

Interview

with

SIMON KIDNEY

The chief executive of Robinson



Manufacturing may have taken an unconventional route into the timber industry, but, as **GEORGE SELL** discovers, fresh blood with fresh perspectives can often reap rewards for established companies

Simon Kidney, chief executive of truss and joist specialist Robinson Manufacturing, has taken one of the more unusual routes to a career with a leading supplier to the housebuilding industry that we have featured in this column.

And he acknowledged the unorthodox route right from the start of our interview: "I actually did a degree in music – which is obviously an easy transition into the timber industry! When I finished that I joined the banking world. I started at Lloyd's Bank when I was 21 and I worked with them for 17 years. I worked in the UK, Geneva, Hong Kong, Madrid and Dubai. I worked across multiple disciplines, from retail banking to private banking, and latterly commercial banking. In that time, I managed to complete an MBA and some other qualifications, so education has been a continuing theme in my career."

Kidney continues: "I'm quite a keen rugby player, and latterly a rugby coach. I knew Mark Smy, my business partner, through rugby, and we got to know each other better when he asked me to coach one of his sons, about five or six years ago. One Sunday morning a slightly forlorn-looking Mark asked me if I could help as he was struggling to buy the company from the previous owner, the late Tim Robinson. So we had a chat and I gave him some direction about completing an MBO, and halfway through the transaction he said: 'I'm ok at running the timber stuff, but would you come and run the business for me?' That was in 2015, so I took a scary jump to leave my varied financial career for a new-found love of timber! So I joined Robinson Manufacturing on takeover day, which was 1 October."

When asked about the main differences between the two sectors, Kidney says: "Banking is a very customer-focused environment, and everything is done under the microscope, especially since the 2008 recession, which was attributed to the banking community. Everything that you do in banking has to be very meticulous – in the timber industry, the legislation and regulation is possibly not as tight as it is in banking. So the first thing I noticed was that we weren't very customer-centric; when I started using expressions like 'customer journey' people looked at me and frowned a little bit. So the customer-facing side of the business was a bit of a challenge to start with. The company itself was a

very sound and solid business, that had grown as a family firm to where it had, and possibly didn't understand the strength of its brand and the strength of its ability.

"We worked very hard on the customer journey, and brought in a branding and marketing expert to work on it. I also bought in a couple of people from banking – the head of business development is a former banker – and I also bought somebody in to head up what the customer proposition looks like, and to help create an understanding of how we should interact with our customers."

This involved some reorganisation to position the company for growth: "It was a bit of an 'I do everything' kind of business as the time – you'd ask who does HR and everyone would put their hand up. So we quickly siloed responsibilities across the businesses so the staff had a sound understanding of which responsibilities sat with which person. Once that had been put in place over 12 months, we were ready to kick on in terms of growing the business from the position it was in when I joined – with three factories and 60-odd staff – to where we are now, coming up to eight factories and 270-odd staff."

The foundations for growth were already in place, says Kidney, as the company was a reliable partner ▶



to developers: "Robinson Manufacturing has always had, historically, a very strong brand, and has been regarded by the housebuilders as a business that can be trusted to deliver on its promises. No one in this industry would profess to get things 100% right 100% of the time but part of the joy of offering a fantastic service is to make sure that, on the odd occasion that we get something wrong, we deliver and make it right.

"The number of national housebuilders that we deal with has increased over the last three years and we have a broader scope thanks to the new factories – we are now a truly national brand. Our clients include regional builders that have developed into national housebuilders; for example, Kier – we are the major supplier of trusses and joists to Kier. We also have customer relationships with the likes of Redrow, CALA and Persimmon. Latterly, after the acquisition and purchase of National Hickman, the likes of Bovis have also become customers."

In terms of product offer, Kidney says: "The products are pretty well established in terms of traditional housebuilding and they are still made in a similar way to how they were 30 or 40 years ago. We were predominantly a truss company but now it's about equal between trusses and joists. The journey of the polyjoist or the metal web joist or whatever name it's going to be called tomorrow seems to go up and down, depending on whether housebuilders are tightening the strings or taking the opportunity to make the services more accessible when the house is being constructed. Sometimes the metal web joist is the flavour of the month, sometimes it's the I-beam. There has been a bit of a journey with spandrels and making sure they are ahead of fire regulations, but there has not been much change in the core products. There are still a lot of lifestyle businesses in this industry, and perhaps not a huge amount of commitment to R&D. The industry is, perhaps, not big enough either, to take a serious look at R&D, and at sustainable alternatives to the products. I'm also not sure there is a lot of appetite from housebuilders to move away from traditional products."

The company journey is set to continue on its path, says Kidney: "We have grown significantly

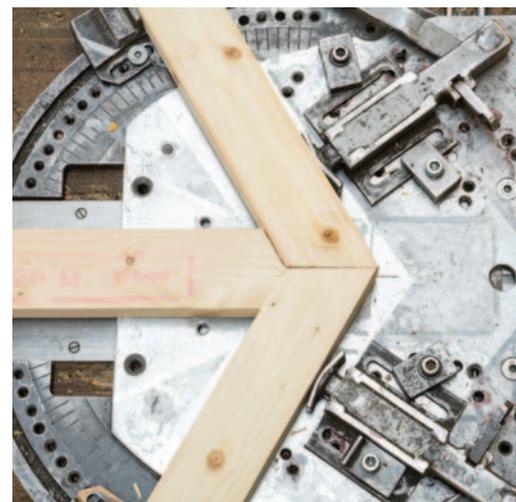


over the last three years. That has increased our output and we will still have capacity to increase it even more, particularly in Wales and the north-west. We find that as housebuilders open new regions, we need to ensure that we have the infrastructure to keep the supply chain fluid. Our factory growth has been sound, but also our revenue growth over the last three years has probably been threefold, so we have the ability and the appetite to mirror what the housebuilders are doing. With the acquisitions of National Hickman and ETFS earlier in the year, we have ensured we have the capability to deliver what we need to, in terms of both trusses and joists. We now stand as one of the top three or four joist providers in the country."

Kidney says the company is now well placed to help its housebuilder clients, whatever market conditions arise in the future: "Housebuilding has faced headwinds for hundreds of years, whether that be recession, too much stock, mortgage lenders pulling strings on credit availability, Brexit or anything else – there are consistent challenges that we need to be ready for and prepared for so we can take them in our stride. What we've

done is made sure that our customer proposition is the finest, not just in the timber engineering world, but actually in the building world. We want to be a market leader in the way we engage with our customers."

And the company is adding a new string to its bow: "We've also recently acquired Roof Profiles Ltd which is a timber frame manufacturer in Scotland – it's our first tentative step into the timber frame world. We recognise that due to the lack of housing stock currently in the UK, traditional construction methods are probably not quick enough to fill that void, and that void is getting bigger every year, as we know. We want to make sure that we are both keeping pace with the housebuilders' growth to supply them with products for traditional construction methods, and to be bold and brave enough to move into the timber frame market to offer a new product that will help accelerate the delivery of housing stock in the UK. Our plans are quite open – we'll take that model and replicate it once we're comfortable that we can deliver an excellent proposition and service," concludes Kidney. **sh**



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