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'WE MUST NOT FAIL'

Brett Mendell on leading the employee ownership trust for Thomas Kneale



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Making a difference

Brett Mendell is managing director of Thomas Kneale & Co, a traditional manufacturer and importer of bed linen and other textiles that is on an ESG journey not just for the company and its supply but the wider business community



SIMON KEEGAN

Pile them high and sell them cheap: many companies – especially those manufacturing in China and Pakistan – are minded to produce as quickly and cheaply as

possible. Manchester fabric manufacturer Thomas Kneale bucks this trend and has even won a King's Award for Enterprise in the sustainable development category.

Founded in 1947, the Manchester company was originally mail order for bedroom and bathroom textiles. Since then it has moved locations but never been far from the historic garment district of Ancoats and Piccadilly. When it was acquired in 1985 the direction of the business changed from mail order to supplying commercial institutions.

Managing director Brett Mendell tells *Insider*: "We started with universities and healthcare, then expanded. We now supply any non-domestic bed setting in the UK, and a little internationally. It could be a prison cell, hospital bed, the fire and rescue service, care homes, social housing, hospitality. And it's anything that goes on a bed – mattresses, bed linen, pillows – as well as towels and shower curtains. We also do bolt-on products such as kitchen items."

In the late 1980s the company employed "a handful of people" and now has 20 staff with a global supply chain. "We have worked with some of our supply chain for more than 20 years," adds Mendell. "We work very collaboratively whether that's with a supplier or a customer."

Mendell says the days of "transactional business" are long gone, meaning a company must think not only about who to work with but how to work with them.

He says: "You can only do so much yourself, but when you involve others –

your customers, your community, your network – you really can deliver so much more."

Mendell joined the company in 2015 and when it was sold to an employee ownership trust (EOT) he became managing director, originally coming in as business performance and quality assurance manager to, he says, "elevate the performance of the company and ensure we were doing the right things".

The company had a slick setup in purchasing and selling goods but, Mendell says, wanted an avenue to look at growth, accreditations and engage in a much more dynamic way with its stakeholders.

"Doing the right thing is of great significance," he says. "An EOT enables us to share profits. We are also an accredited member of the Living Wage Foundation. There are only 14,000 companies accredited. We have been featured by the BBC as a company that feels it's important to pay the living wage. We may be small in size, but this is why we want to spread the message. We also give colleagues time off to volunteer for charities and work closely with the Greater Manchester homeless mission donating bedding to shelters."

The company is now approaching £10m turnover.

When Mendell joined in 2015 he had spent ten years in retail working for large global brands. He says: "I started at M&S, moved on to being area manager at Aldi, then went to work for Tesco internationally, responsible for operations in Europe. Then

"Our mantra is 'we must not fail'. If we fail we are letting our customers down."

I joined The Co-op Group where I had responsibility for store services."

Supermarket to manufacturer was not the culture shock one might expect and Mendell was far from a stranger to the company. He says: "My late father was a relation of one of the part-owners and when I was at university I would work in the warehouse so I already knew the business."

The company had changed hands a few times since the days of its eponymous founder but when the EOT took place the owners had been at the helm for around 40 years so the exit was about legacy.

Mendell says: "Because the success of the company was delivered through the loyalty and hard work of the individuals, the shareholders wanted to give something back."

Thomas Kneale doesn't own its textile mills in Pakistan but does work very closely with them. "It's to our own specification – our labels, guidance, packaging," says Mendell.

The last few years of lockdowns, Suez Canal blunders and over-priced shipping containers took their toll on many importers, particularly those using Asian factories. Thomas Kneale thankfully had strong contingency plans in place.

Mendell says: "We only have about 10 per cent of our stock in our Manchester warehouse. This helps with contingency planning. We have a lot of customers who require goods very quickly so we can't have stock in one place, it's too much of a risk. For supply we can open up at midnight or 3am – mainly because our director of operations doesn't sleep much! It means not only can we turn around goods quickly but the carbon reduction is also a key benefit. We can get goods as far as Scotland before the roads get congested."

On the lockdown era he says: "It puts into perspective our contingency planning and disaster recovery and what we do, how we do it and whether there is a better way of doing it. No importer could get around the volatility and the main factors were either cost or time. You could either bring in goods for an absolute fortune or you couldn't get



goods in quickly enough. If there is a prison riot we can get goods turned around in under 24 hours. At any one time we hold around £2m of stock. So while we were impacted it didn't stop us getting goods out. Our mantra is 'we must not fail'. If we fail we are letting our customers down. We do what we say we will."

He says the philosophy is about the three S's: service, speed and sustainability. "Business used to be selling at a certain price – the spec they want at the right price. We do that with our eyes closed. Where we make a difference is service, speed and sustainability."

For companies interested in boosting their ESG (environmental, social and governance) credentials he advises to start with "quick wins".

"When I joined nine years ago we didn't talk about sustainability," adds Mendell. "We started with quick wins. We are now one of 15 organisations across the UK that was successful in winning the King's Award for Enterprise for sustainable development. This culminated in going to Buckingham Palace and having a conversation with His Majesty. He is a believer in sustainability." Key to this

"The net zero target is 2050. You can't get there overnight but significant progress is being made."

ESG policy is the race to net zero. Mendell says: "We are a member of the SME climate hub, aligned to the UN's Race to Zero. We have committed to halve our emissions by 2030 and be net zero by 2050. What we have focused on are the things within our control to bring our carbon down.

"A total of 70 per cent of our product range contains recycled content. In partnership with our principle mill in Pakistan we have installed 850 solar panels and are working on 100 per cent renewables, selling electricity back to the grid so others can benefit. All of the electricity is renewable at the Manchester site."

Mendell advises that moving towards sustainability shouldn't be a panic and people must work within their capabilities. "Work hard with your stakeholders, challenge suppliers, see what your customers are doing and how you can support them," he

says. "If you take shipping, in the future ships will have green fuel but for most of us at the moment that's out of reach. That's why the net zero target is 2050. You can't get there overnight but significant progress is being made."

The company works closely with local universities and colleges. Mendell is a mentor providing guidance to graduates. "We feel we should be giving back," he says. "We have brought in a graduate from MMU [Manchester Metropolitan University] as our sustainability manager.

"We work with Aspire Recruitment – a non-profit social enterprise. It helps the disadvantaged, long-term unemployed, those with disabilities and young people to find their way in the workplace.

"We guided Aspire to be Living Wage Accredited. Aspire Recruitment will only place job positions that pay the living wage."

Thomas Kneale is certainly a company doing all the right things.

However, Mendell insists: "We are not wonderful, we are not remarkable, we haven't got lots of money and we haven't got a huge team – but we can make a difference to build and to grow. It's infectious." ■