



UNITED FRONT The new NECC president has called on businesses in the region to show clear vision

New president calls for a common voice

APPOINTMENTS

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NEW North East Chamber of Commerce president Dave Laws has called on businesses in the region to show clear vision and share a common voice.

The Newcastle International Airport chief executive, who begins his two-year tenure at the organisation's AGM this morning, said the time has come to present a united front in the face of divide and conquer tactics from Westminster.

"I believe as a region we need a single voice. Or if that is not possible we at least need to ensure we

are singing from the same hymn sheet," said Laws, who has worked at the transport hub for more than 30 years, starting out as a fireman. "I'm convinced in my own mind that when you look at central government and national politicians then the North East is being played off against itself because it is perceived that we don't know what we want."

Laws says he hopes to build his two-year term on a "three Cs" principle - clear vision, common voice and common identity.

"The Chamber is coming up on



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its 200th anniversary in 2015 - but it will also mark 20 years since the Tyne and Tees Valley Chambers came together because they felt that there was more benefit in being united.

"And that is still true today."

Laws will use his first address to formally launch NECC's 50 Great Reasons to do Business in the North East list - first revealed in The Journal yesterday - which has been produced by the Chamber to help promote the region.

"This simple, but incredibly important document sets out the things we do best in the North East," said Laws.

"If we can persuade our exporters to include it in presentations overseas, our members of Parliament to use it in the House of Commons and our councils to ad-

opt it as part of their economic development packs we will ensure a unified positive message and a clear demonstration of how committed we are to attract new business and nurture the ones we already have."

Laws said he had no concerns about the presence of two LEPs within the region, as with such a large geographic area to cover it could be too much for one to handle. And he also welcomed the formation of a combined local authority in Tyne and Wear.

"I've worked as part of a private-public partnership for over 11 years and I've seen how the seven local authorities have set their own agendas aside to do what was best for the airport.

"And we need that co-operation across the region."

Businesses counter seasonal dip in demand

SEVENTEEN percent of North East business have said they close their businesses on a short-term basis to save costs during dips in demand during summer and winter, a report has revealed.

Some 10% of SMEs in the region have also said they change products and services to deal with seasonality, according to research conducted for Santander Corporate & Commercial by BDRC Continental.

The study also found tough summer months lead to one in 11 of all UK firms reporting decrease in turnover.

The researchers found that

nearly two thirds (61%) of small and medium-sized businesses are impacted in the summer or during Christmas, with more than a third (37%) saying they suffer from a negative seasonal impact.

Regionally, two in three North East (64%) companies report having to plan in advance for potential changes in demand due to seasonality, with around one in seven (14%) businesses relying on month-by-month planning for seasonal changes in demand.

In response 17% save cash by shutting short-term while 10% alter services and product to reflect the changes in demand (10%).

Craig Iley, regional director for Santander Corporate & Commercial, said: "Certain seasons can represent a period of severe financial concern for many UK businesses, particularly those based in the North East - to the extent that many need to close during this time or make drastic structural changes. However, by planning and preparing for disruptions in advance, many can avoid adverse fluctuations in supply and demand. Importantly, companies can use a number of financial and cash flow management tools to help ease them through difficult times."



PLANNING Craig Iley

SARAH PITTENDRIGH



A plan is a really good motivator

CREATING a business plan and forecasting what your revenue may be up to three years in the future can seem like a daunting prospect. How many times have we seen would-be entrepreneurs berated on TV's Dragon's Den for plucking numbers from the air based on nothing more than a hunch and a hefty dollop of optimism?

When I started my business four years ago, rather than gaze into a crystal ball I visited prospective clients - the four and five star hotels I hoped to get business from - to pre-identify their needs and ascertain how they saw me fitting into their wedding and events offering.

In some ways I was already laying the groundwork before I'd officially started the business, planting seeds and pro-actively offering the hotels something that would make their lives easier and add value to their bridal packages.

I was able to work out sales projections based on meetings with five key hotels. Although many already had existing suppliers, I didn't let that put me off. In my business plan I estimated my first year turnover based on providing table linen and chair covers for a third of their weddings. In Year 2 that figure was doubled and in Year 3 my predictions were based on being their exclusive preferred supplier. It was ambitious to say the least.

As I was unemployed, my key motivation was not to have my house repossessed! I knew how much money I needed each month to be able to pay my mortgage, and worked backwards from there devising a strategy of what I would have to do to hit the sales objective. Although most business advisers probably wouldn't recommend such an approach, it worked for me and I exceeded my forecast by 20% each year.

As a sales driven person, I found the business plan a really good motivator and always strove to exceed the targets I'd set myself.

There's no point creating a plan just to secure finance and then letting it gather dust in a drawer. And I'd always recommend having a 25% contingency in place should sales fall short of your expectations.

I've always written my own business and marketing plans, as well as creating my own franchising model.

However there is plenty of help out there if you have a great idea but are put off by the thought of drafting a business plan.

Enterprise agencies such as www.nbsl.org.uk can help you plan start-up costs, overheads and working capital, as well as estimating sales and putting together a cash-flow projection. It can seem overwhelming at first, but once broken down into its component parts, writing a business plan isn't as complicated as you might think.

Sarah Pittendrigh, managing director, of www.simplybowsandchaircovers.co.uk. Ask a question via Twitter: @simplybows