

Water turnaround

Denied by Dragons Den but now new device is set to make a big splash **P2**



Up the junction

Multi-million-pound office site near motorway gets the go-ahead **P6**



£20m Rolls-Royce deal is a sure sign firm can compete with world

Paul Fabrications has put £1.2m funding and new home to good use

BY OLIVER ASTLEY

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A CASTLE Donington firm says its latest big order is evidence that the UK can compete with lower-wage economies.

Paul Fabrications has linked up with Rolls-Royce in an agreement to provide replacement parts for jet engines already in service.

The deal would be worth up to £20m up to 2014.

A variety of components for numerous different engines will be manufactured at the firm's Castle Donington base for use in Derby, Germany and the United States.

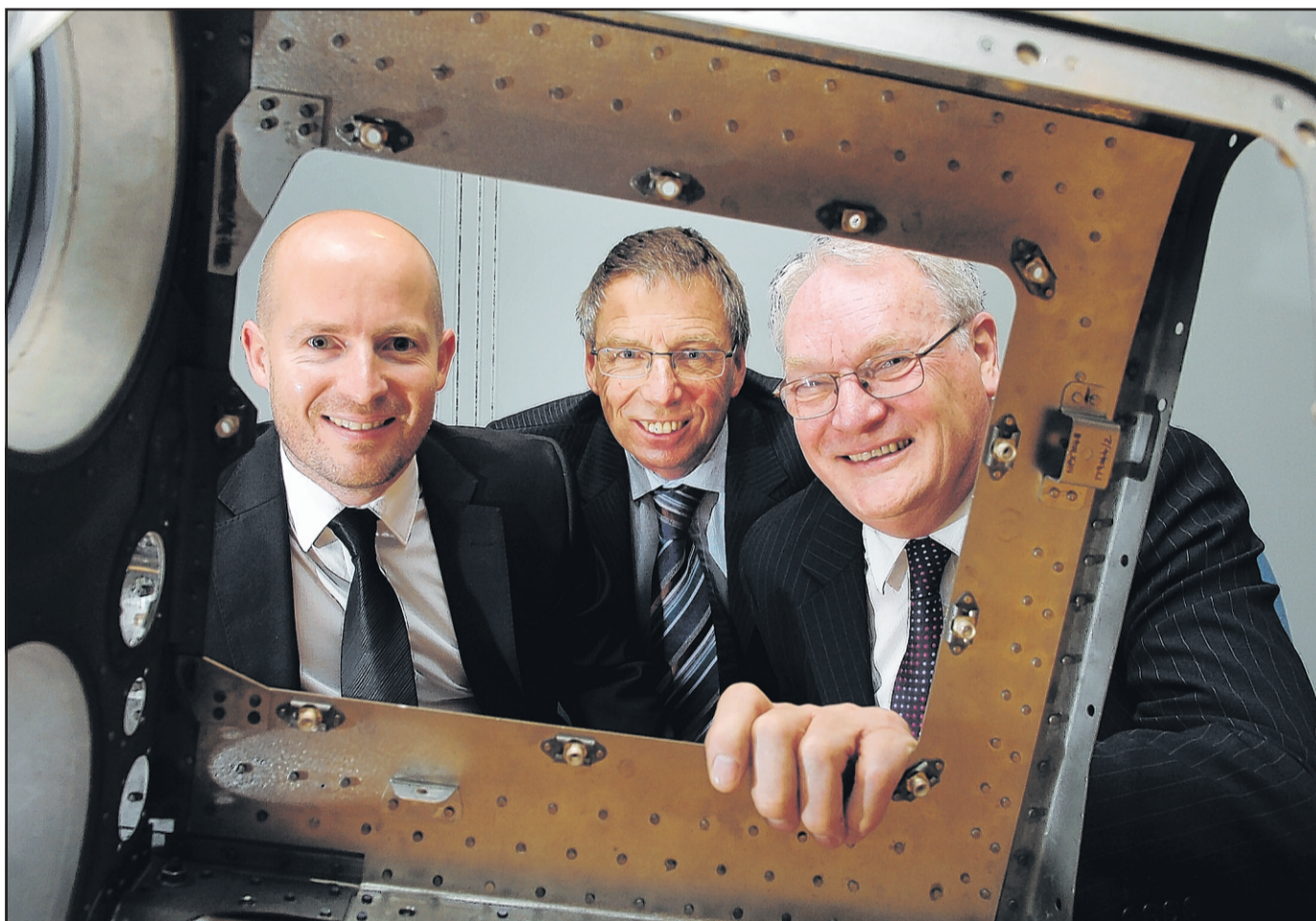
Paul Fabrications has an annual turnover of around £9m and has been producing parts for Rolls-Royce for the last five decades.

The new contract is the first new agreement between the two companies since 2005 when Paul Fabrications moved into its 40,000 sq ft manufacturing base at the Willow Farm Business Park in Castle Donington – a move which coincided with an investment of some £1.2m in the business.

Managing director Ingard Sagstad said: "This contract shows that by investing in innovative technologies, facilities and working practices, we can compete with low-cost economies."

"It is a clear indication that our investment has paid dividends."

Dean Doherty is Rolls-



FIVE-YEAR DEAL: Dean Doherty, global purchasing executive for Rolls-Royce and Paul Fabrications finance director Alan Turner, centre, and managing director Ingard Sagstad.
 Picture: Mike Inman MI070409B-1

Royce's combustion and casing global purchasing executive.

He said: "The long-term agreement is an excellent example of what can be achieved by our two companies working together, particularly over the past three years when we have seen significant improvement in Paul Fabrications' performance."

"It was not without its major challenges by any means but, with both teams' willingness, drive and longer-term view of what could be achieved, these were overcome."

"I would like to thank everyone involved through the improvement journey as they deserve the credit for this achievement."

Alan Turner, Paul Fabrications' finance director, said: "This is a tremendous vote of confidence to everyone in the business and clear indication that an organisation of our size can compete in the global supply chain if they are forward-thinking and prepared to put quality and customer service at the top of the agenda."

"It is vital to the future of the business that we continue to develop long-term trading agreements with major companies such as Rolls-Royce."

Mr Sagstad said: "To survive in the current climate, change has to become a basic essence of the business. By adopting this we believe we will secure further contracts."

Be a Darling and reduce stamp land duty tax

AN EXPERT at a Derby firm of accountants and business advisers has called on Chancellor Alastair Darling to introduce a temporary reduction or suspension in Stamp Duty Land Tax to kick-start the property market.

Fraser Goodall, tax partner at PKF in Friar Gate, is urging Mr Darling to introduce the measure in this month's Budget on April 22.

He said: "A short-term stimulus, like a temporary reduction or suspension of SDLT, would help to get the property market moving."

The Government collected £10bn in SDLT in 2007/08, but receipts in 2008/09 will be much lower.



TAXING TIMES: Fraser Goodall from PKF.

Mr Goodall said: "On very simple projections from the number of property transactions alone, SDLT receipts will be less than £5bn for this financial year, probably much less when you take into account falling asset values."

"If 2009/10 activity stays as low as it is now, annual SDLT receipts could drop to £2.5bn."

"Giving up this amount of revenue for, say, two years, seems a small price to pay compared to the billions spent on November's controversial VAT cut or the money used to prop up banks."

University awards honorary doctorate to chief of food company

A BUSINESSWOMAN who founded a multi-million-pound food business from her Derby kitchen has been presented with an honorary doctorate by a university.

Perween Warsi CBE, founder and chief executive of S&A Foods, on the city's Sir Francis Ley Industrial Estate, has been awarded the honorary science

doctorate by Aston University in Birmingham.

She was presented with the doctorate for her outstanding service to business and innovation at a ceremony at the university.

She said: "I'm extremely honoured to be awarded this doctorate."

"I'm very passionate about

education, so it is wonderful to receive this."

"At S&A Foods, we work hard to provide training to all our colleagues, as skills and knowledge are so important to everyone."

Mrs Warsi has also recently been appointed a lay governor on the Aston University Council, which is made up of a panel

of leaders from the fields of academia, business and research.

She began her business making finger foods from her kitchen.

In 1986, she founded S&A Foods, winning her first major contract to supply chilled and frozen dishes to Asda stores.

In 1989, the first S&A Foods

factory was built in Derby, creating more than 100 jobs for the area.

By 1996, the success of S&A had led to the need for larger premises, and a new factory was built next to the original site.

Today, S&A is one of the UK's largest manufacturers of chilled ready meals.

HONOUR: Perween Warsi.

