



Turnaround Tales

From burger bar
to science lab



Leadership Secrets

Future proofing
your business



The Big Profile

David Horne putting
Virgin East Coast
on track

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TOP 500

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SSE takes the top spot

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TIME TO EMERGE FROM THE SHADOWS OF A TOUGH 2016

Ken Symon's regular view on business



WELCOME to the first issue of Insider for 2017, which features our annual listing of Scotland's best performing large companies.

This year's Top 500 features some impressive companies emerging into the top ranks of Scottish-based businesses but there are many whose fortunes have suffered through the effects of the continuing low oil price and from the teasing out of the remaining effects of the 2008 financial crisis.

It will make thought-provoking reading as international economic and political events continue to cast a long shadow over many Scottish businesses.

But there is much to admire and much of that underlines the importance of leadership at the top to steer businesses through uncertain waters – issues

include FreeAgent, which has just launched onto the AIM market and joins our Quoted Companies listing tables this issue (page 12). Hopefully there will be more Scottish companies going to market in 2017 and, indeed, we hear that there are some being lined up.

But how many of them will make it through to listing rather than accepting the level of offers from overseas bidders that the level of the pound encourages remains to be seen.

The effects of the Brexit vote and much else beside that was contained in our State of Scotland survey were teased out by the participants in our Round Table discussion - conducted in November - that we report on in this issue (page 54).

That survey showed criticism of the UK Government's and (more so) the Scottish Government's handling of the Brexit situation. As this issue was going to press some of the cloud of doubt of Theresa May's Government's approach seemed to be clearing with the suggestions that there might be an interim agreement between the UK and the EU that would prevent the "cliff edge" that might result from a sudden stark departure.

I suspect that many businesspeople's fears will be allayed by that approach, although it is still very early days.

We should remind ourselves that we do not know how things will pan out – as the events since Brexit have shown – including, for example, the fact that the 10 per cent fall in UK house prices predicted by the Treasury has failed to materialise.

But we should also never forget but rather celebrate the combined talent and ingenuity of our entrepreneurs and our business leaders, which were very much on display at the Entrepreneurial Scotland dinner I attended at the end of November.

It is evident too in a new annual feature Turnaround Tales that I have introduced in this issue (page 60). There are three very different stories of business, personal and career turnarounds to inspire us and make us think.

As we go further into 2017 let us keep those tales in our minds and never just accept 'business as usual'. ■

It was the emergence and development of well-led businesses that stimulated the notable deals for Skyscanner and FanDuel

that we highlight in our Secrets of Leadership feature (page 67).

It was the emergence and development of well-led and developed tech businesses that stimulated the notable deals for Skyscanner and FanDuel, both Edinburgh-based which have been the highlight of much coverage in recent weeks and indeed features in our Burning Question in this issue (page 18).

Given the rise of these businesses in the capital it perhaps should not be too much of surprise that Edinburgh was voted the Entrepreneurial City of the Year in the Great British Entrepreneur Awards in London in November, beating Cambridge, Leeds, Manchester and London (although it was reputedly a surprise to the Edinburgh delegation).

Russell Dagleish, founder of Exolta Capital Partners, who accepted the award, said: "As Scots it doesn't sit well for us to be congratulated on success, but we are changing the tech landscape and we are going to have to get used to accepting praise."

Further leading Edinburgh tech businesses

contents

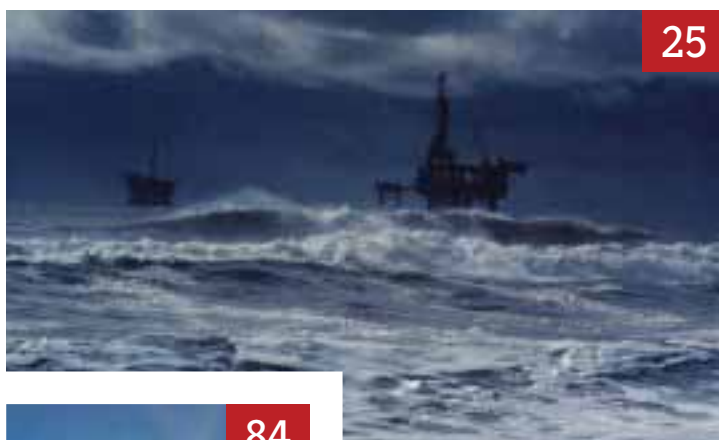


COMMENT

- 3 **Agenda:** Ken Symon discusses the need for leadership and fresh thinking
- 53 **In My View:** Jim Burberry of RSM looks at whether Scotland should take control of VAT
- 59 **Ian Ritchie:** Scotland needs more computer science teachers

REPORTS

- 20 **Big Profile:** David Horne, managing director of Virgin East Coast
- 25 **Top500 2017:** Our annual examination of the financial performance of Scotland's biggest businesses. 31 Insider's exclusive listings 48 Index 50 Notes
- 54 **Round Table:** Our panel examine the results of our State of Scotland survey
- 60 **Turnaround Tales:** A New Year Insider feature that looks at powerful stories of businesses or individuals that have reinvented themselves
- 67 **Secrets of Leadership:** Kristy Dorsey discusses what is needed to lead rather than just manage your business
- 74 **Round Table:** The future of tourism in Scotland
- 79 **Life Sciences:** The changing face of the sector in Scotland
- 84 **Regional report:** East Ayrshire - a new tourist attraction is the catalyst for new growth
- 89 **Lifestyle:** New Year Health - where should you go to tone yourself up for your New Year New You drive?



116



REGULARS

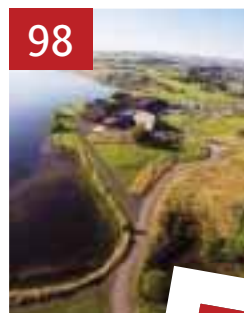
- 9 **Briefing:** News and reviews
- 12 **Scotland's Quoted Companies:** How Scotland's listed companies are faring
- 14 **Vital Statistics:** Our regular look at the figures that matter in Scottish business and the wider economy
- 16 **Insider Creative:** Why Andrew Dobbie took Made Brave east
- 18 **Burning Question:** Can the government do more to keep thriving global companies in Scottish hands?
- 92 **International:** Growth makes trade with ASEAN countries more attractive
- 94 **IT Matters:** The latest on the battle against cyber crime
- 98 **Commercial Property:** Insider's regular round up of activity in the Scottish property market
- 110 **Wealth:** 'Trumponomics' looming over international financial markets
- 113 **Appointments:** Who's on the move?
- 115 **Personnel:** Fatal Accident Enquires powers extended
- 116 **Slainte:** Events, people, parties
- 118 **Ten Minute Interview:** Jamie Grant, head of business and corporate banking for Barclays in Scotland

EVENTS

- 103 **Scottish SME Awards:** After dinner speaker revealed for the event
- 104 **Aberdeen Deals Business Breakfast:** Latest readings on the deals climate
- 105 **Made in Scotland Awards:** Celebrating the best of Scottish innovation
- 106 **Scottish Accountancy & Finance Awards:** Entries are now being invited for our awards
- 107 **Top 500 Business Breakfast:** Revealing the top business panellists for this event
- 108 **Swim Run:** Announcing Insider's first participatory sports event



98



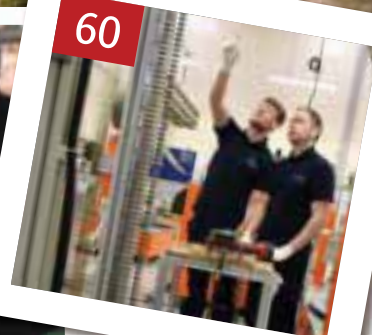
115



92



60



89

94



GOOD BUSINESS: Successful succession



Fraser Campbell,
Head of Family Businesses with
Chartered Accountants Campbell Dallas

WHEN Donald Trump becomes President in January, his family business will grapple with issues that will be familiar to family businesses across Scotland.

The incoming President is in his 70s, and is a similar age to the leaders of many family businesses established by the 'baby boomer' generation of the 1950s and 60s. Many of these founders still lead their families and businesses, with successive generations also involved.

As society changed in the latter half of the 20th century it became common for family businesses to have "splinter" branches arising from failed marriages. The fracturing of families can have a significant impact on business performance family wealth.

Retirement doesn't come easy to the baby boomer founder. Having spent a life focused almost entirely on business and family, they often lack enough external interests. It is frequently easier to keep working than retire or develop new passions.

Avoiding retirement is also a way of ensuring that children in the business are monitored and family harmony is maintained. Succession is the single most difficult issue faced by all

business families, and the point at which most family businesses either fail, or break up.

The Trump family business is about to enter a period of "forced retirement" as the founder moves into another leadership role. Will the senior family member be able to keep focus on the new day job without dipping back into the family business? Will the children take the business in a direction approved by the founder? What will happen after the years of forced retirement?

Even if Scotland's business families do not have the unique challenges that our US family is about to face, the question of succession management is still the biggest issue facing families in business.

The simple act of talking about the issues is a big hurdle for many families to overcome.

When it is easier to suffer in silence for the sake of harmony, families have a tremendous capacity to "just do nothing" about succession.

Doing nothing is the worst choice. It is better to plan and act while the sun is shining, not when family politics are in full spate.



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News and quotes compiled by Ken Symon and Scott McCulloch

Brewer launches Glasgow beer kitchen

CRAFT brewer Innis & Gunn is to launch its latest beer kitchen in Ashton Lane in the West End of Glasgow following a successful crowdfunding campaign.

The accelerated expansion of the Beer Kitchen chain is part of a wider roll out, across the UK and abroad, using the £2.5m raised last month.

The Glasgow Beer Kitchen will be the largest to date, spanning three floors, a late night events room and tanks serving special edition beers.

It will be the fourth of the chain, with outlets currently in Edinburgh, Dundee and St. Andrews. The flagship Beer Kitchen will employ 40 staff and cost £600,000.



IN BRIEF

Thomson wins finance award

David Thomson, director and chief investment officer of Glasgow-based VWM Wealth, has won the UK Investment Specialist of the Year Award at the Personal Finance Society awards in London.

This was the first time the Personal Finance Society has presented this award and Thomson saw off a large field of entrants to win.

The judges said that throughout the judging process he demonstrated a passion for the profession and the specialist nature of the advice he provides.

The judges said: "The winner has demonstrated superior ability in the provision of investment advice."

Superglass to lead Russian US expansion

A RUSSIAN company is looking to further international expansion from the Stirling base of Superglass, the Scottish insulation business it took over in the summer.

TechNICOL International, the roofing and insulation group is to use its newly acquired Scottish base as its launchpad into expansion into the US as well as the UK and Irish markets.

The expanded group, which now has more than 50 production centres globally believes there are considerable opportunities in the supply chain

for construction businesses in the UK and Ireland.

Prior to its acquisition, Superglass was the UK's leading independent manufacturer of glass wool and mineral fibre insulation products.

Ken Munro, who was Superglass's chief executive becomes CEO of TechNICOL, UK, Ireland and US. He will have responsibility for the group's presence in these areas plus continuing responsibility for the Stirling plant and its 150 employees.

Stuart Rowell, who is currently

group business development director at Superglass, and Girts Dikelsens, currently regional director TechnoNICOL (UK and US), will be responsible for sales and marketing activity across all product lines in the new region.

Theresa McLean, Superglass's chief financial officer, is appointed CFO of TechnoNICOL UK, Ireland and US and Mark Atherton, operations director at Superglass, becomes chief production officer and head of operations for the newly expanded regional business.

Ecometrica enters Fast 500 list

Ecometrica, the Edinburgh-based technology company has been named in the Deloitte 2016 Technology Fast 500 Europe, Middle East and Africa (EMEA) list.

With a growth rate of almost 300 per cent, Ecometrica is ranked 394th on the ranking of the 500 fastest-growing technology, media, telecommunications, life sciences and energy tech companies in EMEA.

Ecometrica was ranked second in the Insider Sprint 100 listings published in our November/December issue.

Gary Davis, chief executive of Ecometrica, said: "With important new agreements with NASA, the UK Space Agency, and our partners in the commercial and academic worlds, 2016 has been a great year for Ecometrica."

"It is very satisfying to see adoption of our technology growing and the Ecometrica Platform being used to tackle a variety of environmental challenges facing business."

Ecometrica was founded in 2008 by Dr Richard Tipper, Gary Davis and Bertrand Revenaz.

Homes for Scotland study finds tough landscape for Scottish housebuilders

SCOTLAND'S builders are finding it harder than ever to make a start on new sites and get much needed homes out of the ground, according to trade body Homes for Scotland.

And it says this claim is backed by figures published in mid-December showing that at 48.5 weeks, the time taken on planning decision times for major housing applications remains more than three times the statutory period of 16 weeks.

The figures also show that for the period July to September in 2016/17, the time has actually slowed by a day from the previous quarter.

Tammy Adams, Homes for Scotland's director of planning said: "We know Ministers are not happy with current performance and that Scottish Government officials are looking at the root causes of the delays."

"Whilst we hope that the

planning review will refocus the system and prioritise the delivery of enough new, high-quality homes to meet housing need, the truth is that we just can't wait for that.

"There is an urgent need to get decisions out in good time, both on planning applications and appeals. If this doesn't happen, the all-tenure housing crisis will only get bigger and this will be to the detriment of communities across Scotland."

Quartermile to welcome two new tenants

PROPERTY Developer Quartermile Developments has announced Caffè Nero and wine cafe Veenoo as new tenants for its flagship mixed used development in central Edinburgh.

Caffè Nero will occupy a 1,960 sq ft unit and Veenoo has taken a 1,440 sq ft space, both of which are located alongside the development's thriving Lister Square at the heart of Quartermile (pictured right). Caffè Nero and Veenoo are expected to open for business in early 2017.

Quartermile Developments is based within Quartermile, occupying offices at 2 Lister Square. The company is led by managing director Paul Curran, who became chairman of the Scottish Property Federation in November.



Female entrepreneurs invited to pitch

ENTREPRENEURIAL women-led business in Scotland are being given an opportunity to showcase their companies in Scotland's only pitch competition devoted to female entrepreneurs.

Taking part in the AccelerateHER Awards will give the entrepreneurs the chance to pitch to an audience including angel investors, commercial advisers and fellow entrepreneurs.

The competition gives participants a platform for attracting business angel investment with at least two finalists securing a trip to California next April.

This is the second year of the awards run by Scottish-based business angel group Investing Women.

The Awards' winners also benefit through access to US and wider international market opportunities and will be connected with potential financiers from across the globe who are gathering at a summit of investors in San Francisco.

The winners will also work with Susan Preston, the founder of the world's first women-only angel group, who was a keynote speaker at Investing Women's 2016 Ambition & Growth Conference, and Gwen Edwards

a key player in Silicon Valley.

Entrants will be asked to initially submit a video via the Investing Women's website outlining their business, ambitions, growth plans and investor potential.

All those who register will be given free pitch advice and webinar training. A judging panel will draw up a shortlist of 12 entrants who will present to the panel at the end of February. From those six participants will be invited to the Investing Women Ambition and Growth conference in Edinburgh on 9 March, 2017 where they will make their pitch to an audience.

IN BRIEF

Construction employment falls

Employment in the construction industry fell by 1,000 to 173,000 during the third quarter of 2016, according to figures from the Office of National Statistics.

Year-on-year, the number of people employed in Scotland's building sector was up by 5,000.

Vaughn Hart, managing director of the Scottish Building Federation, said: "Once again, these latest employment figures suggest there has been little in the way of immediate short-term impact on the Scottish construction sector from the vote to leave the European Union in June.

"However, we continue to have some concerns that the number of Scottish jobs supported by the industry remains substantially below historic levels prior to the 2008 recession. Targeting public capital spending towards affordable housing and energy efficiency offers the greatest potential to foster an increase in Scottish construction employment in the future."

PwC praised by party leader

Ruth Davidson, the Scottish Conservatives leader, has praised PwC's programmes tackling mental health issues. Davidson, along with shadow public and mental health minister Miles Briggs MSP, visited the firm's Edinburgh office in December to look at the work they are doing on mental health and wellbeing.

The programmes include the Green Light To Talk Day where every May, thousands of PwC staff wear green ribbons, prompting and encouraging staff to speak up around mental health issues.

The firm runs monthly campaigns on issues such as men's health, eating disorders, anxiety attacks and stress. PwC also has a Mental Health Governance Panel which sees senior staff meeting regularly with clinical experts.

QUOTE UNQUOTE

"Uncertainty may be the word that currently pervades the Scottish economy – yet there are businesses, and people, who are finding ways to do incredible things, whatever the circumstances"

Richard Slater, head of private markets for Deloitte in Scotland

Book Review

Title: *Property Entrepreneur*
Writer: Vincent Wong
Publisher: Wiley
Price: £11.99

THERE are a load of property investment books on the market but what differentiates Vincent Wong's from others is that he says he has direct experience of every strategy outlined in the book. And it does read like that.

It contains a good mix of personal anecdote and practical strategy outlined in an accessible way. He relates his

experience of doing property deals in major English cities in a way that raises the occasional smile.

There would be worse ways to provide a bit of background and some wise tips to someone just getting into the property market. Importantly there are some cautionary tales here that just might save you a very great deal of money.



Rating out of five: ★★



EXPERIENCE TURKISH AIRLINES' BUSINESS CLASS

HONG KONG
FROM
£1,513

SINGAPORE
FROM
£1,617

BANGKOK
FROM
£1,409

DUBAI
FROM
£1,328

CAPE TOWN
FROM
£2,414

JOHANNESBURG
FROM
£2,214



Positive messages send Plexus Holdings shares soaring

Ken Symon's regular digest of Scottish stock performance

AS 2016 came to a close more Scottish quoted companies were in positive territory with the number of risers outnumbering the fallers. A total of 25 companies saw their market caps rising with 12 seeing a fall and seven seeing no change.

Eleven of the companies listed on the main market saw rises with eight fallers and one – Johnston Press – seeing no change and on the Alternative Investment Market there were 14 shares that saw a rise, four fallers and six showing no change.

The Insider Scottish Quoted Companies lists have a new entrant this time with the inclusion on the Alternative Investment Market of FreeAgent, the Edinburgh-based enterprise which provides accounting software for businesses with employees of less than 10. The price in mid-December of 82p was 5p off its price at listing of 87p.

The biggest overall riser was Plexus Holdings, the oil equipment and services business, which rose more than 65 per cent, after chairman Jerome Thrall said in a statement that the company was ready to “regain the momentum” that the company was building up before the downturn.

Plexus has been hit hard by the oil price downturn as have other oilfield service companies but some analysts have said that it is better placed to weather the storm than most because of the quality of its client base which includes ‘blue chip’ oil companies.

This month's rise more than made up for the losses suffered the previous month after the company in October had reported a £6.92m pre-tax loss on the back of sales in the North Sea having fallen 88 per cent.

The second biggest riser was Omega Diagnostics which is seeing the benefits of expansion following the announcement of a £1.8m grant from economic development agency Scottish Enterprise. The Alva-based life sciences company is boosting its employee

Biggest risers

NAME	% CHANGE 1 MTH
PLEXUS HOLDINGS PLC	65.52
OMEGA DIAGNOSTICS GROUP PLC	18.75
CAIRN ENERGY PLC	15.26
SPACEANDPEOPLE PLC	15.00
JOHN MENZIES PLC	13.96
MACFARLANE GROUP PLC	12.96
FRONTIER IP GROUP PLC	12.50
SIGMA CAPITAL GROUP PLC	9.72
IOMART GROUP PLC	9.43
INDIGOVISION GROUP PLC	9.21

Biggest fallers

NAME	% CHANGE 1 MTH
MINOAN GROUP PLC	-22.22
SCOTGOLD RESOURCES LIMITED	-22.06
ABERDEEN ASSET MANAGEMENT PLC	-15.16
DEVRO PLC	-13.90
CLYDESDALE BANK (CYBG)	-6.44
A.G. BARR PLC	-6.04
FIRSTGROUP PLC	-4.59
STV GROUP PLC	-3.78
EXOVA GROUP PLC	-1.53
CELTIC PLC	-1.39

numbers by 14, from its previous 50, and accelerating the range of the allergens it offers to deal with increased demand.

The biggest overall faller was Minoan Group, the property development, travel and leisure business, which saw a 22 per cent fall in its share price. The company has still to hear about a Greek supreme court appeal on its bid to build a luxury holiday complex on the island of Crete. The Glasgow-based company has been pushing for go ahead for the development for more than 20 years after buying a 6500-acre site on the unspilt Cavo Sidero peninsula on the eastern side of the island.

The biggest faller on the main market was Aberdeen Asset Management which saw a more than 15 per cent slump in its share price. The company reported a 28 per cent fall in pre-tax profits, down to £352.7m from £496.1m, at the end of November. Martin Gilbert, Aberdeen's chief executive, revealed that clients had pulled out £32.8bn in funds in the year to 30 September.

More than £7.2bn of that was withdrawn in the last three months of that financial year from the group that is largely focused on emerging markets. Gross new business for the year dipped by eight per cent to £39bn.

The group said it is expecting further outflows in the first quarter of 2017. The weakness of the pound against other currencies had also added to the group's costs.

Two companies shares remain suspended – AIM-list Xcite Energy, the oil and gas producer whose shares have been suspended since October and Energy Assets, the smart metering business.

This month is the first time our share table does not include SeaEnergy because the company is in administration.

Suggestions continue that the rota of Scottish listed companies will increase by year end with more initial public offerings in the pipeline for 2017. ■

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**Suggestions continue
 that the rota of Scottish
 listed companies will
 increase by year end
 with more initial public
 offerings in the pipeline
 for 2017**

Main Market

	LIST DATE	MARKET* VALUE (£m)	SECTOR	SHARE PRICES				
				5 YEARS AGO	1 YEAR AGO	LAST MONTH	THIS MONTH	% CHANGE
ABERDEEN ASSET MANAGEMENT PLC	3/28/1991	3459.53	ASSET MANAGERS	212.00	289.00	310.00	263.00	-15.16
A.G. BARR PLC	4/2/1970	563.29	SOFT DRINKS	404.00	533.00	513.00	482.00	-6.04
AGGREKO PLC	9/29/1997	2220.63	BUSINESS SUPPORT SERVICES	2119.00	914.00	832.00	867.00	4.21
ALLIANCE TRUST PLC	7/17/1947	3038.00	INVESTMENT TRUSTS	343.00	571.00	575.00	590.00	2.61
CAIRN ENERGY PLC	12/22/1988	1265.46	EXPLORATION AND PROD.	673.00	158.00	190.00	219.00	15.26
CLYDESDALE BANK (CYBG)	2/3/2016	2455.05	BANKS	N/A	N/A	302.70	283.20	-6.44
DEVRO PLC	6/30/1993	268.79	FOOD PRODUCTS	258.00	290.00	187.00	161.00	-13.90
ENERGY ASSETS GROUP PLC	3/22/2012	203.03	BUSINESS SUPPORT SERVICES	N/A	507.00	N/A	N/A	N/A
EXOVA GROUP PLC	4/11/2014	482.46	BUSINESS SUPPORT SERVICES	N/A	145.00	196.00	193.00	-1.53
FIRSTGROUP PLC	6/16/1995	1248.57	TRAVEL AND TOURISM	338.00	107.00	109.00	104.00	-4.59
J SMART & CO (CONTRACTORS) PLC	3/25/1973	47.64	REAL ESTATE HOLD, DEV	70.00	104.00	105.00	106.00	0.95
JOHN MENZIES PLC	10/3/1962	462.46	BUSINESS SUPPORT SERVICES	530.00	415.00	487.00	555.00	13.96
JOHN WOOD GROUP PLC	6/5/2002	3198.71	OIL EQUIP. & SERVICES	641.00	613.00	785.00	840.00	7.01
JOHNSTON PRESS PLC	4/29/1988	14.82	PUBLISHING	313.00	50.00	14.00	14.00	0.00
MACFARLANE GROUP PLC	6/20/1973	83.17	BUSINESS SUPPORT SERVICES	19.00	57.00	54.00	61.00	12.96
ROYAL BANK OF SCOTLAND GROUP PLC	7/10/1968	26046.42	BANKS	202.00	302.00	203.00	220.00	8.37
SSE PLC	6/18/1991	15024.65	ELECTRICITY	1291.00	1528.00	1490.00	1483.00	-0.47
STAGECOACH GROUP PLC	10/19/1998	1205.77	TRAVEL AND TOURISM	272.00	296.00	201.00	210.00	4.48
STANDARD LIFE PLC	7/10/2006	7351.13	LIFE INSURANCE	252.00	390.00	362.00	372.00	2.76
STV GROUP PLC	3/25/1973	140.59	BROADCAST AND ENTERTAIN	84.00	515.00	370.00	356.00	-3.78
WEIR GROUP PLC	1/25/1946	4012.92	INDUSTRIAL MACHINERY	2032.00	1000.00	1756.00	1843.00	4.95

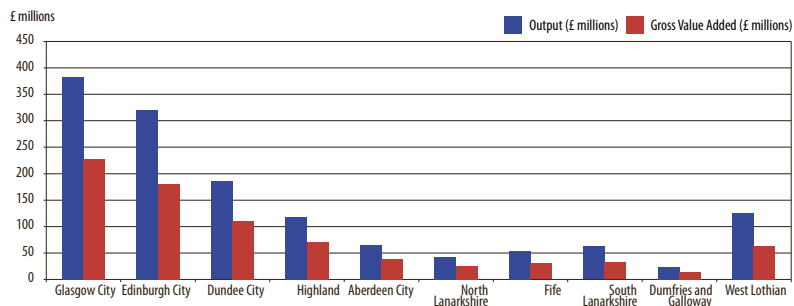
Alternative Investment Market

	LIST DATE	MARKET* VALUE (£m)	SECTOR	SHARE PRICES				
				5 YEARS AGO	1 YEAR AGO	LAST MONTH	THIS MONTH	% CHANGE
BOWLEVEN PLC	12/7/2004	83.57	EXPLORATION AND PRODUCTION	67.00	22.00	24.00	26.00	8.33
BRAVEHEART INVESTMENT GROUP PLC	3/30/2007	2.91	EQUITY INVESTMENT INSTRUMENTS	17.00	8.00	11.00	11.00	0.00
CALEDONIAN TRUST PLC	9/29/1995	10.66	REAL ESTATE HOLD, DEV	110.00	130.00	86.00	91.00	5.81
CORETX HOLDINGS PLC	6/30/2010	60.61	INDIVIDUAL AND FAMILY SOCIAL SERVICES	189.00	33.00	32.00	32.00	0.00
CELTIC PLC	12/22/2005	66.32	RECREATIONAL SERVICES	34.00	74.00	72.00	71.00	-1.39
CRANWARE PLC	9/13/2007	311.41	SOFTWARE	495.00	798.00	1155.00	1155.00	0.00
ELAND OIL & GAS	9/3/2012	70.34	OIL AND GAS PRODUCERS	N/A	29.00	36.00	38.00	5.56
FAROE PETROLEUM PLC	6/27/2003	308.03	EXPLORATION AND PRODUCTION	155.00	54.00	79.00	85.00	7.59
FREEAGENT HOLDINGS PLC	11/16/2016	32.70	ACCOUNTING SOFTWARE PROVIDER	N/A	N/A	N/A	82.00	N/A
FRONTIER IP GROUP PLC	1/31/2011	10.93	SUPPORT SERVICES	25.00	21.00	32.00	36.00	12.50
GOALS SOCCER CENTRES PLC	12/7/2004	71.83	RECREATIONAL SERVICES	94.00	164.00	96.00	96.00	0.00
HAVELOCK EUROPA PLC	10/1/1987	3.56	FURNISHINGS	12.00	8.00	9.00	9.00	0.00
INDIGOVISION GROUP PLC	8/2/2000	12.62	COMPUTER SERVICES	328.00	195.00	152.00	166.00	9.21
IOMART GROUP PLC	4/19/2000	310.53	INTERNET	124.00	272.00	265.00	290.00	9.43
LANSDOWNE OIL & GAS PLC	4/21/2006	6.12	EXPLORATION AND PRODUCTION	37.00	2.00	1.00	1.00	0.00
MINOAN GROUP PLC	10/18/2011	12.90	TRAVEL AND LEISURE	6.00	8.00	9.00	7.00	-22.22
MURGITROYD GROUP PLC	11/30/2001	46.33	BUSINESS SUPPORT SERVICES	313.00	530.00	510.00	515.00	0.98
OMEGA DIAGNOSTICS GROUP PLC	3/18/2004	20.12	MEDICAL SUPPLIES	11.00	16.00	16.00	19.00	18.75
PARKMEAD GROUP PLC (THE)	3/13/2000	54.91	EXPLORATION AND PRODUCTION	14.00	58.00	52.00	53.25	2.40
PLEXUS HOLDINGS PLC	12/9/2005	76.93	OIL EQUIPMENT AND SERVICES	94.00	164.00	58.00	96.00	65.52
PRODUCE INVESTMENTS PLC	10/18/2010	40.98	FOOD PRODUCERS	156.00	147.00	149.00	157.00	5.37
SCOTGOLD RESOURCES LIMITED	1/15/2008	7.13	PRECIOUS METALS AND MINERALS	4.63	0.75	0.68	0.53	-22.06
SIGMA CAPITAL GROUP PLC	4/27/2000	70.09	ASSET MANAGERS	7.00	95.00	72.00	79.00	9.72
SMART METERING SYSTEMS PLC	7/8/2011	475.19	BUSINESS SUPPORT SERVICES	94.00	330.00	536.00	531.00	-0.93
SPACEANDPEOPLE PLC	12/31/2004	4.49	MEDIA AGENCIES	52.00	63.00	20.00	23.00	15.00
XCITE ENERGY LIMITED	11/13/2007	4.03	OIL AND GAS PRODUCERS	112.00	18.25	N/A	N/A	N/A

*Figures to close of market Thursday, 8th December 2016

Business statistics in Scotland compiled by Steven Wilson

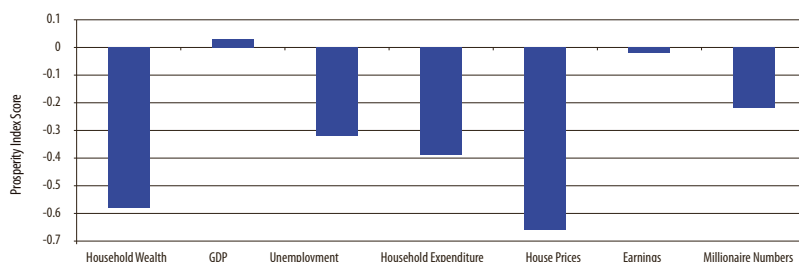
BT Economic Impact on Scotland



Communications giant BT has provided a £1bn boost to the Scottish economy in the past year. An independent study found BT supported around 12,600 jobs in Scotland through direct employment, spending with contractors and suppliers, and the spending of employees. The group, which also includes EE, was also responsible for the employment of around 7,400 people and contractors in Scotland in 2015-16, with a total income of around £225m and a spend of around £171m with Scottish suppliers. The report, carried out by Regeneris Consulting, also suggests BT's total gross value added (GVA) contribution to Scotland totalled £1.01bn for this period, "including indirect and induced effects".

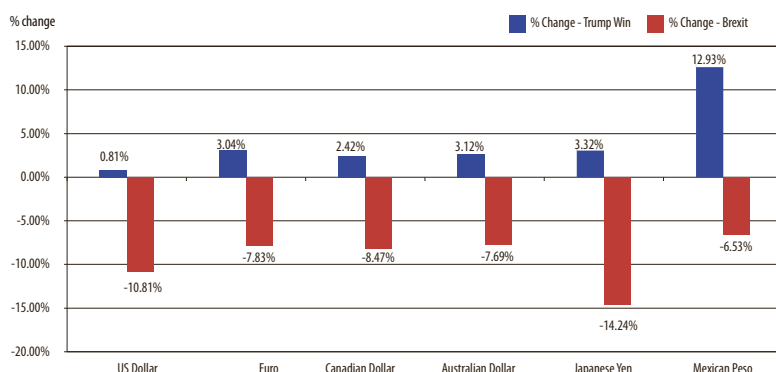
Source: BT, Regeneris Consulting

Prosperity in Scotland



Scotland's household wealth grew the fastest in the UK this year, rising by 13%, which was higher than both London (12%) and the South East (11%). Scotland's small business performance also topped the UK rankings with the highest increase in SME turnover, recording an 8% increase, and helping Scotland rise three places to 7th in the overall Prosperity Index. GDP in Scotland remains the third highest in the UK, growing 9.8% year on year. The number of millionaires in Scotland reduced by 10.4% from a population of 48,000 to 43,000, in line with the wider UK trend where there was a slight reduction overall. Source: Barclays

How the two big voting results in 2016 affected exchange rates vs the pound



Before and after exchange rates for the US election result were taken on the 8th and 10th of November respectively. Similarly, the rates for the Brexit result were taken on the 23rd and 27th of June.

IN FOCUS

Least Income Deprived Areas of Scotland

Council Area	% Income Deprived
Shetland Islands	5.68%
Aberdeenshire	5.73%
Orkney Islands	6.76%
East Dunbartonshire	7.05%
East Renfrewshire	7.18%
Aberdeen City	7.81%
Perth and Kinross	8.27%
Moray	8.27%
Stirling	9.00%
City of Edinburgh	9.32%



1 in 20

Number of Scottish business with foreign ownership

Scottish Football Ticket Pricing

	Cheapest season ticket 2016	Cheapest season ticket 2015	% Change
Aberdeen	£319	£298	7.05%
Celtic	£337	£337	0.00%
Dundee	£340	£340	0.00%
Hamilton	£150	£350	-57.14%
Hearts	£280	£280	0.00%
Inverness	£297	£200	48.50%
Kilmarnock	£280	£280	0.00%
Motherwell	£310	£295	5.08%
Partick Thistle	£308	£308	0.00%
Rangers	£295	£263	12.17%
Ross County	£300	£300	0.00%
St Johnstone	£310	£310	0.00%
Average	£290.90	£307.83	-5.50%

Season ticket prices in Scottish football have fallen for 2016-17, with many clubs freezing or reducing ticket prices. Cheapest season ticket charges in the Scottish Premiership fell by 5.5%, largely due to Hamilton Academical cutting the cost of a seat at New Douglas Park by £200, opting for a tag of £150 to try to get numbers through the gate. League One clubs reduced theirs by much the same percentage, while in League Two they actually fell by nearly 20%. However, in the Championship prices are up slightly, with Hibernian remaining the most expensive for all tickets and catering. Source: BBC

IN FOCUS

Airport Passenger Data – Q3 2016

Glasgow Airport followed up a decade high for passenger numbers in July with a record summer, achieving their best ever figures in August and September as they thrived off the back of Davis Cup and Champions League action in the city. EU scheduled service numbers rose 16.1 per cent in July, driven by the recently launched Marseilles route. September saw an 11 per cent year on year increase for Edinburgh Airport, a rise which the airport attributed to the new routes to Stuttgart, Vienna, Venice and Copenhagen over the past year. Whilst Aberdeen continued to show the effects of the economic decline in offshore services, Aberdeen Airport is hopeful of improved numbers improved in due course, with airBaltic announcing a return to the airport, with a route to Riga in 2017.

Airport	Passengers Q3 2016	% Change This Quarter
Glasgow	2,895,874	15.99%
Edinburgh	3,820,199	15.94%
Prestwick	251,757	12.47%
Aberdeen	851,107	5.12%
Highlands & Islands (11 Airports)	486,438	15.36%
Overall	8,305,375	14.61%



6%

The rise in revenue in
Glasgow pubs and bars during
Freshers Week 2016

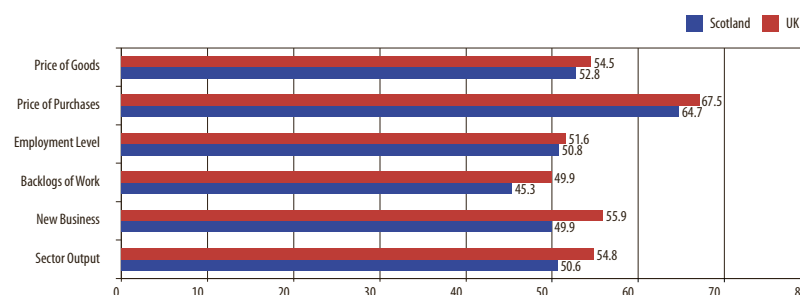
Enterprise Employment and Turnover by Sector

Sector	Employment	Turnover (£m)
Manufacturing	192,250	37,798
Retail Trade	261,920	31,002
Professional	172,600	20,310
Construction	150,890	18,180
Admin services	189,920	14,136
Transportation	105,270	12,458
Motor Trade	45,560	9,921
Accommodation	191,530	7,516
Human Health	186,120	6,740
Education	88,240	2,883

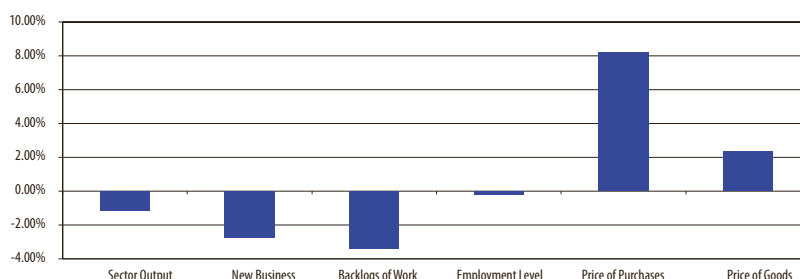
Between March 2015 and March 2016, the estimated number of enterprises decreased by 3%. The decrease is driven by the fall in the number of unregistered businesses (the smallest sole traders and partnerships that aren't registered for VAT/PAYE), which fell 7.6%. The two largest industry sectors were 'Professional, Scientific and Technical services' and 'Construction'. Together, these two sectors make up 28% of all private sector enterprises in Scotland. The construction industry was hit hard by the fall in unregistered businesses, as they decreased by 4,885 in this sector, compared to an increase of 615 in registered businesses.

Source: Scottish Government

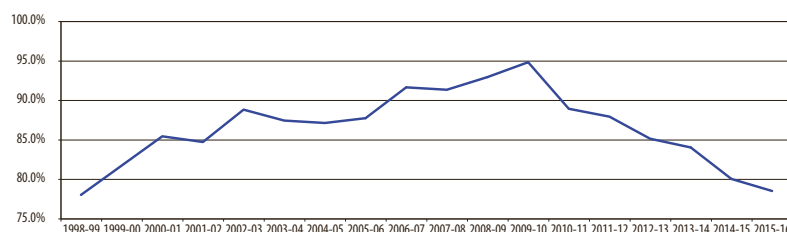
BUSINESS ACTIVITY SCOTLAND - OCTOBER 2016



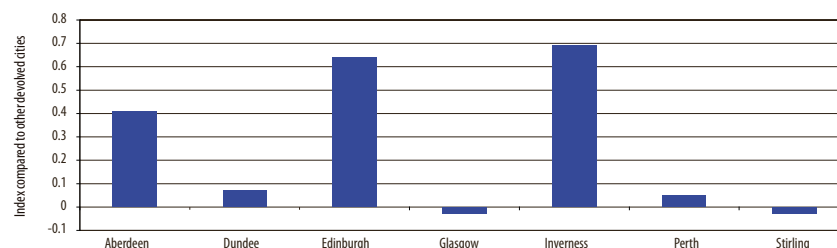
October survey data pointed to a slower expansion of Scotland's private sector, as output growth weakened since September. New business levels stagnated and volumes of incomplete work deteriorated at a marked pace. However, firms continued to add to their payrolls despite facing the sharpest increase in input costs since September 2011. Meanwhile, firms found room to raise their output charges further, although inflation was weaker than that for input costs. Source: Bank of Scotland PMI/IHS Markit.



Scotland's Share of North Sea Revenue



City Good Growth Index



The performance of the cities in devolved nations varies widely. Aberdeen and Edinburgh are again positioned in the top ten cities on the overall index, when measured against the priorities chosen by the public. Scottish cities score particularly well on elements such as skills, jobs, income and transport. Though jobs and skills are strong, the cities mostly have at or below average scores in new businesses. The one standout feature in terms of below average scores is health. This may raise some questions about the different ways in which the health services are organised in the devolved administrations, the extent of the relationship between health outcomes and inputs, and the likely impact of welfare reform on those currently not participating in the workforce. Source: PwC

Insider's regular focus on Scotland's creative sector by Ken Symon

IN BRIEF

Film and TV spending record

FILM and TV producers spent a record £52.7m shooting in Scotland in 2015, according to official figures revealed by Fiona Hyslop, the culture secretary.

The announcement of the figure – which represented a £7m increase on 2014 – follows Creative Scotland's work to support large scale international productions and work by domestic producers.

The productions included In Plain Sight, Outlander, T2 Trainspotting, Churchill, Etruscan Smile, Calibre, Hush, Loch Ness, Tommy's Honour, Sunset Song, Macbeth and current productions like The Wife.



20/20 ball event

Edinburgh-based 20/20 Productions has taken the Mannequin Challenge to the Dubai St Andrew's Ball. More than 500 guests including the Consul General from the British Embassy and heads of the Irish Society, Welsh Social Club and St George's Society struck their best poses in the two-minute video that includes 20/20 productions director and GlobalScot John Deykin presenting on stage. 20/20, which has a Dubai office, staged the event.

Titles acquired

Newsquest Media Group has acquired two new forestry titles: Forestry Journal and essentialARB.

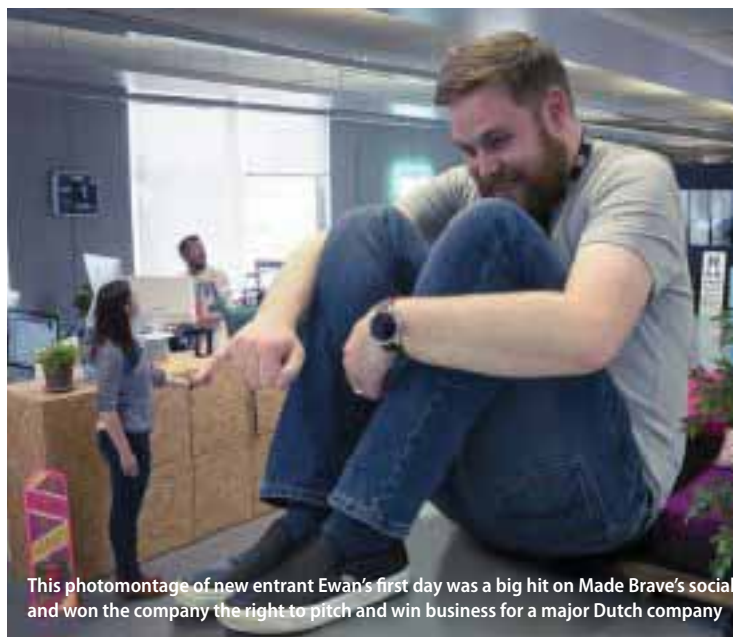
The publications will add to Newsquest's existing magazine portfolio which includes The Scottish Farmer, Country Lifestyle Scotland, Scottish Cycling, Family Focus Scotland, Scottish Gardener, Scottish Mountaineer and High Flyer.

ANDREW Dobbie raised a lot of eyebrows in the Scottish creative world when he announced he was moving his Made Brave creative digital agency out of the centre of Glasgow to its east end.

Would the move mean the agency being out of the swim of things and would there be issues moving to the Bridgeton area, which does not have the best of reputations? But a year and a half on Dobbie says the move to the Albus development has really paid off.

He says: "It had no impact negatively on staff: everybody actually liked it because they ended up with parking outside. It gave us a better environment. And it's helped tremendously: clients all want to come here because they want to see this. So that saves us money, it saved us time and it helps with recruitment because who doesn't want a colourful, bright office and it's a brand new building as well."

Dobbie says that it was not a decision he took without a lot of thought. "I walked the streets of the city centre and everywhere had blue carpet tiles and suspended ceilings and I had a very clear vision of what I wanted the place to look like and what



This photomontage of new entrant Ewan's first day was a big hit on Made Brave's social and won the company the right to pitch and win business for a major Dutch company

East end move pays off for digital agency Made Brave

I wanted it to feel like. To me that's a really important part of a business and creating a culture is the environment you put people in. And I couldn't find anything in the city and came across this building.

"I saw pictures of this building and I thought yes that's the look and I learned it was in Bridgeton. I hesitated but thought I'm going

to go and have a look. So I came out and met with Clyde Gateway and walked the streets a bit. And it was not as bad as I thought and then I saw all the regeneration.

"I'm a great believer in not following all the other agencies. I thought they're all in the city centre; they're all doing their thing, if I go east it'll be newsworthy and it's a benefit to

CREATIVE VIEW: Frank Quitely and Michael Docherty

Primestaff bolsters crowdfunding campaign



Frank Quitely (left) and Michael Docherty

COMIC artist Frank Quitely's dream of completing his first animated short film seemed to be running into the sand when the project's crowdfunding campaign wasn't doing nearly as well as had been hoped.

The fundraising campaign on crowdfunding platform Indiegogo for his film Nothing To Declare was stalled with more than £6,000 of its £10,000 target still to be raised.

It seemed to be a real setback for the artist who lives in Glasgow despite collaborating with creators around the world on projects such as All-Star Superman, new X-men and Batman and Robin.

Will Adams, BAFTA-nominated co-founder of animation studios We Were Farmers, who is directing the film,



Andrew Dobbie

our city because we're helping regenerate the East End and it'd be a differential."

So Made Brave are now based in an area that is home to other creative businesses such as magazine publisher Peebles Media, which is based in the same building, and craft beers businesses West Brewery and Drygate.

The catalyst for the move was the continuing growth of the business that Dobbie started in 2012 as a one-man band with £1,000 from his last salary as an agency's creative director. Within the first year Made Brave had grown to six employees based in South Block, the 50,000 sq ft, four floor studio and creative office complex in Glasgow's Merchant City run by Wasp Studios. By the end of year two it had grown to 14 employees and had taken a second, bigger room within South Block.

"We grew very quickly and ran out of space and Wasps were very good that they let us out our lease. They're there to encourage the creative industries and we were almost a perfect case study of going in with one person and coming out with 14."

Now after a year of consolidating and getting the structure and balance of the business right, Made Brave is growing again with the

advertising last month of seven new jobs including a project manager, two designers and two account handling posts.

The further growth, sparked by some big contract wins has capped a year for the agency which saw it doing events with Google for its Digital Garage courses including an event on virtual reality and "How to Get Likes and Influence People".

Made Brave is moving into training and strategy and events, adding to its existing offering. An agency that started out offering design and photography has since added social media and website design. So growth has been organic rather than all flowing from a carefully worked out masterplan. "I'm not one of these entrepreneurs that has a vision for 10 years and £10bn. I'm more like do my thing and when things happen, when things appear pick the ones that are right for my gut and build that way.

"It's not all about money for me it's more about trying to create the right balance of enjoyable work, the right life balance where I can look after my family. I don't work Saturday, Sunday ever and haven't really done since the start. That's clear family time. I think if you set these rules then you can work around them."

says: "We were about three quarters of the way through the crowdfunding campaign and we had raised 40 per cent of the money with 10 days to go and it was starting to look a bit doubtful."

But Primestaff, the Glasgow-headquartered recruitment company stepped in to offer all of the required funding – about £6,000, to help the film project reach its target.

Adams says the project was well advanced but they needed the funding to finish it to the standard they wanted. "The animation was complete and the editing locked down but we had just stretched ourselves too far.

"Without Primestaff stepping in it could have been a very different story for us," says Adams.

Michael Docherty, Primestaff's construction director had a very

personal reason for supporting the project – he and Quately were boyhood friends. Docherty says: "We lived just round the corner and he was really close to the family. So close that he ended up marrying my sister, Ann-Jane!"

With the funding assured the creative team, which included Oscar winning CG artist Tom Bryant leading the team at Interference Pattern to craft the animation and former Mogwai member John Cummings contributing the music, could complete their work.

Nothing To Declare is based on a Quately short story in which a well-meaning 19-year-old returns home at Christmas from backpacking in South America, only to discover he has unintentionally triggered a catastrophic chain of events.

The team behind it hope the film

will appeal to comic book readers, as well as fans of animation and horror.

Quately says: "I have always loved the horror genre. I had written a bunch of short stories, and this one, I felt, particularly lent itself to animation. This is the first time I've written a story and handed it over to other artists to work on. It's my first venture in film, and the team I'm working with are exceptional at what they do and have created a brilliantly-crafted animation."

The problems experienced by Quately in seeking to crowdfund a creative enterprise are far from unique according to Tim Wright, CEO of twintangibles, the Glasgow-based crowdfunding consultancy.

Wright says: "Crowdfunding is tough and failure rates are high but there have also been notable successes in funding creative enterprises."

ON THE MOVE

Donald Martin is going back to the future. He will leave his current role as head of publishing at **D C Thomson** to return to **Newsquest** as editor-in-chief, where he will be in overall charge of **The Herald, Sunday Herald** and **Evening Times**. Martin previously served in the role at Newsquest in Glasgow before leaving for D C Thomson, originally as editor of the **Sunday Post**.



Donalda MacKinnon has been appointed director of **BBC Scotland**, the Corporation's top post in Scotland. MacKinnon, who will be the first female leader in the role, was promoted from the head of programmes and services post. She takes over from **Ken McQuarrie**, who was recently appointed director of nations and regions. MacKinnon took up the post in December.

Helen Puttick is to take up a new post as health reporter with **The Times** based in Scotland. She moves from her previous role as health correspondent of **The Herald**. Helen McArdle takes over the Herald's health beat moving to that from her role as transport correspondent. Also making the move from The Herald to The Times in Scotland is **Daniel Sanderson**, the Herald's Scottish political correspondent, who will be an Edinburgh-based reporter for his new paper covering education and politics.

Fiona Pringle has been appointed as a reporter at the **Edinburgh Evening News**. She was previously a reporter at the **Fife Free Press**.

Patrick Duffy, the long-serving managing editor of **Scottish Grocer** retired at the end of November. **John McNee**, who was assistant editor of the magazine, has been promoted to editor.



The **burning** question

Q Following the overseas deals for FanDuel and Skyscanner can government do more to keep thriving global companies in Scottish hands?

NO



Gordon Duncan
partner and head of corporate
Lockton Companies
LLP

Too many Scottish businesses sell out prematurely to overseas buyers because of the temptation of lifetime financial security on offer to key shareholders. Ironically, we have good initiatives for start-ups, but not for thriving businesses due to sterling devaluation as a result of Brexit, import costs, insufficient capital investment and inadequate effort going into new skills training - look at how many companies cannot find trained IT programmers - especially in youth development and apprenticeships.

MAYBE



Stephen Robertson
director
Metis Partners

IP-rich companies like Syscanner and FanDuel always attract interest from overseas buyers who pay big money, allowing the financial beneficiaries, the stakeholders, to reap the benefits of their work and recycle capital back into the next batch of small fast-growing companies.

Overseas buyers, however, still need Scottish talent so the Government should support entrepreneurs, cut red tape, tax gains less, develop SME growth policies and retain "talent" in Scotland rather than chasing them abroad.

NO



Nick Freer
Freer Consultancy

Both FanDuel and Skyscanner's corporate fates were determined by a combination of market dynamics and the strategic views of their largest shareholders.

The Government and its enterprise agencies need to focus on how they can best support the next generation of start-ups which have the potential to be the FanDuels and Skyscanners of the future.

MAYBE



Graeme Horsfall
general manager
intelligentpos

But I'd avoid the negative tone that this question is so often posed with. As general manager of a tech company recently acquired by an international firm, our 'overseas deal' has brought inward investment, more jobs and the capacity for us to expand globally.

Government-backed funding supported our start-up and early stage growth. The acquisition was an acknowledgement of their ability to back a winner. The influx of investment is good for Edinburgh and Scotland.

YES



Stuart MacLean
corporate finance
partnership
CMS

There are usually good strategic reasons for Scottish businesses to exit but there are also great examples of major longstanding global companies which remain headquartered here. While their long-term commitment and economic contribution doesn't always make the headlines, they prove that it can be done. The key issue going forward for the wider business community, as well as government, is how we ensure the skills, support and long-term capital these businesses need to succeed is available and accessible here in Scotland.

MAYBE



Polly Purvis
chief executive
Scotland IS

Arguably not as global companies are less and less tied to one place. The key thing is to retain operations, jobs and many of the head office functions.

Government can create the environment to ensure Scotland is the best place to establish and grow tech companies, through a mix of tax policy, educating and bringing in talented people, fostering innovation, and encouraging attractive, internationally-competitive markets for property, connectivity and particularly for financial investment.



If you would like to contribute to the Burning Question or suggest topics please email editor@insider.co.uk

THE BIG PROFILE: DAVID HORNE, VIRGIN TRAINS EAST COAST



HORNE KEEPS VIRGIN TRAINS EAST COAST ON TRACK FOR SUCCESSFUL NEW ERA

By KEN SYMON

IT TAKES a huge amount of 'elbow grease' to clean a train. "There is a little hand polisher that they use for part of it but to get the real dirt and grime off initially it's all hard manual effort and you've got a quarter mile of train you're doing it on," David Horne, managing director of Virgin Trains East Coast, explains.

Horne was speaking to me at Craiginntny Rail Depot in the Duddingston area to the east of Edinburgh having spent the morning on a 'back to the floor' day.

"One of the things we're trying to do with each of the different roles across the company is spend some time on the shop floor and on the front line," he says, "really getting a deep understanding of the different roles within the company, the issues and what opportunities for improvement there still might be and get to know the teams a bit better as well."

"It's good to come up and spend the morning here at Craiginntny doing maintenance on the high speed trains and spending some time with Richard and Fergus, who were cleaning the sides of the trains."

Horne was appointed managing director at Virgin Trains about four months before they took over the franchise from the Department of Transport run East Coast Trains in March 2015. His role was very much to apply the Virgin approach to the running of the route.

"We've taken over a business that's got a good underlying product," he

says. "We've got fundamentally a fast train service, it's a very popular product, it's a very popular service. One of the challenges that's presented is just how busy some of the trains are."

"Virgin on the West Coast route have had some real success by putting great emphasis on the customer experience, customer service, speeding up the journeys and that's led to more people using the route. So that formula is the sort of formula that I believe can be applied successfully to the East Coast route as

.....
Virgin on the West Coast route have had some real success by putting great emphasis on the customer experience, customer service and speeding up the journeys
.....

well to attract more customers."

Virgin has invested in the service which, over the last 18 months, has meant a programme of refurbishing the current high speed trains which operate on the route and which are 30 to 40 years old.

"When we took over the franchise we decided we couldn't put up with the trains in the condition they were in, we had to invest in them even though we've got new trains coming. So we've invested about £30m in the trains themselves," Horne says.

That investment has meant

transforming the interiors of the trains - they may be 30 plus in years but the interiors of the refurbished trains feel new. Those aesthetic changes come along with upgrades to the trains' systems, which improve reliability and environmental performance.

"Even though the trains are 40-years-old, the engines are less than 10-years-old and one of the big reliability projects that we've under way is to give them a very thorough reliability overhaul that Rolls Royce undertake for us down in Surrey," Horne says. "The engines come out here, they get taken down to Surrey, Rolls Royce overhaul them. They'll do various things there to make sure they are in the latest condition in terms of reliability. We're always looking for what we can do to improve the reliability of the trains even though they've now done many, many miles."

Horne continues: "One of the things we've done this year is to bring in the extra services between Edinburgh and London so that's added 42,000 seats a week - over a million seats a year - so we've been able to do that with the existing fleet. That's a step that's significantly helped to keep pace with demand. The best measure of how the rail service is improving, are customers getting a good service is fundamentally how many people are using it? That continues to rise - it's more than doubled."

Virgin East Coast in May added eight extra services a day Monday

THE BIG PROFILE: DAVID HORNE, VIRGIN TRAINS EAST COAST

► to Friday between Edinburgh and London King's Cross plus extra services on a Sunday when the leisure demand is at its highest.

Last December Virgin also started a train service that leaves Stirling at 5.25am and gets into London by 11am. This new service built on the popularity of its Highland Chieftain service from Inverness, which is one of its most popular services. Horne says: "The whole Scotland to London route has been performing well in terms of passenger growth throughout this year so we're really pleased with how it's gone."

The current journey time for most Edinburgh to London services is about four hours and 20 minutes on its fastest services. But Virgin's next phase of investment will, the company hopes, be a game changer with the introduction of the Hitachi Azuma trains. "With the Azuma trains, the top speed will stay initially at 125 mph but they have got better acceleration performance than our existing trains. So what we're planning to do is to get the Edinburgh-London journey time down to four hours.

"We do that once at the moment first thing in the morning with the Flying Scotsman, which gets into London at 9.40 in the morning, but the Azuma trains will give us the ability to do that throughout the day.

"So that's where we believe that it will make a no-brainer for people travelling between Edinburgh and London city centre to city centre. That will make us a lot faster than the airlines actually by the time you factor in the journey time to the airport, the hassle of security, check-in etc."

Horne says: "That's where the train has got the advantage – whether you're competing over shorter distances with the car or over longer distances with the plane you've got that space where you can sit back, relax, work, read, look out the window if you want to. It is productive time that you can use as you see fit which is the great advantage. It means of course that things on board like wifi is important – so we have continual upgrades to that. It is now fully 4G compatible. As the mobile networks have been rolling out 4G across the country, the performance gets better and better."

A key plank in Virgin's campaign to attract leisure customers is the introduction of an onboard



That's where the train has got the advantage – you've got that space where you can sit back, relax, work, read, look out the window if you want

IN FOCUS:

Virgin Trains

Virgin Trains is a joint venture partnership between Virgin and Stagecoach Group.

Virgin Trains East Coast

Began operating on the East Coast mainline in 2015. It is due to end in 2023. It is 10 per cent owned by Virgin and 90 per cent owned by Stagecoach.

Virgin Trains West Coast

It has been operating trains on the West Coast main line since 1997. It is due to end in 2018. The company is 51 per cent owned by Virgin and 49 per cent owned by Stagecoach.

CV: David Horne

David Horne has worked in the rail industry since 1993. He joined the industry just before privatisation and has worked in a series of roles for different rail companies since that time. He was bid director for Stagecoach Rail on its East Midlands franchise bid from January 2005 to June 2007.

He was mobilisation director and then commercial and customer services director from June 2007 to October 2011. He was then promoted to the post of managing director of East Midland Trains before taking up his current role as managing director of Virgin Trains East Coast in March 2015.

entertainment service called 'Beam'. "If you've got an iPad or other device, once you're connected to the wifi, you can connect in to Beam and you can watch a film. You have a choice of films, magazines to watch and keep yourself entertained on the journey. Again it's all about giving these extra services so people can make the most of the time that they've got on board."

Horne says that what they have done is not just about investing to improve the current rolling stock and adding services but in applying the Virgin philosophy to rail. Key to this is customer service and he says that last summer the company put 2,000 of their employees through a Virgin customer service training programme. "When customers are buying a service or a product from a Virgin company they come with a set of expectations and the training covered that. We've done further training this year building on that," Horne says.

"Great customer service is about having great people who you then get the best out of with good training and good management and support. We're very fortunate here that we've got many, many good people, very dedicated.

"The fact that they may have got up at three in the morning to work the train out of Stirling, you wouldn't notice it from the smile that they welcome you on to the train with. You've got to find the people to work for you who've got that passion and that personality and that commitment to customer service as well. That's very much what makes us successful."

Virgin Trains East Coast is a joint venture with Stagecoach. Horne says: "Virgin and Stagecoach have worked together on the West Coast franchise since the end of 1998 in partnership. It's how a lot of the Virgin companies are now structured: Virgin Group will take a partial shareholding. It might be 50 per cent, it might be less, it might be 10 per cent. Another partner will provide financial backing and operational expertise for example and that's how it works here.

"It works very successfully. It means that we can really tap into the best from the two partners. We can tap into the marketing expertise and the customer service expertise from the Virgin side for example and it means we can tap into the operational expertise on the Stagecoach side."

So the reality is somewhat different from that put forward when Virgin supremo Sir Richard Branson and Stagecoach chairman Sir Brian Souter did a business event together. Souter joked of the partnership: "It's great working with Virgin, Richard does all the glitz and the marketing and we clean the toilets."

It is a tried and tested partnership between the two entrepreneurs and the two companies that dates back to when they began working together on Virgin Rail in 1998. Horne says: "During the first few years of the West Coast franchise there were some real challenges where – it was Railtrack at the time – who were late on the upgrade programme, they weren't delivering the upgrade programme as envisaged. And there were some really significant challenges with West Coast route. I guess through those shared experiences and shared challenges has formed a very strong friendship and partnership."

And Horne says they are very similar in their business drive: "They are both entrepreneurs. They both get up out of bed early in the morning and say 'how can we make a difference?, what business can I start up?, what business can I invest in?' They've both got that drive."

The interview comes at a time when the punctuality and reliability of rail services operated by Abellio ScotRail are top of the public and political agenda; I ask David Horne if it is easier to run commuter services or long distance routes such as the East Coast Main Line.

Horne says: "The longer distance services because they encounter more problems en route they are less punctual than the commuter services are. That's just a function of the facts that we are taking the trains 400, maybe 600, miles end to end."

"The big challenge that we have seen on the East Coast Main Line in the past 12 months is that the age of the components, of the infrastructure is just becoming life expired. The East Coast Line had a big investment programme in the late 1980s and it is now time for significant investment to improve its resilience for the next 20 years."

"So we're urging Network Rail to start making that come into fruition really. It's such an important route, so many cities and so many people up and down the UK, it's not just London to Edinburgh, it's the fact that

we've got people travelling up and down the coast from the south coast they might be traveling up and down from Leeds, so many important cities, it's a route where like the trains you need to be able to rely on it."

"You need the infrastructure to be able to work day in day out and we've had days this year when that hasn't been the case and that's where Network Rail need to look at what investment can be made to improve resilience and to give us that level of reliability."

In fact according to the latest train reliability figures averaged annually 82.7 per cent of Virgin East Coast trains arrive on time compared to 871.1 per cent on Virgin West Coast, a difference Horne says is due to different challenges but also the length of time that Virgin Trains have operated the route.

Horne says that these figures will improve as the investment in the route makes an increased contribution. He says that Virgin East Coast market share is currently just over 30 per cent and they want to increase that to 50 per cent, taking

.....
We've brought James Martin in to do the onboard food. We're doing that at a time when BA is announcing that it's not giving out food on all its flights



Set to revolutionise travel on the East Coast from 2018, the Virgin Azuma will be one of the most advanced trains on the UK's rail network

market share from the airlines.

"It's a combination of things, it's the extra services which give the frequency, the capacity on the route and then the customer services," Horne says. "We've brought [celebrity chef] James Martin in to do the onboard food. We're doing that at a time when BA is announcing that it's not giving out food on all its flights and you're going to have to buy Marks & Spencer sandwiches. We're trying to deliver a great service on board."

The increased capacity will mean that Virgin can offer what Horne calls "more great fares". He says: "If you've had an airline ticket in the past 12 months we shall give you a special £15 return each way fare on the train to come and try the train. We've had great take-up of that."

He sums it up: "It's just a question of looking continually at how we improve our service and the Azuma trains will give us the ability to increase the speed. We know from when the Pendolinos came in on the Glasgow-London route we can get more passengers onto the trains who don't travel with us today. We serve the two city centres and you don't have to worry about the onward journey (from the airport). That's very much the strategy."

He says that the service takes passengers into a King's Cross area that has been transformed with Google opening their European headquarters right beside the station.

Horne does not believe that the planned third runway for London Heathrow will impact negatively on Virgin Trains' business but rather will mean more passengers coming to the UK and more prospective onward journeys the effects will be beneficial. "At the end of the day it's about attracting people to fly into London instead of into Amsterdam and that's got to be to the benefit of the UK but it's not significantly going to change the competitive landscape between Scotland and London, between rail and air."

Horne concludes: "The franchise runs until 2023. The Azuma trains start to arrive in 2018 that takes about 18 months to get them all into service and then we have 2021 to 2023 when they'll be in service and it's just a question of running the service. What's important is making the improvements to the existing trains and then bringing the Azuma trains in with a wow and a bang." ■

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WILD FLUCTUATIONS IN TOP 500 AS BIG BUSINESSES NEGOTIATE CHOPPY WATERS

By KEN SYMON

SCOTLAND'S Top 500 companies showed the twin effects of the fall in oil prices and the uncertainty caused by external events from the international and domestic political spheres, with the fallers overshadowing some significant climbers.

Excluding Bank of Scotland and Royal Bank of Scotland, the Top 500 saw a combined seven per cent decrease in turnover to £132.88bn from £143.04bn the previous year. However combined profits slumped from £7.52bn the previous year to a loss of £170m this year.

There was a slight overall increase in the total number of employees – excluding the banks – to 573,199 from 565,989 previously, an increase of 1.27 per cent. But profits per employee slewed into negative territory to a loss of £297 per employee compared to a profit of £13,285 the previous year.

One of the most dramatic changes is the ranking of Royal Bank of

Scotland – which returned to the top 10 last year – slumping back from second place in the rankings to 273, with the previous profit of the banking group of £2.64bn swinging to a loss of £2.7bn following a range of challenging issues hitting the banking group. It was one of four of last year's top 10, along with Weir Group, Subsea 7 and Scottish Widows that saw significant tumbles in the rankings.

There was a slight overall increase in the total number of employees – excluding the banks – to 573,199 from 565,989 previously

One of the biggest rank climbers was whisky and rum distiller Edrington Group, which leapt from 303rd place to 20th after it swung back into the black, moving to a £144.8m profit from a £52.7m loss the previous year with turnover

Above: Some major names in Scotland's oil and gas industry suffered dramatic falls in the Top 500 rankings

TOP500

in association with



reduced to £574.6m from £617.7m previously. The distiller this year announced the closure of its Perth office and a move to a new HQ in a new development in Queen Street, Glasgow.

But it was slightly beaten in terms of the number of places climbed by Exova Group, the American-owned, Edinburgh-headquartered laboratory-based testing specialist, which soared up 285 places from 322 to 37 after turning a previous £26.4m loss into a £23.2m profit.

Exova is continuing to expand, announcing in December that it had ►



Global Law Firm of the Year
(Law Awards of Scotland 2016)



► boosted its presence in the non-destructive testing market with the acquisition of South Yorkshire-based Insight NDT for an undisclosed sum. Insight, which achieved revenues of about £2m in 2015, employs 20 specialists and strengthens Exova's offering in the non-destructive testing market.

One of the biggest turnaround stories in the Top 500 was Cirrus Logical International, which saw its turnover rise by 600 per cent to £800.71m. As a result the company, which has a base in Edinburgh, converted a £69.61m loss previously into a £167.62m profit.

Cirrus is now a leading supplier of audio chips and integrated circuits that are used in a variety of portable devices including smartphones, tablets and portable media players.

Jason Rhode, who has been president and chief executive officer since 2007, has focused the company more and more into the audio market after a series of acquisitions.

Fallers included Scottish Widows, the Lloyds Banking Group subsidiary, which tumbled 274 places from fifth to 279th on turnover down from £15.19bn to £6.4bn and profits slumping from a profit of £730m to a loss of £4.36bn following major restructuring within the group.

The biggest rank faller was Dyce-based subsea specialist Helix Well Ops (UK) which fell from 38 to 366 as a previous £69.5m profit slumped into a £6.76m loss on the back of a fall in turnover from £240.41m to £111.07m.

Other oil and gas loss makers included TAQA Bratani (-£1.12bn) Total Upstream UK (-£684m), Apache North Sea (-£231.1m), Petrofac Scotland (-£210.2m), Dana Petroleum (-£260m), Dolphin Drilling (-£193.8m) and CNR International (-£186.9m).

Second biggest fallers in the rankings was Celtic plc, which fell 327 places from 137 to 464 as it moved into the red, reporting a £3.95m loss compared to a £11.7m profit previously on turnover down to £51.08m from £64.74m following the Glasgow football club's failure to make the knockout stages of the UEFA Champions League.

Glasgow-headquartered engineer

Royal Bank of Scotland's London HQ



One of the most dramatic changes is the ranking of Royal Bank of Scotland – which returned to the top 10 last year – slumping back from second place in the rankings to 273

Biggest climbers

	Risen by (places)	Present rank
Exova Group plc	285	37
Edrington	283	20
Petrolneous Manufacturing Scotland Ltd	272	54
McLaughlin & Harvey Construction	245	98
QED International (UK) Ltd	208	197

Biggest employers

	Total employees	Present rank
FirstGroup plc	108,624	9
Stagecoach Group plc	36,809	8
Bank of Scotland Plc	36,351	2
John Wood Group Plc	28,175	12
John Menzies Plc	25,155	26

Weir Group fell 269 places in the rankings from seven to 276 as it saw its profit picture slump from a £409m profit to a £199.8m loss on turnover reduced from £2.44bn to £1.91bn.

Keith Cochrane stepped down as chief executive as it reported a 25 per cent fall in first half profits in July after suffering the effects of low oil and other commodity prices and tough markets. Group finance director Jon Stanton succeeded Cochrane in the top role in October.

Weir also said at that time that it had completed £46m worth of a £100m asset disposal programme and that was continuing a general cost-cutting programme.

A total of 230 companies show a profit loss though the majority, 270 show profits growth – compared to 298 in last year's listing.

A total of 23 companies have gone from loss to profit in the latest year while 27 companies have gone from profit to loss.

The Top 500 saw 68 new additions and the same number departing compared to 72 last year. A total



Game Changing Law Firm of the Past Ten Years

(FT Innovative Lawyers Awards 2015)



of 302 companies have moved up the rankings compared to 284 last year while 117 have slipped in the rankings compared to 136 last year. Twelve stayed the same, compared to eight last year.

New entrants to the rankings include AB 2000 Ltd, the Cambuslang-based plant hire specialist whose near 20 per cent rise in turnover and 55 per cent rise in products saw them enter the Top 500 at number 393.

The company, founded by Adam Bruce in 1995, is now Scotland's biggest privately owned hirer of operated plant and equipment. It has grown in turnover and profit to £23.6m and £3.6m respectively on the back of an expansion drive that increased the plant and equipment available for hire. AB 2000 was awarded Insider's Fastest Growing SME Award in 2014.

Another new entrant is Andrew Cowie Construction, the Inverurie-based concrete floors and civil works specialist which entered the

Alistair Phillips-Davies, SSE chief executive, announced plans for the company's largest ever investment in the UK during 2015: £1.85bn



Power giant SSE retained top spot despite falls in both turnover, down to £28.7bn from £31.6bn, and profit falling to £593m from £735m previously

rankings at number 494. It has built its business both on supplying fast track floors and concrete works to small and medium-sized builders and acting as a main contractor in Scotland and the north of England for major clients such as the Stagecoach Group.

Power giant SSE retained top spot despite falls in both turnover, down to £28.7bn from £31.6bn, and profit falling to £593m from £735m previously.

At the announcement of its six months results, SSE announced plans to invest £1.85bn in Great Britain and Ireland as it sought to develop sustainable, low carbon infrastructure for the future. Alistair Phillips-Davies, SSE's chief executive said at the time: "We are a company that invests and operates are businesses for the long-term and that's why we've announced plans for our largest ever investment in the UK this year – a record invest of £1.85bn"

It also said that it would return the proceeds from its part of the sale of gas distribution company SGN to shareholders with an on-market share buy back of around £500m. A further sum of £100m was to go to a new onshore wind farm at Stronelairg, new Forth William.

SSE is involved in two of the largest private investments in Scotland – the 588MW 84 turbine onshore Beatrice offshore wind farm, in which SSE has a 40 per cent stake, and the new Caithness-Moray transmission link which is designed to strengthen the electricity grid in the North of Scotland.

The Perth-based company is also building Galway Wind Park, the largest wind farm in Ireland and will install smart meters into millions of customer's homes from this year through to 2020.

Bank of Scotland, a subsidiary of Lloyds Banking Group, rose one place from third to second despite its profits falling back from £3.18bn to £2.65bn.

António Horta Osório, chief executive of parent group Lloyds, has maintained that the effects of the EU Referendum decision are uncertain and might mean capital generated would be lower but that it was in a strong position to withstand

Top500 annual comparison

Taken from each year's published Top500	Turnover £bn	Profit £bn	Employees	Profit per employee
2000	85.9	8.6	594,950	£14,455
2001	94.7	9.8	644,311	£15,225
2002	108	12.3	726,162	£16,938
2003	109.5	12.4	779,611	£15,913
2004	113.1	10.8	793,491	£13,597
2005	121.4	17.7	806,826	£21,962
2006	131.1	18.5	770,749	£23,999
2007	160.9	23.5	759,554	£30,947
2008	174.7	28.8	774,827	£37,402
2009	179.7	28.2	793,870	£35,476
2010	180.9	-22.9	874,076	-£26,244
2011	202.1	5.9	831,803	£7,144
2012 RBS & HBOS	202.48	10.98	778,609	£14,105
2013 RBS only	176.51	10.15	721,848	£14,061
2014 RBS & BoS	180.07	3.6	760,976	£4,731
2015 RBS & BoS	189.99	2.1	731,627	£2,843
2016 RBS & BoS	184.61	13.35	623,779	£21,402
2017 RBS & BoS	153.09	-0.22	621,550	-£353
<i>HBOS tracked from 2003 to 2012. Prior to 2003 Insider tracked Bank of Scotland plc. In 2013 HBOS nor Bank of Scotland were included. In 2014 Bank of Scotland is tracked. The 2013 employee number would have been 770,414 if Bank of Scotland had been included</i>				
<i>Without RBS, HBOS or BOS</i>				
2010	151.24	11.98	602,300	£19,951
2011	137.3	9.67	574,501	£16,831
2012	146.85	13.43	568,687	£23,619
2013	147.57	10.92	577,548	£18,907
2014	154.79	10.09	595,851	£16,933
2015	162.51	8.9	573,311	£15,471
2016	158.81	7.38	571,631	£12,910
2017	132.88	-0.17	573,199	-£297



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► uncertainty in the market.

The group was also affected by recently appointed Chancellor Philip Hammond's decision to abandon his predecessor's plan to offer publicly-owned group shares to the public but instead to sell them in the stock market to major financial investors.

In the summer Bank of Scotland announced the closure of 23 branches, including seven in the North East, four in Tayside, three in the Highlands, two in Edinburgh and one at Glasgow Central Station.

Scottish Power returned to the index in third place with a boost in profits to £704.9m from £603.3m (after dropping out last year because figures separate from parent group Iberdrola were unavailable).

Remaining in fourth place is Standard Life – number one in 2015 – which saw profits go down to £415m from £422m the previous year on turnover which rose to £1.72bn from £1.61bn.

The Edinburgh-based group reported better than expected half-year profits in August and in October its Investments business reopened its UK Real Estate Fund which it had stopped trading amid slumping values in the immediate wake of the Referendum decision for the UK to leave the EU.

Standard Life has strengthened its presence in Asia with the recruitment



Adrian Grace, UK chief executive of Aegon UK has overseen his company's withdrawal from the annuities sector with the sale of its £3bn UK annuity portfolio to Legal and General

Aegon UK rose from eight place to fifth despite a fall in profits from £173m previously to £160m but on the back of increased turnover

of a new investment team in Singapore, a move which it described at the time as an important step in its global growth strategy.

Aegon UK, the life and pensions business, rose from eight place to fifth despite a fall in profits from £173m previously to £160m but on

the back of turnover increased from £3.96bn to £4.13bn.

The company completed its withdrawal from the annuities sector with the sale of its £3bn UK annuity portfolio to Legal and General. It had earlier sold £6bn worth of its annuity portfolio to Rothery Life.

Adrian Grace, UK chief executive of the Edinburgh-based company, said that the moves would free up capital from non-core parts of its business to money into its platform and protection businesses.

It subsequently spent £140m to acquire the Legal and General Cofunds investment platform and also acquired Blackrock's investment platform.

Family businesses, of which there were 164 in the Top 500, performed better than non-family ones. The combined turnover was slightly down on last year – dropping from £22.59bn to £21.95bn, a near three per cent fall – but pre-tax profit saw a three per cent increase from £1.37bn to £1.4bn. Employee numbers were very slightly up to 134,758 from 133,775 and profit per employee also rose to £10,446 from £10,215 – a rise of 2.25 per cent.

Non-family businesses – excluding RBS and Bank of Scotland – saw a fall in turnover of nearly eight per cent – down from £120.55bn to £110.96bn. But it was the profit figure that showed the biggest move, having swung from a £6.16bn pre-tax profit to a loss of £1.57bn.

Employee numbers in non-family enterprises saw a rise of 1.27 per cent from 432,605 to 438,115 but profit per employee slumped from £14,249 per employee to a loss of £3,589 per employee, a reverse of more than 125 per cent.

Looking at the performance of the Top 500 on a sectoral basis, eight out of 20 sectors enjoyed profit rises with the standout star being electronics, which saw a 571 per cent profits rise from £41.4m previously to £277.6m.

The second biggest performing sector was offshore exploration – profits up 144.6 per cent on a turnover down to 4.88bn down from £6.34bn previously, a more positive picture than the previous year when it was the worst performing sector. ■

Sector breakdown

	Latest Turnover £m	Turnover Change %	Latest Employees	Employees Change %
Banking, Finance & Life	36187.97	-22.98%	66359	-11.33%
Construction	4105.26	10.05%	14877	9.09%
Distribution & Wholesale	6297.01	-2.86%	39440	6.12%
Drinks (+soft)	3469.95	-2.33%	9784	0.59%
Electronics	2055.426	63.22%	8121	2.42%
Engineering	4837.66	-12.29%	29985	-6.86%
Food & Farming	3250.4	-12.41%	19901	7.37%
Hotels & Leisure	705.3	3.79%	9194	3.38%
Industrial & Manufacturing	8933.8	6.11%	42494	3.98%
Marketing & Media	1175.43	9.50%	14333	124.13%
Motor	6701.86	6.27%	16547	2.24%
Offshore Services (inc engrg, equip supply)	16364.76	-14.16%	76599	-6.59%
Offshore Exploration	4830.99	-23.82%	2809	-1.58%
Paper & Packaging	637.43	-2.50%	2955	0.20%
Property Investor/Developer	187.83	40.24%	708	10.11%
Retail	3172.82	-1.76%	31821	-7.63%
Services & Utilities	47572.29	4.31%	132222	10.40%
Textiles	59.71	-4.36%	458	0.88%
Transport	9981.68	-5.21%	155250	-2.18%

Note: Some companies fall into more than one sector



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Dial M for Merger



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WHILST the term M&A gives equal prominence to Mergers and Acquisitions, in reality there is frequently more focus on Acquisitions (and Disposals) than Mergers.

Indeed, whilst certain jurisdictions (such as the USA) have statutory processes whereby two companies can merge and "become one", we do not in the UK have any such merger process. UK companies are individual "legal persons" and they remain so until they are struck off or dissolved.

This is not, of course, to say that mergers cannot be achieved in a practical and business sense. There is significant scope for companies seeking to grow to structure transactions as mergers (and, where required, create bespoke and innovative structures) to enable synergies to be created, costs to be reduced, and strategic aims to be achieved.

Mergers frequently involve one party taking some cash "off the table", and an element of cash payment is often required to ensure that the dynamics of a deal play out appropriately.

A variety of funders (both equity and debt) have funds available to support such payments and any capital required for the merged business.

We are seeing a number of businesses undertaking very interesting merger transactions, and there are real opportunities in current market conditions, particularly in certain business sectors, for value to be created through merger.

Growth is often considered in the confines of organic growth, acquisitions, equity/debt funding and trade sales. Growth through merger presents an interesting alternative.

When considering M&A, the "M" should not be forgotten.

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UK productivity is currently measured at 18% behind the average of the other G8 economies. It has been estimated that the effect of just a 1% increase in productivity across UK business would add almost £20 billion to the economy, increasing corporate profits and business wages. An increasing amount of evidence now points to where this lack of productivity arises.

A 2013 study cited office workers being interrupted as often as every three minutes by digital and human distractions which once resolved could then require as long as 23 minutes to get back to the task at hand. The Leesman Index identifies that just one in two employees agree that the workplace is productive with a cost of disengagement in the workplace estimated in a Gallop report at between £52 billion and £70 billion in the UK.

With employee performance being measured at least once a year in the form of appraisals it is interesting that the workplace, the infrastructure used to support the workforce and the second highest cost to businesses after salaries, is usually only appraised when a lease event arises which is typically once every ten years.

Recent years have seen a trend to "fill offices" by increasing office densities, but while this approach can be used to increase

efficiencies the impact on the effectiveness of a workplace environment can be significant. The open plan office solution does not necessarily result in increased collaboration or more efficient working and a poor design will often lead to frustrated people and impede effective working. The key for any workplace environment is to offer staff a flexible environment, enabling them to select the most suitable way to work for a particular task or type of work.

Reducing the "productivity gap" will require business leaders to take a strategic approach to considering the workplace environment, enabling their workforce to work more productively. The Leesman research indicates that the highest performing workplaces see greater than 70% of employees agreeing that their office enables them to work productively.

If you are looking to increase your business performance and profits can you afford to wait until your next lease event before considering your workplace performance?



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(*Business Insider 2015/16)



Macdonald Henderson
SOLICITORS

RANK	COMPANY NAME	ACTIVITY	LOCATION	COUNTRY OF OWNERSHIP	TURNOVER £M		PROFIT £M		EMPLOYEES No.		PROFIT PER EMP £		YEAR	
17	16				PRESENT	PREVIOUS	PRESENT	PREVIOUS	PRESENT	CHANGE%	PRESENT	CHANGE%	END	
1-25														
1	1	SSE	Electricity distribution and supply	Perth	Sco	28,780.30	31,654.40	593.30	735.20	20,555	3.0	28,864	-21.6	Mar-16
2*	3	Bank of Scotland	Banking and financial services	Edinburgh	UK	7,285.00	7,605.00	2,653.00	3,180.00	36,351	-9.5	72,983	-7.9	Dec-15
3*	New	Scottish Power	Multi-utility services	Glasgow	Spain	6,590.40	2,284.30	704.90	603.30	6,521	n/a	108,097	n/a	Dec-15
4*	4	Standard Life	Global investment company	Edinburgh	Sco	1,724.00	1,612.00	415.00	422.00	6,431	-22.8	64,531	27.5	Dec-15
5*	8	AEGON UK	Pensions/protection/investment/dist	Edinburgh	NL	4,134.00	3,962.00	160.00	173.00	2,420	0.0	66,116	-7.5	Dec-15
6	9	Aggreko	Rental of temperature control systems	Glasgow	Sco	1,561.00	1,580.00	226.00	290.00	8,433	38.0	26,799	-43.5	Dec-15
7	13	Aberdeen Asset Management	Fund management services	Aberdeen	Sco	1,170.00	1,117.60	353.70	354.60	2,731	-2.5	129,513	2.3	Sep-15
8	11	Stagecoach Group	Public transport services	Perth	Sco	3,200.00	2,930.00	165.00	158.00	36,809	3.8	4,483	0.7	Apr-15
9	12	FirstGroup	Passenger transport services	Aberdeen	Sco	5,218.10	6,050.70	113.50	105.80	108,624	-5.0	1,045	13.0	Mar-16
10	14	Arnold Clark Automobiles	Motor dealer	Glasgow	Sco	3,353.52	3,265.41	110.39	107.28	9,184	0.0	12,020	2.9	Dec-15
11	15	Chivas Brothers	Whisky distiller	Paisley	Fr	916.45	920.57	365.47	416.01	1,609	2.2	227,141	-14.1	Jun-15
12	6	John Wood Group	Energy related services	Aberdeen	Sco	3,378.05	4,221.39	93.63	305.07	28,175	-11.8	3,323	-65.2	Dec-15
13	16	William Grant & Sons Holdings	Spirits distiller	Motherwell	Sco	882.54	933.16	177.21	175.68	1,904	0.8	93,072	0.0	Dec-15
14	17	Scottish Water	Water supply; waste water treatment	Dunfermline	Sco	1,196.80	1,187.40	106.20	110.70	3,823	3.8	27,779	-7.6	Mar-16
15	20	Technip UK	Offshore engineering; construction	Aberdeen	Fr	1,321.54	1,207.77	89.46	91.13	1,022	1.0	87,534	-2.8	Dec-15
16*	New	Cirrus Logic International (UK)	Mixed signal integrated circuits	Edinburgh	USA	800.71	91.46	167.62	-55.69	105	-70.3	1,596,381	n/a	Mar-16
17*	23	Tesco Bank/Tesco Personal Finance	Financial services	Edinburgh	UK	772.60	724.50	187.90	167.60	n/a	n/a	n/a	n/a	Feb-16
18*	29	Life Technologies	Biological products	Paisley	USA	727.67	402.70	211.71	138.89	808	5.2	262,017	44.9	Dec-15
19*	30	Sky Subscribers Services	Satellite TV broadcast support	Dunfermline	UK	957.22	466.05	60.12	49.41	8,036	n/a	7,481	n/a	Jun-15
20*	303	Edrington	Whisky and rum distiller	Glasgow	Sco	574.60	617.70	144.80	-52.70	2,325	-1.1	62,280	n/a	Mar-16
21*	28	Aker Solutions	Offshore services	Aberdeen	Nor	735.83	694.98	46.09	54.85	2,352	13.0	19,596	-25.6	Dec-15
22	24	National Oilwell Varco UK	Offshore equipment manufacturer	Aberdeen	USA	396.42	492.84	237.26	173.79	304	-84.3	780,461	767.6	Dec-15
23*	18	Chevron North Sea	Oil and gas exploration	Aberdeen	USA	636.10	824.90	57.40	271.00	n/a	n/a	n/a	n/a	Dec-15
24*	22	Johnson & Johnson Medical	Surgical supplies	Livingston	USA	549.30	610.58	107.37	390.87	1,835	3.2	58,514	-73.4	Jan-16
25	27	Edinburgh Woollen Mill (Group)	Clothing retail; tourist goods	Langholm	Sco	562.60	551.90	91.20	71.30	10,290	0.0	8,863	27.9	Feb-15
26-50														
26	26	John Menzies	News wholesaler; aviation services	Edinburgh	Sco	1,899.20	1,902.90	18.20	25.70	25,155	2.9	724	-31.1	Dec-15
27	33	Cala Group	Housebuilder; property developer	Edinburgh	Sco	587.09	436.62	50.31	39.35	769	17.4	65,423	8.9	Jun-16
28*	31	The Miller Homes Group (UK)	Building; construction; property dev	Edinburgh	Sco	525.60	611.10	56.40	32.70	722	18.0	78,116	46.2	Dec-15
29	32	Farmfoods	Food retail and distribution	Cumbernauld	Sco	694.39	811.77	20.04	20.81	4,320	-9.6	4,639	6.5	Jan-16
30	51	Alexander Dennis	Bus manufacture	Falkirk	Sco	601.91	502.68	23.00	13.18	2,314	2.9	9,939	69.5	Dec-15
31*	56	GE Caledonian	Aero engines overhaul/repair	Prestwick	USA	465.26	410.97	29.90	11.71	672	-3.6	44,494	164.8	Dec-15
32*	36	British Polythene Industries	Polythene packaging products	Greenock	Sco	468.30	500.00	23.10	22.20	2,207	-0.7	10,467	4.8	Dec-15
33	44	Walter Scott & Partners	Investment management	Edinburgh	USA	207.83	202.04	142.73	79.28	112	13.1	1,274,375	59.1	Dec-15
34	39	AG Barr	Soft drinks manufacturer	Cumbernauld	Sco	258.60	260.90	41.30	41.90	901	-9.1	45,838	8.4	Jan-16
35	41	Robertson Group (Holdings)	Building contractor	Elgin	Sco	438.00	288.37	21.40	11.97	1,637	23.3	13,073	45.0	Mar-16
36*	70	Alliance Trust	Investment trust	Dundee	Sco	200.24	110.12	145.04	72.49	272	3.0	533,235	94.2	Dec-15
37	322	Exova Group	Laboratory testing/advisory services	Newbridge	USA	296.50	274.90	23.20	-26.40	4,364	10.5	5,316	n/a	Dec-15
38	47	DC Thomson & Co	Printing and publishing	Dundee	Sco	244.84	240.00	30.06	24.86	983	6.6	30,580	13.4	Mar-15
39	43	Forth Ports	Port operator	Edinburgh	Lux	202.90	212.30	87.00	73.90	1,071	1.4	81,232	16.1	Dec-15
40	35	Bibby Offshore	Offshore core services	Westhill	UK	231.99	348.21	28.55	53.36	314	16.3	90,924	-54.0	Dec-15
41*	48	Babcock Int'l Group (Marine Division)	Marine engineering	Dunfermline	UK	551.13	533.83	14.32	14.40	1,610	-47.5	8,894	89.4	Mar-16
42	49	Park's of Hamilton (Holdings)	Motor dealer	Hamilton	Sco	448.02	399.42	16.05	14.29	1,267	5.5	12,668	6.5	Mar-15
43	53	Dril-Quip (Europe)	Oilfield equipment manufacture	Dyce	USA	191.90	176.13	57.65	47.77	580	4.3	99,397	15.7	Dec-15
44	25	Halliburton Manufacturing & Services	Offshore services and equipment	Dyce	USA	621.03	772.67	12.98	60.16	2,317	-4.3	5,602	-77.5	Dec-15
45	67	City Refrigeration Holdings (UK)	Technical services/facility managemen	Glasgow	Sco	463.12	455.63	13.50	7.54	12,047	-1.7	1,121	82.3	Dec-15
46*	50	Turner & Co (Glasgow)	Diesel equipment/facilities management	Glasgow	Sco	298.37	325.70	14.26	17.50	1,964	3.4	7,261	-21.2	Mar-15
47	62	Schuh	Shoe retailer	Livingston	USA	266.81	247.50	14.33	11.45	1,843	-1.6	7,775	27.2	Jan-16
48	72	Edinburgh Airport	Airport operation	Edinburgh	Sco	145.46	130.69	70.62	22.83	552	2.8	127,935	200.9	Dec-15
49	168	Devro	Casings for the food industry	Glasgow	Sco	230.20	232.30	15.10	2.20	2,174	-2.3	6,946	603.0	Dec-15
50	59	Craig Group	Shipping; energy services	Aberdeen	Sco	185.17	177.66	18.36	20.53	1,110	1.3	16,541	-11.7	Apr-15

15-05-2016 10:50:51



No. 1 Legal Adviser for M&A deals in the UK
(Mergermarket - 2015, 2014, 2013, 2012, 2011 and 2010)



INSIDER TOP500: 51-100

RANK	COMPANY NAME	ACTIVITY	LOCATION	COUNTRY OF OWNERSHIP	TURNOVER £M	PROFIT £M	EMPLOYEES No.	PROFIT PER EMP £	YEAR					
17	16				PRESENT	PREVIOUS	PRESENT	CHANGE%	END					
51-75														
51*	57	John Clark (Holdings)	Motor dealer; garage proprietor	Aberdeen	Sco	667.20	604.11	9.11	10.53	1,139	10.5	7,998	-21.7	Dec-15
52*	New	Barrhead Travel 2007 (Group)	Travel agents; tour operators	Glasgow	Sco	115.10	104.30	300.20	100.80	n/a	n/a	n/a	n/a	Dec-15
53*	52	LifeScan Scotland	Medical diagnostic devices	Inverness	USA	130.82	155.68	60.81	79.44	1,113	0.6	54,638	-23.9	Jan-16
54*	326	Petrolneos Manufacturing Scotland	Oil refiners	Grangemouth	UK	288.72	240.30	11.66	-16.40	447	9.8	26,085	n/a	Dec-15
55	188	Balmoral Group Holdings	Offshore/environmental equipment	Aberdeen	Sco	134.45	136.39	41.00	29.80	576	3.4	71,181	33.0	Mar-16
56*	42	J&J Denholm	Shipping/logistics/seafoods/industrial	Glasgow	Sco	329.98	384.45	10.10	22.71	3,847	-13.6	2,625	-48.5	Dec-15
57	73	Eastern Holdings	Franchised motor dealer	Broxburn	Sco	508.38	463.73	8.94	7.00	1,049	6.4	8,522	20.0	Dec-15
58	90	Peter Vardy Holdings	Motor dealer	Glasgow	Sco	437.27	393.46	9.23	5.21	777	-3.5	11,879	83.5	Dec-15
59	77	Archer (UK)	Offshore personnel and equipment	Aberdeen	Berm	150.11	176.60	17.54	9.95	829	270.1	21,158	-52.4	Dec-15
60	New	M-I Drilling Fluids UK	Oil rig drilling services	Aberdeen	USA	180.50	240.81	13.89	25.49	639	-15.5	21,737	-35.5	Dec-15
61	60	James Jones & Sons	Sawmilling; timber engineering	Larbert	Sco	132.84	142.73	28.52	33.13	551	-0.5	51,760	-13.4	Dec-15
62	61	Babcock Rail	Multi-disciplinary rail infrastructure	Blantyre	UK	222.61	192.89	11.45	15.29	1,067	-12.7	10,731	-14.2	Mar-16
63	65	Bilfinger Salamis UK	Multi-discipline offshore services	Aberdeen	Ger	181.55	180.09	13.11	13.79	1,923	4.9	6,817	-9.3	Dec-15
64	68	GAP Group	Plant and tool hire	Glasgow	Sco	157.30	143.31	14.40	18.60	1,454	16.5	9,904	-33.5	Mar-16
65	76	JR Dalziel (Holdings)	Meat supplier	Bellshill	Sco	163.03	154.74	14.29	10.98	542	5.9	26,365	22.9	Sep-15
66*	74	John Maclean & Son Electrical (Dingwall)	Wholesale electrical supplier	Dingwall	Sco	147.20	140.20	14.30	9.40	236	8.3	60,593	40.5	Mar-15
67	119	BSW Timber	Sawmilling	Earlston	Sco	209.66	184.67	9.24	5.08	1,042	17.5	8,868	54.8	Mar-15
68	115	Sodexo Remote Sites Scotland	Offshore/onshore facilities management	Aberdeen	Fr	137.13	121.53	14.86	8.37	1,808	-2.5	8,219	82.2	Aug-15
69*	112	Breedon Northern	Quarrying; road surfacing	Monifieth	UK	145.12	121.58	13.60	8.65	657	15.5	20,700	36.2	Dec-15
70	82	Mitsubishi Electric Air Conditioning	Air-conditioning systems manufacturer	Livingston	Jap	130.05	95.88	15.00	8.10	715	38.3	20,979	33.9	Mar-15
71*	104	WebhelpTSC/Telecom Service Centres	Call centre operator	Falkirk	Fr	137.89	119.65	13.87	10.92	7,060	22.6	1,965	3.6	Dec-15
72	95	Glasgow Airport	Airport operators	Paisley	UK	103.81	95.42	34.68	17.23	494	n/a	70,202	n/a	Dec-15
73	98	Peoples	Motor dealer	Falkirk	Sco	260.70	236.70	6.84	5.30	405	2.5	16,889	25.9	Jul-16
74	86	Walkers Shortbread	Shortbread/biscuits/bakery products	Aberlour	Sco	139.36	140.80	11.93	10.93	1,463	0.9	8,154	8.2	Dec-15
75	91	John Dewar & Sons	Whisky distiller, blender and bottler	Glasgow	Berm	104.25	97.19	20.55	18.67	297	-7.2	69,192	18.6	Mar-15

76-100

76	89	WL Gore & Associates (UK)	Technology-driven solutions	Livingston	USA	112.01	114.63	16.53	15.31	380	-3.8	43,500	12.2	Mar-16
77	79	Malcolm Group	Distribution; construction	Linwood	Sco	215.80	193.27	7.36	6.68	1,921	2.6	3,831	7.4	Jan-15
78*	205	Forth Holdings	Electrical/mechanical installations	Stirling	Sco	204.06	174.65	7.54	1.67	1,905	-3.2	3,958	366.2	Aug-15
79	66	Wyman-Gordon	Metal forger	Livingston	USA	91.35	133.94	25.43	25.45	305	-13.8	83,377	16.0	Mar-15
80*	153	Scottish Midland Co-operative Society	Retail stores	Edinburgh	Sco	370.62	386.40	5.45	2.21	4,418	-5.2	1,234	160.3	Jan-16
81	92	James Walker (Leith)	Timber; construction; property	Livingston	Sco	144.94	111.84	9.56	8.43	597	4.0	16,013	9.0	Mar-15
82	87	Ingenico UK	Electronic banking terminals	Dalgety Bay	Fr	105.80	99.73	16.48	19.47	327	5.1	50,398	-19.5	Dec-15
83	80	Hydrasun	O&G fluid transfer; process controls	Aberdeen	Sco	110.41	120.89	14.51	16.99	633	-1.6	22,923	-13.2	Mar-15
84	93	Tennent Caledonian Breweries UK	Brewery	Glasgow	UK	113.28	120.18	13.74	12.76	315	3.3	43,619	4.3	Feb-15
85	114	Skyscanner	Online travel search engine	Edinburgh	Sco	119.70	93.00	12.90	13.10	750	43.4	17,200	-31.3	Dec-15
86	103	Browns Food Group	Quality cooked meats, salmon	Sanquhar	Sco	169.07	151.73	7.69	6.96	1,209	5.2	6,361	5.0	Dec-15
87*	109	Lothian Buses	Local transport service	Edinburgh	Sco	142.45	130.26	8.96	8.39	2,232	2.6	4,014	4.1	Dec-15
88*	75	Produce Investments	Potato farming	Duns	UK	178.44	191.83	7.26	8.59	1,393	26.6	5,212	-33.3	Jun-15
89	105	Cruden Investments	Construction; property development	Edinburgh	Sco	169.60	146.33	7.45	7.13	582	0.3	12,801	4.1	Mar-16
90	133	RJ McLeod (Contractors)	Civil engineering; building	Glasgow	Sco	116.30	99.98	12.33	7.80	425	10.1	29,012	43.6	Nov-15
91	101	CCG (Holdings)	Building contractor and services	Glasgow	Sco	124.47	87.92	10.54	4.21	609	6.7	17,307	134.7	Mar-15
92*	81	Edgen Murray Europe	Steel stockholder/distributor	Newbridge	Jap	264.08	235.05	4.93	7.05	327	0.9	15,076	-30.7	Mar-15
93	142	Stewart Milne Group	Construction and development	Westhill	Sco	252.69	209.73	4.99	3.01	793	13.9	6,293	45.5	Jun-15
94	117	Dingbro	Motor component distributor	Aberdeen	Sco	136.35	136.33	8.14	7.10	1,281	0.0	6,354	14.6	Sep-15
95*	144	CHC Scotia	Helicopter operation, engineering	Aberdeen	Can	171.71	179.82	6.70	3.26	468	-1.1	14,316	107.7	Apr-15
96	122	Macfarlane Group	Packaging/distribution/warehousing	Glasgow	Sco	169.13	153.77	6.77	5.61	748	2.9	9,051	17.3	Dec-15
97*	106	Media Scotland	Newspaper publisher	Glasgow	UK	80.41	86.80	16.54	15.90	452	0.4	36,593	3.6	Dec-15
98*	343	McLaughlin & Harvey Construction	Construction	Paisley	UK	200.88	183.90	5.54	-11.65	332	-14.0	16,687	n/a	Dec-15
99	123	Search Consultancy	Recruitment	Glasgow	UK	173.64	156.31	6.48	5.21	622	10.1	10,418	13.0	Jan-16
100*	94	CAN (Holdings)	Asset integrity service provider	Aberdeen	UK	82.24	92.00	16.12	18.70	566	2.7	28,481	-16.1	Dec-15

*See notes on pages 50-51



European Mid-Market Legal Advisor of the Year
(Mergermarket European M&A Awards 2016, 2015, 2012, 2011 and 2010)





CONNECTIONS

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RANK	COMPANY NAME	ACTIVITY	LOCATION	COUNTRY OF OWNERSHIP	TURNOVER £M		PROFIT £M		EMPLOYEES No.		PROFIT PER EMP £		YEAR	
17	16				PRESENT	PREVIOUS	PRESENT	PREVIOUS	PRESENT	CHANGE%	PRESENT	CHANGE%	END	
101-125														
101	179	Advance Construction Group	Property devpt; civil engineering	Bellshill	Sco	133.45	86.01	7.94	4.37	1,047	53.5	7,584	18.4	Mar-15
102	88	Kent Foods	Food wholesaler	Renfrew	Sco	135.41	165.20	7.70	7.94	107	15.1	71,963	-15.7	Dec-15
103*	126	Brodies	Legal services	Edinburgh	Sco	65.10	57.94	30.90	27.10	631	4.6	48,969	8.9	Apr-16
104	131	Gray & Adams Holdings	Refrigerated trailers	Fraserburgh	Sco	124.91	124.73	8.08	6.63	682	0.4	11,848	21.3	Apr-16
105	71	Scottish Sea Farms	Fish farming	Stirling	Nor	120.21	132.79	8.54	21.84	429	3.4	19,907	-62.2	Dec-15
106	194	Scottish Leather Group	Leather manufacturing	Bridge of Weir	Sco	128.64	140.23	7.75	2.61	599	3.8	12,938	186.0	Mar-16
107*	132	Ogilvie Group	Construction; housing developer	Stirling	Sco	207.00	209.00	4.60	4.80	461	1.5	9,978	-5.6	Jun-16
108	140	Shin-Etsu Handotai Europe	Silicon wafers manufacturer	Livingston	Jap	129.53	110.85	7.59	5.65	408	1.7	18,603	32.0	Dec-15
109	129	Aberdeen International Airport	Airport management	Aberdeen	UK	63.42	64.53	28.88	16.67	283	4.0	102,049	66.5	Dec-15
110	139	Iomart Group	Cloud computing/managed hosting	Glasgow	Sco	76.28	65.80	13.02	10.79	376	12.6	34,628	7.2	Mar-16
111	128	Glen Turner Company	Whisky bottling and maturation	Bathgate	Fr	73.28	77.95	12.99	11.59	116	-4.1	111,983	16.9	Dec-15
112*	134	Beam Santori	Whisky distiller	Glasgow	Jap	58.75	63.60	25.36	15.69	196	-15.9	129,388	92.1	Dec-15
113	45	FMC Technologies	Subsea systems design/manufacture	Dunfermline	USA	313.66	365.84	3.27	21.33	1,142	-9.3	2,863	-83.1	Dec-15
114	141	James Donaldson & Sons	Timber engineering, sawmilling	Glenrothes	Sco	127.05	132.73	5.92	4.52	680	1.8	8,706	28.7	Mar-16
115	130	Clydeport Operations	Port administration	Glasgow	UK	57.30	62.20	20.60	19.20	220	-7.2	93,636	15.6	Mar-15
116*	135	Lomond Motors	Motor dealer	Glasgow	UK	218.87	189.80	3.52	3.79	329	38.8	10,699	-33.1	Dec-15
117*	138	Castle View Ventures	Catering; facilities management	Stirling	Sco	120.22	110.47	5.58	3.48	5,171	30.4	1,079	22.9	Mar-15
118	113	Lunar Fishing Co	Fishing and storage	Peterhead	Sco	74.83	85.92	9.62	14.40	282	6.8	34,113	-37.5	Dec-15
119	200	Braid Group (Holdings)	Shipping/forwarding agent	Renfrew	Sco	122.94	110.16	5.47	2.96	200	3.6	27,350	78.3	Jun-15
120	158	Charles River Laboratories Preclinical	Scientific research	Tranent	USA	63.31	58.91	13.70	9.85	365	-52.3	37,534	191.5	Dec-15
121*	189	Distell International	Whisky distiller	East Kilbride	SA	73.18	62.14	9.14	6.44	253	-8.0	36,126	54.3	Jun-15
122	151	Loganair	Flight services	Paisley	Sco	93.62	87.53	7.20	6.06	547	-2.7	13,163	22.1	Mar-15
123*	136	Burness Paull	Legal services	Edinburgh	Sco	51.30	46.30	23.20	20.70	414	7.5	56,039	4.2	Jul-15
124	320	Johnston Press	Newspaper publisher	Edinburgh	Sco	245.09	268.80	2.89	-23.92	2,561	-13.4	1,128	n/a	Jan-16
125	204	Smart Metering Systems	Gas connects; metering systems	Glasgow	Sco	53.95	42.39	17.47	11.02	310	25.5	56,355	26.3	Dec-15
126-150														
126*	58	Whyte and Mackay Group	Whisky distiller	Glasgow	Phil	146.29	241.31	3.79	-2.49	489	1.9	7,751	n/a	Dec-15
127	174	Scott Group Investments	Pallets and crates	Dunfermline	Sco	116.99	117.37	4.99	3.64	872	-0.7	5,722	38.0	Dec-15
128	192	Arthur McKay & Co	Electrical/mechanical data contractors	Loanhead	Sco	110.79	100.90	5.44	3.50	936	8.0	5,812	44.0	Oct-15
129*	196	Rohr Aero Services	Aircraft components maintenance	Prestwick	USA	60.02	49.23	12.61	7.95	291	-0.7	43,333	59.7	Dec-15
130	125	Inver House Distillers	Whisky distiller	Airdrie	Thai	67.23	79.23	9.47	11.77	206	1.5	45,971	-20.7	Dec-15
131	155	William Wilson	Plumber's merchants	Aberdeen	UK	65.77	64.10	9.88	8.21	251	-0.8	39,363	21.3	Jul-15
132*	235	Tennent Caledonian Breweries	Wine, beer and spirits wholesaler	Glasgow	Eire	94.60	91.71	6.21	2.14	305	5.5	20,352	174.8	Feb-15
133	116	Texas Instruments (UK)	Micro-electronics	Greenock	USA	63.83	68.00	10.56	21.99	347	-3.1	30,432	-50.5	Dec-15
134	167	Mactaggart & Mickel Group	Housebuilder and contractor	Glasgow	Sco	65.10	67.96	9.80	10.40	263	12.4	37,262	-16.2	Apr-16
135	150	Ethigen	Pharmaceuticals distribution	East Kilbride	Sco	154.55	156.38	3.30	3.39	209	6.6	15,789	-8.7	May-15
136	175	Ian Macleod Distillers	Whisky blending	Broxburn	Sco	60.51	52.08	10.53	8.56	111	9.9	94,865	11.9	Sep-15
137*	New	Blackrock International	Investment management	Edinburgh	USA	47.87	42.29	19.65	56.69	21	n/a	935,714	n/a	Dec-15
138*	210	Shepherd & Wedderburn	Legal services	Edinburgh	Sco	48.05	38.26	18.00	14.36	430	20.4	41,860	4.1	Apr-15
139*	160	Gates (UK)	Power supplies	Dumfries	USA	104.06	108.31	4.69	13.19	498	-1.0	9,418	-64.1	Jan-15
140*	New	Tulloch Homes Group	Construction; housebuilding	Inverness	Sco	55.86	n/a	11.76	n/a	156	n/a	75,385	n/a	Jun-15
141*	289	Johnstons of Elgin/James Johnston & Co	Woollen goods	Elgin	Sco	66.67	58.68	7.84	1.83	943	13.8	8,314	276.7	Dec-15
142	161	VELUX Company	Roof windows and accessories	Glenrothes	Den	140.80	135.00	3.33	3.52	206	17.7	16,165	-19.6	Dec-15
143	164	Scot JCB (Holdings)	Machinery distributor	Glasgow	Sco	124.55	117.17	3.78	4.01	231	8.5	16,364	-13.1	Dec-15
144	202	Springfield Properties	Housebuilder/property developer	Elgin	Sco	90.78	84.25	5.10	3.09	449	6.9	11,359	54.4	May-16
145	162	Leiths (Scotland)	Quarrying; civil engineering	Aberdeen	Sco	67.99	68.59	7.45	6.90	549	4.0	13,570	3.8	Dec-15
146*	177	JFD	Diving equipment	Aberdeen	UK	56.13	52.29	10.36	8.20	193	12.9	53,679	11.9	Dec-15
147*	248	Allied Vehicles	Manufacturer of adapted vehicles	Glasgow	Sco	105.94	89.03	4.03	1.85	474	9.7	8,502	98.6	Apr-15
148	244	Highland Spring	Bottled water producer	Auchterarder	Liecht	103.04	100.02	4.32	1.67	468	6.4	9,231	143.2	Dec-15
149	170	QTS Group	Rail Infrastructure, engineering	Strathaven	Sco	70.50	65.37	6.05	6.54	250	45.3	24,200	-36.4	Mar-15
150	145	G1 Group Holdings	Entertainment, leisure, property	Glasgow	Sco	69.59	69.68	6.12	8.40	1,360	13.8	4,500	-36.0	Mar-16

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Global Real Estate Firm of the Year
(The International Who's Who of Business Lawyers 2016 - 2005)



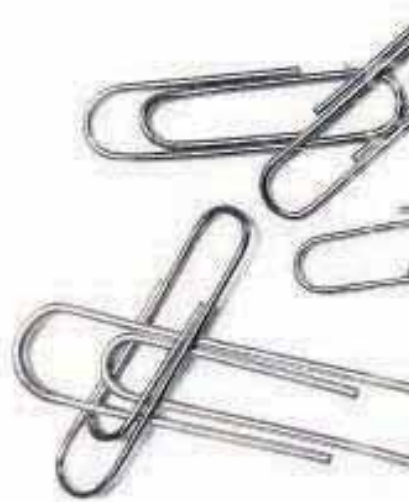


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RANK	COMPANY NAME	ACTIVITY	LOCATION	COUNTRY OF OWNERSHIP	TURNOVER £M		PROFIT £M		EMPLOYEES No.		PROFIT PER EMP £		YEAR	
17	16				PRESENT	PREVIOUS	PRESENT	PREVIOUS	PRESENT	CHANGE%	PRESENT	CHANGE%	END	
151-175														
151*	163	William Tracey	Recycling and resource management	Paisley	Sco	67.77	57.80	6.74	4.86	438	6.3	15,388	30.5	Mar-15
152*	207	Vascutek	Vascular prosthesis	Inchinnan	Jap	59.58	57.23	8.00	2.88	732	5.8	10,929	162.6	Mar-16
153	173	United Wholesale (Scotland)	Cash and carry	Glasgow	Sco	227.26	221.69	2.01	2.04	253	9.5	7,945	-10.0	Dec-15
154	178	Oki (UK)	Accessories for printers	Cumbernauld	Jap	82.69	77.49	4.59	-5.36	147	-13.5	31,224	n/a	Mar-15
155	187	Franklin Templeton Global Investors	Financial services	Edinburgh	USA	41.18	37.66	28.08	25.57	278	3.0	101,007	6.7	Sep-15
156	166	Petroleum Experts	Petroleum engineering software	Edinburgh	UK	39.96	39.15	32.16	30.52	65	6.6	494,769	-1.1	Sep-15
157*	157	The Anderson Group	Vehicle franchise; haulage; property	Newhouse	Sco	241.95	217.74	1.87	2.57	537	3.7	3,482	-29.8	Dec-15
158	182	Biomar	Fish feed supplier	Grangemouth	Den	83.62	92.05	4.24	4.02	52	-7.1	81,538	13.6	Dec-15
159*	152	Macdonald Hotels	Hotel operator	Bathgate	Sco	143.74	145.54	2.49	3.63	3,472	-6.2	718	-26.7	Apr-15
160	195	TOM Vehicle Rental	Vehicle fleet management and hire	Airdrie	Sco	143.17	98.46	2.50	1.63	558	49.2	4,480	2.8	Mar-15
161	176	McCurach Group	Field sales services	Glasgow	Sco	53.62	51.16	8.09	8.83	1,240	6.6	6,524	-14.1	Jun-15
162*	121	Orion Group/Orion Engineering Services	Engineering recruitment agency	Inverness	Sco	339.28	392.13	1.48	3.69	400	8.1	3,700	-62.9	Dec-15
163	85	Albert Bartlett & Sons (Airdrie)	Fresh foods supplier	Airdrie	Sco	117.37	146.19	3.16	10.15	733	-3.8	4,311	-67.6	May-15
164	214	Johnston Fuels	Fuel distribution	Bathgate	Sco	150.39	148.00	2.15	1.60	169	11.2	12,722	20.9	Dec-15
165	186	MacLay Murray & Spens	Legal services	Glasgow	Sco	44.80	43.54	13.10	14.56	405	28.2	32,346	-29.8	May-16
166	219	BioReliance	Biotech and evaluation services	Glasgow	USA	43.79	36.70	14.10	12.33	288	8.3	48,958	5.6	Dec-15
167	279	Spark Energy	Energy supplier	Selkirk	Sco	118.55	83.07	2.92	1.27	n/a	n/a	n/a	n/a	Jun-15
168	274	Speyside Cooperage	Coopers and cask makers	Aberlour	Fr	51.22	39.29	8.68	4.50	79	-3.7	109,873	100.2	Apr-15
169	180	Glenrath Farms	Egg production	Peebles	Sco	52.34	54.26	7.83	7.49	211	1.0	37,109	3.5	May-15
170*	New	Urban & Civic	Commercial property dev/investment	Glasgow	Sco	55.48	23.23	7.04	19.16	50	78.6	140,800	-79.4	Sep-15
171*	203	Carron Phoenix/Franke UK Holding	Sink manufacturer	Falkirk	Swi	66.88	64.42	4.69	4.76	267	0.8	17,566	-2.2	Dec-15
172	198	Richard Austin Alloys	Non-ferrous metal stockholder	Glasgow	Sco	105.99	100.48	3.05	3.24	198	0.5	15,404	-6.3	Mar-16
173*	118	Teledyne	Manufacture/repair of avionics systems	Cumbernauld	USA	61.52	63.97	5.28	28.91	465	-0.4	11,355	-81.7	Dec-15
174*	New	Everwarm	Wall insulation	Edinburgh	UK	55.62	60.03	6.50	9.59	312	21.4	20,833	-44.2	Sep-15
175	215	Thomas Tunnock	Bakery and biscuit manufacturer	Uddingston	Sco	51.26	47.85	7.59	6.48	475	-2.9	15,979	20.6	Feb-15

176-200

176	237	Energy Assets Group	Gas metering services	Livingston	UK	45.27	36.21	10.50	9.32	262	44.8	40,076	-22.2	Mar-16
177*	270	Briggs Commercial	Offshore engineering; fabrication	Burntisland	Sco	61.77	50.28	5.01	2.76	600	2.6	8,350	77.0	Mar-15
178	169	Don & Low	Industrial textiles manufacturer	Forfar	Gre	59.71	62.43	5.28	7.25	458	0.9	11,528	-27.8	Dec-15
179	206	Dawnfresh Seafoods	Fresh & frozen fish and seafoods	Uddingston	Sco	54.83	41.62	5.85	-5.87	496	13.2	11,794	n/a	Mar-15
180	199	Edinburgh Partners	Investment management; admin services	Edinburgh	Sco	36.71	38.55	19.57	21.48	61	3.4	320,820	-11.9	Feb-15
181	254	Lend Lease Construction (Scotland)	Building contractor	Glasgow	Aus	112.35	143.99	2.49	0.92	102	-15.7	24,412	221.1	Jun-15
182	201	The Harbro Group	Animal feed	Turriff	Sco	101.35	102.15	2.80	3.12	411	13.9	6,813	-21.2	Jun-15
183*	New	Transocean Drilling UK	Offshore contract drilling services	Aberdeen	Swi	570.51	652.47	0.96	-215.45	32	-61.4	30,000	n/a	Dec-15
184	183	Strachans	Distributor of food and chandlery	Peterhead	Den	67.16	73.06	3.88	5.09	200	9.3	19,400	-30.3	Dec-15
185	216	Highland Fuels	Fuel distribution	Inverness	Sco	175.85	199.15	1.47	1.20	201	48.9	7,313	-17.7	Dec-15
186*	337	M & Co/Mackays Stores Group	Clothing retailer	Inchinnan	Sco	163.18	160.40	1.51	-2.90	3,500	0.0	431	n/a	Feb-16
187*	222	Johnston Carmichael	Accountants and business advisors	Aberdeen	Sco	40.80	39.60	11.83	11.29	642	5.9	18,427	-1.1	May-16
188	97	Hunter Boot	Wellington boot manufacturer	Edinburgh	UK	113.75	95.74	2.21	15.43	223	31.2	9,910	-89.1	Dec-15
189	224	Patersons Quarries	Quarrying; landfill; engineering	Coatbridge	Sco	70.89	64.06	3.52	3.44	906	2.8	3,885	-0.5	Nov-15
190*	208	BenRiach Distillery Co	Whisky distiller	Newbridge	Sco	40.96	41.55	10.68	11.13	162	5.9	65,926	-9.4	Dec-15
191	148	John Lawrie (Aberdeen)	Scrap metal; steel supply	Aberdeen	Sco	63.89	92.05	4.00	6.00	66	-13.2	60,606	-23.2	Dec-15
192	191	Apex Hotels	Hotelier	Edinburgh	Sco	57.25	56.06	4.66	6.84	752	0.0	6,197	-31.9	Apr-15
193*	213	ECS Europe	IT infrastructure provider	Glasgow	Sco	64.16	65.99	3.95	4.10	288	6.7	13,715	-9.7	Dec-15
194	190	Brand-Rex	Structured cabling systems	Glenrothes	Sco	67.38	72.59	3.54	4.68	307	-1.6	11,531	-23.1	Dec-15
195*	221	CJ Lang & Son	Food wholesale and retail	Dundee	Sco	196.05	194.75	1.27	1.12	2,082	-1.5	610	15.1	Apr-15
196	239	Macduff Shellfish (Scotland)	Shellfish supplier/retailer	Mintlaw	Can	52.67	46.36	5.20	4.68	270	n/a	19,259	n/a	Sep-15
197	405	QED International (UK)	Project management services	Aberdeen	UK	76.30	57.47	3.01	0.36	61	5.2	49,344	695.0	Dec-15
198	149	R&A Trust Company (No.1)	Golf promotion/management	St Andrews	Sco	68.76	62.63	3.40	10.55	147	11.4	23,129	-71.1	Dec-15
199	84	Scottish Friendly Assurance Society	Life assurance	Glasgow	Sco	81.28	117.65	2.66	1.65	96	9.1	27,708	47.8	Dec-15
200	217	WN Lindsay	Grain merchant, agri, warehousing	Tranent	Sco	92.51	114.12	2.40	2.41	47	0.0	51,064	-0.4	May-15

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Pro Bono Firm of the Year
(Scottish Legal Awards 2015)



INSIDER TOP500: 201-250

RANK	COMPANY NAME	ACTIVITY	LOCATION	COUNTRY OF OWNERSHIP	TURNOVER £M		PROFIT £M		EMPLOYEES No.		PROFIT PER EMP £		YEAR	
17	16				PRESENT	PREVIOUS	PRESENT	PREVIOUS	PRESENT	CHANGE%	PRESENT	CHANGE%	EN7	
201-225														
201	301	Bell Group UK	Comm/industrial painting contractor	Airdrie	SCO	70.02	65.37	3.23	1.05	1,119	-5.4	2,887	225.1	Mar-16
202*	280	Holland & Sherry/Venlaw Road	Cloth merchant	Peebles	USA	54.25	46.97	4.44	2.84	293	16.3	15,154	34.5	Dec-15
203*	55	Howco Group	Metal & processing services	Glasgow	Jap	101.87	182.78	2.15	22.64	557	2.4	3,861	-90.7	Apr-16
204*	185	Trespass/Jacobs & Turner	Clothing manufacturer	Glasgow	SCO	87.92	86.17	2.32	4.23	1,547	12.3	1,500	-51.1	Jun-15
205*	240	Cameron Group (Perth)	Motor dealer	Perth	SCO	82.51	74.87	2.47	2.48	161	4.5	15,342	-4.7	May-15
206	255	Farne Salmon & Trout	Fish processing	Duns	FR	78.68	73.42	2.52	2.21	737	25.1	3,419	-8.9	Jun-15
207	96	Muir Group	Contractor; private housing; golf club	Inverkeithing	SCO	53.78	111.32	4.38	13.22	270	-5.6	16,230	-64.9	Feb-16
208*	223	PD&MS Group (Aberdeen)	Offshore services provider	Aberdeen	SCO	48.15	48.24	5.28	5.18	74	27.6	71,351	-20.1	Jun-15
209	386	Kettle Produce	Vegetable production	Cupar	SCO	100.89	96.21	2.09	-1.20	934	-0.4	2,238	n/a	May-15
210	243	Enterprise Foods	Food Industry Supply Chain Solutions	East Kilbride	UK	62.54	60.71	3.34	3.20	50	16.3	66,800	-10.2	Jun-15
211	311	Argent Energy (UK)	Manu/sale of bio diesel from waste oil	Motherwell	UK	51.25	47.35	4.47	2.37	58	20.8	77,069	56.1	Dec-15
212*	99	Vroon Offshore UK	Offshore rescue vessels	Aberdeen	NL	103.31	108.63	1.92	12.57	1,402	7.4	1,369	-85.8	Dec-15
213	211	Saltire Energy	Drilling equipment supplier; oil tools	Aberdeen	SCO	31.98	36.31	15.28	17.69	61	-6.2	250,492	-8.0	Jun-15
214	261	McAlpine & Co	Plumbing products	Glasgow	SCO	56.12	53.97	3.57	2.94	728	2.7	4,904	18.3	Dec-15
215	111	Score Group	Engineering materials and labour	Peterhead	SCO	174.00	178.59	1.02	5.69	1,740	5.3	586	-83.0	Oct-15
216	241	Kirkwood Homes	Builder	Inverurie	SCO	42.67	38.98	6.59	6.70	131	-6.4	50,305	5.1	Mar-15
217	349	NCR Financial Solutions Group	R&D of self service solutions	Dundee	USA	47.35	40.94	4.63	2.22	603	19.2	7,678	75.0	Dec-15
218	193	Peterson (UK)	Offshore logistics services	Aberdeen	NL	102.31	142.95	1.71	2.52	520	1.0	3,288	-32.8	Dec-15
219	245	Westcrowns	Glass processor; flooring contractor	Rutherglen	SCO	34.34	30.80	10.76	0.92	379	0.5	28,391	1063.6	Mar-15
220	276	Coilcraft Europe	Electronic components	Glasgow	USA	33.95	31.24	10.95	8.07	48	4.3	228,125	30.0	Dec-15
221*	127	Babcock Mission Critical Services	Helicopter operator	Aberdeen	UK	133.94	146.86	1.22	5.22	542	6.9	2,251	-78.2	Mar-16
222*	249	John G Russell (Transport)	Road/rail freight transport	Glasgow	SCO	61.07	62.57	2.91	2.70	621	11.9	4,686	-3.7	Mar-16
223*	282	Maxi Caledonian	Haulage/construction/storage	Irvine	SCO	73.88	63.53	2.12	1.70	346	5.2	6,127	18.6	Sep-15
224	325	Glenalmond Group	Turnkey solutions to offshore industry	East Kilbride	SCO	54.53	44.86	3.41	2.20	395	13.2	8,633	36.9	Mar-15
225	260	Gleneagles Hotels	Hotel and spa operator	Auchterarder	UK	47.60	43.57	4.22	4.25	888	-0.9	4,752	0.2	Jun-15
226-250														
226	258	Campbells Prime Meat	Fresh meat, fish and delicatessen	Linlithgow	SCO	56.34	56.73	3.10	2.79	326	1.9	9,509	9.1	Dec-15
227*	384	TWMA Group	Drilling waste mgmt; enviro services	Bridge of Don	SCO	49.07	41.38	3.82	1.32	311	-6.0	12,283	208.0	Dec-15
228	299	ICR Integrity	Offshore maintenance	Aberdeen	SCO	36.88	31.01	7.58	6.39	211	30.2	35,924	-8.9	May-15
229	New	Burntisland Fabrications	Steel fabrication; pipes & modules	Burntisland	SWE	59.26	208.09	2.76	5.00	247	-9.9	11,174	-38.8	Dec-15
230*	218	Lightbody of Hamilton	Bakery products	Hamilton	UK	72.56	72.73	2.05	3.50	1,008	-9.2	2,034	-35.5	Jun-15
231	275	Grahams the Family Dairy Group	Milk processor/distributor	Bridge of Allan	SCO	86.46	84.98	1.62	1.32	478	14.1	3,389	7.6	Mar-15
232	266	Barclay & Mathieson	Steel stockholder	Glasgow	SCO	59.39	63.07	2.56	2.25	219	0.9	11,689	12.7	Dec-15
233	328	Morris & Spottiswood	Fit out; social housing; construction	Glasgow	SCO	88.20	74.28	1.51	0.80	340	4.3	4,441	81.0	Dec-15
234	259	Euroforest	Timber harvesting	Huntly	SWE	77.99	71.59	1.71	2.11	51	24.4	33,529	-34.8	Dec-15
235	220	JW Filshill	Wholesale food and drink	Glasgow	SCO	142.55	151.30	0.88	1.36	196	0.0	4,490	-35.3	Jan-16
236	262	Scottish Citylink Coaches	Coach operator	Glasgow	UK	40.82	45.11	4.91	3.99	98	2.1	50,102	20.5	Dec-15
237	441	Zonal Retail Data Systems	EPoS systems manufacturer	Edinburgh	SCO	59.62	52.28	2.31	-0.24	335	5.3	6,896	n/a	Jun-15
238	171	Grayloc Products	Offshore connectors	Aberdeen	USA	29.80	43.38	12.15	17.37	53	-1.9	229,245	-28.7	Dec-15
239*	231	Munro Healthcare Group	Pharmaceutical wholesaler	East Kilbride	SCO	82.52	80.91	1.46	2.49	176	17.3	8,295	-50.0	Mar-15
240	341	Macphie of Glenbervie	Manufacture of food ingredients	Stonehaven	SCO	44.64	44.35	3.73	1.90	271	7.1	13,764	83.3	Mar-15
241*	268	John Davidson (Pipes)	Pipe distributor	Inverness	Belg	51.86	51.09	2.75	2.79	211	6.0	13,033	-7.0	Dec-15
242	290	Caledonian Heritable	Pub operator; plant hire	Edinburgh	SCO	34.52	35.54	7.04	5.05	711	1.4	9,902	37.5	Oct-15
243*	273	Adria Group	Industrial waste management	Aberdeen	SCO	28.67	27.97	12.45	12.34	126	-8.0	98,810	9.7	Oct-15
244*	447	Granfit Holdings	Bathroom equipment; shopfitters	Edinburgh	SCO	36.01	29.97	5.79	1.43	207	6.7	27,971	279.5	Dec-15
245	410	Sterling Furniture Group	Furniture retailer	Tillicoultry	SCO	53.19	50.08	2.49	2.06	626	17.0	3,978	3.3	Feb-16
246*	257	United Holdings UK	Wholesale grocers; property rental	Glasgow	SCO	128.63	132.07	0.81	1.02	154	0.0	5,260	-20.6	Dec-15
247	228	DF Concerts	Concert/events promotion	Glasgow	USA	43.91	43.12	3.59	6.24	36	2.9	99,722	-44.1	Dec-15
248*	310	Peak Scientific Holdings	Manufacture gas generators	Inchinnan	SCO	40.36	34.10	4.05	4.90	341	25.8	11,877	-34.3	Sep-15
249	232	Benkert UK	Cigarette paper manufacturer	Alva	Ger	40.21	44.48	4.12	5.36	254	-4.2	16,220	-19.8	Dec-15
250	283	Champion Technologies	Chemicals supplier; offshore services	Aberdeen	USA	50.32	38.32	2.69	4.23	169	7.6	15,917	-40.9	Dec-15

*See notes on pages 50-51



Law Firm of the Year
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*Important Information. Based on an XE Saloon 2.0D 180PS R-Sport 4dr Manual 17 standard specification, non-maintained. Contract Hire subject to status. Over 18s only. You will not own this vehicle. Must be returned in good condition to avoid further charges. Excess mileage charges (at 11.64p per mile). The promotion cannot be used together with other manufacturer's promotion and is subject to availability at participating Retailers only for new vehicles ordered by 31st January 2017. Provided by Jaguar Contract Hire a trading style of Lex Autolease Limited, Heathside Park, Heathside Park Road, Stockport, SK3 0RB. Model shown is an XE Saloon 2.0D 180PS R-Sport with optional Italian Racing Red metallic paint and optional 19" Star 5 twin-spoke alloy wheels. Please note, all calls may be recorded for training, monitoring and quality purposes and are charged at 5p per minute from a BT landline. Calls from other operators and mobile providers may vary and will be charged at their standard rates.

RANK	COMPANY NAME	ACTIVITY	LOCATION	COUNTRY OF OWNERSHIP	TURNOVER £M		PROFIT £M		EMPLOYEES No.		PROFIT PER EMP £		YEAR END	
17	16				PRESENT	PREVIOUS	PRESENT	PREVIOUS	PRESENT	CHANGE%	PRESENT	CHANGE%		
251-275														
251	365	Brewdog	Brewers; pub operators	Ellon	Sco	44.73	29.61	3.48	3.65	403	45.5	8,635	-34.5	Dec-15
252*	285	Murgitroyd Group	European patent/trade mark attorneys	Glasgow	Sco	39.82	38.35	4.16	4.10	250	3.3	16,640	-1.8	May-15
253	251	Prosource.IT (UK)	IT project delivery; managed services	Aberdeen	Sco	39.75	44.54	4.13	4.49	306	-23.1	13,497	19.6	Jun-15
254	431	Emtec Group	Building services	Uddingston	Sco	46.15	32.12	3.05	1.53	311	11.1	9,807	79.5	May-15
255	291	Baxters Food Group	Scottish food products	Fochabers	Sco	226.35	160.90	0.16	0.15	1,600	38.6	100	-23.1	May-15
256*	338	Wright Health Group	Dental supply company	Dundee	Sco	59.13	51.68	1.87	1.31	366	5.8	5,109	34.9	Dec-15
257*	339	Polymer Holdings	Rubber and plastic coatings	Stonehaven	Sco	29.84	25.01	8.25	7.10	73	0.0	113,014	16.2	Jun-15
258	242	Alexander Inglis & Son	Grain and agricultural merchant	Ormiston	Sco	68.51	79.27	1.47	2.38	45	2.3	32,667	-39.6	Dec-15
259	233	I&H Brown	Plant hire, mining, civil engineering	Perth	Sco	54.62	34.22	2.06	11.78	186	17.0	11,075	-85.1	Aug-15
260	230	TUV Sud	Technical consultants	East Kilbride	Ger	53.26	55.29	2.12	3.78	539	-1.5	3,933	-43.1	Dec-15
261	New	RigNet UK	Offshore services; communications	Westhill	USA	36.80	35.88	4.35	6.74	71	-6.6	61,268	-30.9	Dec-15
262	New	Electro-Flow Controls	Offshore monitoring/control systems	Aberdeen	Sco	34.09	19.32	5.41	1.98	150	7.1	36,067	155.0	Mar-15
263	293	Thistle Seafoods	Fish processor and wholesaler	Peterhead	Sco	75.38	71.25	1.18	1.28	342	8.6	3,450	-15.1	Dec-15
264*	10	Subsea 7	Offshore services	Aberdeen	Lux	940.39	1,182.68	-5.89	599.00	1,694	-7.5	n/a	n/a	Dec-15
265*	265	BHC	Structural steel fabricators, erectors	Carnwath	UK	43.13	47.57	3.08	3.43	303	-1.9	10,165	-8.4	Mar-16
266*	New	Scottish Investment Trust	Investment trust	Edinburgh	Sco	24.06	19.85	18.07	13.87	16	-15.8	1,129,375	54.7	Oct-15
267	292	Cordia Services	Home care and facilities management	Glasgow	Sco	140.56	138.18	0.38	-0.36	4,804	-0.5	79	n/a	Mar-15
268	366	Wilson Imports	Clothing importer	Glasgow	Sco	56.94	46.96	1.65	1.14	184	87.8	8,967	-22.9	Dec-15
269*	350	McGill's Bus Service	Bus services	Greenock	Sco	38.34	35.33	3.59	3.23	816	19.8	4,400	-7.2	Dec-15
270*	367	Tillicoultry Quarries	Quarrying; asphalt; concrete	Kincairdine	Sco	50.07	44.95	2.06	1.25	128	13.3	16,094	45.5	Mar-15
271	247	Klondyke Fishing Co	Fishing and fish selling	Fraserburgh	Sco	25.10	28.99	13.39	17.47	11	-15.4	1,217,273	-9.4	Jun-15
272*	New	GE Oil & Gas UK	Oil and gas engineering	Bridge of Don	USA	968.26	861.37	-19.12	21.70	3,354	14.1	n/a	n/a	Dec-15
273*	2	Royal Bank of Scotland Group	Banking and financial services	Edinburgh	Sco	12,923.00	15,150.00	-2,703.00	2,643.00	12,000	0.0	n/a	n/a	Dec-15
274	21	KCA Deutag	Drilling and engineering contractor	Aberdeen	UK	1,093.70	1,284.30	-57.60	-73.50	7,575	-5.2	n/a	n/a	Dec-15
275	317	Usha Martin International	Wire rope manu./oil & gas services	Clydebank	Ind	34.58	36.60	4.24	4.45	210	8.2	20,190	-12.0	Mar-15
276-300														
276	7	Weir Group	Engineering	Glasgow	Sco	1,917.70	2,438.00	-199.80	409.00	14,838	-2.9	n/a	n/a	Dec-15
277	110	JW Galloway	Production/sale of beef and lamb	Bridge of Allan	Sco	31.07	307.82	5.60	4.40	967	0.3	5,791	26.9	Mar-16
278*	344	Digby Brown	Legal services (litigation)	Glasgow	Sco	27.30	24.60	8.60	7.76	220	14.0	39,091	-2.8	Mar-16
279*	5	SW Funding	Life assurance	Edinburgh	UK	6,360.00	15,190.00	-4,360.00	730.00	n/a	n/a	n/a	n/a	Dec-15
280	146	Hunting Energy Services (UK)	Oil and gas extraction	Portlethen	UK	61.51	99.03	1.41	5.83	198	-6.6	7,121	-74.1	Dec-15
281	309	Maersk Oil North Sea UK	Oil exploration	Aberdeen	Den	806.03	744.17	-63.51	-656.61	772	-1.2	n/a	n/a	Dec-15
282*	355	Craneware	Software consultancy and supply	Edinburgh	Sco	28.50	24.97	7.50	6.62	202	3.6	37,129	9.4	Jun-15
283*	246	Klondyke Group	Garden centres	Falkirk	UK	48.08	48.50	2.00	4.03	884	0.2	2,262	-50.5	Sep-15
284*	368	Harper Macleod	Legal services	Glasgow	Sco	25.98	22.09	9.29	7.97	321	2.9	28,941	13.3	Mar-16
285*	427	Quiz Clothing/Kast Retail	Clothing retailer	Glasgow	Sco	45.98	41.46	2.10	0.80	674	10.1	3,116	138.4	Mar-15
286*	54	Total Upstream UK	Oil and gas exploration	Aberdeen	Fr	1,064.00	1,219.00	-684.00	10.00	723	1.7	n/a	n/a	Dec-15
287*	295	Clydesdale Bank	Banking and financial services	Glasgow	Aus	1,004.00	963.00	-308.00	-216.00	4,616	2.1	n/a	n/a	Sep-15
288*	353	Carat Scotland/Dentsu Aegis Edinburgh	Advertising/media specialist	Edinburgh	Sco	47.42	55.00	2.04	1.00	58	45.0	35,172	40.7	Dec-15
289	263	Freeworld Trading	Dried fruit, nuts and seeds importer	Edinburgh	Sco	79.68	86.00	0.80	1.46	19	0.0	42,105	-45.2	Jun-15
290	278	Zenith Oilfield Technology	Downhole data technology development	Inverurie	USA	29.55	35.32	5.74	6.03	102	-18.4	56,275	16.7	Dec-15
291	340	Barnetts Motor Group	Motor dealer	Dundee	Sco	63.07	58.49	1.19	1.06	145	9.0	8,207	3.0	Dec-15
292*	426	Proclad Group (Scotland)	Offshore engineering and pipe fittings	Glenrothes	UAE	32.64	27.03	4.43	2.64	303	-1.3	14,620	70.0	Nov-15
293*	358	Walker Holdings (Scotland)	Building and property developer	Livingston	Sco	28.35	25.93	7.11	5.54	51	8.5	139,412	18.3	Sep-15
294	308	Aquascot	Salmon farming	Alness	Sco	45.88	45.54	2.06	2.46	178	-1.1	11,573	-15.3	Jan-16
295	300	Scottish Woodlands	Timber and forestry management	Edinburgh	Sco	69.46	73.88	0.99	1.13	141	0.0	7,021	-12.4	Sep-15
296	335	Axle Group Holdings	Tyres and parts retailer	Glasgow	Sco	156.20	159.29	-0.10	-1.52	1,452	1.1	n/a	n/a	Dec-15
297	287	TAQA Bratani	Oil exploration	Westhill	UAE	783.78	1,357.90	-1,121.89	-94.50	548	0.6	n/a	n/a	Dec-15
298	332	Yaskawa Electric UK	Electronic assemblies	Cumbernauld	Jap	36.76	31.39	3.26	1.59	145	16.9	22,483	75.3	Feb-15
299*	357	Insights Group	People development	Dundee	Sco	28.75	28.10	5.60	4.78	292	21.7	19,178	-3.7	Mar-16
300*	19	Apache North Sea	Oil and gas exploration	Aberdeen	USA	607.15	1,012.44	-231.10	116.42	n/a	n/a	n/a	n/a	Dec-15

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Tier I - Parliamentary & Public Affairs
(Legal 500 Scotland 2016)



INSIDER TOP500: 301-350

RANK 17 16	COMPANY NAME	ACTIVITY	LOCATION	COUNTRY OF OWNERSHIP	TURNOVER £M PRESENT PREVIOUS	PROFIT £M PRESENT PREVIOUS	EMPLOYEES No. PRESENT CHANGE%	PROFIT PER EMP £ PRESENT CHANGE%	YEAR END
301* 297	Petrofac Scotland	Engineering and construction	Aberdeen	UK	592.78 979.09	-210.26 -350.89	2,614 -1.2	n/a n/a	Dec-15
302* 352	Plexus Holdings	Offshore engineering and services	Dyce	UK	28.53 27.02	5.94 5.38	154 18.5	38,571 -6.8	Jun-15
303* 296	ASCO Group	Int'l offshore logistics and services	Dyce	SCO	540.97 711.92	-63.82 -29.47	2,002 -20.3	n/a n/a	Dec-15
304 284	First Milk	Milk and cheese supplier	Paisley	SCO	442.19 610.51	-24.94 -4.33	649 0.0	n/a n/a	Mar-15
305 396	Di Maggio's Group	Restaurants	Glasgow	SCO	30.07 26.22	4.73 3.78	690 16.8	6,855 7.2	May-15
306 361	Henry Abram & Sons	Marine logistics solutions	Glasgow	SCO	25.31 23.31	8.26 7.50	21 16.7	393,333 -5.6	Sep-15
307* 307	City Building (Glasgow)	Construction; repair; maintenance	Glasgow	SCO	272.66 291.36	-11.17 -4.06	2,269 -0.6	n/a n/a	Mar-16
308 370	Lothian Electric Machines	Electric motors; stairlift carriages	Haddington	SCO	38.29 36.20	2.65 2.39	281 4.1	9,431 6.5	Jul-15
309 360	Matthew Algie & Co	Tea and coffee supplier	Glasgow	SCO	35.79 33.74	3.23 3.38	214 0.0	15,093 -4.4	Dec-15
310 312	Dana Petroleum	Oil and gas exploration	Aberdeen	KorRep	549.23 682.37	-259.99 -462.49	343 -14.9	n/a n/a	Dec-15
311 342	Hillhouse Estates	Quarry Materials; Farming	Troon	SCO	36.32 29.52	3.04 1.50	171 16.3	17,778 74.2	Mar-15
312* 319	AM Phillip	Commercial vehicle retailer	Forfar	SCO	72.27 69.01	0.71 0.98	363 4.9	1,956 -30.9	Dec-15
313 462	George Leslie	Civil engineering	Glasgow	SCO	44.78 34.82	1.83 0.93	193 10.9	9,482 77.4	Mar-16
314* New	Gleaner Oils	Fuel distribution	Elgin	SCO	105.00 115.07	0.31 -0.43	185 2.8	1,676 n/a	Jun-16
315* New	Fraser Hart	Retail jeweller	Glasgow	Eire	72.71 73.49	0.67 3.26	446 -1.5	1,495 -79.2	Jun-15
316* 318	Braemar Investments	Motor dealer	Melrose	SCO	64.64 64.78	0.93 1.10	206 6.2	4,515 -20.4	Dec-15
317 267	Forsyths	Oil & gas and distillation equipment	Roths	SCO	37.62 41.18	2.53 4.41	337 -3.4	7,507 -40.6	Oct-15
318 New	Motherwell Bridge	Engineering Services	Motherwell	Bahrn	33.28 31.28	3.51 -3.70	248 0.0	14,153 n/a	Dec-15
319 347	Luddon Construction	Construction	Glasgow	SCO	58.37 50.00	1.05 1.29	389 -1.3	2,699 -17.6	Aug-15
320* 336	David MacBrayne	Ferry operator	Gourock	SCO	171.95 153.99	-2.63 -0.02	1,482 10.4	n/a n/a	Mar-15
321 306	Dolphin Drilling	Oil & gas drilling contractor	Aberdeen	Nor	295.47 454.78	-193.81 -15.75	132 -33.3	n/a n/a	Dec-15
322 321	CNR International (UK)	North Sea oil and gas exploration	Aberdeen	Can	271.72 371.85	-186.86 -85.98	356 -1.7	n/a n/a	Dec-15
323 345	ARR Craib Transport	Haulage contractor; logistics	Dyce	SCO	48.15 46.14	1.39 1.63	413 13.8	3,366 -25.0	Mar-15
324 348	Phoenix Car Company	Motor dealer	Paisley	SCO	136.04 134.38	-0.75 -0.21	353 -1.1	n/a n/a	Jan-15
325 433	Arthur J Gallagher Insurance Brokers	Insurance brokerage	Glasgow	UK	154.80 73.64	-3.72 -13.50	823 0.0	n/a n/a	Dec-15

326-350

326 362	Odell Drilling (UK)	Drilling contractors	Aberdeen	Nor	45.04 76.72	1.49 0.29	83 -24.5	17,952 581.0	Dec-15
327 286	Avondale Environmental	Landfill site operator	Falkirk	UK	32.43 35.00	3.29 5.26	24 -14.3	137,083 -27.0	Mar-15
328 369	Meallmore	Nursing home operator	Inverness	SCO	36.50 34.76	2.26 2.74	1,386 3.5	1,631 -20.3	Mar-15
329 New	Weatherford UK	Oilfield personnel; equipment supply	Alpens	Swi	206.83 231.15	-63.72 -21.74	1,068 -8.6	n/a n/a	Dec-15
330 New	Sparrows Offshore Group	Cranes and offshore services	Aberdeen	SCO	200.48 221.19	-30.90 -22.77	1,986 -1.5	n/a n/a	Dec-15
331 New	Thomas Johnstone (Holdings)	Shopfitting contractor	Renfrew	SCO	51.12 32.56	1.10 0.20	265 29.9	4,151 323.6	Dec-15
332 New	Mactaggart, Scott & Co	Marine engineering solutions	Loanhead	SCO	36.10 34.41	2.26 0.15	350 1.4	6,457 1384.4	Apr-15
333* 327	Dron & Dickson	Hazardous area electrical equipment	Stirling	SCO	42.87 45.32	1.54 2.05	162 0.0	9,506 -24.9	May-15
334* 401	Bluewater Scotland	Operation of offshore facilities	Aberdeen	NL Ant	177.97 117.59	-28.32 -25.70	41 -31.7	n/a n/a	Dec-15
335 305	Guala Closures UK	Bottle closures	Glasgow	It	42.06 43.50	1.57 2.71	198 -1.0	7,929 -41.5	Dec-15
336 351	Wemyss Development Co	Property; wine and tea estates	Edinburgh	SCO	26.41 31.99	4.90 3.95	2,208 -17.7	2,219 50.7	Mar-15
337 252	John R Adam & Sons	Metal recycling	Glasgow	SCO	45.35 62.69	1.34 2.68	67 13.6	20,000 -56.0	Dec-15
338 394	Angus Soft Fruits	Fruit/vegetable distribution	Arbroath	SCO	73.94 67.08	0.30 0.16	109 23.9	2,752 51.4	Apr-15
339 83	Vallourec Oil & Gas UK	Offshore tubular goods	Bellshill	Fr	125.20 146.50	-2.02 10.60	287 6.3	n/a n/a	Dec-15
340* 374	Chisholm Hunter	Retail jeweller	Glasgow	SCO	29.57 27.12	3.45 2.91	221 11.6	15,611 6.1	Mar-15
341 333	Clariant Oil Services UK	Chemicals/services for oil industry	Aberdeen	Swi	27.68 29.86	4.03 5.11	64 -4.5	62,969 -17.4	Dec-15
342* 402	McPherson	Bulk spirit transportation	Aberlour	SCO	32.82 31.33	2.55 2.56	360 5.9	7,083 -5.9	Jul-15
343 375	Vets Now Emergency	Out of hours emergency veterinary care	Dunfermline	SCO	28.61 25.60	3.69 2.50	936 1.1	3,942 46.0	Mar-15
344 388	Caledonian Plywood Company	Timber merchant	Glasgow	SCO	50.90 40.34	1.00 0.80	73 17.7	13,699 6.2	May-15
345 380	CMS Enviro Systems	Manufacturer of UPVC & Aluminium Doors	Cumbernauld	SCO	28.00 19.56	3.80 1.81	210 72.1	18,095 22.0	Mar-15
346* New	Border Cars Group	Motor dealer	Dumfries	SCO	103.91 55.13	-0.19 0.52	316 4.6	n/a n/a	Aug-15
347* 496	Scotframe Timber Engineering	Timber frame manufacturers	Inverurie	SCO	35.71 34.74	2.04 2.26	176 1.7	11,591 -11.3	Apr-16
348 373	Mentholatum Co	Pharmaceuticals	East Kilbride	Jap	31.40 31.70	2.70 3.03	106 -2.8	25,472 -8.4	Feb-15
349 New	Axis-Shield Diagnostics	In vitro diagnostics development	Dundee	USA	21.59 18.49	7.71 6.64	139 3.0	55,468 12.8	Dec-15
350* 120	Dobbies Garden Centres	Garden centres	Lasswade	UK	141.15 142.00	-44.65 6.66	667 -76.6	n/a n/a	Mar-15

*See notes on pages 50-51



Tier I - Leisure & Hospitality
(Legal 500 Scotland 2016)



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INSIDER TOP500: 351-400

RANK 17 16	COMPANY NAME	ACTIVITY	LOCATION	COUNTRY OF OWNERSHIP	TURNOVER £M PRESENT PREVIOUS	PROFIT £M PRESENT PREVIOUS	EMPLOYEES No. PRESENT CHANGE%	PROFIT PER EMP £ PRESENT CHANGE%	YEAR END
351-375									
351* 445	Clark Contracts	Construction; refurbish/maintenance	Paisley	Sco	46.31 40.02	1.01 0.52	196 25.6	5,153 54.6	Oct-15
352 389	Oticon	Hearing aids manufacturer	Hamilton	Den	41.34 38.45	1.32 1.43	99 0.0	13,333 -7.7	Dec-15
353* 184	Fergusson Group	Coal merchant	Stirling	Sco	129.86 145.79	-7.44 2.56	188 -7.8	n/a n/a	Mar-15
354* 413	McTaggart Group	Construction	Dalry	Sco	40.03 44.37	1.43 0.79	164 13.1	8,720 60.1	Sep-15
355 387	Anderson Strathern	Legal services	Edinburgh	Sco	21.74 21.47	7.40 7.33	213 -12.3	34,742 15.2	Aug-15
356 489	Sykes Global Services	Assembly and fulfilment services	Galashiels	USA	32.78 25.69	2.21 1.35	906 8.0	2,439 51.6	Dec-15
357* 392	Axis Well Technology	Well technology consultancy	Bridge of Don	Sco	25.88 23.61	4.02 4.21	89 11.3	45,169 -14.2	Jan-15
358* 408	BAM FM	Facilities management	Glasgow	NL	39.77 34.87	1.45 1.82	n/a n/a	n/a n/a	Dec-15
359 159	Scottish Salmon Company, The	Salmon farming	Edinburgh	UK	100.36 130.58	-0.60 3.96	489 3.6	n/a n/a	Dec-15
360 397	House of Bruar	Clothing/country living goods retailer	Pitlochry	Sco	23.76 22.72	5.00 4.76	214 13.8	23,364 -7.7	Jan-15
361* 330	Compello Staffing Group	Recruitment outsourcing	Glasgow	Sco	68.16 70.45	0.13 0.87	181 7.7	718 -86.1	May-15
362* 407	Speymalt Whisky Distributors	Scotch whisky distiller/merchant	Elgin	Sco	25.54 24.81	3.95 4.06	145 5.8	27,241 -8.1	Feb-16
363* New	FLB Holdings	Diary/organiser manufacturer	Dalkeith	Sco	34.31 37.86	1.83 -4.03	328 -21.2	5,579 n/a	Apr-15
364 393	Speirs & Jeffrey	Private client stockbroker/investment	Glasgow	Sco	21.40 21.28	7.20 7.31	131 1.6	54,962 -3.0	May-15
365 143	Fugro Subsea Services	ROV provision and operation	Aberdeen	NL	118.06 182.00	-17.81 3.25	468 -2.3	n/a n/a	Dec-15
366 38	Helix Well Ops (UK)	Subsea intervention services	Dyce	USA	111.07 240.41	-6.76 69.53	100 -11.5	n/a n/a	Dec-15
367 420	Veitchi (Holdings)	Construction subcontractor	Glasgow	Sco	36.83 38.24	1.42 1.12	317 3.9	4,479 22.0	Nov-15
368 467	East Kilbride Engineering Services	Engineering consultancy	East Kilbride	Sco	27.15 22.98	3.13 2.65	168 34.4	18,631 -12.1	Mar-15
369 450	Morris Leslie	Equipment wholesaler; auctioneer	Perth	Sco	34.31 32.60	1.64 1.17	201 8.1	8,159 29.7	Apr-15
370 New	Hawco & Sons	Motor dealer	Inverness	Sco	77.40 75.12	-1.11 0.42	195 3.7	n/a n/a	Dec-15
371* 406	Scotch Frost of Glasgow	Frozen food distribution	Glasgow	Sco	54.49 58.70	0.38 0.43	158 3.9	2,405 -14.1	May-15
372* 415	Raeburn Group	Employment agency	Aberdeen	Sco	44.81 44.17	0.81 0.80	439 -19.4	1,845 25.7	May-15
373* New	Jabil Circuit	Printed circuit boards	Livingston	USA	35.47 16.69	1.49 -9.65	216 33.3	6,898 n/a	Aug-15
374 391	Whitelink Seafoods	Seafood wholesaler	Fraserburgh	Sco	52.90 54.59	0.40 0.55	165 3.1	2,424 -29.5	Jun-15
375 475	McConechy Holdings	Tyres and motor accessories	Ayr	Sco	37.00 37.52	1.30 0.38	345 1.2	3,768 238.2	Apr-16
376-400									
376 409	Flexible Manufacturing Group	Precision engineering	Livingston	Sco	23.00 23.78	4.58 5.09	254 -2.3	18,031 -7.9	May-16
377 425	MB Aerospace	Aerospace design/manufacture	Motherwell	UK	25.01 26.90	3.69 2.68	147 -5.8	25,102 46.1	Dec-15
378 New	Vaughan Engineering	Mechanical and electrical engineering	Broxburn	Eire	46.89 36.91	0.61 -0.02	200 9.3	3,050 n/a	Mar-15
379 466	Southeast Traders	Delivered wholesaler	Cumbernauld	Sco	42.15 36.17	0.95 0.71	19 26.7	50,000 5.6	Oct-15
380* 468	IFC Holdings	Holding company for fish processors	Fraserburgh	Sco	40.20 42.10	1.02 0.49	546 0.2	1,868 107.8	Mar-16
381* 414	Walter Davidson & Sons	Retail chemist; vet products	Blairgowrie	Sco	35.57 33.01	1.45 1.23	307 8.1	4,723 9.1	Jan-15
382* 156	Clyde Union	Pump manufacturing	Glasgow	USA	74.10 104.76	-1.49 4.77	547 -8.8	n/a n/a	Dec-15
383 459	Donald Russell	Meat, game and poultry supplier	Inverurie	UK	36.97 36.81	1.26 0.86	274 5.0	4,599 39.6	Dec-15
384 398	Faroe Petroleum	Oil and gas exploration	Aberdeen	Sco	112.98 129.22	-122.30 -165.80	67 28.8	n/a n/a	Dec-15
385* New	Portakabin (Scotland)	Modular buildings supplier	Hamilton	UK	23.58 20.94	3.95 3.06	124 7.8	31,882 19.8	Dec-15
386* 461	George Sharkey & Sons	Interior fit out contractor	Musselburgh	Sco	42.48 38.05	0.87 0.57	74 0.0	11,757 52.6	Mar-15
387 438	Entier	Offshore catering and support services	Aberdeen	Sco	39.67 40.16	1.03 0.74	421 -13.4	2,447 60.7	Sep-15
388 422	Malcolm Allan Housebuilders	Housebuilder	Kintore	Sco	26.17 22.77	2.85 4.47	65 4.8	43,846 -39.2	May-15
389* New	Optical Express/DCM (Optical Holdings)	Optician	Cumbernauld	Sco	100.44 133.99	-14.86 -15.39	1,147 -15.5	n/a n/a	Dec-15
390 364	Ithaca Energy (UK)	Offshore services	Aberdeen	Can	105.82 150.19	-148.55 -82.40	41 2.5	n/a n/a	Dec-15
391 New	Emergency One UK	Vehicle body building/repair	Cumnock	Sco	25.31 21.02	3.19 2.70	154 -6.1	20,714 25.8	Dec-15
392 421	Tokheim UK	Electronic equipment	Dundee	Fr	79.47 72.73	-4.90 -3.74	448 -2.2	n/a n/a	Apr-15
393 New	AB 2000	Plant and machinery hire	Glasgow	Sco	23.63 19.75	3.60 2.32	233 5.9	15,451 46.5	Jan-16
394 416	Havelock Europa	Educational furniture; shopfitter	Kirkcaldy	Sco	73.13 83.40	-2.68 -5.77	522 -9.7	n/a n/a	Dec-15
395 412	DigitasLi	Marketing and technology agency	Edinburgh	Fr	76.46 71.69	-4.81 -0.34	711 14.3	n/a n/a	Dec-15
396 356	Avanteq	Oil & gas well engineering specialist	Westhill	Sco	36.19 45.44	1.11 1.41	28 3.7	39,643 -24.1	Dec-15
397 New	Eden Springs UK	Water cooler supplier	Blantyre	NL	49.74 48.87	0.31 0.30	391 10.5	793 -6.4	Dec-15
398 354	W M Donald	Civil engineering contractor	Stonehaven	Sco	32.35 30.36	1.48 4.11	99 39.4	14,949 -74.2	Mar-15
399 464	Mulholland Holdings	Civil engineering contractor	West Calder	Sco	36.12 34.57	1.05 0.88	366 2.5	2,869 16.4	Jul-15
400* 399	Simpac (Holdings)	Packaging manufacture and import	Glasgow	Sco	29.51 36.50	1.78 1.62	118 -0.8	15,085 10.8	Aug-15

*See notes on pages 50-51



Tier 1 - IT & Telecoms
(Legal 500 Scotland 2016)



RANK	COMPANY NAME	ACTIVITY	LOCATION	COUNTRY OF OWNERSHIP	TURNOVER £M	PROFIT £M	EMPLOYEES No.	PROFIT PER EMP £	YEAR					
17	16				PRESENT	PREVIOUS	PRESENT	CHANGE%	END					
PRESENT	PREVIOUS	PRESENT	PREVIOUS	PRESENT	CHANGE%	PRESENT	CHANGE%							
401-425														
401*	417	LHD	Agent for fishing boats	Lerwick	Sco	22.28	26.49	3.87	2.98	56	3.7	69,107	25.2	Sep-15
402	New	Currie International Holdings	Transport, warehousing, logistics	Dumfries	Sco	47.01	51.31	0.37	0.45	317	1.9	1,167	-19.4	Dec-15
403	New	Konecranes UK	Cranes; mateiral handling equipment	East Kilbride	Fin	55.72	59.03	-0.19	1.76	462	-0.4	n/a	n/a	Dec-15
404	457	Morrison Motors (Turriff)	Motor dealer	Turriff	Sco	30.04	29.21	1.51	1.43	37	0.0	40,811	5.6	Jul-15
405	226	TPS Healthcare Group	Medical products; logistical services	Cumbernauld	Eire	48.36	43.59	0.19	6.16	76	-2.6	2,500	-96.8	Mar-16
406	New	Aiken Group	Offshore/onshore architectural engng	Aberdeen	Sco	25.71	12.44	2.29	0.40	168	115.4	13,631	165.8	May-15
407*	451	Naim's Oatcakes	Biscuits/oatcakes manufacturer	Edinburgh	Sco	24.41	24.14	2.75	2.68	252	13.0	10,913	-9.3	May-15
408	418	Head Resourcing	Recruitment consultancy	Edinburgh	Sco	43.31	45.43	0.43	0.61	78	1.3	5,513	-30.4	Dec-15
409	439	Ashleigh (Scotland)	Builder	Dumfries	Sco	31.02	28.31	1.44	1.25	89	-16.0	16,180	37.2	Mar-15
410*	New	Leidos Innovations UK	IT systems and software	Renfrew	USA	65.18	58.61	-4.97	-0.44	661	11.1	n/a	n/a	Dec-15
411	483	Simpson Oils	Fuel merchant	Wick	Sco	41.03	41.98	0.49	-0.03	n/a	n/a	n/a	n/a	Oct-15
412	471	Nobel NC Europe	Industrial nitrocellulose manufacturer	Irvine	Thai	31.11	36.28	1.36	0.57	11	0.0	123,636	138.6	Dec-15
413	390	Tulloch Recruitment (Aberdeen)	Recruitment agency	Aberdeen	Sco	25.06	30.53	2.38	2.92	399	-12.3	5,965	-7.1	Aug-15
414*	453	Presentation Products Scotland	Presentation box manufacturer	East Kilbride	Sco	25.97	27.71	2.10	2.23	137	-6.8	15,328	1.0	Feb-15
415	403	Keltec People	Offshore engineering consultancy	Aberdeen	Sco	38.81	45.51	0.57	0.81	13	-18.8	43,846	-13.4	Jul-15
416*	400	Akela Group	Civil engineering; building; pty dev.	Glasgow	Sco	31.60	32.54	1.26	2.44	286	-8.6	4,406	-43.5	Aug-15
417	455	MacGregor Industrial Supplies	Industrial tools and equipment	Inverness	Sco	28.62	28.52	1.54	1.62	231	7.9	6,667	-11.9	Mar-15
418	436	Robertson Metals Recycling	Scrap metal processor/exporter	Inverkeithing	Sco	26.43	35.51	1.98	1.14	35	6.1	56,571	63.8	Jan-16
419	411	Scottish Football Association	Football administration	Glasgow	Sco	32.72	38.86	1.10	1.19	175	-1.1	6,286	-6.5	Dec-15
420*	New	RAGM	Frozen food/grocery wholesaler	Glasgow	Sco	28.12	24.62	1.67	-0.04	27	8.0	61,852	n/a	Sep-15
421*	435	Redeem	Print cartridge recycling	Bathgate	Sco	39.78	39.97	0.52	0.78	91	-3.2	5,714	-31.1	Mar-15
422*	294	Serimax	Pipeline welding; crane hire; haulage	Dingwall	Fr	44.75	49.28	0.27	2.39	288	-3.7	938	-88.3	Dec-15
423	443	Vetcel	Consultant buying facilities for vets	Kincardine	Sco	44.27	39.80	0.30	0.41	11	0.0	27,273	-26.8	Apr-15
424*	363	Lees Foods	Bakery and confectionery	Coatbridge	Sco	26.24	27.40	1.92	4.42	331	-3.8	5,801	-54.9	Dec-15
425	New	Alba Power	Gas turbine maintenance services	Stonehaven	Sco	21.38	16.80	3.57	1.85	67	15.5	53,284	67.1	Dec-15
426-450														
426	New	FTV Procad International	Offshore engineering services	Glenrothes	Kuw	21.94	15.63	3.27	1.06	177	-2.2	18,475	215.5	Nov-15
427	491	Rembrand Timber	Timber merchant	Dundee	Sco	33.80	30.95	0.99	0.81	189	2.2	5,238	19.6	Sep-15
428	271	Dales Marine Services	Ship repair and maintenance	Aberdeen	Sco	21.54	36.34	3.43	5.67	120	18.8	28,583	-49.1	Dec-15
429*	430	John Martin Holdings	Motor dealer	Edinburgh	Sco	52.67	54.01	-0.44	0.03	198	-4.8	n/a	n/a	Dec-15
430	238	LFF (Scotland)	Offshore fittings and flanges	Aberdeen	UK	27.10	59.63	1.73	3.37	39	-2.5	44,359	-47.3	Dec-15
431*	423	Chap (Holdings)	Bldg contractor; engrg; property devt	Westhill	Sco	36.01	35.85	0.76	1.33	192	-16.5	3,958	-31.6	Sep-15
432	298	Trac International	Engineering products and services	Aberdeen	Sco	48.78	46.48	-0.12	2.50	471	9.5	n/a	n/a	Mar-15
433	331	Streamline Shipping Group	Shipping; haulage; forwarding	Aberdeen	Sco	34.36	42.47	0.84	2.44	245	-7.5	3,429	-62.8	Dec-15
434*	New	Houston (Holdings)	Biscuit manufacturer	Livingston	Sco	23.76	21.89	2.47	1.88	191	-5.9	12,932	39.6	Dec-15
435	New	Thornbridge Sawmills	Timber importer; sawmills	Grangemouth	Sco	32.39	28.94	1.02	0.40	132	10.0	7,727	131.8	Dec-15
436	New	United Auctions	Livestock auctioneer	Stirling	Sco	24.37	21.70	2.22	1.93	54	0.0	41,111	15.0	Dec-15
437	New	J Smart & Co (Contractors)	Building and civil engineering	Edinburgh	Sco	20.82	24.81	3.54	1.21	246	27.5	14,390	129.5	Jul-15
438*	480	Highland Industrial Supplies	Industrial and agri equipment supplier	Inverness	Sco	38.75	35.12	0.46	0.60	235	7.8	1,957	-28.9	Jan-16
439	488	Guitar Guitar	Musical equipment retailer	Glasgow	Sco	24.65	22.47	2.12	2.42	104	5.1	20,385	-16.6	May-15
440	474	Brightwork	Recruitment agency	Glasgow	Sco	34.87	32.63	0.77	0.86	64	12.3	12,031	-20.3	Dec-15
441	New	ECG Facilities Services	Building maintenance	Blantyre	Sco	30.83	28.43	1.12	0.81	274	8.7	4,088	27.2	Dec-15
442	315	Gyrodatta	Wellbore survey technology	Bridge of Don	USA	28.01	37.48	1.48	3.68	179	-16.7	8,268	-51.7	Dec-15
443	437	Norscot Truck & Van/G Barrack	Truck retail and truck and van repair	Aberdeen	Sco	29.48	31.67	1.27	1.53	129	2.4	9,845	-18.9	Dec-15
444	485	SGL Carbon Fibers	Carbon & oxidised fibre	Muir of Ord	Ger	51.56	48.13	-1.22	-6.06	250	8.7	n/a	n/a	Dec-15
445*	New	Clyde Travel	Corporate Travel	Glasgow	Sco	40.94	41.88	0.31	0.20	65	-13.3	4,769	78.8	May-16
446	458	Mackenzie Construction	Construction; civil engineering	Glasgow	Sco	28.67	21.29	1.41	2.32	196	10.1	7,194	-44.8	Mar-16
447*	478	Lindsay & Gilmour/Raimes Clark & Co	Retail chemists	Edinburgh	Sco	26.15	26.70	1.68	1.39	246	2.9	6,829	17.4	Dec-15
448	442	G101 Off Sales	Off licences; convenience stores	Glasgow	Sco	47.90	50.00	-0.19	0.02	428	0.5	n/a	n/a	May-15
449*	New	Caledonian Maritime Assets	Holding company for ferry operations	Port Glasgow	Sco	33.55	29.85	0.81	-6.67	27	0.0	30,000	n/a	Mar-16
450	227	Hewlett-Packard Manufacturing	Portable and desktop computers	Bishopton	USA	35.57	41.58	0.58	6.78	286	-11.7	2,028	-90.3	Oct-15

*See notes on pages 50-51



Tier I - Transport
(Legal 500 Scotland 2016)



INSIDER TOP500: 451-500

RANK	COMPANY NAME	ACTIVITY	LOCATION	COUNTRY OF OWNERSHIP	TURNOVER £M		PROFIT £M		EMPLOYEES No.		PROFIT PER EMP £		YEAR END	
17	16				PRESENT	PREVIOUS	PRESENT	PREVIOUS	PRESENT	CHANGE%	PRESENT	CHANGE%		
451-475														
451	472	Front Line Construction	Civil engineering and construction	Bathgate	Sco	23.38	20.84	2.25	3.39	154	-1.3	14,610	-32.8	Jan-16
452	229	Fugro Survey	Offshore surveying	Aberdeen	NL	53.14	76.84	-3.16	2.61	420	-0.5	n/a	n/a	Dec-15
453	302	Scotia Homes	Construction; land development	Ellon	Sco	41.04	42.01	0.24	3.02	210	16.0	1,143	-93.1	Apr-15
454*	440	Viju	Video communications	Livingston	Nor	33.81	29.57	0.71	1.62	134	12.6	5,299	-61.1	Dec-15
455*	314	CBC Construction & Property Group	Construction; property development	Glasgow	Sco	41.57	52.90	0.17	1.66	209	7.2	813	-90.4	Sep-15
456	470	Scottish Rugby Union	Rugby sport governing body	Edinburgh	Sco	44.24	43.73	0.02	0.86	345	8.8	58	-97.9	Apr-15
457	236	Shetland Catch	Fish processor	Lerwick	Sco	45.91	63.63	-0.20	3.11	85	-2.3	n/a	n/a	Mar-15
458	460	Recruitment Zone	Recruitment agency	Edinburgh	Sco	34.42	41.15	0.56	0.38	50	-37.5	11,200	135.8	Dec-15
459	482	Ingram Motoring Group	Motor dealer	Ayr	Sco	42.65	40.70	0.06	0.12	102	4.1	588	-52.0	Dec-15
460*	New	Tough Civil Engineering	Civil engineering	Glasgow	Sco	33.34	28.24	0.63	0.41	297	18.8	2,121	29.3	Jul-15
461	New	Compass Building & Construction	Construction	Inverness	Sco	25.42	16.19	1.54	1.38	69	30.2	22,319	-14.3	Sep-15
462	497	Concept Group	Digital document solutions	Livingston	USA	22.43	22.66	2.20	1.89	202	2.5	10,891	13.5	Dec-15
463	429	RM Easdale & Co	Non-ferrous metal processor	Glasgow	Sco	44.50	50.18	-0.18	0.22	59	-10.6	n/a	n/a	Dec-15
464	137	Celtic	Football club management	Glasgow	Sco	51.08	64.74	-3.95	11.70	462	2.7	n/a	n/a	Jun-15
465	434	Central Building Contractors (Glasgow)	Construction; property development	Glasgow	Sco	38.15	40.50	0.30	0.75	180	-7.7	1,667	-56.7	Sep-15
466	272	Scottish Exhibition Centre	Exhibition, conference and event venue	Glasgow	Sco	29.43	34.90	1.00	6.65	242	6.6	4,132	-85.9	Mar-16
467*	New	McGhee Group	Bakers	Glasgow	Sco	24.61	21.55	1.66	1.30	265	16.2	6,264	9.7	Aug-15
468	382	Space Solutions (Scotland)	Architecture and workplace design	Aberdeen	Sco	36.07	38.32	0.37	1.59	248	8.3	1,492	-78.5	Jun-15
469	New	Alliance Wine Company	Wine importer and wholesaler	Beith	Sco	25.86	24.74	1.41	1.14	64	14.3	22,031	8.2	May-15
470	479	Mono Global Group	Telephone masts	Glasgow	Sco	38.87	28.34	0.07	1.25	231	3.6	303	-94.6	Aug-15
471*	448	McGill & Co	Building services	Dundee	Sco	32.97	36.00	0.50	0.90	395	-0.5	1,266	-44.2	Mar-15
472*	New	Coherent Scotland	Laser systems manufacture	Glasgow	USA	26.03	25.07	1.28	-2.66	106	-1.9	12,104	n/a	Oct-15
473	New	Marshall Construction	Builder and contractor	Alloa	Sco	33.18	29.53	0.44	0.22	264	-0.4	1,667	100.8	Jul-15
474	404	Tube Developments	Tube processor and wholesaler	Glasgow	Sco	21.87	32.82	2.08	2.24	60	0.0	34,667	-7.1	Sep-15
475*	New	Garriock Bros	Contracting; civil eng; plant hire	Lerwick	Sco	23.85	19.44	1.61	1.25	163	32.5	9,877	-2.8	Mar-15
476-500														
476*	473	Land Engineering Group/Gardrum	Civil engineers; landscaping	Glasgow	Sco	39.91	42.89	-0.01	0.11	397	-4.8	n/a	n/a	Aug-15
477	New	JBT Distribution	Haulage contractor	Bathgate	Sco	22.72	22.39	1.76	0.93	278	4.5	6,331	81.1	Mar-16
478	449	Taylor & Fraser	Heating and ventilation	Paisley	Sco	31.67	25.47	0.51	2.35	79	3.9	6,456	-79.1	Jun-15
479	New	Endura	Cycle wear/gear manufacturer	Livingston	Sco	24.10	21.43	1.49	1.01	137	30.5	10,876	13.1	Apr-15
480*	New	Strata International Group	Laminated products; cubicles	Perth	Sco	20.41	17.24	2.40	1.94	131	4.0	18,321	19.0	Dec-15
481	New	Macduff Shipyards	Ship builder; repairs and fittings	Macduff	Sco	22.30	20.16	1.81	1.84	179	13.3	10,112	-13.2	Feb-16
482*	499	MF Wells (Hotels)	Hotelier	Alexandria	Sco	22.20	21.76	1.90	1.28	261	-0.8	7,280	49.6	Mar-15
483*	494	Ahlstrom Chirnside	Specialist materials manufacture	Duns	Fin	47.64	45.10	-9.27	-9.28	163	-1.8	n/a	n/a	Dec-15
484	New	HF Group	Electrical engineering	Glasgow	Sco	29.34	25.17	0.72	0.47	289	12.0	2,491	36.7	Mar-15
485	234	Scientific Drilling Controls	Offshore directional surveys	Aberdeen	USA	44.11	50.10	-2.81	4.24	390	2.1	n/a	n/a	Dec-15
486	381	Star Refrigeration	Industrial refrigeration	Glasgow	Sco	37.96	43.39	0.01	1.22	323	4.9	31	-99.2	Dec-15
487*	New	ATR Offshore Holdings	Tool rental; plant/lifting services	Aberdeen	UK	46.68	57.79	-7.74	0.26	332	-7.0	n/a	n/a	Oct-15
488*	428	Strategic Resources Consultants	Recruitment agency	Aberdeen	Sco	30.13	38.26	0.54	0.97	12	-7.7	45,333	-39.2	Dec-15
489*	500	Plexus Corp (UK)	Electronics design/manufacture	Kelso	USA	45.27	43.44	-5.37	-7.94	473	4.2	n/a	n/a	Sep-15
490*	New	JC Peacock & Co	Salt import and distribution	Ayr	Sco	22.25	23.03	1.69	0.58	50	-24.2	33,800	284.6	Apr-15
491	New	Chrystal Petroleum Co	Fuel/oil distribution	Kirkcaldy	Sco	31.63	33.34	0.40	0.13	25	8.7	16,000	183.1	Jun-15
492*	New	Scobie & Junor (Holdings)	Food casings and packaging	East Kilbride	Sco	27.54	26.72	0.83	0.58	139	3.0	5,971	39.0	Jun-15
493	490	Terasaki Electric Europe	Circuit breaker manufacture	Glasgow	Jap	26.65	25.51	0.95	1.33	144	14.3	6,597	-37.5	Mar-15
494	New	Andrew Cowie Construction	Building contractor	Inverurie	Sco	25.16	23.90	1.10	0.85	77	10.0	14,286	17.6	Mar-15
495	477	JF Hillebrand Scotland	Transport/logistics of beverages	Glasgow	Ger	24.83	28.71	1.12	1.20	41	-6.8	27,317	0.2	Dec-15
496	New	James Frew	Plumbing, heating and modernisation	Stevenston	Sco	27.14	23.33	0.82	0.96	261	18.6	3,142	-28.0	Mar-16
497	New	Morrisons (Land Rover)	Motor dealer	Stirling	Sco	27.91	22.73	0.67	0.39	38	0.0	17,632	71.8	Jan-16
498	New	Fife Creamery	Chilled food wholesaler	Kirkcaldy	Sco	24.82	23.72	1.09	1.01	131	11.0	8,321	-2.8	Sep-15
499	New	ASA International	Recruitment consultant	Edinburgh	Sco	25.06	24.26	1.04	0.85	68	21.4	15,294	0.8	Mar-15
500*	New	Farmfoods Distribution	Contracted logistics services	Cumbernauld	UK	29.58	14.17	0.42	0.26	807	n/a	515	n/a	Jan-15

See notes on pages 50-51



Global Law Firm of the Year
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INSIDER TOP500: INDEX

NAME	RANK	PAGE	NAME	RANK	PAGE	NAME	RANK	PAGE	NAME	RANK	PAGE
A			Castle View Ventures Ltd	117	35	Forsyths Ltd	317	42	Johnston Carmichael LLP	187	37
AB 2000 Ltd	393	44	CBC Construction & Property Group Ltd	455	46	Forth Holdings Ltd	78	32	Johnston Fuels Ltd	164	37
Aberdeen Asset Management PLC	7	31	CCG (Holdings) Ltd	91	32	Forth Ports Ltd	39	31	Johnston Press Plc	124	35
Aberdeen International Airport Ltd	109	35	Celtic Plc	464	46	Franklin Templeton Global Investors Ltd	155	37	Johnstons of Elgin/James Johnston & Co	141	35
Adria Group Ltd	243	38	Central Building Contractors (Glasgow) Ltd	465	46	Fraser Hart Ltd	315	42	JR Dalziel (Holdings) Ltd	65	32
Advance Construction Group Ltd	101	35	Champion Technologies Ltd	250	38	Freeworld Trading Ltd	289	41	JW Filshill Ltd	235	38
AEGON UK Plc	5	31	Chap (Holdings) Ltd	431	45	Front Line Construction Ltd	451	46	JW Galloway Ltd	277	41
AG Barr Plc	34	31	Charles River Laboratories Preclinical Services	120	35	FTV Proclad International Ltd	426	45	K		
Aggreko Plc	6	31	CHC Scotia Ltd	95	32	Fugro Subsea Services Ltd	365	44	KCA Deutag	274	41
Ahlstrom Chirside Ltd	483	46	Chevron North Sea Ltd	23	31	Fugro Survey Ltd	452	46	Keltec People Ltd	415	45
Aiken Group Ltd	406	45	Chisholm Hunter Ltd	340	42	G			Kent Foods Ltd	102	35
Akela Group Ltd	416	45	Chivas Brothers Ltd	11	31	G1 Group Holdings plc	150	35	Kettle Produce Ltd	209	38
Aker Solutions	21	31	Chrystal Petroleum Co Ltd	491	46	G101 Off Sales Ltd	448	45	Kirkwood Homes Ltd	216	38
Alba Power Ltd	425	45	Cirrus Logic International (UK) Ltd	16	31	GAP Group Ltd	64	32	Klondyke Fishing Co Ltd	271	41
Albert Bartlett & Sons (Airdrie) Ltd	163	37	City Building (Glasgow)	307	42	Garriock Bros Ltd	475	46	Klondyke Group Ltd	283	41
Alexander Dennis Ltd	30	31	City Refrigeration Holdings (UK) Ltd	45	31	Gates (UK) Ltd	139	35	Konecranes UK Ltd	403	45
Alexander Inglis & Son Ltd	258	41	CJ Lang & Son Ltd	195	37	GE Caledonian Ltd	31	31	L		
Alliance Trust Plc	36	31	Clariant Oil Services UK Ltd	341	42	GE Oil & Gas UK Ltd	272	41	Land Engineering Group/Gardrum Ltd	476	46
Alliance Wine Company Ltd	469	46	Clark Contracts Ltd	351	44	George Leslie Ltd	313	42	Lees Foods Ltd	424	45
Allied Vehicles Ltd	147	35	Clyde Travel Ltd	445	45	George Sharkey & Sons Ltd	386	44	Leidos Innovations UK Ltd	410	45
AM Phillip Ltd	312	42	Clyde Union Ltd	382	44	Glasgow Airport Ltd	72	32	Leiths (Scotland) Ltd	145	35
Anderson Strathern LLP	355	44	Clydeport Operations Ltd	115	35	Gleaner Oils Ltd	314	42	Lend Lease Construction (Scotland) Ltd	181	37
Andrew Cowie Construction Ltd	494	46	Clydesdale Bank Plc	287	41	Glen Turner Company Ltd	111	35	LFF (Scotland) Ltd	430	45
Angus Soft Fruits Ltd	338	42	CMS Enviro Systems Ltd	345	42	Glenalmond Group Ltd	224	38	LHD Ltd	401	45
Apache North Sea Ltd	300	41	CNR International (UK) Ltd	322	42	Gleneagles Hotels Ltd	225	38	Life Technologies Ltd	18	31
Apex Hotels Ltd	192	37	Coherent Scotland Ltd	472	46	Glenrath Farms Ltd	169	37	LifeScan Scotland Ltd	53	32
Aquascot Ltd	294	41	Coilcraft Europe Ltd	220	38	Grahams the Family Dairy Group Ltd	231	38	Lightbody of Hamilton Ltd	230	38
Archer (UK) Ltd	59	32	Compass Building & Construction Services Ltd	461	46	Granfit Holdings Ltd	244	38	Lindsay & Gilmour/Raimes Clark & Co Ltd	447	45
Argent Energy (UK) Ltd	211	38	Compello Staffing Group Ltd	361	44	Gray & Adams Holdings Ltd	104	35	Loganair Ltd	122	35
Arnold Clark Automobiles Ltd	10	31	Concept Group Ltd	462	46	Grayloc Products Ltd	238	38	Lomond Motors Ltd	116	35
ARR Craib Transport Ltd	323	42	Cordia Services LLP	267	41	Guala Closures UK Ltd	335	42	Lothian Buses Ltd	87	32
Arthur J Gallagher Insurance Brokers Ltd	325	42	Craig Group Ltd	50	31	Guitar Guitar Ltd	439	45	Lothian Electric Machines Ltd	308	42
Arthur McKay & Co Ltd	128	35	Craneaware Plc	282	41	Gyrodata Ltd	442	45	Luddon Construction Ltd	319	42
ASA International Ltd	499	46	Cruden Investments Ltd	89	32	H			Lunar Fishing Co Ltd	118	35
ASCO Group Ltd	303	42	Currie International Holdings Ltd	402	45	Halliburton Manufacturing & Services Ltd	44	31	M		
Ashleigh (Scotland) Ltd	409	45	D			Harper Macleod LLP	284	41	M & Co/Mackays Stores Group Ltd	186	37
ATR Offshore Holdings Ltd	487	46	Dales Marine Services Ltd	428	45	Havelock Europa Plc	394	44	Macdonald Hotels Ltd	159	37
Avanteq Ltd	396	44	Dana Petroleum Ltd	310	42	Hawco & Sons Ltd	370	44	Macduff Shellfish (Scotland) Ltd	196	37
Avondale Environmental Ltd	327	42	David MacBrayne Ltd	320	42	Head Resourcing Ltd	408	45	Macduff Shipyards Ltd	481	46
Axis Well Technology Ltd	357	44	Dawnfresh Seafoods Ltd	179	37	Helix Well Ops (UK) Ltd	366	44	Macfarlane Group Plc	96	32
Axis-Shield Diagnostics Ltd	349	42	DC Thomson & Co Ltd	38	31	Henry Abram & Sons Ltd	306	42	MacGregor Industrial Supplies Ltd	417	45
Axle Group Holdings Ltd	296	41	Devro Plc	49	31	Hewlett-Packard Manufacturing Ltd	450	45	MacKenzie Construction Ltd	446	45
B			DF Concerts Ltd	247	38	HF Group Ltd	484	46	MacLay Murray & Spens LLP	165	37
Babcock Int'l Group (Marine Division Scotland)	41	31	Di Maggio's Group Ltd	305	42	Highland Fuels Ltd	185	37	Macphie of Glenberrie Ltd	240	38
Babcock Mission Critical Services Offshore Ltd	221	38	Digby Brown LLP	278	41	Highland Industrial Supplies Ltd	438	45	MacTaggart & Mickel Group Ltd	134	35
Babcock Rail Ltd	62	32	DigitasBi Ltd	395	44	Highland Spring Ltd	148	35	MacTaggart, Scott & Co Ltd	332	42
Balmoral Group Holdings Ltd	55	32	Dingbro Ltd	94	32	Hillhouse Estates Ltd	311	42	Maersk Oil North Sea UK Ltd	281	41
BAM FM Ltd	358	44	Distell International Limited	121	35	Holland & Sherry/Venlaw Road Ltd	202	38	Malcolm Allan Housebuilders Ltd	388	44
Bank of Scotland Plc	2	31	Dobbies Garden Centres Ltd	350	42	House of Bruar Ltd	360	44	Malcolm Group Ltd	77	32
Barclay & Mathieson Ltd	232	38	Dolphin Drilling Ltd	321	42	Houston (Holdings) Ltd	434	45	Marshall Construction Ltd	473	46
Barnetts Motor Group Ltd	291	41	Don & Low Ltd	178	37	Howco Group Plc	203	38	Matthew Algie & Co Ltd	309	42
Barthead Travel 2007 Ltd (Group)	52	32	Donald Russell Ltd	383	44	Hunter Boot Ltd	188	37	Maxi Caledonian Ltd	223	38
Baxters Food Group Ltd	255	41	Dril-Quip (Europe) Ltd	43	31	Hunting Energy Services (UK) Ltd	280	41	MB Aerospace Ltd	377	44
Beam Santori Ltd	112	35	Dron & Dickson Ltd	333	42	Hydrasun Ltd	83	32	McAlpine & Co Ltd	214	38
Bell Group UK Ltd	201	38	E			I			McConechy Holdings Ltd	375	44
Benkert UK Ltd	249	38	East Kilbride Engineering Services Ltd	368	44	I&H Brown Ltd	259	41	McCurach Group Ltd	161	37
BenRiach Distillery Co Ltd	190	37	Eastern Holdings Ltd	57	32	Ian Macleod Distillers Ltd	136	35	McGhee Group Ltd	467	46
BHC Ltd	265	41	ECG Facilities Services Ltd	441	45	ICR Integrity Ltd	228	38	McGill & Co Ltd	471	46
Bibby Offshore Ltd	40	31	ECS Europe Limited	193	37	IFC Holdings Ltd	380	44	McGill's Bus Service Ltd	269	41
Bilfinger Salamis UK Ltd	63	32	Eden Springs UK Ltd	397	44	Ingenico UK Ltd	82	32	McLaughlin & Harvey Construction	98	32
Biomar Ltd	158	37	Edgen Murray Europe Ltd	92	32	Ingram Motoring Group Ltd	459	46	McPherson Ltd	342	42
BioReliance Ltd	166	37	Edinburgh Airport Ltd	48	31	Insights Group Ltd	299	41	McTaggart Group Ltd	354	44
Blackrock International Ltd	137	35	Edinburgh Partners Ltd	180	37	Inver House Distillers Ltd	130	35	Meallmore Ltd	328	42
Bluewater Scotland	334	42	Edinburgh Woollen Mill (Group) Ltd	25	31	Iomart Group Plc	110	35	Media Scotland	97	32
Border Cars Group Ltd	346	42	Edrington	20	31	Ithaca Energy (UK) Ltd	390	44	Mentholum Co Ltd	348	42
Braemar Investments Ltd	316	42	Electro-Flow Controls Ltd	262	41	J			MF Wells (Hotels) Ltd	482	46
Braid Group (Holdings) Ltd	119	35	Emergency One UK Ltd	391	44	J Smart & Co (Contractors) Plc	437	45	M-I Drilling Fluids UK Ltd	60	32
Brand-Rex Ltd	194	37	Emtec Group Ltd	254	41	J&J Denholm Ltd	56	32	Mitsubishi Electric Air Conditioning Systems Ltd	70	32
Breedon Northern Limited	69	32	Endura Ltd	479	46	Jabil Circuit Ltd	373	44	Mono Global Group Ltd	470	46
Brewdog Plc	251	41	Energy Assets Group Limited	176	37	James Donaldson & Sons Ltd	114	35	Morris & Spottiswood Ltd	233	38
Briggs Commercial Ltd	177	37	Enterprise Foods Ltd	210	38	James Frew Ltd	496	46	Morris Leslie Ltd	369	44
Brightwork Ltd	440	45	Entier Ltd	387	44	James Jones & Sons Ltd	61	32	Morrison Motors (Turiff) Ltd	404	45
British Polythene Industries Limited	32	31	Ethigen Ltd	135	35	James Walker (Leith) Ltd	81	32	Morrisons (Land Rover) Ltd	497	46
Brodies LLP	103	35	Euroforest Ltd	234	38	JBT Distribution Ltd	477	46	Motherwell Bridge Ltd	318	42
Browns Food Group Ltd	86	32	Everwarm Ltd	174	37	JC Peacock & Co Ltd	490	46	Muir Group plc	207	38
BSW Timber Ltd	67	32	Exova Group plc	37	31	JF Hillebrand Scotland Ltd	495	46	Mulholland Holdings Ltd	399	44
Burness Paull LLP	123	35	F			JFD Ltd	146	35	Munro Healthcare Group Ltd	239	38
Burntisland Fabrications Ltd	229	38	Farmfoods Distribution Ltd	500	46	John Clark (Holdings) Ltd	51	32	Murgitroyd Group PLC	252	41
C			Farmfoods Ltd	29	31	John Davidson (Pipes) Ltd	241	38	N		
Cala Group Ltd	27	31	Farne Salmon & Trout Ltd	206	38	John Dewar & Sons Ltd	75	32	Naim's Oatcakes Ltd	407	45
Caledonian Heritable Ltd	242	38	Faroe Petroleum Plc	384	44	John G Russell (Transport) Ltd	222	38	National Oilwell Varco UK Ltd	22	31
Caledonian Maritime Assets Ltd	449	45	Fergusson Group Ltd	353	44	John Lawrie (Aberdeen) Ltd	191	37	NC Financial Solutions Group Ltd	217	38
Caledonian Plywood Company Ltd	344	42	Fife Creamery Ltd	498	46	John Maclean & Son Electrical (Dingwall) Ltd	66	32	Nobel NC Europe Ltd	412	45
Cameron Group (Perth) Ltd	205	38	First Milk Ltd	304	42	John Martin Holdings Ltd	429	45	Norscot Truck & Van/G Barrack Ltd	443	45
Campbells Prime Meat Ltd	226	38	FirstGroup plc	9	31	John Menzies Plc	26	31	O		
CAN (Holdings) Ltd	100	32	FLB Holdings Ltd	363	44	John R Adam & Sons Ltd	337	42	Odjell Drilling (UK) Ltd	326	42
Carat Scotland/Dentsu Aegis Edinburgh Limited	288	41	Flexible Manufacturing Group Ltd	376	44	John Wood Group Plc	12	31	Ogilvie Group Ltd	107	35
Carron Phoenix/Franke UK Holding Ltd	171	37	FMC Technologies Ltd	113	35	Johnson & Johnson Medical Ltd	24	31	Oki (UK) Ltd	154	37

INSIDER TOP500: INDEX

NAME	RANK	PAGE	NAME	RANK	PAGE
Optical Express/DCM (Optical Holdings) Ltd	389	44	Standard Life Plc	4	31
Orion Group/Orion Engineering Services Ltd	162	37	Star Refrigeration Ltd	486	46
Oticon Ltd	352	44	Sterling Furniture Group Ltd	245	38
P			Stewart Milne Group Ltd	93	32
Park's of Hamilton (Holdings) Ltd	42	31	Strachans Ltd	184	37
Patersons Quarries Ltd	189	37	Strata International Group Ltd	480	46
PD&MS Group (Aberdeen) Ltd	208	38	Strategic Resources Recruitment Consultants	488	46
Peak Scientific Holdings Ltd	248	38	Streamline Shipping Group Ltd	433	45
Peoples Ltd	73	32	Subsea 7	264	41
Peter Vardy Holdings Ltd	58	32	SW Funding PLC	279	41
Peterson (UK) Ltd	218	38	Sykes Global Services Ltd	356	44
Petrofac Scotland	301	42	T		
Petrolneous Manufacturing Scotland Ltd	54	32	TAQA Bratani Ltd	297	41
Petroleum Experts Ltd	156	37	Taylor & Fraser Ltd	478	46
Phoenix Car Company Ltd	324	42	Technip UK Ltd	15	31
Plexus Corp (UK) Ltd	489	46	Teledyne Ltd	173	37
Plexus Holdings Plc	302	42	Tennent Caledonian Breweries UK Ltd	84	32
Polymer Holdings Ltd	257	41	Tennent Caledonian Breweries Wholesale Ltd	132	35
Portakabin (Scotland) Ltd	385	44	Terasaki Electric Europe Ltd	493	46
Presentation Products Scotland Ltd	414	45	Tesco Bank/Tesco Personal Finance Plc	17	31
Proclad Group (Scotland)	292	41	Texas Instruments (UK) Ltd	133	35
Produce Investments Plc	88	32	The Anderson Group Ltd	157	37
Prosource.IT (UK) Ltd	253	41	The Harbro Group Ltd	182	37
Q			The Miller Homes Group (UK) Ltd	28	31
QED International (UK) Ltd	197	37	Thistle Seafoods Ltd	263	41
QTS Group Ltd	149	35	Thomas Johnstone (Holdings) Ltd	331	42
Quiz Clothing/Kast Retail Ltd	285	41	Thomas Tunnock Ltd	175	37
R			Thornbridge Sawmills Ltd	435	45
R&A Trust Company (No.1) Ltd	198	37	Tillcultry Quarries Ltd	270	41
Raeburn Group Ltd	372	44	Tokheim UK Ltd	392	44
RAGM Plc	420	45	TOM Vehicle Rental Ltd	160	37
Recruitment Zone Ltd	458	46	Total Upstream UK Ltd	286	41
Redeem Ltd	421	45	Tough Civil Engineering Ltd	460	46
Rembrand Timber Ltd	427	45	TPS Healthcare Group Ltd	405	45
Richard Austin Alloys Ltd	172	37	Trac International Ltd	432	45
RigNet UK Ltd	261	41	Transocean Drilling UK Ltd	183	37
RJ McLeod (Contractors) Ltd	90	32	Trespass/Jacobs & Turner Ltd	204	38
RM Easdale & Co Ltd	463	46	Tube Developments Ltd	474	46
Robertson Group (Holdings) Ltd	35	31	Tulloch Homes Group Ltd	140	35
Robertson Metals Recycling Ltd	418	45	Tulloch Recruitment (Aberdeen) Ltd	413	45
Rohr Aero Services Ltd	129	35	Turner & Co (Glasgow) Ltd	46	31
Royal Bank of Scotland Group Plc	273	41	TUV Sud Ltd	260	41
S			TWMA Group Ltd	227	38
Saltire Energy Ltd	213	38	U		
Schuh Ltd	47	31	United Auctions Ltd	436	45
Scientific Drilling Controls Ltd	485	46	United Holdings UK Ltd	246	38
Scobie & Junor (Holdings) Ltd	492	46	United Wholesale (Scotland) Ltd	153	37
Score Group Plc	215	38	Urban & Civic Plc	170	37
Scot JCB (Holdings) Ltd	143	35	Usha Martin International Ltd	275	41
Scotch Frost of Glasgow Ltd	371	44	V		
Scotframe Timber Engineering Ltd	347	42	Vallourec Oil & Gas UK Ltd	339	42
Scotia Homes Ltd	453	46	Vascutek Ltd	152	37
Scott Group Investments Ltd	127	35	Vaughan Engineering Ltd	378	44
Scottish Citylink Coaches Ltd	236	38	Veitchi (Holdings) Ltd	367	44
Scottish Exhibition Centre Ltd	466	46	VELUX Company Ltd	142	35
Scottish Football Association Ltd	419	45	Vetcel Ltd	423	45
Scottish Friendly Assurance Society Ltd	199	37	Vets Now Emergency Ltd	343	42
Scottish Investment Trust Plc	266	41	Viju Ltd	454	46
Scottish Leather Group Ltd	106	35	Vroon Offshore UK Ltd	212	38
Scottish Midland Co-operative Society Ltd	80	32	W		
Scottish Power Ltd	3	31	W M Donald Ltd	398	44
Scottish Rugby Union Plc	456	46	Walker Holdings (Scotland) Ltd	293	41
Scottish Salmon Company Limited, The	359	44	Walkers Shortbread Ltd	74	32
Scottish Sea Farms Ltd	105	35	Walter Davidson & Sons Ltd	381	44
Scottish Water	14	31	Walter Scott & Partners Ltd	33	31
Scottish Woodlands Ltd	295	41	Weatherford UK Ltd	329	42
Search Consultancy Ltd	99	32	WebhelpTSC/Telecom Service Centres Ltd	71	32
Serimax Ltd	422	45	Weir Group PLC	276	41
SGL Carbon Fibers Ltd	444	45	Wemyss Development Co Ltd	336	42
Shepherd & Wedderburn LLP	138	35	Westcrows Ltd	219	38
Shetland Catch Ltd	457	46	Whitelink Seafoods Ltd	374	44
Shin-Etsu Handotai Europe Ltd	108	35	Whyte and Mackay Group Ltd	126	35
Simpac (Holdings) Ltd	400	44	William Grant & Sons Holdings Ltd	13	31
Simpson Oils Ltd	411	45	William Tracey Ltd	151	37
Sky Subscribers Services Ltd	19	31	William Wilson Ltd	131	35
Skyscanner Ltd	85	32	Wilson Imports Ltd	268	41
Smart Metering Systems Plc	125	35	WL Gore & Associates (UK) Ltd	76	32
Sodexo Remote Sites Scotland Ltd	68	32	WN Lindsay Ltd	200	37
Southeast Traders Ltd	379	44	Wright Health Group Ltd	256	41
Space Solutions (Scotland) Ltd	468	46	Wyman-Gordon Ltd	79	32
Spark Energy Ltd	167	37	Y		
Sparrows Offshore Group Ltd	330	42	Yaskawa Electric UK Ltd	298	41
Speirs & Jeffrey Ltd	364	44	Z		
Speymalt Whisky Distributors Ltd	362	44	Zenith Oilfield Technology Ltd	290	41
Speyside Cooperaage Ltd	168	37	Zonal Retail Data Systems Ltd	237	38
Springfield Properties Plc	144	35			
SSE Plc	1	31			
Stagecoach Group plc	8	31			

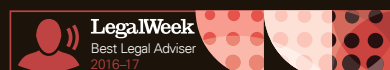
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INSIDER TOP500: NOTES

The Insider ranking is calculated using a computation between annualised turnover and pre-tax profit (ie. Ranked first by turnover, then by profit; the rankings combined, divided by two and weighted by turnover). Figures shown are annualised. The cut-off point for inclusion of company financial information in the Insider Top500 was 25th November 2016.

Adria Group Ltd (243): Trading as Taylors Industrial Services.

AEGON UK Plc (5): Trading as Aegon; Origen; Scottish Equitable; ADMS. Figures taken from the UK results in the AEGON NV annual accounts. Turnover is calculated as the total gross premiums only.

Ahlstrom Chirside Ltd (483): Trading as Ahlstrom Fiber Composites.

Akela Group Ltd (416): Trading as Akela Construction.

Aker Solutions (21): The figures are a consolidation of Aker Offshore Partners, MHWirth UK, Frontica Advantage and Aker Solutions Limited to more truly reflect Aker's operations in Scotland. Employees are permanent only and there are many more contracted workers.

Alliance Trust Plc (36): Figures are taken from the revenue account with turnover being income.

Allied Vehicles Ltd (147): Trading as Cab Direct.

AM Phillip Ltd (312): Activities also include sales, repair and retail of agricultural and groundcare equipment.

Apache North Sea Ltd (300): Staff were subcontracted from a sister company.

ASCO Group Ltd (303): During 2015, the group incurred £4.8m of exceptional restructuring costs. An impairment charge of £4.0m was suffered against trade receivables and a further charge of £32.8m was taken for the impairment of goodwill and intangibles resulting in total exp.

ATR Offshore Holdings Ltd (487): Trading as ATR Equipment Solutions.

Axis Well Technology Ltd (357): Activity also includes reservoir development consultancy.

Babcock Int'l Group (Marine Division Scotland) (41): Figures are a consolidation of Babcock Marine (Clyde) Ltd and Babcock Marine (Rosyth) Ltd to more truly reflect Babcock Marine's operations in Scotland.

Babcock Mission Critical Services Offshore Limited (221): Previously known as Bond Offshore Helicopters Ltd. Previous period 15 months.

BAM FM Ltd (358): Trading as BAM Construct UK. Employees contracted via the parent company.

Bank of Scotland Plc (2): Turnover is the total income figure.

Barrhead Travel 2007 Ltd (Group) (52): Previous listing referred to Barrhead Travel Service Ltd. Whilst this was the principal trading entity within the firm, it did not cover the entire Barrhead Travel Group. Current listing now refers to the parent company, Barrhead Travel 2007 Ltd (Group).

Beam Santori Ltd (112): Previously known as Morrison Bowmore Distillers Ltd.

BenRiach Distillery Co Ltd (190): Trading as Glendronach Distillery.

BHC Ltd (265): Trading as Brian Hewitt Construction.

Blackrock International Ltd (137): Trading as Blackrock Investments.

Bluewater Scotland (334): To more truly reflect the group's operations in Scotland figures are a consolidation of Bluewater's four Scottish trading entities, including Pierce Production Company. Employees are outsourced.

Border Cars Group Ltd (346): Previously known as Border Cars Group. Previous period 17 months.

Braemar Investments Ltd (316): Trading as Border Automotive Company.

Breedon Northern Limited (69): Previously known as Breedon Aggregates Scotland Ltd.

Briggs Commercial Ltd (177): Trading as Briggs Marine and Environmental Services.

British Polythene Industries Limited (32): Previously known as British Polythene Industries Plc.

Brodies LLP (103): Profit is before tax, members' remuneration and profit shares.

Burness Paull LLP (123): Profit is before tax, members' remuneration and profit shares.

Caledonian Maritime Assets Ltd (449): Wholly-owned by the Scottish Ministers.

Cameron Group (Perth) Ltd (205): Trading as Cameron Motors (Sco); Douglas Cameron (Sco); Ian H Cameron.

CAN (Holdings) Ltd (100): Trading as CAN.

Carat Scotland/Dentsu Aegis Edinburgh Limited (288): Trading as Carat Scotland Ltd. Actual company tracked is Dentsu Aegis Edinburgh Ltd which trades as Carat Scotland Ltd.

Carron Phoenix/Franke UK Holding Ltd (171): Trading as Carron Phoenix. Actual company tracked is parent Franke UK Holding Ltd.

Castle View Ventures Ltd (117): Trading as CUH, CVMS, Uin Foods Ltd, Supply Direct Ltd, Sports Leisure. Other activities include food manufacturing.

CBC Construction & Property Group Ltd (455): Previous period 6 months.

Chap (Holdings) Ltd (431): Trading as Chap Group.

Activities also include quarrying and kitchen sales.

CHC Scotia Ltd (95): Trading as CHS Helicopter Services.

Chevron North Sea Ltd (23): Trading as Chevron Upstream Europe. Employees managed by the parent company.

Chisholm Hunter Ltd (340): Previously known as Chisholm Hunter Holdings Ltd. Previous period 11 months.

Cirrus Logic International (UK) Ltd (16): Trading as Cirrus Logic UK. Previously known as Wolfson Microelectronics Plc. Previous period 15 months.

City Building (Glasgow) (307): Figures are a consolidation of City Building (Glasgow) LLP and City Building (Contracts) LLP to more truly reflect the company's activities.

CJ Lang & Son Ltd (195): Trading as Spar Scotland.

Clark Contracts Ltd (351): Trading as Clark Contracts.

Clyde Travel Ltd (445): Trading as Clyde Travel Management.

Clyde Union Ltd (382): Trading as Clyde Union Pumps.

Clydesdale Bank Plc (287): Turnover is the total operating income.

Coherent Scotland Ltd (472): Present period 13 months. Previous period 11 months.

Compello Staffing Group Ltd (361): Trading as FPSG; First People Solutions; Engage PSG; myBPOS; Net Talent. Also trades as TEC Group; The Social Care Community Partnership.

David MacBrayne Ltd (320): Trading as CalMac; Northlink Ferries.

Digby Brown LLP (278): Profit is before tax, members' remuneration and profit share.

Distell International Limited (121): Previously known as Burn Stewart Distillers Ltd. Previous period 6 months.

Dobbies Garden Centres Ltd (350): Present period 13 months.

Dron & Dickson Ltd (333): Activities also include ex compliance engineering.

ECS Europe Limited (193): Trading as ECS Global. Figures are a consolidation of ECS Europe, ECS Global, ECS Security and ECS Consultancy to more truly reflect the group's operations. Employee figures exclude contractors.

Edgen Murray Europe Ltd (92): Previous period 15 months.

Edrington (20): Trading as The Famous Grouse/The Macallan/Highland Park/Cutty Sark/. Previously known as Edrington Group Ltd, The.

Everwarm Ltd (174): Previous period 13 months.

Farmfoods Distribution Ltd (500): Trading as Seilsworth. Previously known as Link Logistics (Scotland) Ltd. Present period 13 months. Previous period 21 months.

Fergusson Group Ltd (353): Trading as Fergusson Coal Ltd. CPL Fuels, a subsidiary of CPL Industries, bought out Fergusson Group from administration in November 2016.

FLB Holdings Ltd (363): Previously known as Letts Filofax/FLB Group Ltd. Previous period 15 months. Actual company tracked is FLB Group Ltd, trading as Letts Filofax Group.

Forth Holdings Ltd (78): Trading as FES; Forth Electrical Services.

Fraser Hart Ltd (315): Present period 18 months.

Garriock Bros Ltd (475): Trading as Glass Centre; Orkney Tool Hire; Orkney Motors; Window Centre. Activities also include contract crushing. Also trades as GB Contract Crushing, GB Plant Hire and GB Coventry.

Gates (UK) Ltd (139): Trading as Gates Power Transmission.

GE Oil & Gas UK Ltd (272): Trading as GE Oil & Gas. Previously known as Vetco Gray UK Ltd.

George Sharkey & Sons Ltd (386): Trading as Sharkey.

Gleaner Oils Ltd (314): Previous period 18 months.

Granfit Holdings Ltd (244): Trading as Grant Westfield.

Harper Macleod LLP (284): Profit is before tax, members' remuneration and profit shares.

Highland Industrial Supplies Ltd (438): Previously known as Highland Industrial Services Ltd.

Holland & Sherry/Venlaw Road Ltd (202): Actual company tracked is parent Venlaw Road Ltd.

Houston (Holdings) Ltd (434): Trading as Paterson Arran.

Howco Group Plc (203): Present period 13 months.

IFC Holdings Ltd (380): Trading as Int'l Fish Canners (Scotland); Nor-Sea Foods.

Insights Group Ltd (299): Trading as Insights Learning & Development Ltd.

J&J Denholm Ltd (56): The Group demerged its oilfield services business on 30 September 2015. The 2014 numbers include oilfield services for the full year.

Jabil Circuit Ltd (373): 2014 figures reflect a \$185m discontinued activities.

JC Peacock & Co Ltd (490): Trading as Peacock Salt.

JD Ltd (146): Previously known as Divex Ltd.

John Clark (Holdings) Ltd (51): Trading as John Clark

Motor Group.

John Davidson (Pipes) Ltd (241): Trading as JDP.

John G Russell (Transport) Ltd (222): Trading as Russell Group.

John Maclean & Son Electrical (Dingwall) Ltd (66): Trading as Maclean Electrical.

John Martin Holdings Ltd (429): Trading as John Martin Group.

Johnson & Johnson Medical Ltd (24): Present period 13 months. Overseas turnover includes sales by divisions in Turkey and Russia which report through the company but operate independently.

Johnston Carmichael LLP (187): Profit is before tax, members' remuneration and profit shares.

Johnstons of Elgin/James Johnston & Co of Elgin Ltd (141): Actual company tracked is James Johnston & Co of Elgin Ltd.

Klondyke Group Ltd (283): Trading as William Strike.

Land Engineering Group/Gardrum Investments Ltd (476): Actual company tracked is Gardrum Investments Ltd, trading as Land Engineering.

Lees Foods Ltd (424): Trading as Lees of Scotland.

Leidos Innovations UK Ltd (410): Previously known as Lockheed Martin Business Technology Solutions Ltd.

LHD Ltd (401): Trading as LHD Marine Supplies.

Life Technologies Ltd (18): Trading as Thermo Fisher Scientific.

LifeScan Scotland Ltd (53): Present period 13 months.

Lightbody of Hamilton Ltd (230): Trading as Lightbody Cakes.

Lindsay & Gilmour/Raimes Clark & Co Ltd (447): Actual company tracked is parent Raimes Clark & Co Ltd.

Lomond Motors Ltd (116): Trading as Glasgow Audi.

Lothian Buses Ltd (87): Previously known as Lothian Buses Plc.

M & Co/Mackays Stores Group Ltd (186): Trading as M & Co. Actual company tracked is Mackays Stores Group Ltd which trades as M & Co.

Macdonald Hotels Ltd (159): Present period 13 months.

Maxi Caledonian Ltd (223): Trading as Maxi Haulage; Maxi Construction; Maxi Warehousing.

McGhee Group Ltd (467): Trading as McGhee Family Bakers. Previously known as D McGhee & Sons Ltd. Present period 12 months. Previous period 13 months.

McGill & Co Ltd (471): Trading as McGill.

McGill's Bus Service Ltd (269): Trading as McGills.

McLaughlin & Harvey Construction (98): Previously known as Barr Holdings Ltd.

McPherson Ltd (342): Trading as McPherson (Aberlour).

McTaggart Group Ltd (354): Trading as McTaggart Construction.

Media Scotland (97): Previously known as Scottish Daily Record & Sunday Mail Ltd. Combined figures for Scottish Daily Record & Sunday Mail Ltd & Scottish & Universal Newspapers Ltd.

MF Wells (Hotels) Ltd (482): Trading as Lochs and Glens Holidays.

Munro Healthcare Group Ltd (239): Previously known as Strathdyde Pharmaceuticals/Newco Pharma Ltd.

Murgitroyd Group PLC (252): Trading as Murgitroyd & Co Ltd.

Naim's Outcates Ltd (407): Previous period 11 months.

Ogilvie Group Ltd (107): Other activities include vehicle contract hire, telecommunications and IT security.

Optical Express/DCM (Optical Holdings) Ltd (389): Actual company tracked is parent DCM (Optical Holdings) Ltd.

Orion Group/Orion Engineering Services Ltd (162): Actual company tracked is parent Orion Engineering Services Ltd.

PD&MS Group (Aberdeen) Ltd (208): Previously known as PD&MS Energy (Aberdeen) Ltd.

Peak Scientific Holdings Ltd (248): Trading as Peak Scientific Instruments.

Petrofac Scotland (301): The figures used are a consolidation of the trading entities of Petrofac's operations in Scotland, ie. Petrofac Facilities Management Ltd and Petrofac Training Ltd.

Petrolneous Manufacturing Scotland Ltd (54): Previously known as Ineos Manufacturing Scotland Ltd.

Plexus Corp (UK) Ltd (489): Previously known as Keltec Holdings.

Plexus Holdings Plc (302): Trading as Plexus Ocean Systems.

Polymer Holdings Ltd (257): Trading as Tubetec.

Portakabin (Scotland) Ltd (385): Previously known as Paton Plant Ltd. Present period 18 months.

Presentation Products Scotland Ltd (414): Previously known as Presentation Products Group Ltd.

Proclad Group (Scotland) (292): Combines the results of FTV Proclad UK Ltd, FTV Proclad Int'l Ltd and Proclad Int'l Forging Ltd to more truly reflect the group's operations in Scotland.

Produce Investments Plc (88): Trading as Greenvale AP.

Quiz Clothing/Kast Retail Ltd (285): Actual company tracked is Kast Retail Ltd.

Raeburn Group Ltd (372): Trading as Raeburn Recruitment.

RAGM Plc (420): Trading as RAGM Trading; Aruna Homeware. Other employees contracted via a sister company.

Redeem Ltd (421): Activities include asset recovery from electronics.

Rohr Aero Services Ltd (129): Trading as UTS Aerospace Systems.

Royal Bank of Scotland Group Plc (273): Turnover is the total income. Employee numbers are for full time staff in continuing operations.

Scobie & Junior (Holdings) Ltd (492): Trading as Scobies Direct; Foodmaker. Scotch Frost of Glasgow Ltd (371): Previous period 11 months.

Scotframe Timber Engineering Ltd (347): Trading as Scot Frame Timber Engineering. Previously known as Scotframe Ltd.

Scottish Investment Trust Plc (266): Figures are taken from the revenue account with turnover being income.

Scottish Midland Co-operative Society Ltd (80): Trading as Scotmid Co-op.

Scottish Power Ltd (3): Previously known as Scottish Power plc.

Serimax Ltd (422): Previously known as Umax Ltd.

Shepherd & Wedderburn LLP (138): Profit is before tax, members' remuneration and profit shares.

Simpac (Holdings) Ltd (400): Trading as James P Sim & Co; Simpax.

Sky Subscribers Services Ltd (19): Present period 5 months. Previous period 7 months. Previously tracked consolidation of Sky Subscriber Services and Sky In-Home as Sky (Scotland).

Speymalt Whisky Distributors Ltd (362): Trading as Gordon MacPhail.

Standard Life Plc (4): Trading as Standard Life. Company no longer reports EEV profit and PVNBP as they are not core measures. The figures have been provided by the Finance team as the most appropriate measures. The financial figures are on a continuing operations basis.

Strata International Group Ltd (480): Trading as Shore Laminates; Mermaid Panels; Thirlington Cubicles.

Strategic Resources European Recruitment Consultants Ltd (488): Present period 15 months.

Subsea 7 (264): Some employees are outsourced.

SW Funding PLC (279): Trading as Scottish Widows.

Previously known as Scottish Widows Plc.

Teledyne Ltd (173): Trading as Teledyne Controls.

Tennent Caledonian Breweries Wholesale Ltd (132): Present period 11 months.

Tesco Bank/Tesco Personal Finance Plc (17): Actual company tracked is Tesco Personal Finance plc, trading as Tesco Bank. Turnover is calculated as total income.

The Anderson Group Ltd (157): Previously known as SAH Ltd. Name changed from SAH Ltd on 2 November 2015.

The Miller Homes Group (UK) Ltd (28): Previously known as The Miller Group (UK) Limited.

Tillicoultry Quarries Ltd (270): Activities also include the manufacture of building products.

Total Upstream UK Ltd (286): Trading as Total E&P. The figures comprise Total Upstream UK Limited along with its subsidiaries including Total E&P UK Limited and E.F. Oil & Gas Limited.

Tough Civil Engineering Ltd (460): Trading as Tough Construction Ltd.

Transocean Drilling UK Ltd (183): Trading as Transocean. Trespass/Jacobs & Turner Ltd (204): Actual company tracked is parent Jacobs & Turner Ltd.

Tulloch Homes Group Ltd (140): Present period 6 months. Bought out previous company in March 2015 in an MBO.

Turner & Co (Glasgow) Ltd (46): Activities also include service of aviation equipment; vehicle hire; access equipment manufacture, hire and sale.

TWMA Group Ltd (227): Activities also include environmental services and offshore welding/fabrication services.

United Holdings UK Ltd (246): Trading as United Wholesale Grocers; United Polmadie.

Urban & Civic Plc (170): Previously known as Terrace Hill Group Plc.

Vascutek Ltd (152): Trading as Vascutek, a Terumo Company.

Viju Ltd (454): Trading as CityIS. Previously known as City Information Services Ltd.

Vroon Offshore UK Ltd (212): Trading as Vroon Offshore Services.

Walker Holdings (Scotland) Ltd (293): Trading as Walker Group.

Walter Davidson & Sons Ltd (381): Trading as Davidson Chemist.

Webhelp TSC/Telecom Service Centres Ltd (71): Trading as Webhelp UK. Actual company tracked is Telecom Service Centres Ltd, trading as Webhelp UK.

Whyte and Mackay Group Ltd (126): Previous period 9 months.

William Tracey Ltd (151): Trading as William Tracey Group.

Wright Health Group Ltd (256): Trading as Wright Cottrell.

Drop outs

No figures available:

Alfred Cheyne Engineering Ltd
Bancor Developments Holdings Ltd
Cefetra Ltd
Cheque Centres Group Ltd
Day International (UK) Ltd
Emtelle UK Ltd
Energetics Design & Build Ltd
EWOS Ltd
Farstad Shipping Ltd
Forbo Floors UK Ltd
Grieg Seafood Hjalteand UK Ltd
Honeywell Security UK Ltd
Integrated Subsea Services Ltd
Inverarity Morton/ABA Eaglesham Ltd
Kongsberg Maritime Ltd
Loch Lomond Group
Macrae & Dick Ltd
Marine Harvest (Scotland) Ltd
MediaCom Scotland Ltd
Newsquest (Herald & Times) Ltd
Oceaneering International Services Ltd
Scopus Engineering Ltd
Sher Brothers (Glasgow) Ltd
Shields Automotive Ltd
Spirit AeroSystems (Europe) Ltd
Stena Drilling Ltd
Teekay Offshore/Golar-Nor (UK) Ltd
Tilhill Forestry Ltd
United Closures & Plastics Ltd
VWS Westgarth Ltd
Wood Mackenzie Ltd

No longer trading:

Dunne Group Ltd, The
Fife Joinery Manufacturing Ltd
First Oil Plc

Outwith Insider criteria:

Aquatic Engineering & Construction Ltd
Asset Development & Improvement Ltd
BDW North Scotland Ltd
Buccleuch Estates Ltd
Concept Systems Ltd
Enquest Plc
First Tech Ltd
Glenmorangie Company Ltd, The
K&L Ross Ltd
Maritime Craft Services (Clyde) Ltd
Minoan Group Plc
Parkburn Precision Handling Systems Ltd
Senergy Holdings Ltd
STV Group Plc
Survitec

Slipped in rankings:

AR Brown McFarlane & Co Ltd
CapRock UK Ltd
DOF Subsea UK Ltd
Flexcon Europe Ltd
Goals Soccer Centres plc
Mainetti (UK) Ltd
Pipeline Technique Ltd
Ravenhill Ltd
Richard Irvin & Sons Ltd
Seatronics Ltd
Solstad Offshore UK Ltd
Viridor Enviroscoot Ltd
WelDEX (International) Offshore Holdings Ltd

Other:

InterBulk Group Plc - Acquired by Dutch company, Den-Hartogh. No longer in operation in Scotland.
James Fleming & Company Ltd - Company has been bought by Zeelandia, effective 1st January 2017. No longer have

activity within Scotland.

Douglas Cameron (Scotland) Ltd - Figures part of consolidated figures for Cameron Group (Perth) Ltd.
Optos Plc - Public information now only relates to UK company, which is a small part of the companies global business.

New additions

Figures not available last year:

ATR Offshore Holdings Ltd (487)
Blackrock International Ltd (137)
Border Cars Group Ltd (346)
Burntisland Fabrications Ltd (229)
Cirrus Logic International (UK) Ltd (16)
Currie International Holdings Ltd (402)
ECG Facilities Services Ltd (441)
Eden Springs UK Ltd (397)
Emergency One UK Ltd (391)
Everwarm Ltd (174)
Farmfoods Distribution (500)
Fraser Hart Ltd (315)
GE Oil & Gas UK Ltd (272)
Gleaner Oils Ltd (314)
Hawco & Sons Ltd (370)
Konecranes UK Ltd (403)
Leidos Innovations UK Ltd (410)
Macduff Shipyards Ltd (481)
M-I Drilling Fluids UK Ltd (60)
Optical Express/DCM (Optical Holdings) Ltd (389)
Portakabin (Scotland) Ltd (385)
RigNet UK Ltd (261)
Scottish Power Ltd (3)
Sparrows Offshore Group Ltd (330)
Transocean Drilling UK Ltd (183)
Urban & Civic Plc (170)
Weatherford UK Ltd (329)

Moved up in ranking:

Alliance Wine Company Ltd (469)
Andrew Cowie Construction Ltd (494)
ASA International Ltd (499)
Caledonian Maritime Assets Ltd (449)
Chrystal Petroleum Co Ltd (491)
Coherent Scotland Ltd (472)
Endura Ltd (479)
Fife Creamery Ltd (498)
FLB Holdings Ltd (363)
HF Group Ltd (484)
Houston (Holdings) Ltd (434)
J Smart & Co (Contractors) Plc (437)
James Frew Ltd (496)
JBT Distribution Ltd (477)
JC Peacock & Co Ltd (490)
Mactaggart, Scott & Co Ltd (332)
Marshall Construction Ltd (473)
McGhee Group Ltd (467)
Morrisons (Land Rover) Ltd (497)
Motherwell Bridge Ltd (318)
RAGM Plc (420)
Scobie & Junor (Holdings) Ltd (492)
Thomas Johnstone (Holdings) Ltd (331)
Thornbridge Sawmills Ltd (435)
Tough Civil Engineering Ltd (460)
United Auctions Ltd (436)
Vaughan Engineering Ltd (378)

Newly tracked:

Clyde Travel Ltd (445)

Previously outwith the criteria:

AB 2000 Ltd (393)
Aiken Group Ltd (406)
Alba Power Ltd (425)
Axis-Shield Diagnostics Ltd (349)
Compass Building & Construction Services Ltd (461)
Electro-Flow Controls Ltd (262)
FTV Proclad International Ltd (426)
Garriock Bros Ltd (475)
Jabil Circuit Ltd (373)
Scottish Investment Trust Plc (266)
Strata International Group Ltd (480)

Other:

Barrhead Travel 2007 Ltd (Group) (52) - Previous listing referred to Barrhead Travel Service Ltd. Current listing now refers to the parent company, Barrhead Travel 2007 Ltd (Group), and its subsidiaries.
Tulloch Homes Group Ltd (140) - Previously tracked Tulloch Group Ltd.

Find out more:

shepwedd.com/corporate

HELPING CLIENTS ACHIEVE THEIR STRATEGIC OBJECTIVES

BayWA r.e. UK Limited Bowleven plc BSW Timber Limited
Cairn Energy Plc Chivas Brothers Limited Clydesdale Bank plc
Collagen Solutions plc FanDuel Limited Genius Foods Limited
Goals Soccer Centres plc Green Highland Renewables Limited
Indigo Vision plc iomart Group plc Pufferfish Limited
Satellite Solutions Worldwide Limited Scottish Enterprise
Scarborough Group International Scottish Sea Farms Limited
Siemens plc TVSquared Limited William Grant & Sons Limited



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WOULD A SCOTTISH VAT ACT BE GOOD FOR OUR ECONOMY?



THERE have been many calls for changes to VAT, particularly from smaller businesses, but a recent report from Scottish Reform raises an interesting point post-Brexit. It calls for Scotland to take full control over its VAT affairs which would mean legislating for, levying, collecting and retaining such revenues. What would a Scottish VAT Act look like and would it generate the additional revenues needed to help reduce the Budget deficit?

We know following the Smith Commission that from 2019 half of all VAT raised in Scotland will be assigned to the Scottish Government's budget. Using last year's total VAT take of £9.1bn in Scotland as a guide, the Scottish Government would have received around £4.5bn in additional devolved taxes. If this agreement was extended to all Scottish VAT receipts, this would still only equate to around £9bn, so VAT devolution will not plug the £14.8bn fiscal deficit black hole but would go some way to reducing it.

Smaller, labour-intensive businesses, such as hairdressers, builders and restaurants, would welcome a cut in VAT to reduce the tax burden on their customers

If full fiscal devolution took place and a new Scottish VAT Act was implemented, what would this look like? On a basic level, the Scottish Government would need to develop a new 'goods and services' tax that would apply at every stage of the supply chain from inception through to the final sale. If control of VAT was transferred from Westminster to Holyrood it would give the Scottish Government the opportunity to amend or vary rates of VAT and their application to particular goods and services, which could stimulate the Scottish economy, increase the total future VAT receipts, and, in turn, help reduce the fiscal deficit.

However, any differences in VAT rates would create cross border competition with our near neighbours, so lowering the VAT rate in Scotland, compared to 20 per cent in the rest of the UK, could drive changes in buying behaviour as businesses and

consumers seek out the best deal – creating a much-needed economic boost in Scotland. On the flipside, Scotland could end up in a less competitive position if the VAT rate in Scotland is higher than the rest of the UK, similar to the current LBT tax landscape.

Smaller, labour-intensive businesses, such as hairdressers, builders and restaurants, would welcome a cut in VAT to reduce the tax burden on their customers. This could potentially increase economic growth through an uplift in activity from existing and new small businesses and, in turn, help to reduce unemployment.

However, mid to large sized businesses which have operations in Scotland and south of the border would face further complexity - increasing the costs and risk for businesses that operate across the UK. Firstly, organisations would need to implement measures to monitor where the transaction occurred and then, secondly, apply the correct tax rate to ensure compliance, and thirdly be able to prepare and submit VAT returns to different fiscal authorities North and South of the Border.

Also, is fiscal devolution of VAT really needed? Post-Brexit the UK government will be unencumbered by the constraints of the EU Principal VAT Directive and will therefore have more flexibility to change the UK VAT system. We don't know what this will look like as yet, but the rates and application of VAT could well be debated and changes implemented that would likely impact on margin, cash flow and supply chain resilience for many businesses.

At a time when businesses face impending changes to the movement of goods and services between the UK and EU, many Scottish businesses will not welcome further legislative changes that will add extra complexity and commercial uncertainty. But is this likely to happen? We know that devolving further fiscal powers would have to trigger a new VAT system north of the border, but it seems unlikely that Westminster would be keen to transfer a power to Holyrood that could see more fluctuation in VAT rates across the UK at a time when they are trying to steady the ship in uncertain economic times. ■

Jim Burberry is the VAT and indirect tax partner at RSM

in association with



SURVEY INSIGHT INTO LEVELS OF UNCERTAINTY POST-BREXIT

By KEN SYMON

PANEL MEMBERS

Ken Symon
editor, Scottish Business Insider

Ewan Scott
MD, GLD Group

Jawad Jumani
MD, Livingstone International

Patrick Graham
investor, BGF (Business Growth Fund)

Alison McGregor
CEO Scotland, HSBC

Shuna Stirling
*head of corporate and commercial,
Brodies LLP*

*Special thanks to the Royal Society of
Edinburgh for providing the venue.*

Q What are your overall impressions after reading the results of the survey?

Patrick Graham: I think my general impression is that it's possible to see that the SME and business community is still keen to pursue growth opportunities in the market. Despite the recent Brexit vote, et cetera.

I think it's absolutely fundamental for business owners, funders - whether that be banks, or growth capital such as ourselves - to continue to pursue their growth plan. Because if they don't do that, a lot of the sort of negative aspects of Brexit will be, effectively, self fulfilling.

So, that's really, from my perspective, the most positive thing coming from it, because it mirrors what BGF, as an organisation, wants to do as well.

Shuna Stirling: I agree with a lot of that, actually. There are certainly some positive signs among the survey responses. A third of respondents intend to open new premises and just over 80 per cent intend to invest in new equipment and technology. The latter very much chimes with our focus as a firm as we can see the value to clients and to the business of harnessing the latest technology.

I was also heartened to see that 60 per cent of those surveyed reported profitability better than, or at least on a par with, last year. Of course, there were some negative sentiments expressed in terms of Brexit and political uncertainty, but that was no surprise as the findings reflect what we are hearing from our clients.

There has been tremendous demand, amid all the 'noise' about Brexit, for accurate, independent information from our Brexit Advisory Group as to what it might all mean in practical terms for organisations and individuals.

Patrick Graham



Nevertheless, despite the uncertainty, most organisations are just getting on with the business at hand and deals are still being done.

Ewan Scott: Yes, I know, very true, actually, it's quite a relief to realise that the business sentiment is very similar to your own. Positivity, but there's a bit of balance there, a bit of uncertainty.

But I think, in general, everyone I speak to is very similar, so, the survey, that was relevant to us, as a business, and our customers. And I think, maybe it's the after the recession effect, that people are now just realising that if you can get through the recession, now's the time to continue and grow.

Interest rates, you know, there's a bit of uncertainty now, what's going to happen, currency has been a big issue. But I think in terms of the survey, yes, very similar to our business.

Jawad Jumani: I take a slightly different view, looking at the survey. I did note that the number of companies planning to invest in new premises was a third, as Shuna said earlier on. That's largely unchanged from the previous survey.

What has changed, however, is the number saying they certainly will not be investing in the next 12 months, and that's doubled. So that was a third, the last survey, that's increased to nearly 64 per cent. So I see the companies that maybe already had growth plans in place, or have not changed them are continuing with them - companies like ourselves.

But I think the ones that were on the margins, or perhaps, had no plans, weren't sure about what they

Which, again, goes back to people taking as much control as they can. Something else I found interesting, 31.82 per cent surveyed did not require extra funding support. Only a small number of those, a very small percentage, were looking for equity. I think that's a sign that businesses are increasingly managing their own funding levels. I think that's possibly following years of, uncertainty - again, taking control of what they can take control of.

innovation, being mentioned. We know that product innovation is absolutely key for companies, but also for the growth of the Scottish economy, improving existing products and services is important. In terms of the barriers, confidence and uncertainty shines through, particularly around Brexit, and Scottish independence.

The survey reflects what I see as both Chair of the CBI in Scotland, and the CEO of HSBC.

Scott: Well it's a big shame, because post-Brexit, I think we were lined up really strongly, really positively, and I think, just that kind of one event has just shaken a lot of plans and forecasts, and you just cool down a bit, you know, hunker down, get through it, and wait and see what happens. So I think that is the biggest barrier to growth at the moment.

McGregor: Do you think that's what people are doing, they're hunkering down, controlling their costs?

Scott: You've kind of got a split personality on this, because you've still got the positivity of coming out of recession, and things going well.

But on the other hand, you've got the reality of what's going to happen to inflation, you know, with the currency, you know, when people import. And that's getting passed onto consumers next year, you know, there's absolutely no choice. You know, do you work for a year for nothing, hoping it gets better, or do you pass it on.

And it's getting passed on, because, you know, the barriers to price increases from our customers is, obviously, there's a pushback, but it's not massive. I think everyone just accepts what's happening. So, yes.

Stirling: It is clear that skills development and staff retention are important issues. We have a fantastic education sector in Scotland and our universities are among the best in the world but the flight of talent remains a problem in many sectors. There are also concerns that the skills gap could be widened as a result of potential curbs on the free movement of people post-Brexit. These concerns are reflected in the survey.

McGregor: I do think, just going back to education, we do have strong universities, we do have talent.

What I'm not convinced, and I'm saying this as chair of the CBI, that we have the pathways to work right, ►



Ewan Scott



Jawad Jumani

were going to do next, certainly have shelved those plans, or certainly put them on ice, at least until this uncertainty clears up. And I think, what I would say as a preface to everything I was going to talk about today, is that uncertainty features a lot in my responses to the questions that are coming up. And I think until we get a little bit more stability, I don't think we're going to see a return, at least in terms of the people that are willing to look at investing again over the next 12 months.

Alison McGregor: The positive aspects are the investment in new equipment, technology, and premises, albeit, I would agree, that's probably what's already been in the pipeline.

What we see are companies continuing to invest, creating new product lines, growing capacity, and attracting new customers. They are impacting what they can. The increased number of companies saying their profit would be on a par with last year, I thought was quite interesting, because it was only accounted for in a very, very small increase in sales. The majority of it came from increases in efficiencies and cost controls.

It's quite a relief to realise that the business sentiment is very similar to your own. Positivity, but there's a bit of balance there, a bit of uncertainty

Ewan Scott, GLD Group

Jumani: I think what Alison said, that's a really important point that I picked up on as well. The last big recession that we had, you know, in '08, '09, one of the complaints of businesses was they were not being lent money when they wanted it. I think it's clear from the results of this survey, that certainly is not an issue in Scotland right now.

The funds are available if they want them. So that's not the issue that's stopping them from growing or investing.

Q Could you give me your reflections on the opportunities for growth over the next 12 months and the barriers preventing businesses accessing opportunities?

McGregor: It is encouraging to see new customers, and product

► so I think that's quite important. So, companies are saying that they've not got the right skills. It's the pathway, how do you get people from school into work.

Graham: What our companies often see is the skills moving down south, or wherever. And then, they'll gradually relocate back up here, once they have family, and things like that. So there seems to be a shortage at a certain stage. A number of my investee companies are growing rapidly and still investing in their core business, and people. However, there are challenges around finding the right skill set.

I would say, I would agree with all the barriers, so I think, Brexit, currency, the Independence Referendum, and the things that are associated with that, are all absolutely valid concerns and barriers. But, you know, good businesses, and good business people cut their cloth, and manage these risks. So they're known risks, and I suppose that's the point, good business owners will get on with it.

So, since Brexit, BGF as a fund has seen its busiest period. We've invested, I think across the UK, since Brexit, around £150m. We are going to have our busiest year. And that's a mix of new investment, but also, follow on funding in existing companies, which are looking to take on further capital, to continue to progress their growth.

So, yes, there is uncertainty, but there's still the fundamental opportunities within the markets that the businesses operate in.

Q Are those opportunities because companies are continuing to gear up out of recession Or, do companies see specific opportunities because of Brexit, that weren't there?

Graham: Well, there are certainly opportunities for some businesses. The thing is, we've been in this period of recession for quite some time. And many of the companies, as we touched upon, have focused on their balance sheets. So, there's a base of businesses that I see in Scotland, that are very strong, they've traded through, and they have a strong balance sheet.

But then, they still have the fundamental core opportunities within the market, whether that be acquisition, or expansion into new geographies, or whatever. Brexit, and



What we see are companies continuing to invest, creating new product lines, growing capacity, and attracting new customers

Alison McGregor, HSBC

.....
things like this, do throw up certain other opportunities. For example, there's manufacturers in the UK that are turning to other UK businesses rather than importing from overseas given the weak pound.

Stirling: Many of those that weathered the recession have emerged as leaner, better businesses that are more fleet of foot and better able to respond quickly to seize opportunities when they present themselves.

We're seeing that quite clearly in the food and drink sector where businesses are innovating, sharpening up their marketing, and collaborating with other companies both in the UK and overseas. It's really promising.

Of course, like all businesses in the current climate, there is uncertainty about the future but Corporate Scotland is robust and has learnt to live with change over many years – whether as a result of the devolution process, the 2014 Scottish Independence Referendum or the deepest recession in living memory.

These businesses move on, make the most of the opportunities that emerge and push forward.

Q A high proportion of respondents (64 per cent) say that Brexit is already having an effect on their business. What is your perspective on that?

McGregor: My perspective is, it is very early days. If 64 per cent are saying that it has had an impact on their business, are they talking about exchange rates?

Scott: We're importers. Has it impacted on has it impacted on our business yet, in this year - no. We'll still deliver our forecasts, and budgets, and so I think it's next year's issue for us.

McGregor: Do you think Brexit has already had an impact - are we assuming that it's all negative? Do some businesses who predominantly export think there has been a positive impact? Looking at our business, we have a well diversified international business. We also have a footprint across Europe. Being strong in France and Germany, does give us options. It will depend on your business footprint and the options you have. It is still very early days. At this stage we don't have any idea what will be negotiated. We have been engaging regularly with our clients giving them as much information and guidance as we can. Feedback has been companies really appreciate it.

Stirling: In the immediate aftermath of the vote in favour of Brexit some deals were put on hold and others did not go ahead. However, there are still a huge number of deals being done, more than there have been for many years in Scotland. Some of the really big deals involve US funds, and other foreign investors, many of which have a completely different perspective from businesses in the Scottish market, which are mainly midcap and SMEs.

Graham: If you think about it, Brexit is a nice, easy way to come out of a deal. So, they might cite that, but there might have been other underlying issues. We're seeing across our portfolio an increase in activity, but also, exit discussions across the portfolio, that management teams are having, with potential buyers. Again, that's happening regularly. And actually, if you're an overseas buyer, the UK is quite an attractive place, right now, to be looking for

opportunities. So, we're not seeing that impact, and we haven't heard Brexit being cited. But I am aware of other deals happening in the market, and people have cited Brexit, but I would question that as being the one and only motive.

McGregor: Absolutely. At HSBC Scotland have experienced year on year lending growth. Businesses continue to invest in product, premises and innovation.

Stirling: There is a window of opportunity now for businesses, through sector or industry organisations, to make their views known to politicians and their officials and spell out the outcome they would most like to see from Brexit negotiations. The political decision-makers would welcome such input because they need to understand the potential impact on industry and the key sectors of the economy. Brexit may mean Brexit but there are many potential outcomes and the final deal is far from a fait accompli.

Jumani: And the approach has to be for mutual benefit, not adversarial. It has to be, we have to sell it so that it's good for the Europeans too.

Q What do you think about what the survey says about the prospects of a second independence referendum?

Stirling: There's a pretty strong sense from respondents that the debate around a second referendum on Scottish independence is having a negative impact on their business confidence. They appear to be saying that they're finding it difficult to manage discussions about independence, whilst at the same time, managing discussions about Brexit.

Graham: I would agree. A lot of my businesses - and this is from a business perspective - they see this as just an additional layer of uncertainty, it adds to the pot, if you like. So, again, it goes back to them just wanting to focus on what they can change, and what they can influence. But, you know, I think the additional layer of uncertainty just, I suppose, it doesn't help matters, from their perspective. But they're just focusing on the day to day.

Jumani: And if both happen simultaneously, does that mean that the whole process just drags on that much longer. Because we're negotiating on two different fronts at

www.insider.co.uk



Shuna Stirling

In the food and drink sector businesses are innovating, sharpening up their marketing, and collaborating with other companies

Shuna Stirling, Brodies LLP

.....
the same time. We can't agree this on this side, because we haven't agreed that on that side.

Q What do you think about the survey results about international trade. How healthy do you think our export base is?

McGregor: Obviously, if you look at the number, or the percentage that export and don't, there's quite a change in mix there, from the last time they were surveyed. So I think it is difficult to compare last year to this year.

But it does feel as if there's something significantly different. Because our export base, I don't think has changed significantly. It may have widened slightly, I think there are a larger number of smaller firms exporting. One of the things that I was really encouraged to see, it was an increase of more than 20 per cent of people who know where to get export advice. An observation has been there are many people trying to give advice on exporting in

Scotland. But there is no one door that people can go through to get the right information. We talked about this last year, we need a road map to tell people what support is available from where. I was really encouraged to when companies said they know where to go for export advice.

Stirling: And it is a high proportion.

McGregor: It is.

Scott: It bodes well for future export, doesn't it? That's your ducks in a row, kind of momentum over a period of time.

Stirling: And again, providing you get your trade bodies, and industry representatives, involved in the discussions that are taking place on trade, and tax, and such like. Hopefully, that will help us move in the right direction.

McGregor: There are some hugely successful businesses in Scotland that, and expanding their exports, ThinkAnalytics for example. Scotland's GDP growth has historically been similar to the UK. Faster growing economies export more. Export growth is an issue for Scotland. We sponsored the Exports Awards last year, recognising this was important, and we're sponsoring it again for 2017. Something I noticed last year was the number of young entrepreneurial businesses up for awards. How do we create more, encourage them to scale up and expand globally?

Graham: I think the funding aspect falls into that as well. Because there's a bit of stepping outside your comfort zone for businesses, who do a very good job in what's local to them. And if they look beyond, look to their competitors, that actually the product or service that they're offering is, more often than not, you know, second to none, or right up there. I firmly believe that, that both Scotland and Northern Ireland have that in abundance.

But it's having, I suppose, the balance sheet, or funding behind you, and confidence to be able to go and do that. Because it might involve capital expenditure, overseas, setting up a manufacturing facility, if you do that, setting up an office with staff, or just taking the time out to set up routes to market, whether that be distribution channels, or agents.

So, there is a short-term financial impact on a business. But actually if you believe in your product or service, or whatever you're doing, then there's massive rewards to be gained. ■

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NOW IS THE TIME TO ADDRESS ALARMING IT TEACHING GAP



AS WE all know, our world is increasingly a digital one. Whether it is web publishing, online commerce and banking, driverless cars, or computer games, there is an insatiable demand for people with computing skills to help design and build our modern economy.

Eric Schmidt, chairman of the parent company of Google declared in 2011 on a visit to Scotland that he had been “flabbergasted to learn that computer science was not taught as standard” in our schools.

And it is easy to see why when you realise the skill shortages that we are facing – around 84,000 people currently work in Scotland in the development of digital technologies and we need at least 11,000 more each year.

However as Scotland’s universities collectively graduate just over 3,000 computing students a year – many of whom hail from overseas – it is

and Galloway are now without a computing teacher.

Headteachers have often given up in the face of low student demand and the difficulty of hiring qualified teaching staff. One said “when the teacher left...despite several attempts at advertising the post there were no applicants”.

So what is to be done? I recently met a woman who had returned to teaching after a 17-year career with Oracle, one of the world’s largest software companies. Her first degree – in Geography – did not allow her to teach computing in Scotland and, to her credit, she undertook an Open University degree to obtain the required qualification.

But few would be willing to go to these lengths, especially if, as was the case here, she was very well-qualified from her industrial experience, unlike, for example, me whose yellowing computer science degree from 1974 allows me to teach computing, even though I haven’t written a program for 35 years and would be pretty hopeless at teaching it.

A new initiative in London called Now Teach aims to allow professionally qualified and experienced individuals who want such a career change to teach while receiving on the job training leading to a fully qualified NQT certificate.

And last St Andrew’s Day, Scottish education secretary John Swinney announced a new Scottish ‘fast track’ training scheme to incentivise science and technology professionals to retrain as teachers.

It falls far short of the flexibility of the London scheme, and it doesn’t begin to address the importance of current relevant experience compared to having the ‘wrong’ historic university qualification. Scotland’s teacher’s unions continue to strongly resist such reforms.

I estimate that there are a great many computing professionals who would consider such a switch of career – if there was a sensible recognition of current professional experience every school could soon get superbly qualified and up-to-date computing teachers. What are we waiting for? ■

Ian Ritchie is a leading businessman who advises start-up technology companies

Six of Glasgow’s high schools (20 per cent) and almost half of the schools (47 per cent) in Dumfries and Galloway are now without a computing teacher

clear there is a massive skills gap emerging. And disappointingly over the decade from 2004 to 2014 the number of students studying computer science at UK universities actually dropped by 28.7 per cent. Clearly for the sake of our economy something must be done to tackle this critical skills shortage, and it has to start in the schools.

However despite Schmidt’s well-publicised 2011 warnings, computer science teaching in Scottish schools has continued to collapse. The number of computer science teachers in Scotland has fallen from 866 in 2007 to 663 in 2014 – a drop of 14 per cent. In fact one school in eight has no teacher for computer science and cannot present students for certificate level courses.

Six of Glasgow’s high schools (20 per cent) and almost half of the schools (47 per cent) in Dumfries



REVOLUTIONARY DECISIONS TRANSFORM INTERPLEX FORTUNES

By KEN SYMON

STEPHEN Barlow was brought in to Arbroath-based manufacturer Interplex PMP to make the business profitable, to turn around a business that was stagnating.

He says that Interplex had been doing very well for a long period of time from the mobile phone industry in Scotland, selling antenna and other components to key customers such as Motorola.

"We had enjoyed tremendous growth on the back of that but then overnight almost literally that whole supply chain stopped and moved east," Barlow says that the company stagnated for a period of about nine years but was supported by the group.

He came in to the business as managing director at that point in 2010 to what was an unfocused business. "We were a contract manufacturer who did a bit of metal, a bit of plastic...a variety of processes which just tended to grow as the customer wanted more and more.

"We were everything to everybody

which was very much not the way forward. Being in Arbroath we weren't the best location in the world. Everybody was buying from China and nobody wanted to manufacture in the UK but I was passionate, I felt there was a case to be made for manufacturing."

Barlow says that he and accountant Andy Morgan, who joined the

.....
Being in Arbroath we weren't the best location in the world. Everybody was buying from China and nobody wanted to manufacture in the UK
.....

business at the same time, made two key decisions, one was to focus on more value added products, products that used all of the attributes of the business.

The second was to invest in a plating line inside the Arbroath plant, becoming one of a handful of companies that have such a process on site. "We knew that gave us a bit

Above: Stephen Barlow

of a unique offering and we've also invested a lot of money round that too," Barlow says.

"When we came into the business in 2010 we knew a lot of the products were dying. We had hit almost rock bottom and I felt it was going to be flat at that level for two or three years. It was about planting seeds and getting stuff in and making sure we had enough in the pipeline that when the existing orders did fall away we could harvest that."

A key task was to persuade their customers that buying from China was, on the face of it, cheaper but that it might actually turn out to cost them more in the long run, that it was a risk that was not worth taking.

He stressed that Interplex was 'one stop shop' with all of the different parts of the process done under the one roof and that the company had their name on everything and would ensure that the quality of all parts of the process and products.

Barlow had come from a sales and marketing background and had worked on a couple of start-ups in Cambridge but the Interplex

approach meant he could return to Scotland and his home in Edinburgh. He said that the company was looking for someone with strong sales skills but also with general management experience and commercial acumen to take full control of P and L.

"I always wanted to do a dirty job, if you like," he says. "I use to tease my friends that at these big companies it was 'lazy river' - where there's a natural momentum or current and if you have a problem you throw a bunch of money at it; whereas we really had nowhere to hide.

"It was a real honest job - if you didn't do it nobody else did. We had weeks where the accountant didn't know how he was going to make payroll that month. It was really living right on the edge so it was very gratifying and quite exciting as well."

Barlow prepared a five-year plan which would see the company going from a trading loss in 2010 to a planned £17m profit by 2015 and £20m by 2020.

The turnaround meant getting change messages across quickly internally. "The initial challenge was to say to people 'look we're not here to close the factory. We've got a plan, which you need to support. We're not here as hatchet men, we're here to grow the business so you need to come with us.'"

There were key external conversations with suppliers and customers. "We had to deal with a lot of suppliers who we owed a lot of money to and they were supportive extending us 270 days payment terms in some cases. They could have closed us overnight; they were more dangerous to us in some ways than the banks. RBS helped us and gave us a bit of support and breathing space, thanks to the personal relationship between our financial controller and their account people."

He continues: "We had that initial period of survival where I went to all the customers and raised the pricing with everybody and rationalised a lot of the product lines. Those customers that didn't want to stay with us we had some awkward conversations with but I was really encouraged because a lot of our customers were waiting for an event. They were aware of the problems at the company and they too were reliant on us for some components so if we were to go under that would have caused them a lot of headaches.

"They weren't happy about paying more but they also recognised that they'd been enjoying probably unrealistic pricing prior to that so there was a meeting of minds and a kind of common ground. In fact some of the customers there have become some of our strongest."

Barlow's changes included changing some of the management team and incentivising them to win business. "We hired a couple of people who worked for customers to make sure Interplex spoke the customer's language. We were a company making parts for automotive, now I think we're an automotive company, we think like an automotive company, it's in our DNA, and that goes a long way."

And the changes have gone a long way to steering the company further into profitability. Barlow says: "We never posted a year when we didn't make profit, we broke even within about a year. We went from £5m to £9m in about a year due to price increases with a bit of volume and then the new sales started to feed through."

He says there were a lot of little steps to do that but he had one major victory that represented a big step forward. "One of our key customers

We had to classify and segment our customers better. Before everyone was equal, but in reality we had to be more focused on the big customers



was closing a factory in Berlin and was going to move it to Eastern Europe but I spent a year persuading them that Scotland could support their needs.

"They transferred about \$5m of sales in one year that had no long sale cycle time, had no delay. So basically we won it, we moved the machines across and we did it. That got us to a whole new level as well, it got us beyond the break even and we started to be more of a normal sized company.

"I can still remember sitting with the management team and showing them the slides I was going to present to the customer and saying to these guys 'I've no idea how we're going to do it, but we want this and we're going to go and get it,'" he says. "We had a bit of a laugh about it - we've actually won this business now how are we going to make it happen."

The added headache for Barlow was that the factory deal came at a time when the overall group that Interplex was part of was being acquired and he was not sure whether they would get the required investment. "I had a few sleepless nights about that," he said.

Barlow had summed up all he was trying to achieve to turn Interplex around under the line 'Making it Better'.

"Number one we wanted to manufacture products better than our competitors. We wanted to make it better for our shareholders; obviously, we wanted to make it better for our employees. That was the whole idea of the improvement theme."

The turnaround achievement was recognised this year when Interplex was awarded the Queen's Award for International Trade in recognition of its substantial growth in overseas earnings and commercial success. It was one of only 13 companies in Scotland to receive the award. It marked the fact that as the result of Barlow's five-year plan it had a trading loss into profit, tripling sales to £17m and increasing overseas sales by more than 360 per cent.

"It was a bit of independent profile raising and just put the company on the map a little bit," Barlow says. "It was really more for the staff than anything else because they don't always see the numbers day to day. Once somebody objective and external recognises us then its not just management BS." ■

BIRD FLIES FROM NARCOLEPSY SUFFERER TO SCIENCE PIONEER



BY SCOTT MCCULLOCH

EVE BIRD'S love of science was first piqued at an early age by a love of dinosaurs and then promptly extinguished by schooling. In her formative years in Aberdeen, Bird struggled through school, saddled with two significant and undiagnosed impediments – dyslexia, which is characterised as having difficulty in reading and writing words; and Narcolepsy, a neurological disorder which causes excessive daytime sleepiness.

The Narcolepsy got notably worse in her teens, and frequent class-time naps and poor time-keeping were wrongly viewed as disinterest, and at the first opportunity, aged 15, Bird left school for higher education college, though her problems persisted and she soon drifted out of education and into a job at a fast-food chain. It was a move that would ultimately prove life-changing.

Bird says: “I ended up doing really well at McDonald's because the structure of the learning for the exams you do to get stars as you go through training was great for me, and I ended up proceeding through the ranks, if you can call it that.

“And it was while working at McDonalds I had this epiphany: I was studying for a McDonald's exam and I just thought, ‘what are you doing?’

“But what worked for me was the McDonald's exam structure was based around on the job learning, and because I wasn't sitting still listening to a lecture, but doing the job while the lecture was ongoing, and that seemed to work for me.

“McDonalds made me realise there was nothing wrong with my ability to learn, but it was getting there and staying awake that changed things.

After two-and-a-half years at McDonald's, Bird returned to education, taking on a two-

Above: Eve Bird

year university access course at Gallowgate College in Aberdeen, which she completed in a year. Bird was also fortunate to have joined the college the year it opened a new microbiology lab, which reignited an interest in science and led to her choosing applied microbiology as an end of course project and then as an undergraduate course.

She was still falling asleep – a lot – and still having trouble with course work because of dyslexia when she started an undergraduate degree at Edinburgh Napier University.

Bird says: “In the early weeks at Napier, one of my lecturers pointed out to me I has spelled academy wrong but I spelled *Clostridium cellulolyticum* perfectly, and that's when we finally understood something wasn't right.”

With the dyslexia finally recognised, learning take-up improved drastically, and it was at Napier Bird first met Dr

Martin Tangney, who founded the university's Biofuel Research Centre and its spin-out, Celtic Renewables.

Tangney and Bird shared a mutual interest in a family of bacterial organisms called Clostridium which can be engineered to convert organic waste products into butyl butyrate – a high octane, clean burning biofuel which can be added to petrol and diesel engines without modification.

Bird explains: "The amazing thing about this organism is it's from a whole big family of organisms, where some of them, like Clostridium tetani and Clostridium botulism, produce the most potent neurotoxins known to mankind, and then from the other side of the Clostridium family we can produce biofuels and solvents.

"And then there is also Clostridium which can work on tumours, and there are medicines now being designed around these anaerobic bacteria that can get right to the centre of a tumour. The clostridium biofuel technology isn't new, it's been around for 100 years, but we have taken it forward."

Bird's interest in the clostridium family was carried forward in her PhD studies, primarily looking to solve what was seen as an industry bottleneck in butanol production – finding sugar transport systems so bacteria can take up a particular substrate to then convert it to biofuel.

The idea being, if clostridium can be engineered to take up other organic substrates, it can be used to solve waste problems.

It was the ideas developed in Bird's PhD studies which brought Celtic Renewables and the whisky industry together.

Bird says: "As we are Scottish-based we looked at what was a reasonably plentiful and accessible substrate, and what's more Scottish than whisky?"

The bio-butanol is extracted in a manufacturing process called Acetone-Butanol-Ethanol (ABE) fermentation, and most importantly Celtic Renewables can process pot ale – a liquid by-product of whisky production which is a two billion litre a year waste problem.

Bird says: "The draff whisky bi-product can be used as cattle feed, but it's only useful over the coldest months of winter.

"If there's grass on the ground the cows won't touch it.

"Whisky distilleries are also often gathered in clusters around a nice water source, so farmers have to

transport a substance that is more than half water over distance to get any use out of it, and it ends up being uneconomical.

"The other issue for the whisky industry in the amount of liquid residue – pot ale – from the copper stills, which is a far bigger problem because you have to take out the copper residue from the stills before it can be used as a feed."

In February 2015, Celtic Renewables announced to the world it had produced the first bio-butanol from whisky industry waste products.

Celtic Renewables, Edinburgh Napier's Biofuel Research Centre and Ghent-based BioBase Europe Pilot Plant spent a year developing the process as part of a £1m programme funded by the Department for Energy and Climate Change (DECC) from its Energy Entrepreneurs Fund.

Scottish Enterprise has funded the proof of concept project the previous two years. In September 2015, Celtic Renewables landed an £11m grant from the Department

I has spelled academy wrong but I spelled Clostridium cellulolyticum perfectly, and that's when we finally understood something wasn't right

for Transport from its £25m advanced biofuel demonstration competition. The funding will help build a demonstration facility at the Grangemouth petrochemical plant, which is expected to be online in 2018.

A site has already been secured in Grangemouth and Celtic Renewables is currently working on the front end engineering design, and Bird says the company now has a "very clear global view on where we go next".

"This is our exemplar plant and they are planning more in Scotland, but we are also looking at other countries which have whisky industries," she says.

Bird has also been working on a side project on the viability of other reasonably plentiful and accessible substrates, notably potatoes.

"There is a huge problem with the volume of rejected potatoes and the cost farmers face in taking them out of the ground," Bird says.

"Potato farming is a free-buy market and farmers only have

contracts for a certain percentage of each crop and the rest is free-buy, so a large retailer for example can reject a large amount of crop.

"In a project with farmers we mapped out where waste arises – at the farm, the packhouses and the supermarkets.

"The supermarket waste potatoes can go towards making high end products like starch or to catering application where the look of a potato doesn't matter – like crisps or ready meals, so that bit of the waste chain is taken care of."

Bird believes butanol will become part of our existing fuel structure within the next decade given butanol is a far less aggressive chemical than additives like ethanol, which can cause elastomer swelling in rubber and plastic seals in engines and fuel systems.

Bird also points out, while butanol is the primary product, there are other high value products produced in the process, namely acetone, which is also a platform chemical used to create other products and ethanol, which can also be used as a biofuel but is better suited as a chemical.

The process also produces a very high protein animal feed as a by-product. But it's the fifth high-value product – hydrogen – which Bird believes has enormous potential.

She explains: "We produce a huge amount of hydrogen as a by-product. In the past the large plants vented this hydrogen to atmosphere. But we're looking to capture this hydrogen to use in a fuel cell or similar to offset some of our energy costs.

"The hydrogen fuel technology is there and our technology is there. What I'm trying to do is bring them together."

Looking ahead, Bird envisages once the Grangemouth plant is up and running, others will follow.

"We have a flexible business model, so it kind of depends on what happens really with our first plant, but the plan is we make this work and roll out others, and I reckon there will be butanol plants all over the world," she says.

"The point of the exemplar plant is we are looking at our core process, which is obviously the most important part, but we are also looking to demonstrate this technology so we can say, 'look, this is the blueprint, let's take it everywhere, let's make it five times the size.'" ■



BUSINESS SWITCH PAYS OFF BIG TIME AS GIN BRAND GOES GLOBAL

By KEN SYMON

MATT GAMMELL'S turnaround has taken him from being an engineer who produced crystal glasses to being someone who puts a quality product in them. In the process he also was involved in the transformation of an iconic Edinburgh building.

Gammell is now a gin distiller, one of two business partners behind the dramatic rise of Edinburgh-based Pickering's Gin.

His previous life as a junior engineer for and then running the production side of Edinburgh Crystal came to an end when he moved the plant down from Penicuik to Bolton when the business was downsizing.

Gammell had known Marcus Pickering socially for about 10 years when they got talking at a mutual friend's birthday party and decided to work together. Pickering was

doing building maintenance and had more work than he could handle and Gammell had been doing similar work and they decided to combine.

Their business did a lot of maintenance and property renovation for letting agents, moving more into renovation and private client work

.....
We could have done things very differently. We could have bottled offsite and just made the gin and nothing else – but we didn't
.....

as the recession hit, predominantly in New and Old Town in Edinburgh. "We always tried to preserve the historic features of traditional buildings and make them work for modern living," Gammell says. This work led to the owners of Summerhall near The Meadows,

Above: Matt Gammell in the Pickering's Summerhall distillery

and the connection to what is better known in Edinburgh as the University of Edinburgh's Old Dick Vet Building. Gammell explains: "We were involved with the prospective owners of Summerhall prior to it being purchased from the University. We were advising on what it might take to convert the building and to repurpose the site."

They worked on the conversion of the majority of Summerhall Square to what is believed to be the largest arts hub in Europe. They created an onsite pub and the various spaces for the tenants of the building complex including craft brewer Barney's Beer. Other work in the project included converting labs and tech spaces to modern offices.

Gammell says: "Marcus and I were having a conversation one day and said 'we've got a pub, we've got a brewery, it would be great to have a distillery'. Upon looking outwardly there was no-one sprung

to mind as going to fit into the ethos of the site that was building up this great community spirit here. So the conversation “Do you fancy making some gin?” “Yeah I’m in” was about as much as it went.

“So two guys who knew nothing about gin apart from drinking it decided effectively to build a gin distillery. We’ve never been constrained by things done by other people, we will always find a solution and do something ourselves.

“We didn’t have any prior industry knowledge that said you have to do this and outsource this. Would the model be very different now with the benefit of hindsight? You could have done things very differently. We could have bottled offsite and just made the gin and nothing else – but we didn’t. You could have paid someone a lot of money to come and build your distillery but we didn’t – we didn’t have a lot of money.”

So they added Gammell’s engineering and production skills together with Marcus Pickering’s time spent in the service industry as head butler of Skibo Castle, fine art restoration and picture framing and what he learned in the property business.

“We thought it was going to be a hobby, effectively,” Gammell says. “We would make some gin and sell some gin each week and that would all be very nice. We thought we were maybe a bit late to the gin revolution.”

Pickering’s launched two-and-a-half years ago after new gins such as the Botanist from the Bruichladdich Distillery on Islay and Edinburgh Gin were already on the market. The pair did a lot of trial distillations while getting the licensing side sorted. At this point they were given a recipe for gin from a friend of Marcus’s father who had passed away. He said he would never use his family’s recipe for gin and so passed it on.

“We made it and we got this incredibly spicy gin; it’s almost not like gin. We liked the flavour, we liked the concept of where it was going.”

They continued to experiment and increased the juniper and the citrus and decreased the spiciness and thus Pickering’s Gin was born in March 2014. A key breakthrough was when Pickering’s was made the official gin supplier of the Edinburgh Military Tattoo through a friend of a friend who worked for the Tattoo and arranged a tasting. The result was that Pickering’s launched a limited range

gin which comes in a bearskin hat top. It proved popular and became a product line in its own right.

In 2015 the world of gin moved on hugely as had “what people were prepared to accept in their heads as gin, particularly in the UK and America” Gammell explains: “Gin is any vodka with juniper. Gin is probably the widest spirit category because it can be any base. You can have anything from grain to grape to potato, anything you can ferment into alcohol you can make into gin by redistilling it with juniper.”

Given these changes in the market Pickering and Gammell thought the time was right to launch their original recipe which they called Pickering’s 1947. This was again launched as a limited edition for the Tattoo with a 500 bottle run and then launched as a standard product line.

Pickering’s Gin, their original product is still their biggest seller with the orange top, Pickering’s 1947 picking up behind it. The Navy

We’ve got a lot of the infrastructure in place to go into the States, we’re just busy trying to pick the right route to market and the right person to go with

Strength, or ‘the strong one’, which is 57 per cent proof is, Gammell says, a niche product. They also do a sloe gin, distilled in the traditional manner, so Gammell says it is difficult for Pickering’s to keep up with the demand.

Earlier this year they launched five oak-aged gins from five whisky regions of Scotland - Speyside, Lowland, Highland, Island and Islay. “We got a cask from each of the regions and we went off and hand-picked these casks; some of them from very well known, major distilleries – we didn’t announce and have never announced the distilleries which they’re from, because for us it wasn’t about us selling off the back of which distillery it was.”

But the really huge seller of the year was gin baubles which Pickering’s planned to sell in two batches in time for Christmas. When the first batch went on sale, their website crashed seven times. The second time their website crashed 10 minutes before release time and it took four hours to get back on the website.

When they got back up online it took just 82 seconds for the remaining 15,000 to sell out. The distiller had to issue an apology after the 30,000 gift packs were snapped up on the internet as soon as they went on sale. Gammell says that they have vowed to sort this and will have hundreds of thousands of the baubles – possibly even a million – available next year. With the success of the gin business Gammell and Pickering scaled back the property business two years ago and now service their existing client base and only handle one project at a time.

The pair clearly work effectively together, with Pickering handling the sales and marketing side of the business and Gammell the production side. “He handles the front end, as it were, and I deal with the delivery – of the promises he makes,” Gammell laughs. “We have a very good skill set that works well together with each other. We both understand each other and we’ve never fallen out in all the years we’ve worked together.”

Gammell says he expects Pickering’s to turn over just over £1m this year – from a business created just over two-and-a-half years ago. They have gone from the two of them to nine full-time staff.

Pickering’s is currently exporting to 16 countries and in 2017 they will seek to consolidate on those markets, continuing in Australia and New Zealand, looking at significant growth in to Hong Kong and China and targeting the US.

The fact that Martha Stewart, the TV celebrity who focuses on crafts and products for the home highlighted Pickering’s gin baubles to her vast TV and online audience and the fact that they were on Good Morning America have given them an incredible springboard into that market.

“There’s opportunities there, we know. We’ve got a lot of the infrastructure in place to go into the States, we’re just busy trying to pick the right route to market and the right person to go with. There are a lot of potential pitfalls in the American market that will swallow a small brand if you get it wrong.”

But with research company Euromonitor predicting that gin sales will overtake blended whisky sales in the UK by 2020, Pickering’s success in the home market is not likely to go away any time soon. ■

BUSINESS PROFILE

SCHOOL FOR CEOs: Preparing for a dynamic future



Patrick
Macdonald



David
Sole

SCHOOL for CEOs is an innovative concept in executive education. It was founded in 2011 by Patrick Macdonald, Chairman of Reconomy, Chairman of Inenco Group Ltd and former Chief Executive of John Menzies plc; and David Sole OBE, business coach and former international rugby captain.

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THE SECRETS OF GREAT LEADERSHIP

By KRISTY DORSEY

ROUGHLY speaking, massive sector disruption used to come along every generation or so, with seminal events such as the Industrial Revolution, 1973 Oil Price Shock and the 1990s Technology Boom embedded in history for their social and economic repercussions around the world. These days, however, the landscape is in constant and dramatic flux, frequently leaving leaders uncertain of their footing from one day to the next.

In a recent survey by **School for CEOs** – the executive coaching group founded by Scottish rugby legend David Sole and Patrick Macdonald, former chief executive of John Menzies – nearly 80 per cent of directors, chief executives and chairmen agreed that the pace of change has increased. They cited technology, globalisation and shifting demographics as the leading protagonists in an increasingly complex business environment

where leaders must constantly adapt to survive.

Asked how to “future-proof” a chief executive, those surveyed from both public and private companies across a range of sectors described leaders with strong communication skills who will spend an increasing proportion of their time speaking with and listening to customers, employees, shareholders, regulators

A really good chief executive has the company positioned for the future before the future arrives

Patrick Macdonald, School for CEOs (below)

and politicians. Transparency and ethics will also be key, as well as a willingness to collaborate.

“It is a much more demanding role than it used to be,” Macdonald says. “It is about a balance of many factors as these days there is much more volatility around, and much more change to take account of.



“No CEO has ever known all the right answers. CEOs need to know when to ask questions, they need to rely on their team, and they need to know when to accept the feedback they are getting, and when to challenge it further.”

It’s not so much being the smartest person in the room, but rather the ability to bring together the brightest in their respective fields to create a leadership team. Peter Lawson, head of corporate law at **Burness Paull**, says keeping that team happy and engaged is critical in times of uncertainty when events such as Brexit pose multiple unknowns.

“The over-arching driver is the ability to inspire all of the people in the business,” Lawson explains. “That comes from a number of things, one of which are the values of the business, and making sure everyone knows what those values are.

“The other is passion. If your leader doesn’t live that and breathe it, then it will be difficult to keep everyone pushing ahead in unsettled times.”

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► With the recession, the independence referendum and now Brexit unleashing back-to-back-to-back bouts of insecurity across the Scottish economy, the temptation is to sit back and hope for the return of stability and certainty. But change has become the new norm, and successful leaders must learn to master it, rather than become its victim.

On a practical level, Macdonald at School for CEOs advises chief executives to begin scenario planning for the UK's eventual break from Europe. By identifying potential threats and opportunities in various "what if?" situations, organisations can then work their way back to the decisions that need to be made today.

"The trick as a chief executive is to be looking long-term as well as short-term, and matching the two up," he says. "A really good chief executive has the company positioned for the future before the future arrives."

John MacMillan, managing partner at MacRoberts, says dealing with the unknowns surrounding Brexit means different things for different organisations. Some see a need to complete deals more quickly while funding is available or while movement of people is still fluid. Others are holding back until a clearer picture emerges of the impact in areas such as investment.

But all must learn to embrace this environment in their own way, because uncertainty is "here to stay".

"Our own investment decisions will be categorised into essential, desirable and the more luxurious, and the latter probably shelved for a bit," MacMillan says. "In all that, there is a need for those in leadership positions to look for opportunities to ease local uncertainty, keep a wider perspective in the sense that short-term analysis is dangerous, and stay alert to mood and morale which will dip as uncertainty lingers."

Jackie Waring is founder of female angel investment group **Investing Women**, which will be staging its second annual Ambition and Growth Conference in March in Edinburgh. With a Masters in corporate leadership, she has studied psychology in business, and notes that successful leaders in challenging



Strong leaders tend to focus more on communication during periods of uncertainty, explaining 'why' when essential change is needed

Jackie Waring, Investing Women (below)

times are the ones that keep focus on the organisation's sense of purpose and direction.

"Strong leaders tend to focus more on communication during periods of uncertainty, explaining 'why' when essential change is needed and involving their people in the decision-making process," Waring says. "It's important for a business leader to promote and maintain their values at such times as that is often what their team and customers bought into in the first place."

Dundee-based **Insights** has been providing learning and development training since 1993, when it was founded by father and son Andi and Andy Lothian. The younger Lothian, now chief executive, oversees a global

team of more than 400 employees seeking to transform individuals and organisations through a practical approach to people development based in Jungian psychology.

Like Waring, he too says business leaders require adept communication skills to navigate today's "unprecedented political, economic and social turmoil".

"We feel good about ourselves to the degree to which we have a sense of control," says Lothian, a long-standing member of the Scottish Committee of the Institute of Directors. "The question is how we can become masters of change rather than victims of change."

"Three things can help us, as business leaders, to become the architects of our destiny in a changing world. The first is purpose. A clear understanding of why we are doing what we are doing is critical.

"People don't buy what you do. They buy why you do what you do. That applies to individuals as well as organisations. It is our true north."

This is further underpinned by people engagement, a clear





strategy and a strong set of values. The significance of the latter was picked up in the survey by School for CEOs, which notes that the upcoming generation of Millennials are seeking out employers with values similar to their own, and a robust ethical purpose. Some might choose to believe that “morality” was a passing fad in the backlash against the banking crisis, but others argue that the attitudes of Millennials will turn this into an enduring trend.

John Blakey, an academic at the **Aston Business School** and author of *The Trusted Executive*, says plummeting consumer faith in business organisations, politicians and the media has led to “trust vacuums” across an array of institutions and market sectors that has created opportunities for both malicious disruptors and emerging leaders. He argues that the recent US presidential race is a prime example of this phenomenon, with American voters shunning the mainstream political system and turning instead to Donald Trump, who takes up residence in the White House in January.

“Ironically, Trump succeeded in occupying the trust vacuum at the heart of politics by demonstrating a certain flexibility with the truth,” Blakey says. “This is a perfect example of how maverick leaders can exploit the current trust crisis in all walks

of life if mainstream leaders do not seize the opportunity to build trust by focusing upon their ability, integrity and benevolence.”

Blakey is leading an initiative by the Academy of Executive Coaching – the London-based provider of training for those who tutor executives – to help build a new generation of trusted leaders. It is based on three fundamentals identified by Blakey: ability – the aptitude for delivering results; integrity – reliable behaviours and a consistent set of values; and benevolence – not acting solely for one’s personal interests.

His formula works by multiplying these three qualities together, meaning that a score of zero in any category wipes out the overall trust rating. Blakey adds that the public mood has hit a tipping point, and lip service will no longer paper over any cracks.

“The global financial crisis was a shock wave, and people are still emotionally bruised by it,” he says. “The population at large expected more to happen, more to change, as a result of that than what has actually happened.

“That is what is causing some of the ructions we are now seeing in terms of shock votes and election results. People are saying ‘Look, you didn’t really listen to what we were saying, but we are not going to go away.’”

This has obvious ramifications in



David Watt

Executive Director of the Institute of Directors in Scotland

www.iod.com

Time for leaders to lead

WITH so much going on in the world, and uncertainty becoming the norm, it is essential that leaders step up to the plate and set visionary strategic direction. Strong leadership is the key determinant of success or failure and it genuinely needs to come from the top – from the boardroom. Ability to deliver vision just doesn’t come with a job title, any more than the ability to inspire trust or to motivate others does. Leadership is something that must be developed, nurtured, grasped and consciously applied, particularly now – during the greatest upheaval and uncertainty of recent times.

Leaders that are prepared to grasp the nettle and have the capacity to steer their companies and organisations through the unfolding climate of political and constitutional change are crucial to the future of their entities and our country.

Let’s not forget, whatever happens, and however unsettling monumental change can be, there are always opportunities created. Gaps waiting to be filled. Business leaders and executives have a responsibility to approach these opportunities with a creative, confident and effective mindset.

The boardrooms where directors are proactive, adaptable and dynamic will be the most successful in weathering the storms ahead – whether they be constitutional, technological, economic, environmental, social or cultural.

In times like these, there is a need for even more sound and innovative leadership from Scotland’s directors. While the civic debate rages on, the leaders of public, private and third sector organisations will be key to making a success out of the obstacles and challenges which will face many in the months and years to come. Those that create the jobs, make the products we use and provide the services on which we depend can have a significant impact on the future.

Few are lucky enough to be born to be a strong leader, but most of us need to work at it. Creativity, innovation and drive are key, and making decisions that stimulate change is vital at the top of any organisation for the leaders. We cannot wait for change to happen to us, it can be provoked from the boardroom as well as from the debating chamber.

Our future will be determined by the quality, capacity and application of our leaders.



► the political arena, but equally important if slightly less conspicuous bearing on the corporate world. Just as employees want to work in an organisation where the values are similar to their own, consumers are increasingly demanding that businesses take a bigger role as a force for positive change. They also expect to have a say in that conversation.

“Leaders need to understand what is happening in the work paradigm,” Blakey explains. “Authority used to be the glue of organisational life, but with every generation, deference to authority is diminishing.

“What is taking over from that is collaboration, and trust. You have to realise that we are talking about a degree of trust that traditionally leaders have not been required to build.”

Those aspiring to the highest executive ranks often equip themselves with an MBA, and in days gone by, that was seen as enough to pave the way to the C-suite and remain ensconced there until retirement. But in today’s fluid business arena, no single course of study can hope to prepare an aspiring leader for every contingency.

“Good MBAs teach you strategic thinking and the fundamental principles of business, but they also teach you how to keep on learning,” says Brad Sugars, the Australian-born founder of the **ActionCOACH** franchise.

“The secret is there are no secrets – you just need to up your learning. The reason leaders stop being effective is because they stop learning.”

Now living in the United States, Sugars travels the world as the head of his business coaching franchise which operates in 54 countries providing weekly support to more than 15,000 companies. In 2016 he spoke to audiences in 38 cities across nine countries, which included a speech in front of about 300 people at the Glasgow Marriott Hotel.

He argues that the “tried and true principles” of business – such as marketing, sales, customer service and people management – remain largely unaltered, though the method of delivery is changing rapidly. That is where the onus lies upon leaders to



There is a need for those in leadership positions to look for opportunities to ease local uncertainty and stay alert to mood and morale which will dip as uncertainty lingers

John Macmillan, MacRoberts (below)

keep up to speed, rather than sitting back passively watching as events unfold.

“There is always going to be some form of political turmoil anywhere in the world, yet during the past four or five years that we have had all of this turmoil in the UK, there have been some business people who have done well, and others who have not,” Sugars says.

“You have to take responsibility for your own business. You can’t blame government, and you can’t depend on the government.”

Willie Paterson, managing director of **Asset Alliance**, says the key to leading through difficult economic times lies in the ability to be a calming influence while also striving to take the business forward.

Prior to setting up Asset Alliance in Strathaven in 2010, Paterson headed up the commercial finance business at Alliance & Leicester, where his

remit was to double lending into the market for the purchase and lease of business vehicles and other equipment. Having already helped in the successful restructuring of that operation, he was optimistic about fulfilling his new mandate until the credit crunch hit.

“Instead of doubling, I had to halve the business,” Paterson recalls. “That was a very, very difficult thing, and it forces you to sit down and think very hard.

“You may have to make tough decisions, but make sure they are long-lasting decisions. And you have to be the person that has the answers, even if the answer is ‘we don’t know yet, but we are working on it’. People need to understand why you are doing what you are doing.”

Asset Alliance supplies, maintains, rents and finances new and used trucks, trailers, buses and coaches. With products coming in and vehicles going out to more than 30 countries, the company is feeling the impact of currency fluctuations and looming spectre of Brexit. Paterson, however, is “going on the attack” to find new markets and is forecasting that turnover will jump to £60m next year from £37m currently.

“The shape of Brexit is still very much unknown, but that should not be a reason for not progressing,” he says. ■



A PERSONAL PERSPECTIVE ON LEADERSHIP AND THE ARMY RESERVES

Lieutenant Colonel Piers Strudwick, Commanding Officer 7 SCOTS

THE LAST two years serving with 7 SCOTS have opened my eyes to the added value that Reservists bring to business and their local community. Army Reservists are part-time soldiers, who balance civilian commitments, family life and a desire to undertake military training.

7 SCOTS is a 420 strong Army Reserve Infantry Battalion with bases throughout the Highlands and Islands of Scotland. Our soldiers are plumbers, joiners, car-salesmen, HR administrators, musicians, business managers, teachers, window-cleaners, students, ghillies, engineers and a number are unemployed – **every member of the Army Reserve is a #CitizenSoldier.**

They get the best of both worlds; usually their mainstay income is through their civilian employment, but they use the military training programme to hone skills that are directly transferable into business. One of the most widely transferable skills is practical leadership.

The common denominator of these part-time soldiers is that **Reservists are hungry for personal development.** They want to make a difference, improve their employability and become #abetteryou - Reservists seek opportunities to apply their skills and gain practical experience in challenging and varied environments.

From the get-go Reservists are put through a focused selection procedure and those who are successful immediately start a structured training programme to ensure that they can participate in a meaningful manner. In 7 SCOTS the basic building blocks that we have used when developing these future leaders are:

- **Ahering to a meaningful set of Values and Standards.** Reservists learn to live by the Army's core Values of, Courage, Discipline, Respect for others, Integrity, Loyalty and Selfless commitment. These are underpinned by the Army's Standards of being lawful and utterly professional.
- **Living a healthy lifestyle.** Reservists understand the importance of a work life balance, personal fitness and wellbeing, both mentally and physically.
- **The importance of role models.** In all walks of life, people need good roles models to support and coach them through the challenges of personal development.



- **Teamship.** Leaders need to also 'sweep the sheds' and demonstrate that they can lead from within the Team.

- **Adventurous training** – the Military use adventurous training, such as skiing, diving and sailing, to take people to the edge of their comfort zone in a challenging environment in order to test their ability to think clearly under pressure.

I believe that leaders must create an environment where #OurPeople are encouraged to excel. The Team's success is dependent on three levels of development:

As an individual:

- **Set a good example** and demonstrate a sense of purpose – be a role model for the rest of the Team.
- **Prepare relentlessly**, Chay Blyth (a famous yachtsman) believes that "knowledge dispels fear".
- **Listen closely and speak clearly** – to be successful we must avoid misunderstanding.

- Accept responsibility, we must be honest and learn from our mistakes.
- **Deliver your leader's intent** – resounding success comes from unity of effort.

As a leader:

- **Know your business**, play to your strengths and protect your weaknesses.
- **Create and exploit opportunities**, don't be predictable, change before you fail.
- **Understand the risks at hand** and mitigate them accordingly.
- **Empowerment of individuals** in the Team will unlock their true potential.

As a Team:

- **Mission Ready** – physically and mentally robust to meet challenging environments.
- **Equipment husbandry** – look after the tools of your trade.
- **Leadership at all levels**, stay positive and focus on success.
- **Teamwork, work hard, work smart and work together.**

I find it hugely rewarding working with Army Reservists and sharing best practice through learning and training alongside people with varied experiences. There is a tangible desire for #personaldevelopment and to seek opportunities. Ultimately without good leadership opportunities will be wasted, targets missed and Teams will fail.

This article was written by @PiersStrudwick Follow @7SCOTS or email: 7scots-0Group-Mailbox@mod.uk for more information.



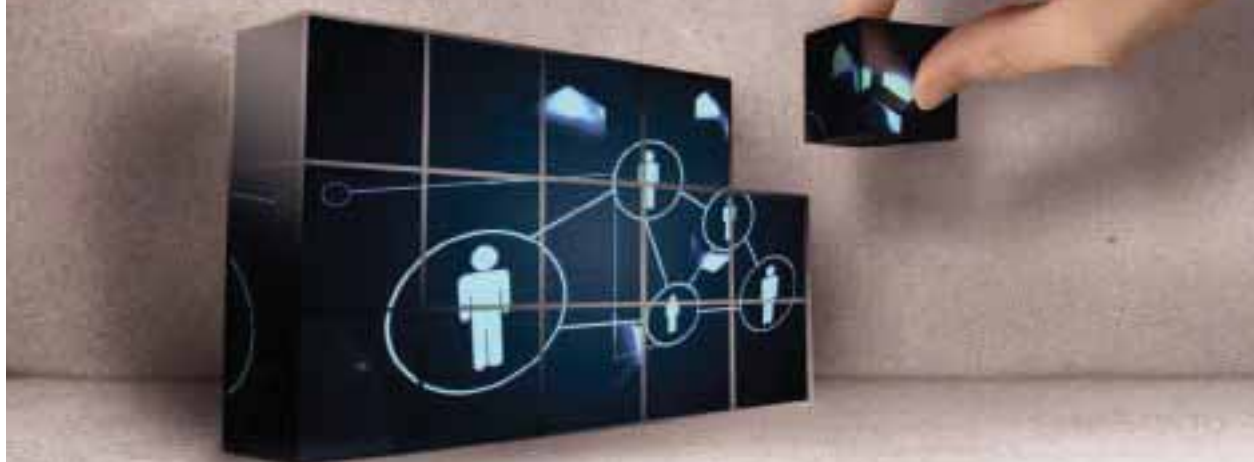
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TECHNOLOGY, APPLICATIONS UPTIME & NETWORK SECURITY IS NO LONGER A LUXURY!



AS A TECHNOLOGY business in a rapidly expanding sector, KubeNet has witnessed massive changes in the telecoms and ICT industry over the last few years, changes that SME's and enterprise businesses have now started to embrace and adopt.

As a Next Generation Network owner, Kube support businesses, from small organisations to large multi-site enterprises, with Internet connectivity, Voice, Cloud, Hosted, Cyber & Network Security services in both the UK and Globally.

"The industry has changed dramatically" said Julie Inglis, a Director at KubeNet "IT teams are well informed and look for companies like ours to deliver multiple services supported 24 x 7.

At KubeNet we listen to what our customers want, understand what they need, and then deliver solutions and services that are flexible and scalable, all at the right price"

Applications Uptime for services like Azure, AWS, ERP & Network Security is no longer a luxury. Company boards and business owners can't ignore the facts, and need to invest in the infrastructure and protection needed to ensure that essential business applications are available.

The Cyber threat is real. It's a growing and rapidly changing threat to UK businesses of all types and sizes.

In 2016, 74% of SME's reported they had suffered an information security breach. That's why KubeNet have made major investments across the business and in their UK based Data Centres, ensuring customers have some of the highest network security protection in the industry.

"We live in a connected world" says Fraser Ferguson "unfortunately that opens everyone up to attacks. Hackers are intelligent and swift, so you need to invest to protect or you're vulnerable - a data breach & Cyber extortion can, be terminal"

Kube's company ethos is built around a belief that business relationships are based on trust. That's very evident in the way they have grown and are active participants in the modern apprentice scheme, where the apprentices are supported by and collaborate with highly skilled technology professionals.

This approach has enabled KubeNet to win several major technology transformation projects in 2016 under an Infrastructure as a Service (IaaS) managed service contracts for some of Scotland's and the UK's best known companies

"When companies roll out new private networks, cloud, hosted or telephony services with Opex rather than Capex models preferred they don't want surprises" said Julie "Our collaborative approach and framework provides complete

visibility that allows you to deploy services more easily, deliver consistent services, consolidate your infrastructure, and reduce costs with a single management interface"

"Don't just take our word for it" says Fraser "our customers are happy to tell you themselves. "Here's the feedback from the IT Manager of one of our global customers"

"KubeNet have been a trusted extension of our own team for over five years, consistently providing best advice and fantastic customer service. Together we have achieved all of our aims and targets for this stage of our technology transformation journey, with Kube understanding and committed to our values and culture."

"We can offer customers a one stop solution" says Julie. "Our unified approach across our full range of services means customers have one trusted vendor who'll get under the skin of their business with a coherent strategy delivered to ITIL-certified standards. We make a complex business much simpler"

With customers, partners, and staff all on board, KubeNet is embarking on the next phase of its growth. As specialists with a personal touch, they know that the technology revolution isn't just a buzz phrase, it's the way most forward thinking organisations are positioning their activities for the future. Pretty soon it'll be in every businesses DNA.

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TECHNOLOGY OPENS WORLD OF OPPORTUNITIES FOR TOURISM

By ALASDAIR NORTHROP

PANEL MEMBERS

Lord Thurso
chairman, VisitScotland chief executive

Malcolm Roughead
chief executive VisitScotland

Justin Reid
head of destination marketing, TripAdvisor

Leah Hutcheon
CEO, Appointedd

Maurizio Sciglio
founder, Cloudbine

Sarah Lim
industry manager, Google

Sharon Moore
founder, industry technical lead, IBM

Kim Kjaerside
sales manager, Apex Hotels

Alasdair Northrop
chair

Special thanks to our Round Table venue, Malmaison Hotel, Glasgow

Q How will most people book their holidays in five years' time?

Maurizio Sciglio: I believe there are two main problems at the moment that potentially can be solved in five years' time. The first one is fragmentation from a user experience perspective. All the information is already available today from TripAdvisor, Google, Google Flights, or Skyscanner. But unfortunately at the moment there isn't a technology that assists the user throughout the whole booking process.

At the moment, if I want to go from A to B, I need to use a multitude of sources in order to plan for my trip, book flights and hotels, hire a car and so on. This is a tedious and time consuming process.

But, again, all the sources are out there, and I believe, in five years' time, this problem will be solved by aggregating the different sources.

The second problem is the planning itself. If I want to go on a beach holiday, most of the times, I don't care where. I know I want to go for a certain amount of time, but I'm quite flexible in terms of timeframe. I believe machine learning will play a very important role in terms of planning holidays. Imagine technologies such as Microsoft Cortana, Apple Siri or Google Assistant. Those technologies will learn more and more about us, our habits and our preferences to the point where they can generate the "perfect" itinerary for us.

So, for example, if I'm going on holiday, I'll just choose a type of holiday. But the system knows that I'm a foodie, or I like certain destinations in particular or I have a specific accommodation preference. The system will be able to provide me with a full itinerary that I can then adjust and refine. And then, the next time I book my holidays, the system



Malcolm Roughead

won't be asking again, it will just adapt and learn, as we go.

Justin Reid: I think they'll go to Google and probably whatever is at the top of the natural search rankings will guide them. They will see comparisons, from friends and family, from peers. It might not be people they know. I think they'll want different prices, they'll want a competitive analysis, and they'll want to be secure in the knowledge that whatever it is they're doing, whether it's for themselves, or their family, they're not going to get it wrong.

So the price has to be right, but most of all, the experience has to be right.

Kim Kjaerside: I also think it's going to be Google by whichever mobile device you have. You still have the desktop very much incorporated, but certainly, the mobile devices usage is growing steadily as well. I'm thinking the bookings will be made, via voice recognition, Siri, Cortana or whoever you have on your phone.

Sarah Lim: If you're looking at the budget airlines, today almost all of their bookings are done online. However according to a Phocuswright study, only 40 per cent of gross hotel bookings were done

via online channels in 2015. A large chunk of travel is business travel, and that is still booked through travel agents or corporate websites. But, what is interesting, is that, depending on where people are in their travel planning process, the percentage of people using online channels changes. For example, we know that in the UK, 88 per cent of leisure hotel bookers do their research online. But only 76 per cent actually

I went. From an IBM perspective, we see cognitive, artificial intelligence, or augmented intelligence, being a way that people will select, and therefore, then, book their holidays. So using that machine learning, and natural language processing, but have a much more informed conversation with you online. It means that the interaction can be human but not necessarily with a person. You can bring in lots of sources of data, like

seen. And that kind of fascinates me, because it's taking, online, those real world conversations that, perhaps, you would have in a coffee shop.

I don't think we can underestimate the impact of things like AirBnB, where you're staying at somebody's house. I was staying at a hotel in London and needed to stay a couple more days. But it was fantastically expensive for me to stay at the hotel, so I looked at AirBnB. I chose the people I was going to stay with, because they looked lovely, and everyone had lovely things to say about them.

Malcolm Roughead: From our perspective, it's more about a looking process. I think it is about the end to end journey, and from a VisitScotland perspective, it's at which point do we intervene in that journey, and how do we do it? And a lot of that is, obviously, going to be around content, because we're not the guys who convert those elements of interest.

I still think that that personal recommendation is still going to be important, in terms of clinching the deal. It may well be that, you know, the technology throws up what you're interested in. But I still want to know that other people, real people, have had that experience, they've enjoyed it, and it will meet the needs that I have.

VisitScotland has created an I-Community – it's at www.community.visitscotland.com. So if you are going away somewhere in Scotland for a weekend it will tell you what there is to see and do.

Lord Thurso: One of the things that I find fascinating about being at VisitScotland is that we sit halfway between the two extremes between at one end people who really haven't yet got what's happened, let alone what is happening. And at the other end, a generation of people, that's largely around this table, who not only get what has happened, but are actually already planning what's happening, and embracing it, and are going to use it.

I think that change will be exponential, at the technological level, and creeping, at the human level. I bought my first twin floppy disk Pentix system in Paris in 1982 and it didn't work terribly well and we all went back to doing it by hand. ▶



Lord Thurso



Justin Reid



Leah Hutcheon

book online. On desktop, people are visiting fewer sites than they have in the past when planning a trip. While it used to be 19.4 travel sites in 2014, we have seen that decrease to 15.5 in 2015. This year, we also saw mobile's share of travel site visits increase by about 40 per cent. So, what we can infer from this data, is that people are increasingly doing their travel planning in small moments fractured across multiple sessions on their phones.

Even if people are online, they might also be using offline channels in tandem to do their research, since we know that 48 per cent of people are still using offline channels to look for their holiday accommodation. So, I don't think offline is going to go away. But, I do think it's becoming a more complex system, where people touch a lot more channels. So, online advertisers have to get smarter and better at presenting recommendations to cut through all the chatter

Sharon Moore: I had three days off and I knew that I wanted to be in Scotland, and that I didn't want to drive much further than three and a half hours. Most of Scotland is really beautiful so I didn't really care where

I think people will go to Google and probably whatever is at the top of the natural search ranking will guide them. They will see comparisons

Justin Reid, TripAdvisor

TripAdvisor recommendations and what other people like you have said, and recommended. When we phoned the hotel that we're going we had this great conversation about what was happening in the area, and what we could do.

If we can put it into the technology more people are going to get that experience, and be driven to Scotland.

Leah Hutcheon: One of the things that I've been really intrigued by, recently, is smaller groups on things like Facebook. I'm part of a group called Edinburgh Gossip Girls. It's fantastically influential. People will go on there and say, I want to be two and a half hours from Edinburgh, I want to be somewhere with a spa, whatever they want. And everyone will pile in and say exactly where they've been, offers that they've

ROUND TABLE: TOURISM IN SCOTLAND

► For the changes that have come in, it's working out when is the right moment to adopt the technology, so that it becomes the servant rather than the master.

So, I think, on a five-year timeframe, it'll be a series of incremental changes. And you'll suddenly wake up one day and you'll say, cor, this is totally different to the way we did it five or ten years ago. But it won't be a big thing, it'll be a whole series of incremental changes. I think our job is actually spotting that accumulation.

Q How does Scotland stand out from the crowd using technology?

Sciglio: I believe technology can do quite a lot to promote the unique selling points that Scotland has to offer to tourists. For example, imagine if a prospective visitor could experience in Virtual Reality moving around in one of the countless historic sites that Scotland has to offer, or see a truly immersive reconstruction of the site. I go back to the "booking process of the future" that I described before – I think this kind of "try-before-you-go" experience would fit naturally in that process, at the planning stage.

With the talent and expertise available in this country I strongly feel that Scotland could produce great quality content and stand out from the crowd.

This clearly requires a collaborative content creation effort from various businesses and organisations and this is something VisitScotland could potentially help with.

Moore: Your phone does learn a huge amount about you. Wouldn't it be really nice if the stuff that's on my phone can help me with a more personalised experience?

And we're talking about things here, as well, such as better use of data. Certain generations might be slower to adopt them, maybe, potentially. But I can tell you that my other half's mother, and stepfather, spend most of their time on their phones. The last piece is smarter integrated multi modal travel - being able to get a ticket that covers everything, that end to end experience.

Hutcheon: It would be remiss of me not to talk about online booking, because that's what we do. In tourism I think there'll be a bigger step towards being able to be bookable



Kim Kjaerside



Maurizio Sciglio

Imagine if a prospective visitor could experience in Virtual Reality moving around in one of the countless historic sites that Scotland has to offer

Maurizio Sciglio, Cloudgine

beforehand such as a museum or castle. I think we're being educated about planning and making the most of our time whilst we are somewhere and I think being able to book more of those experiences, is a natural step. I think, technology has the opportunity to really streamline our holidays, and allow us to make the most of our time when we're there.

So it's not arriving and buying a tour guide book in the airport, and kind of learning as you go. A lot of people, now, know exactly what they want to do, and they've booked a lot of what they want to do before they get there, so they make the most of their time.

Kjaerside: I was going to turn it

on the head and say, why not do promote the rural parts of Scotland which have no wifi and no internet zone?

You could promote it so that when they have booked they can maybe download maps and other information onto their phones and then they go off and just enjoy the peace and the quiet, and relax away. No emails, no phone calls.

Lim: Where VisitScotland can really win on the technology side, is by breaking down that journey, from dreaming, to planning, to booking, to experiencing, and thinking about the technology at each stage, and how that differs.

For example, when someone is in the dreaming phase, maybe virtual reality plays a bigger role in bringing that destination to life, so that potential visitors are excited to see it in person. For example, both Abu Dhabi and the Faroe Islands put a camera on their most known prized possession – for the former it was a camel, who toured the Sahara desert; and for the later, a sheep, who toured the Faroe Islands.

And voila, using Google's technology, they created camel view, and sheep view as opposed to just Google street view. So it's thinking of innovative ways to use technology outside of the box that will set you apart.

Reid: I think the things to focus on would be data, and content. Content can come in many different ways. Content can be the small little secrets that only someone from right here would really know such as the top five secret beaches - niche type stuff. Where you put that content, that's the key. So getting it in the Google search ranking or TripAdvisor. You also need to look at who the competitor sets are. I think for the US people looking at Scotland, the second most popular destination they're looking at is Italy. Now, you can't compete with the Italians on food, in Americans' eyes.

But the great outdoors is the message to go for. So, again, it's just sort of using the data that's already there, and being the custodians of the content.

Turso: The real challenge for us is, I think, twofold. What we want to do with technology is, first of all, to use it to get Scotland into the minds of people who wouldn't have thought of it before.

So, is there anything in the

technology side that could make us stand out? But the second thing, which we've also been talking about is, you've got people who are already interested. What can you do, using technology, to turn that interest into a purchase, as fast as one can?

Roughead: I think content is actually quite key to any future success that we have. I also think you have to assume that technology is not going to be a differentiator because competitors adopt technology at the same pace, or even quicker than we do. So all that it will be will be an enabler, rather than a USP. But one of our strengths, generally speaking, as a country, is our storytelling. So, if you can add rich dialogue, around the rich content, and then you play into the strengths.

What is going to be the next big thing in technology which will transform the tourism sector, and indeed, other sectors?

Reid: I don't think we're ready in tourism for the next big thing. I think it's about getting the existing things right. Maurizio, you're in the gaming industry. Tourism is miles behind the gaming industry. You're waiting for your next third, fourth, fifth generation of clash of the clans.

We haven't even reached clash of the clans yet, So I think it's about getting the basics that are already right and that could well take three to five years to really nail it down. I think there's a lot to be said for getting the basic tools right, before moving onto the next big thing.

Sciglio: I partially agree with that. I believe we won't see "the next big thing" as such but in reality "the next big thing" has already been happening. As mentioned today, there are various technologies that are already disrupting the way we all approach tourism.

These technologies are slowly but steadily evolving around us, learning about us and making the right recommendations for us. I see "the next big thing" as a continuum of marginal user experience improvements, until one day we look back and realise that the "the next big thing" has actually happened after all!

Lim: Tourism, in itself, is not going to change. People who go to a destination are still going to want to see and do many of the same things. What has changed is the technology to get us there and that is going to



Sarah Lim



Sharon Moore

Being cognitive is the new paradigm in computing, and it's the understanding, learning, and reasoning that technology will be able to do which will

Sharon Moore, IBM

continue to change. Technology has also changed on how we interact with our environment, how we experience a destination, and we have to keep on top of those changes.

But, we haven't even gotten a lot of the basics right. There are still a ton of businesses that don't even have a mobile website. In the next five years, businesses need to get this right. There's not going to be a single person who's not going to be on a mobile device.

Moore: Being cognitive is the new paradigm in computing, and it's the understanding, learning, and reasoning that technology will be able to do which will have impact.

We have developed a robot with

Hilton Hotels that acts as a concierge. Connie uses cognitive technology to converse naturally with guests about what they want to do and how they want to spend their time. So there's some interesting things there about being able to take that personal experience and make it wider.

Hutcheon: For me, I think it will be just more joined up processes just making that a lot easier for us to buy, and to consume.

Kjaerside: I think one important area is looking at how can we become a 24-hour nation. If we don't work in a 24-hour nation, we have a struggle. There are a lot of businesses who don't have 24-hour accessibility. That may be primarily booking, but it could also be social media, it could be people responding to social media, request queries.

Thurso: The most expensive part of the production of anything in tourism is the labour content. Therefore, I would suggest that the next technological developments will be in labour saving, in the provision of the product. I don't know where, or how, but I could foresee a completely robotic kitchen.

The human element is in the design at the beginning. And what you have is an absolutely consistent hybrid product that replaces some low skilled people assembling something fancy. And that frees the human element, to give the human relation to the customer, out front in a restaurant.

I had this discussion with Rocco Forte ten years ago, and he went white, and said, never, ever. But I actually think that, particularly in the mid market it could work.

Reid: We did some research, into the difference between a four star review on TripAdvisor, and a five star review on TripAdvisor. And one of the main things that constantly came back was, an individual's name was mentioned in the five star review. So someone had made the difference. So, absolutely, where we can increase the human contact, and make the human contact better, I still think that is a differentiator.

Roughead: In very practical terms, I think the biggest change that's coming, in Scotland, will be the completion of the rollout of the high speed broadband, and an increase in mobile capacity. Because, until we get all of that, we are only sort of looking wistfully into the future, rather than practically. ■



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PROFITING FROM MAKING THE WORLD A HEALTHIER PLACE

By KRISTY DORSEY

IN THE outburst of Scottish biotech activity following the historic birth of Dolly the Sheep in 1996 in Edinburgh, a slew of research-based firms came spinning out of the country's academic institutions looking to capitalise on years of investigation into ailments such as heart disease, cancer and debilitating lung conditions.

Most folk didn't really understand the science underlying these pursuits, but the objective was clear enough: find a drug to treat a currently incurable illness, make the world a healthier place and generate a return for those who funded the development of this new miracle cure.

Two decades on, the landscape has evolved dramatically. Drug discovery is still part of the mix, but investors are far more circumspect, having learned from those early days the lengthy trials and regulatory tribulations that come with getting a new drug to market. The shifting financial focus together with the unflagging advance of technology has given rise to a much broader church of life sciences, itself a rubric for a collection of sectors covering more traditional activities like drug discovery and medical devices up to newly-evolving disciplines such as

digital and remote health.

"There is very much a blending now," says Val Surgenor, a partner on the IP, technology and commercial team of legal firm **MacRoberts**. "There is a software approach coming in, and that is driving the push into digital healthcare."

Its allure is multi-fold. Monitoring of patients in remote locations with conditions such as high blood pressure can eliminate many routine visits to the doctor, saving patients and healthcare professionals time as well as money.

.....
We have not done any deals with investors from China, but we have spoken to companies that have had conversations with Chinese investors

Murray Jack, HBJ Gateley (below)

There is also the benefit of earlier detection if a patient's condition changes. Edinburgh-based snap40, for example, has developed a wireless monitor worn by hospital patients which transmits regular updates on vital signs to doctors. The device is being manufactured by Fife-based Bay Solutions after snap40 secured £2m from a group of investors led by Par Equity, and is expected to be on



the market in early 2017.

Marrying existing technologies in this way can get a new product to market in a matter of three to five years. It is, as Surgenor says, an "easier win" for investors compared to the decade or more that it takes to bring a new drug to fruition.

The well-documented pitfalls in drug discovery were most recently illustrated by TauRx Therapeutics, whose closely-watched treatment for Alzheimer's disease came up short in a late-stage trial in the middle of last year (2016). Headed by chairman Claude Wischik – who moved his academic team from Cambridge to Aberdeen in 1997 – TauRx was co-founded as a spin-out in 2002 with backing from Singaporean investor Dr KM Seng.

At the July conference of the Alzheimer's Association International Conference in Toronto, the firm's LMTX treatment disappointed after being shown to do no better than a sugar pill at improving the scores of 891 patients on cognitive and physical functions. It did show benefit in a small group of patients – 136 people who were not taking standard Alzheimer's drugs – which has led the company to pin its hopes on a second well-advanced study of LMTX in 800 patients.

Despite the notorious difficulties faced by Alzheimer's researchers, ▶

► TauRx landed £88m of funding in October 2015 to push ahead with its work. That was one of two “mega-deals” that sent the value of funding for all growing Scottish companies surging to £430m in that year, according to latest figures from economic development agency Scottish Enterprise.

The agency’s 2015 Risk Capital Market in Scotland report, compiled by Young Company Finance, puts life sciences second to only ICT in the amount of money raised by spin-outs since 2009. However, the absolute figures through to the end of 2013 were relatively small, reflecting both prevailing economic conditions and a general caution towards the sector.

What has begun to override that is the fusion of medicine with technology, the latter of which has proven a quicker return for investors as the turn-around time with the likes of app development is far shorter than in highly-regulated disciplines. The 2016 report on Spinouts UK, the UK-wide project that tracks the transfer of British academia into the corporate world, notes that more than half of new firms coming out of universities for four of the past five years have been in the life sciences sector. However, overall numbers across the UK remain at historically low levels.

Richard Gibbs is head of the Glasgow office of **Marks & Clerk**, the specialist IP firm which is one of several partners on the Spinouts UK project. A PhD in immunology and microbiology who left lecturing in 2003 to join the corporate world, he says investors in the sector have come to value quality over quantity.

“It is something that is still evolving,” Gibbs says. “The number of life sciences spin-outs in Scotland is still relatively high, and that is good, but at the same time there is a more considered approach taking hold, and that is positive as well.”

“It has been a learning curve for investors. There was a boom 10 or more years ago when they were scrambling to get their money into the sector, and then they became more cautious, offering smaller amounts of money over a longer period.”

Murray Jack at **HBJ Gateley** says the combine of Scotland’s strong network of angel syndicates along with Scottish Investment Bank, the investment arm of Scottish Enterprise, has been the dominant supplier of finance to the sector for



We rarely work in isolation as the nature of our business demands collaboration with local SMEs and larger organisations further afield

Karen O’Hanlon, Aridhia (below)

..... a number of years. What the market needs is more investors at the “next level up” such as specialist venture capital firm Epidarex, which can supply larger amounts of money needed for life sciences firms to scale up to significant size.

At the moment, that gap is being filled to some extent by foreign investment. HBJ Gateley is currently working on one deal involving Spanish private equity, and a second that will bring in funding from Japan.

“I think we will see more money being invested from the Far East,” Jack adds. “China, for example, is very interested in the Scottish life sciences sector. We have not done any deals with investors from China, but we have spoken to a number of companies that have had conversations with Chinese investors.”

The melding of life sciences with digital technology is proving a powerful draw as personalised medicine comes out of its infancy. This has spurred on a holistic approach to innovation that draws from multiple disciplines, as well

as the swapping of “tips and tricks” across different sectors.

Karen O’Hanlon, head of engagement at Glasgow-based **Aridhia**, says the data analytics firm “rarely” works in isolation as the nature of its business demands collaboration with local SMEs and larger organisations further afield.

Founded in 2007 by software entrepreneur David Sibbald and professor Andrew Morris, the current chief scientist for Health in Scotland, Aridhia is cited as a leading example of Scotland’s success in data science. It has developed a platform that quickly brings together information from a variety of sources to assist in medical treatments and research, speeding up the flow of data into practice.

The company partners on a string of European projects, the latest of which was an extension to its RSRCH-Health data platform service in the Netherlands. It allows wide-scale collaboration by researchers, academics and clinicians working within the Radboudumc Nijmegen university medical centre. The underlying technology also features in other high-profile consortia such as the European Prevention of Alzheimer’s Dementia (EPAD) project, and the ADVOCATE oral healthcare project that draws together academic, healthcare and industry partners from across six EU states.

O’Hanlon says Aridhia is confident



of its future despite the UK's decision to leave the EU, a move that has many others in British life sciences concerned about funding, regulation and access to top talent. She points out that companies like Aridhia operate with "lots of partners in lots of different jurisdictions", and are accustomed to working across those boundaries.

Meanwhile, the drive to extract greater benefit from growing mountains of medical data is only gaining momentum.

"That hasn't changed," O'Hanlon says. "There is huge value in that, and it's not going to go away post-Brexit."

Others are less sanguine. Academics are concerned that any restrictions on free movement will limit access to top minds generating the research upon which Scotland's life sciences sector relies. At the Beatson Institute in Glasgow – Scotland's leading cancer institution – half of the researchers are EU nationals from outside the UK.

There are also fears over funding. The UK is currently a net beneficiary of Horizon 2020, the £69bn EU research and innovation scheme running from 2014 to 2020. To date, Scottish organisations have received £217m through Horizon 2020, much of which has been invested in health-related research. By contrast, non-member states such as Norway and Sweden have received just seven per cent of the cash coming out of Europe during the past decade. MacRoberts' Surgenor says there are already signs that potential partners are unwilling to sign on to EU projects fronted by the UK, as there is uncertainty what effect that will have on the chances for funding.

"From talking to the universities, in the short to medium-term there will be a lot of flux," she says. "At the moment there is certainly a feeling that it will be more difficult to retain and attract good researchers, and from what we hear there is a reluctance to collaborate where the UK or Scottish university is the lead body on a project."

It's not the ideal backdrop for a sector with ambitious growth targets, though its supporters point out that Scotland still retains a number of advantages. It is home to the UK's second-largest life sciences cluster – and one of the largest in Europe – with an annual turnover of more than £3.2bn.

More than 30,000 people are

employed by 600-plus life sciences organisations, led by about 250 medical technology companies, 150 pharma services firms and the presence of five of the world's 10 largest contract research organisations (CROs). Centres of expertise are building around organisations such as the Stratified Medicine Scotland Innovation Centre in Glasgow, BioCity in North Lanarkshire and Edinburgh's Centre for Regenerative Medicine.

The Government-backed Scottish Life Sciences Advisory Board (LiSAB) is in the midst of a 10-year strategy to double the sector's turnover to £6.2bn by 2020. A significant chunk of this growth is expected to be driven by the rise of industrial biotechnology, which at its broadest involves taking any material that contains carbon – apart from fossil fuels – and extracting something useful.

Horizon Proteins, a spin-out from Heriot-Watt University, has developed a process to get protein-rich compounds from pot ale, the residue left after the first stage in whisky distilling. With eight to 10 litres of pot ale left behind for every litre of alcohol produced, Scotland's whisky industry generates high and reliable volumes of what is also known as "spent wash". The team at Horizon Proteins, led by Nik Willoughby,

realised this could be turned into an ideal food for the country's farmed salmon industry, as the protein in the barley used to make whisky is nutritionally suitable for salmon.

But like many of the most promising advances in life sciences today, it falls into the cracks between any one single discipline. Joining the dots required information from a range of fields beyond Willoughby's expertise in bioprocessing.

"That skill set on its own is no good without the knowledge of distilling, and the understanding of the feed industry and biology," he explains.

After two successful distillery trials with Diageo in Duftown, Horizon Proteins is preparing to begin construction of a full-scale production hub. The £3.5m facility, backed by investment from West Coast Capital, will initially process up to 150,000 tons of pot ale annually.

Horizon Proteins is one of a number of organisations working under the umbrella of the Industrial Biotechnology Innovation Centre (IBiIC), which was launched in 2014 to help bridge the gap between education and industry. It is headed by Roger Kilburn, who sees great promise in the "middle ground" of industrial biotech. The sector is currently worth £230m in Scotland, a figure he wants to raise to £900m by 2025.

The upper end of industrial biotech has been around for a couple of decades with the creation of biological molecules used in pharmaceuticals. The lower-value end has been driven more recently by government incentives for biomass energy and similar alternatives to fossil fuels.

In between is the field of chemicals, where thousands of everyday products such as plastics, paints and detergents are derived from petrochemicals. Kilburn believes these will be replaced by bio-based options. "The biggest opportunity is around the middle bit," he explains. "I talk about it in terms of weaning the chemical industry off its reliance on fossil fuels."

But like the marriage of software and medical devices, this again will require a blending of expertise that is becoming de rigueur in today's world of life sciences. "That is largely where the innovation is happening in every field these days," Kilburn says. "It is not happening in the pure disciplines, it is happening in the gaps between the disciplines." ■

That is largely where the innovation is happening in every field these days. It is not happening in the pure disciplines, it is happening in the gaps between the disciplines

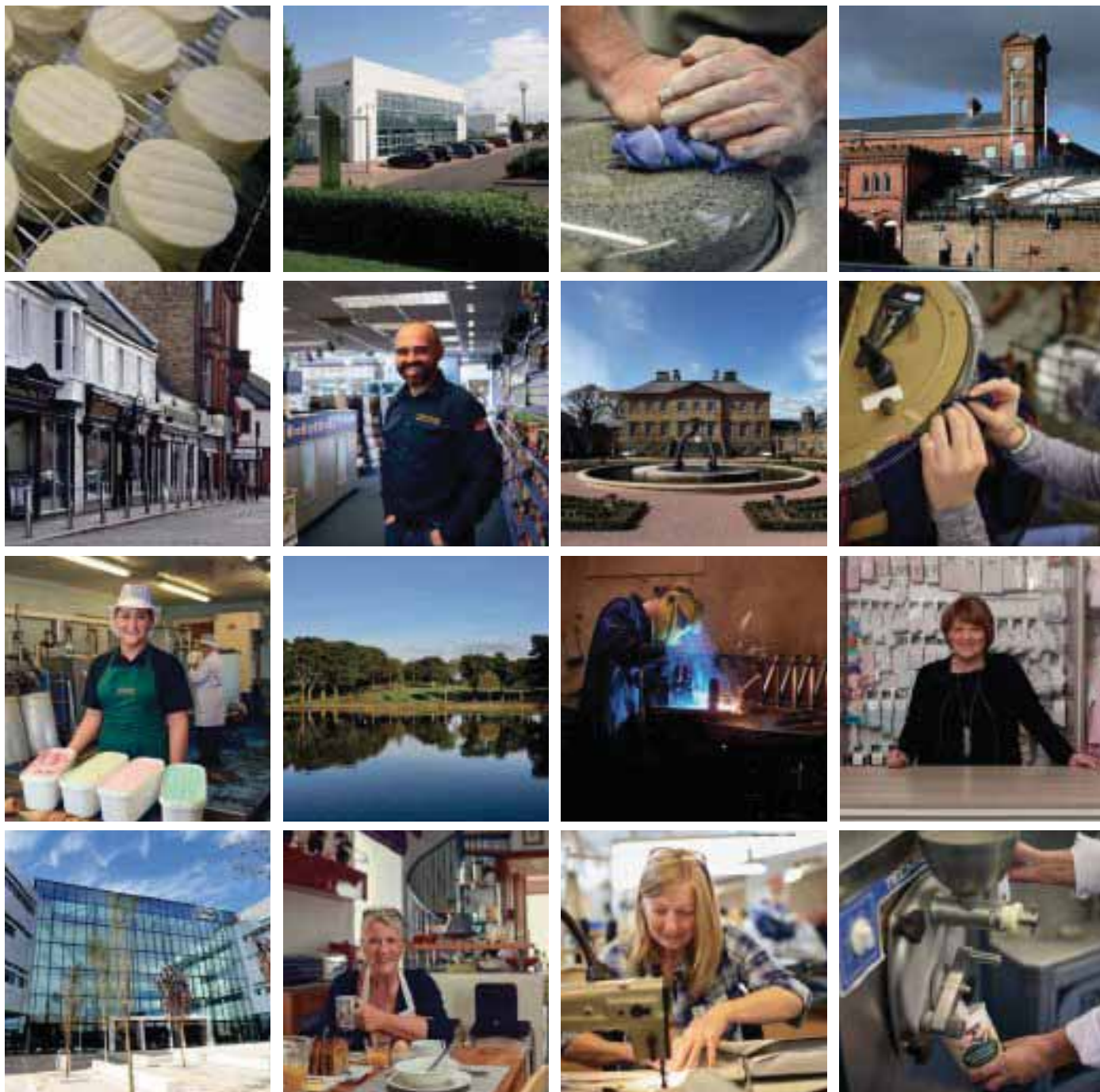
Roger Kilburn, Horizon Proteins (below)



inspiring people
investment potential
international connections



invest in east ayrshire



Be part of something bigger

East Ayrshire is ready for business

Invest in East Ayrshire

and be part of something bigger



That is the message behind a new business investment campaign encouraging businesses to take advantage of the excellent support networks, people and connections in East Ayrshire by shining a spotlight on the assets on offer.

Invest East Ayrshire is a collaboration of business-focussed agencies and organisations, led by East Ayrshire Council and Scottish Enterprise, with a shared vision of encouraging businesses to start up, expand or relocate in East Ayrshire.

East Ayrshire is home to around 120,000 people, who benefit from great transport links by road, rail, sea and air, excellent digital connectivity and is surrounded by some of Scotland's most beautiful scenery.

There are 3,000 businesses in East Ayrshire, including small family-run firms and large international organisations, collectively employing 46,000 people. This re-energised vision builds on previous successes. Business survival rates have increased, unemployment has reduced and 900 young people have been recruited into Modern Apprenticeships.

Traditional industries, such as textiles and engineering are thriving. Locally, over 1500 people are employed in engineering and manufacturing, covering everything from traditional mechanical engineering to aerospace and marine engineering.

Emergency One in Cumnock is the leading manufacturer of fire engines in the UK, while the Scot Seat Group designs and manufactures bespoke seating for marine, military, commercial and passenger vehicles. In the textile industry, luxury knitwear firm Lochaven International is the official suppliers of Harry Potter knitted merchandise.

Employing over 4000 people in food production and hospitality, the local food and drink sector supplies fine, home grown produce. This sector is well represented by organisations like the Ayrshire Farmers' Cooperative, Ayrshire Larder, Ayrshire Food Network and Ayrshire Farmers Market.

East Ayrshire is also home to a range of unique businesses such as Olympic curling stone manufacturers, Kays Scotland, and leading fabrication and specialist metalworkers, Annandale Designs.

East Ayrshire Council Chief Executive, Fiona Lees explains: "Invest East Ayrshire encourages companies to tap into a wide network of assistance, giving businesses access to a wealth of advice to make sure they get all the help they need to succeed.

"Business support ranges from helping to find commercial property and recruiting, developing and training staff, to accessing funding to embark on new projects."

"The area has a hardworking, loyal, skilled workforce. Good employees lie at the heart of any ambitious and forward-thinking business community. Finding the right people for the job is essential - whether to expand an existing business, to set up or relocate here. The support available locally makes it easy to source the right people to drive success."

Partners include Entrepreneurial Spark, a free business start-up accelerator programme for new companies; The Prince's Trust Enterprise Programme, which offers training, mentoring, funding and resources to help 18 to 30 year olds start their own businesses; and Scottish Enterprise and Scottish Development International, which can assist with national and international growth.

The area offers a range of commercial property solutions, including industrial units, offices, retail premises and land available for new developments. In Kilmarnock, the principal site, Moorfield Business Park, is zoned for industrial use and construction on speculative units of varying sizes will commence in 2017. The former Johnnie Walker factory site is the focus for an imaginative new retail, leisure and business park, while work is well underway on the development of the Ingram Business Centre in the heart of the town, offering flexible office units for small and start-up businesses. In Cumnock, a new retail development on Townhead Street is providing a modern stylish and affordable option for local retailers.

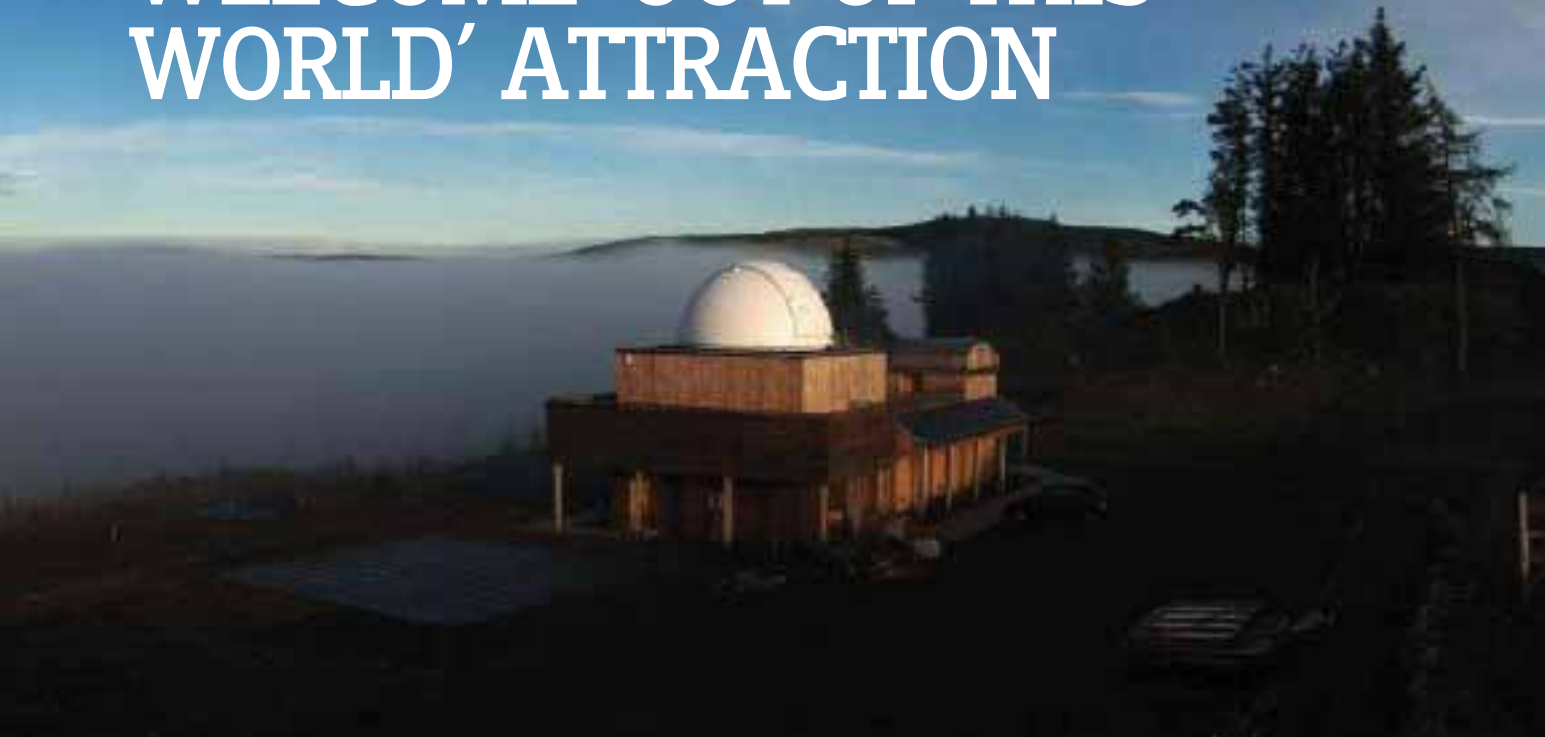
East Ayrshire Council chief executive Fiona Lees said:

"Everyone who lives and works in East Ayrshire already knows how fantastic it is - now we are ready to send the message beyond our boundaries that this is a thriving, exciting place to do business."

She said: *"This is a special part of the country, proud of its past and ambitious for the future."*

"We are inviting local businesses and those with national and international connections to come and join us in East Ayrshire where they can be part of something bigger."

TOURIST SECTOR SET TO WELCOME 'OUT OF THIS WORLD' ATTRACTION



By VICTORIA MASTERSON

EAST Ayrshire is about to get a new tourist attraction that is out of this world.

The Scottish Dark Sky Observatory near Dalmellington in Galloway Forest Park – one of the darkest places in Scotland – is starting building work on a planetarium that is expected to be completed this spring. More than 7,000 stars and planets are visible with the naked eye from the forest, which became the first Dark Sky Park in the UK and Europe in 2009 when it received 'gold-tier' status from the International Dark-Sky Association.

"Earlier this year we successfully raised the funding to build a permanent planetarium next to the observatory," explains observatory manager Fi McClelland. "We expect building work to begin in the next few weeks and the planetarium will be complete by the end of March 2017. This will give us an additional offering for visitors and will increase our visitor capacity with extra activity space. It will also provide space for a small retail outlet – all of which will help us in achieving our aim of financial self-sustainability."

Tourism is a key growth sector for East Ayrshire, which is home to around 120,000 people and is strategically located between the M77 corridor from Glasgow to South Ayrshire and the M74 from Glasgow to the north of England. Other local tourist attractions include Dumfries House in Cumnock – an 18th century Palladian house with an

Above: the Scottish Dark Sky Observatory

desserts, produced from the farm's own herd of prize-winning Ayrshire cattle.

"Our milk is collected from our dairy at body temperature and turned into ice cream within hours, you really can't get any fresher!" says managing director Jill Woodburn. "Business currently is very good, although it's very much a seasonal product, and the Scottish weather can make a huge impact on our sales month to month. We get fantastic support in East Ayrshire from members of the public, local authorities and other local businesses – everyone really sticks together. It's so important to buy local and this message is really well driven in East Ayrshire."

Other food and drink businesses in East Ayrshire include boutique Scotch whisky producer, The Lost Distillery Company and 'food to go' specialist **Adelie Foods**, which produces three million fresh sandwiches and 250,000 salad packs every week from its five UK manufacturing sites and seven distribution centres.

Around 200,000 of those sandwiches come from the company's manufacturing site in

.....
We're seeing new initiatives to develop the young workforce, including projects to engage schools with the business community
.....

Val Russell, Ayrshire Chamber of Commerce (below)

unrivalled collection of Chippendale furniture – and the 200-acre Dean Castle Country Park in Kilmarnock, East Ayrshire's largest urban area with a population of around 44,000.

Food and drink is another important growth sector for the area. Local businesses include the family-run **Woody's Ice Cream** at Killoch Farm in Galston. It manufactures award-winning luxury dairy ice cream, sorbets, frozen yoghurt and



Kilmarnock, where it employs more than 130 staff, with a further 42 at its nearby distribution depot.

“Being based in East Ayrshire puts us in a great location to deliver sandwiches across Scotland and over the border to Northern England,” explains Brian Totty, Adelie’s head of manufacturing (North). “But the best thing about the location of the plant is the staff. I’m lucky to work with such a dedicated, passionate bunch of people – and that’s reflected in the successes we’ve had. We’re the benchmarked plant across the Adelie Foods Group when it comes to health and safety, as well as environmental practice.”

More than half of Adelie’s staff have worked at the plant for more than 10 years, with 95 per cent coming from the local area.

Adelie marketing director, John Want adds: “As we work on reducing food miles and ensuring we get the freshest product into store, our Kilmarnock facility allows us to serve Scotland with a fantastic range that fulfils these aims.”

Meanwhile, major plans are underway to regenerate Diageo’s former Johnnie Walker bottling plant in Kilmarnock. The closure of the site in 2012 with the loss of around 700 jobs was a major blow for the town.

Now Kilmarnock-based developer **Klin Group** is championing a project to turn the 23-acre site into a new commercial, cultural, leisure and lifestyle quarter for Kilmarnock. The ‘HALO Urban Park’ project is expected to create around 1,000 permanent jobs and complement the adjoining, newly-built Ayrshire College. The plans include a new business centre, conference and exhibition centre, cultural hub, year-round leisure and water sports facility and 3,000 square metres of commercial offices. A new landscaped public plaza, a district heating system, 175 affordable rented houses and new road and footpath networks are also planned.

“I’m a Kilmarnock girl through and through and I’m passionate about doing anything I can to support the town,” says Klin Group executive chair Marie Macklin. “The HALO Project is something that has occupied my thoughts for a very long time and I’m determined that it will become a reality and regenerate this important site that’s so close to Kilmarnock town centre. The people of Kilmarnock deserve it and the

development will breathe new life into not just the town but the whole Ayrshire economy.”

Diageo and **East Ayrshire Council** are each donating £2m to the project. East Ayrshire Council is seeking a further £10m for the scheme from the Scottish and UK governments through the £350m Ayrshire Growth Deal, a bid to raise investment for a range of projects across North, East and South Ayrshire. The remainder of the funding would come from the private sector.

“These proposals are a key element of East Ayrshire Council’s ambitions for the Ayrshire Growth Deal,” says East Ayrshire Council leader Douglas Reid. “They will greatly contribute to the regeneration of Kilmarnock, breathing new life into the remainder of the site previously occupied by the Johnnie Walker bottling plant.”

Over the last year, East Ayrshire Council says it has seen an increase in investment by the private sector both in terms of property and equipment. New business starts are up from 29 to 51 per 10,000 working age population. Business survival rates are also up from 52 per cent to 59 per cent, and unemployment is down.

Efforts to attract new businesses to the area include investment in road and rail – particularly the main arterial routes of the A77,

.....
Our milk is collected from our dairy at body temperature and turned into ice cream within hours, you really can’t get any fresher

Jill Woodburn, Woody’s Ice Cream (below)



A70 and A737 and the railway line from Kilmarnock to the north of England. The council is also investing in property and public realm improvements, and business support.

“We are building new industrial units in Kilmarnock and refurbishing a key building on John Finnie Street in Kilmarnock to create a new business hub,” explains the council’s head of planning and economic development, Michael Keane. “We have invested in new shops and public realm in Cumnock and our Conservation Area Regeneration Scheme and Townscape Heritage Initiative continue to support the refurbishment of buildings in Galston and Cumnock. The council has also committed additional resources to tackle vacant and run down premises and to undertake environmental improvements in town squares.”

A new business support programme called BeReady has been launched to help businesses with growth potential.

“Our BeReady programme offers access to workshops and one-to-one support from consultants focused on key business areas including marketing, sales, innovation, management and leadership, procurement, finance and digital,” Keane adds. “The aim is to explore and determine what the business needs to do to grow. Agreed action plans can then unlock grant support.

“We’re also in the process of launching a new marketing campaign – Invest East Ayrshire – to promote East Ayrshire to a new audience and set out the case for the area as a strong investment proposition.”

Existing inward investors include **Teleperformance**, a global customer management group headquartered in Paris and employing around 190,000 people across 65 countries. The group’s UK and South Africa business is headquartered in Bristol and employs 9,000 staff across a number of sites, including Kilmarnock.

The company acquired this site and three others in Airdrie, Glasgow and Erskine when it bought Airdrie-based BeCogent for £35m in 2010.

“Teleperformance is a pure-play customer contact business managing customer services for many well-known national and international brands in financial services, public sector, retail, media and telecom, and travel and leisure,” says William Carson, head of market engagement for Teleperformance UK and South

► Africa. “Our delivery of services from the Kilmarnock site – inherited as part of our acquisition of beCogent – has now been in operation for more than ten years. We believe this reflects the quality and enthusiasm of our Ayrshire team, the support of the local community generally – and of course a great location.”

The company is seeing the nature of customer contact evolve with the growth of mobile and digital communications. Teleperformance is developing its infrastructure and service offering to reflect this.

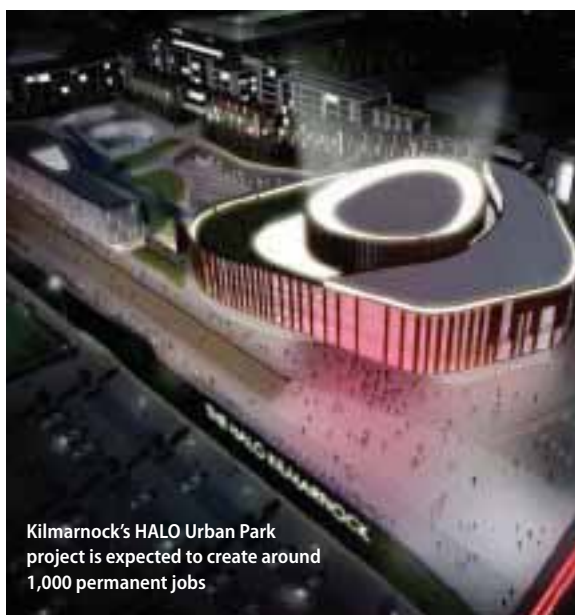
“This includes an ongoing refurbishment programme at our sites throughout the UK – including Scotland – as well as a constant review of our capabilities and a significant programme of employee engagement initiatives to motivate and retain talent within our business,” Carson says.

Manufacturers in East Ayrshire include Fenwick-based **Scot Seats Group**, which designs and produces specialist seating for commercial vehicles, buses, trains, fire engines and military vehicles. The company employs 52 staff and was set up in 2000 by East Ayrshire-born Alex Young, who has run businesses in the area since 1963. His son Jonathan Young is the current managing director.

“Business at the moment is busy,” Jonathan Young says. “On the marine side, we recently announced we’d been awarded a contract to supply our specialised shock mitigation seats to the Pakistan Navy. The order is for six boat sets of 48 seats. The first seats for this order have been shipped and we expect more orders of the same volume to be placed over the next few years. In commercial vehicles, we’ve seen orders in recent months for more than 50 vans for civil engineering company Advance Construction.

“We also work closely with Kilmarnock-based train refurbishment specialists Wabtec and Brodie Rail to carry out full seat refurbishment on various projects. Scot Seats also supply East Ayrshire-based fire engine builder, Emergency One with specialist seating – including all the crew seats for the London fire appliances. There are a number of local businesses that can all work together to help each other fulfil orders and increase sales.”

Scot Seats Group is looking to expand its current production



Kilmarnock's HALO Urban Park project is expected to create around 1,000 permanent jobs

The HALO Project is something that has occupied my thoughts for a very long time and I'm determined that it will become a reality

Marie Macklin, Klin Group

facilities to fulfil an increasing volume of orders both at home and internationally.

Young says: “We’ve submitted a planning application to build a new purpose-built unit which will house all aspects of manufacturing including metal work, joinery, upholstery, composites, assembly,

dispatch and a new coating facility. This will improve the workplace for staff and allow us to increase numbers as we take on additional work.”

In the professional services sector, recent new arrivals in East Ayrshire include Scottish accountancy firm **Campbell Dallas**, which announced the acquisition in October of the established Kilmarnock firm W White & Co. The deal involved the transfer of 14 staff, including founder Bill White, and will add £1m to Campbell Dallas’s turnover.

“Kilmarnock and the wider Ayrshire area have a tradition of delivering first class family businesses,” says Donald Boyd, partner at Campbell Dallas.

“We see a great fit between Campbell Dallas and many of these businesses where we believe there is considerable demand for our entrepreneurial approach to advising clients.

“We are able to support and advise them on their growth aspirations, providing them with access to specialist services and sector experts from a local, friendly base in Ayrshire. Ayrshire is a geographical region our firm has had an eye on for a while with opportunities in engineering, construction, agriculture, food and drink, aerospace and travel and tourism.”

Ayrshire Chamber of Commerce is also excited about the area’s future. Highlights include regeneration work underway in Cumnock; the naming of Kilmarnock in 2015 as Scotland’s most improved large town; and the launch of new tourism strategy and the regeneration of Kilmarnock railway station. “There are also encouraging new start-up statistics,” says Ayrshire Chamber of Commerce chief executive Val Russell. “We’ve seen 122 new starts since Business Gateway moved into the town centre. BeReady workshops have been delivered to 98 businesses. And we’ve seen the development of Ingram Enterprise Centre in Kilmarnock’s historic quarter for start-ups and entrepreneurs.”

Russell is also encouraged by East Ayrshire’s strong focus on youth unemployment. She concludes: “We’re seeing new initiatives to develop the young workforce, including projects to engage schools with the business community.” ■

IN FOCUS: Scotland’s first biosphere

LARGE parts of East Ayrshire belong to Scotland’s first ‘Biosphere’, as designated by the United Nations Educational, Scientific and Cultural Organisation (UNESCO). Biospheres are protected areas that demonstrate a balanced relationship between people and nature. The Galloway and Southern Ayrshire Biosphere covers more than 5,000 square kilometres and is one of 650 similar reserves around the world.





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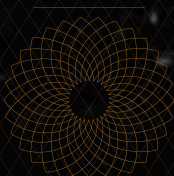
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HEALTH WITH A TOUCH OF LUXURY

By CLAIRE MUIR

ACCORDING to the Global Spa & Wellness Summit, the wellness industry is now worth more than \$3.7trn; not surprising given recent developments. Initially, budget gyms made fitness more accessible but, now, there is a demand for a more personal and focused service.

Gone are the days of unused gym memberships and fad diets. The advent of health-related gadgets, Crossfit clubs and military-style boot camps, as well as yoga retreats and the 'clean eating' revolution, have brought new meaning to health and wellbeing.

"Diets are not so appealing right now," says Lorna Macleod, spa manager at The Old Course Hotel's **Kohler Waters Spa**. "Instead, people opt for a healthy lifestyle and fuelling their bodies rather than denying themselves certain food groups. Sporting inspirations are also part of the transition. Sport has never been so cool."

Neil Gibson, director of Performance, Sport and Health at Edinburgh's state-of-the-art sporting facility, **Oriam**, agrees: "Cycling, triathlon and running clubs have all

seen a surge in participation. People have become attracted to resistance and high intensity interval training."

Of course, at the beginning of the year, a healthy lifestyle is top of wish lists. Mike Lindsay, owner of **Club 300**, an exclusive personal trainer-run gym in Perth, said: "It's easy to over-indulge during the festive period. Studies show people put on an average of half a stone. We all like to turn over a new leaf in January."

Fortunately, Scotland is brimming with opportunities to improve health

Above: David Lloyd Clubs offer high-end gyms, classes, personal training, swimming, spas and participation sports throughout Scotland

interest in their internal and external health. It's not just how you look, but keeping your body and mind healthy and strong."

Whatever your fitness level or interest, you are almost bound to find an activity at **David Lloyd Clubs**. They offer high-end gyms, classes, personal training, swimming, spas and participation sports throughout Scotland, complete with café bars and children's areas for relaxation, and adult-only lounges for catching up on emails.

Hayley Consuegra, sales and marketing manager, explains: "People are putting health and fitness goals high on their agenda but don't want to lose family time. We've seen a huge trend in families using our facilities and have a programme to ensure parents get 'me time' while the kids play, then all eat together. We make sure people get that 'life balance' that everyone craves."

For those who would love to get fit alongside the Scotland's top sportspeople, Oriam is a good bet. As well as community members, the inspirational building caters for national teams and professional clubs, offering a gym, fitness classes and the latest in climbing equipment.

Gibson explains: "It was designed

Cycling, triathlon and running clubs have all seen a surge in participation. People have become attracted to resistance and high intensity training

Neil Gibson, Oriam (below)

and wellbeing for the year ahead.

A health check – an MOT for the body, if you like – is a great starting point. **The Edinburgh Clinic** offers a luxurious clinical environment with some of Scotland's top consultants. Private GP Dr Terrina Dickson said: "We see professionals from all sectors with more people taking a real



► to provide a home for Scotland's athletes and allow the local community to access world class facilities for a healthier and happier lifestyle. Forget off-the-shelf training: our staff design and deliver bespoke interventions to get the best out of your membership."

For the very best in tennis, Cromlix, near Dunblane, boasts a state-of-the-art tennis court and practice wall. Part of Andy Murray's well-known hotel, non-residents can visit for the day and kick-start their 2017 fitness regime.

Also offering spots in which to get active is the **Loch Lomond & The Trossachs National Park**. Chief executive Gordon Watson said: "The park offers loads for outdoor sports enthusiasts, first-timers, families and those with disabilities, including world-class open water swimming in Loch Lomond, the venue for the Great Scottish Swim." It also boasts cycling and walking routes, and running, climbing, fishing and golf with a spectacular backdrop.

Back inside, Club 300 has a limit of 300 members of all levels, working towards a healthy lifestyle through training and nutritional education.

Taking exclusivity a step further is **Luxury Wellbeing** in Edinburgh's West End. Modelled on five star London venues, it offers bespoke fitness, personal styling and massage. David Calder, director, explains: "Our clients include some of Scotland's leading CEOs, consultants and business owners, aged between 18 and 72, who want privacy and attention to detail every visit."

Quite a contrast, boot camps hit Scotland around 10 years ago. **The Camp**, now exclusive to females and offering week-long courses in private Perthshire villas, was one of the pioneers. Clients can transform their bodies in seclusion, whilst enjoying the great outdoors with activities ranging from self-defence and shelter building to zip wiring and river crossing.

"People are affected by SAD during winter and we have proved time and time again that mental health can be much improved with fresh air and exercise," says managing director Sebastian Morley.

Confident its perfect blend of medically-trained former Special Forces personal trainers, sports physios and dieticians can assist clients in dropping a dress size in a week, they also help with increasing



The pool inside The Leisure Club at Cameron House

We see professionals from all sectors with more people taking a real interest in their internal and external health. It's not just how you look, but keeping your body and mind healthy and strong

Dr Terrina Dickson, The Edinburgh Clinic (below)

the resting heart rate.

Soon to be adding boot camps to its offering, Galloway Holistic Retreats offers the ancient Chinese health practice qigong, as well as yoga and meditation, complemented by holistic treatments and topped off with a healthy vegan menu.

Also focusing on the dual roles of the body and mind, **The Body Toolkit** is an award-winning health retreat in the Scottish Highlands, offering outdoor exercise, relaxation, stress-combatting techniques and a detox. Founder Katrina Mather says: "After a week, guests report weight loss, an energy boost, improved sleep and a reduction in aches and pains. It's consistently seen as a powerful kick-start to a new lifestyle."

Popular with executives and entrepreneurs improving their health and wellbeing, **Penninghame Process** is a six-day residential retreat where a combination of macrobiotic nutrition and tuning into natural body wisdom restores balance in the body: "Compassion is your best trainer," says group leader Gill Stanyard. "Listen to your body, breathe fully and don't push yourself."

EcoYoga Scotland, a luxurious riverside retreat, takes this approach for optimum health too. Laura Grace, retreat manager, explains:



"For a balanced state of wellbeing, you should eat well, sleep well, bathe well and stretch well. We offer a complete healthcare package: healthy eating, resting, massage, Japanese-style outdoor bathing and, of course, world-renowned yoga teachers.

The advantage of practicing yoga regularly is that you don't have to have any new year's resolutions."

For those who have made a resolution or two, however, Scottish hotels are another option for post-Christmas fitness.

"Spas are becoming wellness havens for individuals," says Kohler Waters' Macleod. "The main motivator is seeing results; not just the change in your body but also to your mind."

The Old Course, and its counterparts at **The Leisure Club at Cameron House** and One Spa at The Sheraton in Edinburgh, offer members much more than traditional hotel gyms with a treadmill and a couple of dumbbells.

Euan MacKechnie, leisure club manager at Cameron House, cites health and fitness goals as the main reason for attending. The high-end offering – now far more than just complementary towels and snacks – is a great incentive too: "Imagine enjoying your weekly fitness regime looking across Loch Lomond. In addition, our Technogym Artist range allows members to work out with other individuals at other clubs and join challenges, linked by cloud-based profiles."

Cameron House has squash courts, two swimming pools, more than 50 classes per week, personal trainers and a spa-style area whilst One Spa's holistic experiences cover 34,000 square feet over six levels.

Not just a luxurious gym, it includes a rooftop hydropool, a 19-metre infinity swimming pool with poolside sauna and an indulgent spa programme.

Of course, small changes can be made before even leaving the house. Morley makes some suggestions: "Detox with lots of juicing. Drink plenty of water and green tea. Avoid highly processed food and wheat – go gluten-free where possible but watch the sugar content. Avoid all diet drinks and foods because sweeteners are poison to the liver and kidneys."

Galloway's Stevenson concludes: "To look healthy on the outside, you have to feel – and be – healthy from the inside." ■

PENNINGHAME PROCESS – WHERE YOUR NEW LIFE BEGINS

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Jane, Freelance Journalist, 2016

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GROWTH PATH MAKES ASEAN COUNTRIES A TOP EXPORT TARGET

By PERRY GOURLEY

RECRUITMENT firm director Sam Wason admits Thailand wasn't an obvious choice for his first venture into overseas markets.

However, a year on from establishing a permanent presence in South East Asia, Wason says he is excited by progress to date.

"Our operation there is already profitable and we are seeing fantastic opportunities for future growth in what is a very vibrant market," says Wason, of Edinburgh-based IT recruitment firm **Cathcart Associates**.

Cathcart became the first UK-based IT recruitment firm to open a branch in the Thai capital in October 2015.

The move was sparked by a decision by one of the firm's consultants, Nick Macdougall, to relocate to Thailand and build a life there with his fiancée.

"We had been mulling overseas expansion for the business for a while although Thailand hadn't really been on our radar at all," says Wason, who reckons he must be the only businessman in Scotland to have clocks showing the time in both Bangkok and the UK in his office.

"With Nick moving out there we started to look at whether we could do something to keep him in the business and the more we looked at the IT market in Thailand, the more we liked it.

"The indigenous technology firms there are growing fast and along with demand from multi-nationals based there, significant skill shortages exist. There are also very few recruitment firms operating there and we still think we are the only IT-specific one operating in the capital. Compared to the UK where the market is saturated

and very competitive it seemed a very good place to gain a foothold."

Within the past year the office which Macdougall heads has recruited five consultants and is already profitable.

"The lower salaries for candidates means fee levels are lower so we have to do a higher volume of business so the challenge ahead is to achieve that," says Wason.

Although Cathcart's Wason is very positive about future prospects for the firm's Thai venture, he admits getting established there has been something of a rollercoaster.

.....
Singapore proved to be a very easy market to set up in and a very open market to operate in
.....

Andrew Skene, Spirit of Scotland

"We had to find some Thai partners to work with to enable us to set up the business there and there is quite a lot of bureaucracy and legal issues to deal with."

As part of the Association of Southeast Asian Nations (ASEAN), Thailand is part of one of the world's most exciting growth regions which also includes the likes of Indonesia, Malaysia, Philippines, Singapore and Vietnam.

With a combined population of around 600 million it is an increasingly important economic region. If ASEAN were a single country, it would already be the seventh-largest economy in the world and that is forecast to rise to fourth by 2050.

An additional 300 million people from the region will also enter the middle class over that timeframe,



Above: Staff pictured outside Cathcart's Thailand office, L-R: Nick Macdougall, Sam Wason, Gordon Kaye

opening up significant new opportunities for Scottish food and drink brands which have already made significant inroads into the region.

When Andrew Skene visited Singapore 16 years ago, the huge demand he saw there for Scotch whisky led him to establish a business, **Spirit of Scotland**, to import single cask whiskies from independent bottlers.

"Singapore proved to be a very easy market to set up in and a very open market to operate in," says Edinburgh-based Skene who still operates an office and bonded warehouse in Singapore which is by far the largest market in South East Asia for Scottish firms, with annual exports of over £440m.

"But on the flip side that does

IN FOCUS: THAILAND

Thailand is the second largest economy in South East Asia and also home to an estimated 50,000 UK nationals.

Significant UK investors include BG, Tesco, HSBC, Standard Chartered, Triumph Motorcycles and Prudential.

Ahead of general elections in 2017, about \$40bn is being invested across 20 major infrastructure projects by 2022 including high-speed railway projects and port upgrades.

As well as being a vibrant market in its own right, Thailand is seen as being a springboard for accessing opportunities in locations including Laos, Cambodia, Burma and southern China.



mean every man and his dog can also set up a base there so it is a very competitive market and once you start doing something people can be quick to try and copy you.”

Although Skene does supply the domestic market in Singapore, he sees the benefit of having a base there more as a showcase for his products and as a distribution hub for the wider South East Asian market and even out to Australia.

As well as consumer goods, energy is also seen as a key sector where Scottish firms can develop markets for products and services in the region.

Oil demand in the Asia Pacific region is forecast to account for almost 90 per cent of the increase in global demand by 2040. By 2035, the region is expected to contribute 35 per cent of total global energy production.

Oil and gas exploration activity in the region is moving into ever-deeper waters which firms with experience of operating in the North Sea can benefit from.

Although to date much of the exploration and production activity in the region has been focused on Singapore, Malaysia and Indonesia

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new opportunities are developing in Brunei, Myanmar and the Gulf of Thailand.

Evidence that Scottish firms are already tapping into the potential of the region came in the latest survey of Scotland's oil and gas supply chain.

For the first time the Asia Pacific region entered the top three markets for international sales for Scottish firms, with a value of £1.7bn.

Asia Pacific is ranked as the fourth highest region for growth in the immediate future and 50 per cent of respondents highlighted Asia Pacific as a growth opportunity in the next five years.

Neil McInnes, head of South East Asia for **Scottish Development International**, says the survey highlighted the growing importance of the Asia Pacific region to Scotland's oil and gas supply chain.

“The fact that Singapore rose 19 places to become the second most popular country for international supply chain sales reflects the importance of this market for the future of the industry and we continue to see a high volume of enquiries from Scottish companies looking to establish operations and do business here.”

Above: Thai capital Bangkok has a population of over eight million

Many South East Asian countries are also investing heavily in renewable energy, a sector where Scotland is already active in the region.

Researchers at **Robert Gordon University** (RGU) recently secured funding to support the setting up of a South East Asia Marine Energy Centre (SEAMEC) in Indonesia.

The academics are looking to develop a model similar to the European Marine Energy Centre (EMEC) in Orkney but with the emphasis on building capacity and socio-economic benefits rather than technical outputs.

Dr Alan Owen from the university's Centre for Understanding Sustainability in Practice (CUSP) said there was also scope for the centre to help open up knowledge exchange between renewable energy expertise in the northern and southern hemispheres to identify new materials, methods and fabrication processes.

“The establishment of a marine energy centre in South East Asia will be a huge boost towards accelerating the development of an internationally connected, sustainable and commercially viable marine energy

THE BATTLE TO BEAT THE LOST CYBER CRIME BILLIONS

By BILL MAGEE

THE THREAT of a rising tide of sophisticated cyber breaches has prompted a call to business leaders and their teams to exercise extra commercial caution amidst the turbulence online.

No one is immune from such an exponential growth in cyber-criminality that represents a profound downside to the digital age. One where a significantly altered executive mindset is urgently required.

Get Safe Online's sobering figure of £11bn lost in the UK to cyber criminals in the last year – and that's only based on registered incidents – hammers home the problem.

A recent systematic and sophisticated cyber attack affected Edinburgh-headquartered Tesco Bank with money taken from 20,000 customer accounts and the Financial Conduct Authority describing the act as "looking unprecedented in the UK" with the FCA regulator warning it was worried about weaknesses in bank's complex IT systems.

Sandstone Partnership's founder Tim Bradshaw describes it as one based on the need for a more

analytical approach from boardrooms onwards to curb such high profile security attacks. He told an Edinburgh Chamber of Commerce gathering that "intelligence not information" is the key in a data economy where such is the explosion in information online, that in the last two years an overwhelming 80 per cent of current

Blockchain is all about proving ownership and what contracts are enacted over time making such activity a matter of unchangeable or immutable public record

Peter Ferry, Wallet.Services (below)

sources worldwide have been created.

Add to this claims that the vast majority of chief executives underestimate the level of hacking and other illegal activity via the net and this leaves the organisation they head up unprepared and exposed to what might happen. At stake is a company's ability to sustain a viable business model as it reacts to disruptive forces online. They range

from the common but potentially highly damaging email: "There are too many scams online - send me £19.95 and I'll cure it for you."

Onto the latest more sophisticated attacks. The latest being the release of Mirai, a robot networked - a botnet - program that takes over online devices using them to launch a distributed denial of service (DDoS).

Roland Dobbins, principal engineer at Arbor Networks, warns of more such compromising DDoS programmes: "We're seeing more attackers becoming aware that embedded devices are an easy way to launch these attacks."

A DDoS involves numerous sources that collectively disrupt an organisation's normal operations. The scale of the commercial damage arising from such attacks has continued to rise over recent years. The motive behind them usually ranges from ideological activism to blackmail or revenge. Such cybercriminal acts have involved several of the most successful websites on the planet including Amazon, Netflix and Twitter with tens of millions of consumers affected.

Mirai is believed to have sprung



from the dark web: World Wide Web content that exists “underground” in cyberspace and thought to be many times the size of the official WWW.

Further security concerns have been created by illegal Bitcoin activity thriving on the internet’s dark side with latest reports being of a £12 million theft of the virtual currency. Bitcoin first appeared in 2008 as a reaction to the global financial crash and failing traditional capital markets. **Jamie Bartlett**, author of *The Dark Net* says: “Anyone can download a Bitcoin wallet onto their computer. They can buy Bitcoins with traditional currency and use them to buy or sell a growing number of products or services as easily as sending an email.”

Transactions are supposed to be public, secure and tamper proof but have also become the currency of choice for online drugs dealings in a global marketplace known as Silk Road.

To the rescue is what has become known as “BlockChain”, underlying technology featuring a database system containing every transaction ever executed in the cryptocurrency, and Scotland is leading the way with the emergence from the CodeBase creative hub of **Wallet.Services**.

The start-up’s co-founder and commercial director Peter Ferry explains: “BlockChain is all about proving ownership and what contracts are enacted over time making such activity a matter of unchangeable or immutable public record. We’re all about bringing such innovation to Scottish business and government through an open digital access and inter-organisational trust platform proof-of-concept. One focused on registration, licensing, validation and associated multiparty governance actions.”

Ferry, a former Microsoft senior technologist, adds: “It’s open to everybody with the side effect that it cuts out the middleman when transferring value over the internet. Within the next five years it’s going to touch numerous aspects of business, government and society in ways that will make quite profound changes.”

Wallet.Services has attracted an early accolade by winning the CivTech WildCard cyber security accelerator challenge for the best cyber idea in Scotland.

Law firm **Quorum Legal** recently partnered a Law Society of Scotland cyber security conference in Glasgow. The tech outfit’s managing director James Frost says: “Many firms are still playing catch-up in their attempts to counter the evolving cyber security threat landscape.

Cyber security management should not

be a “box-ticking compliance exercise” and it isn’t just large enterprises who are under threat. “The reality is that all individuals and organisations connected to the internet are vulnerable to cyber-attack.” Quorum has seen a recent trend within the legal market involving increasingly sophisticated attacks.

“This, coupled with modern ways of working means that firms have to balance security and business process to ensure staff and partners are enabled and real risk is managed.”

BT’s security chief executive, Mark Hughes likens the continuing battle involving IT and the wider business world to “an arms race” with professional criminal gangs and state entities utilising sophisticated tradecraft. “The twenty-first century criminal is a ruthless and efficient entrepreneur supported by a highly developed and rapidly evolving black market. With cyber-crime continuing to escalate, a new approach to digital risk is needed, and that means putting yourselves in the shoes of the attackers.”

A BT-KPMG report highlights the role of chief digital risk officer (CDROs) is set to assume a greater strategic importance to combat online attacks. Etellect’s managing director Greg Lavelle says that in this age of business automation, any IT system must be secured by industry standard encryption: “Such a system should also sit behind powerful application firewalls and within a level two hosting centre.”

Even better if it’s a proprietary solution so that underlying code is freely available, unlike open source software where it is much harder to penetrate security.

7Elements chief executive David Stublely told a ScotlandIS cybersecurity forum that organisations are not taking adequate steps to address the fundamentals or learn from others’ mistakes. An organisation might not be able to achieve 100 per cent online security: “But taking basic steps to address common security flaws and delivering a robust and resilient approach to security is now a key business requirement.”

Stublely urges CEOs and CISOs to ask themselves four vital things: are we vulnerable to the attacks that are being reported in the media; what assurance activity have we done to confirm we’re not vulnerable; if we are compromised would an attacker be able to gain access to unencrypted sensitive data; and what assurance activity have we done to confirm this position?

It represents a starting point to help ensure an organisation avoids being the next cyber attack headline. ■



Uwe Kissmann

Managing Director,
Cyber Security Services
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Cyber security fatigue a hacker’s dream

THERE have been reports that we are all suffering from cyber security fatigue. Remembering multiple passwords, having to deal with too many software ‘patches’ and the constant reminders to be alert to unsolicited emails have left many people worn out or overwhelmed by the whole subject.

So much noise, no one is listening. It is a hacker’s dream.

The harsh reality is that a breach in IT systems is a matter of when, not if, for all companies, whatever size or type. The reluctance to talk about the issues, whether because of fatigue or otherwise, is the equivalent of burying our heads in the sand.

Cybercrime is a multi-billion dollar business, orchestrated on an international level and what we read in the press is only the tip of a very big iceberg. CEOs have fallen foul of phishing attacks; sensitive company assets or emails are shared and sold on dark-nets; there have been systematic attacks on infrastructure and many small businesses have been taken to the point of bankruptcy by ransomware scams.

An Accenture report found that there are thousands to millions of random breach attempts on company systems every week; more than 100 focused breaches per year and 2 to 3 effective attacks per month.

The best defence, however, is a collaborative one; we need more talking. Breaking the silence about cyber security and sharing knowledge and experience will better equip staff in spotting and dealing with phishing scams and boardrooms in their response to attacks.

This is a dynamic, changing environment and old school thinking only solves old problems. In its place, every company board must begin to look at the issue from the point of view of the hacker and shift from rule-based detection to new-school analytics, share and collaborate.

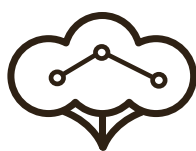


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A RECURRING theme during the major political events of 2016 has been the new wave of sentiment against globalisation.

Bill Clinton has compared globalisation to “a force of nature, like wind or water” – something that cannot be stopped and overrides all in its path. Like wind and water, globalisation is a force that can be harnessed for good, as well as one that can be overwhelming and destructive. For it to be a force that works for everyone, its tide needs to not only lift big business, but also smaller companies.

Smaller companies have a far bigger impact on local communities – particularly those outside of London – than big businesses do. However, too few smaller companies are gaining from globalisation, which means that local communities are not experiencing the benefits of an open world. Rather than being something local and understandable, globalisation has become a byword for ruthless corporations, outsourcing and offshoring. This needs to change.

Already, we are seeing the impact of what happens when people are disillusioned with globalisation. At a rapid pace, politics is sliding away from left versus right to open versus closed. Just look at the daily Brexit headlines, where there is never-ending debate about just what our relationship with the EU and beyond should look like.

Yet these movements are swimming upstream – rather than stemming globalisation, we need to instead look at how it can benefit local businesses and their communities. We need to support businesses so that they access more markets and opportunities, so that their sights are set globally, from Edinburgh to Ebetsu.

Firstly, any business looking to export needs to scale up. A business cannot export if it lacks the capacity to increase its production or the ability to hire essential staff. Of course, the key to this is capital – something that many smaller businesses struggle to access.

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GLOBALISATION'S ROOTS MUST BE LOCAL

By PATRICK GRAHAM, BGF

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Like wind and water, globalisation is a force that can be harnessed for good, as well as one that can be overwhelming and destructive

Without capital, a business cannot grow and without this growth it cannot hope to succeed overseas.

Smaller businesses often need additional support, beyond capital. Foreign markets are full of potential pitfalls, some of which are as intangible as etiquette over dinner.



From identifying opportunities to understanding how to operate in an alien market, exporting is a daunting arena for newbies. Here, it helps to have an experienced head providing advice and guidance.

But how can a business gain capital and experience? A bank loan brings debt and little advice, and it is hard for smaller companies to get the ear of people who have been there and done it. This is where an investor like BGF can help. We provide equity investment, giving businesses access to capital which enables them to scale up. Not only this, but the businesses we back gain from having access to a huge pool of experienced board-level executives – many of whom are adept in navigating global business and can be invaluable in helping a smaller business taking its first steps abroad.

For the impact of this, I look to BGF-backed M Squared Lasers, which designs and manufactures lasers and optical instruments. The founders of the business, Dr Graeme Malcolm and Dr Gareth Maker, developed an ultra-pure light laser which was considered a breakthrough in the field of laser technology – and sold the first product in 2006. Today, M Squared ships its high-precision products across Europe, North America and Asia, generating around 80 per cent of its revenue from exports.

We cannot push back the wave of globalisation, but we can ride it. Open trade creates real prosperity and can help local companies grow and bring jobs and investment to their local communities. It is time that more smaller businesses are given the tools to compete across the world. ■

BGF initially invests between £2m and £10m into a business in return for a minority equity stake and provides follow-on funding to support further growth. The companies BGF backs are privately-owned or publicly listed, and typically have revenues of between £5m and £100m.



RENEWABLES A VITAL STRENGTH OF SCOTTISH PROPERTY SECTOR

SCOTLAND'S position near the top of the UK's construction league depends disproportionately on renewables, according to figures prepared exclusively for Insider.

Meanwhile, as the property market anxiously awaits the results of rates revaluations this month (January), there are signs of optimism in Glasgow and Edinburgh and hopefulness in Aberdeen for 2017.

Figures presented to the Property 2016 conference, organised by Shepherd + Wedderburn, in Edinburgh late last year showed Scotland comfortably in fifth place out of 11 UK regions for construction. It was behind London, the south east, north west and east of England but showed a 19.5 per cent year-on-year increase in contract values. The figures were presented by Michael Dall, lead economist with Barbour ABI, which provides data to the UK government and Office of National Statistics. More up-to-date figures provided to Insider show Scotland in first or second place.

A rolling 12-month average put

Scotland in first place for September and October with £300m and £265m respectively, comfortably ahead of London on £201m and £202m. In August London was slightly ahead with £334m compared to Scotland's £312m.

When non-renewables

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The volatility in property markets of the past seven or eight years makes it a tough one to call. While certain sectors and locations stabilised, many still haven't recovered
.....

Iain McGhee, Knight Frank (below)

infrastructure is stripped out, however, Scotland slips to fourth place behind London, the south east and the north west of England. Scotland's figures were less than half of London's in October and around a quarter for August and September. Scotland pipped the north west to joint second with the south east in

Above: artist's impression of the Aberdeen Exhibition & Conference Centre

August but then slipped to fourth in September and October.

The disparity in scale between renewables and property infrastructure can be seen in two major projects: the new Aberdeen Exhibition and Conference Centre, due for completion in July 2019, is worth £330m, while the Beatrice Offshore Wind Farm, due to complete in 2020, is worth £1bn.

Scotland's valuations assessors reported to the Scottish Government two months ago but businesses, unlike those in England, have had to wait until this month for the result. And, unlike England, Scotland has a time limit on appeals: the new rateable values take effect on April 1 and appeals have to be lodged by September.

"From Dumfries and Galloway to Dundee and Inverness, commercial rents have fallen significantly," says Peter Muir, head of Scottish Rating at **Colliers International**. "Only Glasgow and Edinburgh appear to have recovered from the crisis. Now even Aberdeen business should expect a cut in rateable values as



values and property prices have slumped since the oil shock.

“Our calculations show retailers in some areas should be due a cut of 60 per cent. Should businesses receive valuations that don’t fully reflect the fall in commercial property prices, they will have only four to six weeks to budget for what their rates liability will be in the financial year 2017.”

Iain McGhee, valuations partner at **Knight Frank**, Glasgow, called the revaluation arguably the most anticipated for two decades. “The volatility in property markets of the past seven or eight years makes it a tough one to call,” he said. “While certain sectors and locations stabilised to some extent during 2012-2015, many still haven’t recovered to pre-recession levels.

“We are likely to see wide variations across sectors and locations in Scotland. Some areas have held up, or even moved forward, but out-of-town offices and high street retail in towns across west central Scotland are just two examples of markets completely reshaped by the economic landscape.”

Office take-up Edinburgh, Glasgow and Aberdeen for 2016 is in line with the previous year’s performance, according to the latest Scottish Offices Report from Savills. This was in spite of a subdued summer after the EU Referendum and set Scotland apart from the UK as a whole where the average for office take-up fell 10 per cent except within the M25.

Among the total take-up of 1.7m sq ft by the end of Q3, there was an almost even split between Edinburgh on 771,825 sq ft and Glasgow on 761,271 sq ft. The fastest growing sector in both cities has been Technology, Media and Telecommunications (TMT), boosted by Cirrus Logic at Edinburgh’s Quatermile 4 and Sky at City Park in Glasgow. Aberdeen saw a pick-up in office take-up in Q3 reaching 146,514 sq ft.

“Lease events continue to underpin slowly improving tenant demand in Aberdeen which is also fuelled by attractive incentive packages being offered by landlords unseen in recent times,” says Simpson Buglass, director in **Savills** Aberdeen office. “As occupiers opt for better quality properties, the unfit-for-purpose, obsolete and uneconomic stock will need to reinvent itself.”

Glasgow and Edinburgh have

continued to see rental growth on good-quality refurbishments driven by a lack of supply. As a result the rental gap between new-build stock, where prime headline rents are more than £30 per square foot, and refurbished stock is narrowing.

“Edinburgh faces a challenge as to where good-quality office accommodation will come from over the next 12 months,” says Keith Dobson, director in Savills Edinburgh office. There is limited new Grade A options available and high-quality refurbishments such as Standard Life’s 1 St Andrew Square is not expected to complete until this quarter (Q1 2017).

David Cobban, director in Savills Glasgow office, reported new-build Grade A availability there has “fallen by two thirds over the course of 2016 to stand at only 131,000 sq ft and with no new development likely until 2019”.

Lease events continue to underpin slowly improving tenant demand in Aberdeen which is also fuelled by attractive incentive packages being offered by landlords unseen recently

Simpson Buglass, Savills (below)

Alistair Reid, director at **JLL**, notes that 2016 was a strong year for Glasgow’s office market with total take-up exceeding the five-year average. “One of the major trends has been limited availability of Grade A stock which in turn has seen real competition for refurbished Grade B accommodation.

“We expect to see office stock continue to reduce, providing more favourable market conditions for landlords. We are unlikely to see commencement of a new office development until well into 2017.”

Despite concerns over sustained low oil prices, a second independence referendum and the UK’s EU relationship, Savills describes the outlook for the Scottish occupational market positive with top rents likely to remain level during 2017 across all three cities.

However new developments arriving in 2018 in Edinburgh and Glasgow will kick start renewed rental growth, it says. The Aberdeen market is showing green shoots after a quiet 18 months as the oil-price

recovery slowly continues.

“While parts of the commercial property market in Scotland have found 2016 a tough year, there have been other transactions which provide some optimism for the 12 months ahead,” says Alasdair Steele, head of Scotland commercial at Knight Frank. “Edinburgh investment levels hit a 10-year peak in the first nine months of the year alone, underlining the strength of the capital and its attractiveness as a destination for investment.

“By comparison, Glasgow has been quieter, although we don’t expect that to remain the case for long. Scotland’s central belt continues to offer strong fundamentals, comparatively attractive lease structures, and relatively cheap stock – a healthy combination for investors, particularly those from overseas as Brexit weighs down on the value of sterling. Of course, the continuing low oil price makes Aberdeen a unique case, but with more oil and gas firms making headway in cutting costs, it’s possible that conditions will improve in this market.”

A major player in Glasgow and Edinburgh will be the Government Property Unit, which shortlisted three sites to meet its requirement for 200,000 sq ft of office space for HMRC. But this will be only first phase of a regional hub in Glasgow, requiring up to 600,000 sq ft, as 170 HMRC offices across the UK are merged into 13 regional hubs.

The shortlist comprised the Tradeston Street area on the south bank of the Clyde, planned for regeneration by Drum Property Group, and north of the river BAM Property’s 300,000 sq ft development at Atlantic Square and HFD Group’s 215,000 sq ft office block planned for 177 Bothwell Street.

“If either of the shortlisted options on the north or south of the Clyde is selected, the GPU’s requirement could have a defining effect on one of these locations,” says John Rae, partner and head of Knight Frank’s Glasgow office.

The GPU is also looking for space in Edinburgh. “The GPU’s huge requirements for space in Glasgow and Edinburgh will be significant for both cities in 2017,” says Rae. “In Edinburgh, a single requirement of this size is rare and it could kick-start one of the speculative developments currently shortlisted – no existing property can house what’s needed.” ■

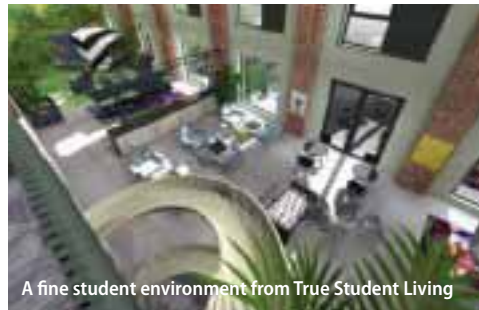


True Student Living to invest £40m

TRUE Student Living is investing £40m in its first location in Kelvinhaugh Street in Glasgow's Finnieston. The 30,000 sq m development on a redundant 1.5-hectare site will create 140 bedrooms within shared apartments and 450 Club Suites, due to open this September.

The high-spec accommodation, financed with UK and China funding, includes touch-pad rainfall showers, flat-screen TVs, a cinema/multimedia zone, a chill-out area, communal kitchen and dining facilities, karaoke room, multi-sports court, flexible work spaces and even a twirl slide to get to the ground floor quickly.

The development will take just 70 weeks, using a system of modules



A fine student environment from True Student Living

manufactured in factory conditions, and up to 110 local tradesmen and sub-contractors. "We're not just about fixtures and fittings," said True Student Living managing director Marc Carter, "but creating a learning and lifestyle experience that will set our students up for the rest of their lives."

Ground broken on £15.3m campus

CONSTRUCTION and infrastructure company Morgan Sindall has broken ground for a purpose-built £15.3m education campus in Balloch, West Dunbartonshire. The design-and-build contract was awarded by West Dunbartonshire Council for a new 53,280 sq ft campus on the site of recently demolished St Kessog's Primary School.

Three existing schools will come together in a 747-pupil single building

housing St Kessog's Roman Catholic primary, a new Balloch Primary School, a new pre-school facility and an Additional Support Needs (ASN) base. Due for completion next year, it will feature a shared administrative area, gym hall, dining room and assembly area.

Harry Thorburn, managing director of Morgan Sindall in Scotland, said: "The importance of this campus to people in the local community cannot be overstated."

Coppergreen buys Piperdam Resort

THE 600-ACRE Piperdam Golf and Leisure Resort at Dundee has been sold to Coppergreen Developments. The resort with 77 high-quality holiday lodges, 27-hole golf course and wedding and conference venue, was founded in 1989 by the sellers.

Holiday park operator Coppergreen secured a £25m funding package from Business Growth Fund (BGF), the investment company backed by five UK banks, and from HSBC, to support the acquisition and the addition of 28 lodges and more outdoor pursuits. Coppergreen was founded by husband and wife David Copley, CEO and Donna Copley, FD, and Richard Sidi, who will retain a non-executive role.

"Holiday and leisure parks of this

The Piperdam Golf and Leisure Resort



size, quality and trading record rarely become available," said Richard Moss, head of Colliers International's Parks team who advised the sellers, along with specialist teams at solicitors Harper Macleod solicitors and accountants Findlay & Co. "It was no surprise that it attracted a progressive operator such as Coppergreen."

Deal secured for Lidl to take Titan building

AS HIGHLIGHTED in Insider's recent Lanarkshire in Focus feature, supermarket chain Lidl is to site its Scottish distribution centre at Eurocentral. It is now moving into the 122,000 sq ft Titan building there following an off-market deal secured by Colliers International.

Lidl has exchanged contracts on a 50-acre site at Eurocentral for the centre which will have a new 624,000 sq ft warehouse. "Titan will be used alongside our existing warehouses in Livingston until our new Scottish Distribution Centre is complete," said Adrienne Howells, Lidl's head of warehouse expansion.

Iain Davidson, director of Industrial and Logistics with Colliers International in Scotland, said: "Titan wasn't on the market but we were aware of its availability and that it would be an ideal solution. We were able to move quickly and negotiate a deal."

Titan, owned by Laurel Properties which was represented by Neil Cockburn Property Consultancy, has 12-metre eaves and a 48-metre deep yard. "The opportunity arose for the landlord to cover an element of their holding costs, not least empty rates," said Neil Cockburn. "It is still the intention that Laurel Properties' sister company, CCG, will occupy in the future, increasing their off-site manufacturing capabilities."

Sauchiehall block for sale

A SAUCHIEHALL Street block in Glasgow has been put on the market for Lujo Properties by Savills. The Grade B-listed Ashfield House at 396-408 Sauchiehall Street has 17,248 sq ft of offices and 25,362 sq ft of retail and leisure space over the lower ground and five upper floors.

It is part-let to a mix of tenants and generates £238,000 per annum. "Sauchiehall Street is earmarked for significant regeneration and improvement works to its buildings and public realm," said David Cobban, director in the business space team at Savills Scotland. ■

WORTH GOING THAT EXTRA MILE FOR

Perfectly situated on the M8 between Glasgow and Edinburgh, Maxim has quick and easy transport links to both cities and the surrounding areas.

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ABERDEENSHIRE TOP 100

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KEYNOTE SPEAKER

Stephen Boyle is Chief Economist of RBS and a director of the Bank's main pension fund. He is a trustee of the David Hume Institute and a member of the Policy Committee of the Centre for Economic Performance at LSE.

For further information please contact

Kirsty Loughlin, Event Manager,

kirsty.loughlin@trinitymirror.com, 0141 309 3885 | 07748931401

www.insiderbusinessbreakfasts.co.uk



in association with



Comedian Alfie Moore headlines SME300 Awards

THIS year's Insider Bank of Scotland SME300 Awards will be held on Wednesday, February 22 at the Hilton Hotel, Glasgow.

The after dinner entertainment for the SME300 2017 Awards is top comedian Alfie Moore, who, while no stranger to performing, has something that sets him apart from the crowd - his 18 years serving as a police sergeant.

He has had audiences up and down the country in stitches with a host of stories he says "you couldn't make up", during his latest tour, *Get Away With Murder*.

But he is taking a break from his more usual comedy appearances to entertain the audience at the Scottish SME Awards 2017.

The awards feature the best of small and medium-sized businesses in Scotland which have a turnover of between £8m and £20m. The evening will celebrate the firms in a whole range of sectors from all over Scotland that have really been making waves.

Alfie Moore honed his comedic skills on BBC Radio 4, where he writes and performs his own prime-time comedy show, *It's a Fair Cop*.

The show has had its fair share of headlines, both good and slightly controversial and all filled with insider tales from the boys in blue.

He regularly encourages listeners



Above: Alfie Moore

to phone in, happy to hear both sides of the story – usually with hilarious results.

Having already had three successful series, the show has been renewed for season three, which is expected to air in Spring 2017. When he isn't finely tuning his show, Alfie has enjoyed a popular

stint on the UK tour circuit, opening for comedians such as Rhod Gilbert, Sarah Millican, Russell Kane and Milton Jones on their national comedy tours.

He has also headlined his own shows at comedy festivals across the country, including the Edinburgh Festival Fringe.

No stranger to the small screen either, Alfie has appeared in *Show Me The Funny* on ITV, *The Wright Stuff* on Channel 5 and as part of Comic Relief as a 'pundit' on Sky News.

Standing true to his roots as a pillar of the community, Alfie is a patron of the Weston Park Hospital Cancer Charity which has seen him train brave business leaders in the art of comedy to raise money through *Funny Business* Sheffield and *Funny Business* Doncaster.

A member of the Writers' Guild of Great Britain, Alfie still regularly writes for the *Police Oracle* as a columnist. ■

Alfie Moore honed his comedic skills on BBC Radio 4, where he writes and performs his own prime-time comedy show, *It's a Fair Cop*

More information about the event can be found by visiting www.sme300awards.co.uk or by contacting Carrie McGill at c.mcgill@insider.co.uk or by calling 0141 309 3423. To book tickets or discuss sponsorship opportunities please call Michele Aaen on 0141 309 4906 or email maeen@insider.co.uk.

businessinsider





Nadine Dereza to compère Deals Business Breakfast

WILL this be the year of transformative deals that changes the shape of the North Sea oil and gas industry?

That will be a key issue that will be discussed at the Insider and CMS Deals and Dealmakers Business Breakfast being held in Aberdeen on Tuesday 7 March, 2017.

The event will air the big issues for everyone involved in making deals happen.

It has been predicted before that a sea of deals would take place that would transform the energy sector in the North East of Scotland only to see discussion peter out rather than come to completion.

But will the level of the oil price be sustained and prove a catalyst for deals or will changing relations between oil producers change the shape of the landscape once again?

Or will it be a deal in a sector other than energy that captures the imagination and makes the running at the Inside Deals and Dealmakers Awards?

Will there be a lot of deal activity in food and drink that affects Aberdeen and the North East, in financial services or professional and business services?

Once a major deals hotspot in Scotland and the UK, deals activity in Aberdeen and the North East has declined with the fall in the oil



price but will that continue in 2017 or will Aberdeen emerge again as a deals capital?

The Insider and CMS Deals Breakfast, which takes place again at the Mercure Ardoe Hotel, will be compèred by Nadine Dereza, the business presenter who has appeared on BBC, CNN, and Sky.

A former London Markets correspondent for the Financial Times, Dereza is renowned for her

.....
The Deals Breakfast, which takes place again at the Mercure Ardoe Hotel, will be compèred by Nadine Dereza, the business presenter who has appeared on BBC, CNN, and Sky
.....

interviews with chief executives and senior management teams which tease out the key issues in a changing national and international economic landscape.

Nadine chairs, moderates and facilitates conferences and live events for a diverse range of clients across many sectors globally.

She will quiz a guest speaker and a leading panel of business figures with key perspectives on the issues that will shape dealmaking for the rest of 2017 and beyond.

The event is sure to attract the interests of deal professionals working both within the area and well beyond it.

Among the questions that will be asked are:

- What are the prospects for deals in the next 12 months?
- Is this a good time to make acquisitions or sales in the energy industry?
- How much should we consider the changing international environment in making deals?
- Will we see more business owners seeking to make an exit? ■

For more information about the event or to book tickets please contact Kirsty Loughlin on 0141 309 3885 or by email at kirsty.loughlin@trinitymirror.com. To discuss sponsorship please call Michele Aaen on 0141 309 4906 or email maeen@insider.co.uk



Your chance to shout about what you make in Scotland

YOUR business has to stand out if you're going to succeed. Differentiating yourself from the rest of the marketplace is key. But what makes Scottish business as a whole stand out?

What are the products, the services, the inventions that are made in Scotland that are something to shout about? That is exactly what the Insider Made In Scotland Awards, in association with the University of Strathclyde's Advanced Forming Research Centre (AFRC), are all about.

This year's prestigious awards event will be held at the Glasgow Science Centre on Wednesday 19 April 2017.

If your business fits the bill of any of the following categories, then you should certainly apply for our awards. The categories are:

Manufacturer of the Year: will be awarded to the manufacturer who shows innovation, a commitment to excellence, sales growth and increased profitability between January and December 2016.

Inventor of the Year: the Scottish-based person behind the product or process launched in 2016 that has substantial commercial potential.

Best New Product: the product designed or manufactured in Scotland and put on the market between January and December

2016 that has the potential to really drive sales.

Young Innovator of the Year: the person under the age of 25 who has developed an innovative product or process in 2016.

Innovator of the Year: this award is for a Scottish-based manufacturer which used innovation in production which had a measurable effect on profitability.

Food and Drink Company of the Year: the Scottish-based food and drink company which has shown significant progress in 2016. The judges will be looking for innovation in manufacturing, improving profitability, product development and sales and marketing performance.

Life Sciences Company of the Year: The Scottish-based life sciences business that has innovated and made an impact in 2016.

Exporter of the Year: the Scottish-based business that has



demonstrated success in exporting Scottish-made products in the calendar year.

Engineering Company of the Year: the Scotland-based engineering company that can demonstrate its ability to introduce new processes and make an impact in its market in 2016.

All of the winners from each of the categories will be entered into the overall Business Insider Made in Scotland Award 2016.

Professor Keith Ridgway CBE, executive chairman of the AFRC, said: "We are delighted to be partnering with the Business Insider Made in Scotland awards. The ethos of the AFRC and the awards are very similar; both were set up to support and celebrate innovation in manufacturing in Scotland. The AFRC wants to see manufacturing companies of all sizes, regardless of industry, push the boundaries to become more competitive and ultimately achieve a greater level of success."

"The Made in Scotland awards is a great way of recognising the success of these companies." ■

More information about the event can be found at www.insidermadeinscotland.co.uk. To book tickets or discuss sponsorship opportunities, please call Michele Aaen on 0141 309 4906 or email maaen@insider.co.uk

.....
Our inaugural year saw a remarkable set of businesses and individuals on show with the products and passion that mark them out
.....

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BRODIES

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Top finance professionals invited to enter for prestigious awards

ENTRIES are now open for the prestigious 2017 Scottish Accountancy & Finance Awards.

The awards will recognise the skills and achievements of accountants and finance experts in the public and private sectors and will be held at the Radisson Blu in Glasgow on 14 June, 2017.

In keeping with tradition, the awards will feature interviews with the independent judging panel for all shortlisted entries.

Ken Symon, editor of Insider, which organises the awards, said last year's awards were a resounding success and looked forward to even more entries this year. The categories are:

Accountant of the Year: for an outstanding individual in the private or public sector in Scotland who has made his or her mark in accountancy, particularly during 2016. Finalists will not be announced for this award, the winner will be announced at the ceremony.

Large Accountancy Firm of the Year: for a firm which has enjoyed an exceptional year in 2016 and demonstrated its outstanding achievements. The judges will look at areas such as leadership, innovation, growth, client service and CSR.

Restructuring Team of the Year: for an insolvency practitioner who has successfully

assisted companies in distress and produced the best possible outcomes in the circumstances.

Tax Team of the Year: for a team which must be client focused and able to present good results for their clients. Innovative solutions will also be considered.

Corporate Finance Team of the Year: for a team which must be client focused and able to present good results for their clients. Innovative solutions will also be considered.

Small Accountancy Firm of the Year: accountancy firms with fewer than 50 staff in Scotland. For a firm which has enjoyed an exceptional year in 2016 and demonstrated its outstanding achievements. The judges will look at areas including leadership, growth, innovation, client service and CSR.

Finance Director of the Year: the panel is looking for finance directors who have provided a significant contribution to the development of their company or organisation and perhaps have made their mark with some special achievements. The organisation may be a head

office or a subsidiary but it must be based in Scotland. Finalists will not be announced for this award, the winner will be announced at the ceremony.

Emerging Finance Director of the Year: candidates for Emerging FD of the Year are likely to be showing long-term potential in their first FD role. There is no specific age limit. He or she will have contributed significantly to the development of the company or organisation. The organisation may be a head office or a subsidiary but it must be based in Scotland.

Public Sector Finance Team of the Year: the winning team will be one which has made an outstanding difference/major impact to the public sector organisation of which it is part.

Young Accountant of the Year: accountants who have qualified within the last five years and who have demonstrated leadership, contributed to strong growth, presented innovative solutions and demonstrated good client service. Entrants should have entrepreneurial flair and be good team players. ■

The awards will feature interviews with the independent judging panel for all shortlisted entries

More information: visit the website at www.scottishaccountancyawards.com. To book tickets or discuss sponsorship opportunities please call Michele Aaen on 0141 309 4906 or email maaen@insider.co.uk.

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Think Ahead



TOP500 insider BUSINESS Breakfast

A tremendous roster of speakers for Top 500 Business Breakfast

A LEADING panel of guest speakers has been unveiled for the Top 500 Business Breakfast in Edinburgh.

Panel members will include Alison McGregor, chief executive of HSBC Scotland and Sandy Kennedy, chief executive of Entrepreneurial Scotland.

They will join keynote speaker RBS group chief economist Stephen Boyle at the event taking place at the Sheraton Grand Hotel and Spa in Edinburgh on Friday January 13.

The speakers will give insights on the economic backdrop to all our businesses as we move further into the New Year following the unparalleled events of 2016.

They will look at the major themes and issues affecting businesses including Brexit, the level of the pound, the deal climate and availability of finance.

Alison McGregor started working in the Bank of Scotland when she was 15 to help her mother support the family after her father died. From there she went on to study for a banking degree and landed a job with Barclays.

After more than 20 years with Barclays Alison moved to Clydesdale Bank, where she worked as regional and then national director of corporate, structured and acquisition finance.



In 2013 she was headhunted by HSBC, and after just four months at the company she moved from director of corporate banking to being chief executive of its Scottish banking operations.

Cambridge law graduate Sandy Kennedy began his career working with the multi-national law firm

Ashursts, based in London, where he specialised in private equity.

Sandy went on to complete an MBA at Strathclyde University before moving into supporting entrepreneurs in Scotland.

In 2014 he helped establish Entrepreneurial Scotland, a group which supports entrepreneurs and every stage of their growth. The body was formed from the merger of the former Entrepreneurial Exchange and the Saltire Society. ■

For more information see www.insiderbusinessbreakfasts.co.uk. To book tickets or discuss sponsorship opportunities please call Michele Aaen on 0141 309 4906 or email maeen@insider.co.uk

The speakers will look at the major themes and issues affecting businesses including Brexit, the level of the pound, the deal climate and availability of finance

businessinsider





Swim Run: calling the adventurous

INSIDER in partnership with Vigour Events is launching its first participatory sports event – The Insider Swim Run. The event will take place in August amid the dramatic scenery of Loch Lubnaig. Participants will take part in Scandinavia's most fun endurance event which is now sweeping the UK.

Insider is looking for teams of two or four from the business world to take part in the inaugural event which will be held on Sunday 20 August.

Teams will cover an overall distance of about 16k, which will be made up of approximately 3.5km of swimming and 12.5km of running – there will be a swim then a run followed by another swim and run to complete the course.

Situated in the Loch Lomond and Trossachs Country Park, Loch Lubnaig nestles in the fantastic scenery between Ben Ledi and Ben Vorlich. The Swim Run event will allow the entrants to experience the joy of wild swimming in the loch in a wet suit followed by an off road run through the forest next to the loch.

Calum Maclean, a self-confessed swim run and wild swimming "obsessive" sums up the attraction

in taking part in such events: "The feeling of freedom you get from swimming outside is amazing."

Maclean, who he says will probably take part in about four or five swim runs this year, has swum in a wide range of outdoor settings including across the Corryreckan Whirlpool, which lies in the narrow strait between Jura and Scarba and Argyll and Bute. "You can only swim across it at certain times when it's safe to do so but even then you do feel the pull of it."

Maclean will either wear a wetsuit or not depending on the weather conditions but participants in the Insider Swim Run will be required to wear a wetsuit for safety. They will be provided with a swim safe float, swim cap and race bib.

He says: "After swimming outdoors you feel, maybe not cramped exactly in a pool but you certainly don't have the same feeling of freedom that you get swimming in the outdoors. There is so much more to see."



Unlike traditional events which combine swimming and running in two set stages, in swim runs you swim and run in the same gear and carry everything with you that you need as you go.

Swim runs started when two Swedes made a bet to swim across 20 islands in Stockholm's archipelago. The event was turned into a commercial race in 2006 – and now the craze has crossed to the UK.

Enthusiasts say it is a wild and primal experience and that participants have to adapt to their environment – whether in the water or off road on land. Participants run and swim in pairs not only for safety as you travel in open water and trails rather than roads but also for camaraderie.

Michele Aaen, director of business and events at Insider, says: "Insider is inviting the adventurous from Scottish business to have the ultimate outside experience - in the stunning scenery of Loch Lubnaig and the nearby forest trails." ■

Insider is looking for teams of two or four from the business world to take part in the Swim Run

For further information see the Insider Swim Run website at <http://www.vigourevents.com/businessinsiderswimrun> or contact Michele Aaen on 0141 309 4906 or maaen@insider.co.uk

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'TRUMPONOMICS' LOOMS FOR FINANCIAL MARKETS

THERE are few events that you can plan on attending that are guaranteed to go down in history," says Washington DC's official travel site. "The President's swearing-in ceremony is one of them."

January 20 this year will also be a landmark in economic history as the new President finally gets the power to launch the policies dubbed 'Trumponomics'. Their effects will include rising inflation and interest rates.

He has, after all, already accused the Federal Reserve of creating a "false economy" with low interest rates that are "going to have to change". Nevertheless Bank of America, Merrill Lynch, HSBC, UBS and Capital Economics raised their forecasts for American growth towards the end of last year.

A rate rise was already expected but Geir Lode, head of Global Equities at Hermes Investment Management, has said Trump's "proposed fiscal splurge will act as a catalyst to accelerate the cycle". Higher infrastructure spending fuelling inflation will force rates to rise more rapidly.

He warned that a tighter economy and lower immigration under Trump's presidency could raise the spectre of stagflation with rising prices and falling employment. Bank shares could benefit from improved margins being earned on core banking services and, in America, a reduction in regulation on capital reserves and lending levels.

Meanwhile property investment could be hit by interest rate rises hurting real estate investment trusts (REITs) especially if they are highly leveraged.

Trump is also promising \$1trn of infrastructure investment over 10 years to rebuild highways, bridges, tunnels, airports, schools and hospitals, much of which will require private finance. If that happens Tony Roper, director of InfraRed Capital Partners, believes London-listed investment companies with a presence in the US will be in "a good position to participate in them".

Infrastructure investment company BBGI, incorporated in Luxembourg but listed on the London Stock Exchange, has 39 public-private

infrastructure investments, including the East End Crossing Project, a highway project scheduled to open last month (December) and consisting of a new 1,700ft tunnel and 2,500ft cable-stay bridge across the Ohio River between Kentucky and Indiana, home state of Vice President Mike Pence.

BGGI's joint chief executive Duncan Ball foresees an increase in the popularity of the public-private partnership model this year.

Britain's investment company industry has a thriving specialist infrastructure sector. Its closed-ended structure lends itself to providing a way to access infrastructure by investing in contracts to

.....
Trump is also promising \$1trn of infrastructure investment to rebuild highways, bridges, tunnels, airports, schools and hospitals, much of which will require private finance
.....

develop and run long-term capital expenditure projects in transport, healthcare and schools.

The contracts are long-term, usually 20 to 50 years, delivering a stable income over the period of the contract, often linked to inflation.

It has been the fastest-growing investment company sector of the last decade, according to Annabel Brodie-Smith of the Association of Investment Companies.

Managers have a stable pot of money unaffected by investor inflows and outflows. The sector is trading on a premium of around 14 per cent due to strong demand for alternative income.

Scottish investment trusts helped to build America's infrastructure first time around. Trumponomics may allow us a second bite at the cherry. ■



PRODUCT OF THE MONTH

The ISF Global Credit Income Fund

A FUND to invest across global credit markets, including in investment-grade, high-yield, emerging market and asset-backed securities, has been launched by Schroders. The ISF Global Credit Income Fund will not be managed against a benchmark, allowing the investment team to follow their convictions for income opportunities and avoid drawdown risks.

"Our first credit income fund is in direct response

to demand from clients seeking income from viable alternatives to equities," said John Troiano, global head of distribution. "In the current low interest rate environment the search for income has been at the forefront of our clients' minds but many do not want to take on high levels of risk to achieve this."

The London credit team claims a return of 7.1 per cent per annum in their Schroder ISF EURO Corporate Bond I Share over three years. Of the

new fund Patrick Vogel, head of European Credit, said: "Unlike funds that aim to outperform their benchmarks, where the funds' total returns are largely governed by their benchmarks, the principal aim of this fund is to deliver a consistent and attractive income. Achieving this requires a more flexible strategy, where the investment team has the freedom to allocate across the broad global credit universe." ■

Q&A

Sarah Tory, Shepherd + Wedderburn Financial Ltd

Q: January is the month when Google searches for 'divorce' suddenly spike but you think people should plan for divorce when things are going well?

Yes. Generational business and family wealth are hard earned. Significant detriment can be done to lifetimes of careful planning unless events such as divorce or separation are considered.

Many clients are looking for solutions to preserve wealth and make provision should the worst happen. We protect our wealth in the event of serious ill-health and premature death and now more are looking at what is likelier: the break-up of a relationship.

Q: How do our changing lifestyles affect matters?

People are getting married later in life and in many cases have more than one marriage in a lifetime. So wealth accumulated prior to the wedding should be considered. Many aspects of pre-nups and cohabitation agreements come from families looking to make substantial gifts, either of capital or shares in a business.

Rearranging the shares in a business in particular needs to be addressed carefully.

Q: What about the effect on business finances as well as the personal?

The ramifications of a business exit through divorce can be devastating from a personal finance position and also the day-to-day running and profitability of a business. Anyone wanting to look at distribution of wealth and the consequences of such things as loss of a shareholder or divorce should have advisers in three key areas: accountant, solicitor and financial adviser. Working together they can create a strategy that satisfies key requirements of reducing taxation, ensuring wealth is preserved and passed down the generations, and issues such as divorce are discussed when things are amicable.

Q: What about their pensions?

Someone who has been making pension provision for many years can have accumulated hundreds of thousands of pounds. In Scotland there are three main ways in which a pension is considered when splitting assets.

A common way was offsetting. A spouse would get a larger share of another asset and



leave the pension: one keeping the house and the other their pension.

It achieves a clean break and does not require a court order but both are left without diverse assets. The party with the house may have to downsize to generate income, and the pension owner may struggle to get on the property ladder with no liquid assets. With earmarking a proportion of benefits are assigned to the other party. This avoids splitting a pension but one party will receive their share only when the other retires.

In acrimonious splits this can lead to deliberate delaying of retirement. Earmarking requires a court order. The last option, used more frequently recently, is sharing or splitting: the pension is valued and a monetary amount awarded to the spouse. They receive those funds as pension and take them to their own pension fund for investment. This is a clean break and requires a court order.

Q: What about the new pensions reforms?

The new ability to liquidate a pension post-55 could mean that instead of a proportion of pension being awarded there could now be a cash award. This throws up many issues.

Is the recipient better off to receive cash or looking to their longer-term future and not taking the quick option. If encashed what will the income tax consequences be for the person giving their pension away? Would it be better to award the split and then make the cash sale? What about death benefits and inheritance tax consequences of receiving cash rather than pension? This is a complex area of financial planning and is something that we see more of.

Sarah Tory is a financial adviser with Shepherd + Wedderburn Financial Ltd



Anna Croze

Executive Director

Adam & Company

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Unexpected outcomes

Often in January, a slew of predictions appear from market watchers offering their 'guess-timates' as to the level of the FTSE or Dow Jones by the end of the year. Usually, they are wrong.

This can be because of an economic or political event that was not widely predicted – the Russian debt default for instance, 9/11, or the Great Financial Crisis.

Sometimes there are events that are known about, but the result and the ramifications are unexpected. We knew there would be an EU referendum and a US Presidential Election. And we knew there would be a winner of the English Premier League.

But few would have bet on a vote for Brexit, Trump to be President Elect and Leicester City to lift the trophy. So few in fact, that a £1 bet on an 'accumulator' of these events at the outset, would have netted the lucky pundit over £4.5m.

Investment managers are paid to take carefully calculated risks. Most would have bet that the equity markets would fall if they had correctly anticipated Brexit and Cameron's resignation, the US election, the Italian referendum leading to Renzi's resignation, a coup in Turkey, Russian power plays in the Middle East and several horrendous terrorist attacks throughout Europe and the Middle East. And in a way, they would have been right.

The FTSE has been led higher by some heavyweight sectors such as banks and oil and mining stocks, which have risen sharply, driven by a recovery in underlying prices of commodities in the case of Shell (returning 55 per cent year to date) and Rio Tinto (73 per cent), and increasing interest rate expectations helping some banks (HSBC 31 per cent).

Outside these sectors, returns have been insipid, and in some cases poor. Diversification, as ever, has been the key to success. Some underperforming companies have compelling valuations. 21st Century Fox has announced a bid for Sky for the 60 per cent of the company it does not own, which has been weak owing to concerns about the UK consumer and, following the drop in Sterling, became even more attractive to Murdoch.

We look to 2017 with eyes wider open for previously unexpected outcomes. Front of mind are the French and German elections – and what Trump will do when he becomes the 45th President of the United States.

Nothing in this article constitutes advice, or a representation that any investment or strategy is suitable or appropriate to your individual circumstances, or constitutes a personal recommendation to you.



The Investment Mantra



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"It's not how much money you make, but how much money you keep, how hard it works for you, and how many generations you keep it for." - Robert Kiyosaki

Investment? Easy, with 1840 UK asset managers there's more investment choice than you can shake a stick at. Picking the right funds that add value, that's the tricky bit.

The FCA Asset Management Market Study Interim Report lit the blue touch-paper suggesting the more you pay, the less you get.

"However, we find there is no clear relationship between price and performance – the most expensive funds do not appear to perform better than other funds before or after costs."

"Our analysis indicates that... on average the cheapest funds generated higher gross returns and higher net returns than the most expensive funds."

"There is little evidence of persistence in outperformance in the academic literature."

An attack on active funds? No, the report identifies £6bn in passive funds charging significantly more than average. Not all trackers are the same.

Let's go back to that academic literature, what does it tell us about long term investing?

It tells us -

- Markets are efficient, so trackers work well up to a point.
- Shares over time, not every year, will perform better than gilts or bonds
- Shares in smaller, value companies perform better than larger ones
- Cheaper funds generate more return for clients than expensive ones
- Active fund costs don't add value consistently, and higher costs hurt returns.
- An outperforming fund is unlikely to be a repeat offender.

Ask yourself the following questions.

- Do I know where and how my money is invested?
- Do I know how much it's costing me?
- Do I know how its performing?
- Do I know what my investments are worth right now?

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NEW POSTS

First Group has appointed former **Stagecoach East Coast** managing director **Andrew Jarvis** as its new managing director of First Bus in Scotland. Aberdeen-based First Group said Jarvis will join the business in April 2017.

The Institute of Directors (IoD) has appointed **Julie Ashworth** as the new chair of its Edinburgh and Lothian branch. Ashworth, who currently chairs retail technology start-up **Clear Returns**, was previously retail director at **Liberty**, a consultant to retail director and business coach at **Marks & Spencer**, executive retail partner with **IBM** and retail director with **The Spirit Group**.

STV Group has appointed **Brewin Dolphin Holdings** chairman **Simon Miller** to its board as a non-executive director. He is currently chairman of Brewin Dolphin Holdings Plc; chairman of **Blackrock North American Income Plc**; chairman of **JP Morgan Global Convertible Income Trust** and non-executive director of **Scottish Friendly Assurance Limited**.

Forth Ports has appointed **Gavin Booth** as its business development manager for its seven commercial ports on the Tay and Forth Estuaries.

Commercial law firm **Davidson Chalmers** has appointed **Alison Graham** as its new head of marketing and business development.

Thomson Cooper has promoted **Mark Gibson** to partner in its Dunfermline office.

In the spotlight



Name/Company: **Stuart Brown, Barclays Bank**
Previous title: **Head of SME lending, Aberdeen**
New title: **Head of SME banking for Scotland & Northern Ireland**

BARCLAYS Bank has appointed Stuart Brown as its new head of SME Banking for Scotland & Northern Ireland.

Brown, who had led Barclays SME lending in Aberdeen for the past year, takes over the role

from Jamie Grant, who recently took over as head of Barclays in Scotland and Northern Ireland from Ally Scott, who moved to big four accountants EY.

Brown joined Barclays in 2015 from Bank of Scotland, where he

had spent 20 years of his career, laterally as Scotland regional director of strategic finance for Lloyds Banking Group.

Barclays, which launched a £500m SME fund in June "to address gaps in the current supply of finance for businesses in Scotland", said Brown's role will focus on delivering funding and support for small and medium sized companies, spanning start-up to scale-up through to established businesses.

Commenting on Brown's appointment, Jamie Grant said: "Stuart brings to the role more than 20 years of experience working with businesses.

"At a time when SMEs need support and guidance to navigate economic change more than ever, Barclays is committed to helping them to launch, grow and realise their potential."

Sibbald chairs Science Centre

Dr David Sibbald OBE has been appointed as the new chairman of Glasgow Science Centre. Dr Sibbald takes over the role from Professor Sir Jim McDonald, who stepped down after six years.

Dr Sibbald is one of Scotland's most successful technology entrepreneurs. He gained initial success with communications software developer Atlantech Technologies and went on to found IT service management platform Summerian and cloud-based biomedical research platform, Aridhia - two fast-growing technology companies in which he remains involved.

He also provides support to third sector organisations and is the founder and trustee of the education, care and micro-enterprise children's charity the Kate MacAskill Foundation as well as being the founder and chairman of the Johari Foundation.

New head at St George's School for Girls

ALEX HEMS has recently taken up her post as the new head of St George's School for Girls, Edinburgh. St George's, founded in 1888 by the pioneers of women's education in Scotland, is Scotland's largest all-girls' school.

Hems joins St George's at a time when the school is near full capacity, and in the latest full school inspection by Education Scotland, the school was awarded the highest possible grading of "excellent", i.e. sector-leading in three areas.

Hems has spent 20 years working in leading UK girls' schools. Most recently she was deputy head of Wycombe Abbey School, a highly acclaimed girls' boarding school in Buckinghamshire.

Hems says: "When I first visited the school, I was immediately struck by the focus on each girl and how well teachers knew their pupils. The school is small enough to offer excellent pastoral support and time to concentrate on each child, yet large enough to provide a broad range of curricular subjects and extra-curricular



opportunities. Academically, the girls are offered a wide range in their choice of subjects. The GCSE programme and Sixth Form Higher and Advanced Higher curriculum are built around the girls' subject choices, rather than imposing a prescribed range of subjects for them to choose from.

"I aim to foster an ethos which enables every girl in the school to feel that she has something special to contribute." ■

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FATAL ACCIDENT INQUIRIES POWERS EXTENDED

NEW RULES coming into force in Scotland in the spring of 2017 will extend the powers for Fatal Accident Inquiries to investigate deaths of Scottish nationals killed whilst working abroad.

Under the existing Health and Safety at Work Act 1974 (HSAWA), employers have a statutory duty to take all reasonably practicable measures to protect workers from risks to their health and safety whilst at work.

However HSAWA is limited to UK territory and territorial waters, though it does include UK registered ships, aircrafts and offshore installations, but at present has no application outwith those areas relating to sending employees overseas to work in potentially hazardous locations. In the landmark case of the Palfrey family v Ark Offshore Limited, the company was found to have failed to take reasonable care to ensure the safety of an oil worker who contracted malaria while on assignment in West Africa.

In Scotland, employers can be held criminally liable for injuries or fatalities sustained by employees in their place of work, though Scots criminal law generally does not extend to offences committed out with Scotland. However, because offences under HSAWA relate to poor management of risks, the offence may occur in Scotland even if the consequence of that is an incident abroad, meaning a the company and the individual manager responsible could face prosecution in Scotland if a worker is exposed to a foreseeable risk of harm whilst working abroad.

New rules coming into force in Scotland in the spring of 2017 include powers to extend Fatal Accident Inquiries (FAIs) to investigate the deaths of Scottish nationals killed while

working abroad.

Scottish law firm Burness Paull notes while inquests and inquiries are not intended to be fault finding or establish blame, any evidence coming out of such an investigation can establish a basis for a separate criminal prosecution. A benchmark survey conducted by SOS Foundation last year, which gathered responses from 600 global companies, found 95 per cent of respondents routinely send employees to high-risk areas around the world. Around a third of the respondents admitted they didn't know whether they had legal requirements or owed a duty of care towards the employees they were sending abroad.

Burness Paull and medical and travel security risk assessor International SOS Foundation recently published a white paper to help Scottish companies to assess the risks when sending staff overseas.

The Sending Workers Abroad white paper details the duty of care required by Scottish companies for workers travelling on business and overseas assignments.

International SOS's Tim Willis said: "Scottish companies need to be proactive and conduct thorough risk assessments before sending workers abroad. This new paper outlines the organisation's responsibilities towards the health and safety of their mobile workforce, as well as preventive principles, including travel risk policies, risk assessments, training, tracking and communication.

"By providing a jointly developed paper with the legal experts at Burness Paull we are able to provide organisations with trusted best practice in the planning, preparation, support and debriefing stages of a successful business assignment." ■



Douglas Cameron

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Fire Safety in the Workplace

A recent fine of £410,000 levelled on the owners of a care home following a fire, brings back memories of Rosepark Nursing Home, and the avoidable deaths of 14 residents in 2004. The courts found that these deaths might have been avoided had a proper risk assessment been carried out and the findings acted on.

Central to the Rosepark case was the lack of a suitable fire risk assessment. The document purporting to be a risk assessment failed to identify the residents of the home as persons at risk; it paid limited attention to the protection of the means of escape and the arrangements for evacuation. It also ignored various precautions which would have avoided a fire or at least have minimised its impact.

Thankfully in the recent case, there were no fatalities but the court's findings make grim reading. Half of the home's fire extinguishers had been condemned, fire doors were wedged open, and safety measures had been ignored.

In light of the events in 2004, it is concerning that it remains the case that significant numbers of employers do not appear to take the potentially fatal risk of fire at work more seriously. Care homes, with their vulnerable and often residents, are at particular risk. A brief google search shows a worryingly large number of instances. In February 2015, 39 elderly people were evacuated from a Bournemouth care home, after an electrical fire. A Care Quality Commission inspection had previously intimated concerns about the home's fire safety. In February 2016, an elderly man died after fire at a care home in Dundee and in June 2016, sixteen care home residents were rescued by firefighters after a fire in Croydon.

It is to be hoped that the above cases will serve as a reminder to all employers, not just care homes, to take the issue of fire safety seriously and we do not have to await another major incident like occurred at Rosepark for real change to occur.

LAW
LAW AT WORK

SLAINTE!

Insider's regular events picture pages

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Top: Chef Paul Wedgwood created a Bajan-themed menu at his Royal Mile restaurant, Wedgwood the Restaurant, for a very special night on St Andrews Day, which this year was also the 50th anniversary of Barbados achieving Independence. Paul is pictured here with the Barbados High Commissioner, Guy Hewitt.

Above: Simmons and Company International Limited's annual Christmas party was held at Simmons House in Aberdeen on 7 December 2016. L-R: Simmons staff Jason Smith, Helen Langlands, Wendy Welsh and Allister Langlands.

Left: Fiona Mackinnon (left) and Steve Dawn, guests at the Aberdeen City and Shire Tourism Awards, which were held on Friday 25 November 2016 at Ardoe House Hotel & Spa, Aberdeen.

WORTH THE WAIT



Above: The 16 award winners pictured at this year's Highlands and Islands Tourism Awards, held at the Kingsmills Hotel, Inverness.

Right: Pictured at the Entrepreneurial Scotland Annual Entrepreneur of the Year 2016 awards at the Double Tree by Hilton in Glasgow are, L-R: Chris Gauld, CEO Spark Energy (Emerging Entrepreneur of the Year 2016) and James Milne CBE, chairman and MD of Balmoral Group (Entrepreneur of the Year 2016).

Below: Derek MacKay MSP, Cabinet Secretary for Finance and the Constitution addressed the SCDI Influencers' Dinner in November, supported by Anglian Water Business. L-R: Bob Wilson (Anglian Water Business); Tony Donnelly, (Anglian Water Business), Derek MacKay; Ross Martin (SCDI).



THE **TEN** MINUTE INTERVIEW

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Jamie Grant

Jamie Grant is the head of business and corporate banking for Barclays in Scotland. He was promoted to the role in July 2016, having held a series of other posts in Barclays in Scotland from 2005. Prior to joining the banking giant he worked for the Bank of Scotland for three years and before that was a consulting manager in risk with EY in Cape Town, South Africa.

What does your typical day involve?

It starts with me battling my way through the dreaded traffic as I make my way to Edinburgh from Fife. When I arrive in the office I clear my inbox and set out an agenda for the day ahead to decide how I'm going to split my time between internal and external priorities.

It's important that I have a presence in the office to be accessible to my team, however at the same time I like to get out for business and actively engage with clients to understand their needs. I'm a night owl so you'll usually still find me at my desk after working hours and it's not uncommon for me to hit the restart button when I get home, but I'll always carve out time to spend with the kids before they go to bed.

If you could choose anyone, who would be your fantasy board member and why?

Mark Zuckerberg – some believe that wisdom comes with age but he has changed the world in such a short period of time, just imagine what might come in the future.

If you could choose anyone, who would be your fantasy dinner party guests and why?

Olympic gold medallist Daley Thompson, and for entertainment purposes Chris Martin and Dynamo.

What is your favourite way to unwind during time off?

Spending time with my kids or watching sport on TV.

What is the best advice you've ever been given?

Success isn't always about victory; it's about doing your best.

What sport are you interested in/which sporting team do you follow?

I'm a big cricket and rugby fan, and try to watch the Scottish teams play as much as I can at home and away.



Above top: Daley Thompson is on Jamie's fantasy dinner party guest list

Above: he fancies Ewan McGregor to play him in a film

Below: Mark Zuckerberg's wisdom would be welcome on his board



What was the last film/concert/entertainment event you attended?

Spectre, The Vamps (while accompanying my kids!) and the famous Edinburgh Fringe.

What was the first record you bought/ concert you attended?

"You Spin Me Round" by Dead or Alive and Big Country at the Edinburgh Playhouse.

What is your earliest childhood memory?

Family holidays in Spain.

Describe a perfect day/night/weekend?

Sitting in Newlands Cricket Stadium in Cape Town, watching a world-class game with a cold beer in my hand.

What was your most embarrassing moment?

Having to attend a client meeting with a massive rip in the back of my trousers – something I did when trying to get out of an incredibly low car.

I'll always remember my heart sinking at the end of the meeting when the client said 'after you' as we headed towards the door. After a few moments of going back and forth, I managed to get him to go out first and he was none the wiser!

Who would play you in the film of your life?

Ewan McGregor? His acting skills are vast so I'm sure he'd be able to tell the story of my life.

If you could choose your last meal on earth what would it be?

Scottish fillet steak with garlic butter, dauphinoise potatoes and a pint of milk – I know what you're thinking, why milk? I love it!


What is your favourite place in Scotland?

Hands down it has to be St Andrews. It has everything; history, culture, beaches, golf and more. It's where I attended university and I can see myself seeing out my retirement there as well. ■

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