# Taylor Made Joinery interiors shifts strategy after ISG collapse to mitigate £885 million supply chain risk



The collapse of ISG, a major player in the construction sector, has reverberated throughout the industry, prompting significant strategic shifts among its partners. Taylor Made Joinery Interiors, a joinery and fit-out firm with a turnover of £38 million, recently announced it is re-evaluating its business strategy as a direct response to ISG’s demise last September. This decision underlines a growing concern among contractors and suppliers about their dependence on single clients, particularly in an industry already navigating precarious economic conditions.

In its annual results for the year ending December 31, 2024, Taylor Made highlighted that ISG’s administration served as a stark warning regarding the perils of overreliance on a singular contractor. The company estimated that ISG's collapse could cost the wider supply chain a staggering £885 million in unpaid debts. This alarming figure not only reflects the immediate financial impact on companies directly engaged with ISG but also signals broader repercussions for the industry as a whole.

In light of these challenges, Taylor Made has actively sought to diversify its client base and reduce exposure to any single contractor. The firm stated that it now collaborates with a wider array of main contractors, a move it deems crucial for spreading risk. Additionally, the company has implemented comprehensive credit insurance coverage to safeguard against potential insolvencies among its clients. This proactive approach demonstrates a strategic pivot aimed at enhancing resilience in an unpredictable marketplace.

Financially, Taylor Made reported a modest increase in revenue, from £36.9 million in 2023 to £37.7 million. However, the firm's turnover ambitions for 2024 were notably affected by ISG’s downfall. In the midst of these challenges, the London fit-out market remains robust, buoyed by a growing demand for office spaces as businesses work to reintegrate employees into physical workplaces. This resurgence has been instrumental in helping Taylor Made navigate through these turbulent times.

Despite the increased pressure on profits, with pre-tax earnings dropping from £2.1 million to £1.9 million, Taylor Made noted that diligent cash flow management had enabled it to fulfil all financial obligations, despite the uncertainties following ISG’s failure. This focus on financial stewardship has become increasingly vital, as the construction landscape evolves amidst economic instability.

Interestingly, while the fallout from ISG's administration has posed significant challenges, supply chain conditions have reportedly improved over the past year. Taylor Made indicated that price volatility has stabilised, thanks to strong relationships with key suppliers. This development has allowed the company to manage costs effectively while maintaining its margin levels, a feat that is particularly commendable given the overall market volatility.

The implications of ISG’s collapse extend beyond individual companies like Taylor Made. With a turnover of £2.2 billion, ISG represented the largest corporate failure in the construction industry since Carillion’s infamous collapse in 2018. The aftermath has left a significant mark, with over two-thirds of ISG's 2,400 employees now pursuing legal action over their abrupt redundancies, further highlighting the human cost of corporate failures in this sector.

Other firms have also been affected; at least two smaller enterprises have publicly attributed their own failures to ISG's inability to meet financial commitments. The public sector has not been spared either, with the Ministry of Justice estimating its own losses at approximately £300 million due to ISG’s collapse.

Amidst this landscape, other companies, including steel specialist Billington, have leveraged trade credit insurance to shield themselves from the devastating impacts of ISG's failure. This adaptive strategy illustrates a growing trend in the industry toward financial prudence and risk management.

As the construction sector continues to grapple with the fallout from ISG's demise, the experiences of firms like Taylor Made offer critical lessons in the importance of diversification, robust financial management, and the need for stronger supply chain resilience in an increasingly volatile environment.

### Reference Map

1. The impact of ISG's collapse on Taylor Made Joinery Interiors and strategies employed.
2. Financial performance of Taylor Made in relation to ISG’s downfall and wider industry context.
3. Broader implications of ISG’s collapse for the construction industry and public sector.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.constructionnews.co.uk/contractors/isg/isg-demise-prompts-strategic-rethink-at-joinery-firm-21-05-2025/> - Please view link - unable to able to access data