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## Award winning Aquascot

Alness based **Aquascot** collected the Employer of the Year Award at the recent Scotland Food and Drink Excellence Awards 2022, sponsored by Virgin Money. The awards ceremony took place in Edinburgh in September and it was a glittering occasion hosted by media personality Fred Macaulay.

Managing Director, John Housego said "Wonderful result for us being recognised for our efforts to become a Great Employee Owned Business. There is always more to do."

It was a particularly special award as it comes as Aquascot celebrate their 35th year of business. The company started back in 1987 by three individuals who had a real passion for quality seafood. Aquascot is now one of the largest employee-owned firms in Scotland, and is one of the UK's major food processors. The company put up a good showing despite the Covid crisis, as their results were announced recently. Pre-tax profit had decreased last year, but the board of directors are confident that the business is well placed to face the current market challenges. The

directors' report accompanying the figures stated: "The business has weathered the economic challenges faced by the industry over the last three years and is ideally positioned to manage the economic risks posed by Covid-19."

"The business will continue to invest in its products, employees partners, equipment, processes and infrastructure and is confident it will deliver against its own five-year business plan."

Turnover decreased from £69,295,284 in 2020/21 to £63,591,934 for the latest 12 months. Aquascot continues to be a leading light in Scotland's employee-owned community, hosting the recent Scotland for Employee Ownership Board meeting alongside Highland Home Carers.



**SfEO Board Members:** Rachel Hannah, Campbell Mair, James de la Vingne and Isabella Miller

## Trustee Training

28th October  
9.30 - 11.30

Information [here](#).

# Paul Heat Recovery support local communities

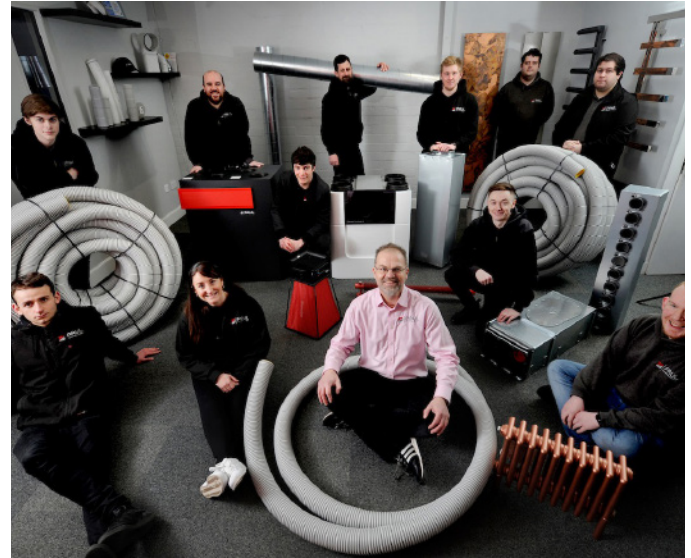
In February 2021 **Paul Heat Recovery** became an employee owned company and as part of that employee ownership the employees committed to continue to give back to our communities through charitable donations.

Due to the continued hard work of every employee in the company the last year has seen the business go from strength to strength, being involved in many large developments and also continuing to bring the best to special buildings.

All that hard work paid off when the Paul team contacted 8 foodbanks in the communities in which they live to make donations straight to them which will allow them to help those in need.

The team hope to increase the level of support every year as the business continues to grow and it's all down to every employee that works tirelessly to bring the best possible service to our clients.

The employee-owners hope it made things a little easier for the foodbanks to help as many people as possible this winter by delivering the essentials which they need.



Stephen Hutchison, technical director said, *"It was an incredibly proud moment. The people I work alongside day in and day out helped towards us making these phone calls and helping these foodbanks in a massive way!"*

*Since becoming a director of Paul Heat Recovery I have always strived to do my best, help grow the company and steer it through the pandemic, truth be told the entire process was made so much easier due to the hard work and determination of those I work with.*

*I hope as we continue to grow that we can support more charities which in turn will help so many more people."*

# Chemco raise £4000!

**Chemco International's** month of fundraising – which included a 'Charity Challenge Day', a bespoke car wash and a company-wide raffle – successfully culminated in a small collection of Employee Owners cycling a combined 500+ miles from Glasgow to Loch Lomond, all in aid of St Andrew's Hospice in Coatbridge.

With huge thanks to our entire workforce, their friends and families, and our partners and customers around the world, we are proud to have surpassed our target of £4,000.

This donation will enable St Andrew's Hospice to purchase a Specialist Tilt-in Space Chair and provide up to one month of Hospice Hearty Meals; each of which we know will prove invaluable to the Hospice going forward.





## ERS raise funds for defibrillators in memory of former colleagues

Every day hundreds of people lose their lives to heart disease. Many could be saved if they had quicker access to defibrillators, and **ERS** staff are raising money to purchase units and make them available for community use. The ERS team were initially motivated to undertake a sponsored walk in memory of friend and colleague, Steven Nisbet, who sadly passed away suddenly in July 2019. Stevie was much loved and respected by both his ERS work colleagues and clients alike. Since then colleagues, friends and family have also been affected and in particular we wish Dougie Hoblyn a full and speedy recovery. Due to Covid restrictions they had to cancel earlier plans for a fundraiser and the walk was rescheduled. The goal was to purchase at least 2 defibrillators which will be registered on the national database and available for use by anyone who may require it. Anything over and above this would be donated to the British Heart Foundation.

Shortly before 10am on Saturday (against an unusually sunny Scottish backdrop!), ERS staff gathered at Trossachs Pier to begin our fundraising challenge. We undertook a sponsored walk covering the second stage of the Great Trossachs Path, a hike of 11.75 miles / 19km from Trossachs Pier to Callander.

After a strong (and very warm!) start, skirting around Loch Achray, participants were afforded the opportunity to refuel after 4 miles with some much needed cold ice cream at Achray Farm before starting the next 8-mile stint to Callander. The sun continued to shine down on us as we weaved our way to Brig o' Turk, before beginning a long climb uphill through the woods. The stunning views of Loch Venacher were well worth the climb! We found a beautiful spot beside a stream to stop for some lunch and take in the surroundings before beginning our last part of the walk, making our way down the hill and following the cycle path into Callander.

This was a tough day for all of the team, but with teamwork and determination (and the lure of a cold pint and some lovely food from The Crown Hotel at the finish line) they got through it!

Overall, a truly remarkable effort from everyone involved in a bid to supply the local community with life-saving defibrillators. Monies raised from the sponsored walk will fund two defibrillators: one for our local community in Bishopbriggs and the other for Stevie's community in Govan. Any extra money will be donated to the British Heart Foundation and their life saving research. Donations can still be made [here](#).

# OAUK News

Isn't it marvellous to see how much our employee-owned companies support their local communities? There are several great stories in this month's issue where businesses give time and money to worthwhile causes. I know several of our employee-owned firms also participated in this year's Kiltwalk to raise funds for their nominated charities. And unlike many corporate businesses, these activities aren't mere photo opportunities for kudos; it's borne from a genuine desire to do some good in the world. Well done to all of you!

I repeat often that one of the issues we have with employee ownership is that there is almost universal agreement that we need more employee ownership in the economy. The drawback of such agreement is that it's not a controversial topic so doesn't make headlines. This wasn't such an issue when we had real champions of employee ownership in government. Former Liberal leader and Orkney and Shetland MP, Jo Grimond, was one of the founders of what is now the Employee Ownership Association and Jesse Norman, Nick Clegg, Norman Lamb, Tristram Hunt and Barry Sheerman constantly banged the drum for employees owning the companies in which they work. Sadly, with very few exceptions, that loud employee ownership voice is missing from both Holyrood and Westminster. It was so encouraging to be invited to meet with Scottish Labour Leader, Anas Sarwar MSP. It was even more reassuring to hear Anas speak from a position of knowledge about what employee ownership is and the positive impact inclusive working models have on the economy and the individual. He told me how impressed he was with the companies he had visited so far, and with the employee owners he'd met with. He is keen to visit more and to extend this knowledge to other MSPs from all parties. He gave me a challenge to come back to him with some ideas on what policy makers can do to help support employee ownership in Scotland and committed to meet again to talk some more.

It was a privilege and a pleasure to meet up with Dr Rick van Doel who was visiting Scotland on vacation from Indiana. Rick runs the Indiana Centre for Employee Ownership and we had shared platforms at several employee



ownership events. Rick very kindly brought me two copies of the fabulous new publication **Ownership; Reinventing Companies, Capitalism and Who Owns What** co-written by Corey Rosen and John Case. It's an incredible publication - a must read for anyone interested in finding out more about employee ownership. It is available on Amazon but if you turn to [page 8](#) you'll have the opportunity to win a copy of your own!

It was good to read about another successful EOA conference this year – it must have been so good for the employee-owned community to get together following the Covid constraints on events. The 650 attendance really highlights the phenomenal growth there has been over the years; I remember my first EOA conference around 2004 (I believe the organisation was still called Job Ownership at that time!) when we had around 60 people in one room! Little did we know then that there would now be 1000 employee-owned companies in the UK – and growing by the day! This growth is often ascribed to the introduction of the EOT, which certainly made the whole process so much smoother and easier. (And bear in mind it was Nick Clegg, Norman Lamb and Danny Alexander who delivered that, expertly guided by eminent advisers such as Graeme Nuttall OBE). The EOT was a ground breaker of course, but I remain adamant that it is the success and generosity of the employee owned community who are by far the most successful advocates of employee ownership in the UK. It is the companies and their employee owners who make the most compelling argument that employee ownership is an attractive and feasible model for business. You're all doing such a great job.

Yours in partnership

- Carole  
01786 611066

## Employee Ownership Solution for Belbin

Are you a Shaper or Completer Finisher? Anyone who has undertaken a management or leadership course or studied organisational behaviour is likely to be familiar with **Belbin Team Roles**. Established in 1987 by Nigel and Meredith Belbin, Belbin methodology has come to be known as the gold standard for identifying useful behaviours in the workplace. Belbin now operates in over 100 countries.

As of October 1st, the company is now employee-owned. The move to an EOT is a means of acknowledging and celebrating Belbin's past and securing a bright future. As a company that 'practices what they preach', Belbin is proud of the strength of its own team. Effectively, the team is now the curator of the Belbin brand.

Under the new structure, Jo Keeler (formerly Managing Partner) will become Managing Director and Jill Cooper will take on the role of Director of Operations. Nigel Belbin will sit on the board of trustees and Meredith Belbin will act as patron to the company.



Nigel Belbin said, "This is the kind of evolution which I hope many more companies decide upon in the future. It benefits both its past owners and employees. Besides that, it is in keeping with our philosophy that those who work hard for an organisation should also be the beneficiaries."

Jo Keeler said, "We are enormously grateful to all partners, past and present. As a team, we are privileged to be entrusted with the Belbin brand and are excited to usher in a new chapter for Belbin, in line with our established culture and values."

## Reid & Fraser employee owners first get together

**Reid & Fraser** became the first full service accountancy firm in Scotland to become employee-owned, completing the transition in November 2021. Reid & Fraser is also the most northerly employee-owned business on the Scottish mainland and with offices in Thurso and Wick, Covid constraints meant the team had been unable to meet properly in more than 2 years.

This was all put right a few weeks ago when almost the entire workforce was able to gather in a local hotel to hear more about how employee ownership works and to have the opportunity to ask any questions directly. Director Steven McGregor gave an update on the company's performance and some insight into the future plans. It was a very positive meeting. Virtual meetings have their place, but everyone agreed nothing beats getting together in person!



## Who are the Trustees?

The role of the Trustee in the EOT-owned company is one of the most important, yet the most neglected and misunderstood. It is the responsibility of the Trustees to ensure that the interests of the beneficiaries are protected and enhanced. Of course, the primary focus is to ensure that the employees' value in the company is secure. And that value is rarely purely financial: "Value" can have a wider interpretation beyond the purely financial. Indeed, many companies articulate that value in their legal documentation, stipulating that the company should always have a focus on innovation, or corporate citizenship or quality engineering. The purpose clause will have a requirement that the company should be a great place to work where employees are valued and respected.

Obviously then, the composition of the Trustees is paramount to stewarding the company effectively. So who should the Trustees be?

It's almost always the case that the selling shareholder has the right to be a Trustee until they are totally paid out. This recognises the risk that they are taking when the employee buyout is funded by significant deferred consideration. This does raise questions from the new employee owners – is this not a conflict of interests? Is this really a shift in ownership if the former owner is still at the top table? Indeed, Chris Budd, former owner of Ovation Finance who transferred his business to an EOT in 2018 doesn't think the vendor should be a Trustee for a prolonged length of time. In a blog on the EOA website which you can read [here](#), he says, "Giving up a little bit of control is like being a little bit pregnant. It's kind of an all or nothing situation. A former owner who keeps a position of influence is inadvertently sending a message to the employees that is in danger of undermining the concept of employee ownership. It can only dampen the all-important employee voice." Chris stood down as a Trustee after 6 months.

What about the other Trustees? Graeme Nuttall OBE, who is respected globally as the leading expert on all things employee ownership, recommends a "paritarian" composition: the Trust should have equal numbers of management and



non-management employees with the addition of one or two independents.

It's a good starting point and does lead to the question – should these management employees be directors? Currently there are no rules on this, however I'd refer back to the purpose of the EOT. As the majority shareholder, it exists to hold the board of directors to account in delivering value to the employees as indirect shareholders. Can an individual really be objectively critical of their own performance and decision-making?

The **Chartered Institute of Taxation** believes there should be more regulations around who can be a trustee in an EOT controlled company. They have made a recommendation that former owners, and those connected with them, should not form a majority of the Trustees. They believe this hampers employee engagement and may lead to an unhealthy prioritising of repaying consideration to the detriment of employee interests and the long term health of the company. The CIOT does recognise that some owners will have valid reasons to insist on a Trustee role and therefore do not propose that selling shareholders are "barred". It is an interesting point for discussion and there is no one right answer. Each company is different and part of the discussion during the transaction should centre around what is the most appropriate composition for the company, ensuring that employee owners' interests are paramount. This does sometimes mean difficult and challenging conversations. The role of the Trust in the employee-owned company is too important to compromise.

*Please note, that for the purpose of this article I'm using the term "Trustee" to refer to both the appointed Trustees and the directors of the Corporate Trustee.*

# Union Industries celebrate 50 years

It was a real privilege to be invited to Union Industries' 50th anniversary recently. I'm proud to be an independent Trustee with the company which has so quickly embraced the employee ownership ethos as well as achieving significant commercial success.

The anniversary was commemorated by a glamorous black-tie event at the stunning Grantley Hall in North Yorkshire attended by current and former employees as well as its founders, Paul and Isobel Schofield, who are affectionately known by colleagues, friends and customers as Mr and Mrs S.

In addition, the company confirmed that each of its 76 employees would receive a 5% pay increase as well as £1,000 to help with the rising cost of living.

Originally a tarpaulin maker and repairer known as Ralph Ellerker, which was founded in 1795, the business was acquired by Paul, who with Isobel, transformed the company into Union Industries. The company became Union Industries in 1972.

Known for its 'Best of British' strapline, the Leeds-based company manufactures a range of industrial products, most notably its market-leading range of rapid roll doors. From its landmark factory and head office, known as Angel's Wing on account of the pair of giant golden angels that adorn its entrance atrium which were acquired by Mr S from a movie prop maker, Union Industries produces its highly regarded products.

The current range includes the Ramdoor, Bulldoor, Matadoor, Lion Door, Picadoor and the unique Eiger Freezer Door.

These fast-acting doors are installed in distribution centres, warehouses, factories and storage facilities to improve logistics and save heat loss for companies across the UK and Europe. Its portfolio of clients includes amongst others; Tesco, Cummins, Co-op, BAE Systems, Ocado, Jaguar Land Rover and DHL International.

In 2014 its founders Mr & Mrs S took the decision to safeguard the future of the company



in Leeds by transitioning to an Employee Owned (EO) structure where the majority of company shares are held by the Union Industries Employee Ownership Trust.

Under Union Industries' EO scheme, every employee can buy their own shares in the company in addition to being beneficiaries of the EO Trust. New starters who join the company are also given shares after 12 months of employment.

The business has continued to go from strength to strength. Although Union Industries has always boasted a committed workforce, becoming Employee Owned has further empowered its team. This includes an added financial incentive because of an annual tax-free bonus, but also the ability to have a say in the running and future direction of the business.

Andrew Lane, Managing Director of Union Industries, said: *"This is a celebration of more than just a business, but a place where innovation and creativity can be expressed and being the best of British is more than just a saying, it's something we passionately believe in and achieve through our products, our people and the way we work every day."*

*"This landmark anniversary is a great way to celebrate and recognise the brilliant people we work alongside every day. Union Industries is a special place to work. Whilst being an employee-owned company in the UK isn't unique, our version of it really embraces the people within the business and strengthens the family bond we have here."*

*"We are also really grateful to our large customer base, which has supported and continues to support Union Industries by investing in our best-in-class products that improve efficiency, productivity and sustainability."*



Win this book!

## Ownership; Reinventing Companies, Capitalism and Who Owns What

Corey Rosen and John Case

To celebrate the 30th edition of Ownership Matters, we're giving away a copy of this book. Written by Corey Rosen, founder of the National Centre for Employee Ownership in the US and John Case renowned writer on economics and business, Ownership is a deep dive into how employee ownership originated, how it works now, and what needs to be done to expand it. The book looks at how the idea is growing, both in the United States and around the world- and why all sides of the political spectrum support it.

Wealth inequality is growing. Social trust is eroding. There are endless debates

about what to do, but one key factor is inexplicably left out: who owns the companies that drive the economy?

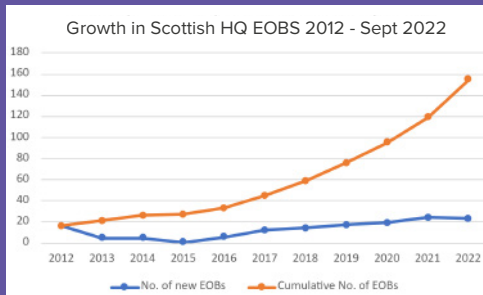
Ownership matters. Ownership by a few means benefits for a few. Employee ownership addresses the balance.

Rosen and Case offer a vivid portrait of a form of ownership that results in more prosperous workers, more responsible companies, and a fairer, more stable society.

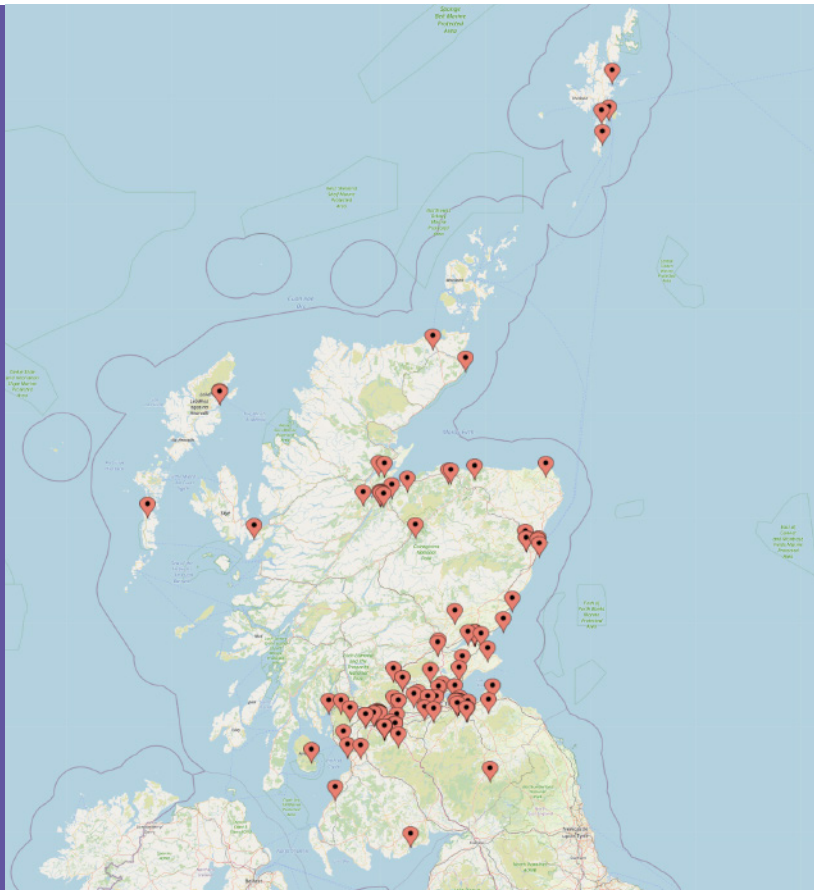
**For your chance to win a copy, simply email [carole@ownershipassociates.co.uk](mailto:carole@ownershipassociates.co.uk) and the winner will be chosen at random.**



# Employee Ownership in Scotland



**OA** Ownership Associates uk  
let's make it happen



## Trustee Training - 28th October

This two hour session aims to equip Trustees to fulfil what is a pivotal role within the employee-owned company. The session is in two parts and is delivered over Zoom. You can join for both parts, or if you have already attended Part 1 or a previous session, you're very welcome to join only for Part 2.

**Part 1: Information giving – legal duties of trustee, responsibilities, the Trust deed, the Trustee role. 9.30am – 10.30**

**Part 2: Case Study – group work on a trustee dilemma in an employee-owned company. All groups work on same case study, come together to report on discussions. Everyone says this is tremendously useful. 10.30 - 11.30**

To register your interest email [carole@ownershipassociates.co.uk](mailto:carole@ownershipassociates.co.uk)