

# A drive for success: Gregory Distribution's story



John Gregory

**It's been a positive 12 months for Gregory Distribution, the South West-based transport company. The business has continued to expand, despite tough times within the sector, so we caught up with John Gregory, Chief Executive Officer, to find out more about their particular brand of family business.**

**Firstly, we should congratulate Gregory Distribution on its success in the recent PwC West of England Business of the Year awards. Winning the award for the larger business category must have been a very proud moment for you and your team. How did it feel to win on the night?**

“It was a huge moment for us. Historically, we haven't put ourselves forward for too many awards, but I decided to have a go this year having been to the awards the year before. We thought we stood up very well against the other companies – we had been in the finals 14 years ago when James Dyson won – and we just thought it may be our moment in time. We tried hard, we worked hard on the presentation to the judges and gave it our best shot! Our story is a good one in such a highly competitive business world.”

**Do you feel that the past year has been a good one for the business?**

“We're talking about an industry with very tight margins. Within the boundaries that we operate, we were as close to performing as well as we could last year – something which doesn't happen in many years. You can never sit in a transport business and say that you are 'very pleased'. It was one of those years where we had fewer problems over a 12 month period than we would normally expect.”

**Building strong, long-lasting relationships with your customers is vital to the success of any business. How does the company create and maintain these relationships?**

“Firstly, in terms of building relations, we've been in business for 91 years. Obviously we haven't got customers who have been with us for the whole 91 years, but we do have one who we have worked with for over 50 years. That is an extraordinary relationship.

The basis of a long-term relationship like this is twofold: you've got to have the right chemistry between the people who are making the decisions commercially; and you've got to have the right chemistry between the people who are operationally involved. You have to recognise that, on both sides, these same people won't always be involved and, therefore, you've got to keep on working and impressing the customer with initiatives over time.

To create any kind of long-lasting relationship you've got to approach it as a partnership. Ultimately, it all depends on service: if you deliver service that is unquestionable, then you are in a position to work with the customer much more effectively.”



As a company, Gregory Distribution believes strongly in training its staff and developing their careers. Do you feel that this approach has paid dividends? Is there true mobility within the firm?

“There’s massive training within the business. Training has been at the centre of our operations for a long time. Obviously, we don’t always succeed: with the business being so service-based, sometimes people make mistakes and sometimes people are not in the right position, but in general we have a ‘can do, must do’ approach to business.

Anyone who wants to stick their head above the parapet has an opportunity. We’ve grown Gregory Distribution, in my time, by more than a 1,000 people and there are always opportunities when you’re developing a people-based business.”

Do you feel that being a family business has advantages in management style and staff motivation?

We’re unusual as a family business, in the sense that my grandfather was hands-on and my father was hands-on and so am I. It isn’t a case of the first generation founding the business, the second generation expanding it and the third one destroying it. I have been as committed to this business as both my father and grandfather were.

It does feel like a legacy in some sense, because it’s the Gregory name. But at the end of the day, the business is so large now – compared with how it was – that I feel I’m running it with my fellow directors and senior management and all the staff. I don’t feel that it’s a family business with a load of people all working for me: I feel it’s a company where we all work together.”

The company’s first vehicle, back in 1919, was a horse and cart. This contrasts strongly with the hi-tech nature of your current fleet of vehicles, where each driver has their own PDA and each lorry is electronically tracked. Have you found that bringing in new technology has created measurable efficiencies in the business?

“I think the technology has added value: there’s no question. We link technology with trade. We’ve done it to assist with miles-per-gallon, damage, insurance, driver behaviours and attitudes, law, speed of information for customers and as a management tool for ourselves. There are a 1,000 reasons why technology, at the edge of this game, is important.

At the end of the day, fuel and labour are 70% of the operating costs of the business, so we have to find new ways to differentiate ourselves from our competitors. Technology and training are just two of the things that businesses like us must focus on.”

A logistics and distribution company obviously has a very large environmental impact, mainly from the carbon footprint of your vehicles. Does Gregory Distribution see sustainability and environmental impact as issues which will need to be tackled?

***“We even have a division called Gregory Environmental that is fundamentally involved in the recycling industry. It’s not a small business: it probably represents 20% of our business.”***

“We are certainly involved in environmental issues. We even have a division called Gregory Environmental that is fundamentally involved in the recycling industry. It’s not a small business: it probably represents 20% of our business. Beyond that, environmental policies and carbon footprint policies are fundamental to our relationships with our customers. It’s a key component.”

The company has recently set up ‘Team Gregory’, a sponsorship package for five West Country-based Olympic medal prospects (swimmer Liam Tancock, modern pentathlete Heather Fell, wind-surfer Nick Dempsey, UK 800m champion Jemma Simpson and the UK’s top pistol shooter Gorgs Geikie). How does this sponsorship align with the aims of the business?

“The original idea came about because of my interest in sport. I think the 2012 Olympic Games is going to be the biggest sporting and commercial event of our times and I just wanted to find a means to get involved in some way.

We regionalised it for the South West and then we thought about using the sides of the lorries as billboards to develop the visions of Team Gregory. We also went for a diverse range of sports and hoped that our staff would embrace the idea as much as we did. To date, the feedback from our employees has been excellent, and from our customers too.

We didn’t enter this idea to promote the company as such, but there’s no question that it’s how we’re approaching it now. We’re also very happy to be promoting the athletes: if they become famous and get other deals off the back of this, then that would be great.”

What are the long-term goals for the business? Do you expect to expand further?

“Our goals are concentrating on more of the same. I do have to say that business is much tougher than it was last year. We anticipate fairly tough times over the next two years, but we’re used to this – the transport industry has been used to this forever and a day. Our long-term goals are to continue to crystallise our involvement in the transport sectors that we’re involved in today. We anticipate reasonable growth on an ongoing basis.”

You’ve managed to maintain growth in the business through some pretty tough economic times. Do you see signs of economic recovery on the horizon?

“There is sales activity, but it’s the mix of sales that matters to transport companies. You can have sales through promotional activity which are very bad news. You can throw money at big promotional activity which can then be followed by a lull. Do I believe there are signs of recovery? I think we’ll be battenning down the hatches for a long time.”



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