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**Sir Michael Bibby,**  
Managing Director,  
Bibby Line Group

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## Sir Michael Bibby

Bibby Line Group

More than 200 years ago, John Bibby started a shipping company. Today, it is a mini-conglomerate run by the sixth generation of the family. Sir Michael Bibby runs the business now, and he's not a man to get sentimental about Bibby's illustrious history. Through hard work and entrepreneurial zeal, Michael has helped to turn Bibby into the hugely successful company it is today. Based in the famous port of Liverpool, Bibby is very much part of the history of the city. And, if Michael has his way, it will remain so for many years to come.

Bibby Line Group is more than 200 years old and is now controlled by the sixth generation. Sometimes its history, certainly up to the 1960s, reads like a swashbuckling tale of British colonial adventure.

But don't talk to Sir Michael Bibby too much about the past. The current head of the business is focused firmly on the future.

He has turned Bibby into what he calls a "mini-conglomerate", moving the business away from the shipping brand with which it was synonymous, toward a dynamic business services group. He made acquisitions like the supermarket chain Costcutters, successfully consolidated Bibby's offshore oil businesses, expanded its financial services group abroad, and moved into the construction business with the acquisition of a specialist plant and equipment group.



John Bibby (first picture) founded the company in 1807. The succeeding family members were James Bibby, Arthur Bibby, Sir Harold Bibby and Sir Derek Bibby.

"Of course, our interesting past supports the brand," he says. "But you can't get too bogged down with talk about stewardship from one generation to the next. That's not going to sustain the business."

It's clear that the 51 year old is not a man who's going to get too sentimental about his family's business and talk much about all his illustrious predecessors. He's concentrating on the here and now, about entrepreneurial opportunities and making money from them so that the business prospers.

And prospering is what Bibby Line Group is doing. In 2013, it saw operating profits rise by 50% on revenues of £1.59b. Michael became Managing Director of the group in 2000. Under his leadership, things have certainly flourished through a combination of shrewd deal-making, smart acquisitions and entrepreneurial nous.

### Family trust secures family ownership

Michael sees the diversification of Bibby as a crucial way to minimize risk and ensure the sustainability of the business. That's one of his key management strategies.

"We of course take utmost care in each and every one of our businesses to ensure they prosper. But if one does go bankrupt, it won't bring down the whole business."

"My priority is to make sure there is a sound and growing business for the seventh generation to take over," he says. When asked about how long he sees the family controlling the business, Michael doesn't hold back. "Forever," he says.

Certainly, the family's shareholding is pretty secure. Bibby is 89% owned by the family. And a family trust, where the majority



Mary Bibby – shown in the port of Liverpool – was one of the company's first ships.



The Shropshire – a Supramax bulk carrier cargo vessel – has been under Bibby Line ownership since July 2009.



With locations throughout the UK and an extensive fleet of vehicles, Bibby Distribution is one of the leading logistics providers in the UK.



In 2003, the group consolidated all their offshore activities into Bibby Offshore Limited, based in Aberdeen.

of these shares are held, ensures that it's unlikely to fall out of family ownership, says Michael.

### The founder was murdered

But a business that has more than 200 years behind it doesn't just go in a linear progression. Along with the many triumphs, there have been severe difficulties and even tragedy. Founded in 1807 by John Bibby, the company began its long association with shipping first through coastal trading between the UK and Ireland, and expanding later through trading routes to Latin America, China and the Mediterranean. Even back when it all started, Bibby was about diversification. As well as shipping, Bibby had an ironworks and copper smelting works.

Tragedy came in 1840, when John Bibby was murdered. But the second generation, led by James Bibby, wasn't going to be deterred, getting the business back on track with the aid of

investing early in iron steamships. This proved lucrative, and Bibby flourished for much of the rest of the 19th century.

In a long and sometimes turbulent history, Michael reckons the 1960s and 1970s were the most challenging decades. "From 1890 until 1960, our main trade was serving the British Empire and transporting troops. But with the end of the Empire and troops using planes to get around instead of ships, we were vulnerable."

Bibby was also hit hard by the economic uncertainty of the 1970s and early 1980s. Indeed, back then, says Michael, it was touch and go whether the company was going to survive. But his father, Derek Bibby, and non-family Managing Director Simon Sherrard ensured the survival of the business, diversifying into financial services and the distribution sector.

Nevertheless, shipping still remained ingrained in Bibby's DNA. As Derek said at the time about Bibby's commitment to shipping:

"A family business will survive by attracting really good people into the business."

Sir Michael Bibby, Managing Director

"Perhaps my family has an inherited streak of madness ... The ship owning type of madness is an advantage as it helps understand traders and brokers who are equally mad, but in different sorts of ways."

Despite the madness, Michael says his father not only steered the business through difficult times, but also made a rule about the next generation taking over. "In terms of family members working in the business, my father enforced two rules. One was that a family member would need to genuinely want to work in the business. The other was that family members wanting to work in the business had to prove themselves outside of the business." Educated at Oxford University and trained as an accountant, Michael worked at Coopers & Lybrand and Unilever before joining Bibby.

### Commitment to Liverpool

But Michael also had a rule himself. "I said that I wasn't going to work in the business with my dad. He would be the boss and I would argue with him, and he would always win. So I came into the business the day he retired."

Michael has four siblings. His sister sits on the board, and one of his brothers currently works part time for Bibby as a consultant while running his other business interests. The other two have their own careers.

The family has always looked to bring in talent from outside, and this worked very well when Simon Sherrard managed Bibby during the difficult times of the 1980s and 1990s. But Michael is adamant that you can't recruit good people unless the company is expanding.

"A family business will survive by attracting really good people into the business," he says. "But you need to give them opportunities and you can only give them opportunities if you are growing."

As Michael concentrates on growing the business, he might not be too concerned about Bibby's history. But he certainly will

have, in the back of his mind, the importance of the business's link to the port city of Liverpool. Bibby has been based in Liverpool for all its long history and the family are part of the fabric of the city, with a number of them even having a civil role in the running of it.

With many of the UK's big companies based in London, and with Liverpool being one of the more deprived parts of the country, Bibby's commitment to the city is commendable. And that commitment is solid. "Bibby and Liverpool are fundamentally linked to each other," says Michael. "That will never change."

## Sir Michael Bibby

Managing Director

Company name:	<b>Bibby Line Group</b>
Generation(s):	<b>6th</b>
Founded:	<b>1807 in Liverpool, UK</b>
Industries:	<b>Transportation, shipping, marine operations, financial and retail services</b>
Employees (2014):	<b>Approx. 6,000</b>
Turnover (2014):	<b>£1.59b</b>