

## Client Case Study

### Hillside Plastics

Hillside Plastics are suppliers of high quality plastic injection moulded components and sub-assemblies to the automotive, industrial and domestic sectors from a base in Durham, UK. The Company's production programme covers different types of engineering polymers from nylons and polycarbonates through to PBTs, ABS and many filled and exotic grades. The Company works on a subcontract basis for many customers from a variety of industrial fields, including automotive, industrial and consumer goods.

One of Hillside Plastics main customers is Black & Decker, world-leading manufacturer of DIY and professional power tools,

In 2002 management considered the possibility to set up a low cost facility in Europe in order to be more competitive in European markets and in response to Black and Decker's decision to relocate its manufacturing operation to the Czech Republic. Hillside Plastics was not able to satisfy the Czech subsidiary of B&D from its location in Durham due to high transportation costs.

In late 2002 Alpha was commissioned to research and identify possible brownfield locations with proximity to the company's strategic client in Usti nad Labem and to support the build up of a manufacturing facility on this site. In the autumn of 2002 a fully owned subsidiary company Hillside Plastics s.r.o. was established based in Chomutov and a 1,200 sq.m. building identified. This was renovated to suit Hillside Plastic's needs by a local developer in three phases.

Alpha supported this investment project in a number of ways including:

- Establishing Hillside Plastics s.r.o.
- Acting as Jednatel (Chief Executive)
- Obtaining Trade Licenses and necessary Operating Permissions
- Negotiating lease and scope of construction works with the local Developer
- Preparing project management processes, detailed project plans and progress controls
- Commencing the recruitment and training programmes
- Co-ordinating the procedure of obtaining recruitment grants from the local Labour Office
- Arranging bank accounts, bookkeeping and payroll services
- Assisting with residency permits and applications for Jednatel status for incoming staff
- Assisting with the importation of plant and equipment
- Providing the translation, interpretation, administration needs of the project

In September 2003, Hillside Plastics took possession of the first part of the newly reconstructed factory and offices complete with commissioned injection moulding machines. Supervisors and workers had been recruited in co-operation with the Labour Office and trained to work with Hillside Plastic machines. All operating permissions had been obtained and the company processed its first orders for delivery of components to the B&D operation in Usti nad Labem.

The company would not have been able to retain this existing business with B&D from their base in the UK.

Key factors in Hillside Plastic's success in this project are the lower labour costs and available labour force in N. Bohemia, the proximity of the new factory to its major client, the access to new markets in Central Europe and the available support from local Authorities (Labour Office, Training Schools, etc.) and from the range of Alpha contacts.

For details of Hillside Plastics Ltd. see [www.hillside-plastics.co.uk](http://www.hillside-plastics.co.uk)

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