

ignite

issue 4



Investing in the Year Ahead

I trust everyone had a great Christmas break – it now seems a distant memory. 2017 was a successful year with key challenges around currency fluctuations and Stovax sales. I would like to thank everyone for their contribution, it could not be achieved without all of you!

January has shown that this trend is continuing, fortunately we are supported by Gazco continuing its excellent performance. We have an exciting year ahead of us, we have agreed a significant investment plan in our Gazco production facilities aimed at improving our customer delivery and making us more competitive (more to come in a

separate communication) – we should be extremely proud that we are investing in UK manufacturing. In addition we are looking to continue our people engagement – providing training and improving our working environment. Through this investment we hope to drive a culture in line with our values ensuring everyone is focussed on driving the business forward, continuous improvement and the elimination of waste in all areas. Look forward to working with you all this year.



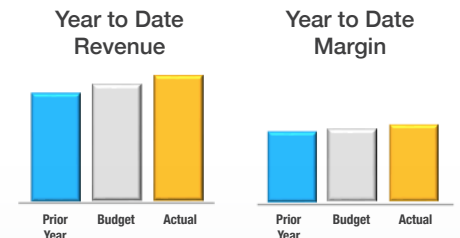
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The Figures

Group sales were up by 6% against last year to a new group monthly record for January of nearly £4.2m.

Strong growth in Gazco made up nearly all the increase, with Stovax just holding its own. The level of back orders rose this month and our order book is now a third higher than last year. Margins have stabilised, but recent volatility on the currency markets makes it difficult to call the future impact.

Our overheads were above budget last year, but the main reason was foreign exchange losses, with control on other costs being exercised.



The major focus is now on having the right stock in place for the next season.

This means planning better in advance using the new Preactor software and managing our purchasing better using the SIA software. In conjunction with the move of the assembly lines to the D units and the purchase of the new press brakes, this will allow us to achieve a much better stock position by the start of next season and thereby satisfy more of our customers' requirements on time than we did in 2017.

our values - drive innovation

Gazco wins Best Heating Product at the Your Home Awards

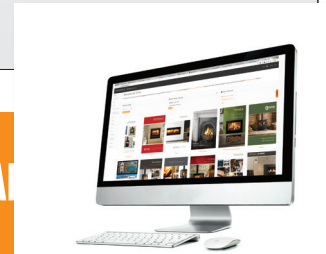
We are delighted to announce that the Riva2 500HL Slimline won the Your Home award for Best Heating Product, catching the attention of the panel at Your Home and fending off strong competition from within our industry.

Well done to all involved in the pitch, and to our product development teams for bringing another innovation to the market.



DID YOU KNOW?

127,000 HOURS ARE SPENT ON OUR MAIN WEBSITE ANNUALLY



Environmental Matters

At the end of last year, our environmental management system was externally accessed and, thanks to the hard work of everyone in the company, we are very pleased to say that we achieved ISO14001:2015 certification. This is a great achievement and now we have the certification the work to minimise our environmental impact will continue with new objectives being put in place.



To help us maintain our segregation of waste, we are currently trialling a baler, to compact and bail our cardboard. This is at the rear of Gazco, where most of our cardboard waste is generated, and should help reduce the overall volume of cardboard needing to be placed into skips and wheelie bins.

As a reminder Dry Mixed Recycling bins are for dry paper, clean plastic (film, bottles, food containers), metal (drinks cans), small quantities of card. General Waste bins are for waste food (apple cores, banana skins, leftover food, tea bags), food packets (crisp packets, sandwich wrappers) and other items (glass, paper towels, polystyrene, strapping).

There are special bins for batteries, printer cartridges, oily waste, refractory ceramic fibre waste and other specific waste streams across all our sites.

If you have any ideas on how we can reduce waste or our environmental impact do put forward a staff suggestion, get in touch with one of the team or your line manager.



Going Electric with ecofleet

Most of us will have seen the new forklifts that have arrived recently, sporting fresh Stovax & Gazco branding. This electric fleet was installed to address health and safety discussions, environmental considerations, as well as improving on the running costs of the previous models.

The new forklifts are limited to 5mph, reducing travelling speed and therefore improving safety. The old diesel forklift from the back of the factory has been removed, as well as the remaining gas forklifts.

Stovax Group features on George Clarke's Ugly House to Lovely House



For those of us who are a fan of George Clarke, you may have spotted a couple of our Group products in the most recent series of Ugly House to Lovely House. The series follows the transformations of several 'ugly' homes, and sees them brought to life – proving that even the ugliest houses can be transformed into homes to be proud of.

Episode 1 saw a Nordpeis Quadro 2T installed in Simon's and Lisa's home in Gloucestershire, whilst Episode 5 visited Mandy's house in Nottingham where she chose a Stovax Studio Duplex to create a flow between her living area and kitchen. This show attracts over 2 million viewers per episode, giving us great prime time features and plenty of social media content. Catch up on the episodes on All 4 online.

New Gazco Production Director



Laurie Bayliss has joined the Senior Management Team as Production Director for Gazco Ltd. Laurie was most recently the Production Director for James Purdey & Sons in London, who since 1814 have been making the finest quality shotguns, rifles and shooting equipment. Previously Laurie has held leadership positions in high volume fast moving production environments.

This experience as well as the attention to detail and craftsmanship required at James Purdey & Sons will hold him in good stead for overseeing the production of our quality Gazco products. We would like to wish Laurie every success in his new role.

Five mins with... Adam Mullen Commercial Analyst

What would you typically do in a working week?

It really varies, so can be anything from reviewing margins, pricing up spare parts helping with various types of reporting, and general data analysis.

How long have you worked here?

Started in June 2016, so 1 year, 8 Months!

What do you find most rewarding from your role?

Spreadsheets! And, of course, actually being able to make a difference with my analysis by finding the patterns and being able to infer Usage and Sales for a better way of working.



What are your biggest work goals this year?

Helping with as much as possible towards the move of the warehouses, and ensuring the pricelists go out on time!

Favourite takeaway meal?

Chip shop chips, plenty of vinegar, with a large battered sausage.

Who is your favourite fictional character?

Dick Grayson, the First Robin who grew up to be Nightwing!

Favourite holiday destination?

Koh Tao, Thailand – for its beautiful beaches



Dealer Profile



Brisco Williams was established in 1936, and started trading with Stovax & Gazco early 1990. Their showroom has a large selection of gas, electric and wood burning/multi fuel fires on display, including a number of Stovax & Gazco products.

We spoke to Sian Philpot from Brisco Williams, who said that Gazco Logic fires are a popular choice for their customers, and the Reflex 75T is turning a lot of heads with its fuel bed illumination.

Sian said that 'it is exciting to see the lovely new Gazco Skope in store,



and I do think this will be a brilliant new addition. We also have a Stovax Huntington 35 on display which looks fantastic. It's hard to leave it and go back to my desk on a horrible day!



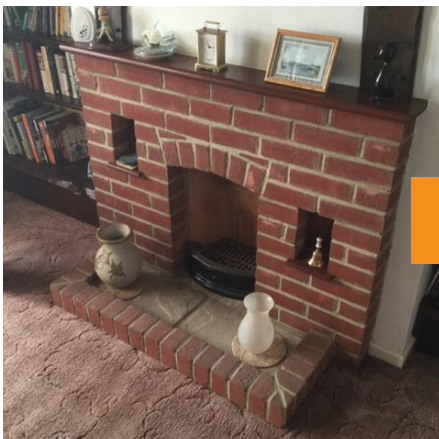
Brisco Williams have given the Gazco Vogue Midline stove pride of place in the showroom, which is also being well received by customers. Sian would like to enhance the customer experience with an in-store coffee shop – because 'who doesn't like coffee and cake?'

Install of the Month

It's always great to see real installs in real homes, shared by our retailer network. Carried out by The Fireplace from the Isle of Wight, this one in particular was a flattering example where the homeowner was not only impressed by our product, but also fell in love with our installation styling. They spotted our brochure image that showcases the Gazco Huntington 40, and loved it to the point of wanting it recreated on a smaller scale in their home – we love the result!



INSPIRED BY BROCHURE PHOTOGRAPHY



Have a news story that you would like to see featured?
Contact Annabelle on acarvell@stovax.com