



*The Association
of
European Machine Tool
Merchants*

**Annual Report and Accounts 1987-88
Annual General Meeting
6 December 1988**

Contents

*Annual General
Meeting
Tuesday
6 December
1988*

NOTICE is hereby given **THAT** the sixteenth
Annual General Meeting of the Association
will be held at

The Royal Air Force Club,

London, W.1 on Tuesday, 6 December 1988

at 11.30 a.m. in order to:

- a. Receive the Council's Report and Accounts.
- b. Elect Officers and Members of Council for the
ensuing year.
- c. Appoint Auditors.
- d. Transact other business as formally notified.

By Order of the Council

S.W. TOMALIN, Director

117 High Street, Berkhamsted, Herts HP4 2DJ England

15 November 1988

The Association of European Machine Tool Merchants

COUNCIL 1988

Incorporated 1973

(in succession to the British Association of Machine Tool Merchants - incorporated 1942)

PRESIDENT

P. Chambre
Teyssou-Prieur Machines-Outils

CHAIRMAN

F. Bongers
Capital Equipment & Machinery Ltd.

HONORARY TREASURER

A.H. Cowap
SEMCO Machine Tools Ltd.

VICE CHAIRMAN

Vacant

IMMEDIATE PAST PRESIDENT

B.J. Ord
Northern Machine Tools (Eng) Ltd.

IMMEDIATE PAST CHAIRMAN

C. Rowley
Marc Machine Tools & Sawing Ltd.

FELLOWS

R. Atherton	A.W. Bell	W.R. Clarkson
H. Korte	L.W. Pratt	F.M. Whittaker
G. Michellanglet		

HONORARY VICE PRESIDENTS

F. Bongers	P.J. Carr	A.H. Cowap
C.G. Newbury	W.E. Norton	P. Simpson
E.D. Street	G. Urquhart	G.E.J. White
G. Michellanglet	B.J. Ord	C. Rowley

COUNCIL MEMBERS

J.K. Anderson (UK)	<i>J.K. Anderson Ltd.</i>	R. Laverick (UK)	<i>Maidenhead Machine Tools Ltd.</i>
R. Arthur (UK)	<i>Thompson Machine Tools Ltd.</i>	J.C. LeBaut	<i>J.C. LeBaut S.A.</i>
N. Bongers (UK)	<i>Capital Equipment & Machinery Ltd.</i>	F. Michellanglet (France)	<i>DMR Machines-Outils</i>
R. Bouland (Switzerland)	<i>BMC Bouland Machinery Corp. AG</i>	T.P. Morgan (UK)	<i>Morgan Machinery Co.</i>
B. Eriksen (Norway)	<i>Scanma A/S</i>	F.G. Muncaster (UK)	<i>Muncaster Machine Tools Ltd.</i>
L. Goodwin (UK)	<i>Lawrence Goodwin Machine Tools Ltd.</i>	T. Okado (Japan)	<i>Okado Kiko Co. Ltd.</i>
D. Grimshaw (UK)	<i>Denis Grimshaw (Machinery) Ltd.</i>	A.B. Sampson (UK)	<i>Sampson International Machine Tools Ltd.</i>
N. Gagne (USA)	<i>Norm Gagne Machinery Inc</i>	M. Schwarz (UK)	<i>R.K. International Machine Tools Ltd.</i>
S. Halson (UK)	<i>Mid-Bucks Machine Tools Ltd.</i>	B.P.R. Skok (South Africa)	<i>Skok Machine Tools (Pty) Ltd.</i>
P. Hamer (UK)	<i>Hambury Machine Tools Ltd.</i>	G. Urquhart (UK)	<i>Scot Urquhart Ltd.</i>
H. Hansen (Denmark)	<i>Brdr. Hansen Vaerktojsmaskiner A.S.</i>	A. Vogel (Germany)	<i>Wema GmbH</i>
K. Herring (UK)	<i>William Watts Ltd.</i>	F. van de Vliet (Holland)	<i>Tinca Machines Europe B.V.</i>
A.C. Ingram (UK)	<i>John Ingram (Machine Tools) Ltd.</i>	P.J. Ward (UK)	<i>Frank Salt & Co. Ltd.</i>
W. Kames (Germany)	<i>Walter Kames Maschinen-Vertriebs-GmbH</i>	P. Washington (UK)	<i>Hulbert of Dudley Ltd.</i>
F. Lanfranconi Jr (Italy)	<i>Scambi Commerciali Esteri SNC</i>	L. Zeisel (Austria)	<i>Ing. Artur Zeisel Werkzeugmaschinen.</i>

COMMITTEES OF COUNCIL

Steering/Finance (Executive)

Convenor: F. Bongers

P. Chambre, B.J. Ord, A.H. Cowap, A.W. Bell,
C. Rowley, D. Grimshaw, F.G. Muncaster

Area Groups (UK)

Midlands and South West

Chairman: D. Grimshaw

Secretary: K. Herring

Southern

Chairman: A.B. Sampson

Secretary: S. Halson

Northern

Chairman: F.G. Muncaster

Secretary: R. Arthur

SOLICITORS

Malkin Cullis & Sumption
Inigo House, 29 Bedford St. Covent Garden, London WC2E 9ED

AUDITORS

H. Rainsbury & Co
Chansitor House, 37/38 Chancery Lane, London WC2A 1EL

DIRECTOR

S.W. Tomalin BA, FCIS, AMBIM.
117 High Street, Berkhamsted, Herts HP4 2DJ
Tel. (0442) 876262 Telex 265871 "For EMT002"
Fax (0442) 874996

BANKERS

National Westminster Bank plc
199 High Street, Berkhamsted, Herts HP4 1AW, England.
(Sortcode: 60-02-21) (Account: 52859610)



Pierre Chambre
President



Frank Bongers
Chairman



Stanley Tomalin
Director

Presidents of The Association

of the former

BRITISH ASSOCIATION OF MACHINE TOOL MERCHANTS

1940-41	F. WIDDOWSON	<i>Herbert Widdowson & Sons Ltd</i>
1941-42	J.E. RAISTRICK	<i>J.E. Raistic Ltd</i>
1942-43	H. VERNON	<i>Thos W. Ward Ltd</i>
1943-45	R.J. AUSTIN	<i>Centaur Tool Works</i>
1945-46	E.J.F. BRADLEY	<i>Pidgen Bros Ltd</i>
1946-47	R. URQUHART	<i>Wm Urquhart</i>
1947-48	W. POTTS	<i>G. & W. Potts (Sunderland) Ltd</i>
1948-49	S.A. BUNN	<i>C.H. Joyce Ltd</i>
1949-50	C.H. PAYNE	<i>W. Forrest & Co. Ltd</i>
1950-51	W.R. CLARKSON	<i>Southern Engineering & Machinery Co</i>
1951-52	G.E. WHITTAKER	<i>G.E. Whittaker Ltd</i>
1952-53	G.A. PARKER	<i>M.C. Layton Ltd</i>
1953-54	A.W.V. AGUTTER	<i>Centaur Tool Works</i>
1954-55	A.V. GRAVES	<i>E.H. Jones (Machine Tools) Ltd</i>
1955-56	E. HELIOT	<i>Heliot (Machine Tools) Ltd</i>
1956-57	A.W. BELL	<i>H. Bell (Machine Tools) Ltd</i>
1957-58	H. WIDDOWSON	<i>Herbert Widdowson & Sons Ltd</i>
1958-59	S. PLASTOCK	<i>F.J. Edwards Ltd</i>
1959-60	R. GIDLEY	<i>Gidley (Machinery) Ltd</i>
1960-61	W.E. NORTON	<i>W.E. Norton (Machine Tools) Ltd</i>
1961-63	C. OLDFIELD	<i>C. & G. Oldfield Ltd</i>
1963-65	G.B. BLACKBURN	<i>Wm Watts Ltd</i>
1965-67	C.G. NEWBURY	<i>Acbars Ltd</i>
1967-69	G.J. TRY	<i>Gordon Try Ltd</i>
1969-70	P. SIMPSON	<i>P. Simpson & Co Ltd</i>
1970-71	K.J. EXETER	<i>K.E.N.T. Machinery & Engineering Co Ltd</i>
1971-72	L.W. PRATT	<i>M.C. Layton Ltd</i>

of the ASSOCIATION OF EUROPEAN MACHINE TOOL MERCHANTS

1972-73	J.B. METCALFE	<i>Metcalf Machine Tools Ltd</i>
1973-74	J.O.F. WARD	<i>Stedall-Pidgen Ltd</i>
1974-76	F.M. WHITTAKER	<i>G.E. Whittaker Ltd</i>
1976-78	A.W. BELL	<i>H. Bell (Machine Tools) Ltd</i>
1978-80	P.B. NORTON	<i>W.E. Norton (Machine Tools) Ltd</i>
1980-82	G. MICHELLANGLET	<i>DMR Machines-Outils</i>
1982-84	R.G. URQUHART	<i>Scot Urquhart Ltd</i>
1984-86	B.J. ORD	<i>Northern Machine Tools (Eng) Ltd</i>
1986-88	P. CHAMBRE	<i>Teysson-Prieur Machines-Outils</i>

Chairmen of The Association

1972-74	F. BONGERS	<i>Capital Equipment & Machinery Ltd</i>
1974-75	A.W. BELL	<i>H. Bell (Machine Tools) Ltd</i>
1975-77	P.B. NORTON	<i>W.E. Norton (Machine Tools) Ltd</i>
1977-79	G. URQUHART	<i>Scot Urquhart Ltd</i>
1979-81	P.J. CARR	<i>J. & K. Carr (Machine Tools) Ltd</i>
1981-83	E.D. STREET	<i>C.M. Hartshorne & Co. Ltd</i>
1983-85	A.H. COWAP	<i>SEMCO Machine Tools Ltd</i>
1985-87	C. ROWLEY	<i>Marc Machine Tools & Sawing Ltd.</i>
1987-88	F. BONGERS	<i>Capital Equipment & Machinery Ltd</i>

The Association Code of Ethics

MEMBERS AGREE AS FOLLOWS:

1. To honour completely and sincerely all Contracts and Agreements in which they engage both in buying and selling, particularly where terms of payment have been mutually agreed.
2. To describe and represent the machines they offer to the best of their ability as to:
 - Serial and Model Numbers
 - Condition
 - Specification and accessories
3. When offering machinery to which they do not have clear title, they will endeavour to establish and advise the prospective buyer of any relevant circumstances which could affect the sale.
4. When machines are sold with a Guarantee and are proved to be defective (other than through the buyer's own action) they will use their utmost endeavours to rectify the complaint.
5. To honour every portion and/or first refusal both as to price and date.
6. To accept that in the event of a Member knowingly and deliberately violating, or committing a breach of, the above Code, (of which the Association's Council shall be sole judge) then, should Council so resolve, he will cease to be a Member.
7. They accept that there may be instances not covered by the above code, where the Association must consider whether a Member has brought its good name into disrepute by failure to honour the precept of mutual trust implied by Membership; and that the Association's Council must then determine appropriate remedies, including specific warning or, ultimately, expulsion from Membership, in order both to correct the instance and to prevent its recurrence.

PRESIDENT'S WEEKEND

The President's Weekend 1987 was held at The Majestic Hotel, Cannes, and was attended by 102 persons. It took place from 1 - 4 October and included both a Merchants Market and other trade events, culminating in a Gala dinner held at the Hotel Eden-Roc at Cap d'Antibes. In order to avoid the double expenditure created by two such major functions in 1987 it was agreed that the events should be amalgamated in 1988 and the report for the resulting event is given in the next item.

1988 CONTINENTAL CONFERENCE

The venue for the 1988 Continental Conference was the Savoy Hotel in Florence, situated in the heart of the historic city and included an enlarged Merchants Market. During the meeting the West German group showed a video of the METAV Exhibition referred to above, and 13 potential AEMTM members from Italy were welcomed during the Merchants Market. The President and Chairman were also interviewed by the trade magazine *Industria Mercato*. Members and their guests were able to see the sights of the historic city of Florence in between the various trade events. Saturday saw a culminating Gala Dinner at the Villa La Loggia, which is a 15th century mansion just outside the city, and this was attended by 145 members and guests who sat down to a Renaissance Banquet.

PUBLIC RELATIONS

As noted above, the Association achieved coverage in the Italian trade press, and also as a result of a lengthy interview given by the President, Pierre Chambre, to the French magazine *Machinerie Moderne*. *Machinerie Market* and *Machinerie Classified* continue to feature the Association, and the Chairman and Director discussed the provision of editorial input to "Machinery and Production Engineering". The "Birmingham Post" was also publishing a feature on our members in the UK Midlands Branch. In addition, the Association participated in invaluable contacts with other trade associations, in particular the MTTA, via the Trade Associations Liaison Group (TALG) meeting quarterly. The most critical event for the trade in the UK was probably the passing of the Consumer Protection Act which incorporated revisions to the Health and Safety at Work Act. These are being continually assessed by this and other trade associations, especially as far as they represent changed requirements for member companies by the Health and Safety Executive. We have

endeavoured to keep members up to date with developments as they occur.

1992 - OPEN MARKET

Probably the most significant event for the Association and other companies which will occur in the near future will be the creation of the Open Market in the European Community in 1992. The avowed object of the European Commission is to remove barriers to trade by ensuring that there are no artificial obstacles created by members countries. This particularly applies to customs and border controls and to production of different national standards and specifications. Other items which are to be opened to trade include national tenders which have hitherto been constructed in many instances to give preference to companies within the country concerned. There will be freer provision for movement of capital and services including portability of professional services. It is estimated that the overall effect could produce a 5% increase overall in the Community's GNP. The process was originally envisaged as requiring 300 directives of which 70 have already come into being.

The Open Market presents both an opportunity and a challenge. It will undoubtedly require some considerable adjustment by national companies including the ability to acquire other languages. Trade is obviously a two-way business and each country must look to its own national market as well as to others.

Having said all this, the AEMTM has been pursuing the concept which is embodied in the Open Market in principle for some years past. Machine tools are regarded as being one of the sectors currently most adapted to the new commercial world of 1992

We are confident therefore that members who remain alert to the opportunity and the challenge will benefit from this major step forward.

OBITUARY - MR. J. METCALFE

Sadly, this year saw the passing of another of the veterans of the machine tool world. Joe Metcalfe died in September 1988 after a long and full life in which he had the distinction of being the first President of the Association of European Machine Tools Merchants. His many friends in the trade, particularly in the North of England, will remember him for his common sense approach to problems and for his enthusiastic support of the business and social activities of the Association.

CALENDAR 1989

Council Meetings

Dates and venues to be arranged

**Continental Weekend incorporating
President's Weekend**

Marbella, Spain

21 - 25 June

Council Meeting

Venue to be arranged

4 December

Annual General Meeting

Venue to be arranged

5 December

Report of the Auditors

To the Members of THE ASSOCIATION OF EUROPEAN MACHINE TOOL MERCHANTS (INCORPORATED)

We have examined the annexed financial statements which have been prepared under the historical cost convention. Our audit has been carried out in accordance with approved Auditing Standards.

In our opinion the financial statements give, under the accounting convention stated above, a true and fair view of the state of affairs of the Association as at 31 August 1988 and of the surplus and the source and application of funds for the year ended on that date and comply with the Companies Act 1985.

Group accounts have not been prepared on the grounds that the presentation thereof would involve expense out of proportion to the value to members.

Chansitor House
37/38 Chancery Lane
London WC2A 1EP

4 November 1988

H RAINSBURY & CO
Chartered Accountants

Income and Expenditure Account

for the year ended 31st August 1988

		1988		1987
	£	£	£	£
SUBSCRIPTIONS		50,813		44,514
ENTRANCE FEES		1,125		450
SALE AND WANTED LIST				
Subscriptions	2,566		2,055	
Advertising Revenue	<u>3,881</u>	6,447	<u>4,234</u>	6,289
Surplus on Sales		418		282
Social Functions		(4,754)		664
Service Charges		6,381		7,800
Investment Income		3,971		4,725
		<u>64,401</u>		<u>64,724</u>
Less: Secretarial Services	26,169		24,790	
Rent, Rates & Services	5,403		5,372	
Telephone & Telex	1,176		1,455	
Stationery & Postage	10,355		8,603	
Translations	1,496		534	
Repairs & Maintenance	1,931		381	
Equipment Hire	236		123	
Computer Running Costs	808		1,941	
Travelling Expenses	3,670		3,162	
Loan Interest	—		379	
Legal Charges	2,721		2,638	
Bank Charges	1,156		665	
Auditors Remuneration	1,800		1,650	
Cost of Meetings	3,185		4,371	
General Expenses	1,997		1,598	
Depreciation	<u>2,491</u>	64,594	<u>2,125</u>	59,787
SURPLUS (DEFICIT) Before Taxation		(193)		4,937
TAXATION		<u>2,707</u>		<u>3,503</u>
SURPLUS (DEFICIT) After Taxation		(£2,900)		£1,434

Balance Sheet

as at 31st August 1988

	£	£	1988 £	£	1987 £
FIXED ASSETS					
<i>Tangible Assets</i>		<i>Aggregate</i>			
	<i>Cost</i>	<i>Depreciation</i>			
Fixtures & Fittings	13,090	9,476	3,614		2,484
Computers	12,441	8,581	3,860		3,895
	<u>£25,531</u>	<u>£18,057</u>	<u>7,474</u>		<u>6,379</u>
INVESTMENT IN SUBSIDIARY			3		3
CURRENT ASSETS					
Stock		246		712	
Debtors		22,829		21,745	
Due from Subsidiary		7,047		9,117	
Cash Balances		86,478		54,348	
		<u>£116,600</u>		<u>£85,922</u>	
CREDITORS: Amounts falling due within one year					
Advance Revenue		19,701		20,587	
Bank Loan		—		—	
Other Creditors		46,354		14,365	
Corporation Tax		2,708		3,528	
Other taxes and Social Security Costs		5,180		790	
		<u>£73,943</u>		<u>£39,270</u>	
NET CURRENT ASSETS			42,657		46,652
			<u>£50,134</u>		<u>£53,034</u>
REPRESENTED BY:					
Accumulated Fund					
Surplus, 1 September 1987		53,034		51,600	
Surplus (Deficit) for the year		<u>(2,900)</u>	<u>£50,134</u>	<u>1,434</u>	<u>£53,034</u>

F. BONGERS *Chairman*

A.H. COWAP *Treasurer*

S.W. TOMALIN *Secretary*

Statement of Source and Application of Funds

for the year ended 31st August, 1988

	1988 £	1987 £
SOURCE OF FUNDS		
Surplus before taxation	—	4,937
Adjustment for items not involving the movements of funds:		
Depreciation	2,491	2,125
	<u>£2,491</u>	<u>£7,062</u>
 APPLICATION OF FUNDS		
Deficit before Taxation	193	—
Investment in Subsidiary	—	3
Purchase of Fixed Assets	3,586	864
Taxation Paid	3,527	1,697
	<u>£7,306</u>	<u>£2,564</u>
INCREASE (DECREASE) IN WORKING CAPITAL	<u>(£4,815)</u>	<u>£4,498</u>
Increase (Decrease) in Stock	(466)	(837)
Increase (Decrease) in Debtors	(986)	19,270
(Increase) Decrease in Creditors	(35,493)	(9,920)
Movement in Net Liquid Funds:		
Increase (Decrease) in Cash Balance	32,130	(4,015)
	<u>(£4,815)</u>	<u>£4,498</u>

Benevolent Fund Balance Sheet

as at 31st August 1988

	1988	1987
	£	£
LISTED INVESTMENTS - AT COST	20,716	20,716
DEBTORS	168	2,419
CASH BALANCES	14,092	6,714
	<u>34,976</u>	<u>29,849</u>
Creditors	2,239	—
	<u>£32,737</u>	<u>£29,849</u>
REPRESENTED BY		
Accumulated Fund 1 September 1987	29,849	26,072
Contributions Receivable	—	955
Deposit Interest	361	295
Investment Income (Gross)	2,527	2,527
	<u>£32,737</u>	<u>£29,849</u>

NOTE:
Middle Market Value of Listed Investments as at 31 August 1988
was £23,356 (1987 £24,128).

A.H. COWAP *Trustee*
S.W. TOMALIN *Trustee*

Membership

FULL MEMBERSHIP

The Council regard the following as being the essential qualifications and conditions for Full Membership:

1. In the case of individuals resident, and in the case of Corporations established, within a country in the Continent of Europe.
2. The applicant must be, in the opinion of Council, a bona-fide machine tool merchant.
3. The applicant must be of good standing in the trade and willing to disclose such information about his business as the Council may reasonably require.
4. The applicant must undertake to support the aims, objects, and Code of Ethics of the Association.

GROUP MEMBERSHIP

This is available to all Companies within a Group of Companies where one Company is already a Full Member. Details are available from the Secretary.

ASSOCIATE MEMBERSHIP

The Council will have power to admit as Associate Members firms other than Machine Tool Merchants, whether in Europe or elsewhere, if they consider their membership desirable. Associate Members pay a reduced Annual Subscription.

INTERNATIONAL MEMBERSHIP

International Members are Associates who qualify as Machine Tool Merchants outside Europe, and International Membership carries with it the same privileges as Full Membership except that no office-holding or voting rights generally apply thereto. International Members pay the full entrance fee but a reduced annual subscription.

Further Guidelines for Sponsors and Applicants

1. The applicant should have two members as sponsors one of whom should preferably be in the same country as the applicant.
2. The sponsors should have sufficient knowledge of the applicant to be able to assure the Council as to his eligibility and desirability as a member.
3. The Council regards it as essential that at least one sponsor should be present at a meeting at which the application by the company which he sponsors is discussed. Failing this, the sponsor should at least provide a full written statement of his reasons for supporting the application.
4. At least three weeks before consideration by the Council the Secretary will notify every member of the Association so that they can in writing send any information which they wish the Council to take into account.
5. The Council will give due weight to all relevant factors as, for example, stock, demonstrating, servicing facilities, etc. Normally a company would be expected to have been trading for three years before admission as a member, but where a company is re-organising, changing its name, setting up subsidiaries or groups, or for other similar reasons - the Council may in its absolute discretion waive this entire requirement.
6. The Council will consider the application as a whole giving paramount importance to ethical trading practices, rather than to any other single factor. In its absolute discretion the Council will determine whether to accept, reject or postpone the application for a period without having to assign reasons for so doing.

The Association offers the Machine Tool Buyer

AVAILABILITY

Our Members hold large stocks of new and used machines of all types. Through the close co-operation which exists between us we are able to locate your requirements so as to offer the fastest possible delivery.

SERVICE

Most Members have facilities for servicing the machines they offer and from their technical experience will be able to advise buyers on the most suitable machine for the job.

INTEGRITY

In purchasing your machinery from an Association Member you have the assurance that our Code of Ethics seeks to protect your best interests by recognised standards of business conduct.

FINANCE

Our Members will seek to obtain for your advice on Leasing or Hire Purchase. They will often be able to help by their willingness to consider part/exchange when you buy from them.



THIS EMBLEM identifies our Organisation of reliable established machine tool dealers who work together so as to give Service to the Industry.

A brochure describing the work of the Association is available in English, French, German and Italian texts from the Association's Office. If you are interested, write now for a free copy.



**117 HIGH STREET
BERKHAMSTED
HERTS. HP4 2DJ
ENGLAND**

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Telex: 265871 "For EMT 002" Fax (0442) 874996