffield	12/31/2017	8,837	86	134	6,793
Sheffield	1/31/2019	8,807	365	57	7,613
Chesterfield	6/30/2018	8,740	1,404	83	7,642
Ashbourne	12/31/2017	8,561	740	64	5,490

For financial periods of more than or fewer than 52 weeks, the figures have been annualised on a pro-rata basis. Private company information can be incomplete: in preparing this table every reasonable effort has been made to ensure that no qualifying companies have been omitted. In certain circumstances the compilers of the table have made exceptions to the qualification criteria and their decision is final.

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It's a mad, mad, mad world

Not a reference to the 1963 movie of the same name in which Spencer Tracy led a mad-cap chase in search of an elusive \$350,000, but more a nod to the fact that the BHP Manufacturing survey of 2019 is published at a time when the UK has gone into Political meltdown and in doing so become an increasingly uncertain place to do business.

If I had foretold that in October 2019 we would have a new Prime Minister, a Parliament which has been illegally Pro-rogued, a Queen's Speech which may well not get accepted and a possible change of Government, then I am sure you would have sent me back to the Film archives for more of Mr Tracy's antics - and that's before any mention of a Brexit deal (or indeed No deal) despite being more than three years after the original referendum and less than 30 days away from the extended deadline.

Little wonder that the leaders of manufacturing businesses in our region are finding it more and more difficult to chart a successful course through these uncertain times, and whilst the decision of many is

to simply baton down the hatches and to defer investment is entirely understandable, the success of many despite such challenges is commendable and to be applauded.

And yet UK PLC still looks to manufacturing to generate further momentum and sustained growth by solving the productivity gap puzzle - how many recent Chancellors have looked to the "Makers and Doers" of this economy and the North to drive this growth?

Sheffield City Region Local Enterprise Partnership, under the leadership of James Moir, is becoming increasingly vocal in challenging Government to provide more devolved support but such support is some time and negotiation away. In the meantime, successful manufacturing businesses have made full use of the following:

- The introduction of the Structural Business Allowance in October 2018 means that businesses constructing or converting industrial premises now get tax relief on their expenditure, albeit over 50 years.

- The Annual Investment Allowance for expenditure on plant and machinery at a whopping £1,000,000 results in 99% of businesses getting up front tax relief on their capital spend.

And finally, enhanced tax relief is still available at the rate 130% for these businesses solving technological and scientific uncertainties - and what manufacturing businesses doesn't solve these daily?



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