

MINUTES OF A MEETING OF THE AEMTM COUNCIL
HELD AT THE NATIONAL MOTORCYCLE MUSEUM, SOLIHULL
ON WEDNESDAY, 5 OCTOBER 1988

PRESENT

Messrs.	F. Bongers	(Chairman)
	A.H. Cowap	(Treasurer)
	A.W. Bell	(Fellow)
	N. Bongers	(Capital Equipment & Machinery Ltd.)
	P.J. Carr	(J & K Carr (Machine Tools) Ltd.)
	D. Grimshaw	(Denis Grimshaw (Machinery) Ltd.)
	S. Halson	(Mid-Bucks Machine Tools)
	R. Laverick	(Maidenhead Machine Tool Co. Ltd.)
	F. Michellanglet	(DMR Machines Outils)
	T.P. Morgan	(Morgan Machinery Ltd.)
	C. Rowley	(Marc Machine Tools & Sawing Ltd.)
	A.B. Sampson	(Sampson International Machine Tools)
	M. Schwarz	(R.K. International Machine Tools Ltd.)
	P.J. Ward	(Frank Salt & Co. Ltd.)
	P. Washington	(Hulbert Machine Tools Ltd.)

NON-MEMBERS OF COUNCIL

R. Gee	(K & C Machinery Ltd.)
A. Major	(Major Machine Tools Ltd.)
B. Potts	(Cornlate Ltd.)
P. Rushton	(Edward Rushton Son & Kenyon)
R. Sims	(Machinery Classified)
D. Smith	(Prosaw Ltd.)

IN ATTENDANCE

S.W. Tomalin (Secretary)

APOLOGIES FOR ABSENCE

Messrs. P. Chambre, R. Bouland, K. Herring, B.J. Ord, P. Hamer,
F. Muncaster, L. Goodwin, E.D. Street, G. Urquhart,
F. van de Vliet

The meeting opened at 11.00 hrs. and members stood in silence in memory of the late Joe Metcálfe, First President of the AEMTM, who died in September.

The Chairman expressed apologies from the President who had been prevented from attending at the last minute due to a family bereavement.

MINUTES OF MEETING HELD ON 14 JULY 1988

2. The minutes of the previous meeting held on 14 July 1988 having been circulated were taken as read and accepted as a true record on a proposition by Mr. T.P. Morgan, seconded by Mr. P. Washington.

MATTERS ARISING

3. DIRECTORY OF SPECIALIST SERVICES

The Chairman explained that he had hoped to produce a complete draft but had been unable to do so due to pressure of time and the need to obtain further information. He stressed that the directory should be expanded to include other facilities for members such as transport companies and asked members to look at this larger view and supply further information, if possible. Views were expressed that there might be some conflict of interest if a sub-contractor was working for more than one competing machine tool company and that existing suppliers of such services might be overloaded, if they obtained too many contracts. These points were noted. It was also noted that Machinery Classified were interested in cooperation in producing this project.

Members mentioned the list of specialist services already published in Machinery Market but it was agreed that this represented unchecked suppliers and that the list provided by AEMTM must first be vetted by members in order to exclude any dubious entries.

4. M.I.S.I.S./MERCHANT ADVENTURE

The Chairman reported that he and Mr. Tomalin had visited William Allingham at Franks Hall and had secured the agreement that although only £1,500 had so far been received under the agreement this year, the final figure for the year would not be less than £8,000. The third year of the agreement would be on the basis of advertising revenue alone. They had also met Chris Powley of Machinery and Production Engineering who welcomed any approach to recreate good relations between the AEMTM and that journal, and the type of input was discussed, for example the insertion of company profiles and details of important events. It was agreed to explore this possibility. After discussing insertion of member lists in the Machinery Buyers Guide, Rob Sims undertook to promote this as much as possible with the editor of the Buyers Guide. The problem currently was that there was competition for space with paid advertising and prime placements were not easy to come by.

5. FOR SALE AND WANTED LISTS

Members were reminded that under the agreement with Findlay Publications it had been agreed that AEMTM would discontinue publication of its For Sale list in the UK by 31.12.86. The Wanted list would be reviewed together with the continued For Sale list by 31.8.87. No such review had in fact taken place but the For Sale list had diminished due to lack of input and confusion concerning UK dealers' continuing right to add For Sale items on lists sent to other countries. It was suggested that in any case the successful promotion of the World Stock Book by Machinery Classified might overtake the market for the For Sale list. However, there was some pressure for the list to be retained and indeed to be promoted. A complaint had been received from Mr. David Schwartz in the USA in particular. In reply to an enquiry regarding advertising from France, Mr. Francois Michellanglet felt that most French members had a self-contained market with only 5% going for export. They therefore saw no value in selling outside France.

There was discussion on whether every overseas member should receive the For Sale list and whether all entitled members should receive it free of charge, thus ending the current charge of £20 (Europe) and £30 (outside Europe) at present levied to cover additional postage. It was agreed to explain the position and at the same time advise all members of what they can do to promote Wanted and For Sale.

MEMBERSHIP

6. At this stage the application of ZED MACHINE TOOLS LTD. was considered to enable Mr. Peter Rushton who attended as sponsor, to leave the meeting at an earlier time. The application was APPROVED UNANIMOUSLY.

HEALTH AND SAFETY AT WORK

7. The meeting now considered Health and Safety at Work and the Chairman reviewed the EEC Health and Safety situation. He had been concerned by the strength of the French Health and Safety legislation and currently there was a proposal by the EEC to introduce legislation on the general safety of machinery in use.

AEMTM had been asked to consult and Mr. Williams of the Factory Inspectorate had written enclosing copies of the draft Directive which was intended specifically to cover used machine tools as well as new machine tools. Mr. B. Potts had agreed to act as a special delegate to conduct negotiations with the Health and Safety Executive together with Mr. Tomalin. Meantime, Mr. Tomalin confirmed that members in France, Germany, Holland, Italy, Denmark and Spain had been advised of the impending legislation and urged to obtain copies so that they could consult it.

Meantime, all national members would be advised of the progress of the UK negotiations which were regarded as being critical to the trade. There was some discussion on its implementation and whether it would affect the end-user rather than the seller but doubtless sellers would need assurances from purchasers to protect their interests.

EXHIBITIONS

8. There had been a proposal from the Midlands area that the AEMTM should take space at METCUT 90 which was organised by MTTA. Following a letter from MTTA which effectively said that the proposal would not be possible, it had been agreed to approach N.E.C. direct. N.E.C. had replied that there was no space available and that they could not let space in neighbouring halls or rooms without the agreement of the exhibitor organisers, i.e. MTTA. Discussion continued as to whether it would be viable to take a hall outside the N.E.C. during such a period, and it was agreed that the Midlands Area would examine the possibility of participating in the "Black Country Week" which took place at Dudley.

MEMBERSHIP APPLICATIONS

9. It had been agreed to update and modernise the membership application form which was in any case due for revision, and the Director had drafted a form of words which had been accepted by the Association's solicitor. Members felt they should have seen this form of words and it was explained that it would be included in a final draft of the application form which would then be circulated to Council. Meantime, the draft undertaking would be circulated to all members.

There was again discussion on the Three Year Rule and the need to implement it more strictly, and some members felt that the position did not need over-emphasis as past variations of the Three Year Rule had not proved unsatisfactory. The views expressed were noted.

The following new applications were APPROVED:

F. FRANKE & CO. INC.
MACHINE HANDEL JANSEN BV
OVERMACH SRL
MFR MACHINERY
CROWN MACHINE TOOLS LTD.
NORRLANDS MASKINAFFÄR AB

It was explained that the applications of DICTATOR FRANCE and ITAL MACK SRL had been WITHDRAWN at the request of the national groups.

RESIGNATIONS

10. Council noted the resignations of

WILLIAM ALLEN (MACHINERY) LTD.
R. & A. BUXTON LTD.
MEGGITT MACHINE TOOLS & EQUIPMENT LTD.
WORTH MACHINE TOOLS (SALES) LTD.

The resignation by PEARL EQUIPMENT CO. INC. had been WITHDRAWN following discussions between Mr. Ord and Mr. Harvey Eisen of Pearl.

The other companies concerned had been contacted in each case and had produced valid reasons for resignation which were not critical of the AEMTM but due to changes in their trading patterns.

FINANCE

11. The Treasurer commented that the MISIS contribution had eased the situation and that he looked forward to a reasonable surplus for the year.

REPORT ON PRESIDENT'S AND CHAIRMAN'S VISITS TO ITALY AND GERMANY

12. The President and Chairman had visited members in Italy on 27 September at Milan and in Germany on 28 September in Dusseldorf and their reports on these visits are attached to these minutes as Appendix A for Italy and Appendix B for Germany.

FUTURE MEETINGS

13. It was agreed to prepare a guest list for the AGM by agreement between the Chairman and the Director.

14. Marbella

The Chairman reported on contacts with the Spanish Machine Tool Manufacturers Association A.F.M. who had agreed to sponsor a hospitality room at the hotel. This was presumed to be additional to that previously agreed to by Messrs. Ord, Boulard and Law. The Chairman said that he would invite Mr. David Schwartz President of the MDNA, as his personal guest. This would hopefully encourage attendance from MDNA. A first firm booking form will be sent in the immediate future and it was agreed to review the accommodation requirements together with a stay-on option. Members again proposed that the Gala Dinner should take place on the Friday instead of the Saturday of the meeting.

AREA MEETINGS

15. Mr. Grimshaw asked for bookings for the Midland Area Meeting on 25 November 1988 at Stone Manor, Kidderminster, and urged members to return their forms as soon as possible.

Mr. Grimshaw had also succeeded in getting editorial coverage in the Birmingham Post. (The Editor and a photographer from the paper were present before the meeting of Council and had been supplied with editorial matter for a future article.)

Southern Area. Mr. Sampson reported of a successful meeting at Franks Hall and at R.K. International on 21 September 1988.

STATE OF TRADE

16. Reports from France and the UK were that trade was buoyant and stock difficult to come by. However, there were many forthcoming auctions and interest rates acted as a deterrent. Some large companies in Northern England were laying off personnel, but overall were cautiously optimistic. There was a shortage of skilled labour, particularly in the South East of England.

Mr. Michellanglet concurred with the general evaluation of the state of trade. Business in France was now beginning to return to its earlier healthy levels following the summer vacation.

OTHER BUSINESS

17. There was discussion on the role of auctioneers and on allegations of collusion between dealers and auctioneers in order to raise prices. It was finally agreed to keep this matter under review.

There being no further business, the meeting closed at 16.08 hrs.

SWT
6.10.88

ITALY

The Chairman was pleased to report a successful meeting towards the formation of an Italian Branch. The President and Chairman met with 16 of the present 20 members and with the guidance of Mr. Franco Lanfranconi who organised the meeting we discussed the growth from 8 individual members in January 1988 to 20 after Florence. There were two new applicants, one of which was approved at the meeting and it was thought that eventual growth of the Branch could rise to about 30 members.

We explained the growth of National Branches with one in France and three in the UK and our hopes for Italy and Germany. Although 25 members had been considered by Council as a basis for a branch it had been agreed that Italy could start with only 20 members. We mentioned the principles and advantages of forming a Branch similar to AEMMO in France, adopting similar statutes, obtaining office facilities, having the right to examine Italian applicants, translating AEMTM information into the national language, obtaining a rebate of 30% of subscriptions for administrative expenses.

We emphasised the importance in 1992 of a National Branch affiliated to a larger international organization, and how such a branch could make its own representation to Italian Government sources on matters of national interest. We then put two main questions to those present:-

1. 'Are you in favour of setting up a National Branch?
Agreed unanimously.
2. Do you want to form the branch immediately?
8 in favour : 8 against.

After further discussion it was agreed to aim to set up the independent branch after a period of 3 months study of the tasks (election of officers, adoption of statutes, setting up office and administration). 5 small working groups were agreed to study these questions during the 3 months, each with one dealer co-ordinating 3 others. The next meeting will take place in December or January.

Mr. Roberto Mari was then elected to be the second Italian Council Member.

The Chairman agreed to forward a set of the French Branch Statutes and a more detailed list of advantages of a National Branch.

The meeting was followed by a pleasant dinner in the presence of journalists from Industria Mercato, whose BI-MU edition will carry information about our Florence meeting.

Due to the unfortunate absence of the President who has been involved with all the negotiations with German members and FDM we were unable to consider in detail the discussions which took place 28 September, although the Chairman was able to report on the aspects of co-operation which might become possible.

The basis of the discussion was to look at the present situation where FDM used merchant section has 31 members, 13 of whom are still in AEMTM (some of these are considering the advantage or otherwise of separate membership and fees to two similar organizations). We looked at the possibility of creating a situation where all members of FDM would become members of AEMTM, and that section would create a German Branch of AEMTM. Several questions would have to be clarified (a) the position of two AEMTM members who are not-in-FDM, (b) strengthening of membership rules (our current action on application and sponsorship seems to harmonise this question), (c) the suggestion that some increase in rebate is necessary, in addition to the normal Branch rebate of 30% to cover the extra administration costs of FDM input to such a Branch, particularly in respect of the very successful results German members obtain from the METAV exhibition (it might be possible to extend benefits of participation in that Exhibition to other members).

The Council members present wished for further clarification regarding the role of FDM (notes on FDM are attached to these minutes) and for further consideration of this project. Accordingly the President and Chairman will prepare information for the Steering Committee and Council meeting on 5 December.

NOTES ON THE FDM

The FDM (Fachverband des Deutschen Maschinen- und Werkzeug-Grosshandels E.V.) is an association of German machine tool and tool dealers. It was founded in 1910 and has currently 236 members in the tool and machine tool area plus a further 43 in the screw stockholders and a further 38 in the tool stockholders group, making a total of 317. 138 of the members of FDM indicate that their business is buying and selling machine tools.

The association operates essentially in Germany and although it lists members overseas, all these are in fact branches of German companies. The association is governed by a council and an administrative office in Bonn, and offers its members membership of other bodies, such as the German Wholesale and Export Association (BGA), CELIMO, the Machine Tool Distributors' Association in Brussels, and of another body in Frankfurt concerned with the maintenance of correct trading standards.

They also have automatic access to the METAV and LIGNA exhibitions for metalworking and woodworking machine tools, and also to the International Hardware Exhibition at Cologne.

The association offers the usual facilities including a very comprehensive analysis of statistics and trade performance in Germany together with meetings and the circulation of information.

Membership is related to the number of personnel employed by each company and ranges between £15 and £110 per month, i.e. £180 and £1320 p.a.

The FDM agreed some years ago to form a specialist used machine tool division which currently numbers 31 of whom 13 are members of the AEMTM. There are a further two companies members of AEMTM but not members of FDM. It must be recognised that the AEMTM cannot offer companies in Germany the same depth of service as offered by FDM, simply because of its better contacts with the German economy and infrastructure. There is a parallel situation with the MDNA in the USA, which has a membership of about 300 companies of whom 26 are AEMTM members.

In the last resort, the companies in a country interested in membership of AEMTM are those who deal internationally and not nationally. There is an exception in the case of France where companies felt the need for a national group with links outside the country, and in the UK, where the AEMTM effectively is the sole representative of machine tool dealers in that country.

10.10.88
SWT/rc