

Wright Ahead

Head Wrightson news

May 1976

Plans for expansion in plant contracting

It is our policy to expand the contracting side of our business and earlier this month we made reference to this in a new release to the press. This will involve changes in the company structure and steps have already been taken both to rationalize and develop our contracting activity. The HW Machine Company, which has been solely a contracting company since the transfer of its works to HW Teesdale will become part of the contracting division. This division will now consist of HWPEL and HWM.

A two tier board structure has been created for HWPEL in order to provide a greater concentration of management effort on the development of that company. There will be a board of directors, and divisional boards for Thornaby and

London. The present directors of the company will remain on their divisional boards and the main board will be — Bill Adams (Chairman), Bob Barr, Eric Brown, Neil Cherret, John Eccles, James Iveson, Angus Thomas. Robin Millman will be Secretary and Gordon Sinclair Chief Accountant.

Eric Brown will be responsible for the working relationships between HWPEL and HW overseas companies and Angus Thomas for marketing and inter group sales relationships with the steel industry at home and abroad.

Bob Barr and Neil Cherret will continue as chief executives of London and Thornaby.

Announcements will be made internally and to the press on formal progress of these changes.

Vessel Receives Approval



Two students from The University of Ghent, Belgium visited Grosvenor Steel Fabrications earlier this year to carry out strain gauge checking on four Absorber vessels being manufactured for Union Carbide NV of Belgium. The 21 tonne vessels which are subjected to wide variation of temperature and pressure whilst in service were checked during a hydrostatic leak test. The accepted vessels are now on route to Monsanto Textiles Ltd. the ultimate customer.

Photograph One of the vessels set up for testing in Grosvenor's shops.

Local CBMPE Exhibition

The Marton Hotel & Country Club at Middlesbrough was the scene of much activity on Tuesday 13 April as almost 50 firms in the North East area, including HW Teesdale, took part in a one day exhibition. The exhibition, which was organised by the Northern Region Council of British Manufacturers of Petroleum Equipment, gave local firms the opportunity to demonstrate their capabilities, services and products to the large and expanding heavy chemical industry in the North East.

Product photographs covering all aspects of HW Teesdale's manufacturing capability and welding samples were all part of the Head Wrightson display, and the stand was efficiently manned by Sales Manager, Barry Preece and Sales Engineer, John Coulson.

Polish Mission Visits Massey



Tim Gillespie, Special Products Manager of B & S Massey, discusses electro erosion techniques with Polish visitors.

Polish visitors to B & S Massey at Manchester on 6 April spent three hours looking at the manufacturing facilities before discussions and dinner in the evening. The visitors were part of an Inward Mission from Poland to the United Kingdom organised by the Machine Tool

Trades Association for the purpose of visiting a number of machine tool builders. With a long record of orders for the supply of hammers, forging presses and trimming presses to Poland, B & S Massey was naturally of great interest to the party.

Editorial Committee for Wright Ahead

While every effort is made to ensure that the contents of Wright Ahead are of interest to, and representative of all parts of the group it has been felt for some time that improvements could probably be achieved by greater involvement of operating companies.

It is intended therefore to set up an editorial committee of eight or nine people drawn from a cross section of our works and office activities in order to obtain an exchange of views and ideas.

The committee would meet every two months immediately after publication to discuss content of future editions. The decision, of what finally appears in print would, however, as with any publication, still rest with the editor.

Over the next few weeks we shall be looking for suitable "volunteers" and anyone who feels that he or she would like to be involved should contact Peter Whitton at the Friarage.



This 18 tonne capacity crane, recently acquired by HWPEL Thornaby construction department for general erection purposes, is now operating successfully at the British Steel Corporation Lackenby site.

April in Amsterdam



Grosvenor Steel exhibited at the Petrotech '76 Exhibition in Amsterdam from 6th to 9th April and the above photograph shows their stand which attracted many visitors. Left to right: J Coulson, Sales Engineer (HW Teesdale), I Williams, Senior Sales Engineer (Grosvenor), T J Jewitt, Sales Manager (Grosvenor), E I Ford, Managing Director (Grosvenor), J Drost (K.T.I., The Hague) and R J Wetton, Director and General Manager (Grosvenor).

HWPEL/Sim-Chem Agreement

The acquisition this year of the non-ferrous sinter know-how and designs, including aggregate sintering, from Sim-Chem Ltd. has given HWPEL Thornaby their first contract for the design, supply and commissioning of a light-weight aggregate sinter machine to be built at Eggborough Power Station near Leeds. The order comes from LYTAG of Hemel Hempstead who

intend to reprocess by sintering, the pulverised fuel ash waste material from Eggborough coal fired station into a marketable product for use by the building industry. In the form of an aggregate it is suitable for producing light-weight building blocks. HWPEL are currently quoting for machines designed to sinter other raw materials such as clay, coal shale and slate.



The Dovecote, Yarm

The Dovecote & the Friarage

Long before The Friarage* was built on the site of a Dominican Friary between 1770 and 1775 an octagonal brick and sandstone dove-cote had been constructed nearby in late Tudor or early Stuart times.

It is clearly shown on a map of the area for 1658 when pigeons were kept as a source of food rather than for sport. Today the dove-cote represents one of the oldest buildings in Yarm and certainly Head Wrightson's most historic. Old age

however brings problems.

Cracks have appeared in the brick walls as a result of an extension built a century after the main structure was erected. The lack of an adequate foundation has caused settling to occur and parts of the tiled roof are now unsound.

Yarm Civic Society are launching a campaign to raise the £6000 required to renovate and restore the dove-cote to its original state and as it is one of the few surviving of its period it is hoped they will be successful.

* The Friarage now houses the central department of Head Wrightson & Co. Ltd. which serve the group's specialist and administrative needs.

Appointments

HWPEL

A A Thomas, Director of P.E.L. Main Board responsible for marketing & inter-group sales relationships with the steel industry at home and abroad. (Mr Thomas relinquishes his position of Managing Director, B & S Massey).
R Millman, Secretary of Main Board.

B & S Massey

E V Davies, Chairman, in place of J D Eccles (Mr Eccles remains on the Board)
Mr E I Ford, Managing Director, B & S Massey (Mr Ford will relinquish his seats on the boards of Grosvenor Steel and Pardor Engineering).

HW Foundries & Forges Division

F Brown, Divisional Marketing Director (Mr Brown relinquishes his position of Managing Director, HW Stampings, but retains a seat on the Board).

HW & CO

P J Lithgow, Assistant Chief Accountant
P J French, Group Pensions Manager
S Clough, Manager, Central Accounting
J Salmon, Computer Operations Manager
Mrs J A Dalby, Secretary to Mr J Ferguson, Group Administration Director
Mrs M E Viney, Receptionist
Miss J Kelly, Telex Operator

PARDOR ENGINEERING

R J Loosley, General Manager
R Edwards, Works Manager

R & D DIVISION

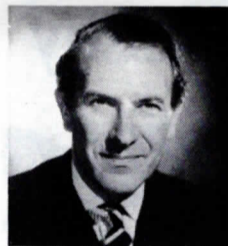
A Neville, Secretary to Dr C Rounthwaite, Director and General Manager
M Keogh, Secretary to Mr L Marshall, Commercial Manager

HW STAMPINGS

B Carter, Manufacturing Manager

GROSVENOR STEEL

I Williams, Senior Sales Engineer



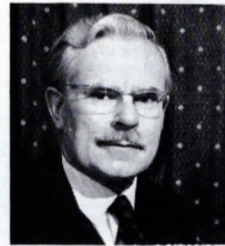
A A Thomas



R Millman



E V Davies



F Brown



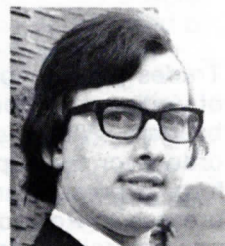
P J Lithgow



P J French



S Clough



J Salmon



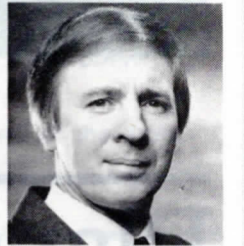
J A Dalby



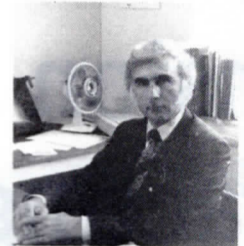
M E Viney



J Kelly



R J Loosley



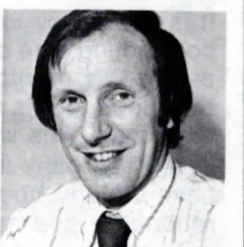
R Edwards



A Neville



M Keogh



B Carter



E I Ford

Promoting Pardor



No prizes for guessing who the runner is. John Myatt, Senior Personnel Officer based at Yarm is a member of Gateshead Harriers, one of the leading clubs in the country. He has represented Scotland in cross country events both in the U.K. and abroad. At county level he has represented Northumberland and Durham and also Cheshire and is at present the current N and D 10 mile and 5000 metres champion.

John trains every day and clocks up some 60/80 miles a week. Even the calls of business do not interfere with this routine and when visiting Pardor he runs the 10 miles to his hotel and back. As can be seen from the photograph Pardor have not been slow to capitalise on the situation.

Retirements

48 YEARS

S Williams, Burner, HW (Steelcast), Billingham

29 YEARS

J W Portwood, Fastener Storeman, Wrightstock Ltd., Swinton
C O Augustson, Grinder, HW Teesdale, Middlesbrough Works

26 YEARS

T A Naisbitt, Painter, HW Teesdale, Middlesbrough Works

20 YEARS

A J Townsend, Chief Instrument Engineer, HWPEL, London

19 YEARS

C Lenham, Commissionaire, HW & Co., Yarm

Mrs E Wheatley, Canteen, HW Teesdale, Thornaby

12 YEARS

J Richmond, HW (Steelcast) Billingham

7 YEARS

J Wilson, HW (Steelcast) Stockton



A presentation was held in the Grand Hotel, Hartlepool on the retirement of Mr Leslie Mogridge, Export Sales Manager, HW Stampings. Photo: Mr & Mrs Mogridge.

Life in Brazil

When you're slaving away on the firm's behalf and you look out of the window to see the rain cascading down from a leaden sky do you ever pause to wonder what life might be like if you were to live, say... in Brazil?

If you do and you were to contact Ivan Atkinson at HW Machine Co. he would probably be able to enlighten you. Ivan, a Proposals Engineer, is one of several people who have been out there on company business. He flew from Paris to Rio de Janeiro, where the planes fly in from the Atlantic over romantic Copacabana beach, and on to Sao Paulo, the industrial capital of Brazil.

Sao Paulo, according to Ivan, is a sprawling metropolis as large as London and teeming with cars, the vast majority of which are Volkswagens. A pall of exhaust fumes envelops the city and "the atmosphere everywhere," says Ivan, "is reminiscent of Middlesbrough's Newport Road bus depot at the height of the rush hour."

It seems that the burning ambition of every Brazilian youth is to play football like Pele, or drive a racing car like Emmerson Fittipaldi.

There is evidence of the latter in the number of ordinary cars which have been decked with expensive and quite superfluous racing equipment. The Brazilians lack nothing in the way of entertainment. There are some twelve TV programmes available in the city, one devoted entirely to sport, one to Westerns (American, of course but dubbed in Portuguese), one cultural programme and so on.

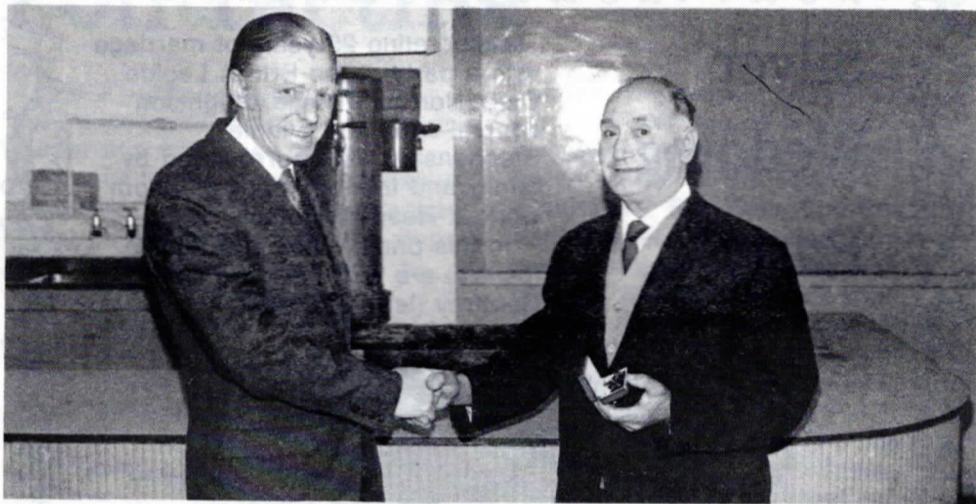
"Brazilian football," says Ivan, who saw a number of games on the box, "is boring in the extreme. Nothing exciting ever happens and the action is all in midfield".

The excitement, it seems, occurs in the countryside outside the city. Here it is prudent to sleep under a mosquito net... lest you awake to find yourself an unwitting blood donor... to a vampire bat!

The wild life in the surrounding area is certainly more exotic than anything to be found in Cleveland County. How many of you, for instance, knocked down a fully grown puma on your way to work this morning?

When you're slaving away to earn a living, however, life does not seem so very different no matter what country you may happen to be in.

And the way 'Boro' played last season you might just as well be living in Brazil! (Jack Wordsworth).



Sam Williams (right) Burner at HW Steelcast Billingham was presented with a retirement gift by Billy Russell, Dressing Shop Superintendent.

Prize for HW Welder

Albert Lowes, Welder in the HW Teesdale Fabricating Shops at Thornaby was featured in the December 1975 issue of "Wright Ahead" as being a runner-up in the eastern area finals of a nationwide contest to find Britain's Champion Welder 1975. Organised by BOC Murex, a British Oxygen Co. Ltd. product group, the competition attracted 3000 entries in total. The final was held at Waltham Cross and won by a Welsh welder but presentations have also been made to those welders who did so well in the competition. Here we see Albert Lowes (right) being presented with his trophy by Mr Maurice Codd, North East Area Representative for BOC Murex.



John Sanderson

John Sanderson of HW (Steelcast) Thornaby foundry was featured in the local newspaper recently when a seven page article that he had written was published in the Journal of The Institute of British Foundrymen. The article entitled "A Study of the Transfer of Metal from Ladle to Mould" was the result of research that John completed during his 3 year course in Foundry Technology at the West Bromwich College of Commerce and Technology. John's work was highly praised by Mr Phil Webster, a senior lecturer in foundry studies at the College.

Out of working hours John, who has been with Head Wrightson for four years, spends much of his spare time rebuilding cars at his home at Bishopton, Stockton.



Albert Lowes



Julie Marshall

Who needs to go out and buy a trousseau when there's an attractive made-to-measure outfit like this available for your wedding day?

According to tradition, any girl leaving the HW R&D Division to get married has to let herself be dressed up by other members of the female staff and Julie Marshall, Librarian for two years, had the full treatment when she left the company on 5 March. Her costume was beautifully made out of coloured crepe paper and the hat was a mass of colour — different shades of purple, pink, yellow and green. Obviously pleased with the efforts of her friends at work, Julie posed for this photo after she had been presented with her wedding gift, a Prestige pressure cooker.

Modules Validated

The following trainees have reached the required standard in their training:-

HW Teesdale, Thornaby

I E Lancaster, H28, Horizontal Boring
G Paul, H23, Turning Part 2

HW Teesdale, Middlesbrough

S A Bivens, H25, Fitting Part 2

HW Stampings

K Dunn, H1, Machining for Tool Makers

L Crone, H22, Die Sinking

L Crone and I E Lancaster are now qualified to receive the E.I.T.B. Certificate of Craftmanship.

Wrightstock not Simpson

Following the sale of the stainless steel stockholding business of Alfred Simpson Limited to the British Steel Corporation, our Manchester based steel stockholding company is still very much alive and under its new name Wrightstock Limited is operating from Bridge Street, Swinton until it moves to new premises. While most people are aware of this, correspondence is still being received wrongly addressed. It is very important that letters and telex messages are not addressed to Alfred Simpson which is now the British Steel Corporation, and the correct telephone numbers are used.

The telex number is 666855

The telephone number of the sales office is 061-793-8429 and the number 061-794-4777 should be used to contact Mr E V Davies, Mr M A Green, Mr G. Hunt and the accounts section.

DEATHS

G H Murdie, 19/1/76, HW Teesdale (retired)

S Jackson, 3/2/76, HW Teesdale

W Watson, 19/2/76, HW Steelcast

T K Lincoln, 11/2/76, Shot Blaster,

HW (Steelcast) Thornaby

J Alexander, March 1976, HW

Teesdale, Middlesbrough Works

(retired)

W Middleton, March 1976, Bridge

Yard, HW Teesdale (retired)

J G Hutchinson, 20/3/76 (retired)

T Randall, Radiographer, HW

(Steelcast), Thornaby

J C McCrone, 29/3/76 Director,

HWPEL, Thornaby

J Bell, 4/4/76, HW (Steelcast),

Thornaby

SOCIAL SCENE



The Tees-side Fettleers

Folk Sound

It was a pleasure to listen to a local folk group - The Tees-side Fettleers - who entertained members of The HW Machine Co. Staff and Benevolent Fund on Wednesday 7 April at the HW Social Club, Thornaby with as much wit as song! They were excellent in their performance and at the end of the evening there was a mad scramble for autographed record sleeves of "Ring of Iron" and "Travelling the Tees".

Sales Get-Together



Inter-company co-ordination was under discussion when the two sales team of HWPEL Thornaby and HW Teesdale met recently. Co-operation, it is hoped, will give mutual benefit.

Left to right: Bob Wright (Sales Director; HWT), Barry Preece (Sales Manager, HWT), Andrew Stewart (Senior Sales Negotiator, HWPEL), Tony Ogg (Sales Director, HWPEL).

HWPEL Plan Social Diary

Head Wrightson Process Engineering Limited's first social function of 1976 was held in the lounge of the Head Wrightson Social Club on the 1st April and comprised a games and social evening.

Attractive prizes were awarded to the 12 winners of the various games and competitions which included an "on-the-spot" "Do it yourself" Easter Bonnet making competition using free issue paper and pins and male models. Miss Marion Anderson is especially to be congratulated on winning the bonnet competition with a crepe paper creation beautifully modelled by her male companion.

Refreshments were included in the evening's entertainment which was greatly enjoyed by all present (approx. 50).

For the remainder of 1976 the social committee has formulated a programme of events catering for members of Head Wrightson Process Engineering Limited, their friends and their children. The programme will include some original ideas to ensure that the interests of as many as possible of Head Wrightson Process Engineering Limited personnel are catered for.

Sorry

A sincere apology to Alf Littlewood, retired from the Bridge Yard, HW Teesdale, for the error in the last issue of Wright Ahead regarding length of service. Alf had been with the company for fifty years and not forty years as stated.

SIGN OF THE TIMES

The HW Senior Staff Guild is no longer strictly a male organisation. At the 24th Annual General Meeting held on Monday, 10 May, the constitution was changed to include female membership.

The Council elected for the year 1976/77 is:

- Don Thomas (HWPEL)
- Charles Corbridge (HWPEL)
- Ken Rigg (HWPEL)
- Bill Diston (R & D)
- John Pictor (R & D)
- Jim Strickland (R & D)
- Jack Wood (HWT)
- Fred Mothersdale (HWT)
- Barrie Hope (HWT)

HEAD WRIGHTSON BAND ENGAGEMENTS

- 6/6/76 — Albert Park, M'bro, 3 p.m.
- 27/6/76 — Stewart Park, M'bro, 3 p.m.
- 4/7/76 — Corporation Park Loftus, 3 p.m.
- 15/8/76 — Whitby Spa, 8 p.m.
- 2/9/76 — Teesside Pensioners Assoc., 7.30 p.m.
- 14/11/76 — TV Band of the Year Contest

Silver Wedding Party

Celebrating 25 years of marriage with a party at the British Legion Club, Norton, a Head Wrightson couple, Jack and Winnie Stephenson, were surrounded by family and friends, many of whom work at Head Wrightson.

In this photo, Jack and Winnie (centre) are with their two sons, Geoffrey (left) and Mark.



SPORTS PARADE

FOOTBALL

The challenge match between HW Teesdale and Grosvenor Steel on Saturday, 8 May, resulted in a 3-0 win for HW Teesdale. It was a friendly game followed by a buffet at the HW Social Club for all the players. A return match is being organised for a day in July. The results of the inter-departmental football final held on Friday, 28 May, will be published in the next Wright Ahead.

DARTS

A 'friendly' Darts match between HW Teesdale project engineers and purchasing department ended in a 'contrived' draw. Played on 5 April, the match was carefully recorded by a member of the projects team in a report entitled "Departmental Honour Preserved" (unfortunately lack of space prevented publishing) which ended on an amusing note: "A further contest is to be arranged and all concerned have signed up for voice therapy as training for the new battle, this being considered much

more important than actually throwing darts."

CYCLING

Harry Kimberley, cycling enthusiast at Pardor Engineering, will be taking part in a Midlands area run of 240 miles in 24 hours on 5/6 June. He is also hoping to ride in the 375 miles race from London to Chester in order to qualify for the Paris/Brest race which is over 400 miles.

NETBALL

Earnest training is going on at the HW Machine Co for members of the Staff and Benevolent Fund Sports section. A Ladies v Gents netball match will be held sometime during the month.

Next Issue

The next Wright Ahead will be issued at the end of June. Please send your contributions by Friday 11th June.

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Long Service Awards

This year's 50, 40 and 35 year service awards were presented by Sir John Wrightson on two separate occasions at The Friarage, Yarm.

There were so many!

The following people received their awards:-

50 YEARS

T G Lee, Stockton Steelcast
A L Reed, HW Teesdale
T F Riley, HW Teesdale

40 YEARS

Stockton Steelcast

G W Ashman, H Buckell,
R Lyall, V Smith.

Thornaby Steelcast

J Bailes, J W Bullock,
T L Grainger, E Hodgson,
T Laroche, T Randall,
J Short.

HW Stampings

D Griffiths, E McCullough,
J G Riley.

Nesstock

J O Addison

Ironcast

T W Geldart

HW & Co

A Mothersill, H Wade.

HW Teesdale

D C Copsey, S Davies,
W Farguharson, J T Lamb,
V E Rex, W Robertson,
G Sommerbell, R Watson.

HWPEL

J N Gregson, J Hauxwell.

35 YEARS

Miss M Rigg, HW Teesdale
Miss E O'Hara, Thornaby Steelcast



A few long service award recipients after their presentations on Friday 27th February at The Friarage, Yarm.



Mr & Mrs J Addison (Nesstock)



Mr T Lamb (HW Teesdale)



Mr & Mrs H Buckell (Stockton Steelcast)



Mr & Mrs J Riley (HW Stampings)



Mr & Mrs J N Gregson (HWPEL Thornaby)



Mr & Mrs T Laroche (Thornaby Steelcast)



Mr & Mrs H Wade (HW & Co)



Mr R Watson (HW Teesdale) and daughter



Long service award presentation, Friday 27th February. Left to right: T H Lee (50 yrs), Sir John Wrightson (Chairman), Miss E O'Hara (35 yrs).



Long Service award presentation, Friday 5th March. Left to right: Miss M Rigg (35 yrs), Sir John Wrightson (Chairman), T F Riley (50 yrs), A L Reed (50 yrs).

25
years' service
presentation award

A good time was had by all! This was the general feeling throughout the group during the February/March festivities when over 534 people celebrated their long service award presentations and each HW subsidiary arranged evening entertainment for their own long service award recipients. There were dinner dances in Cleveland held at the Swallow Hotel, the Queen's Hotel and the Grand Hotel. Dinner/Presentations were held at the Tall Trees Hotel and the Dragonara Hotel and Buffet/Presentations at the Post House Hotel and at the Friarage, Yarm. Here are a selection of Photographs from each of the events:



George & Marjorie Reynolds (HW Machine Company)



R & D Division Dinner Dance — Queen's Hotel, Stockton.



R Z Barr (left) HWPEL London Dinner/Presentation — Charterhouse Restaurant, London.



HW & Co (Thornaby) Buffet/Presentation — The Friarage, Yarm.



J W Portwood (left), Wrightstock.



Eileen Thurlwell (left), Steelcast Billingham and Tommy Geldart, Ironcast — Dinner Dance, Swallow Hotel, Stockton.



HW Teesdale Dinner Dance — Marton Hotel & Country Club, Middlesbrough.



Mr & Mrs R Higson — HWPEL Thornaby Buffet Presentation, Post House Hotel, Thornaby.



HW & Co (Works Engineers) Dinner/Presentation — Tall Trees Hotel, Yarm.



HW Stampings Dinner Dance — Grand Hotel, Hartlepool.



HW & Co (Yarm) Buffet/Presentation — The Friarage, Yarm.



HW (Steelcast) Dinner Dance — Swallow Hotel, Stockton.

HEAD WRIGHTSON

a message from the chairman

The Government's Industrial Strategy

HW is a manufacturing company. Many of the products which we design and make are exported. Britain needs companies like HW—companies which create wealth for society so that society choosing its priorities wisely can prosper and advance.

In November last the Government published its Industrial Strategy at a meeting at Chequers, the country home of the Prime Minister. Denis Healey and Eric Varley spelt out the increasing responsibility that the Government wished to see placed on manufacturing industry. They said that this society's main priority should, for a while, be manufacturing industry.

Sectors of industry have been identified as vital to the economy. Foundries are one such sector.



A new Ferrous Foundry Development Committee has been set up nationally and funds made available.

The fabricators of vessels and heat exchangers are another chosen group of manufacturers.



This is why HW Teesdale will be discussing a Planning Agreement with the Department of Industry during 1976.

A third sector is the machine tool trade and here Massey is a firm deeply involved in the design



and manufacture of forging equipment classified by the Government as within the machine tool industry.

You will see from this recital that it is very important to HW that the Government's Industrial Strategy should succeed.

Aims

Three main aims can be picked out of the Industrial Strategy as being highly relevant to HW:

- 1 development of new products
- 2 investment in plant and machinery
- 3 exports

Success in these three creates employment.

Product development

HWPEL recently started on its first contract to design, and as we hope subsequently supply, a lightweight sinter strand for the processing of building materials.

Massey, after much persistence, has broken the back of the technical problems besetting

Rotaform. R and D has given assistance at all stages of the problem solving.

Grosvenor Steel is fabricating a substantial part of the British Steel Corporation's new Hunterston Direct Reduction plant—the first time plant using this particular technology has been installed in the UK.



These three are examples, many others can be cited: spray granulators, effluent treatment, spark erosion equipment, and so on.

Investment in plant and machinery

HW is very conscious of the need to keep its manufacturing methods up to date.

We have recently started on capital expenditure schemes for Steelcast amounting to over £2 millions. A new ram borer will shortly go to work in Massey. Expenditure is going on in Stockholding warehouses, in Stampings and HWT, indeed in almost all our works improvements are being made.

Total expenditure in 1976 will be about:

£3½M.

Exports

HW is working on major contracts throughout the world.



You will see news of these contracts and of the great spread of other work we do abroad in the press and in Wright Ahead.

We should also remember what a high proportion of the components and materials supplied by Ironcast, Steelcast, Stampings and the Stockholders go into exports made by other British engineering companies. Practically every casting made for Nordberg, practically every forging made for Caterpillar goes to an overseas buyer as part of a complete machine.

So we can see that HW is alive to its responsibilities. We welcome the Government's intentions to develop its Industrial Strategy so that Britain and HW can progress and prosper.

There is much that we can do ourselves for whatever the assistance we may get from government there is no substitute for self help.

In the annual report and accounts which we circulate widely, and in particular to all members of the Employees and Divisional Councils, you will see the following figures:

1975		
Group turnover:	Profit before tax:	Profit after tax and extraordinary items:
£63,388,000	£3,168,000	£1,747,000
	5% of Turnover	2.8% of Turnover

How do we deal with the Profit after Tax? The directors recommend that the shareholders should receive dividends of £365,000



and that the greater part of the profit after tax be put back into the company to help finance:

- product development
- investment in plant and machinery
- export market development



These results certainly mark a significant improvement on those we have achieved in recent years. They enable us to go part way towards assuring the future, which for its success depends upon our efforts today.



HW's performance shows that we can help ourselves and that we contribute to the nation's needs as seen by the Government. We should thank all those around us in HW whose loyalty and skill make ours a team effort—not without its share of sacrifice to the common cause—the prosperity of HW as a creator of wealth for the nation.

Review of financial year 1975/6

record results

The Chairman in his statement to shareholders made reference to the progress made by the company during the year.

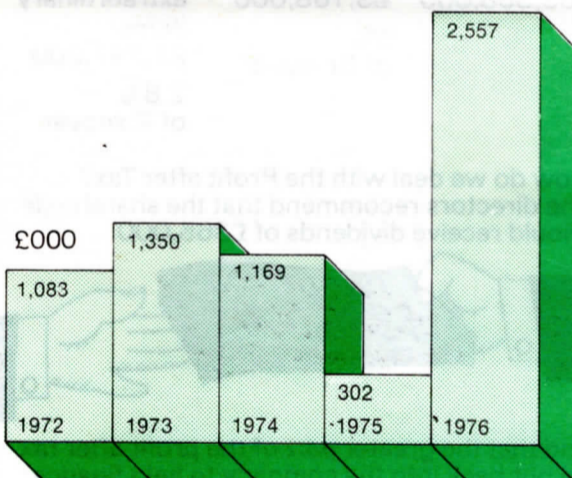
This can be seen from the following diagrams.

Our turnover, export figures and profits reached record levels.

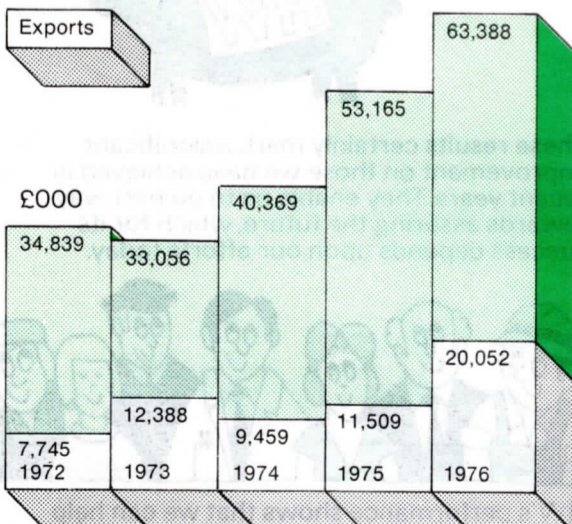
Summary of results

	1975/76	1974/75
Turnover	£63,388,000	£53,165,000
Profit before interest and tax	3,168,000	1,168,000
Profit after tax	1,456,000	168,000
Dividend per share	2.6p	1.125p
Earnings per share	10.75p	1.13p

Profit before tax



Turnover



Where our profit was earned

	£000
Contracting	515
Manufacturing	803
Foundry and forging	1,445
Stockholding	293
Overseas	98
Other income	14

Trading profit
£3,168,000

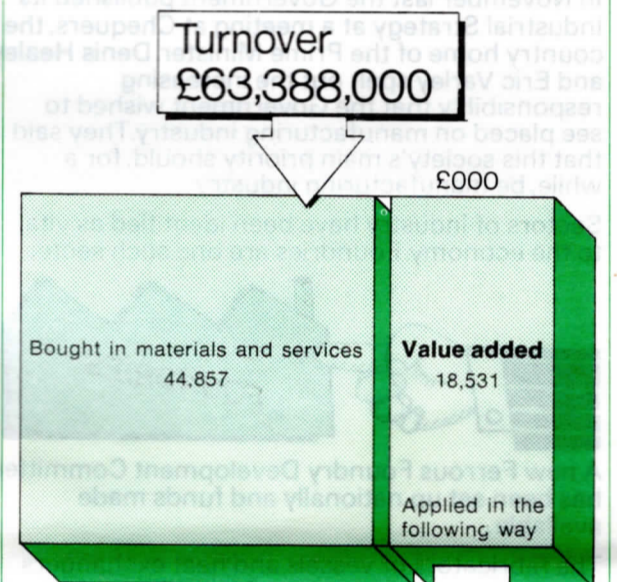
Trading profit	3,168
Bank interest	(629)
Investment income	2,539
Tax	18
Extraordinary items	2,557
	(1,101)
Dividends	1,456
	291
	1,747
	(365)

Retained profit
£1,382,000

Where the money went

Statement of value added

This is a summary of the extra value we have added to bought-in materials and services in order to achieve our turnover of £63m and shows how we spent the money we earned.



To pay employees - Wages, salaries, pensions etc.	13,666
To pay providers of capital	
Interest on loans	629
Dividends to shareholders	365 994
To pay government	
Tax	1,201
Rates	443 1,644
To provide for maintenance and expansion of assets	
Depreciation	845
Retained profit	1,382 2,227

Value added
£18,531,000

Extra money we needed... where it came from

Source and application of funds

The following information appears in our annual accounts this year. It shows the amount of extra money introduced into the business during the year and where it came from.

	£000
Increase in amounts due from debtors	3,816
Reduction in borrowing	1,731
Investment in plant and machinery	910
Increase in stocks and work in progress	781
Extra-ordinary items not reflected elsewhere	305
Dividend	365

	£000
Sale of Swinton	2,840
Increase in creditors	1,077
Profit	1,456
Reserve for deferred tax	935
Depreciation amounts set aside to replace plant & machinery	845
Sale of fixed assets	428
Reduction in investments	327

£7,908,000