

EchoBusiness

BUSINESS ECHO

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Every Tuesday

Debenhams lifts the gloom

DEPARTMENT store chain Debenhams announced a rise in half-year profits, boosting the high street following a series of gloomy updates from fellow retailers. The firm, with stores across the region, including in Middlesbrough, Stockton and the Metrocentre, Gateshead, confirmed last week that it was considering opening an outlet in Darlington. Its pre-tax profits for the six months to February have risen nine per cent to £125.3m. The chain is hopeful that commodity prices such as cotton, which has rocketed in the past year, could fall back.

BETTER FEEL: Consumer confidence has rallied after crashing to a record low, offering hope of some respite for businesses. The survey by the Nationwide building society, which records whether consumers judge this a good time to make household or major purchases, rose by 13 points last month.

SALES JUMP: Homewares retailer Dunelm reported a pleasing jump in sales after increasing its market share and opening new stores. Outlets in Scarborough and Truro have opened in recent weeks, taking Dunelm's total to 111, while it plans to open ten more stores over the coming year. Sales rose 9.4 per cent to £139m in the 13 weeks to this month after being boosted by a January sale in which it sold nearly all its discontinued stock.

PARC AND DRIVE: A used-car supermarket is to create 35 jobs after moving its sales force to a Newcastle site. Tyneside Autoparc is moving away from its model of leasing space to independent retailers at the Sandy Lane site. The firm has secured a £1.6m financing deal from Santander Corporate Banking.

POWERLESS: Sony is considering shutting down some of its premises in Japan because of continuing power shortages. In order to save energy, the company said it was planning to give its staff two weeks off during the summer. Japan has been suffering power shortages due to the damage caused to its nuclear and thermal power stations by the recent earthquake.

PULLING PLUG: Struggling electrical group Dixons Retail, which owns PC World and Currys, has pulled the plug on its loss-making Spanish business. The group's 34 PC City stores, online arm and head office will shut by the summer and its 1,364 staff are likely to be made redundant after Dixons failed to turn around the business in the face of Spain's economic difficulties.

Holmes is where the business is

AN urban regeneration expert has returned to his North-East stamping ground to help businesses and public sector bodies bid for a share of a dwindling pot of development money.

During his time as director of regeneration and tourism at regional development agency One North East, John Holmes, 55, was one of the driving forces behind some of the region's landmark regeneration projects, including Middlehaven, in Middlesbrough, and Central Park, in Darlington.

After three years as chief executive of inward investment body Hull Forward, Mr Holmes, who comes from West Cornforth, County Durham, has set up the North-East-based business consultancy, Urban Matters, to share his expertise with local authorities and private firms.

Among his objectives is to help bidders negotiate the red tape that surrounds the Government's Regional Growth Fund, which is currently accepting second round applications.

The culling of One North East has, Mr Holmes believes, weakened the region's ability to attract inward investment, while creating an opportunity for agencies such as Urban Matters.

"I personally find it very sad to see a lot of skills and knowl-

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edge dismantled with the demise of the regional development agencies," he said.

"But I am a great optimist and you have to seize opportunities. There is still a big job to be done and life doesn't stop. You hear fairly generic statements from the Government about rebalancing the economy and that the private sector will pick up the slack. If only life was that simple.

"Local authorities are going through some awful times following the spending cuts, but projects still need to be taken forward. Securing investment remains a competitive challenge and growth sectors need to be nurtured.

"I have been privileged to be involved with some of the North-East's biggest regeneration and economic development projects, so it's great to be spending more time back in the region and having the opportunity to play a part in the region's development again, this time as my own boss.

"I care greatly about this area and that's why I had no hesitation in coming home. I'm really enjoying running my own business, but I'm keen to join forces with other professionals and business as-



BACK IN THE REGION: John Holmes, who is returning to the North-East to set up a business consultancy

sociates to identify opportunities which will benefit the North-East, a region which has so much potential and resilience."

Mr Holmes, a Fellow of the Royal Institution of Char-

tered Surveyors, also works as a consultant to specialist management consultancy Genecon, which supports government, local authorities, local enterprise partnerships and the private sector.

we can
you can
challenge

Shopping around for services

A DESIRE to serve her community has inspired a County Durham entrepreneur to set up a social enterprise business.

After being made redundant following 30 years in the public sector, Gill Walker, 55, from Manfield, near Darlington, has entered the If we can you can challenge with her business Patchwork People that supports families and communities.

She plans to open a high street retail store and coffee shop that will be run by young people, for young people.

Ms Walker said: "I wanted to start my own business so I could explore commercial solutions to deliver services for children, young people and families.

"Historically, these services have been heavily reliant on government funding and have been hit hard with the recent cuts. I wanted to do something to continue this support, and branching out on my own enables me to do this.

"The shop offers a commercial and social environment for young people to experience what a business goes through."

Market report

Share prices

BLUE chip stocks were under pressure yesterday as the shock departure of Reckitt Benckiser's boss compounded fears over China.

Investors were left reeling from the news that Bart Becht is to leave after 16 years at Reckitt, sending the household goods firm more than seven per cent lower.

The FTSE 100 Index closed 46.6 points down at 5963.8, dragged lower by miners amid concerns that China will need to sanction another interest rates rise in order to curb inflation.

Disappointing US jobs data ensured the Dow Jones Industrial Average also fell into the red, with a report showing claims for unemployment benefits rose unexpectedly for the first time in three weeks.

The pound strengthened as Nationwide building society revealed UK consumer confidence increased last month from record lows, boosting the

Bank of England's case for an interest rate rise.

Cillit Bang-to-Dettol group **Reckitt** was the FTSE's biggest faller after Mr Becht's retirement blow. Shares dropped 251p to 3115p.

Miners also dominated the fallers board due to the China rate worries and knock-on impact.

Antofagasta fell 51p to 1355p and **Kazakhmys** was 41p lower at 1368p.

BP shares dropped 4.2p to 460.1p as it announced it had secured more time to salvage its £10bn share-swap and exploration deal with Russian-government owned Rosneft.

The group also held a difficult annual shareholder meeting as it faced angry protestors, with a number thrown out of the gathering after attempting to storm the stage.

On a busy day for corporate updates, retailers **WH Smith** and **Debenhams** impressed analysts with steady half-year performances in the face of testing economic conditions.

NORTH AMERICAN	
Du Pont	£32.59-0.02
AEROSPACE	
Avon Rbr	256½-1½
Chemring	693½-13½
Cobham	229-5¼
Meggitt	348-1
Senior	150½-1
AIM	
API Grp	29¼
Cape	518½-10
Davson Int	2
Johnson Service	32½
Man Brz	50-2
Metalex	10½
Nichols	490-5
Scope Grp	43½
Youngs	578½-6
AUTOMOBILES & PARTS	
GKN	199½-3½
BANKS	
Barclays	301½-7
BK Ireland	24½
HSBC	653½-6¼
Lloyds Banking Grp	80-½
Ry Scotland	43½-½
Stan Chart	1638½-16
BEVERAGES	
Diageo	1192-8
CHEMICALS	
Croda	1712-10
Elementis 9E	158¼-4¼
Johnson Mat	1873-26
COMP SERVICES	
Compucenter	457½-2½
Invenys	523½-19½
Logica	127
Misy	314-1
CONSTRUCTION	
Balfour Beatty	331½-1½
DRH	1430½-19½
Costain	238-1¼
Low Pconr	56½
Marshalls	119¼-¼
ELECTRICAL EQUIP	
Domino Pkg	603-8
Morgin Cru	297½-4½
Ox Instrmts	744½-4
Volux Grp	294¼-1¼

FOOD RETAILERS	
Morrisons W	286¼+1
Sainsbury	341¼-½
Tesco	406
Thornsons	82+¼
FOOD PRODUCERS	
AB Food	1031-12
Carrs Millg	712½
Ntr Foods	724
REA Hidge	787-10
Tate Lyle	599½+8
Unilever	1942-14
GENERAL FINANCIAL	
3i Group	264+2½
Close Bros	805½-14
Provident Fin	971-4½
Shroders	1813-4
Schroders NV	1475
REXAM	376½
Smith DS	200-½
GENERAL RETAILERS	
Ashley L	19-1
Dixons Retail	13+1
HR Owen	96½
Inchcape	350½-3¼
Kingfisher	265½+1¼
M&S	370¼+3½
Next	621½
Signet Jewellers	628¼-14
WH Smith	475+24½
HEALTH CARE	
Smith Nph	684¼-3

D Mail Tst	474½-1½
Pearson	1106-9
Trinity Mirror	484¼+¼
MINING	
BHP Billiton	£25-¼
Lonmin	1622-27
Rio Tinto	£43½-½
NONLIFE INSURANCE	
Marsh Mc	1796½-2½
OIL & GAS PRODUCERS	
Premier	£20
R Dutch Shell A	£229¼-¼
R Dutch Shell B	£22-¼
OIL EQUIPMENT & SERVICES	
AMEC	1151-4
PHARMACEUTICALS	
Astrazeneca	£295-¾
Glaxo	1241-5
REAL ESTATE	
Brit Land	562-1
DTZ Higgs	28-¼
Gt Portland	388¼+8¼
Hamson	444
Land Secs	738½-2
SUPPORT SERVICES	
Bunzl	723½-½
Capita	714½+7
De La Rue	758½+4
Electro Com	268½+2½
Hays	1144¼-¼
Manzies J	541-4
Pentacore	90½
Travis & P	1033-14
Wolsey	£21¼-¼
TECHNOLOGY	
IBM	£100¼
Palco	101¼+1½
Sprint Comm	135¼-2¼
TELECOM (MOBILE)	
Vodafone Group	175½-1
TOBACCO	
Br Am Tob	£25½
Imperial Tobacco	£20
TRAVEL & LEISURE	
Compass Grp	564+1
FirstGroup	314¼-5¼
Ladbrokes	1347½-¼
Rank Grp	148-1¼
Stagecoach	228¼+11

Indicators	
The FTSE 100	5963.8
Down	46.6
US dollar	
Up	1.6349
Euro	
Up	0.0058
Euro	
Up	1.1306
Up	0.0056
Popular shares	
Admiral Grp	1632+3
Aviva	436½-7½
BAE Systems	329½-4½
BB	1498-8
BP	460-4½
BT Grp	168½-½
Centrica	328½-1½
GlaxoSmithKline	1241-5
HSBC HLDGS	653½-5¼
Int'l Cons Airlines Grp	225½-1½
M&S	370½-3¼
National Grid	595½-3½
Pennon Grp	£22-1
Sainsbury	341½-½
ScotSDom Energy	1316-8
Sevens	1434-10
Tate Lyle	599½+8
Tesco	408¼+¼
United Utilities	806½-¼
Inf Power	314½-4½
M&S	370½-3¼
Opac Security Grp	21¾+¼
Persimmon	447+3¼
Sage Group	275-¼
Severfield Flowen	244½-2½
Southern Cross	119¼+¼
Stadium	73¼
Northgate	332¼-7½
Northumbrian Water	325½+2
Opac Security Grp	21¾+¼
Persimmon	447+3¼
Sage Group	275-¼
Severfield Flowen	244½-2½
Southern Cross	119¼+¼
Stadium	73¼
Northumbrian Water	325½+2
Opac Security Grp	21¾+¼
Persimmon	447+3¼
Sage Group	275-¼
Severfield Flowen	244½-2½
Southern Cross	119¼+¼
Stadium	73¼
Northumbrian Water	325½+2
Opac Security Grp	21¾+¼
Persimmon	447+3¼
Sage Group	275-¼
Severfield Flowen	244½-2½
Southern Cross	119¼+¼
Stadium	73¼