Thames Valley

Business Barometer Q1 2013

Financing The Business and Funding Growth

The Thames Valley Business Barometer - a collaboration between BDO LLP and business network The Twenties Club - provides a quarterly snapshot of business and economic confidence in the Thames Valley. The results offer a compelling street-level view of business sentiment, helping to inform decisions on growth, investment and employment in the region.

April 2013

TWENTIES CLUB

BDO

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"Regional development cannot be force-fed. Politicians cannot solve economic problems, they need to let the markets and businesses themselves decide."

STUART MILLER
CEO
ByBox

EXECUTIVE SUMMARY

A quarterly snapshot of business and economic confidence in The Thames Valley

While they say economics is all about "constrained optimisation" - trying to get the best outcome subject to numerical constraints - in the overall scheme of things, commentators suggest that Osborne's latest Budget didn't really do all that much more for business.

This is the first Thames Valley Barometer since the Budget 2013. Interestingly, the findings from the Barometer suggest firms are exhibiting lower levels of confidence in the economy as a whole. Our region's businesses are very willing to play their part by investing to help kick-start the economy. However the Chancellor needed to send stronger signals that this investment will be rewarded.

The Thames Valley still seems to be bucking the trend against the sombre growth forecasts for the UK as a whole for 2013. Thames Valley businesses are more confident when it comes to their own success. The overall results have become more positive, with healthy increases and solid expectations on turnover and profit growth. Almost two thirds (65%) of businesses surveyed have increased their turnover in the past quarter compared to 46% in Q4 2012.

However, macro economic conditions remain tough, with Thames Valley respondents increasingly cautious when it comes to economic confidence. Nearly half (49%) felt that the economy was flat versus 40% in the Q4 Barometer. High street retailer, Camp Hopson, one of the companies that we profiled, admitted that the environment was certainly challenging and that along with other retailers, it is battling with a reduced propensity for people to spend money.

Responses relating to headcount throughout the last 12 months consistently tell us that around 40% of respondents are increasing headcount, and a similar or higher proportion are holding headcount steady. Our Q1 Barometer reinforces this once more. Hiring intentions appear strong and we are seeing even greater optimism for the next quarter. New start-up erento profiled in our findings is focused on building its team and increasing headcount in 2013.

It would seem then that where recruitment is concerned the Thames Valley is very much in line with the national picture. In BDO's latest national Business Trends report, the BDO Employment Index has hit a 19-month high indicating a resurgence in private sector hiring intentions. The Index, which measures businesses' hiring intentions over the next two quarters, reached 96.0 in March, the highest since August

2011. This is the third consecutive month that the Index has been at or above the crucial 95.0 level that indicates employment growth.

Financing the business and funding growth

This quarter we focus specifically on the availability of finance and funding options. What we saw is evidence of a greater range of experience. On the availability of finance the majority view is that the underlying position has remained the same as in previous Barometers. A slightly increased proportion are finding the availability of finance easier, and likewise an increased proportion are finding finance more difficult to come by. Working capital is a concern for nearly a third (29%) of all respondents who are keeping a close eye on cash flow, and more than a quarter of the respondents find that a lack of funding is restricting their ability to grow and manage their business. For the majority (65%) however, it's not a major impediment. Retained cash is by far the most frequently used method by which businesses are currently being funded.

Businesses that are planning to seek funding are looking at a wide range of options. Those that are looking for funding will use retained cash and bank debt in equal measure, and the reliance on bank debt is expected to increase. There is also an expected increase to 17% of those looking for either private equity or venture capital funding. For example, Imago who took part in a profile interview suggested that it is looking at private equity and stated that difficulties in obtaining funding would restrict the organisation's ability to grow. ByBox, also profiled, says it is likely to require loan funding for cross border investment and that eventually the company expects to go public to raise the necessary funds for its continued growth.

The Barometer found that Asset Based Lending (ABL) will be used by one in ten businesses in the Thames Valley, compared to less than one in twenty at the moment. Hewland Engineering is currently considering ABL for the purchase of capital equipment, while 7% expect to use invoice discounting finance and 9% expect to draw on Government or regional grants and loans.

Quite evidently small and medium sized businesses are the engine room of the UK economy and whilst I applaud Chancellor Osborne's intent to help them, it's clear that more must be done in the long-term if SME'S are to truly drive economic growth and job creation. Availability of finance and funding is key and we really must meet and support these needs if we are going to help drive the Thames Valley economy forward.

"One of the reasons we chose Reading was the number of technology and marketing based businesses in the Thames Valley. Reading has great communication links and offered everything we needed."

WAYNE MUNDAY
Managing Director
erento

We hope you find the Barometer interesting and informative reading and we welcome your feedback. We also urge you to share these results within your own networks - with your customers and with your suppliers - to encourage their participation in the Business Barometer. The more organisations that get involved, the more able we are to gauge what is really happening for businesses in the Thames Valley region. Our goal is to keep local businesses up-to-date on key areas of spend and investment so that they can benchmark their performance against other companies.

About the survey

The Thames Valley Business Barometer - a collaboration between BDO LLP and business network the Twenties Club - provides a quarterly snapshot of business and economic confidence in the Thames Valley. The Q1 survey opened on 14 February and ran for six weeks. The Q1 Barometer also includes in-depth profiles of Thames Valley businesses including ByBox, Camp Hopson, erento, Hewland Engineering and Imago who shared perspectives on their own performance during the last three months, the key challenges they face and the prospects for the Thames Valley region.

SIMON BROOKER
Partner and Head of BDO
Thames Valley

Survey Results

TURNOVER

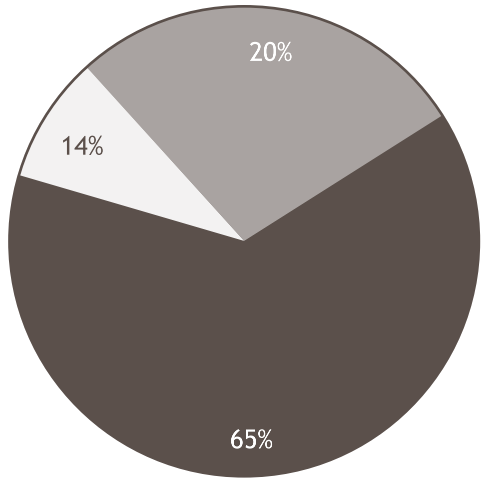
Healthy growth, surpassing earlier expectations

When asked whether turnover is increasing, decreasing or is remaining the same:

- 65% increased their turnover in the past quarter versus 46% in Q4. This compares to the 47% in Q4 who expected their turnover to increase – so for many, expectations have been surpassed

Expectations for Q2 holding firm

- Next quarter 67% expect turnover to increase and 29% expect it to stay the same
- Just 4% expect turnover to decline next quarter, a decline from 8% in Q4

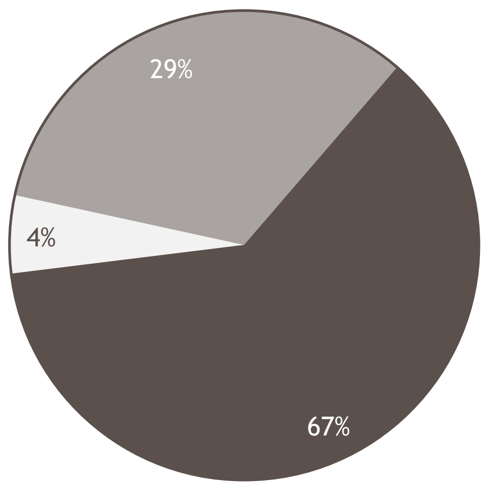


In the previous quarter turnover...

65% Increased
14% Decreased
20% Remained the same

"We get a sense of what business levels in two to three months time will look like from the number and value of furniture orders placed and forward orders are currently ahead of last year."

JONATHAN HOPSON
CEO
Camp Hopson



Next quarter's turnover is expected to...

62% Increase
4% Decrease
29% Remain the same

"Over the past six months both the pipeline and the number of customers has increased as more and more organisations use the erento network to hire items."

WAYNE MUNDAY
Managing Director
erento

hire it all online.

THE LAUNCH PAD FOR INTERNATIONAL GROWTH

Online rental marketplace, erento, was founded ten years ago and provides any individual or company looking to hire items online a marketplace where they can easily and quickly be connected with the business they wish to hire from. erento.com is headquartered in Germany and three years ago it launched into the UK. The market however didn't take off and the company pulled out. In 2011, erento was acquired by an international media company, Russmedia, which is headquartered in Austria with key facilities in 28 locations around Europe and employs 1500 people.

Locating in the UK

In 2012 Russmedia decided to open an erento office again in the UK, based in Reading. This new venture first started as a department but in January 2013 became an independent operating business. Wayne Munday is the UK Director. He comments: "Our task is simple. We have to create the blueprint for international growth here in the UK." He adds: "One of the reasons we chose Reading was the number of technology and marketing based businesses in the Thames Valley. We did consider moving to London but that was ruled out pretty quickly. Reading has great communication links and offered everything that we needed."

Since joining the company in May 2012, Wayne has been focused on building the team and the business. He adds: "In August last year there were just three of us. Now we are over 8 people and we are continuing to grow." While erento UK is highly accountable to its German parent company and activity has to be carefully planned, Wayne says that Head Office is incredibly supportive.

Growing the business

Over the past six months both the pipeline and the number of customers has increased as more and more organisations use the erento network to hire items. Marketing, and especially digital marketing, has been the key to success. Wayne continues: "When people search to hire I want them to find us first. Content marketing is now a big priority." Operating on a fee based model, erento UK provides a range of hire equipment and services from tools to plant hire, to vehicle hire, to event services. Wayne comments: "We provide a completely transparent service to our customers. There are no hidden costs. And thanks to our management dashboards, customers have complete visibility of transactions through the site."

Gaining reputation

With funding by Russmedia, erento is in the lucky position of not being dependent on any external or bank finance. However, the UK has to demonstrate that it is self-financing its growth and it is very stringently monitored. In terms of the challenges ahead, erento needs to win market share. The goal is to be the number one online, rental marketplace internationally. Wayne concludes: "The greatest challenge that we face is that marketing budgets are now far more accountable and we are a new proposition in the UK. We therefore need to prove ourselves - which we are doing."

> "Marketing, especially digital marketing has been key to our success."
>
> "The UK business has to demonstrate that it is self-financing its growth."

WAYNE MUNDAY
Managing Director
erento

HEADCOUNT

Positive movement on headcount - consistent with previous Barometers

- Headcount increased for 39% of respondents in the past quarter (also 40% in Q3 and Q4 2012), and has remained the same for 49% of respondents

Expectations slightly up for Q2

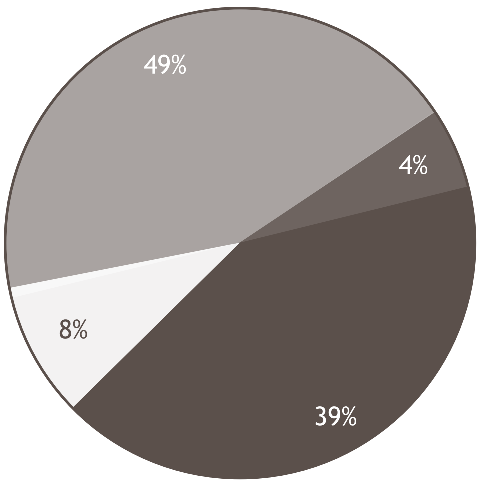
- Headcount is expected to increase for 45% of respondents in the next quarter suggesting a continued positive movement towards more recruitment for more Thames Valley businesses
- Just 8% decreased their headcount last quarter and 6% expect to decrease headcount in the coming quarter

> "I've come to realise the importance of recruitment and how critical it is to get this right. Only occasionally do we get it wrong."

STUART MILLER
CEO
ByBox

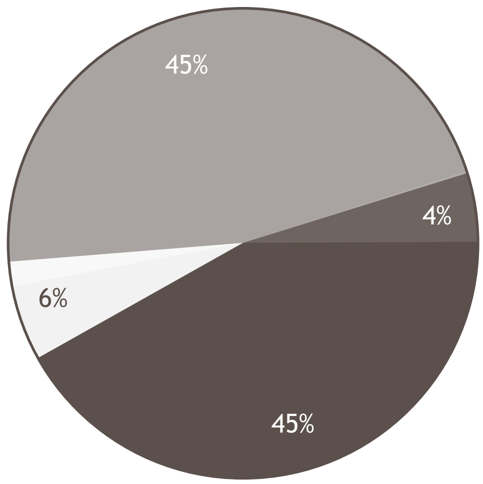
In the previous quarter headcount...

39%	Increased
8%	Decreased
49%	Remained the same
4%	Declined to comment



Next quarter's headcount is expected to...

45%	Increase
6%	Decrease
45%	Remain the same
4%	Declined to comment



ByBox
distribution revolution

SEEKING OUT CHANGE - DISTRIBUTION REVOLUTION

Co-founded by CEO Stuart Miller and Dan Turner in January 2000, ByBox began with a simple mission: to solve the problem of having to wait in for parcels. ByBox created a viable alternative by installing banks of lockers in convenient locations like train stations, supermarkets and shopping centres for customers to use as a 'dropbox'. Today ByBox has the world's largest network of dropboxes, its lockers are used in over 27 countries around the globe and over 20,000 field service engineers use its network daily.

A wide distribution network

Headquartered in Wantage, ByBox operates from 30 locations in the UK with a main distribution hub in Coventry. The business has grown from a start-up to £65 million turnover – an impressive level of organic growth combined with a steady flow of acquisitions. These acquisitions allowed ByBox to build its technical services footprint and logistical support. Today ByBox employs 350 staff, as well as another 450 sub contracted drivers. Stuart Miller comments: "There is a very strong feeling of belonging here, and every member of staff is part of the ByBox team. I've come to realise the importance of recruitment and how critical it is to get this right. Only occasionally do we get it wrong."

Stuart himself embodies the ByBox culture, a culture he describes as: "one where we are always very humble and we never gloat". He continues: "There are two things I realised early on. Always be truly honest, know what is right, and do the right thing. The other is to always ensure that you reinforce the small things."

Continued innovation

With a B2B customer base of 260 including Coca Cola, Unipart, Fujitsu and Konica Minolta, as well as a host of internet based retailers, Stuart recognises that there is enormous potential to grow the business and recently announced a link up with BSH Home Appliances who will use ByBox's locker network to get parts to and from their engineers. In Abingdon, ByBox is installing a bank of lockers in the town centre as a trial project with the District Council. There are also plans to open up locker banks in rural areas where the density of internet shopping is high and to trial the development of locker banks within the network of payphones on the high street.

Stuart is proud of how ByBox operates through constant innovation and investment. For example, in 2006 the company launched Thinventory™, a software platform that manages the entire supply chain for ByBox customers. Stuart comments: "Thinventory™ is used in over 100 locations in five countries, supported by 40 software developers. ByBox today isn't just about a box, it's a true supply chain." He continues: "We seek out change where a lot of businesses don't. If it succeeds we invest. If not, we move on."

Raising funds

On funding the business, ByBox benefited from family and friends contributing funds. Looking to the future Stuart expects that some loan funding may be required to fund cap ex for cross border investment, and that eventually ByBox will need to go public to raise the funds for its continued growth.

On the subject of wider economic confidence, Stuart sees this as flat or deteriorating. He concludes: "Some businesses are being decimated and there is no quick fix. However regional development cannot be force-fed. Politicians cannot solve economic problems, they need to let the markets and businesses themselves decide."

"There are two things I realised early on. Always be truly honest, know what is right, and do the right thing. The other is to always ensure that you reinforce the small things."

"We seek out change - a lot of businesses don't. We try it and if it succeeds we invest, if not we move on."

STUART MILLER
CEO
ByBox

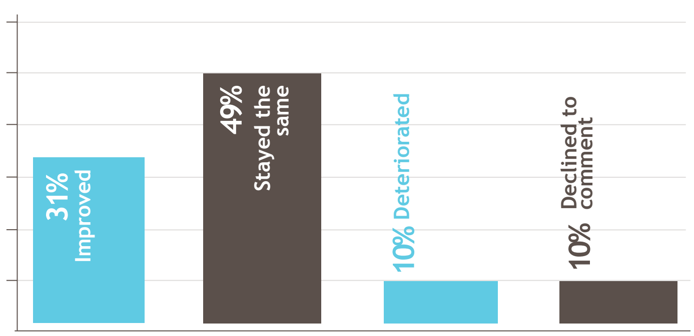
ECONOMIC CONFIDENCE

Flattening

In terms of the general level of confidence in the Thames Valley:

- Overall economic confidence has flattened somewhat from last quarter. 31% still believe economic confidence has improved (similar to Q4).
- However the majority view (49%) is that economic confidence remains flat (versus 40% Q4)
- Only 10% feel economic confidence has deteriorated (versus 9% in Q4)

In terms of the general level of economic confidence in the Thames Valley in the last quarter - respondents believe this has...



"Some businesses are being decimated and there is no quick fix."

STUART MILLER
CEO
ByBox

PROFITABILITY

Respectable growth, surpassing earlier expectations

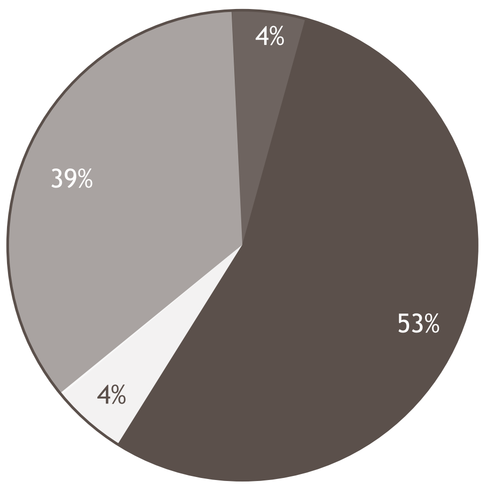
- For 55% of respondents profitability was up in the last quarter (versus 42% in Q4). This compares to the 30% in Q4 who had expected profitability to increase
- 26% saw profitability remain the same
- 14% saw profitability decline last quarter (versus 11% in Q4)

Expectations are holding firm

- Expectations are holding up. Some 53% are expecting profitability to be up in the next quarter and 39% expect it to stay the same

Next quarter's profitability is expected to...

53% Increase
4% Decrease
39% Remain the same
4% Declined to comment



HEWLAND

RACING AHEAD - A ROLLER COASTER RIDE

Founded by Mike Hewland in 1957, Hewland Engineering is the company that invented the bespoke racing car gearbox and has supplied the worlds racing car constructors ever since. A British company based in Berkshire, Hewland is now run by Mike's son, William. When talking about the economic climate, William states that the last few years have been completely unlike the 30 prior and he confesses that it has been a roller coaster ride. Racing cars are inherently expensive and since the recession the motor sports industry has struggled to fund their activity. That said, in 2011/2012 Hewland experienced a resurgence in activity but puts this down to an element of catch up.

Racing is seasonal and runs from spring to autumn. This means that just prior to Christmas the manufacturers decide whether a programme is going to go live for the next season. William adds: "We often don't get told until the last minute and this means we have to move at a shockingly fast rate."

Good financial control

Financial control is critical and William often has to manage vast swings in the business of under or over activity. He adds: "There are no gentle trends and the manufacturers are giving us less notice these days to build new products, plus they all want more for less." As a result the business has a much more robust approach to collecting money and managing cash flow.

Hewland employs 125 people, and in the last couple of years has been investing in bringing skilled people into the organisation. While turnover is roughly the same this year as last year, Hewland has more leads and future projects on the go than he can remember. Large projects however are lacking. William continues: "We could be more profitable but we decided to invest in technology and machinery so that we are capable of delivering in the future."

Niche but strong competition

Hewland is only one of three companies operating in this space. But William is still adamant that no one quite compares: "We are the only company that offers a range of products from Formula 3 up to Formula 1."

The company is privately owned by the family, is funded through retained profits and has no bank facility. However William admits that he is now more open to considering other options such as asset finance for capital equipment.

The company is diversifying and has been approached by several aviation companies. Hewland also plans to take advantage of government grants and green initiatives in R&D as it continues to widen its services to other industries in order to gain maximum efficiencies. Despite this, William remains firmly grounded. He concludes: "The only certainty in business is your outgoings."

"The last few years have been completely unlike the 30 prior...we often have to manage vast swings in the business. There are no gentle trends..."

"We have to move at a shockingly fast rate."

"Financial control is critical."

WILLIAM HEWLAND
CEO
Hewland Engineering

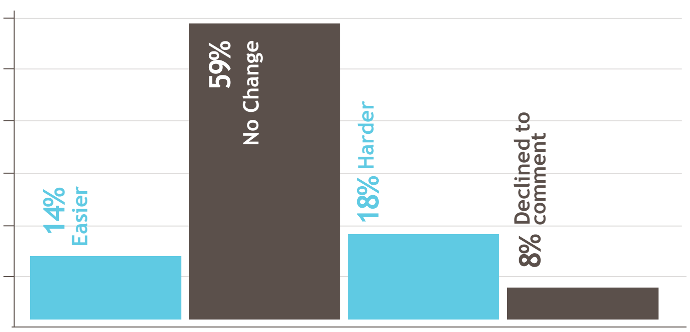
AVAILABILITY OF FINANCE

No real change, but a greater range of experience

On the availability of finance, the majority view is that the situation has remained the same with an increased proportion finding the availability of finance easier, and likewise an increased proportion finding finance more difficult.

- The majority (59%) believe that the availability of finance has remained the same (versus 62% in Q4)
- 14% find the availability of finance easier, compared to 4% in Q4
- However, 18% find the availability of finance more difficult (versus 12% in Q4)

Change reported on the availability of finance...



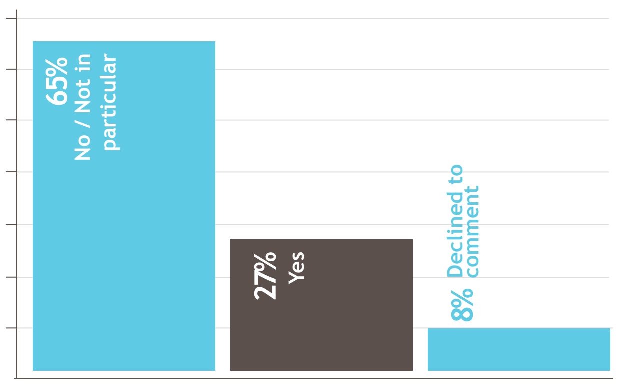
"In terms of access to finance, if business performance is good then there shouldn't be a problem...If you fall slightly below on performance, then it does become challenging."

IAN VICKERAGE
Managing Director
Imago

Over a quarter of respondents find a lack of funding is restricting their ability to grow / manage the business

- For over a quarter of the sample (27%) a lack of funding is restricting their ability to grow / manage the business
- For the majority (65%) it's not a major impediment

Is a lack of funding restricting your ability to grow / manage the business?



"We have been offered bank finance and we are looking at private equity, if we don't get funding it will restrict our ability to grow."

IAN VICKERAGE
Managing Director
Imago

imago

A MULTINATIONAL BUSINESS

A market leader in Europe

Imago, a leading distributor of video communication solutions, was founded in July 1991. The company now has established subsidiaries in eight countries around the world and employs 140 people. With a turnover of £50 million, Imago is the biggest distributor in the video communications field in Europe and has been experiencing substantial growth in recent years.

In the UK Imago is taking market share from its competitors and seeing advantages from the recession where organisations are cutting back on travel and using more video communications. That said, companies are also cutting back on capital expenditure so there is also an opposing pressure. Ian Vickerage, founder and Managing Director, comments: "The UK has grown by 25% this year however it has been more challenging in Europe due to the Eurozone crisis."

Growing the company

Ian expects revenues to be around £60 million this year which represents 20% growth. The company is self-financed but it does use invoice discounting. Ian has experienced some issues with its bank and recently changed to a new bank. He is currently evaluating how to grow different countries and will be looking into obtaining finance to achieve this. He comments: "If you want to grow a business fast then you normally need some external finance; it is hard to do this from self-financing because of the working capital requirements of the business."

Over the past ten years Imago has enjoyed very solid growth despite the recession and in particular has seen the international aspect of the business develop. However Ian believes margins on products are reducing and adds that Imago's biggest growth area is services. Ian feels that organisations are getting more dependent on video technology but he adds: "It has to work. You can't afford for a board meeting to not happen and people are often highly suspicious of relying on video communications. I'm not sure why, because the technology is well proven."

Ian alludes to a potential acquisition. He will be looking for funding and has already been offered bank finance but Ian is also looking at private equity. He comments: "If we don't get funding it will restrict our ability to grow."

Access to finance

In terms of access to finance, Ian has not found this too difficult. He believes that if business performance is good then there shouldn't be a problem. However, he does say that if you fall slightly below on performance then it does become challenging.

In terms of the overall economic climate Ian feels that there is lack of consistency and that the market is very hard to predict. He adds: "we are still bumping along the bottom and it is harder to reach success. Many companies are still extremely cautious. However, doing nothing is not without risk. I firmly believe that in business not to take risk is the biggest risk of all."

He concludes by saying that he finds the Brits quite anti-technology. He suggests that there are very few tech success stories here in the UK and as a result, investors are reluctant to get into technology.

> "It has been challenging in Europe due to the Eurozone crisis."

> "I firmly believe that in business not to take a risk is the biggest risk of all."

IAN VICKERAGE
Managing Director
Imago

WORKING CAPITAL AND CASH

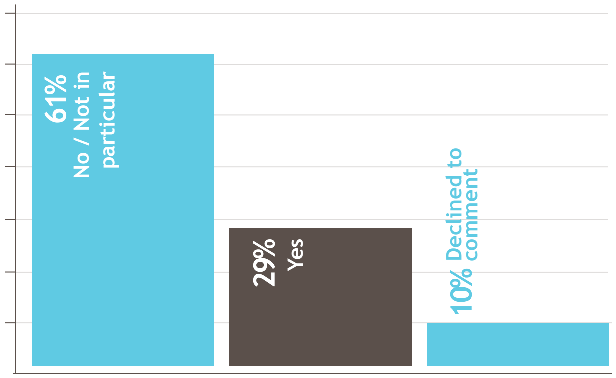
Cash / working capital is a concern for nearly a third of respondents

- 29% of respondents say cash/working capital is a concern
- 61% say cash/working capital is not a concern, or not a particular concern (versus 18% in Q3 and 13% in Q2)

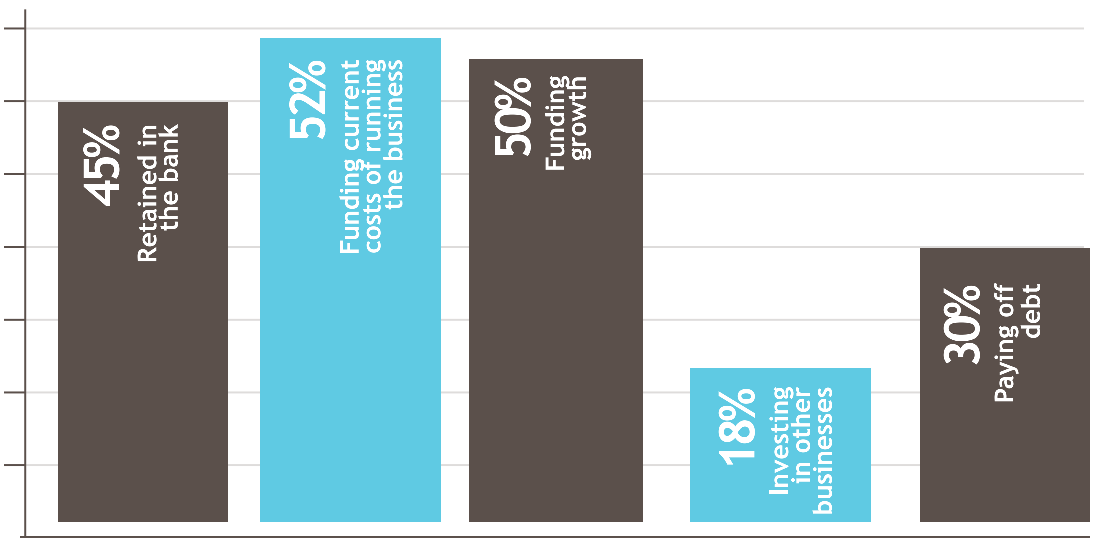
When asked how cash generated from trading is being used:

- 45% retain cash in the bank
- 52% use cash to fund the current costs of running the business
- 50% use cash to fund business growth
- 18% use cash to invest in other businesses
- 30% are paying off debt

Is your company's cash / working capital position a concern?



How are you using cash generated from trading?



CAMP HOPSON
of Newbury

GENERATIONS OF ENTREPRENEURS

The changing face of the High Street

In 1854 Joseph Hopson set up a furniture business in West Street, Newbury and in 1886 Alfred Camp started a Drapery Bazaar in Northbrook Street. In 1920, Joseph's grandson, Paul Hopson, married Alfred Camp's daughter, Norah and the following year two businesses merged to create Camp Hopson.

Today, the Camp Hopson Group comprises of a department store, furniture centre, removals business and a funeral business. Still a family owned operation, Paul Hopson's grandson, Jonathan has been at the helm for the last 7 years.

In recent times, Newbury High Street has changed dramatically and there is now new competition from retailers such as John Lewis at Home and Debenhams. Jonathan comments: "The current retail environment is certainly challenging. Not only do we have more competition, we are also all battling with a reduced propensity for people to spend money."

Camp Hopson Department Store employs 250 full and part-time staff and carries around 250,000 product lines. Jonathan is also investigating setting up an ecommerce site. He comments: "Having an ecommerce capability is important for us as an increasing proportion of disposable income is spent online."

Ensuring best practice

Whilst competition has increased, Jonathan believes this is a positive development as overall it has increased footfall in the store. In fact, Jonathan states that it has helped energise the management team to look to further improve customer service. They now ensure that more product lines are exclusive to Camp Hopson and also run more promotional campaigns throughout the store.

Outlook

The forward order book for furniture has increased on the same time last year and Jonathan adds: "We get a sense of what business levels in two to three months time will look like from the number and value of furniture orders placed and forward orders are currently ahead of last year."

Group sales are around £15 million and in addition to equity funding from Shareholders, Barclays provided a term loan in 2005 which funded a major refurbishment and extension to the department store.

Moving forward, Jonathan envisages significant changes as shoppers' purchasing habits continue to evolve with increased choice and e-commerce accounting for an increasing share of retail expenditure.

"I think town centres and retailers will both need to continue to work together to provide compelling reasons for the town centre to be a destination of choice for more potential customers.

From a customer perspective, town centres become more attractive places to visit when retailers and the local councils work together to improve accessibility, car parking and provide events in the town centre. One important way to deliver this strategy is through investing in a Business Improvement District (BID). Town centre businesses in Newbury voted through a BID in May 2012 and this generates £250,000 annually until 2017.

It's still relatively early days for the Newbury BID but we are confident this will be an important means of ensuring Newbury town centre is an increasingly attractive shopping destination from now on".

"I think town centres and retailers will both need to continue to work together to provide compelling reasons for the town centre to be a destination of choice for more potential customers."

JONATHAN HOPSON
CEO
Camp Hopson

FUNDING GROWTH

Retained cash is currently funding most businesses

48% of respondents expect to be looking for funding over the next 12 months. Among these businesses:

- Just 22% expect to use retained cash (down from 70% currently)
- The reliance on bank debt is set to increase (22% expect to use bank debt, up from 13% currently)
- 17% will be looking to private equity or venture capital funding (up from 9% currently)
- Asset finance will be sought by 11% (up from 4% currently)
- 9% will continue to seek govt / regional grant or loan funding
- And only 7% name invoice financing (down from 17% currently)

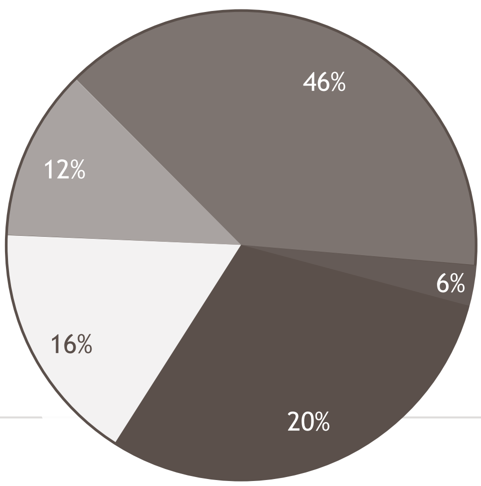
The broad size of the funding requirement varies from £0-1m to £5-50m

"We are open to considering other options such as asset finance for capital equipment "

WILLIAM HEWLAND
CEO
Hewland

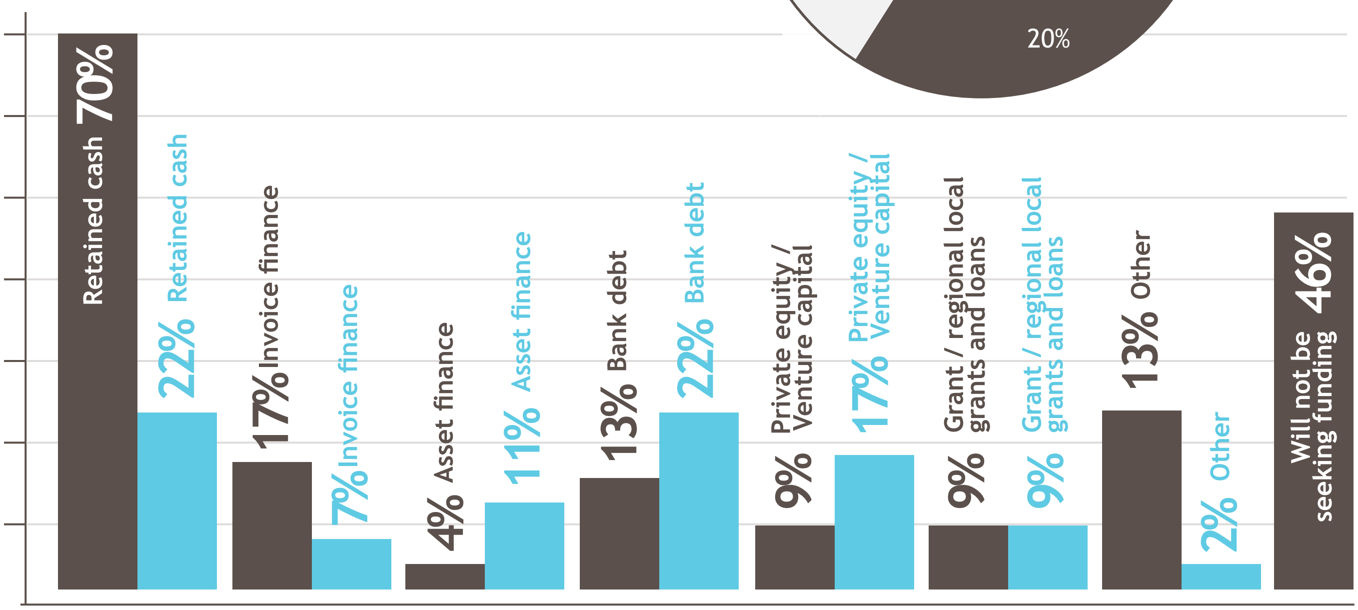
If you are looking for funding in the next 12 months, what would be the broad size of the funding requirement?

20%	£0 - £1m
16%	£1 - £5m
12%	£5 - £50m
46%	No funding required
6%	Declined to comment



How is your business currently funded?

If you are looking for funding in the next 12 months, what type will you be looking for?



FINANCING THE BUSINESS AND FUNDING GROWTH

What businesses say they need most...

"Better use of government provided schemes that guarantee lending as my experience has been that managers cannot be bothered to complete paperwork."

"Better understanding of funding and resource capability development that can be used e.g. apprenticeships."

"Wider access to funding on the high street for young businesses (less than 3 years old)."

"A loosening of LTV restrictions."

"Confidence that the banks are properly open for business and making decisions and offers based on real economics and reasonable margins."

"A better understanding of company's needs."

"A more entrepreneurial approach to lending criteria, in other words a decision making process that includes some speculation, not just current and past accounts."

FINANCING THE BUSINESS AND FUNDING GROWTH

What businesses say they need most...

“Better rates of borrowing.”

“SME equity to become investable!”

“Government backed loans via banks to small businesses without personal guarantees.”

“Wider access to funding”

“Clear parameters on what makes it a good credit risk. What sectors are hot and what are not etc....”

“More than just five banks offering loans to businesses - competition.”

“A simple guide on how to apply and what types of application are most favoured at the moment.”

“Banks returning to lending.”

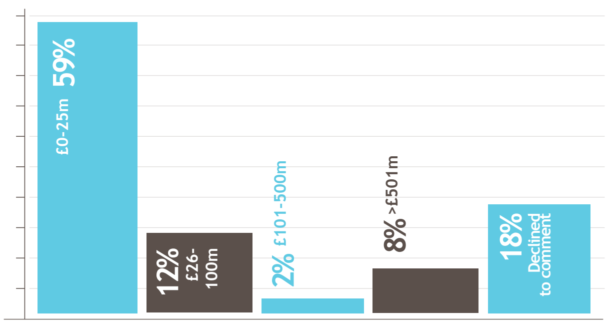
SURVEY METHODOLOGY

The survey was conducted from 14 February 2013 to 25 April 2013. A total of 49 respondents completed the survey, which was supplemented by five in-depth face-to-face interviews with key businesses in the region.

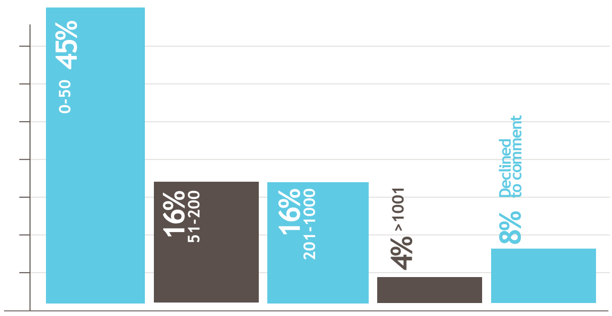
In order of most importance:

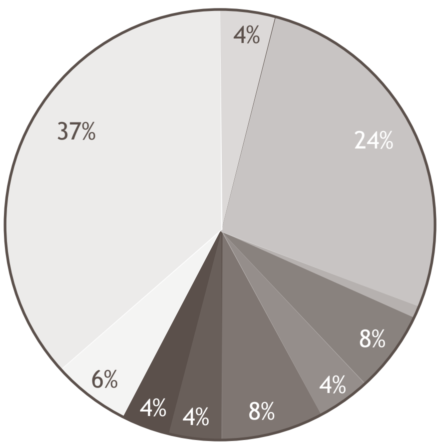
- The majority of companies that responded are privately owned – 49% are UK parented and 12% have overseas parents
- 59% of respondents have a turnover of £0-25 million
- 12% have a turnover of £26-100m
- 2% have a turnover of £101-500m
- 8% have a turnover of over £501m

Turnover band (£)



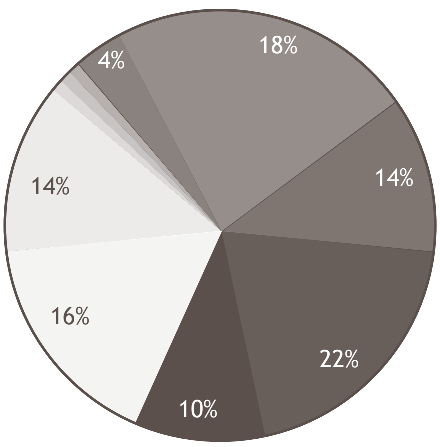
Approximate headcount:





Sector you operate in:

8%	Primary Activity, Energy, Utilities
4%	Retail & Wholesale
4%	Leisure & Hospitality
6%	Real Estate & Construction
37%	Technology, Media, Telecoms
4%	Financial Services
24%	Professional Services
0%	Not for Profit or Public Sector
8%	Manufacturing
4%	Other



Business location within the Thames Valley:

14%	East Berkshire
22%	West Berkshire
10%	Central Berkshire
16%	Oxfordshire
14%	Buckinghamshire
0%	Hampshire
0%	Hertfordshire
0%	Middlesex
4%	Other
18%	Declined to comment

For more information please

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