



The story so far...

Nigel Watson

1980 - 2015

## Author Acknowledgements

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Nigel Watson  
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**N&C**

**Nicholls & Clarke  
Group of Companies**

## Foreword



*Nicholls & Clarke, Board of Directors  
Top, left to right: Gary Gingell, David Forbes, Stephen Forbes, Richard Hill  
Below, left to right: Ken Forbes, Richard Knight*

There are relatively few businesses which reach 140 years of trading and fewer where five generations of the founder's family continue as major shareholders and are included amongst the members of the board, as is the case with Nicholls & Clarke limited. Companies must grow and adapt over time and this company has successfully developed into what is today a modern, forward thinking group with a strong trading position in a number of markets.

Much of the important change and expansion has taken place over relatively recent times and, while the core founding principles are continued, the influence of many individuals including several with their own separate family connections can clearly be seen. Snow, Richardson, Hill and Forbes all appear more than once in the long list of directors who have significantly influenced the evolution of the group.

Nicholls & Clarke (N&C) was formed in 1875 as a glass, lead, oil and colour merchant by Samuel Nicholls. The company, based for so long in Shoreditch, has continued to develop and today N&C is a national group manufacturing, distributing and retailing a wide range of building materials.

I have been privileged to work for this company for almost 60 years and have worked under or with 21 of the 28 other directors who have steered its course since inception. I have seen how hard the directors and management have worked over this period and how the overriding effort, regardless of the difficulties, has always been to develop and grow for the future.

Previous histories of the company by the late L E Richardson for the centenary in 1975 and by S R Nicholls for the 110th anniversary in 1985 covered the early development of the company, while Samuel Nicholls himself wrote his life story in 1924. This collaborative record adds to their work by bringing the story up to date and is itself, I hope, an interesting review of an important period in the ongoing development of N&C which is now well placed to continue to prosper in the future.

Ken Forbes  
Chairman, Nicholls & Clarke Group

# 1800s

*setting the scene*

This book covers a relatively short period in the overall history of the Company, which now in 2015 celebrates 140 years of trading. Whilst the last 35 years have certainly seen many changes in the direction and the growth of the business, an understanding of the background of the Company is both interesting and invaluable.

Born in 1842 in the shadow of Chance Brothers Glass Works in Birmingham, Samuel Nicholls was educated, as was common at the time, at a local school run by the glass manufacturer before starting work at Chances, Spar Lane Works at the age of 12½.

In 1862, he moved from Birmingham to London to continue his career in the glass industry. In 1875 he founded the business as a glass, lead, oil and colour merchant which he expanded in the 1880s to include Sanitaryware and Architectural Ironmongery. Following the death of his partner, Harry Clarke, in 1884, a significant development took place at the turn of the century when the firm began experimenting with ready mixed paint, leading to the invention of the first emulsion paint.

As the business prospered, the company expanded by purchasing freehold sites in Shoreditch. Many of the Nicholls family worked within the business and following the death of Samuel Nicholls in 1932, his son Sydney became chairman.



*Above - Samuel Nicholls, founder  
Right - Nicholls & Clarke, rear of premises in Shoreditch*



NICHOLLS & CLARKE LTD



*Nicholls & Clarke, Shoreditch*



*Sam Nicholls, grandson of founder*

In 1933 Sydney merged N&C with another long established builders' merchant, The General Iron Foundry Company (GIFCO), based in Upper Thames Street in Southwark.

The company came through both world wars and the inter-war depression almost unscathed, and continued to prosper after 1945 under Percy Nicholls, who succeeded his brother Sydney as chairman in 1948. Percy's son Sam, whose entire working life, except for a break for war service, was spent with the company, had become a director in 1947.

In 1958 the company developed ready-mixed tile cement, an industry innovation, which eventually resulted in the company distributing tiles and adhesives, beginning with Nicobond

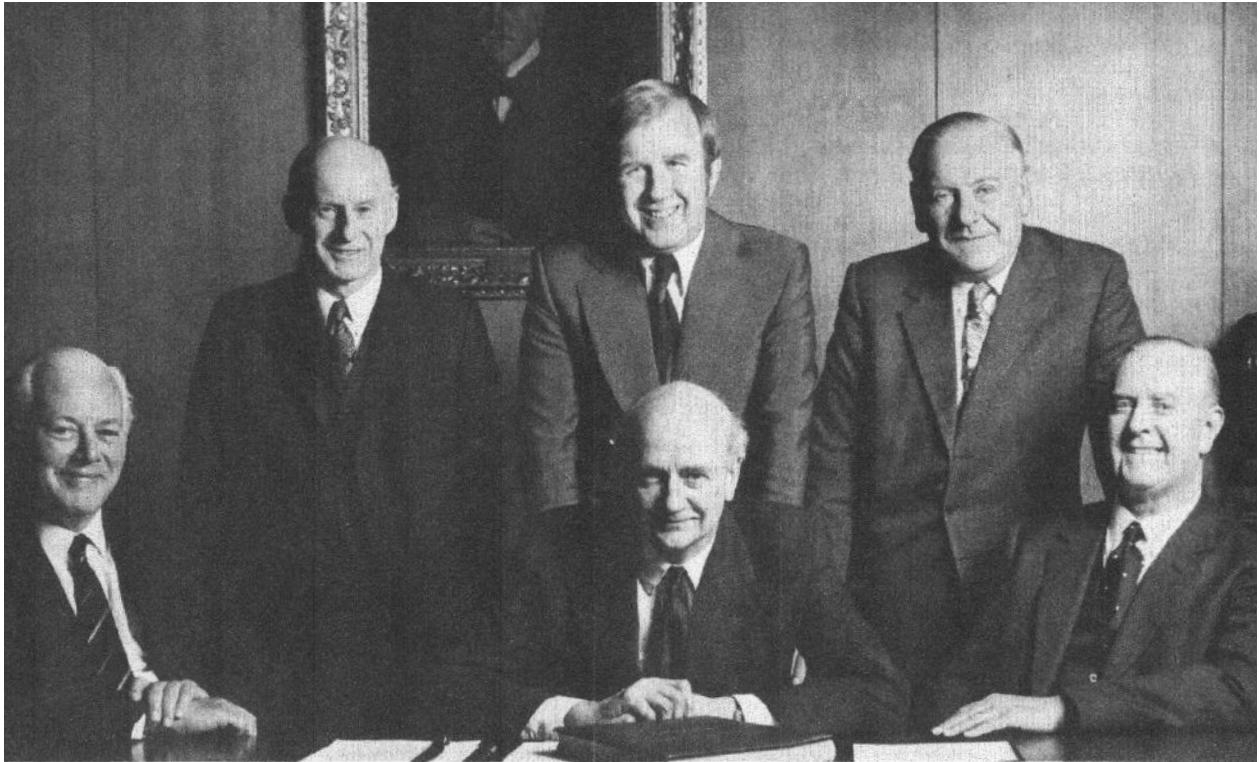
Western in Cardiff in 1966. This was subsequently followed by branches in Glasgow and Andover. Another important development began in the early 1970s when the sanitaryware department began offering products designed for the elderly and disabled as well as producing its own specialist equipment under the Phlexicare brand name. The underlying policy was to design products which, while perfectly acceptable for anyone to use, would be of particular benefit to individuals with a special need.



*Left: Advert for new emulsion paint, 1949*

*Right: Nicholls & Clarke, Bow factory in the early years*





In 1969 Sam Nicholls, whose knowledge and experience of the trade was second to none, became chairman on the death of his father. Sam had joined the company in 1934, working in the sanitaryware office in Shoreditch. After a number of different positions, he became joint managing director of the group in 1964. When he stepped down from this post in 1980, Tom Snow and Ken Forbes were appointed joint managing directors. A chartered secretary, Tom was the son of H J Snow, a previous managing director of N&C. He had joined GIFCO in 1937, becoming a director in 1952 and later chairman. Following several years as company secretary, he joined the N&C board in 1968, and by 1981 was deputy chairman and finance director.

Ken Forbes started with the business in 1956, and after periods in the office and as a sales representative, he joined the board as sales director in 1970. Before his retirement in 1983, Tom had been responsible at various times for ironmongery, transport, premises, finance and administration. His service was exemplary and was typical of the commitment of so many long-serving employees throughout the group.



*Invention - ready mixed tile adhesive*

*Top row, left to right: Mr. T. A. Snow, Mr K.S.A. Forbes, Mr C. F. Wakeman,  
Bottom row, left to right: Mr. L. E. Richardson, Mr S. R. Nicholls, Mr H. J. Greenway*



The other directors of N&C were Arthur Dunn, Geoffrey Richardson and Nicholas Hill. A member of The Guild of Architectural Ironmongers, Arthur Dunn had been with the company since leaving school. During the Second World War he had acted as a night watchman in the Blitz. He continued the development of the ironmongery department and became a well-known figure in the trade for his expertise and hospitality. He joined the board in 1976 and remained a director until his retirement in 1988. Geoffrey Richardson, like Tom Snow, was also the son of a previous managing director. A chartered accountant, he became company secretary and was appointed a director in 1980. Nicholas Hill, a great-grandson of the founder, also joined the board in 1980 and looked after transport and premises until his retirement in 1996.

The well-established business, more than a century old, was still based at its original location in Shoreditch but had expanded to operate from 11 sites across the country, employing 360 staff. As well as Shoreditch, the company's interests also included GIFCO, the now Bermondsey-based builders' merchants, and one of the oldest active limited liability companies.

Separate companies covered the paste factory at Bow, the powder factory in Stoke-on-Trent, the Nicobond distribution depots at Cardiff, Swansea, Andover and Glasgow, the retail tile shops in Chatham and Cardiff and the glass department, still operating out of a railway arch in Appold Street in London. The group distributed lightside building products and stock glass throughout much of the south of England,

and manufactured (and exported) paste and powder adhesives for the tile market, which together with ceramic tiles were distributed nationwide. It had also started retailing tiles, including some imported tiles.

By 1980, sales exceeded £10 million, the group was profitable and enjoyed an excellent reputation for quality. It benefited from the continuity of highly experienced directors with deep personal links to the business. Many staff recall the encouragement of directors in mentoring them when they started.

Another constant advantage has been a long-serving and loyal staff. Although this stemmed in the past from the fact that employees rarely moved companies, it also came from the mutual loyalty between the group and its staff. This also created a friendly and welcoming working environment which sustained the business no matter how difficult the physical surroundings may have become. But expansion was constrained by significant borrowing and efficiency was hindered by old, inflexible and in some cases barely useable premises. If the company was to succeed in a highly competitive trading environment, there was an urgent need to modernise operations and increase productivity.



Top: Gifco  
Middle: Stoke Factory  
Below: Tile showroom, Shoreditch

# 1980s

*the way ahead*

The expansion of the group during the 1980s owed much to the vision of Ken Forbes who became sole managing director following Tom Snow's retirement in 1983. He was determined that N&C should continue to invest in growth, improve profitability and increase market share. This vision was supported by the board, including Geoffrey Richardson as finance director, Leslie Mason who became sanitaryware director in 1981, and John Franklin, responsible for factories and exports, who joined the board in 1984. In the same year Richard Knight, a chartered secretary who had joined N&C in 1980, became company secretary. Brian Stringell was appointed sales director in 1986. Brian's sales expertise was crucial when the directors were increasingly involved with the wider development of the business. He maintained a critical focus on selling until his retirement in 1996.

There had already been moves to modernise and expand the business. In 1981, for instance, computers were adopted for the first time to increase administrative efficiency. By today's standards these machines, were limited and cumbersome but the improved productivity over the existing

comptometer operators and manual ledgers was obvious, and persuaded the board to make maximum use of technology in all areas of the business, a policy consistently followed ever since.

Modernisation went hand in hand with the expansion of Nicobond Tiles & Adhesives during the 1980s. In 1981 the business added a new distribution unit at Sneyd in Stoke-on-Trent and a new depot at South Gyle in Edinburgh. Sneyd was enlarged in 1985 when the Edinburgh unit was relocated to a more retail-oriented site at Orwell Terrace to gain better coverage for growing sales in Scotland. The Andover depot was moved in 1983 to better and larger premises in the Peacock Trading Estate, Eastleigh. In 1987, when the lease was renewed on Nicobond's Cardiff premises in Curren Road, managed by Bob Hughes, the office facilities were significantly upgraded to improve working conditions for all staff. The advantages of working more efficiently from modern premises also led to the transfer of Nicobond's Swansea depot to a better site at Plasmarl in 1989.



*Nicobond distribution site, Stoke-On-Trent*



Modernisation was also essential for the growth of the group's small but successful glass business. The most adverse working environment within the group was probably found in the Appold Street railway arches, which were damp, leaky, cramped and difficult to access. In 1984 the glass operation was moved into a pair of new industrial units at the Bow Industrial Park in Stratford.

This theme continued in the following year when the group acquired another builders' merchant, S R Love, based in Wimbledon. Since the original premises were earmarked for redevelopment, the group took the opportunity to move the business into new premises on a nearby modern industrial estate. The acquisition gave the group three builders' merchants within London.



*Top row, left to right: Nicholas Hill, Leslie Mason, John Franklin, Richard Knight - Bottom row, left to right: Arther Dunn, Sam Nicholls, Ken Forbes, Geoffrey Richardson  
Right: N&C Glass, Stratford*



*John Franklin*

At the same time the group's export business, based mainly but not exclusively on Nicobond pastes and powders, was flourishing under the direction of John Franklin, who had extensive experience of the Middle East and Asia. Through the group's export company, Niclar Exports Ltd, John and his long-standing colleague Derek Barat developed exports as an important source of sales for the two factories at Bow and Stoke.

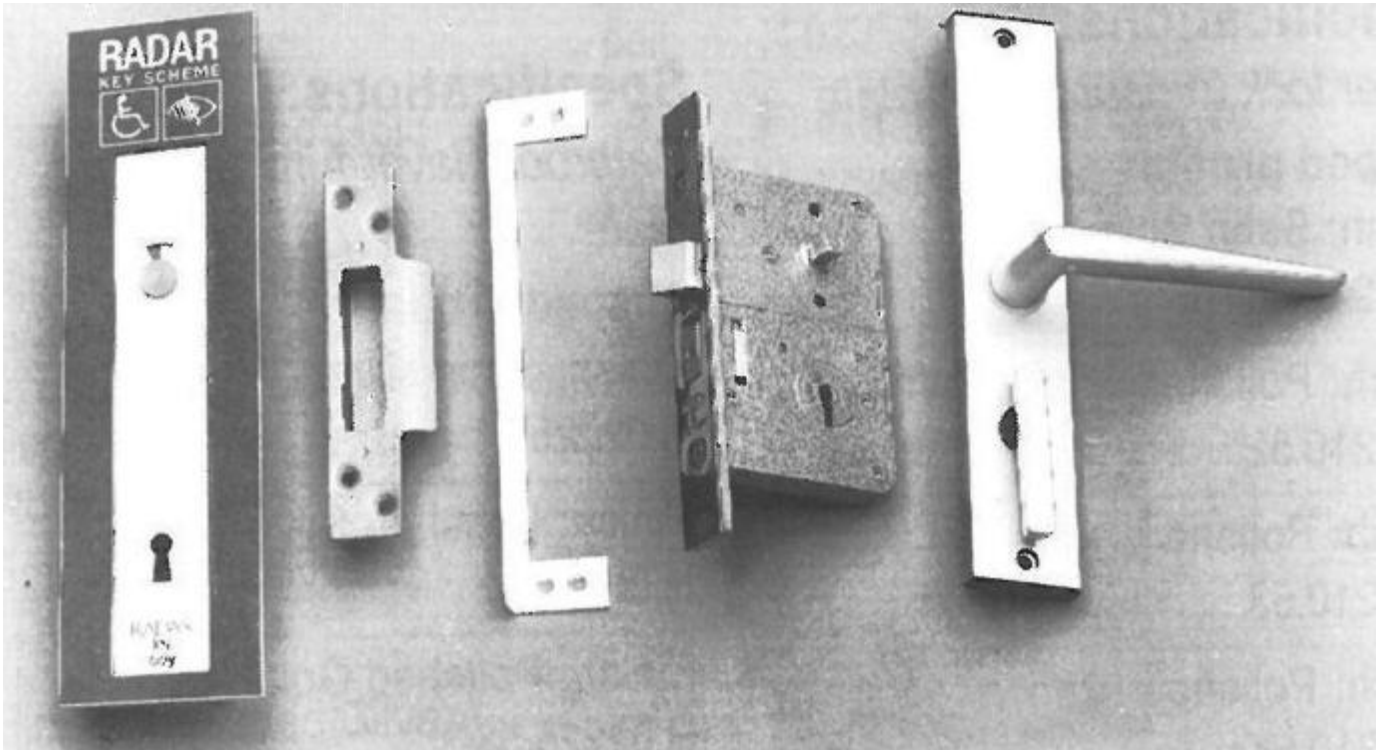


*John Franklin and Derek Barat with export team*

Exports continued to blossom with burgeoning sales in the Middle East, notably Saudi Arabia, as well as Asia and parts of Africa. Countries such as Indonesia proved valuable

markets for tile adhesives, as did many Commonwealth territories. Hong Kong developed into a particularly successful market and remains so today. Nicobond adhesives were sold all over the world and used in a diverse range of projects, including royal palaces, luxury hotels and Coca-Cola factories across China. John Franklin and Paul Dawtrey participated in a number of exhibitions in China to further promote Nicobond and were frequently asked two questions. The first was how long would the adhesive last, to which they would respond with the Chinese word 'yongyuan', meaning forever. The second was what was the formulation!

Phlexicare was growing strongly, becoming a leader in the provision of a wide range of products, including the RADAR (Royal Association for Disability and Rehabilitation) lock. Invented in collaboration with RADAR, this innovative door locking system with a universal key is used throughout the UK to keep public toilet facilities secure and available exclusively for use by those with a disability. This important product continues to flourish today as the 'National Key Scheme', and the N&C RADAR lock can be found in thousands of public spaces where toilets are available.



Above, left to right: Zeki Farra (Distributor in Dubai), Brian Taylor, John Franklin  
Below: Early N&C Phlexicare RADAR lock design

Phlexicare was also responsible for the invention of the raised height toilet. Until this point a wheelchair user had to lift themselves up, often purely with the strength in their arms or with the help of a carer, to transfer from a toilet pan back to a wheelchair. The development of a toilet pan the same height as a standard wheel chair made this transfer far easier and in many cases allows the user to retain dignity as they no longer require assistance.

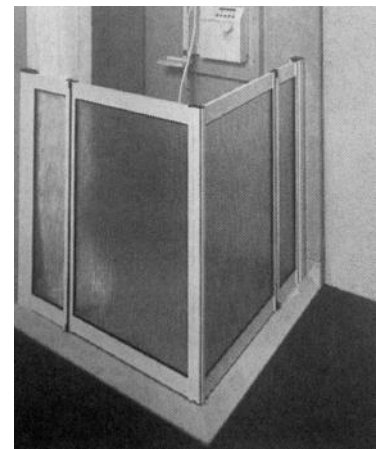
One other product development was the invention of half-height shower doors, a revolutionary idea that allowed carers to assist a disabled person using a shower seat without repeatedly soaking the carer. Leslie Mason, who had been the driving force behind Phlexicare's development, was awarded the MBE in 1989 for services to buildings for the disabled.

As a result of all these activities, combined with an improving economic outlook, the group doubled its turnover during the 1980s, which grew to more than £25 million in 1989, while the group's balance-sheet value also doubled, reaching over £6 million.



*Top Right - N&C Phlexicare raised height pan invention  
Below Right - N&C Phlexicare kitchen designed for multi-users*





*Half height shower doors*

Growth had not diminished the friendly, welcoming nature of the business. ‘One of the things that has always been part of the company’, reflected Steve Donhou, who joined in 1971, ‘has been the friendliness of the staff. People always make newcomers welcome. That’s always been the way. There’s always been a good camaraderie.’ There was also a wealth of experience among the many long-serving staff within the group. Staff turnover in many departments, then as now, was low. Keith Hall, who joined to work alongside a school friend in 1982 and still works for the group, recalled that ‘there were no youngsters in the business at the time other than me and my mate – it was one of those businesses that was full of experience’. And, he continued, ‘the characters with all their knowledge were the role models I aspired to be, which is why I stayed so long!’

But as the group continued to expand, it faced a significant challenge. Although opportunities had been taken to improve the standard of many of the group’s leased operating sites, with consequential benefit to their performance, the group’s freehold sites at the end of the decade were sorely in need of the same treatment. The sites, at Shoreditch (N&C), Bermondsey (GIFCO) and Bow (paste factory) in London, and at Amicable Street (powder factory) in Stoke-on-Trent, were all in need of considerable upgrading. Although they represented the group’s major long-term assets, spending on maintenance had been limited for many years.



Shoreditch in particular was very inefficient to run. Access was difficult, congestion was commonplace and it was very difficult trying to locate products in the labyrinthine Victorian warehouse. The challenge was how to finance modernisation or relocation to better premises when there was an increasing demand for working capital.



# 1990s

*moving forward*

The group's financial strategy had always been governed by two over-riding principles: first, a determination to remain a private independent limited company; second, the pursuit of a policy of financial prudence, particularly resisting the imposition of charges over freehold property or covenants to cover borrowing. This inevitably limited the group's access to external funding and placed it at an obvious disadvantage to its competitors, increasingly in the form of ever larger public companies, as the trend towards industry consolidation grew. Just as quickly as N&C was able to develop and increase turnover so the rest of the industry shrank in numbers but gained in efficiency through amalgamation.

As the group entered the 1990s, the most obvious solution to this challenge was to realise the value of the group's extensive and increasingly valuable Shoreditch site. Negotiations to sell the site were well advanced when the economy hit the buffers once more. It was a difficult time for the construction industry as demand fell and a large number of businesses failed. All interest in the site evaporated and it would be another decade before conditions improved and the site once again became attractive to developers.

The answer came as it always had in the past from the group's committed shareholders. One of the group's principal concerns was to maintain dividend income for its loyal shareholders, most of whom had been long-term investors in the business through generations. These investors, including past and present directors and their families, the majority of whom were related to the original Sam Nicholls, as well as senior managers across the group, appreciated the need to fund the group's expansion. They recognised that this policy stood the best chance of keeping increasingly aggressive competitors at bay, thus maintaining the group's independence and funding the further growth to enhance

future dividends. As a result, the group's capital structure was simplified, with shareholders happy to respond to a request to invest more capital in the business. Share issues took place in 1989 and 1996, while preference shares were converted into ordinary shares in 1992.

Sam Nicholls retired in May 1991 after 57 years' service with the company. At the age of 17 Sam had joined the company in what was the old sanitaryware office in Shoreditch, and after a number of different positions was appointed joint managing director of the group in 1964. In 1969 he became chairman in succession to his late father Percy.

During his tenure as group chairman Sam was instrumental in the growth of the company from sales of just over £3 million in 1969 to over £27 million when he



*Sam Nicholls*

retired in 1991. Always known as Mr Sam, he was highly regarded and respected by his peers and all who knew him throughout the industry. He died at the age of 98 in July 2014.

On Mr Sam's retirement, Ken Forbes, with his extensive experience of the group of more than 35 years was appointed chairman and chief executive. At the same time company secretary Richard Knight was appointed a director, while continuing to act as company secretary for each of the group companies. In 1993 he also took over as finance director on the retirement of Geoffrey Richardson. Leslie Mason had stepped down from the board in 1990 while Stephen Forbes and Douglas Dodds became directors in 1994 after several successful years as managing directors of the glass and builders' merchants divisions respectively. In 1996 David Forbes joined the board.

The glass business was already growing under Stephen Forbes, and more importantly, making bigger profits. Stephen had joined the group in 1986, becoming a sales representative before taking over the glass division. By the end of the 1980s, it was clear that future growth depended on further investment. In 1990 the group acquired the business and assets of James Hetley & Sons, a glass merchant based in Leighton Buzzard. In 1991 the glass business became a separate group subsidiary as Nicholls & Clarke Glass Ltd, placing it in a position to take up some of the many other opportunities available in the glass industry.



*Richard Knight*



*Stephen Forbes*



*David Forbes*

This began in 1991 with the acquisition of a sealed unit glass company, G & G Glass, based in Eastleigh. This helped the business to enter the relatively new and rapidly developing sealed unit market. This purchase was the first significant group investment in manufacturing outside the factory in Stoke-on-Trent. The group showed its intent from the outset by investing immediately in the new operation. On the first morning after the sale, a fleet of lorries was waiting outside the factory to replenish depleted stocks of glass while in the following year there was a major investment in a new sealed unit manufacturing plant. The timing could not have been better since there were very few rivals of any size in the market and the glass business became increasingly profitable. It was during this period that the company first explored the potential of adding value to the business through processing and manufacturing.



A third opportunity in 1995 proved less successful and Associated Glass and Windows Ltd, a small glass distribution, sealed unit manufacturing and window installation group situated in Stroud, Gloucestershire, was closed in 1997. Nevertheless, most of the company's business was absorbed by Eastleigh, which continued to grow, as did the other glass businesses including the Leighton Buzzard operation, which moved in 1995 to larger premises in Luton with space for new plant for the manufacture of sealed units.

Nicobond continued to be one of the group's most successful divisions. In 1991 the scale of the division's growth led to the opening of a distribution depot in Plymouth to cover the West Country while coverage of Scotland was rationalised by closing the Edinburgh depot and concentrating distribution at the far larger Glasgow depot. In 1994 Nicobond's Cardiff operations were relocated from the increasingly inefficient Curran Road premises to a newly acquired freehold site in Penarth Road, incorporating a much improved showroom.



Top right: Bow Factory Team  
Below left: G&G Glass Ltd

The most important development for Nicobond came in 1993. With the compulsory purchase of the site of the Bow factory for redevelopment, the decision was taken to amalgamate paste and powder manufacturing within the existing Stoke factory. At the time the Bow site, on the edge of the canal at Old Ford, was becoming increasingly impractical and the sale proceeds enabled the purchase of additional land and substantial improvements to be made to the Stoke factory over the next few years. Dan Sutton, who had been with the group since 1975, continued to run the Stoke site as production manager. Brian Taylor, the company chemist, who also managed the Bow factory, moved to Shoreditch to set up and operate a research and development laboratory for Nicobond products until his retirement in 1999.



*Plymouth branch*



*Dan Sutton*



*Powder adhesive factory, Stoke-On-Trent*



*Martin Lindsay and Marcus Garrett*

It was through David Forbes that Nicobond entered the tile installation market for the first time in 1993. Taking advantage of the demise of an existing customer to recruit two experienced tiling contractors, Marcus Garrett and Martin Lindsay. Moderna Tiles started life in January 1993 in a small office in the Shoreditch tile warehouse but soon moved to a larger office over the transport department in Blossom Street. Marcus and Martin were appointed directors and shared the office with David Forbes, who was managing director.

Work came through existing contacts as well as from chasing new work, with contracts carried out by teams of self-employed tilers and stone masons on-site. The very first contract was on behalf of Harrods in Knightsbridge while the first significant contract formed part of the refurbishment of the Great Eastern Hotel. Using the group's own manufactured Nicobond products and Nicobond tiles for commercial tile contracts helped to increase both turnover and margin.



*Moderna Installations*

In 1990 the joint managing directors of Gifco, Alan Smith and Jack Poulson, who had made it a highly successful part of the group, both retired. Their successor was Doug Dodds, who had been branch manager at Wimbledon.

Progress and innovation at Gifco came through Doug Dodds. When he took over Gifco in 1990, he began bringing the business into the modern era, changing the way the business operated to raise standards of customer service.

At Shoreditch work began in 1993 on upgrading the Phlexicare showroom, which was opened in 1994 at an official



*Doug Dodds*





ceremony attended by the local mayor and Margaret Hodge, the minister for the disabled. In the following year David Spooner, who had succeeded Leslie Mason in running Phlexicare, developed Phlexicare Service & Maintenance. Based at 161 Commercial Street, part of the Shoreditch site,

this established an approved maintenance and installation network to maintain Phlexicare's growing reputation in providing specialist products for the elderly and disabled.



David Spooner



Top: Opening ceremony of the Phlexicare showroom  
Below: Inside the Phlexicare showroom



*Richard Knight*

By 1995 group turnover had risen by 40 per cent over five years. Rapid but piecemeal growth, however, had produced a complex web

of management and reporting structures with 14 separate limited companies. There were opportunities to cut costs and create a clearer sense of identity within the group, and the process of rationalisation and modernisation was driven by company secretary Richard Knight. In 1996 Nicholls & Clarke Ltd became the group holding company, with four separate trading subsidiaries representing each of the group's operations.

With Doug Dodds as managing director, Nicholls & Clarke Builders' Merchants Ltd covered the builders' merchants in Shoreditch, Bermondsey and Wimbledon, offering a next day free delivery service for all lightside building materials to

London and the South of England. Nicholls & Clarke Glass Ltd, with Stephen Forbes as managing director, incorporated the glass operations at Stratford, Luton and Eastleigh (later moved to Fareham), with glass stock distribution and the manufacture of sealed units. Nicobond International Ltd, with John Franklin and David Forbes as joint managing directors, encompassed a wide range of operations, from the factory at Stoke and the export business to distribution depots at Cardiff, Swansea, Eastleigh, Plymouth, Glasgow and Sneyd in Stoke. John Franklin took particular responsibility for the factory and exports, while David Forbes was in overall control of the Nicobond depots, which included some retail sales but mainly distributed tiles, flooring, Nicobond and associated products to local authorities and the trade.

David Forbes had been with the group since 1985, gaining considerable experience of the tile industry both as a sales representative and as tile and decorating manager. John Franklin would retire in 2000 after 17 years on the board. During that time he had developed the export side of the business and latterly had also overseen the manufacture of Nicobond and its distribution through the branch at Burslem in Stoke on Trent. His retirement led Stephen Forbes to assume control of factory manufacturing in Stoke while Paul Dawtrey took over the day-to-day running of exports. He had joined N&C in 1979 to work alongside John Franklin and Derek Barat, taking over as export director after the latter's retirement in 1987.



*Nicobond van, New Southgate*

Establishing a clear group identity was part of the group's response to the challenges it faced in a changing industry. The group's improving performance had been achieved in the face of a depressed construction market in the early years of the Thatcher government and the resulting rise in competition between builders' merchants. While Nicholls &

Clarke had come through the crisis unscathed, fundamental changes were taking place in the market. Smaller merchants sought survival by specialising in niche areas but many medium-sized merchants, similar in scope to Nicholls & Clarke, were falling prey to the largest merchants, their hunger for acquisitions driven by the need to cut costs.



Paul Dawtrey



Saudi Build Exhibition

Left to right: Paul Dawtrey, Charles (Distributor, Saudi Arabia) John Franklin

If the group intended to remain an independent business, this was a challenge it had to meet. During the second half of the 1990s the group's response to this changed situation was characterised by increased investment, diversification and the pursuit of further operating efficiencies. All this was intended to foster the group's continuing growth as a bulwark against the expansion of the huge national companies dominating the UK market.

In 1996 the second rights issue provided valuable capital for further investment. First, significant capital equipment was acquired, including a £500,000 toughening oven for glass. Nicholls & Clarke Glass Ltd had moved from being mainly a glass stockist to having a much greater focus on glass processing and manufacturing, including fire glass and sealed units.

The original glass business, based at Stratford, had grown considerably. In 1992, when Robert Collins joined as a glass loader, there was just one glass cutter. As demand increased, Robert became the second glass cutter. With investment in more plant and machinery, including a fire glass saw, polisher, beveller and drill, a laminated cutting table and fully automatic annealed cutting table, the number of staff had almost doubled by 1997. While there was a small-scale public collection business, most of the orders came from sales representatives, and the business covered much of the South East of England



*Above: Laminated cutting machine, Fareham  
Below: Robot sealed unit line, Fareham*



As for the Eastleigh glass business, following expansion created by earlier investment, it relocated in 1996 to premises twice the size at Fareham, near Portsmouth, more than doubling the output of sealed units. In 1998 Richard Howe and Gary Harris, who had both started their careers working as glass cutters and production workers, joined the group with the acquisition of G&G Glass, and were made joint branch managers of the manufacturing plant at Fareham. They would play a major part in expansion of the glass business, which became known as N&C Glass. Subsequently Richard Howe became operations director and Gary Harris sales director of Nicholls & Clarke Glass Ltd.

With further investment in plant for toughening glass and making sealed units, N&C Glass rapidly became a major supplier to the glass industry and one of the largest glass companies in the UK.



Richard Howe



Gary Harris

The ability to identify future trends and requirements was key to the performance of the glass division during this period. Foremost was the increased requirement for safety glass partly as a result of new legislation following a number of serious glass related accidents. The new regulations required the use of safety glass at low levels and in the vicinity of doors. N&C invested in a fully automated laminated safety glass cutting machine in 1994, followed in 1997 with the installation of a toughened plant, one of the earliest in the UK. The company was already a significant supplier of wired glass for fire resistance and safety, and as the quality and availability of non wired clear fire glass improved N&C were appointed by Pilkington as a key fire glass partner. In 1992 the first glass saw was installed capable of cutting glass up to 50mm thick to meet the increasing demand for fire glass. Today the majority of glass in buildings is safety glass, either laminated (including fire glass) or toughened.

Further capital was invested in the overdue refurbishment of the run-down head office at Shoreditch. Widespread improvements were made to the commercial and administration offices, reception and board room, including the introduction of air conditioning. The Bermondsey site was reduced to a local collection branch, with most staff redeployed to Shoreditch, and the Wimbledon branch was closed. This rationalisation created a single builders' merchants' business, whose profitability were bolstered not only by increasing sales but also by lower overheads.



*Top and below right: Refurbished offices in Shoreditch  
Below left - N&C Glass*

The tile sector continued to grow but the UK retail market was becoming increasingly fashion-conscious. N&C wanted to become more directly involved with this part of the market to improve margins and create a channel to sell off discontinued or slow-moving lines.

The opportunity to get the venture off the ground came in 1997. Following the collapse of a rival company, Ramus Tiles, N&C acquired its depot in New Southgate, North London, which became N&C's first retail tile outlet under the name of Nicobond Factory Tile Outlets. David Forbes

realised the group required new skills for retailing and engaged external retail experts, Bob Cross and Phil Door who took charge respectively of setting up and running the wider operation. Plans were implemented to make the Southgate outlet the sector leader, with a more upmarket feel, better displays and greater professionalism.



*Phil Door, Retail Development Manager*



*Southgate branch*

With Southgate's rapid success, more retail showrooms were phased into existing distribution centres and one was also incorporated within the Shoreditch refurbishment. When the Eastleigh branch was relocated to Southampton, the opportunity was taken to create the first purpose-built showroom. These outlets acted as trade collection points as well as showrooms for the general public. The most difficult aspect was in developing a retail culture, a very different proposition from acting as a builders' merchant. One helpful factor was the group's tradition of asking managers to deal with a wide variety of products and customers, creating a team continuously learning, improving and adapting to new challenges. Innovative products were launched, always accompanied by supporting information for managers. One feature of these new outlets was a traditional N&C

characteristic, the availability of a team of staff with excellent knowledge, a key factor in persuading customers to make repeat visits.

Alongside investment and diversification, further operating efficiencies were achieved in the wake of Richard Knight's review of the group's computer systems. New systems were introduced, which helped purchasing through invoice matching and improved stock information, while pricing and invoicing were automated, and updated accounting systems produced better management information. A modern computer room was developed at Shoreditch for the newly networked systems. For the first time the glass business was computerised, covering the whole process from order through manufacture to invoicing.



*Distribution and retail unit, Southampton*





*N&C commercial vehicle fleet with N&C livery*

The more uniform group structure was helping to unlock the potential value of the group's relatively unsung brands, Nicobond, Phlexicare, Tilestyle and N&C Sealed Units. This began with a review of the group's image, led by David Forbes. New vehicle livery, logos, stationery and corporate colour scheme were gradually rolled out through the group over a year or two, further integrating all elements of the business. This process carried over into 1998, when Nicholls & Clarke Builders' Merchants Ltd and Nicobond International Ltd were amalgamated into N&C Building Products Ltd. This was the first time that 'N&C' had been used to brand any part of the business and was an important step in strengthening the group's position in a more competitive market.



# 2000s *new century*

By the end of 1999 group turnover had grown to £40 million but borrowing remained stubbornly high. The Bow factory had been sold, more modern premises had been leased for many of the group's depots and capital raised from the rights issue had been ploughed back into the business. With increased manufacturing and better branding, the group was beginning to stand out against its rivals. But no matter how much investment took place, the Shoreditch premises were clearly unsuitable as the headquarters of a modern builders' merchant, particularly when the group was fighting to establish a stronger position in the market place. Funding too remained a constraint on future progress.

The group had been trying to sell the Shoreditch site for some years but the time had never been right. But in 2000 the Bermondsey site, already largely vacated, was sold, and in the following year, after many years of offers, negotiations and last-minute failures, the Shoreditch premises were finally sold to the City of London Corporation as the latest property boom neared its peak.

There was an inevitable degree of sadness among many directors, staff and shareholders in leaving a site occupied by the group since its foundation 126 years before. But this was a major financial boost to the business, not only relieving the burden of borrowing but also allowing the group to make significant investments in the rest of the business. As part of the sale, it was agreed that N&C could remain on site rent free until mid-2004 while new premises were completed.

The development of a major new headquarters building was one of the most significant moments in the recent history of the group. It helped to define the group as a forward-looking business, equipping it with state of the art premises

with space to advertise its products to best advantage as well as room for further expansion. The intention was that the new premises should incorporate for customers the concept of a one-stop builders' merchant, including heavyside as well as lightside goods. In searching for a suitable site, a whole series of options was considered. These included opening a number of smaller sites giving greater geographical coverage or purchasing an existing building rather than developing a new one.



*Above: New site purchased - Development of new head office at Chadwell Heath  
Right: Under construction - New head office at Chadwell Heath*



*New, completed purpose built building in Chadwell Heath*





**N&C**  
Nicholls & Clarke  
Group of Companies

Trade Entrance

10

↑

Marshall's  
Ryedale

Marshall's  
Ryedale

**Marshall's**  
Ryedale  
TRADITIONAL CLAY  
LUMBER AND BRICKS

Marshall's  
Ryedale

**Marshall's**  
Ryedale  
TRADITIONAL CLAY  
LUMBER AND BRICKS

One of the stipulations governing a new site was that the group should be able to retain as many of its staff as possible while taking into account the need to maintain an excellent service to existing customers. Eventually a six-acre site was identified in Freshwater Road, Chadwell Heath, near Romford, and detailed plans were agreed for a retail, distribution and headquarters building with room for expansion into heavyside trading.



*Gary Gingell*

The group bought the site in 2002 and Gary Gingell was given the responsibility of overseeing the project from its inception. He had joined Gifco's castings department in 1989. After experience as a salesman, he became assistant branch manager, moving to Shoreditch as tiles and decorating manager on Gifco's closure. Appointed to the board in 2002, he was initially responsible for transport and

warehousing at Shoreditch as well as health and safety and security across the group.

With a blank sheet of paper, the board made numerous visits to similar businesses to look for ideas. Product managers submitted their requirements, and care was taken to build in ample space for future expansion. The 110,000 square feet building was completed in September 2003. It included a 20,000 square feet trade counter, self-selection centre and showroom, with an additional 20,000 square feet of first-floor offices. Fully air conditioned, with purpose-built IT, training and meeting rooms, the new facilities were welcomed by staff and customers alike, as was the ample car-parking. In October 2003 administration and IT staff moved into the new building, followed in January 2004 by commercial staff and stock. Shoreditch closed on 19th December and Chadwell Heath opened on 5th January.



*Sir Trevor Brooking opening the showroom at Chadwell Heath*



Top right: Reception area  
Top left: Open plan office  
Below: Heavyside yard



All but three previous staff were retained while very few customers were lost. As part of the development of the one stop shop idea, the group acquired the adjacent Texsol Builders Merchants Ltd, absorbing the additional heavyside business into the site. (Texsol had also traded from a second open yard site in Southend-on-Sea which was purchased at the same time and would prove a sound investment for the future.)

Chadwell Heath made a major impression, an instant indication of the innovative and forward-looking strategy of the group. The view of Rob Hodder was typical of many employees when he said that the new buildings' spaciousness, efficient layout and modern facilities were a long way from the Victorian surroundings of Shoreditch. The new buildings were universally welcomed by employees yet it was understandable that many of those moving from Shoreditch had fond recollections of their time there.

Life in Shoreditch had been far from easy. Roads were narrow and cobbled, made for horses and carts, not modern delivery trucks. Making deliveries was made even more difficult by the congestion caused by everyday traffic. The layout of the buildings was not intended for a twentieth-century business. Goods, for example, were all moved by hand. When a lorry arrived with 500 pieces of sanitaryware, they were all loose, packed in straw or sacking, taking a gang of men four or five hours of perspiration and hard work to move and stack it all.

Relocating from Shoreditch to Chadwell Heath was, recalled one employee, 'a huge move'. Accounts moved first and for some weeks the new building contained only about 40 people until other departments arrived. Stock was moved over Christmas, 'fleets and fleets of lorries bringing all the



*Ken Forbes, Mayor of Barking & Dagenham and Sir Trevor Brooking*





stock over on a daily basis'. It was also a huge improvement, and as Rob Hodder recalled, the new building had 'taken the perceived professionalism of the business to another level'. For visiting customers and suppliers, it made an immediate impression; they no longer needed any persuasion, as they had done at Shoreditch, that the group was innovative and forward-looking.

The move to Chadwell Heath was symptomatic of the positive new view that permeated the group as it continued to work hard to expand its existing businesses, build up its brands and manufacturing while also developing innovative products.

The Stoke factory was ripe for new investment and part of the factory, a shed-like building, with the disadvantages of a low internal roof and very little external daylight, had reached the end of its life. Plans began to take shape for the complete rebuilding of the factory, which proved to be a considerable engineering feat. Dan Sutton, the long-serving factory manager, oversaw the project, which involved the construction of a new building around and above the existing factory without interrupting production of Nicobond adhesives. Completed in 2003, the new factory had much more internal roofspace and much better illumination, with the addition of skylights and improved lighting. It was also much cleaner, helping to improve health and safety standards, and included the most modern chemistry laboratory of any tile adhesive manufacturer in the UK.

Modernising the way the factory operated was the responsibility of Michelle Crayton. She had joined the factory in 1981, becoming assistant factory manager before taking over from Dan Sutton on his retirement in 2004. This was another instance of the group identifying talent among existing staff and encouraging them to take the opportunity given by promotion. Modern systems brought increased efficiency, greater staff involvement and a reduction in stock holdings. A modern factory operating more effectively achieved lower production costs, more than justifying the investment in the Nicobond brand.



*Above: Nicobond factory, Stoke-On-Trent  
Below: Laboratory at Nicobond factory*



The investment in Nicobond was one example of the group's commitment to re-investing profits in the manufacturing and distribution of own branded products right across the group, one of the key characteristics that set Nicholls & Clarke apart from its rivals. So too was the way in which the group offered customers not just stand-alone products but integrated solutions. Another example was a much younger brand name, N&C Tilestyle, the group's retail tile business. N&C Tilestyle outlets were incorporated within every one of Nicobond's distribution depots, while the first purpose-built stand-alone Tilestyle shop was opened in Charlton in 2004, based on the success of New Southgate. Further shops followed in Harlow and Bristol, both in 2004, Lakeside in Essex in 2005 and Leeds and Portsmouth in 2007. The Leeds site, unlike other N&C Tilestyle locations, was also large enough to become a distribution site for the North of England. This concept has also been accompanied by investment in staff training, another strength of the group, resulting in a retail staff today regarded as the best qualified in UK tile retailing.



N&C Tilestyle, Lakeside



N&C Tilestyle, Leeds



N&C Tilestyle, Charlton



N&C Tilestyle, Portsmouth



*N&C Phlexicare training*

The directors understand that well-trained staff are both more engaged and have the ability to offer customers a better level of service, with their knowledge highlighting the group's specialist expertise. The group introduced a comprehensive induction training programme, covering all roles within the business. A series of in-depth product training courses have also been developed over recent years with staff completing two day courses in key areas such as Nicobond, Phlexicare, Sanitaryware and Glass. The group has a technical team in each of these key areas with the aim of spreading specialist knowledge throughout the business, enabling staff to make decisions and create comprehensive specifications for customers.



*N&C Nicobond training*



With the success of the retail philosophy applied to the tile outlets, it was decided to do the same thing with bathroom products. This was also tied in with the policy of developing own brand products in both tiles and bathrooms, an extension of the policy already successfully pursued with Phlexicare and applied to sanitaryware in 2000, when the Olympus brand was launched. The principal reason behind this was the ability to improve margins over those usually made from being one of any number of builders merchants selling leading brands. Led by



*Keith Hall*

Keith Hall, the range was first launched in the first tiles and bathrooms catalogue in 2005 under the N&C Olympus name, later simplified to N&C. The extensive range of domestic and commercial sanitaryware is both designed and tested by the N&C team. N&C sanitaryware is now specified by national retailers and house developers, and includes showers, baths, toilets, taps and furniture.

At N&C Glass, a much broader line of products as well as an innovative range of sealed units was introduced. In 2003 this led to the creation of another new brand when N&C Glass placed its sealed units under the Eco-Lite™ name. This would be gradually extended over the years to cover a wide array of end-uses from ultra-slim units ideal for older, more historic buildings to units for fire doors, conservatories and commercial applications. An important investment was the addition of a third toughening unit, enabling all





processing other than bevelling to be done in-house. With Fareham concentrating on sealed unit production over three shifts, and supplying the commercial as well as the domestic market, the Stratford business focused on stock merchandising, fire glass and shower screens for Phlexicare, until the latter was transferred to a new factory in the Czech Republic in 2005. The Luton factory was relocated to newer and larger premises in Dunstable during 2002. This was a major operation given the quantity of glass, plant and equipment concerned, but the weekend exercise went without a hitch, enabling trading to resume as normal on the Monday morning. The Dunstable move allowed N&C to

manufacture yet larger and more complex sealed units primarily for the commercial market.

By 2000 N&C Glass was supplying both stock glass and sealed units to customers ranging from the south coast to the Midlands. Technological innovation in glass manufacturing led to new coatings being applied to glass which transformed the performance of the product. These coatings, only a millionth of a millimetre in thickness, allowed glass to control heat loss and heat gain from buildings, which was critical in meeting government targets for reducing CO2 emissions. The group had been supplying



Above: N&C Glass, Dunstable  
 Below left: Beckton Glass  
 Below right: Fareham Glass



Pilkington K glass since its launch in 1993 but the highest performing glass and the most difficult to process was softcoat. As early as 2002 and well in advance of legislation N&C was importing and processing significant quantities of softcoat from Europe for use in double glazed units. N&C's foresight has proved to be advantageous, as the demand for softcoat glass has increased with changing regulations and the growth of the BFRC Window Energy Rated scheme.

As the quality and performance of the glass improved so the requirements for better machinery and staff skills became more apparent. By 2004 N&C was utilising two toughening plants, five sealed unit lines, some of which incorporated robotic sealing, and six fully automatic cutting tables, cutting thousands of pieces of glass every day in a multitude of shapes, sizes and thicknesses. The whole process from orders to planning and production was coordinated through the most advanced glass specific software. As the glass and its production became more complex it was essential for staff skills to keep pace. Coupled

with internal training, including health and safety, the company introduced the NVQ in Glass Processing in 1999. This nationally recognised training programme was adapted to meet the demands of the company and was extended throughout N&C's glass operations.



Robert Collins - Branch Manager, N&C Glass Beckton

Above: N&C Glass, Beckton



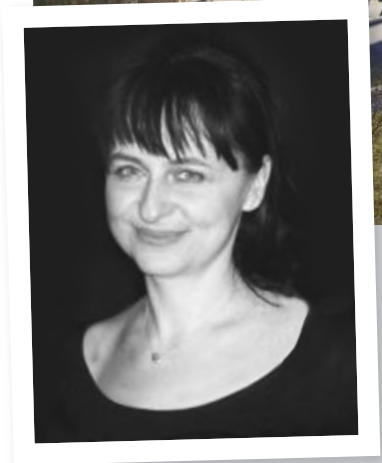


During 2005 it became clear that the Stratford glass factory was on a site earmarked as part of the 2012 Olympic Park and would have to move within two years. With financial assistance from the London Development Agency, this provided the chance to secure larger and more modern freehold premises for what was already a profitable operation. This also coincided with the acquisition of Pier Glass Ltd, a competitor based in North Woolwich, which was merged with the Stratford factory. The group acquired a freehold site under development at the Gemini Business Park, Beckton, on the banks of the Thames in London's Docklands, which was occupied by the newly expanded business during 2006.

At the same time the group continued to invest in the business, with new plant and machinery, including crane lorries, another fire glass saw and another laminated cutting table. By then, the Beckton business was running two shifts a day, handling 100 tonnes of glass daily.



*Above: Stratford site - Olympic Park  
Top right: The exact position of where the Stratford glass site once existed  
Below, right: N&C Glass lorry*



*Gabriella Toledo*

During this active period for the group, N&C also invested in its first overseas production facility. This opportunity arose when the factory based in Liberec in the Czech Republic, making a unique line of luxury glass tiles supplied to N&C, ran into difficulties. Following a visit it was agreed to buy the business, which took place in October 2005. The group also bought the freehold of the factory, covering nearly two acres, a year later. As it turned out, the recession that would shortly follow made tile production unviable. Instead, the group



*N&C factory, Czech Republic*



utilised the factory to manufacture other products, notably shower trays and shower doors, for Phlexicare, benefiting from the factory's lower cost base as well as the high quality skills of the workforce. The Czech workforce was creative and hard-working, and the result has been the quality production of existing products at a lower cost. In 2005 Gabriella Toledo was appointed factory manager, reporting directly to Stephen Forbes.

In 2005 Stephen and David Forbes became joint managing directors. In the same year the links of the group with its heritage were reinforced with the appointment as a director of Richard Hill, a great-great-grandson of the founder. He had joined the group in

1990 working in tiles and decorating, becoming departmental manager, and his experience included times as a Nicobond sales representative, sales manager and national sales manager. He also assumed responsibility for the Phlexicare national sales team and for exports in 2005, when he joined the board.



*Richard Hill*

*Top: David Forbes and Stephen Forbes*

# 2008

## *Tackling the recession*

As the recession loomed, the group achieved record results in 2007 with pre-tax profits of more than £3 million on sales of £69 million. The group was reaping the benefits of several years of investment in sales and manufacturing, expansion of the most profitable and closure of the least viable elements of the business. Bank borrowing had been eliminated and instead the group had cash in the bank.



Nicobond Factory, Stoke-On-Trent



Although trading remained profitable for the first eight months of 2008, this was followed by a very significant downturn in the last quarter. Difficult decisions had to be made. Conserving cash became paramount. The Bristol site was closed, staff numbers were reduced by 15 per cent across the group, mainly by natural wastage rather than redundancy, capital spending was cut and restrictions were imposed on working capital. The next few years would prove very challenging.

In 2008 Doug Dodds retired from the board after 14 years. Doug, who had started his career with S R Love at Wimbledon, had been managing director of both Gifco and Nicholls & Clarke Builders' Merchants, with particular responsibility for the representatives. He had also been heavily involved in the early development of Chadwell Heath, where Gary Gingell now took over the direction of the builders' merchant business.

*Top: Investment in an Integra Automated Packing machine. Left to right: Stephen Forbes, Jeff Sloane-Bulger, Michelle Crayton, Ken Forbes, Keith Ody*



*Ken Forbes receiving a Diploma from the Danish Embassy*

In 2009 Keith Hall, who had worked in a number of roles for the group since 1982, was appointed to the board of N&C Building Products Ltd, assuming responsibility for sanitaryware and bathroom products, including Phlexicare, across the group.

Also in 2009 Stephen Forbes was appointed deputy group chairman and David Forbes group chief executive. Ken Forbes remained chairman and celebrated 50 years with the group in 2006. His contribution to the industry was marked in the previous year by a lifetime achievement award from The Tile Association. He had begun as an accounts clerk in

1956, followed by spells in the Nicobond Bow factory, as manager of the Shoreditch sales department and as a North London sales representative, becoming sales director in 1970 and chairman in 1991.

But the group could not afford to be complacent. The most severe recession since the 1930s once again found too many companies chasing too little business. The UK building and construction market declined sharply and only began to move upwards again in 2013.

Ken Forbes started with the group at the age of 18 in January 1956. He worked in a variety of roles, including credit control, the sales office and as a very successful representative for 14 years, until the chairman Sam Nicholls offered him a position on the board as sales director. By the time of his appointment as chairman in 1991, 21 years later, turnover had grown more than ten-fold to £26 million.

This significant expansion in sales was helped greatly by a very strong management team. Nicobond products, initially developed largely by Dr Eric Leigh, Cyril Wakeman and later by Dan Sutton and Brian Taylor, were always a focus for growth. So too were tiles, with Ken Forbes importing the first containers from Europe, distributed mainly through Shoreditch and Bob Hughes' Cardiff depot. John Franklin's work in exports, the Phlexicare concept and product range, and the glass business all became more important to the group. The number of depots increased from six to 13, and currently stands at 21.

Since 1991 the range of products manufactured and distributed by the group has continued to increase, focused on what the business knows and does best. Once again senior managers, supported by the chairman, and with far more autonomy than in the past, have enabled the group to modernise all aspects of its operations. The encouragement of management and long-serving staff, a focus on continually developing the group's core business and an emphasis on forward planning have all been key strands of Ken Forbes' management style. For many years he worked towards the move from Shoreditch to Freshwater Road, which has finally allowed head office to be an efficient location from which to drive the group forward as never before.

In January 2016 Ken Forbes achieves 60 years service with the group, his immense contribution to the industry having been marked in 2005 by a lifetime achievement award from The Tile Association.

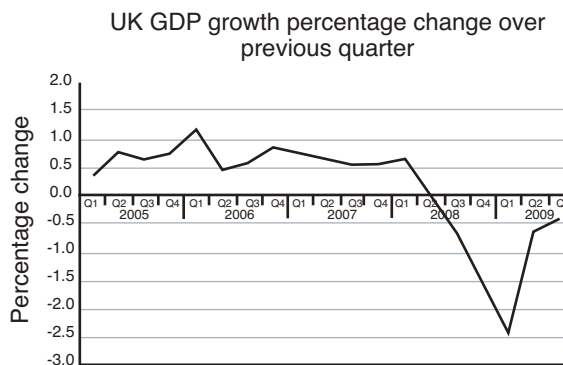


*Ken Forbes, Chairman*

Thanks to earlier decisions, the group was already focused on containing costs and building up its cash balances, eliminating reliance on bank borrowing, the source of so many problems for the industry at this time. N&C also continued and indeed increased investment in its sales and marketing efforts and, unlike many competitors, suppliers and customers, would remain profitable through several difficult years, although major expansion was out of the question.

As the impact of the recession became clear, the group took the difficult decision to restructure the glass division. The division was suffering in the face of a rapid contraction of the market which, combined with massive over-capacity, very quickly led to eroding margins as factories desperately sought to maintain volumes. Relying on commercial sales of sealed units, Dunstable was particularly affected. Restructuring the division was seen as essential.

In 2010 it was agreed to either sell or close Dunstable. A buyer was eventually found, and the business was sold in May 2011, but not before a large number of redundancies had taken place. But the sale of Dunstable allowed the group to consolidate much of its business at Becton and Fareham, and to reinvest the sale proceeds in modern plant and equipment for the Fareham factory as well as in additional freehold premises for future expansion. The result was the renewed expansion of the business and a revival in profits.



Automatic Arripping machine, Fareham



Moderna Tiles also suffered during the recession as demand fell away. It had been enjoying considerable success, undertaking its largest ever contract in 2004, supplying hand-made glass tiles for the Chelsea Bridge Wharf development. In 2007 Moderna also completed tiling for the Centre Court at Wimbledon. In 2011 the company won The Tile Association award for Best Use of a Tile in the Public Sector for work on the new Harlow leisure centre; and in 2013 it became Tiling Contractor of the Year.

Moderna Tiles would also benefit from the group's policy of building up cash reserves, which allowed it the freedom for further investments denied to many competitors. These positive cash balances allowed the group to acquire two tile businesses in 2011 and 2012. These tile fixing businesses (AG Ceramics and Tile Shapes) were incorporated into one site in Stevenage and thanks to the group's financial security were able to grow as the market demand increased. Tile Shapes was acquired in 2012. This was a long-established

*Top: Harlow leisure centre swimming pool tiling project*





tile retailer and fixing business based in Hemel Hempstead. The tile fixing business was transferred to Moderna in Stevenage and the retail side to the first of the new N&C Tiles and Bathroom outlets in Maylands, Hemel Hempstead.

In 2013 a long-established competitor, Colchester Tiles, became available after encountering financial difficulties during the recession. N&C absorbed the showroom, stock and distribution network in October 2013 and by the beginning of 2014 distribution had been reorganised from Chadwell Heath. The lorry fleet at Chadwell Heath was expanded to 36 vehicles to improve delivery service. The showroom was enlarged and the stock changed to reflect the N&C tile range.



Top: Stevenage  
 Middle: Original Hemel Hempstead site  
 Below: New N&C Tiles & Bathrooms, Hemel Hempstead

Colchester branch



*Dock levelling system, Cardiff*

As the recession began to lift, the group continued to make progress. In 2014 the expanding Nicobond business in Cardiff moved yet again to a larger site in Hadfield Road. The South Wales premises now reflected the N&C Nicobond national image, with a reputation for the best products, best service and competitive prices. The level of service, for instance, included the absence of a minimum order for free next day delivery and no daily cut-off time for orders. The new Cardiff premises featured a modern warehouse, equipped with state-of-the-art machinery, including an internal dock levelling system and lifting platform. It also

incorporated a 6,000 square feet showroom for N&C Tiles and Bathrooms, highlighting the modern feel of the brand, with its interactive tile and bathroom displays and room sets, supported by the expertise and knowledge of local staff.



*Above: Cardiff distribution warehouse  
Right: Cardiff showroom*

Floor & Wall Tiles  
Bathrooms  
Natural Stone  
Mosaic  
Sealers & Cleaners

**N&C**  
Tiles and Bathrooms

Wet Rooms

Mosaics

We are Ceresit's largest dealer of residential, commercial and public space tiles.  
Welcome  
Ceresit

**N&C**  
Tiles and Bathrooms  
**WE ARE OPEN ALL WEEK TO THE TRADE & DIY**  
Wall & Floor Tiles  
Bathrooms  
Natural Stone Tiles  
Mosaics  
Adhesives & Grouts  
Wet Room Systems  
Undertile Heating  
DIY & Trade Tools



# 2015

## *Today's Business*

All the group's brands benefit from a national group distribution service, provided by a fleet of more than one hundred low-emission commercial vehicles and seven strategically located distribution centres, with many customers benefiting from free next day delivery, often without having to place a minimum order. Chadwell Heath is just one of 25 group-wide businesses, employing some 600 staff, an indication of the progress made by the group during the last 25 years.



From Chadwell Heath, N&C Building Materials covers much of the south-east of England, offering a range of more than 60,000 building products, including leading brands, once again backed up by technical support and information. One recent challenge came with the London Olympics in 2012 which threatened to disrupt deliveries for customers. To overcome this, N&C made it possible for customers throughout the Olympics and Paralympics to collect goods around the clock. This was the first instance of a UK builders'

merchant operating 24 hours a day, seven days a week, and was much appreciated by customers. Customers who were account holders had also appreciated the comprehensive hard-back catalogue issued by N&C, which has become known in the trade as 'The Bible'. The first was issued in the late nineteenth century, with the last edition being a 608 page colour catalogue. N&C now produce a full range of literature aimed specifically at relevant target markets.

*Above: Members of the N&C Management Team*

Phlexicare has developed into a market leader in a rapidly developing sector as the population gets older and the awareness of the available products increases. Innovation has always been part of the N&C philosophy, from creating the world's first raised height pan to developing half height carer shower screens. Phlexicare continues to work with organisations such as Disability Rights UK in developing the RADAR lock and key scheme. In 2015 N&C launched the

fourth generation of this unique product, which has improved the lives of millions of disabled people for the past 40 years. Today the N&C Phlexicare range offers more than 6,000 products, including bathroom, kitchen and access solutions, and more recently has added a successful range of wetroom bathroom options.



Above: N&C Phlexicare Doc M Pack



The glass business covers a large part of southern and eastern England and makes site deliveries throughout the UK. As an independent business, it holds products from leading glass manufacturers, and boasts a stock of more than 30,000 sheets of glass. The high quality of its own products stems from constant investment in advanced plant and machinery, extensive training and sound management, with most posts filled internally. Today the glass division employs over 160 staff. As one of the UK's largest independent glass companies, N&C Glass's products include sealed units, acoustic noise reduction glass, fire glass and eco-friendly energy-performing glass. N&C Glass has supplied glass for a variety of major commercial developments, such as Birmingham's super-hospital, Wembley Arena and the Royal Albert Hall.

Group manufacturing is concentrated in four modern factories with a total production area of 150,000 square feet, employing more than 250 staff. Throughout the recession the group continued to invest and upgrade machinery and



Richard Hill presenting an award at the WhatHouse? Awards 2014

Above: Richard Howe and Gary Harris with the day shift production team, Fareham  
Above Right: Adhesive production line and Form, fill and seal (FFS) machine



manufacturing plant at all group factories. While the glass business was already highly automated, the introduction of new plant at the other factories, namely Stoke-on-Trent and Liberec in the Czech Republic, have allowed these sites to develop significant new own brand business for external customers as well as supporting the continued growth of the Nicobond and Phlexicare brands. Projects include Cross-Rail, Gatwick Airport and the nationwide refurbishment of all Debenhams stores.

The Nicobond brand has continued to develop. N&C Nicobond has developed a process which allows tiles to be fixed to substrates that were previously difficult or impossible to tile. In 2008 the business also introduced Nicobond Plastic Ply, a revolutionary solution for fixing tiles and natural stone to timber floors, which was awarded 'Innovative Product of the Year' by the Tile Association. In 2010 this was followed by the introduction of Nicobond Gypfix, a solution for the emerging antridrite/calcium sulphate substrates, which had previously caused a huge problem for tile fixing. In 2012 Nicobond launched Starlike, a new generation of extreme performance grouts which can create dramatic

effects through the addition of glitter. The focus on research and development reaped benefits not only in terms of new products but also extended to delivery and packaging, with a new form fill and seal machine lengthening the shelf life of products with polyurethane rather than paper packaging. The Nicobond range has grown to more than a hundred products, including Nicobond Ecoflex, the world's first carbon neutral tile adhesive.

Today the brand is used to promote manufactured tile and flooring installation products while ceramics, porcelain, mosaic and stone products are featured under N&C Tiles. The export business demonstrates the knack so often shown by the group in recent years of adapting to changing circumstances and market conditions. The ageing worldwide population is starting to create new opportunities for Phlexicare as the solutions the brand offers become more interesting in overseas markets. Surprisingly many of these markets have never been exposed to the innovative solutions now taken for granted in the UK and continental Europe.

*Above: Nicobond Adhesive product range*

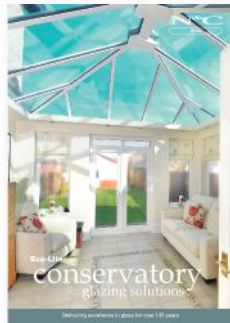
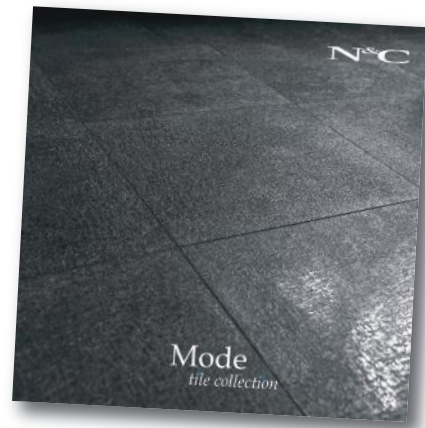
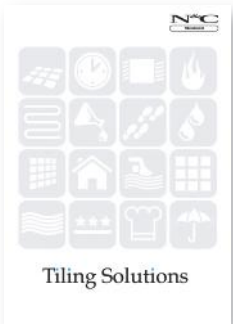
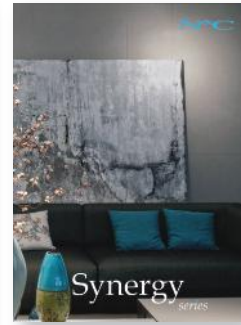


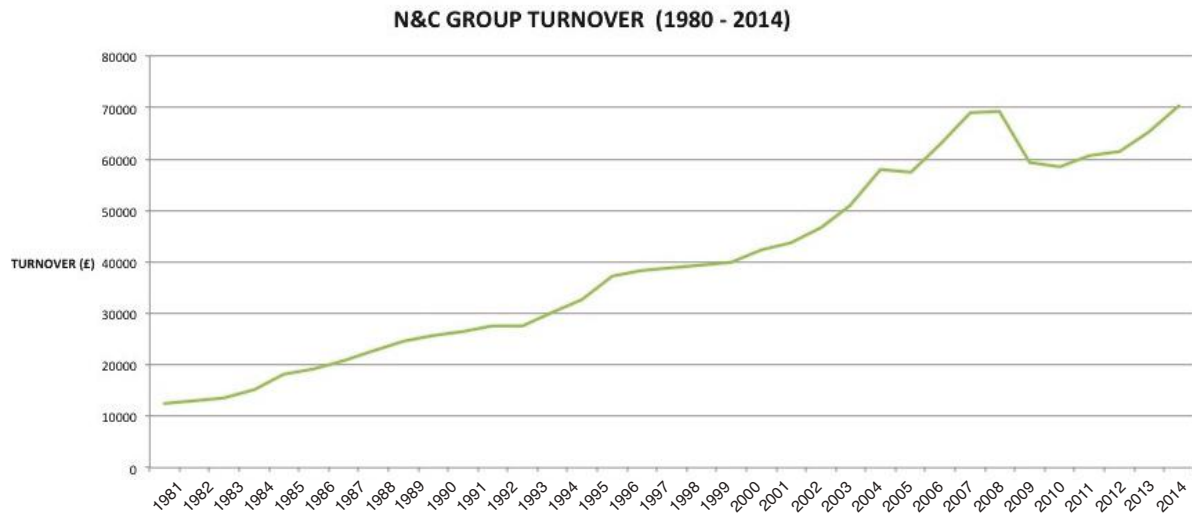
By 2013 the tile division had 15 showrooms, comprising seven distribution centres and eight retail outlets. The N&C Tiles & Bathrooms brand had been introduced after many years selling sanitaryware to the public. The re-branding exercise covered everything from store design, point of sale material, literature and uniforms. The original concept developed in New Southgate, offering customers aspirational and affordable products, combined with a knowledgeable and friendly customer service, remains at the heart of the business. In January 2015 the seventeenth showroom was opened in Edmonton.











The group has also invested in a major new software platform under the direction of Richard Knight and Gary Gingell. The new Kerridge K8 software provides a full range of trading functions for N&C Building Products, including multi-currency purchasing, selling, stock control and e-trading as well as a full accounting package for the wider group. Ease of use for commercial users and improved reporting opportunities are key elements of what is a specialist builders' merchanting system. The software will have a far-reaching impact upon nearly all parts of the group and, while further work continues in regard to the factories and Moderna, initial signs are encouraging, with no adverse reaction from customers or suppliers. In tandem with the new software, the opportunity was taken to review and update the group's sales and marketing tools.



*Richard Knight*



*Gary Gingell*

*It had been a momentous start to the new century. Beginning with the move from Shoreditch to Chadwell Heath, it had continued with a record group turnover and profit in 2007 and concluded with the most challenging market conditions seen since the 1930s, during which the group took action that ensured it remained in profit every year while cash reserves increased. In 2014 the group posted profits of £3 million on sales of over £70 million.*



*Board members from three generations  
Left to right: Gary Gingell, Richard Knight, Ken Forbes, Sam Nicholls*

*A key element of the group's constant strategy remains investing in the manufacture and distribution of its own branded products, from N&C Tiles and Nicobond adhesives, N&C Phlexicare and sanitaryware, N&C Tiles and Bathrooms, N&C Glass and its range of Eco-lite™ specialised glass products. This is a major change from a generation earlier, and gives the group the freedom to design products to suit its own market sectors. Investment has covered plant and machinery, new vehicles and more*



*modern premises, both freehold and leasehold. The group has also continued to invest in sales and marketing irrespective of market conditions and in quality standards*

**Main Board 2015**

*Top row, left to right: David Forbes, Gary Gingell, David Cooper (Company Secretary), Richard Hill, Stephen Forbes*

*Bottom row: Ken Forbes, Richard Knight*



*such as ISO9001 and environmental standards such as ISO14001. At the same time senior managers have continued to take an active role in industry associations such*

*as the Glass & Glazing Federation, Builders' Merchant Federation, The Tile Association, the Guild of Architectural Ironmongery and various British Standards.*



N&C's nominated charity, Children Today helps local children with disabilities by fundraising for much needed specialised equipment that is unavailable through the government.



*The group's success owes much to a long-term, skilled management team, but also to the indispensable contribution of a hardworking, loyal and committed staff. As Sam Nicholls wrote in a previous history, 'it is the quality of the people who work in the business which is decisive. This will be true for all time, however much mechanisation and*



*computerisation takes over'. Many employees feel they have opportunities to achieve within the group, that they can influence the direction of the part of the business to which they belong. For many employees there is almost endless variety in their work within such a varied organisation, manufacturer, distributor, merchant, retailer and exporter. The senior management team is approachable and direct. There are more than 90 members of current and retired staff in the N&C 25 Year Club, each one of whom has received a gold watch for 25 years' service.*

*N&C believe that a sustainable and responsible business will ultimately become a more successful one. Since 2010 the business has held an annual fun day at Chadwell Heath for local residents in support of a national charity, Children Today.*

*Top, left: Luke, who was a recipient of mobility equipment through N&C fundraising activities  
Top, right: Jon Cruddas MP visits Chadwell Heath*



*Progressive and innovative, financially strong, prudent but not risk averse, the group has set out a clear view of its priorities in its vision and values, with an overriding aim to continue to be a dedicated provider of building products. This is built on excellence in customer service, high quality products, adherence to the highest industry standards, investment in staff and an emphasis on continuing innovation. All this is underpinned by the group's heritage as one of the oldest independent builders' merchants in the UK. The combination of all these factors has created a vibrant, profitable, financially prudent business that constantly reinvests. And it is this independence that helps the group to encourage initiative, work hard for success yet be unafraid of failure, seize opportunities but plan for the future, all based*

*on a tradition of service that stretches back to the roots of the company. As for the future, for a growing independent business eager to expand market share, there is still great potential in a huge industry.*



Top, left: Barking & Dagenham Council Leader Darren Rodwell visits Chadwell Heath  
 Top, right: Annual Family Fun Day  
 Below, right: Richard Hill, Pro race driver Mark Cole and the N&C Porsche Carrera Cup Car at the Family Fun Day event 2015