New group makes investment move in Scots food producers

Scott Wright

A NEW Scottish business has announced its arrival by making investments in two of the country's most renowned and long-established food producers.

Macallan Food Group, which has been set up by industry veterans Bill Hazeldean and Stewart McLelland, has bought sausage and steak pie maker Malcolm Allan and taken a controlling interest in Macsween of Edinburgh, the haggis and black pudding company.

The deal for Malcolm Allan came after its owners decided to retire.

Neither the value of the acquisition nor Macallan's investment in Macsween were disclosed.

Macallan declared in a statement that Malcolm Allan and Macsween would continue to be run as separate entities.

Malcolm Allan employs 108 people at its factory in Larbert, while Macsween has 55 staff at Loanhead. A spokesman said Macallan plans to grow both businesses, which will be aided by a strategic review.

Mr Hazeldean and Mr McLelland formed the new business after long and successful careers in the UK food and seafood sectors. Mr Hazeldean began his career at Macrae Food Group, and is a former chairman of biscuit manufacturer Northumbrian Fine Foods. Until 18 months ago, he was chairman of Associated Seafoods. Mr McLelland has been a managing director at Macrae Food Group, Superior Foods and Northumbrian Fine Foods.


The Macsween factory in Roslin, near Edinburgh Picture: Colin McPherson

The duo have been joined on the board of Macallan Food Group by James Macsween, managing director of Macsween of Edinburgh.

Mr Hazeldean, who is the chairman of Macallan Food Group, said: "Acquiring the Malcolm Allan business, alongside our investment in Macsween's of Edinburgh, brings together two excellent businesses, both having product quality and customer service as their key priorities and core values. Macallan Food Group is backed by a family trust, that makes long-term investments, so the fundamental ethos of the business will not change.

"We will continue to run both businesses as separate entities, utilising synergies where appropriate, but retaining the individual identities and strengths of each organisation. It will be business as usual in the coming months as we implement our 200-day plan, and develop our strategy for the future."

James Macsween said: "The Macsween family are delighted that the business is part of an ambitious new venture which will enable us to fulfil our strategic growth plans in the future. Both businesses have strong brands in particular sectors of the meat category, and we look forward to working together with the Malcolm Allan team."

Gordon Allan of Malcolm Allan Ltd stated: "Malcolm Allan has been our family business since it was formed by our father in 1954. Having decided to retire, my brother and I wanted to ensure that the new owners would maintain the values, ethos and reputation of our family business.

"In particular, we want to look after our customers, who have enabled us to build our business, and also maintain employment for our employees, many of them having been with us for a very long time. We believe the new owners will maintain our values, and we are confident that we are leaving the business in safe hands. We will help in the handover process to ensure a smooth transition."

Billing software group signals healthy prospects for transatlantic operation

Scott Wright

CRANEWARE, the billing software specialist focused on the US healthcare market, has underlined the strength of its long-term prospects across the Atlantic as it signalled expectations of delivering revenue growth at the upper end of forecasts.

The Edinburgh-based company highlighted the potential of its new alliance with Microsoft, its independence in the US market, balance sheet strength and "high levels of revenue visibility" as evidence of its growth potential for the years to come.

It came as the business declared revenue for the year ended June 30 was expected to have exceeded $188 million, at the upper end of market expectations and 8% higher than the prior year. Craneware also expects to deliver underlying earnings of at least $58m, up 6% and also at the top end of expectations.

Chief executive Keith Neilson said: "The drive for better value in healthcare continues to dominate strategic priorities within the US healthcare market. Our positive financial results reflect the demonstrable impact the Craneware Group can make, in helping our customers meet these priorities.

"The exciting growth and expansion opportunities that our new alliance with Microsoft brings to the group, combined with our continued investment in the Trisus platform, the considerable data assets we maintain, and our independence within the US healthcare market, mean we are uniquely placed to support all US hospitals.

"Supported by a strong balance sheet, high levels of revenue visibility and the partnerships and alliances we are developing, we are confident this year's healthy performance is evidence of the expanded and long-term opportunities that are ahead of us."

Craneware noted that its high levels of cash generation have allowed it to invest in the future of the business, while reducing its bank debt to $35.4m from $83m and return $12.8m to shareholders through dividends, up from $12.1m. It also said it has completed around $3.3m of share purchases through a share buyback and purchase of shares by the employee benefit trust.

The group had cash reserves of $34.6m at June 30, compared with $78.5m last year.

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ChatGP has been transformational

Mixed picture for future of AI in Scotland

John Walls

ARTIFICIAL Intelligence (AI) has been a hot topic in recent years, sparking debates about its potential to revolutionize productivity and wealth.

While AI tools such as ChatGPT have transformed how we search for information and generate content, their impact on the workplace is just beginning to unfold. As Scotland aims to position itself as a leader in AI technology, the real question is: can AI bridge the productivity gap facing Scotland?

Recent surveys paint a mixed picture of AI adoption in Scotland. Only 15.6% of Scottish businesses currently use some form of AI technology, a stark contrast to over a third in the USA.

Sector-wise, the information and communication industry leads with 59.1% usage, followed by education (24%) and scientific professions (21%).

AI's potential in education is already evident with initiatives such as AI tutors from Khan Academy. These tools promise to enhance teaching and learning, despite understandable concerns over their misuse in coursework.

In Scotland, AI is primarily used to improve business operations (32%), develop new products or services (10.9%), personalize customer services (10.7%), and explore new markets (4.4%). However, a significant 42% of respondents are unsure how AI is deployed in their firms, indicating that many are still at the early stages of understanding and implementing this technology.

Looking ahead, the adoption outlook appears cautious. A substantial 72.2% of businesses do not plan to adopt AI in the next three months, with an additional 22% undecided.

This hesitation highlights the need for a skilled workforce capable of leveraging AI's potential.

AI holds the promise of transforming productivity in Scottish firms, but its widespread adoption is hampered by skills shortages, investment gaps, and trust issues.

By addressing these challenges, AI can indeed drive Scotland's economic growth.

John Walls is head of data analysis at s1jobs

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