

# Pointing the way to success

Appointing non-executive director and CEOs key to Story Group's growth, says Fred



Take part in family business survey, p 41.



Family business conference special - family business leaders from across the north of England share their learning and experience on how to build a successful business with more than 100 delegates at a major event in Carlisle sponsored by leading financial and business advisors Armstrong Watson

# Family values

The Family Business Conference in Carlisle brought together firms from all over the north and top speakers

**F**amily businesses are crucial to the Cumbrian and national economy and the Government needs to do more to help them thrive, a major conference has been told.

John Stevenson, MP for Carlisle, made the demand at the Family Business Conference, which attracted more than 100 delegates around the UK to Cumbria to hear insights from family business leaders from a variety of industries.

Mr Stevenson – a Conservative who chairs an all-party Parliamentary Group for Family Business – opened the conference in Carlisle with positive words about the role of family businesses but strong words for a Government that he said is becoming “less business friendly”.

“We mustn’t lose sight of the fact that family businesses make up the majority of businesses here in Carlisle and Cumbria, they are a huge employer and make a huge contribution to our community, the economy and the national exchequer.

“The Government has become more critical and less helpful. It has become less business-friendly when it should be creating an environment where they can grow and succeed.”

Mr Stevenson told delegates that statistics alone should demand greater Government attention. He said 4.7m family businesses across the UK employ 12m people – amounting to half of the private sector workforce – and generated £1.4 trillion, or 35 per cent, of the private sector contribution to the UK’s coffers.



“Family businesses employ people and pay tax that helps to support the public sector. Businesses, and family business, have a vitally important role to play, so in a place like Carlisle and Cumbria they really are central to prosperity.”

Mr Stevenson also stressed the “added value” of family businesses which set them apart from major companies and multinationals.

“Family businesses come in many shapes, sizes and flavours,” he continued.

“There is massive diversity and the cultures can also be very different.

They have a unique position

in the economy and in their community.

“Companies with headquarters in London, Paris or New York do not think of the consequences of their decisions in the same way as locally based family businesses do. They are right in among the communities in which they operate. They are acutely aware of the impact of their decisions.

“But they add so much more value. Those running family businesses are often trustees of schools, undertake charitable work, and have much greater social awareness.”

Mr Stevenson also had a strong message on Brexit,

which he said was a distant second from the pressing challenge of the Government’s attitude to business.

“Family businesses existed and thrived before we joined the EU, they have existed and thrived while we have been a member, and I have every confidence that when we do leave, family businesses will adapt, survive and thrive,” he added.

Mr Stevenson was joined by a roster of speakers that shared experiences and debated issues ranging from growth, succession, Brexit and productivity.

Fellow speaker Michael Bell, of Bells of Lazonby, said businesses should not worry about Brexit.

“There is nothing anyone in this room can do about Brexit, you just have to get on with your business plan,” he said. “The biggest challenge we have in business across the UK is productivity. Our politicians do not seem to understand that if productivity increases, everyone’s standard of living increases,



**Jonathan Lee from CN Group speaks to the delegates**

and that the focus should be on helping businesses to become more efficient.”

Mr Bell shared the story of his company, which was established by his father after returning from World War Two with no job to go to. Initially baking bread for local villages, Bells of Lazonby has now grown into a significant operation producing for supermarkets, coffee shop chains and even exporting to Australia.

Stressing a common theme of the conference, he revealed the trick to running a business was being able to accept limitations and empower others: “I’m the first to admit that I’m not the best at the many disciplines you need to run a manufacturing business.

“The trick is to bring those

with the right skills in to the business and to build teams of people around you. If you’re too close to the tools, you don’t see the bigger picture. You have to step back.”

Other conference speakers included Fred Story of Story Group, who shared his meteoric rise from running a business from a bedroom to one with a multi-million turnover, and William Robinson of Frederic Robinson Ltd, who revealed the secret of the Stockport-based brewer’s success by bringing in skills from outside the family circle.

Jacqui Jackson of Thomas Jardine and Co hosted a trouble-shooting workshop, while a panel of “next generation” business leaders including Izzy Whitehead of

Hawkshead Relish, Tara Telford of Twoey and Kate Balchin of Wold Top Yorkshire Brewery, resulted in a lively debate hosted by Dave Clarkson of York and Lincoln-based solicitors Langleys.

Jonathan Lee of CN Group presented the ‘Face Forward’ project – a collaboration between in-cumbria, Armstrong Watson and artist Helen Perkins. Through 10 portraits of clients from Cumbria, the North and Scottish Borders, the project aimed to tell the stories of family businesspeople in a creative way to celebrate Armstrong Watson’s 150th birthday. To learn more about the project, turn to page 41 and visit [www.in-cumbria.com](http://www.in-cumbria.com).

The conference was organised by Sue Howorth of the Family Business Network.

“The event was a real success, and the speakers were brilliant,” she said.

“I hope people have gone away with some really useful insight and plenty of ideas to take back to their businesses.”

The conference also saw the launch of the Cumbria Family Business Awards 2018, which will take place on March 9.

## CUMBRIA FAMILY BUSINESS AWARDS LAUNCHED

The Cumbria Family Business Awards 2018 are now open for applications and nominations.

Businesses with two or more active family members can apply in any of the 12 categories, with the chance of being crowned Outstanding Family Business of the Year.

Those looking to nominate their favourite family business can also do so at [www.cumbriafamilybusinessawards.uk](http://www.cumbriafamilybusinessawards.uk) - and because last year’s winners are restricted from entering, new winners are guaranteed.

This year’s awards were launched by creators and organisers Sue Howorth, of the Family Business Network, and Sophia Newton and Janett Walker of PR, events and social media company Flock. The event is backed by Armstrong Watson, Enterprise Answers, Cartmell Shepherd and accountancy firm Lamont Pridmore as well as The Cumberland.

The judging panel consists of Graham Lamont, Paul Dickson, Grahame Latus, Maria Whitehead, Paul Andrews, Zoe Dawes, Jacqui Jackson and Jonathan Lee.

The winners will be announced at the ceremony on March 9 at The Garden at Eden near Carlisle.

The categories are: Food and Drink Establishments; Agriculture, Forestry and Farming; Manufacturing; Property and Construction; Retailers and Wholesaler; Large Hotels, Leisure and Tourism; Small Hotels, Leisure and Tourism; Food and Drink Producers; Professional and Business Services; Transport and Logistics; Creative Business; and Employee of the Year.



**The next generation: Izzy Whitehead from The Hawkshead Relish Company, Tara Telford from Twoey and Kate Balchin from Wold Top Yorkshire Brewery**

## FACE FORWARD



Conference organiser Sue Howorth, Jonathan Lee from CN Group and Dave Clarkson from Langleys with family business portraits by Helen Perkins

A major campaign to promote family businesses was presented to delegates at the Family Business Conference. Armstrong Watson, sponsors of the conference, worked with award-winning professional portrait artist Helen Perkins and CN Group to promote family businesses in celebration of the company's 150th anniversary.

Jonathan Lee, CN Group's development director, told the conference how the 12-month Face Forward campaign had showcased 10 family business leaders from across the north of England and Scotland.

Through Helen's drawings and oil painting portraiture, stunning photography by award-winning CN Group photographers and profiles of the business leaders and their businesses, Armstrong Watson was able to show how it has supported family businesses through the generations and how its range of experts helps businesses grow and prosper.

The imagery was used across a 12-month print, web and social campaign including a monthly family business section in in-Cumbria magazine, in a pioneering partnership between

business, art and media which was highlighted at an international media conference in Oslo last month, as a way media can work with businesses on a successful content marketing strategy.

Jonathan said: "The campaign has been a joy to work on because of the brilliant people involved who are all experts in their field, from artist Helen Perkins, to the team at Armstrong Watson, the amazing family business leaders profiled, and the photographers, journalists and designers at CN Group. It has been a true partnership and collaboration which has delivered outstanding results.

"CN Group, which is a 200-year-old family business itself, is here to support family businesses and help them grow and be more successful. We have really enjoyed working with Armstrong Watson and their family business clients and would be delighted to work with other businesses in a similar partnership approach."

To find out how CN Group could help your family business contact jonathan.lee@cnmedia.co.uk.

## SUE HOWORTH



I was delighted to welcome over 100 delegates to the

second annual Family Business Conference.

I was profoundly moved by the sense of warmth during the day, though not surprised. While all the speakers reflected and shared their stories differently there were some common recurring themes that are unique to family businesses.

The importance of working with brilliant people, the pride and impact on quality and innovation that comes with having the family name 'over the door' and the responsibility to support their local communities.

The feedback has been overwhelming.

**Gill Hall** of Butlers Cheeses' peer-to-peer session was a deeply moving and personal moment of the day. The session was run by **Jacqui Jackson** of Thomas Jardine & Co, a Carlisle-based support organisation aimed at helping family run food and drink businesses. I will soon be announcing some collaborative peer-to-peer sessions with Jacqui.

**Tara Telford** of Twoey, **Kate Balchin** of Wold Top Brewery and **Izzy Whitehead** presented an inspirational and strong vision for the future of family businesses. Tara has big plans for Twoey but also respects the heritage of the business as she stated "if I can be as good as my mum I'll be doing brilliantly. She's the best business woman I know." Therein lies the difference between a corporate and a

family-run firm, the real feeling and emotion create something special.

Creating and organising an event of this scale is always challenging but all the family businesses taking part and my event partners and supporters helped make it even better than I could have hoped for. My deepest thanks to all those who attended, the speakers, Armstrong Watson, Wrapped Agency, Flock, InCumbria and Net\*.

Believe it or not, it hasn't all been about the conference though. This month I have been meeting family businesses in Yorkshire, which included The Helmsley Group, Issac Poad and Williams Den.

Locally, I had the pleasure of gaining a real insight into **Westmorland Sheepskins**, a family business whose products include ready-made clothing, sheepskin coats, slippers and leather shoes. They are a sixth generational family business and over the years they have diversified and adapted, responding to the changing economic climate of the last 13 decades or more.

Dominique Heaton, who is married to the youngest son in the family Tim Heaton, told me they have invested in products made by small family businesses who are interested in the quality of the product as opposed to simply the margins - thinking less about what they can take out to reduce the price but what more they can put in to improve their products.

Definitely a family business who intend to keep growing and diversify. It so was fascinating to gain an honest insight to their future plans.

# A brilliant success Story

Fred Story, who leads one of the biggest construction and contracting companies in the country, inspired conference delegates with his passion and his tips for growing a family business

It is hard not to be bowled over by Fred Story. For someone who is larger than life, in stature, personality and in the scale of his business achievements, you get the feeling he is in equal parts amused and uncomfortable when tagged with titles such as “tycoon”. But when you become a Sunday Times Rich List regular, with a recorded fortune of £150m, then grand titles are bound to follow.

Listening to his story and opinions, you do not get the sense of the money behind the man. He is down-to-earth, softly spoken, but with a clear drive and determination to succeed.

Speaking at the Family Business Conference, it was difficult to register the meteoric rise of someone who left a job at construction company Thomas Armstrong to set up a business in his bedroom, with a few plots of land and an ambition to build houses on them.

Around 30 years later Story Homes is a big player in the housing market, turning out high quality homes across Cumbria, Lancashire, the north-east and southern Scotland. His other company, Story Contracting, has construction, rail and plant hire divisions, which operate throughout the North and Scotland.

With more than 1,000 employees and a target to reach £350m in 2017, it is a far cry from the bedroom.

Clearly, his passion has had a lot to do with his success, a passion that has been reignited recently with his children taking an interest in the company.

“To find out that they had



Fred Story

ambitions to become part of it really did make a difference to me,” he said.

“It reignited my passion. I’m 60 now, but I’m young. I am chairman of both of my companies but I’m still out there creating new businesses and have new projects lined up. I really enjoy trying something to see if it works.”

For Mr Story, there is one top tip – a clear secret to success and the reason why he has got where he has.

“You are not necessarily the best person to run your business,” he said.

“Just because you had the talent and balls to start a company doesn’t always mean you’re the best person to take it forward.

“Doing that can require a different or very specific skill set. That’s when it comes to finding the right person to do that. There is a lot of talent out there.

“My businesses benefitted

greatly from bringing in professionals. I have got CEOs running my businesses incredibly well and they are thriving as a result of it.

“As family business people there can be a natural instinct to hand down to sons and daughters, whereas I think my business has benefitted by not necessarily doing that.”

Mr Story first sought outside help in the form of former Cumbria County Council Chief Executive Peter Stybelski, who, as a non-executive director, helped establish a structure to the company and professionalise recruitment processes.

“I kissed a lot of frogs, but when we got things right the business really kicked on,” he said. “I can’t understate the importance of getting professional advice and challenge.”

This has been a real life lesson for Mr Story, who admitted he learned a lot

when after a quick early rise to a £2.5m turnover, he invested in Carlisle United football club, and his business activities lost momentum.

“I’ve always been a great believer in silver linings, but I could never think of any benefit from buying Carlisle United,” he said, admitting that he had initially forgot to tell his wife about the purchase.

“I suppose the real benefit I got was that I learned to listen to people. When you’re struggling you are more open to ideas, when you’re doing well and making a big profit (you make the mistake of thinking) there’s nothing that other people can tell you.”

And he left with one word of wisdom on the challenges facing family businesses and business in general: “Good businesses thrive during good and bad times. For me competition drives good behaviour and results.”

# Tips from an expert

Robinsons Brewery boss William Robinson, whose 180-year-old company runs 250 pubs, shared his wisdom and advice with other family business owners - including insights on bringing in outside expertise

Being able to take a long-term view is a huge benefit for family businesses, says the man behind one of the leading independent brewers and pub operators in the North West.

And there is plenty of substance behind the statement from sixth generation William Robinson, who runs the 180-year-old Robinsons Brewery empire with his cousin Oliver as joint managing directors.

Mr Robinson - who is mainly responsible for the managed and tenanted pub estate which includes 40 pubs in Cumbria - said it gave family businesses an advantage over other businesses who are driven by short term targets.

"For me, the big thing about being a family business is that you get to think. You don't get caught up in the here and now politics," he said, after delivering a headline presentation to the Family Business Conference.

"Not being driven by the next quarters allows us to make the right decisions and take a more considered approach to things. All good businesses should be looking for the long term. It means we can be more confident in what we do."

The Robinson business can certainly afford to be confident. It was originally set up as a small-scale brewer in 1838, and delivering a quality product remains at the heart of the business. Over the years it moved into managing tenanted pubs, of which it has 250, and nine managed



Gill Hall from Butlers Farmhouse Cheeses receives business advice on a specific question from Mr Robinson

houses within an estate that is run from its Stockport HQ.

And while Mr Robinson is proud of the company's heritage, and the fact that it has continued to grow and evolve with the family, he is also keen to look to the future. Bringing in expertise from outside the family has been a big part of its ongoing development.

"There is always the potential to hold on to things too much. But we wanted to bring people in with the right skills and knowledge to help us and support the business.

"We want to bring people in around us, grow them and help us to make key decisions. The key thing is that you treat them well. It is more than just a salary, it is about involving them and making them feel part of things.

"People know the difference when they work for a family business."

Mixing family with people from outside, and mixing family with business, can be a challenge, but if handled correctly, can

bring real results, added Mr Robinson.

"If you get the right dynamic it can really work and be very powerful. Family businesses are hard work. You need harmony within the family and honesty at all times - we have to give time to talk and communicate.

"We have to understand where business ends and family stops. That talking about businesses isn't appropriate for the dinner table on a Sunday.

"You can't take things home with you, because when you do it can become more challenging."

Robinsons Brewery has big ambitions for the future. It plans to keep investing in its tenanted pubs, at a rate of around 20 a year, and is looking to build external sales. And while it is hard work, Mr Robinson is keen to stress it needs to be enjoyable.

"We're about brilliant pubs and brilliant people. A business is all about people. And if you can't have fun running pubs, then you really have to go and do something else."

## NEW APPOINTMENT



Armstrong Watson's award-winning tax consultancy team are celebrating with the recent appointment of Steve Ferrie to the firm.

Mr Ferrie joins the firm as a VAT consultant following a 39-year career with HMRC, primarily as a VAT inspector.

A CIOT chartered tax advisor, he will work as part of the VAT team, providing advice to clients across its 16 offices, including Carlisle, Penrith, Workington, Kendal and Wigton.

A main feature of his role will be to offer a new VAT health check service to clients.

Following on from his experience as an internal trainer with HMRC, Mr Ferrie will also offer a VAT training service to business owners who wish to improve their own or their staff's VAT knowledge, with this being tailored to the specific requirements of each individual business.

He said: "I am delighted to be joining the Armstrong Watson tax team, especially at this exciting time as the firm celebrates 150 years of advising and supporting clients.

"I hope to be able to use my experience of working in and teaching VAT in the public sector to assist both clients and colleagues with the challenges VAT may sometimes present."

David Graham, senior VAT consultant added: "It is a great pleasure to have Steve on board as part of the VAT team. Steve will bring a wealth of knowledge with him which will be invaluable to our clients."