

June 2004 Investment News

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LATEST US ECONOMIC INDICATORS

Estimates released by the US Bureau of Economic Analysis (BEA) show real GDP grew 4.4% in the first quarter of 2004.

Real disposable personal income, increased 0.4% in April 2004 and real consumer spending increased 0.2%

The US monthly goods and services deficit widened in April 2004. The deficit increased \$1.8 billion from March to \$48.3 billion in April 2004.

The US current account deficit increased to \$144.9 billion in the first quarter of 2004.

For more information visit <http://www.economicindicators.gov/>

OVERVIEW OF THE US ECONOMY

For the latest statistics, comprehensive and most up-to-date overview of the US economy, visit

<http://www.bea.gov/bea/glance.htm>

UK ECONOMY- KEY FACTS

The UK economy grew by 0.6% in the first quarter of 2004, and by 3% year on year. The UK has now experienced 47 consecutive quarters of growth.

Consumer spending rose by 0.9 % in the fourth quarter of 2003.

The unemployment rate fell to 4.7% in March, a record low.

Inflation currently stands at 1.2%.

Earnings grew at 5.2% including bonuses- a 3 year high.

Manufacturing Output decreased by 0.5% in the first quarter of 2004 compared with the fourth quarter of 2003.

For more information visit the following websites:

http://www.hm-treasury.gov.uk/economic_data_and_tools/latest_economic_indicators/data_indic_index.cfm

<http://www.britainusa.com/sections/index.asp?i=104>

<http://www.statistics.gov.uk/CCL/SearchRes.asp?term=economic+update&x=13&y=14>

<http://www.statistics.gov.uk/statbase/product.asp?vlnk=308>

BUDGET BRIEF

The British economy grew by 2.2% in 2003, and is predicted to grow by 3 - 3.5% both in 2004 and 2005 and 2.5 - 3% in 2006.

The UK's budget deficit is lower than that of its major industrialised competitors, at 2.4% of GDP.

Consumer Price Index Inflation is expected to reach its 2% target by mid 2005.

Manufacturing output is expected to grow by just under 2% this year and over 2% next year.

Corporation tax, capital gains tax and stamp duty are to be frozen.

The Treasury will review progress on joining the euro in the next Budget.

A 10-year framework is to be established for medical science.

A New Deal for Skills is to be introduced, to equip people to move into higher-skilled work.

For more information please visit, http://www.hm-treasury.gov.uk/economic_data_and_tools/latest_economic_indicators/data_indic_index.cfm

INVESTMENT INDICATORS

UK has Lowest Business Costs in Europe

The UK has the lowest business cost structure among seven European countries, according to KPMG's 2004 Competitive Alternatives study. On a global basis, the UK came third, after Canada and Australia, among the 11 industrialised countries monitored.

[UK Tops Foreign Investing League In Europe](#)

Britain was the top destination in Europe for foreign investment last year but the fast-growing economies of eastern Europe are challenging its lead.

While the UK saw more jobs created with overseas funds than any other European nation in 2003, the Czech Republic, in second place, managed to gain ground as Russia also shot up to fourth place, IBM found.

Roel Spee, IBM consultant, predicted: "The UK is quite well-positioned to remain on top for quite some years within the western European context. But the balance between eastern and western Europe is in flux and all western countries have lost out to the newcomers. Companies are increasingly recognising the pool of talent there." IBM said overall 55,000 jobs were created in the UK with overseas investment in 2003. This amounted to a 15% share of all new jobs in Europe and placed Britain ahead of the Czech Republic, Germany and Russia. Worldwide, the US scored first place with Britain in fourth position. The findings will come as a relief to businesses after suggestions by the European Commission in September that during 2002 Britain had lost its top position to France in attracting foreign investments.

[UK Leads Way on Entrepreneurship](#)

A new survey suggests that more people in the UK have tried to start their own business than in any other major industrial country except the US. 6.4% of people in the UK have considered setting up a business in past years, up from 5.4% in 2002. This was in comparison to 5.2% in third place Germany and 3.2% in Italy. The survey was carried out by the London Business School and the Work Foundation, as part of the Global Entrepreneurship Monitor which surveyed attitudes in eight leading industrial countries through a series of telephone polls.

[INVESTMENT BULLETIN ONLINE](#)

The Investment Bulletin has the latest news, statistics, crucial issues and developments arising in foreign direct investment. You can now read the [Investment Bulletin online](#).

[US INVESTMENT NEWS](#)

[BRITAIN LEADS EUROPE AS BASE FOR US INDUSTRY](#)

Europe remains the top destination for investment by US manufacturers, with Britain in pole position as American industry's destination of choice among its EU rivals, new data by Deloitte & Touche said. The figures also reveal that Britain is the top location for US investment outside North America, with only Canada pipping the UK to the no 1 spot for US investment worldwide. Deloitte's assessment suggests that Britain is probably well placed to remain a big draw for American investment as the US economy stabilises after the global downturn.

[ADC OPENS EUROPEAN FACILITY IN THE UK](#)

ADC, World Headquarters, 13625 Technology Drive, Eden Prairie, MN 55344. Telephone: 001-952 938 8080 Website: www.adc.com

ADC, Sawtry Business Park, Glatton Road, Sawtry, Cambridgeshire PE25 5GS. Telephone: 01487 831640

ADC, Spencer House, 23 Sheen Road, Richmond, Surrey TW9 1BN. Telephone: 020 8332 7400 Fax: 020 8332 7403

London: ADC, a provider of global network infrastructure products, services and software, based in Minneapolis, has opened an operations and test facility for its systems integration business unit in Papworth Everard, near Cambridge, eastern England.

The new facility - which includes controlled environments for the pre-configuration and testing of network equipment, a warehouse facility, and sales and administration offices - will serve as the focal point for the company's services throughout Europe.

ADC's products and software are designed to deliver high-speed Internet, data, video and voice services over customers' networks.

Jo Anne Anderson, president of the systems integration business unit for ADC, said: "Papworth is an ideal location because of its proximity to London and the Cambridge business community. London offers easy transportation to anywhere in Europe, and this area is fast becoming the centre for telecommunications research. A number of major equipment manufacturers now have research and test facilities in Cambridgeshire, and Cambridge University is one of the world's leading supporters of advanced wireless communications."

She concluded: "This is an excellent location for ADC to better serve our customers. We are pleased to be part of this exciting environment."

CURTISS-WRIGHT CONTROLS TO ACQUIRE PRIMAGRAPHICS

Curtiss-Wright Controls, Inc, Headquarters, 3120 Northwest Boulevard, Gastonia, NC 28052-1167. Telephone: 001-704 869 4600 Fax: 001-704 869 4601 Email: info@gastonia.curtisswright.com
Website: www.cwcontrols.com

Primagraphics Ltd., New Cambridge House, Litlington, Nr Royston, Herts SG8 0SS. Telephone: 01763 852222 Fax: 01763 853324 Email: sales@primagraphics.com. Website: www.primagraphics.net

London: Curtiss-Wright Controls Inc., the motion control business of Curtiss-Wright Corporation of Roseland, New Jersey, has acquired Primagraphics, based in Cambridge, eastern England, for about US\$21 million.

Primagraphics, a command and control, video and graphics specialist, develops radar processing and display systems for military and civil applications. Its cards and solutions are used for airborne and shipborne command and control consoles, vessel tracking, air-traffic-control and air-defence systems.

George Yohrling, president of Curtiss-Wright Controls, said: "The addition of Primagraphics to the Curtiss-Wright family will further strengthen our reputation in naval command and control markets worldwide. Primagraphics' specialist real-time sensor display capability and its naval market expertise complement the embedded computing solutions on offer from other businesses in the group."

MORESON CONFERENCING OPENS UK OFFICE

Moreson Conferencing, 1116 20th Street South, Birmingham, AL 35205, USA.

Moreson Conferencing, Corporate Headquarters, 2901 Zelda Road, Montgomery, AL 36106. Telephone: 800-368 1977
Email: info@moreson.com Website: www.moreson.com

Moreson Conferencing, Manchester Technopark, Greenheys, Pencroft Way, Manchester M15 6JJ. Telephone: 0808 143 7000 Email: info@moreson.com

London: Moreson Conferencing, American teleconferencing company, has opened an office at Manchester Science Park, in north west England.

The new facility will employ people arranging and overseeing international conference calls to facilitate earnings reports, executive sales meetings and customer presentations for corporations worldwide. It is due to go live later this year.

Based in Birmingham, Alabama, Moreson Conferencing claims to be one of the largest in its sector and the first to offer teleconferencing without a reservation.

Mark Jackson, chairman and CEO of Moreson Conferencing, says: "I have been very impressed with the qualified work force available in Manchester, the location and the ease of travelling by plane to Manchester."

SENSORY NETWORKS OPENS EUROPEAN HQ IN UK

Sensory Networks Inc, Corporate Office, 1804 Embarcadero Road, Suite 200, Palo Alto, CA 94303. Telephone 001-650 292 4636 Fax: 001-650 618 2769 Website: www.sensorynetworks.com

Sensory Networks, European Headquarters, 2-3 Westbourne Grove Mews, Office 1, Notting Hill, London W11 2RU.
Telephone: 020 7792 7920 Fax: 020 7900 2107

London: Sensory Networks, an American developer of hardware acceleration technology for network security applications, has opened its European headquarters in London.

Based in Palo Alto, California, Sensory Networks produces a range of platforms and accelerators for antivirus, antispyware, content filtering, firewall and intrusion detection systems.

Matt Barrie, CEO of Sensory Networks, says: "This is a strategic step in building up the company's global sales and marketing programme. Our European office will enable us to better support our customers and partners, as well as expand our sales efforts in the region."

RESPIRONICS TO ACQUIRE PROFILE THERAPEUTICS

Respiroics Inc, 1010 Murry Ridge Lane, Murrysville, PA 15668-8525 Telephone: 001-724 387 5200 Website: www.respiroics.com

Profile Therapeutics Plc, Heath Place, Bognor Regis, West Sussex PO22 9SL. Telephone: 0870 770 2000 Fax: 0870 770 2001 Website: www.profiletherapeutics.com

London: Respirationics, a leading American supplier of sleep and respiratory products, has made an offer of approximately US\$44.6 million to acquire Profile Therapeutic, its UK distributor. The acquisition has been approved by the boards of directors of both companies, but remains subject to both regulatory approval and that of Profile's shareholders.

Profile, which is based in Bognor Regis on the south east coast of England, develops and distributes specialist products to improve sleep and the treatment of respiratory patients. It has represented Respirationics' sleep and ventilation products in the UK for over 15 years.

John Miclot, president and CEO of Respirationics, says: "This opportunity is consistent with our strategic plan, which calls for expanding our presence in the international sleep and respiratory markets, and enhances the breadth of our products and services. Profile therapeutics has been an excellent long term customer in the UK and has also developed innovative technologies that are complementary to our existing portfolio."

INTERNATIONAL RECTIFIER EXPANDS UK

International Rectifier, Corporate Headquarters, 233 Kansas Street, El Segundo, CA 90245. Telephone: 001-310 252 7105 fax: 001-310 252 7903. website: www.irf.com
International Rectifier Company (GB) Ltd, European Regional Centre, 439/445 Godstone Road, Whyteleafe, Surrey CR3 OBL. Telephone: 020 8645 8000 Fax: 020 8645 8077
International Rectifier New Port Ltd, Cardiff Road, Newport, South Wales NP10 8YJ

Cardiff: International Rectifier (IR), a leader in power management technology, based in El Segundo, California, has announced plans to expand the workforce and double production capacity at its plant in Newport, Wales.

The company proposes to bring online a facility for fabricating 200 mm (8 inch) wafer, creating around 120 highly skilled engineering and production jobs. Many of these jobs will be devoted to IR's latest proprietary high voltage integrated circuit (HVIC) technology. This represents a departure for IR Newport, which presently produces leading edge low voltage devices.

The high-value HVIC silicon, planned for production on the new 200 mm wafer line, will be used in integrated motor controllers for a variety of industrial, appliance and automotive applications.

Alex Lidow, CEO of IR, said: "IR Newport is one of our most advanced facilities and, as such, an important part of our business strategy. Since the acquisition we have invested over US\$66 million to expand our production capabilities in the 150 mm facility and increased the staff by more than 100. With the great skill sets available in Wales and greater Europe we are ahead of our original expansion plans. These circumstances, coupled with strong market demand, led to our decision to bring the 200 mm facility on line."

OMNITRUST OPENS EMEA OFFICE IN UK

OmniTrust Security Systems Inc, Headquarters, 1975 El Camino Real West, Suite 203, Mountain View, CA 94040. Telephone: 001-650 691 1700 Fax: 001-650 691 1701 Email: info@omnitrust.com
Website: www.probix.com
OmniTrust Security Systems Inc, 90 Long Acre, Covent Garden, London WC2E 9RZ. Telephone: 020 7849 3128 Fax: 020 7849 3200

London: OmniTrust Security Systems, US-based provider of content security software, has opened an office in London to cover Europe, the Middle East and Africa (EMEA).

OmniTrust, which is based in Mountain View, California, provides software that enables organisations to share confidential information with customers, partners, suppliers and employees in a secure, auditable manner. Its products are used to secure complex content on web sites, portals, document management systems and e-mail.

Geoff Wilson, OmniTrust's managing agent for EMEA, says: "UK and other European organisations are under tremendous pressure to comply with the various privacy directives and regulations, creating new opportunities for OmniTrust and its content security solutions."

PERSEUS OPENS EUROPEAN OFFICE IN UK

Perseus Development Corporation, 50 Braintree Hill Park, Suite 308, Braintree, MA 02184. Telephone: 001- 781 848 8100 Fax: 001-781 848 1978 Email: info@perseus.com. Website: www.perseus.com
Valloria Software (Perseus UK), 3 Chilterns Close, Flackwell Heath, High Wycombe HP10 9BB. Telephone: 01628 526799 Website: www.valloriasw.com

London: American survey software producer Perseus Development Corporation, based in Braintree, Massachusetts, has opened a European office in Flackwell Heath, south east England.

Called Valloria Software (Perseus UK), the new office provides sales and training services, as well as product and implementation support to Perseus' customers.

The UK office opening coincides with the release of Perseus Survey Solutions/EFM (enterprise feedback management), a Web-based application that allows enterprise managers centrally to manage and control the survey practices of their organisations.

Carl Henning, vice-president of international operations for Perseus, said: "The opening of the UK office is one of several steps being taken to expand our global presence and will be instrumental in helping us deliver SurveySolutions/EFM to organisations in Europe. The UK is a springboard for further opportunities."

OCWEN TO SET UP US\$8.5 MILLION UK FACILITY

Ocwen Financial Corporation, 1675 Palm Beach Lakes Boulevard, West Palm Beach, FL 33401. Telephone: 001-561 682 8000 Fax: 001-561 682 8177. Website: [Http://www.ocwen.com](http://www.ocwen.com)

Belfast: American corporation Ocwen Financial, based in West Palm Beach, Florida, is to set up a data centre and technical support facility in Belfast, Northern Ireland.

Ocwen is a leader in the deployment of software, voice over IP and network technology. The US\$8.5 million Belfast investment involves the establishment of a data centre that will feature state-of-the-art technology and provide half of all the processing capacity and communications support for Ocwen's global requirements. It will also act as a global communications hub, supporting international voice and data traffic transport, routing and monitoring. Initially, the project will create 12 jobs.

William C Erbey, chairman and CEO of Ocwen, said: "The facility will enable us to continue to expand our global presence and strategic operations, including the addition of extensive activities within Europe."

SOFTSCAPE OPENS EMEA OFFICE IN UK

Softscape Inc, 526 Boston Post Road, Wayland, MA 01778. Telephone: 001-508 358 1072 Fax: 001-508 358 3072 Email: info@softscape.com Website: www.softscape.com
Softscape Europe, 85-87 Bayham Streett, London NW1 0AG. Telephone: 020 7788 4007 Fax: 020 7788 4008

London: Softscape, an American provider of web-based human capital management (HCM) and case management solutions, has opened an office in London to cover the European, Middle East and African (EMEA) markets.

The new office will provide localised sales, marketing, consulting, implementation and support services.

With headquarters in Wayland, Massachusetts, Softscape is said to have millions of users in 27 countries, including established clients in EMEA markets.

Dave Watkins, executive vice-president and co-founder of Softscape, said: "We are committed to supporting our customers locally and addressing the different strategic needs of businesses and organisations in Europe."

CIBER ACQUIRES ASCENT TECHNOLOGY

CIBER, Inc. 5251 DTC Parkway, Suite 1400, Greenwood Village, CO 80111. Telephone: 001-303 220 0100 Fax: 001-303 220 7100 Website: www.ciber.com

CIBER Europe, 101 Wigmore Street, London W1U 1QU. Telephone: 020 7355 1101 Fax: 020 7355 9000 Website: www.ciber-uk.com

Ascent Technology, No. 2 Watling Drive, Sketchley Meadows Business park, Hinckley, Leicestershire LE10 3EY. Telephone: 01455 234011 Fax: 01455 234 088 Email: enquiry@ascenttechnology.co.uk Website: www.ascenttechnology.co.uk

London: American system integration consultancy CIBER has acquired British value-added reseller (VAR) Ascent Technology, based in Hinckley, in the English East Midlands, for approximately US\$40 million.

With headquarters in Greenwood Village, Colorado, CIBER offers its services in both custom and enterprise resource planning (ERP) package environments, and across all technology platforms, operating systems and infrastructures.

Ascent is a UK partner for both SAP and Sage ERP solutions, and the author of the Ascent customer relationship management software. It is said to be Sage's most successful partner worldwide, and was SAP's UK VAR of the Year in 2003.

Terje Laugerud, CEO of European operations for CIBER, said: "Ascent has a strong track record of growth and operational performance in the UK marketplace. It focuses on developing long-term customer relationships with SMEs and delivering enterprise solutions with recurring revenue streams."

US Commercial Service International Buyer Program (IBP)

The U.S. commercial Service's International Buyer program (IBP) brings thousands of international buyers each year to meet with U.S. companies at major Trade Shows in the United States.

Listed below are the upcoming trade shows (July-September 2004) that have been selected to participate in the International Buyer Program. (For more information on the US Department of Commerce sponsored trade events please click on the following websites)

Name of the Event: America's Security Expo Miami 2004
Industry: Security/Safety Equipment
Date 20-22 July, 2004
Location: Miami Florida
IBP Contact: Lisa Hurst Telephone: 020 7408 8019 Email: Lisa.Hurst@mail.doc.gov

Name of the Event: Annual Management & Clinical Laboratory Expo of the American Association for Clinical Chemistry (AACC)
Industry: Laboratory Scientific Instruments
Date: 25-29 July 2004
Location: Los Angeles, California
IBP Contact: Tatiana Russo Telephone: 020 7408 8019 Email: Tatiana.Russo@mail.doc.gov

Name of the Event: International Baking Industry Exposition
Industry: Baking Equipment, Products & Services
Date: 15-18 August 2004
Location: Las Vegas, Nevada
IBP Contact: Marcella Marcheso Telephone: 020 7408 8019 Email: Marcella.Marcheso@mail.doc.gov

Name of the Event: MAGIC international
Industry: Apparel
Date: 30 August -2 September 2004
Location: Las Vegas, Nevada
IBP Contact: Marcella Marcheso Telephone: 020 7408 8019 Email: Marcella.Marcheso@mail.doc.gov

Name of the Event: SHOPA Industry Week 2004
Industry: School & office Products
Date 20-22 September, 2004
Location: Orange County Convention Centre, Orlando, Florida
IBP Contact: Sara Jones Telephone: 020 7408 8019 Email: Sara.Jones@mail.doc.gov

Name of the Event: MINExpo International
Industry: Mining
Date 27-30 September, 2004
Location: Las Vegas, Nevada
IBP Contact: Andrew Hollister Telephone: 020 7408 8019 Email: Andrew.Hollister@mail.doc.gov

Name of the Event: Plastics USA
Industry: Plastic
Date 28-30 September, 2004
Location: McCormick Place East, Chicago, Illinois
BP Contact: Donna Borg Telephone: 020 7408 8019 Email: Donna.Borg@mail.doc.gov

For more information visit the following websites:

http://www.export.gov/comm_svc/eps_events.html

www.export.gov/comm_svc/intl_buyer_program.html

For an overall listing of US Department of Commerce sponsored trade events and trade missions please visit www.export.gov/tradeevents.html

BABi J1 (Exchange Visitor) Programme

BABi is authorised by the United States Department of State to issue the Certificate of Eligibility necessary to apply for a J1 Visa to qualified business trainees. This is an expedient, cost-effective way for BABi member companies to bring qualified executives into the US for up to 18 months of training and work experience. Trainees must be qualified to receive the training by virtue of their academic background and experience. For information on this programme contact Alice Mount amount@babinc.org