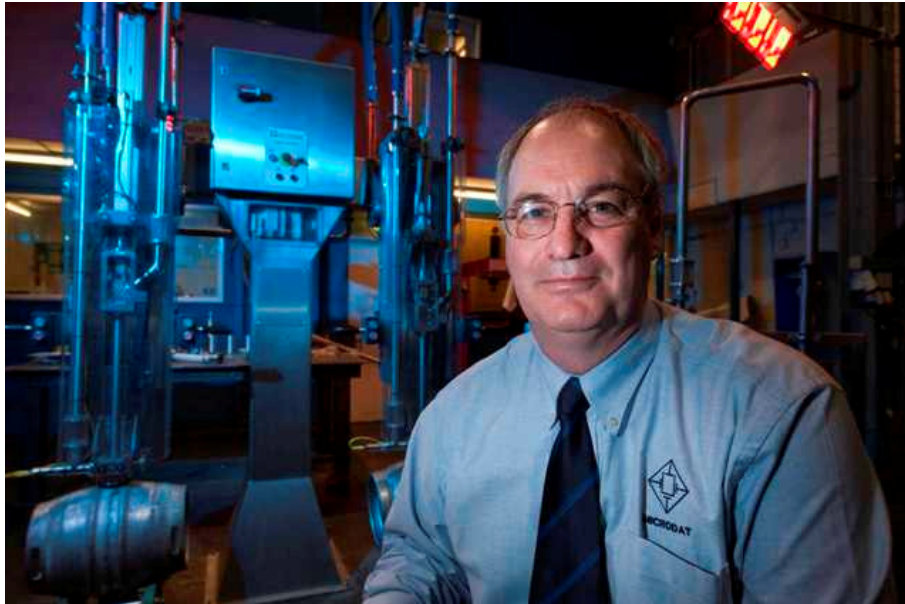


News Release

1 May 2009

More Success For Engineer Who Keeps Beer Flowing



The sustained growth in sales of real ale and craft breweries has created a £4m market for an innovative Leeds engineering company that specialises in the design, manufacture and installation of sophisticated cask-filling systems and associated brewing equipment and plans to double current turnover in the near future.

In 2001 science graduate and former marine engineer Steve Midgley tabled his idea for the company and was advised by business experts to ignore manufacturing and become a design house. Instead, he backed manufacturing, has never looked back and achieved market-leading status in the brewing industry. Currently turning over £3.6m, his sights are now set on the export market and an £8m annual sales target for his Microdat firm within the next few years.

“The Campaign for Real Ale (CAMRA) has been a great help to our business, in continuing to demand cask ales. As independent and craft brewers have prospered we’ve achieved a unique number one spot in automated systems for casks,” says Midgley.

“We design, manufacture, build and install systems, supported by a service operation that contributes growing revenues to our annual income. Britain’s brewing industry is mirrored worldwide and we’re now turning our attention to the export market where we believe there will be tremendous potential for our products.”

Following his marine service, Steve Midgley had a brief spell as an engineer with the NHS, before becoming chief engineer designate at Britain’s then biggest brewer of cask ales – Tetleys in Leeds. He left the brewery to join a relative in selling engineering software

systems, but returned to the world of brewery engineering as a shareholder in Burton Industries (BI).

Completing a full circle, he found an increasing number of projects flowing to his division of BI from Tetley's and in 2001, bought out that section of the business. With 15 employees, he started trading the following year on the strength of a first key order for a cash washer from Harvey's Sussex brewery, and racked up sales of £816,000 in year one.

Business built briskly and a £5000 grant from Leeds City Council helped the firm acquire its first CNC lathe. Over £1m has since been invested in new plant and nearly double that on research and development. Continued expansion led to larger 20,000 sq ft premises a stone's throw from Leeds United's Elland Road ground.

Cllr Andrew Carter, leader of Leeds City Council said: "Much has been written about the demise of the brewing industry and the traditional British pub, but Microdat - and other success stories such as Leeds Brewery - have combined traditional skills, innovative technology and entrepreneurial drive to develop strong and growing businesses. It demonstrates there is a thriving future for companies operating in this sector of manufacturing."

Best of British Brewing

A glance at the Microdat customer list reveals some of the best-known names in British cask ale brewing, including Yorkshire's own Black Sheep and Timothy Taylor's breweries.

Steve Midgley says: "We're number 1 in cask ale equipment and we've recently become agents for international keg specialists Lambrex. This means we can now apply our cask handling skills to the keg brewing market. The world's biggest brewer, InBev has asked us to look at a £2m project for its major Lancashire brewery."

Green Machine Improves Beer Flow

A major step in Microdat's assault on the export market will be a substantial investment in an appearance at September's Drinktek exhibition in Munich, where Steve Midgley is keen to highlight the best of Yorkshire with a range of other company products.

Star of the show, he hopes, will be his firm's new "green" cask-filling system, designed and developed entirely in-house and eliminating or minimising the need for CO2 in brewing – where the gas is later discharged into the atmosphere. Successfully trialled by Black Sheep, Masham and Moorhouses in Lancashire, the system centres on Microdat's unique peristaltic pump technology.

The fast-growing Leeds Brewery is also trialling the system, with other brewers forming an orderly queue. Steve Midgley says: "Controlling beer flow during the filling process is a real challenge, but we believe we now have the answer for small and large brewers filling casks or kegs. We're expecting a big result in Munich."

Diversification

It's not all about beer. A recent order from previous metals group Johnson Matthey was for a specialist catalyst-holding unit for glassmakers Pilkington.

Nearer home, a £500,000 order came from Jacuzzi's sink-making division in Bradford, where a new press was urgently required. Having torn up the original drawings, Microdat re-designed, produced and installed the new kit in just three months.

Ends

Photography: Sitting pretty – Microdat's Steve Midgley