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Brexit & Nevilles

With Brexit negotiations in full swing, and with uncertainty hanging over many issues, we wanted to let you know what Nevilles are doing, and what we have in place to mitigate any negative impacts of a 'no-deal' situation.

From a currency point of view, rates will vary at different stages of these negotiations. Nevilles hedge a proportion of our currency to mitigate and smooth the effect of currency fluctuation. We have deals up to 12 months ahead of now, with varying percentages of cover for future months demand.

As regards sourcing, we have a heavy emphasis on sourcing from Far East & India, with smaller percentages of product originating from Europe. We have looked to increase stock holding from European suppliers by up to an additional 30 days to mitigate any delays from these suppliers.

Tariffs, if incurred, will be borne by Nevilles until the next pricing window, which occurs in January and July of each year. We encourage customers not to enter into long term agreements on pricing, and give themselves the opportunity to review pricing in line with changes that can occur.

Our high stockholding (over 120 days of stock on average) gives us a perfect ability to deal with delays in supply chain, should these occur. Typical lead times vary from 4-6 months on our products, so we are well used to managing long lead times.

Port issues are a constant challenge, even without Brexit. Nevilles are well used to working with suppliers & forwarders to switch/move ports, and are doing so now with the ongoing Felixtowe challenges.

Whilst border challenges are unknown, we have and value a large percentage of customer business in the EU, and we will work to find the right structure to enable us to supply EU based customers with the same excellent products and service that they have built their business on, and we are totally committed to continuing to do this.

The Non-UK citizens in our work force may well face their own personal challenges, and we will support them to manage these as they arise. We value their ongoing contribution to Nevilles success.

We are aware that Brexit will give us challenges, however we know that we are well positioned, as we have been over our 53 year history, with a strong business proposition, to withstand these challenges.

Andrew

Andrew Neville
Managing Director
Neville UK PLC