



Joe Doherty, Simply Inish

Grow: Simply Inish

Making It Happen: Growing food business gets leaner ahead of Brexit, thanks to LEO Donegal

Simply Inish is quite possibly Ireland's most northerly food business. Based in Malin on Donegal's Inishowen Peninsula, the company produces a range of prepared salads, desserts, vegetables and garlic bread products for sale mainly to retail customers in Ireland north and south.

The firm has grown steadily since its foundation in 1989 in the back kitchen of local woman Helen Stewart, and in recent years current owner Joe Doherty has made significant investments in brand building and improved efficiency with the assistance of Local Enterprise Office Donegal. Operating in the food industry from a location on the north-west tip of the island means the business is doubly exposed to the impact of Brexit, and Doherty is also working with LEO Donegal on preparations for any potential fallout.

Doherty acquired the business in 2009 and immediately set out on the expansion road. "The owner was coming

to retirement age and the food business was probably one of the few things the banks would invest in at that time," he recalls.

"I was 30 years of age and took a punt on it. It required a lot of learning to turn the company around and grow the business. Up to that time, the business was 20 per cent ready meals and food service and 80 per cent retail. I restructured it and changed the product mix. I did qualitative market research and connected with the customers. As a result, we went 100 per cent retail. We have grown the business fourfold since and now employ 28 people here in Malin."

Today, the company sells into SuperValu, Spar, Eurospar stores and small groups of grocers in the Republic of Ireland as well as other retailers in Northern Ireland. "We went through the Food Academy Programme with Local Enterprise Office Donegal, SuperValu and Bord Bia, and that opened doors for us around the country."

That concentration on individual grocers and smaller groups is part of a deliberate strategy. “We are not exposed to any major group,” Doherty explains. “We would rather have smaller customers with whom we have a direct relationship and have more of them. This means we don’t have too many eggs in one basket. We will still have shocks but none that will destroy the business.”

And one such shock will almost certainly come as a result of Brexit. “Our location and our industry make us vulnerable to Brexit,” he says. “Nine per cent of our sales come from Northern Ireland. Brexit is the great unknown.”

“Most of our delivery vans go through Northern Ireland at Derry and cross the Border again at Aughnacloy,” he adds. “We also purchase about 50 per cent of our supplies in Northern Ireland, 55 per cent by value. Northern Ireland is a large food ingredients producer and we source a lot from Armagh. We don’t have ready access to producers in Meath and Wexford.”

Working with LEO Donegal has helped him prepare for the imponderables presented by Brexit. “I’ve been working with the local LEO since I acquired the business. I put in an investment of €100,000 at the beginning in automating parts of the process and so on, and LEO supported that. I’ve also taken part in business development programmes with LEO in areas such as finance, accounting, marketing and so on. I set a goal for myself of doing one more programme every year to build my knowledge.”

LEO Donegal also assisted with the introduction of lean processes to the business in 2016, through the Lean for Micro programme. “That helped us cut down waste in our manufacturing systems and made us more efficient. We got our people on board, so that the programme was based on their goals, not ours. They wanted to finish at 5pm instead of 6pm and to be able to have their dinner at home early. The systems we have in place now have helped get our margins to a more sustainable place.”

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He is also taking part in the LEO Donegal Achieve Programme at the moment. “This involves putting people together from different businesses and sharing experiences and insights. The peer-to-peer learning is very good.”

“The great thing about Joe is that he is very open to advice and learning,” says Michael Tunney, Head of Enterprise with LEO Donegal. “He engages with LEO staff regularly on a one-to-one basis to get advice on various issues and different aspects of his business. In the context of Brexit, he has availed of a market trip to London to understand what’s going on there. He is currently on the Achieve Programme and has been on other management programmes over the past ten years such as Profitnet, which is a peer learning programme. The critical

thing in the context of his business development has been his taking a bit of time out of the business and being open to listening and learning and then applying it. That’s the thing about Brexit. Irrespective of whether it’s hard or soft, there are going to be issues. You have to look at the challenges and be open to learning new ways of dealing with them. That’s what Joe is doing all the time.”

Doherty is preparing the business for Brexit, but is keeping his options open. “If you are dealt a card you’ve got to play it, but we haven’t seen the cards yet. Where Brexit leads nobody knows. We have looked at alternative suppliers for a significant amount of the produce sourced in Northern Ireland. We have that safety net, but we are not able to make any firm decisions yet because we still don’t know the final outcome of Brexit. LEO Donegal has been a great help in advising on Brexit. Whatever form Brexit takes, Britain will become a third country and they are helping us prepare for that.”

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