

# 2016/17 imREVIEW

## 1976 TO 2016

IM celebrates its 40th anniversary in style at the O2 with 1,500 guests

## RACING BACK

Subaru returns to the world of motorsport by entering the BTCC

## WHAT NEXT?

How will Brexit and the US election result affect us?



40<sup>TH</sup>  
ANNIVERSARY  
EDITION

ISUZU

UK

*Vikings are generally held to be tough and fearless in the face of any challenge or obstacle, characteristics the Isuzu D-Max Arctic Trucks AT35 – the ultimate 4x4 pick-up – will surely share with its owner... The AT35's special re-engineering gives it the equipment to conquer the most arduous terrain, whether in the wilds of the English countryside or on building sites in the city. Based on the rugged and durable platform of the award-winning D-Max, the AT35 is the most capable pick-up that Isuzu has ever put on sale.*



ISUZU D-MAX ARCTIC TRUCKS AT35

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**ISUZU**  
THE PICK-UP  
PROFESSIONALS

MPG figures are official EU test figures for comparative purposes only and may not reflect real driving results. Official fuel figures for the Isuzu D-Max Arctic Trucks AT35 are: Urban 11.7 l/100km, Extra Urban 6.1 l/100km, Combined 8.7 l/100km. Emissions: CO2 173g/km. Isuzu D-Max Arctic Trucks AT35: Urban 24.9 l/100km, Extra Urban 16.1 l/100km, Combined 20.5 l/100km. CO2 225g/km. The above fuel and CO2 data is based on the standard Isuzu D-Max 4x4 2.5M-T 4x4. For wider range products only. These figures are for the Arctic Trucks version.





*By Andrew Edmiston  
Managing Director - IM Group*

Reputedly Harold Macmillan, Britain's Prime Minister between 1957 and 1963 once uttered a now famous quote; "events dear boy, events". It is not clear when, or in what exact context, the phrase was spoken, but its meaning seems extremely clear to me and reflects what people will remember about 2016.

At the start of the year the UK and the world knew that a referendum vote to decide whether the British people wanted to stay in the European Union was to be held. The word 'Brexit' soon became common parlance and the nation from which this company was born, and where it is still headquartered, suddenly found itself in the midst of a bitter argument about what to do.

On the 23rd of June the question was settled, although the arguing didn't seem to abate much. Now the question was "what do we do next?"

From a business perspective, in terms of all our main activities, the predicted doom did not materialise. Consumer confidence seemed to carry on, there was no emergency budget and although the pound weakened, this assisted companies manufacturing in the UK and added some resilience to the economy. That is not to say there won't be difficulty - the weaker pound will certainly hurt UK imports, including our Subaru business, in the UK during 2017. Isuzu will be less affected and even for Subaru our plan will be to try and absorb the pain ourselves and allow dealers and customers to continue selling and buying our cars without noticing any difference.

The main thing that occurs to me though, is that we are a trading company. Sometimes importing, sometimes exporting, sometimes

just trading. And the question that all business should be considering is what trading opportunities will this new reality bring? The trading landscape will change and in terms of our property company, the ability to understand movements in the market and how best to profit from them has been one of the keys to our recent success. This is going to be even more valuable now.

I confess to being a little disappointed at how many business leaders seemed intent on going over old ground from June 24th onward. Instead, what I believe is required is for business people to move forwards in a positive manner, working to manage any negative aspects arising from this change while simultaneously looking to embrace any new opportunities that leaving the EU offers.

Looking forward, I expect there will be some turbulence. I believe we will be able to cope with it, exactly as we have done in times before, but I also believe it will give way to exciting prospects for the future if we are determined to respond to that challenge.

During 2016 we have continued to work hard, we have again been successful in maintaining the momentum we have built over the past few years and we have been watching those 'events' unfold with extreme interest. Each year I am reminded of the strength of our people and the team they together form. Greater tests may come, but I do have confidence we will pass those tests. Reading this review will hopefully help you to see why.

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IRELAND

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# SPITFIRE WINS PRESTIGIOUS GOLD AWARD

**SPITFIRE BESPOKE HOMES HAS BEEN SINGLED OUT AS BRITAIN'S BEST SMALL HOUSE BUILDER AND PRESENTED WITH A PRESTIGIOUS GOLD AWARD.**

Baron Hague of Richmond, the former MP, foreign secretary and leader of the Conservative Party, presented the award to David Jervis, managing director of Spitfire Properties at an event which drew an audience of 1,700 people from the UK's property and homes business.

The WhatHouse? Awards are among the most coveted in the industry. Last year Spitfire won silver in the Best Small House Builder category. This year saw Spitfire lift the gleaming gold award in what has been a year of award wins for the company.

Rupert Bates, editorial director of What House Digital & Show House Magazine, told the audience at the Grosvenor House Hotel on London's Park Lane: "This year's winners are a credit to the house building industry and you should be immensely proud of your achievements."

The WhatHouse? Awards – Best Homes in Britain, have been celebrated for 35 years and cover 20 categories across the industry.



On Spitfire's outstanding success, the judges comments said: "There are so many component parts that go into a successful house builder. Everybody knows you've got to get the land deal right or you are toast before breakfast. But you can always tell a developer with design in its soul and part of its ethos. That is the case with Spitfire. Land may lead the commercials, but design dictates the brand and that all important reputation in the eye of

the purchaser.

"Spitfire currently builds around 90 homes a year and its turnover in the last year increased by a huge 170% – testament to the rapid growth of a company only born six years ago. It has plenty of property pedigree and clout as part of IM Properties – a compelling story in its own right as part of the IM Group, best known in the world of motors. Spitfire has expanded beyond its Warwickshire homeland

to the south-east with sites in the Home Counties and now a southern office in Maidenhead. Spitfire chooses its materials with great care, appropriate to location and vernacular but with an overarching design flair to ensure its homes really are bespoke.

"Sustainability and customer care are also core beliefs and strengths, as is the company's development and training of its staff."

# TOP PLANNING ADVISER JOINS IM PROPERTIES



**One of Britain's leading property advisors has joined IM Properties to take charge of its 12 million sq ft industrial land bank.**

David Smith has been with the high-profile consultancy Turley for 13 years, based at its Birmingham office. He takes up his new post at IM Properties in January 2017.

IM Properties' UK development director, Kevin Ashfield, is delighted to have David on board. He says: "We've brought over 6m sq ft of space through the planning process to date but now we're looking to take the business to the next level. We've secured land which could deliver 12m sq ft of

logistics and manufacturing space in the short-to-medium term, and the appointment of David is key to achieving this ambition."

David has worked with IM Properties on various projects in his existing role, explains Kevin: "David's name was the one that really stood out to us as he has worked with us for a number of years on various projects. He has a clear vision of the future delivery of industrial sites – he understands the sophistication of the logistics market – and it's challenges – and he is widely respected. We are very pleased to have persuaded him to make the move."

David adds: "My new role at IMP will predominantly be to focus on the logistics sector, helping the business deliver the 12m sq ft of space they have under control, and looking to new

opportunities that might be on the horizon.

"E-commerce is still very much driving the sector, and land supply remains a critical issue. With IM Properties' track record, and growing team, I am confident we can deliver planning. IM Properties is hugely ambitious. There are few major commercial developers with an in-house planning capability, which made this role very appealing. Together we can deliver a strategic advantage in sourcing, securing and delivering sites. I am already familiar with most of the land bank, which is at different stages of the delivery process with some already attracting the interest of major occupiers."

# GET ME TO THE CHURCH - IN A D-MAX!



**INSTEAD OF OPTING FOR CLASSIC SHINY WHITE LIMOUSINES FOR THEIR WEDDING, A COUPLE AT THE HEART OF YORKSHIRE'S FARMING COMMUNITY CHOSE INSTEAD A FLEET OF 11 RUGGED ISUZU D-MAX PICK-UPS!**

David Lee and his bride Esther tied the knot in September in Crofton-Tees, Yorkshire. The couple run a farm in Thirsk and David also operates a contract sheep-pregnancy-scanning service for other farmers in the region. Both David and Esther run Isuzu D-Max pick-ups, which is a firm favourite for farmers

across the UK thanks to its ability to cope with tough workloads and challenging rural terrain, while also being refined and comfortable inside.

The groom arrived at the church in his own Isuzu D-Max, while a whole fleet of D-Max vehicles, all owned by family members and friends, gracefully delivered ushers and bridesmaids to the ceremony. After completing their nuptials, the newlyweds were chauffeured to the reception in Esther's own comprehensively-accessorised, gleaming D-Max.

Even the local Isuzu dealership helped out as Colin Huggins, sales manager at York Van Centre,

explains. "We heard that Mr Lee and his bride, as well as their family and friends, were using D-Max's for their wedding day, and we were delighted to offer them our demonstrators – in 'Blade' and 'Huntsman' specification – for transporting other members of the wedding party.

"The procession of gleaming, ribbon-adorned Isuzu pick-ups making their way through the Yorkshire countryside was an amazing sight, and I'm proud that we played a part in making the day extra special for the bride and groom."



# FORESTER DOES THE DOUBLE IN TOP SURVEY

Owners of Subaru Foresters have given the car the thumbs up in the prestigious Driver Power survey, voting it among the Top Ten cars to own in the UK.

The Forester was also a winner in the survey's Off Road/SUV category, which is widely recognised as being an award that really feels the pulse of British buyers because the judges are real-life owners rather than motoring journalists.

Brian Walters, director of research and Insights at Driver Power said: "In 2016, the Subaru Forester Mk4 performed brilliantly, improving in six of the 10 Driver Power judging categories. Owners of the Forester rate it highly for its reliability, practicality, ease of driving, and build quality."

The Driver Power study is voted for exclusively by car owners in the UK, with almost 50,000 respondents taking part. All cars are rated across 10 judging categories, with drivers rating 183 models across 32 vehicle manufacturers.

The Forester is easily Subaru's

best-selling model in the UK, thanks to its versatility, supreme capability both on and off-road, strong build quality, and comfort. Every Forester is equipped with Subaru's famous Symmetrical All-Wheel Drive system.

Its low centre of gravity, thanks to the Boxer engine, great road holding and handling has made the car a hit with a growing audience in the UK.

Updates for the 2016 model year version gave the Forester range an upgraded interior, revised exterior styling, improved refinement, ride and handling, and new technologies to improve comfort and convenience.

The Forester retains all its class and good looks and is now even smoother and quieter as well as having Subaru's state-of-the-art Starlink infotainment system.



# SUBARU UNVEILS 7-SEAT SUV CONCEPT



Subaru unveiled the VIZIV-7 SUV concept at the 2016 Los Angeles Auto Show in November.

'VIZIV' is derived from 'Vision for Innovation', and is a concept series embodying the vision of car developments for "enjoyment and peace of mind" that Subaru wants to provide to customers.

With the VIZIV-7 SUV Concept, Subaru is demonstrating its thinking about how big a future Subaru SUV can be. "The concept expresses our core brand values, safety, dependability, capability for outdoor activities and a forward-looking attitude," says Takeshi Tachimori,

corporate executive vice-president, Fuji Heavy Industries. "We know customers in this segment want a full-sized vehicle and the next three-row from Subaru will be the biggest Subaru vehicle ever."

With full three-row capability and Subaru's DYNAMIC x SOLID design philosophy, Subaru VIZIV-7 SUV Concept shows the size direction of the all-new three-row midsize SUV to be introduced to the North American market in early 2018.

**"THE CONCEPT EXPRESSES OUR CORE BRAND VALUES, SAFETY, DEPENDABILITY, CAPABILITY FOR OUTDOOR ACTIVITIES AND A FORWARD-LOOKING ATTITUDE."**

# EYE SIGHT CATCHES THE JUDGES' EYE



Subaru's EyeSight collision avoidance technology was singled out for praise in the inaugural Car Tech Awards from Carbuyer and Alphr.

The judges gave the safety system on the Subaru Outback a 'Highly Commended' accolade in the 'Best Safety Innovation – over £25,000' category.

EyeSight is a camera-based driver assistance system that acts as a 'second pair of eyes.' It employs stereo camera technology to monitor the road and traffic ahead for potential hazards. The judging panel rated the Outback's EyeSight system ahead of safety technologies from a number of more expensive models from other brands.

Stuart Milne, Carbuyer editor said: "The brilliance of EyeSight is that its systems are very effective and well packaged, and it goes about its business with the minimum of fuss. Features like Lead Vehicle Start Alert and Pre-Collision Throttle Management are two exceptional features that are of real benefit. The

Outback's EyeSight system really impressed us, and it beat some very big names in its class."

EyeSight is fitted as standard to every Subaru Outback sold in the UK with a Lineartronic (CVT) transmission and contributed to the Outback's maximum five-star Euro NCAP crash test safety rating. It features six technologies to maximise safety: Pre-Collision Braking, Pre-Collision Throttle Management, Adaptive Cruise Control, Lane Departure & Sway Warning, Pre-Collision Steering Assist, and Lead Vehicle Start Alert.

EyeSight's two colour cameras are located either side of the rear view mirror, and detect the presence of vehicles, pedestrians, cyclists and other potential hazards up to 110 metres in front.

In 2015, Subaru released data from a survey of traffic accidents involving Subaru vehicles in Japan from 2010 to 2014. The data revealed a 61% reduction in crashes for vehicles equipped with EyeSight, compared to those without.





# *interview with* **Lord Edmiston**

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*On October 6th Lord Edmiston, founder of the IM Group some 40 years ago, became a septuagenarian. But far from slowing down, he's travelling the world promoting his Christian Vision charity. And while he handed over the day-to-day running of the company to his son, Andrew, some years ago, he's happy to offer advice and guidance. Keith Read caught up with Lord Edmiston shortly after he arrived home in Portugal at the end of October...*

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The voice might be 70 years old. But it sounds as youthful, as sincere and as enthusiastic as it did back in 1976 when I first met Bob Edmiston, the then new owner of Jensen Parts & Service from which the IM Group would evolve. So, five years after his 65th birthday – when many men would have retired – is he any closer to putting his feet up?

“Andrew is running the business. He’s 47 years old and perfectly capable,” says Bob. “Also, I have a great team at IM. So I’m semi-retired. I’m spending a lot of time overseas, getting more involved with my charity, Christian Vision. We have just been on a seven-week trip to China, Australia, and the USA, visiting Dallas, Miami and New York where I spoke at a conference.”

And that marathon was not a one-off. Previously he had undertaken a trip to the Ukraine, Hong Kong and a number of other countries to spread the message of Christian Vision. “Do you know that our charity now has 27 bases around the world?” It’s not so much a rhetorical question – more a proud statement of what the charity has achieved. “But there is plenty to do and we are very busy,” he adds.

With IM Group now being effectively a second generation family business, how does he now view what he told me at the time could be a challenge?

“My period in the House of Lords made for a smooth transition,” he explains. “I was in London for three days a week so it gave Andrew room to breathe and to spread his wings a bit. He did one or two things that I wouldn’t have agreed with, but he has to run the company his way and the company has done well.”

As the owner of the company, Bob keeps an eye on developments and is always happy to offer advice and guidance. “I’m always reading the papers and watching the news... Not long before you called I’d phoned the guys in Coleshill and said I thought inflation might pick up a bit because of the drop in the pound. My advice was that we should probably forward-cover our interest-rate exposure as far as possible.”

And the communications are far from one-way. “If there are any big issues they just pick up the phone or send me an e-mail,” he says. “We also have Zoom, which is like Facetime, so I’m able to keep in communication wherever I am. Clearly the big issue now is Brexit...”

“As you know, I put £1 million toward the Brexit campaign. But that was not on the basis that it [Brexit] would influence my business, but on the basis of my belief in democracy. I didn’t think that the EU was really democratic. For us to have our laws made by 27 other countries just seemed to me not to be the right thing. I’m totally in favour of free trade. But I’m not in favour of being governed by Brussels.”

He is critical of the EU’s lack of negotiations with a number of nations. “They should have been negotiating with all sorts of other countries, such as India. There are 1.2-billion people in India and the EU haven’t been able to do a trade deal with them. They haven’t been able to do trade deals with Australia or New Zealand either. And the deal with Canada, which took seven years to conclude, was almost squashed at the last minute by a tiny part of Belgium.

“I’m sure Britain will be able to negotiate trade deals with those nations because they all want to deal with us. Why can’t we buy meat from Australia or butter from New Zealand? Basically, the EU is a bit like a cartel and is keeping other people out. The introduction of import duties is not something we in the UK should be afraid of because our exchequer will be a significant beneficiary, given current trading positions. Essentially it is in their interests to try to ensure trade with Britain continues unhindered.

“Of course there will be some disruption. There’s no doubt about that. But I think we’re quite resilient. We’re the fifth-biggest economy in the world. And if Europe says ‘We want to punish you’, that is a stance that would prove unhelpful to either sides best interests.

“It is also worth noting that there are other areas separate from the purely economic issues where collaboration is currently happening and

will probably need to continue. We have the biggest military in Europe and we’re paying a large part of Europe’s defence budget and this can’t be simply ignored.

“I have no doubt that, in the long run, we’ll benefit from Brexit. Remember that Europe itself isn’t out of the woods. People are worried about Deutsche Bank and some of the Italian banks. Greece is still not in the clear. We are the second-biggest contributor to the European Union. The EU has members of varying size and wealth, with some being net contributors and many net beneficiaries. If the second-biggest contributor is not there any more, the gravy train for some of these smaller countries could disappear.

“I wouldn’t mind betting some would want to leave. Take Ireland, for instance. We are their biggest trading partner by far. If there is no deal

**“I’M SURE WE ARE UP TO FACING THE CHALLENGES. WE ARE FULLY COGNISANT OF WHAT THEY ARE AND WE’VE DONE SOME CONTINGENCY PLANNING.”**

done, Ireland is going to be in deep trouble and it seems logical that there will be pressure for them to pull out too.”

Because any one of the 27 other EU members could veto trade-deals, Bob feels the UK might well have to go ‘hard-Brexit’. That, he says, will impose severe strains on one or two of the EU countries who might find themselves unable to trade. “However, I don’t think the EU will disappear. But there could be one or two [members] who say: ‘This is not for us any more’. That could well happen and it could be the migration crisis that could bring some of that on. We’ll wait and see.

“If Australia, New Zealand, Canada and Brazil can survive on their own, so can we. The only problem is that we have been in bed with Europe for 43 years and the divorce might be a bit messy. But, at the end of the day, if people feel it no

longer works something needs to change, even if that brings short term pain.”

And he sees separation from the EU being a distinct advantage now that the US presidential election will send Donald Trump to the White House in January 2017. “The Trump Presidency is going to present many new opportunities and challenges,” says Bob. “Being able to face them and make our own decisions – with our own interests foremost in any negotiations – is a massive plus.”

In 40 years of business Bob has seen four or five difficult times. “In fact, the business was born during a dire recession in the mid 1970s,” he reminds me. “Every time it happens you say ‘Here we go again’. But you know exactly what you have to do. You need to batten-down the hatches and be more even more careful. However at this moment in time – apart from the currency going down – I haven’t seen any major drawing-back of business. It will have some impact in terms of our UK car imports, but in terms of our property and finance business there’s been only limited impact.

“I’m sure we are up to facing the challenges. We are fully cognisant of what they are and we’ve done some contingency planning. If things get worse, and the US dollar went one-to-one with the pound, we’ve even worked out what that would mean. It would be a problem, but ultimately we’d overcome it.”

# Cambodia's

## DELIGHTS

*You can't beat a good deep-fried tarantula can you? Tucking into this local delicacy, along with a side order of mixed beetles, was just one of the challenges that the second IM Team Cambodia Mission faced!*

Nikki Janes from IM's Promotions and Events Department is used to tackling some pretty demanding tasks in her normal work for IM, but the plateful of once-wriggly insects was even tougher.

"But for the people we were helping it was seen as a special treat," said Nikki, who survived the bush tucker challenge.

It was an international team of 11 people from the IM Group, including Sky Hao and Lucia Li from the Beijing office, Emelie Nilsson and Pernilla Hansson from IM Nordic in Sweden and Neville Matthews, managing director of IM Automotive in Ireland, who made up the intrepid party..

While the first team helped to build a women's shelter, school kitchen and modern farm buildings in the village of Oudong, about 40 kms north of the Cambodian capital Phnom Penh, the second visit's main task was to build an aquaponics farm to supply fresh fish and good-quality vegetables to the local school and community.

Surplus fish and vegetables were to be sold to cafes and restaurants in Phnom Penh thereby providing jobs and an income for the villagers whose main source of cash was recycling plastics from rubbish dumps.

Long-term it's planned to open a restaurant in the village for the tourists who visit this ancient part of Cambodia, which was once the royal capital of the country and a landscape dotted with temples.

Nikki said the team was eager to build on the work done by the first mission, which had raised £15,800 to start the vital help. This year the team raised even more at just over £24,000, including an auction at the hugely-successful gala dinner where IM put a Subaru Levorg up as the star prize.

She explained: "Every member of the team was really fired up, but we faced an immediate setback. On our second day in the village we discovered that the large water tanks we were going to install had multiple leaks when they were tested – even though they were covered with 'quality checked' stickers!

"But replacement tanks were ordered, and we were able to get on with a host of other jobs, on site. We weren't going to be stopped!"





**“DURING A WEEK WE GOT THROUGH AN AWFUL LOT OF WORK. BUT MORE IMPORTANTLY WE BUILT UP FANTASTIC RELATIONSHIPS WITH THE CHILDREN AND VILLAGERS AND WE COULD SEE THE DIFFERENCE OUR WORK WAS MAKING TO THEIR LIVES.”**

Holes became something of a recurring feature in the team’s lives, said Nikki: “There were holes to be dug, holes to be filled, holes to be cleared, holes to be levelled, holes to be drilled, holes to be concreted, holes for tanks, holes in tanks, holes for pipes, holes for poles, holes to be looked into... Holey Week, about sums it up!

“During a week we got through an awful lot of work. But more importantly we built up fantastic relationships with the children and villagers and we could see the difference our work was making to their lives.”

This was thrown into stark focus towards the end of the 2016 visit when the team visited another slum village at a refuse dump in Phnom Penh.

“We spent the afternoon washing people’s hair, playing ball with the kids, and tending to some shocking sores on a baby who had not been properly cared for,” said Nikki. “A rollercoaster of emotions was felt by the team that afternoon, but the overwhelming lesson we took away was the brutal contrast between these people, and the villagers in Oudong. These folk had hit rock-bottom, and were on the scrap-heap – literally, physically and spiritually – without prospects and without hope.”

In Oudong the team was working with the Christian charity, Manna 4 Life. Nikki said: “The work we supported helped to give people hope, self-respect and ambition. Like many of us, they are striving for something better, for themselves and for their children. There are 140 happy, healthy kids going to school, who now have the hope of jobs, health and a decent life.”

Education is a key to transformation and empowerment and the team saw children in Oudong queue up outside the school door 30 or 40 minutes before lessons were due to start. Nikki said: “They couldn’t wait to get into their classrooms and learn!”

Part of the team’s week was spent in the classrooms joining in the teaching of music and sports lessons. Nikki said: “It was a JOY!” She praised the way that everyone pulled together and worked as a team from start to finish on the 2016 visit.





# TABLE FOR 1,500 PLEASE!

On a bleak and chilly March morning, in a car park at Birmingham Airport, the seeds of the biggest event in the IM Group's history were planted. As Andrew Edmiston and Steve Eardley chatted before boarding a plane for Paris, Andrew – IM Group's managing director – reminded Steve that in a little over a year's time the company would celebrate its 40th anniversary.

Andrew proclaimed that such an important landmark should be celebrated in style. Steve, Isuzu and Subaru UK's promotions and events manager, recalls: "Andrew didn't just want to mark the anniversary; he had a clear vision that we should make it a truly special occasion – a landmark event, perhaps more ambitious than any event the business had taken on before.

"Then he asked me if I had any ideas!"

Previous big IM events had been held in Birmingham and even the plush surroundings of the Great Room at the Grosvenor House Hotel, in Park Lane, London. But the IM Group's celebration to mark 40 years was to be something on an altogether different scale.

Andrew started to explain that he wanted to include every part of the IM business, including all

the UK-based automotive, property and finance companies, the Nordic businesses, the new and established Irish automotive firms, (including those that hadn't even been formally announced at that stage!) and IM Group staff from both the USA and China. Suddenly, a picture began to emerge in both men's minds of just how big IM had become in 40 years!

"But it didn't stop there," recalls Steve. "Andrew had obviously been thinking about it for some time because he then added even more potential guests to the list!" Retired employees, some of whom had been working alongside Lord Edmiston when the business first started, were added.

The calculations continued as representatives from the automotive dealer network were included in the quickly-growing list! Then their business partners and suppliers and associates to the property company, automotive suppliers and personal friends of Bob and Andrew Edmiston.

"It was like a giant-sized shopping list as we included people from Lord and Lady Edmiston's charities and the academy schools they established," says Steve. "All the time I was thinking back to the previous largest company event we had held and the

guest list for that was more than 900.

"When Andrew reminded me that we had to include partners of our staff and friends as a thank-you for their support, I gulped and thought: This is going to be one BIG party!"

With thoughts of their visit to Paris now at the back of his mind, Steve suddenly had a brainwave – the O2 Arena! "We both knew it was the right place straight away, the logistics would come later," said Steve.

And those logistics were going to be awesome, as numbers on the guest list swelled to more than 1,500!

But the thought process had started and the plan quickly grew with some amazing, and adventurous thinking. The 40th celebrations were going to take place at one of the best-known entertainment landmarks in Europe and the busiest venue of its type in the world. But instead of an Olympic Games, top tennis match or rock concert, the O2 was going to stage a sit-down, black-tie, formal dinner as well as dancing and entertainment for one of Britain's fastest growing and most successful private companies!



# DREAM CIRCUS

“Suddenly everything started to drop into place,” says Steve. “The venue was decided on – it was dramatic, and easy to get to for all guests. That was an essential consideration. Importantly, it was completely different from anything that we had undertaken before.”

One of the features of the O2 Arena is the amazing domed roof – it was originally called the Millennium Dome – and that sparked another brilliant idea. What kind of entertainment do you normally get under domes?

Now Andrew, Steve and a growing team of IM people involved in the planning had a theme as well as a venue. It was beginning to come together like a dream – and there it was: Dream Circus.

Dreams then played a major part in all the background work that began to mount and grow. But the point about dreams is that they remain simply that unless you find a way to bring them to life. “Alongside all these wonderful ideas, we had to think about the huge logistical aspects,” adds Steve.

“Six major London hotels near the O2 had to be booked for guests, transfers to the venue on the evening and we had to think about helping with transporting guests from around the world; booking flights and getting individuals and groups from airports, and building a dedicated website to enable folk to accept invitations and join the party. That aspect alone was scary.”

Outside help had to be brought in for such a mammoth event. But heading the core team was still Andrew, Steve and a band of dedicated IM

staff. “This event could not have taken place without the tremendous support of a relatively small number of people who have worked with us on other smaller events,” says Steve.

“In particular I would like to thank Helen Meakin who is a top independent co-ordinator and a true professional in all aspects of organising events as big as this one. It’s not every day you hire the O2 for a private party to accommodate over 1,500 dinner guests using the main arena for a spectacular show!”

When you hire a venue such as the O2 it’s surprising just what you DON’T get for the hire fee. Staging, lighting and the stunning set to support the ‘Dream Circus’ event – designed by Frankie Baldwin and her company, RicherView Media Production – were all on the ‘extras’ list.

As the 40th project grew and grew, so too did Frankie! At a planning meeting she announced that she was pregnant, reveals Steve. “Anyone who may have thought that was going to slow her down would have been very much mistaken. Frankie was a true professional, managing the finest point of this giant plan down to the last detail. In fact when the event took place on the 26th May, Frankie was only days away from giving birth.” Thankfully her baby son arrived safely – after the event!

*It’s not every day you hire the O2 for a private party to accommodate over 1,500 dinner guests using the main arena for a spectacular show during dinner!”*









# DREAM CIRCUS...

As the countdown to the 40th event continued to tick, the workload on Andrew and the IM staff involved didn't let up. But they continued to do their normal day jobs too.

"From Andrew's perspective it's very easy to think, 'Well, I've employed all these outside people to do this job, I will sit back and wait for the party to begin'," says Steve. "But that of course isn't the Edmiston style. Andrew's attention to detail kept everyone on their toes. There were some late nights, and I recall arriving at Andrew's house on a Sunday evening just a few days before the big event to go through some points, and not leaving until after 2am on the Monday morning."

Normally the O2 have sets built at one end of the arena to play to an audience of 25,000. IM's 40th celebrations broke with convention and the stage was built right in the centre of the arena with tables of 10 placed around, giving unrestricted views of the entire performance, which was also shown on giant screens.

The show was magical, with acrobats, trapeze artists, magicians and then Madness – the popular ska band from London who were also formed in 1976. In contrast to Madness and in a particularly beautiful and moving moment, the

London Community Gospel Choir opened the evening's performances with a simply wonderful rendition of Amazing Grace.

Both Lord Edmiston and Andrew emphasised in their speeches that the success of the IM Group's 40 years of growth was down to the hard work of everyone working for and contributing to the company, but also felt the importance of acknowledging the role God has played in their family and business.

Andrew reminded the audience that the theme of dreams was important, as dreams were inspiring. He spoke of Roger Bannister's dream of breaking the four-minute mile while many, including doctors, had denounced it as impossible. But as we now know he did it and then the feat was repeated regularly afterwards. It was a dream that inspired him to break the barrier for everyone.

Lord Edmiston spoke of the part every single person in the audience had played in making the company what it is. He recalled the early 1970s and the tough years of the three-day week, the miners' strike and the days before computers and mobile phones. Probably not the ideal time, many would say, to start a new business. But then Lord Edmiston reminded everyone that

another company started at the same time as IM – Steve Jobs' Apple!

Even at the end of the evening the behind-the-scenes story was not finished. Unknown to the partying guests, the break-down of the sets and rigs had to take place even while Suggs and Madness played in the Arena's Indigo Room. A strict O2 time curfew meant that everything that had taken well over a year to plan, had to be safely deconstructed and off site by 3am.

"It was remarkable at the end of this unforgettable event to get an image of just how big the IM Group had grown in 40 years," recalls Steve. "We literally saw the businesses from so many countries and sectors come together. Many retired senior staff who helped Bob to grow the business in the early years were now mixing with the remarkable company's new generation."

"It must have been an emotional moment for Bob to see just what had grown from a small office on the site of what was part of Jensen Motors to the billion-pound business that is still growing, and changing, 40 years later."







...LIMITLESS POSSIBILITIES

“IT WAS REMARKABLE AT THE END OF THIS UNFORGETTABLE EVENT TO GET AN IMAGE OF JUST HOW BIG THE IM GROUP HAD GROWN IN 40 YEARS.”



# REVIEW

*of the year*

# 2016

*By Andrew Edmiston*



These 'review' pages in previous editions of the IM Review have not so much read as a diary of the year but a collection of thoughts, inspired by events that have been happening in the life of the company and what we think about them. In some ways, this year's review will be no different, except to say that such a lot has happened and the activities of the company are getting very hard to summarise without missing important events.

At the beginning of the year our automotive UK marketing director, Chris Hawken, had an unenviable task. Chris had arrived at IM from a much larger business, the kind of business that works very differently to us. Perhaps if he had a penny for the amount of times people had told him that...

Nevertheless, his mission to get to grips with our UK car marketing was one that he took on with great enthusiasm. For various reasons a lot of change was happening in the marketing area during that period, and although we have a clear idea about our brands, sometimes a fresh pair of

eyes sees things that you maybe haven't noticed before. For this next phase of our development, those old 'IM' phrases or beliefs may need to be challenged a little. Not entirely discarded; our strategy is sound and we know what we are about. More like a shaking of the tree to see what else might fall off, rather than simply picking the low-hanging fruit that is easy for us to see and reach.

For all of our European car businesses there are some rather significant market changes heading our way. Come the turn of the decade stringent new penalties for manufacturers, whose fleet emissions are beyond a certain level, will take effect. This will stir things up a bit and provide a stiff challenge to the whole industry in Europe in terms of which powertrains are going to be needed over the next ten years.

This requires some thinking through. None of us hold a crystal ball but we can and do use our experience and intellect to consider a range of implications this new environment will have for

our brands.

Isuzu have responded to this challenge in a way that caused us to stop and ask a few questions. The Euro VI emissions legislation has meant that manufacturers have had to think carefully about diesel engines. I suspect that there will be a move by customers away from diesel as petrol engine technology and its use of turbochargers becomes a more appealing solution and able to meet the requirement to reduce both CO<sub>2</sub> and NOX better.

Hybrids and EVs are also predicted to be taking a much larger share of the market by 2020 than they do today. The end of 2016 saw brands such as Tesla, who only manufacture electric vehicles, moving forward at a fast pace. Isuzu, in a market that is traditionally cautious about engine capacity, favouring bigger engines because of their ability to produce torque which is essential for good towing ability, decided to make their new Euro VI engine smaller. In fact, the smallest. What could they have been thinking?

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We have had a relationship with Isuzu since late 1986 and know that they build great products, engineered properly, with the question we always ask - “why should someone buy one?” - fully answered. We trust them. But a 1.9-litre engine in the pick up market - would this idea work?

In October we answered the question. Neatly linking all these subjects, our marketing and technical teams arranged a product comparison with an early 1.9-litre pick-up against the existing 2.5-litre D-Max and the old 3-litre Rodeo, a car often referred to by dealers as being the benchmark in terms of load lugging. For our marketing team to communicate effectively, the first thing we had to know was what the truth was - no point spending money to persuade our customers that the new car is something they would discover it clearly is not. That sort of thinking can easily destroy a business.

What we discovered, through some relevant and stringent comparison tests, completed at Millbrook Proving Ground, is that the 1.9-litre carries and pulls a load as well as the 2.5-litre but uses over 10% less fuel in doing so. And both the new 1.9litre and existing 2.5-litre did the job significantly better than the older but bigger 3- litre engine. You may think we should not have second-guessed Isuzu, however, the growth of the brand and its

importance to us, plus the engrained thinking about engine capacity in the market place, meant that we felt the need to be certain of what we intended to say to customers. And now we are.

Other European distributors were very keen to hear the results of our testing, including Isuzu Sweden, operated by our IM Nordic team. Isuzu UK’s professionalism is evident not only in the way we manage dealers and customers in the UK, but is also known and respected among our peers too.

Early in the year we took Isuzu UK dealers to Barcelona, actually a first for me - for some reason I had never before visited Barcelona. What a great city! The occasion was the UK dealer conference and as in previous years, we took the opportunity to honour the leading dealers in the network with our annual awards ceremony. There is something about awards like these. Across all our businesses we have become used to winning awards ourselves - IM Properties have been achieving significant recognition along with IM Nordic and our UK operations for many years now. An award tends to be received by one person, but on almost every occasion, the receiver acknowledges the input and help from other people involved. In the case of the UK Isuzu network you might think that the atmosphere in the room would be competitive - after all,

the winners have usually fought extremely hard to deserve to win.

But no, the atmosphere is always celebratory and even though many of the dealers are desperate to win, it is not beyond them to celebrate those who did. I love that. I also think it is one of the things that marks out the Isuzu brand and the UK network as successful. Somehow they are comfortable in their own skin and a great atmosphere exists among them.

Isuzu Sweden has actually had a steady year, despite producing a record breaking sales performance. Knowing in advance that this year, our first with the brand in Sweden, would include a model change, presented certain challenges for us to manage in respect of our work to rebuild and repurpose the dealer network. Our motivational messages about what the brand is going to do for them and what they can do for it in the future, were followed by “hold on a minute, we can’t get any stock because a new model is being introduced!” Despite this, the end of the year saw stock under control, supply expected and hopes for a successful new model launch and 2017 sales campaign high. As a company we expect great success in Sweden with Isuzu. We already have one highly successful example of Isuzu within the group and we know that the Nordic team possess the drive, determination and skill to do in the Swedish market what we have done for UK dealers and customers.

Those who have followed the IM Review over the last few editions will know of the importance of our Chicago investments to IM Properties. We have built a number of supermarkets for the highly successful Mariano’s chain - and still today that is a business model that is working very well for us. Some while ago we decided to expand our activities into Milwaukee.

The way we see the US market is that it is not one market but many. Quite logical given the size of America and the diversity that exists there plus the geographical differences. As you can read from Tim’s article in this review though, not everything has been plain sailing for us this year in Milwaukee and there is certainly a degree of learning that we are doing.

Despite this, the prospects look good for us. It is my firm belief that no business should ever shy away from the learning process because if you stop putting yourself in the position where you have to learn new things, you will eventually get overtaken by those who have done. It might be a little less comfortable and there is always an imperative to make sure that you allow the learning process to happen without doing lasting damage, but I love and always remember a comment that [retired IM director] Geoff Gillespie used to make to me; “Andy, I expect to be learning until the day I die”. I believe this is a formative and important thought for all of IM.

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OUR BOOK...BECAME  
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The middle of the year was certainly eventful. Following hot on the heels of the Brexit decision, came the 'oh-so-inspirational' Rio Olympics and Paralympics and then in the Autumn a focus on the American election. Brexit seemed to divide the country to a degree that we have not seen in recent years. From a trading point of view it does present some hurdles for us to negotiate but we have seen stiffer currency swings before, most notably during the 2008 credit crunch. Potentially it could have an impact on interest rates, especially if inflation comes through in the UK economy as it seems likely to do in 2017. However, the first move was downwards. Historically, lower interest rates tend to be helpful in the property market. That is not to say they equate to automatic profits, but they do fuel the market in various ways. The autumn saw perhaps the biggest shock of all in political terms with the election of Donald Trump to the American Presidency. This completed a year of important electoral results that went against all the pollsters. Somehow this seemed to be symptomatic of a feeling that politicians have become more distant from their electorates and that, when asked, people will say what they think in a polling booth even if not on the street or to their friends and family. For business, this is all a timely reminder that the facts as you have come to accept them can change in an instant. For a few years now, we have had a good environment in which our business has been able to grow strongly. But this cannot be

relied on forever; we must manage our people, our cash, our activities with both confidence and caution.

This year was also a year of milestones for IM. Our founder, and my father, Lord Edmiston reached his seventieth birthday and the company itself reached its fortieth. At the end of 2015 we decided that one of the things we would do to mark the 40th anniversary of IM Group was to commission a second book about the company. The first was written around the turn of the millennium and documented the early history of the business, including my family's recent history and the 'making' of the great entrepreneur my father was to become. It charted events up until the year 2000, when the company was flying high and breaking records in terms of sales and profitability. In many ways, although you always realise it is never the case, the company seemed indestructible at that point.

I knew that I would only agree to do another book if there was a good enough story to be told. When I reflected on the events since 2000, it did not take long to realise that in the midst of the 'busy-ness' of the day-to-day activities at IM, a story had unfolded that was simultaneously interesting and inspiring. A few years after the last book ended, problems began to be thrown at us. A number were quite significant and threatened some of the larger companies that we owned. Although the group had been spectacularly successful, this success still depended on too few businesses. If there



was a weakness within the group it was that our portfolio was not wide enough, or at least its strength-in-depth was not wide enough. Added to that, we undertook a transfer of the direct management of the company from first generation to the second. Me!

By the middle of the decade this process had begun, when all of a sudden the normal portents indicating health in the business environment began to evaporate. We could clearly see that by 2007, something was either up, or it soon would be. The credit crunch arrived in 2008, signalling a need in the business to reduce headcount.

We had never done this before on such a large scale and many of the people leaving the business had been loyal to us for many years. This was something I felt personally.

Nevertheless, we got to work figuring out how the company would need to operate going forward and began to rebuild. A short while later, and joined by Gary Hutton who runs the group alongside me with specific focus on the property team, things began to look bright again. To such a degree that by 2014 we had our best year, beating our previous record in 2000. In 2015 we doubled that performance!

Our book, then, became a story about overcoming difficulties, not losing faith and never giving up until what you believe is possible becomes real. As I reflected more on this though, it occurred to me that it was not only IM people who had achieved this but all the manufacturers, bankers, property agents, suppliers, dealers and other associates who had stood and worked to help us and each other - this was a team performance. The book needed to reflect that, but more importantly, so did our celebrations which were held at London's O2 Arena, reputedly now the world's leading venue.

The planning for this event was meticulous and long, but the end result captured perfectly the mood in the business and among my family

of gratefulness for the success of these 40 years. It was possibly an extravagant event, but one I hoped would serve a purpose and communicate a message to everyone who has been important to us and our performance over the years; thank you and let's keep dreaming together.

At the end of the year a landmark property development was unveiled - literally. The façade of 55 Colmore Row, our major re-development of an iconic building in the centre of Birmingham was displayed to the world once more. For a couple of years our work has been ongoing behind a canvas protection cover and now it was time for Birmingham to take a look at what we had been doing. The result, I hope you agree, is simply breathtaking. We have been able to repurpose this wonderful and historic old building for a new life in 21st-century Birmingham. With such a major undertaking you always hope that other people agree with what you have done and the way you have handled such an ambitious project. And people get to vote with their feet too. It is never too difficult to get people to say nice things about your work but when they put their own money up by signing a lease and moving in, then you really know that what you have done has been good. Happily for IM Properties, we have some of the most prestigious tenants moving into the 'new' building and the location looks like it will push rental values higher than ever before. It is a landmark project and deservedly so.

We devoted quite a lot of last year's review to Citroën Ireland, which was an important acquisition for us in 2015. Our first year was as expected, that is to say we encountered the unexpected! Looking forward to 2017 we feel in a much more certain position and able to really drive the business towards the goals we have for it. One of the things I am always aware of is the need to integrate the culture of an acquired business away from the previous organisation

into one that is recognisably IM. Unsurprisingly, much of the success or otherwise of this is down to the adaptability and attitude of the staff.

I feel the need to commit to print my thanks for the way our staff have embraced this process. Citroën Ireland does indeed feel like an 'IM' business and although we are not through that initial period of change completely, we can look forward to 2017 with hope and belief. And that is a place that releases great energy with which to complete the task.

I am going to leave the last words in this review for Subaru UK - the company where it all started for my father and IM Group. In that sense, Subaru will always have a special place in our hearts. In 2016 we marked that with something out of the ordinary and quite close to some of my own passions - motor racing. Late last year Paul Tunncliffe came into my office for an impromptu 'chew-the-cud' sort of discussion. "I've just had a call..." he started. After finishing his explanation of the call from Jason Plato, a well known TV personality and highly successful British Touring Car Championship driver suggesting we take Subaru racing again, he asked "what do you reckon?" What I initially reckoned I never actually told him - something along the lines of "are you mad?" Once he explained that the costs would be reasonable and that the specific technology that Subaru has is what will make the car competitive, we discussed further. In the end, perhaps a bit like my father 40 years ago, we took a calculated gamble. A bit less, in fact a lot less, significant but at least an echo of the kind of 'go for it' attitude that got IM started in 1976. And in that office, late in a working day, staring out into the inky black night, a winner was born. Again.

## MAKING FRIENDS IS THE POINT OF

# POINT-TO-POINT

While Subaru's Levorgs fight it out wheel-to-wheel on Britain's race tracks, the brand is winning thousands more fans across the country at a slightly more sedate, but equally competitive, sport.

This year has seen Subaru as national sponsors of The Subaru Restricted Point-to-Point series for the third consecutive year. It's less hectic and dynamic than the British Touring Car Championship, where the Levorgs' maiden series was nothing short of sensational, but point-to-point has an audience that has 'Subaru' written all over it.

Picture the scene – a cold, crisp weekend in the country with mud underfoot making conditions slippery on the grass of farmers' fields that form

the majority of point-to-point venues across the country. You need a sure-footed 4x4 to get around safely... Enter stage right – the Subaru Forester!

Subaru is sponsoring 30 qualifiers for the 2016/2017 season with races held across the UK. The first was in Cottenham, Cambridgeshire, in November 2016 and the grand final will be held over the 2-mile-7-furlong Hunter Chase course at Stratford upon Avon in June 2017. There is a prize fund of £10,000 up for grabs.

The winner will have the use of a Forester for a year in the sister Subaru Restricted Championship, now in its second season.

The sport revels in its friendly, country orientated, active sports character making it

ideal territory for the Forester – and all Subaru's models with their all-wheel drive system. Indeed, many individual Subaru dealers have won new customers and sales from the events.

Clare Hazell, chief executive of the Point-to-Point Authority, said: "We are extremely grateful for Subaru's loyal support of our sport and their involvement fills me with real excitement about our future.

"It's the ideal sport for a brand such as Subaru to be involved with. The Point-to-Point fraternity is part of our great countryside community where a good, reliable, 4x4 is so much more than just a lifestyle statement."





## SUBARU BACKS A WINNER

### CHARLES MILLAR MET WITH STEVE TAYLOR TO DISCUSS HIS LOVE OF THE SPORT, NOW BACKED BY SUBARU

Steve Young owns the 2016 winner of one of horse racing's most coveted championships and is really grateful that Subaru UK has supported this very traditional British countryside sport.

In many ways Steve reflects everything about point-to-point horse racing. This year was his first full year in the sport and the winning horse, Northgeorge, is the only horse he owns.

Steve, who lives near Bridgend in Wales runs a family business supplying oxygen and other specialist gases to hospitals and the medical industry. He enjoyed riding as boy but jokes he is a bit too old and heavy to go over the sticks in point-to-point.

He explained his love of the sport: "It's very much a sport for the community in the countryside and it pulls everyone together. It's mainly amateur and semi-professional and is certainly not just for the rich and famous.

"It's the spirit of bringing everyone in the countryside together and that creates the atmosphere and excitement and takes everyone away from the everyday pressures of life."

A friend, who had Northgeorge from a two year old, originally asked Steve to go into joint ownership. But now Steve owns the eight-year-old bay gelding outright.

"He's got stronger and better as he's got older," said Steve. "When you see him flying over the fences it's fantastic and when he's up there in the points it's a real thrill."

Oddly, perhaps, Steve isn't a betting man. But he admits he did put a wager on Northgeorge winning – although it went right to the last race of the season before the championship was decided.

As the winner owner, he was entitled to the loan of a Subaru Forester for a year. However, Steve generously donated the prize to the winning jockey, Byron Moorcroft.

Steve praised Subaru UK for backing the sport. The championship has a £10,000 prize fund, he said. "We're a minority sport and it's great that Subaru decided to get involved and is helping to keep the sport alive in the countryside."

Point-to-point takes its name from a challenge undertaken in 1752 by two men in Ireland to see who was the quickest between two village church steeples – the points – while the fences were the stone walls of the fields in-between. Now the races are normally over a three-mile course, mainly still in the open countryside, and run over 18 fences.

**Winning jockey Byron Moorcroft was overwhelmed when Northgeorge owner, Steve Young, handed him the keys to the Forester for a year.**

"Just wining the championship was good enough," said Byron. "But when Steve passed the Forester over to me I couldn't believe it. It came just at the right time because I urgently needed a new, reliable car."

Byron, from Cowbridge in the Vale of Glamorgan in Wales has been a serious point-to-point jockey for five years. He has clocked up more than 10,000 miles in around six months as he travels the country for his work.

So how's he found the Forester? "It's brilliant, there's nothing I don't like about it. It's smart and comfortable, easy to drive and recently I did more than 1,000 miles in a week and I was getting more than 60 mpg. I use Bluetooth a lot, so it's like my mobile office as well.

"I've used it as a workhorse and the four-wheel-drive has got me to places, often up to the axles in mud, that no other car could."

Pushed to find something to criticise about the Forester and Byron has to take a minute or so to think. "No, nothing really – maybe the styling around the tailgate isn't to my taste, but apart from that I honestly can't fault it. In fact, I don't want to hand it back!"



# 55

## COLMORE ROW

*The wraps have, quite literally, come off the most prestigious office building in Birmingham. Charles Miller met with John Hammond, IM Properties investment director, to understand the strategy behind this redevelopment*



John Hammond  
IM Properties  
Investment Director

55 Colmore Row is quite simply now the most fashionably up-market office complex in Britain's second city. But the showpiece Georgian listed building, which has undergone a meticulous redevelopment by IM Properties at a cost of £30 million, had begun to fade and look shabby, particularly on the inside.

When IM stepped in and bought the offices, in the heart of Birmingham's professional business sector, it cost £34 million with a short-term lease to legal firm, Wragge and Co, who had already begun their move across town to 2 Snow Hill. "We then set about agreeing a £7 million payment from the tenant to allow IMP to gain vacant possession to implement our business plan," explains John Hammond, IM Properties investment director.

The total refurbishment of the building meant

that for more than six months the landmark building had to be totally wrapped in 2,445 sq metres of PVC protective material. Usually this type of material is scrapped, but the wrapping from 55 Colmore Row is being re-cycled to provide yurts for needy people in North Africa and Greece.

"This has been a massively interesting project and one with huge challenges due to the historic nature of the building," says John. "It has the most enviable location in the heart of the professional hub of the city; sitting opposite the cathedral it just doesn't get any better. But it was beginning to look very, very tired, particularly the interior. So our task, if we were going to attract the high-end tenants we aspired to, was to completely refresh and improve the building both inside and



out, while complying fully with all the obvious restrictions from listed building planning and the interests of bodies such as English Heritage.”

Two-and-half-years on from purchase, following a massive and meticulous redevelopment, which included the sympathetic addition of two storeys and removal and replacement of the whole rear façade, the project progressed with a grand opening event planned for February 2017. “It has been a brilliant team effort by all our people and construction partners working to very tight deadlines and overcoming many challenges,” says John. “But the result has been really satisfying.

“Leading law firm, Pinsent Masons, have taken two floors of 40,000 sq ft at £30 a sq ft. That’s pretty much at the very top end of rentals, and Gaucho has taken one of three restaurants on the lower ground floor.

“With a total of 160,000 sq ft in total, I can see future lettings achieving up to £34/£35 a sq ft once professional firms start to see the amazing job that we have done to the building. The highest rent achieved in the city was £33 per sq ft back in 2006, so this would be a huge achievement. But that’s where we are setting our sights.”

John says that the brief to develop 55 Colmore Row was to push the boundaries in order to build the most sought after offices in the resurgent Birmingham city centre.

He explains: “We spent around £500,000 just to strip the building back to a shell to enable contractors to best-price the works. We had to do this while keeping the vision of what we wanted to achieve.

“The end result is exactly what we wanted – a beautiful building which preserves the fine Victorian façade, but inside it is light and modern, with the central, listed, banking hall turned into a glorious reception space. Every office and every floor is different, so nothing could be bought off the peg when we modernised the building.

“These days top lawyers, accountancy firms and other professional firms know that they have to offer their very top people a great ‘wellbeing-lifestyle’ place in which to work. Hiring and keeping these people is very competitive, so if you can offer them exciting, professional places to work from then it’s a huge plus factor over other companies competing for them.”

John sees the city centre office market in 2017 as being highly competitive. He says, interestingly, that post Brexit demand and the number of viewings has increased. “Whilst the decision in June to leave the EU sent shockwaves through the business community, after an initial pause for thought, we are finding that most forward-looking companies are continuing with their plans to expand and upgrade their places of work. So we feel we are well placed being the only new prime space being delivered to the market in 2016.

Marketing of 55 Colmore Row is already well under way, but will be boosted early in the New Year with a big opening event planned for February 2.

**“IT HAS BEEN A  
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EFFORT BY ALL  
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TO VERY TIGHT  
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CHALLENGES”**



# HARD HATS

## & STRONG HEARTS WIN THROUGH!

LOOKING AT THE ELEGANT EXTERIOR OF 55 COLMORE ROW, THE LAY PERSON COULD BE FORGIVEN FOR CALLING IT AN IMPRESSIVE REFURBISHMENT. BUT STEP INSIDE AND IT'S ANOTHER STORY ALTOGETHER.



Jason Jasper, the UK project delivery director of IM Properties, explains that the awesome view that greets visitors demonstrates exactly the difference between refurbishment and redevelopment.

He said: "Simply calling what we have done a refurbishment really couldn't be further from the truth. We have added new floors to the building and extended the building footplates to increase the net rentable space.

"The brief from day one was to create best-in-class office space – best in class for the Birmingham market and something that could compete with some of the best offices in London. To take an older building and create a modern highly efficient work space to meet this brief was certainly challenging.

"This dramatic redevelopment is a juxtaposition of traditional and contemporary elements combined to enhance the character of the building whilst delivering first-class, Grade A, 'BREEAM-Excellent' office accommodation."

BREEAM is a particularly demanding Building Research Establishment criteria which independently assess a range of issues in categories that evaluate energy and water use, health and wellbeing, pollution,

transport, materials, waste, ecology and management processes. The building was taken back to nothing more than a shell, whilst carefully protecting the listed elements. Completely new highly-efficient mechanical and electrical systems have been installed throughout. Fitting these systems into existing structures can be challenging, providing new service cores vertically through the floors and ensuring minimum floor-to-ceiling heights are maintained.

Jason said: "We have replaced the rear façade, complete with floor-to-ceiling glass to maximise natural light.

We re-arranged the structural core of the building, including improvements to the atriums, re-arranged lift shafts and stairs to help make the very most of the new floor space and layouts on every level."

At the heart of the building there is a large banking hall, which for many years had been hidden behind a reception and not utilised.





This has been brought back to life and now provides the “heart of the building” and certainly one of the most impressive office receptions you will find.

New adaptations to the rear façade, glass atriums together with new glass lifts rising within glass shafts running vertically throughout building, have helped to flood the building with light.

Maintaining the overall character of the historic listed building, had to be carried out under the watchful eye and in full cooperation with English Heritage.

Jason said: “Negotiations were always friendly, professional but highly detailed as the façades of the building and the central banking hall were strictly protected in line with listed building status. Our discussions with English Heritage started from the initial planning stage right through to completion.”

Being in the heart of Colmore business district, directly opposite the famous Grand Hotel, meant Jason and his team had to address such diverse constraints as party-wall awards with adjoining properties, rights of light, road closures and limitations of the delivery and handling of building materials.

“We had to be constantly aware of our neighbours and worked in close liaison with them to mitigate issues, such as road closures, noise and dust,” explained Jason.

One of the major early tasks of this redevelopment was working out how to move tons of building materials from ground level to all levels of the building.

The solution was to install a huge crane in the heart of the building, through one of the existing atriums. That alone was a far larger task that it would appear on paper.

Old, existing large pieces of plant and equipment from the roof of the building had to be removed, again while being mindful of the listed status restrictions protecting 55 Colmore Row. Once again the tower crane was called on.

Many tons of new steelwork had to be delivered and hoisted into the building in preparation for the new floors and façade. That meant lifting plant from the roadside up to roof level where two completely new floors were installed.

Jason said: “Our brief included the removal and replacement of the rear façade and of course, before we could put in two new floors, we had to remove the old roof plant deck and roof structure.

“We had to have a fully robust weatherproofing strategy for the whole structure from the start and throughout the project. This was a crucial factor.”

With so much of the existing structure retained there had to be in-depth investigations, even before work started, to ensure that the building could cope with the addition of two entirely new floors.

As with all great building and engineering feats, the beauty of the now completely redeveloped 55 Colmore Row, hides a catalogue of challenges which Jason and his team had to overcome.

Should Jason and his team be proud of the end result? It makes ‘Grand Design’ look like child’s play!

The background of the top section of the page is a close-up, slightly blurred image of the American flag, showing the stars and stripes in a way that creates a sense of depth and texture.

# coming to america

*The USA – it's big, brash and the land of golden opportunity. However, the image that most people have of the greatest economic power in the world is only half the story, as the IM Properties division has come to learn.*

Tim Wooldridge, managing director of IM Properties, summed up the reality of doing business in USA and it may surprise many: “Challenging! It feels like an oil tanker, slow moving and difficult to shift. It is a very cautious country in many ways, hugely conservative and very different indeed to the UK.

“Everything takes longer than you think it will whether it's buying, selling or leasing and because it's such a huge, inward looking, domestic economy it maintains a high corporation tax level which, for a UK business, makes long-term investment difficult to justify. Instead it promotes a developer/trader model to work towards.

“It's probably the opposite of what most of would think about American business, but doing business in the property market in the US is full of contradictions.”

It's been a steep learning curve for IM Properties' venture into America. On the real estate market Tim said: “There is absolutely no culture of advice in the US; it is a selling culture with a cut-throat brokerage mentality. You have to know the market yourself and have people based there who you can trust, working directly for you.”

But Tim is also quick to point out that the business opportunities are huge and that from an initial dip into the market, IM Properties is now building a really solid base and getting results.

IM Properties put its toe into the US property market in 2006 in a diversification move when the UK and European commercial cycles were peaking.

Virginia on the east coast of the US was the first point of entry for IM Properties business activities, as the company made its first foray into US retail investment.

From there the business started discussing a drive-thru bank development programme with a Chicago-based developer who was starved of cash due to the credit crunch. “We were given the chance to buy buildings let to JP Morgan on long leases. Post Lehman nobody wanted them. But we knew that the government would intervene rather than risk a further meltdown, so we would effectively have the US government as a tenant if JP Morgan had failed. It was the perfect counter-cyclical move,” explained Tim.

He went on: “After building up, and ultimately selling, the bank portfolio we needed to pursue a different line of development. That's when Mariano's supermarkets popped their

head up, wanting to roll out supermarkets across Chicago and Illinois.”

Nine supermarkets have now been developed and the programme has become one of IM Properties largest and most successful projects to date. Tim said: “Mariano's is an up-market brand, similar to Waitrose in the UK – but different in true US style!

“Mariano's is very much a ‘go to’ shopping experience rather than a straightforward retail supermarket of the types we are used to. Within a 75,000 sq ft. Mariano's you have a champagne-and-oyster bar, a refrigerated beer room, a pizzeria and a BBQ.

“The principle is to draw customers into the store and ensure they have a really pleasurable experience when carrying out an every-day task rather than just pull in, buy groceries and drive off.

“It is a simple model,” said Tim. “There are cheaper places to shop; there are more expensive places to shop, but the balance of price point and environment ensures repeat business.”

And when a Mariano's opens in a neighbourhood there are two knock-on effects. “They take the town by storm,” said Tim. “They become such a draw it's like a magnet and rival supermarkets just can't compete; many have



been known to close down.” The second effect is that Mariano’s attracts other retailers and surrounding retail outlets become easier to let and rents grow.

Although the US does have some huge supermarket chains, with Wal-Mart being the most famous, it is also very regionalised. Mariano’s is centred on the greater Chicago area and, by the end of 2016, there are plans for a chain of 39 stores with annual sales in the region of \$2 billion. IM Properties have developed 25% of these which totals circa 675,000 sq ft of shopping space - a fair achievement. Each store has a value of around \$40 million.

Part way through the Mariano’s development programme IM Properties invested in a permanent Chicago base by opening offices. This enabled the business to be closer to its projects and to diversify further.

Milwaukee, an hour to the north of Chicago, and home of the famous American beer, Miller, is now seeing another IM development. The Corners of Brookfield is a \$200-million shopping

and lifestyle centre. It has 250 apartments, bars, restaurants and retail outlets, including a Von Maur department store.

The region has strong Dutch links; there is a big beer culture and the populace of Milwaukee love eating and drinking out, ten-pin bowling is really big in the city, as are comedy clubs.

Tim said: “These are markets and occupiers that we are trying to tap into. We have to get to know these sub-markets to extract the most value from our projects.”

Construction of The Corners of Brookfield began in 2015 and it is on target for completion by the first quarter of 2017, by which time it will have developed into a new community and will have created hundreds of jobs.

For IM Properties it will have been another profitable enterprise in the USA and the great US adventure is set to expand in the coming years as the company looks for other opportunities across the region.

Once these projects are completed IM will have carried out nearly 20 developments with

its Chicago based partner, Bradford Real Estate Services who, like the IM Group, are a private family business.

Tim said the two companies work extremely well together. “The success of the banks and then the first Mariano’s just led to more opportunities, and it has snowballed since.

Tim flies to the USA about once a quarter and is confident that, with hard work, there is a potential profit in excess of £100 million to be gained from its existing projects in the land of the Star Spangled banner.



*Tim Wooldridge,  
Managing Director,  
IM Properties*







*Kevin Ashfield  
Development Director,  
IM Properties*

# COMMERCIAL STRATEGIC LAND BANK

You cannot be afraid of big numbers if you are dealing with IM's Commercial Strategic Land Bank.

For example, the award-winning Birch Coppice development near Tamworth, was the largest single project undertaken by the commercial wing of IM's property bank. It covers a staggering 4.5 million sq ft and everything about the development is huge.

But now a team led by Kevin Ashfield, IM Properties UK development director, is dealing with five key sites which, in total, could provide logistic and manufacturing space of 12 million sq ft.

The potential infrastructure investment required to bring the sites forward runs to tens of million of pounds, and comes with risks. But the financial rewards to the company also run into many millions.

Indeed, thinking big is one of the key characteristics that every member of Kevin's team has to have. And to cope with this growing business sector, the development department has grown from just two people seven years ago to 16

now. This includes the growing strategic residential side of the business which is also going from strength to strength.

Kevin explained: "Scale is important to a lot of what we do. Our eventual customers, often major retailers, need huge warehouse units to make their business efficient and this requires large sites. There are reports identifying an increased logistics demand for up to 72 million sq.ft. nationally driven by changes in retailer demand. These requirements need large sites and the majority of this demand is in the Midlands due to its central location for distribution.

"The difficulty is that there is a shortage of 'oven ready' land across the country as a lot of the previously recognised sites have already been developed out."

One of the skills Kevin's team needs is the ability to look at sites in which they can see potential, and where the market may be heading. "Our ownership structure and cash resources enable us to acquire sites outright without planning or we can look to secure the site through a longer term option."

One example of the team's almost lateral way of thinking is a 240-acre farm immediately off Junction 11 of the M42 in the Appleby Magna area. Although the general area is rural, it's in a key central position to feed towns and cities around it, including greater Birmingham, Leicester, Derby, Nottingham and Burton-on-Trent. It is also an easy link from the site to the M42 and M1 motorways and therefore an excellent location for distribution to the rest of the country.

Kevin said: "This site offers us the scale of development that we know is important to meet occupier demands and the motorway infrastructure which is key for distribution. It is unusual for other development companies to look to purchase agricultural land outright.

"This up-front investment would put a number of other companies off. But we are prepared to take calculated risks and we also take a long-term view on the potential of sites."

Birch Coppice, a former colliery site, was purchased as far back as 1997. It has been developed in phases with the final phase now almost complete. That is almost a 20

year commitment to the site and the local community. The site has been a great success but IM Properties have invested more than £60 million in infrastructure works alone to bring the site forward over the life of the scheme. This shows the level of investment needed to bring these sites forward.

IM Properties approach to speculative purchases sets the company apart from most of its competitors. A lot of commercial developers will only purchase land if they know they can develop and let it reasonably quickly and most will avoid purchasing land without planning consent.

Kevin explained: "The planning permission process can take many years depending on the status of the local plan. The actual application, determination and negotiation of the section 106 agreement can often take a year or more. The process is complex and demanding and a major site can cost in the region of £1-million-plus to take it through the process in terms of professional fees and planning costs, with no guarantee of the final outcome.



“If you look at the five sites we have right now it’s almost like having five Birch Coppices. The potential is enormous as we know there is a demand for these big sites. But to generate real interest we don’t just sit back; we take a much more positive approach.”

That can include starting the planning process ahead of an allocation in the local plan, and then installing the infrastructure once planning is obtained even when we don’t have a tenant for the scheme.

“Suddenly that makes it much more appealing to the big retailers or manufacturers,” said Kevin. “If they can see planning permission granted and infrastructure going in, they know our sites are deliverable.

“Instead of waiting for them to come to us, we can go to a number of potential occupiers with whom we have built up a relationship and say: ‘These are the sites that we have under control,’ and then we can discuss which site best suits their requirement.”

The massive shortage of industrial land will likely reduce the length of time particular sites take to come forward within IM’s commercial land bank. They can be purchased or optioned with a view to a development five to 10 years down the line or sometime much longer if the site is greenbelt, but that time period can be substantially reduced with IM’s proactive approach to development.

IM’s team concentrates its search for potential sites in the Midlands because, as Kevin says, it is a region they know best and where they have built up good contacts and working relationships with local authorities, companies and land agents.

“The Midlands is our heartland, it’s where we have built up our experience and reputation so it makes sense to concentrate our efforts here,” said Kevin. “Although we are also now looking in places such as the South East and North West when the potential arises and once we have built up a network of contacts.”

Currently the team’s efforts are being concentrated on the farm site off Junction 11 of the M42, a site off Junction 9 of the M42 in the Curdworth area – not too far from BMW’s plant at Hams Hall – land off Junction 1 of the M69 near Hinckley on the key Coventry-to-Leicester motorway route, a site off the M1 near Towcester and land with commercial potential just outside Stratford-upon-Avon.

Kevin’s potential worry is if all five sites take off rapidly and start to go ahead at the same time! “But that’s what we’re here for and why we have built the team we have. It would be challenging, but it would be a nice problem to have,” he said.

There is a huge benefit to the local communities when each site progresses from open or derelict land to warehouse units going up. Potentially each site can create many thousands of new jobs which can dramatically improve the local economy.

When Birch Coppice was working flat out as a colliery it employed

around 1,500 people. With the final phase of IM’s development of the site now fast approaching, more than 6,000 new jobs will have been created which is an excellent example of regeneration.

“Our track record for creating employment through our developments assists in bringing sites forward with local authorities. They can look at a site like Birch Coppice and see how we delivered on what we said we would do at the start.”

Internally the speed and freedom to progress major projects gives Kevin’s team advantages due to the family structure of the IM business model. “Other developers can get bogged down by having to produce endless reports and then report back to their Boards and take shareholders views on board.

“We can be more agile because we are given the freedom to move much more quickly and we are grateful for the support our Board and senior management give us to allow this to happen.”



**“THE MIDLANDS IS OUR  
HEARTLAND, IT’S WHERE WE  
HAVE BUILT UP OUR EXPERIENCE  
AND REPUTATION SO IT MAKES  
SENSE TO CONCENTRATE OUR  
EFFORTS HERE”**





# TIME FOR A VICTORY ROLL?

HOUSING HAS BARELY BEEN OUT OF THE HEADLINES IN THE UK DURING THE LAST YEAR OR SO, AND OFTEN FOR THE WRONG REASONS. IT HAS RANGED FROM SLOWING BUILDING GROWTH, GEOGRAPHICALLY PATCHY DEMAND, LACK OF SUPPLY – PARTICULARLY FOR ‘AFFORDABLE’ HOMES AND NOT ENOUGH LAND AVAILABLE FOR NEW DEVELOPMENTS.

That picture would probably give most house builders a headache. But someone forgot to tell David Jervis and his team at Spitfire Bespoke Homes of all this negativity. They have been far too busy breaking records yet again.

The last few years has seen incredible performances by the premium-market home builder. Just a couple of years ago Spitfire had a staff of just 20 people and was building on five sites. By the end of 2015 a staff of 55 was working on 13 sites. Now staff numbers have climbed to 70 and as one site reaches completion, another one begins so that Spitfire now has 18 sites and there are many more in the

planning pipeline.

If those statistics are not impressive enough, Spitfire is on target to double its turnover from around £25 million last year to in the region of £50 million this year.

While the company started, and is still centred on its Midlands homeland, the business has grown in the south-east and an office has been opened in Maidenhead, Berkshire. As the firm’s reputation for exceptional quality has grown, Spitfire has quickly become a name to be looked out for by many aspirational homeowners looking to move.

Its reputation has also been built on expertise in developing

particularly sensitive sites that deter many traditional home builders wouldn’t from even considering. Yet council planners have, in fact, poured praise on Spitfire, and the company has collected several prestigious awards for delivering unique developments.

Of particular note, is the WhatHouse? Gold Award for Best Small Housebuilder in Britain, a fiercely-competitive category of leading housebuilders who construct up to 100 homes per annum.

The judges particularly praised Spitfire not only for its land acquisition skills, but also its passion for design. They said:



“Everybody knows you’ve got to get the land deal right or you are toast before breakfast. But you can always tell a developer with design in its soul and part of its ethos. That is the case with Spitfire. Land may lead the commercials, but design dictates the brand and that all important reputation in the eye of the purchaser.

“Sustainability and customer care are also core beliefs and strengths, as is the company’s development and training of its staff.”

Further awards achieved this year have been the Insider Award for Best Bespoke and Urban Developer of the Year and a first award from ‘Housebuilder’ for the best design, Four Storeys or more.

David said: “We have had a fantastic year and it is so pleasing the professional recognition that all the team’s hard work is now achieving. We have sold 90% of units from plan; and continue to achieve record sales values on many of our sites including High Cedars and Old Town Villas both in Stratford upon Avon; Crossways at Stow on the Wold; The Mill and The Rise in Chipping Campden and Stoneways at Fairford.

“We achieved the company’s highest sale price to date for Highwood, a luxury five-bedroomed family home at our prestigious Rotherfield Garth development in Henley on Thames, with a sale price of £2.665 million.”

However, these outstanding results and growth hide the amount of sheer hard work Spitfire’s dedicated team have had to put in, particularly around the thorny issue of planning applications, and where these have been refused at local level but subsequently granted at a Planning Inquiry.

Developments in, or close to, pretty rural villages and prime

locations are always an issue. Many locals oppose them outright before even looking at the proposals, forming action committees to put pressure on local councillors to reject any new home building.

This was broadly the picture in the village of Ettington in Warwickshire. Spitfire wanted to build 38 homes and the thoughtfully-proposed development won the support of local council planning officers.

But it had to go back to the drawing board when the planning application stalled at its first formal hearing due to local opposition.

David said: “We took our plans away and looked at them again in light of this. The planning officers advised us to reduce the numbers from 38 to 32 homes and we worked on that.

However, even the revised plan was turned down when it went back to the committee, despite the planning officers strong recommendation to approve.”

Convinced that the Spitfire plan was well founded, David’s team took the case to a full Planning Inquiry. The outcome, after a lengthy time delay and substantial costs, resulted in Spitfire winning and the scheme is now pressing ahead.



David said: “This is the reality behind many similar proposals to develop in these areas. It’s a clash of views with locals wanting to protect the status quo set against the national need to have more housing built. However, we are particular aware and careful with all our plans and generally councils, planners and local communities – even though they might initially disagree with us – end up welcoming our developments.”

It was a broadly similar situation at Gretton near Cheltenham, Gloucestershire. Spitfire wanted to go ahead with a small proposed development for 23 homes, including affordable homes. Again, following initial opposition the outcome of the Planning Inquiry ruled in Spitfire’s favour.

In granting the go-ahead, the Inquiry said Spitfire’s plan “underlines the importance of good design, and how securing high-quality and inclusive outcomes goes beyond aesthetic considerations.” Such compliments are rarely given in planning decisions.

Currently Spitfire have plans for bespoke developments in the Midlands region including 25 homes in Barford, Warwickshire; a small seven-home development on land in Upper Brailes, Warwickshire; a larger plan for 60 homes in Bradford-on-Avon, Wiltshire; 18 homes on land adjacent to the Gaydon Inn not far from Jaguar Land Rover’s factory; a smaller development of 14 homes at Hockley Heath near Solihull in the West Midlands; plans for 44 homes at the former North Leamington School in Leamington Spa, Warwickshire and a decision is expected in early December on proposals to build 23 homes at Haseley Manor near Warwick.

In the south of England, Spitfire are currently building a select development of just eight exclusive apartments with underground car parking in Hadley Wood, Hertfordshire; 24 cottages at Binfield, Berkshire; another select development of seven large luxury family homes in Gerrards Cross, Buckinghamshire and a further seven exclusive homes in Maidenhead, Berkshire.

David also commented on further plans: “We have a land bank secured under contract for 624 homes, of which we have planning permission for 131 at present. That will allow for year-on-year growth with a steady and continued three year pipeline.”

So a year of great progress, but David is well aware of the challenges facing the business in the year ahead. He said: “These range from changes in stamp duty which have affected the upper end of the market with properties in excess of £1 million and, of course, Brexit and the fear of the unknown for many people.

“There are also issues with the supply of materials and labour and in particular a shortage of skilled labour. The frustrations of the planning system and the lack of resource at local planning authority level often results in longer timeframes to achieve planning permission. This prevents us getting on site and doing what we are good at – building great homes for people.”

Finally David and his team are facing a particular challenge, which many of Spitfire’s competitors would love to have – growing pains faced almost daily due to the business being so successful and growing rapidly!





Spittfire's plan... "underlines the importance of good design, and how securing high-quality and inclusive outcomes goes beyond aesthetic considerations."





# CITROËN IRELAND

*one year on*

BY KEITH READ





To say we've been busy is an understatement, says Chris Graham, managing director of Citroën & DS Ireland, reflecting on a hectic first year since IM Group acquired the distributorship of the French-made cars and vans throughout the Emerald Isle. And with solid foundations and key building blocks now firmly in place, the coming 12 months looks set to be equally busy with the team starting the manufacturer's programme to create two separate networks – one for Citroën and one for DS Automobiles.

"When I look back there seems hardly any time to catch our breath!" says Chris. "We took over with 11 employees in the distributorship but with a number of people supporting us at Citroën in Coventry. We held on to that support for a few months but, bit-by-bit, those people were allocated to other posts within Citroën. As a result, we've employed 15 new, Irish staff, trained them and developed them. And we're very happy that they have all integrated into the team. We are blessed that everybody gets on very well.

"We brought an IM-style of management to Ireland whereas before it was 100-per-cent corporate and process-driven. So there's a very different style here today and I'm pleased to say the relationships internally – and with our dealers – are wonderful. Very often dealers will tell us how surprised they are that the business is now so approachable and how involved everyone is with the business. That has strengthened the relationship with the dealers who, I have to say, see far more of us than their previous distributor."

As well as frequent and regular visits to the 21 Irish dealers by senior managers (including Chris) the IM team has undertaken 'Le Grande Tour' – 3,667kms around Ireland visiting every dealership. At the Thursday-evening showroom events for VIP guests, at least two managers – including a senior manager – and two more of the IM team attend.

The full-on support and interaction has gone down particularly well throughout the network, as has the huge effort put into a whole string of new-model launches. "The first came just months after we took over with the launch of the DS4 Hatch and the DS4 Crossback," says Chris. "We then had the launch of the new DS3 followed by launches of the new Dispatch, the new SpaceTourer and the facelifted Picasso and Grand C4 Picasso. On top of those, ready for January, we are in the process of launching the brand new C3!"

And just to add to the many challenges, the team has completely repositioned the van pricing for Citroën LCVs. "It's all kept us really busy," admits Chris, who flies back to his home in the UK two or three weekends every month. "And I know what you're going to ask next! No, the fear of flying hasn't got better... All I can say is that I've become better at hiding it. I don't think it will ever go away."

After a non-stop first year, what's in store for 2017?

"The unknown is, of course, Brexit," says Chris. "No-body truly knows what will happen, or by what level it will affect the Irish market, and if they say they do, they're guessing. What we've seen is that up to the end of October 2015, there had been 45,000, mostly used vehicles imported to Ireland. So far this year the figure is 75,000 – and that number has been accelerating since the vote for Brexit. The reason for the imports is purely because of the euro/pound exchange rate. Cars from north of border and across the Irish Sea, have for a long time posed a threat, and were marginally good value pre-Brexit. Now they have become very much more competitive, and the more expensive the car, potentially the bigger the saving."

The majority of imports have been of 12-, 13- and 14-plate vehicles with currently only a small increase in the number of current-plate vehicles.

As a result, Irish dealers are being cautious when taking a vehicle in part exchange that was bought new from them in 2014 because the customer who paid around €30,000 for their car two or three years ago will expect, for example, a €20,000 trade-in allowance. At the same time, someone looking for that two- or three-year-old car knows they could pick one up for around €18,000 just over the border leaving the Irish dealer with a used car he couldn't hope to sell at break-even, let alone at a profit.



**"NO, THE FEAR OF FLYING HASN'T GOT BETTER... ALL I CAN SAY IS THAT I'VE BECOME BETTER AT HIDING IT. I DON'T THINK IT WILL EVER GO AWAY."**

“So our dealers have to be cautious when it comes to part-exchange deals,” says Chris. “It’s not just a risk for Citroën/DS dealers; it’s an industry risk affecting all dealers in Ireland. However, for Citroën in Ireland we do have a five-year warranty, whereas in the UK it’s a three-year warranty, which starts to bridge the gap. We have an understanding with Paris that, if our trading terms get out of line with what is available elsewhere, we can have a frank conversation with them and they will take a look at providing further support.”

And there’s good news for Citroën/DS dealers in 2017 where the new 171-registration-plate campaign starts. For the first time they will be able to offer low-rate finance with a choice of consumer offers. Previously it has been one or the other. “The reason we’re doing this is to protect against that Brexit threat,” explains Chris. “It means that on a Citroën Cactus, for instance, the dealer has the low-rate finance that’s always been available, an equipment upgrade, (worth up to €1800) with extra commercial support to either offer a scrappage deal or a generous part-exchange over allowance. It’s an impressive campaign.”

As well as strategies to accommodate Brexit, Chris and the team face finding a new home. “In June this year, the owner of these premises went into Receivership and the site was sold,” he explains. “The new owner happens to be a local motor group and they have approached us and asked if we would be prepared to grant them the Citroën retail franchise and give them complete control of the property. They would keep Citroën & DS, and very importantly to us, agree to take on the retail team on exactly the

same terms and conditions they now enjoy.

“We in turn would agree to relocate the import business within three- to 12-months. So we are looking at the offer and options, including seeking a new home, north or north-west of Dublin, within a short drive-time of the airport. And at that point, our Subaru colleagues in Ireland would join us. The risk, as with any business move, is that for us and for Subaru, there could be staff who choose not to travel. Therefore, we are trying everything we can to make sure any new location causes as little inconvenience as possible.”

The other ‘move’ for Chris and his team is the splitting of Citroën and DS franchises in their entirety on 1st December 2018. To prepare for that, letters were sent to the Citroën dealer network on 30th November 2016 giving them two years’ notice. During those two years Chris and his team have to select and set up a DS network in Ireland. “We also have six Citroën open points to fill where we are currently courting prospects,” he adds.

All in all, Chris is ‘comfortable’ with progress and achievements in the past year: “We have put foundation blocks down – that’s what the first year has been about. It’s not been a year of consolidation, it’s been a year of let’s get it right – and let’s get it right once! We will go into 2017 with the launch of the brand new C3 and all the models that have been launched since September.”

And although the Irish car market has grown by 17% in 2016, Citroën & DS will finish the year with the same volume as in 2015.

The reason, says Chris, is that having taken over the business in October 2015, we were very

late to the market with its 2016 sales campaign and missed the January target by 280 units.

“But this year we had our conference a month earlier, our marketing started six weeks earlier and we have a lot of new models that were not available in quarter-one 2016. And we still have the new C3 to launch in January. So we have our foundations in place and the dealers are 100-per-cent behind us. In January 2016 they didn’t know us. I think we’re all set to have an excellent year in 2017.”





**“IT’S NOT BEEN A YEAR OF CONSOLIDATION, IT’S BEEN A YEAR OF LET’S GET IT RIGHT – AND LET’S GET IT RIGHT ONCE!”**



*Team Matthews complete their 10k run. Left to right: Jennifer, (daughter); Neville; Jonny Kingsley, ( Sonja's fiancé ); Sonja, (niece); Nicki, (sister); Evan, (son); Sam, (son); Gordon, (brother); Milton, (brother) and Katie Dillon-Keane (Evan's girlfriend)*



*Even the family pets came out to support those taking part – Flick (left) and Butty*

## FUND RAISING IN THE NAME OF NEVILLE

Colleagues of Neville Matthews, managing director of IM Automotive in Ireland, were delighted to see Neville out and about on November 6th to greet members of his extended family as they crossed the finish line of the annual Brain Tumour Ireland Run in Corkagh Park Dublin, close to the Subaru Ireland offices. They had joined scores of runners and walkers raising funds for the charity's work in supporting brain tumour patients and their families.

Neville, who is recovering from surgery in the summer to remove a brain tumour, was in good form, according to Sean Dunne, financial controller at IM Automotive. “We were all so shocked when Neville was taken ill. But he really was in great form on the day of the Run. He had a hug for each member of the family as they completed the 10k event. It was so good to see Neville out and about. He was determined to be at the finish, accompanied by his dog, Butty, and Flick, his daughter Jennifer's dog.

“Jennifer had arranged for members of the family to do the annual run which,

this year, formed part of Walk Around the World for Brain Tumours. This is a project co-ordinated by the International Brain Tumour Alliance with a ‘World Walk’ target of circling the earth to raise awareness of brain tumours globally,” explains Sean.

Up to the event, Jennifer – who had started a Facebook campaign – had raised €2,700 for the charity. And, when all the sponsorship donations are collected, it is hoped that Team Matthews will have contributed more than €3,336 to the charity.

“It has been a truly magnificent effort,” says Sean. “And we’re all rooting for Neville who, following a brief break in treatment at the time of the charity event, is resuming chemotherapy.”

Chris Graham, managing director of Citroën & DS Automobiles, Ireland, said that throughout his treatment and recovery, Neville has been upbeat and cheerful. “We were all very touched by an e-mail he sent colleagues asking for our prayers. Everyone wishes him well and is thinking of him, his wife Avril, and their family.



# *Changes for the better*

## AT CITROËN IRELAND

CHANGES FOR STAFF AND DEALERS WERE INEVITABLE WHEN IM OFFICIALLY TOOK OVER THE DISTRIBUTORSHIP FOR CITROËN IN IRELAND ON 1ST OCTOBER 2015. KEITH READ MET STEPHEN MCGRATH, ONE OF THE SENIOR MANAGERS AT THE COMPANY'S HEAD OFFICE IN THE AIRSIDE MOTOR RETAIL PARK IN DUBLIN, WHO REFLECTS ON WHAT THE CHANGES HAVE MEANT.

Change is something that Stephen McGrath, Financial Controller at Citroën and DS Automobiles has come to expect. "The only issue with change is people's resistance to it," he says. "Human nature is to resist change. But everything around us changes – like the seasons. Nothing in nature stands still and I've come to expect change, and when you expect it, it's less shocking when it happens."

But even he must have been slightly surprised – if not shocked – by the many changes that have happened in both his personal life and to him and his colleagues at work...

In just 16 months between first meeting Andrew Edmiston and the senior IM team when they introduced themselves to staff at the Dublin headquarters building, and the day when we sat in the building's training room to consider progress, he'd experienced a whirlwind of change. He and his fiancée, Cathy, got married,

they moved house, had baby Olivia and Stephen witnessed what can only be described as a revolution at work!

The major challenge for Stephen, and everyone previously with PSA, was the cultural change. "It's been a big culture change from PSA to IM Group. We were in a certain way of thinking and of doing business," he says. "We had to change to do things the IM way, which is significantly different. That took all of us, individually time. It didn't happen overnight – but it has happened now."

For Stephen, working for a family-run company rather than a corporate business was not quite such a shock. Before joining PSA in 2010 he had spent 15 years in the motor industry in family-run companies with similar cultures to IM's. "I was used to knowing the person who owns the company, working directly with him and respecting him.

"The corporate climate has its pluses and minuses. The pluses were you learn a lot about control, reporting deadlines and how a big multinational works. But the negatives were that it was impersonal. Relationships were not held up as a big thing. So going to IM was going back to working for a family-run business. I loved that."

He says another big change, which has been welcomed, is in relationships – the importer's relationship with the dealers and IM's relationship with the staff. "When IM landed it wasn't exactly the ideal position from which

to start and hit the ground running. The dealer network was a little bit unmotivated and we had a high reliance on pre-registrations. Compared to IM we were quite short-term. We had to take one step back in order to move two steps forward.

"But Chris [Graham, who heads the Irish operation] and IM deal with the dealers as business partners. They don't tell them what to do; they support them. The dealers have welcomed this change. It's the same with staff. Instead of dictating to staff, and putting everybody into 'boxes', Chris and IM have given individuals more authority. They have empowered individuals to excel in their own areas. This has been great. Previously, you had to think the corporate way and you wouldn't go outside your box..."

Since the take-over Stephen's role has increased. "Previously, half of the finance function was done in the UK," he explains. "Now it's mostly done in Ireland. I had one young lady Deirdre Walshe assisting me. But I lost her to love when she joined her boyfriend in Cork where he lived. She was the only person from PSA days to leave. No-one jumped shipped when IM came on board."

Since the take-over, staffing at the Airside premises has risen from 11 to 26. "That's a lot of new personalities to embrace," says Stephen. "We all have to gel because with new and old crews, cliques can happen.

But they haven't. And that's mainly thanks



*Most of our dealers are family-owned, and a lot are today being run by the sons of the people who founded the businesses. And this is why they fit so well with the IM Group where the son of the founder is running the business.*



to Chris. The whole team here works extremely well together. The three new people I have in the finance department – Carl McKeon, Louize Cunningham and Sarah Moynihan – are brilliant. Together we have managed the changes whilst retaining all of the internal controls.”

For all the staff, the switch to IM’s IT systems has been a massive challenge, says Stephen. “Reports we used to run the business with disappeared overnight. Things we took for granted, disappeared and we had to reinstate them – an example of taking one step back in order to take one of the two steps forward. Here I must mention Nick Flavell, head of IM’s IT department in the UK, and especially his colleague, Marcus Nye. They have been of immense help to us and because of that help we can now easily take that second step forward.

“Having the support of IM’s in-house IT team – and not having to rely on an outside supplier – means we can go further forward than we ever thought possible. With in-house resources we can get even more streamlined and more efficient. Previously we didn’t even consider what we might do because we knew the costs would be prohibitive. The in-house team take us on face-value and if we think we need it, they will build it for us! And they do so really professionally, quickly and efficiently.”

How does Stephen summarise achievements from the changes?

“We have achieved a massive amount, especially in respect of our dealers. We have listened to them and we’ve simplified the sales campaign. Our relationship with the dealers has been mended and that, I think, is probably our biggest achievement. Most of our dealers are family-owned, and a lot are today being run by the sons of the people who founded the businesses. And this is why they fit so well with the IM Group where the son of the founder is running the business.

“IM is clearly very successful and very strong as a group, and everyone in Ireland is really proud to be part of that group. It’s lovely to be part of something that is successful. For me the great thing is that with all the success and strength, IM is not arrogant. IM doesn’t dictate. Instead, Chris and the management team here is trusted and given autonomy. We have the local knowledge and the local experience to achieve IM’s goals. But IM is always there in the background to support us. Everyone here appreciates the visits from Andrew Edmiston, Gary Hutton, Paul Tunnicliffe and Mike Willets. They come over from time to time and give us the strategic direction. But they leave the operation and tactics to us.

“The Irish market is highly competitive and very offer-led. If you are asleep at the wheel you’ll just get swallowed up. We always need to be working twice as hard!”

# Ireland Citroën & DS Automobiles dealer profile

*The Citroën & DS Automobiles dealer voted the best in 2016 among Ireland's network of 20 almost gave up the franchise a couple of years ago. Chris Poole discusses how things have changed with Cathal O'Neill, dealer principal at Kilkenny Vehicle Centre.*



Cathal O'Neill, dealer principal at Kilkenny Vehicle Centre in the medieval city of Kilkenny in the south-eastern part of the country, is openly frank about the agonising decision he had before IM Group took over: "I looked at our own future with Citroën and had to question it. But with IM taking over, it put confidence back in... For me it was the right thing to stay with IM and Citroën."

"Like most of the network, we hadn't heard of the IM Group. Only those dealers who might have been involved with Subaru would have had any knowledge about IM. But when they took all the dealers over to Birmingham, showed us the set-up there and explained the background of the business, I think most, if not all of the network, were happy to see the changes," he explains.

"At that meeting, Chris Graham stood up and said: 'Let's bring trust back into the business.' I liked that because the trust had sort of gone. It was something that stuck with me and it was nice to hear..."

The Citroën distributorship for Ireland had originally been held by a family-run firm, Gallic Distributors, before it was taken over by the Citroën Europe wing of PSA. Cathal says the transition to PSA meant that the much-appreciated 'family firm culture' and 'personal touch' – where dealers with an issue could ring up someone they knew and get problems resolved – disappeared in favour of a more-rigid 'corporate' climate. "Part of the business was run from the UK and the personal touch went out completely,"

he recalls. "But it's good to again be able to pick up the phone and speak to someone you know and be confident that what they say will be done. This has been a big change from the previous situation."

Not that being a Citroën dealer in Ireland had always been tough. "There were some great years, especially when we took on the franchise in 2001," he says. "There were new models coming to the range including the Berlingo van, which became the market leader. We took on Citroën at a good time; the manufacturer was redeveloping itself and our economy was starting to get better. But after the boom came the bust and we moved into challenging times. Fortunately, we were able to weather the storm."





Kilkenny Vehicle Centre's roots go back to 1989 when John O'Neill (left) took advantage of an opportunity to buy what was then a heavy truck business. Today it still involved with trucks as a Hino, Isuzu Truck and Iveco dealer as well as holding Honda and Citroen and DS dealerships. The business employs a total of 44 people and also undertakes heavy-goods-vehicle testing and CRVT testing. CRVT tests are similar to the UK's

#### WHAT HAVE BEEN THE BEST ELEMENTS OF IM GROUP TAKING OVER THE CITROËN & DS DISTRIBUTORSHIP IN IRELAND?

Cathal says the new Extranet system has been a welcome addition. "And the aftersales support has increased a lot," he adds. "That has restored confidence, which means I can back-up what I promise the customer when they buy the car. You must remember that outside the major cities we're operating

in parishes... Customers buying a car actually know the people at the dealership they are buying it from."

How does he summarise the change of distributor?

"IM has offered a fresher outlook for the Citroën franchise. I can see a future in it. I can see the investment that the IM lads are putting in. I can see the people they are employing, and that's going to grow. When you see IM investing its own money you know that stability is going to be put back in."

However, following the take-over by Citroën Europe from Gallic Distributors in November 2009, Cathal says increasing economic pressures – and the relationship with a more-corporate distributor – meant being a Citroën dealer was not entirely comfortable.

**"...IT'S GOOD TO AGAIN BE ABLE TO PICK UP THE PHONE AND SPEAK TO SOMEONE YOU KNOW AND BE CONFIDENT THAT WHAT THEY SAY WILL BE DONE"**

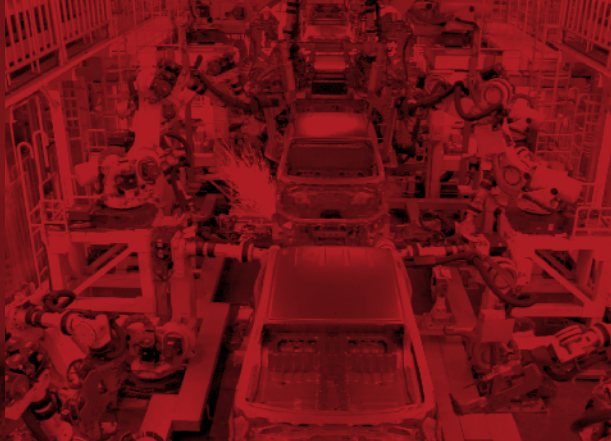
He says last year's change of distributor to IM Group went well, although it wasn't without some issues. "Yes, there were a few teething

troubles at the start. But everyone has those and there were none that couldn't be overcome. There have been a lot more positives to the takeover than negatives and, by and large, the negatives have all been outside the control of the IM Group. And to be fair to IM, they have taken on the Citroën franchise at what is still a challenging time – not only for Citroën dealers, but for all dealerships.

"In the Irish motor trade right now there is nervousness because of Brexit, and because of the way Sterling is at the moment. But I think that will settle in time, and it's for people not to panic because there's been good confidence brought back into the market this year and it would be a shame to see all the hard work lost. The future for

Citroën in Ireland looks to be bright – and there's some exciting new products coming."

During Kilkenny Vehicle Centre's 15 years with Citroen it has won Sales Dealership of the Year in 2006 and Service Dealership of the Year in 2007, "But winning the overall Dealership of the Year 2016 has been great," says Cathal. "My father accepted the award from Chris Graham at the Dealer Conference in September and we later took our staff out to celebrate."



# A YEAR TO REMEMBER AS ISUZU TURNS

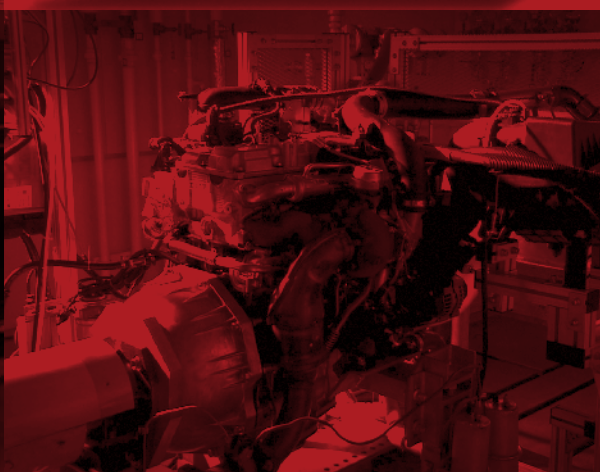


That was the year that was as Isuzu celebrated its centenary and UK sales convincingly smashed sales records in an ever more competitive market! Although the 100-year anniversary wasn't until

April, celebrations started early when, in January, the official sales figures for 2015 were released, showing 6,220 units sold – up a huge 13 per cent on the previous year.







To celebrate Isuzu's great performance all 105 dealers from the UK were among a party of 200 who were flown to Barcelona in a chartered plane for the annual awards dinner. Guests stayed at one of Barcelona's best hotels, the striking 325ft-tall water-front Hotel W. During their stay, dealers attended presentations where they were given details of future plans and the objectives for 2016.

Isuzu's performance in recent years has been one of the strongest across any sector of the automotive industry in the UK, and 2015 was the third consecutive year of record growth for the brand. It was also Isuzu's sixth consecutive year of growth for the marque in the UK. The 2015 sales record was a staggering 478 per cent improvement over the sales figure for 2009.

With several competitors launched during 2016, Isuzu concentrated on the multi-award winning D-Max's strengths. William Brown, operations director at Isuzu UK, said: "We believe a pick-up should be a workhorse and we emphasised the D-Max's merits as a work vehicle."

Special editions were launched to commemorate the landmark centenary – and all sold out! The Isuzu D-Max Blade – the flagship model – was given a centennial Venetian Red paint finish and a limited run of 100 made. The 100th day of 2016

was deemed National Isuzu Day and celebrated with the launch of another limited edition, the D-Max Centurion. Again, customers were quick to get their hands on the 100 exclusive models. Other special offers were also announced, most focused on the '100' theme and they all proved extremely popular.

Isuzu's sustained and impressive growth in the UK is a reflection of the global success of the brand, founded on a rich 100-year history of accolades and world-firsts.

Starting as a merger between a shipbuilder and an energy provider in 1916, the first vehicle to roll off the production line was the A-9 in 1922. It was the first passenger car ever built in Japan and spearheaded one of the world's biggest industrial success stories.

But it wasn't until 1949 that the 'Isuzu Motors Limited' name was adopted by the Japanese company, a brand name that has since been on many hugely successful passenger cars, rugged 4x4s, pick-ups and commercial vehicles sold throughout the world. Literally translated in English as 'fifty bells', the '50' part of the name was represented by the Roman numeral, 'L', in the model names Bellel and Bellet, which were the very first Isuzu models released in Europe in the

1950s. Since then, Isuzu has won global acclaim with vehicles released in more than 100 countries.

The Isuzu 117 Coupe was a pioneering concept, recognised as the first-ever sports car with a diesel engine. It was followed soon afterwards by the Isuzu Piazza, a unique fastback with all-wheel drive system, and also the last conventional passenger car before Isuzu focused its attention to specialist 4x4 production.

Alongside a commercial vehicle division, large multi-purpose vehicle, SUVs, 4x4s and pick-ups have become Isuzu's speciality. The most notable models from the 1990s and 2000s include the Trooper, VehiCROSS, MU and Rodeo.

2016 also marked 30 years since International Motors began importing Isuzu vehicles, when it seized the opportunity to capitalise on the growing public popularity for reliable Japanese vehicles in the UK.

While the D-Max has proved the best seller, among the varied range of vehicles Isuzu brought to the UK, it was the Trooper that really set the brand on its way.





# THE NEW AT35

STANDING OUT FROM THE CROWD IN TERMS OF BOTH ITS UNPRECEDENTED OFF-ROAD CAPABILITIES AS WELL ITS AESTHETICS, THE AT35 WAS BUILT ON THE STRONG AND DURABLE PLATFORM OF THE MULTI-AWARD WINNING D-MAX.

Arctic Trucks, an Icelandic-based vehicle engineering specialist, has developed and built professional 4x4 vehicles for more than 25 years. The Isuzu D-Max Arctic Trucks AT35 was the first Arctic Trucks pick-up in the UK that could be ordered directly from a vehicle manufacturer's dealer network.

Among its many upgrades were special running gear and huge 35-inch Nokian Rotiiva AT tyres mounted on 17x10 rims, giving the vehicle extra ground clearance - and stand-out looks.

And the Press just loved this ultra D-Max:

Auto Express: "The Isuzu D-Max AT35 is as seriously capable off-road as you would expect

given the involvement of a brand like Arctic Trucks"

"...the increased approach and departure angles allow it to tackle almost vertical inclines without breaking a sweat."

Autocar: "In a word? Unstoppable."

"Not once did we lose traction or trigger the ABS. Truly remarkable."

"...is it a worthy alternative to the iconic Defender? It absolutely is."

CAR: "Off-road enthusiasts in particular will appreciate its go-anywhere ability and that they can customise it to their specification. Plus, who wouldn't love something that looks like a road-going monster truck?"

Even before the AT35 version was launched, the D-Max had picked up yet another award. At the UK Commercial Vehicle Show it was crowned the 'Best Workhorse Pick-up' in the 2016 Trade Van Driver Awards. It was the third consecutive win for the Isuzu.

In awarding the honour the judges said:

"A hardworking, gutsy performer, the Isuzu D-Max offers robustness, as well as class, plus incredibly low cost of ownership figures."

With a now-crowded and competitive market place, Isuzu UK are looking forward to the launch of the latest generation Isuzu D-Max.

William said: "The model year 2017 D-Max will take the product much further. Everything about it is new, from both the exterior and interior. But in particular it will have a cutting-edge power train.

"Armed with the new vehicle we will be going for growth again in 2017. Our plans are ambitious, but we will have a great product to play with. It's going to be an exciting year for both us and our dealer network."



SUBARU

# *Racing Back*

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*Subaru stunned the world of motor sport when, back in January 2016, it announced that the marque would be returning to the sport – and not in the discipline of rallying, which brought the brand such fame, particularly with Colin McRae at the wheel.*

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*Paul Turniccliffe tells Hatty Gourn why.*

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As if that wasn't enough, Subaru was going to enter the Dunlop (MSA) British Touring Car Championship with what pundits and critics alike thought the most unlikely car. Instead of the obviously sporty Subaru WRX STI, the car to be raced was the Levorg estate car!

While racing aficionados gasped to take all that in, there was another shock to come. Instead of using the normal BTCC approved Swindon Engineering racing engine, which most teams favour, Subaru was going to develop and use race-prepared versions of its famous Boxer engine.

So why make such a radical decision to go into a sport where Subaru had no background

or experience in the UK? Subaru UK's Paul Turniccliffe, explained the logic behind the decision.

"Looking back, Subaru was once all about our famous blue cars, gold wheels, those great big spoilers and all those great images of our cars flying through rally stages. But that was then and times have changed. We had nothing to prove in rallying, having dominated the sport for many years, we needed a motor sport project that gave us new opportunities to promote the brand in a fresh way, to a new audience."

Paul explained that since the end of Subaru's all-conquering rally era he had been contacted many times by private motor sport teams looking

to either re-create those glory days or contract into other forms of motor sport – at Subaru's cost!

Then, over the Christmas break, he was contacted by Team BMR. Again it looked as if it would be a non-starter as he was aware of the huge costs involved in entering, let alone being competitive, in the British Touring Car Championship. "However, when the team explained that they had their budget in place and were looking for a partner who could supply cars and not a huge amount more, it suddenly had a logic that was hard to resist! It would be a comparatively low-cost way for Subaru to get into a sport offering TV exposure that would normally cost huge amounts."







Team BMR had already started to analyse the potential of Subaru models even before the end of their successful 2015 season running VW Passatt CC cars.

They had looked at what for many, was the obvious Subaru – the WRX STI. But they were in for a shock when Paul put forward the Levorg instead. This is where a stroke of marketing genius enters the story. Paul explained the logic. “It would have been so easy for Subaru to go the same route as Honda or Ford and to have gone with an obvious performance model. But the modern Subaru image and our model line-up has moved on over the years. SUVs and estates lead our sales charts these days, and that’s what we need to publicise and get behind. So we proposed the Levorg.”

Team BMR, although initially taken aback by the radical suggestion, agreed to look at the idea in some depth. Levorg road cars went to BMR on test and the hard-nosed racing team came back with their verdict – it could just work!

Amazingly, one of the characteristics in favour of the Levorg was a design going back 50 years to its roots – the Levorg’s low-lying, flat-four, Boxer engine. It meant the engine naturally kept a low centre of gravity and getting the weight down low is a boon to being competitive given the latest BTCC construction regulations.

Paul explained: “The Levorg is, in many ways, perfect for the new engine regulations for BTCC cars. Within the rules it’s all about the engine and the positioning of its centre of gravity. Under the old regulations you could tweak the suspension set-up to overcome issues such as tall engines with higher centres of gravity. But the new rules didn’t allow that and basically, everyone had to have the same suspension set up.”

The Levorg’s estate body, perhaps surprisingly, has advantages too, explained Paul: “Aerodynamic tests on the Levorg were actually extremely good. That all-important drag coefficient is superior to that of the STI.” In fact the whole body shape of the Levorg worked well.

Sadly, the Levorg’s legendary symmetrical all wheel drive format had to be sacrificed to satisfy the Championship’s requirement for two wheel drive cars, but that was no crisis for the team, who simply disconnected the front wheel drive system, to convert the car to rear wheel drive. And that improved the near-perfect weight distribution even more.

Engines, body shells, panels and spares had to be brought in from Japan as the new racing Levorg took shape in the pre-season build-up. But while other BTCC teams had many months of preparation for the 2016 season, the new Subaru-backed team had a fraction of that time to build, fire-up and test.

Team partner, Mountune, did a fantastic job of turning the 2.0-litre, four-cylinder turbocharged Subaru Boxer engine into a fully-competitive racing engine. A task that should have taken months was accelerated thanks to dedicated team members who worked well into the night on many occasions!

So the scene was set for Subaru’s return to top-class motor sport in a package that had BTCC fans scratching their heads – an estate car from a brand that had never been seen on the UK tracks before. What could Subaru be thinking of?

Finally, the other shock in the run up to the start of the season was the selection of drivers and how many there were! Team Subaru BMR brought together the dream team with former BTCC champions Jason Plato and Colin Turkington along with team principal, Warren Scott, and young-gun, James Cole. Why enter just two cars when you can go for four!

*“Aerodynamic tests on the Levorg were actually extremely good, that all-important drag coefficient is in fact superior to that of the STI.”*



## A BRIEF HISTORY OF THE BTCC

SUBARU'S FIRST YEAR IN BRITISH TOURING CAR CHAMPIONSHIP SAW THE RESURGENCE OF THE BRAND IN ONE OF MOTOR SPORTS MOST FIERCELY FOUGHT CONTESTS.

**ALTHOUGH IT MAY NOT HAVE THE GLOBAL FOLLOWING OF F1, THE BTCC HAS A PROUD HISTORY AND PASSIONATE FOLLOWING, WITH A PARTICULARLY STRONG FAMILY FAN BASE. IT'S A CHAMPIONSHIP FULL OF DRAMA, SPORTSMANSHIP AND INSPIRATION – AND SUBARU, AS THE NEW BOYS IN THE PACK, CONTRIBUTED IN SPADES DURING THE 2016 SEASON.**

From next season BTCC races will be broadcast in the USA and will potentially attract tens of thousands of new followers. Although it is billed as a British championship, and all the rounds are at UK tracks, there is a huge following across Europe. But how did this series, which takes in internationally-known circuits such as Brands Hatch and Donington along with club-orientated tracks such as Oulton Park and Knockhill, begin?

Back in the 1950s Stirling Moss's manager, Ken Gregory, saw the rising popularity of saloon car track racing. But there was no national championship to act as a centre-piece for the emerging sport. He convinced the British Racing & Sports Car Club to draw up official rules, and the first championship was under starter's orders in 1958 – although the very first race counting towards that year's points table took place at

Brands Hatch on Boxing Day 1957. It was won by Tommy Sopwith driving an Equipe Endeavour 3.4-litre Jaguar.

In those early years some very unlikely 'racing cars' took to the track. The likes of 1.5-litre Rileys, Austin A35s and Ford Prefects thrashed it out for the honours in what was then an engine-size class system. It wasn't until 1991 that a single, 2-litre engine formula was introduced.

But back in the '50s virtually any saloon car was eligible for Britain's only saloon car series. In the early days, tuning was fairly basic – in most cases, raising the compression ratio by skimming the cylinder head was the most common means of turning everyday cars into 'performance' models.

Into the '60s the championship grew in popularity when the Midlands-made Mini entered the scene. The little giant-killer drew bigger crowds to the circuits and factory teams started to appear as major manufacturers saw the marketing opportunity of saloon car championship racing. The phrase "win on Sunday, sell on Monday" Was not coined for nothing!

It was also the era of big American 'muscle cars' and the British-built Ford Cortina. So the British championship was already taking on an international flavour when, in 1961, US star Dan Gurney raced a

V8 Chevrolet Impala at Silverstone. By the mid-'60s Ford Galaxies, Ford Mustangs, Falcons and Chevrolet Camaros were pounded round the British tracks.

The BTCC has been graced by some of the world's top racing drivers over the years with Jim Clark winning the 1964 championship in a works-prepared Lotus Cortina, showing the American muscle car drivers just what could be achieved with superb driving skills over outright power.

Rule changes in 1966 kept the all important silhouette of everyday saloons, but introduced greater engine and suspension tuning. Along with 'slick tyres' it added even more spectacle. Cars got faster and noisier and the crowds just kept on getting bigger.

New rules again in the '70s effectively saw the end of the big American V8s – in 1973 the championship was won by a massive 7-litre Camero! The following year it was won by a more humble, but still extremely fast, Hillman Avenger.

With the big Yanks out, it was drivers in Ford Capris who dominated the late '70s and early '80s. The 1980s also saw new challengers emerge – Japanese manufacturers. Tom Walkinshaw introduced crowds to a completely new car and sound – the raucous, rotary-engined Mazda RX7 – and duly won his class in 1979, while

Win Percy collected two of his three titles in a TWR Mazda in 1980 and '81.

However the Japanese didn't have it all their own way. Rover Vitesse and Ford Sierra cars had great success in the mid-'80s while brands such as Colt and Nissan joined the fray.

Major rule changes in 1987 saw the championship formally named the British Touring Car Championship and it was acknowledged as one of the most exciting seasons. It was the swansong for the Rover Vitesse as it gave way to Ford's mighty RS500 Turbo, ultimately beaten the following year by Frank Sytner and the Prodrive BMW M3.

The BMW went on to become one of the BTCC's most iconic cars, with the German brand adding again to the international flavour of the British championship. But Vauxhall also had their time in sun with a prolonged series of winners.

Over the years most major manufacturers have been in the BTCC in one form or another, either as official works teams, works-supported teams or independent entrants.

Among the recent entrants have been Honda, MG and, most recently Mercedes-Benz. So Subaru is in great company as the team looks back at a truly exciting maiden season and looks ahead to an even more successful 2017 season.



# ROUND BY ROUND

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SUBARU'S LEVORGS TOOK THE BRITISH TOURING CAR CHAMPIONSHIP BY STORM IN A DEBUT SEASON PACKED WITH THRILLS, SPILLS AND DRAMA WHICH AT TIMES READ LIKE A FAIRYTALE!

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While all the big named teams had months to prepare for the season, Subaru stunned racing fans and pundits alike by rolling out what many thought was the most unlikely car ever to compete in the BTCC.

Just 87 days (and nights!) before the season opening rounds at Brands Hatch, Subaru's squad of four race-going Levorg GTs had not even turned a wheel.

Brands saw the Silverline Subaru BMR Racing team pick up its first points when race ace Jason Plato charged through the field from almost the back in Race 2 to cross the finish line in 13th place – lucky for some!

In the third and final race

of the day team mate Colin Turkington went one better with a 12th place. Not on the podium – but all four Levorg's had turned their wheels in anger and survived tin-top racing's first of 10 rounds.

However, it was to be a season of huge ups and downs – but the name Subaru would never be out of the headlines.

From Brands Hatch the championship moved to Donington Park, the sweeping Leicestershire track where the Levorg's were in the thick of it again. Race 1 had to be red flagged when James Cole's Subaru caught fire due to a specific racing component causing

fuel line issues. The same gremlins put an end to team boss Warren Scott's Levorg in the final race of the day.

Fires and high-octane racing cars don't go well together, so the team took the toughest of all decisions and did not compete in the next races at Thruxton.

But it was the right decision. The risk of cars catching fire had to be faced and resolved. The enforced lay-off also allowed the team to deal with issues hampering the Levorg's power. So did the changes make a difference? Oulton Park was next up.

Turkington placed his car in pole position in a strong qualifying session





for the team. So, no matter how painful it was to sit out Thruxton, the Levorgs were back, stronger, faster and eager for podium places.

Race 1 saw Turkington not only taking an emphatic win but Plato was third – what a result in a fast and furious race! It was a huge crowd pleaser as the Levorgs were cheered by thousands of racing fans as they crossed the winning line. Would this mark a change for the team going forward?

Turkington was runner-up and Plato third in Race 2. By now the Subaru team was beginning to wear the steps of the podium thin! More success, more points and even more applause from the crowds.

Plato made the podium

again with a third place in Race 3.

With the fantastic results of Oulton Park still echoing, the Levorgs arrived at the fabulous Croft circuit ready for action at the half way mark of the season.

Croft saw some furious door-to-door racing with cars skidding off the track in all three races and the safety car seemed to spend as much time on the track as some of the racing cars! But Race 1 ended in an historic 1-2 for the Levorgs with Turkington collecting his 38th winner's trophy and the second of the season for Subaru.

Race 2 saw even more track mayhem with the Levorgs of Plato and Turkington 'kissing' as the team had given a 'free-to-race, no-team-orders' policy as they battled it out between themselves and arch-rivals BMW. Spins, scrapes and brilliant crowd-pleasing driving saw Plato take his Subaru home in 2nd place and Turkington 3rd.



Next up, Snetterton saw a brilliant team result in Race 1. A terrific move by Turkington saw his Subaru jump Sheddon's Honda to take the lead on lap eight. He claimed the victory, Plato was a valiant 5th and Scott matched his career-best in 9th with Cole 10th.

But racing's a cruel mistress and the second race was sheer chaos. Cole was forced to retire due to a broken half shaft and Scott was hit at the first turn and span across the track.

Minutes later there was another huge pile up and the race was red flagged. But it meant Turkington was in the No1 slot when the race re-started, only for yet another pile up. The race ended with Turkington taking his second runner-up slot of the day. Plato was 6th.

Drama was the name of the game throughout the Snetterton meeting and the final race was no exception. This time the crashes didn't just involve cars on the track as one car was sent barrel rolling into a TV camera tower! Luckily the cameraman wasn't injured but the race was halted.

The re-started race ended with Plato taking 4th place, Turkington 6th and Cole 19th. The Silverline Subaru BMR Racing team picked up the Team Trophy due to out-scoring all other teams over the weekend.

Scotland's Knockhill circuit

was a dream outing for Plato with Race 1 seeing the veteran BTCC star take his Levorg from start lights to the chequered flag and victory – his first race win of the season, in his 500th career BTCC race. Turkington put his Levorg in third slot and yet another podium.

Race 2 again saw Plato on the podium in 3rd place. Turkington was just behind in 4th.

Disaster struck in Race 3 when Turkington and BMW driver Collard made contact, sending them both spinning out. Plato meanwhile, in a real battling race, took third spot. What a day for Plato and his Levorg – three races, three podiums!

On to Rockingham and Subaru lifted the Manufacturer Trophy

with Plato on the podium yet again in third place in Race 1 with Turkington adding to the team's points in fourth.

But Plato had to sit almost all of Race 2 out due to damage on lap one and Turkington ended in the mid-field in a scrappy race. Race 3 was looking to be a repeat, but Turkington again showed his outstanding driving skills making his way up to the 3rd spot and a podium, his 8th of the season, from 15th on the grid.

Silverstone, the blue-ribbon track of UK motorsport, was up next but the team just couldn't get to the front in any of the three races, although they managed to keep on adding to the huge points tally.

Back to Brands for the final





three races of 2016 which saw Turkington score a lights-to-flag victory in a re-start of Race 1 as well as a point for the fastest lap and 22 points overall. Not bad!

Race 2 had early crashes and a re-start, which saw Turkington surge ahead. Plato moved up to second and acted as a rear gunner for Turkington, resulting in another spectacular 1-2 Levorgs

finish. And both the Subaru stars were carrying 'success ballast' – making the victory even more remarkable.

There was no glory in the final race of the season, but what an astounding debut for Subaru in the BTCC.

From a standing start with virtually no time to get the Levorgs race ready, Silverline

Subaru BMR Racing shocked the championship to its roots and came within a whisker of Turkington and Plato walking away with championship title.

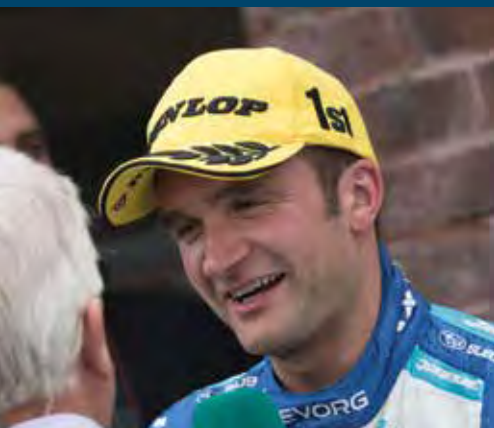
The team had the frustration of having to sit out Thruxton – who knows how the championship would have finished if the Levorgs could have raced there!

Turkington finished the season

4th and Plato 7th. Bring on the 2017 season!

For Subaru it put the brand in front of a vast new audience across the UK and beyond. Paul Tunnicliffe, managing director, Subaru UK said: "We attended every round, with dealers as our guests. Even our colleagues in Japan watched the races, often live in the middle of the night."





COLIN TURKINGTON

## COLIN 'THE TURK' TURKINGTON IS RECOGNISED AS ONE OF THE MOST SKILFUL, COMPETITIVE AND LIKEABLE LADS IN THE BTCC LINE UP.

Like many top F1 and BTCC drivers, Colin began his motor sport career in karting. And, like most top drivers these days, he took to the track at a tender age. 'The Turk' was just 11 years old when the Portadown lad began racing in the Ulster Karting Series before moving on to autograss and then, in 1998, took his first real title in the Northern Irish Metro Championship.

From these humble beginnings Colin built up a reputation for being both brave and also dependable in a sport which demands both a tough competitive mind and the ability to take the 'long view' of a race where just being flat-out fast is never enough.

He jumped up to his first season in the BTCC in 2002 in an MG ZS sponsored by none other than the pop group Atomic Kitten. He finished the season as a very creditable 14th in the tough Driver's Championship.

Colin clocked his first BTCC race win in the season's opening race at Brands Hatch the following year in an MG with West Surrey

Racing. From then he had a mixed period of teams and cars and he was just pipped to the overall championship title in 2006 by his now Levorg team-mate, Jason Plato.

He hit BTCC headlines in a fabulous season in 2009 when he grabbed the championship lead half-way through the series and went on to claim his first championship title in a thrilling finale after a string of six race wins and 18 point-scoring finishes. His consistency set Turkington apart from the rest of the field.

Turkington took his second BTCC championship crown in the 2014 season driving a BMW 1 Series and went on to join Team BMR which began racing Subaru Levorgs in 2016. After a slow start to the season – not to be unexpected in a new car - the Levorgs got stronger and stronger throughout the season with the car gaining its first win at Oulton Park with Turkington going on to take four wins and gaining a highly-creditable fourth place in the 2016 drivers championship.



JASON PLATO

## JASON PLATO IS MR BTCC HAVING WON MORE RACES AND CLOCKED UP MORE FASTEST LAPS THAN ANY OTHER DRIVER IN THE HISTORY OF THE CHAMPIONSHIP.

The Oxford-based racer is recognised as being one of the most competitive of all drivers, with a speciality of charging from the back of the pack through the field to, more often than not, a podium finish.

He made his BTCC debut in a Williams-Renault in 1997 and duly announced his arrival on the scene by taking pole position at his very first attempt at the Donington Park season opener. He finished third in his maiden BTCC season, a quite staggering performance. He remained with the Renault squad until it withdrew from the championship at the end of 1999.

Plato then signed with Vauxhall and secured his first BTCC champion title in 2001 before leaving the series for two years.

He returned in 2004 with SEAT and continued to notch up victories at an impressive rate. But a second championship title eluded him for a while

– although he did become the first driver to win a BTCC race behind the wheel of a diesel-powered car in 2008.

Driving an RML/Racing Silverline Chevrolet, Plato finally secured his second BTCC title in 2010 before signing for the Triple Eight-run MG squad in 2012. He finished third in the championship in 2012 and 2013 and then helped MG to win the coveted manufacturers' title in 2014 while finishing runner-up in the drivers' classification.

For 2015, Jason joined the fledgling and ambitious Team BMR, piloting a Volkswagen CC to second overall. In 2016, Plato stayed with BMR when it switched to the factory-backed Subaru Levorg GT.

In its first season the racing the Levorg improved throughout the season with Plato ending 2016 in a strong seventh place.



SUBARU

UK

*Clearly designed to prompt the enquiring mind, the headline in this advertisement raises an interesting – if not readily answered – question. After all, surely all 4x4s are the same...*

*But they're not! And the message here is that Subaru's unique symmetrical all-wheel drive system – unlike other 4x4s – offers superior grip in the most difficult and demanding of adverse conditions. And no matter which of Subaru's range you choose, like the XV illustrated, it will be a 'proper' 4x4 because the entire line-up comes with symmetrical all-wheel drive as standard.*

## WHAT'S THE DIFFERENCE BETWEEN A 4x4 AND A PROPER 4x4?



# THIS.

### WHEN YOUR CAR CAN'T, SUBARU CAN.

Only Subaru has **Symmetrical All-Wheel Drive** technology. Which means unlike normal 4x4s, you'll have superior grip in the most adverse driving conditions. Mud, wet fields, sand, rocks – you name it. So, if you're looking for a proper 4x4 that can take on anything, maybe it's time you rethink Subaru.

**Symmetrical AWD** technology, standard throughout the range\* with the Subaru Impreza 1.6i RC starting from just £17,495.\* To discover more, search **Subaru Can**.



**SUBARU RANGE** Fuel consumption in mpg (l/100km): Urban 25.2-41.5 (11.2-6.8); Extra Urban 40.4-61.4 (7.0-4.6); Combined 33.2-52.3 (8.5-5.4). CO<sub>2</sub> Emissions 197-140g/km. MPG figures are official EU test figures for comparative purposes and may not reflect real driving results. \*Subaru Impreza 1.6i RC available from £17,495. Model shown Subaru XV 2.0 SE Premium CVT.

\*Excludes Subaru BRZ.

# ON A WINNING STREAK A CLASSIC COMEBACK

Looking back on 2016 it has, to coin a familiar football commentator's cliché, been a year of two halves, says David Challinor, managing director of The Funding Corporation (TFC). "The first half of the year saw a monthly decrease in total monthly lending, whereas this trend has been reversed with the latest results showing that October 2016 was the best lending month ever for Dealer Finance."

It's the kind of comeback performance that England, or any other national football side, could only dream about. What's more TFC's stunning turnaround comes on the back of one of the toughest recent climates in the financial-lending sector.

This dramatic turn round in the company's performance can be attributed to the better alignment of the Inisium product, which was purposely designed for credit-challenged car

buyers, and service-offering with other sub-prime motor finance lenders. "Lending is quite straightforward," says David, "the combination of rate (APR), the loan amount offered and any specific conditions attached to the decision determines which lender is given the lending opportunity." However, the real difficulty for all lenders is how frequently it offers the lowest APR, the highest advance and the fewest additional conditions when compared with the competition.

Regulation introduced by the Financial Conduct Authority (FCA) makes it incumbent on all credit brokers and finance providers to provide customers with a fair outcome. The FCA wants customers to be given more choice and this has led to brokers, in particular, sending applications to many lenders so that they are able to demonstrate that they have obtained the

best deal for a customer. As a result, competition between lenders is ferocious and there is a great danger of it becoming a race to the bottom, with rates becoming ever lower and lenders relaxing their credit policy to get more customers on-board. This can lead to higher levels of payment arrears.

Differing interpretation of the new regulatory framework by the various finance lenders has resulted in quite marked differences in the requirements and processes used. Initially, TFC took a very prescriptive approach to the principles-based approach recommended by the FCA. "But this made us uncompetitive," explains David. However, by adopting a more proportional approach TFC is now competing on a more level playing field.

"Going forward, it is crucial that TFC continues to apply advanced credit-risk analysis





*“As with all businesses the staff play a crucial role in its success and I am particularly proud of my team.”*

*David Challinor,  
Managing Director  
The Funding Corporation*

techniques to the competitor intelligence data collected by the sales team, and to the rapidly growing bank of Dealer Finance performance data built up since the launch of the Inisium product,” says David. “Additionally, it must also continue to implement automation tools to increase operational efficiencies, improve service delivery and create the additional capacity required to process increased volumes of business.

“Previously, I have mentioned the cost to TFC from legacy issues, in particular the sale of Payment Protection Insurance (PPI). I am pleased to report that, after a major two-year project, the exercise to redress all affected customers is now complete.”

In June 2016, a new five-year lease was secured on International House, TFC’s operational offices on the outskirts of Chester, which served

to send out a message of re-assurance to all TFC staff. This has been extremely important after a period of uncertainty over the future of the business following the closure of ACF Car Finance and the company’s re-entry into Dealer Finance lending.

Summing up after a particularly challenging period for the business, David says: “As with all businesses the staff play a crucial role in its success and I am particularly proud of my team. Throughout the various set-backs to the business the staff has remained very loyal. In fact, more than 60% of the staff has more than 10 years’ service, and four members have just celebrated 15 years of service.

“This is a tremendous achievement in today’s very dynamic jobs market. A further two key senior appointments will shortly be made and then I believe we will have all the ingredients to

really make the Dealer Finance business a great success.

“Finally, in the immediate future the major business priority is to grow Dealer Finance to cover all the costs. Currently, the legacy loan books are still making a contribution to overheads and profit. But this contribution is steadily reducing as the books continue to run-off. However, any growth must be sustainable and profitable. Therefore it is crucial that we do not compromise on credit quality in pursuit of our long term goal.”

# *all go on* **ONE SYSTEM!**



## **IM GROUP'S HUGE SURGE IN BUSINESS OVER RECENT YEARS HAS CREATED MASSIVE ADVANCES – BUT ALSO ONE HUGE HEADACHE!**

The rapid expansion of the business, particularly the global spread, was beginning to outpace one of the key behind-the-scenes areas of the company – IT.

So many different parts of the company were using so many different systems that the day-to-day business was beginning to suffer. And it was threatening efficiency.

So Project Paradigm was launched to assess and address the issue. It was, and is, a major project that shouldn't be underestimated as IT manager, Nick Flavell, explains. "All IM Group businesses had been using Microsoft Office products for years, but there were different versions of Word, Excel, Powerpoint etc, with the biggest difference being between the Automotive divisions and our Property division.

"The Automotive business used Lotus Notes for e-mail and calendars but IM Properties, Spitfire LLP and IMEM (Citroen in Ireland) used Microsoft Outlook for mail and calendars."

So it was decided to move everyone to the Office 365 suite of on-line software and services so that all staff would be on the same platform for e-mails and all office applications. Simple?

Not quite! The challenge was actually much bigger than describing it suggests

"We had to improve collaboration, not just within the IM Group but also with our external partners and suppliers," says Nick. "One of the key challenges involving anything at IM is the fact that most people do more than one job or role. Trying to give them the flexibility to carry out one role in one area of the business – and then move on to a totally different task – meant swapping from one system to another. But if they had to access material from different sources, it just made it over-complicated."



Andrew Edmiston, Managing Director of the IM Group, and other senior managers could see the issue and the need for cross-company collaboration, explains Nick. “We wanted a new way of working that matched Andrew’s vision of our working with agility, openness and inventiveness. Sharing files and working on documents together is, we believe, the way forward to improve our business.”

Andrew had also identified the benefit of fully involving Pieter Stockman in Sweden, the Nordic IT specialist. The Nordic businesses have been very successful over recent years, having grown greatly in both turnover and sales. “We in IT have worked with Pieter for a few years now,” says Nick. “It was important to have buy-in and commitment across the whole of the group’s automotive group.

“We started the initial investigations around a year ago. We found partners to achieve the migration, as specialist knowledge is required. It took a while to agree the scope and content, but we started in the summer and the first part of the transition began in early November when Lotus Notes users migrated across to Office 365, with Outlook users following a week later.”

It meant people initially had 90 days worth of e-mails on the Monday morning following the weekend transition! But the pain was over within a few days once the system ‘back-filled’ over the next few days.

A new IT and Communications Policy has been put into place to help everyone understand their responsibilities going forward. This highlights the need to maintain security and the integrity of company data.

As well as a technology change by moving from Lotus Notes for the vehicle business, it was seen, and hoped, that Office 365 would also bring a cultural change within working practices of IM Group.

“We wanted to get quicker and clearer communication amongst ourselves and with external partners,” says Nick. “We wanted to push boundaries and improve collectively. This different approach will be a change and that can be unsettling. But it’s essential to improve efficiency.”

Project Paradigm also selected a Cloud computing solution to aid access to data and files from anywhere in the world – particularly important as the IM Group increasingly goes

international with, for example, UK managers often having to work not just from different countries, but from different continents.

It makes large, complex documents – such as architectural drawings or technical illustrations of cars – instantly accessible to everyone across the business. The Cloud is a tool which reflects the company philosophy of being open to all employees.

“I hope Skype for Business will also be adopted by users,” adds Nick. “It really is a great productivity tool and should allow people to have many off-site meetings without the need to travel. It allows several people at one time to link up in different geographical areas quickly and effectively. Of course, on many occasions people have to go overseas. But Skype conference calls can augment this.”

Such a major systems change has, of course, brought with it a big training programme. This has been rolled out through the VISION training platform, administered by Donna Chambers at IM House in Coleshill.

A survey of staff was carried out right at the start of the project and feedback showed that people wanted lots of improvements to communications within the company.

Improvement means change, but often change can be unsettling. Project Paradigm needed everyone to embrace, not just change for changes sake, but to allow everyone to work better.

Although the project was largely about improving IT, great emphasis was put on reminding everyone that the most important element is not a machine, but people’s brains!

Office 365 ‘Super Users’ were on hand to assist everyone in making the change to what is best business practise.

Nick sees the roll out of Project Paradigm as something that the company will look back on as a really important decision. “Of course there will be issues as we continue to go live. But the Paradigm and IT teams are determined to make a success of this.”

Sharing information with the dealers was further supplemented by the launch of the new Extranet in December. This was pioneered in IM Nordic by Pieter Stockman and has been adopted across the UK and Ireland to aid information sharing.

**“WE WANTED TO PUSH BOUNDARIES AND IMPROVE COLLECTIVELY. THIS DIFFERENT APPROACH WILL BE A CHANGE AND THAT CAN BE UNSETTLING. BUT IT’S ESSENTIAL TO IMPROVE EFFICIENCY.”**





# *Isuzu Sweden*

## GOES 'ALL THE WAY'



*IM gets off to a great start in Sweden with Isuzu reports Thomas Possling. After less than a year IM Nordic set a new sales record with the brand, appointed 20 new dealers and the dealer network is more motivated and enthusiastic than ever. Plans for next year? Easy – double sales at least!*





Everything is pointing in the right direction now as IM Nordic looks back on a year packed full of action. In fact, progress in less than 12 months has been absolutely breathtaking. Team Isuzu Sweden has been formed as the new importer and distributor, a new sales director has been hired, the dealer network has been re-shaped, a brand platform has been adopted, a huge range of accessories has been evaluated and many events have been carried out across the country.

Within this whirlwind of activity, Isuzu has set a new sales record in Sweden. More than 620 units were sold in less than a full year, an increase of 32 per cent over the previous year. Gustav Freij, brand director for Isuzu Sweden, said: “We are of course happy and I am grateful for all the effort and hard work from my team. Our stock will be sold out in good time for the introduction of model year 2017 cars and we can start pre-sales as planned.”

Gustav paid credit for this impressive, almost instantaneous success, to the support and guidance from IM in the UK. Even though IM’s headquarters in Coleshill and IM’s Nordic HQ in Malmö are around 1,000 miles apart, the cooperation has been first class. Gustav said: “IM in the UK and their experienced guidance in the pickup business was extremely helpful to us.

“Without that and their track record, our journey would have been much harder. The fact that IM Nordic has proved themselves skilled in re-launching vehicles has, of course, also been

helpful and has given lots of positive synergies for Isuzu in Sweden.”

Today the Swedish office consists of three teams. The blue team (Subaru), the red team (Isuzu) and the black team that supports both brands. This has proved highly effective, but there are in fact no sharp dividing lines between the teams. The “family” still acts as one, despite the internal competition, that in the end only inspires everyone to even higher sales volumes.

Gustav explained how the first year of Isuzu under new ownership had gone. He said: “Building up a strong and motivated dealer network was actually easier than we expected. The majority of old dealers were desperate for support, ideas and action.

“But by the end of our first meeting in Malmö they were convinced as we laid out our ambitious plans. The odd few who didn’t want to become sales partners, and part of this great journey, told us so and they were replaced. Now, most of the open ‘white spots’ have been covered and next year we will only need to contract a handful of new dealers.”

Team Isuzu has implemented the same thinking that Subaru Nordic started under the theme of ‘All The Way.’ Fortunately the team felt that the same values that they used for their Subaru brand platform equally applied to Isuzu. Gustav explained: “As a smaller player we can’t do everything. But all the things we do, we do ‘All The Way’. This means that our employees, our

dealers and their staff enjoy more-active education and experiences with us.

“A typical sales training event will most probably not be conducted in a five-star hotel with hours of boring PowerPoint presentations. We will go outdoors and live our brand with practical sessions and team-building competitions that end with certificates, prize-giving ceremonies and, of course, a great party!”

This concept has proved to be motivating and memorable. It has inspired the dealers to go home and give their customers an even better experience, which leads to better sales.

Isuzu Sweden is now looking forward to 2017 and the launch of the new-generation Isuzu. Although sales will be 100% pick-up models, almost every vehicle sold will probably be different. As Gustav pointed out: “No customers have the same needs, so no pick-up should be totally the same.

“In order to help them make their decisions easier, we will provide a number of base packages as model variations. That will show the customer that we understand their needs and make it even easier for the dealers to customise vehicles.

“That will be one important tool in our plan to be in the top three in the segment next year.” And, given Isuzu Sweden’s first year under the new team, few would doubt that they will hit this ambitious target.



# A DAY IN THE LIFE

by Tony Garuth

**The job description on Gillian Blair's business card simply reads: Subaru dealer relationship manager. What it could accurately add includes: counsellor, tutor, auditor, adviser, motivator and (on her own admission) Big Brother! "I'm like the cog of the wheel and the dealers' link to headquarters in Colleshill," she explains as I join her for a visit to Stan Palmer Subaru in Carlisle.**

Gillian is dealer relationship manager for Region 1, the largest and busiest of the four regions covering the country. It stretches from the Shetlands in the northern-most part of Scotland to Cumbria and Tyne and Wear just south of Hadrian's Wall. Within the region she cares for a baker's dozen of dealers which, when one open point is filled, will increase to 14.

Gillian, who works from her home in Glasgow she shares with her SSE project manager husband and their two daughters, five and 10, epitomises the Subaru slogan on her business card – Confidence in Motion.

"I see what I do as very much being a sales manager and my dealers are my team. I have to encourage and motivate them as well as manage them. If you've maybe not done a sale for a week it's quite disheartening. But I have to reassure them and encourage them to keep calling contacts..."

"When a dealer calls me and asks how I am, I always respond in a positive way – 'I'm awesome, just fantastic!' That's because the way you respond can affect them. If you are happy it can change the way they are thinking or feeling."

Gillian nearly always uses the terms 'we' and 'our' when talking with dealers. "I do feel part of each of my dealerships. Not until there's clearly nothing more I can do will I ask: What are you going to do?"

Carrot, rather than stick, and remove all the barriers, is her philosophy. "There is nowhere left to hide when you've removed the barriers. Marketing costs money, so leads need to be followed up until the customer says 'Go away'."

Her career with Subaru started in October 2014. "Before that I was with Citroën UK for 11 years in two different roles. The last was as Regional Business Centre Manager looking after all the van centres – 22 dealers in Scotland, the north of England and Northern Ireland. That was for six years. In the previous five years I worked on the shop floor at Citroën Glasgow,

managing a successful fleet department delivering 1,100 vehicles a year. I know what pressure is!

"In my job with Subaru the dealerships know I've been on the shop floor, and I know what it's like. They respect me for that."

Usually visits are once a month. But if Gillian identifies an issue they will be more frequent. "I have what I call my Intensive Care Programme. If I see a dealership that's not performing at the level I know they can perform at, and if it's below expectation, then I'll put them on my ICP and make a point of going to see them once every couple of weeks.

"I have had to terminate one dealer. It's not a pleasant part of the job but it was the right thing for the dealer and for the network..."

Following every visit, Gillian sends a comprehensive report to Paul Hegarty, Subaru UK operations director, with a copy to the dealer principal.

Every Monday for Gillian is spent at home, speaking to all her dealers and collating sales forecasts and information on enquiries, test drives and sales. The results are sent to International House. "This enables head office to see if we are going to hit our monthly targets. Irrespective of whether the results are good, bad or ugly, I talk through everything with the dealers and discuss the prospects and opportunities for the next month.



## STAN PALMER

Neil Palmer is the grandson of the company's founder – Stan Palmer – who established the business bearing his name from a car repair garage in the village of Bolton Low Houses. That site today is a Ford dealership, opened in the 1980s by Neil's father – also called Stan – who is now chairman of the company that also has a Honda dealership in Cockermouth and Isuzu, alongside Subaru, in Carlisle.

"I grew up around cars," says Neil. "They have always been a big part of my life. I

was about 12 when I started a Saturday job washing cars!" Today he lives in the house adjoining the Ford dealership in Bolton Low Houses.

Stan Palmer won the Subaru franchise in 1996 and opened the Carlisle premises in a heavily-refurbished building that had been purpose-built as a Lada dealership. "Whatever happened to Lada?" quips Neil. With sales running at 120% of target, Neil is looking forward to his October visit by Gillian. Being ahead of target means bigger

remuneration from IM...There is an obvious camaraderie between the two as they go through the figures and discuss follow-ups to leads and enquiries. Gillian is red-hot on all leads being pursued until they result in a sale or the potential customer saying 'Go away!' And she's not slow in pointing out that some action is needed if Neil and his team are to secure the vital eight sales before the end of the year.

Neil says monthly meetings with Gillian are always

friendly. "Yes, our discussions are sometimes heavy. But we know Gillian is there to help us." And, as Neil's dad – who just happened to pop in to the dealership as Gillian's meeting started – says, her visits are both frequent and regular. "Yet we've never seen anyone from one of our other franchises. We occasionally get a phone call from someone in an office somewhere down south. But we've never actually seen anyone..."

"I work with dealerships to come up with ideas for marketing and for targeting potential prospects. It is essential to make sure that what money the dealerships have to spend is spent wisely.

"The best parts of my job are getting dealers to achieve targets, speaking to customers and finding a new dealer. I honestly can't think of a worst part. I couldn't even say the hours because I just love this job and I love the brand. It's got a great name and a great reputation, especially up here in Scotland. I grew up in the countryside and with horses, so I knew about Subaru. I knew what it was about."

Not surprising then that Region 1 is doing well. "We're 25% up at this stage of the year compared to the same period in 2016," says Gillian with obvious pride for her dealers. "Of the top 10 Subaru dealers in the country, five are in Scotland and of the top 15, no fewer than eight are in Region 1. Paul Hegarty says Region 1 is not called Region 1 for nothing!"

## INNOVATION

Gillian is always looking for innovative marketing ideas for Scotland and the north of England. And one of her suggestions could be big for Subaru in 2017.

"I did some research on the Scottish Rural Awards. These are a bit like the Oscars, but for the Scottish countryside. I went to meet the people who organise the awards – the same people who do Scottish Field magazine – and the sponsorship package they were

offering suited us down to the ground.

"So I put in my request to Chris Hawken, IM's marketing director, who read the proposal and accepted it. I was delighted! It's great that the company will listen to you if you put something forward and I'm looking forward to the Subaru Scottish Rural Awards 2017."

# CHALLENGES AND OPPORTUNITIES IN CHINA

It's a good job that Martin Dalton thrives on challenges because the much-travelled IM director of business development has them by the bucket load!

Working in the international environment means that he has the huge task of expanding IM's business in some fast-moving markets, and not all of them are expanding. China, in particular, is full of challenges for Martin and his team as they are effectively trying to win and promote more business in an economy that is now beginning to level off and, in many areas contract, after years of sensational growth.

However, Martin is incredibly positive and there is nothing he likes better than to embrace new challenges. He sees the opportunities that China, the second largest economy in the world, presents.

Martin has one major benefit – Lord Edmiston's far-reaching vision of more than 20 years ago when he began developing business links in China, long before most Western companies were aware of the 'sleeping giant' that China was. China, for example, even in a slowing market is on target to sell more cars this year than the USA, Japan and most of Europe together.

The potential market in China is quite staggering.

But more recently Chinese businesses have been more reserved than in the past decade. Many Western firms have become more cautious of further expansion in China, given this new economic climate. But Martin and the IM Group are far, far more positive.

IM had moved to central Beijing in 1999. In fact they had just one small office on the 8th floor and the entire China staff of 10 worked from there. Today the staff headcount has increased to 55 and a move



*"A lot of business in here is based on trust, and the Chinese really appreciate that."*

to a brand new office has recently been completed.

Martin said: "We moved in April 2015 from central Beijing to one of the South Eastern suburbs of Beijing. The new office is located in what was a very quiet area but now there is major redevelopment going on.

"Lots of new buildings are under construction, including the new Beijing International airport, which is close by. This airport will be the biggest in the world and was designed by Fosters of London, so we are at the heart of a thriving area."

The IM office building is a new-build, so Martin had to oversee it being fitted out. He said: "It's suffered a few teething problems in the past 12 months, but that all now seems under control and we have recently installed the IM corporate signage outside the building. It's an important statement and shows all the people that we do business with that we are committed to a future in China for IM."

One of the China challenges facing Martin, Patrick and the team is the relatively new business of selling Autoglym car care products, for which IM has the China distribution rights.

Martin has recruited Patrick Zhang, formerly a key contact in our relationship with Great Wall, to help drive the Autoglym business forward in China. "I have known Patrick for 10 years," said Martin. "He used to work for Great Wall Motor, firstly in the International Sales Department and then in marketing, so he is completely familiar with the automotive industry.

"Patrick was educated at Edinburgh University and speaks fluent English. He's got a deep understanding of Western

Culture and high-end brand development so is an ideal candidate to take our business forward.

"We were operating Autoglym in northeastern China but as this area is heavily reliant on steel production, and due to the crisis in the international steel industry, the economic situation has become very difficult.

"But we still see this as a huge business opportunity – just think of the sheer size of China – so we have developed a plan with Autoglym to roll the product out across the country. This on-going expansion meant we have had to recruit a number of new staff and we have a revised action plan going forward."

Last year the team spent some time looking at developing a business in China for Proton, but unfortunately nothing came of it due to internal difficulties which meant that they could not complete the deal.

But as one door in China closes, another one opens. As Martin outlined: "We are still working with BYD on electric light-commercial vehicles and passenger cars and are still going through a feasibility study on pricing and specification.

"We are also in discussion with another Chinese vehicle manufacturer which makes a range of SUVs. Alongside this we are talking to a British producer of vehicle body-shop products who are looking to expand their business in China."

Meanwhile Martin is fighting a diplomatic campaign following the Brexit decision. How does Brexit affect IM's business in China?

IM has Vehicle Certification Agency (VCA) rights across China. "Our VCA

business offers another challenge. VCA is the British vehicle type-approval agency which can issue approvals for vehicles or components to be sold in all EU countries. Since the Brexit vote the perception of many Chinese business people is that the UK will be cutting all ties with the EU. So they think that VCA approvals may become invalid, or that there is risk attached to working with the VCA.

"This, of course, is nonsense. But we are having to work hard to convince Chinese customers that the VCA will remain as the premier EU type-approval agency working in China. Of course our competitors from other EU member states are stirring up this sentiment in the hope of robbing work from us. So we have a big job to do in maintaining our customer base.

"But those companies with concerns won't put us off our stride. We continue to patiently explain what the real situation is. IM's long-held credentials of operating in China will again help us. A lot of business here is based on trust, and the Chinese really appreciate that.

"It's a huge advantage to have a great team working with me in China and we are all very determined to see the business grow from strength to strength."

The Business Development wing of IM is perhaps unusual in that it looking at opening opportunities for Chinese products in the UK and Europe while also introducing British goods and services to China. But of course China is only part of a much larger picture of international business potential – but that's a story for another day!





# WHAT DOES IT *all mean?*



*Two earth-shattering political events have recently unfolded. Journalist, Tony Garuth put 20 questions to IM Group director of administration, chairman of The Funding Corporation and CEO of IM Properties, Gary Hutton. Here are his thoughts on Brexit and the US election result.*

## **How shocked were you by the Brexit vote?**

**Gary:** I was pleasantly surprised by the result, but I didn't think for one moment that it would happen. It was a very negative campaign all round and neither side came out with much credit. In that respect it was very similar to the US election campaign. In both cases I think there was a mood for change. People are generally fed up with career politicians, with no business experience, running our country and letting Europe make the important decisions for us.

## **There is a business view in many quarters that the result is not good for British business. Do you agree?**

**Gary:** I believe the result is good for British business.

I think there is a clear divide between Southern and Northern Europe. Maybe this difference has arisen due to climate. However, we do not all have the same values and this has become more pronounced as the membership of Europe has grown.

Values are very important in any community, be it in the office or a country, as these will drive our behaviours. If you are going to move people between communities you need to ensure you do not dilute – or abandon – those values, otherwise the culture will be lost.

Immigration is very important for the UK and if we are going to be successful on the world stage

we need to ensure we have the right workforce to grow our economy. Leaving Europe will enable us to vary our immigration policy to encourage people who can contribute to our economy, adopt our values and fill our skills gaps to come to the UK. We cannot do this while we are in Europe.

Leaving Europe will enable us to cut away a lot of the bureaucracy that delays decisions and creates inefficiencies in the workplace. Europe has 28 countries with 28 different economies, each at a different stage in the economic cycle. By managing ourselves we can address the issues that concern us here, and now.

Greece provides a good example of the issues. Being in the Euro, Greece cannot vary interest rates and adjust its currency. This is something that cannot be done locally and applies across the Euro zone. I, and many others, believe that if Greece had been able to devalue its currency, it would have helped the country recover much sooner.

In summary, I think we can become much more dynamic, well run and agile outside of Europe.

## **A lot of IM Group's business is outside of Europe; will the vote impact on this?**

**Gary:** We operate in a number of currencies, which means we are experienced in dealing with movements between sterling and those currencies. As an importer, if sterling weakens



against other currencies, our cost for the goods we import will increase.

Since the Brexit vote, sterling has weakened and this has had a material impact on our Subaru business in the UK. The full impact will not be felt until 2017 when the increased prices will filter through to our stock.

We also hold significant assets in Europe and the USA, which have been impacted by the weakening in sterling. However, these assets are hedged with third-party loans and forward currency deals meaning that they are protected from currency movements.

**There is a view that, once the UK formally starts the exit procedure, it could take up to a decade to fully implement. Do you agree, and how do you see this impacting IM's businesses?**

**Gary:** Once we have signed Article 50 we will be out of Europe after two years. From this time the UK will be able to have its own trade agreements with other countries. The concerns I have at the moment is the level of uncertainty, and I think it is important for the whole country to stop debating whether or not we should have left Europe and, instead, focus on making it the success it can be.

Continued uncertainty will impact our business as this creates volatility in our markets. The exit from the EU will create many opportunities in new markets, so the sooner we can extricate ourselves the sooner we can take advantage of those opportunities.

The exit will provide many new exciting opportunities for the group.

**Short-term, Brexit may create a lot of jobs around exactly how we implement the UK exit. What is your view?**

**Gary:** The exit will create many jobs, not only in negotiating the exit, but also in negotiating and drafting new trade deals with other countries.

Thinking beyond our exit, the key thing that drives jobs is growth in our GDP. Trying to second guess the medium-term health or otherwise of our economy is rather an unpredictable science - for anyone. But what I

do know is that our trade with the world beyond the EU is much smaller than it could be and so the opportunity to forge new trading links with major markets must ultimately help us to create jobs.

**UK house-builders and the commercial property market seem relaxed about the outcome. Is this so?**

**Gary:** Initially the house building sector was one of the industries worst impacted by Brexit. This resulted in many developers putting projects on hold, waiting to see how things were going to pan out. My own view is that the basic fundamentals for the industry remain good. We have now seen the larger developers back in the market for land, and recent surveys indicate the feel-good factor is now higher than pre-Brexit.

**Banking plays a vital part in the UK economy and to IM's business. How have you seen this vital sector of the economy react?**

**Gary:** Prior to Brexit we had HSBC saying that they would look to leave the UK... Unsurprisingly, they retracted that statement once the result came out. My experience with the banks is that it is business as usual.

**Europe exports huge numbers of cars to the UK. Do you think the automotive sector should be treated as a special case as part of the exit negotiations?**

**Gary:** I do think that Europe needs us more than we need them; this is especially the case with the automobile industry. I expect, therefore, the large German manufacturers will be pressing hard for a free-trade agreement with the UK.

**Should any other parts of UK business plead for a special case to be made?**

**Gary:** Going forward as an independent country we need to ensure we get value for money. Protecting our own industries, and any deal, should reflect this.

**The strength of the pound has already been hit. With the US election now resolved, what are**

**your views on where this will go, and the effect it will have on IM?**

**Gary:** Who knows? For every advisor who tells you that sterling will weaken further, there is another who will tell you it will strengthen or stabilise! As a business our job is to get the balance of risk and return right. In times where the market is volatile, we focus on minimising our risk by locking in to forward currency deals and hedging our overseas assets. Longer term, a weaker sterling means lower margins on our car import business.

**IM has a growing property-development business in the US. Does the Trump presidency hold any threats to IM?**

**Gary:** Trump has said he is going to reduce taxes. Reducing taxes will significantly improve our returns in the States. We also believe that Trump's policies will create growth and opportunities for us in the USA, for instance he has been particularly vocal about his intention to invest heavily in new infrastructure.

**China is important to IM. Will either Brexit – or the US election result – cause any concerns to the China business?**

**Gary:** What we have seen with Brexit is that there is a lot of uncertainty in the market, and our government needs to be addressing those uncertainties. Business is about balancing risk and return.

Brexit has created a perceived risk to the UK, and this is coming through in our dealings with China. The UK is seen as a gateway to Europe and Brexit has led our Chinese customers to question whether the UK can continue to provide that gateway. IM Group has invested a lot of time communicating with our Chinese customers to explain that it is business as usual and that there is long term certainty.

**Will the Group have to be cautious in the years going forward due to Brexit and the US election result?**

**Gary:** The Brexit vote has caused uncertainty. When there is uncertainty the markets are more



volatile and people delay making decisions. This, in turn, can create a fall in demand and create pressure on margins.

In times of uncertainty cash is king. As a business we need to take a little less risk, control our costs and retain a healthy balance of cash. In my experience there are usually more opportunities in a difficult market than in a boom. As a group we need to ensure we are in a position to take advantage of those opportunities

**Some pundits have said the UK's exit from the EU could have a domino effect and several other countries will look to exit. Do you share that view, and if it happened what would be the effects on IM?**

**Gary:** The EU has to change. The longer they bury their heads in the sand, the more countries are going to turn away. The UK is a big contributor to Europe and when we stop contributing, without change, the four or five contributing nations are going to need to put more in. Germany is already incurring significant costs taking in immigrants. Their forthcoming elections will be very interesting.

**Overall, are you optimistic or pessimistic about the future out of the EU?**

**Gary:** I have never been optimistic about the EU; it is over-resourced and unaccountable. If it was going to work, then you would need a leader who makes the decisions – not 28 members. Any organisation needs strong leadership; you do not get that by having to get 28 people to agree all the time.

**Do you think people are confused over exiting the EU as opposed to exiting from all European trade and business?**

**Gary:** What we have seen since June 23rd is an inability on behalf of the remain campaign to accept the vote; whatever your point of view a democratic decision has been taken. What

now needs to happen is for everyone to pull together and work on getting the right result for the country. We originally joined a common market and perhaps it should never have gone any further. I would not be surprised if, over the next 30 years, we get back to that position.

**If the EU vote had gone the other way, could this have spelt longer-term negatives? Several of the member states' economies seem to be getting weaker; what is your view?**

**Gary:** The EU is going to have many issues to deal with whether we had stayed in or left. It needs to change and, like a large ship, it is going to take a long time to turn. There is an immigration crisis building in Germany. The EU has been very good at kicking the can down the road, but it is not going to be able to do this indefinitely. There is a mood for change and I think we are going to see this in the forthcoming elections in Germany and France. I believe that 2017 will be a defining year for the EU.

**Will Brexit make any difference to a non-plc company like IM?**

**Gary:** It will make a big difference and I expect there to be many more opportunities. Being part of Europe has restricted our ability to trade outside of Europe. Having control over our trading with other countries will enable us to enter into deals that work for us, not just for Europe, and I certainly see this as being beneficial for the motor industry.

**What is your view on the so-called 'special relationship' between the USA and the UK? Do you see a Trump presidency have any fundamental changes on this and how that could affect the UK business sector?**

**Gary:** It's a bit too early to call. I certainly think that having someone with a business brain leading the USA is a good thing – as long as he is surrounded by some quality advisors. I think

there will be a lot of politicians looking down their noses at him, both here and in the USA. They all need to get off their high stools and start building relationships with him and his team.

From my experience I believe that the USA is one of the best places to do business. Although taxes for corporates are too high. Trump has said he will address this. Their systems and processes are similar to ours and there is a certainty over operating there. This is why we prefer trading in the US to Europe. And if US taxes come down, this will be a big advantage for the UK business sector.

**Do you want to reveal how you voted on Brexit and why?**

**Gary:** I voted to leave. My main reasons were:

- 1) We joined a common market, where we had an influence, but more countries joined and our influence dwindled to the point where our say didn't matter. We had been diluted down. There is a real sense among the people that a political elite has developed and fuels highly bureaucratic organisation such as the EU, the problem being that these bodies have become ever more distant from the people they are supposed to represent. It was beginning to feel a little like FIFA; a lot of the small countries joining receive big payouts, and contribute little.
- 2) There is a clear divide between the North and South, and that isn't recognised.
- 3) The union assumes one size fits all – and it doesn't.
- 4) Europe is becoming homogenised. We need to preserve culture, identity and history. When you travel around Europe the big cities are all beginning to look the same.
- 5) The EU is ineffective, slow and lacking in creativity.



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*IM Nordic's strategy with this advertisement is to take the lead in the particular segment by talking about pick-ups before mentioning Isuzu. The headline explains the company's understanding of the life of a typical pick-up truck owner and why he needs a multifunctional vehicle. The advertisement is designed from the outset with the target customer group – strong individualists who'd rather read facts than poetry – firmly in mind.*

# THE FUTURE IN FOCUS

*Andrew Edmiston believes IM's future success will stem from how well we adapt to an everchanging landscape.*

At the very start of this edition of IM Review we focussed on the UK's decision to leave the European Union. One hundred years from now, history books will have decided whether that turned out to be a good idea or not. But in this age of technology and cyber-driven industry, where no-one stays still for very long and where those who can adapt quickest and best tend to win, it is not difficult to work out what our future focus needs to be. More than in recent memory, we don't really know what the near future holds economically for the UK and indeed Europe itself. Whatever it holds, we have to adapt. I think we have proven over many years that this is an area of strength for us; let's see if I am right.

What does it mean to adapt though, and how do we do it? There is an old business book called "Who moved my cheese!" It is about two mice and two men and cheese. It is a fable, but one that has an interesting point. In the book the mice and the men feed off cheese from a particular 'cheese station' in a maze. The mice realise the cheese is running out and scurry off into the 'scary' maze to search for more, whereas the men don't. When one day the cheese has disappeared, one of the

men asks "who moved the cheese?" Of course, the answer is that no-one did, they simply ate it all. The men then start to argue about going to find new cheese elsewhere but one of them just cannot get over the injustice of someone having moved the cheese. He is also afraid of moving too far away from where the cheese used to be.

There is obviously more to the book but the essential point is that things always change, and sometimes they change very quickly - life is made this way, just as the book suggests. If we feel in some way aggrieved at that, we are not getting on with working out what to do and how to use these changes to our advantage. We need to anticipate change early by reading; by watching and listening; we need to consider our responses carefully; we need to make any changes early; we need to breed a culture of supporting each other through changes and, finally, we need to learn to enjoy the process of change by realising that this is how we can do our best and compete well. Once we have changed, we need to keep our eyes peeled for the next 'opportunity' to change.

We already know that 2017 will bring some challenges due to the weak pound, but the last

currency crisis is still fresh in our memory and we have learned some valuable lessons that will help us. These days our group is more immune to currency fluctuations because of how we have changed over the past few years. If we can weather these short term difficulties though, the medium term promises to be extremely interesting for IM Group. I believe we are exactly the sort of company, with the right kind of staff and values to benefit from the way the business landscape will change over the coming years. We are experts in industries at the forefront of the economy and with our property business in particular, we have added a number of new dimensions over recent years that will give us the best chance of adding value and remaining highly profitable whatever direction the UK and European economies take.

I need to thank all of IM's staff again this year. It has been a wonderful year, our 40th, and one of our best. Stiffer challenges may lie ahead but if we look for more cheese, we might just discover some of that wonderful Comté they produce in the French alps. Mmmmm!





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*This is one of a series of advertisements for the new C3 that use images of different things that appear to form the letters of a word. In this case the containers, marker post, staircase and road marking spell out 'LIKE' – a word frequently used today on social media to register approval. And there is so much to like about the new C3, which goes on sale in Ireland from January.*

*Other advertisements in this series use different images to spell 'ZEN' – referring to the Citroën Advanced Comfort (CAC) offered by the new C3 – and 'HER' in a reference to the significant number of options that allow buyers to customise their C3 and, at the same time, make it unique.*

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