



ALTON CHAMBER NEWS

The Voice of Alton Business

January 2011

A HAPPY NEW YEAR !

This New Year threatens to be a difficult one for many businesses because of Government cut-backs and the general economic climate.

Local businesses in Alton may be in a better position than many businesses in larger towns to benefit from changes that people may make to their trading and shopping habits.

Pat Lerew, in her Chamber President's New Year message, gives her views on the Alton business scene.

Plus there are pictures of all the Christmas shop window winners, as well as the Late Night Shopping quiz winners.

CLICK ON ICON FOR MORE INFO



Financial Report



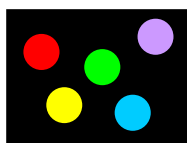
Secretary's Corner



President's New Year Message



Christmas Shop Windows



LATE NIGHT SHOPPING QUIZ



Alton Winter Beer Festival 2011

PRESIDENT'S DINNER

Friday 28th January

Alton Grange Hotel

7.15pm for 7.45pm Dinner

£ 22.50 per person

Dress code:

**Dinner Jacket or
Dark Lounge Suit**

AWARDS

Three local businesses
will receive awards for:

**Excellence
Innovation
Growth**

GUEST SPEAKER

Damian Hinds MP

Damian is the Member of
Parliament for the East
Hampshire Constituency

*To book please contact
the Chamber Secretary by
Monday 24th January
at the latest*

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BUSY DOING NOTHING

Financial report from HSBC Bank

The MPC ended the year with continued inactivity on the interest-rate front by leaving Bank Rate on hold at 0.5% for the 21st consecutive month. There was never any likelihood that the outcome of the December meeting would be any different, despite the public disagreements between some members – there was a three-way split again at the November MPC meeting – concerning both interest rates and the quantitative easing (QE) programme.

Given the Bank of England's view of the likely future path of inflation, it looks like there are many more months of inactivity in store for 2011. During the course of 2010, the expected date for the first interest rate rise has been continually pushed back. The current consensus is for Bank Rate to rise to 0.75% by the end of 2011, although the HSBC view is that rates will remain on hold until 2012. In the meantime, however, an extension of QE beyond the current £200 billion is not completely off the agenda.

Recovery on track

There has been some encouragement for the Chancellor in the latest crop of economic numbers. The second estimate of third-quarter GDP left the quarterly growth rate unchanged at a fairly robust 0.8%, making for annual growth of 2.8%. This is impressive and makes a welcome contrast with 2009 when output fell by nearly 5%.

The data for Q3 encouragingly revealed that stockbuilding made a smaller contribution to growth than in previous quarters while net trade accounted for half the overall increase. Growth of household spending, however, slowed (to 0.3%), raising concerns about January's VAT rise, and business investment spending declined by 0.2%.

A view of likely trends over the medium term also suggested that Mr Osborne is on the right track. The Office for Budget Responsibility (OBR), now under new management, updated its forecast to take account of the proposed fiscal retrenchment. It concluded that the Chancellor is on track to meet his deficit and debt reduction targets without de-railing growth. There was an upward revision to GDP for 2010 (to 1.8%) but small downgrades for 2011 and 2012. Nevertheless, growth in both years is expected to be stronger than in the previous 12 months and with recovery seemingly well underway, talk of a 'double-dip' is off the agenda.

As has been the case for several months, the specific raw data seem to point in both directions, offering a mixed picture of what is going on. This is typical at turning points in the cycle. The most positive news continues to come from the business sector. The PMI surveys, which stalled a little in the autumn, resumed their upward momentum, with November's manufacturing index rising to its highest level since 1994.

This is in line with the official output statistics and survey data from the Engineering Employers Federation which confirm a buoyant manufacturing sector, in terms of jobs as well as output. The service sector and construction PMIs are also in positive territory (i.e. above 50), implying growth in the short term.

Labour market and high street spending data support the optimistic view of activity moving forwards. Claimant count unemployment fell in October and there was a rise of 167,000 in the number in employment, albeit largely part-time. And both the official retail sales series and survey data on the high street point to the resilience of the consumer, although weak earnings growth, above-target inflation and January's rise in VAT all suggest caution about the prospects for the household sector in 2011.

There are suspicions that the current retail numbers reflect purchases of big-ticket items that have been brought forward to beat the VAT increase, which, if true, will leave Q1 next year looking rather fragile.

The main area of weakness continues to be the housing market, where prices and approvals have clearly stalled after a promising first half of the year. While some of this may be attributable to consumer uncertainty, particularly about jobs, the pent up-demand from previous years and the obvious improvements in the affordability of housing, argue for a much stronger market performance. The Bank of England reported that mortgages approvals fell for a sixth consecutive month in October, and while these declines have generally been modest in scale, it means that the level of approvals (47,185 in October) is still well below the 70-80,000 needed to sustain positive house price inflation. In November, the Nationwide's price index fell by 0.4%, the Halifax's by 0.1%.

The sensitive issues

The three themes that will determine the strength of the recovery (and possibly the political fate of the Coalition Government) are: the impact and effectiveness of the government's plans for the public sector; the need for exports to make a greater contribution to economic growth as the economy re-balances; and the outlook for inflation. On the first of these, the OBR's latest report is not only supportive of the stance on spending as it affects the deficit and debt, but concludes that the employment consequences will be less severe than first thought.

Estimated job losses in the public sector were reduced by a third (from 490,000 down to 330,000), and at current rates of job creation in the private sector (200,000+ a year) it is a gap the private sector is well able to fill. The real test for ministers, particularly with the proposed spending cuts, is their willingness to keep their nerve as protests, bad publicity and fractures in the coalition start to emerge.

It is the contribution of trade to growth in the coming months and years that raises most doubts about the latest OBR forecasts. And the most recent trade data have not been supportive of the prospects for a re-balancing of activity. Although the monthly goods deficit of £8.5 billion in October was only marginally wider than in September, this was flattered by an usually positive contribution from trade in oil which masked a deterioration elsewhere. Imports rose by over 5% in September.

Another weakness is the sharp decline (by 5% on the month) in the volume of exports to non-EU countries. In the EU, the debt issues and actual or like rescue packages in Ireland, Greece, Portugal and possibly Spain, cloud the export outlook. Although the emerging markets are continuing to grow, the combined value of the UK's exports to the BRIC economies of Brazil, Russia, India and China in 2009 came to less than to the Republic of Ireland.

Inflation, at 3.2%, hardly seems to be a threat in the near term, but to have an above-target rate while there is clearly spare capacity still in the systems raises questions about what will happen once the 'output gap' closes. Since the recent sources of inflation are unlikely to be domestic (apart from the January VAT rise), a weaker pound and rising commodity prices must be the principal contributory factors. The Bank of England's latest Inflation Report expects the inflation pressures to subside and so is not taking any action now, a view which suits the Chancellor while he is tightening fiscal policy.

The inflation hawks, however, are concerned that unless the threat is dampened now, interest rates will have to rise sharply in a year or two to get inflation back on target. The VAT increase in January means that inflation is now set to remain above target for much of 2011, but the consensus view is that the inflation fears are exaggerated.

Welcome new Member

Our newest solicitors' practice (opposite Lantern Foods) opened during the Yuletide Festival and won a Christmas Shop Window certificate (see page 5).

JC Solicitors

Kellie-Jayne Cox and Tania Jeffery
26 Normandy Street, Alton, Hants. GU34 1BX
www.jcsolicitors.com 01420 544273
kellie-jayne@jcsolicitors.com

Know your Editor

I gather that a number of members believe that I edit this newsletter. In fact, David Gay is your editor and has been doing it for the last seven years.

When I became Secretary, I agreed to take over the Secretarial role from David on condition that someone else edited the newsletter. David stepped into the breach, taking over from Bill Wilde, and has done a good job of keeping the newsletter going. John Evans took on the role for a year whilst David was President in 2009, but other than that, David has been at the helm all along.

As it happens, David edited about two thirds of this edition and I am finishing it off, so to speak. We have also heard from a member who is keen to take over this role, so we'll see what comes of this.

Membership subscription due

As I am sure you are aware, most of you are due to renew your subscriptions this month. The accounts are now set up in an on-line accounting programme and it is able to send out invoices by E-mail. This will mean that you will receive your membership renewal invoice by E-mail unless we get your E-mail returned.

A few of you who joined in November relating to the Late Night Shopping received an automated invoice for your subscription. This is not a demand for further sums – they were sent in error. Apologies for this, it is a teething problem in setting up the on-line accounts. However, you might like to print them for your records.

Elliott Ross, our treasurer, has been streamlining the accounts of both the Chamber and ACE (Alton Chamber Enterprises Ltd.). He has also set up the new accounting programme, so hopefully the membership renewals will be simpler for us to manage.

2011 Membership Rates

CATEGORIES	RATES	DETAILS
Micro	£36.00	1 person
Small Business	£56.00	2 - 6 people (F.T. equiv)
Standard	£82.00	7+ people single branch
Corporate	£110.00	More than one branch
Not-for-Profit	£36.00	Organisations all sizes
Associate	£16.00	Individuals
Group	£21.00 each	
Additional	£28.00	

Assembly Rooms has our support

I received a letter from the manager of Alton Assembly Rooms, Jason Passingham, complaining about our President's remarks in last month's newsletter. This was in reference to the President's report for the 2010 AGM where Pat referred to the 2009 AGM which took place at the Assembly Rooms. I replied by saying:

"It is not my place to defend Pat's comments, but my observations are that the problems were not your fault. I would be highly surprised if people stopped using the Assembly Rooms for bookings based upon Pat's comments. After all, this facility is older than the Chamber and although Altonians have struggled to maintain and fund it over the years, it is testament to all those involved that it survives as a community facility. For your part, I was very impressed with the work you've done in the [Lower Committee Room] and the stairs, and for your continued commitment to the management role.

As you know, Alton Town Council has recently invested money in refurbishing the main hall, kitchen, toilets and roof, not to mention the new seats. Whilst they may now find it harder to allocate funds to further improve and maintain it, it is very much part of the fabric of Alton. Just like the Community Centre, we have all got to think of ways to make sure that it remains a community facility for future generations."

Late Night Shopping report

Snow is the main memory I have of the 16th December! For those that took part, they will probably remember it for the lack of customers. Regrettably, despite all the work put in by Sanya Ward, Andy Goodall, John Barber, Pat Lerew and myself, the weather kept people away. It also kept the stalls away, so it was not an event to celebrate.

However, as part of the evening, the Mayor and I attended the launch of the 2011 brochure for Wheeler's Travel, owners of Altonian Coaches. I commend them for honouring the outstanding Altonian holidays at great cost to themselves and for their continued investment in our local coach services and holidays. Also, despite the rain and snow, three lots of people did the quiz (see page 6).

Sanya Ward has asked me to produce a questionnaire to ask retailers for comments about the 2010 event and whether they would support another event in 2011.

Pat Lerew is proposing that we change the format this year. Instead of having a single event, she proposes a week of opening to 6.30pm. This reduces the chance of weather spoiling things and fits with her observation on the 16th that people were in town mainly up until 6.30pm. The quiz could also last the week, giving people time to shop and find all the answers. The message from those that did the quiz was that it was fun, but it didn't allow time to shop as well as find the answers.

I am willing to give it another try if retailers are prepared to back another event. It is understandable that many will express dismay over last year's event, but I believe that Pat Lerew's idea will be more suited to Alton.

2011

President's New Year Message

Some years ago I ventured to wish a very OTT visiting American Professor a Happy New Year. "Oh don't do that", he said. "Wish people a happy year".

I think many of us feel a little awkward about wishing each other, especially our business colleagues, a happy new year this year because we know that at the very least it is going to be a difficult one for nearly all of us.

Those of us dependent in some way on public money, whether through contracts from the public sector or through some other kind of government funding will already have received some unwelcome news about cuts. Alton has a large number of residents who are public servants, especially in the Health Service, Education and Social Services and it is these people who are seeing a depreciation in their finances and possibly losing their jobs so that those who are relying on their spending power will be disappointed.

So where is the flip side of this coin? We have already seen more people staying in Alton to do their Christmas shopping this year because treacherous road conditions discouraged people from travelling too far afield and it is to be hoped that more people are now aware of the wealth of diverse shops Alton has to offer.

I have often been visiting friends in the surrounding area and been told by fellow guests that they come to Alton because of the so and so shop which has something they can't get anywhere else.

Anyone who was in Alton High Street last Saturday cannot have failed to be impressed by the number of people there. Not for a market or a special event; there were queues in the banks, the coffee shops, at the florist and at the bakers. Could the extortionate cost of fuel and the tight budgets work to our advantage in the same way as the snow did. Is this the year when people with little to spend stay nearer home and spend it locally?

If this is so, then our retailers need to capitalise on the opportunity. I couldn't help noticing when I was judging the Christmas windows that there were less people who had really made an effort this year. Some had totally ignored the whole thing even though their trade clearly leant itself to a Christmas theme.

Too many had just shoved in a Christmas tree or Father Christmas to show willing so it was a great pleasure to see the really excellent efforts from some of our regular entrants and from some new businesses

It was also very enjoyable to be made so welcome when the Mayor and I toured the winning premises, because they weren't all shops, to present the awards.

Another area of business which could benefit in the same way as the retail sector by the wish to spend less generally and on travel in particular is local tourism. The Chamber has already become involved in this area with the Jane Austen initiatives and the Accommodation leaflets and with representation on the EHDC tourism committee and South Downs National Park steering group.

Hopefully the new committee looking after the future of the Alton Museums on which we are also represented will ensure that tourism is kept at the forefront of the plans for both establishments so that the town can benefit from the efforts which have been made by local people to save the Curtis Museum and Allen Gallery.

The Chamber will continue to be involved with the Town Council in organising events in Alton during 2011 designed to attract people into the town, which should enhance both the retail and tourism sectors.

If your particular area of business is in an area other than retail or tourism and you feel there is some way in which the Chamber could bring some benefit to your sector we would love to meet up with you and discuss your ideas. It is pleasing to report that membership of ACCI started to increase during the latter part of 2010 and we would like to use the Chamber's influence to benefit as many businesses as possible.

Perhaps "good" would be a more appropriate adjective than "happy" to wish people for the New Year. We know that hard work will be required in order to survive and benefit during the economic hardships ahead, so we will probably not have time for delirious happiness but we might be able to look back comfortably on a year well spent.

So I will paraphrase my OTT American friend and wish you all a good year for 2011 and hope to see many of you at our meetings and events.

Pat Lerew

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Christmas Shop Windows

A week before Christmas the Alton Town Mayor, Councillor David Willoughby and the Chamber President Mrs. Pat Lerew toured the town to select the best of the Christmas Windows. Our thanks go to everyone who made a Christmas window and well done to the winners. The results were:

Most Festive Window



Botanic Garden



Rehab Charity Shop



Hair

Most Original Window



Mike Frost Carpets



JC Solicitors



Rawlings

Continued...



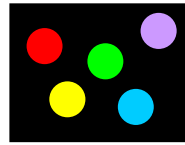
Alton Secondhand Books

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Christmas Shop Windows

...Continued



LATE NIGHT SHOPPING

QUIZ

Best All-Year Window



Sheila Betts Flowers

Quiz winners



Waitrose
Hamper

Jenny
Lewis



Get Fresh & Fruity



M&Co Voucher

The Mylwards

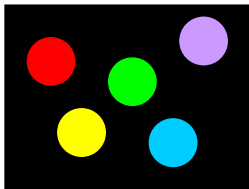


Market Street Gallery

During the Christmas Late Night Shopping many of the Shops supported a quiz. The public could collect a quiz form and tour the shops to answer questions relating to items in the shops. Due to the atrocious weather, only three entries were received. Apart from the two winners above, the third prize (cycle helmet) went to Julie Roberts and her children. Our thanks go to Waitrose, M&Co and 1st Gear Cycles for donating the prizes. See the brief event report in Secretary's Corner on page 3.

Faye Mylward (pictured above shaking the Mayor's hand) wrote a very complimentary letter to the Alton Herald and to the Chamber. Her letter is published on the next page.

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LATE NIGHT SHOPPING

This letter we received from Faye Mylward demonstrates that Alton's shops do have a lot to offer and that we should be doing all we can to support and encourage them. Faye and her two children won a prize in the quiz (see previous page). The Secretary's mother also took part in the quiz and we are assured that she did not know any of the answers or have any special help. She back's-up Faye's comments, saying that the shopkeepers were all very friendly and jolly.

Dear Sir or Madam

I am writing with reference to the Alton Late Night Shopping Quiz on 16th December 2010. Despite the weather (we did most of the quiz in a blizzard and had to stop when we could no longer see the questions, the words were covered in flakes!), I and my 2 children had a really good time going around the town shops for the answers. It was all slightly surreal; not many people would think to do a quiz in the snow, but very entertaining, and the best thing was the warm welcome we received in every shop we visited. Everyone was wishing us a merry Christmas, offering us chocolate and mince pies, and, as we became more bedraggled, helping us out with clues. So thank you, Alton, for your warm welcome on such a cold night!

Yours faithfully

Faye Mylward



Wheeler's Travel launched their 2011 brochure on the same night as the Late Night Shopping. A few people braved the snow to visit their reception at Celar Vie to enjoy a glass of wine and eat some nibbles. Here Mayor David Willoughby joins owner Derek Wheeler in launching their 2011 travel brochure.

We wish them well for 2011 and they have shown an interest in joining the Chamber, so we will be following them up on this offer.

Find out more about their offers and holidays from their websites:

www.wheelerstravel.co.uk

www.altoniancoaches.co.uk

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Alton Winter Beer Festival 2011



Saturday 5th February

Lunchtime 11 to 3pm and Evening 7 to 11pm

at the

Alton Maltings Centre



- Over 50 real ales • Ciders • Local Wine •
- Live Music • Good Food •

Ticket only £6 – includes programme and 1st half pint

(but you MUST bring your own glass this year – none provided)

ENTRANCE BY TICKET ONLY

**Tickets on sale by post – please use the form on our website
Also from Alton Maltings, Queens Head and Railway Arms,
or Call 01420 89418**

All profits to local charities

www.altonbeerfestival.co.uk



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