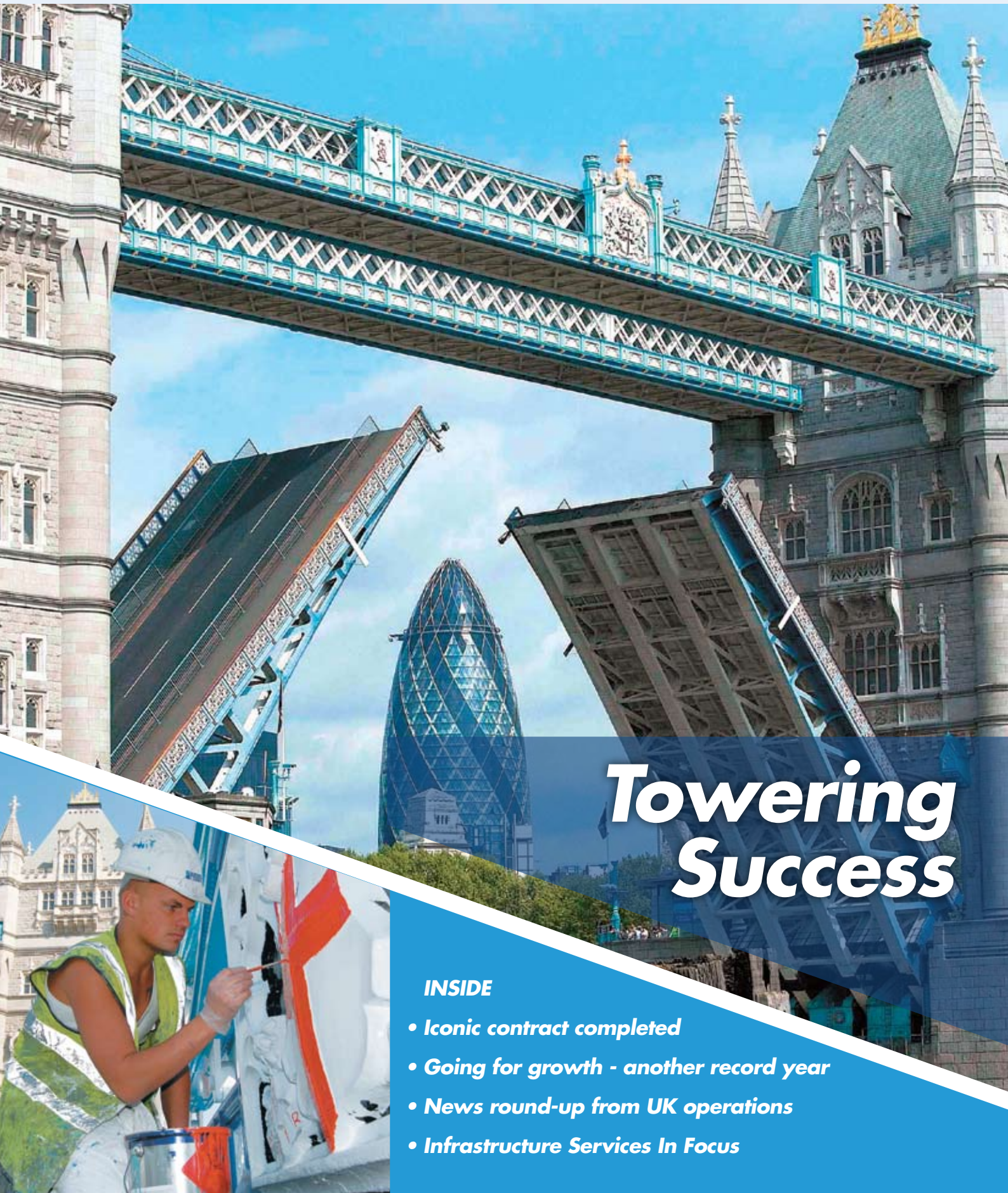


**SUMMER 2011**



# **Towering Success**

## **INSIDE**

- **Iconic contract completed**
- **Going for growth - another record year**
- **News round-up from UK operations**
- **Infrastructure Services In Focus**



# Welcome

*I'm delighted to welcome you to the latest edition of 'Pyeroy Post', which I'm sure you will notice has been given a fresh, new look.*

However, inside you will still find the usual mix of news and views from around the company as well as more about some of the prestigious contracts we're involved with. There's also an in-depth look at the work and people of the Infrastructure Services Division and we catch up with other news from staff around the company

We recently finished repainting London's iconic Tower Bridge, earning strong praise from the client (more inside) while work is well advanced on the new Royal Navy aircraft carrier contracts.

The business in general is in great shape as

we look to the future with a very healthy order book over the next five years. Elsewhere, it's exciting times as we start to look into new market opportunities, particularly in the renewable, offshore, petrochemical and pharmaceutical industries.

I hope you enjoy 'Pyeroy Post' – we'd love to hear from you with news of your own for future issues.

*Best wishes and have a great summer.*

*Hugh Pelham  
Managing Director*

## Going from strength to strength

### New sales drive growth

It's been another good year for Pyeroy as we go from strength to strength. Sales are strong, profits are up and our order book looks healthy with over £120m worth of work secured for the next five years – all despite the continued tough trading conditions.

Turnover went up to £59.5m in 2010 while pre-tax profits increased by almost 17% during the same period. The latest set of results also confirm strong performances across all of Pyeroy's sectors of operation covering marine, construction, industrial, infrastructure and environmental services.

Hugh Pelham, managing director of Pyeroy, said: "The focus on adding value is succeeding as we have won major work across the board, cementing our position as a leading provider of specialist industrial services.

"We now have in place a highly skilled and motivated workforce, which together with a continued focus on delivering quality, is seeing us emerge strongly from some of the worst UK trading conditions for decades."

## Pyeroy unCorks Irish acquisition



The acquisition of the Cork-based electrical instrumentation and data communications engineering contractors, CEI, at the end of 2010 has paved the way for Pyeroy to provide electrical services' expertise to customers throughout Ireland and the UK.

CEI was one of Ireland's leading electrical engineering and communications companies, working for GlaxoSmithKline (pictured) for over 20 years among many

other well known companies.

Former CEI managing director Derek Byrne, who has over 20 years experience in the industrial environment sector, will be looking after operations in Ireland for Pyeroy.

He said: "We're delighted to be part of Pyeroy as it provides us with the ability to supply a wider range of alternative solutions to customers in difficult economic times."

# Towering success

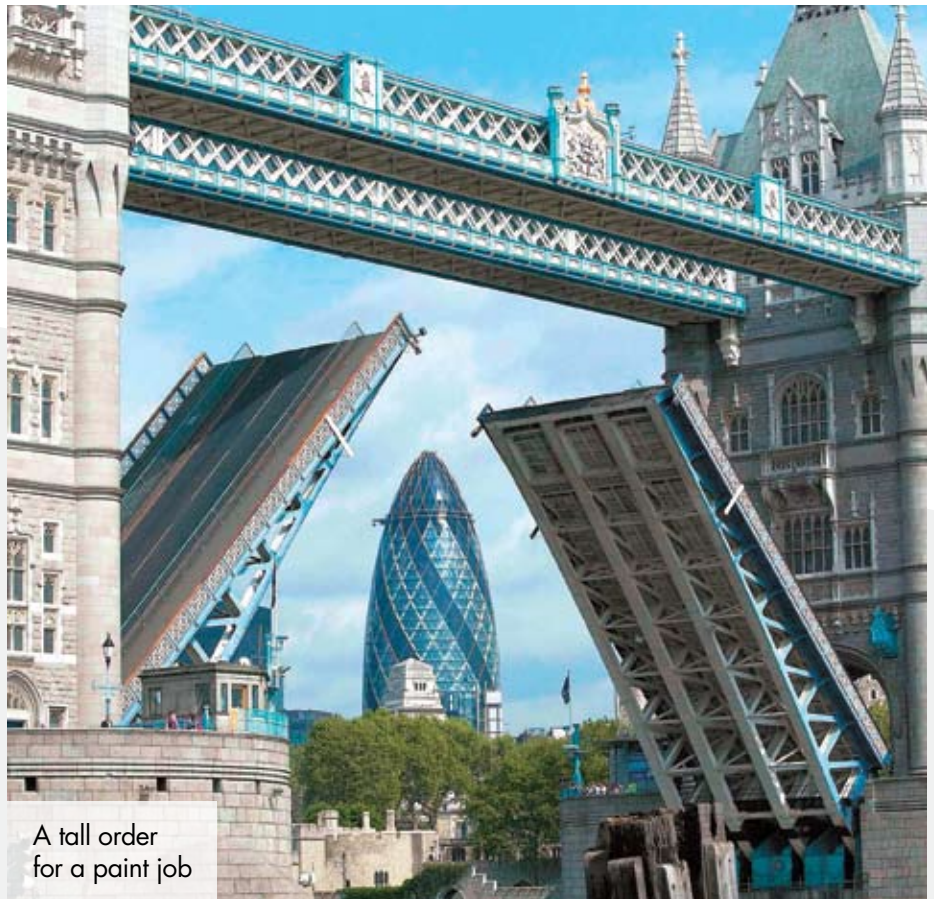
One of the world's most iconic structures – London's Tower Bridge – has been unveiled with a gleaming new paint job after the Infrastructure Division completed its contract following three years of hard work.

The last stages of the substantial refurbishment project undertaken for the City of London Corporation were completed in March and the bridge is now back in full operational mode and open to River Thames traffic.

Repainting has extended the life expectancy of the bridge for another 25 years and was essential to protect the steelwork and preserve the landmark structure for future generations.

More than 1,500 tonnes of expendable abrasive were used to blast the structural sections back to their bare metal framework before 22,000 litres of paint were applied to provide six protective layers.

Further upstream, work has also been completed on Southwark Bridge, which included the refurbishment of the five main steel arches supported by turreted piers.



# Sailing on to success

Pyeroy's Marine Division has won over £15m worth of new contracts and now operates in all the UK's major naval dockyards and shipyards.

Key contracts include support contracts from Babcock worth over £2m to provide services for the refit of the Royal Navy Type 23 Frigate HMS Kent this year at the Rosyth Royal Dockyard.

The company has provided a range of similar services at Babcock's Devonport Royal Dockyard facility in Plymouth, where the large Albion-class amphibious assault warship, HMS Bulwark, received a 25,000 litre re-paint as part of a £26m maintenance programme.

Specialist repair work is also being



carried out on the Trafalgar-class submarine HMS Talent while the Type 23 frigate HMS Northumberland is undergoing a refit at Devonport which involves repainting.

Elsewhere, SSSL, the joint venture company between Pyeroy and Cape, is progressing work on the Royal Navy's new

aircraft carriers as the huge Goliath crane (pictured) arrives at Rosyth to support the integration of the hull sections.

Jack Hayton, director of Pyeroy's Marine Division, said: "Our ongoing success in undertaking these projects recognises the skills and workmanship of our workforce."

# Industrial growth

Industrial Services is currently working on more than £14m of new work after winning a number of major contracts in the UK.

Fine Organics Ltd awarded a three year framework £1.5 m contract which sees Pyeroy operating on-site at its Seal Sands facility on Teesside providing

access, insulation and protective coating services as part of a planned maintenance programme.

Elsewhere, work on a £3m contract at Rio Tinto Alcan's Lynemouth site to install access scaffolding and clean the coal fired power station was completed while a £10m contract to provide access,

insulation and painting services for a large industrial site in Scotland was secured.

Siemens has also awarded work to Pyeroy. Julian Gammage, director of Pyeroy's Industrial Services Division, said: "Our ability to win this and other work has strengthened our position as a leading provider of specialist industrial services."

# In Focus

Feature

In each issue of *Pyeroy Post*, we focus on one of the Pyeroy divisions, highlighting the services offered and looking at the work provided to customers across the UK. Here, it is **Infrastructure Services**, whose work spans some of the country's most prestigious refurbishment contracts.



Whether it's repainting a massive iconic engineering structure like the Forth Rail Bridge or an offshore wind farm, the chances are that Pyeroy's Infrastructure Services Division will be involved. The scope of the services available is broad and comprehensive, and includes all the essential elements - painting, scaffolding, access systems, insulation, cleaning and steelwork repairs among others - required to successfully deliver major infrastructure projects on time and within budget.

But it's the ability to bring together the specialist expertise, unparalleled skills, years' of experience and effective project management capabilities which really singles out the Division from its competitors and shows the real added value clients in the public and private sectors benefit from.

Under the guidance of divisional director Brendan Fitzsimons, the Division can bring extensive experience in undertaking projects across many sectors and has carved out an enviable reputation for quality of work, safety standards and professionalism.

He says: "Applying protective coatings requires highly skilled teams of engineers, technicians and craftsmen to ensure the painting

requirements of the most demanding projects, however large or technically complex, are delivered on time.

"The use of turnkey management solutions, which can include pre-survey work, coating specification, grit blasting or UHP water jetting, surface preparation and the application of high quality coating systems, is recommended best practice.



"The approach provides clients with clear benefits in project planning, control and cost effectiveness, while quality and contract monitoring systems ensure projects are completed on time."

Brendan says it's also important for customers to consider the expertise in anti-corrosion

techniques and experience of working at height over water that a company like Pyeroy can bring to a project. This can have a major bearing on the how well a project is completed and, if not properly addressed, can have implications in terms of project overruns and health and safety issues.

For instance, working over water creates difficulties - the movement of materials is reliant on barge or rail and ensures there is very little mechanical assistance with set-up, access and movement, making the process labour intensive. These factors, together with the need to liaise closely with rail operators and other contractors, make the work extremely challenging and logistically complex.

"The repainting of Tower Bridge is a good example of this," said Brendan. "This has been an extremely prestigious project for us and the City of London

Corporation is delighted with the new paintwork.

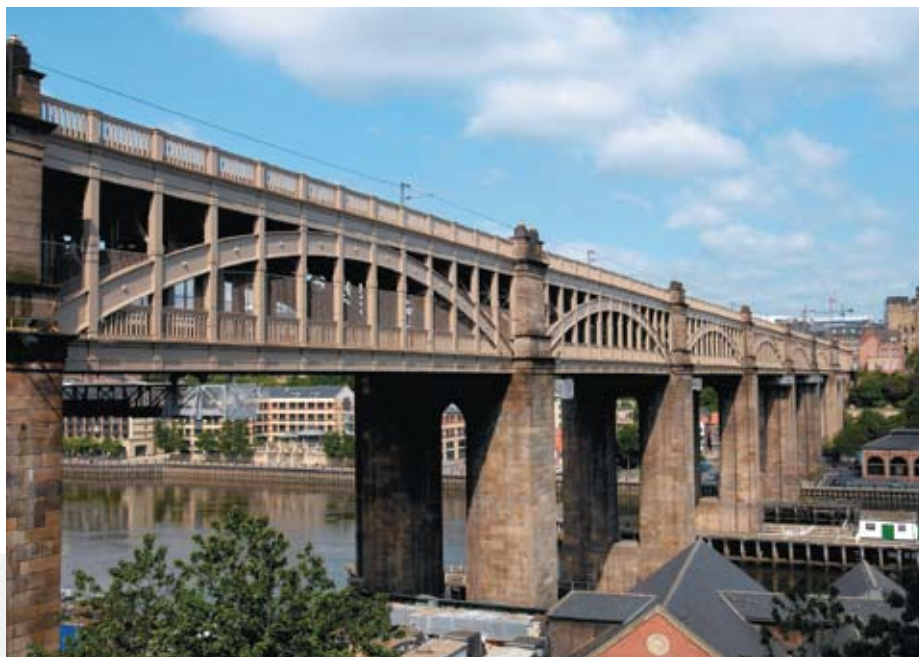
"But equally it has shown our capability to deliver important projects, our ability to work over water and at height and reinforced our reputation for quality of work, safety standards and professionalism."

# Pyeroy expertise in action

## Bridging the gap

As part of a comprehensive technical support service, engineers will assess a bridge's condition before recommending the appropriate surface preparation and coating systems. Life costs analyses and annualised programmes can also be provided to assess the current and future implications of corrosion control measures.

Our specialist expertise extends to working at height over water and all our painting personnel are qualified to the Industrial Coating Applicator Training Scheme. These services are delivered – in keeping with rigorous health and safety standards, which includes full method statements, safety plans and risk assessments for each project – alongside ongoing training and monitoring to ensure that safe working conditions are maintained at all times.



## Asset protection (storage tanks)

Our extensive expertise covers the provision of specialist protective coatings solutions for liquid and gas bulk storage and transportation systems. We provide a comprehensive anti corrosion coatings service to the tank storage and pipeline industry and include most of the major energy, utility and specialist tank farm operators among our customers.

In all cases high performance coating systems are used to develop long-term maintenance free solutions for all tank, vessel and pipeline applications. As well as providing traditional anti-corrosion protection, bespoke coating systems can also be developed to meet specific needs in terms of environmentally acceptable finishes, resistance to product spillages and suitability for underground installations.



Coating performance guarantees can be provided and all work is undertaken in full compliance with appropriate health and safety legislation – including the handling and disposal of hazardous materials. In this way,

Pyeroy is able to provide high quality coatings solutions for the long term cost effective corrosion control of all types of bulk storage structures.

## Racing cert

The championship ambitions of promising Yorkshire-based driver Max Coates are on the right track thanks to support from Pyeroy.

Hugh Pelham explained: "Part of the British Touring Car Championships includes the Ginetta G40 Challenge, which sees youngsters compete in a series of races across the UK's top motor racing circuits.

"One of them is Max, who was very good at karting before moving up to touring cars.



We have supported him in the competition for the last couple of years and it's been

really good fun."

*Looks like another winner for Pyeroy! - Ed*

# Health & Safety Matters

## Hard work pays off

Safety first continues to pay dividends - the OHSAS 18001:2007 accreditation awarded to Pyeroy provides a framework within which risks and accidents can be identified and reduced.

OHSAS 18001 is the internationally recognised assessment specification for occupational health and safety management systems.

Gaining the award followed a detailed independent assessment of Pyeroy's health and safety management systems by NQA

at the end of 2010. It covers the company's head office in Gateshead as well as its regional offices and sites across the UK.

Quality manager Shirley Haskett said: "This is a great achievement as the company expands its operations and ensures management systems comply with the latest European standards."

Following on from this, Pyeroy has also been re-accredited for a further three years for its ISO14001: 2004 environmental management systems.



## Safety first at Devonport

Babcock has presented its annual Devonport Naval Contractors Safety Award to Pyeroy for a number of initiatives designed to improve safety within the dockyard.

These included new scaffolding to improve safety while working at height and improved safety clips which secure it during transport to site. Each contractor has been equipped with a new paint safety box, which includes safety tape, signage and advice to encourage improved working practices.

Pyeroy is also sharing best practice with Babcock, driving up standards and

improving all round safety levels. Malcolm Irving, Babcock's safety manager at Devonport said: "Pyeroy has a track record of safety, readily accepting comments and suggestions for improvement, supporting initiatives and sharing experiences gained from working at other sites.

Kevon Daymond, marine service regional director - South West, pictured centre with Peter Stankevitch (right), said: "Babcock sees the value of our safety practices and initiatives, which prevent injuries, improve the long term health of the workforce and reduce on-site accidents."

## Simon's presentation bowls 'em over!

SHE advisor Simon Hogg has demonstrated to North East health and safety professionals, company owners and managers the work Pyeroy's doing to reduce site accidents.

He was speaking at the Safety Health Awareness Day at Durham CCC in support of Working Well Together North East - an industry led initiative designed to help



construction businesses to improve their health and safety performance.

His presentation covered the good housekeeping practices introduced at Pyeroy to reduce risks and the improvements made in welfare and transport that were driving down workplace accidents.

## And in other H&S matters...

...Pyeroy has established a new company-wide safety training programme to deliver an Incident and Injury Free culture....

...we have also received a new safety award for the work with OCS on HMS Bulwark at Devonport...

...and have been relicensed by the HSE to undertake the safe removal and disposal of asbestos for another three years.

# About You – news from around the company...

## New faces



STEVE JENKINS

Steve Jenkins has joined from The Denholm Group as group business development manager. With more than 20 years industry experience, he will be closely involved in supporting existing contracts across all operations and developing new market opportunities in industries like power, offshore, petrochemical and pharmaceutical.



PAUL LAMB

Paul Lamb becomes regional manager for the Construction Services Division reporting to Darren Hall. It is also good to see the return of Gary Steele, who is rejoining the North East scaffolding section.



STEVE DRINKELL



GEOFF WHITE



TAYLOR FORMAN



CATHERINE MOULDING

At Gateshead, Steve Drinkell is the new operations manager working for the Infrastructure Division under Brendan Fitzsimons, alongside Geoff White, who has joined as a contracts manager. Also at head office, the Finance Department has seen the addition of two new accounts assistants, Catherine Moulding and Taylor Forman.



STEVE EVANS



BRIAN McCORMACK

We also welcome Steve Evans, who has joined the Devonport office as new contracts manager reporting to Kevon Daymond, and Brian McCormack, who will be reporting to Alex Brown as a contracts manager in Scotland.

In Ireland, it's farewell to Declan Horgan, who's leaving for more saintly pastures after three years working in the Finance Department. He's going with our best wishes to take up a post with The Congregation of the Sisters of Mercy in Cork.

Rosyth paint supervisor Ronnie Gold is gearing up for a cross-country charity bike ride. On Sunday August 14 he and three friends will start a gruelling 960 mile journey from John O'Groats to Land's End. They will spend seven days cycling the length of Britain to raise money for Macmillan Cancer Support. The charity is one which they all hold close to their hearts as they have each lost loved ones to cancer. If anyone wishes to support the cyclists and donate to Macmillan, email [frank.king@pyeroy.co.uk](mailto:frank.king@pyeroy.co.uk)

At Marine's Belfast Division, best wishes go to Laura McConnell who is expecting her first baby in July. It's also well done to Sam McKeown whose team - supported by Dave and Steve from Devonport - completed the containment of the historic SS Nomadic, the tender vessel for the RMS Titanic, after undergoing specialist training from HAKI.

In the Marine Division new starters include quality inspector for Belfast, Andy Stewart, who reports to Rab McCartney, and Lee Mothersdale who is working with Tom Spence as a quality inspector at Birkenhead.

## Ding ding...

Hold tight please...Marine's Birkenhead operation has put a children's play bus on the road to success. Tom Spence Jr. and Tony Hall repainted the 25-year-old double decker bus, which tours the Wirral acting as a mobile nursery, after being approached by Cammell Lairds to smarten it up for the Playbus charity.





# *Offshore windfarm maintenance painting in the Irish Sea*



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