

RB Farquhar

RB Farquhar to start manufacturing in Czech Republic

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£3 million investment in new prefabricated bathroom factory

Huntly-based modular building specialist RB Farquhar has announced its intention to break into the European prefabrication market by building a new factory in the Czech Republic.

Based in the historic city of Chomutov, in North Bohemia, the 8000 sq.m. factory complex is due for completion this summer and aims to be in full production in the autumn.

Strategically located only 15km from the German border, the £3 million investment is intended to take the company into the fast-growing prefabricated bathroom markets in both Western and Eastern Europe.

"We are already the outright UK market leader in prefabricated bathroom 'pods', producing one pod every 25 minutes in our Huntly factory," notes Michael Shand, managing director with RB Farquhar Manufacturing.

"Although we have proved we can be competitive on pod supply to construction sites anywhere in the UK, the transport costs to the continent are simply prohibitive.

"We have been researching the European pod market for over two years, and it became increasingly obvious to us that the only way we could tap into this huge market was by setting up a manufacturing base in mainland Europe."

RB Farquhar currently produces around 4000 pods a year for private housebuilders, halls of residence and major hotel groups like Holiday Inn, Radisson and Travelodge, many of whom are already actively expanding their own operations throughout Europe.

Prime markets include Germany, France and Spain, as well as the emerging economies in the former Warsaw Pact Eastern European bloc.

"We chose the Czech Republic mainly because of its central location at the heart of Europe," says Forbes Shand, chief executive of parent company RB Farquhar Holdings.

"Chomutov has a great tradition of manufacturing for almost a century, but is now moving away from its traditional heavy engineering into new growth markets like construction and electronics."

A new Czech company, RB Farquhar s.r.o., has been formed which has its head office at Huntly with Michael Shand as managing director. The Chomutov manufacturing complex will comprise 4000 sq.m of new factory and 4000sq.m of external yard space, and the company forecasts that by 2006 the new works will be rivalling pod output from Huntly, in the process raising the annual company turnover from around £30 million to £45 million.

The Czech Republic is widely regarded as the most affluent of all the former Warsaw Pact countries, and to date around 300 UK companies have a presence there. But RB Farquhar is the first Scottish manufacturer to set up operations in North Bohemia, to the delight of the Czech economic development authorities.

"Market leaders like RB Farquhar are exactly the kind of company we want to attract to this region," says Czech Government spokesman, Rene Samek, Head of Czechinvest's London Office.

"As well as marketing innovative products on a pan-European basis, the company will also be a major customer for our native suppliers of building materials like plasterboard and ceramics."

Scottish business development leaders also praised the imaginative project.

"We are delighted to see one of North East Scotland's major rural employers export its proven manufacturing skills into such a fast-developing European market," commented James Knowles, Head of Economic Development with Aberdeenshire Council.

"The company has maintained a large, highly-skilled workforce in Huntly serving the domestic market for over fifty years, and this bold new export initiative will take the company into new markets with huge potential."

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