

Learning from the school of hard knocks



Damon Brown

While many B&I caterers are diversifying, Midlands-based Olive is focusing exclusively on the workplace, Jane Renton discovers

DAMON BROWN HAD A BRUTAL induction into the contract catering industry. In fact it was so traumatic that he actually tendered his resignation. "I found myself cooking for 1,000 pupils at a city technology college. It was a complete cultural shock," he recalls.

A former head chef trained in classic French gastronomy, Brown was more used to supplying guests in more limited numbers with French-trimmed lamb cutlets. "I wanted to do the same for the kids, but unfortunately that wasn't realistic. I found myself at the wrong end of the market and really hated it."

Fortunately, despite his inauspicious start, Brown was persuaded to stay, eventually moving from operations into senior sales positions at two contract caterers - Russell & Brand and Catering Alliance - before setting up Olive with his two colleagues 10 years ago last November.

Today Olive has been one of the secret success stories of the industry. The company, which focuses on workplace catering, has 650 staff and annual sales of about £20m a year. It has grown steadily under the radar, building each year, even during the recession. Expansion has been rapid over the past two years, with 18 contract wins generating an additional £3.4m of additional sales alone in 2013.

Several prestigious clients have been added to the portfolio, notably Japanese Tobacco (JTI) in Weybridge, Surrey, Yell in Reading and Ricoh in Northampton. Olive also managed to retain Capital One, its Midlands flagship, which was also re-

tendered in 2013. But much of the new growth has been in the home counties, where Olive is a relative newcomer.

Of the 16 or so contracts that have been mobilised this year, only two have been in the Midlands or the north. "We have taken on some fantastic new business, including Pru Health in Stockport, but most of our new contracts have been in the south, where there is greater opportunity but also more competition," explains Brown.

The key to Olive's success, he maintains, is the combination of the three co-founders, an uncompromising emphasis on good food and nutrition, and an enthused, well-trained team.

Brown set up the company initially with Sally-Ann Bradley, a fellow caterer, whom he first met at Catering Alliance. The sale of Catering Alliance to Aramark in 2004, and the subsequent cashing in of their shares, gave them the money to create Olive. But both felt they needed someone with real financial acumen to join them. They were introduced to Andrew Norrie, a chartered accountant who previously worked for PricewaterhouseCoopers on mergers and acquisitions, who became the third owner of the company. "Andrew possessed the financial acumen that both Sally Ann and I believed would be crucial to our success," explains Brown.

Conversely, Norrie was attracted to the contract catering industry, despite its relatively low margins. "They are traditionally low, but it is also relatively low risk if you play your cards right - you don't have to make significant capital outlays," says Brown.

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Deli Service



The company, which has no accumulated debt, is run along cautious lines. Each of the three owners of the business initially put in £40,000 each of working capital. A minimum of 25% of profits generated are retained in the company each year. Brown and Bradley may both be caterers by background, but there is no duplication of talents: it's Brown's job to go out and find new business; Bradley's to run it once Brown's delivered it; and Norris squares the accounts and manages the money. All three have a good relationship and a clear shared strategic vision. "We want to grow the company to £30m within the next three to five years," says Brown.

If the three are in charge, they appear to adopt a very non-hierarchical approach to running their company. "We are there to give our people the tools to do their job well and to remove any barriers impeding their ability to do that," asserts Brown.

Their approach appears to be paying off. Business has continued to roll in through simple, clearly stated objectives. "Olive strives to be the independent caterer of choice through serving fantastic food via

friendly, polite people," says Brown.

The company's main focus is on the workplace and head offices of international businesses. The company, which previously catered for eight further education colleges, has now relinquished its last education contract with Coventry College in August. "We were sad and they were sad but the sector was not right for us. It was taking up too much of our resources for too little in the way of return," says Brown.

Brown and his co-founders also toyed, albeit briefly, with the idea of moving into the stadia business, but again abandoned the plan. "We really decided it was wiser to stick at what we were good at and get even better at it," says Brown.

As a result great emphasis has been placed on food innovation, with a dedicated team headed by Jackie Mee in charge of ringing the changes. Practical workshops aimed at developing new skills, and using more in the way of fresh seasonal ingredients, are regularly held at Olive's various client sites. It is also an opportunity to educate Olive's teams about the latest high street trends, as well as provide

updates on the latest health and nutritional developments.

One of the latest innovations involves The Kerb, a grab and go option inspired by Asian and South American street food, which Olive has been steadily rolling

out at its various restaurants since October. It also involves constructing a wooden shack with an induction hob within the counter, allowing chefs to cook noodle-based Thai and Indonesian dishes in just one minute in front of customers.

Considerable emphasis is also placed on staff training. Olive, registered Investor in People, has recently appointed its first learning and development manager, Jo Cowan. While most rival companies make

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Capital One Salad bar

similar claims, Brown believes this emphasis on training is what makes his workforce stand out.

Five minutes before this interview began, he was contacted by the finance director of a company whose catering contract he is pitching for with welcome news. He had won yet another, as yet undisclosed, piece of business.

The clincher, it seems, was the friendliness and

competence of the catering staff at Yell, where the prospective client came to see Olive in action. "He said he liked what we were doing at Yell, but emphasised that it was also the warmth and approachability of our staff that swung things for us," says Brown with inescapable pride.

Good food and good staff are important, if not vital, but so too are good clients and they arguably appear to getting thinner on the ground as an increasingly Scrooge-like mentality takes hold in corporate Britain. "I think that even as we come out of recession, employees have to work harder than ever, and certainly harder than they did five years ago," agrees Brown.

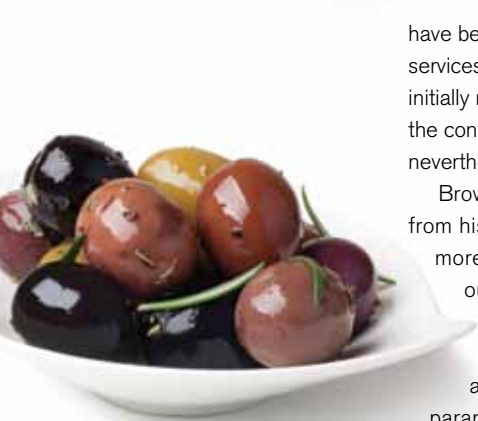
There are, however, employers in sufficiently large numbers who want to

reward staff for their increased efforts. "Thankfully there are still employers out there who continue to regard a good staff restaurant as being a benefit rather than just a necessity, and those are the people we want to work with."

While people don't always have the time to sit down in a staff restaurant, they are not afraid to spend money, even for grab and go, but are they are increasingly discerning and demand value for money. "They want the quality of Prêt but at half the price and that is our objective," says Brown.

Olive seems well placed to fulfill that demand judging by its recent successes in the south. Three years ago the company might have been reluctant to venture so far from its home base, and clients too might

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have been nervous about engaging the services of such a relative outsider. "JTI were initially nervous about our ability to sustain the contract from our geographic base, but nevertheless they supported us," says Brown.

Brown has clearly come a long way from his school of hard knocks. While other more high profile caterers have slugged out it for business with each other mano a mano, Olive has grown and flourished beneath the radar and is finally out from under the parapet and a serious competitive threat to traditionally established incumbents in the B&I sector. "Creating a company with a good reputation and being good at what we do is what makes me sleep easy at night," Brown says.