Mr Chancellor

One midsummer evening in 1972, 500 pensioners from Jarrow crowded into the Civic Hall and enjoyed a pie and pea supper served by hard-working volunteers. The Mayor and Mayoress of Jarrow dropped in to say hello, and when the food was finished everyone had a sing-song. What was the occasion? Perhaps it was a belated recognition of the summer solstice in the midst of the longest recorded year – a leap year to which the heady total of two leap seconds was added to adjust universal time. Perhaps it was an expression of solidarity with dock workers whose strike that summer led to a national state of emergency early in August? It was neither. The supper was held to mark the opening of the 25th Greggs bakery shop in Jarrow, and it was the largest of the pie and pea suppers that regularly accompanied new branch openings of the bakery. That Jarrow supper must have seemed a marvellous milestone for the Greggs family business. But it really marked just the start of something very much bigger indeed.

This year is the 60th anniversary of the opening of the very first Greggs shop in Gosforth by John Gregg, Ian Gregg’s father, in 1951. Greggs is now one of the most iconic and significant businesses in our region. Greggs was floated on the stock-market in 1984 when it had 261 shops. In that same year, Ian Gregg was the first ever winner of the award of ‘North East Businessman of the Year’. Greggs is now one of the largest north east companies in the FTSE 250 with over 1400 outlets – and with more shops in the UK than MacDonalds. It serves over 5 million customers every week. Greggs was awarded the Honorary Freedom of the City of Newcastle in 2010.

But the history and growth of Greggs is more personal and more distinctive than that of many other companies. Greggs today has the strap line of ‘the home of fresh baking’, and its success has involved very clever mixing of two key ingredients of ‘family and locality’. The master chef of this concoction was Ian Gregg. Ian read Classics at St Catherine’s College Cambridge, graduating in 1961. He then spent a few months after graduating helping his father and mother with the business and taking time to decide what direction his career should take. He decided to train as a lawyer. This is what he was doing when his father became gravely ill, and in 1964, after his father’s death, Ian packed in the law and returned to the family business. At that time the business comprised one shop and a bakery plus half a baker’s dozen of travelling shops – i.e. vans. Its turnover was £70,000 a year and there was a workforce of 15 including the 6 or 7 van drivers.
Despite Greggs' dramatic increase in scale and national reach since the 1970s, often through the acquisition and incorporation of other bakery businesses, the sense of locality was maintained. Greggs’ branches offer regional specialities amongst their offerings, and until very recently the national company was based upon independent local businesses with their own boards.

Greggs was also very much a family business as it expanded. Ian’s brother Colin and sister Gaye both got drawn into the business. And there was a third secret ingredient in the mix - Ian Gregg’s personal leadership style and philosophy. This was to empower and support individuals and teams, rather than to push or to pull them. And his business philosophy was to put customers and staff first – their interests were always seen as more important than the shareholders – but this philosophy has served the shareholders very well too. So, one distinctive feature of the business right from the start was that 10% of the business profit was shared with the staff.

But Ian Gregg showed a wider commitment throughout his career to use what would otherwise have been a substantial personal fortune for the benefit of others. This went beyond sound business sense and reflects Ian’s personal generosity and philanthropy. In 1987 the charitable activities of the Gregg family and Greggs plc were formalised and The Gregg Charitable Trust was registered with the charity commission. Two years later the Trust received funding which included a donation of Greggs shares as well as donations from Gregg family members, allowing the first grants to be made to a range of deserving charitable causes. The growth of Greggs plc has led to the invested funds now valued in excess of £10 million and this generates significant income to support grant making in the North East of England. The recently restructured and re-named Greggs Foundation puts money into the community through a large variety of grant schemes –to the tune of over £1 million a year. The Breakfast Clubs in schools initiative provides breakfasts for over 6,500 children at 169 schools, and the North East children’s Cancer Run has raised over £5 million to support research into childhood cancers. This year, the Foundation has been recognised as Corporate Foundation of the Year in the 2011 Business Charity Awards.

But Ian Gregg’s activities have a third strand too – or should I say line. A keen fly fisherman since he was a boy, Ian has been an active river conservationist for over 20 years— first on the Tweed and later on the Eden where he now lives. This resonates with the theme running
throughout his other charitable work that there are links between the physical environment and individual and community wellbeing. His rivers conservation work was recognised nationally through his award of an OBE for services to the Tweed. This is an important area of sustainability, and he is now chairman of the Rivers Trust, the umbrella body for the over 30 river trusts in England and Wales. Indeed his conservationist zeal has even found application in the bakery. In 1967, Greggs the Bakers rediscovered and then began baking and distributing from Shields Road the wonderful Geordie flat bread – the Stotty. This red squirrel of the bakery world now survives in North East England despite the marauding hordes of focaccias and paninis.

Ian’s philanthropy and conservation work were drawn together in a new project when a few years ago, Ian invited the Tyne and Wear Community Foundation to explore grants for wider environmental projects in the region, and the result has been the Local Environmental Action Plan, or LEAF. Ian personally donated over a quarter of a million pounds to this which has been matched by other local trusts and the Community Foundation. The fund has so far made 83 grants totalling three quarters of a million pounds and has been noted and praised by environmental campaigners. In this and many other ways, Ian has given energetically and generously to our region. He has helped to foster and to conserve community and environment for future generations including his own extended family of children and grandchildren, to whom he is devoted.

Chancellor, for his outstanding contributions to business, to the community, and to conservation, I invite you to award the honorary degree of Doctor of Civil Law, *honoris causa*, to Ian Gregg.