



# How we headed off the recession

**MERC ENGINEERING**  
Barrowford

THE cliché about the world-wide recession is that no one could have foreseen the scale of the misery.

But at Barrowford-based precision engineering firm Merc, bosses saw the problem coming and prepared for it, meaning they have coped far better than most during 12 months of gloom.

The 68-strong workforce, which builds parts for industries including aerospace, defence and motorsport, planned ahead using marketing techniques, investment, training and forward orders to see it through the worst of the downturn.

Marketing manager Jean-Yves Dziki said: "The past year has been enormously challenging."

"However, one aspect that helped us through was a large forward order book which we had built up because we were fully expecting the recession to hit and we were ready when it did."

"We had had some success from a marketing campaign, although when the industry goes all quiet you are



FEEL THE QUALITY: MD Les Nuttall admires the finished product

affected, however well prepared you are."

Mr Dziki said using Merc's website innovatively and targeting markets had resulted in an extra £1million in sales since April.

Another tactic was utilising Nelson-based Bright Spark, an engineering company bought by the larger Merc Group in a "gamble" move 18 months ago.

Merc bosses outsourced some of their contracts to the smaller firm, resulting in Bright Spark gaining seven new customers, four new

staff and boosting turnover at its parent company.

Meanwhile, Merc, which was founded in 2001, has also retained its commitment to training during the recession.

The company is now on track to spend £25,000 this year on employee improvement, which also helps staff morale.

Mr Dziki added: "We wanted to be seen as a company that made it through the recession and we didn't want to let people down."

"So far, the strategy has worked well."

**MOORHOUSE'S BREWERY**  
Burnley

FEW 140-year-old companies can claim to have just celebrated their best ever year – and in the midst of a recession too.

But Burnley-based brewery Moorhouse's is no ordinary company, seeing increased beer sales and a site expansion even as pubs up and down the country call last orders for the final time.

Incredibly, the company only started brewing beers in 1978 and now offers five 'core' ales, including Black Cat, Blond Witch and Pendle Witches Brew.

Managing director David Grant said the firm's success this year – with sales up 17 per cent – was built on spreading its brand name through deals with pub chains across Britain.

He said: "It has been an excellent year for us and it follows on from eight years of sustained sales growth."

"There is now more room in the marketplace for quality cask ales and that has obviously helped us a lot."

"We have also been very supportive and active within Wetherspoon pubs."

It means that Moorhouse's ales are now available in most Wetherspoon inns in the North and they were also on offer during the pub

# Staying ale and hearty



FANCY A BREW? Carl Spark with some of the magic ingredients

chain's beer festival earlier this year.

Elsewhere, Moorhouse's has struck a deal with Enterprise Inns, which runs 7,500 pubs nationwide, giving landlords easy access to cask ales.

Against this backdrop, brewery bosses have decided to press ahead with a £4million extension to their current Accrington Road site which will quadruple brewing capacity.

Work was due to begin on the site this month and

by 2011 it is hoped a new visitor centre, training school and enlarged car park will be ready, creating 17 new jobs.

Unsurprisingly, Mr Grant now believes Moorhouse's can continue to grow, despite battling in the notoriously tough beer market.

He said: "We would not be investing if we were not confident about the future."

"The recession is not over but we believe the market is now in the right place."

# Building firm has risen from rubble

**OBAS UK**  
Longridge

IT was rescued from the ashes of administration but OBAS is prepared for the future – after battling through the worst recession for generations.

The building supplies company – previously four separate firms – was bought from administrators in February 2008 but just months later the recession struck, making rebuilding OBAS even more difficult for owners Norman and Michele Tenray.

In the two years since the pair took over, the company has survived obstacles including the poor quality of Chinese manufacturing and a rival firm poaching staff.

Mr Tenray said: "The biggest problem for us is that we simply didn't know what we had bought."

"Some potential customers were scared off by the fact that we were in administration, which was dire, and so we had to restore trust and confidence in what we do."

"On top of that, we had the recession to deal with. That has gone on for so long and it is still going on today."

"However, we feel we are back on track because our October turnover has increased by 120 per cent on last year."



TOP TEAM: Operations director Colin Fisher and MD Norman Tenray

The company's strategy for pulling through the recession has included heavy investment in training, new fleet vehicles and marketing of OBAS' 17,000 products sold nationwide.

OBAS also secured a grant from Business Link, the sponsor of this year's We're Backing Business category, for mentoring staff.

Mr Tenray added: "We have invested heavily because from next year we have got some major sales opportunities

available to us. We got the grant from Business Link based on our business strategy for the future, and it has been incredibly helpful to us."

"Now we are in a position where we are very optimistic about the future and confident that the market will improve."

Plans for the future, including taking on six new staff and a renewed marketing drive, look set to ensure OBAS continues to rise like a phoenix from the flames.



"My Business Link adviser has really been there for me and has pointed me in the right direction on many occasions."

Ray Thornton  
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