



Tim Dewey

CEO at Timothy Taylor

Former Diageo, William Grant and Drambuie Liqueur Marketing Director Tim Dewey was appointed CEO of Timothy Taylor in December 2014. In this interview he explains to Andrew Openshaw his vision for the award winning ale brewer as the business gears up to launch its 'big communications idea' later this year.

What was it about the role and the organisation that attracted you to this opportunity?

I've worked with premium brands for most of my career and I immediately recognised this as an opportunity to be part of a very successful premium branded business, but where there was a great deal of scope for me to develop and improve the premium aspect of Timothy Taylor's brands and make them even more successful.

I was also impressed with the organisational structure and board and the fact that it's a very well-run company. The other aspect was the fact that this was an opportunity for me to be CEO of an established business for the first time, which was really exciting.

You're actually the first non-family member to become CEO. How much influence does the Taylor family still ultimately have over the brand?

The Taylor family and its offshoots, such as the Horsfalls, have complete ownership of the Timothy Taylor business. There is, however, a strong system of corporate governance in place, which ensures there is a good balance between family members and non-family members on the Board of Directors. It currently consists of myself and two other executives, two independent directors and three family members, including the Chairman Charles Dent, who has married into the Taylor family.

Timothy Taylor also has a number of interested family shareholders who attend our AGM and get in touch from time to time. This is absolutely right, as the family are still the soul behind the brand and it's vitally important to them that the business stays true to its values.

That means having a commitment to using traditional brewing methods, making sure only the finest ingredients are used in the ales, and that the business is maintaining a high quality of service. During the selection process for the CEO role, the Board were very clear that they would only choose someone who they felt could protect those values. The environment here is a very collegial and supportive one, where everyone works closely and with the Company's best interests in mind.

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Image: Tim Dewey, CEO at Timothy Taylor



TIMOTHY TAYLOR'S
CHAMPIONSHIP BEERS
ESTD 1858
LANDLORD

TAYLOR'S
CHAMP BEERS
ESTD 1858
GOLDEN BEST

TIMOTHY TAYLOR'S
CHAMPIONSHIP BEERS
ESTD 1858
BOLT

After a period of gradual decline in the ale industry, the market has turned a corner and is returning to growth. What is behind this change?

The Progressive Beer Duty introduced by the Gordon Brown administration has certainly benefited brewers, especially microbreweries. It was a great financial incentive to encourage people to enter the market and take risks in product development. The result is a galvanised ale market, which has rekindled the interest of the consumer by offering them a broader choice of beers, as well as attracting a new younger legal drinking age consumer to ale.

For companies like Timothy Taylor, however, this has been a double-edged sword because it has essentially allowed the smaller brewers to sell craft ales, which should command a premium, at low prices, which has ultimately devalued ale in general. It is fair to say that a number of brewers in the UK don't actually make any money from their beer, but instead focus on developing their pub estate. That isn't the approach we want to take and we believe it's time for producers to try and build increased value into the ale category.

So, what is your overall vision of the brand? What key objectives are you hoping to meet in your first 12 months?

The vision for our beers is to create a genuine and recognisable premium segment in the UK ale market. The ale sector in the UK is unusual because it is largely undifferentiated in terms of price. The duty distortions I've already mentioned, as well as ale's traditional role in British culture as 'the working man's drink', has led to the perception that there is a cap on the price that can be charged for a pint, even relative to other beers, such as lager.

It's clear from my time here at the Brewery, however, that given the attention to detail involved in the brewing process and the quality of the ingredients used in the ales, that Timothy Taylor's brands deserve to be sold at a premium. So, during the first twelve months we're working on putting in place a strong commercial and marketing strategy that will ultimately help Timothy Taylor achieve this vision.

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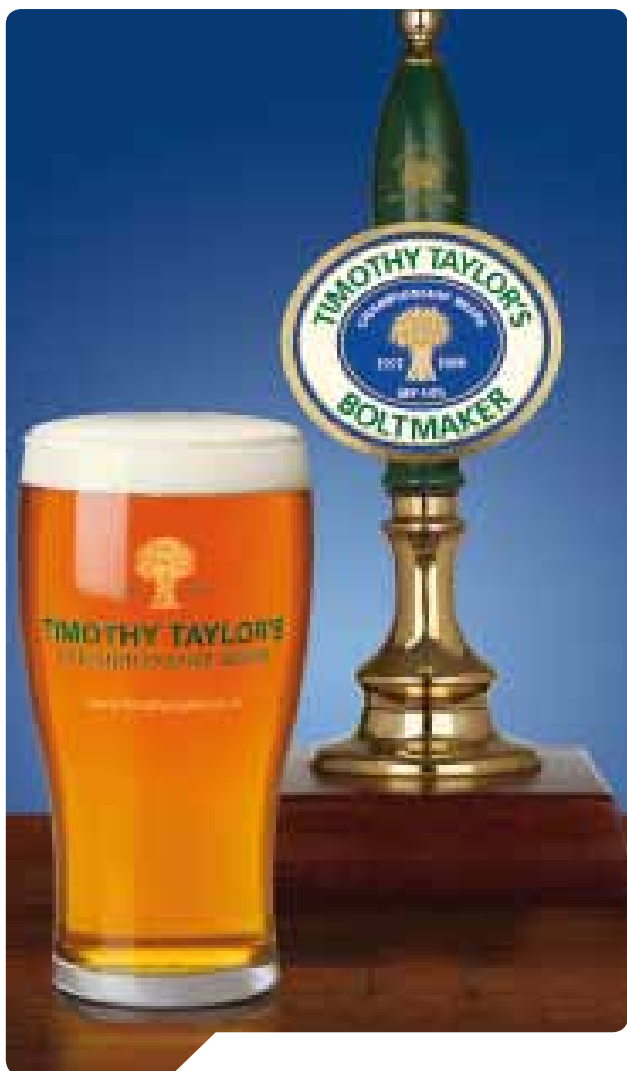
What actions have you taken so far?

When I was preparing for the Timothy Taylor interview process I asked a friend in a media company to analyse the overall media spend on Timothy Taylor, as well as its most well-known ale Landlord, during the last three years. The result was £6,000! So, it was pretty clear to me that Timothy Taylor hadn't really engaged in marketing activity before, but rather, has largely relied on word of mouth to grow its brands.

In order to achieve our vision, I needed to change this approach. I've since established a full-time in-house marketing resource and now we're looking at ways to start engaging with consumers. In my previous role at Drambuie Liqueur, we conceived the 'A Taste of the Extraordinary' communications idea to help explain the complex multi-dimensional taste of Drambuie to consumers.

It's the relevant communications 'big idea' for Timothy Taylor that we're currently working towards. There are a number of agencies already involved in this process and the brief I've given them is focused, but with room for interpretation. Once we have that simple yet effective idea in place at Timothy Taylor, we can then focus on developing our multichannel approach.





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There is a lot of anxiety in the UK surrounding the fact that there are a number of pubs closing down. Timothy Taylor understands the relationship British people have with their pub, and we aim to make sure ours remain a relevant and vibrant part of the community. However, we're equally cognisant of the fact that drinking at home is now very popular.

Our research suggests that the take-home trade will continue to grow and that ale is underrepresented in the take-home segment. So, we're also investing in the off-premise trade and I'm glad to say we're getting some good growth through supermarkets too, despite the fact that overall consumption of alcohol has gone down.

How do you work with retailers to maximise sales?

We have a relationship with a brewer based in South West England called Hall & Woodhouse, who represent Timothy Taylor brands to the off-premise trade. Hall & Woodhouse is another family owned brewer with similar values to ours and we work in partnership with them to identify the best opportunities for our ales. They have existing strong relationships with relevant buyers and good customer and channel knowledge through selling their own 'Badger Beer' brands. The key challenge for us, which relates back to what I said earlier, is trying to ensure we project a premium image in the off trade.

There's still a trend within retail to 'treat all ale brands the same' and often, within supermarkets for example, there are category promotions where Timothy Taylor ales are selected with other brands in '3 for £5' deals. We want our brands to be recognised as premium ales and therefore separate from mainstream products in this context; but it's difficult because ultimately the retailers have full control over pricing. So it is an education role for us; we need to talk to them about not just building volume, but also value into the ale market.

Do you have a different approach to the on premise trade?

Yes, absolutely. We manage our relationships with pubs directly and are very selective about the outlets that choose to sell our beers. It's a key principle of ours to only deal with customers who genuinely value our proposition and the quality of our products. Timothy Taylor brands are not cheap, so we need to be reassured that outlets that stock our ales fully appreciate the premium image that corresponds with the price, and that the outlets recognise they too can benefit from having the same image through an association with Timothy Taylor.

I know Timothy Taylor launched Pint Finder last year, will social media continue to be one of the channels you develop moving forward?

There's no question that social will have a role to play. I've ensured that our new Head of Marketing is very conversant and comfortable in that channel and since she started a few months ago, we've already seen significant improvements in our content and engagement. One of the things that will really help this development is when we land our 'big communications idea', as it will offer a theme and approach to draw together our messages through the social channels. While we are awaiting for that idea to be fully defined, I'm sure within it, we'll focus on making sure we tell consumers exactly where they can buy our beer, as well as giving people a real insight into what happens here at the brewery and how our beers are different.

Does Timothy Taylor have plans to develop its portfolio of pubs? How key are they to the success of the brand?

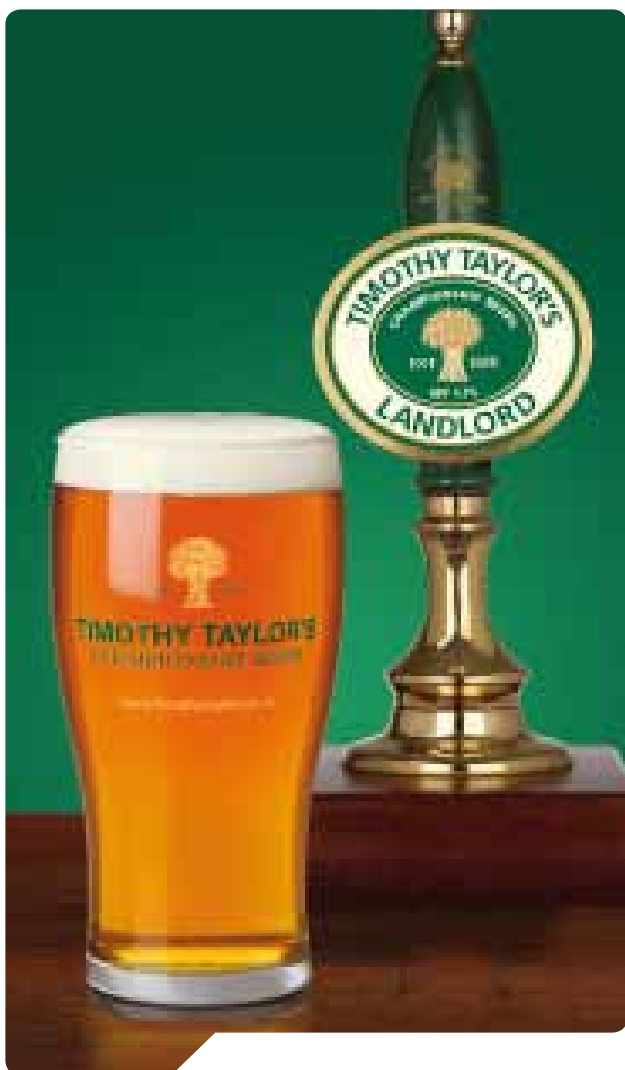
We currently have a small estate of eighteen pubs, but we plan to acquire one or two additional pubs per year, in the right sort of locations. They are going to play an increasingly important role in the development of our brands.

I've already spent a lot of time on the road with our sales representatives and it's clear that they work extremely hard to get to know their customers and meet their needs and pay regular visits; contact that is surprisingly lacking from a lot of larger companies.

Innovation is obviously a key factor to get right in the drinks industry. In your view, what are the barriers you need to overcome to succeed at innovation? What is the innovation process like at Timothy Taylor?

Early in my career I worked for International Distillers & Vintners, now Diageo. Instead of doing twenty stages of research, the business had what was called a 'vitality test', which basically involved finding a sample of outlets and trialling new products in them. Sprints such as Baileys, Malibu and Archer's Peach Schnapps were all put through the 'vitality test' approach before being launched.

I still believe that you can only look at the theoretical aspects of a product for so long before, ultimately, the best thing to do is get your product out there and see how the consumer reacts. At Timothy Taylor, I'm keen to build a pilot plant facility, which would allow us to develop more seasonal or limited edition beers, where we could produce them in smaller volumes and get the ales into our pubs quickly.



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So, to summarise, I think the trial and error aspect of innovation is important; you've got to find practical ways to develop products at a relatively low cost with a low risk, learn about consumers' responses quickly and then adapt the products if necessary.

Timothy Taylor products continue to win awards and be category leaders. What plans do you have to develop the brands and take them to the next level beyond 'best beer'?

Our research suggests that there are still lots of areas in the UK where people have never heard of Timothy Taylor and its brands, so there is a lot of work to do to raise awareness - we can't just rely on winning awards to do this. The limited edition ales I mentioned earlier will be helpful, but there's no doubt the real thrust of our go-to-market strategy will be promoting our existing brands, particularly Landlord, which makes up around three quarters of our overall business.

Despite the fact that Landlord has been voted Champion Beer of Britain a record four times, and Boltmaker won the award in 2014, many ale drinkers still don't know these beers exist. So, getting existing products to customers who have never heard of them is a key priority. Strangely, in extreme cases, there are some real ale pubs who won't stock Landlord because they see it as 'too big a brand.' To resolve this issue we need to clearly communicate that rather than being a large scale operation, Timothy Taylor is still producing its beer using traditional craft methods with, for example, open fermenting tanks located in traditional Yorkshire squares.

How have you found the transition from working for 'big corporates' to managing a business with a more restrained budget, specifically with regards to communicating with customers? What advice would you give to other people looking to make a similar career move away from a blue chip environment?

While I enjoyed my time in big corporates, I did find that the politics and the bureaucracy became quite an irritation over time. I've really enjoyed my last two roles as they've been in smaller businesses where the focus is about getting on and achieving things. I find that extremely liberating, regardless of budget (and small budgets force you to be more focused and creative, which I enjoy).



While I recognise the power of social media, a key challenge for marketers has been, and will remain, how to utilise all channels in the most effective way for their particular brand.

What brands do you look to for inspiration

I believe Peroni has done really well in recent years to position itself as a premium lager brand and I would like to think we could achieve something similar here at Timothy Taylor. In time I would like to think Landlord could become recognised as the 'Peroni of ales', though with a substance versus style approach.

How do you keep yourself busy outside of work?

I was ranked as a junior tennis player in the USA and still enjoy playing and watching the game. I also visit the gym when I can and spend a lot of my free time with my family. Since becoming CEO here I've discovered the beautiful Yorkshire Dales, and my wife and I are looking forward to exploring them further in the coming months.

To other people looking to make this move, my best advice is that they do a high level of due diligence to understand the culture, stability, and corporate governance of their prospective companies. A small business, particularly a family business, without these elements can be an extremely difficult environment in which to work. It is important that you talk to people currently working in the business and those that have left to get a balanced view.

You're a marketer by trade; what particular marketing trends do you anticipate dominating consumer product marketing over the next decade?

I will be most interested to see how the nature and balance between traditional media and new (social) media evolves over time. While I recognise the power of social media, how many brands can we genuinely expect consumers to engage with at any one time? In the meantime, traditional media has become so fragmented and is starting to evolve so much (for example, people watching TV on demand) that there are enormous challenges in this sector as well. I think a key challenge for marketers has been, and will remain, how to utilise all of these channels in the most effective way for their particular brand.

