



languageiseverything

Annual report 2008





languageiseverything

OFFICIAL
PARTNER



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OF THE



We're the official partner of the Hull & Humber Chamber of Commerce, part of the World Trade Centre in Hull. Together, we're working to help business take a fresh approach to international trade.

Our core services are telephone interpreting, face to face interpreting and written translation. Our other services include language and cultural training, voice-over recording and e-document storage.

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A member of the Association of Translation Companies. ISO- and IIP-accredited. Established 1992, incorporated 1997.

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Previous annual and half-year reports are available on our web site.

Our auditors are Smailes Goldie Chartered Accountants, Regent's Court, Princess Street, Hull HU2 8BA.

For our very latest news and information, please go to our web site and click on 'blog'.

Key personnel



Dawn Bowes
Senior Account Manager
Joined 2001



Carolyn Burgess
Chief Executive
Joined 1995



Martin Burgess
ICT Manager
Joined 1999



Carol Curtis
Managing Director
Joined 1998



Graham Jones
Company Secretary
Joined 1999



Colin Pepler
National Sales Manager
Joined 2007



Bev Williams
Accounts Manager
Joined 2000

Language is Everything Ltd is owned and managed by its Board of Directors: Carolyn Burgess, Carol Curtis and Graham Jones.

A vision of the future

Regular readers will know that we always begin our annual and half-year reports with a message from our chief executive. This year, in a slight break with tradition, we gaze into our crystal ball and leap into the future...

Welcome to our annual report for 2040. One of this year's highlights will be the Shanghai Olympics, the first time the Games have returned to China since 2008. Inevitably, the world has evolved rapidly and dramatically in the 32 years following the Beijing Olympiad. The interpreting and translation profession has been at the forefront of developments, helping to bring people together and to build bridges between countries (literally, in the case of India and Sri Lanka).

What have been the critical changes for our clients involved in international trade?

Back in 2008, most businesses - particularly SMEs - thought of international trade in terms of red tape, language

barriers and cultural differences. It tended to be a hands-off approach: companies took their product, found a local distributor or agent, and let them get on with it. The whole process was product-led, as opposed to customer-led.

Today, at every level, international trade is first and foremost about understanding the customer. Businesses take a hands-on approach: they are as bold and as imaginative overseas as they are at home. For example, companies that have set up videophone interpreting hotlines can talk to customers in Pyongyang (in the newly unified Federal Republic of Korea) as easily as they can talk to customers in Pickering.

Of course, language barriers and cultural differences remain key challenges to international trade. One of the most remarkable stories of the past 32 years has been the resurgence of so-called 'minority languages' - much to the surprise of those who assumed that English would dominate.

Consider the present-day 'tiger economy'

of Nigeria, for example. English is still the country's official language, but, as customers, Nigerians prefer to buy in their mother tongue. So the companies that are having the greatest success in this booming market are those that are speaking Hausa, Yoruba, Ibo and Fulani. International trade has never been so complex.

Yet there is one thing that hasn't changed since 2008. Despite incredible advances in IT, the answer to the question "Will computers ever replace interpreters and translators?" remains a firm "No". In today's customer-led environment, interpreting and translation has never been less about a 'simple' switch from language A to language B.

Imagine making a sales trip along the recently completed pan-American superhighway, from California (where Spanish is now co-official with English) to Argentina. You'll pass through 14 Spanish-speaking countries, and, in the same way that Los Angeles is different from Buenos

Aires, your key messages will need to be recrafted to appeal to your different audiences. And your interpreters will need to understand the intricate - and very human - differences in the way that different people in different places do business.

Language is about much more than words and sentences. It's about values, beliefs and aspirations. It's about the way people think, dream and live their lives. It's the other thing that hasn't changed since 2008: language is still everything.

Richard Simpson

Richard Simpson
Chief Executive, Language is Everything
6th February, 2040

And now, we return you to our annual report for 2008...





Peace through trade: a beginner's guide to WTCs

In November 2007, we became the official partner of the Hull & Humber Chamber of Commerce, part of a new World Trade Centre (WTC) in Hull. What exactly is a WTC? And what are we and the Chamber of Commerce hoping to achieve?

For most people, the term 'World Trade Centre' conjures up images of New York's iconic skyscrapers. Yet the World Trade Centres Association (WTCA) has always been about much more than its founding member. Created in 1970, shortly before the first of the twin towers was completed in Manhattan, the WTCA now has 302 members in 85 countries.

"People from other cities and countries kept asking me, 'If a World Trade Centre is good for New York, wouldn't it be good for us, too?'," recalls Guy Tozzoli, a former New York Port Authority executive, and the driving force behind the WTCA. "Sure there are people in the world who want to stop capitalist activity, but commerce is a

powerful tool for bringing together distant societies. It's a common language, a culture all its own.

"When you're promoting business, you're promoting peace. Because when I understand your aims and your culture, I don't have any reason to declare war on you, and instead we work together."

The concept of peace through trade has its origins in 19th-century Britain. Richard Cobden, a businessman turned politician who led the fight to repeal the Corn Laws, proclaimed in 1846: "I see in the free trade principle that which shall act on the moral world as the principle of gravitation in the universe, drawing men together, thrusting aside the antagonism of race, and creed, and language, and uniting us in the bonds of eternal peace." Cobden went on to negotiate the Anglo-French Commercial Treaty of 1860, regarded by some as the forerunner of the European single market.

Mr Tozzoli cites one particular example of how international trade has helped to

extend human rights and freedom. "During the time of apartheid, people came to visit me from South Africa to inquire about having a WTC. I said, 'We'd be very happy to help you, but you must make it available to everyone in your country, because we're a non-political entity'."

In 1990, when President FW de Klerk sat down for talks with Nelson Mandela, the two men chose the only non-ideological venue they could think of: the WTC Johannesburg. Archbishop Desmond Tutu, who nominated Mr Tozzoli for the Nobel peace prize, says: "Peace through trade is the goal of the WTCA. It is not only a goal, but, in many cases, it has become a reality."

The latest addition to this global network is the WTC Hull & Humber, which was opened by Peter Mandelson, the EU trade commissioner, in September 2007. Based in an eye-catching building on Humber Quays, the new WTC brings a wide range of expertise under one roof: its partners

include the Hull & Humber Chamber of Commerce, UK Trade & Investment, the University of Hull and Yorkshire Forward.

Language is Everything is working in partnership with the Chamber of Commerce to help businesses develop new ideas for communicating with overseas customers. "There are over 200 languages spoken in Europe, and more than 2,000 in Asia," says Pauline Wade, the head of international trade at the Chamber. "We're going to be delivering a range of services - from seminars to working with clients one-on-one - to promote the importance of interpreting, translation and cultural awareness."

It's all very much in keeping with the aims and ideals of the WTC movement. "When I started at the Port Authority in 1960, world trade was 3.6% of our gross domestic product, and now it's 20%," reflects Mr Tozzoli. "World trade and our advances in technology are what have created the prosperity that we have." ■

Telephone interpreting: which way forward?

In our 2006 annual report, we asked why business is lagging behind the public sector in adopting telephone interpreting. In this report, we ask: why are there no codes of practice for telephone interpreters? And why are rates of pay falling dramatically?

Imagine you're a telephone interpreter. It's 4am, and your telephone rings. 30 seconds later you're playing a critical role in an A&E assessment taking place 200 miles away. The quality of the line is poor, and there is a lot of background noise. The patient is distressed, agitated, frightened. The doctor is clinical, precise, urgent. Cultural differences are as much of a factor as language differences. "Why is the doctor asking me all these questions?" "Is there something the patient doesn't want to tell me?" 15 minutes later, the call has finished and you're alone. You have to wind down by yourself. If you suddenly think of a slightly better way you could have translated something, it's too late. During

the course of a dozen other assignments over the next 24 hours, you'll be plunged into the worlds of law enforcement, primary healthcare, local government, charity helplines, the tourism industry and the logistics business - with about 30 seconds to mentally prepare each time.

Telephone interpreting is the most challenging discipline for a linguist. "There is a vast amount of information, particularly cultural information, that is lost without visual contact," notes Gary Keshishian, a Cypriot-born Armenian interpreter. Yet the advantages that telephone interpreting offers to public authorities and businesses - instant access to any language from any location - has made it the fastest-growing sector of the language industry. According to Hsin-Yi Cheng, a Mandarin interpreter with an MBA, service users prefer face to face interpreting for clarity, but telephone interpreting for flexibility.

However, while face to face interpreters have a range of qualifications available to

them, there are no national standards for telephone interpreters. "There are some key questions that the profession needs to agree on," says Carolyn Burgess, the chief executive of Language is Everything. "A very simple example is: should interpreters make any notes during a call? How should notes be taken? What if they include personal details or confidential information? Should notes be retained for future reference or destroyed? Bear in mind that telephone interpreters work from home. Should there be different rules for different situations? A doctor may prefer any notes to be shredded; a police officer may prefer them to be stored securely."

Language is Everything is setting up a working group to propose a code of practice for its telephone interpreters. The group, which will include linguists and service users, will also be asked to suggest ways of addressing a second crucial issue facing the profession: the growing use low-cost interpreters based overseas, mostly in

the United States.

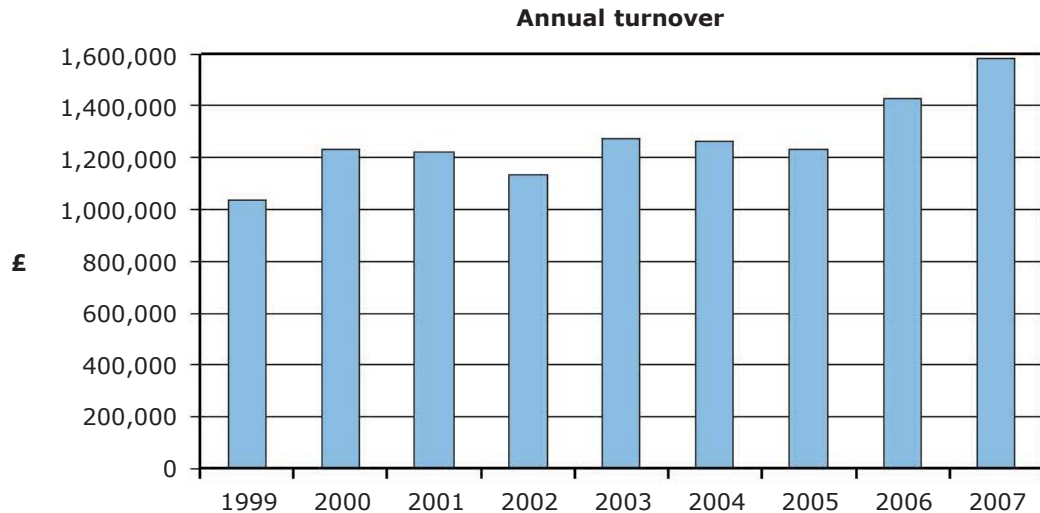
Mrs Burgess identifies two consequences of this. "The first is to do with quality: an overseas interpreter may be unfamiliar with terminology and procedures used in the UK. At best, this means the call takes longer than it should; at worst, it can result in inaccuracies or omissions. As always in our business, local knowledge is essential. The second is to do with sustainability: the use of low-cost interpreters based abroad is having a knock-on effect on rates of pay here in the UK. The concern is that good, experienced linguists will leave the profession unless they receive a fair and reasonable amount.

"In certain areas of the public sector - within the criminal justice system, for example - rates of pay for face to face interpreters are protected, even when they are supplied through intermediary agencies. We'd like to see something similar introduced across the board for telephone interpreting." ■





Financial results



Our strategic plans favour stability over growth, and our focus is on quality not price. Our rates of pay for linguists are among the highest in the industry: while our 2007 sales grew by 11%, our sales costs increased by 27%. At the same time, we made some structural changes to the business that enabled us to trim our overheads by 12%.

We're committed to remaining an independently-owned company. In a customer service industry such as ours, we believe there are no economies of scale: bigger is not better.

	y/e 31.12.07	y/e 31.12.06
Profit & loss account	£	£
Turnover	1,578,514	1,424,474
Cost of sales	777,988	614,516
Gross profit	800,526	809,958
Administrative expenses	503,376	563,090
Operating profit	297,150	246,868
Balance sheet	£	£
Fixed assets		
<i>Intangible assets</i>	1,200	1,800
<i>Tangible assets</i>	189,995	195,584
Current assets		
<i>Debtors</i>	189,103	171,051
<i>Cash at bank</i>	58,458	35,926
Creditors	206,137	173,028
Net current assets	41,424	33,949
Total assets less current liabilities	232,619	231,333
Provisions for liabilities	1,635	1,428
Capital and reserves		
<i>Share capital</i>	80,276	80,267
<i>Profit & loss account</i>	150,708	149,638
Shareholders' funds	230,984	229,905



The above poster was created by 10-year-old Alex Smith from Goole, the overall winner of our 2008 primary schools' competition. We challenged pupils to write the slogan for the Beijing Olympics - One World One Dream - using Chinese characters, and to decorate the page in an imaginative way.

The competition was part of the build-up to a Hull & Humber Chamber of Commerce trade mission to China at the end February. We'll be going to Qingdao, a deep-water port 350 miles southeast of Beijing and China's fifth-largest city.