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Bosses cash in on the big rise of LSH

PROPERTY agent Lambert Smith Hampton (LSH) has been bought by its bosses – on the same day it reported a 90% rise in profits.

The national firm, which employs 25 staff on Grey Street, Newcastle, has been bought by its managers for £46.5m from parent company Atkins.

The MBO, led by chief executive Mark Rigby, sees the business return to private ownership and comes as the firm reports profits up 90% and turnover up 14% on last year.

Lambert Smith Hampton's Newcastle office has seen "significant growth" over the financial year. LSH chief executive Mark Rigby said: "We have completed this deal to give LSH control and ownership of its own future, and to make that future an even better one for our staff and clients. We're delighted

with the deal and to be back running our own ship."

Head of LSH's Newcastle office David Nicholson said: "We opened our doors with a team of three in January 2002 and the team is now 25-strong and a major player in the Newcastle property market.

"Over the coming year, we intend to continue to strengthen our position in the market by building upon the talents of the team as an integral part of our national business."

The agency team in Newcastle has been appointed to market major office and industrial development schemes for clients including Arlington (Akeler), Gladman and Teesland ioG. LSH's 2007 year-end results show operating pre-tax profit up from £4.9m to £9.3m based on turnover of £81.8m.

Developers named in £170m scheme

A TRIO of developers were yesterday named as Tees Valley Regeneration's preferred developers for a £170m development, promising 2,000 new jobs.

As forecasted by *The Journal* last week, housebuilder Yuill Homes and London-based property company Commercial Estates Group have triumphed in the race to build the 30-hectare Central Park scheme in Darlington.

They will be joined by Haslam Homes North-East, a division of Keepmoat plc, to build the biggest development in Darlington for a generation, which represents an investment of £200m, will create 2,000 jobs and a further 400 during the construction process.

The appointment means work can now begin on delivering 600 new homes, including eco-homes,

offices, restaurants, bars, a hotel with conference centre, health and childcare facilities, community linked public art and open spaces.

Tees Valley regeneration chief executive Joe Docherty said: "This is fantastic news for Darlington and the Tees Valley.

"We have signed up a consortium of developers with a first rate reputation for delivering high-class community and neighbourhood renewal schemes. It is a signal to everyone that we mean business."

Director of regeneration at regional development agency One NorthEast John Holmes said: "There's no doubting the potential of Central Park.

"It will create around 2,000 new jobs and will transform the barren site into a thriving mixed-use development."



Peter Jackson

ALCOHOLIC drinks are to carry health warning labels by the end of next year, under a voluntary agreement between ministers and the industry.

These labels will detail alcoholic units and recommended safe drinking levels.

It has not been decided exactly what the labels will say, but we are told they will not be worded as strongly as those on tobacco products.

Not at first perhaps, but, significantly, Alcohol Concern says it is "a very good first step", which means they've determined there will be further steps.

So, I'll bet anybody a pint that before long those warnings will be blood curdling, something on the lines of: "Drinking to excess will cause you to die a horrible and lingering death and to be cursed by the starving widow and orphans you leave behind."

I would prefer to see messages that are factual and leave people free to make their minds up about drinking in a calm and dispassionate manner.

For the first I would suggest: "The

The Government could simply mind its own business

recommended safe daily amounts are three to four units for men and two to three units for women.

"If these figures seem rather low, it's probably because they have been plucked out of the air and have no statistical or medical basis whatsoever."

There are claims that drinkers are a burden on the NHS, but, again, I think a judicious label could shed light on this.

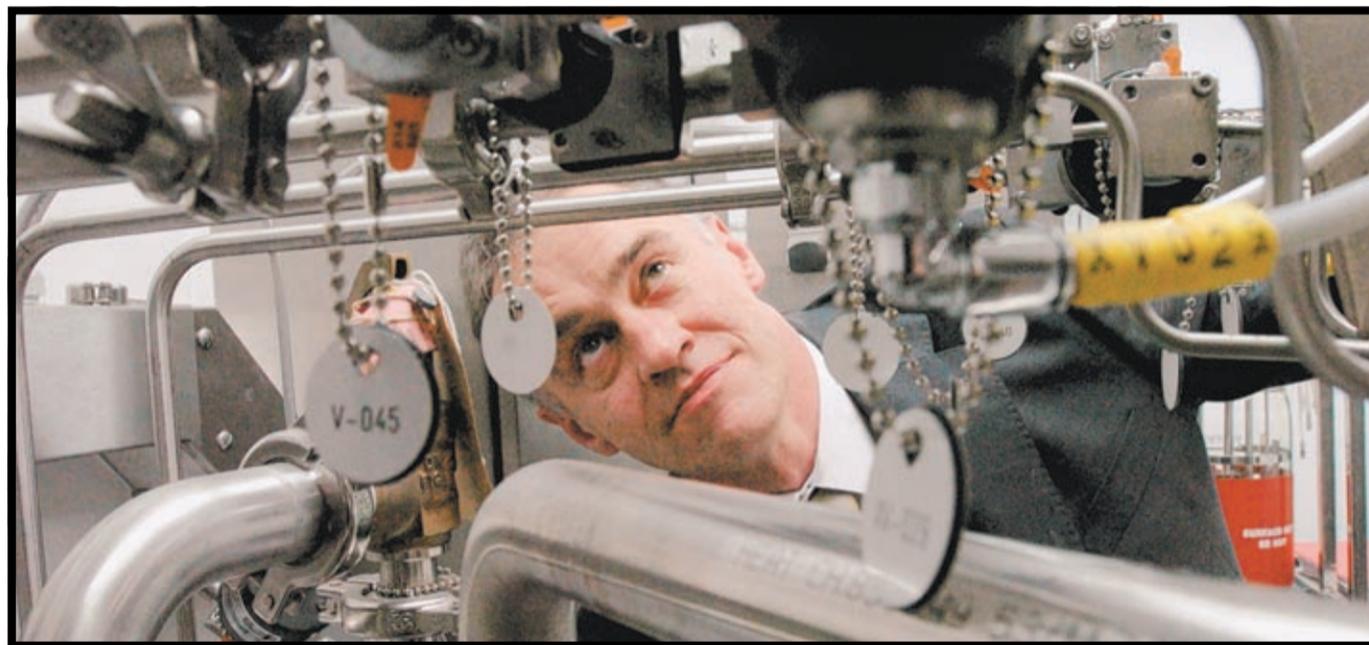
How about: "Not only do drinkers pay their taxes like anybody-else, but, through excessive duty on drink, they contribute about another £8bn to the Exchequer every year, which is roughly one tenth of the total NHS spend."

Later labels could go into more detail on the drinker's contribution to society. They might point out that if those who drink to excess die sooner than those who don't then NHS statistics for 1999/2000 make sobering reading.

They tell us that the cost in that year for a newborn was £2,655, for the middle aged was £495, but that for the 75 to 84 year-olds the cost is £1,684, rising to a staggering £2,639 for the over 84s.

Or, instead of handing out such unpalatable truths the Government could simply mind its own business and save the taxpayer and the drinks industry some money.

Peter Jackson is a director of Press Ahead in Sunderland and the former business editor of *The Journal*.

**GOING NORTH:** Gordon Sherriff chief executive of Angel Biotechnology in Cramlington.

Angel pulls plug on Cramlington

By Rebekah Ashby

A MEDICAL research company named after the Angel of the North has laid off all its staff and closed its North-East factory, it announced yesterday.

Angel Biotechnology – which was set up in 2002 with substantial grant aid from the DTI and has survived largely on grants and venture capital funding since – blamed a major US contract not coming to fruition for the closure.

Last night the AIM-listed company said it was closing the Northumberland plant to concentrate production on its smaller site in Scotland.

The company refused to confirm how many staff had been made redundant or indeed how many worked at its site in Cramlington but said Angel employs a number of people, "floating" between the North-East and Edinburgh.

Angel, which posted a £980,000 loss last May in its maiden results to the City, is now proposing to sell its £3.5m factory in Nelson Park as a going concern.

Chairman Dr Paul Harper said: "We finished [building] the manufacturing facility in Cramlington but were finding it difficult to put profitable work into it, and it's an expensive plant. We

also had a deal brokering with a US company that was quite large and they board took the view that this deal simply was not going to come.

"We have concluded that we can grow a better business around the Edinburgh facility."

Angel said it had laid its entire North-East workforce off – many of whom had PhDs – but said it had "been able to tell them very little" due to stock market rules.

Dr Harper said: "We could not talk to our staff in the way we would have liked too. They are laid off until we have a plan finalised which we would expect to be in the next few days."

The company, which was given £1m by regional development agency One NorthEast to help it develop its business in the region, says it will use the money from selling its Cramlington site to develop its Scottish operation.

It said in a statement to the stock exchange: "While Angel has increased sales in 2006 by approximately 75% compared to 2005 it has not been able to secure orders as quickly as an-

Grants

2002 – Awarded "substantial" start-up grant from the DTI.

2002 – £1m Regional Selective Assistance grant from regional development agency One NorthEast.

Jan 2005 – Given a £2.2m, three-year DTI grant.

anticipated for the Cramlington facility which was completed and licensed last year.

"The cost burden associated with that facility has become too large for the company to support."

Despite poor financial results the company had said it had a strong multi-million pound order book. In March its chief executive Gordon Sherriff announced a key contract in the US had more than doubled in value to more than £1m.

Last September its first half sales were £755,000, up more than 250% on the same period in 2005, and Mr Sherriff said its workforce then had risen by a third to 61.