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UNITED

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Scotland



The 2018 Scottish
Family Business
Top 100

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Foreword

Carbon is delighted to continue our support of this extensive piece of research, which again highlights the valuable contribution the family business sector is making to the Scottish economy. The top 100 family businesses in Scotland employ 111,740 people. This is a sector which needs to be both recognised for the excellent work done to date and supported so it can make an even greater contribution in the future.

“Family businesses are the engine room of the Scottish economy. We need to support and promote this vital sector”

Mark Christie
Carbon Financial Partners

Thanks

We would like to extend our thanks and appreciation to our sponsors of this report, Carbon Financial, and partners in terms of bringing the data together, Professor Claire Seaman of Queen Margaret University, Paul Bready of Craig Corporate Limited and Tom Craig, Chairman of FBU Scotland.

Carbon’s involvement with family businesses typically begins at a time of change. This might be when value is about to be realised on exit or when it is time for value to pass to the next generation.

With our family business clients our aim is to understand what each generation is looking to achieve and then to put in place a suitable plan to give them the best chance of achieving their individual goals. We can then apply our planning-led approach to the different generations, before turning back to the business to determine how all the individual objectives can be met.



Mark Christie

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Introduction

Family businesses are the engine room of economies the world over and Scotland is no exception. Across Scotland family firms continue to create significant income, wealth and employment. The contribution of the Top 100 family firms in Scotland goes a long way to demonstrating how important these firms are to the national economy too.

In our second report of the Top 100 family firms in Scotland we can clearly see the contribution that is made by family firms and the need for policy makers and decision makers to ensure that sufficient effort is directed to supporting firms that are integral to the success of the economy.

For many years family businesses have been referred to as 'small businesses' and this report continues to provide quantifiable evidence to determine the importance of family firms. All family firms are important and collectively they make a significant impact in terms of jobs, wages and community involvement. This should never be forgotten. It is also important to use data such as the findings of this report that focuses on the larger family firms to highlight the major contribution of the sector. Family firms are really important to Scotland and the firms listed in this report are significant in many respects.

First and foremost, all of the businesses listed in the Top 100 generate turnover in excess of £25 million which makes them significant businesses, and with Arnold Clark reporting turnover of £3.7 billion the scale of some of these firms can be quantified instantly. Collectively, the Top 100 family firms in Scotland generate over

£17 billion annually, a major slice of national GDP and within this highly successful group of businesses there are over 111,000 employees.

Again, quantitative research such as this helps to dispel the myth that family firms are small with regards to employment too. Family firms contribute significantly to the Scottish job market with City Facilities Management, Arnold Clark and The Edinburgh Woollen Mill each employing over 10,000 staff.

The Top 100 also contains an exciting mix of businesses, some like Walkers Shortbread, Johnstons of Elgin and James Donaldson & Sons that have been around for generations. Some newer businesses are now coming into their own and generating some incredible results too. The mix of businesses is also of interest as it combines a mix of the traditional industries such as timber and whisky with newer sectors involving technology, pharmaceuticals and renewable energies.

Family businesses are incredible, full of pride, passion and integrity and have a story to tell. Each and every family firm in Scotland has a narrative that helps define who they are. The culture of the organisation, provides a real point of difference when it comes to approaching the market too. Furthermore, family businesses across Scotland are a great resource that deserve support and to be recognised for what they do. In many cases taking a long term view and investing for the future, committing to their business in the communities in which they operate so successfully.

Key info



Top 100 family firms in Scotland employ **8,731 more** people this year

Top 100 family firms generate **£1.2 Billion PBT**

Largest PBT reported by William Grant & Sons Holdings Limited at £260 million

Largest family business employer is City Facilities Holdings Limited



Arnold Clark Automobiles Limited has largest turnover of £3.7 billion

Executive Summary

Family firms make a significant contribution to the Scottish economy and this research proves that family firms are significant employers, revenue generators and contributors across Scotland.

Over 111,000 people are employed in the leading family firms in Scotland – a significant number of people going to work each and every day in businesses that are owned and/or run by families in business with many of these having been in the family for generations too. The impact goes further as many employees come from local families where generations of their family have worked in the same family firm too. Family firms clearly make a difference to communities across Scotland.

Geographically, the impact of the Top 100 family firms is also important as they are having an impact on regional and rural economies across Scotland. Whilst, as we would expect, there are significant clusters of family firms around the major cities, it is great to see the diversity of geographical spread. 43% of all those employed in the Top 100 are employed in Lanarkshire, with Glasgow being the main hub and employing significantly more people than Edinburgh in family firms, but it is great to see over 11,000 people employed in Dumfriesshire, 11,000 in Stirlingshire and 5,000 in Aberdeenshire too.

Our Top 100 is based on Profit Before Tax as we try to understand the contribution that family firms are making. The research concludes that the Top 100 family firms in Scotland are generating £1.2 billion PBT which represents 7% of their combined turnover.

Some sectors are more dominant than others in the Top 100. Motor Retail, Food & Drink and the Construction sectors lead the way contributing around half of all the business listed. Many of the Top 100 family firms have also stood the test of time, managing to beat the challenge of ‘clogs to clogs in three generations’ and continue to plan for the future with a long term strategic view on preparing the business for future generations to continue to own and manage.

The findings of the 2018 Top 100 Scottish Family Firms clearly demonstrates a strong sector that is continuing to perform well despite the prevailing uncertainties in the market place, a significant sector in terms of employment and wealth creation and one that deserves to be recognised for the contribution it makes to the Scottish economy.

Paul Andrews

Founder, FBU Scotland

The Top 100 Scottish Family Firms Contribute

£17.2 Billion Turnover

111,740 Employees

£1.2 Billion PBT

The Top 10

1. William Grant & Sons Holdings
2. Arnold Clark Automobiles
3. The Edinburgh Woollen Mill
4. D.C. Thomson
5. James Jones & Sons
6. Lunar Fishing Company
7. Park's of Hamilton
8. Balmoral Group
9. R.J Macleod (Contractors)
10. GAP Holdings

Family Businesses In Scotland

Scotland's largest family firms continue to be the engine room of the Scottish economy.

In our second report into the Top 100 Scottish family firms, based on the latest filed financial statements for the leading family firms in Scotland, the results remain impressive and demonstrate the significant impact that these organisations have.

The leading family firms in Scotland generate a combined total turnover of £17.2 billion compared to £16.6 billion in 2017, an increase for the top 100 of 3.6% year on year and they collectively employ 111,740 people. Profits based on reported Profit Before Tax have remained stable rising from £902 million to £1.2 billion, clearly demonstrating that family firms across Scotland make a major contribution to the income, wealth and employment across the nation.

The Scottish Family Business Top 100

	Top 100 2018	Published Top 100 2017*	% Change
Turnover	£17.2bn	£16.6bn	3.6%
Profit Before Tax	£1,137m	£902m	26.1%
Employees	111,740	103,009	8.5%

Please note - The 2017 figures are based on the reported Top 100 Scottish Family Firms in the 2017 published report. Some firms have entered the Top 100 for the first time in 2018 and as such the comparative reported figures on the following pages includes the actual 2017 figures for the companies listed in the report this year which differs from the published total for 2017.

The Scottish Family Business Top 100

↑ Family firm has moved up the rankings in 2018
NR New ranking for this family firm in 2018
↓ Family firm has moved down the rankings in 2018

2017 RANK	COMPANY NAME	LOCATION OF REGISTERED OFFICE	2018 PROFIT BEFORE TAX £m*	2017 PROFIT/ (LOSS) BEFORE TAX £m*	2018 TURNOVER £m*	2017 TURNOVER £m*	2018 NUMBER OF EMPLOYEES*	2017 NUMBER OF EMPLOYEES*
01	William Grant & Sons Holdings Limited	Keith	£260.2	£177.2	£1,061.6	£882.5	2,113	1,904
02	Arnold Clark Automobiles Limited	Glasgow	£125.3	£110.4	£3,662.5	£3,353.5	10,672	9,887
03	The Edinburgh Woollen Mill (Group) Limited	Langholm	£83.8	£89.7	£592.1	£576.3	10,195	10,183
04	↑ D.C. Thomson & Company Limited	Dundee	£38.1	£24.2	£277.0	£275.3	2,122	2,093
05	↑ James Jones & Sons Limited	Larbert	£34.1	£28.5	£141.2	£132.8	653	551
06	↑ Lunar Fishing Company Limited	Peterhead	£23.3	£9.6	£81.9	£74.8	283	282
07	↑ Park's of Hamilton (Holdings) Limited	Hamilton	£21.8	£16.9	£777.0	£551.1	1,847	1,809
08	↓ Balmoral Group Holdings Limited	Aberdeen	£18.6	£41.0	£105.5	£134.4	518	576
09	NR R.J. Mcleod (Contractors) Limited	Glasgow	£17.9	£12.3	£165.6	£116.3	459	425
10	↑ GAP Holdings Limited	Glasgow	£17.1	£15.7	£175.0	£157.6	1,566	1,454
11	↑ The Malcolm Group Limited	Paisley	£15.7	£7.5	£225.6	£212.0	2,155	2,087
12	↑ City Facilities Management Holdings	Glasgow	£15.6	£13.4	£617.7	£463.1	11,844	12,047
13	↑ Ian Macleod Distillers Limited	Broxburn	£15.2	£11.5	£79.2	£64.7	153	118
14	NR Castle View Ventures Limited	Stirling	£13.2	£9.0	£175.6	£137.0	6,416	4,746
15	↑ Walkers Shortbread Limited	Aberlour	£12.8	£11.9	£138.7	£139.3	1,459	1,463
16	↑ Mactaggart & Mickel Group Limited	Glasgow	£12.7	£10.4	£74.2	£65.0	278	263
17	↑ James Walker (Leith) Limited	Livingston	£12.5	£11.0	£164.6	£151.2	626	600
18	↑ Forth Holdings Limited	Stirling	£12.2	£6.7	£204.5	£185.9	1,927	1,903
19	↑ Apex Hotels Limited	Edinburgh	£10.5	£10.2	£65.0	£61.2	775	790
20	↑ Walker Holdings (Scotland) Limited	Edinburgh	£10.1	£10.3	£33.5	£37.0	55	51
21	NR Peter Vardy Holdings Limited	Glasgow	£10.0	£9.2	£438.3	£437.2	799	777
22	↑ Gray & Adams Holdings Limited	Fraserburgh	£9.7	£8.0	£148.3	£124.9	731	682
23	↑ Hillhouse Estates Limited	Troon	£9.6	£4.5	£52.8	£42.1	178	170
24	↑ Eastern Holdings Limited	Broxburn	£9.5	£8.9	£549.9	£508.3	1,129	1,049
25	NR Leiths (Scotland) Limited	Aberdeen	£9.2	£7.4	£71.6	£67.9	562	549

The Scottish Family Business Top 100

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26	↓	Farmfoods Limited	Glasgow	£9.2	£20.0	£669.2	£694.3	4,099	4,320
27	↑	Scottish Leather Group Limited	Bridge Of Weir	£8.7	£7.7	£144.5	£128.6	646	599
28	NR	Loch Duart Limited	Edinburgh	£8.4	-£2.3	£42.5	£26.3	109	103
29	↓	John Clark (Holdings) Limited	Aberdeen	£8.2	£9.1	£702.7	£667.1	1,206	1,139
30	↑	E.G. Thomson (Holdings) Limited	Edinburgh	£7.9	£6.3	£56.3	£49.5	1,593	1,557
31	↑	James Donaldson & Sons Limited	Glenrothes	£7.7	£5.9	£136.5	£127.0	694	680
32	↑	Caledonian Heritable Limited	Edinburgh	£7.3	£7.0	£38.8	£34.5	815	711
33	↑	Turner & Co. (Glasgow) Limited.	Glasgow	£7.3	£5.8	£160.7	£190.6	1,224	1,429
34	NR	Dingbro Limited	Aberdeen	£7.2	£8.1	£132.5	£136.3	1,286	1,281
35	NR	Mccurrach UK Ltd.	Glasgow	£7.1	£2.0	£56.7	£56.5	1,416	1,368
36	NR	Albert Bartlett Holdings Limited	Airdrie	£7.0	£5.5	£170.9	£149.0	783	755
37	↑	Tillicoultry Quarries Limited	Glenrothes	£6.9	£4.4	£56.7	£48.4	144	134
38	↑	G1 Group (Holdings) PLC	Glasgow	£6.9	£6.1	£73.0	£69.5	1,485	1,360
39	↑	The Insights Group Limited	Dundee	£6.5	£5.9	£42.1	£32.6	332	292
40	↓	Glenrath Farms Ltd.	West Linton	£6.4	£8.1	£52.6	£51.7	216	207
41	↑	J.W. Galloway Limited	Stirling	£6.3	£5.6	£319.9	£311.0	991	967
42	↓	James Johnston & Co. of Elgin Limited	Elgin	£6.2	£7.8	£68.8	£66.6	989	943
43	↓	Peoples Limited	Falkirk	£6.1	£6.8	£276.5	£260.6	411	405
44	↑	Klondyke Group Limited	Thornhill	£5.8	£4.8	£54.5	£48.9	951	883
45	↑	Forsyths Limited	Aberlour	£5.7	£2.5	£52.2	£37.6	380	337
46	↓	Macdonald Hotels Limited	Bathgate	£5.6	£62.3	£154.1	£163.4	3,555	3,592
47	↑	Ogilvie Group Limited	Stirling	£5.3	£4.5	£269.4	£207.6	551	459
48	↓	Di Maggio's Group Limited	Thornhill	£5.3	£5.7	£34.8	£33.7	771	784
49	↑	Scott Group Investments Limited	Dunfermline	£5.2	£4.9	£128.3	£116.9	997	872
50	↓	Adria Group Limited	Aberdeen	£4.7	£12.4	£27.8	£28.6	129	126

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51	↓	Community Wind Power (Holdings) Limited	Edinburgh	£4.7	£11.6	£28.7	£34.3	34	35
52	↑	Jacobs & Turner Limited	Glasgow	£4.1	£4.6	£99.4	£95.1	1,634	1,590
53	NR	Scot JCB (Holdings) Limited	Glasgow	£4.1	£3.7	£119.1	£124.5	240	231
54	NR	Richard Austin Alloys Limited	Glasgow	£4.1	£3.0	£116.7	£105.9	237	198
55	↑	Speymalt Whisky Distributors Limited	Elgin	£4.0	£3.9	£28.3	£25.5	156	145
56	↑	Zonal Retail Data Systems Limited	Edinburgh	£4.0	£3.2	£54.2	£45.0	451	379
57	↓	Muir Group Public Limited Company	Inverkeithing	£4.0	£4.3	£74.7	£53.7	276	270
58	NR	Thomas Tunnock Limited	Glasgow	£4.0	£7.1	£52.6	£53.0	547	509
59	↑	John G. Russell (Transport) Limited	Glasgow	£3.9	£2.9	£60.5	£61.0	586	621
60	NR	East Coast Viners (Holdings) Limited	Stonehaven	£3.9	£1.5	£45.3	£48.6	83	72
61	↑	Windhoist Holdings Limited	Irvine	£3.8	£1.7	£36.6	£26.2	243	191
62	↓	T.O.M. Group Limited	Glasgow	£3.8	£3.6	£161.2	£213.2	569	573
63	↑	Meallmore Limited	Inverness	£3.6	£3.2	£43.1	£39.9	1,520	1,447
64	NR	Balhouses Holdings Limited	Perth	£3.6	£1.6	£36.8	£33.0	1,334	1,250
65	NR	The Harbro Group Ltd.	Turriff	£3.6	£3.4	£108.9	£100.3	446	427
66	↓	Granfit Holdings Limited	Edinburgh	£3.5	£5.7	£35.4	£36.0	226	207
67	NR	LOW Holdings (Scotland) Limited	Dundee	£3.5	£1.7	£50.7	£47.8	284	280
68	↓	Mcalpine & Company Limited	Glasgow	£3.4	£3.5	£60.1	£56.1	751	728
69	NR	Slater Menswear	Glasgow	£3.4	£3.4	£26.0	£25.1	318	305
70	↑	Robertson Metals Holdings Ltd	Kirkcaldy	£3.3	£2.0	£27.3	£26.4	34	35
71	↑	Mackays Stores Group Limited	Renfrew	£3.3	£1.5	£165.6	£163.1	1,523	1,557
72	↓	Advance Construction Group Limited	Bellshill	£3.1	£7.6	£205.1	£154.7	1,383	1,134
73	NR	W M Donald Limited	Stonehaven	£3.0	£0.1	£33.5	£26.9	123	120
74	↓	Patersons Quarries Limited	Coatbridge	£3.0	£3.5	£69.0	£70.8	942	906
75	↑	Raimes, Clark & Company, Limited	Edinburgh	£3.0	£2.0	£32.3	£28.1	280	255

The Scottish Family Business Top 100

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76 ↓	The Wemyss Development Company Ltd	Edinburgh	£2.6	£8.5	£28.6	£31.4	2,117	2,206
77 NR	Peffermill Holdings Limited	Edinburgh	£2.6	£2.5	£27.2	£25.6	239	252
78 ↓	Noel Kegg Limited	Glasgow	£2.6	£3.3	£41.8	£41.9	57	57
79 NR	Kettle Produce Limited	Cupar	£2.5	£2.3	£128.3	£113.5	1,158	1,021
80 ↓	Walter Davidson & Sons Limited	Blairgowrie	£2.5	£2.0	£37.0	£38.8	345	323
81 ↓	Chisholm Hunter Holdings Limited	Glasgow	£2.4	£3.2	£36.0	£32.9	291	276
82 NR	Vets NOW Limited	Dunfermline	£2.4	£4.1	£41.4	£36.7	1,203	1,103
83 ↓	I. & H. Brown Limited	Perth	£2.3	£6.4	£54.6	£72.5	217	205
84 ↓	Bell Group UK Limited	Airdrie	£2.2	£3.2	£74.6	£70.0	1,258	1,119
85 ↓	Cameron Group (Perth) Limited	Perth	£2.2	£2.4	£92.8	£89.3	176	170
86 NR	SWL Limited	Currie	£2.2	£1.4	£76.8	£70.3	148	143
87 NR	Mark Birkbeck & Sons Limited	Pitlochry	£2.2	£3.2	£26.7	£24.4	236	223
88 NR	Dundas Chemical Company (Mossbank)	Dumfries	£2.1	£0.4	£26.0	£23.2	159	146
89 NR	Dusty TLP Limited	Renfrew	£2.1	£4.0	£46.1	£40.3	360	341
90 ↓	McGhee Group Limited	Glasgow	£2.0	£1.9	£28.5	£26.9	287	275
91 NR	Quality Food Products (Aberdeen) Limited	Aberdeen	£2.0	£0.3	£30.4	£28.5	73	74
92 ↓	United Wholesale (Scotland) Limited	Glasgow	£2.0	£2.0	£234.0	£227.2	282	253
93 NR	Campbell's Prime Meat Holding Company Limited	Linlithgow	£2.0	£3.0	£58.7	£56.3	337	326
94 NR	Beatsons Building Supplies Limited	Alloa	£1.9	£1.5	£26.2	£23.4	122	122
NR	A. Proctor Group Limited	Blairgowrie	£1.9	£1.7	£29.3	£23.3	141	128
96 ↓	Alexander Inglis And Son Limited	Tranent	£1.9	£1.4	£67.3	£68.5	42	45
97 ↓	Briggs Commercial Limited	Burntisland	£1.8	£4.3	£49.8	£65.6	669	599
98 ↓	Sterling Furniture Group Limited	Tillicoultry	£1.8	£2.4	£56.7	£53.1	657	626
99 NR	Mactaggart Scott (Holdings) Limited	Loanhead	£1.7	-£2.7	£41.9	£42.5	381	370
100 NR	AG Restaurants Ltd	Glasgow	£1.7	£1.7	£39.7	£33.4	1,277	1,135

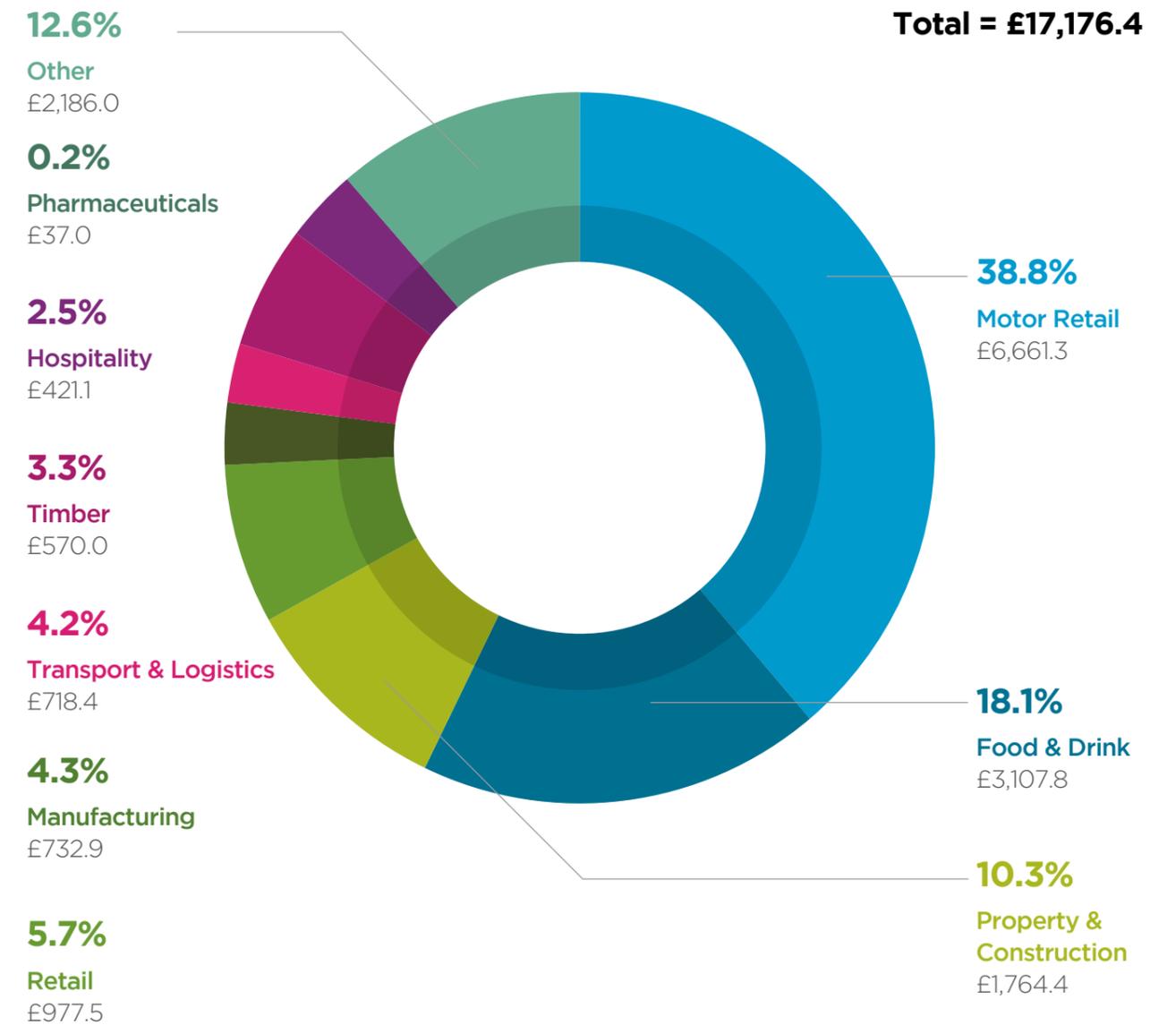


The Top 100 By Economic Sector

The diversity and strength in depth in the sectors represented in the Top 100 Scottish Family Firms continues. Some sectors remain stronger than others in terms of the overall mix with Motor retail, Food & Drink, Property & Construction and the Retail sectors featuring prominently. They represent 54 of the top 100 and account cumulatively for 73% of total turnover, 57% of employees and 69% of PBT. Clearly, these four sectors are of significant importance to the Scottish economy overall.

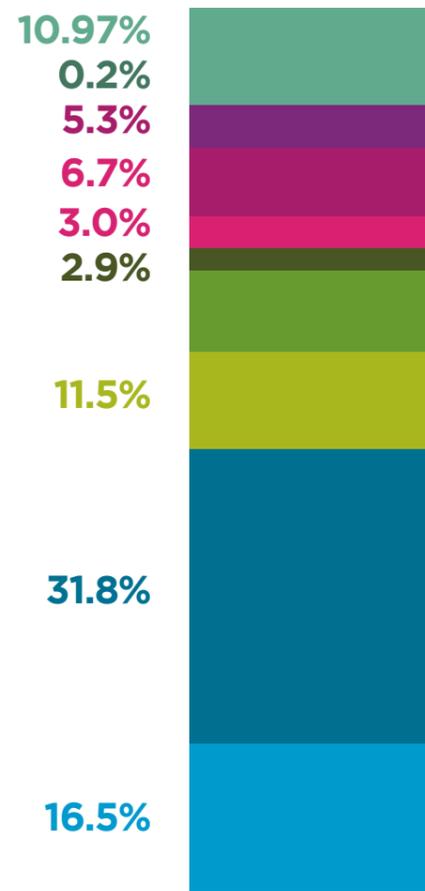
Sector	2018 No. firms	2017 No. firms	2018 Turnover (£m)	2017 Turnover (£m)	2018 PBT (£m)	2017 PBT (£m)	2018 Employees (No.)	2017 Employees (No.)
Motor Retail	8	8	£6,661.3	£5,371.0	£187.2	£144.5	16,809	13,888
Food & Drink	17	17	£3,107.8	£3,556.5	£362.0	£266.0	20,656	16,158
Property & Construction	21	26	£1,764.4	£2,312.1	£130.8	£110.5	12,540	15,870
Retail	8	7	£977.5	£1,028.3	£102.9	£108.8	13,557	16,018
Transport & Logistics	5	8	£718.4	£770.3	£33.3	£49.7	4,423	5,420
Hospitality	6	8	£421.1	£573.4	£34.2	£100.1	8,314	8,488
Manufacturing	9	8	£732.9	£547.0	£76.5	£55.3	5,138	3,396
Timber	5	3	£570.0	£411.0	£60.2	£45.5	2,405	1,831
Pharmaceuticals	1	3	£37.0	£181.6	£2.5	£12.5	345	767
Other	20	12	£2,186.0	£1,814.0	£147.4	£114.3	27,553	21,173
Total	100	100	£17,176.4	£16,565.2	£1,137.0	£1,056.7	111,740	103,009

Turnover Current Year by Sector (£m)



The Motor Retail sector remains the dominant sector contributing significantly to the total revenue of the Top 100, representing 38.8% of total turnover (32.4% last year). Clearly Food & Drink at 18.1% and Property & Construction at 10.3% of total turnover respectively are key family business sectors represented in the Top 100.

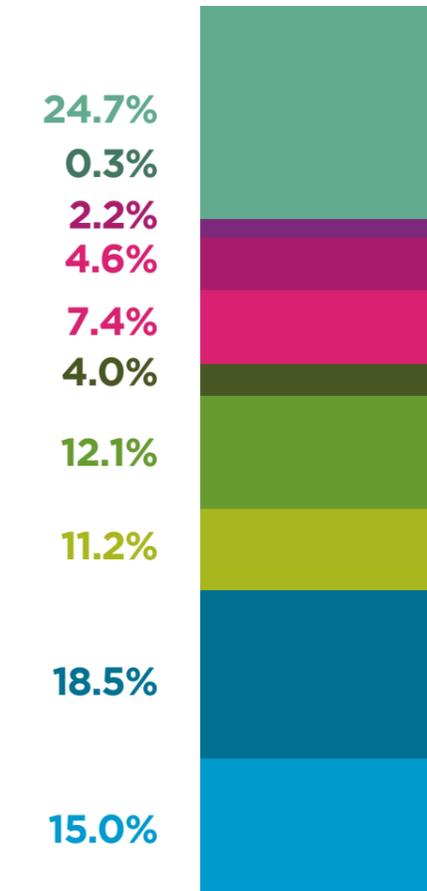
2018 PBT by Sector (£m)



Other £147.4	Transport & Logistics £33.3
Pharmaceuticals £2.5	Retail £102.9
Timber £60.2	Property & Construction £130.8
Manufacturing £76.5	Food & Drink £362.0
Hospitality £34.2	Motor Retail £187.2

Total = £1,137.0

2018 Employees by Sector



Other 27,553	Transport & Logistics 4,423
Pharmaceuticals 345	Retail 13,557
Timber 2,405	Property & Construction 12,540
Manufacturing 5,138	Food & Drink 20,656
Hospitality 8,314	Motor Retail 16,809

Total = 111,740

When it comes to employment, the food & drink sector is the largest employer at 20,656 people which represents 18.5% of the total employed by the Top 100. This sector also generates the most profit amongst the leading family firms in Scotland too.



James Johnston & Co. of Elgin Limited

Key info



Head office
Elgin

At the heart of every compelling story lies a narrative and Johnstons of Elgin is no different. Since 1797, the Johnstons of Elgin signature innovation and quality have been without compare. The Johnston family name has always been synonymous with craft, patience, elegance and luxury. A byword for innovation and benchmark-setting, over the past 221 years, Johnstons of Elgin has defined and redefined the industry, again and again.

It's impeccable credentials stem from a mastery of the yarn and how its craftspeople handle, finesse and manipulate it in ways impossible for any other manufacturing brand to match.

Unrivalled technical expertise as manufacturers creates unique possibilities, which, in turn, open up uncharted avenues for the most masterful creations. Johnstons of Elgin's pioneering history established its luxury credentials and the company's determination not to stand still carries it perpetually forward.

The Johnstons of Elgin creative vision drives its brand ambition. A vision grounded in timeless, classic references such as art, history, architecture and nature that are constantly redefined for contemporary culture through design, craft and innovation.

Whilst seasons and influences may change, one constant remains; the quest for beauty and luxury. Johnstons of Elgin creates desirable products which include woven accessories, knitwear, fabrics for apparel and for the home, all designed to resonate with its customers. Precious objects

42 | **1797**

2018 Top 100 ranking

founded

of real beauty that have great personal meaning in today's disposable culture.

Products to move and pieces to fall in love with. Johnstons of Elgin does this by forging its own path, not by following fads; being aware of trends without pandering to them. Applying a wealth of considerable creative expertise and exploration, designing unique, precious products rooted in imagination, not mania.

The Johnstons of Elgin story is one of a family-run business spanning two centuries of tradition and expertise, which originates in the heart of Scotland and takes in the couture houses and catwalks of Paris, London and Milan, the sartorial excellence of Savile Row and beyond.

But this has been and continues to be no ordinary British manufacturing story. Johnstons of Elgin has successfully established a flagship store at 77 New Bond Street in London, with further retail presence in Elgin, Hawick, St Andrews and Nantucket.

This is a story of a brand simultaneously living within this world and transcending it. A story rooted in innovation, passion and timeless beauty. An everlasting labour of love that has brought Johnstons of Elgin to where it is today and that will continue to shape all of its tomorrows.

James Donaldson & Sons Limited

Key info



Head office
Glenrothes

31 | **1860**

2018 Top 100 ranking

founded



James Donaldson & Sons Ltd (JDS) is a successful family business which celebrated its 150th anniversary in 2010. JDS has grown to become one of the UK's leading independent processors, manufacturers, merchant and distributors of timber and related products. Originating from one small branch in Tayport, Fife, today JDS has over 800 employees across 28 sites in the UK.

The JDS Group comprises of a range of companies including timber importer and distributor James Donaldson Timber Ltd, engineered wood product manufacturer Donaldson Timber Engineering Ltd, timber merchant MGM Timber (Scotland) Ltd, insulation specialist James Donaldson Insulation Ltd, and Nu-Style Products Ltd, a fabrication specialist.

What being a family Business means to us?

"Being an independent family business runs right through our mission, vision and values so means everything to us. We do however try to hold ourselves to PLC standards meaning we get the best of both worlds - ultimate professionalism with a family feel."

Michael Donaldson, 6th Generation

Zonal Retail Data Systems Limited

Key info



Head office
Edinburgh

Zonal is the UK's leading technology solutions provider for the hospitality sector. With over 38 years' experience, the company has developed a suite of world-class products, from EPoS to online booking tools to order and pay apps, that offers a fully integrated service to any hospitality business.

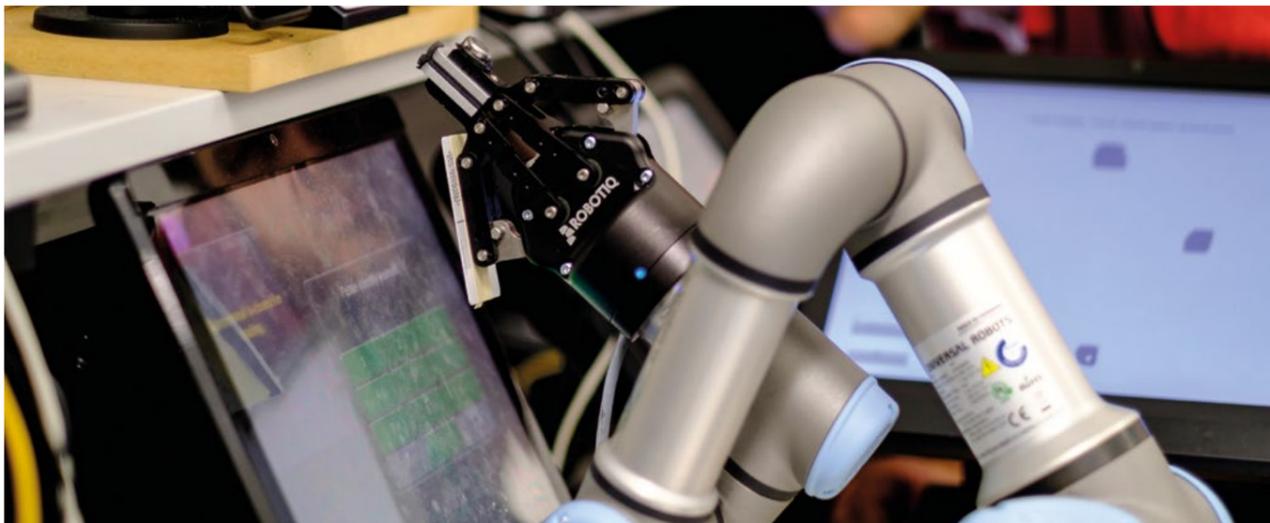
56 | **1979**
2018 Top 100 ranking | founded

An independent family business, that was founded by hotelier Ralph McLean who developed the first EPoS solution for hospitality businesses in 1979, the company now employs over 600 people from seven offices across the UK. Proud of its Scottish heritage, Zonal remains a true family business with five family members on the board. To add external talent and expertise, the company recruited key roles such as CFO and COO as non-family members, who have been carefully selected to fit the Zonal ethos.

The company's roots are embedded in the hospitality sector and that has remained its focus to this day, with customer service and support being central to its success. Being independent and financially stable, the business has the flexibility

to adapt and respond to customer needs and changing consumer technology habits quickly and effectively. At the forefront of insight into the sector, Zonal conducts a quarterly GO Technology report, which interviews 5,000 adults on their views on how they engage with technology when eating and drinking out. The output helps to shape technological solutions that improve the customer experience, from online ordering and payment to kitchen management and hotel booking systems.

As a market leader, Zonal solutions today are used daily in over 16,000 leisure and hospitality businesses across the UK, ranging from restaurant and pub groups to nightclubs and football stadiums.



Proud of our Scottish heritage, Zonal remains a true family business with five family members on the board. To add external talent and expertise, we have recruited key roles such as CFO and COO as non-family members, who have been carefully selected to fit the Zonal ethos. We are incredibly proud to be one of the largest family firms in Scotland.”

Stuart McLean – CEO, Zonal UK

Walkers Shortbread Limited

Key info



Head office
Aberlour

Walkers Shortbread was founded in the Highlands of Scotland in 1898 and is now run by the third and fourth generation of the Walker family.

It started life as a village bakery and because of the quality of its pure butter shortbread it has grown consistently over very many years.

Walkers now employ more than 1,500 people in Speyside, and are very proud of their dedicated local workforce of long term employees.

Although it stays very close to its roots in beautiful Speyside, Walkers products are now distributed in around 100 countries and is a flagship of Scottish foods with more than 45% of its production exported.

The company is the only UK ambient food producer to have been awarded the Queens Award for Export Achievement on four occasions and holds the Royal Warrant for the supply of shortbread and oatcakes to Her Majesty Queen Elizabeth.



Ian Macleod Distillers Limited

Key info



Head office
Broxburn



Leonard J Russell Snr, the founder of Ian Macleod Distillers, was a firm believer in the value of independence. Beholden to no single distiller, he bought only those whiskies which met his own and his customers' exacting standards. Both clearly had good taste, because more than 80 years down the line, Ian Macleod Distillers has built up an enviable portfolio of premium quality spirits and is the proud brand proprietor of Glengoyne, Tamdhu, Isle of Skye, Smokehead Scotch whiskies and Edinburgh Gin to name but a few. The world's 10th largest Scotch Whisky Company, they currently produce and sell over 15 million bottles of spirits every year.

A major supplier to the Buyer's Own Brand market, with a reputation for innovative thinking, Ian Macleod Distillers has also supplied own-label spirits to some of Europe's largest supermarket groups for over 40 years.

With continued investment in their bottling plant, Broxburn Bottlers, in warehousing and most

importantly of all, unrivalled stocks of Scotch whisky, Ian Macleod Distillers is in a stronger position than ever to meet the increasing demand for its products from around the world.

"We are very fortunate that there is continuing growing global demand for premium single malt Scotch whisky and our two single malts Glengoyne and Tamdhu have been growing as a result. The amazing growth in demand for genuinely premium craft gins has meant that Edinburgh Gin has experienced phenomenal growth here in the UK and we are now starting an export drive. Edinburgh Gin Rhubarb & Ginger has been at the forefront of our growth within the sector. We have a distinguished history behind us and an exciting future ahead."

Leonard Russell, Managing Director



Balmoral Group Holdings Ltd

Key info



Head office
Aberdeen

08 | **1980**

2018 Top 100 ranking

founded

Established in 1980 by chairman and managing director, Jim Milne CBE, Balmoral Group Holdings Ltd is a privately owned company comprising several operating divisions.

Balmoral Offshore Engineering specialises in subsea buoyancy, flotation, insulation, elastomer and renewable energy products, while Balmoral Tanks provides water and wastewater solutions to the anaerobic digestion, civil and environmental engineering sectors. Balmoral Park is the Group's property development and management arm.

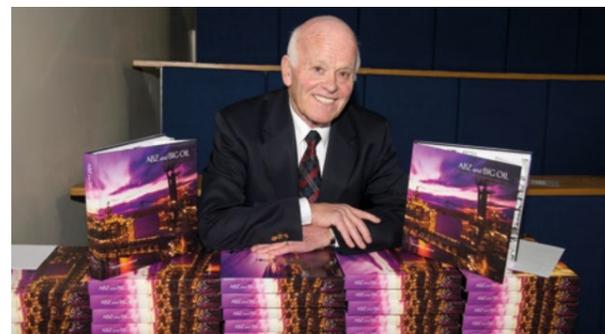
At Group HQ in Aberdeen the company has invested in a pioneering subsea product design and manufacturing facility that includes laboratory, design engineering, production, project management and testing facilities that are unrivalled in the industry. The £20m+ Balmoral Subsea Test Centre opened its doors in 2018. Seaproof Solutions, a Balmoral company, provides a range of products for the offshore renewables sector including cable protection systems, bend stiffeners and restrictors.

Balmoral Tanks designs and produces efusion® and digestore® epoxy coated and concrete tanks respectively for the water, wastewater and anaerobic digestion markets. A new factory in South Yorkshire, representing a £10m+ investment, was commissioned in 2018. The company also operates a specialised design and manufacturing business in South Wales that provides hot press GRP and steel sectional tanks as well as cylindrical steel tanks for the global water storage and fire-fighting sectors.

Servomac, a division of Balmoral Tanks, provides full design, fabrication, installation and testing of pipework systems.

Balmoral Park Ltd is the company's property development division. Covering some 18 acres, Balmoral Business Park in Aberdeen is home to three auto dealerships; Audi, Mini and Nissan, and features a 40,500sqft high-specification office pavilion. Housed in the pavilion is the @BalmoralHUB, home to executive office space, meeting rooms and co-working facilities for up to 25 businesses. Administered by Elevator, a social enterprise dedicated to supporting entrepreneurs, business leaders and employees, its state-of-the-art design and layout actively promotes innovation and a collaborative culture.

These businesses are run by defined management and operations teams that are wholly responsible for their unit's profit and loss activity. All are dedicated to the company's philosophy of innovation and continuous improvement.



"Although times are tough across many sectors, opportunities do exist but you have to take a proactive approach in securing them. I've promoted internationalisation for many years and this is how we've grown our business. 75% of the goods manufactured by Balmoral last year were exported around the world, from Australasia to South America.

"Our commitment to a programme of continuous investment in people, R&D, manufacturing plant and processes helps us maintain a global industry-leading position in the fields in which we operate."

Jim Milne CBE, Chairman and MD of Balmoral

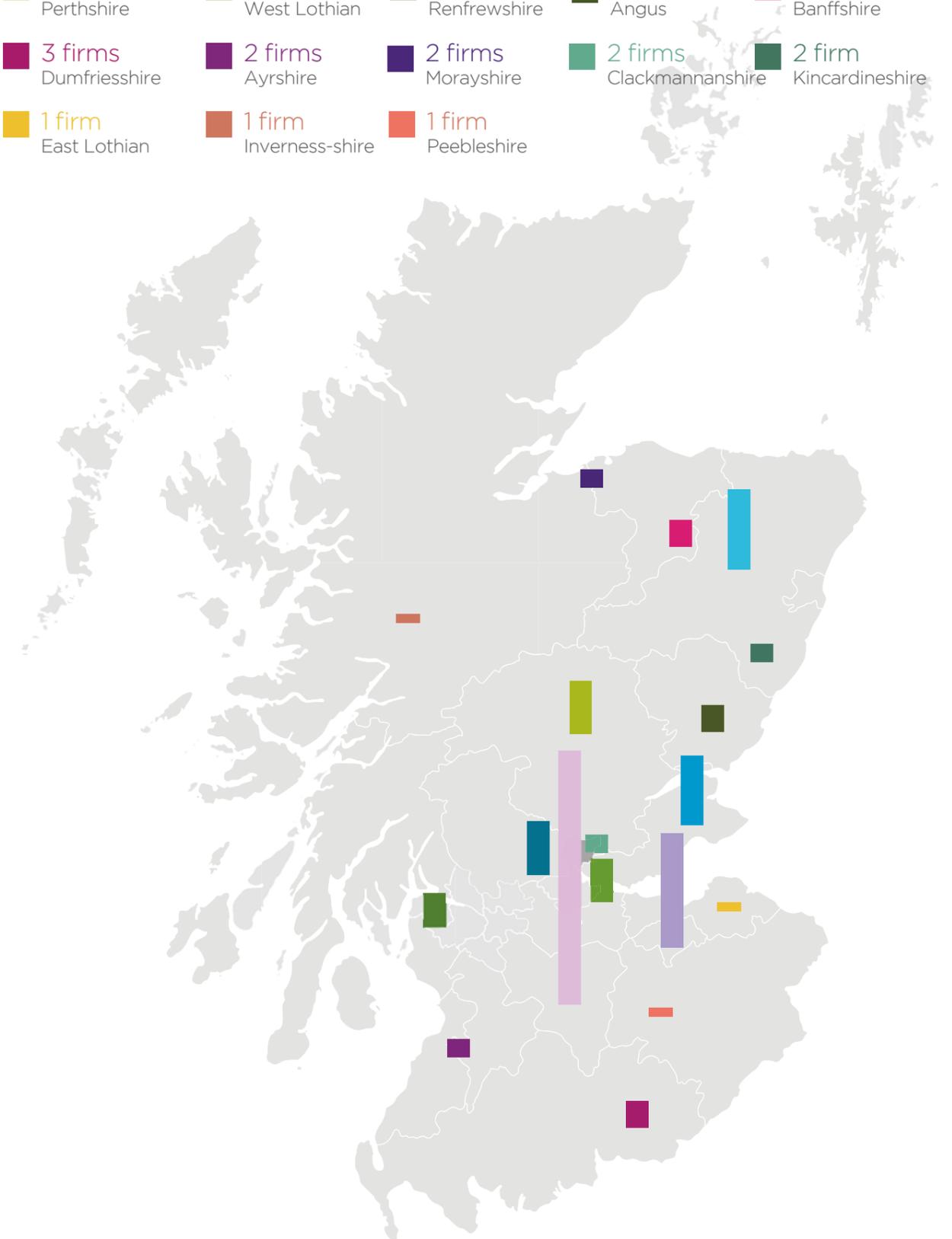


The Geographical Spread Of Family Firms

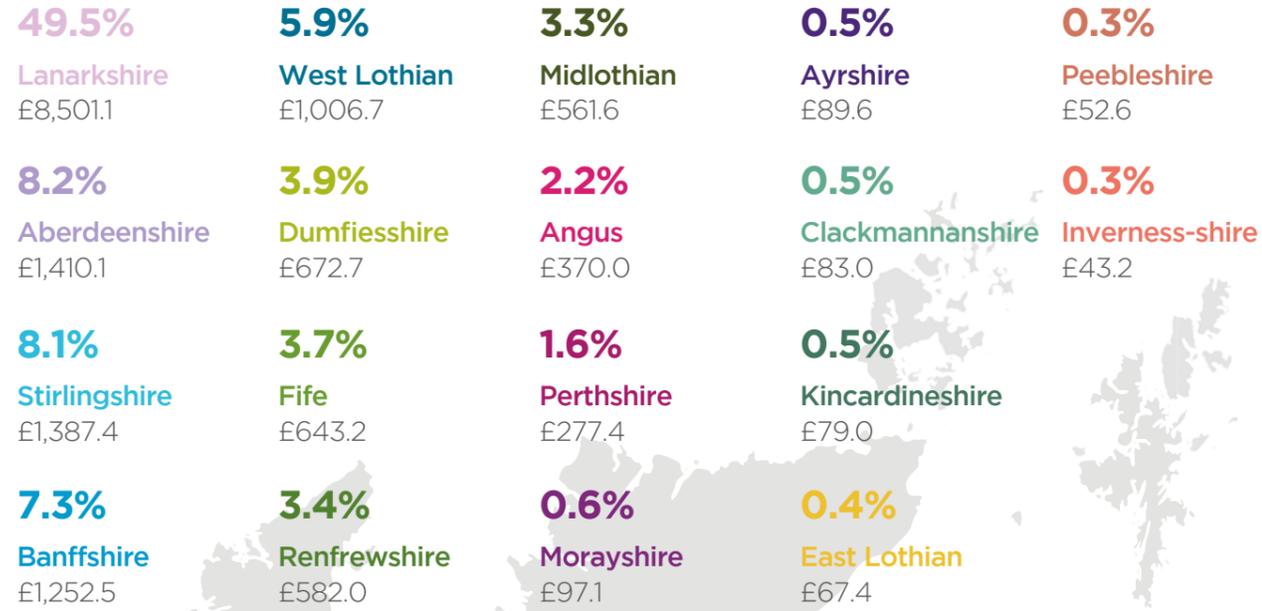
The statistics stand alone and clearly demonstrate that whilst there are obvious concentrations around the major urban centres, the Top 100 family firms are spread throughout Scotland and make an impact across the country in the communities in which they are based.

Region	2018 Firms (No.)	2017 Firms (No.)	2018 Turnover (£m)	2017 Turnover (£m)	2018 PBT (£m)	2017 PBT (£m)	2018 Employees (No.)	2017 Employees (No.)
Lanarkshire	29	31	£8,501.1	£7,704.5	£314.2	£283.5	47,902	44,837
Midlothian	13	12	£561.6	£571.9	£69.0	£80.0	7,223	6,844
Aberdeenshire	9	9	£1,410.1	£1,286.2	£86.7	£98.4	5,234	4,348
Fife	8	6	£643.2	£438.3	£34.2	£26.1	5,175	2,590
Stirlingshire	6	6	£1,387.4	£1,181.9	£77.5	£53.7	10,949	4,875
Perthshire	6	3	£277.4	£178.8	£14.9	£6.5	2,449	526
West Lothian	5	5	£1,006.7	£919.6	£45.0	£93.9	5,800	5,718
Renfrewshire	4	4	£582.0	£544.2	£30.0	£20.9	4,684	4,584
Angus	3	3	£370.0	£502.6	£48.2	£31.0	2,738	4,454
Banffshire	3	3	£1,252.5	£1,059.5	£278.8	£191.7	3,952	3,704
Dumfriesshire	3	3	£672.7	£793.5	£91.9	£99.5	11,305	12,276
Ayrshire	2	5	£89.6	£220.5	£13.4	£11.1	421	1,169
Morayshire	2	5	£97.1	£869.5	£10.3	£42.9	1,145	4,713
Clackmannanshire	2	1	£83.0	£53.1	£3.9	£2.5	779	626
Kincardineshire	2	0	£79.0	£0.0	£7.0	£0.0	206	0
East Lothian	1	2	£67.4	£149.7	£1.9	£3.4	42	91
Inverness-shire	1	1	£43.2	£39.9	£3.7	£3.3	1,520	1,447
Peeblesshire	1	1	£52.6	£51.7	£6.4	£8.0	216	207
	100	100	£17,176.6	£16,565.4	£1,137.0	£1,056.4	111,740	103,009

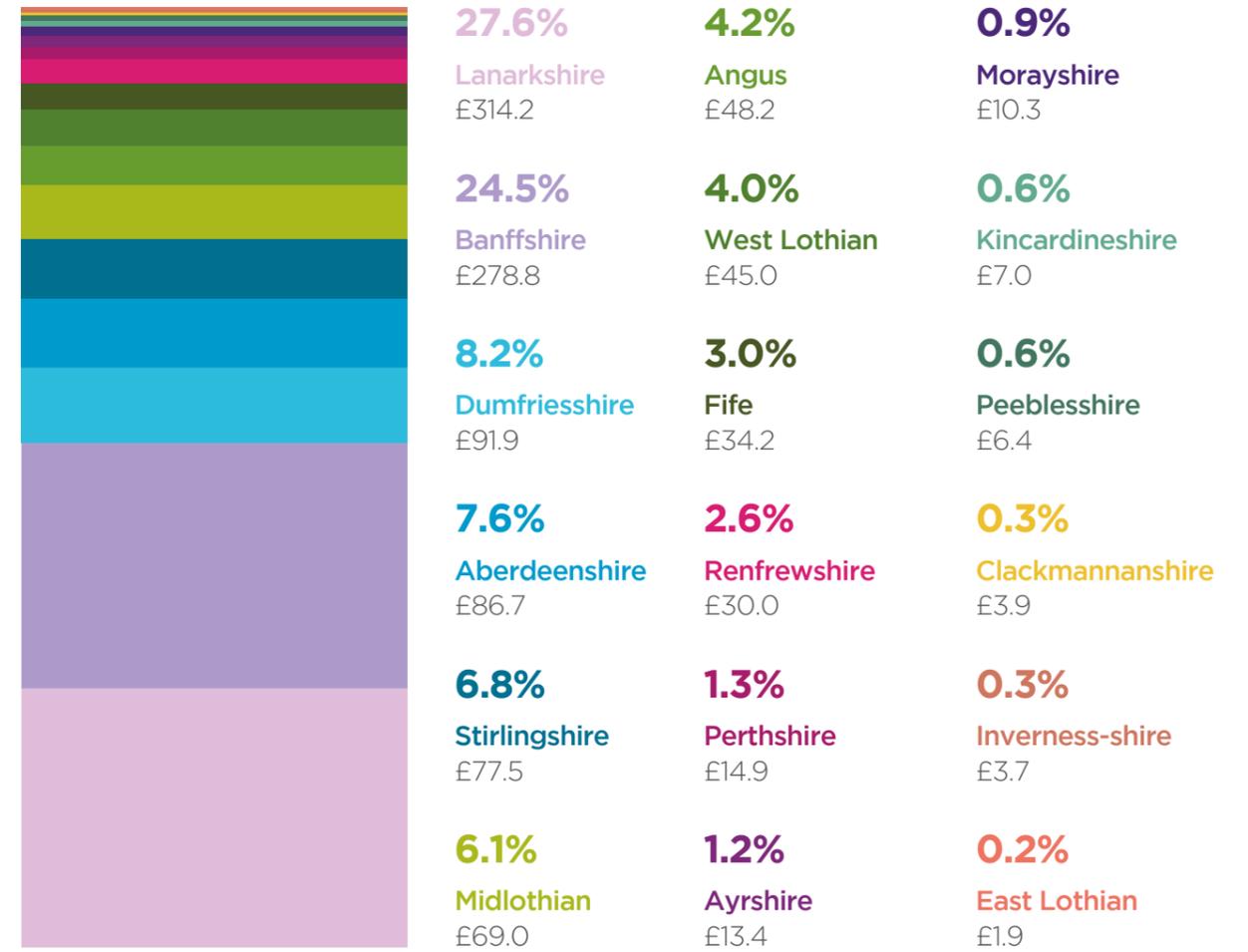
Number of firms by Geographic Region



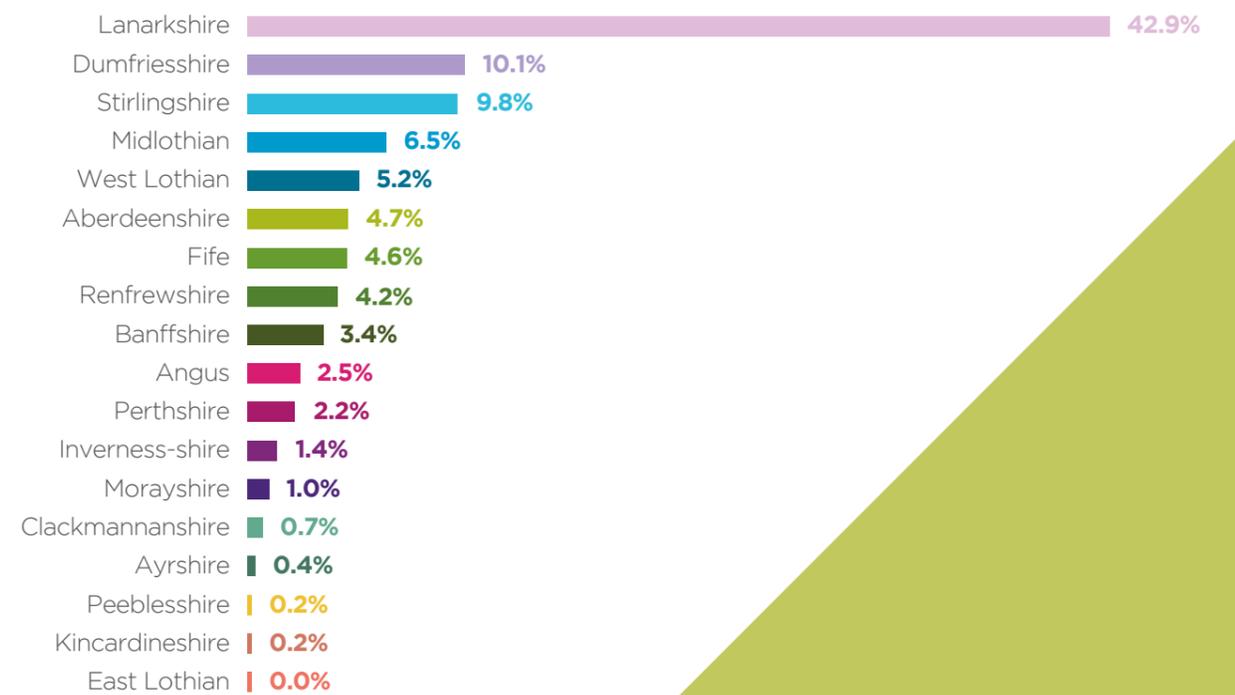
Turnover by Geographic Region (% and £m)



PBT by Geographic Region (% and £m)



Employees by Geographic Region



Total **111,740**

Top 10 Turnover

In terms of revenue, the 10 largest family businesses in Scotland generate £9.4 billion annually (54.72% of the total of the top 100) and are significant contributors in terms of employment and income generation too.

The contribution of family firms across Scotland reinforces their importance and with five of the top ten in the motor sector, this clearly highlights the importance of the motor sector to the economy as well.

Revenue from the top ten is also on the increase having grown by 15.4% since 2016, the figures first published as a comparative analysis in the inaugural Top 100 Scottish Family Firms report.

Arnold Clark, the independently owned family-run car dealership leads the way with the largest turnover in the top 100 family firms at £3.7 billion. As a business they are significantly larger in terms of turnover than any other family firm, representing over 20% of the total generated by the combined top 100 family businesses. They also remain the largest family business in Scotland as reflected recently in The Sunday Times HSBC Top Track 100.

Second in terms of turnover are **William Grant & Sons Holdings Limited**, the independent family-owned distiller founded by William Grant in 1887. It was the dream of William Grant to make the 'best dram in the valley' and five generations later, this still holds true. William Grant & Sons distils some of the world's leading brands of

Scotch whisky, including Glenfiddich®, the world's favourite single malt, The Balvenie® range of handcrafted single malts and, Grant's® one of the world's most loved blended Scotches.

Park's of Hamilton (Holdings) Limited was founded by Douglas Park in 1971 as a bus and coach operation with three vehicles. It has grown to become one of Scotland's largest and most successful motor groups, operating a diverse portfolio of luxury, niche and volume franchises from various locations throughout Scotland.

In addition to motor vehicle retailing, the group operates 4 petrol forecourts, two large body repair centres in Hillington and East Kilbride and a fast-fit outlet as well as one of the largest trade parts wholesaling operations in Scotland. Completing the line-up is Park's of Hamilton, Scotland's leading luxury coach operators with in excess of 120 coaches, which cater for both business and leisure travel throughout Britain and Europe.

John Clark Motor Group makes it into the top five and is another family owned and run car dealership that continues to proudly represent well-known automotive brands across Scotland.

Farmfoods completes the top five with a turnover of £669.2 million. From a butcher shop in Aberdeen, Farmfoods have grown to more than 300 stores and four distribution centres nationwide.

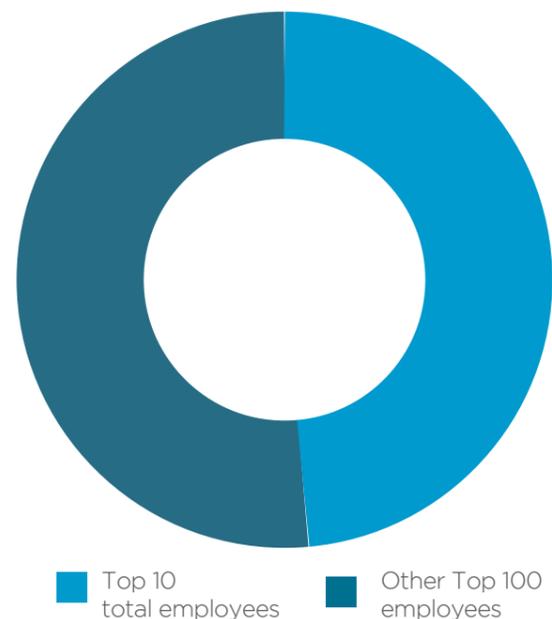
Company Name	2018 Top 10 Turnover £m	2017 Top 10 Turnover £m	2016 Top 10 Turnover £m
Arnold Clark Automobiles Limited	£3,662.4	£3,353.5	£3,265.4
William Grant & Sons Holdings Limited	£1,061.7	£882.5	£933.2
Park's of Hamilton (Holdings) Limited	£777.1	£551.1	£448.0
John Clark (Holdings) Limited	£702.8	£667.1	£604.1
Farmfoods Limited	£669.2	£694.3	£811.8
City Facilities Management Holdings Limited	£617.7	£463.1	£455.6
The Edinburgh Woollen Mill (Group) Limited	£592.1	£576.3	£562.6
Eastern Holdings Limited	£550.0	£508.3	£463.7
Peter Vardy Holdings Limited*	£438.4	-	-
J.W. Galloway Limited	£320.0	£311.0	£307.8
Robertson Group (Holdings) Limited**	-	£437.9	£288.4
	£9,391.4	£8,445.1	£8,140.6

* New entry into the top 10 in 2018 so figures for prior years not included

** Roberston Group were reported previously in the published report as they were in the top ten

Top 10 Employers

The 10 largest family business employers in Scotland employ 55,288 people (49.5% of the total of the top 100) and are key employers in the country. Top of the list is **City Refrigeration Holdings (UK) Limited**, a Glasgow based facilities maintenance business that was established in 1985 by Lord and Lady Haughey and has grown to become one of the largest privately owned companies in its sector in Europe and Australia.



Coming second is **The Edinburgh Woollen Mill (Group) Limited**, an Edinburgh based clothing retail business who are closely involved in every aspect of the product development cycle from processing raw material, through production of yarn and cloth to the design and manufacture of

the garment, and finally to the sale in their shops. The Edinburgh Woollen Mill has 265 mainstream high street stores, 88 speciality tourist shops and 27 destination sites throughout the UK.

The third largest employer is **Arnold Clark Automobiles Limited** with 10,672 staff making it one of the largest car dealer groups in Europe. But it all started with just one showroom which opened in Glasgow, back in 1954.

“Family business employment is crucial to Scotland”

Fourth largest employer is **Farmfoods Limited**. Farmfoods has served the nation for over 60 years. From a butcher shop in Aberdeen they have grown to more than 300 stores and four distribution centres nationwide.

Completing the top five are **Macdonald Hotels & Resorts**, a group of 45 hotels across the UK, each with its own unique style, run by real hoteliers who have the genuine passion and the experience to make the service, dining and accommodation the very best it can be.

Through the creation a significant number of jobs in Scotland and beyond, the largest family business employers not only represent key employers, but more importantly, through the

generation of jobs across Scotland and beyond, contribute to the real fabric of the communities in which they operate. In many instances, these firms have been around for generations and as the business has grown, so have the numbers employed, helping regional and rural economies grow too. It is common to find families where current employees are standing in a workplace that was once the source of work for their fathers, mothers, grandmothers and grandfathers and there is a sense of

pride in these families who have a history and association with their family owned employers. Family business employment is crucial to Scotland and these employers need to be given the recognition they deserve where they are making a difference to the lives of their employees, and the families of these employees, on a daily basis.

Family firms are significant employers across Scotland, a fact that should never be forgotten.

Company Name	2018 Number of Employees	2017 Number of Employees	Change
City Facilities Management Holdings Limited	11,844	12,047	-203
Arnold Clark Automobiles Limited	10,672	9,887	785
The Edinburgh Woollen Mill (Group) Limited	10,195	10,183	12
Castle View Ventures Limited	6,416	4,746	1,670
Farmfoods Limited	4,099	4,320	-221
Macdonald Hotels Limited	3,555	3,592	-37
The Malcolm Group Limited	2,155	2,087	68
D.C. Thomson & Company Limited	2,122	2,093	29
The Wemyss Development Company Ltd	2,117	2,206	-89
William Grant & Sons Holdings Limited	2,113	1,904	209
	55,288	53,065	2,223

Conclusion

This second year of our research into the family business sector in Scotland clearly reinforces the previous findings and continues to demonstrate the contribution that family firms make to the Scottish economy simply and effectively. Research like this helps to demonstrate the importance of family firms to key decision makers and influencers, helping to dispel the myths that surround the family business space and reinforcing their importance to communities the length and breadth of Scotland, helping to quantify their importance and the financial benefits they generate.

Family firms in Scotland are significant and need to be recognised as such. Not just in terms of the employment, wealth creation and income but for the broader implications they have too. Brand and heritage are clearly important differentiators when it comes to international trade and exports benefit when there is a story to tell, a history and a heritage that can be seen in the brand, and the family ownership and involvement shines through. Family firms help to generate revenues internationally and clearly help to put Scotland on the map. They are also crucial to the development of the economy as a whole, clearly having active roles in many of the towns and villages in which they operate and providing a role that goes way beyond a financial one. Family firms invest in their staff and the community and are often giving back to the areas that have helped them become what they are today, a key role to helping many rural and less well regarded areas to survive.

This research is important as it proves that family firms are truly the engine room of the Scottish economy and contribute significantly to the prosperity of the nation. Family firms are clearly large businesses in Scotland, significant employers and major contributors to the economy, locally, regionally and nationally and deserve to be recognised for their endeavours. Family firms employ thousands of people and make a difference to towns, cities and rural communities on a daily basis and it is important that the statistics generated in this report make it into the public arena, to help people appreciate and recognise the sector for all the good it does and to help those responsible for shaping policies going forward make sure that the sector gets the support it deserves.

Methodology

This report has been compiled using data that is available from Companies House and has been analysed with the help of Dr Claire Seaman, the Reader in Enterprise & Family Business at Queen Margaret University, Edinburgh. As there are no mandatory requirements for family owned businesses when it comes to financial reporting, nor internationally accepted definitions for a family business, we have devised a robust methodology for use in the compilation of this report.

First and foremost, in terms of defining what is a family business, we have based the research on the fact that “A family-owned business may be defined as any business in which two or more family members are involved and the majority of ownership or control lies within a family.”

Furthermore:

- We have based our report on the latest annual financial statements available for each company from Companies House
- We have only looked at companies who file their accounts with companies house
- We have not looked at companies who have filed accounts for a period of one year or less
- We have looked at companies who have filed their latest accounts within the past 24 months
- Turnover is greater than £25m
- At least one single shareholder (or shareholder group, such as a trust) holds 25% of the shares of the business
- The registered office of the business is in Scotland

As well as fulfilling the above criteria, we have undertaken significant desktop analysis and contacted numerous family firms during the course of this research to validate their status and in doing so have compiled the Top 100 Scottish Family Businesses with the utmost of best intentions.

In compiling this research into the largest family businesses in Scotland the team at FBU Scotland have used various means to make it as comprehensive and accurate as possible.

However, due to the fact that there is no legal requirement to disclose the status of underlying ownership in businesses in the UK, it is not an easy process and we cannot unequivocally say that there are not a few other great Scottish family firms out there.

In the event of any omission, we are more than happy to update our data and to ensure that any omissions are rectified in subsequent versions of this report.

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Research of this nature could not be possible without the support of our sponsor and partners:

Sponsor



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Partners

We would also like to extend our thanks and appreciation to the following people and organisations who have helped in the compilation of this report:

Professor Claire Seaman, Queen Margaret University

Paul Bready, Craig Corporate Limited

Paul Andrews, Family Business United and FBU Scotland

Tom Craig, Craig Corporate Limited and Chairman FBU Scotland

About FBU Scotland

FBU Scotland is an unparalleled rallying point and voice for the Scottish family business community and an invaluable source of insight into the sector, providing resources for family businesses across Scotland, whatever their size, sector or age.

Founded by Paul Andrews who has over 20 years experience of championing family firms across the UK and beyond. Supported by the award-winning magazine and resource centre at www.familybusinessunited.com, FBU Scotland has created an innovative community that affords family business owners, directors and employees the opportunity to meet like-minded individuals, to explore ways of dealing with specific issues, to benefit from access to the best articles and insights from around the world, and to be part of a community and representative as part of the voice for Scottish family firms too.

Education

Throughout the year FBU Scotland hosts a number of educational events on topics of relevance specifically to the family business sector, with academic partners, aimed at disseminating knowledge, sharing best practice and providing a forum to learn and address specific aspects of family and/or business governance.

Events

Recognising the value that family businesses gain from networking and meeting fellow business owners, we arrange a calendar of events to meet this need – dinners, meet the

owners, factory tours, networking receptions and the flagship events of Scottish Family Business Week.

Voice

Our annual Scottish family business survey has been designed to give Scottish family firms a voice, to share their concerns and aspirations and to share the current 'pulse of the family business sector' with advisers, intermediaries and decision makers.

Engagement

Social media is here to stay and we actively embrace it to champion the sector, celebrate the success of family firms and to promote the contribution made by family firms across Scotland.

Membership

We offer a membership package that provides many benefits including a monthly ebulletin, invitations to member events, social media engagement and access to discounted member rates for our key events too.

FBU Scotland is the home of Scottish family business.

Contact Us

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Founder & Managing Director

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Become a member of the innovative family business community today.

Contact us for more information



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