

Business Briefing

SUBMARINE CABLE NETWORK NETS \$13m BOOST
HIBERNIA Atlantic, the company contracted to implement the Project Kelvin initiative in Northern Ireland, has received \$13.4m from investment fund Constellation Growth Capital. The investment provides US and Dublin-based Hibernia with additional capital for growth opportunities. Project Kelvin, currently underway, involves building a new submarine communications cable network to give Northern Ireland a direct connection to North America and Europe.

CONSUMERS FAIL TO MAKE THE SWITCH
FOUR out of 10 consumers have not changed their financial services or utility provider during the past year, a survey by Gocompare.com has shown. Around 41% of people have not switched their car or home insurance policies to get a better deal, or changed their energy, broadband or mobile phone provider, or moved their credit card balance. One in five people were worried about finances while one in four urgently needed to make savings.

NEXT SHARES SLUMP DESPITE GOOD CHRISTMAS SHARES
IN the UK's second largest clothing retailer, Next, fell 2.4% yesterday after the company's chief executive, Simon Wolfson, warned of a tough 2010 even as sales over Christmas beat expectations and he upgraded the chain's full-year profit range. One of a slew of retailers giving a post-Christmas trading update, Next said that the consumer environment had been 'more stable than expected', helping to boost sales in the run-up to the sector's most important part of the year.

WATERFORD CRYSTAL COMES HOME
WORK is underway to bring small-scale production of Waterford Crystal back to its Irish birthplace as the former factory goes up for sale. Manufacturing ceased a year ago after parent company Waterford Wedgwood went into receivership. But 100 jobs will be created at a new production, tourist and retail outlet, set to open in June. Waterford City Council said the new site marked a fresh start after the devastating blow of the plant closure.

Major Irish building firm girded for further hard times

IRISH building materials giant CRH yesterday hiked its cost-savings targets as it signalled a fall in profits and warned that trading conditions would remain difficult in 2010.

The Dublin-based company, which owns Northstone NI and Farrans in Northern Ireland, said in a trading update that it was expecting pre-tax profits for 2009 to be down 54% to €750m (£674m).

But chief executive Myles Lee told analysts in a conference call that he has €1.5bn of firepower to carry out deals over the next 18 months, helped by a €1.24bn rights issue share sale last March.

CRH also said sales in the second half of 2009 fell by 18% compared with a year earlier, slightly better than the 21% first-half drop.

Shares in the largest company on the Irish stock market fell 3.8% during the Dublin trading session to €18.75.

The 2009 profit guidance, which is in line with market expectations, could be further impacted by impairment charges to be finalised over the coming months, Mr Lee said. He indicated the charges should come as CRH assesses whether plant closures in 2008 will be permanent, rather than on the back of writing down the value of billions of euros of assets acquired when the global economy was in full flight.

A four-year cost-cutting programme is now expected to yield €1.65bn of savings, up €200m from what it predicted last summer. About 40% of the current target is set to comprise permanent cost cutting, as it streamlines group administration, centralises procurement and increases fuel efficiency.

CRH sees additional infrastructure spend in Poland and Finland. But approval for new projects is set to drop significantly in Ireland as the Government tightens its purse strings, he said.



Professor Denise McAllister, Pro-Vice Chancellor at the University of Ulster, Employment Minister Sir Reg Empey, and Professor Gerry McCormac, Pro-Vice Chancellor of Queen's University join chair of GAP, Dr Gerard O'Hare to launch the new graduate employment initiative

Training aims to bridge jobs GAP for graduates

UNEMPLOYED graduates in Northern Ireland are set to receive a boost from a new initiative that will offer them a work placement alongside further study.

The Graduate Acceleration Programme (GAP), developed by Business in the Community in partnership with Queen's University Belfast and the University of Ulster, launches on Monday with the aim of helping graduates to get on to the career ladder in 2010.

GAP involves a work placement, lasting up to 26 weeks, in which graduates complete a project or piece of work, while studying for one of two specially developed qualifications: the Graduate Certificate in Organisation and Management with Queen's University Belfast; or the Graduate Certificate in Professional Practice with the University of Ulster.

The scheme is funded by the Department of Employment and Learning under its Steps to Work programme.

BY SYMON ROSS

Around a third of the 54,000 people claiming unemployment benefit in the province are under 25, according to recent figures.

"The employment prospects for graduates leaving university this year are possibly gloomier than they've ever been," said Employment Minister Sir Reg Empey.

"As a result of the economic downturn, Northern Ireland faces a situation whereby thousands of graduates now face considerable difficulty gaining employment.

"The Department is extremely supportive of this programme which will provide graduates with employability skills and the much needed experience that is often required to gain employment."

Dr Gerard O'Hare, chair of GAP and managing director of ParkerGreen International, said the programme has already had expres-

sions of interest from more than 150 organisations in the private, public and voluntary sectors as well as over 250 graduate enquiries.

"The programme has been endorsed by the CBI, the Institute of Directors and the Chambers of Commerce; all are in agreement that we cannot afford to lose our next generation of graduates and a programme such as GAP is much needed," said Dr O'Hare.

"Employers can gain a lot from participating in the programme including benefiting from a graduate's fresh enthusiasm and skills, completion of a specific piece of work adding value to an organisation and the opportunity to be known as an employer of choice."

Employers who participate in GAP will not be required to pay a wage and every graduate will receive their current rate of benefit plus an additional weekly training bonus. An subsidy is available if an organisation is able to offer a permanent job to a GAP graduate.

Maplin switches on to teacher's invention

AN innovative energy saving device invented by a Northern Ireland teacher is to be distributed by major UK retailers.

The standbyOFF device is a remote control energy saving socket that can be used with TVs and audio equipment. Unlike its infrared competitors, it is not necessary to train the remote control and socket to communicate with each other, or to ensure a line of sight between the two.

The product is now being sold in Maplin stores across the UK, as well as another large retailer.

It was invented by technology teacher Tony Mooney, who received development assistance from Invest Northern Ireland and electrical engineering help from Queen's University.

Invest NI helped Mr Mooney with applying for a patent and provided advice on CE marking. It also put him in touch with venture capitalists to secure funding.

The company which owns the standbyOff brand name trades as theoneswitch. It operates from premises in Ballymena and is run by businessman Malcolm Emery.

Mr Emery said: "The standby-OFF plug reduces energy consumption in the home, so brings financial benefits to the homeowner as well as environmental benefits through lower carbon dioxide emissions.

"Without the technical support from Invest NI, we would not have been able to develop the product and get it ready for the market as quickly as we did.

Invest NI said the firm had already achieved substantial sales and has established a wide distribution network. The company is now receiving R&D support to develop a second product.

"It is great to see an innovative idea becoming a commercial success," said Olive Hill, Invest NI's director of technology.

MORE BUSINESS, PAGE 36

Get the right people behind you

 Ulster Bank