

13 March 2019

RESTRUCTURING AT THE CONSTRUCTION PRODUCTS ASSOCIATION

CPA members tell us that we have been very successful in helping them understand the UK political and economic environment and in raising the profile of construction products. They tell us they value the economic insights and technical support we provide them in light of events over the past few years, which have been particularly challenging for our sector. They are impressed too with the increasing political recognition we are receiving, our events and the improved information we provide via our website. Our three objectives - increasing recognition, growing the market and reducing risk - remain very relevant, especially in this time of uncertainty.

Over the past year, the CPA has worked hard to recruit new members and we have been successful at bringing in new Trade Associations, Affiliates and Associates. Nevertheless, the current market environment has been very challenging as new companies and our existing members look at reducing discretionary spending. We are aware of similar challenges at many other trade bodies, not only in construction but in other industries as well.

As it stands, the CPA is in good health. Given the challenges and current trends, however, our forward projections beyond 2020 have highlighted that structural changes are required to ensure the long-term sustainability of the organisation. Our aim, of course, is to continue to provide members with the value and services they expect. Whilst facing this challenge we have been vigilantly managing our overheads, removing and reducing costs wherever possible. We have also been thoroughly examining and capitalising on other income streams such as economic subscriptions and research, as well as new opportunities that may exist around some of our technical work and CPA events.

Despite all of this work, the underlying financial challenges remain. In response, the executive team and the CPA board (Officers) have looked at all the options, including a possible major restructuring of the CPA's core strategy, objectives and staff. The resulting plan, which the board have approved, is to protect and enhance the CPA's areas of expertise while robustly addressing our cost base. This will be achieved by Diana Montgomery stepping down as Chief Executive and Peter Caplehorn assuming the role of interim Chief Executive on 01 May 2019. The board have also agreed to the appointment of a new technical manager to allow Peter to step away from the detail of his current role as Deputy Chief Executive and Policy Director.

In addition, the board have asked Diana to take on a part-time role as Chief Operating Officer for a minimum of 12 months to provide stability and ongoing input into the manufacturing areas of the CPA's work. This will enable the reductions in costs necessary for 2019/20, whilst also allowing the CPA to retain the links Diana has to the manufacturing community, Sector Deal and the Industrial Strategy Challenge Fund.

The board thanked Diana for her work in developing the CPA over the past seven years and looks forward to working with Peter to continue growing the brand and influence of the CPA and the services provided to its members.

A handwritten signature in black ink, appearing to read 'D. Montgomery', with a stylized flourish at the end.

Diana Montgomery
Chief Executive
Construction Products Association

A handwritten signature in black ink, appearing to read 'Carl Arntzen', with a stylized flourish at the end.

Carl Arntzen
Chairman
Construction Products Association