



THE OXFORD FARMING CONFERENCE 2016

From Hen House to Humidity Controlled Warehouse.
Have you managed to sweat your assets?

Emlyn Evans

SQUAB
GROUP

box-it
documents are our business


T.I. EVANS & SON
SQUAB HALL FARM, LEAMINGTON SPA

PIGEON
ENTERPRISES LTD

Background to speaker

2003 - 2015

- Emlyn Evans (aged 36), fourth generation farmer/businessman running storage based diversified operations from 600acre arable farm in Leamington Spa, Warwickshire.
- Currently running four businesses along with brother, Les Evans - aged 55 and father, Keith Evans - aged 81 and recently set up a new company to incorporate Alex Henney - aged 39.
 - o T.I.Evans (Family owned - £750K turnover - 75 years old) - farming operation which is expanding through JV strategy and currently engaged with two other partners - running 1800 acres. Also current Monitor Farm & actively involved with local benchmarking group.
 - o Squab Group (Family owned - £1.50 million turnover - 10 years old) moving and storage operation which offers self storage facilities to homes and businesses (circa 60,000 sq ft - increasing to 75,000 sq ft in 2016 with circa 500 customers) & removals service (local, national, European & overseas moves using HGV trucks and 3.5T trucks - carry out approx. 1500 moves per annum)
 - o Box-it Central Ltd (Franchised business - £1.20 million turnover - 18 years old) - document management business providing a range of paper storage, document destruction & digital storage services to businesses within Warwickshire, Oxfordshire & Leicestershire (approx. 400 customers)
 - o Pigeon Enterprises Ltd (Family & new partner AH - formed in last nine months) - owns and runs all self store operations off Leamington Spa site - currently 20,000 sq ft warehouse based in Daventry with further planned.
 - o Squab Personnel Ltd - (Family owned) - provides labour to all businesses - currently 50 members of staff (42 full time)

2001 - 2003 **Dyson Appliances** - General business graduate scheme

2000 - 2001 **Reading University Student Union** - trustee in sabbatical post in charge of clubs & societies

Education

2010 **Cranfield University** - Business Growth Programme

2003 **Warwickshire College** - Diploma in Marketing

1997 - 2000 **Reading University** - BSC Agricultural Economics - 2.1

1987 - 1997 **Millfield School, Somerset**

History to business - key highlights

1940's

Grandfather moved up from Wales with family having purchased a farm of 234 acres on the outskirts of Leamington Spa - brought cattle up on the train and set up his new enterprise!

Key takeout - bold & very progressive decision making but at the time was a risky move and definitely unsure of the outcome. The visionary approach he took to business and not being constrained by the resources at his disposal enabled the foundations for the current business to develop in to what it is today.

1940's - 1980's

Father took on day to day running from grandfather - farm expanded acreage up to 500 acres mixed operations including dairy (200 holstein fresians), poultry (50,000 laying hens) & arable. Included erection of clear span buildings for livestock in 60's and the start up of a grass drying group in 1970's (no longer operational).

Key takeout - Farming develops a wide range of skill-sets including people management, trading decisions, animal husbandry, building & construction, planning, accounting & most importantly lateral thinking! The key is how to harness these skills into developing value added products/ services that have satisfy market demand and have a competitive advantage over the alternatives.

1983

Les Evans arrived back to the farm after a formal education at Harper Adams and time spent on a third party farm - agreed to run the dairy & arable side of business. Spent many challenging years managing the transition of the organisation and reducing the debt levels.

Late 80's/Early 90's

Milk Quota introduced after decision was taken to cull poor performing animals- expanding the herd from a low base with quota restrictions was going to be challenging and herd became unprofitable - sold up in early 90's.

Edwina Currie comments severely damaged the egg production side of business - sold up in early '90's after having attempted pullet production for a number of years.

Financial debt & high interest rates at the time caused large pressure on the business forcing the partners to adapt/evolve their thinking.

Key takeout - External pressures created a tough trading environment and a period of change- what do you do...develop and adapt or seek shelter and go backwards? Outward thinking strategy combined with a persistent approach were vital in finding a way out of the situation and ultimately in keeping the business alive.

Early 90's

Diversification out of agricultural began & included indoor markets, indoor go karting (not on site), renting space to a variety of tenants, developing plans for a waste transfer facility. In the end it was oil seed rape storage that provided a stable income and the business became one of largest private stores in country - generated added value income from drying & cleaning.

Late 90's

Set up Box-it Franchise 1997 - business grew rapidly and became largest franchisee within five years storing archive boxes in old cattle/poultry sheds - Les questioned the parameters and came up with an innovative sales approach as well as finding key personnel to run the business.

Key takeout - Entering market places that are unknown to the business are risky and not always successful but taking a low start up cost approach when investigating innovative ideas is important. Ensure you have self belief in what you are doing - if things don't work then take the learnings, be proactive and move on to the next opportunity. This approach is a must for any entrepreneur.

Early 2000's

Emlyn arrives back with the mindset being that there may not be enough space but try it for two years to get the 'working for yourself bug' out of the system!

Land was sold to the local council for playing fields & another block was sold off for a broiler site that the business didn't wish to finance. Box-it started to develop into a successful enterprise. This resulted in the organisation being able to pay back all debts and re-invest into the farming enterprise and additional buildings for Squab.

Customer demand from Box-it advertising had lead to small furniture storage business to grow alongside it - later to become Squab Storage.

A strategy of developing storage related business streams becomes the focus.

Key takeout - Developing complimentary businesses from a strong asset base is often a successful strategy. It is important to identify and nourish the golden goose that lays the golden egg (Boxit), which enables other opportunities to lever off that business as they go through their early growth phases.

Late 2000's

Number of trips to USA made to help develop ideas for expansion, membership to key trade bodies and attendance at trade conferences.

Squab Group is created and develops a range of added value moving and storage services to the existing crate storage business - including removals, self storage, van rental and domestic shredding services. The business takes over a number of local competitors and enters in to Britannia movers as it expands and surrounds itself with key players in the industry.

T.I.Evans purchases 200 acres of additional land around iconic windmill at Chesterton.

Approx. £2 million invested in to land and redeveloping the site over this period.

Key takeout - Adding value to the existing business streams creates additional opportunities for growth. Identifying and spending time with industry leaders by being proactive provides further ideas/points for discussion to help develop the business.

The land around Windmill was able to be purchased through strong relationships with others, (vendors, local farm manager and bank) - wouldn't have been possible had it gone on the open market.

2010 - 2015

Family board is created with an outside chairman heading the meetings - overall strategy is discussed and a variety of difficult family related discussions are held.

Range of inheritance tax strategies deployed, management team created and developed to run day to day business operations and shape the future of the business, allowing the family to focus on developing strategy and identifying new opportunities.

Key takeouts - Recognising the importance of strong corporate governance from a relatively early stage in the business growth allows you to continue to grow the business and not get dragged in to the day to day running for excessive periods of time. Bringing in outside individuals who respect the business but don't have the family emotions helps make difficult family related decisions and plan strategically.

Speech

Starter slide - Title of presentation

Slide summarising who we are and what we do & brief history

Slide two

1. Farming is a good base to work from - are you maximising your resource?

- Range of skill sets developed from farming
- Asset backed business
- Grants/subsidies available
- The farming story

Slide three

2. How well do you react to change - can you seize the opportunities?

- Doing the same thing
- Speed of change is accelerating
- How can you see change?
- Do you enjoy change and is your business comfortable with it?

Slide four

3. Are you developing yourself and others around you?

- Can you build a team?
- Do you recognise the importance of developing yourself?
- Can you bring out the potential in your team?

Slide five

4. Do you picture your business becoming bigger than you ever could imagine?

- Do you dare to imagine?
- Are you bold enough?
- Do you surround yourself with the best?

Slide six

Will a more entrepreneurial approach help my existing farming business?

- Does diversification harm our farming business?
- Diversified businesses are financially supportive
- Is it possible to create a synergy between different businesses?

Slide seven - Summary.

- Farming is a fantastic base from which to operate from - are you maximising the opportunities?
- Are you set up to react to change and can you seize the opportunities?
- Do you see the relevance of developing yourself and others around you?
- Are you thinking big enough?
- Entrepreneurial approach will help my existing farming business - if you diversify then the chances are farm business will grow.

Slide eight

‘The winds of change are blowing every harder. Some will build a shelter, others a windmill’