

# Algeo Ltd (uk) and virgin group

Business



## Algeo Ltd (UK) and Virgin Group

Business is no doubt a living thing that requires care and passion to grow. Like a child with food will die, so also is a business without adequate nutrients to support it in its early days. This does not mean grown companies don't die, just like older men also do, but the ability to steer the leadership of an idea into multi billion business empires is worth celebration.

The companies we all celebrate today were ideas yesterday. But success in business does not stop at its establishment but the continuous development of a strategic plan in all its activities to effectively compete with other companies in its industry. Every company that exists today has one objective and it is to grow from one to thousands of workers also increasing their productivity to avoid collapse.

## Algeo Ltd (UK)

J A Sheridan, (Chairman)

George	Jones	(Managing	Director)
Sheridan		House	
Bridge	Industrial		Estate
Speke	Hall		Road
Liverpool,	L24		9HB
United Kingdom			

Employees: 36

This is a company that was founded in the year 1881. The uniqueness of this company is its life span. It has existed for over 126 years to become Orthopaedic and Podiatric materials, machinery and components. The company was  
<https://assignbuster.com/algeo-ltd-uk-and-virgin-group/>

founded by John Algeo as a leather company and it was in 1947 that the name A Algeo was given to the company by his son, Arthur who then registered the company with Limited Liability on the 16th June 1947 (Registered Number 437100). Upon the death of Arthur, the company was sold to the then Sales Manager, Henry Swanson, who continued the management with his son but also died leaving behind the young Henry. In the year 1990, the company was sold to the Joseph Trust and the management transferred to the current chairman: Alan Sheridan.

In n September 2003, Algeos acquired Footwear Findings Ltd of Somerset, UK. Also in March 2004, the company purchased BC Leathers of Essex from the owner Brian Corderyn and on January 2005, it acquired gained an extra 10, 000 square foot of space.

All this has been the rundown of how the company has changed hands and how it has grown from onefamilyto a global leader in the provision of heath related equipment. They specialise in the supply of materials and components for the podiatry, orthopaedic, physiotherapy, occupational therapy, chiropody and shoe making industries, as well as foothealthitems for retail and health & safety.

Companies like this are rare as they often fade off of or die with their owner. Algeo stands out as a unique company with visionary leadership.

Why then should Algeo succeed like it is now?

Visionary Leadership: leadership is successful when you have a more qualified person to take over from you. This is achieving through mentoring an identified talent. In this case the founder mentored his son and wife to get

involve in the business at the early stages being a family business. Also the successful transfer of the company from 1881 to this present day. Many companies overlook this aspect of leadership which causes them major loses.

Customer Service and Innovation: This was recognized when they were awarded with the British Healthcare Trades Association (BHTA) in orthotics industry at their Annual Awards Dinner on 8th November 2007.

Global Partnership: Expansion of business ha been a challenge to some bigger companies, Algeo a company of 36 people has been able to partner with foot orthotic producers Interpod Pty Ltd (Australia) this has earned them the reputation of being the best in the supply of medical health facilities.

Good product development: over the years they have been able to demonstrate ability and consistence in developing products with moderntechnologyand this is demonstrated in their new Podotech gel range will be at the forefront of podiatry gels.

No doubt a small company has been able to dominate their market with the aid of online facility. A good web site that displays al they do and where purchases can be done, even online.

The impact of this strategist has lead to the expansion of this company as their first ever Satellite office will be opened in Australia this year. Also they have earned a reputation as the best UK suppliers of health equipment.

Virgin Group

Richard Branson (Chairman)

Stephen Murphy (Chief Executive)

120 Camp dell Hill Road,

London, W8 7AR,

United Kingdom.

2007 Employees: 50, 000

Entrepreneurs like Richard Branson has demonstrated that a small company can grow into bigger one as well as overtaking already existing companies without blinking an eye. The virgin group as it is well known with over 200 companies today has grown from that boy with dyslexia, a learning disability demonstrated through spelling, reading listening or speaking to an international companies with interest in various sectors of the economy in more than 10 countries of the world. He demonstrated entrepreneurial skills in his early childhood as an English boy. His first business was bird rearing and Christmas tree sales. At the age of 16 he left school having being told by his principal that he is either he goes to jail or became rich. Not long after his headmasters prediction came through.

His beginning was very rough but he never gave up in his pursuit for excellence. In 1966 he came up with a publication by the name student which is youth oriented magazine and added an advisory operational center to it but his achievements was short lived by the closure of his center by the local authority in 1970 for using venereal words in their promotional materials. Charges against him were drop and he immediately sold the company to a larger company while he moved on establishing a mail order company called Virgin mail. He also started a retain store exactly a year

<https://assignbuster.com/algeo-ltd-uk-and-virgin-group/>

after and by 1972 it had become a chain store of 14 shops all around the United Kingdom.

In 1973 he started his own record label with the assistance of his cousin Simon Draper as the creative director and Nik Powell as the business manager. They went on fine with their first signing of Mike Oldfield and the successful release of his album which topped the musical charts in America and in the United Kingdom. His turn of successful business strategies yielded increased profits even though he had no Business school degree or a diploma.

Today Virgin Group has increase in staff strength from what use to be a one man battalion to thousands of staff strength in different part of the world. In United Kingdom, he has successfully established its company the Virgin Airways as a good competitor with the British Airways. His interest cut across diver's business interest ranging from telecommunication, travels and leisure, aviation, entertainment, publishing and retail business.

Then, the question is, why should a company like this succeed?

Good leadership: A good leader will have a good company. Why then has Virgin group grown from what it been to what is it is now. The first thing to recognize is the leadership skills of Sir Richard. Since the establishment of his first company, he as demonstrated the i can attitude not minding the cost of achieving hisgoals. His leadership was put in focus when he lost the bid to handle the national lottery in 2000 and the sale of Virgin record to EMI in 1992. Leadership is not only about winning, but the ability to stand up when you fall.

The leadership of any organization, company or incorporation determines how successful such company will go. This is one the secrets of Virgin group and this has kept them afloat In their industry. Although some prefer MBA graduates to manage their corporations, this has been proved wrong by the in built abilities of Richard Branson.

Good Marketing: Marketing is a process that contains different innovative methods of creating awareness of products and services. This could be through any format such as strategic marketing structure, price skimming, product branding and attractive commercials. This has helped them earned a place in their industry especially the company's break into the aviation sector and their continuous domination of the sector. His dominance came from virgin's ability to cut flight prices and still enjoy the same quality service provided by British airways in the sane air route. Marketing is an effective means of increasing business profitability. This is why it has constituted as a major part of successful companies package towards excellence. Also their ability to brand the company through its attractive color has added to their successful run of business in UK and in the world at large.

Accessibility of Funds: Virgin group's ability to access funds has also increased their growth. This has been the tradition of Sir Richard. The sale of Virgin Records to EMI, the sale of virgins UK theaters to a French company for \$ 215 million, sale of 49 percent interest in Virgin-Atlantic to Singapore Airlines for \$960 million. These sales were all to help weaker companies within the virgin empire. Most of the non productive companies have always suffered from lack of fund because they waited for funds to come from some

other company or their bank. Access to funds can be likened to feeding in human beings, we must eat to grow likewise companies must have access to good financial backbone to effectively compete in this modern day business world.

**Management Style:** The company structure has contributed to the growth of the company as well. The policy adopted by the CEO is an open door policy that allows workers to feel like they are an integral part of the company. No formal meetings but what I will call family meetings which is rare if not absent from most blue chip companies in UK. He was quoted in an interview with the David Sheff of Forbes as saying ‘ People who leave companies with formal structures don't leave because of salaries. If they come up with a good idea, they're told to wait until the next meeting....’ This is not the situation in Virgin as every worker is a family member and can contribute if he/she has an idea that can affect their business positively. This was demonstrated when he promoted he promoted a Virgin-Atlantic flight attendant to run Virgin Bride, the largest bridal shop in Europe. His disposition to his workers has earned him and the company as one of the best in UK and the world over and the best boss to work with.

**Dedication:** this has been a core ingredient in his series of success recovered by his companies. A dedicated man is a man that believes when every one tells him it will fail. This was displayed in domination of the British air transport despite competitors like British Airways, the official carrier of the British Empire and virgin's expansion into the African market with Virgin Nigeria and the low fee Virgin Blue that operates in Australia. This expansion



process was not without hurdles but he overcame with his dedication and highly intelligent team members.

Virgin Group today can boast of a stronger capital base and a wide network which has stimulated rapid growth in its subsidiaries.

The techniques and management strategies display and put into use by these companies is without doubt responsible for their growth and expansion. Then the next question would be, the impact of these companies on the economy of their different environment.

Algeo is known for its effective corporate social responsibility within its community through scholarships and provision of health care facilities.

On the other hand, Virgin group has helped in the maintenance of UK's unemployment ratio to single digit. It is also important to note that they pay taxes to the UK government.

A closer look at these companies from their rich history to the present day will indicate that they have appropriately employed the best strategies suitable for their company and their company's culture.

In conclusion, a business has the potential for growth and expansion. The vision behind its birth will determine how far it will go. Also the leadership structure will mean a lot to the success or failure of the company. This should serve as a lesson to upcoming entrepreneurs who have the passion of Richard Branson and vision of Algeo to take time to study the secrets of these great men behind great companies. It helps in avoiding failures and increasing their chances of success. Thanks.

References:

<https://assignbuster.com/algeo-ltd-uk-and-virgin-group/>

- Dearlove, Des, Business the Richard Branson Way, New York: AMACOM, 1999.
- Jackson, Tim, Virgin King, London: HarperCollins, 1994.
- Bandreth, Gyles, " How Does It Feel to Fail, Richard?" Sunday Telegraph, February 25, 2001.
- Branson, Richard, Losing My Virginity, New York: Times Books, 1998.
- Algeo web page. History of Algeo. [www.algeo.com](http://www.algeo.com)
- Businessweek web page. Small Business in the 60s [www.businessweekly.co.uk](http://www.businessweekly.co.uk)
- Sheff, David, " Richard Branson: The Interview," Forbes, February 24, 1997.
- Business Week, January 11, 1999, p. 50(1).
- Branson, Sir Richard. Screw It, Let's Do It Expanded: Lessons in Life and Business, 2007, ISBN 0-7535-1149-7
- Liverpool Daily Post web page, Business Award short listed. May 16 2007