

B.B. Price Limited Company Statement: The U.K. Exit From The E.U.

Introduction

The directors and senior management of our company have carefully considered our position as a U.K. manufacturer following the U.K. Referendum on E.U. membership, employing various strategies to formulate our response and incorporating our planning into our organization's management systems.

Having evaluated each relevant aspect of our business we are confident in our ability to ensure continuity of supply to our customers and stakeholders. The key points of our findings are summarised here for your information.

Sourcing raw materials.

All our materials, regardless of size, section or grade derive from various U.K. based steel manufacturers supplying into the domestic market. Whilst these organizations have themselves formulated their own Brexit strategies; it is worth noting that the Electric Arc Furnace (EAF) technology they employ ensures that 98% of their product comes from recycled steel scrap which they source in the U.K.

In addition, we have the benefit of the experience of our own steel stock holding company, Harris (Steels) Limited within our group. Their extensive knowledge of both the domestic and E.U. steel markets enables us to source raw materials competitively and with multiple options for supply.

Raw material stocks and warehousing

Achieving and maintaining extensive raw material stocks has long been a strategic aim of our business. Allocating budgets to enable us to hold substantial stocks of raw materials helps us to mitigate adverse effects in the market, for instance when suppliers delay steel manufacture or when fluctuations with price or supply occur. By using U.K. steel manufacturers, we may also sidestep some of the potential post Brexit complications associated with the movement of goods, customs procedures, currency fluctuations, import, logistical and border issues.

To facilitate our stocking policy we own extensive and well equipped modern warehousing to receive, store and handle our raw material. In April of 2018, in anticipation of market changes and to further our business plan, we purchased additional new warehousing of 4,650 square metres to add to the 3,800 square metres already being utilised. These exclude the hard standings that make up our available yard spaces, covering several hectares.

Substantial stocks of finished and part-finished goods

Our organization maintains an unrivalled multi-million-pound investment in our finished and part-finished stocks to enable us to meet the demands of our customer base. Our central store facility operates a 1,680 square metre warehouse for finished goods with considerable yard space for additional storage, packing and loading.

Manufacturing In-House above bought in stocks

The ethos of our company has always been to produce the greatest percentage of finished goods in-house at our own manufacturing sites in the West Midlands. Bought in products sourced by ourselves or through our external providers are almost entirely limited to small fastenings and sundries. Mapping and evaluating our direct purchases or those of our suppliers have identified no real concerns about continuity of supply, with no dependence on, or prevalence of EU supplied goods or EU suppliers.

Financial and Logistical Experience of Export and Import

The company has a wide experience of importing or exporting spanning many decades. Our assessment, based on our knowledge of our business, the probabilities for change and our ability to meet the compliance requirements and costs of overseas trade, leaves us with no significant concerns for future trade within the EU. We will however continue to monitor the situation. The likelihood of disruption to our operations however is expected to be negligible.

The Employment of E.U. Nationals

In compliance with the Immigration, Asylum and Nationality Act our company ensures all its employees are legally entitled to work in the U.K. and we consider that a stable, flexible and multi-skilled workforce to be our most important asset, essential for our continued success. Our risk assessment of our workforce has identified no concerns as to its future security if the departure of E.U. nationals should occur.

Conducting Business within the E.U.

The core of our business is conducted within the United Kingdom. Loss of business within the EU Market would be of a small detriment on our organization because we have no dependency on it, regardless of if a less favourable trade agreement should be made. Likewise, belated agreements with member states will have no significant effect on our operations.

Effects of Brexit on our Supply Chain

Neither B.B. Price Limited nor our external providers have a dependency on the European market. Our interests, such as they are, are principally in securing new technology and plant when there is an advantage for us to do so. Our evaluation of this situation through our suppliers, who are U.K. based, lead us to expect no changes in the level of support we receive or our ability to easily access this technology in future.

Meeting Compliance Obligations

The company monitors and evaluates both U.K. and E.U. legislation and regulations with monthly reviews to ensure compliance and we will continue to monitor the situation.

Cloud Services and the EU Data Directive

Our organization understands and complies with current data protection regulations. As we are solely a U.K. based company, we will have no division or operations based within the E.U. after Brexit. Our Privacy Statement can be found on our website.

In Closing

Our company has evaluated our position building up to the U.K. exit from the EU at length and will continue to monitor this situation. We conclude however that given the measures we have put in place that we can guarantee total security of supply to our valued customers following Brexit.

David Price

Managing Director