

RI RE-ORGANISE PRODUCTION

Four cycle factories to close : Plan to bring back 5-day week : To combat foreign competition

FINISHED plans for the integration of the production resources of Raleigh Industries Ltd. have been announced. They will be developed progressively over a period of up to three years and include manufacture of all bicycles for the group at Nottingham factories and of all mopeds, scooters and motor cycles at the Downing Street factory, Birmingham. The plan will enable the group to surmount intense foreign competition and follows the merger last year of the cycle interests of Tube Investments Ltd. and Raleigh Industries. Under the new arrangement the production at Norman Cycles, Ashford, Sun Cycle and Fittings Ltd. and J. B. Brooks and Wrights saddle factories will ultimately be transferred to the specialized centres.

"It must be stated emphatically that the merger and the plan of integration stem entirely from economic pressure," said L. L. Roberts, director of factories. "They have been dictated by the current situation in the cycle industry and are vitally necessary if bicycle manufacture as we have known it in this country is to continue.

"The Nottingham factories must return to a five-day week as soon as possible. This can only be achieved by transferring progressively all cycle production to Nottingham, the first and immediate stage being transfer of all orders in excess of the current 42 hour working week capacity of the Birmingham Downing Street factory. Concurrently, manufacture of all motorized products and of saddle and allied production currently undertaken by J. B. Brooks and Co. and the Wright Saddle Co. Ltd. will be concentrated at Downing Street."

It is the intention of the board to endeavour to phase the changeover so that effect upon level of employment is minimized. It is expected that it will be possible to avoid redundancy of employees at any level which need cause serious concern. Employees who care to transfer to Nottingham factories with the job will be welcomed and financial help towards the cost of the move will be given.

Worsening of trading conditions

There had been a serious deterioration in trading conditions over the last few years, said Mr. Roberts. Cycle production in the United Kingdom in 1955 was 3,564,000 machines as compared with 2,280,000 in 1960, representing a substantial decrease in both export and home markets. This year the home trade had dropped to the lowest level on record and many valuable oversea markets had already been lost.

"At the present time the manufacture of bicycles, components and motorized products is being undertaken in a number of factories, several operating uneconomically at low outputs. Production is too widely dispersed. The largest unit at Nottingham is currently running on a four-day week and factories at Ashford, Newtown and of the Sun Cycle and Fittings Company are considerably under-employed. In future the factories must be operated as specialized units running at the

highest level of productivity."

Broadly, the plan means that Nottingham factories will produce bicycles, tricycles, Sturmey-Archer gears, lighting sets and other products, toys and virtually all cycle components.

The Downing Street factory at Birmingham will produce all the group's mopeds, scooters and motor cycles as well as contract work, saddles, scooter luggage and other products at present manufactured at the factories of J. B. Brooks and Wrights.

The Bridge Street factory, Birmingham, will produce pedals, hubs, cable brakes and cables, trade standard and other sundry products as well as undertaking contract work.

Effect on factories

Nottingham factories will be working towards return to a five-day week on increased cycle production from orders in excess of 42-hour working week current at Birmingham.

Bridge Street, Birmingham, factory: Type and range of products will be much as at present. Total productive capacity will be occupied and level of employment maintained. Downing Street, Birmingham, factory will substitute manufacture of motorized products, saddles and other accessories for cycle production.

J. B. Brooks and Company and the Wright Saddle Company Ltd. will have production transferred progressively from Great Charles Street and Dale Road, Birmingham, to Downing Street, Birmingham, beginning in the autumn and extending until the end of 1962.

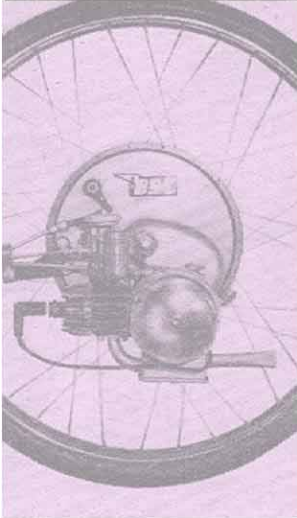
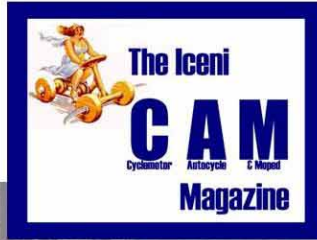
The Sun Cycle and Fittings Company Ltd. factory will be closed at a date to be determined within the next few months.

Brampton Fittings Ltd. at Newtown has been thoroughly investigated. There is little likelihood of the Raleigh Group being able to place more work there than has been done to date. Other members of the Tube Investments organization are studying the possibility of utilizing this factory.

Busmar price alteration

As from April 10 the price of the Astral Mark I sidecar body manufactured by Busmar Ltd., Bristol Avenue, Blackpool, was increased by £5 to £73. However, the body is now finished in a two-tone colour scheme and features polished aluminium beading.

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