

## END OF AN ERA

Count down to the big move in IM style

## IM PROPERTIES

Huge growth of the property business

## 2008 - 2018

IM Review celebrates its 10th issue

# imREVIEW

2018/19



**SUBARU**  
UK

In 2018 we launched Subaru's new brand platform: Better Where It Matters. This ethos not only informs our marketing activity by demonstrating that we focus on the things that really matter when building our cars, but also everything we do as a business. We used this new platform to launch Europe's safest small family car – the all-new XV – in January and have seen Subaru UK go from strength to strength. We've consistently been in the top-five fastest-growing automotive brands this year and have ambitious plans for continued growth in 2019 and beyond.



## MANY CARS WERE HARMED IN THE MAKING OF THE XV.

THE ALL-NEW XV. We think world-class safety is essential, not an optional extra. That's why we've been crash testing our cars since 1965, long before it was a standard requirement. Euro NCAP's **BEST IN CLASS Safest Small Family Car 2017**.

(**BETTER** where it **MATTERS**)

Find out more at [subaru.co.uk](http://subaru.co.uk)

SUBARU XV RANGE Fuel consumption in mpg (l/100km): Urban 32.5–33.1; Extra Urban 47.5–48.7; Combined 40.9. CO<sub>2</sub> Emissions 157–155g/km.  
MPG figures are official EU test figures for comparative purposes and may not reflect real driving results.



# IM REVIEW 2018/19

## INTRODUCTION

Two years ago on the introduction page of that year's IM Review I talked a little about the shock of the Brexit referendum result, pondering the implications for our business and business in general. It seems incongruous to someone who is used to the fast pace of business – from decision to action can be extremely rapid within IM – that two years later we are still some months away from actually leaving the European Union. As I write, the UK's departure is scheduled for March 2019 but there is even some suggestion it may not happen then! My father often talks about the many things that we don't get to control which have a profound impact on the health of our company. The point he makes is that we must be all the more careful and deliberate about those things we can control and, where possible, try to be informed about everything else so that we have as much forewarning of events as possible. The meandering journey that has been Brexit so far has been enough to test even the most ardent forecaster.

This is a problem. As part of my quest to become informed about the impact of this new reality, whatever it may look like, I have spoken with politicians, bankers, industry professionals and advisors to European governments. The most overwhelming discovery I have made is just how much misinformation exists around this topic.

Our belief and hope is still the same today as it was immediately after the referendum. We believe in the resilience and creativity of the British people which will give us a great chance to navigate the difficult road ahead but still take hold of the opportunities that will certainly arise.

It is this thought that has driven much of our activity for this year and into the next. We are seeing many opportunities to grow as a business though they are not always clear cut and we are having to discuss and communicate at senior level perhaps like never before as events unfold.

Across all of our business activities there has been a renewed effort to bring a greater focus to our work and ensure that we have the flexibility to act should the environment quickly change. A concentration on how we employ our capital and the infrastructure on which our group is built have been a key focus for us. We are already planning the next phase of growth for the company and designing our business to suit what we are expecting from the next few years.

Even aside from the UK's membership of the EU there are many themes dictating the future. People often talk about how different the millennial generation is to those who went before and the fact that their buying habits will dictate how the major industries behave as their purchasing power increases.



Legislation heavily affects all three of our business groups and though we have sight of the legislative landscape for the next few years there is always something that you couldn't predict. We are well into the current financial cycle and global debt, low interest rates and relatively low inflation plus continued demand for cars, property and finance, lend a highly-strung nature to the global economy. We are confident but know that any confidence is misplaced unless you retain the speed of thought and action that is required when the mood swings.

As ever in IM, the words of my father and our founder are ringing in my ears. We are looking forward to the future with expectation but not so much that we have stopped looking at the nightly news.

A handwritten signature in black ink, appearing to read "Andrew Edmiston".

*Andrew Edmiston  
Managing Director – IM Group*

IM REVIEW 2018/19

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# *A night to* REMEMBER

FOR SOME GUESTS AT THE 2018 IM GROUP CHRISTMAS PARTY IT WAS ONE OF THEIR LAST OPPORTUNITIES TO MEET WITH ALL THEIR UK COLLEAGUES AT IM HOUSE IN COLESHILL – THE GROUP'S HEADQUARTERS SINCE 2006.

Nearly 400 guests gathered for the joint Christmas party and farewell event to the old HQ. As with all IM events it was spectacular, culminating in a gigantic and colourful firework display in the grounds which lit up IM House in a dazzling display.

Memories of many happy times must have stirred as the silhouette of the HQ building was highlighted in a shower of glorious colour, which even the chill of a late December night could not dampen.

IM colleagues based at Coleshill, the old Ryder Street offices, the Sheerness car import centre, Christian Vision, staff from the Grace Academy offices at The Pavilion and staff from Spitfire Bespoke Homes southern office all joined the fun.

The party was of course fantastic with entertainment provided by The Earth Lights and the award-winning magician, Dynamo, who left guests staggered with his mind-boggling skills.

The countdown has now started in earnest to the move from Coleshill to the new HQ at the Fore Business Park on the outskirts of Solihull. So although for many, leaving Coleshill will be a little sad, the new offices are bigger, better and will open up a bright new future for the company and its loyal staff.



# IM's New HOME

THE FUTURE AT THE FOREFRONT  
OF THE PRESENT

IT'S A BRAVE NEW WORLD FOR THE IM GROUP WITH A MOVE  
TO A BRAND NEW PURPOSE-BUILT HEADQUARTERS IN 2019.

Britain's HS2 high-speed rail line forced a move on the IM Group but it will have huge benefits for the business and its staff.

The compulsory purchase order on the present Coleshill HQ meant IM had to find a new home for its 250 staff. And it found the perfect location – the Fore Business Park just off the M42 on the outskirts of Solihull.

In many ways the new location will feel familiar, says Project Director, Majella Lynch, who has been working on the new HQ project from the start. The actual move is scheduled for June 2019.

She said: "A major challenge was to find a location that would offer the countryside feel currently enjoyed at IM House. At Fore Business Park we will have managed to replicate the environment with its country park setting. Where Fore differs from Coleshill is that it's much closer to local services and is within walking distance of Solihull."

"The new development forms a campus style layout, with three bespoke buildings, the HQ, a training academy and apprenticeship centre and the new UK Christian Vision charity office. The new HQ building will be approximately 16,000 sq ft larger than the present office to allow capacity for the future growth of the business."

Majella added: "The new offices are purpose built for us and included key advances. For instance the large, open central area in the

current HQ can be noisy and distracting at times. Our new office has a presentation area which is open to everyone across the Group, but is separate from the working office areas.

"The new HQ will certainly be more 'user-friendly' with informal meeting rooms, break out areas and many communal spaces. A new state-of-the-art canteen will be a major feature on the top floor together with a gymnasium. This building will have the well-being of the employee at its heart. Happy staff, comfortable in their surroundings and encouraged to work collaboratively, will promote the productivity of the business and generate a greater sense of empowerment and loyalty."

As well as having new sophisticated audio-visual and IT systems, Fore Business Park will be 'greener'. "Sustainability was high on our agenda and both the HQ and Christian Vision buildings use PV technology to reduce energy use and lower emissions. The lighting in the building will be controlled by a smart energy reducing system and outside a great deal of attention has been paid to landscaping and the use of natural water courses in the parkland setting."

Majella freely admits that this has been one of the most challenging projects she has worked on to date. She added: "It's aspirational and will provide the business with a fantastic office for both now and the future. It's going to be a great place to work."





**GENEVA HAS LONG BEEN  
REGARDED AS THE WORLD'S  
PREMIER MOTOR SHOW  
WHERE MANUFACTURERS  
UNVEIL KEY FUTURE MODELS.**

So the 88th Geneva International Motor Show in March was the venue for Subaru to give the first public viewing of the stunning VIZIV tourer concept. VIZIV stands for Vision for Innovation.

Both the international press and public alike were impressed with the flowing lines of this latest concept from Subaru, which has used Geneva to

debut its future thinking of cars since 2013.

The Subaru VIZIV tourer concept combines a symmetrical all-wheel-drive layout with the legendary Subaru boxer engine. It embraces Subaru's wealth of expertise in driving performance, practicality and safety to deliver a daring new tourer.



Looking ahead to the possibilities of future automated driving technologies, the VIZIV tourer has many advanced driver-assist functions combining the next-generation EyeSight system with devices to reduce driver fatigue on long journeys.

The advanced design has been based on Subaru's shared "Dynamic x Solid" design philosophy and some of the new safety technologies may well be seen on Subaru cars within just a few years.





THE PICK-UP THEY CALL 'UNSTOPPABLE' HAS BEEN GIVEN A MAKE-OVER FOR 2018 BUT CONTINUES TO HAVE JAW-DROPPING LOOKS EQUALLED BY AN AMAZING OFF-ROAD CAPABILITY.

UK motoring weekly *Autocar* tested the first generation of the Isuzu D-Max Arctic Trucks AT35 and handed it the title of 'unstoppable' after throwing everything they could at the striking vehicle.

Now this really exclusive Isuzu has been further-enhanced and a fantastic feature called Trailer Sway Control has been added as part of the standard equipment.

It uses sensors to detect any trailer swing and reduces vehicle speed if it is identified. The speed of the AT35 is automatically quickly controlled by reducing engine torque and braking without the driver having to do anything. To give other drivers a warning the AT35's brake lights are illuminated when automatic braking occurs.

The 2018 model gets a refined and enhanced

interior, with a refreshed seat trim and updated soft-pad designs to the arm rests, binnacle and utility box lid. Gloss black trim has been added to the window switches, air vents and glove box, which also incorporates a new Isuzu D-Max badge. The use of new materials increases the quality, look and feel and helps ensure greater comfort on all journeys and terrains.

It is a most striking yet comfortable and rugged pick-up with amazing off-road credentials and lives up the Isuzu motto of 'professional where it matters.'

Already an exclusive, standout pick-up, the Isuzu D-Max Arctic Trucks AT35 has a host of features including 35-inch Nokian Rotiiva AT Tyres riding on 17-inch x 10-inch AT Black alloy wheels, special Fox Performance Series Suspension, flared wheel arch extensions and

extended profile side steps for easy access.

Inside it has leather upholstery, a 7-inch multifunction colour touch screen with Apple CarPlay™ & Android Auto™.

For 2018 it gets three new colours – Spinel Red, Sapphire Blue and (to special order) Galena Grey. The Isuzu D-Max Arctic Trucks AT35 retains its superior 3.5 tonne towing capacity, outstanding 125,000 mile/five-year warranty and five-year roadside assistance in the UK and Europe. Prices for the 2018 model in the UK start at £38,545 on the road.

Arctic Trucks, an Iceland-based specialist engineering company with a long and renowned history in Iceland and Scandinavia is a creator of 4x4 vehicles able to take on the most demanding terrains and conditions.

# FORGET THE PUB TRY PING PONG!



FANCY A NIGHT OUT WITH A DIFFERENCE - HOW ABOUT A GAME OF PING PONG? NO, HONESTLY - TABLE TENNIS IS NOW APPARENTLY THE 'IN THING.'

IM Properties has signed up SERVE, a company that links table tennis and fun nights out, to a 12,000 sq ft underground unit at 55a Temple Row in Birmingham.

SERVE is the brainchild of business partners James Day and David Smith, who first met in New York and began to develop the idea for a venue which combined four key elements – great food, fantastic cocktails, outstanding service, and most importantly, fun! They had a vision to create a new offering that could provide a relaxed, family friendly environment by day and a hip, nightclub by night.

David Smith, Managing Partner, explained: "Ping pong social venues have taken off in the states with a new generation of players enjoying the social side of ping pong in cool bars and clubs."

Birmingham was selected as the venue for the company's flagship centre. But James and David wanted a particular setting, and IMP came up with the ideal solution – underground at 55a Temple Row right in the city centre.

David said: "SERVE is the first venue of its kind outside of London and James and I spent months researching our market and the top cities for our flagship launch.

"With its vibrant culture and thriving social scene, Birmingham was always

one of our top choices. There is huge investment taking place across the city and the Birmingham food and drink scene is expanding at an amazing rate. Over the last 12 months alone more than 15 new bars and restaurants have opened in the city including some very well-known names. Our aim is to quickly establish SERVE as the iconic, go-to venue in Birmingham which offers something cool, contemporary and fun!"

With 17 table tennis tables and private reSERVE rooms for birthday parties and corporate events with a difference, SERVE will be open throughout the day and night, offering something for everyone and is creating 40 new jobs in the city.

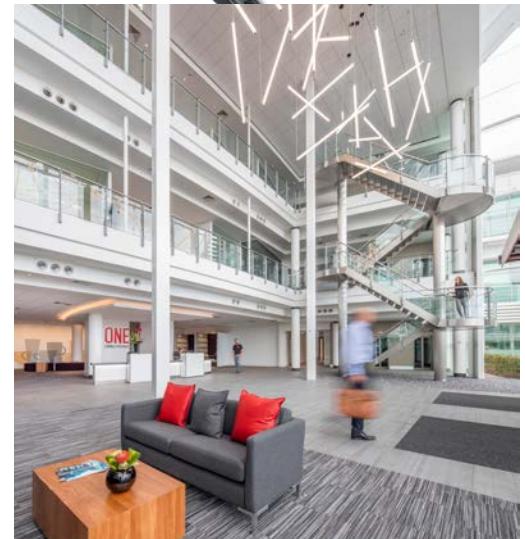
SERVE Birmingham is the first of several venues planned to open as part of an ambitious growth programme, with at least three more planned in the next 12 months.

Harry Goodman Asset Manager at IM Properties said: "It's great to see innovation in any market and refreshing to work with a brand such as SERVE to offer a new leisure experience in Birmingham. We're confident the city will embrace the concept."

In August SERVE held a special pre-opening event which drew an audience of more than 250 VIP guests. They had the chance to play table tennis on the 17 tables and were entertained by street dancers, a Brazilian dance group and several top level table tennis players who were on hand to show how the game is played.

55a Temple Row is also home to a number of retailers including Pret a Manger and Jessops.

# BLYTHE VALLEY PARK JOINS THE JET SET



GKN Aerospace, one of the UK's leading blue-chip companies, will be moving its HQ to IM Properties' Blythe Valley Park early in 2019.

It's another vote of confidence in the fantastic work/life balance attraction of Blythe Valley Park, one of the first truly mixed developments of homes, offices and warehouses of its size in the UK.

GKN Aerospace is a global player in the aerospace industry employing 17,000 people in around 50 locations in 14 different countries and virtually every aircraft in the skies today incorporates GKN components.

At Blythe Valley Park the company has signed up for 11,403 sq ft at One Central Boulevard, which has attracted a variety of quality occupiers

since its £5 million refurbishment.

Jane Leedham, GKN's Estates Director, said they were extremely pleased to be moving to Blythe Valley Park. "It's a great location for us, with it being on junction 4 of the M42 and its proximity to Birmingham Airport and nearby train stations, it's easily accessible for our international business visitors, but it's also a great benefit to our employees," said Jane

As part of IMP's commitment to helping occupiers attract and retain top talent, it has invested significantly in the amenity offering on

the park, bringing independent Coffee House Java Lounge to Blythe in a purpose-built unit. There is also a Virgin Active Health Club and Busy Bees daycare Nursery.

Rob Hemus Asset Director for IM Properties added: "We're delighted to welcome GKN Aerospace to our list of forward thinking occupiers at Blythe Valley Park."

Alongside the commercial buildings at Blythe Valley Park, IM Properties is creating up to 750 homes to establish the UK's first truly mixed-use scheme of its size.



Blythe Valley Park will be a mixture of homes, offices, warehouses and leisure facilities set in parkland surroundings which will eventually see up to 750 homes within walking distance of modern office and commercial buildings.

Bloor Homes has began work on the first phase of housing with 170 new homes, while the offices and commercial buildings have already been built and are attracting clients who see the benefits of this new style of development.

Blythe Valley Park is just off Junction 4 of the M42 which provides a gateway to nearby Solihull and is within a short drive to Birmingham Airport, the NEC and Birmingham International rail station.

Outline planning permission for up to 750 homes, more than 1,063,483 sq ft of employment floor space and a 250-bed care facility was secured by IM Properties in March 2017.

Several blue-chip companies, including Gymshark, Infor, PKF Cooper Parry, Siemens and Zenith, are already established at the business park.

Bloor Homes first phase of 170 homes will be built on a 4.9-hectare site located in the south west of Blythe Valley Park, and will be a mix of one-, two-, three- and four-bedroom properties.

A total of 43 of the homes will be provided as affordable housing for social rent and shared ownership and IM Properties will be making a contribution of more than £228,000 towards local services and infrastructure through the Community Infrastructure Levy (CIL).

Paul Degg, Regional Managing Director of Bloor Homes Midlands, said: "We worked very closely with IM Properties and planning officers to design a high-quality and attractive new neighbourhood with a village character.

"The homes at Blythe Valley Park are being built using a combination of traditional materials, including red brick and a mix of grey, brown and red roof tiles, whilst at the same time boasting stylish modern interiors and contemporary open-plan layouts.

"Our development will be set amongst large areas of green open space, tree and hedge



planting, utilising the 122 acres of country park surrounding the Blythe Valley Park scheme, which already includes a nature trail."

Jonathan Dyke from IMP's strategic land division, said: "We are confident Bloor will create the right quality and mix of homes to assist in building a thriving new community we can all be proud of."

# SAFER IN A SUBARU

HAVING ALREADY GAINED THE MAXIMUM FIVE-STAR RATING IN EURO NCAP TESTS, SUBARU'S ALL NEW XV HAS BEEN RECOGNISED BY WHAT CAR? MOTORING MAGAZINE EXPERTS AS BEING ONE OF THE SAFEST CARS ON THE ROAD.



The specialist journalists were so impressed with the advanced safety features on the latest XV that it was highly commended in the prestigious Safety category of the 2018 annual *What Car?* awards.

Subaru's bespoke EyeSight safety technology was a key contributing factor to winning the accolade just before the new car went on sale in the UK.

EyeSight uses two digital cameras to detect the car's surroundings, highlighting any potential threats that could cause a collision and it works both on and off the road. The all-new XV has also been praised for its passenger and child safety credentials, topping the findings as the safest car for child occupancy.

Subaru's EyeSight also gives the driver a warning of unintentional lane departure and helps him or her to continue to drive safely and in the correct place on the road.

The all-new 2018 XV was the first model

to feature the new Subaru Global Platform (SGP), designed to deliver higher levels of safety performance, driving enjoyment and ride comfort.

It significantly adds body and chassis rigidity while allowing impact energy to be better absorbed – an improvement of 40% over previous models.

Chris Graham, Subaru UK's Managing Director, said: "We are delighted that the all-new XV was highly commended by *What Car?* Safety is in the DNA of Subaru and our customers buy Subaru cars because of, among other factors, their safety credentials.

"*What Car?* does not give out plaudits easily so it's great that the Subaru XV has been recognised as one of the safest cars on the road. We use the motto that Subaru is 'better where it matters' and safety is certainly a key feature that really matters – often safety features can be the difference between life and death in a serious accident."



## RON FRECKLETON 1931 - 2018

Staff were saddened to learn of the death of Ron Freckleton on 4th November. He was a key founder of Jensen Parts & Service and a close confidant of Bob Edmiston when he established the company. In his eulogy at Ron's funeral on 19th November, Lord Edmiston described him as a good friend and trusted business colleague: "When I was setting up Jensen Parts & Service I sought advice as to who, of all the 1200 Jensen Motors employees, was the best person to help me do it. Ron's name was put forward and I chose him. I have never had cause to regret that decision. On the contrary, without him it would not have been possible.

"Ron was a gentleman of the old school. He was equally comfortable in the presence of senior business leaders as he was with any of the workers on the shop floor or the most junior clerk in the office. He was in awe of no-one but treated everybody with equal respect. He was an honest man who could always be trusted to tell you what he really thought. His advice was indispensable."

Lord Edmiston said that in helping to lay the foundations of the business that was to become the IM Group, "... I, and all who have worked at IM, owe Ron so much."

Ron, who was 87, was Managing Director of International Motors Parts & Service when he retired in 1992. His automotive industry career had started at Austin from where he moved to Jensen, quickly rising through the ranks on the shop floor. He was known and respected for his 'hands-on' abilities, enormous sense of humour and fun – his legendary practical jokes in particular.

## PM SERVES UP THOUGHTS ON BREXIT AT IM HOUSE

PRIME MINISTER THERESA MAY DELIGHTED CATERING STAFF WHEN SHE VISITED IM HOUSE AT COLESHELL IN JULY FOR A LUNCH MEETING OF THE MIDLANDS INDUSTRIAL COUNCIL (MIC) AND POSED FOR PICTURES WITH TWO OF HER ADMIRERS, ESTHER HEATH (LEFT) AND RESTAURANT MANAGER, LORRAINE FERRIS.



IM Group Chairman, Lord Edmiston, is a vice-president and former chairman of the MIC, which was founded by Midlands-based industrialists more than 70 years ago to fight nationalisation and to secure investment for the region. He likes to host gatherings of the 28 members – all leaders of successful businesses in the Midlands – who meet four times a year.

"Lord Edmiston doesn't host all our meetings," said David Wall, former Business Development Director at IM Group and currently secretary of the MIC. "But he does like to host as many as possible and 26 members attended our July business lunch."

"We were particularly fortunate to secure Mrs May's attendance at a time when there were an exceptional number of calls upon her time – not least of which were those involving Brexit," he added. "She received a very warm welcome at IM House and was more than happy to meet staff and to pose for a picture with two of the catering staff who looked after us during lunch."



# HI-TECH UNIT IMPRESSES GERMAN HI-TECH FIRM

Around 50 people will work in the 47,000 sq ft hi-spec unit on the Connexion campus which was specifically selected by the company. Connexion is a £26m speculative development of five hi-spec units directly off junction 4 of the M42.

Neil Howlett, head of operations at hofer powertrain products, said when they began researching potential locations, there were two main criteria that, absolutely, had to be met.

The site had to be within the West Midlands hot-spot for automotive engineering talent, to attract the best skills, and also had to be close to main road links to potential automotive OEMs, along the M40/M42 corridor.

He said: "We looked at several schemes in the area, but Connexion is a campus with a premium look and feel, within its own landscaping, good security and infrastructure."

"Recruiting and retaining top talent is a key priority to us. We were attracted to the human side of the business park and the value Blythe Valley Park put on people."

He added: "It has leisure facilities and a coffee shop allowing employees to take a break, go out for a walk or run and enjoy the surrounding parkland. It also has a crèche facility for our team with young families allowing convenience and a more balanced lifestyle."

**A German-backed advanced automotive engineering firm has found a new home on the Connexion campus at IM Properties' Blythe Valley Park development. hofer powertrain products UK will specialise in hybrid transmission systems for vehicles. Much of their work is for UK premium sports-car brands. The advanced technology unit was set up by hofer powertrain in Leamington in a joint venture with German company, ElringKlinger.**

hofer power products is also looking to set up an apprenticeship scheme. It hopes to work with local universities, to take undergraduates for placements and teach the practical side of the engineering business.

Neil said: "We hope to be able to give something back to the West Midlands talent pool. Being part of hofer and ElringKlinger could allow students the scope to develop their skills in any number of automotive sectors and experience working in different facilities around the world."

Rachael Clarke, Development Manager at IMP (pictured opposite), who has overseen the speculative development of the Connexion

scheme said hofer powertrain products UK was exactly the target occupier they had been looking to attract and were delighted to sign them up.

"We put our heads above the parapet to develop this speculative scheme. We felt there was a demand for premium product in the region, which is reflected in the rent we've achieved."

"Whilst the Blythe Valley Park location is ideal for 'last-mile' logistics, Connexion's high-quality design and setting also appeals to tech industries.

"It's very well connected too and as hofer powertrain products UK is German backed, they liked the fact that we ran a shuttle bus to and from the airport in the morning and at night."

Blythe Valley Park provides good access to the M6 and M40; is close to Solihull town centre, Birmingham Airport, the international train station and will be ideally located for the new HS2 hub.



# SHANG DEGANG RETIRES



**After almost 20 years with IM Group's operations in China, Shang Degang retired on 12th December.**

Shang joined IM from Beijing Jeep as an engineer when IM had a staff of four in China and was exporting kits of Chinese trucks to Zimbabwe where they were assembled in Harare. Having risen through the business, he became Managing Director in 2004 going on to oversee expansion of the Beijing office head-count to 55.

Martin Dalton, IM Group's Business Development Director, who has worked closely with Shang since 1999, said Shang will be greatly missed. "He and I have travelled the world together. There's hardly a country – or a town or city in China – that we haven't been to on business. Throughout all his time with IM, Shang brought great understanding of the cultural differences between our countries to staff here in the UK and in China. For us he was the perfect conduit between East and West."

"Not only that, his knowledge of the automotive industry and engineering is second-to-none and has, over the years, greatly helped us develop the business. Earlier this year, Shang came over to the UK when our Chairman, Lord Edmiston, hosted a farewell lunch for him."

Shang, who is 60, plans to spend his retirement enjoying his family. He and his wife have a son and grandson.

His role has been taken over by his deputy for the past five years, Haitao Jia, who joined IM Group 10 years ago.

# IM PROPERTIES DELIVERS ON CITY AMBITIONS

*Within months a key part in the revival of Britain's second city will be complete – thanks to the foresight of the company.*

Birmingham, already the second-largest city in the UK, is among Britain's fastest growing economies and has ambitious targets under Birmingham City Council's 20-year 'Big City Plan.'

The council's vision is for the creation of more than 50,000 new jobs built on new businesses contributing around £2.1 billion to the local economy each year. A central part of the plan is for badly needed warehousing for the fast-growing service sector.

IM Properties has delivered on one of the key locations of the council's ambitious plan with the development of The Hub, located just three miles from the city centre.

By the end of the first quarter of 2019 IMP will have completed work on the 90-acre site with the completion of three units with a total of 152,000 sq ft, marking the third and final phase of a brave speculative development started in 2013.

During the last five years IMP has delivered around 900,000 sq ft of Grade A space designed for logistics, distribution and manufacturing and created hundreds of new jobs at The Hub. Pundits agree the scheme has been an outstanding success, with the scheme being shortlisted for logistics park of the year 2018 by the Industrial Agents Society.

The Hub is home to Birmingham's new

Wholesale Market, specifically built by IMP for Birmingham City Council, and the site is also the location of the first ECN (electricity cost neutral) logistics building in the UK, which is let to Argos for its last-mile delivery. ECN is the innovative use of solar panels and a Tesla battery offering the tenant the potential to have zero electricity costs.

The Hub has easy access to the main A34 and the A38 Aston Expressway which links to the M6 motorway. Immediately opposite the site is Witton railway station with trains to Birmingham's revamped New Street station taking less than 10 minutes.

Richard Lawrence, IMP's Development Director said: "We acquired this site in June 2013 and have benefited from it being a first-class employment site, close to the city centre, ideal for last-mile delivery, but also as a prestigious location for companies to be located and expand their operations.

"We recently started breaking ground on a pre-let to Birmingham-based home-wares specialist KitchenCraft. Whilst in the main we've been delivering larger warehouses, we are particularly pleased to also be offering two smaller units to help small to medium-sized companies

prosper in the region."

KitchenCraft is a famous Birmingham firm that can trace its roots back to 1850 and is now owned by a Nasdaq-quoted corporation – Lifetime Brands Inc. It now has 4,000 lines of kitchen and homewares and sells in more than 80 countries with a turnover of £50 million.

Richard Lawrence was understandably delighted that such a famous and successful local business had chosen The Hub. He said: "As a Midlands-based company we're always pleased to be supporting the region and working to retain local businesses and enable them to continue their expansion." The Hub becomes KitchenCraft's national distribution centre.

Matthew Canwell, Managing Director of KitchenCraft added: "We are delighted to have committed to the next chapter of our business history and look forward to moving into our new home in 2019. The quality of the environment and the accessibility for suppliers, customers and our staff make this the right location for our business."

*By Hatty Gourun*





## HASELEY MANOR

WARWICKSHIRE

### AN ADDRESS OF DISTINCTION



Manor Terrace frames a tranquil, landscaped courtyard garden set within an expanse of mature landscaped grounds at Haseley Manor. These exclusive, large and uncompromising new residences pair luxury interiors with a truly unique design which has been meticulously formed to pay homage to the Grade II listed Manor itself.

HASELEY MANOR, HATTON, WARWICK CV35 7LU  
SALES OFFICE OPEN THURSDAY TO MONDAY, 10.30AM TO 5PM  
01926 485511 | [haseleymanor@spitfirepg.co.uk](mailto:haseleymanor@spitfirepg.co.uk) | [www.spitfirepg.co.uk](http://www.spitfirepg.co.uk)

John Shepherd  
**COLLECTION**

**Knight Frank**

**WhatHouse?**  
**GOLD WINNER**  
**AWARDS 2016**  
Best Small Housebuilder  
Gold Award

**RESIDENTIAL PROPERTY AWARDS 2017**  
**WINNER**  
Housebuilder  
of the Year

**Evening Standard**  
**NEW HOMES AWARDS 2018**  
Best Family Home

**SPITFIRE**  
bespoke homes

### IM PROPERTIES UK

The Grade II listed Haseley Manor, near Warwick, has long been associated with IM Group having once been IM Properties' head office and also the place where Spitfire Bespoke Homes was founded. This advertisement promotes Spitfire's scheme that is turning Haseley Manor into luxury residences. It carries a specific message that refers to the distinctive new-build homes on the site that have been created to complement the manor itself.

# SVERIGES MEST NÖJDA BILÄGARE



**SUBARU**  
NORDIC

*In Sweden, Subaru has the most satisfied car owners says AutoIndex, the country's biggest car-satisfaction survey. This year is the 12th time Subaru has been on the podium and the 5th time the marque was No 1. The advertisement emphasizes the feeling that Subaru owners have – that the car helps them to experience the things they really enjoys in life.*

Vi är oerhört stolta över att ha Sveriges mest nöjda bilägare. För 12:e året i rad placerar vi oss i topp tre. Det är så klart ingen slump, utan resultatet av ett långsiktigt arbete. Läs mer på [sverigesnoidastebilagare.se](http://sverigesnoidastebilagare.se)

Få ut mer av det du tycker om – bli en av Sveriges mest nöjda bilägare du också.



**3 ÅRS FRI SERVICE\***



**SUBARU**

*Confidence in Motion*

\*Eller vid 1500, 3000 och 4500 mil.

# IM REVIEW WRITERS REFLECT ON A DECADE OF SUCCESS AND ADVERSITY

TWO OF THE JOURNALISTS INVOLVED IN PRODUCING IM REVIEW OVER THE PAST DECADE INTERVIEW EACH OTHER WITH THE QUESTION: WHAT STANDS OUT IN YOUR MIND ABOUT THE IM GROUP?



Midlands-based motoring and business journalist, Keith Read, has known – and reported upon – Bob Edmiston's business ventures since the early days when Bob secured the Subaru franchise. Invited by IM's PR and Advertising Manager, Keith Kent, to contribute to the old *IM Express* newspaper

and all 10 of the IM Group *Annual Reviews*, he has seen the company grow and prosper. But no single factor has underpinned the success of the company, he says. It's been a good handful of factors that have contributed far more than the 'bottom-line' accountancy that dictates the difference between success and failure in many companies. "And for me, the most significant of these is the Christian ethic evident throughout the Edmiston family.

"It's not something that Bob, Andrew or anyone in the family thrusts down your throat. But you can't help but see and feel that honesty and desire to do things the 'right' way – both true Christian virtues. These have always dominated their business decision-making. Not that there haven't been times when those decisions have had to be tough and unpalatable for all concerned..."





The highs far out-weigh the lows, says Keith, recalling that the first IM Group Review was published just 12 months after the world slid into a deep recession that would last years... “Andrew, who by then had taken over from Bob as Group Managing Director, posed two questions in that issue. They were: can IM survive and if it can, will it be profitable? His answer to both was ‘Yes!’ He told readers that challenges – such as the recession – often went hand-in-hand with opportunity. Indeed, it seems to have become IM’s mantra!”

Other lows include the occasions when cost-reduction has required redundancies – something he remembers Andrew authorising with a heavy heart. However, there have been many successes over the past decade. And some – such as The Funding Corporation, now trading as Specialist Motor Finance, reinventing itself – have come as a result of a serious challenge becoming an opportunity.

“Undoubtedly the most impressive success has been the rise and rise of IM properties,” says Keith. “By using its substantial Group cash resources to acquire property when others found it difficult to finance major projects, IM has been able to generate even more profits that have been re-invested in a similar way. What this has also done is expand the property division and created many new jobs.

“It might not be rocket science, but it does require a certain amount of innovative thinking and, at times, a decision to take a risk. It also requires a good reputation. And that’s something the Group – and certainly the properties division – has in abundance. Frequently I hear executives outside the company talking about the fact that IM delivered exactly what it promised, on budget and on time. So much so that in several cases – the Corners of Brookfield project in the US being just one example – organisations and public authorities seeing the achievements have sought to emulate them with IM’s help.

“The automotive side of the Group can also call on its good reputation. Three years ago the French giant, PSA, saw exactly what IM had done with Subaru and awarded its Citroen Ireland franchise to IM. Yes, that business is another challenge in another difficult market. But it is also an opportunity – one where IM’s ‘family-firm’ attitudes and philosophies are finding favour with new recruits among Ireland’s motor traders, the majority of whom are private, family firms.”

During his contact with IM’s Nordic operations, Keith says he has seen at first hand the loyalty, efficiency and enthusiasm that have taken the Subaru marque to the top of customer satisfaction polls. Likewise, a highly-motivated dealer network frequently scores maximum marks in surveys. Not surprising, therefore, that Isuzu recently saw what IM has done for Subaru – and for its own D-Max pick-up in the UK – and awarded IM Nordic the franchise for Norway.

Meanwhile, he believes that Chinese automotive manufacturers – very familiar with IM through its management of the UK Vehicle Certification Agency’s Type Approval service in China – are no doubt looking at the Group as a potential partner for distribution of new alternative-fuel models in the West. The only difference is that these might be more like opportunities that bring challenges rather than the other way round, he adds.

“There have been so many ‘highs’ over the past 10 years that it is impossible to cite but a fraction of them,” says Keith. “But the 10 issues of the Group Annual Review are a lasting record of almost all of them. And what must never be forgotten is that every success has been achieved thanks entirely to the people that are the IM Group. As Andrew once told me, his role is to create the conditions in which the company’s teams can do their jobs – and do them well.”



THREE YEARS AGO, JUST AS IM GROUP WAS CELEBRATING ITS 40TH ANNIVERSARY, JOURNALIST DOUG WALLACE WAS ASKED TO HELP WRITE FEATURES FOR THE TEAM PRODUCING THE COMPANY'S EXPANDING ANNUAL REVIEW.

Doug had first come across IM when he was Motoring Correspondent for Birmingham's *Sunday Mercury* newspaper.

"The company today is just over 40 years old," says Doug. "Yet it seems to have the zest of a new start-up. Another great thing about IM is its people. Everyone that I have come across has been both friendly and very helpful. You always get a great welcome, right from the moment you cross the IM House threshold when that feeling of 'family' – which so many staff members talk about in conversation – immediately becomes apparent and much more than just a glib phrase.

"I have no doubt IM will continue to grow and prosper because, alongside all the nice 'warm sides' to the business, there is also a steely

drive to perform at the highest level. It's quite obvious that the company and all its people – wherever they are in the world – have never lost that drive, which traces its roots back to those early Jensen Parts & Service and International Motors days."

It was through International Motors that Doug first came across some of the company's personalities. "Back in my days as a motoring journalist, Keith Kent – who was IM's widely-respected advertising PR guru – lent me one of the first road-test cars I ever had. That was donkey's years ago of course. However, over the years I've met many great people who have worked at IM at one time or other."

Like Keith Kent, Doug also moved into PR working for Mercedes-Benz and, later, for MG. At both

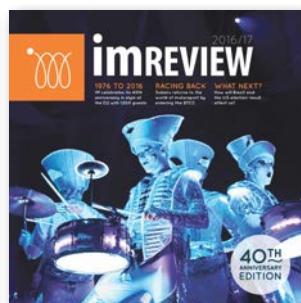
companies he met colleagues who had worked for IM and who spoke highly of the company.

"One of IM's most remarkable achievements has been the rise and rise of IM Properties," says Doug. "I did some property reporting when I worked as a journalist. But I never realised just how big IM Properties had become until I worked on my first IM Review three years ago. I'm constantly amazed at the eye-wateringly large figures invested in land and property that senior staff talk about. There's no doubting that IM is a company with a true entrepreneurial drive, never afraid to take risks – but always balanced risks. It seems to me that many British companies would do well to take a leaf from IM's book.

"The move to the new HQ is soon

to be another major chapter in the history of a company that has grown from zero to a multi-million pound enterprise. Undoubtedly the new HQ will provide the ideal base from which the business expands across a range of sectors in the future.

"Soon, the automotive side of the business will start its drive down the 'electric avenue' opening up yet another venture. That might produce sparks around this exciting new technology. But if any company can make a commercial success of this challenge, IM is surely the company to do it. The words of one IM board member still ring in my ears: 'It's not about challenges, it's about opportunities'."



# IM GROUP-FUNDED CHARITY HOSTS GLOBAL CONFERENCE TO PROPEL MISSION INTO THE FUTURE



Lady Edmiston

**CHRISTIAN VISION (CV) HOSTED ITS GLOBAL CONFERENCE IN MARCH WITH STAFF FROM ACROSS THE GLOBE GATHERING IN THE MALAYSIAN CAPITAL, KUALA LUMPUR, TO STRENGTHEN RELATIONSHIPS AND VISION FOR THE FUTURE.**

The conference was attended by more than 200 people, with around half of attendees covering their own costs to travel to Malaysia from their home countries for the opportunity to join together with CV family from around the world for three days of excitement, discovery, personal and professional growth.

“Momentum” was the conference theme for #CVKL18 and marked the 30th anniversary of the charity.

IM Group and CV Founder and Chairman, Lord Edmiston, have donated £300 million to the mission of CV during its lifetime. Lord Edmiston said that with the help of IM Properties funding has been effectively invested. “Despite the fact CV spends around £17 million per annum, the charity still has funds in excess of that which were donated,” he said. “CV holds a global conference every three years with the intention of advising,

informing and motivating our global teams and setting out vision and challenges for the future.

“Wherever Christians gather together in one place with enthusiasm and a common cause it sparks vision, and something happens.

“Our primary resource is people. When you have the right people, in the right place with the right motivation, leadership only requires a gentle hand on the tiller” he added.

CV operates in the world’s major regions and each conference is hosted by a regional team in a different location offering insight and context to CV’s global operations and rich cultural diversity.

Asia Pacific Director, Stuart Cranney, said the conference organising team wanted to emphasise a high-quality experience that used technology and media to reflect the strengths of CV as an innovative and creative charity. “We produce high-quality, compelling, multimedia content

all over the world to engage audiences every day in our mission in multiple languages. Technology plays a big role in how we operate and connect with people, so our conference experience had to reflect this. For example, a 16-metre x 4-metre curved high-definition LED wall enabled presenters to produce powerful and compelling media showcases. We also launched a conference app to generate buzz in the weeks leading up to conference and connect staff worldwide to the experience.

"Through the app, people arrived in Kuala Lumpur excited and connected to each other

*"Technology plays a big role in how we operate and connect with people, so our conference experience had to reflect this."*

before they even met and were impacted by the high-quality media and keynote showcases with which they were presented. Conference is also an important opportunity to invest in learning and development for our global staff which we catered for through a strong line-up of world class speakers and professional stream sessions covering topics such as leadership development, creative production, and developing a stronger data-driven culture."

Executive Trustee, Lady Edmiston, delivered the opening conference keynote, inspiring staff around the CV mission to introduce people to Jesus and encouraging conference goers about the power of a personal calling aligning with a corporate vision.

When asked about her personal highlights Lady Edmiston said there were too many

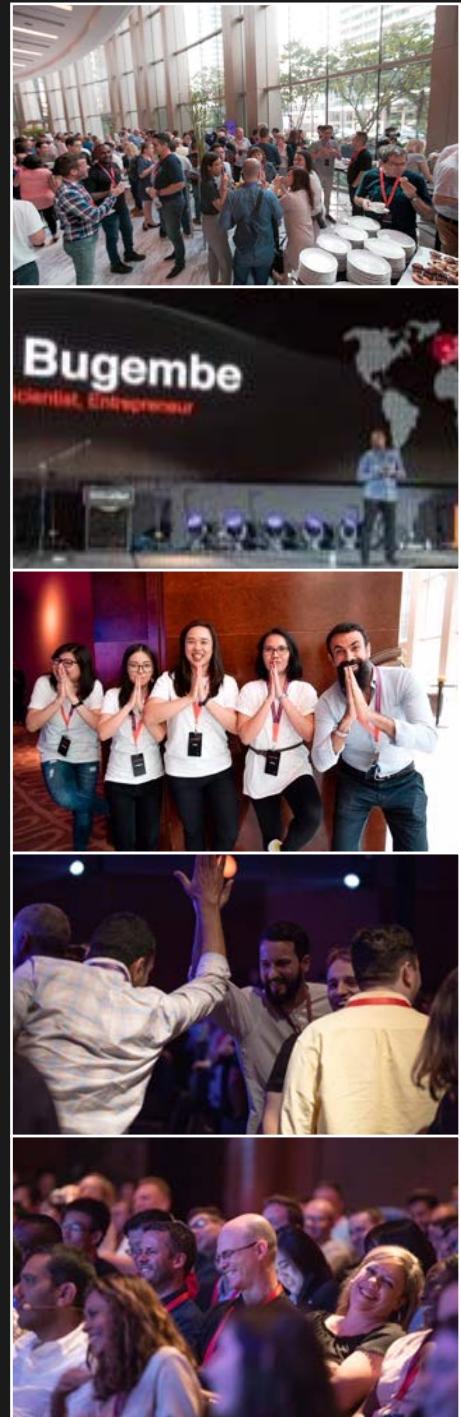
to choose from, but added, "...definitely our people. They are passionate about their work as it is a vocation and calling for them and so are committed to do their very best, motivated out of love for God and a love for people.

"I felt proud of our team in Asia Pacific who put together a world-class conference, and of our staff, all of whom presented and responded so well. I am humbled that I get to be a part of such an amazing organisation.

"When I witnessed the talents of our staff, demonstrated with such excellence – and sensed their heart, humility and passion – I

realised how important it is to release them to do what they do best! I am determined more than ever to identify potential and skills in our staff, take risks and provide them with opportunities to flourish and develop. I'll facilitate them and then get out of the way!"

CV was founded in 1988 by Lord Edmiston with a vision to impact people with the Christian message. This was later defined by a goal to 'touch a billion' with the Gospel of Jesus through strategies ranging from mobilising on-the-ground pioneer missionaries and radio, to social media and digital technology. CV comprises more than 400 people, represented in around 35 countries in seven regions: North America; Latin America; Europe; Africa; Asia Pacific; Commonwealth of Independent States (CIS) and the Middle East.



# REVIEW *of the year*



*By Andrew Edmiston*



The year has hurtled by! It's said as we grow older time passes more quickly for a good mathematical reason. Each year is a smaller percentage of our total lives as we get older... It's a notion I'm becoming well acquainted with these days but it doesn't help me come to terms with the pace and variety of this particular year.

All of the major industries we compete in are in a real state of flux. In particular the automotive sector, where we have to negotiate ever-increasing regulatory hurdles while the test used to measure a vehicle's performance against these regulations has changed.

In September the old NEDC drive-cycle emissions test was replaced with the WLTP test. The new test is around 20% tougher

than the previous one and is a response from the European car industry to the VW scandal that rocked the automotive world. For car manufacturers this has created havoc in terms of development cycles and production planning with many models having to be rushed forward.

Add this to the advent of electric cars, purportedly to be sold in huge quantity - although estimates vary wildly - and that other new piece of technology that seems to further cloud already opaque water – autonomous driving. It seems a perfect storm is arriving for those trying to forecast and plan what the future might look like.

And that's before we even consider what the market wants and expects!

The property market seems to be in

the middle of some kind of 'Brexit pause' with market makers and investors finding sense in a strategy of prudence, waiting to see the final outcome. In the same way that the car market is suffering from compounding major issues, each powerful enough to produce a major headache and taken together a corporate migraine, so the property market is having to ask itself 'What on earth happened to the retail sector?'

It's no surprise to say that traditional retail has been under pressure for some time with buyers finding it makes sense to do much of their trading online. But this year so many major UK high-street retailers have either closed stores or ceased to exist completely. The list of household names

IN THE SAME WAY THAT THE CAR MARKET IS SUFFERING FROM COMPOUNDING MAJOR ISSUES... SO THE PROPERTY MARKET IS HAVING TO ASK ITSELF 'WHAT ON EARTH HAPPENED TO THE RETAIL SECTOR?'



WE DON'T  
FEAR CHANGE  
WE DEPEND  
ON IT. WE  
MAY EVEN  
BE A LITTLE  
EXCITED BY  
IT.....

seems endless with reports that 2018 has been the worst year in traditional retail history.

Meanwhile the market for office space has been mixed and the UK residential market has struggled at the higher end too. We are not talking about 2008/9 repeating but something that feels like the market pausing for thought.

The US economy seems to be riding high, something we are grateful for since we are heavily invested there. President Trump's style seems quite combative and it is never easy to know what he's trying to achieve. Unsurprisingly, he thinks like a businessman, which should makes things easier for others in business to try to work him out. But talk of trade war is not usually a good thing for business. So there is a state of change on the other side of the Atlantic too.

Nevertheless, IM has been busy trying to make sense of what's going on while our whole business looks forward positively. We are agile, flexible and often thrive on challenges and think our way around problems.

A good example of this is the Peddimore deal which IM won against strong competition. Our team worked extremely hard and when the key questions were asked, it was IM Properties that had the best solution for this landmark Birmingham development. Peddimore is the type of deal that makes the market sit up and take notice, it places IM Properties at the forefront in terms of its ability to compete and win. It took hard work, innovative thinking and focus. This and our reputation for being an extremely reliable partner won the day. We believe Peddimore will be an important part of our portfolio for many years to come.

Around mid-year we had a visit from the British Prime Minister to IM House, immediately after she had received President Trump to the UK. She came to talk to a number of Midlands business



leaders about the key topic of the day – no need to be more specific! This was a good opportunity for us to try to understand the objectives of government and gain a clearer view of how she would like negotiations to unfold.

Our finance business, TFC, has seen a re-brand to Specialist Motor Finance or 'SMF' recently. It's not a naming exercise in isolation but reflects a thorough rethink of our trading strategy over the last couple of years.

"What's in a name? Actually it is a tangible sign of new beginnings, new aspirations, new motivation and new hope.

During the year Pat Hanlon joined our executive team. Coming from a stellar career in the banking sector Pat's brief is to help the team planning IM's cash flow and in particular funding sources into the future. IM has always had an extremely strong balance sheet and it is still true today. But we are seeing a strong increase in opportunity across all three of our businesses so it makes sense to find ways to plan our cash utilisation better, including our sources of funding.

A certain amount of gearing – the ratio of our own funds to borrowed funds – is usually a good idea in business. You can rarely maximise your return without it. But as a private company the way we do this is of extreme importance

One of the first tasks Pat completed was a major

refinancing of our SMF business. The finance book at SMF is growing towards £150 million - a level at which it makes good sense to involve bank finance, releasing our own capital to reinvest in other opportunities.

One of these new opportunities is Borgward. Each quarter we have an informal staff meeting at our HQ, a time to talk in conversational style about the business. In November that coincided with signing a Memorandum of Understanding for International Motors to import Borgward product into our Nordic, UK and Irish markets. In true car-business style we revealed a Borgward to staff with the customary pull-back of a satin sheet. It might be a cliché but aren't some of them worth keeping alive? I hope so!

Given the changes to EU emissions legislation I mentioned earlier the Chinese are perfectly positioned to build the kind of product the EU thinks should be sold here. Many brands are looking to use renewable and greener technology, bidding to become global players. On the one hand this seems like a threat to European companies – PSA and Citroen for instance – but history shows that added competition forces local producers to become 'fitter' and trade is one of the best ways to promote co-operation between economies.

I talked earlier about a 'Brexit pause' affecting the property market. Yet the year ended with even

more talk of Brexit as the draft agreement for the UK to leave the EU was published amid much consternation. This was supposed to offer clarity to business about our future relationship with Europe but instead only added to the confusion.

It reminded me of an event that IM Properties held mid-year. Billed 'The Future of (almost) Everything' after the book by Patrick Dixon, the IMP team invited the great and the good of the Birmingham property scene to hear Dixon. He argued that predicting the future was often not that difficult. For example, we know that the average age of the population is getting older, that younger people are finding it harder to get on the housing ladder, delaying them 'settling-down' and having children. Older people are living longer. It's not difficult to predict what this will mean, but what I really loved about this event is what it said about the attitude within our business. We don't fear change we depend on it. We may even be a little excited by it...

As 2018 closes we look forward to the New Year. Any optimism we have has little to do with the business environment or the economy, which is more uncertain than 12 months ago. Instead we find ourselves again relying on our own ability to respond quickly to events while ensuring our responses allow us to compete and grow.

Usually the IM Review is quite forward-looking.

But in order to understand what our response should be I want to look back briefly.

Two people who made very important contributions to IM passed on this year. Ron Freckleton lived and worked for almost his whole career with Jensen Cars and then IM. I remember Ron being a big man, both in physical stature and in terms of his leadership quality. My father spoke at his funeral and honoured Ron's wicked sense of humour, especially where practical jokes were concerned, but also his fastidious commitment to being able to pursue the company's interests at a moment's notice. Whatever the company needed, he stood up to the plate and simply got on with it. Ron became part of IM's first senior management team. He was on first-name terms with the President and founder of Hyundai Motor Corporation and the owner and CEO of Tata, the Indian conglomerate

that owns JLR. Yet he was perhaps most at home on the shop floor – his natural environment. He was never afraid of engaging with powerful figures and was a great defender of our business in the early days of turmoil and new beginnings. He was a calm and steady influence. Today our company stands on the shoulders of giants like Ron. There are people like him in the business today and we may well need them at the forefront if it gets harder to predict how the major issues mentioned earlier play out. Ron showed how it should be done – leadership, focus, humility and plenty of humour too!

The second person was Neville Matthews. His passing was particularly difficult in one sense – he was just 60. Latterly he managed our Irish operations. The thing that Neville loved in business, probably more than anything else, was 'the team'. He loved team dynamics, being part of a team,

leading a team, finding ways to achieve success together as a team. He would often lecture me about teamwork and 'have words' if he felt I was not thinking in a team-minded way enough. He was right too. I know that when we work together as a team, across the business, making room for each other to contribute, working harder and smarter and celebrating each other's successes, if we can do that perfectly, great things happen. Maybe not always and in every situation, but by supporting each other and not giving up I believe we will find a way to success. It's no coincidence that over the years our best performing businesses have always been run by great teams. I think Neville would be proud that I finally got his message!

I knew Ron when I was a young lad, but Neville was a colleague and a friend too. The tribute by former colleague, Ed Swatman, sums up much about this great man.

TODAY OUR COMPANY STANDS ON THE  
SHOULDERS OF GIANTS LIKE RON.

# NEVILLE MATTHEWS

## 1957-2018

Held in great affectionate regard, the death of Neville Matthews, Managing Director of I.M. Automotive, deeply saddened friends and colleagues on both sides of the Irish Sea.

Neville fought courageously against a brain tumour for over two years. Major surgery, aggressive treatment and medication failed to weaken his resolve to recover. Nor did his cruel illness undermine his steadfast Christian faith; it strengthened it. He stuck fast to his rock-solid Christian beliefs throughout his life and departure from it.

One of his dedicated Home Care Team, anxious to help him endure his condition, sought an explanation for Neville's view that he was not suffering stress. His attribution of his composure to his unshakeable Christian faith dumbfounded her.

His loyal friend Sean Dunne, I.M. Automotive's Financial Controller, observed: "We really don't get to choose all the situations in our life but we do choose how we respond. He was a great man and proved it to us more in the last two years than ever before".

Born in County Offaly in 1957, the following year Neville's family moved to Dublin. Educated at local schools prior to entering Trinity College in 1975 to study engineering, he later undertook professional accountancy training with a Dublin practice.

Neville moved to England to work as financial accountant for a clothing manufacturer. After experience with a London practice, he returned to his original Dublin firm in 1988, staying with them until 1990 when he joined IM as Financial Controller of

Vehicle Imports Ireland.

Neville relished the responsibility for contributing to both the achievement and measurement of results, and the 'hands-on' management and cost consciousness of the business. He gained the complete confidence of the Managing Director, Maynard Hamilton. When in 1996 the entrepreneurial Maynard ventured into business on his own account, Neville was his natural successor.

Aiming to ensure that his lean organisation punched above its weight, Neville's creative flair and outgoing manner revealed an aptitude for marketing and public relations, particularly with the Irish motoring press who delighted in his wit and erudition. Leading by example, hard-working, calm and conscientious, he was always there to support and motivate his staff, gaining their allegiance, trust and affection. They enjoyed working for him. Optimistic, resolute and focused, Neville demonstrated the importance of never giving up – and the satisfaction of a job well done.

In 2006 IM selected him for the leadership programme at Harvard Business School. Amused at being the only Irishman, he earned the acclaim of his multinational classmates who unanimously chose him to give the valedictory speech. Impeccably groomed and attired, delivering his address with trademark humour and eloquence, he did Old Ireland proud.

A faithful son of the land of saints and scholars and a Protestant in a country traditionally dominated by Roman Catholicism, Neville was also a true Renaissance man: well-read, enlightened and



## NEVILLE'S UNYIELDING ETHICAL STANDARDS, UNWAVERING LOYALTY TO THE GROUP, AND READINESS TO ROLL UP HIS SLEEVES AND GET HIS HANDS DIRTY TO GET THE JOB DONE EXEMPLIFIED IM AT ITS BEST.

with wide secular interests. He studied the Bible but did not thump it.

Energetic support for charitable causes revealed the depth of his compassion. Winning new friends among IM colleagues with whom previously he had not worked, Neville's participation in the team's mission to Cambodia to support the impoverished people of Blue Tarp Village left a great impression on him: he was deeply affected by the simplicity of their lives, uncomplaining acceptance of their lot and ability to find happiness where others witnessed only misery.

Neville's selflessness is vividly illustrated by his support for an admirable gentleman named Paddy (his real name) who had lost an arm in an accident as a toddler. Paddy, along with two companions, was undertaking a 15 hour non-stop stationary cycle marathon to raise funds for disabled people. Hours after the event commenced, the other two had not turned up. Despite a total lack of preparation, but feeling very sorry for Paddy, at 9 o'clock that evening Neville mounted one of the unused bikes to keep him company. At midnight Paddy's 'cycling buddies' had still not appeared. He refused to abandon Paddy to complete the ride alone and pedalled for 13 painful hours. In the morning, Neville could not walk, his rear end was bruised black and marked with an imprint of the net lining in his shorts that lasted a week. Although forced to resort to pain killers and lie on his stomach for three days, the comic potential was not lost on Neville.

Blessed with three outstanding children, Jennifer, Sam and Evan of whom any parent would be proud, the greatest achievement of the many in Neville's life was his beloved family. With the devotion of his loving wife Avril, a

special lady with whom he had shared 44 happy years and whose eulogy at his funeral was the most moving many had ever heard, Neville was a truly contented man with a zest for life. He was never happier than when at home, surrounded by his family and the friends brave enough to risk the inescapable jokes and japes.

A convivial companion, Neville's mastery of the English language put many of the writer's countrymen (including him) to shame. With his irrepressible sense of humour, gift for spinning a yarn and quick-witted but inoffensive banter, he personified the Irishman's love of 'the craic'.

Neville voiced his opinions with disarming frankness yet with the soothing eloquence of a born diplomat. Never seeking confrontation and always ready to give the benefit of the doubt, he could defuse the most heated argument with a smiling quip and a gentle leg-pull, delivered with a twinkle in his eyes and conciliatory laughter never far away.

Neville's unyielding ethical standards, unwavering loyalty to the Group, and readiness to roll up his sleeves and get his hands dirty to get the job done exemplified IM at its best.

Although responsible for one of the Company's smaller businesses, Neville could never be consigned to a mere footnote in the history of IM Group. His strength of character, power of intellect and sharpness of wit were the stuff of greatness. An inspiring human being, revered by those who truly knew him and shared his laughter along the way, he shone a light on us all.

*The full version of this tribute can be found on the IM Group website.*

NEVILLE  
ALLENBY  
MATTHEWS,  
BORN 30 JULY  
1957, DIED 19  
JUNE 2018.

# NEW WALLS IN CHINA ARE GREAT



ALMOST 20 YEARS AFTER MOVING INTO LEASED OFFICE ACCOMMODATION IN BEIJING, IM HAS MADE ITS FIRST PROPERTY INVESTMENT IN CHINA WITH THE PURCHASE OF A FIVE-STOREY BUILDING IN AN UP-AND-COMING PRESTIGE LOCATION.



Unit 19 is a stand-alone development in the recently-completed enterprise park in Yizhuang in the south-eastern suburbs known as Tongzhou District. It is finished in the style of a Parisian town house – something considered in China to be a premium design – and is close to the city's new international airport, the largest in the world when it opens in 2019.

"Tongzhou is very much the up-and-coming business area and the Beijing city government have recently moved offices to that district," says Martin Dalton, IM Group Business Development Director. "The building has ample room to meet future expansion and is in a great area. We see it as a good property investment for IM in a market where prices have rocketed in recent years."

Currently the building is being fitted-out to IM's specification to become home in the New Year for IM's staff of 55 in China including the VCA – the Vehicle Certification Agency, which is operated in China on behalf of the British government by IM – and Autoglym, the UK-made car-care products brand with a Royal Warrant that is exclusively distributed in China by IM.

It was in 1999 that a skeleton IM team moved into leased offices in the centre of Beijing. With a significant growth in business and staff, the team moved to new offices in 2014. "This was by means of a stop-gap measure to accommodate

our growth and give us an opportunity to look at the property market in terms of investment," explains Martin. "What we have now purchased will be ideal for our current staff and give us scope for further expansion."

**"WITH THE IM NAME BEING WELL-KNOWN IN CHINA, WE ARE TALKING WITH SEVERAL MANUFACTURERS, ALL OF WHOM HAVE THE POTENTIAL TO COME TO EUROPE,"**

The investment and move comes despite what Martin describes as a difficult year in China for both the VCA and Autoglym thanks to three months of extremely bad weather and a dip in China's economy. However, he refuses to be pessimistic about opportunities in China and in the auto industry in particular. "There is an awful lot going on in the auto industry at the moment. The Chinese government is quite clearly committed to new-energy vehicles and clean technology. They really want the auto industry – and passenger cars in particular – to move away from the internal combustion engine and go electric. As a result, they're giving huge amounts of money to manufacturers to invest in battery

technology, electric drive-lines, hybrid technology and all of those things relevant to EVs.

"All that money being invested in China is good news for us because the barrier to entry to the West for all Chinese manufacturers has, in the past, been engine technology and emissions levels. But once the new technologies come online in China it opens the door for a number of Chinese manufacturers to look for partners to distribute their vehicles. This has worried the European Union somewhat as it sees its own auto industry under threat, especially as the Chinese government says that by 2022 its own emissions regulations will be stricter than those in Europe. If that becomes the case, China's barrier to entry into Europe with its cars would then be overcome.

"Lots and lots of manufacturers have many plans and there are a significant number of new start-ups on the scene this year that are looking to emulate the Tesla concept with a fresh and clean technology devoid of any legacy of old factories and polluting engines. Some of these start-ups have secured significant investment from some of the large Chinese IT firms. Even Warren Buffet – the American business magnate, investor and philanthropist who is considered one of the most successful investors in the world and the third-wealthiest person worldwide – is a huge investor in Chinese new-energy vehicles.

"With the IM name being well-known in China, we are talking with several manufacturers, all of whom have the potential to come to Europe," adds Martin. "Indeed, we have signed a Memorandum of Understanding to bring Borgward cars to all of IM's European markets. Borgward's current vehicles are conventional but electric versions go into production in July 2019. Their plan is that the first shipments for export will leave China two months later in September."

On trade in the other direction – IM taking British products to the Far East – Martin says a number of difficulties have come into play. "Economic factors and, to a degree, currency exchange rates, have not been favourable," explains Martin. "Plus the bad weather hasn't helped nor has the curtailment of lending by Chinese banks, which adversely affects potential business partners. Another factor has been the slump in car sales in China due, in part, to the country's trade war with America and the issues with President Trump that have provoked a lack of confidence among investors in China."

However, talks with a Liverpool-based chemicals company to distribute its products alongside Autoglym in China are at an advanced stage. "They have seen what we've done with Autoglym and want us to do the same for them. Their products are very much complementary, so there's no competition with Autoglym." If current discussions go well, Martin is hopeful that the collaboration will start early in the New Year with IM developing a network for the Liverpool company's chemicals throughout China. "They see the country as very much an opportunity for them to introduce their products to a huge potential market," he adds.

Meanwhile, the Autoglym team has had to cope with a number of challenges including the months of appalling weather and a dip in the country's economic fortunes. "Despite all that – and the slump in car sales – they are working hard in the market and fighting for new business," says Martin.

## VCA BREXIT BARRIER BEATEN



As if the weather and economy issues in China have not been enough for Martin and his teams to cope with, the uncertainties over Brexit have had their inevitable impact, particularly on the VCA work. Under that contract, IM provides a technical service to Chinese vehicle and component manufacturers which, ultimately, results in them getting a Type Approval certificate that enables them to sell their products in Europe.

"That Type Approval certificate is issued by the VCA which, in effect, is the British government," explains Martin. "In June, the EU announced that many of those approvals issued by the British government would no longer be valid in Europe and, going forward, would no longer be valid if a Brexit deal was not reached. As we speak, no deal has been arranged and, in all probability, by the time this *Annual Review* is published we still might not have a deal! No-one knows..."

"So that has inevitably dented the confidence of the Chinese auto industry in British-issued Type Approval. Sadly, many of our customers no longer want a British Type Approval..."

To overcome that issue, the VCA in Britain has negotiated with European Type Approval organisations and IM now offers Swedish and Dutch Type Approvals through their Beijing-based VCA technical service. "It was the VCA who negotiated deals with Sweden and The Netherlands," says Martin. "That has effectively enabled us to navigate our way around the problem and I'm pleased to say that it has certainly helped us. We're starting to get back on track.

"Irrespective of whether or not a deal is struck, we're no longer affected by British Type Approval certificates not being valid within the EU. Having said that, it certainly caused us a lot of problems this year!"

# IM PROPERTIES AN EXERCISE IN SUSTAINABLE GROWTH

THERE SEEMS TO BE ONLY ONE DIRECTION OF TRAVEL FOR IM PROPERTIES – EVER UPWARDS AS THE DIVISION CONTINUES TO GROW IN SPECTACULAR FASHION.

IMP was formed 30 years ago as a fledgling part of the IM Group. The division has surpassed the returns of the wider real estate market and there is a pipeline of future key projects which should see continued success in the coming years.

The division had its roots in another of IM Group's Chairman Lord Edmiston's businesses and was based at Haseley Manor near Warwick. It was founded on property investment, however wider real estate development is now a much greater feature.

Part of the reason for IMP's success lies in the company being privately, not publicly owned. This allows it to move quickly when opportunities arise and a very healthy cash reserve gives added flexibility in a highly competitive, fast moving market.

Equally key is the strength of IMP's team of dedicated professionals whose expertise and commitment lies behind the

highly impressive financial results. The latest company figures show a pre-tax profit of £63.6m, an increase of 9 % for 2017 and IMP achieved a total return on capital for the year of 14%, outperforming the market average by quite a margin. Turnover was more than £142 million.

A prime example of IMP's success was 55 Colmore Row, a Georgian listed building with a Victorian frontage in the heart of Birmingham's business sector which IMP transformed into flagship offices.

It was purchased for £34 million in 2014, completely redeveloped and transformed in an astonishing scheme that demanded a further £30 million investment. In late 2017 the office block, having collected a key architectural award and highly prestigious tenants along the way, was sold for more than £90 million.





*Haseley Manor, Warwick*



55 Colmore Row, Birmingham



Broadway Cottages, Chalgrove



The Hub, Birmingham



Brookfield, USA

IMP's transformation of the building was recognised by the British Council for Offices awards for the highest quality office developments in the Midlands. The profit on Colmore Row contributed to IMP's investment division realising a profit of £23.3m from asset sales alone last year.

Tim Wooldridge, Managing Director of IMP, said: "We set our business up to strike a balance between the lower, solid income returns from our institutional grade investment portfolio and the higher returns generated by our development division, which we have grown substantially over the last decade. The two elements of the business support each other.

"The distribution of assets across the business sits well in terms of risk exposure and we continue to evolve and restructure the business to ensure that it is resilient to the political and economic headwinds and changes in occupier demand."

The future pipeline includes a number of significant strategic sites along the M42 corridor and across the Midlands including the Peddimore site (see page 50), for which IMP won the contract in an international bid process on behalf of Birmingham City Council.

Spitfire Bespoke Homes, IMP's house building division also continued its impressive expansion. Turnover increased by 61% to £85.5 million, generating a pre-tax profit for the group of £6.1 million and these great results build on the previous years outstanding performance.

Spitfire has a wide-ranging portfolio of developments in the pipeline and the quality of its homes has resulted in it receiving several prestigious awards.

Tim said: "The fundamentals remain strong for the UK private housing market in the geographical areas in which Spitfire operates. However, the residential market is becoming

more challenging while demand remains robust for high quality product in desirable locations."

Modern technology has been embraced by IMP as customers seek more efficient and greener homes, offices and warehouses. Developers in the commercial sector are not exempt from this increasingly important trend and again IMP is ahead of the curve.

IMP is now developing the third phase of The Hub, a landmark 90-acre business park site three miles from the centre of Birmingham where it won an innovation award for its groundbreaking electricity cost neutral building. (see page 17)

The unit – the first of its kind in the UK – uses a combination of photo-voltaic panels and cutting-edge battery power technology to produce a large commercial building with potentially zero-electricity bills. The building is used by Argos, one of the UK's largest digital retailers.

Tim said: "Technology is driving forward change in every aspect of life and this will increasingly impact on the real estate industry and challenge us to think about how we shape our businesses.

"Creating sustainable, best in class assets has always been at the heart of our business and coupled with a desire never to stand still, we continue to look at ways to ensure a positive legacy for future generations."

IMP's business in the USA continues to grow. The Corners of Brookfield development of shops and living spaces, which will have an end value of more than \$230 million, has set a new trend in the USA.

Work started in 2015 and by May 2019, with the building of a \$30 million cinema, will mark a big step towards the completion of the project. This landmark development has opened up exciting new opportunities for IMP in the US.



WE'RE GONNA NEED A  
**BIGGER**  
OFFICE...

GYMSHARK, THE COMPANY WHICH IN FIVE YEARS HAS ROCKETED FROM A START-UP TO ONE OF THE LARGEST FITNESS APPAREL BUSINESSES IN THE WORLD, WASN'T CONTENT WITH ONE IM PROPERTIES UNIT, IT'S COME BACK FOR A SECOND BITE.





Gymshark was founded by fitness fanatic Ben Francis five years ago as a screen printing operation based in a garage, helped by some old school friends. Now it is recognised as Britain's fastest-growing business and made the 26-year-old founder the country's youngest multi-millionaire.

Today Gymshark has customers in 170 countries worldwide and there are no signs of it slowing down as the company sells around £42 million of sports wear a year. Gymshark is the holder of the Fast Track 100 award for Britain's fastest-growing private enterprise.

Ben and his team were expanding the business so rapidly that they outgrew their old office space in Redditch. Having been hugely impressed with Blythe Valley Park, Gymshark decided that would become its new global headquarters and took a prime 42,000 sq ft of Grade A space on a 10-year lease.

The Gymshark headquarters move to Blythe Valley Park created one of the largest lettings on the M42 Corridor in the past five years.

Recently Gymshark took a second space at Blythe Valley Park, this time a 31,000 sq ft high-specification industrial unit, one of just five on the Connexion campus within the development.

Gymshark's Chief Brand Officer, Ben Francis,

was passionate about the initial HQ move which he said fitted perfectly with the brand.

He said then: "I am so excited about what we can do here and about Blythe Valley Park itself. The location is perfect, set within a 122-acre country park, it's so close to West Birmingham, which is home to us, yet we can be in London in an hour, in Manchester in 90 minutes and we're right by the airport."

"The quality of building and environment at Blythe Valley matches our ambitions as a business and the 11,000 sq ft space for that alone will be bigger than our last offices. We want to create modern, flexible working space that works for our team."

IMP's Asset Director, Rob Hems, was equally delighted, and pointed to the £3 million that had been invested on upgrading the Trigen building which became Gymshark's HQ. In fact, Gymshark had even agreed the letting before the completion of the scheme.

Rob said: "Purely as a property deal, it stood out as one of the largest lettings. However, it's also great to see Ben and his colleagues so in-tune with our philosophy."

"We understand attracting talent is really important to business and firms moving to Blythe Valley and they are buying into the whole

experience, not just the building."

Rob said Blythe Valley Park offered the work/life balance that many companies were increasingly looking for. All of this on top of the connectivity of the site to airports, train stations and major motorway networks makes Blythe Valley Park the perfect fit.

IMP's Development Manager, Rachael Clarke, says Gymshark was exactly the kind of high-end occupier they hoped to attract to the 209,000 sq ft scheme, through its cutting-edge design.

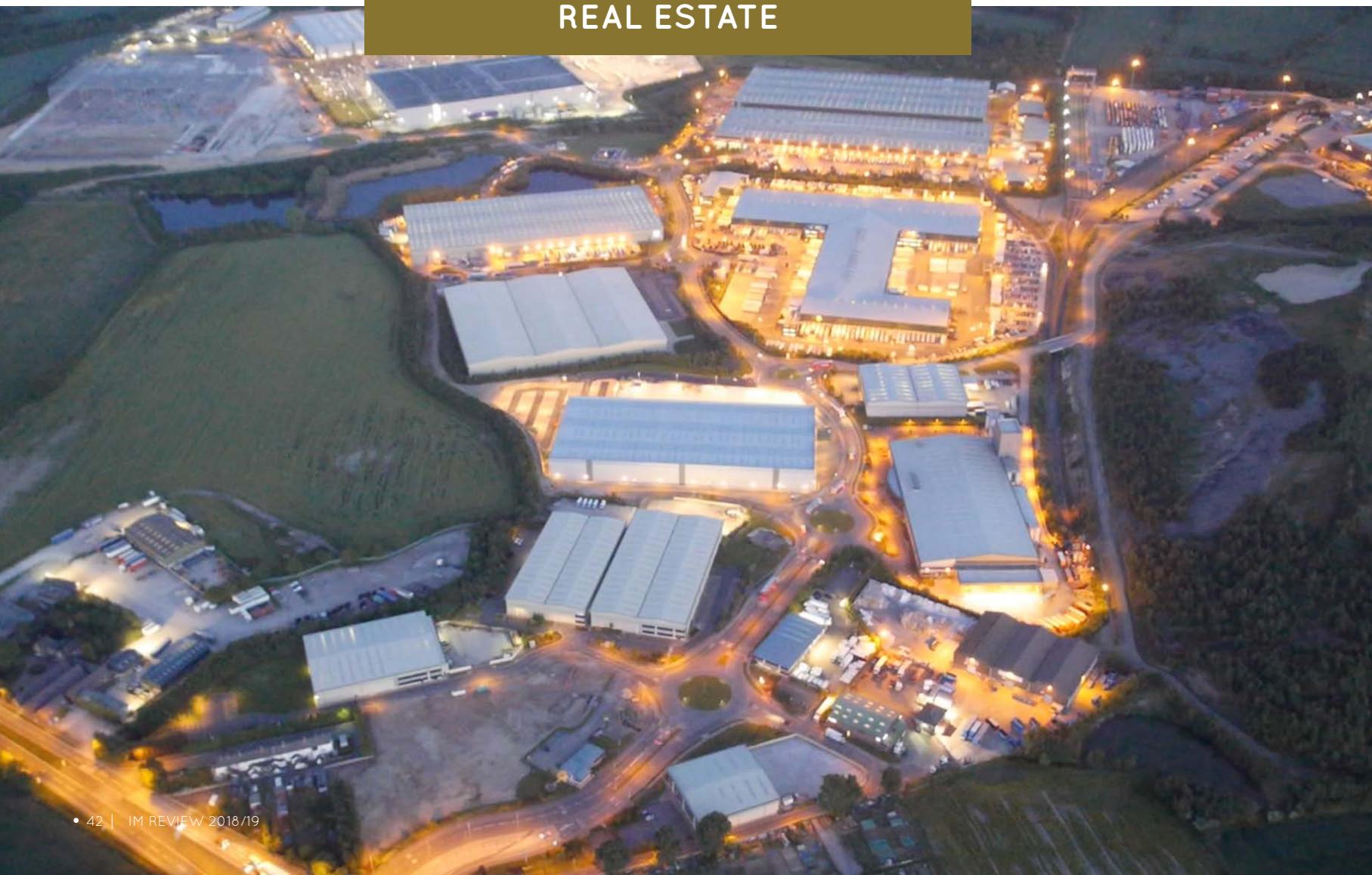
She said: "We decided to speculatively build the scheme due to the shortage of mid-box industrial units on the M42 corridor and the opportunity to create a truly mixed-use offering at Blythe Valley Park."

"Our strategy for combining industrial, commercial and residential alongside amenity and leisure facilities has clearly been the right one and helped to secure fantastic occupiers whilst also achieving record rents."

Gymshark's Chief Strategic Officer, Paul Richardson, added: "Our acquisition of another unit here is our next step towards exciting growth plans and underlines our commitment to the region. We're all looking forward to what's to come."

# UNLOCKING THE POTENTIAL

TAKING A DIFFERENT VIEW ON  
REAL ESTATE



## THERE IS AN OLD ADAGE ABOUT LAND – IT'S VALUABLE BECAUSE THEY DON'T MAKE IT ANYMORE.

But the real value of land is a bit more complicated. We need land for farming, homes and manufacturing as well as roads and railways, yet often large swathes of land lie pretty much dormant and unproductive. Harnessing the value of land and developing it to its full potential is one of the driving forces behind IM Properties.

IMP started as a business within the IM Group in 1987 and since then has delivered more than 6.5 million sq ft of developments, created the opportunity for tens of thousands of jobs and injected new life into communities.

It subsequently expanded to an international business with a footprint in the USA.

The company built up a well-deserved reputation for delivering on its promises and has never been afraid of the challenges of big projects. IMP has also earned respect for tackling developments of a sensitive nature, delivered on them and confounded the critics.

IMP has notched up many keynote successes, but in terms of sheer scale Birch Coppice in North Warwickshire, in the Midlands stands out. It was the site of a former colliery which closed in 1987 after operating for almost 100 years and covered more than 400 acres, much of it becoming derelict wasteland.

IMP bought the site in 1997 for less than £500,000 and began an infrastructure investment, pumping millions of pounds into just the early infrastructure. This was at a time when business confidence in the UK was still patchy. This contrarian investment style was seen again in 2013 when IMP became the first company since the 2008 economic down-turn to start to speculatively develop.

Critics saw it as either foolhardy or a brave business decision. Time has proved IMP was right. A conservative estimate of the value of Birch Coppice is now well in excess of £500 million.

But back in 1997 the site was dominated by a

massive 8-million-tonne slag heap that seeped chemicals into the surrounding land. The whole area was badly contaminated and what soil could be seen was mostly pitch black.

Today the site has more than 45,000 maturing trees, planted as saplings by IMP as part of a huge land reclamation project while the old colliery railway line was reinstated – the first privately-funded rail line in the West Midlands for more than 100 years.

The clamour for the high-quality units that IMP built on the site attracted rents from occupiers that set new levels at the time.

When the colliery had been working flat out it employed around 1,500 people. With IMP's phased development of the site now complete, more than 6,500 new jobs are estimated to have been created and the whole region has been completely reinvigorated by the 400-acre Birch Coppice Business Park.

IMP had the foresight to see past the redundant colliery and realised the significance of the Birch Coppice location near Dordon, Tamworth, with its great motorway and rail connections close by.

Now, more than 20 years after IMP purchased the site, Birch Coppice Business Park is seen as a landmark success in brownfield site regeneration. Today it is home to 21 leading businesses, including blue-chip household names such as UPS, Ocado, Volkswagen and Euro Car Parts all of whom have regional distribution centres there. The site has also been nationally recognised with the IAS (Industrial Agents Society) Logistic Park of the Year in 2015.

The site has seen investments of around £350 million and continues to be a beacon for business, from local enterprise to international corporates, bringing new employment and skill-learning opportunities for many.



*"We were the only developer that really saw the potential and were prepared to invest our own capital to remediate the site and bring forward the infrastructure required" – Kevin Ashfield (right).*

*Blythe Valley Park, near Solihull in the Midlands heartland, is another example of IMP's adventurous outlook and it broke the mould in many ways of traditional business park developments.*



Kevin Ashfield, Development Director at IM Properties said: "You walk around Birch Coppice today and it's such a vibrant, bustling, 21st-century business park, it's hard to believe what we started from."

"We were the only developer that really saw the potential and were prepared to invest our own capital to remediate the site and bring forward the infrastructure required."

"The result though is an award-winning business park we are all proud of and it delivers an annual gross value added (GVA) for North Warwickshire of £280 million and business rates revenue of £8 million per annum."

North Warwickshire Borough Councillor Pete Morson, who had worked at the mine before it closed in 1987, said an excellent working relationship had been established with IM Properties.

He said: "The area needed revitalising and thankfully IM Properties were able to take a long-term view and invest the necessary money to attract the big names we see here today."

"They've worked closely with all the local parties and they've always been prepared to listen and respond positively, talking through any concerns."

Blythe Valley Park, near Solihull in the Midlands heartland, is another example of

IMP's adventurous outlook and it broke the mould in many ways of traditional business park developments.

Alongside commercial buildings at Blythe Valley Park, which includes Connexion, a new £26 million, 209,000 sq ft campus of five, high quality logistics and manufacturing buildings, IM Properties is creating up to 750 homes as part of an ambitious plan to create possibly the UK's first truly mixed-use park of any scale. At the heart of the development and asset management of Blythe Valley Park was the provision of amenity and promoting a site ethos based around wellbeing for occupiers. Modern occupiers expect a lot more than a traditional out-of-town business park environment and the added value that has been created through these initiatives has been invaluable in helping to secure new occupiers for the estate including PKF Cooper Parry, GKN Aerospace and Gymshark.

This mixed-land use has advantages for both companies and home buyers. For many future residents their workplace is so close they could walk or cycle to work, while the location is close to the M42 motorway with easy access to Birmingham Airport.

Blythe Valley Park has attracted a host of prestigious businesses. Prologis, a renowned real estate developer moved to Blythe Valley in a

building developed specifically for its needs.

In the past 18 months other firms that have been won over by the positives Blythe Valley Park offers include Gymshark, which holds the Fast Track 100 award for being the UK's fastest-growing private enterprise (see page 38).

Blythe Valley Park includes a nursery, Virgin Active Gym, coffee shops and a 'walk to work' series of pathways set in the 122 acres of country parkland and these facilities helped to attract one of the most recent tenants, GKN Aerospace.

55 Colmore Row is arguably one of the best-known addresses right in the centre of Birmingham's thriving business sector. And this presented IMP with another huge challenge.

The showpiece Georgian listed building just a stone's throw from Birmingham Cathedral had been rapidly fading and beginning to look quite shabby.

Many experts in Birmingham's commercial property sector thought that IM Properties had taken on a project too far when it stepped in and bought the offices for £34 million.

What IMP did next was even more spectacular. For the following two-and-a-half-years the building was meticulously and sensitively redeveloped.

The massive redevelopment programme which followed on from the initial building purchase saw the sympathetic addition of two storeys and

*“The end result of the refurbishment was exactly what we wanted – a beautiful building which preserved the fine Victorian façade...”*

the removal and replacement of the entire block behind the listed façade.

The scale of the audacious task was staggering, yet the huge project opened bang on time and on budget in February 2017. Every aspect of the building work was carried out to the very highest standards and the redevelopment costs ran into tens of millions of pounds. Just stripping the building back to its original shell and other building work called for more than £1 million of spend.

When the work was finally completed and the building unveiled again to public gaze, people were amazed and hugely impressed with a transformation which had retained the listed character of the building, yet added bright, open new offices. The combination of an old character-building frontage and crisp, bright offices was applauded as perfect.

IMP's faith in the project was fully vindicated. Within months new benchmark rents, which had not been seen in Birmingham for years were commanded and top-class commercial tenants were signed.

John Hammond, UK Investment Director of IM Properties, was justifiably proud of the IMP's remarkable achievement. He said: “I think, overall, people were blown away by the quality.

“The end result of the refurbishment was exactly what we wanted – a beautiful building which preserved the fine Victorian façade but, inside, it was light and modern with the central, listed, banking hall turned into a glorious reception space.”

Recently 55 Colmore Row, although a jewel in

the crown for IMP, was sold for a very handsome profit and in so doing raised substantial sums for investing in future projects.

On the international front, IMP's The Corners of Brookfield shopping mall and residential complex in Milwaukee is another stand-out development, but not just for the bricks and mortar.

Back in 2015 when the site was bought there was always the threat of a clash of cultures. The conservative Mid-West politicians may have been unsure about the idea of a British-based company literally coming into their town, even though it was bringing a \$200m investment and extensive job creating opportunities.

Robert Gould, IM Properties Vice-President of US Operations, had to use all his diplomatic skills to make sure local council and 7,000 local towns' folk were on side while facing the challenges on the civil engineering side.

Just like many IMP landmark developments, The Corners of Brookfield brought many challenges. What emerged was a huge, modern integrated community of shops, bars, restaurant and apartments which has been developed as a 'go to' destination.

Instead of just a place to shop, Robert and his team were behind a whole series of special event attractions that brought in people to enjoy the community experience. Everything from yoga classes to movie nights are held in the central square and have succeeded in making The Corners of Brookfield a community in its own right.



55 Colmore Row



L to R: John Hammond, Waheed Nazir (Birmingham City Council) and Tim Wooldridge



The IMP team at the official opening of 55 Colmore Row

# SHEDS TO BEDS AND THE NEED FOR LAND



*The importance of a robust development pipeline is a forward-looking strategy that is giving IM Properties the opportunity to take advantage of fast-changing markets.*

Speculative land purchases have paid big dividends for IM Properties in the past. Now such investments are allowing the company to move quickly to take advantage of changes in various aspects of the economy.

Back in 2009 the largest asset in the company land bank was the huge Birch Coppice site which it quickly began developing. And in the last nine years the company has worked tirelessly to identify and secure sites across a swathe of the greater Midlands stretching from Bedfordshire to north-west Leicestershire.

These strategic assets were secured with future logistics and manufacturing warehouses in mind. When the land is built on it could be worth up to a staggering £1.6 billion – but to get there would need investment to the tune of £900 million. And while the IM Group is cash-rich, funding these capital demanding opportunities raises a number of challenges for Tim Wooldridge, IMP's Managing Director and his team.

He said: "The challenge used to be ensuring we had a pipeline of work sufficient to deliver sustainable profit. That's now been replaced with a fresh challenge of having sufficient capital to bring these projects forward."

IMP has been particularly strong in purchasing land for logistics and industrial use. Over the years the trend has been for bigger and bigger units and bespoke facilities to meet occupiers' needs.

One result of the huge change in shopping habits, from traditional shops to on-line buying, is that the demand for land for warehouses has increased dramatically.

Tim explained: "Investment demand for industrial buildings has now out-stripped the demand for offices and retail. That's led to increased competition for suitable sites and the increased cost of land has lowered our margins.

"So these pressures mean we have to look at more than simply land for warehouses to invest in. Where do we turn to get a good investment for our money?

Beds seem to be one answer. In the development industry parlance 'beds' is the term for developments such as hotels, purpose-built student accommodation, care homes, retirement complexes and the like – anywhere where there are beds.

Tim explains: "There are a host of pressures facing the country from a housing supply perspective – particularly in the affordable sector. An ageing population needs special care and specialist accommodation. There are changing social habits, people go away a lot more often or have footloose employment and this has spurred the growth of budget hotels.

"Students now want better living accommodation and all of these demands are getting stronger in sectors where traditional investors, such as UK institutions are waking up to the opportunity.

Tim sees the expansion of a diverse residential development arm alongside Spitfire as a key growth area for the business.

He said: "Spitfire is by no means the finished article. It's come a long way in a short time from building four houses in Oxfordshire in 2011. Now it has a Midlands division and a Southern division building 200 houses a year with a staff of 100.

"IM Land grew out of that and I still see Spitfire growing in line with market demands, but it sits at the top end of the market. I would like to investigate build-to-rent and retirement living to sit alongside Spitfire, but not competing with it."

Since starting in 2013 IM Land now has sites under control which could produce 20,000 units. Once planning permission is secured infrastructure can be built and the sites can be sold off in part to Plc housebuilders. But IMP will also look at what land it can develop with the alternatives market in mind. Tim added: "It's a fabulously exciting position to be in, we just need to work out our exposure and appropriate balance of risk and reward."



# SPITFIRE SOARING

*By Tony Garuth*

IN JUST EIGHT YEARS SINCE IT WAS ESTABLISHED, SPITFIRE BESPOKE HOMES HAS GROWN FROM BUILDING FOUR COTTAGES AND POSTING A TURNOVER OF £1.6 MILLION IN YEAR ONE TO EMPLOYING MORE THAN 100 PEOPLE AND DELIVERING 200 NEW HOMES IN 14 DIFFERENT DEVELOPMENTS IN 2018.

Meanwhile, turnover for 2018 will approach £100 million. "It's been an incredible journey," says Ben Leather, the company's Midlands Regional Managing Director. "Spitfire started as a two-man team in an office at the IM Properties' former HQ, Haseley Manor Business Centre. We now have offices at IM's headquarters in Coleshill, an office in Maidenhead serving the southern region and are in the process of converting Haseley Manor into 13 spectacular luxury apartments."

But the journey hasn't been without challenges, some of which have required typical IM innovative thinking to overcome. A case in point is the current Highworth development in the quintessential Cotswold village of Broadway where local planning policy requires 40% of the 124 homes to be 'affordable housing'. (See page 47).

After what has been a sustained period of rapid growth, Spitfire has now reached a point of maturity as it reviews its processes, procedures and efficiency and renews its focus on customer service to prepare for what Ben sees as an exciting future. "The strength of the aspirational brand that we've created is very well received. And with IM's support over the next few years, I'm confident that the business will move from strength to strength. I am optimistic that whatever the immediate post-Brexit climate brings, there remains demand for quality new homes."

So what are the challenges that Spitfire has to take in its stride?

"Within the industry, planning is still difficult," he says. "The message from central government is that we need to build more homes to deal with the housing crisis. However, there is an issue between the wishes of central



government and those of local government where, especially in a number of the Shire authorities, there is still a protectionist view. This manifests itself in the enormous amount of red tape we have to go through.”

The national skill shortage remains a significant challenge. “We try to overcome this by building strong relationships with our supply chain. But there is such an acute shortage that it’s not easy. The price of labour is rocketing.” In addition, the long-running Brexit debate has seen a lot of skilled labour from Europe leaving the country. “It is causing a real issue,” he adds.

There have been clear signs over the past couple of years that the market is hardening. “While we don’t operate within the M25 – and therefore haven’t seen the real slow-down that’s happened in the central-London market – the ripple-effect out

of London into the south-east has been apparent. And we have felt that. It’s been tough, especially at the higher-end of the market. Initially it was tough over the £2-million mark. Today it’s tough over the £1-million mark.” He points the finger at Brexit’s uncertainties and the lack of the government’s majority as being behind the adverse impact on the housing market. “There’s also a real slow-down in the second-hand market and you do need that movement within the second-hand market because, ultimately, it has an impact on the new-homes market. Recent changes to stamp duty have also contributed to that.

“Having said that, and despite all the challenges, thanks to the strength of our brand, the quality of our homes and the support of IM, I confidently see the future as exciting.”



*Ben Leather, Midlands Regional Managing Director*



## AFFORDABLE LUXURY

Finding a solution to the integration of 50 affordable homes with 74 luxury homes on a 14-acre site in Broadway has proved highly successful

Planning policy requires new developments to provide 40% of new properties as affordable homes. Experience shows that putting affordable homes next to private residences provokes resistance from private buyers while scattering them throughout the development can compromise the viability of a scheme. “If you can cluster the affordable housing it provides greater flexibility,” explains Ben.

However, Spitfire identified in Broadway a genuine need for ‘extra-care’ homes – a series of bungalows and apartments targeted at the over-55s and serviced by 24-hour staff. “We approached Rooftop Housing Group, a well-known, registered housing association in the area. They agreed that there was a requirement and supported the planning application for the extra-care home. This, in effect, clustered all the affordable housing in one location.”

But Spitfire does more to successfully integrate homes that appear at opposite ends of the housing spectrum. “You have to blend the affordable housing with the private housing and ensure the affordable housing is tenure-blind so that you cannot identify or pick out the affordable housing from looking at the street scenes. We put into all the elevations exactly the same detail, materials and consideration. The external specifications are exactly the same. It works very well. At Highworth the extra care apartments and bungalows have all been finished in Cotswold stone and showcase features such as parapet roofs and intricate stone detailing.”

The project has not come cheap. It has taken 18 months to construct at a cost of £6 million. But it has gone down well with all concerned. “It’s been a win-win project that has turned what could have been a negative, with the high proportion of affordable housing within the scheme, into a

positive. We’ve actually had enquiries from people wanting to buy the private houses with a view to their parents occupying one of the 40 apartments in the extra-care home”

The extra-care-home project comprises 40 one- and two-bedroom apartments in one block and 10 one- and two-bedroom bungalows. With the communal gardens, they take up two acres of the site. The main building has a residents’ lounge, laundry room, cinema room, an assisted bathroom, a restaurant open to the general public, a guest suite for family members to stay in overnight and facilities for the 24-hour staff.

The first occupants are scheduled to move in early 2019. Work on the rest of the Highworth development – which comprises 74 private houses, ranging from two- to five-bedroom houses costing from just under £400,000 to £1.4 million – is expected to be completed by June 2020.



Peddimore, in the north east of the greater Birmingham conurbation, is now set to become a flagship development using IM Properties expertise in turning greenfield sites into sought after business locations. When complete it is estimated that the development will create up to 6,500 jobs and contribute £350 million to the local economy and provide long – lasting economic and social benefits to the local area.

This prestigious project is a collaboration between Birmingham City Council and IM Properties aiming to create an exemplar employment park, designed to attract local, wider Midlands as well as major national and international companies.

Against a Midlands-wide shortage of strategic employment sites and to ensure that high quality industrial space is available to businesses, IM Properties plans to speculatively build 484,376 sq ft of buildings at Peddimore.

IM Properties planning application is due to be submitted to Birmingham City Council in January 2019. It is expected that once all the final planning details have been agreed infrastructure works would start in September 2019.

But the real story lay in the behind-the-scenes process which led to IM Properties winning the project in the first place. Birmingham City Council marketed the project at the annual MIPIM event held in Cannes, France in 2017. MIPIM is a meeting of some of the most important players in property and development and is increasingly being used to put potential development projects before some of the best known and most important architects and developers in the world.

It proved to be an extremely clever move by Birmingham City Council as the project attracted huge interest from major industrial developers from both the UK and overseas companies.

## EXPERTISE AND HIGH STANDARDS GETS THE VOTE FROM BIRMINGHAM CITY COUNCIL

*IM Properties faced serious international competition to win a major contract to deliver what will be one of the UK's largest prime manufacturing and warehouse sites.*

Competition was fierce with more than 40 companies entering the bidding process.

After a number of rounds of submissions, the council went on to draw up a final shortlist of four specialist developers. IM Properties was on the list along with Peel Logistics Property, Prologis UK Ltd and Bericote partnered with Tritax Big Box REIT plc. IM Properties was eventually announced as the winner in March 2018 at the MIPIM property festival following one of the toughest contract negotiation marathons ever. None of the members of the development team had been involved in this type of process before which illustrates the hard work and ethic within the team.

Tim Wooldridge, IMP's Managing Director, said: "The Peddimore win was really important. It's not the largest contract we have won, but it's certainly one of the most prestigious because it recognises IMP as a truly major player in the property development market."

"We are now up there with all the big players in the industry and we won Peddimore against some of the very biggest names in the game, both nationally and internationally."

Tim says that IMP's previous success in delivering what the company promised on another development for Birmingham City Council must have been one of the key factors in IMP's favour in the Peddimore bid.

He explained: "We delivered on The Hub project which has enabled the council to open up a whole sector of the city for substantial redevelopment. This was an area that the council had been trying to revive for 13 years and no one had been able to achieve their ambitions until we stepped in.

"This then allowed the council to relocate the Wholesale Market and to release land in Birmingham's south side for development. We delivered on our word and did what we said we would. That's a great reputation to have."

The development of the Peddimore site reflects an emerging new approach being taken by Birmingham City Council to its property assets. It aims to drive value with an increased emphasis on quality while also delivering on the council's social value objectives which include generating local jobs and involving local companies in construction offices and warehousing wherever possible.

In line with Birmingham City Council's drive to deliver greater social value from its collaborations, IM Properties will be making a significant contribution to the local communities and economy. Part of its commitment will support disadvantaged people into work, fund people onto the Building Birmingham Scholarship Programme and 50% of its project budget will be spent with local suppliers and small and medium sized companies.

Peddimore will be developed in two phases with IM Properties developing Zone A, which covers 37 hectares, leaving Zone B in the Council's ownership. The retained land will be targeted at

major manufacturing occupiers.

One of the key advantages of the huge site, close to Minworth and Sutton Coldfield, is its location. Peddimore is just off the A38 – a key link road which carves through the area and serves as a link to the Midlands motorway network. It is just 1.5 miles from junctions on the M42, the M6 toll road and the M6. The site is allocated for development within B1, B2 and B8 uses.

Peddimore is also less than half an hour's drive from both Birmingham Airport and the East Midlands Airport, which land experts say make it one of the countries most strategically well-positioned and connected development opportunities to emerge in the last five years.

The scheme will include a new junction on the A38, utilities to service the whole development, and more than 45,000 square metres of new industrial floor space within two years of the access work being completed.

All industrial units will target a minimum of BREEAM 'excellent' standard. BREEAM is a particularly demanding Building Research Establishment criteria which independently assesses a wide range of categories to ensure work is carried out to the highest levels of best practice.

The importance of this project to Birmingham City Council has been highlighted by leading local politicians. The city council's leader, Councillor Ian Ward said: "Peddimore will be a market-leading development, which will attract thousands of new jobs and significant new investment into the city.

"I am delighted with the outcome of the developer selection process, which reflects both the confidence in Birmingham, and the strength of our industrial market. IM Properties have shown a clear commitment to work with the Birmingham City Council in partnership to deliver a high-quality development that achieves lasting benefits to the local community."



*"The Peddimore win was really important. It's not the largest contract we have won, but it's certainly one of the most prestigious because it recognises IMP as a truly major player in the property development market."*

# EMBRACING CHANGE IN THE USA

SUCCESS, THEY SAY, BREEDS SUCCESS AND THAT'S CERTAINLY BEING SEEN BY IM PROPERTIES' US VENTURE WHERE A HUGE AND INNOVATIVE LIFESTYLE DEVELOPMENT HAS SPARKED A QUEUE OF CUSTOMERS.

When it started out on The Corners of Brookfield development in the US, IMP had not counted on the retail market moving at a faster pace than you could build a shopping centre. Now with the end of the project in sight, other towns and districts in the US have approached IMP looking to use the Centres revised model to revive their ailing centres.

The Corners of Brookfield was a largely speculative development of more than 750,000sq ft of mixed retail outlets plus a range of nearly 250 apartments in a small town on the western side of Milwaukee, 90 minutes drive from Chicago.

The \$230-million development was started just as a structural change in retail was beginning to sweep across countries throughout the world. People were rapidly changing their shopping habits from a day out in the malls, supermarkets and individual stores to the digital age of on-line purchasing.

IM's team in the US very quickly appreciated the new mood and were able to make The Corners of Brookfield a 'must-go-to' destination that helped to turn the bricks and mortar development into a new, vibrant community.

The mix of shops, restaurants, apartments and leisure activities is a complete departure from the original retail orientated scheme.

Tim Wooldridge, IMP's Managing Director, said: "Our approach has completely changed the outlook. By making Brookfield a premier destination spot we have attracted many more people to visit. Retailers have experienced greater

footfall because now people have a reason to visit beyond shopping. There are leisure attractions and special events alongside the shops, bars and restaurants so people go to Brookfield for the whole experience, not just to buy groceries."

The success of the recipe has seen a surge in people wanting to live in the new homes created on site as well as retailers keen to invest and open new outlets in a rapidly-changing retail market.

This has attracted the attention of other mid-West towns and districts which have approached IMP's US team to see if this same winning formula can help to breathe life back into their dying retail centres.

IMP is now working on two locations in the Chicago area, but this time they are largely pre-let and scaled down from the Brookfield project, both will have an end value of around \$90 million each.

Tim explained: "We know what works and have built on our experience and the other town leaders have also been watching closely. It's in their interests to have thriving centres because that helps to raise taxes and of course they are aware of the demise of the traditional malls and the recent collapse of Sears, once one of the largest retailers in the world.

"We have embarked on two considerably smaller mixed-use developments in Chicago. Our success with The Corners of Brookfield has resulted in some big household names already opting to take space at these two new projects. We



have companies such as Bank of America, Wendy's, LA Fitness, Starbucks and SilverSpot wanting to come on board."

Contrast that to the experience that Tim had recently on a trip to the USA. He said: "I visited one shopping centre and it was like a ghost town. There were rows of dead store frontages where shops had pulled out.

"There was just no reason for going there. But what we have achieved is the exact opposite at Brookfield and now other towns want us to do it for them. In our situation the retail feeds off the residential.

"At Brookfield the pace of change got quicker as we progressed. The uptake of the 240 apartments has been very strong with 80% take up and, by the end of Quarter 1 next year, we are targeting more than 95%."

Tim expects the other two Chicago venues to be complete with the next two to three years. It is a theme that IM will look to continue to roll out as long as the market demands it.

## A VIEW FROM STATESIDE

ROBERT GOULD, VICE PRESIDENT OF IMP'S US OPERATIONS WAS VISITING IM'S UK HEADQUARTERS RECENTLY JUST AT THE TIME WHEN BAD NEWS ON THE UK RETAIL FRONT WAS POURING OUT.

Debenhams, one of the UK's largest department stores, was said to be looking at closing up to 50 stores after dire trading results while rival House of Fraser went into administration earlier in August following on the heels of other household names such as Toys'R' Us, Maplin, Poundworld and clothing firm Bench.

The Centre for Retail Research in the UK reports that 32 major retail companies have failed in the last 10 years.

Robert said: "I've specialised in retail for nearly 35 years and it has always evolved but recently the pace of change has been

remarkable. The disruption in the retail markets and the way people shop has meant that we have had to adapt with the changes in consumer demand and taste."

He says IMP's success with its new approach at The Corners of Brookfield can be judged by the results. "Since 2017, some 200 families have moved into the apartments to call the Corners 'home'. That's outperformed our expectations.

"We've started construction of Phase 2, the Silverspot Movie Theater which will extend to 43,000 sq ft and have nine screens with 750 luxury recliners, in-theater and



restaurant dining and a cocktail bar. It's scheduled to open in June 2019 and has a capacity for 900 people.

"We now have five restaurants open, another four in various stages of design and delivery and possibly up to a further 10 coming. Our quality food offerings, in tune with modern tastes and our demographic, include a wide variety of styles from around the World."

"We have agreed terms with Improv, a national chain of comedy clubs, which will occupy 13,500 sq ft in the lower level and have a capacity for 550 people. We are hoping to get them open before the end of 2019."

One of the largest stores on site, Von Maur, say it is delighted with the high footfall and spend that IM's integrated community strategy has produced. It partners with IM on many of the regular events.

Robert said: "Our customers have taken these events to their heart and we often have crowds of 3,000 or more. During 2018 we will have held about 150 community focused events.

"We have partnered with our retailers, the Town of Brookfield and many charities to build that essential sense of community, to make the Corners the heart of the Town of the Brookfield. It is proving to be a very successful formula."

Now Robert and his team is facing

new opportunities. He said: "Elsewhere our strategy is only to pursue retail with grocery anchors in densely populated urban locations.

"With our established partners, Bradford, we are developing a second phase to our Westmont development which will be anchored by the successful Mariano's grocery store we built in 2016. We have acquired 15 acres adjoining Mariano's in a densely populated area of Chicago. LA Fitness has committed to 54,000 sq ft for one of their Premier Fitness Clubs; we have interest from three movie theater brands and have agreed terms with two fast food diners.

"We have acquired a rare 26-acre site around 16 miles north west of downtown Chicago at Morton Grove. It's currently an obsolete shopping center which produces us a return whilst we work up the development.

"LA Fitness is currently on the site and they want a new 45,000 sq ft club to replace their obsolete facility. We are talking to a number of grocery stores, there is restaurant interest and market studies reveal strong demand for up to 250 apartments on part of the site.

"The Village of Morton Grove has included the site in a tax-efficient scheme to regenerate this part of their community."



# BUILDING OUR FUTURE

*It's been a momentous year for Rachael Clarke, Development Manager in IM Properties commercial development team who has twice walked away with top awards in recognition of IMP's impressive work.*

At the prestigious Industrial Agents Society awards ceremony, held at the London Marriott Hotel and attended by a record 554 guests, Rachael collected the Best Overall Scheme – Multi-Let Estate for the Connexion campus at Blythe Valley Park.

The top award came only months after the development opened for business and was awarded against some stiff competition.

IAS Chairman, Ben Wiley, told the audience that the awards were staged to showcase the best of examples in this significant sector of the property business. He said they not only highlighted profitable deal making but showed where solutions were found to often challenging circumstances.

Rachael, who has worked for IM for five years

after starting as a graduate surveyor, is now responsible for the letting of both design and build and speculative development space. This includes Connexion, a five-unit campus of industrial and distribution units totalling 209,000 sq ft, which is now fully occupied with Taylor Wimpey taking the last unit for a training centre.

Rachael was also part of the successful Peddimore bid team and was integral in coordinating and writing the bid document. Since being selected as Birmingham City Council's Development Partner, Rachael was keen to get involved with the Social Value commitment that was a key element of the development. She volunteered for Childline, contributing 280 hours and single-handedly making up more than half of IM Properties'

commitment on her own!

She was in the limelight again at *Property Week's* inaugural two-day Industrial & Logistics Conference and Awards showcase at the Hilton London Syon Park hotel.

This time almost 400 delegates applauded as Rachael collected an award at a gala dinner for the UK's first Electricity Cost Neutral unit at Hub 69 in Witton, Birmingham.

The building was let during the construction period to Argos on a 10-year lease with the highest headline rent at the time for Birmingham city centre at £6.75/sq ft.

Rachael has been involved in developing more than 540,000 sq ft of industrial and distribution space during her career at IMP, including the landmark Birch Coppice Business Park.

YOU SAY  
**GOODBYE,**  
PAUL SAYS  
**HELLO!**

*Make sure you polish your shoes when you meet Paul Tunnicliffe, because the IM Group's 'Mr Cars' knows a thing or two about footwear.*

*By Doug Wallace*



Having spent almost 20 years in the car side of the IM business, not many people know that Paul started his career working for Clarks, the famous British shoemakers.

Paul explained: "My first job was in the marketing department. They sponsored me through college and that involved working for them during college vacations.

"So I managed a production line of more than 40 women, stitching together uppers in the production process. Let's just say it was character-forming when you are an innocent 20 year-old!"

Paul was required to make his own pair of handcrafted shoes – so if he glances down at your shoes when you meet him next, you will know he's casting an expert eye over your footwear.

From the shoe industry Paul moved not to the car industry, but to beer!

He recalled: "I joined the marketing department at Bass, the brewers and spent 10 years there, initially as Brand Manager for Carling and ended up as Marketing Manager for the take-home division."

He obviously impressed the brewing industry and was head-hunted by Bass's fierce rival, Whitbread, to head up their ale portfolio. Paul said: "Great move, but the timing proved a bit flat – it was just as everyone was adopting lager as their tipple of choice!"

In his "beerage" years Paul met Peter Kinnaird, who was then the Marketing Director of BMW. He recalls: "I told Peter that I wanted to get into the car industry, being a total petrol head – my father worked for Rolls Royce and he got me into cars from an early age."

Just a couple of weeks later Paul was offered the job of Marketing Manager at Alfa Romeo where Kinnaird had moved to. Paul said: "It was like all

my Christmases had come at once. That began a steep, and at times, challenging learning curve from beer to cars."

Paul stayed at Alfa for three years before the brand came under the control of Fiat. Both Paul and Kinnaird became surplus to requirements and moved to Daihatsu, with Paul as After Sales Director and Kinnaird as MD.

Paul moved on again and worked for Land Rover's marketing department via an agency and managed the launch of the original Freelander, which took place at the World Trade Centre in New York, scene of the later 9/11 disaster.

He was head-hunted again by an agency that worked for Ford. "I was part of the launch team for Ford Focus which lasted six weeks and involved every Ford dealer in the world and took place in a disused washing machine factory in what was then Eastern Germany!"

Paul first joined IM when the company had just acquired the Daihatsu import rights for the UK and needed a solid marketing specialist where, by coincidence he met up again with Peter Kinnaird who initially ran the business. Paul eventually took over that operation which was then headed up by a young(ish!) Andrew Edmiston before later adding Subaru, Isuzu and the Irish operations to his portfolio.

Ask Paul about the highlights of his 19 years with IM and he's quick to come back – "Where to begin?"

He said: "Selling more than 1,000 Isuzu trucks in one month has to be the pinnacle, but guiding Subaru back from a very difficult position when currency and model portfolio were against us is another.

"I was privileged to address the Isuzu global conference in Tokyo in 2014 and gave a case study

of the extraordinary success we achieved as a team here. Jet-lagged, and in front of 1,000 people, it was the definition of exhilaration," said Paul.

Ireland, were sales had been as low as 200 cars a year, also has the fondest of memories for Paul. He said: "We acquired the Citroen business there in 2016 and that has moved us into being a much bigger player there, with the prospect of more to come..."

The car business is tough and it builds toughness, but Paul admits to having to hold back his emotions when Ash Sutton won the British Touring Car Championship last year in a Subaru Levorg and when the Welsh national rugby team ran onto the pitch for the first time wearing their Isuzu kit – a sponsorship deal Paul negotiated.

He said: "These were momentous occasions. I've travelled the world, worked with exceptional people including our staff, manufacturers, dealers and suppliers and found complete fulfilment.

"None of this would have been possible without IM, and, in particular, the faith that Bob and Andrew had in me. I could not have asked for more from my career, and I go out on a high.

"Going forward, although I won't be quite as visible at HQ, I will still be working hard to keep the momentum going. I'm involved in several projects which could, if they come off, spearhead a new direction for the company. By nature I'm a possessive type, and I don't intend to hand those over unless and until they come to fruition. I feel I owe it to Bob and Andrew to do my utmost in return for their faith in me."

But Paul says he will know when it's time to fully retire. "Once that's done, I'm off to the garage to tinker with my vintage cars. But my thoughts will always return to memories of IM, and what has been achieved by my team."

# A TOAST TO . . .

Paul has been on the receiving end of some very direct comments during his time at IM – some were highly complimentary, but not all!

Andrew Edmiston recalls when Paul was interviewed for the Daihatsu marketing manager's job. He said: "I interviewed Paul first, then we went on to meet my father.

"In his typical forthright style, Dad said to Paul 'You don't look like a marketing man – more like an eccentric professor.' Paul was stunned, but he got the job!"

Paul came from a big, corporate background and Andrew remembers him going through the sometimes painful process of adjusting to a smaller, family run business. Andrew said: "Paul always wanted a bigger budget for advertising, and of course we didn't have one.

"But Paul always stood his ground and I very much respected him for that, even though he didn't always get what he wanted. Sometimes our conversations were, shall we say, very frank and direct!"

One year when salary budgets were particularly tight, Andrew recalls Paul coming to see him. "He wasn't asking me for a pay rise – quite the opposite. Paul asked if he could forgo his salary increase and instead share it with his team.

"It was a genuine gesture from a man who I had grown to respect. Even when facing difficulties, Paul always remained positive. With these great character features, you have to admire Paul."

Andrew recalls lighter moments. At a car event in Athens, Paul stood up to give a toast to their Greek hosts. Andrew remembers: "Paul launched into a glowing speech, but he couldn't recall the name of the principal host and I whispered the name Leonidas, an ancient Greek king. Of course I know that wasn't the chap's name, but by this time Paul was in full flow.

"At the end the fabulous speech Paul sat down and everyone looked very puzzled but they still applauded loudly. The host's name was Demetri!

**"POOR PAUL WASN'T  
BEST AMUSED BUT  
LATER WE HAD A GOOD  
LAUGH ABOUT IT!"**



# REFLECTIONS

## ON THE IM FAMILY

That's exactly the sentiment of Gill Tierney, Paul's 'long suffering' wife. Looking back on his almost two decades with the company, Gill says they have been great times.

"I've been fortunate enough to have been welcomed into that family. It's a business where people really count and personal relationships are valued. That makes it very special."

"Most people know, I am not your classic corporate wife," said Gill who is a freelance TV producer and Executive Producer of the BBC's Antiques Roadshow.

"I've often been over-committed and involved with my work and that's not always been ideal for Paul. But he's been nothing but supportive, celebrating my successes and propping me up when things went less well."

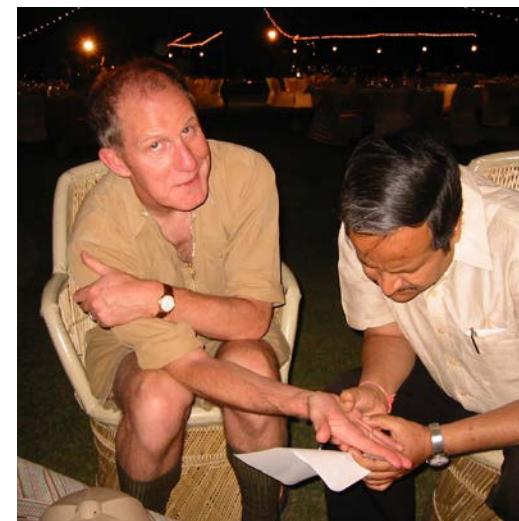
"Thanks to IM's fabulous dealer trips, I have been to places and done things I'll never forget. From our first Daihatsu

trip to India, where the hard-working and cheerful disposition of the locals left us humbled to Mauritius where Gene Taylor dressed as a giant parrot for the final themed dinner." Gill laughs: "The brief was PIRATE, Gene!"

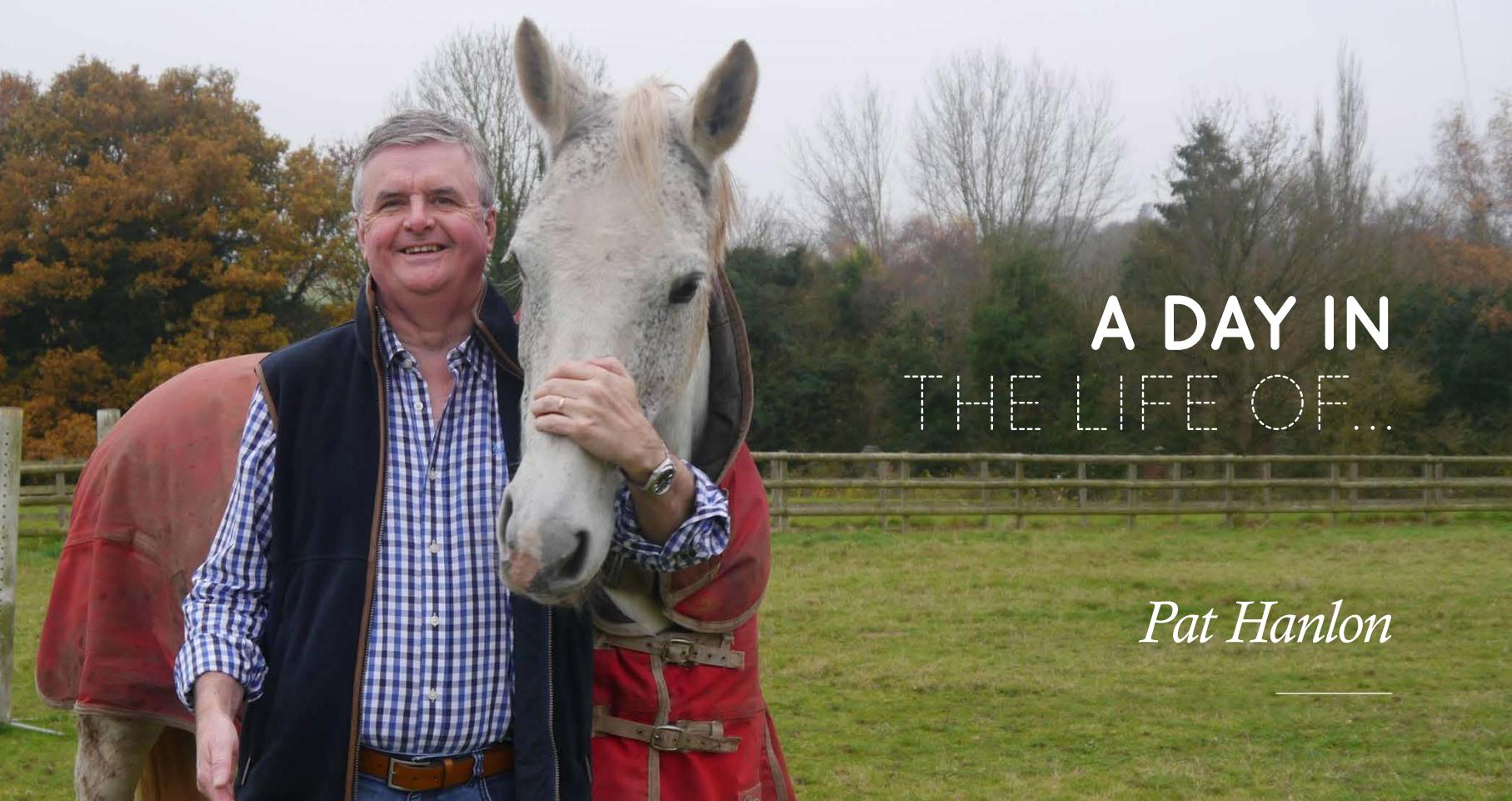
Gill remembers 20 or so tough-nut dealers fighting over glue guns and glitter making masks at the Rio Samba School! "Each trip was unique, creating memories that will make us laugh for the rest of our lives." But those sun-soaked days were balanced by the rain-drenched, chilly hours standing about at point-to-points and touring car tracks."

Now Gill looks forward to semi-retirement for them both. She said: "Paul has worked hard his whole life. It's his default setting to do the very best job he can, no half measures. So the change of pace may not be easy. I'm hoping this character trait will prove handy around the home!"

*It's often said that you don't join the IM Group – you become part of the family.*



*"Thank you Andrew and everyone for an unforgettable 19 years."*



## A DAY IN THE LIFE OF...

*Pat Hanlon*

*While some people worry about a small overdraft, IM Group's Pat Hanlon can spend much of his day negotiating loans of tens of millions of pounds.*

As the recently-appointed Treasury and Banking Consultant, Pat is used to dealing in figures with many zeros at the end. With a lifetime of experience working in the banking and finance world, he is certainly not fazed with dealing with big numbers that would bring most people out in a sweat.

But his route to the higher echelons of banking and finance has been unconventional based on the modern career path of bankers.

Pat was born in Glasgow, left school at 16 and went straight into banking, literally learning from the bottom of the profession. But he soon progressed from those early days working for the Bank of Scotland.

"I started with them in Greenock, just down the Clyde from Glasgow and I spent two years doing all the basics before being offered a job at the bank's branch in Bishopton, a village closer to Glasgow where I was brought up."

This was the first of many moves for Pat. He said: "The Bank of Scotland was steeped in history

and I soon realised that progression only came by stepping into dead men's shoes, so moving on was the only option."

He then joined The Co-operative Bank which saw Pat move to Renfrew, Hull, Stafford, Stoke, Peterborough, Leicester and eventually Birmingham. He said: "The Co-operative Bank offered the prospect of promotion, moving every two years or so. Finding, buying and selling houses became a pattern of life."

His first contact with the IM Group was when Pat worked at the Swedish-owned Handelsbanken, where he spent 14 years. Pat recalls: "The IM Group was one of the key companies the bank had identified as potential customers and I set myself the goal of persuading them to do business with us.

"I was greatly impressed with IM from long before we actually managed to lend them any money. And that took some considerable time! Now Handelsbanken handles a wide range of banking activities across a range of businesses with the IM

*“We have the big advantage of being a private company and can move quickly when opportunities arise.”*

Group, but is not the only bank the group uses.

“We have strong relationships with six UK banks and a further six overseas which are very important to the way we do business here – relationships count!”

It's only a few months since Pat took up his IM role – and he says the constant moving house is definitely finished! Pat and his wife, Kath, live in the lovely village of Harvington near Kidderminster. Their younger daughter, Rebecca, lives with them and is training to be a chartered accountant and elder daughter, Emily, is a chartered surveyor in Doncaster.

As with many people at IM, Pat says there is no real typical day. “A lot of my main job is a kind of problem solving really. It might be that a certain bank is struggling to complete a transaction or lend us funds in a time frame that suits us. It might mean moving some money around the group quickly.

“Sometimes it can be difficult for traditional banks to understand the speed at which our company, not being limited and restricted by shareholders, can move. It's this flexibility that has helped the IM Group to expand rapidly and take advantage of opportunities that arise.

“My task, in these circumstances, is to contact the right people at the bank we are talking to and carefully take them through our plans. It's often helped by my personal connections in the banking field, but you still have to explain proposals fully and convince the bank that we have carried out all due diligence.”

Strategic thinking and planning is another of Pat's responsibilities and he has to see how activities involving the budget of one division might have a knock-on effect to another area

within the group.

He explained: “As a group we have very healthy cash reserves, but there is always a balancing act between holding cash reserves and taking on debt. It is how you maximise the balance sheet, without restricting your options that's key.

“It might sound odd to some people, but there are always good reasons to have debt because it leverages your equity, improves returns and aids finance growth, or perhaps creates firepower for when the market turns and cash becomes king again.”

Pat uses the example of a mortgage to explain further. He said: “If you want to buy a house you could save for years to buy it outright. But the cost of the property will no doubt increase over the years, so your target is always stretching away and you lose out on any increase in value.

“While you are saving up, you can't live in the house because you don't own it and you will probably be renting elsewhere. So it's just not practical. It's the same with companies having a debt facility. You take on debt knowing you have targets for those funds. It's a practical way to optimise your objectives, knowing that in the longer run you can make enhanced profits.

“Having cash sitting in the bank can also be inefficient and debt is sometimes useful. But understanding the risks has always got to be part of your planning. Too much debt causes its own problems!”

Pat says that the IM Group is recognised across the business community as being one of the very best companies in the country. That reputation is a great asset, but the financial world is still hard headed when it comes to large loans and that's where his experience and expertise comes in.

Looking ahead Pat says the group has to get better at allocating cash, balancing risk but realising the potential rewards of having an active and constantly reviewed fiscal plan.

He said: “We have the big advantage of being a private company and can move quickly when opportunities arise. What we have to do better is to ensure all our divisions know what major things are happening in other divisions.

“Funding is about prioritising major projects across the group. So, a major project on the property side of the business might mean that some investment plans on the automotive side might have to rank lower down, or visa versa. We might have a lot of cash, but it's not unlimited!

“By allocating capital more thoughtfully and by good disciplines around foreign exchange and cash management, we can achieve greater goals for the group.”

Many things about the IM Group have impressed Pat since he joined. “In particular it's the strength of the teams and the lack of politics, that often dogs large companies.”

So, after a day dealing with the figures Pat heads home to the family – and the horses. His daughters love show jumping and they have a grey mare, Nellie, who has just given birth to her first foal, Harvey. And Pat admits to being besotted by the fast-growing foal. Herbie, the Jack Russell completes the Hanlon tribe.

Pat seems to easily step from the world of high finance to having his feet firmly on the ground, mucking out stables and repairing fencing.

# NAME CHANGER TO GAME CHANGER

AS THE CAR INDUSTRY GOES THROUGH ONE OF ITS BIGGEST CHANGES IN DECADES, IM'S CAR FINANCE BUSINESS CONTINUES MOVING WITH THE TIMES.

Car finance is always a challenging and highly competitive business. However, there are also opportunities for good profit margins and IM's specialist arm has been building on its strengths since 2016.

Pat Hanlon, IM's recently-appointed Treasury and Banking Consultant, has been overseeing the change of culture from the old The Funding Corporation (TFC) to the new company, Specialist Motor Finance (SMF). But it's far more than just a name change, says Pat.

He explained: "TFC had struggled for a number of years, despite the hard efforts of everyone there. It had a chequered history, part of which is rooted in the financial crisis of 2008.

"Faced with increasing pressures it got to the stage where the company's financial model just wasn't working, the business had stopped writing new loans, had run out of funding and was contracting. The net return on loans was simply not generating the profits that would enable the business to obtain funding to write more loans.

"In very simple terms, TFC had run out of road. Its business model wasn't working and its legacy issues made it pretty unviable. The business was in run-off mode. IM was forced to challenge the management to come up with a totally new business model to avoid liquidation."

David Challinor, Managing Director at SMF, was charged with that task. He said: "That process was started two years ago. An analysis of the car-loan industry confirmed that there were still opportunities within the non-prime sector for growth."

David says the new company, which is based in Chester, was now able to focus on its chosen market and new business model and a £100 million IM Group loan was made available to fund the first two years of the new business. However, there was some confusion with both the old TFC name continuing to be used internally while the new Specialist Motor Finance name was used externally.

Pat added: "We were in danger of being caught between two stools and the continued reference to the old company brought too many negative connotations.

David added: "We are going forward positively and needed to force the new company and its name into daily use to match our new branding, ambitions and expectations.

"We only operate in the car sector – we don't do mortgages and the like – so the name sums us up perfectly. Now everyone has embraced the change and we can concentrate on our work instead of constantly looking backwards."



Specialist Motor  
Finance Limited

The new company and new name were vital to highlight that it is a new business. But the new trading name itself did not require any huge investment. David explained: "Of course we have a shiny new sign over the office and our new website will soon be launched, but the major change was in peoples' hearts and minds.

"The name Specialist Motor Finance represents the future and that is what we are all about. We needed to sweep away any negatives associated with the old company – the two are very different."

Now the pace of moving forward is gaining momentum. All 75 jobs at Chester have been secured and the aim is to double the business size, but that will probably only require a handful of additional people.

David said: "We know what we are good at in the non-prime market. We must concentrate on that and continue to build from our base. We know that there will always be a place in the market for our type of loan because products such as PCPs are not right for everyone or every car.

"Our typical customer is usually looking for a second-hand car rather than a new model. They may not have a credit rating high enough for new car territory anyway, but they need a car.

"We are always having to balance risk and our appetite can't remain static, but we now have a stronger balance sheet to work with thanks to Pat and Danny Armstrong, our Finance Director."

During the next four years the new company will have a borrowing facility of £125 million – a major new deal arranged and overseen by Pat – and that will finance growth.

"This new facility has also allowed SMF to repay £50 million of the IM loan and virtually double its return on equity," said Pat.

While the new car sales business is facing new challenges, SMF will concentrate on its core business. David explained: "We hear so much about electric cars, but our security against a loan is the value of the car. How do you accurately assess the future value of an electric car? That's one of the issues that we will have to face up to.

"Our typical customer is looking at a used car, normally up to eight years old, so it's not going to be an electric car for a few years yet. Hopefully that will allow the second-hand market to stabilise by the time we see increasing demand for electric cars."

David is convinced with the new backing and drive, SMF is set for further growth. "We know we have the backing from IM and now we have created the capacity for further growth. We have excellent contacts in the broker and dealer marketplace and now all of them have a clear understanding of our objectives."

While SMF receives valuable assistance from IM headquarters, it has no plans to relocate. Chester has become a hotbed for finance companies since the 1950s, so the skills pool is there as and when SMF seeks new staff.

David said: "We want SMF to be the employer of choice and our ownership structure gives us a great USP for staff."

Pat concluded: "We've now invested in the business and IM would not have done that unless it was convinced that the company had a good future, was able to perform well, embrace compliance complexities, and generate sustainable returns for the group."



David Challinor



Pat Hanlon

ISUZU  
UK

A picture is said to be worth 1,000 words and the images in this advertisement – coupled with the concise headline – say it all: D-Max works! But it not only addresses the needs of professional users requiring a tough, highly-capable pick-up... In featuring a model with particular body paint, alloy wheels and the creature comforts defining a luxury vehicle, the advertisement is also aimed at both the life-style sector and the customer wanting a business vehicle for the week and a family car for the weekends.



WINNER  
PICK-UP OF THE  
YEAR 2018

ISUZU  
THE PICK-UP  
PROFESSIONALS

# THE AWARD WINNING ISUZU D-MAX **QUITE CLEARLY, IT JUST WORKS**

**5 YEAR  
125,000 MILE  
WARRANTY**

**3.5 TONNES  
TOWING  
CAPACITY**

**OVER  
40 MPG  
COMBINED**

**OVER  
1.1 TONNE  
PAYLOAD**

**164 PS**

**EURO 6  
NO  
ADBLUE**

**5 YEAR  
UK & EU  
ROADSIDE  
ASSISTANCE**

CALL 03303 335126 OR VISIT [ISUZU.CO.UK](http://ISUZU.CO.UK) TO BOOK A TEST DRIVE

#Over 40 MPG figure applies to manual transmission models. MPG figures are official EU test figures for comparative purposes and may not reflect real driving results. Official fuel figures for the Isuzu D-Max range in MPG (l/100km): Urban 30.4 - 38.7 (9.3 - 7.3). Extra Urban 40.9 - 50.4 (6.9 - 5.6). Combined 36.2 - 45.6 (7.8 - 6.2). CO<sub>2</sub> emissions 163 - 205g/km. For full details please contact your local Isuzu dealer or visit [isuzu.co.uk](http://isuzu.co.uk)

\*3.5 tonne towing applies to all 4x4 models. \*\*125,000 mile/5 year (whichever comes first) warranty applies to all new Isuzu D-Max models. Terms and conditions apply. Visit [isuzu.co.uk](http://isuzu.co.uk)

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RIVALS WILL BE  
FURIOUS

WITH ITS STRIKING GOOD LOOKS ADDING TO THE BEST PROFESSIONAL PICK-UP ON THE MARKET, D-MAX RIVALS ARE GOING TO BE FURIOUS WITH THE ARRIVAL OF THE LATEST COMPETITOR FROM THE ISUZU STABLE.





Professionals looking for a rugged, tough load-lugger already know the strengths of the D-Max. Now the limited edition Fury makes it a real attention-grabbing head turner.

It comes to UK showrooms in January 2019 but dealers have already reported a keen interest since it was first announced and pre-orders had already been taken in the late autumn of 2018.

Unique features on the Fury start with the Magma Red statement paint job and dark grey 18-inch alloys. The dark grey radiator grill and red Isuzu badge clearly define the Fury as being special, setting it apart visually from all its rivals.

It also features gun metal side steps, Cosmic Black door mirror covers, black door and tailgate handles and a bold Fury exterior decal. Inside, the Fury has distinctive red overstitching on the soft pad armrests and steering wheel and Fury branded carpets. Leather, in bright red and black, is an option and there are Fury logos emblazoned on the headrests to give the pick-up even more presence.

The Fury can be ordered as a manual or automatic and it retains all the hardworking capabilities that continue to win fans to the Isuzu brand.

An extremely striking, comfortable and hardworking pick-up, the Fury is a unique vehicle with a strong road presence. Its premium custom designed interior helps create a fun, capable and luxurious blend of uncompromising style.

William Brown, Managing Director of Isuzu UK, said: "Don't for a second think that the striking looks of the Fury mean that its incredible on-road and off-road capabilities have been compromised.

"The Fury is a true D-Max and is as tough as they come. Reliability and capability sum up the whole range."

The Fury has manual air conditioning, a 7-inch multifunction colour touch screen, reversing camera, CD player and both front and rear USB Ports as standard.

It retains the D-Max superior 3.5 tonne towing capacity, outstanding 125,000 mile/five-year warranty and five-year roadside assistance in the UK and the rest of Europe. Prices in the UK start at £22,499 on the road.

# WILLIAM BROWN & ISUZU

ISUZU DEALERS WILL LEARN ABOUT EXCITING NEW DEVELOPMENTS AND THE COMPANY'S FIVE-YEAR PLAN FOR CONTINUED SUCCESS INTO THE 2020s WHEN MANAGING DIRECTOR WILLIAM BROWN ADDRESSES THEIR ANNUAL CONFERENCE EARLY IN THE NEW YEAR.



The first part of Isuzu's five-year plan has already been implemented with some restructuring within Isuzu and Subaru. "Where the two brands had shared resources, new positions have been created to provide much stronger, dedicated resources that are able to offer the perfect platform from which to rise to the next level," he explains. For Isuzu that journey will mean substantially increasing annual sales over the coming five years from the 5,100 units sold in 2018. "In 2019 we will be focusing on expanding growth in two key markets – business-to-business and fleet. These are areas where we are already seeing good growth and we'll be continuing to push that growth.

"Business-to-business customers are, typically, smaller companies with a requirement for a pick-up truck during the week but one that can be used for family purposes at the weekend. The D-Max Blade and Utah models are typically the versions chosen. They are tax-efficient and can be run through the business books with VAT being claimed back as well as being ideal for weekend family purposes with the excellent creature-comforts they offer. They appeal to customers who need a working pick-up but want it to double up as a life-style vehicle at the weekend," says William.



"Our biggest customer base remains the professional who wants a competitive and reliable workhorse. So in 2019 we will focus on the business-to-business and fleet markets where we already have an entree, but want to significantly increase sales."

In the fleet sector Isuzu has gained a good reputation with a number of large, well-known fleet customers, says William. "Most of the utility companies have D-Max. Over the past three to four years they have proved very reliable and have given good service meaning that those fleet customers are now coming back for more. Interestingly, many of our fleet customers talk to other businesses and we're picking up new sales based on the word-of-mouth reputation and product quality D-Max has won."

Those virtues have also been rewarded with coveted awards in 2018. "So far we have won seven awards this year," says William. "We won Pick-up of the Year from *What Van?* magazine; Best Workhorse from *Trade Van Driver* magazine;

Most Reliable Pick-up from *Professional Pick-up* magazine; Pick-up of the Year from *Scottish Field* magazine; Northern Ireland Pick-up of the Year from the Freight Association; Pick-up of the Year from *On The Tools* magazine and Pick-up of the Year in the Commercial Fleet Awards 2018."

To continue winning major accolades in such numbers some seven years after its launch – and, therefore, approaching the point in its life-cycle when a replacement could be due – is a powerful testament to just how good the current D-Max is. And with a number of what William calls 'exciting projects' for D-Max in the pipeline (see page 7 for Fury details) the awards are likely to continue coming.

So what did attending Harvard Business School earlier this year give William?

"I did the same General Manager Programme that Andrew Edmiston did in 2005," explains William. "It was immensely interesting and an amazing experience to further-grow my knowledge of business with some of the best

business professors in the world. Mixing and networking with 145 people from across the world and all different industries has also been incredible. It's almost like when you get a new computer with all the latest technology... I feel like my brain has been rebooted and upgraded with the latest business 'software' and thinking!"

"It was really exciting to get all those fresh ideas and input – a great experience, to benefit from all that extra knowledge. And I know the business will benefit too. Isuzu has had almost ten years of sustained growth. However, over the last few years we have seen our competitors become more aggressive and more interested in the pick-up market with their new models.

"So it was perfect timing for me to gain fresh ideas about how we sustain and compete in an ever-growing and ever-competitive market. It was a privilege to have been given the opportunity, even though it meant missing a couple of family birthdays and being away from home."





# MEET LUCY HOLLOWAY

*Head of Product & PR*

Imagine a job where you get to influence the specification of new vehicles and special editions; where you work with senior management to negotiate the cost of cars and pick-up trucks from the manufacturers (and fix the eventual showroom sticker price); where you brief dealers and the Press on all the virtues of every new model; where you help your company enter the exciting world of alternative-fuel vehicles and where you get to work with just about every other department in the business... Sounds good? Then take it from Lucy Holloway, the IM Group person who undertakes that role with the title of Head of PR and Product (UK) for International Motors, it certainly is!

"A lot of people don't understand just what the

product element of the role entails or just how exciting and challenging it is," says Lucy, who joined IM a little over two years ago from Peugeot. But unlike Peugeot, where she dealt with just its compact cars, at IM she looks after two brands – Subaru and Isuzu – and embraces many more models. "Working for a smaller company has enabled me to learn a lot about the automotive industry," she adds. "It's a very varied and interesting role and involves working with all areas of the business. It's also extremely rewarding because I get to influence change and participate in the business."

But she is the first to admit that her job cannot be successfully done without help from other

*"A lot of people don't understand just what the product element of the role entails or just how exciting and challenging it is,"*



departments within the IM Group.

So what, exactly, is the role? “Essentially I manage the product portfolio throughout its life cycle,” she explains. Special-edition models figure prominently in her work and 2018 has been very busy. “We invested a lot of energy in creating interest and refreshing the D-Max range on a regular basis including an almost quarterly plan for special editions to help dealers achieve their objectives. Special editions mean working closely with other departments, in particular parts and accessories because we need to maximise the amount of equipment we can add for the best price possible. We try to ensure that all the special editions are as different as possible and appeal to as wide a range of customers as possible.”

D-Max special editions included the Yukon Extended Cab launched at the CV Show at the NEC in April. It boasted a considerable amount of extra equipment for just an additional £1,000. Also at the CV Show was the Arctic Trucks Stealth, a life-style vehicle perfect for attracting attention on the stand. “At the end of July we launched the Utah Luxe and in October we launched the 18-model-year D-Max and Fury, which will go on sale early in the New Year. Fury is positioned between the Eiger and the Yukon, has a great specification and price and has been developed in conjunction with the Isuzu factory.”

Meanwhile, as the world starts to embrace alternative-fuel vehicles, Lucy is involved with all that is in store for IM’s brands. Her lips remain tightly sealed regarding longer-term developments. But she is excited about the news – already in the public domain – that Subaru will launch MHEV

(mild hybrid electric vehicle) Forester and XV in the autumn of 2019. “There is an intention to offer alternative-fuel vehicles across the range in the future but, at the moment, the plans are for MHEVs. Both will retain the Boxer engine with, of course, the addition of an electric drive motor and battery unit. And I can add that the new-technology drive-line will be arranged to offer symmetrical all-wheel drive as we have in our current models, retaining one of the important USPs that make Subarus capable, safe and reliable.”

Well in advance of the launch there will be pre-launch sales events for dealers and customers and Lucy will be involved in those. “What will be exciting is that we’re going to buy some pilot-production vehicles to use at the special events. They will be Japanese specification, but it does mean that we’re able to get hold of vehicles much earlier than if we waited for UK-specification production models. The pilot-production vehicles will be very close to UK specification but not exactly the same. It’ll be an exciting time for Subaru with loads of promotion and loads of activity leading up to the official launch.”

Ahead of the first events, Lucy will be researching similar MHEVs from rival manufacturers, although there are not many of those that closely compare with what Subaru will offer! It’s a new aspect to her role and she is looking forward to it. “I’m not a petrol-head. But, having worked in the automotive industry for several years, I do have a professional interest and I believe this new chapter in my career is going to be both interesting and exciting as we move into the future.”



**And then there were three brands!**  
**Lucy Holloway and James While from Christian Vision examine the new Borgward joining IM Group’s franchise line-up. The car was revealed to staff at their informal ‘Speakeasy’ gathering in November immediately following signing of a Memorandum of Understanding for International Motors to import Borgward cars in Nordic, Irish and UK markets.**



## SO LONG PAUL

"I started at Jensen Motors in September 1973 in the parts department. It was in May, 1976, when we were made redundant. My manager at the time called us in on the Friday and said he was making us redundant but we were not to worry as he'd got us jobs. We were to report for work on Monday morning. So I started at Jensen Parts & Service on Monday 26th May. And the rest, as they say, is history!

"It's been quite a journey because none of what the IM Group is today had been thought of back in May 1976. I was just working in parts

and service simply to keep owners of Jensens on the road. There were four of us on the parts sales side in those first days and a further three on the purchasing and sourcing side. None of us expected that the company would become what it is today with Subaru, Isuzu, the operations in Nordic and Baltic countries, Citroen in Ireland and the finance and property businesses."

Paul remembers that the parts department grew a little as the fledgling business took off. But it was when Bob took on the Subaru distributorship that the real growth and

*IM Group Homologation Manager Paul Cartwright, who retires at the end of 2018, is the last of the former Jensen Motors employees who joined Bob Edmiston when he started Jensen Parts & Service – the small company from which the IM Group has grown. Here he tells Keith Read about the journey from the early days at Kelvin Way, West Bromwich to retirement at Coleshill.*

expansion started. And he vividly remembers the introduction of Type Approval within the company, which came as a bit of a shock. "At the time Keith Hadley was responsible for sourcing parts for the company. I can remember Bob going to Keith and asking him what he knew about Type Approval. Keith said he knew nothing about it. At this, Bob said, 'Well you'd better learn about it because we're taking on the Subaru franchise!'

"Keith looked after Type Approval and homologation on his own at the beginning. I



## PAUL CARTWRIGHT

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had moved on to warranty by then. However, in those days everybody lent a hand wherever it was needed and I was asked to help Keith as well as doing my own job. Eventually I dropped the warranty work to work solely with Keith who retired in 2013. At that point, I became Homologation Manager."

What have been the highlights of Paul's career?

"It's the people, rather than the times, that stick in my mind when I look back at my life with Jensen and IM," he says. "I've worked with a good group of people and there's been good camaraderie all the way through – from Jensen Parts & Service right up until now. I couldn't name any one person who stands out. Everyone has made their own contribution."

Paul fondly remembers the early days of Bob's Jensen Parts & Service company. "There was no atmosphere at all in Jensen. But in Parts & Service everyone helped each other. I can remember painting the offices to make them look smart just before Subaru came to see Bob and award him the franchise. If there was any sweeping up to do, you'd just grab a broom and do it!"

He recalls that in those early Subaru days the working week ended at 4.30pm on Fridays. "At 4pm Ron Freckleton, who was Parts & Service Director, would shout 'Lyn put the kettle on' and everyone stopped work and we sat and shared a few laughs and chatted about the week we'd just had. You could do that with a small group of people." He accepts that as a company becomes

larger it's not as easy to do that, although Paul says that despite IM's size today, a willingness still exists for departments to co-operate and for staff within those departments to help each other. "You can't go from 20 or 30 people working together to a company with hundreds of people and offices around the world and maintain the same closeness."

The arrival of alternative-fuel vehicles won't, he believes, change what the homologation department does. But it could mean additional testing if modifications or pre-registration addition of accessories affects the fuel consumption figures through additional weight or extra drain on the power. "That will be something for my deputy, Michael Hart, who will be my successor, to look at. It won't be a problem, but it will be something for concern and, in fairness, we are still waiting for the VCA to advise us what we can do and what we can't do. It's all in limbo at the moment. You could say that homologation is about to enter challenging times!"

Paul, who officially retires on 31st December and will be 65 on 26th January, says he's made no plans for retirement. "Throughout our life, every time my wife and I have made plans, they've gone wrong! So we'll take it very much as it comes. We'd like to do some travelling, apart from that I've planned nothing."

*"I've worked with a good group of people and there's been good camaraderie all the way through – from Jensen Parts & Service right up until now.*



# NEW WAY TO SUCCESS



HAVING NOTCHED UP HIS FIRST YEAR IN THE UK AS THE IM GROUP'S NEW AUTOMOTIVE DEVELOPMENT DIRECTOR, TORBJÖRN LILLRUD IS ROLLING OUT AMBITIOUS PLANS FOR A 'NEW WAY OF WORKING' WITHIN THE AUTOMOTIVE DIVISION.

Torbjörn Lillrud doesn't like reports, or charts or graphs. He says work on such matters is pretty much a tick-box approach to business. Instead he's introducing a new way of working.

Now a year into re-locating from his native Sweden to the UK to become IM's Automotive Development Director, Torbjörn really is sweeping away many of the conventional ways of approaching the automotive business.

Some would call his radical approach refreshing; others might argue it's startling or even frightening. But Torbjörn says he is not making changes for change's sake and has put his reputation on the line to introduce his ideas.

He is a determined and directly spoken character. Maybe it has something to do with his name. While many people find it a tongue twister, Torbjörn breaks it down to make it easier to understand. He explained: "Torbjörn is really made up of two parts – Tor is short for Thor the Norse God of Thunder and Björn is the Swedish

word for our brown bears." Fearsome eh?

He was brought in to head the automotive side of IM in preparation for the retirement of Paul Tunnicliffe. Andrew Edmiston, Group Managing Director, felt that Torbjörn could bring some of his Nordic techniques to the whole of the car side of the business. Previously Torbjörn had worked for IM's Nordic operation for 14 years and steered that side of the business to some mighty impressive results.

He reels off the results proudly. "Back in 2003 when I joined we had one of the poorest results for the Subaru brand anywhere and when I left we had one of the highest market shares in the world for Subaru. We went from less than 1,000 unit sales to more than 9,000.

"When you look at the size of the UK car market it's around 2.4 million but the Nordic market is half that size so our results have been even more impressive."

Torbjörn smiles and says the fantastic results in

Scandinavia are down to one thing: focus.

He expands on his theme of prioritising time: "Having to spend so much time on reports means that you can't be focussed on what the business is really all about and that's the big issue we are all addressing now."

In his 'New Way of Working', Torbjörn is really going back to basics. He knows that ultimately the success of the car brands will be judged by sales results, yet his new plans to change working methods within the automotive division actually has sales targets towards the bottom of his ambitions. Why?

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THE FANTASTIC RESULTS IN SCANDINAVIA ARE DOWN TO ONE THING: FOCUS.

"WE WANT TO BE THE  
BEST EMPLOYER IN THE  
UK - NOT JUST IN OUR  
INDUSTRY, BUT ACROSS  
THE BOARD.

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Torbjörn explains: "Internally we need to focus, focus, focus on the basics. For our individual brands we now have one brand leader and they must focus just on that. Anything that crosses their desk that isn't something that will contribute to their particular brand has to be swept aside.

"They become the 'King' of their brand and concentrate just on that. That's how we get the Subaru and Isuzu teams to focus on their brilliant products – each very special in their own market areas."

Focus could almost be Torbjörn's middle name as he makes his points with huge passion – and the occasional lapse into some direct Anglo-Saxon expressions!

"But I know we have great people," Torbjörn continues. "We just have to re-set ours goals." Yet immediate sales success is not top of his priority list "Of course we want fantastic sales results, but in order to get them we have to change our ways of working. Sales will come, but first we have to put in place vital pieces of the plan."

So number one on his list of five goals is employee satisfaction. Torbjörn explains: "We want to be the best employer in the UK – not just in our industry, but across the board.

"I want our people to enjoy taking responsibility, to know they are part of a great team and to get a great buzz out of working for their brand and our company. Let's strip away anything that holds them back and let their energy and talent shine.

"Taking care of people and getting them 110% behind their job leads to more enthusiastic and more-efficient ways of working together."

His second target is to make the brands the number one manufacturer in dealer satisfaction surveys. Torbjörn says: "We must motivate our dealers to aim for the top. Some of the things are easy – like answering the phone and answering customer's e-mails quickly. They shouldn't put that off just to write a report – reports don't help customers."

Torbjörn says some signs of success are already coming through. In the vital sales month of September the UK car market dropped by more than 20% yet Subaru sales increased by a huge 66% and was the third-best performer across the market.

Customer satisfaction is a close third on Torbjörn's five-point target. "Good, motivated dealers already know how vital it is to keep their customers happy. In Sweden we got our dealers to concentrate on this and benefitted from the results. It took us two years to move from 15th in the table on customer satisfaction to third. If it works in Sweden, why can't it work in the UK?"

Increased sales only comes fourth on Torbjörn's list because, he insists, if you don't get employees fully committed and happy, if you don't get dealers being top of the satisfaction index and if you don't get customer satisfaction at the top of the league, then you won't get sales. Hit the first three targets and sales will naturally follow.

Becoming a more profitable business is also a natural follow-on from Torbjörn's previous four points. He said: "By being profitable all our stakeholders benefit. We have to make money for the manufacturers, so that they can invest in R&D; our dealers earn more profit to build even more successful dealerships and we invest in our business as well.

# IT'S A LONG WAY TO THE SEA!

**It's been a busy first year settling into the UK for Torbjörn Lillrud but he already loves his new lifestyle.**

"Making profit is a win-win situation for everybody. But to get to that point we all have to embrace the five goals. It's like a chain – you can't break any link otherwise it fails."

He's put the automotive sector into three teams: the blue team works exclusively on Subaru, the red team on Isuzu and the black team has a shared cross-brand function to provide a more efficient parts and back-office operation.

Each brand now has a specific motto to follow that concentrates Torbjörn's vision. For Subaru it's 'Better where it Matters.' He says that involves always looking to highlight the strongest values of the brand and being better at things that really matter to customers.

For Isuzu the motto is 'Professional where it Matters.' Torbjörn says it's easy to forget just how strong, safe and dependable Isuzu models are – ideally suited for demanding tasks where professional people need a vehicle capable of meeting challenging conditions.

And that leads to one of Torbjörn's frustrations. He says the UK Press often give the brands poor reports, simply because they don't understand them. "In the US Subaru will sell more than 600,000 cars this year compared to around 200,000 BMWs. So it can't be that our car is bad – I need to get motoring journalist in the UK to better understand the brand in context.

"If you are a vet and you want a car to get you to a farm in the hills in the snow, then a Subaru is ideal for you. But a normal motoring magazine road test will probably not reflect that."

In the autumn of 2018 Torbjörn set out his ambitious aims at a major staff event to formally introduce his New Way of Working. He said: "We have some great people working for us, but it's vital that we change the way we work and of course, for some people, change can seem challenging.

"But with the car market getting ever more competitive, we have to embrace change to go forward. And I know we can do it."

Like most Scandinavians, Torbjörn Lillrud is used to lots of travel and has a command of several languages that would put many Brits to shame.

He's worked for several international car brands and visited many European countries as well as China. But now he calls the UK home and is fully settled in to his new lifestyle after moving from his native Sweden a year ago.

Torbjörn says that Scandinavians and Brits have more in common than any cultural differences might suggest. He said: "We are both northern European and share lots of attitudes. We don't have the sometimes high-spirited character of people from southern European countries and maybe Scandinavians generally are slightly quieter than people in Britain.

"At home we tend to be very private people, almost shy in some ways. But everyone I have met here in Britain has been very welcoming and helpful."

Torbjörn said colleagues at IM gave him lots of guidance and advice when it came to finding somewhere to live. He, and his new wife Ruta, decided on Leamington Spa and their town centre apartment was actually a Spitfire Bespoke Homes development.

The couple were married recently in Sweden, but how they met reveals a romantic side to Torbjörn's character. He recalls: "I was flying on business and Ruta was on board working as an air hostess. We just clicked and chatted and chatted for much of the flight.

"But when I got off the plane I was kicking myself for not asking for Ruta's phone number. But then a couple of months later I was on another plane and Ruta was on the same flight so I got a second chance. But this time I made sure I got her number and that was the start of our life together."

Ruta, who is Latvian, has a degree in web designing and is currently studying photography with the plan to use her skills in the real estate business. The couple also have a holiday home in Spain where Torbjörn says he is developing his DIY skills.

Torbjörn and Ruta enjoy traditional British pubs and visiting picturesque villages. "We've been to the Peak District and loved walking in the countryside there and we're planning to go to the Lake District as we have heard how pretty it is," said Torbjörn.

So is there anything that he doesn't like about living in Britain? "The only thing I miss is the sea. I've always lived close to the sea. Sweden is actually quite a big country, but all the main towns and cities are near to the coast, so you are never far from the sea.

"Leamington is great. It's got some great pubs and restaurants and it's easy to get down to London and everywhere else – everywhere that is, except the sea!"

# STRONG GROWTH IS GREAT NORDIC NEWS

WHILE CAR MARKETS IN MANY COUNTRIES THROUGHOUT THE WORLD ARE EXPERIENCING A DOWNTURN, IM NORDIC IS MUCH MORE POSITIVE – IN FACT, ONE OF THE BIG PROBLEMS IS GETTING ENOUGH PRODUCTS TO SATISFY A GROWING DEMAND.

After years of strong growth many countries, particularly in Europe, faced a slowdown in 2018. Yet Christer Blomdell, Managing Director of IM Nordic's operation, faces a different challenge – getting enough cars to meet customer demands!

Christer, who has been in the role of MD for just over a year, puts the growing demand down to a number of key factors. Marketing and selling the real-life strengths of Subaru and Isuzu products is one and the fantastic teamwork of everyone within IM Nordic and its dealer network is another.

He is particularly proud of his team made up of colleagues from the IM Nordic office, to the parts warehouse, the dealers and their sales staff. Christer said: "I would like to highlight and praise the whole team of IM Nordic, working with both our brands and in all our markets. The success we are having is truly a team achievement where everybody is equally important and contributing to the great culture and team spirit we have in the company."

The Nordic operation has been one of continuing success for many years and Christer is determined to keep that momentum going. Certainly if the latest figures are anything to go by, he and his team are succeeding.

Christer said: "We are continuing the strong growth from the second half of last year and accumulated sales for 2018 have grown by 13%."

While the total market growth has been slowing down since the summer across all Nordic territory



markets, IM operations appear to be continuing to buck the trend. Christer explained: "During this same time we have had some really good results with 2,500 dealer orders in the past 2.5 months, so I believe we can go up-stream and take market share even when the markets are down."

Christer's positive outlook, and the proof of demand in recent dealer orders, means that he is having to fight his corner to get more product. He said: "We have increased the sales so

strongly in the last 15 months that now we are in discussions with the Subaru Corporation to get a higher allocation of cars to continue our growth.

"There are always challenges in the business which is part of the fun but our biggest challenge overall is to get enough cars to support our growth. And with new products coming in 2019 we see great opportunities to continue growing the Subaru business in our markets."

In order to keep pace with this increasing demand, generated by the

IM Nordic team's efforts, Christer and his colleagues are looking at their dealer network. He explained: "We are continuously reviewing and strengthening our dealer network. This year we are happy to have started an exclusive Subaru dealership in Gothenburg which is the second largest city in Sweden. We will also add an exclusive dealership in one of the capital areas in the Baltics shortly."

Not content with that, IM Nordic is working alongside IM's Business



Niklas Gustafsson



John Hurtig, Brand Director, Subaru Nordic; Bernt Schmidt, Subaru dealer Association; Stefan Henningsson, Area Sales Manager, Subaru Nordic

## HOST OF AWARDS FOR EFFORT

IM NORDIC HAS BEEN REWARDED FOR BUILDING BOTH SALES AND SATISFACTION RESULTS AMONG DEALERS AND CUSTOMERS ALIKE.

Subaru took top place in the latest AutoIndex customer satisfaction survey in Sweden, ahead of Volvo and BMW. AutoIndex is the dedicated Scandinavian equivalent to the more widely known JD Powers Index.

The survey has been carried out since 2001 and ranks private car owners' experience and satisfaction with their car, dealership and workshop. It is used by 25 Scandinavian car suppliers to benchmark against their closest competitors and target and strengthen their actions towards customers.

More than 190 questions make up

the survey where private car owners evaluate their cars according to the car itself, overall loyalty, the buying experience and feedback on car servicing.

At the latest European Subaru distributor meeting, IM Nordic was presented with an award for record sales in Latvia and a second award for a big increase in market share in Estonia, where the brand took a 3% market share.

IM Nordic was also awarded 2nd place in the Swedish dealer satisfaction survey for the Subaru brand and 3rd position for Isuzu.



Cathrin Berjlander



Matilda SchÅler

Development team to explore the possibility of winning new franchises for the Nordic markets.

Christer said: "We are continuously working together with Business Development to find new opportunities. One of the most promising projects we are working on is the Borgward brand."

Borgward is the historic German brand that once ranked alongside the likes of Mercedes-Benz for quality and technical advances in car making. Sadly the old company crashed in the 1960s but was more recently invested in by Foton, a subsidiary of the Beijing Automotive Industry Corporation (BAIC).

The new Borgward company has its headquarters in Stuttgart, an advanced car manufacturing factory in Bremen and another factory in Beijing. The company specialises in electric vehicles. Borgward now sells in China, South-East Asia, the Middle East, South America and Germany and has ambitious plans to expand into other European markets.

Meanwhile IM Nordic has a new After Sales Director, Niklas Gustavsson, who had previously

been service manager for Subaru. Christer said: "It's great that we can offer people the opportunity to grow and develop within the company. I'm also happy that we now have two additional women, Cathrin Berjlander and Matilda SchÅler, working in the warehouse where women make up 20% of the staff there. Another part of our great team.

"Sadly we recently lost our friend and colleague Karl-Gustav Persson – known to everyone as KG – to cancer. KG, who was an accountant, had been with us for 10 years and always contributed with a positive mindset."

Christer is also a strong believer in working closely alongside IM Nordic's dealer network, many of whom are relatively new to IM's brands. He said: "To work together with our dealers is one of our key success factors and we try to do it in ways that connect to the brand and our customers.

"Early in 2019 we will hold the Isuzu dealer conference at the Ice Hotel in Jukkasjärvi in the north of Sweden where the beds are actually made from ice."

## MEET THE COACH

IT'S BEEN A BUSY YEAR FOR CHRISTER BLOMDELL. ON TOP OF GETTING TO GRIPS WITH HIS NEW ROLE, CHRISTER AND HIS FAMILY HAVE BOUGHT A NEW HOUSE AND WILL BE MOVING IN THE SPRING.

Outside of work he has taken on a new challenge as coach to the ice hockey team that his youngster son, Malte, plays for. He said: "To keep the attention of 30 ten-year-old boys and to make them work together as a team is not an easy task but very rewarding when you succeed!"

Alongside Malte, Christer and his wife, Anna, have another son, Joel. "My boys are now at an age where they tell me that they are happy that I have a job I love. But they don't like me having to travel so much. However, with today's technology it's easy to keep in contact every day," said Christer.

But a visit to IM's UK headquarters has its consolations. As Christer explained: "I do come over to the UK every now and then and really love the opportunity to have a great Indian meal which is difficult to find in Sweden."



# LIMERICK LAD TAKES THE REIGNS

BY KEITH READ

**CITROEN IRELAND – PART OF  
THE IM GROUP SINCE JULY 2015  
– WELCOMED ITS FIRST IRISH  
MD FOR MORE THAN A DECADE  
WHEN ‘LIMERICK LAD’ PAT RYAN  
TOOK OVER THE HELM FROM  
CHRIS GRAHAM JUST BEFORE  
CHRISTMAS 2017.**

Pat's arrival not only put an Irishman in charge but also marked a step-change in the development of IM Group's latest investment across the Irish Sea with Citroen moving from stabilisation under Chris to concerted planning for the future and profit.

“Since IM took on Citroen it has been a team effort and a lot of hard work has been done,” says Pat. “Chris put a very good management team together and did an excellent job in stabilising the business, which had a very disenchanted dealer network before IM took over. I have to pay tribute to Chris who did a brilliant job in getting those dealers enthused and wanting to engage with Citroen.

“As a result of that it's now easier for us to look forward and plan ahead with that stable platform beneath us. The progress that we've made in 2018 is, really, a testament to what Chris did and the correct calls he made on dealerships. Our job now is to successfully manage the business for IM and show a return on their investment. For 2018 we're on track to break even and, next year, we aim to make a profit by increasing our retail sales.”

Key to increasing those retail sales is the recruitment of new dealers, specifically those that have become financially strong, willing to invest heavily in the brand and sympathetic to the IM style of business operations. This has seen the





**SO FAR,  
PAT AND HIS  
TEAM HAVE  
APPOINTED  
FIVE DEALERS  
ACROSS SIX  
SITES.**

appointment of a number of family-run dealerships whose history and success has followed a similar route to that of IM and the Edmiston family.

One of the synergies evident in those appointments is the focus on retail sales rather than pre-registered sales to generate volume. "Pre-registered sales are a cheap, but dangerous, way of increasing volume," says Pat.

So far, Pat and his team have appointed five dealers across six sites. The Irish motor trade is a close-knit community. But being Irish has enabled Pat to go out and knock on doors although, in fairness, some of the new dealers have knocked on his door having come to the conclusion that

Citroen is – to use the phrase favoured by many – about to 'have a moment' thanks to its current and future models.

The first of the new dealers came in March with James Tomkins, a family-owned business in Gorey, Co. Wexford. Two months later came the first of two extremely significant appointments in Dublin, the largest centre of population in the Republic, where representation has not matched the importance of the potential market. Fort Motors, also a family-owned business, is based in South Dublin and has revamped its existing site to accommodate Citroen passenger cars. Fort Motors is a strong fleet dealer – something that

particularly pleases Pat. "Our focus is to go for serious retail business."

"In June we appointed James Barry, in Limerick – my home county!" adds Pat. "And in August we appointed Paul Linders, in West Dublin – the second of our key Dublin additions that will enable us to reach a much wider market. Linders officially started selling our vehicles at the end of October together with Opel, which is now part of the PSA Group." Also recruited in October was the John Adams dealership in Port Laoise.

Despite the flurry of appointments in 2018, Pat is still looking for new dealers. "In the county of Cork for instance – the second-largest area of

**“CURRENTLY WE HAVE 5% OF THE COMMERCIAL VEHICLE MARKET AND PLAN TO INCREASE THAT TO 7% IN 2019 THANKS TO THE NEW DEALERS WHO ARE FINELY FOCUSED ON VANS.”**



population in Ireland – we currently have only two dealers. We're looking to appoint at least another one. And there are a couple of other counties where we plan to grow as well.”

Paramount for Citroen, which currently has 24 dealers, is appointing those who have the resources and ability to invest in the franchise. This is not always easy as many motor trade businesses in Ireland sadly lack the financial strength required to undertake that investment. However, the Citroen marque does have a significant attraction. “Commercial vehicles give us an entree into dealerships,” explains Pat. “And with New Berlingo being voted International Van of the Year, our commercial vehicle business has an added USP. Currently we have 5% of the commercial vehicle market and plan to increase that to 7% in 2019 thanks to the new dealers who are finely focused on vans.”

Citroen vans are popular with local authorities and there has been some success in the evolving

alternative-fuel market with its electric vans. One significant customer has been the Irish power network utility. The EV market in Ireland is one that clearly has some way to go, although it's by no means stalled. “In 2016 the alternative fuels market for cars was about 3%,” says Pat. “In 2017 it was 4.5% and this year we'll see it rise to more than 7%. Next year we expect alternative-fuel vehicles to account for 10% of all passenger car sales. On the CV side, the equivalent percentages for electric vans are roughly half those of cars, largely because supply is a bit of an issue for us, particularly for electric Berlingo.”

What gives Pat optimism for increased sales – and resultant profit – in 2019 is that new models due to arrive will significantly increase Citroen's potential customer base. “Currently we serve about 52% of the passenger car market with our range. But with the new models coming along – particularly the C5 Aircross – we'll have a model in 75% of the market,” he explains. Not that 2019

is going to be plain sailing...

The Irish market is unique in that the first three months of the year accounts for 50% of total annual sales. Unfortunately, in 2018 Citroen missed that busy Q1 with its new and popular models. However, it still managed to beat its target. And history will repeat itself in 2019 with the new C5 Aircross not being available until March. Pat has high hopes for the New Berlingo passenger model which, he says, will be a highly-competitive and cost-effective seven-seater in the Irish market.

However, it too won't be available until late Q1. "Naturally this poses a concern for us as the first quarter of the year, and in July, is when the business makes money. For the rest of the year it doesn't. This is why everyone in the motor trade is exploring all cost synergies."

The belt-tightening follows a year in which the total market in Ireland has declined 6.5% to around 125,000 vehicles. Yet Peugeot – Citroen's sister company – increased its sales by 40%. "With the new C5 Aircross we hope to increase our market by 15% in 2019," says Pat. "We should be ambitious! But there has to be a word of caution because of the unknown outcome of Brexit. But if there is any success it will be down to my team. I really want to acknowledge the effort that they have put into the business over the past year. They have my gratitude for all their hard work."



## HONE GROWN SUCCESS STORY

Having graduated from University College, Dublin in mechanical engineering Pat, 41, went to work for Nissan in Fuji City designing automatic gearboxes. From there he moved to JATCO, the Japanese automatic transmission company who had a base in Warwick in the UK, where he was involved in designing products for Jaguar Land Rover. He returned to Dublin to do an MBA at the Michael Smurfit Business College, part of UCD, then back to UK where worked in business development at Ricardo's

Royal Leamington Spa offices.

Immediately prior to joining IM, Pat spent seven years with Volkswagen Ireland where he held a number of senior positions.

Pat has two children, a girl aged six and a boy aged five. He is a self-confessed avid sports fan and a huge supporter of hurling, particularly Limerick Hurling Club. His other major love is rugby where he supports Munster. His active sports include running, especially 10k events, and cycling.

# FORT MOTORS

Brothers, Paul and Cyril Molloy – the second-generation to manage Fort Motors in Cromwellsfort Road, South Dublin, celebrating its 60th anniversary in 2019 – unashamedly say that profit prompted them to add Citroen to their successful Ford dealership. “We are in business, after all! Citroen gives us more products for more people – and more cars mean more customers,” says Paul.

“The timing is very fortuitous. Until now Citroen has been in 50% of the market. Now, with the new vehicles coming along, it’s moving towards 75%. C5 Aircross is coming into that very competitive SUV sector of the market. The timing couldn’t be better. And there’s new product in vans as well.” Commercial vehicles are extremely important to Fort Motors. As well as the refurbished showroom at their main site for Citroen cars they are expanding a second site at Tallaght in Dublin to accommodate Citroen commercial vehicles alongside their Kia and Ford Transit business.

“Vans are a huge part of our business and always have been,” says Paul. “A big attraction for us was Citroen’s commercial vehicles. For as long as we’ve been Ford, many of our bigger fleet customers have been exclusively Ford. But today they’re beginning to buy other brands – and Citroen would be one of them. As the market



*Cyril and Paul Molloy*

evolves and brand-loyalty becomes less of a factor, it’s important that we have [different] products to serve our customers. New Berlingo has won the International Van of the Year award. This gives customers assurance that what they are buying is the best available. Just as Transit is synonymous with vans, so is Berlingo. We see tremendous opportunities with it.”

The ‘marriage’ of Fort Motors and Citroen Ireland came via a match-maker, says Paul: “Although Citroen were aware of us and we were aware of them, there was a match-maker in the shape of First Auto Finance. They were the conduit,” he adds. “They knew us and had mentioned that they had good relationships with the IM Group and Citroen Ireland. And when the time came the approach was made through First Auto who’ve been supportive of us for many years. We have a strong relationship with them.”

Was it a smooth courtship? “It all happened quite quickly,” says Paul. “But the timing was good because we were developing this site at the time and when we started talking to IM they saw the potential. For us the striking thing was seeing how Citroen Ireland and IM Group value business relationships. We’ve known a few manufacturers down the years and we are loyal to those who support us. But we have seen the flip-side where

relationships are not valued... A good business relationship is vital for us. We are extremely passionate about what we do and we clearly see that passion with IM and with Pat Ryan and his team at Citroen Ireland.”

Trading as Citroen South Dublin, there’s no market sector that the dealership won’t explore. “We operate in all the business channels,” says Cyril. “We have a very strong retail business while business-to-business is very important to us. Used cars and vans are also a huge part of our business,” he adds. “Our roots are in used vehicles because that’s where our father Cyril, now our group Chairman, started. We mustn’t forget that used cars kept us going through the difficult days in the 1980s and the oil crisis. It was after-sales and the ability to look after customers that kept us going. Those customers have remained loyal to us. The workshop, and fixing vehicles, is part of our heritage.”

And there are young Molloys that could continue that heritage. Paul has two daughters, both still in education, while Cyril has two boys, aged 13 and 16, and two girls aged 11 and six. His eldest son is car-mad, he says. “We are a family business and we like to think it will carry on for many, many years. Cars are in our blood and it’s hard to get them out!”

# LINDERS MOTORS

AFTER FIVE YEARS WITH RENAULT, PAUL LINDERS, MANAGING DIRECTOR OF LINDERS MOTORS IN FINGLAS, DUBLIN, FOUND THAT HIS VISION OF THE FUTURE OF THE BUSINESS WAS DIFFERENT TO THAT OF RENAULT AND THAT THERE WERE POTENTIALLY BETTER-SUITED PARTNERS WITH WHOM TO DO BUSINESS. SO HE STARTED LOOKING.

"What attracted me initially to the Citroen brand was its van and commercial vehicle business. I then started to look at their other vehicles and became conscious that PSA is embarking on a different journey, evident by the fact that Peugeot has doubled its market share here in two years. I could see reflections of that in the Citroen passenger car range.

"When I saw the C5 Aircross I thought these guys look to be about to have a moment! So I made contact, first meeting Keiron Courtney and then Kevin Hilliard and Pat Ryan."

What resonated with Paul was the fact that Citroen Ireland wants its dealers to operate on a profit-making basis, focussing on good retail sales. "When it's good our business is a 1.5%-net-return business," says Paul. "But when it's bad it can cost you a fortune... And it can go wrong very quickly. So I made a conscious decision – along with my father Joe, whose father started the Linders business in the 1930s – to move away from market-share-driven business because that doesn't necessarily offer the dealer a return. What I liked most about the initial discussions with Kevin, Pat and Andrew Edmiston was that they were about profit. Market share is vanity, profit is sanity..."

When he looked closer at the IM Group, with its Subaru, Isuzu, finance and property interests, Paul immediately suspected that, as family businesses, Linders and IM would understand each other. "Some time ago my father, who is our Group Chairman, took the decision to move us into the property sector. This he did very successfully and property – run with my uncle Patrick – has become a big part of our business. But, more importantly, I saw there was clearly a decency about the way IM does business."

Citroen have always built good cars and vans, says Paul. "They have, of course, always been quite

French in their engineering. But the French are good engineers. At times I think they over-complicate things. However, under Carlos Tavares PSA have streamlined things, moving from eight chassis platforms to two and from 10 engines to four. Not only that, the car designs are now the best of French aesthetically. This year the cars will achieve just shy of 1.5% market share here and I'd be disappointed if that didn't reach between 2% and 2.5% in 2019. As for the vans, I've always considered them bullet-proof and I'd expect commercial vehicles to initially be 50% of our business."

Linders Motors opened as an Opel dealer just before selling its first Citroen. Some 60% of the 15,000 sq ft building is Opel with 40% dedicated to Citroen. A nine-ramp workshop serves both marques and the site has parking/display for 150 vehicles.

Paul is ambitious with plans to be retailing well over 1,000 units a year within three years. Among them will be a number of alternative-fuel models. However, he says EVs are not fully in the mind of Irish consumers yet. "Alternative fuels require a series of stepping stones and I'm quite happy with what I see to be PSA's time-line on that. I believe that hydrogen may come into play." Meanwhile, in terms of battery technology, Paul says that although the limited-range issue is not quite resolved, electric vehicles are inevitable. "Once batteries give you the equivalent of a tank of juice it will be game-over for fossil fuels. In my view that's three to five years away. Citroen are saying that by 2023 there will be an EV variant of all their passenger-car models."

As the third-generation to be running Linders Motors, Paul is hopeful that the lineage will continue. "I have two girls – one aged nine and the other seven – and a five-year-old boy as well as another baby on the way. So who knows?"



# THE FUTURE

IN



FOCUS

By Andrew Edmiston

*We are coming to the end of a process of events that have been in play for some years now. And no, I'm not talking about politics!*

For a number of years our Coleshill headquarters have been under a compulsory purchase order in respect of HS2, whose tracks are slated to go right through the middle of our offices. At first our reaction was incredulity – it had taken us years to find such a beautiful location for our main base as Coleshill Manor with its rolling parkland grounds and old Manor House adjacent to our office. But soon we became resigned to the idea that this was going to become a certainty at some point and we had better make alternative arrangements.

The search was on; we wanted to find somewhere still central to the UK's Midlands area but prestigious, modern and reflecting the confidence and style associated with IM. We looked at a number of places and eventually settled on one of our Solihull-based business parks – Fore Business Park. The next task was to decide what we would build there.

When you are posed a question like this – we need a new and prestigious building, it will have a large impact on the life and management of our company and we don't have enough time to build it – it is very reassuring to know that within our group we have an award-winning, multi-discipline, large-scale property business!

Panic over? Not quite...

As you can read in previous editions of IM Review, the back-story to our new HQ is both interesting and a story riven with endeavour. The workload has been significant and our team have the added pressure of not only developing the scheme but also knowing that they will be working eight hours a day with people who know exactly who was responsible! What could possibly go wrong!

As we move into our new office building – which I can for the first time officially reveal will

be called 'The Gate' – the ideas behind our new home will suddenly take life. The plan is to begin the move in May 2019.

From the beginning we understood that the building design would not only need to accommodate what we do but also how we want to do it. There will be a new emphasis on open-plan, team-based working, even extending to our executive office where no single person in the building will have their own office. The message is clear; your office doesn't make you a manager. And it doesn't make you the leader of a great team either. Instead, your skill, experience, attitude and ability to anticipate and lead are what define your leadership. Great leaders find better ways to communicate with their team. So being closer to them should help that to happen plus the idea that two heads are always better than one, three heads better than two... Collaboration is so important to the idea of teamwork.

There has always been something about our culture that values staff for how well they do their job more than what job they do. Our new HQ focuses heavily on that. But it also does something else. It talks about who we are as a company collectively. We are highly creative but we are also well-funded, reliable and experienced. The exterior and interior finishes are all honest, perhaps even rugged, materials. Yet they are designed together to create a very modern and stylish building. I feel that is a reflection of who IM have become during our time at IM House, Coleshill. Moving to The Gate – the very name suggests movement towards something new – we believe IM will not only continue to be all the things we have become but take those things to a level we have not seen before. The insatiable thirst we have to get better – and do better – remains unquenched. We hope our new HQ will be a gate to new creativity, new horizons and new life.



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