

Published for members of the Northern Ireland Division of the Institute of Directors

## Helen is Excellence Award winner

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## Diary Dates

### February

27 Creating business resilience (4)

### March

08 The Women's Leadership Conference (6)

11 \*\*New member lunch

13 \*\*Applying for public appointments (2)

26 \*\*Director Insights Directors' responsibilities (1)

### April

17 \*\*Business Boost Succession Planning (1)

24 \*\*New member lunch

30 \*\*Lunch & Learn Succession Planning (1.5)

### May

15 \*\*Annual Members Meeting

15 The Leadership Lecture (1)

17 Young Leaders Conference (5)

### June

04 Chartered Directors Seminar (4)

25 \*\*Director Insights - Directors' Health & Safety exposure (1)

The Annual Golf Outing is on 5 September

The IoD Annual Convention will be held on 18 September 2013 in the Royal Albert Hall.

Events marked \*\* are free to IoD members

Book online at  
[www.iod.com/northernireland](http://www.iod.com/northernireland)

If the event you are looking for does not appear online, please telephone Lorraine at 028 9068 3224.



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# Upcoming events

## Developing Resilient Executive Behaviours Or how to survive! 27 February

Why do some companies survive while others fail when things get tough? According to the presenters of this half day workshop, research shows a correlation between behaviours displayed at executive level and the ability of an organisation to continue to perform effectively in challenging environments. In other words, as a business leader your behaviour can make a difference.

The ability to continue to perform in difficult environments is termed 'resilience' and our presenters, Adrian Eagleson and Johnny Parks from TOWARD Limited, will make participants aware of the specific tools and interventions that are useful in understanding how getting the behaviours and culture right, at the top level, creates an environment where the organisation is less susceptible to risk and crisis.

## The Women's Leadership Conference 8 March



Sacha Romanovitch

The 6th annual conference is once again sponsored by Vodafone NI and this year will be supported the Department for Employment & Learning. Transforming Leadership is the theme of the conference, which is being organised jointly by the IoD and the Chief Executives' Forum.

Speakers include Sacha Romanovitch from Grant Thornton in London, Helen Marriage of Artichoke joining us from Harvard, Cheshire based trainer Karen Barr of Pentland Training, and local speakers Rotha Johnston of Wildflower Property and Nigel Robbins, UTV. Charing the event is Nuala McKeever.

The popular marketplace will again be a feature of the Conference.



**vodafone**



John Keanie

## Applying for public appointments 13 March

If you've ever been put off applying for a public appointment by the application process or would just like to know how it all works, then hear it from the horse's mouth. John Keanie is the Commissioner for Public Appointments in Northern Ireland and with his oversight role on appointments to public bodies, is well placed to speak on the subject.

This briefing is at the CPANI offices beside Dundonald House at Stormont.

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**Business Boost – Succession Planning**  
17 April

The leadership of an organisation cannot – indeed should not – remain unchanged ad infinitum. Bringing fresh blood to the executive or non-executive team ensures the leadership team keeps looking for new opportunities and developments while maintaining a focus on day to day operations. And it's the same whether it's a family business, SME, public sector or social enterprise – it's all about identifying the right people at the right time and preparing them to succeed.

Find out how others have handled succession planning with facilitator Kate Marshall and some local business leaders.

Sponsored by the Department for Employment & Learning.

**Lunch & Learn – succession planning**  
30 April

Succession planning is about more than just identifying the right person for a role. There are legal and financial issues to think about too. Following on from the April Business Boost, our Lunch & Learn session hosted by A&L Goodbody will address some of these other issues over an informal lunch.

**IoD events count for CPD**

Use IoD local events to contribute to your CPD hours for Chartered Director and other professional bodies. CPD hours are indicated in brackets.

Our events provide valuable opportunities to network with and learn from other business leaders.

**Marketing to IoD members**

Contact Linda Brown on 07971 599 787 or email [linda.brown@iod.com](mailto:linda.brown@iod.com) for details of sponsorship opportunities and rates for advertising in IoD Northern Ireland News.

# Director Insights

The first seminar in our new corporate governance series in partnership with Arthur Cox was a huge success and the details of the next two briefings have been agreed.

**Digital and Social Media Seminar – a quick review**

There was a great turnout for first seminar in the series - Digital and Social Media – held at the Arthur Cox offices in Belfast city centre. The highly informative and relevant briefing was presented by Rosemary Lundy, partner and head of the Employment Department in Arthur Cox, Northern Ireland.

During the briefing Rosemary highlighted the most common social media risks for employers and offered practical advice on how to manage these risks, illustrating the issues with examples of recent case law in this area. Rosemary also provided useful guidance for employers in the areas of disciplinary action, human rights issues, evidential challenges and controlling social media in the workplace.

Emerging from the discussion was the clear need for businesses to have a social media policy and to keep it updated. For advice implementing or updating your policy, please do not hesitate to contact either Rosemary Lundy or Cathy Doherty at Arthur Cox on 02890 230007.

**The role of a director in challenging economic environments – 26 March**

Company directors face a myriad of fiscal, legal and regulatory responsibilities. During a period of economic recession and market distress, directors bear the brunt of any external or internal pressures placed on their companies. It is during this period that directors are arguably at more of a risk of failing to comply with their obligations and duties under the law, which can lead to personal liability and possible disqualification. Consequently, directors need to ensure that they have sufficient knowledge and support to properly deal with the challenges they encounter.

As an aid to guide directors through these difficult times, Lynsey Mallon will host our next informative seminar which will include topics such as:

- Key issues for directors of companies in financial difficulties and how to manage them;
- When a director is personally liable;
- Disqualification;
- Loans to directors and substantial property transactions
- Directors' expenses.

*Lynsey Mallon is a partner in the Corporate and Commercial practice at Arthur Cox in Northern*

*Ireland and advises both domestic and international, public and private clients, as well as public sector bodies, across the full range of company and commercial law areas. Lynsey has extensive experience of advising on both domestic and cross border mergers and acquisitions as well as MBOs and MBIs, joint ventures, private equity, and general commercial contract work. She also regularly advises clients on corporate governance and corporate restructuring. Other areas of focus include data protection and privacy law, intellectual property and information technology. You can contact her directly on 028 9026 2669 or at [lynsey.mallon@arthurcox.com](mailto:lynsey.mallon@arthurcox.com).*



Lynsey Mallon

**Upcoming Health and Safety seminar – 25 June**

This summer seminar will focus on Health and Safety and the personal exposure of directors. It will be delivered by Ashleigh Birkett, a regulatory lawyer specialising in corporate criminal defence who has recently joined the Dispute Resolution practice in Arthur Cox Belfast. Ashleigh has specific expertise in relation to health and safety, food safety and hygiene, trading standards and consumer protection, and regularly advises companies and individuals that are facing criminal investigations and proceedings by the Police, Health and Safety Executive, Environment Agency and other regulatory bodies.

You can contact Ashleigh directly on 028 9026 5549 or at ashleigh.birkett@arthurcox.com. Full details of the seminar will follow in the next issue of IoD Northern Ireland News.

The Director Insights briefings will be held at Arthur Cox, Capital House, 3 Upper Queen Street, Belfast BT1 6PU. A light breakfast will be provided at 8.15am with the seminar from 8.30am to 9.30am.

Register online for your free place at [www.iod.com/northernireland](http://www.iod.com/northernireland)



Ashleigh Birkett

**ARTHUR COX**

# The policy round-up

## EU referendum

The Prime Minister has called for a fundamental change in the UK's relationship with Europe and promised a vote on whether to remain in the EU within five years – assuming the Conservatives are returned to power at the next election.

Exporting is vital for Northern Ireland's economic future growth, and the Institute believes that it is in all of our interests to ensure that our trading relationship with Europe continues and that most people recognise this. Northern Ireland's land border with another EU country gives us particular cause to appreciate our EU membership.



Commenting on the PM's speech, IoD Northern Ireland Chairman, Mervyn McCall, said: "In our view, a future referendum to decide the workings of our relationship will confirm our participation in a competitive, deregulated free-market Europe."

## NEET funding welcomed

Some 5000 young people in Northern Ireland are currently not in education,



The Institute believes that it is in all of our interests to ensure that our trading relationship with Europe continues and that most people recognise this. ”

employment or training (NEET). While this to some extent suggests a failure within our education system, it is largely the fallout of many social factors that impact on young people from disadvantaged backgrounds.

The Department for Employment & Learning has recognised that investment is needed to help these young people get a new start, before they become irrevocably destined to life without prospects or hope.

IoD has welcomed the £9m of funding that has been allocated for the Executive's NEET Strategy, Pathways to Success, to help these young people.

## The important of early years

The poor achievement levels amongst school leavers that is being addressed by the NEET Strategy have their roots in the earliest years of a child's development – perhaps even pre-natally. Any government strategy to address lack of achievement must include early years learning, which is the objective of the Department of Education's Learning to Learn consultation.

IoD has responded to this consultation highlighting in particular the need for closer collaboration between all the bodies working in the field of early years learning.

## Because you're worth it

The outcry that is raised when the issue of executive pay is discussed in the media illustrates a general lack of understanding in the public mind of the value of good leadership. The IoD's comment on the debate on the salary of the Invest Northern Ireland Chief Executive called for recognition that good leadership must be rewarded. Mervyn McCall said: "Leaders

create thousands of jobs, deliver wealth for investors and drive innovation.

"To secure entrepreneurial leadership from the private sector to fill key roles within the public sector in Northern Ireland substantial remuneration is required. If you want a good CEO, you have to pay for it, and that's exactly what the board of Invest NI recognise it has in the current incumbent.

"The Chief Executive of Invest NI plays a critical role in driving future economic prosperity for the region and not one that is easily comparable to any other role in the public sector."

## Committee meets DETI Perm Sec

Members of our policy committee had a discussion with David Sterling, Permanent Secretary of the Department for Enterprise Trade & Investment. The committee quizzed Mr Sterling on the progress being made against the objectives of the Northern Ireland Economic Strategy including the number of jobs created, export figures, investment in R&D by the private sector, tourism visitor numbers and energy from renewables. The discussion also covered the current position on Corporation Tax and work ongoing in relation to access to finance for business.

David Sterling



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# Chairman's message

**I**n his final Annual Dinner speech as IoD Northern Ireland Chairman, Mervyn made no excuses for repeating yet again some of the messages he has spelt out in earlier pronouncements.

"When I became Chairman, an old friend said, "Mervyn, if you want to get a message across, then you need to repeat it and keep repeating it."

So here goes for probably the last time. If we are to grow our economy, we need 3 things: an export-focused business community with the attitude to match, a business-friendly environment and low business taxes.

## Export

We just don't have enough exporters, people motivated to export and "sell more stuff". Existing exporters can do much to encourage new exporters.

If businesses are to sell more stuff then Invest NI should support sales costs. My old company, Mivan, has succeeded in export markets because it invests heavily in world class salesmen in the correct markets. With Invest's help, others can do the same.

Invest NI are hampered by issues of competitiveness, the two biggest of which currently are the unrest on our streets and the tax gap between here and the Republic of Ireland. Our politicians must address the unrest as the highest priority. Brand Northern Ireland is being damaged every day.

## £250m fund

I have spoken before of how the planning

system contrives to stifle investment but an equally important issue is funding for business. I don't believe the banks can lead again on the scale we need, nor can we wait for the next initiative from No 11, which don't seem to make it here. We need a significant local solution.

I want to see a £250m fund for business growth that covers all cases - the high tech start-up, budding entrepreneur, first time exporter, the business needing funding for growth and the established business needing working capital.

A £250m fund makes a serious statement about supporting business, and will attract support from the European Investment Bank, who have indicated that they would co-finance a fund of this size.

## Last hurdle

You may be fed up with Corporation Tax, but we are at the last hurdle. Admittedly that happens to be David Cameron. But it is still the last. After 7 years of consultations, the arguments have been won. It's time for the PM to do the right thing for Northern Ireland.

But my last message is to you, our business leaders. What are you going to do to change things? Have you helped a business or a supplier into an export market? Have you offered to speak to pupils at your old school and inspire them to be an entrepreneur or exporter?

Northern Ireland needs more role models, and we are the ones who must make it happen.

## IoD NI Committee elections

The Annual Members Meeting will be held on 15 May at The MAC in Belfast at 4.30pm.

The Meeting will receive reports on the past year and elect new members to the Northern Ireland Committee. This year we will be approving the Vice Chairman Paul Terrington of PwC as Chairman for the next two years in succession to Mervyn McCall.

Any IoD members wishing to stand for election should contact the Director, Linda Brown, at [linda.brown@iod.com](mailto:linda.brown@iod.com)

The Annual Members Meeting is followed by The Leadership Lecture, which will be presented by a senior business figure. Watch out for the announcement of the guest lecturer.

Paul Terrington



### Chairman

Mervyn McCall, MNV Limited

### Vice Chairman

Paul Terrington, PwC

### Treasurer

Geoff Henderson, Consilium Technologies

Committee chairmen/vice chairmen:

### Connecting

Ian Jeffers, The Prince's Trust

Colin Coffey, Digital Venture Group

Neal Lucas, Neal Lucas Recruitment

### Developing

John Knapton, Biznet Solutions

### Influencing

Michael Murray, BT

Richard Hunter, R Robinson & Sons

Other members of the Committee:

Michael Corey, Lanyon Astor Buller

Ashleen Feeney, KPMG

Eleanor Gill, Erga Strategies

Marie-Thérèse McGivern, Belfast

Metropolitan College

Richard Rodgers, Carillion plc

Ian Sheppard, Bank of Ireland

Rose Mary Stalker

Alan Taylor, Arthur Cox



IoD NI Chairman Mervyn McCall and his wife Wilma with NI Chamber President Mark Nodder (left) and Dr Stephen Farry MLA, Minister for Employment & Learning at the Annual Dinner

# Why Volvo?

**S**MW Belfast is a specially selected Volvo Car UK Business Centre. It's structured to help business, fleet decision makers and fleet buyers to quickly and accurately compare and evaluate Volvo products and services, no matter what size of fleet you operate.

Sales Manager, Brian Gribben along with dedicated business sales consultants Kieran and Sandra, are able to advise on product and finance choices, as well as offer corporate demonstrator vehicles.

SMW Belfast is also a previous winner of the prestigious Volvo Quality Award, in recognition of their pride, passion and high standards as a Volvo Car retailer.

So why should Volvo be at the top of your list for your next company car?

The latest generation of Volvo products are class-leaders in their sectors. Take the newest model, the V40 5-door hatchback. With its standard pedestrian airbag (a world-first) and full auto-brake system, it has been recognised by Euro NCAP (independent safety body) as the highest scoring vehicle ever tested. Volvo's latest engine and



environmental technology translates into a CO<sub>2</sub>'s starting from as low as just 94g/km, not currently beaten by any other premium manufacturer. So with a resulting BIK of just 13% for 2012-2013 tax year and a combined fuel economy of 78.5 mpg, it's not only kind to the driver's finances, it also shames other expensive hybrid models. With a significant range of engine sizes and specification levels, the V40 can be chosen to suit budget and style. Options include self-parking system and integrated satellite-navigation as well as sporty R-Design and rugged Cross Country versions.

With the addition of the Business Edition

versions of the larger S60 saloon and V60 and V70 estate models, each fitted with satellite navigation as standard, it's no surprise that corporate sales is the fastest growing sales channel for SMW Belfast.

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Fuel consumption for the Volvo V40 range in mpg (l/100km): Urban 25.0 (11.3) - 70.6 (4.0), Extra Urban 47.1 (6.0) - 83.1 (3.4), Combined 35.8 (7.9) - 78.5 (3.6). CO<sub>2</sub> Emissions 185 - 94g/km.

Finance subject to status. At participating dealers on vehicles registered by 31st March 2013. At the end of the Personal Contract Purchase there are three options: (i) pay the GFV (Guaranteed Future Value/Optional Final Payment) to own the vehicle; (ii) part exchange the vehicle, where equity is available; or (iii) return the vehicle. Further charges may be made subject to the condition of the vehicle. Deposit shown is higher than the minimum required. A lower deposit will increase the monthly payment. Terms and conditions apply, 18s or over. Guarantee/Indemnity may be required. Volvo Car Credit RH1 1SR. The service offer is applicable to vehicles ordered before 31st March 2013. Services must be carried out at a Volvo Authorised Repairer. Retail offer only. Excludes fleet operators and business users. See [volvocars.co.uk](http://volvocars.co.uk) for full terms and conditions.

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**SMW Belfast 028 9068 6000**

# The value of a non-executive director

**C**olin Walsh of Crescent Capital was the guest interviewee at our January Business Boost sponsored by the Department for Employment & Learning on the value of a non-executive director.

In his work in the venture capital business, Colin has considerable experience in appointing non-executives and acting as one himself. He is Chairman of one of our most successful local businesses, Andor Technology plc, and a Director of Balcas Limited, MailDistiller Limited, Nisoft UK Limited and Fusion Antibodies Limited.

## Formal role

In an interview with our facilitator, Kate Marshall of MaST Ireland, Colin discussed the formal role of non-executive directors, which includes:

- Monitoring the achievement of the business objectives
- Assessing performance of the executive directors
- Developing suitable corporate structures
- Taking a key role in corporate governance matters
- Ensuring compliance with relevant regulators or legislation
- Sitting on audit, remuneration and appointments committees, etc
- Making strategic management input

But as he pointed out, the non-executive has no executive powers.

## Looking for a non-exec

When you are looking for a non-executive for your company, there are some things to consider, said Colin. By way of characteristics, the non-executive director should have:

- Widespread business experience of

relevant scale

- Good communication and interpersonal skills
- Experience of other boardroom environments
- Honesty and integrity
- No conflicts of interest
- Perspective
- Contacts
- Credibility
- And basically be a good, solid citizen

Kate made the very valid point that, in creating your leadership team, you should recruit directors to take you where you want to be, not for where you are now.

## Passion

But of course, there must also be mutual respect and good chemistry between the non-executive and particularly the MD or Chief Executive, because the non-executive role can involve some mentoring and guidance of the executive team.

To help you find the right person, you should set out the objectives for your business, establish the skills set that you need to achieve that objective, prepare a pen picture of the person/s with those skills, and then use recruiters and your networks like the IoD for structured encounters to identify your non-executive.

As a non-executive director yourself, Colin believes you should have a positive passion and interest in the company, and care that it succeeds, but at the same time be objective enough to ask the challenging questions.

And critically, before taking on a non-executive position ask yourself, do you have the personality, qualifications, experience, knowledge and expertise for the role?



## Ask the Experts – Colin Coffey CDir

*Reproduced by kind permission of Business Month*

**Q** I have been asked to become a non-executive director. Will my responsibilities be the same as those of a director?

**A** There seems to be an assumption that there is less of an onus on non-executives in terms of accountability, but this is entirely misguided. You have been brought in for your expertise and your reputation is on the line if something goes wrong.

As a non-executive you may be in a sector you are unfamiliar with so it is your responsibility to get the right information about the market and ask for regular updates.

You must also be prepared to ask questions of the company, especially when it comes to risk. Is the firm aware of its risk and the external environment? Can they deal with future challenges? Have they adhered to legal requirements? Do they have the correct resources when taking on new projects/clients? You cannot rely on the audit team to ask those questions for you.

Essentially your role is to offer objective criticism. Non-executive directors bring not only wide experience and knowledge, but independence and impartiality. As well as examining risk and monitoring performance, non-executive directors must also assess the business environment and business objectives of the company and help connect the board with external networks.

The Institute of Directors run regular courses on the role of the non-executive director, and examine what business leaders need to know when considering becoming one. If something goes wrong with the company, ignorance is no defence. A non-executive directorship should be treated as another job, not simply a position.

Colin Coffey is Director of Digital Ventures and a Chartered Director



Colin Walsh

## Member Profiles

# The Institute of Directors – your fellow members

### Dr David Dobbin CBE

David Dobbin has been Group Chief Executive United Dairy Farmers, the parent group for Dale Farm) since 2000.

United is a farmer-owned UK dairy processing cooperative headquartered in Northern Ireland with 5 dairy processing plants – 3 in Northern Ireland, 1 in Scotland and 1 in the English Lake District. The company is Northern Ireland's largest dairy business with a turnover of over £450 million and employing around 1,000 people. The company also owns United Feeds, an animal feeds business, with two feed mills in NI – 1 in Belfast Port and the other in Dungannon.

United Dairy Farmers was formerly the Milk Marketing Board and since taking over as Group CE, David has transformed it from a public sector organisation (privatised in 1995) into a vibrant, market led and rapidly growing international dairy business.

David has extensive international business

experience in the food and drink and packaging sectors and was formerly Group Development Director of Boxmore International plc.

He has been actively involved in promoting regional economic development for many years, serving as Chairman of Strategic Investment Board for Northern Ireland and on the boards of Invest Northern Ireland and the Belfast Harbour Commissioners. He has previously held a number of senior public, private and voluntary sector appointments including Chairman of InterTradeIreland, Chairman of CBI Northern Ireland and Chairman of the Prince's Trust in Northern Ireland.

A passionate rugby enthusiast, David has been Chairman of Ulster Rugby Management Committee since 2010.



### Ian Aiken

Ian Aiken FCMA launched TaxAssist Accountants in Ballymena in December 2012, offering a dedicated service to support sole traders, partnerships and limited companies in Ballymena and the surrounding area.

After nearly 30 years working as an accountant in senior financial roles for plc's and SME's, Ian decided to start his own accountancy practice, using his experience to advise small and medium sized businesses and help them look after their hard earned income.



TaxAssist Accountants in Ballymena is part of the largest national network of independent accountants working specifically for small and medium sized businesses, with more than 200 offices across the UK working with more than 42,000 small businesses.

With access to the experience of the network and a highly experienced and qualified helpdesk, Ian, a fellow of the Chartered Institute of Management Accountants who also holds the IoD Diploma in Company Direction, is advising business owners across the region, using TaxAssist Accountants' trademark friendly and personal approach, which is professional and jargon free.

TaxAssist Accountants in Ballymena provides accountancy services, tax returns, payroll, bookkeeping, business plans, cash flows, tax savings and tax advice to soletraders, partnerships and limited companies across Ballymena, Broughshane, Mid Antrim, Randalstown, Ballyclare and the surrounding area.

Ian Aiken can be contacted on 028 25 037 001 or [ianaiken@taxassist.co.uk](mailto:ianaiken@taxassist.co.uk) and [www.taxassist.co.uk/ballymena](http://www.taxassist.co.uk/ballymena)



### Mark Ennis

Mark Ennis is Executive Chairman of SSE Ireland, the company which includes Airtricity, Airtricity Utility Solutions, SSE Renewables and SSE Generation.

Mark was previously CEO of Airtricity NI from 2002 to 2007 and was appointed a main Airtricity Holdings Board Director in charge of retail and corporate affairs in 2003.

He is an economics honours graduate of Queens University Belfast and holds an Open University MBA. In 2011, Mark was appointed Chairperson of Invest NI.



### Cary Thompson

Cary is the Compliance Manager with the defence manufacturing company, Thales Air Defence Limited.

His particular role is to ensure compliance with laws and regulations and effective risk management and in doing so to contribute to the achievement of the Company's financial and strategic objectives.

Cary says that his work involves the ongoing development and implementation of a risk management and compliance programme, under which risks that could impact on the achievement of objectives are identified, evaluated and addressed. "This entails working with my colleagues in all parts of the business to build up a comprehensive view of the principal risks facing the company.

"Two key aims of our programme are raising awareness of risk and need for compliance, and creating a culture within the business in which employees are encouraged to raise concerns. Through achieving these aims risk management and compliance becomes an important element of everyone's responsibilities."

Cary recently attended one of our Risk Management workshops held in partnership with the public sector's Chief Executives Forum and the Northern Ireland Audit Office.



## Member Profiles

# Dr Clare Passmore

## Attuning design and technology – making life easier

**A**lways eager to commercialise technology solutions, IoD member, Dr Clare Passmore has 'diversified' from healthcare and agri-renewables into fashion and textiles in her portfolio of business interests.

Clare has recently launched a new online business, Attune Womenswear, which is the product of a lifelong tinkering in clothing design and a career in commercial scientific product research and development.

While a recent C&G Fashion Design student, Clare was introduced to smart fabric technology and spotted a market gap where modern high-tech fabrics combined with sensitive styling could offer solutions for folks challenged by the



Attune Womenswear

impact of busy lifestyle or health issues on comfort and sartorial elegance.

Clare is committed to local development and opportunities, and all the elements of Attune - product concepts, quality, website and marketing - are designed and managed by a Northern Ireland team with the garments produced in the UK.

### Supporting entrepreneurs

As well as acting as a director of Attune, Clare continues to support new technology business start-ups and the development of the NI knowledge economy. She is a founder member of MATRIX, the industry and science panel, and her relationship with NISP Connect provides an opportunity for her own personal development, while she provides support for new technology start-ups as an Entrepreneur in Residence (EIR) and a Business Angel through the Halo business angel network.

It was through the EIR network that Clare was introduced to Attune team member, Gareth Dunlop of Fathom, who supports the critical e-commerce function for Attune.

A key component of Clare's activities is promoting STEM education as a potent career



Dr Clare Passmore

opportunity for our young people and a driver of economic growth. She works closely with former IoD Chairman, Joanne Stuart, on an integrated NI STEM business-education-government strategy as a STEM ambassador, and engages directly with several schools and with activities such as Young Innovators and Generation Innovation.

### Supporting charities and sport

Clare is a Director and Company Secretary of SPRED (Down & Connor), a charitable organisation working with the Learning Disabled.

A keen runner, Clare and the Attune support team are dedicating their participation in the Paris Half Marathon and Ballyliffin Coastal Challenge (10 miles) this year to Marie Curie.

Offers of sponsorship from IoD members would be very welcome. Sponsor Clare and her team at [www.justgiving.com/Clare-Marie-Passmore](http://www.justgiving.com/Clare-Marie-Passmore)

# Marie Marin

## From dependency to self-sustainability

**M**arie is founding CEO of Employers For Childcare Charitable Group. Her experience of working in, and managing, gender equality employment projects spans 20 years.

She has led the organisation from being entirely dependent on government funding in 2002, to being entirely self-financing in 2008. In 2004 she set up a wholly owned subsidiary trading company, Employers For Childcare Vouchers. As a Social Enterprise it is the only Childcare Voucher company which donates 100% profit to charitable activities.

Employers For Childcare Charitable Group gives free advice and information to employers, parents, community groups, childcare providers and Government departments on childcare and work related issues. Annually they publish a Childcare Cost Survey and in 2012 it revealed that for almost half of parents the cost of childcare influenced the number of hours they worked, either reducing hours to part-time or leaving work altogether. This identified the

obvious need for access to childcare that would help people to get into work and to stay in work.

### Approved Home Childcare

In answer to this need, last year Employers For Childcare Charitable Group launched Approved Home Childcare, offering quality childcare in the security of the family home. This tailored service is the first of its kind and has the potential to change the face of childcare in Northern Ireland.

Marie says that, "What makes Approved Home Childcare different is that parents only pay for the hours they use and there are no holiday fees. With the average family budget already stretched to the limit, this provides a new affordable childcare choice for many families."

### Recognition

Marie's work has been recognised with an Award of Appreciation by the Women's



Bureau of the US Department of Labor for her commitment to implementing family friendly employment practices. More recently Marie was highly commended in the 'Third Sector Director of the Year' category at the 2012 Institute of Directors NI Awards and in the 'Social Enterprise Leader of the Year' category in the Northern Ireland Social Enterprise Awards 2012.

To find out more about Approved Home Childcare call freephone 0800 206 1488 or visit [www.approvedhomechildcare.com](http://www.approvedhomechildcare.com)

# Renewed focus on skills

**B**usinesses are fighting against falling sales, rising input costs and increased competition. Survival of the fittest has never been so true and a key component of that fitness is a skilled and productive workforce.

Invest Northern Ireland has renewed its focus on this area with the recent launch of an enhanced programme to support in-company training, the latest addition to a growing range of Invest NI support for skills development.

## Support for higher skills training

The Skills Growth Programme will provide discretionary financial support for training activities focusing on higher skills, with an emphasis on externally validated training. The programme will support internal and external training costs including travel and accommodation and materials directly related to the training project.

Invest NI has also created a new Skills Accelerator Grant specifically for small enterprises. This scheme will only be available to small companies that operate

Invest   
Northern  
Ireland

## Building Locally Competing Globally

in manufacturing and internationally tradable services and that currently export or are ready to begin exporting. The scheme will provide funding for 50 per cent of eligible costs up to a maximum grant of £10,000. Eligible costs will be external costs such as trainers, travel and accommodation.

## Leadership Experience

With research showing that stronger leadership and better management practices can have a huge effect on productivity, Invest NI has also developed a specific leadership programme, the Leadership Experience. It aims to improve the productivity of companies working with

Invest NI through the development of their managers.

The programme is a mixture of individual coaching and networking, both of which offer the opportunity for participants to learn from the experiences of other managing directors and from experts, and to share their own experience.

## Diagnostic

Also recently launched are two online diagnostic tools developed in collaboration with the Department for Employment and Learning. The Business Diagnostic tool helps business owners and managers assess how good their business practices are. This is available at: [www.nibusinessinfo.co.uk/businessdiagnostic](http://www.nibusinessinfo.co.uk/businessdiagnostic)

There is also the Leadership Management Skills Assessment tool that will help individuals to assess their strengths in these areas. This is available at: [www.nibusinessinfo.co.uk/lmsa](http://www.nibusinessinfo.co.uk/lmsa)

If you are interested in advice on skills development in your business, contact Invest NI on [boostingbusinessni.com](http://boostingbusinessni.com) or call 0800 181 4422.

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## Questions about managing staff?

**We have the answers**

At [nibusinessinfo.co.uk](http://nibusinessinfo.co.uk) you will find free up-to-date information and advice on employment contracts, flexible working rights, controlling absence, managing redundancy and annual leave entitlement.

visit [nibusinessinfo.co.uk](http://nibusinessinfo.co.uk)

**NIBUSINESS  
INFO.CO.UK**

Practical Advice for Business

# The social impact of economic downturn

by Brian Shanks, Simon Community NI

**T**he impact of the prevailing economic climate is being felt across Northern Ireland and the figures below show the wide-ranging effects on our society.

**Unemployment** - From August to October 2012, 19,000 25-34 year olds were unemployed in Northern Ireland – one of the highest levels it has ever reached.

**Child Poverty** - 21% of all children in Northern Ireland live in poverty - this is more than double the GB level. As the recession continues, lower income levels threaten to increase child poverty further unless it can be addressed by government measures.

**Repossessions** - 2010 had the highest number of Final Possession Orders - around 1900 cases - and the number of Possession Orders granted over the last seven years has more than doubled from 837 in 2005 to 1,753 in 2011. Between 2003/4 and 2010/11, those declaring mortgage default as the reason for homelessness rose from 87 to 200.

**Homelessness** - in total, 5,047 households presented as homeless to the Northern Ireland Housing Executive from April to June 2012. This is an increase of 878 (21%) when compared to the same quarter in 2011.

## Mission to end homelessness

Simon Community NI, the IoD's charity of the year, is dedicated to its mission of ending homelessness and arguably this mission has never been so relevant. The economic climate combined with the implementation of the Welfare Reform agenda by Stormont will make it more difficult for many of our clients to escape the cycle of homelessness and will put many others at risk of becoming homeless.



Thanks to partnerships such as the one with the IoD, Simon Community NI is able to make a real difference to those most vulnerable in our communities. For example, the money raised by the IoD's Spelga Dam abseil could fund:

2758 freephone helpline calls to provide advice and accommodation for those in need: or  
1104 new duvets on safe beds: or  
550 emergency food packages: or  
30 full move on packs to help people start a new life in their own homes.

As the depressed economy persists, so our efforts to support those in need persist in equal measure.

We sincerely thank everyone in the IoD for your ongoing belief and support in our mission of ending homelessness.

**simon**  
**community**

Northern Ireland

Addressing Homelessness



The Simon Community's fund raising committee includes IoD members Joanne Grant of JC Decaux and Noel Brady from Consult Nb1 (2nd from right) pictured with Peter Russell, Joe O'Neill and former IoD NI Chairman Sir George Quigley

## Be shaken and stirred to help the homeless

Get ready for a fantastic night's entertainment including dinner and dancing at the Simon Community's annual black tie event. With a James Bond "Casino Royale" theme and entertainment, this year's Ball will be held in the Titanic building.

Places are £850 for a table of 10 or £85 per ticket. To book contact Brian Shanks on 028 9023 2882 or email [brianshanks@simoncommunity.org](mailto:brianshanks@simoncommunity.org)

# Rocker speaks at the Annual Dinner

**R**ock star and business entrepreneur Bruce Dickinson was guest speaker at the Annual Dinner in the Europa Hotel on 7 February.

Bruce spoke of the parallels between his life as lead singer for Iron Maiden and his business operations including Cardiff Aviation, the aircraft maintenance company he has established at Cardiff Airport.

Our host for the evening, local comedian, actor and writer Tim McGarry of Hole in the Wall Gang fame kept the enjoyment levels up throughout the evening.

## Award of Excellence

The Dinner was again sponsored by Bank of Ireland and Arthur Cox, and the IoD Lunn's Award of Excellence was presented by Suzanne Lunn of Lunn's the Jewellers to Helen Kirkpatrick, who was the winner in the Non-Executive Director of the Year category in our 2012-13 Director of the Year Awards.

A very surprised Helen was nominated for the Awards by her colleagues on the UTV Media plc board for her role in chairing the board through some upheavals in the company. She is the first woman to win the IoD Lunn's Award.

## Thanks

We are indebted to our sponsors Bank of Ireland and Arthur Cox, and to the donors of prizes for the charity of the year draw, which raised £3000 for Simon Community NI. Simon Community wish to thank all the guests for their generous donations.

The prizes were:

- 2 flights to London and a weekend stay at The Gore Hotel donated by BA and The Gore Hotel
- 2 Premium tickets to Ulster Rugby v Zebre and a signed Ulster Rugby shirt from Bank of Ireland
- An overnight stay at the Everglades Hotel in Derry~Londonderry provided by Hastings Hotels Goup
- A Kindle e-Reader donated by Neal Lucas Recruitment
- And 2 tickets for We Will Rock You and hospitality in the Electric Lounge courtesy of the Odyssey Arena.

**Bank of Ireland** 

**ARTHUR COX**



Bruce Dickinson



Alan Taylor from Arthur Cox, guest speaker Bruce Dickinson, Ian Sheppard of Bank of Ireland, and Mervyn McCall, IoD NI Chairman

Front cover photograph: Bruce Dickinson with Mervyn McCall, Suzanne Lunn and IoD Lunn's Award winner, Helen Kirkpatrick

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*Economist John Simpson with British Airways' Brenda Morgan and David Elliott of Business Month*



*Jonathan Rountree, Electronic Excellence; Jason Holmes, Lumen Financial Planning; Lynsey Mallon of Arthur Cox; and Cathal Geoghegan, Mount Charles*



*Brian Shanks of the Simon Community with MC Tim McGarry, Ian Sheppard and Wilma McCall*



*The Lunn's the Jewellers party: Jenny Lunn, Richard de Leyser of Rolex UK, Peter Lunn, Chris Stewart, Katrin Lunn and Suzanne Lunn*



*Catriona Gibson, Arthur Cox; Paul McCrisscan, Ulster Bank; Kieran McGarrigle, Arthur Cox; and Wendy McVey, KPMG*



*Mark Nodder, NI Chamber; Stephen Kingon, NI Centre for Competitiveness; and Professor Richard Barnett of the University of Ulster*

## The Gore Hotel

The Gore Hotel is a luxury, quintessentially British boutique hotel located just a glance away from Hyde Park in the Royal Borough of Kensington and Chelsea. Being just around the corner from the Royal Albert Hall, The Gore is perfectly situated for anyone attending this year's IoD Convention on 18 September.

The Gore was established in 1892 and is described by the media as the most photographed, romantic hotel in London and lived in by a wealth of regular guests who have discovered their own home away from home,

The iconic Bar 190, fabulous Bistro One Ninety, three bespoke event rooms and 50 individually unique bedrooms make The Gore the perfect place for leisure or business trips or for exclusive hire for a private house party, wedding or corporate team building.

For more information on go to [www.gorehotel.com](http://www.gorehotel.com)

## THE GORE *One Ninety Queen's Gate*



# Goodbye to Will McKee

It was with great shock and sadness that we heard of the death of IoD Fellow Will McKee, an IoD member for over 30 years and one of Ireland's most experienced board directors both in executive and non-executive roles.

Just last November, Will was recognised in the IoD NI Director of the Year Awards in the Non-Executive Director category for his non-executive work with Northern (now Danske) Bank.

Will had a strong marketing and commercial background combined with a rigorous business education as an alumnus of the Harvard Business School and a regular participant on programmes at HBS, Henley and IMD Lausanne.

The first ten years of Will's working life were spent as an international marketing executive in the textiles industry, but his experience of running international businesses covered many sectors including medical devices, food, engineering,

giftware, business consulting and fashion and he applied his experience and knowledge to helping companies trade internationally.

In July 2002, Will was awarded a Special Certificate from His Royal Highness, Prince Philip, in recognition of his outstanding personal achievement in business education and training.

Although a shameless promoter of his book "STAR - Leadership Behaviours for Stellar SME Growth", Will was equally generous in giving copies away and in sharing the lessons of his successes and failures with other entrepreneurs and leaders.

When times were tough, Will's mantra was "We're not beat yet!" and Northern Ireland could do with many more people with his positive "never say die" attitude; people who are keen to share life experiences with others; people who when they fall, dust themselves off, get straight up and get back at it again.

We will miss Will's enthusiasm and his sense of humour as shown in his blog profile picture which was accompanied by the words "I started with nothin and I've still got most of it left!"

*Rest in peace*

## New Members

We are delighted to welcome the latest business leaders to join the IoD Northern Ireland Division:

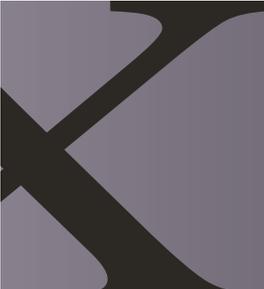
Stephen Acheson, Acheson & Glover  
 Roger Alexander, Cubic 3 Ltd  
 Stuart Carson, Rainbow Communications  
 Noyona Chundur, Invest NI  
 Tim Cooke, National Museums Northern Ireland  
 Nigel Duncan, Duncan Aero Ltd  
 Michael Haddock, Rich Sauces  
 Hon Edward Haughey, Norbrook Laboratories Ltd  
 Patricia Herron, Regus Management Ltd  
 Ian Humphreys, Tidy Northern Ireland  
 Francis Jennings, Faughill Ltd  
 Geoffrey Martin, H & J Martin Ltd  
 Junior Nelson, Online Finance Department  
 Sinead O'Doherty, Citi Group  
 Jane Shaw, Shaw Farms Ltd  
 Jonathan Simpson, Johnston Campbell Ltd  
 Julie Taylor, Integrity NI  
 Geoff Thomas, Stredia Ltd  
 Kenneth Webb, Ulster Weavers Ltd  
 Tony Wilcox, Danske Bank

New members are invited to attend one of our New Member Lunches, supported by Director Development Ireland.

Any other member who has not attended a New Member Lunches is also welcome to attend one. Check the Diary Dates page for forthcoming lunches and contact [lorraine.corry@iod.com](mailto:lorraine.corry@iod.com) to reserve your place.



Will at the Director of the Year Awards with Maurice Boyd (left) of Abbey Bond Levis, and Mark Anscombe, Ulster Rugby coach



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# Market Dilemmas

By Jonathan Cunningham, Cunningham Coates Stockbrokers



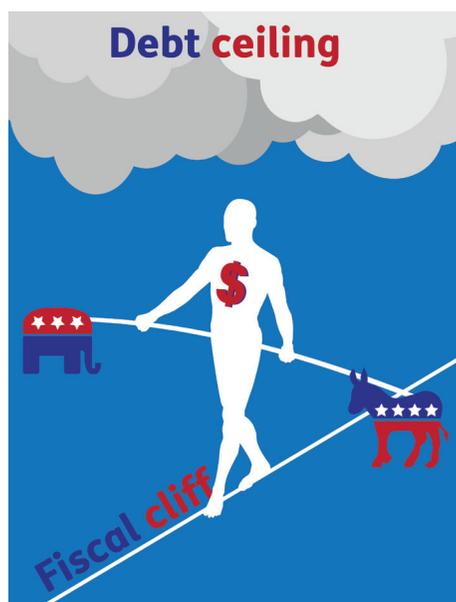
I enjoy radio and television comedy quizzes/panel shows which are based on current affairs (The News Quiz, Have I Got News For You etc.)

Often, the participants make issue of the fact that the programme is pre-recorded or broadcast on a number of different dates. So while a politician in a contentious position may be described as being “wholly vindicated by the enquiries report” and in the same breath as being “forced to humiliatingly resign with their career in tatters” the panellists will then claim that this will be clarified “at the last minute edit”.

The discussion of course is broadcast in its complete version with the audience well aware that the programme was recorded on Thursday night, the “enquiries report” published on Friday morning, and the programme broadcast on Friday night.

## Death and taxes

The scenario I find myself in is that I anticipate that when you are reading this the need to raise the debt ceiling in the United States may be prominent in market considerations.



We currently bask in the glow of avoiding falling off the fiscal cliff and President Obama is beginning to growl about the need for a decisive rise in the debt ceiling to remove uncertainty. Will we be basking in a bull market supported by courageous decisions made by partisan politicians from both sides of the political fence? Or are we facing global economic Armageddon as the United States defaults on its debt?! As Niels Bohr said “Prediction is very difficult, especially about the future”.

As I am unable to foresee at the time of writing whether one or other of these extremes has come to pass or more “muddling through”, as is most likely, has taken place, I restrict this piece to that which is inevitable in the areas of financial management, being death and taxes!

## Make use of your tax breaks

This article is, I fear, once more a cry from a vested interest to readers to ensure that they review their tax affairs in the run up to the end of the tax year. Most readers will have their advisors in these matters and I limit myself to highlighting the need to make good use of the most obvious tax breaks such as:

- **ISA allowances** (currently £11,280 for 2012/13 Stocks and Shares ISA, which will increase to £11,520 for 2013/14)
- **Capital Gains Tax allowances** (£10,600 for 2012/13, yet to be confirmed for 2013/14 at time of writing)
- **Pension subscription allowances** (currently £50,000 annually but reducing to £40,000 from April 2014)
- **Considering Inter-spouse transfers**

## Compounding

These tax breaks may seem modest

*This does not constitute a recommendation to buy or sell investments and the value of any shares may fall as well as rise. Investments carry risk and investors may not receive back the amount invested. The views expressed are those of the author and not necessarily of Cunningham Coates Stockbrokers.*

*Cunningham Coates Stockbrokers is a trading name of Smith & Williamson Investment Management Limited. Authorised and regulated by the Financial Services Authority. Registered number 131816.*

in any one year but the advantage of compounding within tax free vehicles or ensuring that future Capital Gains are minimised by efficient use of allowances can result over time in very much more material savings. The profound concept which suggests that compounding is one of the most powerful forces in the universe is well worth consideration.

The possibility of further planning does of course exist with Venture Capital Trusts, Enterprise Investment Schemes etc. Generally, appropriate advice is required for these, and the optimal use of different schemes will differ regarding an individual's circumstances.

Finally I would state that investments should, in my view, lead the decision making process and the tax tail should not lead the investment dog.

For further information, contact Jonathan Cunningham on 028 9072 3000 or [jonathan.cunningham@ccstockbrokers.com](mailto:jonathan.cunningham@ccstockbrokers.com) [www.ccstockbrokers.com](http://www.ccstockbrokers.com)

“ Prediction is very difficult, especially about the future. ”

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# Exporting



Northern Ireland – even the island of Ireland – is a very small place. Markets are limited and if you want to grow, then the only way is out. And when times are tough in home markets, it makes sense to make sure that you have diverse markets around the world.

Many local companies have managed not just to survive but to thrive in the economic downturn by exporting using whatever resources they can.

Three companies that have succeeded in breaking into new markets all round the world share their stories with some lessons for those who have yet to take this step.

## Anaconda

Anaconda Equipment International, run by MD Alistair Forsyth, design, manufacture and distribute a range of mobile screening and conveying equipment for the mining, quarry and recycling industries to customers worldwide.

**Q** How did Anaconda initially take the step into exporting?

**A** Our first step was into the USA in 2009 where we had an interest in our range of tracked conveyors. The distributor visited us here in Northern Ireland and agreed a deal for an initial order of 10 tracked conveyors.

From there, we employed a sales director to go out and set up distributors throughout the World and use whatever assistance was available from organisations such as Invest NI to help fund the export effort.

**Q** What markets you are exporting into?

**A** The markets that we are exporting to include USA, Canada, South America, Germany, France, Sweden, Austria, Italy, South and Southern Africa, East Africa, Gulf States, India, Australia and New Zealand.

### Lessons

**Q** What lessons other companies could learn from your experiences?



*The DF512 screen which was launched in June 2012*



**A** You must be patient and not expect immediate results from any single visit.

Do your research and find out which markets are most suitable for your product.

You must also be prepared to support any sales achieved be that to offer further technical help, make follow up visits or provide day-day guidance on the use of the product you are providing.

It is also very important to consider the cost of exporting – travel costs, accommodation costs, provision of suitable sales literature, attendance at trade fairs, and so on.

In summary, don't take exporting lightly as there is significant cost, time and effort involved but there are great opportunities out there.

**Q** Is there any invaluable help you have had that have made it easier to succeed in export markets?

**A** Invest NI have been extremely supportive of our export effort. Financial assistance

*Alistair Forsyth (Managing Director), with Arlene Foster (Enterprise Minister), Martin Quinn (Operations Director) and Con Gallagher (Sales Director)*

is, of course, the obvious assistance that is available but the Invest NI staff are always willing to offer guidance and advice on new markets, trade events, the different funding types available and putting you in touch with people in the markets you are exploring.

UKTI have also helped with market research whenever possible.

**Q** What new countries you think you might look at next?

**A** Over the next 12-24 months we plan to concentrate on consolidating and developing our existing markets as some of these are very new and require a lot of time and effort to grow.

New countries that we are planning to look at during this timeframe as well include Brazil, North Africa, Eastern Europe and the Far East.

## Ulster Weavers

Ulster Weavers Home Fashions has been exporting its products on a global scale for more than 25 years. The company designs, sources, manufactures and supplies giftware, homeware and kitchen textiles to retailers and wholesalers around the world, selling directly from their own in-house designed catalogue or providing bespoke merchandise as briefed by the customer.

Kenneth Webb is Managing Director of Ulster Weavers Limited.

**Q** How did the company first approach exporting?

**A** Up until 2006, our selling strategy differed in our three largest markets. In Europe, we used agents in all countries where we sold merchandise, while in the US, it was a combination of an office in New York and then a distributor. And in the Far East, a UK based employee travelled twice a year to the market.

Over the last 6 years we have reviewed our strategy across all exports markets and our direction in most cases has changed.

In Europe we now mostly sell through distributors, selling through agents in only a couple of countries. In the US we now have a Sales Manager based in Long Island, New York who manages a network of Rep Groups. For the Far East, we have a Sales Manager who lives in China and operates throughout the Far Eastern and Middle Eastern areas

**Q** Where are your export markets?

**A** Our main export territories are Europe and surrounding countries: Germany, France, Italy, Holland, Greece, Denmark, the Nordic countries; the Americas: USA and Canada; and in the rest of the world we are exporting to Russia, Qatar, Japan, South Korea, Singapore, Taiwan, Australia and New Zealand.



*Kenneth Webb receives the Chamber of Commerce award for Achievement for International Business for Exporting Excellence 2012*

**Q** Any advice for companies considering exporting?

**A** The three pieces of advice I could offer to businesses wanting to venture into the export market are:

- 1) Make use of the services of Invest NI / UKTI for market research, whether it be for selling/distributing partners or customers. Putting in the time and the cost prior to entry to the market is well worth the effort.
- 2) Where possible, trade on a pro-forma basis (pay before you get product) at least for the first three orders or until you are satisfied of the credit worthiness.
- 3) Before placing an employee into a market or territory ensure they are fit for the job!

**Q** Any particularly good places to go for help in exporting?

**A** In the Rest of World territory, we used both Invest NI and UKTI to do market research and it proved to be invaluable to our Sales Manager. It meant that when he entered these markets, he was doing so with a very pointed and focused objective and target audience who had been preselected and organised using the various British Embassies.

In Germany we have just completed a total overhaul of the agency network and used the Invest NI offices in both Belfast and Germany to research and offer recommendations on the way forward. This project is just coming to an end and we have a new selling strategy rolling out in January 2013.

**Q** And where next for Ulster Weavers?

**A** We are currently looking at South America, with our main focus being on Brazil, Argentina, Chile and Columbia. Research has been undertaken and our first market visits have taken place in both Chile and Columbia.



*The Ulster Weavers trade show stand at the Spring Fair International 2012 ISF at the NEC in Birmingham*

## Texthelp

It's not just goods that can be exported, as Mark McCusker, Chief Executive of Texthelp Limited explains.

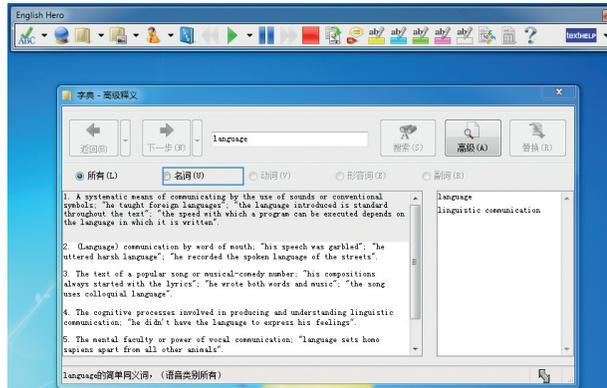
### What we do

Texthelp was founded in 1996 and we develop software to help people who struggle to read and write in English. The product suite was originally focussed on the dyslexic community, however it has evolved over time to support an increasing number of at risk communities including dyslexic, ADD, low vision and English language learning groups.

### Where we do it

The company targets the education and corporate verticals and is a market leader in UK, USA, Canada, Australia and New Zealand. These markets share the common characteristic that English is the first language. More recently the company has been targeting markets where English is not the first language and has signed partnerships in China, India and Brazil.

The first international market targeted by the company was the USA. The initial desk research into the market indicated that it was significantly bigger than the UK, however it shared some common characteristics, the two most important of which were (i) dyslexia was classed as a disability; and (ii) there was strong legislation supporting disability rights in education.



Texthelp Chinese toolbar and dictionary



Mark McCusker

On the back of this data, the company attended its first trade event in the USA in 1998. There was a strong reception for the software, but it took 3 years before any significant success was achieved when the software was adopted by the Kentucky Department of Education. Since then the company has been able to build the market and now has 27 US based employees out of a total workforce of 103.

### What you need to think about

The challenges of entering new markets have been well documented many times, however the overriding lessons that we have learned are that you must be realistic about timeframes for success and you cannot be rigid about strategy. Often what eventually works to generate revenue in a country was not what was originally planned. Equally

important, what works in one country will not necessarily work in another.

When targeting a country desk research is important, but the real key is you have to go there. There are plenty of excellent support mechanisms available from InvestNI, UKTI, etc to support this and keep the costs down.

Finally, if you are targeting a particular country, it is highly unlikely that you will be the first person from Northern Ireland to do so. Find someone else who has done it and speak to them. We have always found other NI businesses more than willing to share their experiences. You just have to pick up the phone and ask.

*(Editor: Use your IoD membership to help identify other exporters for advice.)*

## Member Company News

# Hall Black Douglas

**A**lastair Beckett from Hall Black Douglas (HBD) reports that the award winning Belfast-based architects have won a significant design contract in India for a 180 bed Community Healthcare Complex.

With the help of Invest Northern Ireland, the company has developed a presence in the huge Indian marketplace, and through a joint venture with locally-based architects Studio 55, bid successfully for this new business.

Together HBD and Studio 55 have secured the tender from Paranjape Schemes (Construction), a leading property developer in India, to design state-of-the-art assisted living accommodation for elderly people with early stage dementia, at Pune, near Mumbai.

HBD were assisted by Invest NI's trade development team in Mumbai and have taken part in several trade missions to India over the past two years. Alastair says that Invest NI's practical support, expertise on in-market knowledge and contacts can really help local businesses that are determined to grow sales abroad to succeed in even the most competitive international markets.



Pictured at the Hall Black Douglas offices are (left), Stephen Douglas and Alastair Beckett, from Hall Black Douglas with Dr Vicky Kell, Invest NI.



## Kevin appointed Chamber VP

IoD member Kevin Kingston, Deputy Chief Executive and Managing Director - Business & Corporate Banking at Danske Bank has been named as one of two new Vice-Presidents of Northern Ireland Chamber of Commerce.

Kevin is one of Northern Ireland's best known Corporate Bankers, with over 20 years' experience.

Stephen McCully, Managing Director of Power NI, is also appointed Vice-President.

Pictured (from left) Kevin Kingston with Stephen McCully and Chamber President Mark Nodder.

## 'On Business'

by Brenda Morgan, British Airways  
Partnership Manager for Northern Ireland

“Belfast Heathrow is a key route for British Airways and a vital artery for the flow of business and commerce that is the lifeblood of the Northern Ireland economy, especially for exporting companies.

With an offering of up to seven flights a day from Belfast City to London Heathrow, the route has become essential for business travellers. Not only does it provide direct access to London, it also offers connectivity for Northern Ireland passengers to the airline's extensive global network of almost 130 destinations worldwide from London Heathrow.

### Benefits

British Airways passengers benefit from a generous baggage allowance of 23kg as well as free online check-in and seat selection 24 hours before departure.

For passengers catching an onward connecting flight at London Heathrow, both they and their bags are also checked through to their final destination on check-in at Belfast City Airport. This means there is no need to collect bags or check in again at London Heathrow significantly reducing journey time as a result.

### Loyalty programme

At British Airways, we recognise the often extensive travel requirements of many businesses who are continuing to operate under testing economic market conditions. We want to maximise the travel budget and potential reach of these small and medium sized companies through our global loyalty programme, On Business.

Signing up to On Business is free and companies will immediately see the benefits by earning points on every qualifying flight taken. These points can be redeemed for upgrades, reward flights with British Airways or one of our eligible partner airlines, as well as reductions on hotel accommodation. Companies will also benefit from some useful tools such as a currency converter, five day weather forecast and a British Airways app for your mobile phone to help manage travel while on the move.

### Bonus points

Last year, our On Business members saved over £13 million on flights. Companies who sign up for our loyalty programme before 31 December 2013 will also receive 3,120 bonus On Business points equating to two



Brenda Morgan

reward flights to London. To take advantage of the offer, simply quote the key word OBBEL1 in the enrolment form at [ba.com/onbusiness](http://ba.com/onbusiness).”

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and enjoy a trip on us  
when you join On Business**

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To Fly. To Serve.

# Entrepreneurs' relief in a knowledge economy

by Richard Holley, Tax Partner  
Harbinson Mulholland Chartered Accountants

**A**t Harbinson Mulholland we noted the release at the end of 2012 of the first progress report on the Northern Ireland Knowledge Economy Index prepared by Oxford Economics on behalf of NISP CONNECT.

Although this report points out that the level of progress has been slow, it highlights that the knowledge economy has experienced some growth during the recession. The report also identified how the promotion of an entrepreneurial culture is important in developing the knowledge economy.

Very often when we sit down with entrepreneurs in the knowledge economy sector, it is at a point when outside equity or venture capital funding is about to be invested into their companies. Longer term tax planning is a vital consideration at this point of development. Invariably we are asked the question "How do I minimise tax on a future exit?"

"Entrepreneurs' Relief" has been with us since April 2008 but what is it and who can claim it?

The relief provides a £10m lifetime allowance to individuals and certain trustees on the capital gains made on the disposal of certain business interests or assets. If the relief is available, capital gains are taxed at 10% and not the higher capital gains tax rate of 28%. The relief is, therefore, at best worth up to £1.8m in tax savings at current rates.

## When the Relief applies

Detailed qualifying conditions must be satisfied but, in summary, Entrepreneurs' Relief potentially applies on:

- the disposal of all or part of a business;
- the disposal of business assets within three years of the cessation of the business;
- the disposal of shares in a trading company;

- a disposal associated with the withdrawal from a partnership or personal trading company.

As the name of the relief suggests, Parliament intends that the relief only applies to capital gains made on entrepreneurial activities. The detailed conditions that must be met include the following:

- the individuals must have owned and operated the business throughout the 12 months before the disposal;
- in the case of shares, the individual must have held 5% or more of the ordinary share capital and voting rights of the company for the 12 month period and, in addition, be an "officer or employee" of the company; and
- the business must be a "trading" business.

## Review and plan

In the case of companies, we recommend that activities are kept under review and the availability of Entrepreneurs' Relief is considered each year when the annual accounts are prepared. Problems can arise where a minority shareholder becomes diluted below 5% before a sale of the company or the company holds significant levels of investments such as rental property or large cash balances.

Advance planning should allow potential problem areas to be identified at an early date and corrective action to be taken. The objective will always be to ensure that the after tax position is maximised.

Entrepreneurs' Relief continues to evolve. Enterprise Management Incentive (EMI) options are a common feature of knowledge economy companies and can be used to motivate and retain key senior staff members. During 2012 improvements were



Richard Holley

announced to the tax treatment of shares acquired on the exercise of EMI options which would enable gains realised on the disposal of shares acquired under EMI to qualify for Entrepreneurs' Relief (and the 10% tax rate) even where the 5% holding requirement was not satisfied.

## Improvement

The benefit of this proposed change was negated to a large extent by the continuing requirement that the shares still had to be held for at least 12 months. In many cases EMI option holders will exercise their options only when a sale is imminent.

The Finance Bill 2013 includes draft clauses which provide that the 12 month minimum holding period will start at the date of grant of the EMI options rather than the date of exercise. This is to apply to eligible shares sold on or after 6 April 2013 where the shares under the option were acquired on or after 6 April 2012. This is a welcome improvement to the scope of Entrepreneurs' Relief and further increases the attractiveness of EMI schemes.

Richard provides tax advice to entrepreneurial businesses of all sizes. He can be contacted at [rholley@harbinson-mulholland.com](mailto:rholley@harbinson-mulholland.com) or 028 9044 5100.

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In the latest of our 'Twinterview' series, we chat to John McMullan, Chief Executive of Bryson Charitable Group (@JohnatBryson) over the IoD Twitter account (@IoDNI.)

John has worked at Bryson, Northern Ireland's leading social enterprise, since 1985 and heads the Group's seven subsidiary companies.

We took to Twitter to hear about the rewards and challenges of working in the sector...

**@IoDNI:** We're joined by @JohnatBryson, Chief Executive of Bryson Charitable Group, for our next Twinterview! Thanks! Can you outline the work of Bryson?

**@JohnatBryson:** Bryson is one of NI's oldest charities founded in 1906 & is a group of 7 subsidiary companies using a traditional business model to achieve #socialimpact

**@IoDNI:** What do you think are the main economic challenges facing your business?

**@JohnatBryson:** The same economic & investment recessionary pressures experienced by all organisations/sectors, while providing excellent quality & value for money

**@IoDNI:** Equally John, what are the main social challenges?

**@JohnatBryson:** We work on fuel poverty, training for employment, social care etc but an ageing population & a lost generation of young people are a real worry

**@IoDNI:** You recently won the IoD Award for Third Sector Director of The Year- congrats! How important is it for your work to be recognised?

**@JohnatBryson:** It was humbling & a delight in equal measure. It is much more a recognition of the great volunteers & staff who populate & work in Bryson.

**@IoDNI:** Absolutely John. So, Bryson Group has over 660 employees - how do you motivate staff?

**@JohnatBryson:** Put simply it's about acknowledging their effort, celebrating their success and supporting their development that motivates - works for us.

**@IoDNI:** Speaking of motivation, what is the most rewarding aspect of your work?

**@JohnatBryson:** Working with really committed people, supporting them & seeing them make a real difference to lives of some of our most vulnerable people.

**@IoDNI:** Why are social enterprises so important?

**@JohnatBryson:** We need to rebalance our economy & inject enterprise into all we do. #socialenterprise joins private sector efficiency with a public service drive



The Twinterview

and a \*surprising fact emerges!

**@IoDNI:** Last year Bryson grew its annual turnover by over 12% to £34.4 million. How has this been possible in the ongoing economic uncertainty?

**@JohnatBryson:** Yes, but also 20% & 24% in the previous 2 years. We are good at what we do, we are committed to service excellence & invest in enterprise.

**@IoDNI:** Indeed, the Bryson Group has been involved in social development in NI for over 100 years. How has it ensured continued success?

**@JohnatBryson:** It's down to Darwin's key attribute for species success - adaptability - not just coping well with change. In Bryson it's one of our USPs

**@IoDNI:** John, Do you think there are enough resources and support for people in NI wanting to start up a social enterprise?

**@JohnatBryson:** Possibly not, but importantly we need to do a lot of work to build awareness of social enterprise & make it a mainstream career option.

**@IoDNI:** We are nearing the end of the Twinterview, so tell us what are the personal rewards of being a member of the IoD?

**@JohnatBryson:** The valuable access to the cross-sectoral network of IoD members plus the support given & public voice provided by a respected Institute

**@IoDNI:** And finally, tell us one thing that fellow IoD members might not know about you!

**@JohnatBryson:** I'm a lifelong Liverpool FC supporter and I had a \*trial with them when I was 16. I have met both Bill Shankley and Kenny Dalglish - WoW!

**@IoDNI:** Brilliant! What a fact! Well, thank you for joining us John & we look forward to seeing you at the next #IoDNI event!

**@JohnatBryson:** That's very kind, what a great way to do an interview! Best wishes - John

The above interview was conducted over the IoD NI Twitter account so Q&As must be 140 characters or fewer.

The interview can be viewed on Twitter @IoDNI

The full interview can be viewed on Twitter - @IoDNI

# Investing in you, investing in your business

**B**eing a member of the Institute of Directors – the professional body for business leaders – implies a recognition that continuing professional development (CPD) is important and many members join the Institute to participate in the Chartered Director Programme or to utilise IoD events and courses for CPD points for other professional bodies.

In more normal economic times, CPD may be regarded as helpful for refreshing your knowledge about the role and responsibilities of leadership, and good corporate governance as well as keeping up to date with current developments and legal duties.

When the economy hits problems, CPD becomes even more essential. A Board that exhibits good corporate governance and a strategic approach to its activities is more likely to survive than one that does not.

Three members explain why they have used the IoD's events and courses for their professional development.

## Chris Conway, Tata Steel

Chris has a long-term commitment to CPD and is one of only 46 people in Northern Ireland to have achieved Chartered Director status.

"The road to achievement is accomplished by taking one step at a time. My first step after leaving school was my engineering degree then, as a mature student, 3 years of part time study towards an MBA. It was



Chris Conway

demanding on personal and working life but my company, then Nortel Networks, benefited as the assignments I completed were used as a basis for change and improvements were applied in the workplace.

"This step into lifelong learning influenced my work practices and enhanced my performance as a manager. After completing the MBA I spent a number of years in various senior management roles in Nortel, travelling extensively in Europe. When I was promoted to a Director position I realised the importance of corporate governance and strategic leadership, and found the IoD's Diploma in Company Direction was the obvious choice for my further development.

"Directors are rightly being increasingly called to account for their actions and responsibilities, and corporate governance is at the core of business. This course is invaluable for directors, especially those who have not had the opportunity of previous study.

"To capitalise on this qualification, the IoD recognised the need to link the learning to practice and introduced Chartered Director. I can vouch for the thoroughness of the process."

Since gaining his Chartered Director, Chris has been appointed Managing Director of Tata Steel's distribution business in Ireland and is a non-exec Director on the Boards of the Centre for Competitiveness and Young Enterprise NI.

## Brendan McGurgan, CDE Global

In September 2011, Brendan completed the IoD Chartered Director Programme having served on the Board of CDE Global for about 7 years. He explains why he first decided to undertake the course.

"At that time, the Board was increased by two further members with no previous Director experience. This provided the catalyst for me to investigate the IoD Programme. My aim was to fully understand the complete requirements of the Board and those Directors that serve on it.

"Peter (Martin), the Course Director, visited CDE and explained the syllabus and the exam structure, which is as much aimed at Board Performance, Company Strategy and Leadership (which particularly appealed) as it does to the legalities of the Director's



Brendan McGurgan

function. Other modules included Finance and Marketing.

"I completed the multiple choice Certificate exam in March 2012 and the essay-style Diploma exam in June.

"Aside from the course content, there is a fantastic learning forum with the rest of the members of the cohort; Peter does a very good job of mixing up the groups in terms of experience and industry background to great benefit.

"As a result of the Programme I have introduced a number of small but important changes to the structure and format of our Board meetings. Most critically, we changed our focus to more strategic challenges as opposed to operational matters, which has been an important outcome.

"So what now.....I've received a date for interview following the submission of my application to become a Chartered Director so fingers crossed I will have achieved this in the next few months!"

## Jane Wells, JPR (NI)

Jane Wells is Managing Director of JPR (NI), one of Northern Ireland's leading PR companies. She is also a Fellow of the Chartered Institute of Public Relations and regularly uses the Institute's events to gain CPD points towards her industry qualification.

"To be part of the CIPR CPD programme, I have to undertake activities each year in the areas of 'Developing your communication

skills and knowledge' and 'Research, personal development and voluntary work'. Activities are allocated points, with, for example, 5 points allocated for up to a half day of training. A total of 60 points must be accumulated each year.

Obviously some of this development is in the area of PR but the IoD provides many opportunities that allow me to update my knowledge and skills in other areas that are important to me as a leader of my company.

"Over the past few years I have attended the IoD's Annual Leadership Lecture, the Annual Lunch and the Women's Leadership Conference. As well as providing me with the chance to learn about new developments in leadership, attending these events has exposed me to some inspirational speakers but has also allowed me to network with leaders from a wide variety of businesses in the private, public and social enterprise sectors. It's always interesting to find out what is going on in other industries and to learn how they have tackled issues that are common to all leaders.

"Apart from the events and courses, I've also found it useful to receive IoD publications like Director magazine and to have access to the many factsheets and information available on the IoD website, since reading relevant materials also contributes to CPD points. I've been a member of the Institute's Professional Development Committee for several years so have been able to contribute to devising the CPD programme."

Jane Wells



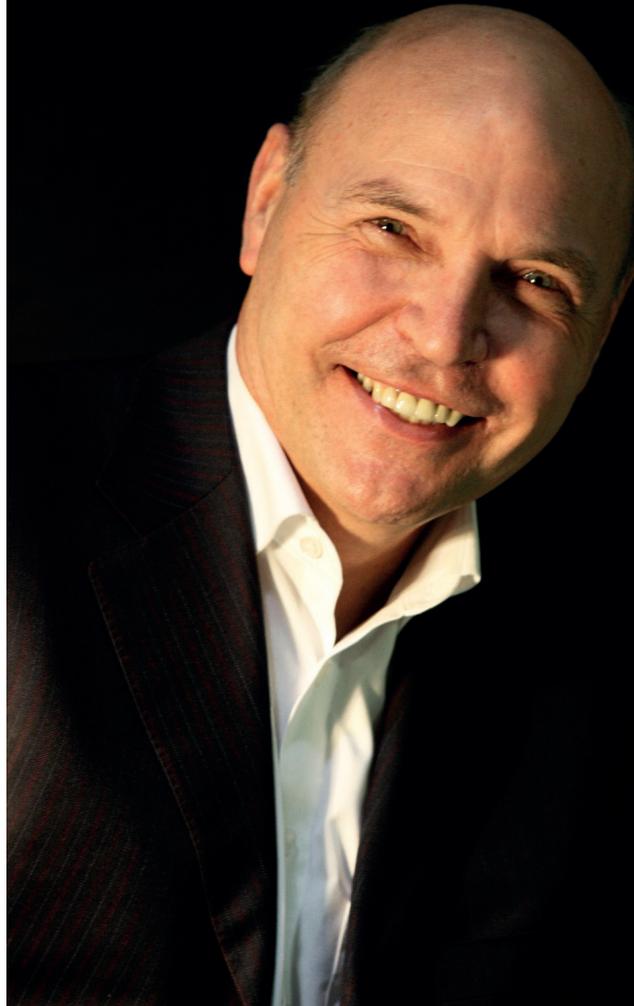
## New Year Honour for Bryan

Dr Bryan Keating, Managing Partner of CIP Partnership, has been awarded the OBE for services to Economic Development in Northern Ireland.

Bryan co-founded CEM Computers Ltd, and helped found CEM Systems. Over the last 30 years, he has been chairman or a non-executive Director of, and an investor in, a dozen private high tech companies and a number of academic and public organisations. In the private sector, he has chaired the Boards of Amacis, Andor Technology plc, Omiino, Mail Distiller, Amphion and SOPHIA Search Limited.

He has served as deputy Chairman of Invest Northern Ireland as well as having chaired the Advisory Board of NICENT (a joint initiative of the Queen's University of Belfast and the University of Ulster), the Board of Qubis Limited, the University Challenge Fund Investment Committee, Investment Belfast, and halo the NI Business Angel Network. Bryan is currently chair of Matrix, the NI Science and Industry panel.

Bryan is a visiting Professor of Entrepreneurship at the University of Ulster.



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## Worldhost recognition for Derry Airport

IoD member Roy Devine CDir, Chairman of City of Derry Airport, with Tourism Minister Arlene Foster and Managing Director Damien Tierney celebrating the airport's achievement in becoming a WorldHost Recognised Business.

Forty-seven staff have completed WorldHost training, which provides a comprehensive grounding in customer service. WorldHost Recognised Business status is awarded after 50% of an organisation's staff are trained.

# New national prize for Chartered Directors

The Institute of Directors has created a new award in memory of our late Chairman, Dr Neville Bain.

The Dr Neville Bain Memorial Award will be awarded to Chartered Directors only, and nominations will be sought from throughout the Institute's Regions and beyond for individuals who have made an outstanding contribution to what Chartered Director represents. This includes demonstrating excellence in corporate governance and applying the Institute's standards and best practice principles of governance within their organisations. This could encompass leading or guiding their board and driving improvements - through personal example, through the introduction of new strategies or approaches to stewardship and extending their influence through the organisation.



In essence, nominees will embody the values that the Chartered Director brand stands for.

The award will be organised centrally, with

reference to the regions, to ensure that they are informed of progress. Chartered Directors will be nominated for the award and they should not be informed that they will be put forward. The Proposer will be asked to abide by this requirement.

Anyone making a nomination will be asked to explain why they are nominating the individual and to provide evidence why the Chartered Director's contribution is worthy of recognition. They will also have to describe how the individual has lived the values which underpin Chartered Director and the degree to which they have inspired or encouraged others.

Application forms with the final detailed criteria can be requested from chartered.director@iod.com

## DEL join Vodafone for Women's Conference

Pauline Quigley (front) from Vodafone NI, key sponsor of the 2013 Women's Leadership Conference, welcomes Tim Devine from the Department for Employment & Learning as a supporter of the Women's Leadership Conference. The IoD's Linda Brown and Roisin McDonough from the Arts Council joined Pauline and Tim to announce the Department's support for the event, now in its 6th year.

The Institute of Directors is partnering with the public sector's Chief Executives' Forum for this year's event.



## Top marks for newest Chartered Director

Well done to Simon Hunter, Managing Director of Hunter Apparel Solutions in Londonderry, who has achieved his Chartered Director status. Simon gained his IoD Certificate and Diploma in Company Direction during 2012 and scored the highest mark across all the examination centres in the UK last year in gaining his Certificate.

Hunter Apparel Solutions is a leading designer, manufacturer and supplier of bespoke corporate clothing, marketing itself under the brand name "Churchill" with main markets in the UK, Ireland and the Middle East.

Simon was the IoD NI Family Business Director of the Year in 2011 and was Highly Commended in the national Director of the Year Awards in 2012. His company has been in business for over 75 years.



Simon Hunter CDir

## Three gain Diploma

Three members have been awarded the IoD Diploma in Company Direction as part of the Chartered Director Programme run in Northern Ireland by Director Development Ireland.

The new Diploma holders are Damian McErlean, Genesis Breads; Antoinette McKeown, Consumer Council NI; and Keith Smyton, NI Polymer Association.

Congratulations to all three.

### Damian McErlean

is Operations Director at Genesis Crafty, the bakery his family owns in Magherafelt that prides itself on the handcrafted bread and cake it produces for the NI and UK markets.

He described the 8 month experience of completing the IoD Certificate & Diploma Exams as "really excellent development". Damian is the youngest of the Six Brothers involved in the family business and this is his third year as a Director in the company.



Educated at St Pius' College, Magherafelt & St Patrick's College, Maghera, he holds a BA Hons in Business Studies from the University of Ulster.

### Keith Smyton is

Chief Executive of the Northern Ireland Polymer Association, representing the polymers, composites and advanced material sectors. He has been involved in marketing and product management for a range of sub-sectors having marketing experience at a corporate, brand and product management level.



He developed Polymers NI and is working collaboratively to build a strategy for industry stakeholders, government and higher education at all levels. This strategy supports the development of process capability, advanced materials and infrastructure. Consumer sector areas include: Agriculture, Food & Drink, Healthcare, Household, Mass

Transit, Aircraft, Tele-communications, Construction, Marine and Engineering applications.

Keith is working towards his Chartered Director qualification.

**Antoinette McKeown** was appointed Chief Executive of the Consumer Council in July 2009. Antoinette has a background in public policy, children's rights and equality. She is a graduate of the University of Ulster and Queen's University, Belfast where she obtained a Masters Degree in Politics.



## Chartered Director Programme 2013-14

The next IoD Chartered Director Programme in Northern Ireland will run from September 2013 to June 2014. If the dates for any session do not suit candidates, then alternatives are usually available in Dublin (except for the opening module).

### 2013

25/ 26 Sep	Role of the Director and the Board
24/ 25 Oct	The Director's Role in Strategy and Marketing – Part I
25/ 26 Nov	Finance for Non-Financial Directors
10 Dec	The Director's Role in Strategy and Marketing – Part II

13 Feb	Certificate Examination Preparation Day
12 Mar (am)	Certificate Examination
8 / 9 May	Developing Board Performance
29 May (am)	Diploma Examination Preparation
25 Jun (pm)	Diploma Examination

### 2014

16/ 17 Jan	The Director's Role in Leading the Organisation
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Contact Peter Martin, Director Development Ireland, at 028 9064 1131 or [directordevireland@yahoo.com](mailto:directordevireland@yahoo.com)

# Niavac wins £180k contracts

**N**iavac audio visual, the country's leading AV provider has won contracts worth £180k and made several new appointments as the company continues to reap the benefits of their recent high profile projects with the MAC and the Giant's Causeway Visitor Centre.

David Kells, Noel Burke and Chris Ross bring a wealth of experience and skills to the Niavac team, which is led by IoD member James Conlon, and contribute to an increase in employee numbers by 27% on last year.

This growth strategy started five years ago, signalled by the £1.75m investment in a state of the art showroom in Belfast. As an indigenous company, Niavac is winning contracts against London-based competitors.

The new projects include a £100k fit out for the Nomadic Museum and Visitor Attraction, a major new exhibition in Belfast's Titanic Quarter. Niavac recently completed a major contract with the South West Acute Hospital, Enniskillen valued at £80,000.



James Conlon (centre) with new recruits David Kells and Noel Burke

## Member News

# Roy to chair Business in the Community



Paul Rooney hands over the BitC baton to Roy Adair

**B**elfast Harbour Chief Executive, Roy Adair, has been announced as the new Chair of Business in the Community, the organisation that encourages and supports responsible business. Roy takes over from Paul Rooney, a Partner at PwC, who has chaired the charity for the past three and a half years.

Roy has been involved with Business in the Community for 20 years and he says "More and more organisations in Northern Ireland recognise that doing business responsibly is not just a nice thing to do, but a business imperative.

"The team at Business in the Community are relentless in their efforts to help business be a force for good in addressing the biggest societal issues of the day. We've been doing this for almost a quarter of a century and I hope that with the help of the Board and an excellent executive team, we will enable more companies to make a difference."

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## Member Company News

### £1.7m arrivals lounge at City Airport

George Best Belfast City Airport has opened a new £1.7 million international arrivals lounge in a private investment that significantly enhances the capacity of the arrivals areas and provides statutory agencies with improved facilities to process international passengers.

IoD member Brian Ambrose, Chief Executive of the Airport has welcomed the investment by the airport's owners. "Belfast City Airport is an important economic gateway, not only for the city of Belfast but for the wider region. This investment acknowledges the important role tourism plays in our city's future,

"Next year will mark the airport's 30th anniversary and with our long term partners flybe and manx2, and new arrivals in British Airways and Aer Lingus, 2013 looks set to be an incredible year.

"Over the last 4 years, the owners have invested £15 million in the improving airport infrastructure. We now serve 26 destinations with 17 daily flights to London and have an airport that we hope exceeds the expectations of our passengers."



Lord Mayor of Belfast, Alderman Gavin Robinson and IoD member Katy Best Commercial and Marketing Director of Belfast City Airport

### Gordon to judge CIPD Awards



Gordon Milligan

Gordon Milligan of Translink, a member of the IoD's professional development committee, is to be one of the judges of the Chartered Institute of Personnel and Development NI Awards, the most prestigious HR Awards for the profession in Northern Ireland.

In this centenary year for the CIPD, a total of eight awards will be presented to highlight outstanding success across a variety of categories recognising and celebrating outstanding achievements in Human Resources and the impact this discipline has on business success. The Awards are open to all types of organisations, regardless of size or sector.

Awards will be presented in 8 categories:

- Employee Engagement Initiative of the Year
- Health and Wellness Initiative of the Year
- Change Management Programme of the Year
- Building HR Capability for the Future Award
- HR Team of the Year
- HR Professional of the Year
- Outstanding HR Student of the Year
- CIPD Chairman's Special Achievement Award

The awards event will be held in the Ulster Museum on 16 May 2013. For further information, go to [www.cipd.co.uk/branch/nireland](http://www.cipd.co.uk/branch/nireland) and enter by 22 March.



### Robinson Services support CLIC Sargent

IoD member David Robinson, Managing Director of Robinson Services, advises that his company has selected CLIC Sargent as their official charity for the upcoming year. CLIC Sargent is the UK's leading cancer charity for children and young people. It provides clinical, practical and emotional support for young cancer patients and their families, from diagnosis onwards.



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# New Centre for SME Development launched

**S**MEs play a vital role in our local economy and the importance of supporting SME leaders and growing their business has been recognised by the University of Ulster's Business School through the launch of a dedicated Centre for SME Development.

The Centre is headed up by Professor Pauric McGowan and is endorsed by local business organisations including the Institute of Directors. The aim of the Centre is to help SMEs achieve business goals through programmes to boost business performance and by facilitating leadership and management development.

Professor Marie McHugh, Dean of the Ulster Business School, explains, "SMEs make up almost 95% of businesses in Northern Ireland. The performance of these companies is crucial to the performance of the local economy as a whole in terms of output, value added, productivity, innovation and employment. This is particularly pertinent at present with losses of public sector jobs and the need to rebuild and rebalance the economy through private sector growth.

"Investing in SMEs that are capable of contributing to the regional economy through export growth and employment creation is central to Northern Ireland's economic future. With 40 years' experience in fostering the development of local businesses, the Ulster Business School is perfectly positioned to help government drive this important SME agenda and we would encourage SMEs to take



maximum advantage of the new Centre and its services."

## Range of activities

The Centre for SME Development will provide a range of support activities, development programmes and events delivered by the Ulster Business School's staff complemented by visiting lecturers and sectoral experts. Masterclasses, short courses, business mentoring and coaching will be offered as well as extended Business Development Programmes, work placements and knowledge transfer activities.

An Advisory Board has been established under the chairmanship of IoD member,

*Pictured (from left) Professors Pauric McGowan, Richard Barnett (Vice Chancellor), Marie McHugh (Dean of the Ulster Business School), and Ken O'Neill launch the Centre for SME Development*

Professor Ken O'Neill, to oversee and support the work of the Centre."

Programmes and events will begin early next year with a Small Business Development Programme and an Entrepreneurial Marketing in Practice Programme scheduled for Easter.

Further information about The Centre for SME Development is available now at [www.business.ulster.ac.uk/sme](http://www.business.ulster.ac.uk/sme)



## Christmas cheer

It seems like a very long time ago now, but members of the Institute of Directors and Pubs of Ulster and their guests enjoyed a very festive Christmas Reception held at The Dark Horse in Hill Street in Belfast's atmospheric cobbled Cathedral Quarter.

The venue and choir were arranged by our colleagues from Pubs of Ulster, the organisation representing the licensed trade in Northern Ireland run by IoD member Colin Neill.

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# Allianz Arts & Business NI Awards 2013



**Arts  
& Business**  
Northern Ireland

*Sustained Partnership Award (from left) Paul McCann, Allianz; Laura Wells, Ulster Bank; Joanne Stuart, Chair, Arts & Business NI; Conor O'Kane, Ulster Bank Belfast Festival at Queen's; Mary Trainor-Nagele, Chief Executive, Arts & Business NI and Bob Collins, Chair, ACNI*

The companies of several IoD members have been honoured in the Allianz Arts & Business NI Awards 2013, which were held at the Millennium Forum, Derry~Londonderry.

The Awards showcase examples of excellence and the delivery of tangible business benefits with winning partnerships coming from across the spectrum of Northern Ireland business and arts sectors.

The partnership between the Arts & Business NI Awards and Allianz is now in its seventh year. JTI supported the commissioning of the Awards pieces, by artist Michelle Stephens.

Congratulations to IoD members' companies Ulster Bank, Danske Bank and KPMG, who were among the winning partnerships.

The **Sustained Partnership Award** went to Ulster Bank Ltd & Ulster Bank Belfast Festival at Queen's.

The **Young People Award** was presented to KPMG & the Royal Ulster Academy.

The **Business of the Year Award** went to Danske Bank.

## Member News

# Small Business Challenges

**"We need to rethink our policies for small business!"**

That's the core of the message from two professors at the University of Ulster's newly established Centre for SME Development. Their seminal book on entrepreneurship and small business has been among the best sellers for the past 15 years, is exported to over 20 countries and is now due for a renewed lease of life.

Professors Simon Bridge and IoD member Ken O'Neill have just announced the publication of the 4th edition of *Understanding Enterprise, Entrepreneurship and Small Business* published by Palgrave Macmillan. It will make uncomfortable reading in its latest edition as these two experts comment upon their observations of the doubtful effect of SME policies in the UK and further afield.

Ken states: "Originally the book was written to lay out in one place what is known about the small business field – mainly for the staff of support agencies. It became popular in universities very quickly and is now a standard textbook for business study students".

The 4th edition of the book marks a significant change in emphasis. Over the years as evidence has accumulated, Ken and Simon have become convinced that some of the thinking about enterprise is wrong, and some of the policies and support programmes for SMEs have had little effect on their number, growth or quality. The authors point out that policy is too often based on mistaken assumptions and not on hard evidence – resulting in the waste of



hundreds of millions of pounds across the UK. Their book offers alternative ways of seeing things.

Ken and Simon are also completing the 2nd edition of 'Understanding the Social Economy,' which is due for release next Spring.

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## IoD forms global network of business leaders

**T**he Institute of Directors has announced the formation of the Global Network of Director Institutes (GNDI), an international partnership between nine leading membership organisations for company directors in Australia, Brazil, Canada, Europe, Malaysia, New Zealand, South Africa, the United Kingdom, and the United States.

At a meeting in December last year in Wellington, New Zealand, GNDI delegates approved terms of reference and elected leaders by unanimous vote. John Colvin, CEO and managing director of the Australian Institute of Company Directors (AICD), will serve as chairman; Stan Magidson, president and CEO of the Institute of Corporate Directors (ICD) in Canada, will serve as deputy chairman.

### Close cooperation

The GNDI will complement the work of its member organisations by fostering close cooperation between national director organisations and providing a global forum to share experiences, case studies, leading practices and current or emerging corporate governance issues affecting the boardroom and its stakeholders.

GNDI members will collaborate to:

- Anticipate and explore emerging issues having global impacts on corporate governance;
- Develop and promote leading practices and programmes that enhance the ability of corporate directors to ensure long-term, sustainable performance for the benefit of shareholders and other stakeholders;
- Educate key influencers regarding the benefits and values of exemplary leadership in the boardroom; and
- Amplify the voices and perspectives of corporate directors on matters related to boardroom leadership.

Each founding GNDI member will appoint one executive from its organisation to participate on the Executive Committee tasked with the management and control of the affairs of GNDI.

*For more information about the Global Network of Director Institutes go to [www.GNDI.org](http://www.GNDI.org)*

## Member News

### Members join SIB Project Board



Michael Graham



Mervyn McCall

Two IoD members have been appointed to a Project Board of the Strategic Investment Board to carry out a strategic review of the commissioning and delivery of major infrastructure projects.

IoD NI Chairman Mervyn McCall, MD of MNV Limited and former Director of Mivan Limited, and Michael Graham, Managing Director of Graham Construction, join Brett Hannam, CEO of the Strategic Investment Board, Des Armstrong, Director of the Central Procurement Directorate, and Professor George Heaney, University of Ulster, on the new Board.

## Surviving a death in the business

by Brian McHugh and Seamus Monaghan, Estate Planning NI

**M**ost companies would find it difficult to survive the death of a key member of the business just from the point of view of the continued running of the business, but where a limited company has taken out a Cross Option Agreement, things can become complicated.

A Cross Option Agreement covers what will happen to their shares if a key person or active director passes away while still in the business.

The most common version states that the company will buy the shares of the deceased. It is not binding, but should the company be unable to purchase the shares, then the relatives (who may know nothing about the industry or company) will become board members. Even worse, the relatives will sometimes sell their shares to a competitor who can then be on the board.

### Other options

Companies frequently insure the lives of their directors or key personnel in order to have sufficient funds to buy their shares and keep the integrity of the company. There are tax implications of taking this route.

Death in Service Benefits often cover this, but are typically group schemes with high premiums. Should the person leave, their policy ends.

### Relevant life policies (RLPs)

RLPs avoid these downsides and – at last – provide funds to small and medium companies.

Discretionary Trusts are used that make the company the owner of the policies, plus there is no longer a need to provide group cover plans with their large premiums.

Cover can now be provided which:

- relates to an individual rather than setting up a group scheme
- is not regarded as a benefit in kind
- is not treated as a Trading Receipt
- can replace an individual's existing life cover
- is paid for by the company and
- can be carried to the next employer

### Benefits

RLPs are very tax efficient. They can help a company retain key members of staff and/or directors. The funds can be used to buy shares from surviving spouses or provide Death in Service Benefits for a key person's family, or even safeguard a company from a hostile takeover by a competitor.

**Remember:** Relevant Life Cover Policies are popular because they protect companies as well as individuals by releasing tax-free funds when most needed. However the real benefit is that Cross Option Agreement requirements can be met promptly and painlessly.

**Now,** don't you think RLPs need further investigation at boardroom level?

For further information and a free consultation/presentation, call Brian or Seamus on Freephone 0800 0931 007.

## IoD member benefits

# IoD – Supporting you, supporting your business

The Institute of Directors exists to support our members – the business leaders - as they grow and develop their organisations.

We have created a portfolio of membership benefits which are designed to provide members with the knowledge, tools and advice to help them be more productive, competitive and profitable.

Take advantage of IoD membership by using these benefits whether you are at your desk or on the move. Details of all member benefits can be found on our website [www.iod.com](http://www.iod.com)

**Benefits** included as part of the annual membership fee:

- Meeting space at 13 locations around the UK and in Paris
- 25 business research sessions each year
- 4 one-to-one sessions with a business expert each year
- 25 calls to our business legal advice line each year
- Access to our extensive online business support resource
- Access to the IoD exclusive LinkedIn group with over 7000 IoD members
- Access to the IoD Northern Ireland LinkedIn group
- Access to airport lounges across the UK
- Monthly online newsletters from London and your local region



- Advert on our business directory
- Subscription to Director magazine
- A copy of the bi-monthly IoD NI News
- Your profile can be included in an issue of IoD NI News
- Access to register on our NXD Directory

### And More...

- **Representation** at the highest levels of national and regional government and the opportunity to participate in surveys and receive copies of our policy publications Big Picture and Pulse
- **Networking across the UK** through our regions and branches who run a whole range of events from black-tie dinners to breakfast briefings
- **Discounts off our respected range of director-level training** and development programmes including our Chartered

Director qualification which is recognised internationally as the gold-standard in director level training

- **Discounts off our conferences and events** with their high profile speakers
- **Access to specially negotiated products and services:**
  - IoD Directors Liability Insurances [www.iod.com/dli](http://www.iod.com/dli)
  - IoD Professional Indemnity Insurance [www.iod.com/pi](http://www.iod.com/pi)
  - IoD Office Insurance [www.iod.com/officeinsurance](http://www.iod.com/officeinsurance)
  - IoD Home & Contents Insurance [www.iod.com/homeinsurance](http://www.iod.com/homeinsurance)
  - IoD Ultra High Value Homes Insurance [www.iod.com/highvaluehomes](http://www.iod.com/highvaluehomes)
  - IoD Procurement Services [www.iod.com/procurement](http://www.iod.com/procurement)
  - IoD Jobs and Recruitment [www.jobs.iod.com](http://www.jobs.iod.com)
  - IoD Health Plans [www.iod.com/healthplan](http://www.iod.com/healthplan)
  - IoD Travel Services [www.iod.com/travel](http://www.iod.com/travel)
  - IoD Hotel Accommodation [www.iod.com/hotels](http://www.iod.com/hotels)
  - IoD Car Rental [www.iod.com/carrental/offer2](http://www.iod.com/carrental/offer2)

### Join the IoD

You can apply to join the Institute online at [www.iod.com/join](http://www.iod.com/join) or telephone our Membership Department on 020 7766 8888.

## IoD premises – your local base UK wide

Travelling around the UK, don't forget that you can access the facilities of our network of premises, which usually include at least a working area and private rooms that can be hired.

IoD premises are located in London's West End and City, Manchester, Birmingham, Nottingham, Leeds, Reading, Bristol, Norwich, Edinburgh, Glasgow, Cardiff and Bangor (Wales). Check for information about these and other IoD premises at [www.iod.com](http://www.iod.com)

In Belfast, members have access to working, meeting and entertaining facilities at two different locations: our main premises at Queen's University's Riddel Hall at 185 Stranmillis Road and the Ulster Reform Club at 4 Royal Avenue.

### Riddel Hall

The facilities at Riddel Hall include access to two Executive Lounge areas on the ground

and first floors, free wifi, free parking in the grounds and a variety of rooms that can be hired, all equipped with the latest IT technology.

A snack and light refreshments menu is available for members visiting Riddel Hall. Menu cards can be found in the Executive Lounge areas and you can order from the catering staff.

### Ulster Reform Club

At the Ulster Reform Club, you will find a quiet meeting area, business room, dining room and private meeting rooms for hire. A dress code requiring jacket and tie operates at the Club.

For room bookings and information about our Belfast premises, phone us on 028 9068 3224 or email [lorraine.corry@iod.com](mailto:lorraine.corry@iod.com)



Riddel Hall at Stranmillis

### Disclaimer

Articles are published as a contribution to discussions about business issues. They represent the personal views of their authors and do not necessarily reflect Institute of Directors' policy.

### Contact IoD

Divisional Director: Linda Brown  
Divisional Administrator: Lorraine Corry

IoD at Riddel Hall  
185 Stranmillis Road, Belfast BT9 5EE  
Tel: 028 9068 3224  
Email: [lorraine.corry@iod.com](mailto:lorraine.corry@iod.com)



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