

GRAPHIC ENTERPRISE SCOTLAND

MINUTES OF THE 102ND ANNUAL GENERAL MEETING

The meeting was held at The Corinthian, Glasgow
Wednesday, 19th July 2013 at 4pm

1. Welcome

The President welcomed all participants to the 102nd Annual General Meeting; Members, Associate Members, Past Presidents and Affiliates.

He commented that the three main objectives for his first year in office were outlined at the last AGM. They were to find a suitable replacement for the Director, Bob Hodgson, who wanted to retire, achieve financial self-sufficiency and change the constitution to allow greater involvement from our Associate members. All three objectives have been achieved. Donald Cooper has replaced Bob Hodgson as Director. Bob Turner will outline this year's satisfactory financial results and the constitution has been changed to allow three Associate members on to the Executive Board.

He thanked his Board members for their support and expressed his gratitude to two members who were stepping down from the board, Alastair Thomson and Moray Campbell.

In addition he expressed his thanks and gratitude to Bob Hodgson for supporting the Executive Board and guiding the association in to a more stable position over the past four years.

The President then formally opened the Annual General Meeting and requested the Director to report on apologies received.

2. Apologies

The Director listed apologies received as per the list attached to these minutes.

3. Minutes of the one hundred and first Annual General Meeting held at the Roxburghe Hotel, Charlotte Square, Edinburgh on Wednesday, 20th June 2012.

The President sought a proposer and seconder to adopt the minutes as a true, accurate and comprehensive record of the meeting.

Proposed by: Trevor Price

Seconded by: Colin McCallum

The meeting agreed the minutes to be adopted.

4. Report of the Executive Board 2011/12.

The President called on the Director to report.

The Director reported that the recurring theme of reduced demand, increasing costs and diminishing margins remained the prevailing concerns.

Considering the many challenges our industry will face in 2013, one thing is clear, the economy will struggle to recover. One consequence of this austere environment has been the inevitable business failures as reduced demand across the economy makes balancing supply and demand more difficult.

Survival of the fittest is the natural way of trimming the balance but the rise in Pre-Pack arrangements means that does not always work. In an attempt to understand the process and clearly identify the benefits and pitfalls of Pre-Packs, we held a seminar in Glasgow on 13th March and invited Haines Watts, Chartered Accountants and Maclay, Murray and Spens LLP to present to our 60 strong audience. Aside from the financial and legal aspects, it was felt the morning would be better balanced with a contribution from a few of the major suppliers to the industry. All delegates enjoyed the presentations and discussions and left with a much clearer understanding of the process.

Graphic Enterprise Scotland works closely with the Scottish Qualifications Authority and City and Guilds to ensure all Scottish Vocational Qualifications are challenging for our apprentices and meet the changing demands of our industry. In addition to making existing qualifications relevant to today's needs, new SVQ's are being developed to ensure future requirements are not overlooked. At present the focus is on revising Machine Printing and Carton Manufacturing and, for the future, developing a new Print Administration qualification which will be available from the middle of 2014.

Recruitment of apprentices has steadily fallen over the last few years. Using the academic period August to June, during 2010/11 there were 35 apprentices on the training scheme compared to 21 for the current period 2012/13. This academic year has a few months to run and we expect to see 2 or 3 more apprentices added to the scheme.

The theme for Graphic Enterprise Scotland in 2013/14 is CHANGE. We, as an association, need to change what we do and how we do it. Albert Einstein once said "The definition of insanity is doing the same thing over and over again and expecting different results". There are a number of areas to focus on:

1. Looking backwards is not always desirable but it helps inform future strategy. Therefore the Activity Plan for 2013/14 is under review and will be published after the post-mortem is complete.
2. Another recurring theme is diminishing membership numbers. This must take priority over the coming year as a collective voice and shared concerns carries much more weight and influence than a lone voice. This Association must be seen as inclusive, across all geographical locations and irrespective of company size.
3. GES will be moving from its traditional base in Edinburgh to Glasgow at the beginning of July 2013. The new serviced office will provide telephone cover for the entire working week and secretarial services will be available as and when required.
4. The Associate membership continues to grow and it was felt a change in the constitution was necessary to gain representation on the Executive Board from this important and influential group. There will be three nominations one from each of the following groups- Suppliers, Manufacturers and Professionals standing for election at the 2013 AGM.

5. Financial Statements for the Year Ending 31st March 2013

The President confirmed that all members present had a copy of the Annual Report and Accounts. He requested the Treasurer to present the Financial Statements.

Bob Turner explained that the lower membership numbers resulted in reduced subscription income and it's percentage of the total income. Although the target for the organisation was to achieve a break-even operating position, the effect of the duplication costs of the change of director at £12,500 has meant that the operating position shows a loss of £7,449 rather than a positive position of £5,000.

In order to support the reduction in subscription income the board agreed to rebalance the investment portfolio and took a gain into this year's accounts. This is designed to increase the investment income of GES in the current financial year.

Proposer: Moray Campbell
 Seconder: Iain Robertson

The meeting approved that the accounts be adopted.

6. Election of Office Bearers 2011/2012

The President reminded the meeting that under the current Constitution the President, Vice-President and Treasurer had to be put up for annual election. He also pointed out that office bearers may serve for a maximum of three years in the post, subject to annual re-election. Only the Treasurer may serve for longer than three years.

He confirmed his willingness to stand for another year as President and asked for a Proposer and Seconder for the re-election.

Proposer: Alastair Thompson
 Seconder: Jim McDougall

The meeting approved the re-election of Kevin Creechan as President.

The President reported that Vice-President, Graham Ellis, had indicated his willingness to do a second term and the President duly proposed this re-election. He sought and obtained a seconder.

Seconder: Moray Campbell

Graham Ellis was formally re- elected to serve as Vice-President.

Under Clause 18 of the Constitution all other representatives on the Board are appointed annually. Only Ian Walker and Trevor Price from the existing members have agreed to serve for a further year. The President proposed they be re-elected and asked for a seconder to his proposal.

Seconder: Alastair Thomson

The members were duly re-elected.

The President explained that Alastair Thomson and Moray Campbell have stepped down from the board and we now require a minimum of one new member to stand for election. Euan Martin from NSD has agreed to stand for election. No other members offered to stand so the President asked for a proposer and seconder for Euan Martin's election.

Proposer: Graham Ellis
 Seconder: Phil Cole

The meeting approved the election of Euan Martin to the board

The President outlined further changes where we agreed to amend the constitution to allow representation of our growing associate membership on the board. There are three nominees, one each from Professional Services, Manufacturers and Paper Merchants.

The nominations are Claire Nisbet from Maclay Murray & Spens, Stephen Paul from Antalis McNaughton and David McGinlay from Muller Martini. The President then asked for a Proposer and Seconder.

Claire Nisbet

Proposer Trevor Price
Seconder Colin McCallum

Stephen Paul

Proposer Moray Campbell
Seconder Nigel Brown

David McGinlay

Proposer Jim McDougall
Seconder Graham Ellis

7. Any Other Competent Business

The President stated that neither he nor the Director had been advised of any other items of competent business prior to the meeting but opened the item to floor.

John Watson of John Watson & Co asked about the relevance of the associations ownership of Palmerston Place when we are a trade association for the printing industry and not landlords.

The President suggested that the investment was returning a 6% yield and disposal of the investment was not being considered at this time.

Jim McDougall of Mackay & Inglis asked the following questions:

- When will the Contract of Employment templates be revised to reflect current employment law?
- Our National Agreement allows for many specific roles now redundant due to changes in technology, when will this be revised?
- What is the current situation with the Pension Scheme?

The President offered the following response.

- The professional templates available to all members will be updated within the next 12 months.
- Both GES and Unite recognise that the National Agreement needs to be updated and Unite have agreed to begin the process by passing it to their lawyers for a first revision.
- Currently the pension scheme is closed to new members and the Executive Board have asked the Trustees to consider winding the scheme up, which if completed now, would guarantee their future pension and remove the risk of future underfunding for GES.

Finally, the President thanked everyone for attending and formally closed the meeting.