

THE STAFFORDSHIRE GROWTH BAROMETER

2017 EDITION: TRACKING THE GROWTH OF THE LEADING PERFORMERS IN THE COUNTY

Lichfield Cathedral



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STRENGTH IN DIVERSITY

Fund managers have long known that one of the secrets to long-term investment success is to have a diversified portfolio. Regional economies are no different, and that's why Staffordshire's business mix is such an asset.

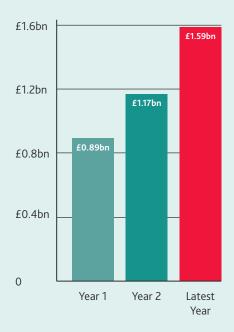
With ten sectors represented in the county's 50 fastest-growing companies, Staffordshire's business community is the epitome of a balanced ecosystem that is well placed to take on the knocks and opportunities of competition in a global economy. That's not to say all is perfect, of course.

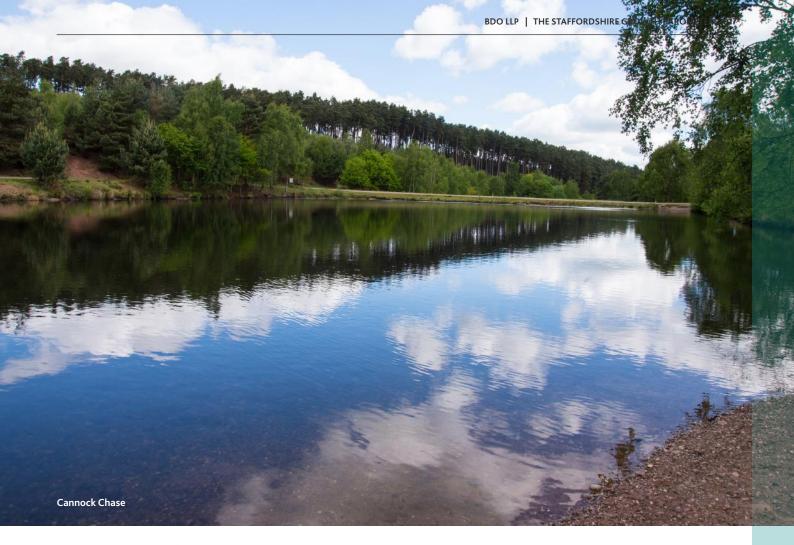
As the experts interviewed for this report reveal, there are concerns that policymakers need to address to maximise the competitiveness of the county. Staffordshire is well placed for continued strong growth: it's important to make sure things stay that way.





Turnover







In 2009, a metal-detector fan called Terry Herbert discovered the world's largest hoard of Anglo-Saxon gold and silver in a field near Cannock. The archaeological find has yet to be equalled, but for businesses the county of Staffordshire continues to deliver riches year in, year out.

WELCOME

As this report shows, the county's 50 fastest-growing companies increased their collective turnover by an impressive 35.9% in the last year. What is eye-catching about this group of companies is that they showcase just how much the dynamics of our county's economy are shifting.

Whereas Staffordshire has long boasted a proud manufacturing heritage, the sectors that are delivering growth today include relative upstarts such as biotechnology and technology, media and telecommunications.

These are likely to be the dominant industries of tomorrow and it is encouraging to see them taking a hold in Staffordshire, not just for the sake of the county but also for the sake of the country.

As Paul Eagland, BDO's UK Managing Partner, puts it in our New Economy report: "We believe that a 'new economy' is needed which is not over-reliant on any one sector or region but which makes the most of the UK's talents, skills and entrepreneurial spirit."

Bearing that in mind, in Staffordshire it will be important to foster an environment that continues to stimulate healthy growth across all business segments, and none are better to discuss this environment than the business leaders interviewed in this report.

I hope you find their comments useful when thinking about your own business strategy.

DAVID POOLER Partner BDO



Ten sectors appear in total, with none hogging the limelight. Saying this, manufacturing is the most represented sector on the list with 10 out of 50 companies, which reflects the region's proud industrial heritage.

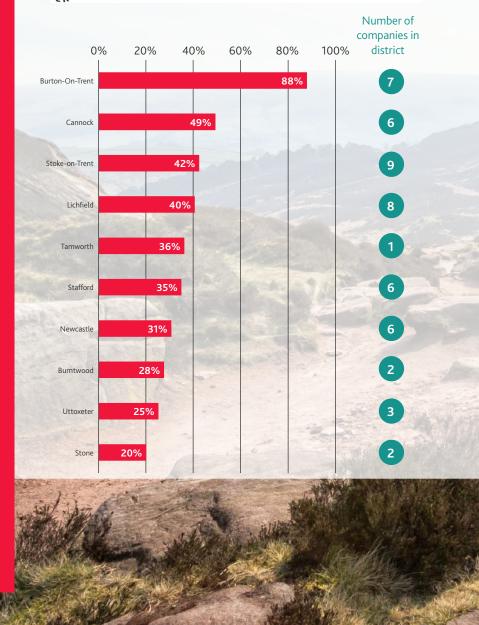
In terms of growth, despite the resurgence of the automotive sector, manufacturing has been eclipsed by the stellar performance of sectors such as transport, which has expanded by 131% over the last three years, unsurprisingly with Staffordshire's position at the heart of the UK's transport network, as well as real estate, construction and civil engineering, which is up 60%.

With such a wide range of industries jostling for attention, it is hard to pick future winners in the region. However, our predictions are that digital, biotech and energy companies will continue to flourish, and are well placed to benefit from advanced manufacturing techniques supported by active partnership initiatives between regional universities and the Local Enterprise Partnership, Chambers of Commerce and local councils.

Our top 50 list shows growth in a variety of districts within Staffordshire and predictably the largest proportion of companies are located in the conurbation of Stoke-on-Trent in the north of the county, however the areas that have experienced the highest growth in terms of turnover are Burton-On-Trent and Cannock.

Overall, the outlook is buoyant. And that's good news for employment, which has seen strong year-on-year growth with utilities and retail leading the charge.

AVERAGE TURNOVER GROWTH BY DISTRICT



KEY FINDINGS OF THE TOP 50



The Roaches

3

THE STAFFORDSHIRE GROWTH BAROMETER 2017 | BDO LLP

Shugborough Hall country estate

BUSINESS VOICES

OPTIMISTIC FOR THE FUTURE

DAVID FROST,

CHAIRMAN, STOKE-ON-TRENT AND STAFFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP (LEP)

"As a region, we have been hugely successful in creating jobs, with an increase of around 35,000 in the LEP area in the last five years. However, the challenge is not just to continue creating more jobs, but to create more highly-skilled and better-paid jobs that will provide the maximum benefit for our local communities and economy.

Our central location means that the region is a natural attractor for logistics businesses, which typically offer lower-paid jobs. So the task for the LEP and its partners is to ensure we have a broad and balanced plan for growth, attracting innovative businesses in sectors ranging from advanced manufacturing to agri-tech that will create more highly skilled roles.

"Our focus will be on boosting export in the coming months, in partnership with the Department of International Trade, and we will be knocking on the doors of the government to ensure it understands the day-to-day issues that businesses are facing."

The natural benefit of this will be increased local spending power, which will give the retail and leisure sectors a significant boost as well as helping the wider economy.

As we prepare for Brexit, the LEP is determined to continue to drive growth and become increasingly outward looking. Our



links with the Midland Engine give Stokeon-Trent and Staffordshire a much higher international profile, as was shown by the success of the Midlands UK exhibition at MIPIM (international annual real estate conference). We must maximise every opportunity to make our mark on the world stage as we prepare for new global trading relations.

Our focus will be on helping businesses to boost exports in the coming months, in partnership with the Department of International Trade, and we will be knocking on the doors of the new Government to ensure it understands the day-to-day issues that businesses are facing. We must be alert to the constantly changing and developing nature of business and the global economy.

Central to our strategic economic plan is attracting advanced manufacturing businesses to invest and expand in the region. Our 'Make It' inward investment team has a busy schedule of international trade exhibitions and other events promoting the area and the range of sectors in which we thrive.

A top LEP priority is ensuring that the education system is fit for purpose, so that we have a supply of skilled workers who

can take on new roles in areas such as advanced manufacturing and create the innovative businesses we need for the future. We have recently invested £3.8million in the new AgriSTEM Academy at South Staffordshire College, to develop skills in the high-tech agriculture, engineering and automotive sectors. This is part of a LEP-wide programme of creating advanced manufacturing and engineering hubs in our FE colleges.

Our universities are using the Apprenticeships Levy as a springboard for new middle management, career development and higher-level apprenticeship training to overcome historic weaknesses in these areas in our region.

We are a vibrant economy and new sectors are evolving. We must ensure our future strategy is focused on communicating the economic opportunities that emerging sectors will provide, and that Staffordshire is a great place to live, work, invest and do business.

Our formidable strengths include our unique location with great connectivity; our balanced economy, which is not reliant on any one sector; a very loyal workforce; and, most importantly, the can-do attitude of our people.

Here in Staffordshire the public and private sectors are working very closely together to ensure the continued success of the region. We are an amazingly adaptive county, exports continue to flourish, and I am very optimistic for the future."

AN EFFECTIVE COMBINATION

PETER COLEMAN, CEO, COBRA BIOLOGICS LIMITED

"Our business was originally set up by a group of individuals who previously worked for a large pharmaceutical firm and wanted to set up on their own. We located in Keele University because they were offering support to scientific businesses in the early 90s, ahead of other universities.

Today we export 95% of our products, to North America, Europe and Southeast Asia, and are planning significant expansion in the UK and Sweden. This growth has come from both new customers and from working more closely with existing customers and expanding with them as they progress down the regulatory path.

This means taking on more space at Keele Innovation Park, plus an expected 50 additional staff split between the UK and Sweden. Our biggest challenge is meeting demand, but our second biggest is recruiting and retaining high-calibre people. Working closely with Keele University will help us with our plans. They are supportive in many ways and a few of their graduates are currently employed at Cobra. In the future a more formal graduate training programme between Cobra and the University for students interested in a career in biotechnology would be excellent. We've also had assistance from Staffordshire as a region. The Local Enterprise Partnership is encouraging us to apply for a number of capital grants for the expansion and Keele University is assisting us in a variety of ways, including construction and planning approval.

It has been an effective combination and we'd love it if Staffordshire could become a centre of excellence in the biotech field in future. Finally, if Stoke becomes City of Culture for 2021 that would massively enhance its profile and make it a more exciting and interesting place to live. Anything that enhances the profile of your region has to be good for business."



"Our biggest challenge is meeting demand, but our second biggest is recruiting and retaining high-calibre people. Working with Keele University helps with this."



WELCOMING SUPPORT

JOE TIPPER, DIRECTOR, WALTER TIPPER LIMITED

"Being in Staffordshire has been a major contributor to our success over the years as a fifth generation family owned business. Our industry is built on personal relationships with our customers. In Staffordshire, people buy from people and this is a cornerstone to our business.

Our success is down to the quality of our 225-strong workforce and our loyal customer base, the majority of which are local construction firms, sole traders and DIY homeowners, built on a history of mutual respect.

The skills gap is a big challenge for us, as educational institutions understandably concentrate their resources on those industries that require a specific academic qualification.

To combat this, for a long time we have been recruiting our staff at grassroots level from local schools and universities, training individuals on the job. The benefits are obvious, as a number of these are now in senior management across our business.

Key challenges for us are finding more excellent people and the sourcing of industrial land near towns to set up new branches.

We would welcome support from the Local Enterprise Partnership, Chamber and local universities for small-to-medium enterprises facing similar challenges, particularly in nonacademic sectors such as ours.

The success of businesses in our region, particularly the big players such as JCB, has a huge effect on the local economy. There is such a diverse range of businesses that all feed off each other and contribute to its success.

It is this mutual drive to succeed, the nature of the people, and the wide range of businesses that is key to Staffordshire's success... and is worthy of celebration."



"We have been recruiting our staff at grassroots level, training individuals on the job. The benefits are obvious, as a number of these are now in senior management across our business."

Cannock Chase

ADDRESSING THE SKILLS GAP

PROFESSOR IEUAN ELLIS,

PRO VICE-CHANCELLOR FOR PARTNERSHIPS AND REGION, STAFFORDSHIRE UNIVERSITY

"At Staffordshire University, we are really proud of our ability to retain our best graduates as employees in the Staffordshire region.

Addressing the skills gap is one of the biggest challenges being faced by the region and the university is assisting with this through tailored upskilling programmes, working with business in the manufacturing and digital sectors, amongst others, as well as with the Ministry of Defence (MoD).

In fact, Staffordshire University is one of the biggest providers of degree-level education to the MoD, taking the skills that the graduates have developed in service and building on them to provide the individuals with qualifications that they can use when they embark on their second careers post service.

We are proud of the contribution our graduates make to the region's businesses. We work closely with employers to ensure our graduates have the skills to prosper and drive business growth.

We have also been working closely with our partners and local business to improve the uptake of apprenticeships in preparation for the introduction of the Apprentice Levy from April this year.

We currently offer five specific apprenticeships and we are at the forefront of national apprenticeship development, working closing with our industrial partners to design the apprenticeships of the future. This is an area in which we are seeing growth currently and we have set some ambitious targets to meet.

Another of our key objectives is to bring together digital businesses in the county, to support their growth and enable businesses in other sectors to make innovative use of digital technology."



"We are proud of the contribution our graduates make to the region's businesses. We work closely with employers to ensure our graduates have the skills to prosper and drive business growth."



"Staffordshire has a sense of a county on the up. Its vision and offering for business has become clearer and it is getting the focus right."

DELIVERING HIGHER-VALUE JOBS

DR MARK BACON,

DIRECTOR OF ENGAGEMENT AND PARTNERSHIPS, KEELE UNIVERSITY

"Keele University is leading the way in the transition to delivering higher-value jobs for Staffordshire and we have an important role to play in supporting the rest of the region in doing so.

One of the most frequently used routes into collaborative working with local businesses is through our Knowledge Transfer Partnerships (KTPs).

These predominantly focus on smaller businesses and provide an employee from the university, typically at PhD level, to work in the business under the supervision of a team of academics at the university.

The business receives a dedicated and highly skilled individual with very solid links to the university, embedded in their business to drive forward change in the way that the company approaches innovation. Such has been the success of our KTPs that the new SMART Energy Network Demonstrator Programme has 26 projects on offer which will operate in a very similar manner to KTPs. Development in the energy sector is certainly a key priority here.

The National Grid has recently chosen Keele University as a demonstration site, investing several million to trial new technology using hydrogen gas as a form of energy.

I expect it to be a much more attractive prospect for businesses in five years' time.

The key now is to move from being a distribution hub with fantastic connectivity to exploiting all its local assets, including a world-class, research-intensive university.

Staffordshire has a sense of a county on the up. Its vision and offering for business has become clearer and it is getting the focus right."



STAFFORDSHIRE'S by turnover growth

Staffordshire is a far-reaching county, home to a diverse group of businesses that are leading the region's economic growth. Here are its 50 fastest growing companies according to annual turnover in the last three years based on data available as at 5th April 2017.

			TURNOVER	AVERAGE	
	Сомрану	DISTRICT	(£'000)	GROWTH	SECTOR
1	Palletforce Limited	Burton-On-Trent	100,695	236.73%	Transport and Logistics
2	Reactive Integrated Services Limited	Burton-On-Trent	6,817	232.27%	Real Estate, Construction and Civil
3	Water Plus Limited	Stoke-On-Trent	16,285	124.52%	Utilities
4	Horizon Care And Education Group Limited	Cannock	16,746	93.01%	Social Care and Welfare
5	Rudolph & Hellmann Automotive Limited	Lichfield	41,910	78.18%	Automotive
6	Murray & Willis Limited	Cannock	21,168	73.40%	Real Estate, Construction and Civil
7	Roxane UK Limited	Lichfield	31,139	64.14%	Retail and Wholesale
8	First Motorway Services Limited	Cannock	16,845	59.60%	Hospitality and Leisure
9	Carnell Support Services Limited	Stafford	54,504	56.56%	Real Estate, Construction and Civil
10	Zytek Automotive Limited	Lichfield	16,915	53.95%	Automotive
11	Lynton Exports (Alsager) Limited	Stoke-On-Trent	31,298	50.55%	Retail and Wholesale
12	Ischebeck Titan Limited	Burton-On-Trent	26,739	48.97%	Real Estate, Construction and Civil
13	T.G. Holdcroft (Motors) Limited	Stoke-On-Trent	70,879	47.89%	Automotive
14	D.H. Mansfield Limited	Stoke-On-Trent	39,295	45.91%	Automotive
15	Cobra Biologics Limited	Newcastle	16,886	45.34%	Biotechnology
16	George Koch Sons Europe Limited	Lichfield	18,908	39.97%	Manufacturing
17	Radwell International- UK Limited	Newcastle	13,578	38.26%	Retail and Wholesale
18	Suprajit Europe Limited	Tamworth	7,357	36.20%	Automotive
19	JCB Finance (Leasing) Limited	Uttoxeter	9,653	35.06%	Automotive
20	EG Solutions PLC	Stafford	7,595	34.98%	Technology and Media
21	Webb Plant Group Limited	Stafford	9,779	33.76%	Retail and Wholesale
22	Top Online Partners Group Limited	Stafford	70,777	32.94%	Technology and Media
23	Tara Developments Limited	Burntwood	94,223	32.85%	Real Estate, Construction and Civil
24	The National Memorial Arboretum Company Limited	Burton-On-Trent	9,117	32.12%	Hospitality and Leisure
25	Wacker Neuson Limited	Stafford	39,919	29.06%	Manufacturing
26	Biocomposites (UK) Limited	Newcastle	28,110	28.53%	Biotechnology
27	Easy Lease Limited	Cannock	12,987	25.62%	Automotive
28	WJ North Limited	Newcastle	28,505	24.96%	Transport and Logistics
29	Johnson Health Tech UK Limited	Stoke-On-Trent	40,054	24.56%	Retail and Wholesale
30	Jessup Brothers Limited	Cannock	29,817	24.40%	Real Estate, Construction and Civil
31	Walter Tipper Limited	Lichfield	40,097	23.89%	Retail and Wholesale
32	Boston Interiors Limited	Newcastle	11,293	23.80%	Real Estate, Construction and Civil
33	Geo. Hodges & Son Limited	Burton-On-Trent	7,581	23.64%	Real Estate, Construction and Civil
34	Koch Chemical Technology Group Limited	Stoke-On-Trent	88,899	23.27%	Manufacturing
35	AWS Electronics Limited	Newcastle	23,953	22.94%	Manufacturing
36	Intatec Limited	Stafford	20,403	22.27%	Manufacturing
37	Busy Bees Nurseries Limited	Burntwood	48,317	22.25%	Social Care and Welfare
38	Wrekin Holdings Limited	Lichfield	21,508	21.91%	
39	Briggs of Burton PLC	Burton-On-Trent	24,084	21.73%	Manufacturing
40	Hillside (Spain New Media) PLC	Stoke-On-Trent	67,501	21.47%	Technology and Media
41	Caudwell Children	Stoke-On-Trent	7,766	20.68%	Social Care and Welfare
42	The Brock Metal Company Limited	Cannock	58,413	20.30%	Manufacturing
43	AMG Care Services Group Limited	Stone	20,883	20.27%	Social Care and Welfare
44	Loanguard Limited	Lichfield	14,638	20.25%	Manufacturing
45	Newell Rubbermaid UK Services Limited	Lichfield	22,756	20.04%	Manufacturing
46	SCA Timber Supply Limited	Stoke-On-Trent	106,890	19.98%	Retail and Wholesale
47	Instem PLC	Stone	16,321	19.87%	Technology and Media
48	Spaciotempo UK Limited	Uttoxeter	11,710	19.85%	Retail and Wholesale
49	T.L. Darby Limited	Burton-On-Trent	30,275	19.78%	Automotive
50	Cowi UK Limited	Uttoxeter	16,101	19.65%	Real Estate, Construction and Civil

THE STAFFORDSHIRE TEAM

Our commitment to Staffordshire is reflected in the experience of our team and the fact that they work and live there. We pride ourselves in being able to offer all the ingredients for excellent client service with our resources in the county, while providing the regional, national and international support you would expect of a major global firm.





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The companies included in the Staffordshire Growth Barometer Report were selected by conducting an initial search of FAME for companies with both a registered office and trading address in the Staffordshire postal areas ('the region'). Where more than one group company made the list, the higher ranked company was retained only so that there was no duplication of data in our sample. We also eliminated companies that were judged not to be trading or controlled within the region. The 'current period' financial information is based on latest filed accounts available on FAME as at 5th April 2017. Companies were eliminated where the latest year's turnover was either below £6.5m or above £300m. Schools and academies were excluded due to the nature of their funding.

To produce the financial information we simply took the last three years' worth of turnover data and calculated a year on year average growth, before calculating an overall average growth rate. We eliminated companies where there was less than three full years' worth of turnover data available or where there had been negative growth in any one year. Depending on the accounts filed, some of our figures will be based on consolidated accounts and some on entity only accounts. In addition, some of the financial information will be based on UK Generally Accepted Accounting Principles accounts and others will be based on International Financial Reporting Standards accounts. The financial information in this report has been compiled exclusively from publicly available information under the key assumptions and limitations

SELECTING THE SAMPLE

outlined above. It has been designed solely to illustrate trends in the financial performance of a representative sample of companies in the region. BDO has not carried out any verification work on the financial information in this Report and gives no opinion on the financial information.

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