

BUSINESS VOICE



Business
Leaders

A NEWS UPDATE FROM MILTON KEYNES BUSINESS LEADERS PARTNERSHIP

AUTUMN 2015

www.mkblp.co.uk

Keep doing what you are doing' Metro Bank boss tells his rivals – 'because we're gunning for you!'

You might expect the American founder of the first high street retail bank in Britain since 1840, whose aim is to kill every 'stupid bank' he can find, calls his dog-friendly branches 'stores' and his customers 'fans', to shoot from the hip.

And Vernon W Hill II, chairman of Metro Bank did not disappoint when he spoke at our quarterly dinner in October.

Vernon Hill founded Commerce Bank in the US after leaving college in 1973 and sold it in 2007 for \$8.5bn. In 2010 he founded Metro Bank in the UK and has seen it grow to 38 branches with 1800 staff - and counting.

He told MK Business Leaders and guests that he loved to visit Milton Keynes, where Metro Bank has two branches, because it was so much like America. He said he started Metro Bank 'to redefine and reinvent the banking business.' He did not mince his words when describing his established rivals. "They overcharge, underserve and under invest – and they should keep doing what they are doing. We are out to kill every stupid bank we can find and it's a never ending quest."

Vernon Hill said: "The big five banks are doing you a favour by letting you bank with them. To us the customer is all we are about. We are building a brand from scratch and building fans who enjoy our brand, remain loyal and bring their friends. We are not out to sell a product but to build a relationship."

He said Metro Bank offered facilities like coin counting machines free to non-customers and if you correctly guess the amount you win a prize. "Other banks won't let you bring in your dog. We want you to bring your dog, we give them treats and we know its name. Obviously it makes zero money, but customers know that 'if you love my dog you must love me'".

"Our assets have gone from zero to £6bn and 600,000 people have switched bank to us in a country where you swear you won't switch banks," he said.



Vernon W Hill II, chairman of Metro Bank

But there was something about British attitudes he cannot change. "In our stores the ATMs are inside where you are warm, dry and safe. But no, you would rather stay outside where it is cold, wet and not safe - so we have gone back and put the ATMs outside, just to make you happy," he joked.

Dr Philip Smith, chairman of MK Business Leaders, thanked Vernon Hill for a fantastic talk.

"We have had many distinguished guests address us, and to have a real entrepreneur and a banking entrepreneur at that with us tonight giving a different perspective on the industry is phenomenal," he said.

Milton Keynes Business Leaders Partnership (MKBLP) is a not for profit business group of individuals from a broad cross section of backgrounds who utilise their skills and knowledge for the benefit of the wider business community

CBI DG John Cridland leaves Business Leaders laughing

The departing director general of the CBI John Cridland is an informed, incisive and amusing speaker - and that's what Business Leaders members and guests got at the Quarterly Dinner in August.

John, who last spoke at one of our dinners in Milton Keynes five years ago, had his audience laughing by quoting Marx - Groucho not Karl, likening his role promoting British industry to the Fat Controller from Thomas the Tank Engine, and describing how hard it is when dealing with the media to keep to his agenda rather than theirs!

He talked about his still-to-do list including championing a UK 'Mittelstand' of medium sized businesses. 'I am passionate about small businesses, which need a strategy,' he said. 'But it is not the same strategy as that for a medium size business with a £20-40 million turnover. We focus on start-ups but not on businesses which reach a larger scale, then we stop supporting them just as they need a different kind of nurturing.'

They are the principal dynamo of growth, growing more jobs than small and large companies, 'and there are a good number of them in Milton Keynes,' he said.

John spoke of the role education can play meeting the skills challenge. He met unemployed young people who couldn't get apprenticeships or work experience. 'They have been failed by the system,' he said, repeating his call for GCSEs to be abolished and vocational A-Levels to be created.



Dr Philip Smith and John Cridland

He said business must forge stronger links with their local schools. 'As I come to the end of my five years at the CBI I am left with a sense that despite everybody's best efforts, including those in education as well as entrepreneurs, we haven't satisfactorily bridged the gap between business and this generation of young people.'

Lucian Hudson, Director of Communications at The Open University, which sponsored the evening thanked John for a stimulating and inspiring speech, and Philip Smith said he had expected a direct and stimulating commentary from John. 'For a long time we have lobbied and talked to partners about education and skills and building links between business and the HE/FE and school sectors. To hear someone of John's calibre and authority confirming his concerns about this key area is very encouraging,' he said.

Planting, property and bird poo help preserve city's green space



David Frost and Dr Philip Smith

Milton Keynes' green spaces are the envy of other towns and cities - but their long-term future depends on cultivating sound business strategies as much as planting and pruning David Foster, chief executive of The Parks Trust has told members.

In an entertaining talk at the September Breakfast Briefing, held at Bletchley Park, David repeated the Trust's mission statement: 'We care for beautiful and inspirational parks, lakes and landscapes that will be loved by the people of Milton Keynes, forever.'

'And we never lose sight that we do the commercial thing for one purpose, to maintain our parks and green spaces to the highest possible standard, at no cost to the taxpayer. We don't get money from the government or the council, we are completely self-financing,' he said.

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David said the Trust harvests willow for cricket bats, produces traditional cider and apple juice and has 1,000 sheep and cows grazing in what is an urban environment. The number of cafes across parks is being increased and major revenue generating projects proposed, including a 100-boat canal marina and homes adjoining Campbell Park, and a multi-million pound re-development of Willen Lake.

But it is the Trust's property portfolio which generates the bulk of its income, with assets across Milton Keynes and around the country including hotels with several Premier Inns and a Travelodge. David also revealed

his latest 'hair-brained scheme', growing Christmas mistletoe on an industrial scale.

"All we need is trained mistle thrushes which eat the berries of mistletoe. The seeds are in their poo and stick to the feathers which the thrush wipe on to tree branches where they begin to grow - but I admit it will be difficult to replicate exactly what the mistle thrush does," he said to some laughter.

Philip Smith, thanked David and said he had given members a fascinating and different view of the Trust's work and how a business approach is ensuring its vision into the future.

The starting gun is fired on the race to find the best in business.



More than 50 guests including supporters and past and present sponsors, gathered at the Holiday Inn CMK in September for the official launch of the Milton Keynes Business Achievement Awards 2016.

Organised by Milton Keynes Business Leaders, the awards event itself will be held on Thursday, March 10 next year with the actress, comedian and impressionist Debra Stephenson as compère. Headline sponsors will be The Open University and University Campus Milton Keynes, part of the University of Bedfordshire.

As well as Business Leaders members we were pleased to welcome at the launch George Lah-Anyane senior designer at creative agency White Leopard winner of the 2015 Design and Creativity Award. George spoke of the positive outcome it had for the company, including winning new business.

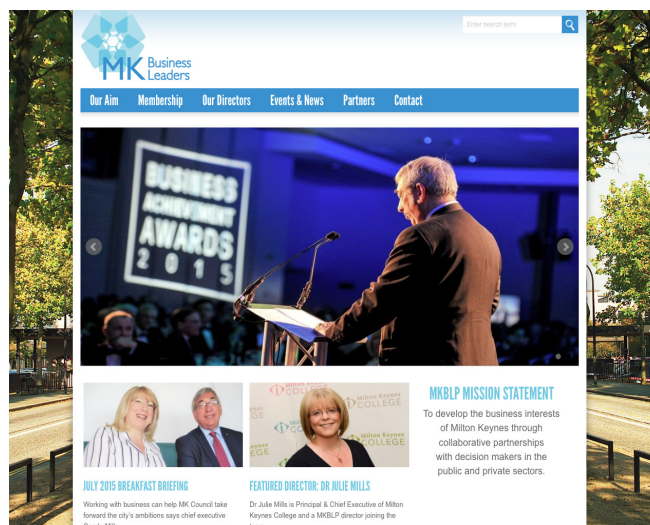
There is still much to do but, following on the two previous competitions, we have already streamlined the entry process to the 12 sector categories. We are also seeking more entries in 2016, particularly in logistics and distribution, and retail and manufacturing, and can I again urge Business Leaders members to encourage their clients and contacts to enter, and remember MK BAA 2016 is open to ANY business with an MK post code and that includes Buckingham and Bedford areas. Visit www.mkbba.co.uk for more information.

Philip Smith

New MK BLP website goes live

As we announced in the last newsletter the long-awaited re-vamp of the MK Business Leaders' website was due in the autumn. And in October it went live.

If you have not yet seen it please visit www.mkblp.co.uk. We think the new site developed by Interdirect has a cleaner, fresher look and, with its targeted and more comprehensive content should be a more effective shop window on what we do.



It is also now a responsive site, adapting to whatever size screen you are viewing on so mobile and tablet use will be much easier.

The site covers: Our Aims; Membership; Directors' Profiles; and more up to date information about our many and very popular breakfast briefings, dinners and events. There is also a more user-friendly contact facility for those who want to know more about the organisation, and a separate link for members.

It is hoped that the new site will evolve to include social media and be more interactive for members – and that is where you come in. Please let us know what you think about the site and what you might like to see included, and then let us know – using the new 'members contact facility' of course.

Chairman's Report

It has been another busy period with MK Business Leaders represented at numerous meetings, events and discussions.

The MK 20:40 seminar, looking into the future of Milton Keynes, was provocative but did not provide clear solutions. Further seminars are being hosted at the Stadium and Niftylift.

I had a meeting with Metro Bank whose founder and chairman Vernon Hill is due to speak at our next quarterly dinner (see report elsewhere in this newsletter) and I also attended the MK College Awards event, which MK BLP is pleased to sponsor.

I had a meeting with Carole Mills the chief executive of Milton Keynes Council covering the subject of education, skills and volunteering. I have now also met Duncan Sharkey, the council's new Director of Place and had constructive discussions about the role MKBLP can play to support the Council in these difficult times for them.

The BrightSparc Awards, which were held as part of the MKEX in June, have got off the ground although there needs to be some changes to the process and the awards ceremony. Two of their winners will be put forward to MK BAA 2016.

The MKBLP board have agreed that nominations for the inaugural Women Leaders MK Awards taking place on November 20 - though for companies rather than individuals - can be put forward to MKBAA 2016, as there were some excellent candidates and businesses.

I appeared again on Milton Keynes community radio station Secklow Sounds and other business interviews are planned. Secklow Sounds can be found at www.secklowsounds.org.

There have been interesting visits to Milton Keynes by delegations from Brazil and Taipei in which MKBLP played an integral part. These included a tour of the Transport Catapult.

Members will be aware the MK BLP was in at the beginning of the proposed Business Crime Strategy for Milton Keynes earlier this year. Exactly how this might be implemented is still subject to some discussion, including those around local police wishes for a strategy on fraud and petty crime relating to the retail sector, while the steering group require a wider strategy for business covering all aspects. The strategy may well become an umbrella document for a number of business strategies. Members of the Fraud Squad are due to attend the next meeting.

A presentation on MK50, looking ahead to the city's 50th birthday in 2017, was not as inspiring as hoped for and it will need support from the business community. I also attended the MKC Skills Strategy Workshop, which was led

by Regeneris, the consultants who completed the report. There are clearly issues in addressing the important points raised, which we felt should be demand led.

And last, but certainly not least, can I welcome three new members to the MK BLP Board. They are:

Jean Gowin of Jeanius Consulting; Julia Upton, Chief Executive of the MK Community Foundation; and Martin Banham-Hall of Heald Solicitors, who I am sure will make a valuable contribution.

Philip Smith

For your diary

Breakfast Briefing at The Brasserie MK College (Bletchley Campus) – November 10 2015 MK50 Lallie Davis, Project Manager, MK Council

Breakfast Briefing at The Brasserie MK College (Bletchley Campus) – December 3 2015 International Festival 2016 Monica Ferguson of The Stables

First event of 2016:

Visit to Speakers House, The House of Commons, London February 3 2016

Directors of Milton Keynes Business Leaders Partnership

Dr Philip Smith	Chair
Duncan Phillips	DP Leisure
Mike Robinson	PwC
Nicholas Mann	Interdirect
Dr Julie Mills	Milton Keynes College
Jan Flawn CBE	PJ Care
Jean Gowin	Jeanius Consulting
Julia Upton	MK Community Foundation
Martin Banham-Hall	Heald Solicitors

Milton Keynes Business Leaders Partnership is an independent organisation, funded through member subscriptions, MKBLP works to identify and develop interests, specific to the business community in the city.

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