

News for Prospective Franchisees

# DRIVING FORWARD

CELEBRATING 25 YEARS

AWARDS

NETWORK NEWS

FRANCHISEE PROFILES

FRANCHISING OPPORTUNITIES

Driver Hire CEO Chris Chidley with Sales Director Steve Wortley



## Here's to the next 25 years!

**Driver Hire enters its 25th year of trading as the UK's number one provider of transport and logistics staff to the private and public sectors.**

From the humble beginnings of a single office in Bradford in 1983 we now have over 100 branches and 80 franchisees enjoying a combined annual sales turnover well in excess of £75m. And if the first three months of the year are anything to go by, 2008 is going to be a fantastic anniversary year for Driver Hire. Every single week of the last two years has seen significant year-on-year growth and in the last 12 months no fewer than 35 of our franchisees have experienced "best ever" weeks – some of them having been in the business for several years.

What is driving this success? Director of Franchise Resourcing, John Warren is in no doubt, "Franchising is all about working together in partnership, with everyone playing their part. We've invested significantly in people, processes and technology. We are working smarter and harder, selling to our strengths and introducing new products to stay ahead of the field. Franchisees have played their part by embracing these changes enthusiastically and are now seeing the resulting financial benefits."

National Accounts is a great example of the benefits that can accrue to franchisees.

In recent years many large multi-site companies have centralised their temporary staff procurement process in order to maximise buying power and reduce administration costs. This presented us with an opportunity to leverage the power of our national franchise network, offering customers all the benefits of centralised purchasing but combined with consistent quality and local service delivery. To maximise this opportunity we have created a new seven-strong National Sales team who offer our customers a unique solution – simple bespoke ordering processes, consolidated invoicing, web-based management information – with local service provided by highly committed franchisees. The success of this speaks for itself - this year National Accounts will deliver an impressive £12m of centrally-negotiated business to our franchisees.

The last 25 years have certainly been an exciting journey for everyone involved with Driver Hire – and we're all confident that there are many more successes to come as we strengthen our position as market leaders in our recruitment sector.

## bfa Franchisor of the Year

### Driver Hire finalists again!

For the fourth year out of five, Driver Hire has been shortlisted as a finalist in the British Franchise Association's 'Franchisor of the Year' competition.

With more than 700 franchise systems now operating in the UK, this is a significant achievement – testament to Driver Hire's commitment to quality, and the combined efforts of everyone involved in the business.

The theme this year was 'Then and Now... Five Years On'. The judges wanted to see continual progress in the business over that time, and evidence of Driver Hire's ability to embrace change, introduce new technology and thrive in an increasingly competitive marketplace.

We are now required to make a formal presentation to the judging panel and following that the winners will be selected and announced in May. In 2006 we were named overall Franchisor of the Year and it would be fantastic to be able to repeat this success in our 25th Anniversary year.



## See for yourself

One of the best ways to evaluate whether a Driver Hire franchise is right for you is to speak to an existing franchisee. Even better, visit one of our offices and you'll get an even better idea of what the Driver Hire business is all about.

It's all part of our discovery' process so if you're interested in becoming a Driver Hire franchisee, contact John Warren on **01274 551166** and we'll organise an initial meeting. Who knows - this time next year you could be the owner of a thriving and profitable Driver Hire franchise!

# Systems deliver Scottish success

**Driver Hire's industry proven ISO quality systems backed by our purpose-built dhOps software continues to help our franchisees meet all the requirements of current legislation and manage their businesses more effectively.**

None more so than our Aberdeen office. Owner Grant Wilson is our current 'Franchisee of the Year' and his team have just collected another award, the 'My Key Pay Scottish Recruitment Award' for 'Best Practice in Recruitment'.

According to a delighted Fiona Eite, one of Driver Hire Aberdeen's directors, their success has a lot to do with Driver Hire's quality systems. "Internal quality checks play a big part in what we do. The judges were particularly impressed with our ability to retain drivers. We make sure that our temps always feel their efforts are appreciated and their loyalty is valued. In addition, in an industry where some agencies don't always play fair, we pride ourselves on always offering honesty and integrity."

'Driver Hire Franchise Sales Director John Warren added, "Aberdeen's success confirms the strengths of Driver Hire's systems. It's the best possible advert we could have for potential franchisees. It shows that they're buying into an award-winning best practice system."

Commenting on the Driver Hire entry, the judges said, "This is a company that is going places. The fact that almost half of its temps have worked for Driver Hire Aberdeen for more than three months bears testimony to the company's success in building a "motivated and happy" team. That's translated into significantly improved business performance with sales budgets up by 25 per cent this year and client numbers increasing by 18 per cent."



Aberdeen's winning team

# Leicester's Big Move

**Rapidly growing Driver Hire Leicester has moved to new larger premises. They've just sourced, purchased and refurbished a new office on Aylestone Road.**

"We've been in Leicester for thirteen years," says Paul McKenna who, along with wife Shirley, is joint owner. "We find work for between 80 and 120 drivers every week of the year and recently added permanent recruitment to the services we offer. Our expanding business means that we need more space and our new premises provide just that. We now have a training room, interview room, main office and reception. Our new position, on a busy main road, gives us a much more visible presence too."



Shirley and Paul McKenna celebrate in their new premises

## New Recruits Help us plan for the future

**Driver Hire has made two appointments to its management team and completed a reorganisation to ensure complete alignment with its business strategy for future growth and development.**

Wayne Clarkson, formerly with Avery Weigh-Tronix, has joined the company in the newly-created position of Network Development Director. Wayne will be working with a team of Area Development Managers, to develop sales, recruitment and customer services throughout Driver Hire's UK branch network.

Jeremy Neale is Driver Hire's new Head of Business Process. Formerly with Cap Gemini and GE Capital, Jeremy is bringing his business process expertise to this new position within the company. His team will focus on Driver Hire's quality assured supply using technology and smart processes to ensure that Driver Hire continues to deliver a compliant and operationally superior service to its customers.

At the same time we've expanded our national sales capability by creating a Regional Sales Team which will target a number of new key customers in the UK and Ireland. Joining the new team as Regional Sales Managers are Matt Dawson and Donna Burford.

We also have some new faces providing regional support to franchisees. Joining the Driver Hire team as Area Development Managers are: Dean Hewitt (North, Scotland and Ireland), Tony Kamphaug (South West) and Simon Thorne (South East).



## We're **chauffeur** driven

**There's much more to Driver Hire's business than the supply of truck and van drivers. A good example of the diversity of our customer offer is Tristar, the UK's leading chauffeur drive organisation.**

Fast growing, they approached our National Accounts team for help in recruiting permanent chauffeurs to meet increasing demand in the London/M25 area. In response to their request we developed a "hub and spoke" model involving a central co-ordination team working closely with twenty of our offices in the London area. To enhance the recruitment process we produced a bespoke DVD covering all aspects of Tristar's work.

We've also attracted more candidates with a concentrated radio advertising campaign on TalkSport in the South

East. The results are outstanding. In the first full year of the contract, Driver Hire recruited 277 new chauffeurs for Tristar and reduced their staff turnover by providing better quality candidates. Tristar are delighted with the results and so are Driver Hire's franchisees – it's a great source of additional revenue delivered to them on a plate.

"This is an all round success story," says Driver Hire's National Account Manager, Peter Lawford. "It's a reflection of the clients' satisfaction that a new contract has just been signed incorporating new and improved terms for our franchisees."

## The changing face of **Recruitment**

**The client company is not the only ingredient in the recipe for recruitment success.**

A constant supply of candidates with the right combination of skills, qualifications, experience and personal qualities is essential if you are to satisfy customer demand. The rapid growth of the Internet, and in particular home broadband access, has revolutionised the way in which candidates apply for jobs. Five years ago the majority of our recruitment was done through newspaper adverts, Yellow Pages and recommendation. Nowadays, the Internet is the preferred method of job seeking for most people. Driver Hire has responded to this by utilising industry-leading internet "job boards" to advertise jobs centrally and distribute responses to the franchise network. Says Richard Owen-Hughes, Driver Hire's Group Marketing Director, "We are investing over £100,000 in an integrated e-business suite which will incorporate a sophisticated jobs board, enabling us to attract even more top-quality candidates to our franchisees and our customers across the UK. This is yet another example of the ways in which we are continually seeking to add value to our franchise offer."

## **WINTER CAMPAIGN** Breaks new ground

**Driver Hire's 2008 Winter Promotion is a good example of the fantastic support that is provided centrally for franchisees. The aim of the campaign was to deliver warm sales leads directly to franchisees at a traditionally quieter time of the year.**

In many ways this initiative followed the pattern of a traditional direct mail campaign – but with a novel response mechanism. The initial mailing directed potential clients to a website developed specially for this campaign. Site visitors who provided an e-mail address were entered into a prize draw to win 10 free shifts. The e-mail addresses will then be used to provide further relevant information to these people.

Driver Hire's Marketing Department managed the design, print, mailing and campaign fulfilment on behalf of franchisees. All franchisees had to do was select their mailing data and then follow up the campaign with phone calls to warm business leads.

As well as attracting new clients, this campaign also reduces future marketing costs, as it builds up an e-mail marketing database for key prospects.

"We're delighted with the success of the campaign," comments Group Marketing Director, Richard Owen-Hughes. "In particular the response rate to the initial mailing of over 30% is quite exceptional. This is down to the innovative campaign structure, but also the fine efforts of all the franchisees taking part."



The front cover of the Winter Promotion mailing

# The facts about factoring

Cash flow is vital to any business. That's doubly true in the recruitment industry where temporary staff have to be paid on time, yet customers may not be quite so prompt in paying their invoices! Factoring is one way of bridging the cash flow gap. It enables a business to receive money as soon as an invoice is raised and removes much of the stress of chasing customers for payment.

Most Driver Hire franchisees use factoring to assist with their cash flow. There are several providers available, one of which is Venture Finance PLC. They've built up a good reputation within the Driver Hire network, not just for cash flow finance but also for franchise acquisition funding. Venture is a member of the Asset Based Finance Association (ABFA) and is a premier Invoice and Asset Based Lender, independent from the UK clearing banks.

Essentially a factoring company provides a short-term loan using the value of a customer's invoice as its security. As much as 90% of the value of each invoice can be released, with the balance paid on collection, less a fee. That means franchisees don't have to wait 30, 60 or 90 days for payment for the work they have completed. It smooths out cash flow fluctuations and ensures that temporary staff and overheads can be paid on time.

Venture will chase outstanding customer invoices and, for total peace of mind, can also provide bad debt protection – an increasingly important service in the current economic climate. It can be set up quickly and, unlike overdrafts or loans, the available funding increases automatically as a business grows.



## Venture's offer includes:

- A bespoke competitive package for Driver Hire franchisees, supported by an in-depth knowledge of our business
- A high standard of personal customer service with a Relationship Manager and dedicated Credit Controller
- Fast debt collection – typically two weeks faster than the industry average
- The option of bad debt protection with up to 100% cover
- Online account management – for 24/7 visibility

For more information about Venture Finance please contact **Jim Small on 07887 565311** or visit [www.venture-finance.co.uk](http://www.venture-finance.co.uk)

## Permanent Support

**Part of the role of a franchisor is to constantly research new markets, products and services to enable its franchisees to grow their businesses.**

Once identified, training and ongoing support has to be made available so that franchisees are equipped with all the tools to maximise the opportunity. One good example of how this has worked for Driver Hire is permanent placements.

Whilst our core product has always been, and will continue to be, the supply of temporary driving and logistics staff, we identified a growing demand for permanent appointments too. This encompasses driving roles and also a wide range of non-driving operational and managerial positions.

We developed a new service to meet with this demand and supported this with a series of training seminars, central tele-appointing and special incentives. So successful has this been that in the next 12 months we are forecasting additional fee revenue approaching £1m, providing a very attractive complementary income stream for franchisees.

## Did You Know?

- Two thirds of Driver Hire offices recorded 2007-08 sales revenue in excess of £500k, with 24 achieving over £1m
- The UK recruitment market is worth £24.5bn per year
- The market for logistics-related recruitment services is estimated at £2.6bn
- One third of our offices grew by more than 25% in 2007-08

# Progress Reports

When you're considering the purchase of a Driver Hire franchise it's always reassuring to hear from some of the people who made the big decision and have enjoyed real success.



Sue Crilly, Fenland

Take **Sue Crilly**, the owner of Driver Hire Fenland, which she operates with her daughter Catherine and two other members of staff. It's now just over a year since Sue first opened for business in Wisbech.

"I definitely made the right decision," says Sue. "I'd worked for Driver Hire Hereford for ten years, so had the recruitment experience to go it alone. But I decided that the support and the strength of a franchise gave me a better chance of success."

That's proved correct. Without the Driver Hire brand behind me I'm sure that we'd never have reached £500k of business in our first full year, smashing the target set for us."

Unlike Sue, Chelmsford franchisee **David Quinn** was a newcomer to both franchising and recruitment when, two years ago, he made the decision to join the Driver Hire network.



David Quinn, Chelmsford

"Buying a franchise gives you a good business platform," says David. "Driver Hire's ongoing support has helped me grow the business. We're currently 30% up on last year with plenty more growth potential. What Driver Hire also offers are new opportunities that wouldn't be available to me if I were a stand-alone business."

## It could be you!



**We might have over 100 offices across the country but there are still plenty of opportunities out there for talented and self-motivated individuals to become part of Driver Hire's continuing success story.**

Franchise re-sales arise when existing owners decide to move on – perhaps due to retirement, a move abroad or a desire for a new challenge elsewhere. Whatever the reason, it allows an outgoing franchisee to realise a capital gain on their original investment and provides the chance for a new franchisee to enter the business and build upon the platform of success already created.

In the UK two out of every five people come in to franchising via a re-sale\* and this has certainly played a big part in Driver Hire's success in recent years. It's also a testimony to the value of our brand and the strength of our reputation that many of our franchises are bought by people who are already engaged in the business – they know a good opportunity when they see one!



### Re-sale opportunities

Re-sale opportunities are available in key UK territories within the East and West Midlands, the North West, Greater London, Cornwall and the South Coast.

To keep pace with the demand for our services, several new territories have been opened up recently and these include East London, Enfield, Taunton & Bridgwater, Hemel Hempstead, Sunderland and Wisbech.

New territories are currently available in areas including Darlington, Kettering & Corby, Torquay, Wolverhampton & Dudley and Redditch & Bromsgrove. 2008 will also see Driver Hire opening new offices in Ireland – in particular we are seeking franchisees in Dublin, Cork, Limerick and Waterford.

**For more information please contact  
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or e-mail [john.warren@driver-hire.co.uk](mailto:john.warren@driver-hire.co.uk)**

\*Natwest/BFA Franchise Survey 2007