Life in Motion YOUR HEPCO NEWSLETTER

SPRING / SUMMER 2021

OPTIMISM AFTER A GOOD START TO 2021

ow that winter is over and spring has sprung, it feels as if we are just about turning a corner in the fight against this pandemic. The necessary lockdowns were incredibly tough to endure, but as economies gradually begin to open up and restrictions start to ease, a sense of optimism is perhaps returning.

Vaccination is one of the keys to beating Covid-19, and across most of the larger European nations the roll-out is gaining momentum. Covid variants continue to blight many countries and we must manage expectations of how quickly a recovery might come. However, the world does feel a better place compared to how it was before Christmas time last year. The larger global economies are beginning to bounce back somewhat, and the outlook for manufacturing at this time is positive. From Hepco's perspective we have never been busier.

It seems almost absurd to make such statements considering how much of the economy has suffered, and what we have all been through over the past 14 months or so. Add to that, Brexit, a Sales force largely unable to make face-to-face customer visits, and virtually all trade shows postponed. It is an incredible situation we now find ourselves in.

Global pent up demand and the resumption of delayed projects from last year are certainly drivers of demand we are currently seeing, but the relevance and quality of our products is a key factor as automation becomes a necessity in more and more industries.

GFX business is playing a major role in our current levels of busyness, and the potential for this technology is vast. With even more growth forecast for GFX over the coming years, the challenge we now have is managing workload. However, the recent arrival of new machine investments and those which are due to be commissioned imminently, will not only increase our production capacity of GFX and Core Products, but also improve their quality.

Managing the negative effects of Brexit has been a major and ongoing task that has been expertly handled by our Sales and Production teams. Although we are seeing improvements in some areas, as an organisation we are committed to doing whatever is necessary to provide our European Customers with the best possible service for the longterm.



As a business, we are committed to sustainability and to the environment.

Next month, work will commence to install solar panels on the Tiverton factory roof – take a look on page 6 to find out more.

Over the summer months and beyond, essential housekeeping work will be carried out to replace the Tiverton office roof and parts of the BPC factory roof. Additionally, external racking for material storage will be installed in the Tiverton factory carpark, creating a tidier space, improving organisation and efficiency.

Given the incredibly challenging economic and social climate, it has been a huge task to manage demand while continuing to provide an excellent standard of service for our customers. Hard work, dedication and the agility of our Teams throughout the business has made this possible. As we move into the summer months and beyond, there is cause for cautious optimism regarding the pandemic and the wider economic picture. We are quite some way away from a return to 'normality', but there is perhaps some light at the end of what has been a long tunnel.

I would like to thank every member of the Hepco and BPC Teams for their flexibility and responsiveness to a global market in the toughest of times. Your efforts are very much appreciated.

HepcoMotion[®]

HepcoAutomation[®]



WELCOME TO OUR STARTERS - 2020 & 2021

Since our last edition in December 2019, there are plenty of new starters. A huge welcome to you all! At Tiverton HQ new to the Hepco team are Mark Dyke & Nicholas Dunning – Cell Machinists; Wayne Madge, Cameron Turle & Jack Oxlade – Packers (Stores); Mark Sanders – Assembly Operative; Mariusz Witkowski – Site Services Operative; Paul Andrews – Production Stock Co-ordinator; Adam Newcombe – Lead IT Developer; Kathryn Benton – Sales Co-ordinator; Harvey Pringle – Digital Marketing Apprentice; Alexander Maine – Planning Engineer and Marlie Ford – Sales Office Supervisor, Sara Criddle – Sales Office Co-ordinator



Adam Newcombe Lead IT Developer



Sara Criddle Sales Office Co-Ordinator



Marlie Ford Sales Office Supervisor



Kathryn Benton Sales Co-ordinator



Harvey Pringle Marketing Apprentice



Alexander Maine Planning Engineer



Mark Sanders Assembly Operative

Hepto

Wayne Madge Packer (Stores)

Also at Tiverton HQ we welcome five Trainees, pictured below.



Jack Oxlade Packer (Stores)



Cameron Turle Packer (Stores)



Arabella Wilson





Hannah Poole



Ryan Snashfold



Jack Gunn

Two Technical Sales Engineers have joined the external sales team, pictured below.



Chris Hopkins UK Technical Sales Engineer



Laurent Hittinger French Technical Sales Engineer

BPC saw the addition of the following team members:

(L-R) John O'Shea – Warehouse Operative, Lloyd Shelley – Electrician, Jonathan Harrison – Production Controller, Marek Topor – Setter/Operator (Turning)



Hepco Spain welcomed Taina Santarén Garriga – Sales & Administration



Ji-Young (Kate) Lee – an addition to the team at Hepco Korea







LONG SERVICE AWARDS

We are very proud of the long list of our long serving employees in this edition.

30 years

Tiverton HQ



Chris Pengelly – Projects

BPC



Paul De'ath - Engineering



Steven Nicholls – Jobshop

Richard Paine - Assembly

20 years

Hepco France



Sylvie Corrion Admin Assistant



Keith West - Grinding



Graham



Congratulations to Craig Gilson, CNC – not pictured





Tool

Len

Tracey



BPC



Andrew Tolly – Assembly



Shane

Lyons –

Assembly



Wagstaff – Jig &

Browning Grinding



Tiverton HQ

Russell Golland – Production Control Colin Butler – Production Control Shane Hudd – Grinding Ashley Ward – Site Services Richard Kelland – Grinding Daniel Martin – Jobshop Mark Haycock – MCS Teresa Price – Purchasing Matthew Carpenter – Production Control

10 years

Christopher Broom – Assembly Christopher Cockram – Prelim Zak Robinson – Assembly Tricia Dart – Senior Sales Gary Lott - Stores Nicholas Sweet - Site Services Matt Winiarski – Maintenance Angelo Areington-Eyres -Technical Sales

BPC

Daniel Johnson – Grinding Adam Curtis – Engineering Mark Boland – Grinding Karen Clarke – Assembly Valerie Abbott – Assembly Natalie Clemence – Assembly Garry Mullin – Grinding Phil Cloughton – Production Ken Mendes – Quality Mng

Hepco France Laurent Brinet – Sales Engineer

Congratulations to everyone!

BIG CHANGES, CHALLENGES AND GROWTH Barry Engstrom – Manufacturing Director



Collowing the most challenging year in our lifetime (2020), no one could have honestly predicted the record levels of business that we have received since November. A brilliant six months, with records set in December and April 2021 – a fantastic effort by everyone involved.

It is a great problem to have and we hope the demand continues into the second half of the year.

I would like to say a big thank you to the manufacturing team for rolling up their sleeves, getting stuck in to deal with the busyness, a truly great effort that delivered record levels of turnover in the last four months, with March being a record high.

Investments in manufacturing capacity

nuring this time we have also been working hard in making decisions on key investments to support demand and

U future growth. Several machines to support GFX and general business are either pending arrival or already in production. We have ordered several machines to support GFX and general business:

- A new 4 axis Doosan machine for GFX brackets arrived in May. See photo below.
- A 2nd refurb multi spindle auto lathe introduced in May. See photo opposite.
- A new sliding head lathe at BPC arrived in April to machine Journal studs. See photo bottom right.
- 2 X 5 axis machines arrive end of June early July to enable us to machine GFX segments and movers.
- A new cutting, ending and laser etching cell for all linear type slides, also arriving in July.



Auto lathe machine



Doosan machine

Sliding head machine

We continue to consider other areas of manufacturing for investment, to ensure this growth continues. We will update you further once decisions have been made, and I expect all in all, we will be investing record levels to support future business growth.

Lastly, I would like to confirm the challenges ahead for the manufacturing team: maximise turnover, continue to drive up quality, output and productivity, introduce investments and continue work to improve customer service for on time deliveries and delivered quality.

Once again, thank you to everyone making 2021 such a success so far.

GOOD END TO 2020, OPTIMISTIC FOR 2021 Alex Mend – Sales Director

e all remember the shock in March 2020 when the first lockdown was announced, resulting in a heavy impact on our life and work routines.

There was a business reduction with order intake dropping. Our sales teams were unable to visit customers and needed to implement new working methods. Now they are working more remotely, rather than face-to-face with customers. It took a while to adjust, and the industry performed poorly across nearly all markets for about six months.

In that time, remote working was already a well-approved standard. Customers were far better prepared and the industry itself has learned to perform better under these circumstances.

A great job has been done by all of our sales teams - internal and external - to find ways to achieve a turnaround. The last quarter showed a significant order intake and we could see light at the end of the tunnel.

The December intake was the best ever, which make us optimistic for 2021. With the pandemic ongoing, order intake has bounced back to high levels, comparable with 2019 figures.

As if our challenges are not enough though, a further challenge came up to the stage. The last minute Brexit deal, surely better than no deal, presented a lot of headaches in Sales & Logistics. A great thank you to everyone involved in dealing with the Brexit shipping issues. You all worked so hard and under enormous time pressure to bring our products to EU customers. The situation is a lot better now, but it still presents additional work and inconsistencies. We will invest



further to improve the shipping procedures to offer the best possible customer service.

In addition, thank you to Marketing with their support of Sales by hosting fantastic webinars, which has become an approved alternative to postponed and cancelled exhibitions.

Nevertheless, attendance at exhibitions will still be our key strategy to gain new customers, as soon as they are taking place.

I am very optimistic that we can follow up on the positive business trend. We are well prepared and we will invest further to keep us in a good position for upcoming future requirements.

HEPCO GERMANY CELEBRATES 30 YEARS

This year HepcoMotion Germany celebrates its 30 year anniversary. Since the humble beginnings in a village outside Nurnberg, the city famous for its Christkindl Market and Lebkuchen, it has developed into a sizeable branch that had to change location twice due to continuous growth. It now counts a current total of 24 witnessed the banch development since the beginning. Today, Hepco's customers include most of the big names in the German industry. Despite challenging circumstances due to the pandemic, Hepco Germany continues to grow – not least for its great and sometimes unique products, but also for its customer focussed approach.

employees whose joint effort and dedication makes an important contribution to the overall success of HepcoMotion. Many staff have been with the company for quite a while, but longest serving are Helga Crouse, Office Manager and Alex Mend, now Sales Director, who joined in 1993 and



Taken in 1996 – Front L-R Erna Gerlach – Office Supervisor, Gervase Forster – President, Rolf Keller – Sales Manager, Hannelore – Rolf's wife, Petra Friemel – Office Assistant, Ronald Conrad – Salesman, Alex Mend – Sales Director. Back L-R Ray Hall, Erna's husband, Olaf Nehlius – Tech Sales, Petra's husband.

POSITIVE CHANGES IN STORES, PICKING & PACKING

The last year has seen many new developments to improve efficiency for the goods entering Tiverton HQ and to improve processes for picking and packing, and the final dispatch of customers' products.

The team is led by Manager Jamie Gliddon, and includes Mariusz Laskowski, Gary Lott, Mark Southcott, Joe Starnes, Gavin Meecham, Callum Sewell, Matthew Fagan and Steve Howe. To deal with our continued growth new members have joined: Wayne Madge, Cameron Turle, Jack Oxlade and Paul Weller. The most notable change is that more space has been created by moving storage to the edge of the area or into other areas of the factory. New packing benches ensure that all materials are to hand. More space is available for finished goods awaiting collection and now the larger space is more suitable for use of the forklift track, with reduced pedestrians in the space.

The changes have facilitated faster loading and unloading of goods, as well as speeding up the preparation of goods for collection.





COMMENDATIONS

Congratulations to Maurice Porter, Head of Learning, Development and Apprenticeships, who has received two commendations for his ongoing work with our Apprentices. The letters of recognition are from the Chief Executives of MAKE UK and Exeter College.

GO GREEN

As a business, we are committed to sustainability and to the environment. Next month, work will commence to install 487 solar panels on the Tiverton factory roof, and once complete these will generate green energy which we will use to help us to meet our energy needs. Most importantly, there will be a carbon saving over the next 25 years of 1,022,334 Kg.



A reminder to share your stories

Do you have a story to tell that you would like to share with your colleagues? Perhaps you are raising money for a charity or is there a special holiday celebration in your home country you would like mentioned. Please email <u>lifeinmotion@hepcomotion.com</u>

Feedback

Please let us have your feedback All ideas are considered. Please email <u>lifeinmotion@hepcomotion.com</u>

HAVE YOU HAD YOURS?

We all know that Hepco products are used in the production of many household name products, but with companies keen to keep developments quiet, it's not so often we can speak about it. This GFX application was an exception. Take a look at the video on our YouTube channel (https://youtu.be/texxiSófF3k) and see how AMP Rose provides a solution which speeds up the packaging of this famous wheat based biscuit.



FROM LONDON TO KOREA



These GFX systems displayed on the left were dispatched to a Korean customer for the production of London themed cakes, manufactured in South Korea.

TAKE A TOUR OF THE FACTORY

t's quite likely you haven't had the opportunity to tour the factory recently. Take a look at this video on our YouTube channel (https://youtu.be/VX9J9LlwM8k), showcasing our facilities at HQ in Tiverton and our bearing manufacturing facility in Braintree.



HEPCO DTS PRODUCES COVID-19 TEST KITS

When we first spoke of this DTS application used for the production of test kits in March 2020, these unusual looking kits seemed alien. To many of us this is now a household item, and like many household items it is manufactured with the help of a Hepco system.



IN AND OUT OF THE OFFICE

Beautiful brides & elegant grooms





Congratulations to Sjoera van Seccelen, Sales Assistant at the Benelux office who married Arjan on 22 August 2020. The ceremony was held in their own back garden, beautifully decorated. The couple were really happy that despite all the corona restrictions, their day could go ahead as planned. They are pictured with their children, daughter Lotte and son Jelle.



Congratulations to Nicolas Demouron, French Sales Engineer and his wife Charline who married in January 2020.

Baby bliss



Congratulations to our Chairman, Giles Forster, and his partner, Jessica, on the recent birth of a gorgeous baby girl, Georgia (left).



Congratulations to Ingrid De La Iglesia Buch at Hepco Spain and her husband Lluís, on the birth of a beautiful baby boy, Pol, on 23 October 2020.





Havana Rose Fiedor (left) was welcomed into the world on 8 April 2020 by mum Natalia (Grinding & Turning Prime) at BPC. Congratulations to Natalia and her husband.

Congratulations to Jan Grau, German Sales Engineer and his wife Melissa on the birth of baby Lia on 23 February 2021.

The Race to the King

n aid of Cancer Research, on 19 & 20 June, Mark Boland of the Grinding team at BPC, is taking part in a 53 mile walk on the South Down Way, between Arundel and Winchester Cathedral.

We wish Mark all the best for the training and the walk on the day.



Jumper for Joy Save the Children

One Friday in December, the staff at Tiverton HQ raised £100 for Save the Children Christmas Jumper Day by wearing a colourful jumper to work.

The team at Save the Children are very pleased with our efforts of trying to make the world better with a sweater.