



One happy family - Ital Logistics marks its first two decades

Manchester based forwarder and groupage operator Ital Logistics celebrates its 20th birthday this August. Over the decades, the company has made a name for itself as a specialist carrier of chemicals and other dangerous goods, as well as freight of all kinds, throughout Italy, Greece and the Iberian Peninsula. However, it still retains the ethos of a family firm and founder Phil Denton is determined to see this continue as the company embarks on the next 20 years of its history. He talks to FBJ editor, *Chris Lewis*.

How did it all begin?

I started work in the freight industry straight from school with Tower Express in 1978, in Trafford Park, and later in the old Salford docks. Back in those days, Manchester was still a commercial port, hard though it is to believe now. I used to do customs entries and learned how to do consolidations on Tower's services to Malta and Canada. It was then that I met Jim Woodward, who I often refer to as my mentor

- certainly one of the best teachers anyone in forwarding could hope for.

I worked for various companies in and around Manchester and, in 1989, the company I was with then asked me to manage a new Italian trailer service. Even though I didn't know it at the time, this was an important turning point in my career, as Italy was to play a very big part in my life. Later, in 1993, I became Italian Route Development Manager at what was then M&S Europe



(later renamed IS Logistics, part of the Italsempione group).

Leaving IS Logistics in 1998 I spent two years developing Italian services at a small forwarder in Burnley, alongside ITX Cargo, a spin-off from Italsempione founded in the same year by key personnel from Italsempione; namely Roberto Tagliareni, Dario Bragonzi and Claudio Moresco.

Then, Brian Hay, founding member and later to become CEO of Cardinal Maritime, asked me if I had ever thought of setting up my own company. So, with his support, I founded Ital Logistics Limited in 2000, in what was little more than two small brick cubicles at the back of a warehouse in Rochdale, with one other employee. ITX naturally came with me and my former employee closed the service which I had developed, thus giving me a free hand and a great start.

The company started off as a partnership between myself, the three Cardinal Directors of the time and a small shareholding by Roberto Tagliareni - but since 2015 it has been solely owned by my wife, Dianne, and I.

And how did Ital Logistics evolve over the years?

Needless to say, the Rochdale premises were only short-term. In April 2001 we moved to Eccles where we shared facilities with Cardinal, later moving with them to Sharston where we stayed until 2014.

Outgrowing these facilities, we separated from Cardinal and moved to our present office and depot at Heywood, a 16,000ft² facility over 1¼ acres, with dock-levellers, full access control, 60 day recorded CCTV coverage and secure 24/7 manned ANPR site security.

We are a North-west based company so naturally we have many customers in this region but we have valued clients all over the UK and, indeed, Europe.

While Ital started off serving primarily Italy, over time we have also become one of the leading groupage operators to and from Spain. We also service the rest of the Iberian Peninsula, Greece and, more recently, Malta and France.

Also, six years ago, we started our sea freight forwarding department. Initially, this

>> 15

was an added-value service for our existing road groupage clients but it has become increasingly important as a business centre in its own right.

We now have a team of 31, including myself and Dianne, most of whom have been here for between 10 and 17 years. Whilst a big investment, taking our own premises enabled growth. When we left Sharston we were just 20 people, and our turnover then was £9.4 million. Last year closed at £15.5 million.

Does ITAL have any niche areas that it specialises in?

Dangerous goods is a big Ital specialism. Over the years, I worked with many shippers in the chemical industry and when I set up Ital I realised that this was an area where there were fewer groupage operators providing a service. So we made this a specialism - and decided to do it properly.

Some of the clients I was working with in previous companies were in the chemical sector so I learned how to transport their goods. Having used a consultant in the first couple of years, and seeing the opportunity in this sector, I considered it essential to take the role of DGSA (Dangerous Goods Safety Advisor) to comply with legislation and 'do it proper'. So I became our first DGSA. That was 2004.

Now we have four qualified Dangerous Goods Safety Advisors, including myself. The DG regulations are becoming more onerous, although I do in fact wish that they would become more so and that there was stricter monitoring - both to improve safety in the supply chain and to ensure that only qualified companies move hazardous cargoes.

Specialising in dangerous

goods has stood us in good stead and last year contributed 24.3% of our total shipments, with many of our forwarder competitors using our services. This indeed is testament itself to the quality of service which we provide in this sector, and also to our neutrality.

In the most recent decade, I have devoted a lot of time to developing the HAZculator®, which looks up all hazardous goods data for the different modes of transport - ADR for road, IMDG for sea freight and ferries, and also Eurotunnel and other road tunnels - and returns everything you need to know. It saves time and, more importantly, reduces human error, dealing with the problems of combining multiple hazardous loads and alerting users should they accidentally combine incompatible goods.

We also have our new bespoke freight software FREIGHTsoft®, which incorporates the HAZculator®, and handles all aspects of quoting and booking jobs, accounts, load planning, warehousing, inventory storage, CRM and integration with other systems. And more.

Recently, the thoughts of everyone in the freight industry - and business generally - have been dominated by the Covid crisis. How well has Ital coped and what effect has it had on the company?

First of all, let me say that the single most important factor that has allowed us to get through this is the comradeship of all our people here. Their response has been truly unbelievable and they are the main reason why Ital Logistics will get through the crisis.

During the early stages of the crisis, we regretfully



furloughed 14 people on the expectation of huge losses, given that Italy and Spain contribute more than 64% of our total business. We also purchased laptops and switches so that many people could also work from home. We still had four people working in the office, along with two in the warehouse and myself. Everyone worked extremely hard to keep things going, and we ourselves kept everyone abreast of what was happening.

However, we soon found that April wasn't as quiet a month as we thought it would be - we were in fact moving around 75% of our normal business. Furthermore, taking into account government support, we are operating at more or less break-even level, so all in all we've been pretty resilient.

Our specialisation in the carriage of dangerous goods has been one of the reasons.

Perhaps lucky, but very few of our customers have shut up shop completely, and we've been able to keep our services going to all our markets. Indeed, the other factor that has helped us is that we have many good, loyal customers. We've also picked up a lot of business for our freight forwarding

department - in fact, April was our best ever month for sea freight - which will stand us in good stead for the future, especially after Brexit.

We have gradually brought people back, with just seven possibly still on furlough when this goes to print, and hope to be back to full strength before too long.

Any thoughts on how Ital and the industry generally will emerge from the Covid crisis?

My personal thoughts are that the period of greatest risk is not immediately after the crisis, but next year, when there could be the biggest risk of company insolvencies. The government has offered loans and subsidies to keep businesses afloat - arguably, more than any other in the world - but there will come a time when all the deferred tax and VAT will have to be paid, and people shouldn't forget that. The government needs to take a gentle approach to companies in March, which I believe will be the period of real pain. And it will be a long term process - the financial experts say it will be a six to eight-quarter recovery from this financial crisis and when you factor in Brexit, well, it may even be longer.

The best thing that we can do is to keep on doing what we have done for the last 20 years. Yes, the landscape of business is changing, but if it isn't broken, we shouldn't try to fix it, just 'tweak it' here and there.

Any thoughts on Brexit?

What can anyone say that

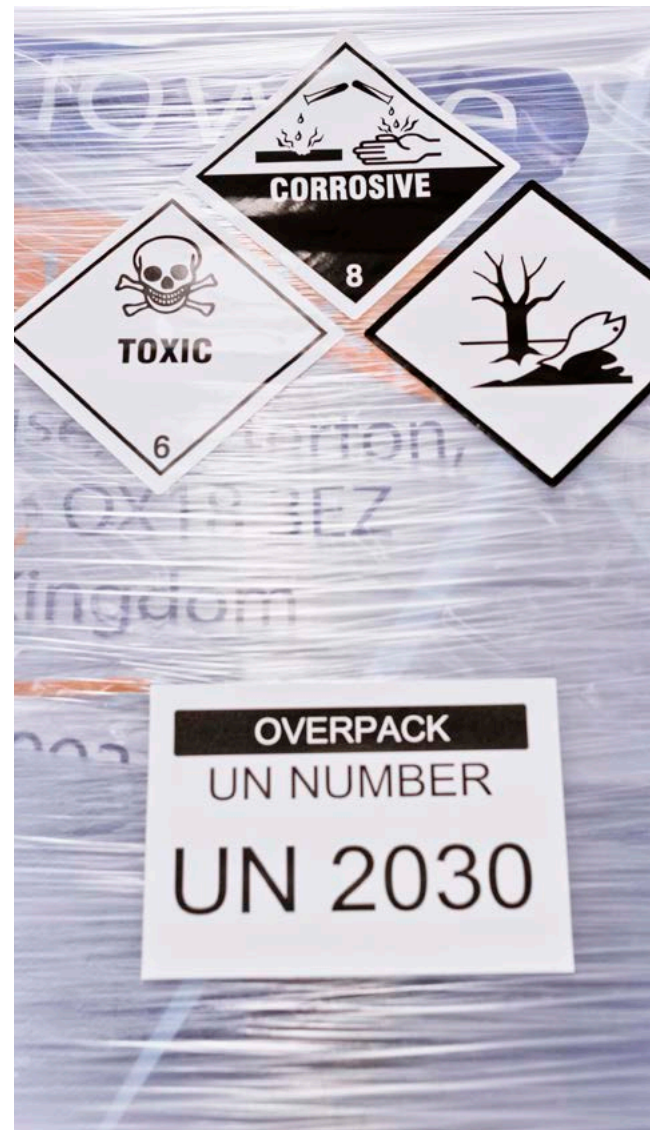
lot can still change.

You have built up Ital from scratch over 20 years. How are you going to hand on that legacy?

It would be very easy to accept a large cheque for the company from a multinational and indeed I have been approached on a couple of occasions in the last few years. But I'm very mindful that without the people that work in it, the company wouldn't be where it is today, so it's very important those who have worked the hardest at Ital Logistics have a long-term future in it.

As I have said, most of our people have been here over ten years, one has been here 17 years and, once they come here, they tend not to leave.

This year, we were going to start a five-year management buyout process. Obviously, this has had to be put on hold, but this is still the intended route plan, with myself retaining a small shareholding. It is just



further adjust it in Q4 to ensure it meets needs, and will pick up on the necessary training.

Brexit has been overshadowed by Covid, but I haven't changed my diary. A

delayed and we will pick this back up about a year from now.

I hope that way we will be able to maintain the ethos of a family company - and look forward to the next 20 years.

“The aim of Ital Logistics is to provide a quality, reliable & personalised service, with openness, honesty & integrity.”

'We never closed'

Ital Logistics continued to operate its core groupage services to and from Europe throughout the Covid crisis, points out sales manager Mike Whitney. While some traffic inevitably fell, as much of Europe's manufacturing shut down, "we still had a nice, consistent flow of traffic," he says.

This is all the more remarkable considering that Ital's two main markets - Italy and Spain - were particularly severely hit by the virus in the early stages of the pandemic. However: "Our figures are not bad, far better than predicted."

Mike Whitney believes that Ital Logistics was as well prepared for the crisis as any freight operator could be, something he puts down to managing director Phil Denton's "meticulous attention to detail"

in the period leading up to the UK lockdown.

He adds that Phil Denton recognised early on, before any mention of lockdowns in the UK, the need to buy laptops and get them all to sync to the company system so all operational office staff had the facility to work remotely, along with other hardware so they could use their work phone from home.

France has been a particular bright spot, Whitney adds. "We are seeing a noticeable increase on our export line to France, which can be attributed to smart rates and good service, with more departures, better distribution within France and stronger, increased support from our manufacturing customers to this area. We also have an excellent partner in the Paris region."

Ital's service is backed up by



its bespoke FREIGHTsoft® freight software. However, while IT is a vital tool for freight forwarding these days, in Whitney's opinion, it can never replace the human freight forwarder. Its workflow was designed in-house by Phil Denton with input from the operations department, not by a software house.

The software has certainly been a bonus while so many are working from home and, indeed, it is hard to imagine how it would have been possible during the Covid crisis without

it. "But it's not just about this Pandemic we all face - we have Brexit to contend with also. Although, as proven in the past when we have approached a Brexit deadline, we have fared very well, in some instances hitting record revenue and profit. It may be out of our hands, so the best any company can do is knuckle down and get on with it. I am rather fortunate that I am surrounded by like-minded people - out of the unexpected come opportunities."

for pharmaceuticals and other products. This will be extended to France in time.

ADR goods can be carried to and from all destinations.

James Mears now has six people in his team.

He is also responsible for France, where Ital now has partners in Lyon, Marseilles and Paris. It has been Ital's fastest-growing route since starting 18 months ago and, through its partners, has now been extended to serve Morocco and Tunisia, reached in just 6-7 days from the UK.

Ital continued to service its customers throughout the Covid crisis; with its emphasis on chemicals, foodstuffs and, lately, PPE, many regard the company as an essential element of their supply chains. James Mears says: "We are still running at about 70% on all Iberian markets - and we have picked up new clients during this period along the way."

Things you may not know about Ital Logistics

Phil Denton was once a semi-professional musician

"Yes, it's true. The freight industry in Manchester went through a lot of changes in the 1970s and 1980s, with the closure of the docks and I inevitably had a few periods of redundancy.

"From 1978 through to 1994 I played keyboards in the social clubs of Manchester - backing the artists and performing in my own right. But then I wanted a mortgage and when the bank manager asked my profession; you can imagine his reply! So in 1987 I went back into the freight business, and was able to get on the mortgage ladder. Wild thoughts of being the next Rick Wakeman were thrown by the wayside!

"I still have a recording studio at home, but music these days is just a hobby - when I get time."

Parla Italiano

Phil Denton says: "Back in the 1990s, I used to go to a lot of meetings in Italy and I quickly became curious about what people were saying - in case they were talking about me! So I went to night school and even took a GCSE. I've used my Italian quite a lot over the years, and speaking the language has helped with sales - I remember I'd been learning about 12 months and was on a visit in Italy with Roberto. Just as we arrived in the car park he mentioned the person didn't speak any English. I had about three minutes to work out what I wanted to say - in Italian!"

Our trailer was once blessed by a priest!

In partnership with ITX Cargo, we were extremely pleased to offer our services free of charge to St Joseph's Catholic Church in New Malden Surrey, to transport their charitable collection to local L'Aquila earthquake victims at the Parish of San Raniero in Civit  di Bagno. Various gifts of computers and musical instruments, Christmas presents, and even 2 religious statues which we case packed on site were dispatched in time for Christmas 2009.



The secret of Ital's success

Since joining Ital Logistics 15 years ago, James Mears has had many opportunities to start up in business for himself. However, he has stayed where he is. "I respect Phil Denton too much and his hunger for Ital Logistics to succeed is unbelievable," he explains. "I have seen the company grow from strength to strength year on year. Phil Denton's leadership and high standards filter down throughout our company."

Before joining Ital Logistics, James Mears worked for some of the biggest multinationals in the industry but found that, in the larger firms, "you can sometimes be just a number". Joining Ital has turbocharged his career and he has risen from office junior to Iberian and French route manager in a short space of time.



Ital started its Iberian routes during the financial crisis of 2008. Initially serving just Barcelona, it has added partners and now covers the entire country, as well as the Balearic and the Canary Islands, Andorra and Gibraltar, along with Portugal.

Customs clearances are already required for Andorra and Gibraltar, which will

stand James Mears and his team in good stead when the requirement is extended to all of the EU from next year. He adds: "We have spent a large sum of money on getting ready for the new customs requirements within our internal software."

There is also a temperature-controlled groupage service to and from Iberia, catering

A 100% record at the BIFA awards

Ital Logistics has been successful every time it has entered the BIFA Freight Service awards. It has made four entries over the years between 2002 and 2015 in the European Road services category, twice finalist and twice winning the

category. Additionally, in the most recent year of entry they were also finalists in the 'Extra Mile' award based around their HAZculator®, and the 'Young Forwarder' award with James Mears. A record indeed to be proud of.

Spot the trailer

Ital planned to livery out ten vehicles to mark its 20th anniversary in 2020, several of which having a special graphic. However, the Covid crisis has intervened and so far only one trailer will have the new graphics. The plan now is to complete the balance next year. Meanwhile, Ital

management would welcome reports of the unique vehicle from truck-spotters up and down the country. A hand-picked case of wine, tailored to your taste buds by our wine connoisseur (our MD) will be given for the first three photos sent to sales@ital-logistics.com (Trailer number: ITAL 2020).



ITALY • SPAIN • PORTUGAL • GREECE • FRANCE • MALTA
BALEARICS • CANARIES • GIBRALTAR • ANDORRA

20
YEARS

10th August this year marks our 20th anniversary. From humble beginnings we have grown to become a leading groupage operator transporting freight of all kinds, and industry-leading specialists in the carriage of dangerous goods.

We have built our reputation by providing a quality, reliable and personalised service, and always to the very best of our abilities, connecting people and businesses across the UK, Europe and beyond.

For rates and bookings
call **01706 248 001** or
visit **www.ital-logistics.com**



Ital Logistics Limited, Unit 1, Birch Business Park,
Whittle Lane, Heywood, Lancashire, OL10 2SX.