

# routeone

SERVING THE NEEDS OF THE COACH AND BUS OPERATOR

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## Working opportunities

**Andrew and Ian Scott run Stanley Travel.** The second generation involved in the family business, they joined in the 1980s when the focus was firmly on operating small vehicles. Today Stanley Travel is a much more diverse operation. **Pages 26-28**

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New 2012 deadline looming. **Pages 4-5**



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Unlocking finance for PSVs. **Pages 30-31**

**OPERATOR:** STANLEY TRAVEL

# INSTINCT AND OPPORTUNITY

*Reading the market is an important skill. Andrew and Ian Scott of Stanley Travel talk to Andy Izatt about how they have used that ability to take their family business in new directions*

**S**uccess in business is often attributed to a combination of hard work and having a little luck when it matters. Yet some entrepreneurs also seem to have a natural ability to spot opportunities and develop them as they arise. Along with their father Robert, Andrew and Ian Scott of County Durham-based Stanley Travel have shown that they have that ability.

The family business has traditionally been focussed on taxis, minibuses used on special needs and schools work, and local authority-supported bus routes using midi buses, but the Scotts have not shied away from other opportunities when they arose. Most recently they have bucked the industry trend towards safer contracted income by selling their local service operation to Go-North East in October 2007. They then used the proceeds to diversify into full-size coach excursions and tours, and to develop their private hire client base.

New midi and full size coaches have been acquired including a Plaxton Profile-bodied Volvo B7R delivered this year and entered in the UK Coach Rally at Peterborough.

A comprehensive, stylish, easy to use website has been created and new well-appointed offices with a customer reception area have been opened in Eden Terrace adjacent to the firm's Oxhill Farm base, itself only a short distance from Stanley town centre.

## LOCAL NEEDS

What was previously known just as Stanley Taxis was founded by Robert and Ann Scott, Andrew and Ian's parents, in 1961. Both remain actively involved, owning a third share of the business, the remainder being split between their two sons.

Robert had been employed by the National Coal Board (NCB), working underground maintaining colliery diesel locomotives, but in the mid-1950s he had the foresight to buy the 17-acre Oxhill Farm from the NCB and it has been home to what is now Stanley Travel for several decades.

Robert started Stanley Taxis with two cars, but as the business developed it was not long before

he added minibuses. Eldest son Ian, who shares his father's skills and enthusiasm for all things engineering, joined the business in 1980 and is now Fleet Engineer, while Andrew followed his mother into the administrative side of the business four years later and is Transport Manager.

Other family members involved include Andrew's wife Susan who handles the purchase and sales ledger and their son Gavin who is Operations Assistant. Of Ian's children, Gabrielle works in the Stanley Taxis' office at Stanley bus station, an important 'shop window' for all the firm's travel activities while Danielle is also expected to join the business when she finishes college.

There have been plenty of landmarks and memorable times for Stanley Taxis over the years. It was the first Durham County Council contracted operator to run a DiPTAC-compliant minibus, a 16-seat Ford Transit used on a service to Rowlands Gill in the 1980s. Ian and Andrew also remember their first wheelchair lift-equipped minibus, another Ford Transit that was used on a special needs contract. It was quite a novelty, as drivers had previously had to lift their charges into the vehicle – considered perfectly normal practice by all concerned at the time.

Running taxis gave the Scotts a daily insight into local travel needs so when Go North East pulled off a route that served the south side of Stanley following bus deregulation in 1986, they responded by registering it themselves. Classic Coaches based at nearby Annfield Plain was already competing with Go North East, which responded to the perceived incursion by Stanley Taxis by reregistering the route and running buses immediately in front and behind their competitor's vehicle.

Go North East also threatened to move some of its Gateshead-based Metro Taxis cars to Stanley to compete with the taxi operation. Andrew recalled that he travelled down to London to give evidence on what was happening to the Monopolies & Mergers Commission. "It was a bit nasty at the time," he said. "Our passengers stayed with us, but the route had to be sustainable in its own right. We



**Strong branding encompasses all aspects**

couldn't afford to cross subsidise it."

The local service operation received a significant boost in 1994 when Durham County Council contracts requiring four midi buses were secured. The Scotts had tendered to fill a gap in their work created by the loss of contracts for Durham Prison – duties that they had fulfilled for two decades. If they hadn't found an alternative, long-serving staff would have had to have been made redundant.

Glasgow-based Blythwood Motors supplied a pair of second-hand Talbot Freeways for the new contracts as well as two 29-seat Wadham Stringer-bodied Mercedes-Benz 709Ds – the firm's first new buses although new 16-seaters had been regularly bought over the years for schools and social services commitments. A new Mercedes-Benz 711D Autobus Classique 25-seat midi coach that could be used for private hire was also acquired at the same time.

The focus had remained on running smaller vehicles because the firm's maintenance facilities were not equipped for anything larger. That changed as Ian, who had built a house for his family on part of the site, made improvements to the converted farm buildings used as a garage. That included digging a pit initially to accommodate full size coaches and more recently, raising the ceiling to allow



Modern fleet line-up covers a broad range of seating capacities



Stanley Taxis' office at bus station



Latest Volvo B7R was entered in Coach Rally

double-deckers to be worked on. He also built an extension to the farmhouse, which is home to his father and mother. His grandfather lives in an adjacent house while Andrew and his family moved onsite after further farm buildings were converted.

Branded Stanley Buses, the local service operation grew substantially following more contract wins. The decision to sell in 2007 was the result of an approach from Go North East Managing Director, Peter Huntley who was particularly interested in acquiring a commercial express service that had been successfully built up using Optare Solos linking Stanley and the Metrocentre. The Scotts decided that they were only prepared to sell the whole of the operation, which was 80% tendered, not just the express service so the final deal saw 15 vehicles – a mix of Solos and Mercedes-Benz 709Ds – and 18 drivers transfer to Go North East's Stanley depot.

Ian pointed out that the buses had been intensively worked, financial returns on the tendered part of the operation were low, and investment was going to be needed in the near future so the opportunity to sell had come at the right time.

Although there was no clause in the contract with Go North East restricting a return to

operating bus services, Andrew and Ian respect the spirit of the deal. However, when long-established local operator, Hunter Brothers of Tantobie deregistered its Harperley Circular, local intelligence suggested there was still good demand so they took the route on from December 2009. Passenger numbers have justified investment in a Mini-Pointer-Dart acquired from Ensignbus, which has also supplied a pair ex Dublin Volvo Olympians for home to schools contracts and private hire. The Olympians are Stanley Travel's first double-deckers and one has been fitted with seatbelts and a tachograph so that it can be used on schools private hires. A 70-seat Volvo B10M Plaxton Premiere converted by Bluebird at Scarborough had previously been the largest capacity vehicle owned.

### ■ RUNNING TAXIS

Stanley Travel has separate profit centres for Stanley Coaches, Stanley Mini Coaches, Stanley Taxis and Stanley Fleetserve, a commercial engineering support service provided by Ian and his team of two fitters and an apprentice.

There are around 30 taxis running under the Stanley Taxis banner. Around half are driven by self-employed drivers that either use their own cars with 'data heads' fitted, or rent a vehicle

maintained and insured for them as part of their agreement with Stanley Taxis. The size of the 'weekly bit' due to Stanley Taxis reflects the extent of the package provided for them.

It makes sense to use employed drivers on any local authority contracted commitments as it is work that is less attractive to the self-employed drivers who are keener to cover cash jobs. Galaxys, Mondeos and Octavias make up the majority of the 15-strong owned fleet although Mercedes-Benz are available for weddings and corporate hires.

As a condition of their contracts with Stanley Taxis, drivers' work an agreed seven shifts a week and with the aid of a computerised booking and despatch system are allocated jobs on a 'nearest available car' basis. All are uniformed, CRB checked and as they work on Stanley Taxis' licence, are expected to abide by its business principals and codes of behaviour. In a very competitive market, it's a system that seems to work well for all involved and is a growing side of the business. "The taxi business runs itself," explained Andrew. "We don't make fantastic profits, but it's an integral part of what we do. We have a great set of drivers some of whom have been with us for very long time."

### ■ GOING COACH

After the acquisition of Watson's Coaches of Annfield Plain in the early 1990s, Stanley Taxis took over lucrative NCB contracts that were still being operated as the last pits in the area were closing. Ted Watson of Watson's had used full size vehicles, but diminishing passenger numbers meant the Scotts were able to use their own minibuses. None of Ted's vehicles were included in the deal. It was around this time that Stanley Taxis bought its first 'big' coach, a Duple-bodied Bedford YRQ for a local baths contract. "The hardest part has always been getting the work," pointed out Andrew. "Buying a suitable vehicle for it is much easier."

## OPERATOR: STANLEY TRAVEL

With the Bedford only committed during the school day, it was logical to start accepting evening and weekend private hire bookings. A Plaxton-bodied Leyland Tiger was the first of a small but regular intake of secondhand coaches that followed and although sold, it was later bought back for a school contract and remains in the fleet today.

Always looking to explore new opportunities, Ian and Andrew had a side-mounted Ratcliff wheelchair lift installed in an ex-Bus Eireann Volvo B10M Plaxton Premiere. That coach has since been replaced by an ex-Park's of Hamilton Panther-bodied Volvo B12M that is kept busy on a range of regular commitments.

"Taxis and coaches co-exist very easily," said Andrew about how it was decided to develop the business following the sale of the bus operation. "We were doing a lot of feeder work particularly for Omega and Newmarket. If we had the right vehicles we saw no reason why we couldn't do the tours as well." As a result a new 57-seat Plaxton Profile-bodied Volvo B7R was bought in 2007 followed by two Cheetahs, a Mercedes-Benz Atego-based Unvi 41-seater and a second B7R Profile, this time with 53 seats, this year.

"We don't pay for what we don't use," explained Andrew about the specifications of the coaches. "The Profiles don't have air conditioning or toilets, but they're busy vehicles and in line with what our tour companies expect. When it comes to private hire we can't be selective about what we do. They could be used on anything from a corporate hire or wedding to a scholars contract or stag night, but we only operate this side of the Channel."

If Stanley Travel could work for other tour operators, there was no reason why it couldn't develop its own programme. Respected local provider, Langley Park-based Bob Smith Travel had just closed following the retirement of proprietor, Bob Smith senior. Stanley Travel was an agent for the firm, which ran well-supported day excursions mainly at weekends and on bank holidays.

It took the programme over and extended the number of agents. The result is a thriving and growing side to the business that is also building a customer base for a portfolio of in-house organised UK tours and holidays that are launched each December for the following season with a special mystery tour.

"We had always done day trips and mini breaks to Blackpool," pointed out Andrew. "Our catchment area is local and of course we can provide free pickups."

Stanley Travel has also teamed up with local Blue Badge Guide, Alex Jacobs who runs Northern Secrets to operate bespoke local tours specifically targeted at the incoming tourist market. They're attracting growing support. One lady, disappointed that her chosen tour would not operate because of insufficient numbers, hired a car and driver from Stanley Travel so that she could have her own personal tour. It cost several hundred pounds and underlines the potential earnings. Stanley Coaches' client base includes several local universities and colleges including Durham and Newcastle Universities, Gateshead and Newcastle Colleges and New College, Durham. Andrew had first met Alex, who is also fluent in German, when he was studying at one of them



Three decades of experience: Andrew and Ian Scott joined the business in the 1980s



Dublin Olympians are first double-deckers

for his Blue Badge qualification.

The Scotts rejoined CPT so that they could apply for CoachMarque accreditation which has helped benchmark the quality of service on offer, particularly valuable when dealing with local schools. It has also enabled them to develop useful contacts with likeminded operators around the country. The annual CoachMarque seminar has been useful for exploring new ideas and sharing good practice. The CoachMarque website also flags up opportunities to 'backload' jobs or take advantage of factored work.

The recession has hit private hire bookings. The number of pubs and clubs going out, particularly at weekends, has dropped as people are more careful with their money, but weekday education establishment hires are proving more resilient.

### ■ BIKE BUSES

A willingness to develop fresh ideas is perhaps best exemplified by 'The Bike Bus', expanded over the past decade and now promoted through a dedicated page on the Stanley Travel website.

Stanley is close to the 140-mile Coast-to-Coast cycle route between Whitehaven and Tynemouth and Stanley Taxis was originally approached by Holiday Lakeland, which organised trips for cyclists to provide return transport for its clients back to Whitehaven after they had completed the route.

Stanley Travel now organises its own three to five-day self-guided trips and is happy to cater for individual requirements including organising delivery of luggage. A light

commercial has been specially converted for this purpose while Robert Scott designed a fleet of in-house built cycle trailers that can take up to 18 bikes and are towed by either 16-seat Mercedes-Benz Sprinters or Ford Transits. One of each type of vehicle is branded for the service. "We have a lot of return custom," observed Andrew. "We cater for other routes as well. Edinburgh to Newcastle for example, and also in Scotland."

### ■ STRONG BUSINESS

Stanley Travel runs 20 PSVs in addition to its taxis and employs 60 people. A strong administrative team includes Operations Manager, Bobby Hindson; Holidays Administrator, Denise Ridley who also looks after the payroll, and Andrew Goodchild, IT Manager and Operations Manager for the taxis operation. Simple, distinctive branding across the business gives vehicles a strong identity and the use of STX registrations on most of the PSVs is a quality finishing touch. "We renew our fleet depending on what is going on at the time," said Ian. "It works both ways. If someone offers us the right deal, then we will also sell a vehicle."

"Ian and I closely manage the operation," said Andrew. "I think the fleet is at its optimum size. It's efficient. There is no waste. I don't think we want to be any bigger, but that's not to say that we wouldn't look at new opportunities. We tendered for the Durham park-and-ride and we would certainly look at further sizeable contracts."

"With the recession we have four clients saying that they want to give us less, not more. just when our labour and fuel costs are going up, but what makes this business different is that we can provide any size of vehicle from four to 78 seats. We never refuse any work. Whatever we take on over and above what we can do ourselves, we brokered out. We thrive on last minute bookings. We have excellent relationships and work very closely with other well respected local operators like Classic Coaches, Weardale Motor Services, Thirlwells Coaches, Lees Coaches and Durham City Coaches, and the arrangement works on a reciprocal basis. If we say yes to customers then hopefully they will remember us next time." ■