600 looks to the future

With a new chief executive appointed last year, the 600 Group is again witnessing changing times. Andrew Allcock attended the new top man's first press conference

David Norman's appointment as chief executive of the 600 Group was announced in August last year (see *Machinery* website news item). He comes from outside of the machine tool industry but within manufacturing and engineering at senior level, and at a meeting with the press in mid-November emphasised his marketing background: action has been swift.

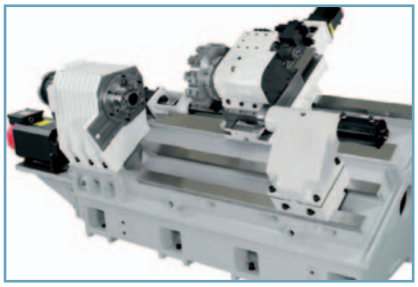
It was also in November that the consolidation of operations was made public, this seeing the company headquarters move from Leeds to the 600 Lathes manufacturing/assembly site at Heckmondwike, also in West Yorkshire. Facing a tough outlook, headcount reduction was also announced in the same month, affecting Heckmondwike and 600 Centre, Shepshed, Leicestershire.

600 Centre distributes 600 Group Colchester-Harrison machine tools plus premium brands from third party companies, such as Fanuc (EDM and machining centres), Toyoda Mitsui (machining centres), and Okamoto (grinding machines) – 600 Centre also delivers engineered solutions based on such platforms. An official half-year statement issued on 25 November notes other Group changes regarding the closure of sales operations in other parts of the world (*www.600group.com*).

Speaking in mid-November, ahead of the official release, Mr Norman said: "Clearly the Group's gone through quite a lot of changes in recent months and has had a lot issues to contend with, and we have had management changes at a senior level. That, combined with speculation about the future ownership of the company, has seen a very difficult period for the company."

But he asserted that "the fundamentals in the Group, I think, are very strong. It's a very well balanced business in terms of brands that we have; when one side of the business is down, another is up. We have a very good geographic spread: we are strong in the UK; North America is a big market for us; and Germany, where we have most of our European sales. We are pushing strongly into Eastern Europe. There are also Australia and South Africa, especially with the Colchester-Harrison brand."

Commenting on the half-year to September 27, the chief executive noted that the company's turnover was 10 per cent up (£45 million versus £41 million); prominent in that is a large UK aerospace order, although the company also had such an order in the previous period, Mr Norman noted. Profit was down, however; negative, in fact.



The Typhoon 310M/MY, in beta test

In talking through the various business operations, he started with 600 Lathes – the name of the Heckmondwike facility, but which "means the Colchester-Harrison product range to me". He emphasised: "It is the Colchester-Harrison brand name that I want to see brought much more to the fore. There is a lot of mileage in this brand, which has a high level of recall and is well respected."

The chief executive admits the company has "probably shot itself in the foot in the last 12 to 18 months with our operational performance" – a euphemism for poor delivery performance – but he added that the company is "in the process of fixing that". He said that product development had been accelerated (another area where personnel changes have been made – see *Machinery* website), specifically instancing the TT6, an 8-axis, 175 mm chuck/52 mm bar twin-spindle, two-turret mill-turn shown at IMTS and in prototype at MACH 2008. "That has been very well received and we should have our first reference site for that soon," said Mr Norman, adding that it was to be installed at an OEM site by the end of last year with product delivery starting this year. (The company is also beta testing a single spindle, single turret heavy duty 600 mm swing over bed, 775 mm centre distance Colchester-Harrison Typhoon, 310M and 310MY).

He went on to cite laser marking specialist Electrox as a strong company, highlighting that it owns its own core laser technology. The pharmaceutical industry is a significant customer, where marking is "almost a mandatory requirement", while another significant order in a novel field has also been won. Mr Norman sees "good growth potential, capitalising on R&D spend and intellectual property."

Machine tool bearing maker Gamet is small – £2 million turnover – but is "working flat out" and is seeing a trend