

Welcome to CBA Outlook

This issue features the CBA Chairman's Annual Report to members. It highlights the concerns of the UK chemical supply chain regarding the uncertainty surrounding the Brexit negotiations. CBA continues to focus on the impact of their eventual outcome on the sector in its advocacy on behalf of member companies.

In other respects, our Chairman reports that CBA continues to make effective progress. It has achieved a reasonable financial surplus, a year-on-year rise in several income streams, and continues to receive numerous requests from international organisations to share its expertise in chemical security in the supply chain to prevent terrorist access to chemicals.

We also publish the results of our latest Supply Chain Trends Survey. Intended as a short-term indicator of trading conditions, the current Trends Survey shows that order books and current sales have returned to positive territory, but sales margins remain under pressure – a factor that seems likely to continue over the next three months.

We invited the Government's Competition and Markets Authority to outline their current Cartels campaign and a summary of its 'Be safe, not sorry' campaign appears in this issue.

This issue also includes a brief guide to CBA's redesigned website that offers a revised visual style, navigation, and user-friendly features. The flexible format of the new website allows it to be accessed by mobile telephone and tablet. With CBA's website designers, this feature also provides a number of 'top tips' for projects of this kind.

As usual, Outlook also covers all the latest industry news



Peter Newport
CBA Chief Executive

Outlook

Outlook is published by the Chemical Business Association
Group House, Electra Way
Crewe Business Park
Crewe, Cheshire, CW1 6GU

Telephone: 01270 258200
Facsimile: 01270 258444
e-mail: cba@chemical.org.uk
web site: www.chemical.org.uk

Outlook is written by Christopher Hodkinson (+44 (0)1257 450666) and designed by Peter Bowes Design Limited (+44 (0)789 999 1272)

The views and opinions expressed in Outlook are not necessarily those of CBA.

For Outlook advertising rates, contact CBA on 01270 258200.

A year of effective progress

In his first Annual Report to members, CBA's Chairman, Mottie Kessler MBE, highlights the progress made by the Association in 2017.



Mottie Kessler MBE

'This is my first report to you as Chairman of your Association and I am delighted to be able to tell you that the CBA has continued to make effective progress during 2017.'

In terms of the regulatory and trading future of our industry, the uncertainty around the eventual outcome of the Brexit negotiations has, in many cases, continued to provide many member companies with a level of unwanted ambiguity regarding their strategic development. In its representations – to Ministers, Parliamentary Select Committees, Regulators, as well as Government Departments – CBA has consistently tried to highlight the potential impact of the Brexit decision on the UK's chemical supply chain.

Our survey data indicates that the majority of member companies would prefer continued membership of both the Single Market and the Customs Union. As we have consistently pointed out during this advocacy

process, the Brexit debate has, so far, failed to grasp the distinctive nature of the chemical sector's regulatory framework and its relationship to trade.

Key to market access

Regulatory compliance is the key to market access. Authorities in target markets determine the nature and extent of the compliance required. Compliance is non-negotiable. Failure to comply is a barrier to market access. Without market access there is no trade.

CBA will continue to reflect the views of its member companies and press for clarity in relation to the Government's negotiating position and its preferred outcome.

I am pleased to report that CBA achieved a reasonable financial surplus in 2017 based on a net gain in subscription income and the continued prudent management of costs as we continue to rebuild cash reserves after purchasing the Crewe Offices. Your Association continues to weather the

financial impact of mergers and acquisitions in the industry affecting both the logistics and distributor sectors. CBA's specialist regulatory compliance subsidiary, ReFaC, continued to trade profitably during the year.

Massive vote of confidence

During 2017, CBA again conducted a survey to gauge member companies' views on its performance and services. The Association undertakes this on-line survey every two years. I am delighted to say that members gave CBA a massive vote of confidence. You gave its Activities an average approval rating of 81%; its Services a 95% average approval rating; and a 92% average approval rating for its Effectiveness. The Survey shows that CBA is delivering levels of advocacy, services and overall performance that are appreciated and valued by its member companies.

In addition to its regular membership communications – Outlook in its on-line and printed forms and Update, CBA's technical

newsletter – in 2017, your Association also produced an Infographic to provide member companies with key facts and figures about the CBA and as a recruitment aid.

It is interesting to note the fluctuations in the results of CBA's three Supply Chain Trends Surveys during 2017 that aims to reflect short-term trends affecting the sector. In March 2017, order books and overall sales were rising, but margins were negative. By June, the upward trend for orders and sales was continuing, but margins had turned neutral. However, by the November survey orders, sales, and margins had all turned negative. Employment levels were the one positive trend throughout the year.

Worldwide authority

CBA has established itself as a worldwide authority on the security aspects of the global chemical supply chain. As such, during 2017, it was regularly invited to give presentations and run training exercises by a number of international institutions, including the

Organisation for the Prohibition of Chemical Weapons, the G7 Global Partnership, the US Department of State, and the United Nations. These events took place in The Hague, Rome, Houston, and Islamabad and attracted audiences of manufacturers, regulators, Government Departments, as well as distributors.

Finally, I would like to offer my warmest thanks to all CBA members for giving their time and knowledge to the Association through its Council, Executive and Technical Committees. CBA could not function without your support.

My thanks are also due to Peter Newport and his very able team at Crewe.'

CBA Technical Support – a valued service



Douglas Leech

In the last member survey, CBA's Technical Support Team received approval ratings of more than 90% for the quality, scope, and speed of its service.

To ensure members continue to receive a high standard of service, CBA monitors the response time for enquires and also undertakes an annual review of the range of enquiries received.

Response Rate – During the last six months, CBA has answered 70% of all enquiries for technical assistance during the same working day and 28% of enquiries, requiring further research, within five working days. The remaining 2% of enquiries were answered within ten days.

Range of Enquiries – The overall volume of technical enquiries in 2017 remained consistent with previous years. Smaller

member companies are the main users of the service and account for 65% of all enquiries. Sister trade associations and Government Departments also called on CBA's technical assistance.

The main topics, in 2017, were also similar to previous years and covered REACH, CLP, COMAH, and Transport Regulations.

CBA's Technical Director, Douglas Leech, said, "As the industry's regulatory and legal

framework becomes increasingly complex, member companies value CBA's technical support which is one of the key free benefits of membership."

