
Bone Steel wins orders worth in excess of GBP 8 million

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UK's leading steel fabrication and construction company Bone Steel has enjoyed a successful start to the New Year after securing a series of contracts worth in excess of GBP 8 million.

Given the current economic climate which has had a severe impact on the construction industry, the contract wins are a major boost for the Scottish based firm.

Bone Steel has been appointed by contractors Carillion, Mansell, Bourne Parking and Miller Construction to supply steel for use in the construction of six new schools in the South and North West of England, a waste recycling plant in Leicestershire, a multi storey car park in East London and a commercial development in Edinburgh.

Mr Chris Bone CEO of Bone Steel said that "We have enjoyed an extremely encouraging start to the year and we are well positioned to secure further large scale contracts from our key customers. Despite the difficult trading conditions which have affected everyone operating within the construction industry, there is still work out there to be won and this is reflected in our current pipeline of bid work, which stands at over GBP 200 million."

He added that "Prices have remained depressed due to the low levels of demand, however, they don't seem to be falling as rapidly they were late in 2009, and may even be showing slight signs of bottoming out; the only question now is, how long will it be until they start to rise? Like all steel companies, we have endured a difficult 18 months but we have demonstrated resilience and were able to adapt swiftly to the challenging market conditions. We did see a reduction in turnover in 2009, which is primarily due to the reduction in raw material costs, but we are continuing to drive efficiencies throughout the business and are working closely with our long standing supply chain in order to mitigate the impact of significantly reduced margins. We have also, in the last week, managed to re-negotiate our banking facilities with the full support and commitment of our shareholders, and I believe we are well placed to tackle what will undoubtedly be a difficult 2010."

In October 2009, Bone Steel supplied and erected over 2,300 tonnes of steelwork for the new GBP 32 million regional sports centre at Ravenscraig. It was a significant project for Bone Steel as it gave the firm the opportunity to play a continued role in the regeneration of Ravenscraig, which was once the home of steel making in Scotland.

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