

VOICE

JMH JOHN M
HENDERSON

JMH Hits Turnover Target One Year Early



The draft accounts for the financial year ending 30 June 2009 have been finalised, and it has been another successful year for the Company, with sales of £7.6 million. This was a good result considering the situation in the world economy. When the financial crisis emerged, there was an immediate halt in investment by the steel companies, and many decisions were put on hold. The result was a fall in our steel industry business. However, this was balanced by a big increase in sales to the

oil industry.

Three years ago, we decided that we should focus on building our business in this area, and we targeted sales of £5 million by 2011. I am delighted to say that we have achieved this target one year early. The oil industry part of our turnover was £5.5million this year. We have achieved this through building good relationships with a number of key customers.

We have become more heavily involved in more complex projects, and this has

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led to a great load on Project Manager Drew Spink, and Operations Director Ian Newell and everyone in the Manufacturing team. It is vital that we continue to build our capabilities, and further increase our flexibility so that we remain a valued partner for all of our customers.

It is our goal to continue to build this business. As part of this strategy, we are building capability in our design team, to increase the service we can offer to the oil industry. The recruitment of Bruce McLaren as Engineering Design Manager, and Hydraulics Engineer Tim Malkowski, is an important step. We have also invested in Ansys structural analysis software.

I would like to thank everyone for the part they played in this successful year. We are optimistic for the year to 30 June 2010, although we are aware that the situation will remain difficult in both of our main markets. There will be many challenges ahead, but I am sure we can work together to overcome them.

Alistair Lauchlan, Managing Director.

EFACS System Fully Operational

The EFACS roll-out has gone according to plan. Steve Kennedy reported that, "We brought the system on-line a month early for some jobs, because they would overlap the implementation by several months."

Scott Mullin said "Once we were live for the first jobs, anything that would pass the cut-off of the end of June went straight onto EFACS, and we commenced the staged roll-out of the system."

Implementation was simplified by

focusing initially on those who input data into the system.

First impressions of the new system were excellent, according to Steve, who said "The initial implementation highlighted the need for a small amount of hardware upgrade which we quickly carried out, but there have been no major issues and the process has gone very well."

Scott added "Accounts are delighted with the new system and they are already reaping the benefits.

Manufacturing will see the benefits over the coming months."

He added that the system still has more to offer and that more features will be brought on-line soon.

Steve confirmed this, saying "The system is now 80% operational. It has certainly been a lot of work for everyone concerned in the implementation procedure. We are happy to be over the initial hurdles and look forward to developing the system."

Contract News Update

In the Steel business, there are many enquiries for the coming year, according to Project Manager Brian Nicoll. He said "JMHS's expertise and proven track record, particularly in environmental control and automation, remains in demand."

On the Oil & Gas side, contracts progressing through the factory include baskets for QSERV, a BOP deployment package for HOSE, cursor assemblies and latch mechanisms for Subsea 7, and guide dollies for Varco and Aker Maritime. In recent months three important contracts for Aker Malaysia were completed, and according to Ian Cameron, this has led to further enquiries.

Hydraulic Team Expanded

A new member of staff, Tim Malkowski has joined Hydraulic Engineer Chris Robb in a team that will integrate hydraulic and pneumatic design with high-pressure water systems and electronic control systems.

Chris said, "We are now looking at these disciplines within an integrated, multi-disciplinary Design Office. This helps to improve communications and also helps design ideas to grow by cross-fertilisation with other areas in the design field."

Tim, who graduated from Heriot-Watt University with a BSc in Mechanical Engineering, has spent the last two years working for a prominent company in the oil industry at its Aberdeen offices.

Chris said "Tim's experience and background allows us to better address the issues and challenges of designing equipment for oilfield use using the in-house expertise we have developed in the steel and other industries."

Tim will also be closely involved in the steel-industry side of JMHS's business, and has already spent some time at Italiana Coke's plant near Genoa, working on the hydraulic and mechanical design of emergency systems. He said "This has given me first-hand experience of the demanding nature of the steel industry and its requirements."

Tim comes originally from Charleston near Glamis and is intending to move to Dundee.



Tim Malkowski and Chris Robb

JMHS at the EuroCoke Summit



Mr Yuriy Zingerman of Giprokoks and Oana Olaru. at the summit

Gary McCombie, Technical Director, and Oana Olaru, Marketing Manager, attended this year's Eurocoke Summit in Rome in April. John M Henderson was one of the main sponsors and exhibitors at the conference.

Gary's presentation on John M Henderson's latest Korean Project was warmly received by all participants and was also highlighted in the latest issue of Steel Times International for the technological advance in coke oven machinery it involved.

Gary said "The Eurocoke Summit gave us the opportunity to meet potential customers and partners, in particular Giprokoks, the coke oven building company from Ukraine."

He added that Mr Viktor Rudyka, the Director of Giprokoks, and Mr Yuriy Zingerman, the First Deputy Director, were very interested in further mutual opportunities and both expressed their interest in visiting the JMHS premises in Arbroath.

Oana said, "In today's challenging business environment, expanding into new international territories and developing new international partnerships are imperative for John M Henderson. We are developing marketing plans to promote our cutting edge technology worldwide. International conferences such as the EuroCoke Summit are a good way to establish contacts and to seek opportunities for new markets and partnerships."

Briefly

ANSYS software tested

A new design program, Ansys Finite Element Analysis, has been used for the first time at JMHS.

Mark Milne said, "We adopted the ANSYS FEA program earlier this year. We have now completed our first job using it and are very impressed with its performance."

"The program is widely used in the oil industry, and this will help us to work more closely with our customers," he explained.

New Furniture

The ground-floor offices have now been refurbished with new, ergonomically designed furniture, and the office layout has been improved.

New Starts



Above l-r Doug Whyte and Doug Dewart, inset right, Brian Vallance.

Another Green Investment

JMH has invested in a new compactor for paper and cardboard waste which should reap benefits in both environmental and financial terms.

QHSE Manager Alex Falconer explained, "The machine is designed to compact and bale material which has a commercial recovery value. Compacting these materials means they take up less space in our skip so that it needs to be emptied less frequently."

Not only does the machine save on waste transportation, the compacted and baled material is sold to a specialist company.

Alex added, "We now recover 100% of the commercial value of this waste, which will save around £1500 per annum."

Long-Serving Employees Retire



Two members of staff have recently retired.

Davie Mutch, shown left with Operations Director Ian Newell, started as an apprentice Fitter/Fabricator with JMH in 1959 and had three spells of employment with the company, with thirty-six years total service. He had worked for JMH continuously since 1981, including an extra year after reaching his retiral age. Davie moved with the company to Arbroath in 1985 where he still lives.

Davey Brown, right, from Friockheim, worked as a borer operator. He joined the company in 1993 and had sixteen years service.

Managing Director Alistair Lauchlan said "We would like to congratulate both men on their well-earned retirement."



Certifications New First-Aiders



Bob Torrie, left and David Muir have both received their certificates as First Aiders.



John Culross has completed his training as an RTITB accredited Fork Lift Instructor.

QHSE Manager Alex Falconer said "By investing in having John trained as a Fork Lift Instructor, this means that we can train drivers in-house. This is a very useful capability to have within the Company."

Graham McKeon

It is with the greatest regret that we have to report the death of Graham McKeon, a familiar and well-liked figure at John M Henderson.

Nicol Millar, who read the eulogy at his funeral, said, "Many people passed me their condolences, and the words 'genuine,' 'honest,' 'dependable,' and 'kind,' were repeated over and over."

Graham joined the Company in 1991 as Print Room Operator, and served for eighteen years as a vital component in the Design Team.

His memorial service was well attended.

Golf Outing to Kirriemuir



L-R: Ross Ruxton, Andy Ruxton, Ian Newell, Harry Bruce, Ian Wilson, David Brown, David Muir, Scott Nicoll, Steve Hallam, Alex Falconer, John Balfour, Scott Park, Ron Watson, Andy Grubb and Jim Fairweather.

The JMH Spring Golf Outing was to Kirriemuir Golf Club on the 16th of May.

Despite some patches of rain everyone travelled to the event and enjoyed an excellent day on the golf course and in the bar.

Golf Results

0-18 Scratch	Winner	Ian Newell
	Runner-Up	Harry Bruce
19-28 Handicap	Winner	Andy Grubb
	Runner-Up	Scott Park
Nearest Pin 8 th		Andy Ruxton
Nearest Pin 16 th		Ron Watson
Longest Drive 18 th		Andy Ruxton

Tell Us About It!

Perhaps you have a club or sporting event open to JMH staff coming up. A big event you'd like your colleagues to know about, like a birth or a wedding, or maybe you are involved in charity or voluntary activities and would like some support.

If you do, let us know and we'll cover it. Just tell Joyce Scott.

Carbon Trust Award for Factory Improvements



Alex Falconer, QHSE Manager at John M Henderson, receives the certificate from Lord Smith of Kelvin, Chairman of The Weir Group PLC (L) and John Stocks, Manager of the Carbon Trust in Scotland (R).

JMH has been highly commended at this year's Energy Efficiency in Manufacturing Awards, organised by the Carbon Trust in Scotland.

The company received the commendation at the Scottish Engineering Annual Awards dinner at the Marriott Hotel, Glasgow, for its work in reducing its carbon footprint, which will reap projected annual savings of more than £25,000.

By investing £60,000 to improve office, work shop lighting and installing a variable speed compressor, the company has estimated it will reduce its overall electricity bill by 38% and will recoup the initial investment cost in two and a half years.

John Stocks, manager of the Carbon Trust, said: "The work undertaken by John M Henderson and the results they have achieved is an excellent example of how a business can help the environment by becoming energy efficient, but at the same time help themselves by reducing overheads. The measures undertaken by the company are relatively straightforward, including replacing existing lighting with environmentally friendly low energy lighting, but have had a profound impact on profitability and have cut the company's overall carbon footprint."