Case study: Jenkinson Logistics

Ownership type  Privately owned by Jenkinson family.
Business size    Medium.
Core activities The provision of liner agency, freight forwarding, warehousing and ancillary services.
Divisions       Air freight; sea freight; road freight; project shipments; warehousing/logistics/freight management.
Address         36 Airways Industrial Estate, Cloghran.
Age             40 years old.
Generation      Second.
Employee no     76.
Turnover range  €20-40M (group turnover).
Key Finding     Long term outlook.

Company Background

In 1975, Neville Jenkinson established a ship liner agency in Dublin, marking the start of Jenkinson Logistics. Prior to this he worked for a large shipping company in England and used this industry knowledge and expertise to serve shipping lines from Ireland. From representing some shipping lines, the company grew and so did the services provided. A container depot was established and following this a feeder service which carried short-haul ship freight from Dublin’s small port to larger ports like Rotterdam. In 1999, the company acquired James P. Jones and Sons, a substantial air and road freight company; two areas that Jenkinson Logistics wanted to develop. Gareth Jenkinson, son of the founder, joined the business in the 1990’s. The company has expanded both geographically and via its range of services, now facilitating air and road freight, freight management, and warehousing. The company serves a large customer base from small Irish companies to MNCs and is based in Dublin, Cork, Shannon, and Belfast.

Interview with Gareth Jenkinson
CEO of Jenkinson Logistics

Family Involvement

The company is completely family owned by Gareth, his sister, and their parents. Gareth finds being family owned and indigenous makes the company distinguishable from its competitors which are mainly multi-national corporations. “It does make us different that we’re family owned. Maybe we can do things differently internally. We don’t have the same pressure, we don’t have to report like some MNC.” However, he does believe that with family’s lengthy involvement, there is a danger that the business may stagnate or fall behind so the need for innovative ideas and attention to the market are paramount.

The founder, Neville, was an entrepreneurial leader who advocated delegation by recruiting people with the necessary skillset to implement company plans. “He would prefer when people took their own initiative and would go off and develop their individual business.” Over the years, Neville became less involved in the day-to-day operations, increasingly so following the sale of a joint venture in 1996. By 2005, he was in effect a non-executive Chairman.
“When I did join, my father wasn’t breathing down my neck, he was disengaging at that stage. There was a professional management team in place”, he said.
As CEO of Jenkinson Logistics, Gareth is currently the only other family member involved. Gareth describes his first months in the company as “a baptism of fire” given that he was sent to the company’s cold store in Limerick to handle a turbulent situation. His responsibility grew and he was appointed to oversee a smaller operation, the company’s warehouse. “My father was happy enough to let me have that. He was always there to talk to.”

**Acquisition and Development**

In 1999, Jenkinson Logistics acquired a long established freight forwarder known as James P. Jones & Sons. The companies traded separately until 2010 when their activities became consolidated as part of the Jenkinson Logistics Group. This acquisition provided an opportunity to attain more resources and expertise in air and road freight, so the company could then develop these industries. In 2000, the Jenkinson staff moved into the James P. Jones & Sons office in Airways Industrial Estate beside Dublin Airport, an ideal location to conduct air, road and sea freight operations. Further to this, the company has looked at other potential acquisitions, both in the UK and Ireland. "We thought of acquiring smaller freight companies in Ireland, for example, if someone is retiring.”
In terms of development, the company entered a joint venture with a partner in the Gulf States to develop chilled food exports to the Middle East. Jenkinson Logistics will buy and export Irish goods to the Middle East and their partner, with the relevant retail knowledge, will sell and market the products.

**Jenkinson Logistics — Long Term Perspective in Family Business**

After 40 years in business, Jenkinson Logistics has grown expansively via incremental developments. “Some of the things can take an awful long time to come to fruition” reflected Gareth. "Maybe we can take a longer term view at developing things that other companies may not.” According to existing research, family firms often adopt a long term perspective, such as setting and meeting future goals and making long term investments. Jenkinson Logistics invests large immediate amounts for future reward. "We own the warehouse in Cork whereas the MNCs would rent a place for ten years. It can give you a different long term perspective.”

In Jenkinson Logistics, the founder led the company for thirty years followed by his son who is in his tenth year as CEO. Being far-sighted and less bureaucratic than other organisations has been important for company development. “It’s a combination of patience and if you believe in something. Whereas an Irish branch of a MNC freight company would have to justify everything they spend and report every quarter. It’s a different ethos”. This long-term view extends to the management’s relationship with its customers and staff. “We have customers we’ve had for a long time, we don’t lose many. We find if we concentrate on the customer service and keep the pricing fair than they do tend to stick with us”.

Lessons in Resilience and Success: A Snapshot of Multigenerational Family Businesses in Fingal, Dublin