



deterioration in the EU economy may have an impact on the UK although some would argue we do have a degree of protection from retaining an independent currency although subject to the vagaries of foreign exchange movement. Whilst we are all aware of the often negative debate in public around the UK's membership of the EU there is no doubt that we trade extensively with Continental Europe and that investment on our shores arises there from, in my mind to extricate ourselves commercially would be a big mistake.

Like many NASS members William King, my company, is a private, family controlled business, my sister Rachel and I both work therein and are the 4<sup>th</sup> generation of our family to do so since our Great Grandfather Henry William Worley purchased the company in a management buyout from the King family in the early 20<sup>th</sup> century. I am pleased to say that our Father, also a former NASS President, is still in the office most days and last year saw 50th year that he has been MD of WK. I am also proud to say that the 5<sup>th</sup> generation is currently well in hand although presently one wants to be a Ballerina, one Spiderman and the other is a little young to have thought about it yet.

The company's origins considerably predate our family's involvement, however, with documentary evidence in our possession of its early days as a Gloucester Iron Mongers in the 1820s. Much has changed since those days and our company has always taken pride in being at the forefront of innovation and progress in our industry, in 1950 WK was the first steel stock holding company in the UK to install coil fed slitting and cut to length equipment. Whilst that particular machine is long gone we continue to invest in new technology as it develops and new services to meet the needs of our customers and suppliers and most importantly the development and skills of our employees without whom we could not do all this.

And therein lies a clue to one of our key philosophies and strengths; our belief that in order for WK to succeed as a company we must have successful customers AND successful suppliers and as a service centre it is incumbent on us to facilitate both. We believe, and over the years have demonstrated, that as a family controlled business we make decisions for the long term benefit of the company and its employees and not for short term unsustainable gain, in some instances considering the impact over not just years or decades but generations. With this stability in place it allows long term relations to be developed with our key partners as we strive to eliminate waste and cost from the supply chain which we manage.

Steel distribution is here to stay but if we are to achieve reasonable returns for our investments and hard work then I believe that we must be thinking about long term sustainability. We should be proud of the services that we provide, the value that we add, the flexibility and proactivity that we bring as we facilitate the supply chain for our customers, and as importantly, suppliers. We should not be embarrassed to seek just reward for the efforts that we expend and investments that we make, indeed if our commercial partners wish to enjoy continuing high levels of service going forward then they must recognise that as part of their supply chains we must be able to generate realistic funds for investment in continued long term security and innovation. EASSC data for 2012 shows that the average EBITDA for EU SSCs was -0.1%, minus 0.1%! and this is not an

isolated year. For comparison in the USA, which operates to an entirely different model based entirely on value added services, it was +7.0%... Short term volume based knee jerk reactions and so called “races to the bottom” bring no benefit to anybody, particularly those directly participating.

It is within these ideals that NASS should also function, namely in bringing value to its members, and I believe it does. I commend to you the Annual Report for the full details of both professional and social opportunities NASS brings, but in particular I would highlight:

- Nationally recognised H&S training courses and programs developed directly in partnership with the HSE.
- Direct access and interaction with the credit insurers and participation in credit circles.
- Market data on an almost real time basis showing the trends and activities in our markets and through participation with the EASSC on an EU wide basis.
- Logistic days with official bodies such as Vehicle and Operator Services Agency participating.
- Specific product groups where market trends and data are independently presented by our colleagues at ISSB.
- Not to mention a modest but highly popular program of social and networking events which although may not be viewed as adding “commercial” value are an opportunity to get to know the people in our industry on a more personal level.

As you may be aware the Government in 2012 published a report outlining what they considered to be the categories of favoured industries for which Government supported strategies would be put in place, namely:

- Aerospace
- Automotive
- Construction
- Nuclear Power
- Offshore Wind Power
- Oil & Gas
- Chemicals
- Electronics

“Metals” were categorised as “Low-Medium Technology Manufacturing” and therefore did not warrant a strategy...

The irony of this is that none of the above, not a single one, is possible without “Metals” as possibly their key ingredient...

Metals Forum, the UK umbrella for all metals trade organisations both ferrous and non-ferrous found this un-acceptable and so I am very pleased that now I can advise you that NASS will be taking one of only five leading roles, with me as Chairman, in the development of a BIS sponsored strategy for the metals industry. There is a large amount of work to be done in a very ambitious time frame and at this early stage I thank any colleagues here that are already involved in the supply chain working team for their support and beg the support of any whom we may approach for input in the coming weeks and months. It is however a

prime example of the time and effort that NASS is putting into trying to improve the working environment and prosperity of our members.

None of the services and achievements of NASS would be possible without the hard work of the team there and on behalf of us all I would like to thank Peter, Karen and Joy.

### Toast

So I say again that there is no doubt the economy is improving and long may it continue, there are opportunities to be seized every day and I believe that as NASS members there are none better than to do that. So On a final note I ask NASS members to be upstanding and join me in a toast to our guests here tonight. Our guests.