
Recession reports - FE Mottram has entered voluntary administration

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Reuters reported that British aluminium alloy producer FE Mottram (Non Ferrous) Limited has entered voluntary administration because of collapsing metals prices and the economic downturn.

Its parent company Mottram Group said that FE Mottram (Non Ferrous) Limited was part of the family owned Mottram Group, which also owns ferrotitanium producer FE Mottram Limited in Sheffield.

Accountants KPMG in Manchester have been appointed to sell FE Mottram (Non Ferrous) Limited. The administrator said that the company's collapse has resulted in 61 people losing their jobs.

Mr Daniel Nix MD at Mottram Group said that "One of our companies within our group has gone into voluntary administration. It's just not viable to continue in the current market conditions and cash flow is non existent."

FE Mottram (Non Ferrous) produced about 25,000 tonnes of aluminium alloys per year, with its customers mainly in the auto industry, such as Nissan, Honda and Toyota. The worst economic slowdown in decades is to blame for the fall in demand for metals and alloys.

Mr Richard Fleming joint administrator and director at KPMG said that "FE Mottram's secondary aluminium smelting operation has been hit hard by the global downturn and in particular, by the reduced level of orders from car manufacturers and the reducing level of metal prices."

(Sourced from www.reuters.com)

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