

Smith Brothers (Leicester) Ltd celebrates its 125th anniversary in 2022. Founded by Walter Smith in 1897, it is still in the ownership of the Smith family.



VALUE THROUGH SERVICE 125 Years of Smith Brothers (Leicester) Ltd

Nigel Watson



Value through Service

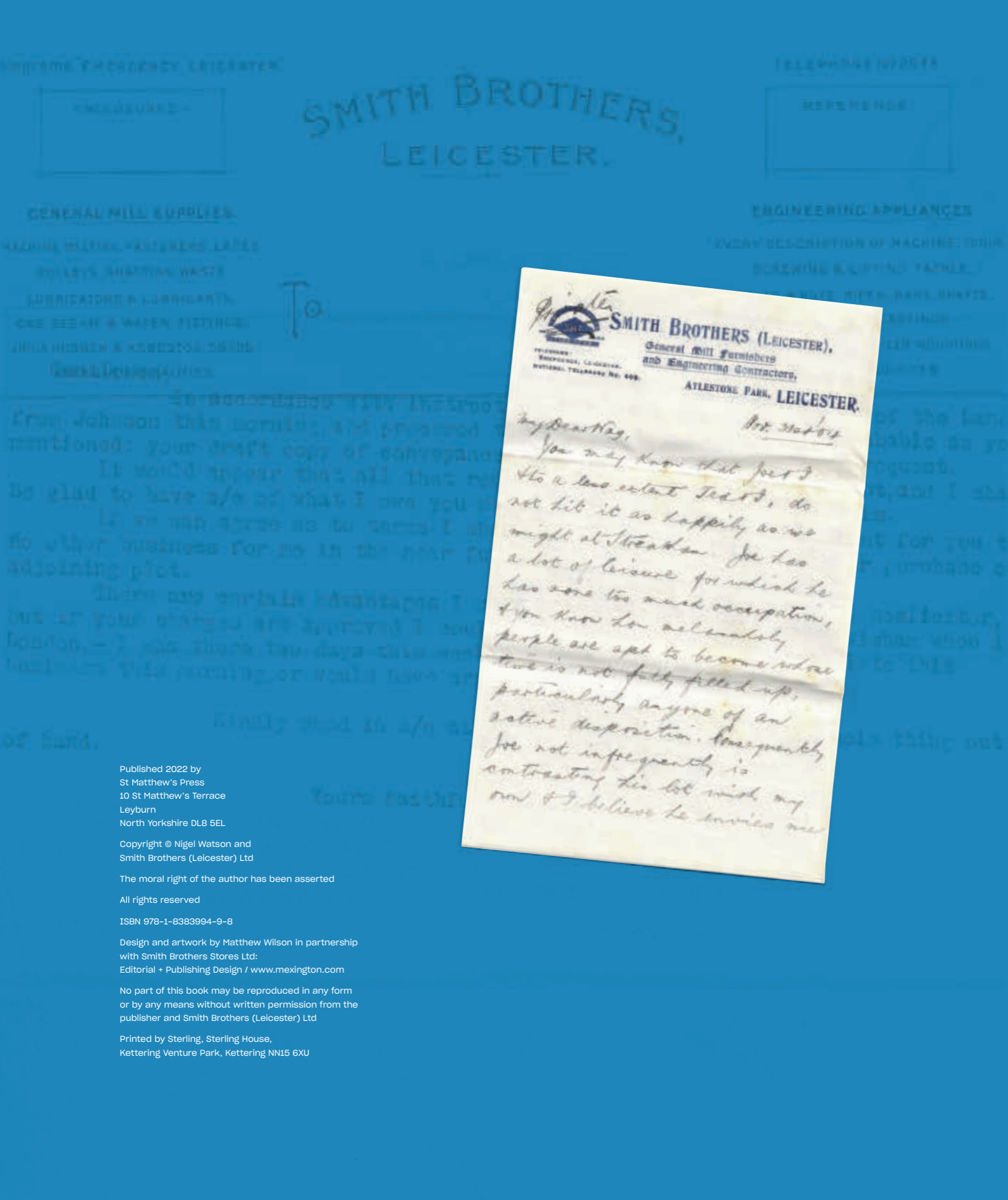
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Foreword

As time goes past, it becomes harder to document the foundations which underpin the ongoing success achieved by Smith Brothers (Leicester) Ltd, more commonly referred to as SBL.

The family therefore thought the 125-year anniversary was a great time to formally document the history, and more importantly, record the events which help form the businesses under the SBL umbrella today.

Commitment to work has always been prevalent throughout the family, with Walter Smith (the founder) leading by example. This helps explain why the second and third generation family members never really had a ‘traditional’ retirement, and current members of the fourth generation are still working today. Hopefully, the journey recorded in this book is both insightful and fascinating, revealing how the business had no boundaries, from slate mines to air raid shelters, a far cry from the heating, ventilation and air conditioning supplies most known for today.

On a personal note, reading Walter’s letter to John dated 1959, with a snippet reading, ‘*You benefit materially from what has been done,*’ really resonated with me, and I’m sure with every family member who has since entered the business. The hard work of those before us has helped guide the successes achieved today.

Looking ahead to the future, the journey has no end date with the family as committed as ever to its staff and businesses. Like Walter back in 1897, ambition remains high and financial stability paramount.

Enjoy the read. The path walked was far from ordinary, with a mixture of interesting business ventures and family records, while navigating through the country’s wars, recessions and pandemic.

Adrian Smith
Fifth generation

Introduction

Smith Brothers (Leicester) Ltd celebrates its 125th anniversary in 2022. Founded by Walter Smith in 1897, it is still in the ownership of the Smith family.

Today, as a fifth-generation family business, the values established by the founder still remain central to its success. A diverse business, comprising interests in leasing, property and other investments, it is driven by its two main trading companies. Air Plants is one of the UK’s leading dust extraction companies while Smith Brothers Stores is the third largest national heating, ventilation and air conditioning merchants, with branches stretching from Scotland to the south coast. In its anniversary year, the Stores operation will achieve sales of £168 million, operating 18 branches across the country as well as a distribution centre in Leicester, employing over 450 people. It is a long way from Walter Smith’s humble enterprise employing himself, his brother and one other person in a small warehouse in Saffron Lane, Aylestone, in Leicester. The following chapters not only tell the story of how this came about but emphasise the importance of family ownership and management in creating and sustaining this success.

1 1874–97: Foundations

‘A wonderfully strong child’

Walter Smith was an extraordinary man. From a large family, he made a greater mark on the world than any of his siblings, creating a family business which still flourishes after more than a century. He set down the standards for the business which the family still sustains today.

A devoutly religious man, he had a highly developed sense of fairness – deals were meant to be kept but those who abused his trust were vigorously pursued. With exacting standards, he was not an easy man to work with, as one of his brothers discovered, but he liked to give people the benefit of the doubt. Born an instinctive entrepreneur, he was willing to take calculated risks, understanding that success was not achieved without making mistakes. Although his only son Sydney was not made in the same mould, his grandson John did inherit Walter’s entrepreneurial instincts, and Walter was able to hand over leadership of the business to him.

Early Life

Walter Smith was born on 1 March 1874 in Burton-on-Trent, Staffordshire’s famous brewing town. This was its heyday with the number of breweries reaching 30 by the 1880s. The industry was a major source of employment.



The two biggest breweries, Bass and Allsopp, each employed around a thousand men and boys. Among them was Walter’s father, John, working as a brewer’s clerk for Samuel Allsopp & Sons. This was something of a family tradition; John’s father and grandfather had both been coopers. The family had then moved to London where John’s father was storekeeper for Allsopp’s London brewery.

THE SMITH FAMILY

Walter Smith’s father, John, was born in King William Street, not far from the Monument to the Great Fire of London, in 1845. After leaving school at 15, John worked briefly as a clerk for an East India merchant but four years later returned to the family’s roots to work for the Allsopp brewery. He married Marie Higgins from London in 1869, having met her while she was staying in Burton-on-Trent with her uncle. Her father, William, began his working life as a brewer’s agent before becoming a solicitor’s clerk. John and Marie would have ten children, Sydney, Mabel, Walter, Rosetta, Amy, Joseph (known as Josh), John Frank, Edward (known as Ted), Ralph and Elsie, all of whom except one survived to adulthood. The eldest, Sydney, weakened by rheumatic fever in childhood, died when he was 18. The loss deeply affected his closest brother Walter who later gave the name Sydney to his only child.



Above: Walter Smith’s father, John.

Right: Walter Smith and his family. This photograph, taken in 1916, shows (left to right) standing brothers John Frank, known as Jack, Joseph, known as Josh, and Walter, and seated brother Ralph, father John and mother Marie, and brother Edward, known as Ted.

Walter, wrote his father some years later in his autobiography, was 'a wonderfully strong child'. A bright boy, he won a scholarship to the local grammar school. Leaving school at Christmas 1889, he began work as a clerk for local coal merchant William Mayger on New Year's Day 1890.

Working for James Pye & Co 1890–97

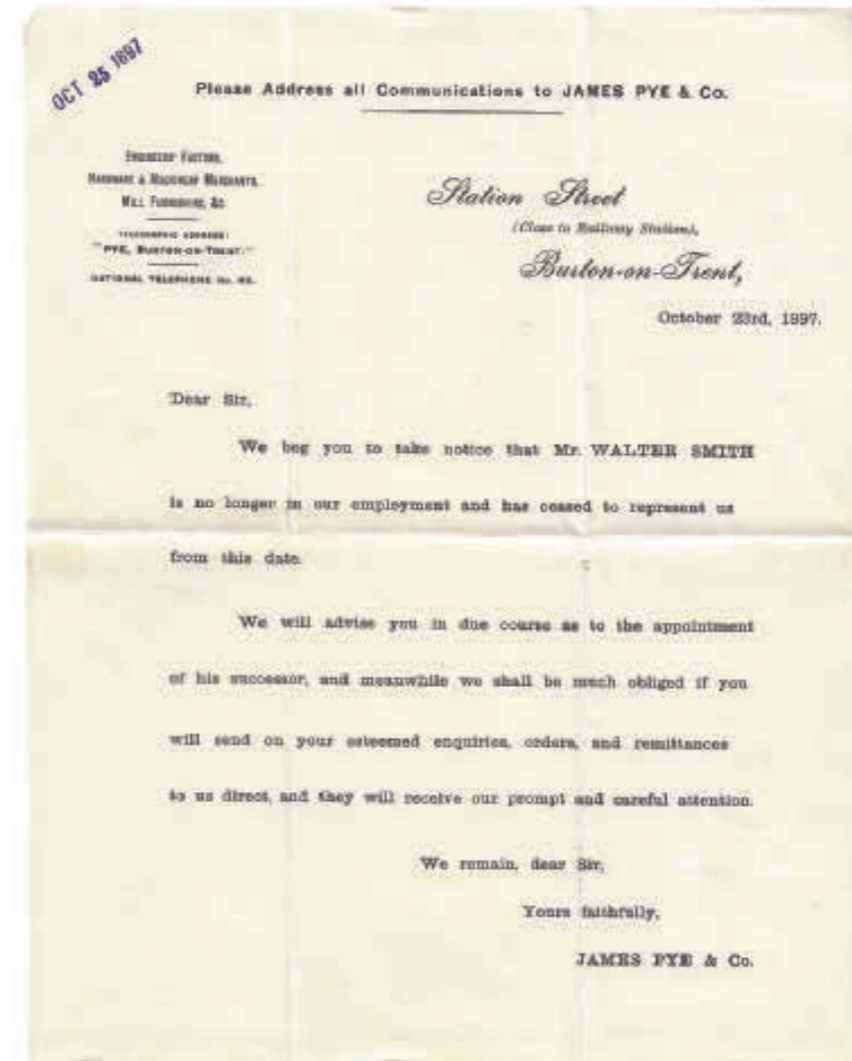
Office work clearly didn't suit Walter since he left Mayger on 13 April 1890 to start work on the same day as a commercial traveller for James Pye & Co., mill furnishers, hardware and machinery merchants and engineers' factors. He was just 16 years old.

Walter quickly made himself indispensable, proving to be a consummate salesman. Walter was full of youthful self-confidence, which Pye clearly found trying. In a letter dated 2 May 1893, Pye reminds 19-year-old Walter that he should put anything he wants attending to 'as a request not an order to do it!' While Walter was bringing in plenty of orders, he was also upsetting some customers.

Walter knew his own worth. He was never a man to brag but he never undersold himself either. He would write in 1897 how he had 'opened 9 out of every 10 accounts at present on the books of Mr Pye and have done all the "pioneering" part of the business since I entered his service 6 years ago'. Yet he felt he was restricted in using his own initiative, while Pye clearly thought Walter was undermining his authority. In an addendum to one typed letter addressed to Walter, dated 13 March 1894, Pye writes, with much underlining in red ink, that he 'was very much annoyed' with the way Walter was overriding Pye's instructions to other employees. 'I expect you to support my authority in every possible way and to see that my wishes and instructions are carried out.' Three days later, Pye was writing how Walter tended to act 'from impulse and thoughtlessness', held his employer 'very cheap' and failed to show him due respect. 'I have had to check you sometimes and have thought if I allowed you to go on unhindered, I should very soon be the servant and you the master.'

Employer and employee managed to reach an understanding. Pye rated Walter highly enough to offer him what he later described as a 'confidential position' in the firm, giving Walter enough responsibility to persuade him to stay on. But although Walter invested some capital in the firm, he was never made a partner. (Later, after he left Pye, there were allegations he had bragged to potential customers that he had been Pye's partner, which Walter strenuously denied.)

Because of Walter's importance to the business, Pye insisted he should give plenty of advance notice if he decided to leave, a stipulation Walter ignored. He first thought about leaving at the beginning of 1897 when he tried to persuade one of Pye's suppliers, F S Sargent, to appoint him as his agent for the Midlands. 'I have a good knowledge of almost all places included in



The circular issued by Walter Smith's employer James Pye in 1897 informing customers Walter had left the business.

a 50 to 60 mile radius of Burton and am acquainted with a fair number of buyers now.' He could, he wrote, obtain mill fittings, belting and leather goods at a better price than Sargent.

Walter's father, always ambitious for his son, thought this would only make him 'a tied servant and this I don't want you to be any more'. He urged Walter to quit working for Pye and set up on his own. 'You now have the knowledge and training. We can raise the capital required and you have such an opening for yourself as can perhaps not occur again in your life. Take it [underlined in red ink] and I'll do all I can for you.'

It was only on 17 October 1897 that Walter told Pye he was leaving. Pye then discovered Walter had, in the words of the solicitor's letter sent to Walter shortly afterwards, 'for some time past been carrying on business on your own account as a factor in defiance of the agreement existing between you and my client'. At 23 years old, Walter was eager to be his own man at last.

The solicitor's letter concluded that 'my client has no alternative but to summarily dismiss you from his service'. On 23 October 1897, Pye issued a circular to his customers informing them that Walter was no longer employed by the firm. Yet James Pye insisted he bore no resentment against Walter. He had involved his solicitor, he said, 'in no spirit of hostility' but because he was upset that Walter had not stuck to their agreement. It was a lesson well-learned by Walter since one of the principles he held to steadfastly in his own business was to abide by every agreement he made. Pye added, 'I did not wish to stand in your way if you thought you could better yourself,' concluding that 'I gladly recognise the ability and energy with which you have worked during the years you have been with me.'

1897–1907: From Partnership to Limited Company

‘Our resources are always at your service’

Early on in his sales career, Walter was asked by James Pye to visit potential customers in Leicester.

He had a lot of success and when he decided to leave Pye he headed to Leicester. As he wrote at the time, ‘Leicester offers advantages over Yorkshire if I started on my own account as I have some good friends there whom I could depend on for support.’

LEICESTER IN THE 1890S

Leicester was a Victorian boomtown. In 1897, the year Walter moved to Leicester, the town added 76 new streets, 2,062 new houses, 198 new shops and 63 new factories. The railway had first reached Leicester in 1832 and the town was developing an extensive network of tramways to connect its burgeoning suburbs with the town centre. The first telephone exchange opened in 1881 and the first streets were lit by electricity in 1894. It was a prosperous manufacturing town, whose confidence was reflected in its public buildings and amenities. With over 167,000 people by 1891, the town’s population had more than doubled in 20 years. Thanks to the activities of the forward-looking Leicester Corporation, its death rate in an age of high mortality was the lowest of any manufacturing town in England. While hosiery was the town’s dominant industry, Leicester had



Smith Brothers' first premises in Saffron Lane, Aylestone. The boy with the hand-cart full of pipes for delivery might be Jack Smith or the unknown third person employed by Walter. Note the sign on the building describing the business as 'Engineers' Stores'.

overtaken Northampton as the country's leading footwear centre. A multitude of other businesses had risen up to supply these two major trades. Leicester's growing prosperity was based on the demand of the expanding middle classes for fashionable footwear and clothing. By 1914, the town boasted 187 bootmakers, 163 boot and shoe manufacturers and 105 hosiery mills.

Leicester was fertile ground for any salesman offering machinery and other engineering accessories. As a recent historian of the town has written, local trades directories of the time confirmed 'the number and variety of engineering enterprises that supported and complemented the industrial structure of the borough and this pattern continued into the second half of the twentieth century'.¹ Most of these enterprises were medium-sized family businesses, rather than the giant factories found in other industrial centres. This too helped Walter Smith, much of whose business was grounded in the personal relationships he built up with his customers, which is still characteristic of the group today.

Walter invested his own savings, totalling £180, and a £300 loan raised by his father. Walter repaid his father's loan within two years. He emphasised personal service in choosing the name for the firm's telegraphic address – 'Emergency Leicester'. If a customer had an urgent need, Walter would do his utmost to meet it. This is still one of the business's guiding principles.

Saffron Lane

Walter began business on 10 November 1897, just a fortnight after leaving James Pye. On that date he leased a small warehouse in Saffron Lane in Aylestone for five years, paying rent of £30 a year.

AYLESTONE IN THE 1890S

As recently as 1871, Aylestone was little more than a village, with a population of just 450. A little more than two miles from the centre of Leicester, it was located on the banks of the river Soar and the Leicestershire & Northampton Union Canal. Its growth was spurred by the sale of the Duke of Rutland's estate in 1869. This stimulated a housebuilding boom, with the population reaching more than 2,500 in 1881. Leicestershire Country Cricket Club acquired 16 acres to build the Grace Road Ground. Opened in 1878, it would become a favourite haunt of Walter's grandson John. In the same year, Aylestone was linked to Leicester town centre by tram. Aylestone officially became part of Leicester in 1891.

¹ *Leicester: A Modern History*, Richard Rodger and Rebecca Madgin (Lancaster, 2016), p16.

Walter planned the launch of his business carefully, making sure he had in place agency agreements for Cochran Boilers, Pulsometer Pumps and, soon afterwards, Sirocco Fans. They were some of the most innovative brands of the day. Moreover, supplying industrial fans would soon lead Smith Brothers to begin making their own. This would be the bedrock of the business for many years, with customers all over the country, while the machinery, engineering tools and sundries business was concentrated mainly on Leicester and the surrounding area.

COCHRAN, PULSOMETER AND SIROCCO

Winning agency agreements for Cochran, Pulsometer and Sirocco was a shrewd move by Walter Smith. Recently established and innovative businesses, they became leading brands in their fields. Cochran Boilers was established in Scotland in 1878, Pulsometer Pumps was set up in 1875 and the Sirocco brand of centrifugal fans was launched by Davidson & Company in Belfast in 1898. The earliest newspaper reference to Smith Brothers is for a successful tender to supply a steam pump to Harbro Urban District Council in November 1901. Given the ups and downs of the engineering industry, it is remarkable that the boilers, pumps and fans first sold by Smith Brothers are still being made today. Cochran Boilers continue to be produced in Annan in Dumfriesshire, Pulsometer Pumps are part of pump manufacturer SPP and the Sirocco brand belongs to the Austrian group SHAKO.

Family Values

From the beginning, Walter tried hard to run his business based on Christian principles. His father, a Congregationalist lay preacher, never hesitated to remind his son of this duty. In many ways, Walter was the epitome of the nonconformist businessman: devout in religion, assiduous in chapel attendance, fiercely independent, inclined to do things his own way in preference to following the crowd, and devoted to family. For many years he was a trustee of the Primitive Methodist Chapel in Cavendish Road in Aylestone.

He was also a strong believer in the concept of the family business, finding places for two of his brothers in the firm at his father's request, which determined the name of the business. His younger brother, John Frank, known as Jack, joined the firm on 29 December 1897. While Walter was out of the office, drumming up sales, Jack looked after the office, even though he was only just 15. It was not an easy relationship. In 1899 one supplier threatened to stop doing business with Walter because of bad-tempered

correspondence from 17-year-old Jack. Remembering his own experience with James Pye, Walter was lenient with his brother, who also lodged with Walter for several years.

This didn't prevent them from falling out. In a letter from the same year, Jack writes to Walter, known as 'Wag', 'Let us start afresh in brotherly love today, Wag, and forget and forgive any past injuries. Blood is thicker than water, you know, and 'twould be a shame for us to part after having gone through so much together.'

A few years later, after another incident with Jack, Walter wrote in exasperation, 'Why was the concern ever called Smith Brothers?' Walter's great-grand-daughter, Jane Beasley, later recalled hearing that the two brothers fell out so regularly that to avoid meeting each other one would work days and the other nights.

Walter was under constant pressure from his father to admit Jack as a partner. Walter was understandably reluctant while he was building up his own business. Eventually, in 1903, he agreed to the idea in principle, but deferred admitting Jack as a partner until 1 January 1907. Jack would have a quarter stake in the business and a quarter share of its profits.

Walter's business grew steadily. On 31 December 1898, after his first year in business, his capital account stood at £1,329 6s 9d (the equivalent in 2022 of more than £120,000); by 1902, when Walter moved to larger premises, it had reached £5,989 13s 9d (£514,000 in 2022); by 1904, after the warehouse was extended, £9,487 0s 10d (£805,000 in 2022); and by 1907, when the partnership became a limited company, £14,037 7s 9d (£1.2 million). In other words, he increased the value of his business tenfold in ten years.

Originally, there were just three people in the business: Walter, Jack and one other whose name is lost to history. As more people were taken on, John Smith encouraged his son to look after them. In 1899 he suggested buying a kettle and providing bread, butter, jam, marmalade and sugar so staff working late could make their own tea. This care for employees is another traditional feature of the business, recognised today as a significant contributor to the group's success.

At the time of the 1901 census, Walter Smith called himself a mill furnisher and employer. Still under 30 years of age, he had already achieved significant success. He had married Florence Oldham and they were living in a small redbrick house in Lorraine Road, Aylestone, paying 6s 6d a week in rent, squeezed in with Florence's mother Maria and Walter's brother Jack. Within a year, the couple's son Sydney was born, adding to the pressure on space.

Batten Street

By then, however, neither the house in Lorraine Road nor the warehouse in Saffron Lane reflected the true measure of Walter's progress. By the early part of 1901, he was already negotiating to buy land in nearby Batten Street,



Above: This photograph of John Frank Smith, known as Jack, must have been taken around the time he joined his brother Walter at the age of 15.

Opposite: Circular announcing the opening of Smith Brothers' new premises in Batten Street, Aylestone, in 1902.



Memo. from SMITH BROTHERS (Leicester),

Memo. from
SMITH BROTHERS (Leicester),
GENERAL MILL FURNISHERS,
AND ENGINEERING CONTRACTORS,
AYLESTONE PARK, LEICESTER.
Town Office: 8a, HALFORD ST.

September 12th, 1902.

OPENING OF NEW SHOWROOMS, OFFICES and WAREHOUSE,
BATTEN STREET.

We have pleasure in advising you that our New Premises, which have been in course of erection for the past 12 months, are now completed, and from this date, our only address will be BATTEN STREET, Aylestone Park, Leicester.

Our Telephone No. has been altered to 408. Our Telegraphic Address remains the same: "Aylestone Park" is quite sufficient for postal communications, but for the convenience of callers, we mention that Aylestone Trams pass the house adjoining new offices.

We are carrying heavier stocks of Mill Furnishings, Tools, and Steam Fittings, and hope to secure a larger share of your favours in the near future. Please let us quote you for anything you may be requiring NOW, to prove our ability to serve you to advantage.

If another copy of our Catalogue would be of interest, we will gladly furnish same on receipt of a postcard.

Placing our resources freely at your disposal.

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If another copy of our Catalogue would be of interest, we will gladly furnish same on receipt of a postcard.

just a mile from Saffron Lane, close by the river and canal. On 15 March 1901, Walter completed the purchase of one plot and had already started discussions to buy a second adjacent plot. By August 1901, a local architect had been engaged, plans drawn up and quantities approved for a house with an attached warehouse fronting the corner of Aylestone Road and Batten Street. Walter would live in the house for the rest of his long life, naming it Brightside, perhaps a reflection of his positive outlook.

The project was overseen by the architect, Samuel Langley. Like many major building projects, it did not run smoothly. Langley did not always keep Walter informed of changes he was making. Walter politely but firmly reminded him that he expected to be consulted. In a letter to Langley dated 7 October 1901, Walter wrote, 'We shall be all the better good friends if we can humour one another's whims and I don't think you will judge me as unreasonable in the request made.'

On 12 September 1902 Smith Brothers issued a circular announcing the opening of the firm's new showrooms, offices and warehouse in Batten Street. Even as the new warehouse was opened, Walter knew that it would soon need to be extended because of the rapid growth of the business. By the autumn of 1903, he was negotiating with the representatives of the trustees owning the land to purchase yet more land. He assured them that 'the building I should put up if this deal comes off would be in keeping with what is already up. I consider my own house as good as any on Aylestone Road ... you need have no fear of decreased values on this account.'

The deal was done by early 1904 and Walter asked architect Langley to design the extension and supervise its construction. On completion, the extension, seamlessly integrated with the original building, extended over halfway down one side of Batten Street. It remains in daily use to this day.

The business, under the banner of Smith Brothers (Leicester) – there was at

Front and back covers of two early catalogues issued by Smith Brothers in 1905 before the business became a limited company.



Entry from the 1905 catalogue for valves.



least one other firm called Smith Brothers in the town – advertised itself as general mill furnishers and engineering contractors. To make life easier for customers in an age when communications were largely by post, for some years the firm, based in the suburbs, also had a small office in Halford Street in the centre of Leicester. The new premises also made it possible for the firm to carry ‘heavier stocks’ for the benefit of customers. Alongside products from other manufacturers, the firm sold own-brand specialities under the ‘SBL’ trademark. These included leather and textile belting, which may have been made in Batten Street but were most probably supplied to the firm by external manufacturers, and items such as gun-metal wheel valves.

A Stress on Service

As a skilled salesman, Walter was aware of the power of marketing. From at least 1902 onwards, the firm sent out catalogues on request – ‘on receipt of a postcard’ – to customers. Advertisements were taken in trade journals, such as the 1905 edition of the *Mechanical World Year Book*. From time to time, beginning in 1908, the firm also sent out what were called ‘Engineers’ Sketchbooks’. These were small pocketbooks with blank pages interleaved with advertising material. Described by the firm as ‘our “Silent Salesman”’, the notebooks promoted Walter’s belief, based on his sales experience, that the way to win and retain customers was through service. Customers were urged to telegraph the firm for help ‘when the UNEXPECTED HAPPENS ... Our resources are always at your service. We hope you will make use of us early and often.’

The firm claimed it could supply customers with ‘the same quality at a lower price, or a better quality at the same price’. To meet these claims, Walter recruited a network of commission agents around Leicestershire, Derbyshire and Nottinghamshire and, later, Lancashire. Appointing a new agent, A Lange, based in Derby, in 1905 Walter, once again stressing the importance of service, urged him, ‘Go ahead full steam. Count on hard hammering by us on cases where you can introduce the thin end of the wedge. You will be pleased with our system of delivery and are quite safe in promising smart despatch of any regular standard line in engineering supplies.’

Outside Investments

Walter reinvested in further expansion through larger premises, increased stocks and more staff. He was also able to invest in external commercial opportunities, with the returns from his successful investments bolstering the firm’s financial strength. A similar strategy developed by his grandson John many years later paved the way for the rapid expansion of what became Smith Brothers Stores.

As early as 1899, Walter was assessing the risk of investment opportunities, often in association with other partners. The earliest example



Page from the Engineers’ Sketchbook issued by Smith Brothers in 1908, highlighting Walter Smith’s emphasis on service as well as illustrating some of the products supplied by the firm.

Advertisement placed by Smith Brothers in the 1905 edition of the *Mechanical World Year Book*.



was his rejection of an investment worth some £3,000 in a Surrey brickyard, the Wanborough Brick & Tile Company. Another was his investment in 1906 of £250 in the Trufood Syndicate, a milk products manufacturer later sold to Lever Brothers, the predecessor of Unilever.

In the same year, however, Walter’s stake in another business failed because he was unable to exercise enough control over its management. On 1 January 1906 Walter invested £800 – equivalent to nearly £70,000 in 2022 – to acquire 50 per cent of another mill furnishers, R Reed & Co., based in Newcastle. He probably saw this as an alternative way of expanding his own business geographically rather than appointing more commission agents. Smith Brothers became Reed’s major supplier of machinery and other goods.

Walter later admitted that the cash he provided the partnership made up its entire working capital, which suggests it was already struggling. He subsequently increased his investment to more than £1,000. Absorbed in expanding his own business, and with various other investments to manage, Walter left Reed’s management entirely to his partner Tom Reed.

On 20 September 1906, Walter had to advise Reed’s suppliers and customers that the business was closing down immediately because of the serious losses it had made during the year. In an understatement, he described his own position as ‘unfortunate’. His partner Reed was personally insolvent, leaving Walter personally responsible for the firm’s debts. His losses amounted to more than £1,500, worth nearly £130,000 in 2022. A subsequent accountant’s report portrayed a business loosely managed with poor financial systems. Ironically, Smith Brothers was Reed’s biggest creditor.

Limited Company

Walter was not prepared to let Tom Reed off the hook. After the winding-up of the business was completed in July 1907, Walter wrote to Tom. Asking him how he proposed to finance his share of the losses, Walter stated that ‘I had to turn our business down here into a Private Limited Company to finance Reed debts and am anxious to make arrangements for prompt repayment of borrowed money.’

The debacle taught Walter a number of lessons. Smith Brothers would never borrow money, using only its own resources to invest in the business or elsewhere. Walter would never again relinquish control over his businesses and investments. In a letter to an acquaintance describing his losses, he wrote, ‘I shall never have another partner as long as I live, except it be under the Limited Liability Act, as the loss referred to above is entirely owing to other people’s mistakes.’

Ironically, the Reed episode meant that Walter never did have another partner in his own firm. The proposal to admit Walter’s brother Jack as a partner on 1 January 1907 never took place. On 2 January 1907 Smith Brothers (Leicester) Ltd (SBL) was formed.

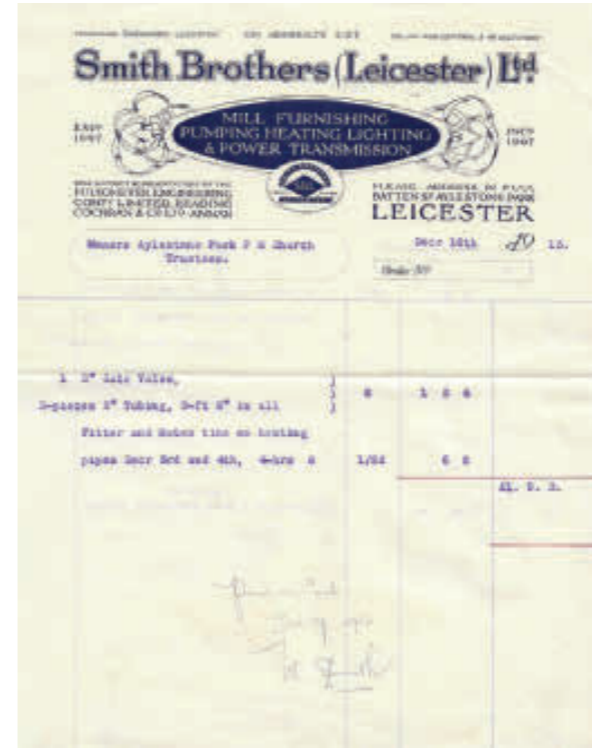
3 1907–18: Fans

‘The mechanical ventilation of all workshops is a necessity’

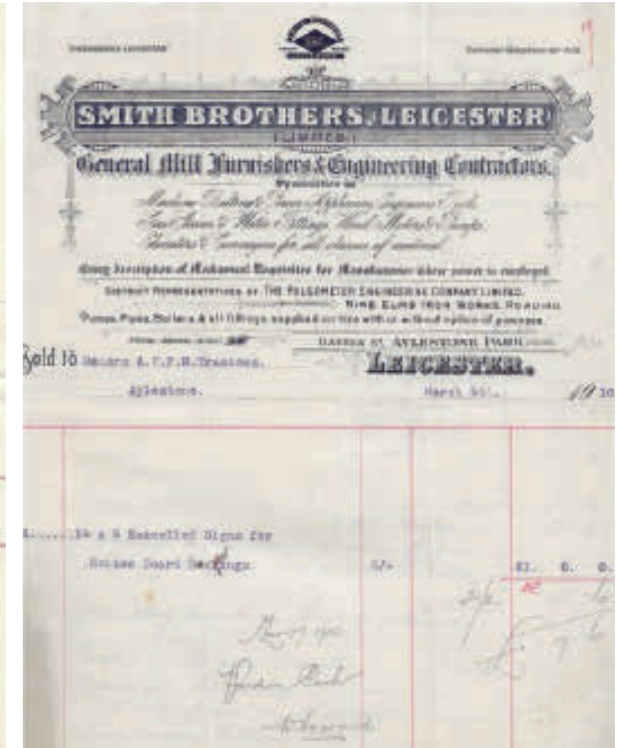
Although Walter Smith had been the sole owner of Smith Brothers, incorporation gave him the opportunity to distribute shares in the limited company to his family.

The first subscribers, alongside Walter, included his father John and his brother Jack, still only described as a mill furnisher’s assistant. Other subscribers to the preference shares – Walter ensured he remained in complete control by owning all the ordinary shares – included four employees. David Bentley was a commercial traveller, George Howard and Wortley Howard, probably father and son, were commercial clerks, and Samuel Dobson was Walter’s storekeeper. Walter clearly had a high regard for the contribution they made to his business.

There were only two directors: Walter and his brother Jack. Walter was both permanent managing director and chairman and held the casting vote on decisions taken by the directors. Letters written by Walter to another of his brothers, Josh, in early 1909 show that his relationship with Jack continued to seesaw. In January, Walter wrote, ‘I can’t size up JFS ... he is beyond me’; yet a month later he could tell Josh that he was more pleased with Jack than ever before, stating that for the first time in ten years ‘he is making a loyal attempt to carry out my wishes’. Josh never joined the business, making his career as a Customs & Excise officer, living and working in Somerset.



Two letter headings for the limited company from 1910 and 1913.



Ralph Smith

In 1907 another brother, Ralph, joined the company at the age of 16 after leaving school. He first worked in the warehouse, then travelled for the business around Sheffield and Manchester. Walter rated him more highly than his older brother Jack, putting him in charge of the firm’s Denton manufacturing works, of which more below. When war broke out, however, Ralph enlisted in November 1914, serving with the 13th Battalion, Manchester Regiment in France and Salonika. During the latter campaign, Ralph contracted the dysentery that undermined his health. Returning to England, he never really recovered, and appears to have contracted tuberculosis, then one of the deadliest infectious diseases. When he died in a Leicester sanatorium in July 1917, his doctor reported that the disease had destroyed almost all his lung tissue.

John Smith also pressed Walter to take on another younger brother, Edward, known as Ted, but this doesn’t seem to have happened.

Staff Welfare

As he employed more people, Walter began to issue regular staff notices, although few have survived. One from January 1909 highlights Walter’s genuine concern for the welfare of his staff, a priority maintained by the

family ever since. There were half-a-dozen 'inside' staff under the watchful eye of George Howard, who had become company secretary. A time-book was started to encourage more punctual timekeeping. More importantly, Walter wanted staff to bring to him any ideas they had for improving working conditions, and he pledged to keep free the last Friday in every month for staff to come and talk to him.

Complete Solutions

While no company accounts for this period have survived, there is every indication that the firm quickly recovered from the misfortune of Reed & Co. The stores side of the business was extensive. The company's catalogues featured mill furnishings, power appliances, steam and water fittings, hand and machine tools, pumps, boilers and engines. From Batten Street, Smith Brothers supplied temporary and portable boilers for steam-driven textile and other factories. The firm not only supplied individual products, like steam traps, gauges, injectors, tubes and other fittings, but also began putting together complete packages as well as offering service and maintenance. After-care was critical for steam-powered equipment operating at high pressure. While Smith Brothers concentrated mainly on Leicester and the immediate area, other companies were appointed to represent the firm further afield. For instance, in 1909 the Works Supply Company, based in St Helens, was appointed to cover south-west Lancashire.

Occasional newspaper reports reveal Walter worked hard to defend the firm's reputation. He pursued the non-payment of all debts on principle, no matter how small. Sometimes he failed – the faulty workmanship of a sub-contractor lost the firm 13s 6d in a court case brought in 1905 – and sometimes he won. In 1912 another case highlighted the weakness of unwritten contracts when Smith Brothers sued a Newcastle customer for failure to pay up. The case involved the delivery and installation of ventilating machinery for a furrier. Finding for Smith Brothers, the judge said that the dispute arose because contractual terms had not been written down. 'It was not a question of untruthfulness when matters of this kind were dealt with conversationally, each party went off with the impression most favourable to himself.'

In 1913 one case made it into several regional newspapers, probably because of the tiny sum involved. 'Six Shillings in Dispute', read the headline in

Sales representative's calling card.



Walter Smith was a serial entrepreneur. The Gas Maintenance Company was one of the many ventures he founded under the Smith Brothers umbrella.



the *Leicester Evening Mail*, 'Leicester Firm Sent to London to Defend Action.' A customer claimed £6, alleging the firm's failure to complete an order. Smith Brothers paid £5 14s into court but 'were fighting the case on principle' over the balance of six shillings. The judge said the sum paid into court was sufficient but refused to allow either side their costs, obviously irritated that the case had ever been brought.

Pioneers in Dust Extraction

By 1908, Walter Smith could write that Smith Brothers specialised in dust extraction machinery. In the company's catalogue, under the heading 'Induced Draft', it was stated that 'Mechanical draft is coming more and more to the front, and as its advantages are understood, its adoption is becoming general'.

Under 'Dust Extraction', the company stated that for any firm dissatisfied with existing ventilation arrangements, 'we would like to submit a scheme for improving this state of affairs on the basis of payment by results'.

Part of the reason for the growth of this side of the business was, as the company put it, 'the increasing stringency of Home Office regulations', which 'has brought us a large volume of business'. The 1901 Factory and Workshop Act provided that adequate ventilation should be provided in the workplace.

Early ventilation was by natural means, superseded by systems utilising steam or hot water, with the first fans, powered by gas or steam engines, introduced around 1850. Electric motors were applied to drive fans for the first time in the early 20th century. One of the foremost manufacturers of steam-driven and electrically powered fans was the US Sturtevant company, of which more later, which established a UK presence in the 1880s. The most famous brand, however, was the Sirocco, which Walter Smith had been distributing since Smith Brothers was founded. It was only from the 1920s, as electric motors became more widely available, that mechanical ventilation was commonly adopted by industry and commerce. Smith Brothers, therefore, was among the pioneers of this new industry which was still in its infancy.

Progressive Engineering Company

In 1909 Walter took his first step towards manufacturing by investing £250 in the Leicester fan makers Jelly & Co. Although the evidence is hazy, over the next few years, and certainly before the First World War, Smith Brothers decided to start making its own fans. As one leaflet on the history of the business remarked, 'Owing to the rapid growth of the Fan Engineering side of the business, it was decided later to run this as a distinct Department, to be known as the Progressive Engineering Company Ltd, and our Works at Denton, Manchester, were then opened in 1910'. Quite how this happened is unknown, but the decision displays once again Walter's entrepreneurial flair and willingness to take risks. As his first direct involvement in manufacturing, he had to learn rapidly. Moreover, with the Denton works distant from

Leicester, he would have had to rely on others to run the new venture, indicating his willingness to delegate when necessary. Asking his younger brother Ralph to run the works, Walter had someone in charge he could trust.

At the same time as the works were opened in Town Lane, Denton, Walter was already negotiating to buy an existing business which would speed up the progress of his new fan-making venture. In 1911 he acquired the fan manufacturing side of the Electric & Ordnance Accessories Company, based in Birmingham. A long-established firm, this became part of the giant engineering concern, Vickers, in 1901. In March 1911, before Vickers sold off the fan-making business, *Commercial Motor* magazine ran the following article.

The Electric and Ordnance Accessories Co., Ltd., of Aston, Birmingham, which, as is well known, is one of the many manufacturing concerns that is conducted under the aegis of Vickers, Sons and Maxim, Ltd., has sent us a copy of a sectional catalogue giving full particulars and prices of a special line of propeller fans, both motor and belt-driven; they go by the name of "Ordnance" specialities. These productions are specially designed for use in connection with heating and ventilating installations, both of the plenum and exhaust systems, for the removal of smoky and dusty atmospheres from factory buildings, and for the general ventilation of halls, offices, garages and other premises ... it is likely that a number of our readers will be glad to know where high-class productions of this kind can be obtained in great variety and at moderate prices.

Walter Smith's purchase of the business included patents, equipment, tools, stock, patterns, drawings and work in progress, all of which were transferred to Denton, where henceforth the Ordnance brand would be produced.

Another significant part of the Progressive Engineering Company's operations came through an agreement with the British arm of the Sturtevant

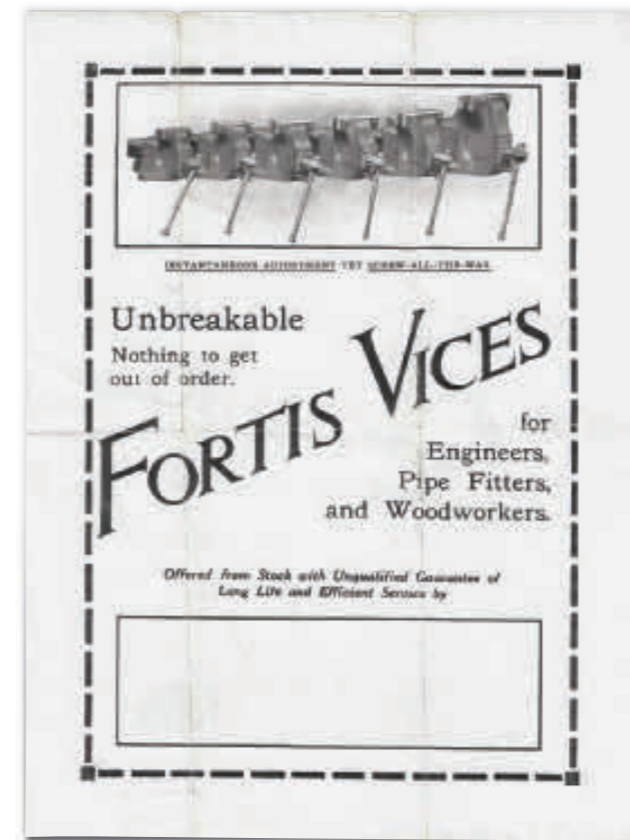
Number of Firm	Name of Firm	Wks. Work.	Eng. Work.
4001	Police Alarm Co. (L) M. Street, 111, Coleridge Road, Holloway, London, N.	Employment agencies.	Not stated.
4002	Porter, J. F. & Co., Ltd., 51, Upper Thames Street, London, E.C.4.	Oil cans, thread dies, Association cases, Turn of all descriptions, Cylinders.	Oil cans, The four makers.
4003	Purrow, James, 90/100, Old Kent Road, London, S.E.	Draining instruments, valves, valves.	As at present.
4004	Pyatt, John, 120, Tower Bridge Road, London, E.E.	Cartridge cases, Pistol cases, The best makes, Signal light lens, etc. Association cases, Turn of all descriptions, Cylinders.	The best makes.
4005	Pyatt-British Electric Co., 40, Old Street, London, W.	Electric gear for lifts, Ventilating fans.	Electric all, Electric advertising signs.
4006	Pyatt, J. E. & Son, 100, Whitechapel Road, London, E.E.	Special instruments, Boiler parts.	As at present.
4007	Pyatt, James Works, Ltd., 99/100, Woodmill Road, London, E.W.	Auto repair parts, T.C. sets, shafts, Piston rods, Piston valves.	Not stated.
4008	Pyatt & Pugh, City Ltd, Victoria, London, E.C.	A.C. & motor belts, Miscellaneous parts.	Motor belts, Motor night lamps.
4009	Pyatt Engineering Co., Ltd., The, 20/22, Street, Coventry.	Special steel.	As at present.
4010	Pyatt, W. & Co., Birmingham, Ltd., 40, East Street, Birmingham.	Engineering patterns.	Employees: Male 11, Female 37.
4011	Pyatt Bros. Universal Tool Co., Ltd., 40, East Street, Birmingham.	Job, lathe, pipe dies, valves, and reamers.	Employees: Male 18, Female 10.
4012	Pyatt's London, Ltd., 100, Whitechapel Road, London, E.	Special instruments, Hacks saw blades.	Ball and tool makers and engineers.
4013	Pyatt, G. & Son, Ltd., 41, St. John Street, West Smithfield, London, E.	Steel, boiler, iron, Light metal, work for auto etc. Dry-methane work.	Lead, zinc, and glass, Wrought steel, crucible making, etc.

Entry including Fortis Engineering from 1918 Directory of Engineering and Allied Trades, showing the firm's war record.

fan business. This had been set up in the 1880s as a completely separate operation, under British owners, acting as distributors for Sturtevant fans imported from the US. By 1911, because it had been losing money on fans imported from the US, it began making Sturtevant fans in the UK for the first time. The small London works set up to cater for this was unable to cope with rising demand, leading to an agreement with Progressive Engineering to make Sturtevant fans in Denton.

This carefully planned operation put Progressive Engineering in the forefront of the UK mechanical ventilation industry. Walter looked upon it as the most important part of his business; for the 1911 census, he described himself for the first time as a ventilation engineer rather than a mill furnisher. Within a couple of years, Progressive Engineering was doing so well that the Denton works was extended. While Denton focused on manufacturing, sales were handled from Smith Brothers' office in Leicester.

Fortis had a leading reputation for its brand of industrial vices.



Fortis Engineering

Walter continued to have many other strings to his bow. In 1909 he invested in a firm of Coventry toolmakers, the Fortis Engineering Company, which became a limited company in the following year. (The original company remains part of SBL under the name Brightside Securities, renamed after Walter Smith's home.) Although Walter Smith was a significant investor, he was not among the founding directors. It was a small business, based in Norfolk Street, Coventry, with about a dozen employees, although it already had a reputation for the Fortis brand of industrial vices. Walter Smith would make use of the Fortis name more widely in later years to group together more of his outside business investments.

When the First World War began, factories up and down the country were placed on a war footing. The government recognised that improving working conditions would increase productivity. As a later trade magazine article on the Progressive Engineering Company put it, 'If the best results are to be obtained from machines and men, the mechanical ventilation of all workshops is a necessity'. This stimulated a growing demand for the ventilation systems made by Progressive Engineering and the Denton works expanded yet again.

4 1918–39: Inter-War Years

‘The Right Goods at the Right Prices from Stock’

In 1924 the stores business based in Leicester advertised itself as supplying ‘The Right Goods at the Right Prices from Stock’. Any customers unhappy with any of their existing plant were urged to ‘send on your problems for solution on the basis of “no cure, no pay”.’

Soon after the war ended, Smith Brothers issued a leaflet on the business. This highlighted the progress of the company’s ventilation operations. The works at Denton, it said, ‘are now laid out on the most modern lines and a large proportion of our output is taken by well-known firms in the Heating and Ventilating trade, who include our Fans as standard component in their installations’.

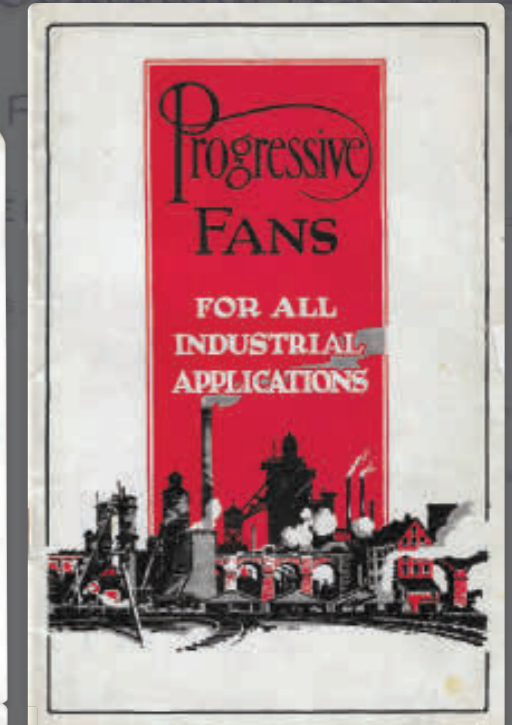
Fans for All Industrial Applications

The company stressed ‘the extent of our service in the manufacture of Fans for all Industrial Applications’. Customers ranged from the car industry (Austin Motors) to textiles (Bradford Dyers’

Advertisement for Progressive Engineering, Smith Brothers’ industrial fan making business, and the predecessor of Air Plants.



A page from an interwar catalogue for Progressive Engineering.

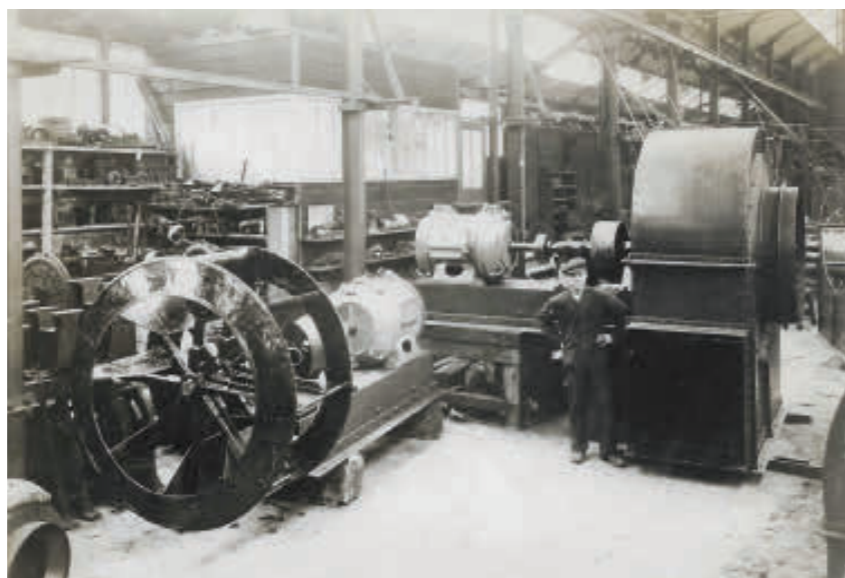


Brochure for Progressive Fans from the 1920s.



Above: Ventilation system produced at Smith Brothers' Brimscombe site for ICI in 1936.

Right: Tom Brown standing in front of work in progress at the Brimscombe Fortis Works (later Air Plants) in 1936.



Below: Lorry being loaded up outside Smith Brothers' Batten Street premises in the 1920s.

Bottom: A Fred Edlin delivery making its long, slow journey from Smith Brothers in Leicester to Frampton's Nurseries in Chichester in the 1920s.



Association), from ceramics (Carter's Tiles Poole, later Poole Pottery) to glove-making (Allcroft & Co., Worcester), from steelmaking (Jonas & Colver, Sheffield) to chemicals (B Laporte Ltd, later Laporte Chemicals). Fans were sent to collieries in India and diamond mines in South Africa, hand-gearred fans were despatched to Cyprus and fans for burning refuse under boilers to Brazil. In the UK, there were fans for collieries and brickworks, laundries and cotton mills, picture palaces, seaside pleasure beaches and London Underground. Customers praised the prompt attention they received when emergencies arose and in the routine fulfilling of orders.

The business was winning a reputation for devising solutions for customers' problems, particularly for sawmills, where modern high-speed machinery produced much greater volumes of waste and dust. One testimonial from a sawmill in Hull stated, 'You were given a free hand to put the job right and the results have fully justified this step.'

In 1924 the works transferred to larger premises in the former Lever Brothers hat works in Acre Street, Denton. Just as Smith Brothers pioneered complete solutions for steam-powered textile and other factories, so Progressive Engineering began developing complete ventilation installations for customers rather than just simply supplying them with fans. As another advertising booklet proclaimed, 'We supply complete fan installations for heating and ventilating, drying, fumes exhaust, dust removal, steam absorption, wood refuse collection, boiler draft, cupola and forge blowing, humidifying and pneumatic conveying.'

One major project was supplying a ventilation system for the Queensway tunnel, the first of the Mersey tunnels. Work began in 1925 although the tunnel was not opened until 1934.

In 1929 Progressive Engineering was reorganised and Walter Smith became chairman. His partners, Sturtevant, however, were eager to assume greater control of the business, supplying them with fans and other ventilation equipment. They effectively took it over, including the Denton works, which continued operating under the Sturtevant name until its closure in the early 1980s.

Fortis Fan Works

This left Walter searching for an alternative location for his own factory. During the 1920s he became a partner in a struggling boat-building business based alongside the Thames and Severn Canal at Brimscombe, near Stroud, in Gloucestershire. Started in 1884, the business became well known for building steam river launches. Many of them were exported. The most famous was the steam launch Livingstone, built in 1912, which featured as the African Queen in the 1951 film of the same name starring Humphrey Bogart and Katharine Hepburn. After the First World War, however, the business struggled and it was wound up voluntarily in 1925. When an attempt was made to revive

DENTON WORKS



THE ABOVE ILLUSTRATION shows a general view of the Fan Casting and Assembly Shop, the machine tools being on either side. We shall always be pleased to show prospective clients our facilities for production at Denton, and feel sure that an inspection of the work in progress will demonstrate the very high quality of workmanship put into our Fans.

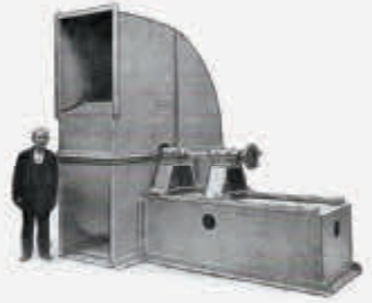
THE WORKS are 30 minutes' run by Train Car from Picosville, Manchester, taking Car No. 16, and alighting at **Acre Street, Denton**, on the right hand side of Manchester Road.

Denton Works are concerned solely with production, and the commercial side of the business is handled at our **Offices in Leicester**, to which all **Enquiries and Correspondence should be addressed.**



One of the features of our Production is the **Galvanne Corrugated Blade**, as described later, and the **Illustration** alongside shows our **400 Ton Hydraulic Press** on which this work is carried out.

INDUCED DRAFT FANS



STANDARD ORDNANCE FANS WITH PULL FROM CHIMNEY, AND WITH BAKE AT 400 DEGREES FAHR.

FAN No.	RPM	DRAFT IN FAN INLET.			
		1"	1 1/2"	2"	2 1/2"
1	175	1220	1550	2100	2650
2	210	1550	1950	2650	3350
3	250	1950	2450	3350	4150
4	300	2450	3050	4150	5150
5	350	3050	3750	5150	6350
6	400	3750	4550	6350	7850
7	450	4550	5450	7850	9650
8	500	5450	6450	9650	11850
9	550	6450	7650	11850	14450
10	600	7650	8950	14450	17550
11	650	8950	10450	17550	21150
12	700	10450	12150	21150	25350

TECHNICAL DATA: In average industrial installations a liberal allowance should be made for Gas Volume, as combustion is not controlled by experts as in the case of large Furnace Stoves. Experience has shown that an allowance of 10,000 cubic feet of gas per minute should be made per 1,000 pounds of coal per hour, with gases at 400° F., after an Economiser. For example, if **MAXIMUM** coal consumption is 2,300 lbs. per hour, allow for a Gas Volume of 23,000 cubic feet per minute (C.F.M.) at 400° F.

The average requirements of draft in Fan inlet for Locomotive Boilers with an Economiser is 14" to 18". If possible the Fan should be direct coupled to a variable speed motor.

Pictures from a booklet promoting the Hendreddu slate quarry business acquired by Walter Smith after the First World War.

vices in its Coventry factory. Fortis vices, like much machinery of the time, were finished in black paint since they didn't show the dirt accumulated from operating in factory conditions. Other members of the Fortis group included A E Greaves & Son Ltd, which made heating and ventilating plant in Southsea, and Woodcocks Foundry, based at Glascote, near Tamworth. In 1927 Smith Brothers also acquired a long-established packing company called Charles Bass.

A less successful venture was Hendreddu Slate Quarries Ltd, a working slate quarry in Wales. Walter bought the quarry after the war in anticipation of a boom in housing, following the government's promise to build homes for heroes. He discovered, however, that the slate was completely unsuitable for roofing. Instead, the quarry turned out slabs of slate for monuments, billiard beds, mantelpieces, tanks and, as they became increasingly popular for family homes, fireplaces.

it, Walter Smith became a major investor, but the boat-building business could not be saved. When it finally closed in 1929, Walter acquired the assets, setting up a separate company. This built a handful of boats, including the launch Brightside in 1930, named after Walter's home, but there was no future in boat-building.

In 1933 the canal was closed – the canal and canal basin were later filled in – which gave Walter the opportunity he was looking for. In 1934 he moved fan production from Denton to Brimscombe, establishing a factory as the Fortis Fan Works. A new company was eventually formed, Air Plants Ltd, which branded its products under the Fortis name. Manufacturing continued at Brimscombe until the mid-1980s when it was relocated to Leicester.

Fortis Engineering and Other Investments

Walter adopted Fortis as an umbrella name for his business interests. He took over Fortis Engineering in 1922 which continued to make Fortis industrial

Brochure for Progressive Fans from the 1920s, showing the Denton Works.

A WORD ABOUT HENDREDDU SLATE QUARRIES LIMITED

Telephone: 441 Leicestershire

Agents: ABERNETHY, Leicester

Sales Office: DATES ST., AYLESFORD PARK, LEICESTER.

Telephone: "Emerald, Leicestershire"

BATES ET., AYLESFORD PARK, LEICESTER



5 1939–70: Handing Over

‘Difficulties are made to be overcome’

By the time the Second World War began, Walter was nearing 70 years old. But, like Winston Churchill, who was born in the same year, he seemed as energetic as ever.

Sydney Smith

Sydney, Walter’s son, who joined the business in 1918, was undoubtedly talented but he did not share his father’s entrepreneurial spark. He was a familiar sight around the offices and factory, often in his grey storeman’s smock. He had a reputation for being frugal. At the end of the working week, he would walk round the works, accompanied by a young labourer with a bucket, who would pick up the stray bolts and rivets Sydney pointed out with his walking stick, which were then returned to their bins. ‘Waste not, want not’ was one of his maxims, as was ‘Measure it twice, cut it once’. He used scraps of paper he had saved for the many letters he wrote and often reused old envelopes. (His granddaughter Jane recalled one of her first jobs when she joined the business was to reverse for reuse used rolls from adding machines.) He

Walter Smith in later years. He took an active interest in the business until his death in 1968.



Opposite: A sales leaflet for Smith Brothers from the 1960s showing the Batten Street property which was its head office until 2016 and is still in use today.

CASUAL SALES HAVE THEIR ATTRACTIONS, BUT IT IS YOUR REGULAR ORDERS WE ARE AMBITIOUS TO SECURE. SOME OF OUR CUSTOMERS HAVE MAINTAINED AN UNBROKEN ACCOUNT FOR MORE THAN FIFTY YEARS NOW

ENGINEERING
SMITH BROTHERS
SBL
LEICESTER
LIMITED
SUPPLIES AND SERVICE

AIR PLANTS LTD.
FAN ENGINEERS
AND AT
FORTIS FAN WORKS
BRIMSCOMBE
STROUD, GLOS.

CHARLES BASS
EXPORT PACKERS
CRATES & CASES
TRUCKS AND
TROLLEYS
STILLAGES

A DEPENDABLE SOURCE OF SUPPLY FOR ALL YOUR REQUIREMENTS
IN ENGINEERS' STORES

TELEPHONES: Main Offices: 32218/9; Woodworking: 32347; After Business Hours: 32218 & 32415

SMITH BROTHERS
LEICESTER LTD

FIRST SECTION OF OUR PRESENT PREMISES, ERECTED IN 1902
We now have EIGHT TIMES the floor space, with separate entrance from Greenhithe Road



Above left: Sydney Smith was 22 years old when this photograph of him and his father was taken in 1924. He joined the business in 1918.

Above: Sydney Smith at his drawing desk. He was an outstanding draughtsman.

was an unassuming character – one employee once mistook him for the caretaker – whose presence in the offices was signalled in advance by the tap-tap of his walking stick and the appearance of one of the many stray dogs he adopted during his lifetime. Despite his personal frugality, he was known to quietly help those in need.

Little information about Smith Brothers during the war has survived, other than an advertisement revealing it added air raid shelters to its catalogue in the war years.



A sales representative's calling card from the Second World War, advertising air raid shelters.

Post-war Business

During the 1940s and 1950s, the business carried on in much the same way as it had before the war, with a handful of additional ventures. In 1950, Smith Brothers established two care homes: the Sundial Nursing Home in Aylestone and the Sundial Rest Home in Hallaton in the Leicestershire countryside.

'We are keenly interested in the welfare of old folk,' said a Smith Brothers leaflet. In 1951, Fortis Engineering relocated to Sunderland to escape labour disputes in Coventry. As for Smith Brothers, with electric motors replacing



John Smith

John Smith joined the family business in 1959. He too studied engineering, graduating from Imperial College, London. He followed this with two years of National Service before he was demobbed on 18 August 1957. Two weeks later, on 31 August, he married Edna Taylor. They would have four children: three sons, Chris, Tony and Steve, and one daughter, Julie. Before entering Smith Brothers, John completed a two-year apprenticeship with British United Shoe Machinery.

His grandfather wrote him a lengthy letter welcoming him into the business in June 1959. Walter was full of hope that the next generation, led by John, Peter and David Asher, another promising young engineer with management potential, would lead the business forward. He was sure they would make a good team as long as they were united. He was eager for progress – ‘an OLD business has got to keep up with the procession if it is not to fade out and gradually die’ – and believed that the stores side of the business in particular had plenty of potential if only it was better staffed and organised. He assured his grandson that

I have full confidence in your ability to meet the situation: don't expect miracles – each day will add to your intimate knowledge of the true aspect of the future: I like to think there will be a third generation to sit in my chair and carry the flag forward ... You will find the joy of achievement worth all it costs ... Emerson said difficulties are made to be overcome ... you start better equipped than your father or grandfather ... you benefit materially from what has been done ... I want you to be happy in your new job and feel you are in your right groove.

With an outstanding aptitude for figures, John had really wanted to train as an accountant, recollected his wife Edna, but had been persuaded to study engineering by his father. The business allowed him to develop his financial expertise, which complemented the engineering and managerial skills of Peter Fletcher and David Asher. Like his grandfather, John Smith proved financially astute and willing to take calculated risks. He built up the finances of the business, giving it the firepower to expand when opportunities arose. From the 1960s to the 1990s, the consistent profitability of Air Plants as the main operating business within the group was the mainstay of the group's growing financial strength.

John Smith, who became SBL chairman, worked closely with Peter Fletcher, who became vice-chairman, and David Asher, who became managing director of Air Plants. Another key team member was Hugh Allan, who served as company accountant and financial director for many years.

John had immense respect for his brother-in-law whom he acknowledged to be the better engineer by far. Likewise, Peter recognised John's aptitude for finance; in Chris Smith's phrase, John knew how to turn a job at a profit. While they had their disagreements, they all worked well



Sydney Smith making the retirement presentation to Mr and Mrs Harrison at the Brimscombe works in August 1970. It was not unusual for more than one member of the same family to work for Smith Brothers, often for the whole of their working lives.

John Smith joined the business in 1959 and never really retired before his death in 2018. Thanks to his leadership and shrewd financial judgement, the company was able to build up its reserves, enabling its rapid expansion in the millennium.



together. In later years, John and Peter shared the same office. They both worked long hours, often evenings, and usually Saturday mornings.

‘Work was his whole life,’ said Edna Smith of her husband. He defined retirement at the age of 80 as taking every Friday off but this lasted only a couple of weeks. He would turn up in the yard early in the mornings to help drivers load up the lorries because he thought it would encourage people. He never expected anyone to do anything he could not do himself. For many years, the family took holidays only in England, giving John the perfect opportunity to visit sites where Air Plants were installing systems. He was adept at persuading people to do what he wanted without them really noticing. He was, recalled his eldest son Chris, ‘very demanding’.

He wouldn't accept anybody giving less than one hundred per cent. He expected people to put the business first and if you did you were well rewarded. And I would say in truth he was fair and reasonable but you had to demonstrate your commitment. He was fairly frugal but he was only frugal with his own position. If something was needed, he always made sure it was provided.

For John's youngest son Steve, his father was ‘the best businessman I have ever known, very astute, very shrewd’. He instilled in those around him the need to look after employees, which remains a core part of the business's ethos. He believed the company should look after long-serving employees and was always prepared to give people the benefit of the doubt as long as he could see them making improvements. He was passionate about the business, remembered Jim Wilkinson, who succeeded Hugh Allan as financial director in 1991. ‘He was 100 per cent dedicated to the business which he wanted to look after for the benefit of employees, shareholders and the wider community. He had a knack of empowering employees to achieve their potential. He was great to work for and with.’

As Walter Smith had correctly identified, the main challenge for SBL was how to capitalise on the undoubted potential of the stores business. The first step came in 1968, the year of Walter's death, when Smith Brothers Stores Ltd (SBS) was formed as a separate business.

SBS began in an office on the first floor of the Batten Street premises. Two years later, a property on the opposite side of the road was acquired, giving SBS its own identity for the first time outside the umbrella of SBL. Ray Hurd was appointed as the first SBS managing director, tasked with expanding the business in Leicester and beyond.

SBS did not initially perform to John Smith's expectations and he even considered closing down the business at one time. The challenge was not financing expansion – SBL was building up substantial financial reserves either in cash or investments – but finding the right people to carry it out.

6 1970–2004: Moving Forwards

Air Plants and SBS

Until the millennium, the principal business under the Smith Brothers umbrella was Air Plants. The company had an established reputation as one of the country's leading operators in a niche business sector, a position it still retains.

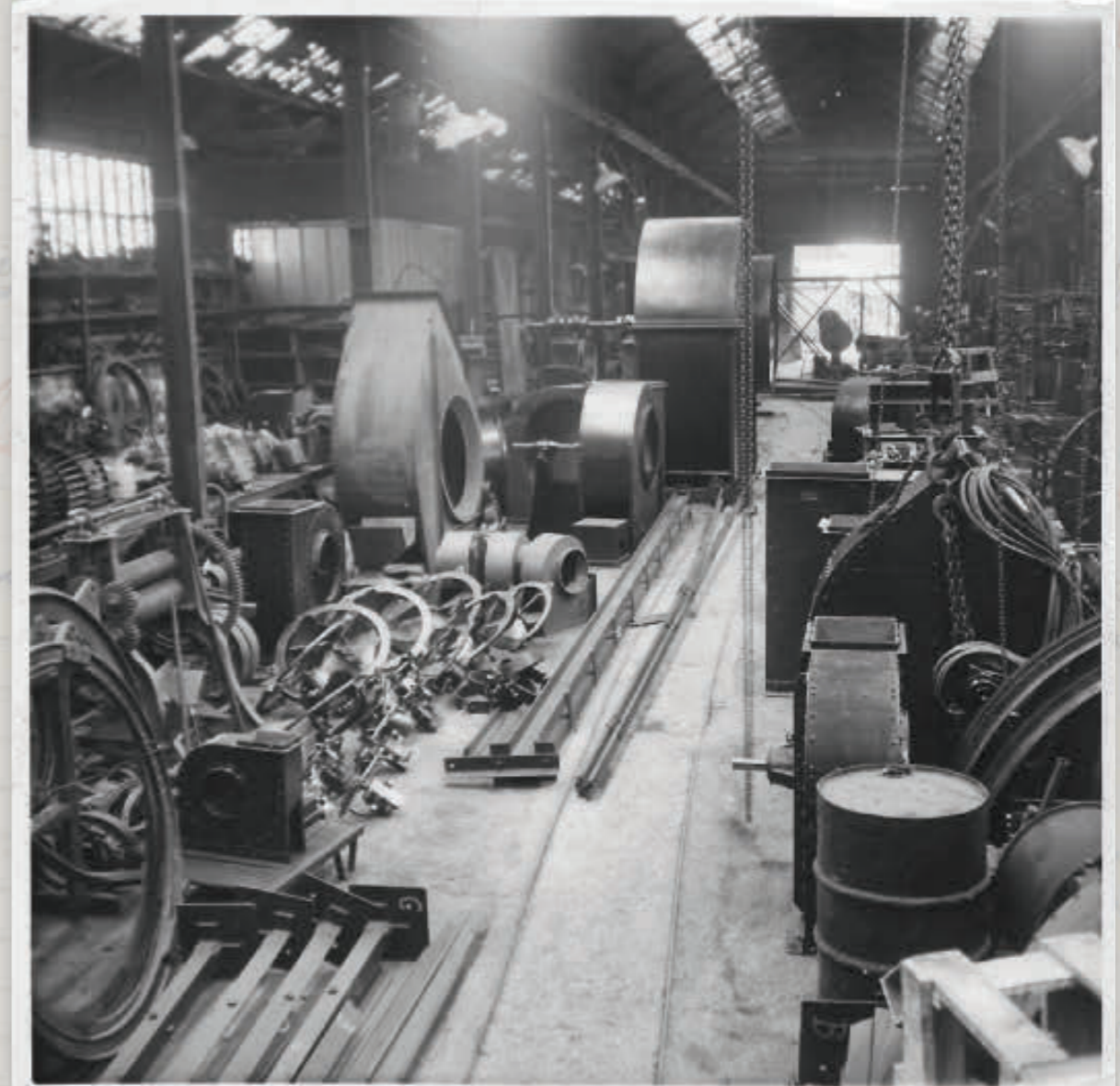
Under David Asher as managing director, Air Plants had customers not only across the UK but also in Ireland and exported equipment into Europe. Investing in research and development, Air Plants developed innovative solutions for customers, such as advanced dust filters, storage silos and sound enclosures.

In Leicester additional factory space was built on what had been the garden belonging to Brightside. After the closure of the works in Brimscombe in the 1980s, all manufacturing was moved to Leicester.

John Smith was very unhappy about closing the Brimscombe works. Although the works was no longer profitable, he valued the long service and expertise developed by the local workforce. Smith Brothers retained ownership of the site, which was subsequently developed with commercial units for rent. This was part of a growing portfolio of property investments.



Above and opposite:
The engine shop at Air Plants' Brimscombe works, which flourished for more than 50 years, from 1934 until relocation to Leicester in 1985.



Chris Smith

In 1986 John Smith's eldest son Chris joined Air Plants. John Smith encouraged all three of his sons, Chris, Tony and Steve, to obtain outside experience before entering the family business. Chris had worked on the shop floor and with the fitting teams during his school holidays. This gave him an understanding of the business as well as an introduction to many of the people he would eventually work with.

After leaving school, Chris became a graduate apprentice with local firm Jones & Shipman, who sponsored him through university at Brunel. The engineering course gave him 18 months' invaluable experience in industry before he graduated and returned to Jones & Shipman. Following redundancy during the downturn of the early 1980s, Chris became a production manager with local sock makers Pex. Then, three years later, in 1986, after the retirement of a senior Air Plants project engineer, his father invited him to fill the vacancy.

After some four years as project engineer, Chris began to move into management. He was asked to take over from David Asher on the latter's retirement as managing director. A four-year handover was planned but sadly David died suddenly on the second day of the handover in October 1991.

Air Plants in the early 1990s was focused almost entirely on developing dust extraction installations for the woodworking industry. Under Chris, the company worked hard to reduce its reliance on woodworking and recreate the more diverse business it had once been under Walter Smith. This impetus was helped by investment in automation, which enabled the company to respond to higher customer expectations as the pace of business accelerated in the internet age.

Service and Trust

Another critical element was developing personal relationships with customers. John Smith instilled in his son the value of service and trust. A customer's concern was top priority until it was resolved. Chris recalled a call from one customer late one afternoon, reporting a broken fan, which was interrupting production at considerable cost. That afternoon, a part was made, transported and installed, with the engineer only leaving the customer's premises at two in the morning. The customer was very appreciative, because this action meant only the night shift was lost, rather than the morning shift as well, saving thousands of pounds. Chris told the customer he had rewarded the engineer with a bonus, but the customer insisted he should add this sum to his invoice.



Chris Smith, seen here with his grandfather Sydney and father John, joined Air Plants in 1986.

SBS

As Air Plants continued to achieve consistent results, SBS was slowly growing, consolidating its position in the local market. Additional units were added to the Batten Street site in 1978 and in 1980 a small branch was opened in Northampton, based on the success of the local area sales representative. But SBS was still small, employing around 20 people in Leicester. Almost all customers were end-users, from hosiery makers to hospitals, whereas today most customers are commercial and mechanical contractors for install and maintenance projects.

In an age before the information revolution, the pace of business was slower. Orders came by post or over the telephone. There was only one switchboard, located in the main building at the other side of Batten Street. Since the receptionist would rotate calls coming in for SBS, it could take ages for a customer to get through to the right person. When an order was taken over the phone, the details were entered by hand into the daybook. A hand-written quote was despatched by post, and it was not until confirmation was received from the customer through the post that the order could be processed. Since the post was sorted at the main office across the road, it was often lunchtime before orders reached the SBS sales office. The manual stock control system, with items recorded on masses of individual stock cards, was often incorrect, leaving customers frustrated when it was discovered the goods they wanted were not available. There was a solitary crane in the warehouse but most deliveries were unloaded from lorries by hand. The subcontractors delivering goods to customers were difficult to control, incurring delays, which led SBS to invest in its own transport to ensure a more efficient service for customers.

The business was run along traditional lines. A hooter sounded to signal the start and end of morning break and lunchbreak and the end of the working day. During those breaks, no business was done, which was common practice in the industry at the time. Offices were on the first floor with warehouse and trade counter on the ground floor. Customers who called and expected to be served were frustrated to find themselves regarded as a nuisance by staff.

Modernising SBS

One young employee wanted to change things. Jeff Robertshaw joined SBS from school at the age of 16 in 1979 as a junior internal sales engineer. Recognising the importance of service for the stores business, Jeff asked to serve customers during the breaks. Eventually this led to staggered break times, allowing the business to carry on taking customer orders.

As part of improving service to customers, Jeff also worked hard to improve his knowledge of the products SBS supplied. Customers began asking for him by name, helping him to develop the personal relationships

which John Smith thought so important. This also highlighted the value of knowledgeable sales staff.

Little things were done to help customers, such as placing orders on the outside fire escape, where customers could collect them after hours at their own risk; and Jeff would fill his car boot with orders so he could deliver them to customers on his way home. When he was promoted to assistant sales manager, he was given a company van, which allowed him to make bigger deliveries to customers. Responding to a request for valves from one customer, Jeff collected the freshly painted goods from the supplier, only to discover they had become stuck to the van floor by the time he reached the customer. But this was typical of the efforts made by SBS to keep ahead of local competitors and make it the preferred distributor for many customers.

WORKING AT SBS

Jeff Robertshaw was part of an expanding team based in Leicester. Many newcomers would follow the path of previous generations of employees and remain with the business for most of their working lives. Nicky Wheway, who joined in 1984, and Sharon Jelley, who joined in 1985, for instance, were still working for SBS in 2022. Joining as part of the government's youth training scheme, they were both offered permanent posts after their placement ended. By far the youngest employees at 16 and 17 respectively, they were mentored by other longer-serving female employees in the office: Shirley and Krysa, Sylvia, Jo and Jean. They took the bus into work, bringing sandwiches with them for lunch, which were accompanied every Friday by chips from the local 'chippy'. It was a close-knit working environment, still small enough for everyone to know each other.

As the business grew, so did the need for specialist expertise. In 1988 David Bryson joined the business as a qualified accountant, eventually becoming financial director.

Steve Smith

Four years later, Steve Smith, John Smith's youngest son, came into the business. Like his older brothers Chris and Tony, Steve spent several years working elsewhere before joining the family firm. After leaving school, Steve had a number of different jobs, from selling kitchens door-to-door to working in distribution, gaining experience in the warehouse, on the counter and in sales. After a spell as sales manager with Autoglass, Steve spent a year travelling in Australia. On his return in 1992 his father suggested it was time for him to join Smith Brothers. He began as a lorry driver, gaining his

Steve and Tony Smith.



heavy goods vehicle licence, before working in the warehouse and on the trade counter, and then moving into sales. The experience helped him to understand how the business worked which was invaluable when he was asked to install SBS's new computer system in the 1990s. He discovered an aptitude for IT which he has always enjoyed and for which he remains responsible within SBS.

Tony Smith

In 1999, when Steve became an associate director of SBS, his older brother Tony joined the company. He spent his early career in the plumbing and heating supplies sector, developing an expertise in sales, with several years' experience as a regional sales manager. This external experience would later hold him in good stead when he became SBS sales director. From his father John, he inherited an aptitude for numbers, and he prides himself on his focus on customers and sales.

Jeff Robertshaw

By then, Jeff Robertshaw had become SBS managing director, succeeding Ray Hurd, who retired in 1996. With Jeff's emphasis on customer service, SBS's turnover began to grow, and the business became more profitable. By the millennium, it had overtaken Air Plants for the first time in terms of sales, although Air Plants was still much more profitable.

Jim Wilkinson

Changes were also taking place in SBL's senior team. In 1987 Jim Wilkinson, a qualified accountant with previous commercial experience, joined the company. He was recruited as Hugh Allan's successor, taking over from him as SBL's financial director in 1991.

As well as modernising SBL's accounting systems, and installing the first group computer system, Jim decentralised the accounting function, making the trading companies responsible for their own finances. 'It was quite a big thing,' Jim recalled, 'quite traumatic, but very important that it happened.' He also ensured that the group continued to earn an appropriate return on its cash. This led to increasing investment in property and leasing as well as an expansion in the group's directly held investment portfolios.

After the death of David Asher, Jim Wilkinson became a key member of the partnership with John Smith and Peter Fletcher. Jim's attention to detail was invaluable in helping to implement John's broader vision. So too was his independence of the trading companies and the family, enabling him to give dispassionate and considered advice. He rarely interfered in day-to-day management, believing it was best to allow people their initiative as long as they could generate a return. In 2002 he became the first person from outside the family to become SBL's chief executive.

7 2004 onwards: Accelerating Expansion

‘Staff, Stock, Service’

In 2004 SBS agreed the deal that would lead to its third branch. It was a significant moment in the history of Smith Brothers, marking the real start of SBS’s remarkable nationwide expansion over the next two decades.

This could not have been achieved without the parent company’s financial resources. In that year, SBL returned nearly £1.7 million in profits before tax, of which £700,000 was made from trading and almost £1 million from other investments. It also held nearly £15 million in cash and investments.

SBS Peterborough

In Peterborough, Apex Tube & Valves, owned by Peter Johnson, was a similar but smaller version of Smith Brothers, which was Apex’s longstanding supplier. Smith Brothers had discussed the possible acquisition of Apex several times, but it was only in 2004, with Peter Johnson’s impending retirement, that a deal was agreed.

SBS offers several lines of own brand products, such as these ball valves, which is undergoing a rebrand in 2022.



SBS took over the entire business, including all its staff. Among them was Jeanette Clifton, who recalled how smoothly the two businesses were integrated. Jeff Robertshaw and Steve Smith held meetings with every employee. As a mum with a young son, Jeanette was impressed by their willingness to be flexible over her working hours, which was uncommon at the time.

The financial aspects of integration were handled by David Bryson and Jane Beasley. Jane, Peter Fletcher’s daughter, had worked for the family business since 1977, eventually becoming Air Plants financial director. Her husband Bill was invited to join the business by Peter Fletcher at the same time. Bill would later become managing director of Air Plants’ heating subsidiary and ultimately managed the group’s property portfolio.

The deal making Peterborough SBS’s third branch was completed on 28 January 2005. Within a year Jeanette Clifton was invited to run the credit control function of the new branch, which was rebranded SBS Peterborough in 2006. This later led her to take over the same responsibility for SBS as a whole. She found working with Jeff Robertshaw, Steve Smith and David Bryson very easy. David, she said, helped to foster her confidence and self-belief and was always supportive and reassuring as her role became more complex as SBS expanded.

The focus on people appreciated by Jeanette Clifton was recognised by another newcomer to SBS. Gary Daniels began working for SBS as one of three area sales managers in 2005. Coming from a much more corporate business, he found it refreshing to be part of a business which delivered on its commitment on service to customers. This was crucial in expanding the business into places such as Stoke-on-Trent. With just three branches, SBS was not well known, making new sales challenging. Supported by a knowledgeable and helpful team back in Leicester, by SBS’s extensive stock and its prompt deliveries, Gary soon began winning new business. And it helped, he reflected, that ‘we are also a nice company to deal with’.

Customers were impressed by SBS’s willingness to do that little bit extra for them, which was already a Smith Brothers tradition, whether in SBS or Air Plants. Gary Daniels, for instance, would happily fill the boot of his car with goods for urgent delivery over the weekend to a customer in need; or transport emergency supplies to customers in the middle of London in the early hours of the morning. All this, said Gary, ‘helps to keep us in front of the competition – it’s more of a personal service’.

Dave Wildman, Martin Denton and Nationwide Expansion

It was the family ethos of the business, its focus on people and its ability to take speedy decisions, unhindered by layers of corporate bureaucracy, which attracted an approach from two store managers with national competitor BSS.

Dave Wildman in Oldham and Martin Denton in Leeds had built up their respective branches on behalf of the family-owned business A Warren &

Sons, which also had branches in Birmingham and East London. In December 2005 BSS paid £14 million to acquire the business. BSS's more corporate and centralised approach, however, left Dave and Martin disenchanted.

Early in 2006, Steve Smith, who became SBS's joint managing director with Jeff Robertshaw in that year, was put in touch with Dave Wildman through a mutual supplier. Dave proposed that he and Martin Denton should open new branches for SBS in Oldham and Leeds.

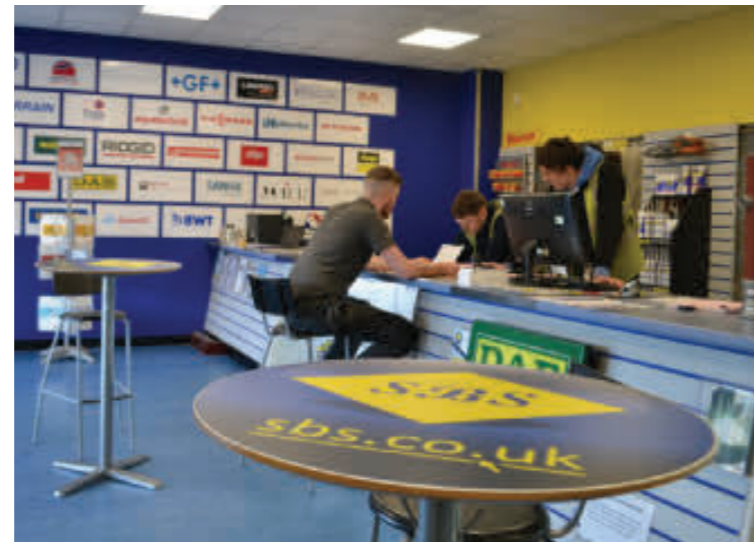
After considerable thought and discussion, Steve, Jeff, John Smith and Jim Wilkinson agreed to go ahead. It was a calculated gamble – SBS had little knowledge of Warren's since their trading areas did not overlap – but one which paid off handsomely for SBS. With many of the staff who had previously worked for Warren's joining the new branches, they were rapidly successful. It was not without its challenges, recalled Jim Wilkinson, who made sure costs were closely controlled.

SBS Oldham, branch number 4, opened in 2006, followed by SBS Leeds, branch number 5, in the following year. They achieved their three-year targets within 18 months, leading to the appointment of Dave Wildman and Martin Denton as SBS directors in 2008.

Thereafter, repeating the process was much more straightforward. 'It became second nature to us,' Jim Wilkinson recalled. Branches 6 – Birmingham – and 7 – Thurrock in East London – followed in 2008 and 2009. In later years, to cope with a growing number of customers, all these branches (4, 5, 6 and 7) relocated to larger premises.

As a result, SBS's turnover rose nearly fourfold, from under £5 million in 2005 to £19 million in 2009, with operating profits in the latter year of nearly £1 million. The financial recession had little impact on SBS, which continued to increase its market share at the expense of local, regional and national competitors.

This was an impressive performance. It was the vision of Dave Wildman and Martin Denton, recalled Chris Smith, that fundamentally changed expectations. 'Those two guys', agreed Steve Smith, 'have been hugely influential in the business.' They created a profitable model for branch expansion which could be repeated across the country. In SBS they were able to make decisions quickly as they created an efficient and profitable operation.



The trade counter of the relocated SBS Leeds branch, opened in 2007.

The warehouse of the relocated SBS Bristol branch, which opened in 2011.



'It's All About People'

The critical factor in rolling out new branches was not location but people. Each team recruited by SBS was highly motivated. 'It's all about people,' said Chris Smith. 'Before we open a new branch, the right people have got to be found, and there are occasions where the right people determine the location of the next branch, and this has proved to be extremely successful.'

It has become a guiding principle of SBS's expansion that without the right people SBS will not open a new branch.

SBS's eighth branch, opened in Bristol in 2011, was an example. Joint branch managers Steve Lloyd and Craig Wyatt set out to build a knowledgeable team to service the HVAC industry in the south-west. They began with five staff, which grew to become a team of 20 over the next ten years. Like other branches, Bristol's success was marked by relocating to larger premises in 2016. The Bristol team also supported the opening of SBS's first Welsh branch in Cardiff in the same year as the relocation. Over its first decade, the Bristol branch increased business by 500 per cent.

SBS was no longer a regional business, it was becoming a national operator. In 2012, it reached the south coast, opening its ninth branch in Southampton. It began with six staff under SBS's first female branch manager, Donna Le May. As with so many other branches, its success was

marked by a move to bigger premises, which took place in 2020, and the growth in the number of staff, which stood at 20 in 2022.

Donna's appointment was an example of the widening opportunities for women within the business. This was noticed by Jeanette Clifton when she moved from Peterborough to Leicester to take over responsibility for SBS's credit control function. Whereas in Peterborough she had been the only woman on the team, she found she was among many other women on the head-office team. Moreover, as the business expanded, there were more opportunities for women to move beyond administration and into management. In 2018 Donna Le May organised SBS's first women-only event for staff and customers, held at the Bishopstrow Hotel in Wiltshire, to celebrate women in the industry.

Moving from Batten Street

When Jeanette Clifton moved up to Batten Street, everyone was already aware that the premises did not reflect the expanding business. Batten Street, remembered Jeanette, 'was a very, very tired building, that's the politest way I can put it'. Moreover, it was becoming too small for SBS's expanding head office and for the growing Leicester branch. Increasing traffic from visiting customers and more frequent deliveries were also causing greater disruption to residents along Batten Street and Aylestone Road.

In March 2016, the Leicester branch commenced trading from its new location on the city's Freeman's Common industrial estate. Later in the year, SBS moved its head office to modern spacious open-plan premises on the Winchester Avenue industrial estate in nearby Blaby. After the Batten Street



Above: When SBS Leicester relocated from Batten Street to Commercial Square, Eric Bristow was the celebrity guest, seen here with Adrian Smith, one of the family's fifth generation.

Left: SBS Directors outside the new head office and distribution centre in Blaby in 2016 – (from left to right) Dave Wildman, Tony Smith, Jeff Robertshaw, John Smith, Steve Smith, Jim Wilkinson, Martin Denton and David Bryson.

Branch vehicle fleet outside SBS Newcastle in 2019.



site was vacated, the old buildings were demolished, with plans to develop flats on the site, adding to SBL's property portfolio.

Also in 2016, Jeff Robertshaw indicated that he wished to step down as SBS's joint managing director. For ten years, Jeff and Steve Smith had worked alongside each other as joint managing directors, complementing each other's skills. While Steve majored on IT and communications, Jeff concentrated increasingly on employee matters as the number of branches increased. Steve Smith became sole managing director on Jeff's departure.

A National Business

By the time Jeff retired at the end of 2017, completing more than 38 years of service, the business had changed out of all recognition. In that year SBS achieved sales of more than £85 million with operating profits of nearly £6.5 million as the business extended its reach across the country through more new branches. In 2016, as well as SBS Cardiff, SBS Heathrow, based in Feltham, Middlesex, and SBS Merseyside, based in Birkenhead, were opened. In March 2018, SBS ventured further north, opening its 14th branch on the Team Valley Trading Estate in Gateshead, covering Newcastle and the north-east. In that year, SBS recorded for the first time sales in excess of £100 million, and employed 350 people.

Growth gave the business competitive advantages. It enabled SBS to invest in ever-larger stocks to deliver prompt service. Innovative products, such as own-brand valves and stainless press systems, set the business apart from its rivals. Many larger manufacturers, who previously regarded SBS as too small to deal with, were eager to supply a business that was now a



national distributor, hot on the heels of the leading national chains. With this support, SBS could supply prestigious multi-million pound projects, such as the National Gallery refurbishment, developing as a one-stop shop for building maintenance contractors. The SBS sales force could rely on knowledgeable teams in the branches to fulfil and deliver more complex orders. 'Knowing you have that support behind you really helps,' said area sales manager Gary Daniels. 'It's all about being part of a team.'

Success, believed Jim Wilkinson, stemmed from strong leadership, motivated employees, investment in stock, good customer relations, effective IT systems and the ability of SBS as an independent family business to make quick decisions. The essence of the SBS promise to customers was succinctly condensed by Adrian Smith, Tony Smith's son, and his colleagues in the marketing department as 'Staff, Stock, Service', which first appeared in company literature in 2014, and gathered traction in the industry from 2016 onwards with competitors taking notice of the benefits of the service approach.

In 2019 six SBS branches – Leicester, Oldham, Leeds, Birmingham, Heathrow and Rainham – achieved eight-figure sales, with Leeds and Rainham each exceeding £15 million. Birmingham and Oldham moved into larger premises and SBS launched its Tube Distribution Centre in Smethwick, helping to improve national distribution of supplies to customers. The company also expanded its sales force into Northern Ireland.

In the same year, SBS's remarkable growth rate earned the inclusion of SBL in the Sunday Times Grant Thornton Top Track 250, which tracked the

Below left: SBS has been investing in a greener footprint and as part of that has taken delivery of more than 40 Tesla electric cars since 2020.

Below: SBS Rainham branch.

Below right: Darts legend Dennis Priestley was the guest at the open day of the SBS Oldham branch in 2019. He is seen here with SBS directors Dave Wildman, Martin Denton, Tony Smith and Steve Smith.



Air Plants installations in operation – dust cyclone, dust extraction system and fansets.



Air Plants

While the transformation of SBS into a national distribution chain was underway, Air Plants remained consistently profitable, as it always had been. Constantly refining its range of filters, fans and other dust extraction accessories, Air Plants began to make inroads into industries such as aerospace and automotive, food and beverage, chemicals and paper, which today account for a fifth of turnover.

While the basic principles behind dust extraction remain unchanged, as do customer expectations – 'it is a big vacuum cleaner for industry', said Chris Smith – the product is both more efficiently made and more efficient in operation, thanks to constant investment in automation, such as laser cutters. Automation demands a range of skills compared with the 1980s. Then, the worker who marked out the pattern would make and install the system; today, different people are responsible for each stage of the process. This is partly to respond more quickly to higher customer expectations – while projects in the past took on average between three to six months from enquiry to fitting, today the average length of time is no more than one or two months.

Although SBS was unscathed by the financial recession of the late 2000s, Air Plants did initially suffer a drop in sales, which led to a small operating loss, but returned to profit in the following year as customers returned.

Today Air Plants remains the UK's biggest independent woodworking dust extraction business. As Chris Smith outlined,

We are offering a solution but most of our customers don't understand what that solution is because they don't need to. Their business is turning timber into a finished product and what we offer doesn't add

value to their product, but without what we offer they couldn't make their finished product. It's a health and safety issue and you can't afford to have lots of dust and shavings lying around on the shopfloor and building up. Effectively, we are removing a waste product and enhancing the atmosphere people are working in. Because people don't understand it, they have to trust you to give them the solution they want. Seventy per cent of our business is repeat business, which is extremely pleasing and reflects the type of company we are. We are very much a service-oriented company. Customers need to know they can rely on us to keep the product working if there is a problem or it goes wrong.

The company offers a service covering the lifespan of the product. Chris Smith himself has several longstanding customers where he is now dealing with the second or third person in post. The company's relationship with customers is based on trust that Air Plants will deliver the right solution at a fair price. Like SBS, Air Plants has always maintained good-quality stock, delivered a high level of service and developed knowledgeable staff.

In 2009, Air Plants saw the potential in Talbott's Biomass Energy Systems, a small family business based in nearby Stone in Staffordshire. There was synergy between the two businesses.

Talbott's specialised in the conversion of wood waste into energy, particularly the conversion of the more difficult types of wood waste, such as chipboard and plywood. Moreover, the units supplied by Talbott's were fitted to the end of every Air Plants installation, offering Air Plants the chance to provide customers with complete solutions.

Talbott's was founded in the early 1970s by Bob Talbott in response to the energy crisis which saw huge increases in the price of oil. His wood-burning unit was a simple industrial hand-fed system designed to use waste wood offcuts and provide space heating for workshops and factories. These units soon became popular with many woodworking factories. Subsequently, the business developed a range of biomass boilers, warm air heating systems and updated hand-fed units to cover premises of any size. For customers,



Air Plants Modulair dust extraction system working in tandem with a Talbott's silo and Talbott's Modern Wood Energy 199 biomass boiler.

their advantages include a reduction in waste for landfill, sustainable heating solutions and a reduced carbon footprint.

But while the business was full of good ideas, its commercial strategy was less successful. It expanded too rapidly, depleting its cash resources. Management approached Air Plants, and after careful consideration the SBL team agreed to take a majority stake in the business. Chris Smith, Jim Wilkinson and their team brought not only commercial expertise but also additional engineering and manufacturing knowledge.

Sadly, the synergy between the two businesses did not extend to their respective management teams, particularly the emphasis Air Plants placed on commitment, service and value. As a result, Air Plants assumed complete ownership of Talbott's. While there were some initial regrets about the investment, and turning the business around took longer than expected, under managing director Mick Johnson it has become a profitable part of SBL.

A Family Business

While the boards of the trading companies included senior executives from outside the family, the SBL board was made up almost entirely of family members. The exception was chief executive Jim Wilkinson. The board was strengthened by several new appointments, making way for the next generation, in 2008: Chris Smith, Steve Smith, Jane Beasley, Julie Brooks and Sally White.

John Smith remained chairman until he stepped down in favour of his son Chris in 2017 and Peter Fletcher served as vice-chairman until his death at the end of 2016 after 67 years in the business. John Smith never really retired, as his wife Edna recalled. He had first declared his retirement when he celebrated his 80th birthday in 2012. But his definition of retirement turned out to be taking every Friday off, and this only lasted a couple of weeks. When he retired for a second time in 2017, remembered Jeff Robertshaw, he returned to work the Monday following his farewell party. He always had high expectations, making praise from him highly valued, but he was also completely committed to the people he employed. He was not always easy to work with, as his sons discovered. But Chris Smith could assert that

In thirty-odd years of working together, we only ever had three disagreements, two of which were about my view on my salary and his view on my salary, and I can't remember what the other one was. He let me get on with what I wanted to do, and I let him get on with what he did best, and between us I would say that we ran a pretty successful company.

John Smith died suddenly but peacefully in his sleep in 2018 after 59 years in the business.

When Monopoly issued its Leicester edition in 2019, Smith Brothers Stores appeared on the original Trafalgar Square space. Here head office staff welcome Mr Monopoly.



SBS stand at the HVAC & R Show in 2018.

A New Chief Executive

In the previous year, John had helped to recruit a successor for Jim Wilkinson who wanted to phase in his retirement over several years. Working closely with John Smith, Jim had played a major role in encouraging the business to expand and in steering it through the challenges accompanying growth. He had stayed with SBL, he reflected, because he was given freedom to do his job, the family inspired loyalty and he loved the business. The Smith family, he said, believed in enabling people to achieve their potential to help create a sustainable business – one which could look after shareholders, employees, the wider community and the environment. Jim finally stepped down as an executive director in 2021 after a five-year phased retirement, and as a non-executive director in 2022.

His successor was Martin Heatlie, a qualified accountant, living locally, who had a wide experience of family businesses. In Smith Brothers, he saw exactly the sort of business he wanted to work for. He recognised how the business was driven by the values held by the family, values stemming from the foundation of the business, passing from Walter Smith down through the generations. He saw how much the family cared for their staff, their loyalty towards them, their belief they should be treated fairly. He appreciated the family's insistence on keeping the commitments it made, no matter how much they might subsequently be regretted. Trust was key to the success of the business, trust between employer and employed, between business, customers and suppliers.

As an outsider, he also understood that as the business grew, management had to make changes to remain in control. So, for instance, an effective human resources strategy was put in place to manage the growing number of employees, and a central treasury function was created

for the more efficient management of cash. The challenge was ensuring that these changes did not fundamentally alter the culture which had driven the success of the business. Micro-management is kept to a minimum and managers still have the freedom to use their initiative, which attracts people to join the business. There is an understanding, said Steve Smith, that mistakes will be made, but that without mistakes, lessons are never learned, and progress is never made, a continuation of Walter Smith's own philosophy.

The Business during the Pandemic

During the pandemic, which struck in 2020, both trading companies suffered a dip in sales, but remained profitable, bouncing back in the following year.

Right: Staff, customers and representatives of sponsors IMI Hydronic Engineering attended SBS's first National Golf Day held at The Belfry in September 2021. Guest Kevin Keegan stands in the middle of the picture.



Below: Tube bays inside the warehouse of the Sheffield branch.



Air Plants was an example of how the government's furlough scheme, aimed at enabling companies to retain employees, was expected to work in practice. Most staff were furloughed within the first month of the first lockdown in the spring of 2020, but this proportion fell steadily over the following months. Not one member of staff was lost, with everyone returning to work.

SBS had a similar experience, making the decision to remain open, trading successfully with much reduced staffing levels. It was a testing time, recalled Steve Smith, for a business offering an essential service. Like many other businesses, SBS adopted Microsoft Teams to hold daily meetings. Employees were supplied with laptops and printers for home working as branches were reduced to a skeleton staff. Most staff were furloughed, returning as business eventually increased again. Additional measures were introduced to control cash but almost all customers continued to pay on time.

And business continued to grow. In 2020, SBS opened its first Scottish branch, in Glasgow, while branches were established in Sheffield and High Wycombe in 2021, and in Cambridge in 2022. In 2020 SBL made it into the list compiled by the London Stock Exchange Group of 1000 Companies to Inspire Britain while in 2022 SBL moved up from 86th to 44th place in the list of Leicestershire's top 200 businesses and to 107th place for the Top 500 companies in the East Midlands.

EXPERIENCING LOCKDOWN

The first lockdown was a strange time, recalled Nicky Wheway and Sharon Jelley. On the day after lockdown was announced, all the staff except five at SBS in Blaby were asked to stay at home. Nicky and Sharon were proud to be among that group of five and proud to know that they were helping to keep the business going. All the area sales managers were asked to work from home. Gary Daniels was furloughed – 'that was a new word for us all' – for two months. He worked from home until the autumn of 2020 when it became possible to visit a few clients in person. The company, said Jeanette Clifton, was very supportive, providing Personal Protective Equipment, testing and regular updates on Covid-19 guidelines.



SBS's first Scottish branch was opened in Glasgow in 2020.

SBS has won the HVR Wholesaler/Distributor of the Year award three times since 2018.



125 Years On

At the time of publication, it is estimated that in 2022 SBL will record a turnover of more than £175 million, with trading accounting for around 90 per cent of profits before tax totalling around £18 million. In addition, SBL holds about £50 million in cash and investments which is fluid according to the markets. Air Plants remains one of the UK's leading dust extraction businesses while SBS's nationwide expansion has made it the third largest UK HVAC distributor, close behind the two top UK chains and worrying smaller independents.

Under chief executive Martin Heatlie, the business has become more confident in setting future goals, not only financial targets, but also planning management succession. The business has fostered the careers of talented non-family executives. As well as Mick Johnson, for instance, who joined the Air Plants board, Andy Clements and Jason Fretwell became directors of SBS after experience as regional managers.

As SBL celebrates its 125th anniversary as a fifth-generation family business, continuing family ownership and management remains important. Members of the family are welcome in the business, provided they earn their place on merit. Among the members of the fifth generation to enter the business in recent years are Adrian, Karl, Nick and Tom Smith and Ollie Brooks. As the family network expands, it is crucial to engage the next generation of the wider

Members of the third, fourth and fifth generation of the Smith family with their partners at the company's Annual General Meeting in October 2022. Edna Smith, John Smith's widow, is seated at the centre of the picture.



family. In 2021 an Annual General Meeting was held with an invitation to all family members aged over 18, organised as a weekend event to encourage younger members to get to know each other. In 2022, the first members of the fifth generation, Adam Beasley and Amelia Trem, joined the SBL board. They bring with them new approaches from their own experience in careers outside the business, such as a greater focus on equality in the workplace and investment in making the business greener.

The family believe that the key ingredient in delivering high standards of service to customers is excellent staff. Although the business has become much bigger, Chris Smith believes the connection between family and employees remains a priority. It is important, he says, for himself as chairman and for other group board directors to stay in touch with people on the front line. He strives to visit every SBS branch once or twice a year. This concern is reflected in practical ways. Every three years, for instance, the business hosts a Celebrating Success event, held for every employee and their partner, to say thank you for their contribution. Most recently, as the cost of living has risen, every employee who was not classed as a 'high earner' received a payment of £1,000 from SBS and £500 from Air Plants, followed by a generous pay review in October 2022. 'I feel we are very fair,' says Steve Smith, 'and we do try and look after people.'

In return, many people spend their working lives with the business. They like the close-knit family feel the business has managed to retain. It is not unusual for several generations of the same family to be employed. Jeff Robertshaw worked for SBS from 1979 until 2016, his wife worked there until 2014, his sister-in-law still works there, and his son Tyler has already spent 12 years with SBS since leaving school.

Nicky Wheway and Sharon Jelley together have completed over 60 years of service respectively in 2022. SBS has given them job security and the chance to develop their careers. It makes a difference, they say, that directors are always accessible and approachable – continuing the practice of Walter Smith – ready to listen to any problems people have. 'We have both felt', added Nicky, 'that we were part of the family, and we still feel valued.' For Gary Daniels, who has been with SBS since 2005, the company offers a friendly working environment, and the easy access to senior executives makes 'you feel you have their support'. He enjoys working for a company striving to be the best, to be one step ahead of the competition, but grounded in family values.

Walter Smith would be proud of the achievements of his descendants. The Smith family have upheld the founder's philosophy, now summed up in a newly created three-word motto: 'Staff, Stock, Service'. What that motto omits, however, is the family ethos which underpins those three key aspects. As the family acknowledge, maintaining that ethos remains for them fundamental to the future of Smith Brothers.

Opposite top: Smith Brothers believe in celebrating success achieved by its staff. The fifth Celebrating Success event took place at the East Midlands Conference Centre in June 2019, attended by 332 people.

Opposite bottom: SBS customers and staff visiting the Prague factory of Japanese air conditioning manufacturer Daikin.

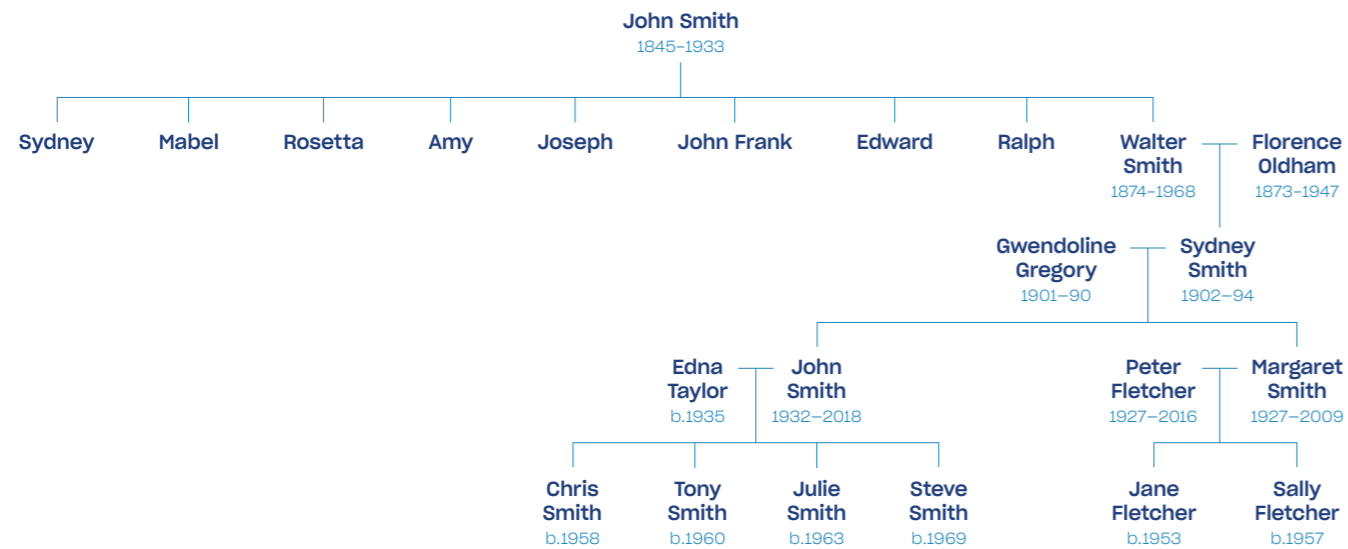


Timeline

Date	Company	UK History
1874	Birth of Walter Smith	Birth of Winston Churchill
1897	Founding of Smith Brothers (Leicester) in Saffron Lane, Aylestone, Leicester	Queen Victoria's Diamond Jubilee
1901	Walter Smith describes himself as a mill furnisher	Death of Queen Victoria
1902	Smith Brothers moves to Batten Street	End of the Second Boer War
1904	Batten Street premises extended	Rolls-Royce is founded
1907	Smith Brothers (Leicester) becomes a limited company	Territorial Army is founded
1908	Smith Brothers advertises as specialists in dust extraction	Old age pensions introduced
1909	Walter Smith invests in Fortis Engineering	Selfridges opens
1910	Progressive Engineering Company formed to make fans at its works in Denton, Manchester	Death of King Edward VII
1911	Walter Smith describes himself as a ventilation engineer	Titanic launched
1913	Denton works extended	Suffragette Emily Davidson trampled by the King's horse during the Derby
1915	Denton works extended again	Lusitania sunk
1918	Sydney Smith joins the business	End of the First World War
1922	Walter Smith invests in the Hendreddu Slate Quarries	Irish Free State founded
1926	Walter Smith invests in the company operating the Brimscombe site	General Strike
1927	Packing firm Charles Bass acquired	First automatic traffic lights
1929	Walter Smith acquires the Brimscombe site	Wall Street Crash sets off depression in UK
1934	Fan production moved to Brimscombe and forerunner of Air Plants formed	Driving tests introduced
1939	Smith Brothers supply air raid shelters	Second World War starts
1949	Peter Fletcher joins the business	End of clothes rationing
1950	Sundial Nursing Home and Sundial Rest Home established	Peak District designated as UK's first National Park
1959	John Smith joins the business	M1 opened
1968	Smith Brothers Stores Ltd (SBS) formed. Death of Walter Smith	Clean Air Act
1970	Land acquired in Batten Street for SBS Leicester	The Beatles split up
1977	Jane Beasley joins the business	Queen Elizabeth's Silver Jubilee
1978	SBS Leicester expands its premises	The world's first test tube baby is born in the UK
1979	Jeff Robertshaw joins SBS	Margaret Thatcher becomes the UK's first woman prime minister
1980	SBS Northampton opened	John Lennon shot dead

1986	Chris Smith joins Air Plants	M25 completed
1987	Jim Wilkinson joins Smith Brothers (Leicester) Ltd	Hurricane Charley hits the UK
1988	David Bryson joins SBS	Lockerbie air disaster
1991	Chris Smith succeeds David Asher as Air Plants managing director	Poll tax abolished
1992	Steve Smith joins SBS	End of steelmaking in Scotland with closure of Ravenscraig works
1994	Death of Sydney Smith	First women priests ordained in Church of England
1996	Jeff Robertshaw succeeds Ray Hurd as SBS managing director	16 children and 1 teacher killed in Dunblane massacre
1999	Tony Smith joins SBS	First elections to the Scottish Parliament and Welsh Assembly
2002	Jim Wilkinson becomes SBL Chief Executive	Potters Bar train crash
2004	Apex Tube & Valves acquired	Facebook is launched as a social networking site
2006	Apex is rebranded to SBS Peterborough and SBS Oldham is opened along with Dave Wildman and Martin Denton joining SBS. Steve Smith becomes SBS joint managing director with Jeff Robertshaw	Russian exile Alexander Litvinenko poisoned in London
2007	SBS Leeds opened	Collapse of Northern Rock
2008	SBS Birmingham opened	Global recession hits UK
2009	Talbot's Biomass Energy Systems Ltd acquired. SBS London opened	Government acquires stakes in several banks as financial recession continues
2011	SBS Bristol opened	London riots break out in August
2012	SBS Southampton opened under SBS's first woman branch manager	London Olympics
2016	SBS Cardiff, SBS Heathrow and SBS Merseyside opened. SBS Leicester moves out of Batten Street. SBS HQ moves to Blaby. Death of Peter Fletcher	UK votes to leave EU
2017	Martin Heatlie becomes joint SBL Chief Executive with Jim Wilkinson. Chris Smith succeeds John Smith as SBL Chairman	Grenfell Tower fire
2018	SBS Newcastle opened. Death of John Smith	Russian exile Sergei Skripal poisoned in Salisbury
2019	SBL features in the Sunday Times Top Track 250. Smethwick Tube Distribution Centre opened.	Brexit withdrawal agreement approved by Parliament
2020	SBS Glasgow opened	Covid-19 pandemic
2021	SBS Sheffield and SBS High Wycombe opened. Martin Heatlie succeeds Jim Wilkinson as Chief Executive	Pandemic continues to dominate life in UK
2022	SBS Cambridge opened and the online customer portal is launched, fully integrating the business with customers on the web. SBL celebrates 125 years of trading.	Death of Queen Elizabeth II

Simplified Smith Family Tree



Acknowledgements

The story of Smith Brothers could not have been compiled without the help of many people linked with the business past and present. I am particularly grateful to Adrian Smith and Jane Beasley who guided the project, gave me access to company records and were unfailingly helpful. I am also grateful to the following people who kindly agreed to be interviewed for the book: Edna Smith, Chris Smith, Tony Smith, Steve Smith, Adrian Smith, Jane Beasley, Bill Beasley, Jeff Robertshaw, Jim Wilkinson, Martin Heatlie, Jeanette Clifton, Gary Daniels, Nicky Wheway and Sharon Jelley.

Nigel Watson
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