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Interview: Kevin Bradshaw, chief executive, The Garden Centre Group

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The 139-centre Terra Firma-owned Garden Centre Group is undergoing big changes under chief executive Kevin Bradshaw.



Kevin Bradshaw

Q You recently bought Garden & Leisure. What are the plans?

A We see it as a terrific opportunity for growing the leisure side of the business. We've been talking to staff to learn how Garden & Leisure operates so there will be no change at the moment. We bought Garden & Leisure as a share deal and it remains a stand-alone entity. We will discuss how to integrate towards the end of the year. Garden & Leisure operates a number of categories that we don't and vice versa, including live pets. We have a different approach to operating certain categories. We see an opportunity to concession more of the footprint of Garden & Leisure centres and in food and beverages we have a different offer and look.

Q Is there anything that you would not concession?

A We don't see concessions for any area of the plant or horticulture offer. In the leisure side we're keen to extend and expand the offering and we're open to working with concession partners.

Q Are you looking to buy any more garden centres?

A We continue to be keen on growing the business through like-for-like sales and acquisitions over the next 12-24 months.

Q What is the group's business strategy now?

A We've worked on the strategy over six-to-12 months. The group has a strong position in horticulture and we'd like to broaden the offering in the leisure side of the business. Garden & Leisure was a great acquisition because it has large-scale sites that lend themselves to a broad offer for our customers. I don't want to talk about the specific profitability of each site [two are sale and leasebacks]. We've acquired it as a group and see terrific opportunities to invest in the seven centres. There's an exciting opportunity at Percy Thrower's with Waitrose [which plans to build a supermarket and garden centre]. We want to invest in and ensure a wider roll-out of food,

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restaurant, coffee shops and beverages on sites and to develop our own estates. We've commissioned work to better understand customers and reviewed the internal offer. Where it makes sense, we will improve the customer journey, fit out and extend concessions. We'll review each site on its own merits.

Q Will you sell any smaller garden centres?

A Our strategy is to grow the business, not to shrink.

Q Are the company's prices too high?

A There has been a focus within the business historically to direct the offer toward an elderly, affluent customer base. We're about to complete the first year and our strategy is to broaden our approach to reach beyond the very affluent.

Q Do you plan to sell the Bridgemere, Woodlands and Old Barn nurseries?

A Our nurseries are performing well. We take a good amount of product from them and we have invested in the management capability of those nurseries.

Q How are you changing your supply arrangements?

A We have been reviewing opportunities to use a third-party logistics provider to run through centralised hubs. We're close to appointing a third-party distributor [Norbert Den-tressangle is believed to have been appointed]. We've been engaging with suppliers to ask how they want to supply us, consider the customer perspective and how we'd like to engage with suppliers over the next three years. Centralised hubs give smaller local suppliers access to a wider network of sites. We have a very long history with many UK suppliers and we are committed to supplier relations. It is our intention to give suppliers the security of a contract over the course of a three-year time frame, which is why it is such a positive move for the industry. We will structure contracts to deliver a good level of underlying security for committed suppliers. I'm not saying the contract will be 100 per cent supply into the future because of the weather. Commercially that's very difficult, but as far as we can we will provide strong commitments.

Q What is going to happen to the firm's regional managers and head office staff?

A We are, as part of the review of the business, looking at the most effective way to organise operations. Considering the regional structure, we would hope over the course of the coming weeks to have completed the process and implemented a regional structure that we think is effective for driving strong operational standards across the estate.

Q What about the loss of experienced senior staff?

A Our goal is to invest in and develop our staff. At the Garden Centre Association conference in January, I spoke about investment in our people — recruitment and retention of the best talent is a high priority and it remains so. We have built up our HR and talent-management functions to drive recruitment and we'll continue to invest and develop staff across the business. Horticultural experience is highly valued in the group. We couldn't achieve quality standards without that depth.

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CV

1993-99 Kalchas Group

1999-2009 Managing director, enterprise information division, Reuters Finance

2009-12 Managing director, Avis UK

2012 to date Chief executive, The Garden Centre Group

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