



# *Collecting in a Crisis*

*A Guide to Rescuing Business Records*



# Introduction

*Collecting in a Crisis is an apt title for this Guide to the rescue of business records at risk of disappearance, destruction or simple neglect. The Business Archives Council of Scotland has been active in this specialised field for some sixty years, and in Scotland we are fortunate that this work is supported by a complex and well integrated network of agencies acting to secure the future of business archives in safe depositories. These include national, regional and local archives, libraries, museums, Universities and Colleges, Corporate and Government collections and many smaller private holdings.*

*When industrial and commercial enterprises face closure, their rich record of activity helps us understand our economic and social achievements, and are building blocks to our future growth. Rescuing such business records is neither a simple nor easy process. It requires expert local knowledge of people, places, and of the enterprises themselves. Negotiating access to such records, and securing a permanent home for them is also complex and time consuming.*

*Fortunately no one is on their own in seeking to take such records into care. This excellent guide clearly sets out procedures, agencies and supports to undertake rescuing records at risk and securing them as part of our business heritage. I am confident that archivists everywhere will find this Guide a welcome support in responding to the challenges of business closure we are likely to face in the changed economic and social times ahead.*

PROFESSOR ANTHONY SLAVEN,  
PRESIDENT OF THE BUSINESS ARCHIVES COUNCIL OF SCOTLAND





We connect with business every day. From the global giants to the café on the corner, business and commerce touch almost all of our everyday activities. Many of us are also engaged in the activity of business itself, working for one of 350,000 businesses currently active in Scotland. Businesses do not simply provide employment, goods and services; they influence our culture, forge our communities and shape our society.

The business of commerce and the organisations and people that conduct it can be difficult to capture as part of the historical record. Most businesses are primarily concerned with immediate economic demands, are wary of the costs associated with long-term recordkeeping and do not necessarily consider the historical or cultural significance of what they do. And when businesses are wound up, the focus naturally tends to be on satisfying creditors rather than saving records.

The present strength of business archives in Scotland is testament to the efforts of individuals and organisations that have, over many decades, co-operated to tackle the immense task of identifying and saving a vital part of our documented national memory. Without those efforts important and unique archives would undoubtedly have been lost.

However, the Scottish economy has changed beyond recognition from its manufacturing and engineering heyday. The service sector now accounts for three quarters of the country's GDP and consists



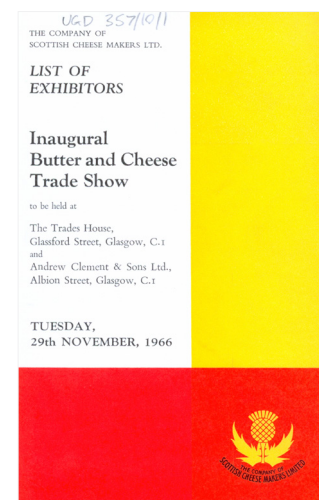
of a diverse range of enterprises including financial services, tourism, hospitality, and retail. Food and drink, technology and culture have emerged as powerful new sectors, often driven by small companies with strong local roots. The challenge for the archive sector lies in ensuring the diversity of the contemporary economy is reflected in our repositories.

As of August 2020, the Scottish economy is officially in recession. Previous crises – whether it be the long decline of the manufacturing industry or the sudden financial crash of 2007/08 – have resulted in the disappearance of many household names and the devastation of whole sectors of the economy. During these periods, large volumes of business records were rescued by public repositories but many more were lost or destroyed.

Those records that were saved provide an invaluable insight into the social and economic activity of a country and its people. From salary books to director's minutes, advertisements to ledgers, these records are indispensable to the work of business historians, historical anthropologists, social historians, genealogists and local historians.

Most commentators agree that the Scottish economy will struggle in the aftermath of the Covid-19 pandemic, with closures and widespread job losses anticipated. The archive profession has already risen to the challenge of documenting a global pandemic in extraordinary circumstances. The purpose of this guidance is to help the sector prepare for the potential of a large number of businesses closures over a short period of time following the end of the UK government's furlough scheme.

The guidance provides an overview of the circumstances in which records can be put at risk of loss or destruction, with particular emphasis on the insolvency process to ensure archivists can be confident in approaching Insolvency Practitioners. It provides a step-by-step guide to dealing with a crisis management case and advice on how to prepare collecting priorities. Finally, it provides a list of resources available to record keepers that can provide advice and assistance on rescuing business records.



# Records at Risk

*Business records are vulnerable to a range of threats including insolvency, dissolution, takeover, relocation or simply indifference on the part of the business itself. However, at all times, and particularly during periods of economic crisis, the most critical threat is liquidation. This section will provide an overview of the insolvency process, the potential outcomes, including liquidation, and the opportunities for intervention by archivists.*



## INSOLVENCY

Insolvency is a process taken to deal with company or personal debt. The laws governing this process differ between Scotland and England – for example, there is no ‘Official Receiver’ in Scotland – however, the Insolvency Act 1986 is the governing statute for both countries. Companies can be involved in insolvency proceedings without necessarily being insolvent and a company can be dissolved without necessarily going through the insolvency process.

For companies, there are two broad types of insolvency process: administration where either the company itself or parts of its business can be rescued; and liquidation, where the company will ultimately be dissolved. In addition, company voluntary agreements (CVAs) can be agreed as part of either process, or at any other time, to determine how a company’s debts are dealt with.

## ADMINISTRATION

Administration can be a lengthy process, lasting up to a year. An administrator is appointed at the request of either the company itself, as a means of keeping the company going, or its lenders, with the aim of rescuing value. The administrator’s role is to manage the day-to-day business of the company and plan a way forward.

Some administrations are known as ‘pre-pack’. These occur when administration is a necessary prerequisite to a sale and indicate that the business will, for now, survive in one form or another. Overall, however, around two-thirds of companies that enter administration do not survive.



## LIQUIDATION

Liquidation occurs when a company cannot pay its debts and the only possible course of action is for the business to be dissolved and its assets sold to pay the creditors. This can occur after administration, but administration does not necessarily precede liquidation.

There are two main types of liquidation: compulsory liquidation and voluntary liquidation. In the case of compulsory liquidation, the process occurs when a creditor petitions the court over an unpaid debt and the court orders that the company be wound-up. Voluntary liquidations occur when the directors or shareholders of a company agree that a company should be wound-up. When the company is solvent, it usually pursues a member’s voluntary liquidation. When it is insolvent, a creditors’ voluntary liquidation will usually occur.

## INSOLVENCY PRACTITIONERS

The key agent in insolvency procedures is the Insolvency Practitioner (IP). They are responsible for acting as the administrator or liquidator and are a crucial contact for an archive service looking to rescue the records of a business going through the process of insolvency. In both administration and liquidation, the IP is responsible for the assets of the business – including the archive – and records can only be deposited with their approval. However, if the company is subject to a CVA and is not in liquidation or administration, the business itself retains control over its assets.

IPs are licensed by a number of professional bodies including the Insolvency Practitioners Association, the Institute of Chartered Accountants of Scotland and the Law Society of Scotland. Some IPs have a legal or accountancy background while others join the profession directly. There are many firms in Scotland specialising in insolvency proceedings, the two largest being KPMG and Beggies Traynor.



## Case study 1

# Stoddard-Templeton Collection

James Templeton & Co Ltd and Stoddard International plc were two of Scotland's most prominent carpet manufacturers. Between them, for over 162 years, the two companies created carpets for royalty, film stars, US presidents and passengers on the world's most luxurious liners, as well as coverings for coronations in Westminster Abbey in 1911, 1937 and 1953.

After a long period of decline, in 2005 Stoddard International plc appointed Ernst & Young to manage the receivership of the company. Recognising early on the historical significance of the company's records, the joint receivers at Ernst & Young - Tom Burton and Colin Dempster - enlisted the help of auction house Christie's to catalogue and value the archive. This work was continued by KPMG, when Blair Nimmo was later appointed liquidator of the company.

*"If the consortium were to acquire the Archive, it would remain intact, in Scotland, and would be available to view and use, inspiring textile and other designers, as well as being accessible by the people of Scotland."*

TOM BURTON, ERNST & YOUNG

*"We were delighted to be finally able to complete the sale of the collection, and secure this important archive for future generations."*

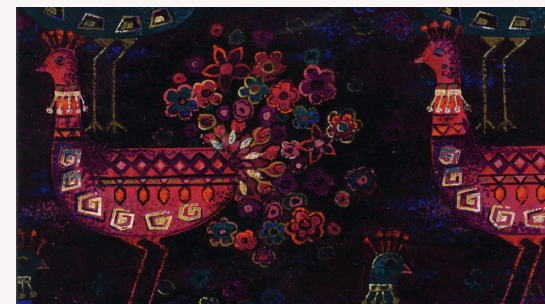
BLAIR NIMMO, KPMG



Interest in the collection was expressed by a number of parties from around the world. Fortunately, Ernst & Young and KPMG spent several years working with a Glasgow consortium of heritage institutions, including the University of Glasgow Archive Services, the Glasgow School of Art and Glasgow Life to keep the collection in Scotland.

In 2008, following a scoping project and successful funding bids this unique archive of designs, corporate records, patterns and carpets from Scotland's most successful carpet companies was bought by the University of Glasgow in conjunction with Glasgow School of Art and Glasgow Life, with the assistance of a £172,000 grant from the National Heritage Memorial Fund.

The collection includes over 10,000 design drawings, patterns and sketches; a design library of 1,500 titles including books and journals; over 400 carpet pieces; and numerous albums of photographs. Encapsulating



business, social, design and technological history, the collection has proved popular with designers, academics, students and the general public and its preservation has been a testament to partnership working between heritage professionals and insolvency practitioners.

Images Courtesy of University of Glasgow Archives & Special Collections, Records of Stoddard International plc (Ref: GB0248 STOD)



# Surveys, Monitoring & Intervention



## LOCAL SURVEYS

Up to date knowledge of the businesses operating within your collecting area, whether that be on a geographic or thematic basis, provides a strong foundation from which to respond to crisis management cases. Clearly, it is not necessary or desirable to collect records from every single business in your area. Instead, consider conducting a simple survey of the active businesses in your area. This can be used to compile a list of sectors and individual businesses whose records you would be interested in, including contact details to enable a swift response to any crisis. Existing collecting policies will likely determine which businesses are of interest but do also consider how best the diversity of your area can be reflected – and not just the diversity of economic activity but also the diversity of business owners, workers and users.

The National Register of Archives for Scotland hold hundreds of surveys of Scottish businesses, along with information on the status of these collections. Not all of these surveys are listed on the NRAS online register so consider contacting the Registrar to check if there are extant surveys for any of the businesses you have identified in your area.

If resources allow, consider contacting these businesses pre-emptively to encourage them to think about how they manage their archives and what plans are in place should they be dissolved. It can be useful to highlight that, besides the benefits in terms of brand identity, marketing and governance, certain costs associated with maintaining a business archive are tax deductible. For larger companies, maintaining a corporate archive can also often contribute to the organisations Corporate Social Responsibility objectives.

Most local authorities publish Local Economic Profiles on their website which can help provide a starting point for understanding the composition of a local economy. The Business Archives Surveying Officer can also provide advice on working with active businesses and preparing thematic/geographic surveys.

## MONITORING

The national media – including BBC Scotland and the four national daily newspapers, the Daily Record, The Herald, The National and The Scotsman – regularly report on insolvencies involving major companies, while local newspapers and news websites provide information on insolvencies involving smaller businesses. If possible, monitor the media outlets relevant to your collecting area for news of businesses at risk. Google Alerts, RSS feeds and similar tools are useful in ensuring you stay up to date with relevant business news without having to repeatedly check all potential sources of information. Volunteers, colleagues and regular users can also be a valuable source of information, particularly for local news.

*The Edinburgh Gazette* is the official journal of record. There is a statutory requirement for notices of insolvency to be published in the *Gazette* and, as such, it provides an invaluable source of information. The *Gazette* website supports setting up RSS feeds for specified search criteria – including by local authority area and type of insolvency – this is a useful means of monitoring insolvencies which are not reported in the press.

## INTERVENTION

In insolvency cases, the first contact should be the appointed Insolvency Practitioner as they are the legal custodians of the records. The name of the IP can be found by searching *The Gazette* for the relevant company – notices are published at each stage of the insolvency process and will contain the names of the appointed IPs. For larger IP firms, the name of the case manager may be provided as well.

The business itself should also be contacted – while they may be unable to approve the handover of any records, they have a much better understanding of what records exist than the IP. For local businesses it can be useful to utilise local contacts – for example, a friend of a friend who works for the business – to find out who the best person to speak to is. For particularly significant closures, making contact with local politicians or media figures can help leverage support for a records rescue.

Early intervention is best – usually at the point where a business enters administration – and provides an opportunity to build a relationship with the IP and the business' owner and staff. However, it is unusual for records to be transferred at this stage while there is still a chance of the business being sold or saved. Also, as not all businesses go through administration first, liquidation is the key point for intervention by public repositories.

# Step by step guide to Crisis Management

*This is a general overview of the steps that need to be taken to maximise the possibility of successfully rescuing records-at-risk. Remember that all cases are different, and advice is always on hand from the Crisis Management Team.*

**1** Contact the Crisis Management Team's (CMT) Scottish representative so the case can be logged and to confirm that the CMT is not already dealing with it. This avoids approaches to the company and/or IP from multiple repositories. If multiple repositories are interested in the same collection, the CMT will seek advice from the Scottish Council on Archives Collecting Policy Working Group as per the 2019 report, A Collecting Policy Framework for Scotland's Archives. The CMT's Scottish representative can be found on the Managing Business Archives website and is currently: **Chris Cassells – [Christopher.cassells@glasgow.ac.uk](mailto:Christopher.cassells@glasgow.ac.uk)**



**2** Where possible contact both the company and the insolvency practitioner – though the IP is in control, the business itself will have a much better idea of the extent of its records. The contact details for the IP can be found in The Gazette, while details for the business can usually be found online. A phone call followed up with an email is the best way to establish contact and some perseverance may be required. Explain that the business potentially holds historically significant records that may be of public interest. Bear in mind that the IP is focused on maximising the value of the company's assets and/or effecting a sale and is more likely to respond positively to an offer of assistance than a demand for access. It can be useful to emphasise that enabling the rescue of historic records helps the IP demonstrate their own commitment to corporate social responsibility while relieving them of the responsibility for disposing of a potentially complex collection of business records.

## BELOW

Example email template to send for retrieving records.



Dear \_\_\_\_\_,

I am contacting you on behalf of [repository name]. I believe you have been appointed administrator/liquidator for [business name]. I would like to offer our assistance in managing any historic business records or archives associated with the company.

[Provide information on the historical significance of the business and why the records are of interest]

[Provide information about your service]

Business records held by the company will be of great interest to both academic and local historians and we would gladly offer the archive a permanent home where the records can be consulted and maintained for posterity, subject to all the necessary access restrictions. We would be interested in any kind of historic material that documents the activities of the company but particularly minute books and governance records, accounts, staff records, promotional material, photographs, and technical plans and drawings.

I look forward to hearing from you.



**3** Arrange access either to extant listings or the records themselves. The earlier this can be done in the process the better, particularly when records are stored in premises that are being sold to third parties. If possible, speak to employees to determine if other relevant records exist. Remember to consider digital media and current records, including those held by the insolvency practitioner. If you do gain access to premises, bear in mind colleagues in the museum and built heritage sector – a local museum is likely to be interested in any historic objects while Historic Environment Scotland can carry out surveys of architecturally significant buildings, both exterior and interiors.

**4** Negotiate the terms of transfer. In most cases this will be through the IP. It is important to ensure that the gift/deposit agreement is signed by whoever has legal responsibility for the records to ensure there are no future ownership issues. Reassure the business and IP that the repository is experienced in dealing with data protection and copyright issues and ensure that the transfer agreement includes intellectual property rights and explicitly relieves the donor and insolvency practitioner of legal liability for the records.

**5** Arrange uplift. This will usually be at the expense of the repository. If storage space is proving to be an obstacle, contact the CMT for advice.

Throughout the process, the Crisis Management Team is on hand to provide advice and assistance and in national and in more complex cases, the Business Archives Surveying Officer will be able to take the lead on approaches to insolvency practitioners, utilising existing contacts and relationships. The purpose of this guidance is to empower repositories across Scotland to actively acquire business records that will help strengthen and diversify their own collections, building resilience across the sector as we move into an uncertain economic future.





## Case study 2

*Airdrie Savings Bank*

The Airdrie Temperance Society Savings Bank opened for business on 21 January 1835 to encourage the working people of Airdrie to save. By the time the bank closed in 2017 it was the last independent savings bank in the UK.

The bank's founders were a mixture of church ministers, landowners and traders including James Knox, a hat manufacturer. His grandson, also called James Knox would go on to grow the bank beyond all expectations later in the century. Most of the founders were members of the Airdrie Temperance Society which was founded to discourage drinking but had developed a wider remit to improve morality in the town.

By the time of its centenary in 1935 the bank had branches in Coatbridge, Bellshill, Muirhead and Shotts as well as the head office in Airdrie, but by the early 1970s only five Scottish savings banks were left, of which the Airdrie bank was the biggest. This number

continued to fall as bigger financial institutions took over the small banks.

In the 2000s banking continued to change. Transactions increasingly moved online while new regulation was introduced after the 2008 crash. In 2016 the Airdrie Savings Bank announced plans to stop trading. The Airdrie headquarters and nearby offices and the remaining branches in Bellshill and Coatbridge closed with the loss of 70 jobs the following year.

Historic artefacts and the Bank's archive were transferred to North Lanarkshire Council's Museums and Heritage Collections. They will be preserved for future generations in the museum collection and archive respectively. Although the Airdrie Savings Bank has gone its legacy remains, particularly in the credit union movement and in the memories of those it helped.

**BELOW**  
Courtesy  
of North  
Lanarkshire  
Archives,  
Culture NL



*"When the closure of the Airdrie Savings Bank was announced on 18 January 2017 our first action was to contact the BACS Surveying Officer as we were keen to know whether a records survey had been carried out and what records might be held by the ASB. Over the following months we worked together with the ASB, the NRAS and BACS to rehouse all the historical records held by the bank. The records of the Airdrie Savings Bank, Airdrie Female Benevolent Society and the Airdrie Town Mission were transferred to North Lanarkshire Archives. The records of Lloyds TSB were picked up by the Lloyds TSB archivist and the records of the Broomknoll Church in Airdrie were transferred to the NRS. It was invaluable to be able to rely on a network of business archivists to process the records found on site and ensure they were re-housed appropriately."*

WIEBKE MCGHEE, NORTH LANARKSHIRE ARCHIVES

*"The NRAS is keenly aware of the need to move speedily to preserve business records as soon as we hear that a business has folded. Any delay risks the destruction of valuable material. The formation of the Business Archives Crisis Management Team has been vital as a single point of contact with liquidators. In the case of the Airdrie Bank, the surveying officer was able to draw on the NRAS surveys and information on the Bank that we have gathered over decades. Co-operation between the NRAS and the business archives surveying officer has been crucial for the rescue of archives under threat for many years."*

DR ALISON ROSIE, NRAS



# Resources

## MANAGING BUSINESS ARCHIVES

Managing Business Archives is maintained by the Archive Sector Development team at the National Archives and contains information and guidance on all aspects of business records. It also hosts contact information for the Crisis Management Team and a series of case studies relating to business archives.

[managingbusinessarchives.co.uk](http://managingbusinessarchives.co.uk)

## SURVEYING OFFICER

The Business Archives Surveying Officer is the Scottish representative on the Crisis Management Team and works with archives and businesses to ensure that records-at-risk are transferred to a suitable repository. The Surveying Officer also provides advice on the management of business records to both public and business archives.

[surveyingofficer.co.uk](http://surveyingofficer.co.uk)

## THE BALLAST TRUST

The Ballast Trust is a charitable foundation that provides a rescue, sorting and cataloguing service for business archives with an emphasis on technical records such as shipbuilding, railway and engineering plans, drawings and photographs.

[ballasttrust.org.uk](http://ballasttrust.org.uk)

## BUSINESS ARCHIVES COUNCIL OF SCOTLAND

The Business Archives Council of Scotland was established in 1960 as an independent voluntary archive body concerned with the active preservation of the records of Scottish business and industry. Today it operates as an active network of archivists, academics and businesses to connect all those with an interest in Scottish business archives & history.

[busarchscot.org.uk](http://busarchscot.org.uk)

## NATIONAL REGISTER OF ARCHIVES FOR SCOTLAND

The NRAS was established in 1946 to locate and survey historical papers held in Scotland. The Register includes many surveys of business records and incorporates those undertaken by the Business Archives Surveying Officer. The NRAS also acts as a source of advice to owners on all issues relating to the care and preservation of their records. It maintains an On-line Register of surveys.

[catalogue.nrscotland.gov.uk/nrasregister/welcome.aspx](http://catalogue.nrscotland.gov.uk/nrasregister/welcome.aspx)

## SCOTTISH COUNCIL ON ARCHIVES

The Scottish Council on Archives provides leadership and builds capacity for the archives and records management sector in Scotland. Working in partnership with many organisations throughout the UK to support and promote the management and use of archives services and collections, the SCA also runs a busy programme of workshops and events, delivering projects and resources spanning engagement, education and advocacy.

[scottisharchives.org.uk](http://scottisharchives.org.uk)





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