



Interview with... Paul Carvell March 2009

Lucy James, Managing Partner

Lucy talks to Paul Carvell, an industry leader and spokesman with over twenty five years of hands-on experience, most recently as CEO for Business Post, a FTSE 250 company, about his life, career and thoughts on the economy.

Interview with Paul Carvell

Profile summary

Education	Birkenhead School Oxford University – MA Hons Geography, Transport Economics		
Professional qualifications	Fellow of the Chartered Institute of Logistics & Transport Marketing, Ashridge Logistics, Cranfield European Advanced Leadership Programme, GE Capital Six Sigma Training, GE Capital		
Recent career	2006 – 2008	Chairman and CEO	Business Direct Group Plc AIM listed
	2001 – 2006	CEO	Business Post Plc FTSE listed
	1999 – 2001	Managing Director	Christian Salvesson
	1997 - 1999	Vice President	Penske Logistics Europe (GE)
	1995 - 1997	Managing Director	United Transport (BET/Rentokil)
	1990 - 1995	Managing Director	Beck & Pollitzer (TDG Plc)
	1987 – 1990	Divisional General Manager	TNT Logistics (Ceva)

Lucy James: What do you think are the biggest challenges facing businesses today?

Paul Carvell: Overcapacity has led to a highly competitive market in the medium term. Liquidity is clearly a massive issue as far as financing growth is concerned, and we will emerge differently – we’ll look at business differently in years to come. How we adapt to the new culture is critical to our ongoing success as individuals and as businesses. We need to understand how business is metamorphosing – green, low cost, pressure on bank covenant, longer term incentive programs... so many things are changing that our ways of doing business are also changing. The interesting thing is that no-one really knows how or when we’ll come out of it, or what sort of customer angles to apply.

LJ: How do you see the business world evolving over the next few months?

PC: Without doubt we’re in a period of historical precedence. Financial year end results have either come out or are about to and Boards are just beginning to realise how bad the results are. At Business Direct we could see problems emerging in September and we did something about it by selling the company. I’m predicting a shake-up at leadership level; Boards feel the need to do something, doing nothing is not an option, so questions will be asked about “could we have done better” and “whether the right people are in place to get their businesses through the recession”. It’s hard for businesses to sit tight when they’ve seen their share prices decimated. From your point of view, I think things will improve pretty soon!

LJ: How did you get involved in logistics?

PC: My family was involved in shipping in Liverpool so logistics seemed like the obvious choice for me. I always thought I'd go into shipping myself, but graduate milk round exposed me to a range of businesses and in the end I opted for Lex Service Group Plc and ended up with Bees Transport and Lex Wilkinson, both parcel carriers. They had a great management development plan and I could see they were making heavy investments in their people. I've since been able to spend 30 years in service & transportation, an industry that I like, and I've enjoyed it virtually all of that time.

LJ: What do you enjoy most about business?

PC: I get excited about building teams more than anything else. There's nothing better than taking a troublesome or underperforming business, or one that's lost its way, identifying problems, building a team from a combination of existing management and new hires, and then going on to succeed. I've never joined a truly world class business performing at the top of its game, something has always been missing – maybe energy, flair or direction. The best jobs I've had have been when creating a new team has led to something really special.

LJ: How do you relax?

PC: I have loads of energy so I keep very fit and visit the gym at least three times a week, but I love the challenge of business more than anything. I'm a typical ENTJ!

LJ: You're clearly extremely driven. What motivates you?

PC: My upbringing has probably had a big impact on me. We didn't have a lot of money and I worked really hard to win first a scholarship to public school and then a place at Oxford. Ever since then I've made the most of my career opportunities.

LJ: Who have you most admired during your career?

PC: Two people have had a massive impact on my career. I won't name names! One, the CEO of a well-known logistics firm, was dogged and terrier-like with an inquisition style of management. I respected him for his focus and direction but I didn't always agree with his actions. The other was a Vietnam veteran who had been brought into a business as a turnaround specialist. He was so successful that his short term project turned into a permanent appointment and he hired me to run part of the business. I came out of my interview with him absolutely inspired – I wanted to be part of his team and of the direction he had in mind for the company

LJ: What was your big break?

PC: The CEO-ship of Business Post was probably the most exciting break. During the early stages of my career I saw lots of Plcs, many of which have now been swallowed up in mergers and acquisitions. Getting

the chance to run a Plc was like hitting the jackpot as there so few quoted logistics companies left. It was a very exciting time and took me on to the national stage in a very high profile job – we were taking on Royal Mail, which had been a monopoly for 400 years. They were pretty keen to stop us competing and as they controlled the last mile of the postal service we had to fight hard for co-operation. Every meeting was a real intellectual challenge to create a win-win scenario. We were granted a licence to operate in 2001 but didn't move our first letter until 2004!

LJ: How have you used mentors in your career?

PC: Three people have been really important to me at crucial moments in my career – in the early days, about 20 years later and while I was CEO of Business Post. Having someone to talk to in confidence and who would give me honest feedback was great. They helped to motivate me, gave me someone to rely on and in one instance gave me a vital warning about some interesting manoeuvrings going on in the background! My mentors have taught me the value of close business relationships.

LJ: Finally, how are you advising your children to prepare themselves for their career?

PC: I have three girls, teenagers to early twenties, and the best advice I can give them is to get the best education possible. Of course there are people who leave school at 16 and do really well, but the law of averages says that if you come out of education with a great toolkit you'll probably do better in the long run. You make a better butterfly after staying in the chrysalis for a bit longer.

For more information on this interview, or if you would like to feature, please contact the partners via:

ingoodcompany@snowdontate.com

www.snowdontate.com