

newsline

European road map

for better
regulation
see feature page 5

CEA protest,
UKTI changes
pages 6, 15 and 16

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From the President

It's early November and we are all probably looking back at the summer period and questioning - where did it go? The continued pace of our industry has no doubt had an impact on all of us over the past quarter and unlike most years the traditional holiday period has still been a busy time. Most sectors remain buoyant and the ongoing growth of the emerging territories continues to reach new levels, both in manufacturing and sales volumes.

Manufacturing

With the continued development of the emerging territories, the need for the UK base to become more efficient and more competitive is fundamental. To meet the future challenges of a global supply base, all our members must ensure that their product offering is both competitive in price, but also meets the needs of the customer and can be differentiated in unique ways. We, as an Association,

have been lobbying government for increased support for some time, but unfortunately the industry cannot rely on this and as such we must all look to every opportunity to become more effective.

Government

As this *Newsline* goes to press, we are aware of moves to cut resources to both the UK Trade & Investment Automotive Sector team (which supports our industry) and their DTI counterparts in London. These cuts in budget are likely to affect staffing, industry promotion, trade mission and overseas exhibition support. We will continue to lobby against radical change, but must accept that we have an increasing responsibility to promote our industry and act as ambassadors to those with influence.

CECE Congress

This year's CECE Congress has just been held in France and provided the opportunity for all European country associations to share concerns and develop an action plan to move forward for the benefit of European based companies. In addition to the European Associations, there were representatives present from the US and Japan. In addition to lively debate on their respective economies it was apparent that our counterpart associations have the same views and concerns regarding

emerging markets. The CEA was extremely proactive in debate and we are leading some of the specific CECE actions that are being driven on behalf of the wider European industry.

Strategy

From our autumn Management Council meeting, I can confirm that the action plan around our strategy is moving forward and we are making good progress in delivering some of our longer term objectives. We have a number of diverse initiatives which will deliver tangible benefits for our members and will continue to strengthen the standing of the CEA within the industry. I look forward to presenting our progress and deliverables against our promises at next year's AGM Conference on 17 May.

Having given a summary of just some of the issues around us at present I hope that all our members are 'thinking laterally' and are ready to adapt to the challenges ahead.

We, as an Association, will continue to support all areas of our membership and apply our specialist expertise on the activities that will deliver the maximum benefit for all of us.

Paul Ross CEA President



CEA Management Council

President:
Paul Ross
Caterpillar (UK) Ltd

1st Vice President:
Colin Wakeham
Bell Equipment UK Ltd

2nd Vice President:
Peter Howe
Komatsu UK Ltd

David Redhead
BSP International Foundations Ltd

Nick Ground
GKD Europe Ltd

Gerald Pratt
HR International Crushing & Screening

Ken Bainbridge
JCB Sales Ltd

Mike Francis
Perkins Engine Co Ltd

David Osgerby
Terex Compact Equipment

Alan Williams
Volvo Construction Equipment (GB)

Brian Sugden
West Alloy Ltd

CEA 2007
Business Tracker CD Rom
to be launched at
Bauma China
Shanghai, China : 21-24 November 2006





Committee
for European
Construction
Equipment

www.cece-eu.org

Cannes firm festival

This year's CECE Congress was hosted by France in the chic seaside resort of Cannes. But although the sun, sea and sand was just a short walk from the conference hotel, what delegates saw most of was the inside of meeting rooms in a presentation packed programme. The occasion provided a meeting point not only for Europe-based representatives but also delegations from the US, Japan, China and Brazil. CECE's annual gathering is fast becoming a key international gathering for construction equipment decision makers.

Secretary general re-appointed
CECE secretary general, Ralf Wezel, was re-appointed for a further term of office. Ralf has been responsible for successfully building the profile and effectiveness of CECE - and will be in charge of implementing further organisational changes.

Executive Committee
CEA Chief Executive, Rob Oliver, was re-elected to the Executive Committee of CECE on which he is one of the longest serving members. He says "it's a sobering fact that I have been in and around CECE for over 20 years, but the good news is that I think conditions have never been better for the organisation to make some real breakthroughs in the coming period".

JCB presentation well received
JCB Group Engineering Director, Dr Tim Leverton, gave one of the best received presentations of the Congress. Entitled

"Key Technologies for the Future in Construction Equipment" it gave a succinct synopsis of future technical challenges driven by the pressure of environmental legislation in Europe and worldwide. Dr Leverton will be the next CECE president when the UK assumes the chair of the organisation in 2008.

Statistical Committee changes
Marie-Helene Dumail (Volvo CE) has succeeded Olivier Lerouge (CNH) as chair of the Main Statistical Committee. Marta Amat (Hitachi Europe) is now vice-chair. Peter Hug remains as secretary to the Committee.

Crushers and screens
CECE member associations backed an initiative to collect crusher and screen data for the European markets, Russia and CIS, Turkey and the Middle East. Once established, the aim is to move forward to a worldwide exchange.

World Trade Committee
This important CECE forum discussed key subjects affecting the competitive environment, particularly the question of ensuring that all importers into the EU are subject to the same regulations as European manufacturers.

Economic Commission
A series of presentations on the current state of markets brought CECE members up to date with current developments and trends worldwide.

Presentations
The presentations given at the 2006 CECE Congress can be found in the Members Only area of the CEA website: www.coneq.org.uk.

A road map for better regulation

We all want better (or less) regulation but how can we achieve it? The new CECE better regulation initiative provides some pointers.

The European construction equipment industry has been beset by legislation emanating from Brussels over the last few years. Restrictions on equipment noise and engine emissions and the tightening of safety requirements have added significantly to cost with a debatable pay off in terms of a safer and healthier environment. Against this backdrop, the Committee for European Construction Equipment (CECE) has launched the outline of a new plan to put European manufacturers more on the front foot in suggesting a legislative way forward for Brussels when considering construction equipment. The objective is to be proactive in providing a road map for better regulation in the future - and draws on the success of the automotive industry's CARS 21 project. "The Competitive Automotive Regulatory System for the 21st Century" programme was published at the end of 2005 with a clear set of objectives designed to bring together industry and policy makers. The automotive industry and European institutions (the Commission, Parliament and Council) have developed a 10-year "road map" of legislative and non-

legislative proposals and projected implementation dates, with clear principles for better regulation which the Commission and Member States are expected to respect. A CECE version of this plan would seek to avoid the kind of regulatory anomalies experienced in the past. For example, pressures to reduce engine emissions and cut down noise at the same time caused extra design and engineering costs and problems which could have been avoided by a better understanding by regulators of how construction equipment is put together. The CECE Better Regulation Project Team, under the chairmanship of JCB's Mark Ireland, has identified four policy areas for action; better regulation, environment, safety and research. The Project Team comprises a who's who of leading OEMs and the outline plans are now subject to review within CECE and its various member associations. The short term aim is to have a firm proposal ready for discussion with the EU Commission by spring 2007. The presentation on the subject given to the 2006 CECE Congress is available in the Members Only area of www.coneq.org.uk.



Some ideas already put forward for the road map:

- ~ Research measures for environmental noise pollution reduction to citizens living and working in the immediate area next to where CECE machinery is in operation.
- ~ A proposal for the safety requirements for CECE machinery when used on the road.
- ~ Implement recommendations from the 2004/26/EC (engine emissions) technology review.
- ~ Develop a strategy to further reduce the emissions contribution from CECE machinery.
- ~ International harmonisation of engine emission limit values, test procedures and implementation dates.
- ~ Action on End-of Life requirements for CECE machinery.
- ~ Support the adoption of International standards as Harmonised standards.
- ~ Harmonisation of requirements for CECE machinery when used on the road.
- ~ Remove the need for National Transposition of EU Directives (particularly technical annexes).



In the Lobby



Market Trends

UK construction output second quarter 2006

The total volume of construction output in the year to the second quarter of 2006 was unchanged compared to the previous year. Overall new work rose over the same period, with increases in all sectors except public non-housing and infrastructure output. Repair and maintenance fell in all sectors. Output in the second quarter of 2006 rose by one per cent compared to the first quarter of 2006 both in volume terms and in current prices.

The total volume of new work in the year to the second quarter of 2006 was two per cent higher compared with the previous year and rose by two per cent in the second quarter when compared with the previous quarter. The total volume of repair and maintenance work fell by three per cent in the year to the second quarter of 2006 compared with the previous year, and was one per cent lower in the second quarter of 2006 compared to the previous quarter.

Source: www.dti.gov.uk/sectors/construction/ConstructionStatistics/OutputandEmployment.

EEF and CEA join in no new business taxes call

The CEA is supporting the latest EEF prepared pre-Budget submission to the Treasury. The EEF have garnered the support of around 20 manufacturing related trade associations for their paper. It asks for a halt to the rise in the business tax burden with reductions in public sector borrowing driven by lower rates of increase in public spending. This comes against statistics that shows that business will be paying £11.9bn more in taxation by 2008/09 than it was in 1996/97 on the basis of the fiscal

measures that have been introduced since then. These tax increases come at a time when other countries are reducing their tax burden. In 1997, the UK tax burden was marginally above the OECD average. The OECD average is now a full four percentage points lower than the UK, while our advantage with the eurozone has narrowed from 7.4 to 2.8 percentage points. In particular the submission urges no increase in taxes on energy such as the climate change levy and red diesel duty.

CEA protest UKTI changes

The CEA entered the debate about the impact and effects of the new UKTI strategy paper Prosperity in a Changing World with a letter to UKTI Chief Executive, Andrew Cahn. We underlined industry concerns about the move of UKTI Automotive interests from Birmingham to Glasgow - with the potential to lose valuable experienced staff along the way. His response

indicated that there had been widespread consultation on the new strategy and that scarce resources had to be re-focused. Bob Morgan, the chair of the Automotive Sector Advisory Group (ASAG), the industry-UKTI interface, has resigned his position. He had been an SMMT nominee. See page 15 for a report on the changes and the effects these will cause.

Can plant registration trap non-compliant plant?

For some time the CEA has been concerned about equipment reaching the UK and other EU countries with incorrect or absent CE marking. We have taken this issue up at senior ministerial level in the past but HMG have been reluctant to act. The Health & Safety Executive (HSE) has also shown an interest but seem ill resourced to tackle the subject. A new slant on the topic has been provided

during discussions around the possible introduction of a registration scheme for all plant used on London 2012 projects. This would require proof of ownership and might also lead to the inspection of CE mark paperwork. The widespread adoption of plant registration could, therefore, become a means of squeezing out non-compliant machines with their attendant potential risk to users.

Patents and tax credits

by Brian Sugden, Managing Director, West Alloy Ltd

West Alloy, originally founded in 1952 by William West, began trading by designing and manufacturing locks, hinges and associated fittings for the caravan market. During the intervening years the company diversified both into the agricultural and construction equipment sectors making a similar range of products designed specifically for those markets. In the early years the products were made predominantly from zinc based alloy, but to satisfy the requirements of customers West Alloy invested heavily in both injection moulding and pressed metal parts.

As the majority of products were designed by West Alloy, as part of their own product range, patents covered many of these designs. However, during the early years the Directors at that time, quite understandably, only opted for patent protection in the UK, using a London based patent agent. A little over a year ago I was made aware that this patent agency had been acquired by ip21 and meetings were arranged with them to explore other services that they could offer.

These fell into three distinct sections. Firstly, they proposed a thorough investigation of the company's patent, copyright and trademark protection and suggested several areas where the company could improve its international protection for trade names and trademarks. They also worked closely with the design team, registering international patent and design applications for new and recently introduced products.

Secondly, West Alloy had recently exhibited, with the support of the CEA, at BICES in China and had follow up meetings with several interested Chinese cab manufacturers. However, for an SME employing approximately 70 staff, the resource was not available to commit to researching this market with a view to

have West Alloy parts manufactured under licence in China to service the Chinese domestic market. There are many stories circulating of companies who have attempted to exploit low cost economy countries only to find that they have made expensive mistakes and I want to ensure that West Alloy are not added to that list.

Another benefit of ip21 is their offshore division. With offices in Hong Kong and Guangdong headed by a fluent Chinese speaking English Managing Director, they are ideally placed to offer assistance to UK companies who are considering moving into the Chinese market. I have recently signed an agreement with ip21 Offshore to investigate potential manufacturing companies in China and I am confident that this approach should go some way to eliminating those expensive mistakes.

Finally, for several years now I have been aware of the tax credits available for research and development. Despite discussing this on several occasions with the company's auditors, the opinion had always been that the company would not



qualify. Following meetings with ip21 I was made aware of another service provided by them using a company called RDCL who specialise in making claims for R&D tax credits on behalf of their clients. Currently claims for tax credits can be backdated to 2000. After several meetings with the Directors and the design team, a report was compiled by RDCL and submitted to the Inland Revenue. West Alloy has now received a substantial tax credit, which of course goes straight to the bottom line.

For companies actively involved in R&D, especially SMEs, I would strongly recommend taking action, to not only ensure that your designs have adequate international patent protection, but to also explore the possibility of making a claim for tax credits. After all what have you got to lose?



ip21 and RDCL are associated with the CEA's *Excellence Network* initiative

ip21
aim to help companies achieve their business objectives by the effective use of intellectual property rights.
Tel: +44 (0)207 645 8250 - E-mail: info@ip21.co.uk - www.ip21.co.uk

RDCL
are specialists in obtaining R&D tax credits for their clients.
Tel: +44 (0)208 600 5780 - www.rdcrcredits.co.uk

Meet the Members



New member

The CEA is delighted to welcome the following company into membership since the last issue of *Newsline*:

Ammann-Yanmar SAS
www.ammann-yanmar.com

CEA Mission

"To represent the interests of our members within the construction equipment industry, in a globally changing competitive environment."

CEA Vision

"To be recognised worldwide as the leading construction equipment trade association operating in the EU - and to offer a world-class range of services to the global construction equipment industry and related sectors."

SPP Autoprime assists in flood protection for Prague

SPP Pumps Ltd - Autoprime Division has successfully completed a contract for the supply of 16 Autoprime vacuum assisted self priming pumps and associated suction and discharge hoses to the Prague capital to assist in flood protection. Following the submission of sealed bid tenders and months of detailed tender evaluation, SPP Pumps was awarded the contract against tough opposition. SPP offered total compliance with the technical parameters set down in the tender specification and fully adhered to the stringent commercial terms and

conditions of contract. During the contract period, representatives of the client attended SPP Pumps UK based manufacturing facility to undertake witness testing of the pumping plant. This testing comprised of noise, heat, vibration, flow and pressure monitoring, during which the full capabilities and features of the pumps were demonstrated.

For further information:
Tel: +44(0)118 9323123
E-mail: solutions@sppumps.com
www.sppumps.com



Powerscreen

new range of screening, washing and recycling plants

Powerscreen has developed and launched yet another series of new machines. The successful Warrior programme gets two new additions with innovative user benefits, based on existing site-proven models. The washing range is enlarged with the arrival of two new Chieftain Rinsers. The burgeoning recycling and reclamation programme grows with the introduction of the new

Phoenix 2100 Trommel to top off the range and the new Powershredder 2400 takes Powerscreen's waste minimisation shredding equipment to new heights in large volume applications.

For further information:
Rosemary McNicholl
Tel: +44 (0)28 8771 8640
rosemary.mcnicholl@powerscreen.com
www.powerscreen.com



David Brown Hydraulics latest developments in wheeled loader crew controls

The design of the hydraulic system and its related components is critical in the development of a successful wheeled loader - and thanks to the Textron design for six sigma (DFSS) process, David Brown Hydraulics can safely guide clients through every step of this process, from initial enquiry to final release of the product into the field. Component sizing and future performance are subjected to failure modes and effects analysis (FMEA) to achieve minimum development costs and an optimum project timeline.

David Brown Hydraulics offers a wide product range, including valves for wheeled loader applications and gear pumps, encompassing conventional spur and revolutionary helical gear pumps, both available in aluminium or cast iron housings.

Research and development has focused on improving gear geometry and wear plate pressure relief as well as using plain bearings to produce quieter, more efficient and cost-effective hydraulic systems that the mobile construction equipment sector increasingly demands.

The product range is low in noise, high in efficiency and has superior life expectancy, tolerant to conditions found in any modern piece of mobile construction or mechanical handling equipment. When these characteristics are combined with a comprehensive range of flange, shaft and port options, the result is a product to suit most applications.

For further information:
Tel: +44 (0)1202 627500
E-mail: info@dbh.textron.com
www.dbh.textron.com



Directional control valve V4A4013 for wheeled loaders



Pilot joystick handles - configurable in a wide range of variations



Compact three function pilot valve CPVL 106



Pump for wheeled loaders

In brief

How to join

Information on how to join the Construction Equipment Association is on the website (www.coneq.org.uk). Click on "About Us" and you will find all the information you require, including an application form. Alternatively, e-mail cea@admin.co.uk or telephone +44 (0)1883 334499.

Meeting room facilities competitive rates

Meeting room for hire at the CEA's Caterham offices:

- ~ Maximum 14 boardroom style
 - ~ Close to Junction 6 of the M25
 - ~ Easy parking
 - ~ 15 minutes drive from Gatwick
 - ~ Close to mainline station
 - ~ Discounted rates for CEA members
- For details e-mail cea@admin.co.uk.

Sign up for CEA e-bulletins

The CEA produces two very useful and informative e-bulletins:

- ~ International Business (monthly)
- ~ Technical (quarterly)

Members who do not currently receive these bulletins, should e-mail kim@admin.co.uk to be added to the distribution list. Both bulletins can also be found in the Members Only area of the CEA website www.coneq.org.uk.

Loadwise move

Loadwise International have moved to: 50 Woolmer Way Bordon Hampshire GU35 9QF
Tel: +44 (0)1420 476500
Fax: +44 (0)1420 479090
E-mail: sales@loadwise.co.uk
www.loadwise.co.uk

In brief

CEA 2007 AGM

Conference date fixed

The CEA's 2007 AGM Conference will take place on **Thursday 17 May 2007**. The venue will, once again, be One Great George Street, London, W1. Please put this date in your diary.

South East Asia

Construction Magazine

The CEA is offering a unique and free opportunity to advertise your company via an article about your product. Subject to the Editor's approval you can provide material for this well respected magazine whose primary focus is on construction equipment. You can submit your news items relating to your activities in Asia or your plans on becoming active in Asia, or what you would like to export to the region and the applications of your products. Articles will be welcome from OEMs and component suppliers. This bi-monthly magazine, published by Trade Link Media, has featured the CEA many times in the past when we have taken British Groups to exhibitions. The readership is 21,000 and the main readers are located in Singapore, Malaysia, Philippines, Indonesia, China and Hong Kong. Send your photos and articles to Pam Hyde at the CEA (pam@admin.co.uk) in the first instance so that she can vouch for your company.

Intellectual property rights

The European Commission has funded a free multilingual helpdesk to cover questions on intellectual property rights for European exporters.

Tel +34 (0)965 90 97 15

E-mail: ipr-helpdesk@ua.es

www.ipr-helpdesk.org

Terex Pegson the new X400 generation of crushers

Whether you are crushing demolition waste or looking to turn blasted rock into revenue, the new X400 range is a high performance plant that is extremely fuel efficient. Fuel savings of up to £20K per year can be achieved as the plant uses a HGO direct drive system for greater power and transmission efficiency. The X400 also offers the following features:

- ~ Output capacities of up to 400 tons/hr
- ~ An aggressive crushing action with high swing jaw.
- ~ XA400 (hydraulic adjust) or XR400 (hydraulic release) variations.
- ~ Hydraulic tilting conveyor which provides excellent under crusher

access for the removal of wire.

- ~ Hydraulic folding hopper with wedgelock struts.
- ~ hydraulic oil and filter changes only required every 2,000 hrs.

With a dealer network spanning the globe Terex Pegson's dedicated team will keep your crushing plants up and running with on site service and support. Investing in an X400 is the right choice for reduced operating costs, greater productivity and an excellent return on investment.

For further information:

Tel: +44 (0)1530 518 600

E-mail: sales@bl-pegson.com

www.terexpegson.com



Hard Rock & Mineral Mining Seminar

Chile, Argentina and Peru

organised by ABMEC in conjunction with UKTI

17 November 2006

DTI Conference Centre

1 Victoria Street, London

£75 plus VAT

(inc tea/coffee on arrival and buffet lunch)

To book a place, or for further information, contact:

Tel: +44 (0)1924 360200 - E-mail: deakin@abmec.org.uk

Standards route for improved quarry safety

The global response, co-ordinated by Tim Faithfull (CEA), on the Quarries National Joint Advisory Committee (QNJAC) initiative for new safety requirements in quarries is bearing fruit. Everyone agrees that improved safety is highly desirable, but QNJAC jumped the gun by drafting guidance on many features of mobile machinery design which exceeds existing harmonised standards that meet the legal requirements of the Machinery Directive. The guidance also ignores the paramount need to consider how to incorporate the design of safety features into different sizes and categories of equipment. QNJAC joined forces with the Atlantic Alliance, who, in an Open letter to manufacturers, suggested that quarry users would favour items of equipment that most closely matched the new guidance. In the light of this, the CEA

took action - arranging meetings and giving presentations globally. Later this month, after its General Technical Committee meeting, the CEA will host a special meeting of manufacturers, distributors and quarry users to discuss how the QNJAC guidance can be progressed in reality. Notwithstanding this excellent progress, inspired and led by the CEA from day one, QNJAC plans to publish its guidance "Reducing the Risk of Injury by the Safe Design of Mobile Plant" this autumn. Scarcely pausing for breath, at its latest meeting, QNJAC reported on a review of its committee structure to address its Target Zero strategy; aimed at reducing reportable accidents by 50% by 2010. Details are to be presented next spring. The CEA will need to remain vigilant and active in quarry safety issues.

PRECIS scheme emerges

The scheme to reduce dust and emissions on construction sites is set out in the Greater London Authority (GLA) Best Practice Guidance (BPG) and will be launched in November. The main requirement for equipment to be used on the nominated sites, is that it will have to meet emission limits that far exceed the legal requirement and can only be met by fitting a Diesel Particulate Filter (DPF). PRECIS (Partnership in Reducing Emissions from Construction Industry Sites) provides full support for the scheme which is designed to help the London authorities meet tougher air quality targets. The CEA and other industry groups naturally support the concept of cleaner air, but the benefits from targeting a relatively small amount of equipment that already meets strict legal requirements are open to question. Most

worryingly, and despite repeated requests, there has been no assurance that machines constructed to EU and UK regulations, and marketed with declarations of conformity and warranties, will remain legal when a DPF is retro-fitted. The PRECIS line seems to be to set up more committees to address any problems and it has now proposed a GLA group to consider BPG implementation issues. This new group will be separate from its own steering group and from the scheme's technical sub-group. A first meeting is planned for early 2007. The CEA will take part in this group and will continue to press for recognition that modified equipment must remain compliant with legislative requirements of safety, visibility, noise, vibration, etc, and that CE marks and warranty undertakings must not be invalidated.

Machinery Directive

A CECE Project Team is considering guidance on the new amending Directive 2006/42/EC that will be transposed into UK law that will take effect from 29 December 2009. The CEA is represented on the CECE Project Team that will draft a comparison of the current and new Directives and has suggested that CECE starts a "frequently asked questions" page on its website.

Options for the Noise Directive

Any further amendments to this Directive are a long way off. However, the Commission is working on a review and some proposals may be expected within the next year or so. The CECE Noise Project Team will be ready to make proposals on the equipment that was exempted from Stage 2 limits in the recent amending Directive 2005/88/EC. Should equipment exempted from Stage 2 limits continue to be exempt or should it meet Stage 2 or some other limit? The CEA will be taking a close interest in this and the other issues - data handling, conformity assessment and market surveillance - relating to noise, as well as the current negotiations regarding the method of arriving at uncertainty values.

International Business

East of England Regional Event Focus on India

The CEA, sponsored by UK Trade & Investment, held a half day of international trade briefings in September - with two speakers flying in from India for the event - rounded off with drinks and networking. Around 20 company representatives heard a review of the construction equipment market in India from Mr M C Sri Nagesh, Senior Trade & Investment Adviser, UKTI, Chennai and Ken Hunt, UKTI International Business Adviser on India. Richard Long, Business Manager, BorgWarner Emissions and Mr V D Umashankar, General Manager, BorgWarner, India, gave a case study on manufacturing in India. There was also a presentation from David Lilley, Sumitomo Mitsui Banking Corporation Europe, on getting paid, with a review of forfeiting and general methods of payments in international markets. Copies of the presentations can be found in the Members Only area of the website - www.coneq.org.uk.



l-r: Mr Sri Nagesh and Mr Umashankar



Richard Long

India : UK-Haryana roundtable

Pam Hyde took part in UK-Haryana roundtable talks on the Automotive Sector at an event sponsored by JCB in October. A larger audience was then treated to a welcome by Lord Bilimoria, Chairman of the Indo British Partnership, and a presentation by the Chief Minister of Haryana. The figures of current and projected growth in this state, which adjoins Delhi, are absolutely astonishing: GDP will grow by 10% in 2007, the import

reduction programme continues, manufacturers and importers are now free from licensing requirements / approvals. Indian companies are seeking European assistance with improving quality validation processes and forward pricing. Whatever the problems in Haryana, this huge market and the enormous potential of India cannot be ignored. E-mail pam@admin.co.uk for copies of the presentations from the roundtable.



Oiling the wheels UKTI Automotive Sector International Business Advisers

"The oil in the engine of commerce" is how Mark Norcliffe describes his role as International Business Adviser to UK Trade & Investment's Automotive Sector Group. "Together with my colleagues, Jerry Jackson and Ken Hunt, my objective is to help UK-based automotive and construction equipment companies to develop business in key global markets. The exact nature of the support we can offer depends on a company's individual requirements. But we are very flexible".

The help on offer can include an objective analysis of your company's plans for a new territory, advice on the best market-entry strategy, bespoke market data, and the provision of specific business leads and contacts. The Business Advisers can also signpost you to other sources of

help, including subsidised government schemes, relevant industry associations, or just "the man who knows".

All three Business Advisers have direct commercial experience in their specialist markets. Jerry Jackson covers Europe, North and South America and South Africa, Mark Norcliffe is responsible for Russia and markets in the Asia-Pacific region, and Ken Hunt leads on the Indian Sub-continent.

The services of the Business Advisers are freely available to CEA members. "Do call us" says Mark Norcliffe. "We're always happy to visit companies and discuss your international business plans on a one-to-one basis".

Contact details:

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Mark Norcliffe

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E-mail: m_norcliffe@yahoo.co.uk



Mark Norcliffe



Ken Hunt



Jerry Jackson

China

The CEA arranged an exclusive meeting with a senior delegation from the Construction Commission in Chongqing in October at the Foreign and Commonwealth Office.

UK Trade & Investment has set up an Automotive Sector Working Group on China, following the successful model set by the India Working Group. Keith Dolbear of Trimark, the two CEA International Business Group Chairmen and Joanna Oliver, CEA Exhibitions Manager, will represent the CEA. There will be a live video link at the meetings when Neil Floyd, UKTI Automotive lead in Shanghai, will give updates on the market. Summaries of the briefings will appear in the CEA's International Bulletin.

Date for your diary

The next CEA International Business Group meeting will be held on 9 January 2007 in London. The theme will be Bulgaria and Romania. There will be an opportunity for networking after the meeting with New Year drinks. Contact Pam Hyde (pam@admin.co.uk) for further information.

Exhibitions

Bauma China : Shanghai, China

21-24 November 2006
www.bauma-china.com

The CEA will host a lunchtime VIP networking reception on Thursday 23 November at the exhibition centre. Working with Off-Highway Research, a number of leading Chinese OEMs will be invited through the British High Commission in Shanghai. The reception

is generously sponsored by UK Trade & Investment. All CEA members visiting Bauma China are invited to attend - if you are exhibiting at the show and would like to add names to the guest list please let us know - e-mail joanna@asnorth.co.uk for an invitation.



Doing business in China can be an uphill struggle but it has its rewards!



2006 China Seminars : 23 and 28 November

The CEA is running two seminars in China to promote the British construction equipment sector.

Thursday 23 November
Shanghai New International Expo Centre

Tuesday 28 November
Changsha City, Hunan Province (home to leading Chinese OEMs - Sany, Zoomlion and Sunward)

The seminars are funded by UKTI and will be organised by the CEA and Off-Highway Research. Seminar speakers are JCB China, Perkins Engine Co Ltd, IPAF, Integrated Hydraulics Ltd, Off-Highway Research and Webtec Ltd. They will address an invited audience of Chinese manufacturers and selected Bauma China exhibitors. E-mail joanna@asnorth.co.uk for details.



China can be a confusing place!

Bauma : Munich, Germany

23-29 April 2007
www.bauma.de

The CEA British Pavilion at Bauma is now completely sold out. We have a waiting list for anyone unable to get space through the organisers. Our advice is that it is worth going on a waiting list as space is often returned in the New Year when final payments are due. For those companies unable to get space, or who only want a small presence at Bauma, we will be running a CEA new exporter / new to market pod programme. The CEA can

offer an export pod on the CEA Information Stand to SMEs and companies who qualify for a £1,800 UKTI new exporter or new to market grant. The pod gives you a graphics panel and literature display, an information desk, shared use of an interpreter and full use of the CEA Information Centre and refreshments. The package is available from just £990. Pods are limited so e-mail joanna@asnorth.co.uk NOW.

UK Trade & Investment : summary of changes

Trade Show Access programme grant funding steadily reduced from around £19 million in 2004/05 to only £8.2 million in 2007/08.

Grants now limited to only three globally per company in a lifetime and restricted to:

- ~ New exporters - ie companies exporting less than 10% of output proactively or 25% reactively.
- ~ New to market in a number of key emerging markets - ie not to have made any sales in the previous twelve months in the market or have an established presence, distributor, etc, in that market.
- ~ High technology or high content R&D exhibitions from a pre-determined UKTI list.

In order to receive a grant, companies must not have exhibited at the event in the last three years.

Funding to trade associations to run British Pavilions abolished.

Automatic funding for Vertical (sector specific) Trade Missions abolished. In theory very limited funding is available through the Market Visit Scheme (MVS) via Regional Development Agencies. In practice the CEA has never heard of a single company benefiting from MVS funding on a Vertical Mission.

Sector Teams reduced in size and moved to Glasgow. Despite spending the last few years building up an excellent and highly supportive Automotive Sector Team (of which the CEA forms one third), the Team is being disbanded and the new, and much reduced team will be located in Glasgow.

The latest news from UKTI is that even Key Show Funding - which allows us to fund British Group Information Centres, pre event publicity, British Group brochures, receptions, interpreters, etc, at major exhibitions like Bauma and Intermat are to be restricted to only 100 events across ALL industry sectors.

SOLO exhibition grant funding now available for

Condex and the Rental Show

A limited amount of government funding is available for new exporters or companies new to market in the following key emerging markets:

Bahrain	Qatar
Brazil	Russia
China	Saudi Arabia
Hong Kong	Singapore
India	South Africa
Indonesia	South Korea
Japan	Taiwan
Kuwait	Thailand
Malaysia	Turkey
Mexico	United Arab Emirates
Oman	Vietnam

and at designated high technology or R&D orientated shows for experienced exporters who have not exhibited at the shows for the previous three editions. Condex (16-17 January 2007, Las Vegas) and the Rental Show (7-10 February 2007, Atlanta) have both been given high technology status. Grants of up to £1,500 per company, are available to companies attending exhibitions that do not have an organised British Group. If you are planning to attend such a show, and think you qualify for a grant, please contact your local Business Link for an application form and further details of the scheme. However, you will only be eligible for three lifetime grants in total globally under the new scheme. The grants for shows with an organised British Group - Bauma China or Bauma are higher, at £1,800.

Exhibitions diary

View our comprehensive exhibitions diary on www.coneq.org.uk. Details of exhibitions connected with construction equipment, cranes, mining and quarrying, road-building, demolition and recycling are listed, with hyperlinks to exhibition organisers. Please e-mail details of any shows not listed to kim@admin.co.uk.

Future programme

In addition to Bauma, the CEA is planning to take British Groups to BICES (Beijing, October 2007) and Excon (Bangalore, November/December 2007). It is hoped that the new to market and new exporters grant scheme will continue next year, but no decisions will be made until late 2006. The CEA is also planning to take an information stand, with export pods, to the new Infrastructure Vietnam show (Ho Chi Minh City, November 2007). The show is organised by Messe Munich and will be the first major event in Vietnam to feature construction equipment. E-mail your interest in exhibiting at any of these exhibitions to joanna@asnorth.co.uk.

Conexpo 2008

The CEA will again run a British Pavilion at Conexpo 2008 (Las Vegas, 11-15 March 2008). As soon as stand location and package prices have been received all companies who exhibited on the Pavilion in 2005 will be sent details. E-mail joanna@asnorth.co.uk to be added to the mailing list.

Special offer for CEA members

If you book space at Conexpo located in your product section, you can still benefit from CEA International Pavilion rates. Just submit your application form to the CEA and you will qualify for the discounted rate. For further details e-mail joanna@asnorth.co.uk.

UKTI in ever decreasing circles

more strategy, more cuts

A few years ago it seemed a good move to set up a joint organisation between the DTI and the Foreign & Commonwealth Office (FCO) to promote Britain's trade. The result was Trade Partners that morphed into UKTI (UK Trade & Investment). The "investment" part of the title was imposed by HM Treasury that felt that the key to Britain's prosperity was inward investment rather than exporting. This is despite studies that show that overseas investors take little or no notice of official wooing when deciding to invest in Britain. Exports seemed like an old fashioned concept left over from the days when economists thought that an adverse balance of payments spelt bad news for a national economy. Maybe our construction equipment industry got it wrong in taking pride in exporting over 70% of all we manufacture in Britain(!). Government preaches the need for good

business strategies - and to set an example they are never without a strategy. At UKTI there has been a new strategy or "re-focusing of resources" every year or so. If we don't like one strategy then not to worry there will be another one along in a while. Whilst this may on the surface be risible or even understandable as new Ministers attempt to make a mark before their next posting on the government merry-go-round, these "strategies" mask a sad fact. The latest policy document "Prosperity in a Changing World" is packed full of the right words and talks of a 5-year plan. If you want "an entrepreneurial approach to promoting UK strengths", something that promises to co-ordinate "the work of central and regional government with that of the private sector" and (unspecified) "targets" and lots of "focus", then this is the document for you. However, we have

heard it all before and what we will effectively see are further cuts in the amount of real support to British exporters. Grant support for exhibition attendance will become even more difficult to secure, funding for trade development projects such as those the CEA has successfully worked on with UKTI in the past is likely to be cut in half - and the UKTI team covering automotive industries (including construction equipment) is in the throws of being disbanded. We can expect similar cuts in DTI services - particularly with another public spending review scheduled for next year. My feeling is that the good ship UKTI is going round in ever decreasing circles and will sooner or later succumb to a strategy of disappearing down the plug hole of its own internal contradictions.

Rob Oliver CEA Chief Executive



Committee for European Construction Equipment

2006 CECE Congress Presentations

now available in the Members Only area of the CEA website:
www.coneq.org.uk

including

- ~ Key technologies for the future in construction equipment
- ~ The giant dragon ascends to the sky: the rise of China
- ~ A road map to better regulation
- ~ The rise of rental in Europe
- ~ Trends and changes in global markets
- ~ Technical issues