

## Part 5:

# EVERLASTING SHAWSTON

*In the last of our Shawcast series Rob Davenport CEO of Shawston shares his views on the future of the industry and how he believes Shawston will play a key part.*

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Looking ahead to the future, more specifically the next five years, what are your main thoughts and predictions for Shawston's future?

### A FOREVER SHAWSTON

**Rob:** The simple answer is that Shawston will be around forever. That's the philosophy, that's the everlasting sustainable model that we're after.

Through tough times, good times, economic and political shocks, whatever it is, we will be around with a strong set of 120 and growing co-owners, and a red hot Senior Leadership Team who know what they're doing.

So that's the constant.

But you've asked me that question at 11.55am on the eve of a General Election. Another election and another vote.

We've got that to navigate, and then possibly Brexit depending on who gets in. It's very, very difficult right now.

My prediction would be that there are still major risks on price to our customers because we're very exposed to currency.

I also think that when the Hackett Report gets implemented product quality could be a shock to our sector.

We are already seeing and feeling

the pressure that property owners are feeling now. To operate with a better audit trail for the chain of custody of the products they are installing, whether that's in fire or mechanical.

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A forever **Shawston**.

The effects of the **Hackett Report**.

**Empowerment** and future plans.

That's just hitting the building products sector now. Where I think there are cheaper brands out there, and certainly they have



their roles to play in the laws of competition, I do think that could become an issue for some of our contractors were they to install one of those brands and should anything happen.

Reading between the lines there seems to be a whole new weight of pressure being brought to bear. I think this is where the Hackett Report will go.

I don't know how the Government are going to legislate that, but effectively they are going to do something in construction and not just in fire.

**Alex:** For anyone who isn't aware of the Hackett Report can you explain what it is and its potential impact?

**Rob:** The Government commissioned an independent report by a lady called Dame Judith Hackett to investigate the Grenfell disaster and make a series of recommendations about how that could have been avoided.



Because of Brexit and all of politics closing down, it's been

on the back burner.

Certainly on the Conservative manifesto they have pledged to implement the findings of the Hackett Report and that will just tighten things up.

When you've got a tight chain of custody with your supply chain, which we have, and you've got a senior health and safety and product quality manager, which we have, you can represent your brand well.

We'll be able to protect customers incredibly well. There is a new normal coming – I don't know whether it's going to feel like a revolution, but there is definite change in the air.

**Alex:** And are you positive about the change? Do you think it will be positive for Shawston?

**Rob:** I can't wait for the change because it plays into our hands. We've invested in this business model for 18 years.

It's an unregulated marketplace which is the thing I think the Hackett Report is going to challenge.

But our brands and suppliers are the right brands and suppliers, and if we ever sold anything that wasn't fit for purpose or there was a manufacturing default - God forbid but, those things happen, because that's real life, the question is what are you going to do about it when that happens? If you've got a tiny balance sheet and that happens, can you stand by your customer?

If you've gone through a middleman, who's gone through another middleman, who buys from a man in an office in New Delhi, you've got a problem with your chain of custody. So, we

don't have any middlemen.

Am I confident? Yeah totally confident in the business model. I think there will be some ups and downs of trading.

I don't think that's particularly abnormal in construction. We've always had some good times and some challenging times.

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But if politics settles down, this is a great country, very resilient. We're a nation of builders and the population is continuing to grow.

We've seen a lot of migration away from London into Manchester, Leeds, Sheffield, Newcastle, and that's driving new construction and services.

London continues to build, it's an amazing city! Birmingham is

getting really, really busy.

**Alex:** So where do you see the business in five years from now? Do your future plans including international expansion?

**Rob:** Well we used to be international hence the name (Shawston International Limited) because we exported to Dublin [laughs] we used a bit of poetic licence there!

I would doubt we would go international; you never say never but I don't think we've got a product or service that's going to be needed overseas that's not already being provided. Domestically though I think we're going to have an amazing five years.

But, my role is changing. It's adapting which means I can start to spend more time on supply chain development, helping and guiding the team, visiting key customers or penning a blog piece. Whatever it is I'm ready to embrace the change.



**Alex:** So, you're stepping back a little bit from the day-to-day and starting to refocus your efforts?

**Rob:** Well I'm stepping back from possibly being the main focal point/leader.

We've got a Senior Leadership Team who are high performing and very experienced. They are flanked by people who are slightly more experienced like me and my colleagues Graham Wilkins and Mark Dyer who have been in the trade for a long, long time.

The team who are going to run the business day to day are fully empowered. They have got a lot of equity in Shawston. If I continue to stay in the business day-to-day, making decisions as the "go to" guy, along with people like Graham and Mark I feel that starts to disempower people.

It gets in their way and they're actually better than us at most of those day-to-day decisions. Graham and Mark may object when they hear this, but we three are better doing other things, which indeed we have been doing. A lot of that is coaching and supporting the SLT. But, we will be doing hands-on work on business development opportunities.

Will we expand? Yes, I think we will. Would we expand the depot network? I'd be surprised if we don't. It's not like a politicians answer, it's just we need to make sure the economy has settled itself. Why not? We've got the balance sheet, we've got the fire power, we've got the execution skills now with a big team so if we wanted to expand it we could.



I'd like to think we will and I'm sensing a lot of our co-owners want to expand it as well.

If we do, we'll do it in a responsible way. We'll keep the balance sheet safe, keep everybody safe, we won't ever bet the shop on something.

And if we do, a decision to expand will be good news for our

customers because it'll further enhance the service they receive. Good news for our partners as we'll probably spend more with them. I bet you they don't give us a discount though! But they're all great people and an integral part of the business model.

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They are often the unsung heroes in what we do because we're just about people and a supply chain, that is the life of a distributor.

**Alex:** It all sounds amazing and what an exciting future Shawston has ahead. Thank you so much Rob, it has been really interesting to meet you and to get to know the Shawston business, it's history, culture, ethos and your vision of its future.

**Rob:** Thank you Alex, it's been fun. ♦

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**Part 5 now completes our first ever Shawcast series. We hope you have enjoyed learning about our history, culture and company ethos and how this greatly impacts on our growth and the future development of our business.**

You can download any of the previous chapters in our [Media Hive](#). We have really enjoyed recording the first Shawcast so please continue to watch this space for more.