

International Credit Crunch

A Testing Time

(Just don't mention the 'R' word)

About PMT Industries

- Registered in the UK in November 2006
- Subsidiary of PMT Italia SpA
- PMT Italia negotiated the purchase of some of the assets of Sandusky Walmsley Limited, when that company went into receivership, for the purpose of establishing a manufacturing facility for Yankee Dryers.
- No affiliation to Sandusky and no TUPE transfers of personnel.

About PMT Industries

- Initial workforce of 60 recruited.
- Manufacturing operations commenced in January 2007.
- Current workforce is 74.
- Niche product is the Yankee Dryer.
- Also manufacture other types of drying cylinders & rolls for the papermaking industry and third party castings for non-papermaking sectors.
- Yankee Dryer Service facility.

Yankee Dryer



16' Yankee Dryer En Route for Mexico

Paper Dryer



6' Paper Dryer being machined

Castings



Organisational Culture

- Team work culture.
- Harmonisation of terms and conditions
- Flexible Workforce.
- Common Goal.
- Union Recognition Agreement.
- Information & Consultation Forum
- Employee News Letter published 4 times a year.

Product Sales

- In first trading year 84% of our sales were exported to 12 countries
- In the current trading year 94% of our sales were exported to 13 countries, 8 of which were new markets.
- Turnover in the current year is forecast to be 132% higher than our first year of trading.

Trading Conditions

- Do not operate in overdraft so not, at this time, subject to bank credit lines being squeezed.
- Capital goods market so contract terms provide for advance payments.
- However, when times are hard, capital expenditure is often subject to deferral so we are not immune to the effects of the credit crunch.

A Strategy for Survival

- SWOT analysis of company.
- Determine what our strengths and weaknesses are.
- Our greatest strength is also our greatest weakness!
- Play to our strengths to minimise the weak points.
- Realign our sales strategy to reflect the probable change in market demand.

A Strategy for Survival

- Contain/reduce operating costs.
- Involve the workforce; we don't assume management has all the answers!
- Communicate, Communicate, Communicate!
- Network.
- Fly the flag.
- Keep an open mind about new opportunities.