

MAKING THE BIG DECISIONS

**Interview with
PAUL MORTLOCK
MANAGING DIRECTOR
FRAZER-NASH**



UNIQUE SELLING POINT meets niche - the perfect alignment for a British manufacturing company. But that's just the foundation, according to Paul Mortlock, managing director of Frazer-Nash, which manufactures specialist equipment, mostly for the food industry, which cannot be sourced out of a catalogue or from a standard product range.

Having the flexibility to try new processes and ideas 'just because', even if their contribution to profitability is not yet proven, could also be the key to success for the low-volume manufacturing at which British industry still excels, he says.

And he hopes that open mindedness will help achieve the ambition of doubling turnover to £10million by 2020.

One recent new area of activity is the additive manufacturing - or as the media will have it, 3D printing - of metal objects. The company is collaborating with University of Surrey and Renishaw plc, the global engineering company to extend its in-house capability. Showing a metal component that has been created for a food manufacturer to help in the production of a snack product, Mortlock explains: "We think there's potential in this kind of activity. It's not been a profitable activity for us from day one, yet but we wanted to get into it because we can see it is going to be very relevant for low-volume manufacturing. We've invested in it on a 'just because' basis.

"It's a bit of a brave new world. We're finding our way. That's one of the nice things about a privately owned business: we don't need to make a full business case to try out a new idea; we can say this is something we should be getting into so let's do it."

But it provides Frazer-Nash with a potent calling card. "We were speaking to the food manufacturer in question, and we went on to list 3D printing as one of our capabilities," says Mortlock.

"Then we got an email from them saying we want you to do some 3D. They had been struggling to find anyone to do it."

That's a work in progress, he adds. "They might come back and say 'that's great, we'll have 3000' or they might come and say it doesn't work. We can't tell where 3D will go; we will

support it and follow it and see what happens."

For a £5million turnover business, the investment of the best part of £500k in the 3D printing facility is considerable. "But it gives us a USP in that we can offer a complete machine shop service," Mortlock points out. "Competitors with the 3D printing capacity tend to be just prototype makers who can print something but find it very difficult to make products to a finished standard. But we can do what the customer wants by also including other processes. Thinking outside the box is no longer the preserve of the product creator or brand. The sub-contractors have to be able to contribute innovation."

And he provides a telling example. The firm made a machine that allows a manufacturer insert cat food into twin-tub packaging. Cat owners, Mortlock says, were opening a tin of cat food but then only using half so the idea of having a twin tub was appealing because it meant less waste. "We approached the manufacturer and they paid us to make a proof of concept machine. What might look like a small change resulted in a 10% boost in sales for the brand; many marketers would kill for that."

Indeed, much of the company's business is driven by clients' marketing departments. "If they're excited enough by an idea they will try to make it work."

Frazer-Nash has no sales force; all their work comes through word-of-mouth, recommendation and personal contacts. Another strand to Frazer-Nash is making low quantity, high quality requirements for organisations such as the National Physical Laboratories (NPL) and Surrey Satellite Technology Limited (SSTL).

The challenge for the business is a "frightening" skills shortage. "The number of design engineers I have interviewed must be in triple figures," says Mortlock, who has degrees both in physics with astrophysics and international technology management. But candidates knowing how to use technology and machinery to deliver process isn't enough.

"I used to give them a pen and paper test but they would rather use CAD. Now that initial test is done on the website prior to an interview so they can do it in their own time but we have

candidates who say they don't want to do it and others say they can't do it!

"Then we get graduates saying they designed a 200-seat aircraft while at university. Really? How come it takes Boeing twenty years? I'm more impressed if someone said they designed a crankshaft; I'd think, yes, you actually did do that."

The difficulty in recruitment brings issues with succession planning, with very few senior engineers and skilled crafts people in their thirties and forties. And that, coupled with the difficulty in recruitment could impact on the potential success of companies like Frazer-Nash. "Engineering comes down to people," says Mortlock. "For companies which do more than just deliver a set of drawings they've been given, these are real issues."

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