



Business Editor - Jim Walsh 01902 319417



Business Deputy - Simon Penfold 01902 319419

News in Brief

A full-time job

The expertise of one of the Midlands' leading mechanical engineering specialists in complex installation systems has led to a £500,000 contract in Walsall with a care home provider.

Engineers from JS Wright from Aston, in Birmingham, have just started work at the Housing 21 development in High Street, Brownhills, installing low temperature hot water heating and domestic hot and cold water systems and ventilation systems.

Apprentice rise

A record 143,000 people completed an apprenticeship in the last academic year, a 27% increase on the previous 12 months, figures show.

Around 240,000 people started an apprenticeship in the same 2008/9 period, representing the highest ever number of starts and completions, the Government said.

Carnival falls

The world's largest cruise group Carnival reported a fall in fourth quarter profits, with net income of £171.1 million in the three months to November 30 down from £328.8 million a year ago.

Betting sites win

Online gaming firm PartyGaming said underlying earnings for 2009 were expected to come in slightly ahead of forecasts after "solid" fourth quarter trading.

Ports firm down

Edinburgh-based port operator Forth Ports said it expects full year pre-tax profits to be at the lower end of its forecasts due to more challenging trading in its Tilbury Container Services arm and the Nordic operation.

'Jeweller to the stars' in sales boost

By Graeme Evans

Luxury jeweller Theo Fennell said sales were up 38% after the return of the company's founder delivered an early boost to turnaround plans.

Theo Fennell - jeweller to the stars - rejoined the company in June, bringing on board former managing director Barbara Snoad to lead the group as part of a boardroom clearout to get

the business back on track. Customer demand is already responding well, according to the group, which reported the like-for-like sales leap in the two months since October 1, with an even higher 39% hike in the first two weeks of December.

But half-year results also out reveal the scale of the work facing its new management team. Losses in the six months to September 30 widened to £1.1 million from £840,000 a year earlier and comparable sales plunged 20%.

Theo Fennell said trading for its new PHI collection was ahead of expectations, helped by endorsement from celebrities such as X-Factor judge Dannii Minogue, who wore a brooch from the range on the hit TV show.

It was the group's first new collection for two years, with prices ranging from £495. Theo Fennell said it was well positioned for the festive season, but stressed the final two weeks before Christmas remained "vitaly important".

Rupert Hambro, chairman of Theo, added: "Your board is pleased by the amount of work completed since we took management control of the company and is confident that the first steps have been made to return the company to long term profitability."

More hard times ahead, workers warned by CBI

Workers should be braced for more job losses and pay freezes next year in a "fragile" recovery from recession, the CBI warned today. The business organisation's latest forecasts predict unemployment will peak at 2.8 million next autumn - lower than first feared - "very constrained" wage growth.

Topps Tiles pulls plug on Dutch arm

Flooring chain Topps Tiles said it was pulling the plug on its loss-making Dutch business after failing to turn the operation around.

The group is withdrawing funding for the 12-store firm in Holland, having already closed 10 outlets, and is planning to appoint administrators to the Dutch business as early as next week.

Its decision will impact 25 staff and will hit the wider group with a one-off writedown of around £1 million, although the UK business will not be impacted.

Leicester-based Topps, which recently unveiled a £15.4 million fundraising from shareholders, has seen improvements at its UK arm in more stable recent trading.

UK like-for-like sales in the seven weeks since the end of September rose 2.2% and Topps said the "encouraging trend" had continued. Its shares rose 3% on news of its decision to call an end to the Dutch venture.

But he warned: "We will need to keep our nerve during early 2010, and there is no sign of a clear driver of strong economic growth.

"In the spring many staff will face another cycle of wage freezes, and job losses will continue rising until the autumn."

The CBI expects the UK to finally pull out of recession during the final quarter of this year with 0.5% growth, but said the economy will advance at a far more sluggish rate during the first half of 2010.

Hurdles

Consumer spending looks slightly stronger than first thought and exporters should gain from a weaker pound, but the CBI also predicts interest rates will rise from their current record low to 2% by the end of 2010.

Chief economic adviser Ian McCafferty said: "The UK economy faces a number of structural hurdles over the coming two years, and this recovery - like that of the 1980s - will be relatively drawn out.

"Credit conditions will remain difficult as the banks slowly nurse themselves back to health, consumer spending will be shaped by the need to rebuild savings, and the public sector will soon have to tighten its belt. All three factors will act as headwinds to growth."

Boss chosen for video



Simon Washbrook of ALKALINE Design and Marketing

Christmas came early this year for a Halesowen based design and marketing company, when computer giant Microsoft chose them to feature in their next national business marketing campaign.

Black Country businessman Simon Washbrook, director of ALKALINE Design & Marketing, was selected to star in a video which will put his company in the limelight throughout the business world.

He said: "It is an amazing opportunity to be partnering with Microsoft on this campaign and especially to know that it will help make a difference to so many small businesses, who often struggle to meet sales targets and then don't have time to work on their business."

Microsoft's video interview with ALKALINE focuses on customer retention, something Mr Washbrook feels is vital to the future of every business.

"The constant battle to win new business is a tough one, but many small businesses are so focused on new customers that they often forget to think about targeting their existing ones," he said.

"To combat this, Alkaline suggests that e-mail marketing, when done properly, can be a brilliant tool for retaining customers."

News in Brief

Aggreko tells of record figures

Temporary power provider Aggreko fuelled recovery hopes after flagging a record-breaking performance from its international division.

Glasgow-based Aggreko said the division had seen a sharp rise in power on hire during the final quarter of the year.

"We will probably just beat our previous record of delivering 300 megawatts (MW) of new capacity in a single quarter," Aggreko said.

Aggreko has provided temporary power for the Glastonbury music festival and the Beijing Olympics, and will supply Vancouver's winter Olympics next year.

The international power arm serves utilities, governments, armed forces and major industrial customers with power plants ranging from 10 MW to 100 MW on a single site.

The firm's local business, which operates from 133 service centres in 31 countries supplying smaller customers with equipment from small generators to large cooling plants, has been hit harder by the recession.

Fourth-quarter revenues fell around 21%, although Aggreko said conditions were "getting no worse" in the division while margins were protected through tight cost controls.

Alexandra sales

Workplace clothing group Alexandra said it was "cautiously optimistic" despite seeing sales fall 17% in the nine months to October 31. But the Bristol-based group's monthly sales improved significantly in September and October thanks to revival efforts.

Mears acquires

Social housing and repairs provider Mears has agreed to buy home care operator Supporta for £27.2 million. Gloucester-based Mears said the deal would provide its domiciliary care division with increased scale to go for larger contracts.

Course cash call

Newbury Racecourse is to tap shareholders for £6.4 million to help the group pay down its debts and help with development aims. "This is prudent management which makes good financial sense," said chairman Sir David Sieff.

TODAY'S STOCKS AND SHARES

FTSE100 at noon: up 64.2 at 5261.0 Year high: 5382.6 low: 3512.1 Dow Jones Av: up 20.6 at 10328.9 £1 buys US \$1.6118: up 0.39 cents 1 euro buys 88.97p: dn 0.16p

MARKET REPORT

Oil stocks topped the blue-chip risers' board today as the London stock market made a decent start to the shortened Christmas week.

The FTSE 100 Index was up 64.2 points at 5261 by early afternoon, offsetting losses seen at the end of last week.

Oil explorer Cairn Energy set the pace, as shares surged almost 5% or 146p to 3192p after the company said drilling in Greenland will start a year ahead of schedule.

Royal Dutch Shell was meanwhile up 41.5p to 1760.5p or 2% amid reports of Chinese interest in Nigerian assets up for sale.

Interest in the sector was heightened by the latest meeting of the Opec oil cartel scheduled for Tuesday, with no change in production levels for 2010 expected.

Shell's rival BP added 12.7p to 589.2p, while explorer Tullow Oil improved 26p to 1278p.

Bankers were also on a firmer footing today after suffering last week on worries over the new capital buffers which could be imposed by regulators in Basel to prevent another financial crisis.

Barclays steadied today with a gain of more than 2% or 6.3p to 270.5p, while Standard Chartered lifted 32.5p to 1527p and HSBC was 13.8p dearer at 693.8p.

British Airways was another gainer, up 3.9p to 192.4p as the airline continued to claw back ground after its successful injunction against a devastating Christmas strike.

Meanwhile cruise ship operator Carnival was on the front foot, adding 49p to 2145p as brokers lifted ratings after Friday's well-received results.

However, temporary power specialist Aggreko made a disappointing start to life as a top flight stock. Shares were 14p lower at 886p following its promotion from the FTSE 250 Index on Friday.

London Stock Exchange was 3p down at 714.5p after it announced plans to buy smaller rival Turquoise and merge it with its Baikal business.

Table with columns: High, Low, Stock, Price, Day, 5 Day. Lists various companies like FirstGroup, Fresnillo, G4S, etc.

Popular Shares

Table with columns: Stock, Price, Day, 5 Day. Lists companies like Arriva, BAE Systems, BG, etc.

Top 10 Movements

Table with columns: Stock, Price, Day, 5 Day. Lists companies like Cairn Energy, Grainger, Fidelity Special Values, etc.

Foreign Exchange £ =

Table with columns: Tourist rate, Country, Business rate. Lists countries like Australia, Bangladesh, Canada, etc.

Commodity Prices

Table with columns: Material, Price, Change. Lists commodities like Brent Crude, Gold, Silver, etc.