Galloway & MacLeod Limited, grain millers and agricultural merchants, based in Stonehouse, South Lanarkshire. Established 1872, transferred to Employee Ownership December, 2010. The business manufactures animal feed and trades in animal feeds, fertilisers, seeds and crop products. A retail division services the equine and pet food market. 35 people are employed. Sales turnover £12m: farm 95 per cent, pet and equine 5 per cent.

The company has experienced the best of times and the worst of times since 2010. The downturn in agriculture and in particular the current plight of the dairy industry is both challenging and opportune. The business is clearly focussed on adding value to farmers’ productivity and financial performance.

Galloway & MacLeod, while realistic about the many challenges ahead, is positive about the future. We have attracted and retained good people. Wages and pensions have improved. The customer base now extends throughout the UK and an export trade is developing. Employee owners continue the family ethos of decision making for the long-term with 80 per cent of employees engaged in annual share purchase through a share incentive plan (SIP).

Q1
We understand in Scotland 74 employee-owned businesses collectively generate £900m turnover and employ approximately 6,500 staff. The number of employee-owned businesses is expected to grow as more companies become aware of the model.

Q2
Innovation is strong at Galloway & MacLeod. There are many examples of employees researching and developing improvements to processes and systems that have led to reduced costs and energy consumption as well increased efficiency and production volume.

In October 2014 we achieved Investor in People Gold, the highest accreditation, this was achieved seamlessly made possible by the employee-owned culture imbedded in all we do and how we do it.

There are many examples of how the employee ownership has benefitted the company:

Production automation: manual labour reduced by process automation, increased production, lower costs, quality improvements, improved working conditions and reduced environmental impact.

Product development: New farm and equine feed products researched, developed and formulated in-house, additional sales, manufacturing and transport efficiency improvement, improved employee rewards.

Customer Service: pro-active customer engagement, improved service, reduced costs, happy(ier) customers!, competitive advantage.

Enterprise Resource Planning (ERP): back-office system automation, live budgeting, improved commercial management, improved employee development opportunities, reduced costs.

Q3
Galloway & MacLeod has no external finance. Future growth may require additional funding, we are confident our business structure and performance will attract efficient funding.
Q4
Co-operative Development Scotland (CDS) was instrumental in the successful and fast transition of Galloway & MacLeod from family to employee ownership. While CDS continue to successfully raise awareness there is a need for a more co-ordinated approach by enterprise and educational organisations to maximise the opportunities.

Employee ownership is often looked upon by outsiders as management by committee run by people in ‘woolly-jumpers’-this is a myth! Employee ownership is a dynamic structure that enables all employees to realise their full potential, generate wealth and enjoy a quality work-life balance.

Galloway & MacLeod Limited
Stonehouse
18 January 2016