

'Steady as she goes' for 2004...

Building on last year's changes will keep the Group on track

So how was it for you? 2003, we mean.

Group Chairman, John Nxxxxxx, saw it as a year of 'transition and change', with profits up 17 per cent and turnover a whisker under a hundred million pounds.

Group Managing Director, Gary Uxxxxxxx, pointed to intense competition in the marketplace and the big changes made to ensure Nichols plc remains a world-class company.

By any standards, most people working in the Group see it as a good company to work for. With ever-improving staff benefits and working conditions, this is hardly surprising.

So you're probably wondering what life is like, working for other OpCos in the Group. Companies, like communities, are always in a state of change – and it's only human nature to want to know the details!

Well, The Fizz is always visiting the set of this workplace soap opera. And we always try to keep a finger on the pulse of the main characters – you, the employees, who create the successes and changes at Nichols plc.

You only have to look at the range of stories in this and every other issue of The Fizz. Every shade of life is there – from births to marriages, to job promotions, new business wins and the personal achievements of people that give life its richness.

Throughout it all, the aim is obviously to make the company a winner. 'Managing change' is a big concern of Gary Uxxxxxxx and everyone he works with on a day to day basis.

The good news is that the company is managing costs, risks and opportunities better than ever! Here are just a few examples:

- Key management changes were made in 2003 to ensure that the skills and knowledge of the workforce benefits from strong and effective leadership.
- Core business activities like IT, Human Resources and Finance are now under the umbrella of the new Group Shared Services Centre. This frees-up resources to focus more on business development.
- A new marketing structure was set up in 2003 to respond to the ever-changing trends and behaviour of our customers.

Of course, change isn't always painless and, as we all know, there have been some regrettable job losses. Despite this, 'people development' remains a top priority for the future prosperity of all.

The Vimto Academy is a good example of positive change, with external client companies now keen to have the same professional training as that available to Nichols' own people.

At the heart of all Group activities is the achievement of customer service excellence. Through the Close2Customer and other initiatives, this key strategic aim will be developed even more in 2004.

However, success comes with its own set of obligations to contribute to the outside community. For the seventh year running, this was achieved in the shape of fundraising for our nominated charity, the Variety Club of Great Britain.

Through the Charity Gala Diner and other activities, we were able to provide another two coaches for less than fortunate kids up and down the country. This brings to 25 the number of coaches the Group has contributed to the charity. Support for the Variety Club will continue in 2004.

Building on the changes of last year is very much the theme for 2004. As Gary Uxxxxxxx says:

"Our internal programme of transformation is on track and I am confident that the right teams and structures are now in place to achieve our plans."

Soft Drinks

- Vimto profits up by 31 per cent
 - Energy drink 'Indigo' launched
 - Sales of 'Sunkist' buoyant
 - Outsourcing drinks manufacture, distribution and warehousing a great success
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Overseas

- Vimto brand now available in 65 countries
 - Consistent growth in Middle East, Africa and Asia Pacific countries
 - New moves into China and India have huge potential
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Nichols Foods

- Xxxx Xxxx new MD from January 2004.
 - Partnerships with Duerr's Jam, GALAXY® Hot Chocolate Drink and Douwe Egbert's coffee boost retail sales
 - Maltesers® Instant Hot Chocolate Drink spherical packaging wins Starpack Gold Award
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Vending

- Full vending range shown at AVEX, the prestigious trade exhibition
 - Launch of wider range of Knorr Soups
 - Launched own-brand of ethically traded coffee – Buendia
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Cabana-Balmoral Merger

- New single business can now offer both hot and cold dispensed drinks
 - Cabana and Balmoral first exhibited together at Hotelympia in February 2004
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