



WHEALE · THOMAS · HODGINS · PLC

Market Update – March 2008

The UK Economy in 2008



Who would like to predict where the FTSE 100 will end 2008? The seesawing of world stock markets at the start of the year, coupled with dramatic US interest rate cuts and a cautious UK cut, make this one of the most unpredictable years for a long time.

The experts have given their predictions on the UK economy. The CBI's Chief Economic Adviser, Ian McCafferty, reckons there will be a soft landing to the current slowdown. Trevor Williams, Chief Economist at Lloyds TSB predicts a modest slowing in global growth with import demand from China bolstering global growth and stimulating a US recovery. He predicts the UK will avoid recession with the business and financial services sectors leading modest UK growth and a continued slow-down in retailing as consumer spending slows.

So what do you think? WTH will give six bottles of champagne to the person who most accurately predicts where the FTSE 100 will end up this year. To enter your well informed prediction (or wild guess) email wth@wth.co.uk with the figure at which you predict the FTSE 100 will close the day on Friday 19 December 2008 and we'll get the champagne to the winner before Christmas. Emails must be received **by 30 April, 2008**.

New Cardiff office launched



On 26 February Wheale Thomas Hodgins opened its new Cardiff office. We have been headhunting and recruiting for leading lights in Wales for many years so we are delighted to be investing in the Principality and taking on even more work here.

Exit Strategy



It brings a whole new meaning to the phrase "exit strategy" when you find out that only one in 10 company founders will remain in charge of the company they set up following venture capital investment.

According to new research by the European Leadership Programme, 92% of VCs expect to replace a company founder with a new CEO. But the new CEOs aren't in clover; they are given just a year to prove themselves. Then almost half of VCs would introduce a probation period for a poorly-performing CEO, while 6% say that they would sack the CEO immediately.

This certainly ties in with WTH experience; we are regularly called in by investors to source Directors to turn around a failing business. The key for us is to make sure the expectations of the investors are matched by the reality of the business we are placing the Director into. A seasoned professional won't take on a basket case and too often the investors won't take a chance on an unproven talent. Making the best of opportunities is vital as is having a top network in the VC/PE world.

WTH Cares



WTH are again sponsoring the Laing & Buisson Long Term Care Conference taking place in London on 4-5 March 2008 with the WTH/Castleoak Champagne Reception on the evening of Tuesday, 4 March. WTH has a specialist team who have deep technical and market knowledge about the expanding Health and Social Care sector and who headhunt and recruit for leading names in the field. For further information on investment opportunities as well as search and selection contact Adam Carter on 0117 927 2311 or email adam@wth.co.uk

Networking



The next WTH Non Executive Director's networking event will take place on 1 April (really!) at The University Literary Club co-hosted by Morgan Cole.

This is the perfect event for Non Executive Directors to network with entrepreneurs and the investment community. To receive your invitation email suemurray@wth.co.uk

If we can help you with any issue to do with recruiting or retaining talented people do let us know.

P.S. Do you want to receive future editions of Market Update by email? If so please email suemurray@wth.co.uk and she will ensure that we email you in the future.