



Shepherd Group

The Story Of The Shepherd Group

The Story of Shepherd Group

Nigel Watson



Shepherd Group

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The Story Of The Shepherd Group | Foreword

This history is published as Shepherd Group celebrates 125 years as a family-owned business, a family that can trace its roots in its home city of York back to 1664 and the reign of Charles II.

The business itself has been operating, surviving and thriving since 1890 and it has achieved this against a background of two world wars and the numerous ups and downs of the local, national and global economies. Each new challenge has been overcome by a blend of commitment, innovation, vision and strong values demonstrated by generations of family owners and employees working together.

Like all businesses, Shepherd Group is always evolving, growing and adapting to market opportunities, each

day writing fresh pages in a perpetual history. The capturing of this history was started as a project by my Uncle Colin in 1987 and it is fitting that as we celebrate this 125th anniversary we have put this abridged version into print. By its nature, it will always be unfinished. Indeed, our businesses have already begun to write tomorrow's new instalment.

This is a story of endeavour, entrepreneurship and, above all, persistence and it is published as a tribute to all those who have helped to make it happen.

Patrick Shepherd OBE
Deputy Chairman
Shepherd Group



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The Story Of The Shepherd Group | Acknowledgements

My association with Shepherd Group began in 1987 at the invitation of Colin Shepherd and resulted in the research that produced the first half of the story of the group from its foundation until the formation of the holding company. I was privileged at the time to interview Sir Peter Shepherd. Much of my work was based on the wonderful archive of Brierley & Rutherford, the York architectural practice, then housed in the York City Archives, to whose recently retired curator, Mrs Rita Freedman, I was indebted. Subsequently I was commissioned to produce the 50th anniversary history of Portakabin, when I learned about the entrepreneurial spirit of Donald Shepherd. I was able to draw on that research when Donald's son, Patrick, then asked me to bring the story up to date.

My research on the initial period of the group's history owed much to the staff of many institutions, particularly York Central Library, the North Yorkshire Registry of Deeds, the West Riding Registry of Deeds, the North Yorkshire County Record Office, the British Newspaper Library (then at Colindale), the British Library (then at the British Museum) and the RIBA British Architectural Library. Edwin Green, the archivist for what was then the Midland Bank in London, and the staff at what was then the Coney Street branch of NatWest in York found interesting references to the firm amongst their records. I was also able to visit Joseph Terry & Sons Ltd (which its owner, Kraft, closed down in 2005), Brierley Keighley Leckenby & Groom

(now known as Brierley Groom) and Ben Johnson & Co Ltd (which became part of R R Donnelley in 1991, vacating in 2000 the York factory originally built in 1932 by Shepherd, which has since made way for housing) to see material each of them held relating to Shepherd, which in two out of three instances has probably now been dispersed or lost. The then owners of several York properties built by Shepherd kindly made available their deeds for inspection, namely the Reverend G G Holman of 20 North Parade, Mrs E M Beilby of 44 Fountayne Street, and Mr and Mrs Neild of 10 The Avenue, as well as the owners of 39 Compton Street. I also owed much to the unflagging interest and support of Colin Shepherd, who initiated the project in 1987, and who was always welcoming, courteous and helpful.

I owe many people my thanks for helping to bring this story to a conclusion. I would like to thank Chris Mason, Kurt Calder and Philip Clarke for their help and advice; and the following who kindly agreed to talk to me about the group: Patrick Shepherd, Mark Shepherd, Piers Shepherd, Alan Fletcher, Les Tench, Philip Clarke, Martin Abel, Cyril Branchette, Stephen Marshall, David Oldfield, Ron Pearson, Dennis Reaston, Alan Rowlinson, David Sellers, Richard Smith, Maurice Stubbs and David Webb.

Nigel Watson
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Fountayne Street, York, where Frederick Shepherd built his very first house.



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1890 – 1918 Beginnings

The beginnings of Shepherd Group can be traced back to an ordinary red-brick terraced cottage in Warwick Street, Clifton, in York. Here Frederick Shepherd began his joinery business, using the kitchen table for his bench-work. His wife Hannah, a hat-maker, must have approved as she had a reputation for being a strong-willed woman who was a great influence on her husband.

Although the company Frederick founded has always taken 1890 as the year of its birth, it was in fact a decade earlier that Frederick's first house went up at 42 Fountayne Street, York. When it was completed in 1880, the family moved from Warwick Street, and five years later Frederick would let the property when the family moved again. He sold the house for £200 in 1887, making a profit of £25.



Hannah Shepherd.



Frederick Shepherd.

Frederick had been born in York in 1854. His father William was a planemaker and Frederick inherited his father's skills as a craftsman as did his elder brother Thomas, who became a millwright and an engineer.

Frederick prospered in his native city. York's population increased by 30 per cent between 1881 and 1911 when the number of people living in the municipal borough reached more than 78,000. The city was thriving, with Rowntree's and Terry's, the confectionery manufacturers, and the busy railway workshops, which together accounted for a quarter of all the jobs in York. With prosperity came the



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demand for more housing. Frederick quickly established himself as an energetic newcomer among the city's many builders and contractors.

He built houses ranging from typical working-class terraces to smart villa residences for the affluent middle classes. Terraced cottages in dusty grey and red brick went up in Abbey Street (1895-96) and Compton Street (1897), middle-class villas in North Parade (1893-95) and Queen Anne's Road (1894-95), and expensive terraced town-

houses and villas in Grove Park Avenue (1895-1903).

Respected local architect Walter Penty, one of the founders of the York Architectural Association in 1882, designed the houses in Grove Park Avenue (now known as The Avenue). These were large and impressive dwellings, boasting doors with shell-tops, tile-hung upper storeys and tall brick chimney stacks. The sales details emphasised that these houses were located 'in one of the most fashionable and healthy suburbs of the City of York', pointing out that they were 'pleasantly situated in close proximity to the Esplanade, adjoining the River Ouse, and several charming rural walks, and command extensive and beautiful views of the surrounding and undulating woodland scenery'. A single property in The Avenue

Terry's, Rowntree's and York's railway workshops provided quarter of all the city's jobs by 1911.





sold for £1,200 in 1902; in 1901 six houses in Compton Street fetched a total of £1,000.

Although his business was still small, Frederick soon outgrew the limitations of his kitchen table. In 1897 he bought premises in Lead Mill Lane where the business would remain for nearly a century. Yet just three years later he was persuaded by his brother Thomas to join him in an ambitious venture in nearby Selby.

Thomas, whose business ambitions tended to outstrip his aptitude, had bought the North Fields brickworks at Cawood near Selby in 1897. It had been in operation since at least the 1860s and by the 1890s possessed three kilns with a capacity of more than 60,000 bricks. The local clay, reported the local newspaper, was of 'exceptionally fine quality'. North Fields also had the advantage of being the area's only brickworks.

Thomas was betting on a housing boom. Shipbuilders Cochrane & Cooper were recruiting workers for the new yard they were building in Selby. With a shortage of houses, the local paper was calling for 'a builder with some speculation in his eye, who will put up as quickly as possible a few streets of houses intended solely for working men'. In partnership with his builder brother, Thomas believed he was on to a winner.

But the brothers did not have things all to themselves. They built and sold a steady stream of houses but soon found themselves competing not just with other local builders but also with two newly opened local brickworks. Then the economy turned and demand fell. The Shepherd brothers sold no more houses in Selby after the middle of October 1901. The price of bricks fell, the cost of materials soared, production

was cut back, many houses were left unfinished and property prices plummeted. The brothers' business, the Cawood Brick & Tile Company, struggled and the bank pressed for loans to be repaid. Put up for auction in 1906, the brickworks failed to find a bidder, although the bank later negotiated a private sale to a rival brickmaker.

The trade recession bringing an end to the dreams of the Shepherd brothers was part of a nationwide economic downturn in the early 1900s. There was a prolonged slump in the building trade as wages stagnated, demand for housing dropped and the rate of urban growth declined. By 1909 more people in the building industry were unemployed than at any time since Frederick Shepherd had first set up on his own.

After the failure of the Selby venture Frederick returned to York where business conditions were even worse. The trade depression led his eldest boy, William, who had joined his father after leaving school in the 1890s, to emigrate to Canada in 1907 for three years and then to America. Frederick and Hannah had a large family of six children, with three boys and three girls. Their youngest son, Reginald, born in 1892,



Frederick Welton Shepherd.



Reginald Shepherd, joint inventor of the STEN gun.

became an engineer and joined the army. He became a major, won the OBE and established a reputation as a small arms specialist. (At the beginning of the Second World War he was called out of retirement to develop the STEN gun, designed as a weapon that could be speedily put together at a time when invasion was still a threat. The gun took its name from the first letters of the surnames of its inventors, Shepherd and his colleague Harold Turpin, and the first two letters of the location where it was developed, Enfield Armoury.) With William overseas and Reginald in the army, it was Frederick's middle son, another Frederick, born in 1885, who would stay by his father's side.

Frederick built only a handful of houses before the outbreak of the First World War. Styling himself for the first time as F Shepherd & Co., he tried to develop

the contracting side of the business, but this too was difficult and not one of the tenders he submitted for major contracts in York between 1905 and 1914 was successful. Instead, the firm got by on a stream of small contracts for minor works, often involving a lot of joinery.

In August 1914 the war brought all house building to a complete halt. Non-essential building was banned and licences were required for any new work. Repairs, maintenance and alterations became the firm's bread and butter. Frederick was also kept busy on War Office contracts, once again making the most of his firm's joinery skills. For instance, the firm produced thousands of beds and ammunition boxes and hundreds of water carts, all made out of ash. Such small works kept the business afloat until peace returned.





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Building sites in the 1930s were primitive by comparison with today's standards.



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1918-1936 Expanding Interests

The post-war years were not easy ones for builders. At first costs soared because of shortages of skills and materials. In 1921 the cost of building a small house was more than four times as much as it had been in 1914. But then costs began to fall as demand dropped for housing and commercial and industrial buildings. Boom turned to bust once more. The performance of the British economy during the 1920s was indifferent and unemployment remained stubbornly stuck at around ten per cent. Things worsened at the end of the decade with the Wall Street Crash of October 1929 which precipitated a global depression. By 1930 the average unemployment rate was 16 per cent in England and 27 per cent in Wales. As the depression eased, private housing would revive, with the return of cheap money and low building costs, and 1.4 million houses were built throughout the UK between 1934 and 1938.

UK construction remained dominated by small firms. In 1930 84 per cent of building firms employed ten

workers or fewer. In an industry where methods remained unsophisticated, smaller firms were able to compete effectively with larger rivals for there were





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1918-1936 | Expanding Interests

few economies of scale. With few mechanical aids, the industry relied heavily on the labour force, from the sheer muscle power of the labourer to the skills of the time-served craftsmen. Building sites were primitive. Latrines were holes in the ground with pieces of hessian around them and scaffold poles across them. There was no running water. There were no tea breaks; men drank their tea as they worked. Working hours ran in winter from eight in the morning until half-past-four in the afternoon, with half an hour for lunch; in summer work stopped at five. Men worked on Saturdays until noon. If it rained, work carried on until it was too wet to continue. No work meant no pay, and no one could afford to lose pay, so

men worked as long as possible. There was no sick pay. Holidays were limited, generally to one week without pay. Health and safety was an unheard-of concept. There were no hard hats, no steel toecaps, no scaffolding toe-boards. Scaffolding itself was made of wooden poles lashed together with wire.

The volatile post-war economy encouraged Frederick Shepherd to take defensive action and convert his business into a limited liability company. In November 1924 F Shepherd & Son Ltd was formed. Frederick Shepherd himself was now 70 years old while his son Frederick Welton Shepherd was still under 40. A few shares were handed out to valued sub-contractors,

HD Thorpe and J D Bellerby, who were briefly directors of the new company. The business was still small, with capital equivalent to less than £400,000 today.

In the difficult circumstances of the 1920s council housing contracts were a lifeline for many builders until local authority budgets themselves were cut. For Shepherd's, they proved a catalyst for growth as the company began building houses on a much larger scale than before. While Shepherd's first council housing contract in 1920 involved the construction of just 40 houses on York's Tang Hall estate, the second on the same estate in 1924 was for 300 steel-framed houses. Signed in October 1924, the contract was

completed at the end of May 1926. Another contract for 216 steel-framed houses was signed in 1925.

It is impossible to know whether any of this work made much money for the company. Frederick Shepherd was constantly seeking compensation for the rising cost of labour and materials because of shortages which constantly hindered progress on site. Men with skills much in demand would frequently leave one job at short notice to work for employers offering higher wages on other sites.

As the company expanded, it needed more space. In March 1925 Shepherd acquired sites in Blue Bridge

The Tang Hall Estate was one of the largest inter-war estates built on behalf of York City Council by Shepherd. (York Press)





Rare photographs showing the conversion of York Castle into the Castle Museum in 1935.



Lane and Fishergate. The Fishergate property was roofed in as a garage for the company's growing fleet of motor vehicles and other plant and machinery. The Blue Bridge Lane offices were extended in 1926 when a new workshop was also built. After a major fire seriously damaged the Leadmill Lane workshops in 1927, destroying plant and stock worth £1,500, new fully heated workshops were built at Fishergate, where the existing house was converted into offices. The company took the opportunity to invest in new plant and machinery, no doubt using the insurance proceeds. Existing machinery and electric motors were reconditioned. The old saw table was replaced by a pendulum cross cut saw and a universal dimension saw. There were new belt sanders and a cyclone for removing dust from the existing triple arm sander. The total cost of the new buildings, repairing machines and motors and buying new plant came to £1,700.

The company had its hands full with local authority contracts. Frederick Welton Shepherd, taking over the firm from his father, did not want to risk expanding too quickly. For this reason, he turned down a request from the War Office in 1926 to tender for major construction works worth half a million pounds at Catterick Camp. Facing competition from two other firms which had previously worked at the Camp, Shepherd would have had to price the tender keenly, with little margin to cover things going wrong. At the time the company was working on a secured bank overdraft of just £6,500 when its turnover must have been around £100,000. To have operated with such a limited overdraft must have required great cash-flow management skills and says much for the way Shepherd controlled his costs.

Those early housing contracts had done much to establish the company's reputation not only within

the city (by the end of 1930 Shepherd had completed more than a third of all the houses built for the council since 1920) but further afield as the request from the War Office indicates. Admittedly, all the company's work was within the county but the North Riding of Yorkshire, as it was until 1973, was a big place. Shepherd worked on projects ranging from alterations to Scarborough railway station to extensions at Fletcher's Sauce Works in Selby. The company built the new Harrogate general hospital, a new church and schools at Starbeck for the Wesleyan Primitive Methodist Society and substantial additions to Queen Margaret's School in Scarborough for the Woodard Society.

Within York the company was winning larger contracts. These included a children's block at the Fairfield Sanatorium in 1928, the conversion of the old women's prison at York Castle into a museum in 1935 and the York Postal and Engineering Garage in 1936. One of the biggest contracts was the new headquarters of the York printing firm Ben Johnson & Co, built on a greenfield site in Boroughbridge Road in 1933. This complex of 57,000 square feet replaced old ramshackle premises in Micklegate which had been destroyed in 1932 by a spectacular blaze visible for 40 miles. Frederick Welton's eldest son Peter was an assistant on the site, lighting the coke fires every morning.

Frederick Welton Shepherd also forged a valuable if sometimes difficult relationship with the notable York architectural practice of Brierley & Rutherford. His father had first carried out minor works for the practice in the early 1900s but the relationship would become much more expansive during the 1920s. By then Walter Brierley had the reputation of being among the county's leading architects.



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A conservative traditionalist, he was not an innovative designer but he was adept at assimilating new trends. His work covered a wide range, including country houses like Welburn Hall, Thorpe Underwood and Sion Hill; schools such as Scarcroft and Poppleton Road in York; and churches such as St Mary's, Goathland.

Shepherd built two churches for the practice: St Chad's in Camplashon Road, York, in 1926, designed by Brierley; and in 1931, St Hilda's in Tang Lane, York, designed by his colleague, Cyril Leckenby. Neither was completed for lack of funds. St Chad's, Brierley's last church, was one of his finest church designs. This was the first time since before the war that Shepherd had worked for Brierley. Good fortune favoured Shepherd. First, the company's name was added to the tender list only at the last minute after several other firms had withdrawn. Second, Shepherd's tender of £8,523 was the lowest of six by just £50. The company must have done a good job for it led to a string of other contracts during the 1920s and 1930s.

Brierley was conscious from the start that funds were scarce for St Chad's, a new parish in a growing industrial district of the city. His notes on the design concept recorded that 'The funds available and the present high cost of building will not admit of ornamental features or adornment if the work is to be good and substantial. Any effect must therefore be in the outline and proportions of the building, and the right selection and use of materials of which it is constructed'. The church was designed so that it could be built in phases as funds permitted, beginning at the east end and finishing with the western bell tower. The materials were of their time – brick and concrete walls and a rock asphalt-covered

ferro-concrete roof. The foundation stone was laid on 9 May 1925 with Frederick Welton Shepherd on hand with a silver trowel, mallet and tray. With the foundation stone was buried a bottle containing souvenirs of the time as well as a list bearing the name of the contractor and every workman employed on the site.

On 23 September 1927 Frederick Welton was on duty once more for the opening of York's new and long-awaited public library, handing over a bronze key on a silver tray to the Earl of Elgin and Kincardine, chairman of the Carnegie UK Trust and president-elect of the Library Association. The building was the fruit of further cooperation between architect and builder, Shepherd having submitted the lowest tender of £22,839 for Brierley's design in July 1925.

The project had been under discussion since 1916 and subject to constant delay. Reliant on a grant from the Carnegie Trust, the council was given an ultimatum by the Trust to make a start by the end of 1925 or the grant would be withdrawn. The council remained indecisive, deciding to divide the project into two phases, with the second phase dependent on further funding. The first phase comprised the east wing and main entrance. Shepherd also made all the internal furnishings in Austrian and Japanese oak, including tables and chairs, shelves and bookcases.

The library contract illustrated just how tetchy the relationship between contractor and architect could be. Upper-middle-class architects, self-regarding professionals, frequently took an uppity attitude with their middle-class tradesmen building contractors. Often overbearing and humourless, Brierley was severe on site when reviewing the quality of materials or workmanship. His partner, J Hervey



1918-1936 | Expanding Interests



Rutherford, was also happiest at the drawing board and unhappiest when dealing with clients and builders. The relationship between the two sides was characterised by frequent criticism from the architect about slow progress and deficient work, while the builder's sturdy response often cited in his defence instructions contradictory at best and completely

absent at worst. The architect thought in terms of the exact, precise and unhindered transfer of plans from paper into bricks and mortar, while the builder took an altogether more pragmatic and practical approach. Working on the library in November 1925, Shepherd complained to Brierley that 'we are in rather a serious position ... for want of details and

York Public Library, opened in 1926 and designed by Walter Brierley, the notable York architect, for whom Shepherd worked on a variety of projects between the wars.



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information generally'. The trench sides were in serious danger of falling in because of the delay in finding out how deep the foundations should be, the masons were twiddling their thumbs because they had no idea about the cut size of the Portland stone, and there were not even any details of the door and window frames. In February 1926, Brierley wrote to Shepherd about the bricks being used for internal walls. Shepherd had asked for an additional sum because the use of smooth machine-made bricks meant that the joints of the walls had to be raked out prior to plastering. Brierley was precise and unrelenting. 'As you know, the substitution of smooth machine-made bricks was a concession to meet your convenience, and with such bricks the raking out of the joints is the only means of ensuring a proper key for the plastering. As you object to do this without an extra, please discontinue the use of smooth machine-made bricks for all inside walls that are to be plastered, and use only local common bricks as specified, and leave the joints rough (not cut off with a trowel) as a key for the plastering. There will then be no need for the joints to be raked out'.

Such fallings out were to be expected and did little to disrupt the long relationship between the two sides that extended beyond Brierley's death in 1926. It encompassed a wide range of contracts, including various works for the Midland Bank. Brierley had worked for the Bank for many years and his designs for new branches were highly regarded. Shepherd carried out work at numerous branches across Yorkshire for the practice, including Cottingham, Earlsheaton, Earby, Hull, Whitby, Redcar, Staithes and Thirsk, as well as the Parliament Street branch in York. Most of the work was for the provision of internal fittings but Shepherd also reconstructed the Redcar branch in 1928.

Shepherd also worked for the practice on the Assize Courts, County Hospital, Diocesan Training College and York Racecourse. Brierley also trusted Shepherd with the construction of houses commissioned by individuals, such as Crossways at Strensall for Cecil Johnson, the owner of Ben Johnson & Co. There was a late start on the house because the client insisted on finding economies to bring the price down. This made Brierley more bad-tempered than usual and his temper was not improved by further delays caused first by a building strike in late 1924 and then by poor weather in early 1925. Shepherd obliged by placing as many bricklayers on the site as the company could spare from other work, but pointed out that delays had also been caused by the inordinate time taken by the practice in deciding upon the type of wood to be used for frames and flooring. But Shepherd confessed that the firm was stretched. 'We are very anxious to undertake your work and to give you satisfaction in doing so, but it is our business policy to work up to the extreme limit of our capital resources if the work is available.' This, of course, did not help Brierley, who was under constant pressure from his client. The house was eventually occupied some four months overdue.

Local authority housing contracts and work for Brierley & Rutherford helped to keep Shepherd busy throughout most of the 1920s and early 1930s. As the economic depression, which put paid to many building firms, began to ease, and it became easier to obtain mortgages, private housing began to flourish once more. The output seems remarkable today. Private builders completed 1.4 million homes between 1934 and 1938, with 347,000 finished in the peak year of 1937. F Shepherd & Co. was part of this phenomenon. From 1933 onwards the company developed the Acomb Priory estate as well as a



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1918-1936 | Expanding Interests

number of plots on the Holgate Lodge estate. Shepherd became one of the city's most active house-builders, also developing houses on the Shipton Road estate and on Alwyne Grove and Alwyne Drive just off Shipton Road. In 1938 Shepherd also developed the eight-acre Elm Bank Lodge estate. This had been the home of an important York family, the Leethams. Shepherd converted the house into flats while building better quality houses in the grounds. This proved to be a mistake for the houses were nearly twice the price of those Shepherd was building elsewhere. Beyond the reach of York's

middle classes, they proved slow to sell. The company had also ventured further afield, completing houses on two estates, Colburn Lane and Leeming Lane, near Catterick Camp.

The inter-war period was an important chapter in the company's development. In less than 20 years F Shepherd & Sons Ltd had been transformed. From a small contractor struggling to find work, it had become a well-established house-builder and general contractor favoured by architects, local authorities and house-buyers.





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The Thorp Arch Ordnance Factory, visited by the King and Queen in 1941, was one of many wartime contracts carried out by Shepherd.



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1936-1945 Working for the Government

Government work became Shepherd's most important source of revenue after the mid-1930s. Just as the housing boom reached its peak, the government began its rearmament programme. Between 1936 and 1939 government spending on defence works rose five-fold. Most of this was for the Air Ministry, for new airfields, extensions to existing airfields and the hard surfacing of grass runways.

Shepherd had never carried out any major contracts for the armed forces until 1936. Then, all of a sudden, it was taking on contracts larger than anything it had ever handled before. In that year the company was awarded its largest ever contract to date, worth more than £99,000, for the clothing of air hangars at Linton aerodrome. A second Air Ministry contract for work at Linton worth almost as much followed in 1937-38. Between early 1937 and the declaration of war in September 1939 Shepherd was also awarded War Department contracts worth more than £350,000 (equivalent to at least £20 million today). As the army expanded its presence in Catterick, Shepherd built

married quarters, officers' and sergeants' messes, barracks, guard rooms and regimental institutes. During 1939, as international tension increased, the company made hutting for the Territorial Army and for anti-aircraft operations along the Tyne and Humber. By far the largest contract the company had ever won came in July 1939, worth £169,000, for the building of militia camps at Sedgfield and Guisborough.

But Shepherd took on this work not from a confident position of financial strength, but out of desperation stemming from the dwindling supply of other work. The caution with which Frederick Shepherd and his fellow directors had regarded such large contracts in the late 1920s was gone. The growth which the company had made largely through private house-building during the early 1930s was an achievement not lightly given up. Rather than rationalise, Shepherd wanted to maintain momentum. That was the opportunity which came with rearmament contracts; the risk was that they would break rather than make the company.



The Linton aerodrome contract brought the company to the very edge of disaster. It required the construction of five aircraft hangars in blast-proof concrete. By the middle of 1937 concrete featured in more than half of all Air Ministry building work because of delays to the airfield programme caused by winter weather and a shortage of bricklayers. For the contractor, however, concrete construction meant a great deal of effort for little return, being labour intensive and utilising cheap materials. For such contracts to make a profit, experience in handling concrete construction work was essential. Yet Shepherd had very little, had never before built such large structures out of the material, and employed no one with the necessary skill to run such projects. Moreover, the value of the contract represented the equivalent of the company's turnover for the whole of 1936. Inexperienced, ill-equipped and under-capitalised, the company was taking on a contract that would double its turnover within a year and stretch its resources to breaking point.

The contract began in late 1936 and Shepherd's technical deficiencies in personnel and equipment were quickly revealed. To provide the site with its own water supply, a well was sunk but it never provided the quantity needed for the concrete walls. So storage tanks had to be set up and filled every night. An electricity supply was needed but running wires over a long distance caused problems of voltage drop. Then it was discovered that five hangars were consuming roofing and flooring material sufficient for six. By August 1937, the contract had cost the company so much money that Frederick Shepherd's own accountants advised him to wind up the business. After work had finished one Saturday lunchtime, Frederick Shepherd called his eldest son, Peter, into the office to look through the company's

accounts and determine Shepherd's exact financial position. Father and son discovered that the company was still solvent and could pay its bills. The company's bankers were supportive as were the Hull cement manufacturers, G & T Earle, who gave the company extended credit.

The company survived. As more government contracts rolled in, a new workshop was built on land at Ouseacres, the remains of the Acomb Priory housing estate. For the first time many men who had nearly always worked out in the open, including 140 joiners, were able to work under cover. By now the company was employing around 900 men on site yet in the office there were just eight. Peter Shepherd was responsible for calculating the company's entire weekly wage bill, a tremendous effort for one man.

Nevertheless this experience enabled Shepherd to prosper when war finally came. During the early years of the conflict Shepherd's government contracts ranged from air-raid shelters and a hutted camp at Barnard Castle to carpentry and joinery for new ordnance factories at Aycliffe in County Durham and Thorp Arch near Wetherby.

But the main source of Shepherd's wartime work was the airfields springing up all over Yorkshire. Shepherd did not build them but was heavily engaged in maintaining them. Among them were airfields at Bempton, Brighton, Driffield, Full Sutton, Leconfield, Leeming, Linton, Skipton and Withernsea. By 1945 airfield maintenance accounted for nearly 80 per cent of the company's work, involving 650 of its 900 employees. One of the tasks Shepherd was often required to carry out was to repair the concrete runways. Made of only six inches of reinforced concrete, these runways were susceptible to damage



from heavy bombers and the huge eight-wheeled tankers used to refuel them. Shepherd would re-lay an acre of quick-setting concrete on a runway in much less than a day to be ready for the evening's bomber flight. To do this, the company required a great deal not only of labour but also of plant and equipment, including water tankers, excavators and breakers.

As well as airfield maintenance, other work for the Air Ministry included field stores at Escrick in 1941 and works to accommodate the regional headquarters of the Canadian Bomber Command at Allerton Park. The former was the first occasion when women were employed, a consequence of the drain of male labour to the armed forces. The second highlighted some of the problems that contributed to falling productivity in wartime. The Allerton Park site, like many others on which Shepherd and other contractors worked during the war, was in a rural area some distance from the men's homes and involved considerable travelling time in addition to long working hours. Many of Shepherd's men travelled almost 60 miles every day to and from work. A camp was eventually constructed, housing 150 men, with catering facilities, dormitories and recreational provision. But conditions at these camps were often so dispiriting that they compounded rather than relieved the problems of flagging productivity. At Allerton Park camp conditions were rough enough to terrify two chefs seconded from the Majestic Hotel at Harrogate. It was hardly surprising that all this sapped the men's motivation, leading to a deterioration in efficiency and a decline in output, as the pressures increased on the workforce and the labour shortage continued. Shepherd reckoned that from each man it obtained

only 32 hours' output from the standard 60 hour working week.

Inefficiency seemed to go hand in hand with the exigencies of war. So many of Shepherd's contracts were altered after they had been signed that the resulting delays and increased expense caused havoc with the company's cash flow. On one occasion, the company was instructed to commence work on a site which lay on one side of a road and had made substantial progress before being ordered to start all over again on the opposite side. To keep track of the many different government contracts the company was working on, and to ensure that it could claim payment promptly, Shepherd devised increasingly sophisticated contract registers. With the company hard pressed, the board had been strengthened in 1940 by the appointment of more directors, including Peter Shepherd and two senior employees, Dennis Ransome and John Wreghitt.

Yet Shepherd made substantial strides forward during the war. In 1945 the company might not have been any larger in terms of men employed than it had been in 1939 but it had been able to invest constantly in plant and machinery. This was a wise move, for while it was difficult during wartime to acquire plant on a yearly basis, as Shepherd did, it would have been much more difficult to replace plant on a larger scale at the end of the war, when it was both much scarcer and in much greater demand. Secondly, and equally importantly, Shepherd benefited not only from the wide range of its wartime work but also from the wider geographical area it had covered. The challenge now facing the company was the transition from war to peace.





Shepherd Group

The Story Of The Shepherd Group | A Family Enterprise



Shepherd Group

1945–1962 Widening Interests



So-called non-traditional houses such as this were popular after the war when labour and materials were in short supply.

The war left behind a nation worn out and financially crippled. The sense of exhaustion was exemplified by the nation's inability to produce enough power to meet demand, resulting in months of power cuts. These were aggravated in 1947 by the worst winter in living memory, as already struggling power stations became snowbound. This was truly a time of austerity. Many wartime controls, including rationing, lasted well into the 1950s while others, such as bread rationing, were introduced for the first time. Sweets were rationed until 1953 and meat until 1954. The state maintained control over repairs and maintenance until 1948 and new building work until 1954. Basic materials, such as timber and steel, which were rationed, and bricks, which were not, were in short supply. Plasterboard had to be ordered more than a year in advance while it was estimated that an order placed for an excavator would take five years to fulfil. Productivity was low, standards having fallen through the wartime dilution of labour, whilst skilled men returning from active service were in need of retraining.

There were other changes as well. The modern planning system came into being with the Town and Country Planning Act (1947). More use was being made of mechanical plant, often military surplus. Light equipment, such as tubular scaffolding, small dumpers and power tools, helped to speed up work. Working conditions took a further step forward. Half pay for time lost through bad weather, with a minimum guaranteed weekly payment, was introduced in 1945. By 1948 real average weekly wages, boosted by overtime and incentives, were twice those of ten years earlier, although differentials between skilled and unskilled workers had been eroded.

Frederick Welton Shepherd had expected the rapid revival of the building industry once peace had returned. In the summer of 1945 he was already looking to buy land for the development of private housing. Housing would indeed form a large part of Shepherd's post-war work but it would be public housing for rent rather than private housing for sale.



Shepherd's optimism was confounded by the need for austerity. Scarce resources were directed by the state towards areas of greatest need, such as public housing, schools and factories.

Shepherd began welcoming back men returning from the forces and indeed found that while many of them had left as skilled tradesmen, most of them returned in need of retraining. 'Improved methods and better organisation must be our slogan during 1947' proclaimed the company's annual report in 1946. The company quickly set up its own training programmes alongside incentive schemes and better working conditions. In 1946 it was given the responsibility for a house-building training scheme for 14-16 year old boys and in the following year it began its own technical training scheme for employees from the age of 16 and set up a technical library. Better working conditions included a contributory pension scheme and life assurance scheme for staff. In 1947 the company introduced an incentive scheme based on the measured value of work done which helped to increase productivity. In 1948 the personnel department launched a news-sheet 'by which it is intended to develop a pride and interest in the firm amongst our employees'. As the volume of work began to rise, the company could say in 1950 that 'Our welfare facilities, incentive schemes and opportunities for continuous employment enable us to obtain the necessary manpower for our contracts fairly fully'. They would also help the firm to retain employees as competition increased.

The company was happy to take up contracts for public housing once more. Shepherd took advantage of its wartime organisation to win public housing contracts around York, Scarborough and Catterick where most of its wartime work had been carried

out. By the end of 1946 the company had either built or was contracted to build more than 750 houses. More than half the company's turnover was centred on the Catterick area, covering Darlington, Hartlepool, Richmond and Stockton. So much work came so quickly that the company began turning down invitations to tender. Government departments were impressed with the quality as well as the speed with which Shepherd completed its housing contracts. The company noted in 1950 that 'we are developing an increasing reputation for giving exceptional service, particularly where time is the essence of the contract. The fact that we carry out all trades, including heating, engineering and electrical work, is of great assistance to us in the provision of this service'.

The Shepherd philosophy was to provide a 'local firm' service with a permanent workforce and supporting staff, supplemented by the resources of a national company, which it did by creating a series of area offices across the Yorkshire Ridings. The growing plumbing, electrical and joinery arms of the company were given their own managers. The challenge of structural and other engineering problems led to the appointment of the company's first consulting engineer. There were more surveyors and contract managers. In 1948 Peter Shepherd took over from his father as managing director. His younger brother Donald had joined the board two years earlier. In 1951 turnover exceeded a million pounds for the first time.

One of the innovative ways in which builders sought to speed up the construction of much-needed housing and overcome the shortage of labour and materials was the concrete house. The outer skin was made of panels of reinforced concrete, linked

together on site, insulated by a glass quilt, the inner skin made of plasterboard on a light wood framing. Timber was used judiciously for the gable frame and roof, which was covered with concrete tiles. Easily assembled finished components and the greater use of machinery demanded less labour and resulted in speedier completion. With wartime expertise in handling concrete, Shepherd was ideally placed to take up a licence for the Wates Non-Traditional

House, one of the many types of pre-cast concrete houses patented in peacetime.

The company had to devise a more efficient way for handling, storing and measuring the much greater volumes of concrete this involved. The result was a completely new way of handling cement, based on the use of a portable silo, pioneered by the inventive Donald Shepherd. He made his first plywood silo in

Donald Shepherd.



Sir Peter Shepherd.





Shepherd Group

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Donald Shepherd was full of innovative ideas. The portable silo was one of his most successful.

1951, the output of which proved to be 30 per cent less expensive than buying the same volume of cement in traditional paper or cotton bags. Lightweight, needing neither foundations nor power, and easily transportable, Donald's invention excited interest in the industry in the UK and overseas and encouraged him to develop the system for commercial production. The new silo was coupled with a new lighter cement tanker built of aluminium, creating an integrated and flexible bulk handling system. Named Portasil, and launched in 1953, the new system quickly won orders, and a separate company, Portasil Ltd, was set up. Very soon silos were being made for handling materials other than cement, the first one being made to store salt for ICI.

By 1951 Portasil had also formed the first ready-mixed concrete plant in York. To sell the surplus concrete, the company took a stake in York Pre-Cast Concrete Ltd in 1954. As the business began offering specialist services and advice, including its own structural design team, it was renamed Concrete Services Ltd in 1956.

The company's joinery business benefited from the success of the early laminated timber silos but soon had spare capacity as these were superseded by steel and aluminium silos. Once again this provided an opportunity for the fertile mind of Donald Shepherd. His experience on building sites had convinced him there must be an alternative to clumsy and

The PK16 was the first of the Portakabin units, pioneering a concept much copied and still hugely successful.



Shepherd Group

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Shepherd Group

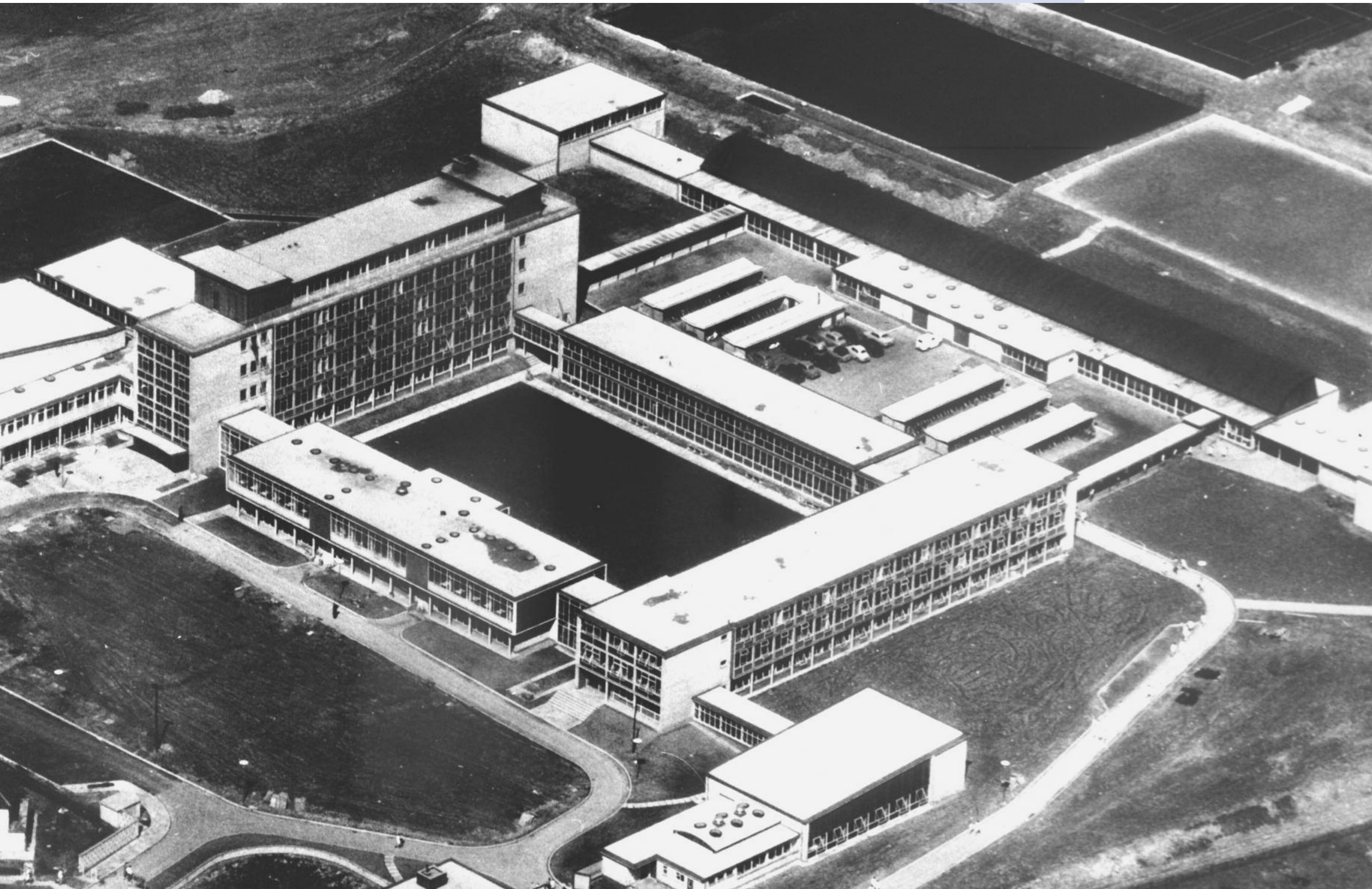
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Foxwood County Secondary School, Seacroft, Leeds, built by Shepherd in 1956.



uncomfortable traditional site huts. He used the company's joinery department to develop a high quality, one-piece portable site unit, fitted with telescopic legs that allowed it to be loaded and unloaded by one man. It would prove to be even more successful than the Portasillo. In 1961 the first unit was produced for Shepherd's own use and two years later they were being sold commercially under the name of Portakabin.

Another part of the business that developed into a commercial operation was the company's fleet of mechanical plant. Shepherd had begun building up its plant during the Second World War when labour was scarce. Although plant was in short supply after the war, Shepherd continued this policy, particularly as it began undertaking more and more non-traditional construction work. By 1948 the company had already begun hiring out surplus plant to other builders and contractors, probably at first on an informal basis. By 1952 this was being formalised, with the appointment of John Bramall, a mechanical superintendent, to develop Shepherd's mechanical engineering side. Two years later the company bought its first tower crane and in 1955 the plant depot moved to a four-acre site in a former builder's yard in Beckfield Lane, York.

Out of involvement with public housing emerged the company's design-and-build activities, beginning with eight blocks of ten-storey flats for Leeds City Council in 1958. An architectural design department was formed, including mechanical and structural engineering staff, which would later become the York Design Group. Reg Stallard was appointed head of design and Albert Mercutt project manager.

At its peak in 1953 public housing accounted for more than half of the company's work. Although the



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Shepherd built many of the buildings for the expanding University of Leeds from the late 1950s onwards.

volume dropped away during the rest of the decade, Shepherd more than made up for it with a wide range of other public works. By 1962, for example, schools and colleges made up a third of the company's work. Sticking largely within the boundaries of the Yorkshire Ridings, but straying slightly over the border into the north-east, Shepherd's largest school contract for Foxwood County Secondary School at Seacroft in Leeds in 1956 was worth more than half a million pounds. The company's largest ever contract prior to 1963 was for the £1.8 million engineering building for the University of Leeds in Woodhouse Lane. The company also built new factories, erecting a series of them for North Eastern Trading Estates at various locations in the late 1940s. There was also work for the NHS, with the company completing the accident and orthopaedic wing for Middlesbrough General

Hospital in 1959, which was the largest new hospital building in the region since the 1930s. Maintenance contracts for the Air Ministry remained important until the late 1950s and the company also erected military married quarters and other domestic accommodation at numerous sites. There were also police stations, ambulance stations, council offices, post offices and prisons.

Shepherd did not rely entirely on public works. For most of this period a quarter of the company's business was made up of projects for a large number of miscellaneous clients, ranging from ICI, British Sugar and Rowntree's to St Peter's School and Catterick Racecourse.

By the early 1950s the company could state that it had become 'one of the largest privately-owned or family concerns in building in the North of England'. Michael Shepherd had become a director in 1947, followed by his brother Colin in 1954. Their father, Frederick Welton Shepherd, died on 5 December 1957, having been chairman of the company since 1930. Peter Shepherd succeeded him, with Donald as deputy managing director. In 1958 the growing complexity of the business led to the creation of divisions covering plant, joinery, and mechanical and electrical services (later Shepherd Engineering Services). Modern production planning and control techniques were introduced as were management accounting systems. Mechplant, comprising the plant hire business, was created in 1959, when the company also began stretching its wings over a wider geographical area, taking over E Taylor & Co., a sizeable construction business based in the north-west. Three years later the company added a Darlington business, George Dougill & Sons, establishing a base for its burgeoning north-eastern



Shepherd Group

1945-1962 | Widening Interests



Colin Shepherd.



Michael Shepherd.

operations. In 1960 Conspan, a concrete construction business, was another acquisition, stemming from the company's extensive involvement with concrete structures. As the private housing sector picked up,

another subsidiary, Shepherd Developments, was formed, also in 1960. In the same year a holding company was set up for all these activities, which in 1962 became The Shepherd Group.





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Shepherd's successful Spacemaker system was used for these Middlesbrough flats in the late 1960s.



Shepherd Group

1962-1976 Growing Pains

The UK finally left austerity behind in the 1960s. Although the decade had its share of economic troubles, including the devaluation crisis of the late 1960s, and other countries began to overtake the UK in the international economic league, growth still averaged around three per cent a year. Households grew more prosperous. Ownership of durable consumer goods continued to rise. The proportion of homes with refrigerators rose from one-third to more than two-thirds and a similar proportion had a washing machine. More households had telephones, although over half were still without by 1970. Colour television was introduced in 1967 and the first Tesco superstore was opened in 1968. The advance of the car was relentless, with more than 12 million on the roads by the end of the decade.

Businesses faced a difficult economic situation during the 1970s. The boom engineered by Edward Heath's Conservative government, coupled with the hike in oil prices in 1973-74, created soaring inflation. Peaking at 25 per cent per annum in 1975, it

averaged 13 per cent per annum during the decade. To conserve energy, a three-day working week was introduced in December 1973. Early in the following year the power shortage was aggravated by the second national miners' strike in three years, leading to a snap general election that returned the Labour party to office. The new government tried with little success to mitigate the worst effects of high inflation through complex legislation which attempted to control pay and prices.

For Shepherd Building Group, as the business had been renamed yet again in 1964, the period opened with great optimism. The Shepherd brothers were in their prime. The group achieved a series of record results as it began handling ever-larger projects. By 1966 the group employed more than 5,000 people and operated across Yorkshire, the north-east, the north-west and south Wales. Developing the idea of offering a local service supported by central resources, the group created a regional structure, which fostered a close knowledge of local conditions.



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Peter Shepherd was confident about the group's financial strength and its ability to react swiftly to changes in the market. While each of the brothers had their own spheres of interest within the group, as well as strongly held opinions about its direction, ultimately they put their own interests to one side, recognising the value of unity for the future of the business.

The pattern of the 1960s for the group was larger projects across a wider geographical area. Public sector work continued to feature strongly and the group also maintained a diverse portfolio of commercial contracts. Yet just one aspect of the group's activities would come to dominate the fortunes of the business by the end of the 1960s. As a solution to the desperate need for more housing, industrialised building was widely adopted, resulting in the completion of more than 300,000 new homes every single year during the 1960s. Most were privately built but 40 per cent were built for local authorities. Components were made at factories on or off site, transported and then assembled with minimum additional work. It was seized upon by many urban councils. In Yorkshire, Hull, Leeds and Sheffield banded together to form the Yorkshire Development Group (YDG) specifically to promote industrialised building systems.

By the early 1960s Shepherd was already experienced in the use of industrialised building systems for putting up low rise and high rise dwellings. The group had even developed its own system, Spacemaker, another of Donald Shepherd's innovations, which would prove very successful. The task of promoting the concept was given to Michael Shepherd who ran the newly formed commercial division. He saw Spacemaker as a quality cost-

effective system of rapid construction and by the late 1960s it had been taken up by many local authorities in Yorkshire, the north-east and north-west. For example, as part of the vast housing programme of the Teesside Housing Consortium, Shepherd was building 1,175 dwellings worth £3.5 million over three years. The scale of this operation led Shepherd to develop a separate site, pieced together at Huntington, just outside York, by property manager Cyril Branchette. By the mid-1960s the site was big enough to accommodate not only the Conspan pre-cast concrete components factory but also Portasilo's expanding manufacturing activities.

In 1965 the YDG invited Shepherd to tender for a huge system building contract. The YDG was now much larger, having been joined by several other councils. The contract, known as YDG Housing Mark 1, comprised 4,500 dwellings worth £15 million spread over Hull, Leeds, Nottingham and Sheffield. In January 1966 Shepherd's tender proved to be the lowest on the list. Work began on the first site, Leek Street in Leeds, in November that year.

The contract almost killed the group. It was cursed by poor weather which caused lengthy delays in the production of concrete panels at the on-site factories. But there were more fundamental problems. The contract was too large for Shepherd management to control properly. The tender price grossly underestimated the scale of the task, particularly the time and cost in setting up the on-site factories and their associated infrastructure and assembling the panels. This meant that each completed unit cost much more than provided for in the contract price. There were problems with the way the dwellings were designed and built. The flats lacked enough ventilation to prevent the cold concrete surfaces

The ill-fated Yorkshire Development Group contract began with this development in Leek Street, Leeds, in 1966.





from sweating, a problem not helped by residents blocking up existing ventilation. And there was a lack of precision in the modular construction that led to unbridgeable gaps.

In 1967-68 the YDG contract lost nearly a million pounds and further losses were predicted. The brothers refused to accept the advice of their external auditors (who subsequently resigned) that these further losses should be incorporated in the year's results. If this had happened, the loss for the year would have reached £1.2 million, the group's capital and reserves would have been reduced by two-thirds and its net current assets would have been as good as wiped out. The group also had secured loans of nearly £1.5 million, unsecured loans of more than £700,000 and a bank overdraft of more than half a million pounds.

The situation worsened over the next twelve months. One contributory factor was an almost complete loss of confidence in industrialised system building following the gas explosion in May 1968 that destroyed a block of flats built by Taylor Woodrow Anglian at Ronan Point in London. Industrialised building went into a decline, sealing the fate of Conspan, which was wound down and absorbed within Portakabin in 1969. The impact of the YDG losses was compounded by the terrible state of the economy and a severe government credit squeeze. With all these pressures, the group, said Peter Shepherd, had had to make 'drastic adjustments ... we have had to eliminate persistently unprofitable situations ... Although in a number of situations we still have the tail end of certain problems, we are now past the worst of the necessary changes'.

Between 1967 and 1970 Shepherd lost more than a

million pounds, a figure which masked the true extent of the YDG losses since the rest of the group was reported to be trading profitably. The YDG contract had been largely completed by 30 June 1970. The group's profit and loss account had been obliterated. Net current assets had fallen by one-third. The average number of employees fell from 6,788 in 1967-68 to 3,587 in 1970-71. The support of the group's bank, the Midland, proved critical to its survival but the brothers still had to pledge their own homes as security. It was an intense and anxious time for all of them.

The crisis had a fundamental effect on the way the brothers ran the group. It reinforced Peter Shepherd's conservative approach to finance. Although each subsidiary continued to manage its own finances, cash was centrally controlled. Determined that the group would never face such a crisis again, Peter Shepherd, always strong on detail, kept a close watch on cash, cash flow, capital expenditure, turnover and profits. Such prudence saw the group's share capital and reserves increase from less than a million pounds in 1970 to £24 million a decade later. In 1975 the group's cash and short-term deposits stood at just £108,000; in 1984 that figure had reached £5.8 million. The growing level of cash held by the group was indicative of a much more cautious approach. As a result, the construction side of the business did not just stand still, it went backwards. Any growth was driven by the manufacturing side, which expanded in real terms by 50 per cent during the 1970s. Even so, the group sales figure of £32 million recorded in 1967-68 was never exceeded in real terms until 1987-88. It seems likely that the group's manufacturing activities never fulfilled their true growth potential during this period. Reliant on constant capital investment for expansion, a cautious approach held them back.

While industrialised housing was a major activity, Shepherd continued to carry out a wide range of projects. With the expansion of higher education, Shepherd was deeply involved with the development of the universities of Leeds and York. At Leeds Shepherd built the departments of civil engineering, mechanical engineering and electrical engineering, and the arts, maths and geology, biophysics, biology, physics and medical buildings. Shepherd was the principal contractor for the new university of York which opened at Heslington in 1963, building the library, science block and laboratories, concert hall and music department, sports centre, central hall and colleges. This work brought further contracts, including three training colleges in Leeds (1961-67) and one in Ripon (1964); halls of residence and the social sciences building for Hull University (1964-67); halls of residence for the Welsh College of Advanced Technology in Cardiff (1964); student accommodation for the University of Manchester Institute of Science & Technology (1970) and Sheffield University (1973); the Regional College of Art in Hull (1972); and the science library, married graduate flats and Trevelyan College for the University of Durham (1966-67). In 1969 Shepherd also won the contract to build Wolfson College, Oxford, which was eventually completed in 1977 after a series of complications. Shepherd also built a string of secondary schools and further education colleges.

There was work on the New Towns being built at Peterlee and Washington as well as several town centre redevelopment projects. The group was involved almost continuously with the National Health Service and built a number of general hospitals as well as a large number of extensions to existing hospitals. The group also built the new military hospital in Catterick, part of a continuing



Shepherd built several halls of residence for the new University of Hull in the 1960s.



The Mechanical Engineering Department, Leeds University, 1960, built by Shepherd (top left).
Shepherd was the principal contractor of the new University of York from 1963 onwards, (top middle and right) including the Music Centre in 1967 (bottom illustration).

Shepherd completed Wolfson College, Oxford, in 1977.

relationship with the military, which largely involved new housing. There was more work for the prison service, the police and the Post Office. For British Rail, Shepherd built the new station at Leeds. The group also carried out the development of the National Railway Museum, completed in 1973. The project manager, Ken Stephens, was presented with a medal by the Duke of Edinburgh when the contract was finished.

The group still took pride in undertaking such major projects in its home city. Ken Stephens also led the Shepherd team which worked on the restoration of York Minster. In the mid-1960s it was discovered that

the central tower was in danger of collapsing. An appeal was established to raise £2 million to meet the costs of saving it. Working closely with an extensive team of expert architects, engineers, surveyors and archaeologists, Shepherd Construction carried out the urgent restoration work, beginning in 1967. Remedial works included underpinning the foundations, repairing and restoring the fabric, and reinforcing the structure with high tensile stainless steel rods. The biggest single engineering operation, which took five years, was stabilising the central tower on new enlarged foundations and bracing the superstructure with an invisible girdle of stainless steel. Eventually six and a half miles of high tensile



The National Railway Museum, York, completed by Shepherd in 1973. (Kumar Sriskandan/Alamy)



Shepherd Group

1962-1976 | Growing Pains

stainless steel rod was inserted in the stonework of the central and western towers, forming the reinforced stress frames that prevented the towers from spreading further. Ken Stephens' team included site manager George Preston, foreman mason William Holland and foreman scaffolder Louis Littlewood. The completion of the work in 1972 was celebrated with a special service in the Minster followed by a dinner in the Assembly Rooms. Shepherd told Bernard Fielden, the conservation architect leading the work, that it had been 'the happiest job they ever had'.

There was the usual range of commercial contracts. Familiar clients included the Midland Bank and the printers Ben Johnson. There were factories, shops and office blocks, dance halls, hotels and motorway service stations. Shepherd Construction also built



The restoration of York Minster highlighted the craftsmanship of Shepherd's skilled workforce.





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most of the houses for Shepherd Homes, largely at the latter's major site at Woodthorpe just outside York. By the time the site was completed in 1978, more than a thousand homes had been built. 'The site,' said the group's annual review for that year, 'was one of the first in the North to pioneer the concept of

Shepherd's largest housing development was at Woodthorpe, outside York, completed in 1978.

"open plan" development, eliminating fences and hedges to front gardens and embellishing grassed frontages with tree and shrub planting at visually important points.'

Design and build, later so popular in the construction industry, emerged within the group as the Shepherd Design Group, another idea from the fertile mind of Donald Shepherd. Part of Donald's reasoning was to employ professional surveyors and architects outside the contracting business since the professions still frowned upon their direct employment by contractors. The Design Group teamed up with the engineers and managers of Shepherd Building Service, formed in 1965, to offer what Peter Shepherd called 'package deal building'. It had few serious rivals in its

A major design and build contract completed by Shepherd was a new factory for Weetabix.



early years. Contracts included an automated brewhouse for Charrington United Breweries, a distribution centre, warehouse and offices for Great Universal Stores and a factory for Weetabix.

Under John Bramall, Portasilo steadily expanded, and remained the Group's major manufacturing business until the late 1960s when it was overtaken by Portakabin. Portasilo became the UK's leading supplier of portable cement silos, and also offered customised bulk handling operations for major companies. But it was an entirely new product that dominated Portasilo's sales by the early 1970s. This was the Portaloo portable toilet unit (originally called Portablu), launched in 1966. Very quickly the product dominated the UK market, manufacturing capacity had to be expanded at Huntington and a separate Portaloo division was formed in 1971. Portasilo's innovative streak continued with the introduction of the Portastor range of compact and secure storage systems in 1974. New products were under constant development. They included the Portabatcha portable concrete batching plant, developed under the direction of David and Bryan Shepherd through Portasilo Research, a business that became independent of the group in 1972.



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Launched in 1961, the Portakabin unit was without rivals in the UK until 1968. The range was steadily expanded and improved, better materials were used, and a long list of optional internal fittings was offered. Until a serious fire in 1969, Portakabin shells for the units were made at Ouse Acres, following which production was divided between Huntington and Littleborough, formerly part of the Taylor business. Donald Shepherd's dream was of a multi-purpose portable building which could be used as permanent accommodation. This was realised in 1967 when the first units for use outside construction were supplied for a breast-screening clinic in Gateshead. Soon orders for other uses began to flood in and the first export order came in 1968 when units were sent to Iceland for use as an air navigation station. Exports took off in the 1970s with the boom in the Middle East oil

industry. Thousands of units were exported, leading to an increase in manufacturing capacity and Portakabin taking over responsibility for sales from Portasilo. The business was eager to enter the European market but attempts to set up an assembly plant proved unsuccessful and Portakabin units despatched from the UK could not compete on price with similar products made in Europe. Much more important for the future of the business was the setting up of a Portakabin hire fleet in the UK.

The balance of the Group was beginning to change. While construction still accounted for £37 million of the Group's £51 million turnover in 1976, manufacturing not only made up 20 per cent, but also contributed more than half of the Group's record pre-tax profits. This would prove to be a continuing trend.

The Ouse Acres fire in 1968.





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Portakabin won the Queen's Award for Export Achievement in 1978.



Shepherd Group

1976-1997 Consolidation

The cautious approach adopted by Shepherd seemed well suited to the difficult times of the late 1970s and early 1980s. Economic growth during the second half of the 1970s was half the rate achieved in the 1960s. Widespread labour unrest and political uncertainty culminated in the so-called Winter of Discontent in 1979, which played a major role in the election of the Conservative government under Mrs Thatcher that May. Improvement came slowly under the new government. Manufacturing suffered badly during the early 1980s, and although a boom largely funded by tax cuts took place in the second half of the decade, benefiting the construction industry, the economy was unable to meet rising demand, causing another recession. House prices soared, the rate of inflation grew to ten per cent and interest rates rose to fifteen per cent in 1989-90. As boom turned to bust, thousands of home owners were left with houses worth less than the price they had paid for them. It was only when this came to an end in the early 1990s that a period of more settled economic growth arrived at last.

Inevitably, the performance of Shepherd Construction proved volatile. Major job losses occurred in the early 1980s, as the Group shed a thousand staff, although it still remained one of York's leading employers. Some of the Group's smaller businesses disappeared, such as the Alne Brick Works, closed in 1985, and Concrete Services, sold in 1986. But after the YDG debacle of the 1960s, the Group had become financially conservative, prudently building up its reserves, which now stood it in good stead as the construction industry suffered. Moreover, the Group prospered from the advance of its manufacturing activities, which made an ever-larger contribution to Group profits. By 1993 Group turnover had increased to £339 million with pre-tax profits of £16 million.

The great success story was Portakabin. Between 1971 and 1991 sales rose from £2 million to £66 million, contributing 17 per cent of the Group's turnover and more than two-thirds of profits. Portakabin won the Queen's Award for Export



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Achievement in 1978 but the Middle East export boom, which accounted for half Portakabin's sales at its peak, fell away in the early 1980s. Portakabin more than made up for the shortfall by expanding its hire operations in the UK and into Europe. The hire division was formed in 1985, when Portakabin announced it would sell units only to end-users and no longer to plant companies which had built up their own hire fleets. By the early 1990s Portakabin had set up 15 hire centres across England and Wales, while its Scottish Division formed in 1986 under Donald Shepherd's son Patrick had three centres. In Europe hire centres were opened in France (Paris and Lyon), Belgium, the Netherlands and Switzerland. During the 1980s the hire division grew at more than 20 per cent a year.

In 1985 production had been concentrated at Huntington, where increased efficiency and more

flexible facilities resulted in a record output of 11,500 units in 1988-89. Portakabin's emphasis on research and development continued to pay off, not just in a stronger range of much improved models. In 1980 a new modular building system suitable for quality permanent buildings was launched under the Yorkon name. In 1987 Yorkon sales outstripped Portakabin sales in the UK, helping Portakabin to win the Queen's Award for Technological Achievement in 1992.

Portasilo came through difficult economic times thanks to the diversity of its product range. The bulk handling division became one of the leading European suppliers of plant for handling granular and pulverent materials by the end of the 1970s. The poorly performing cement handling business was



Design ■ Innovation

Portasilo's Rotoflo discharge unit and the Portasilo Superflow Dense Phase Conveying System.



Secure trackside units for the railways developed by Portastor.



Shepherd Group

1976-1997 | Consolidation

phased out in the 1980s and the business concentrated on large-scale bulk handling systems for the process industry. In 1983 a technology agreement was signed with a Japanese firm that led to the successful launch in 1984 of the Portasilo Superflow Dense Phase Conveying System, crucial in helping the bulk handling business compete with its rivals. During this period the company worked on a number of major contracts involving some of the largest silos Portasilo had ever made, including the largest site-built silo, 60 feet by 33 feet, erected on the Isle of Grain for Bechtel. Portasilo continued to thrive on innovation during the 1990s. In 1995, for instance, the Rotoflo discharge unit was launched for handling materials that did not flow easily, gaining recognition in the 1996 Manufacturing Achievements Awards.

Portaloo and Portastor continued to be successful. In 1980 a range of robust relocatable steel workplace

units was added to the Portastor range under a familiar name, Spacemaker. The Portastor concept led to the production of a successful series of secure units for British Rail, a concept developed further in the 1990s as a range of fully fitted and operational switchgear housings and special units for mobile telephone networks. As the latter industry took off, more sophisticated units, equipped with air conditioning, power and radio, were supplied to most of the major mobile network operators. Portaloo followed Portakabin's example by forming its own hire division, complementing its range with the regular launch of new products, such as a Portaloo mobile unit.

Throughout this period the direction of the group remained in the hands of the Shepherd brothers under the continuing chairmanship of Peter Shepherd, who had been knighted in 1976 for his



Paul Shepherd.



Piers Shepherd.



services to training in the construction industry. Paul Shepherd, Peter's eldest son, joined the board in 1984, and Piers Shepherd, his second son, in 1993. Other members of the same generation, Nicholas, Mark and Patrick, all joined the group during this period, although Nicholas left after a few years to pursue a separate career.

The group also depended on the growing ranks of often long-serving senior and middle managers, with most senior appointments made from within the group. Typical examples were the careers of Tom Duston and Dennis Reaston. Duston, for instance, joined the group as an apprentice surveyor in 1940, and worked his way through the business, becoming successively construction manager, area manager and regional director, joining the board in 1981 and retiring in 1988. Dennis Reaston joined the group in 1955,

qualifying as a certified accountant with the group in 1962. Joining the group management committee in 1984, he became finance director in 1992.

On reaching the age of 70 in December 1986, Sir Peter Shepherd handed over as chairman to his younger brother Colin. As well as guiding the fortunes of the group, Peter had made a significant contribution to industry in general and the construction industry in particular. In addition to chairing the Construction Industry Training Board from 1973 to 1976, he had been involved with the training boards of the wool and textile industries and the Technical Education Council. President of the Chartered Institute of Building (CIOB) in 1964-65, he had been the author of the Shepherd Report on construction management in 1965. He had been the founder master of the York Guild of Building,

continuing a tradition in the city that stretched back centuries. He had garnered honorary doctorates from Heriot-Watt and York universities and been a deputy lieutenant for the county since 1981.

Michael Shepherd sadly died after a long illness in 1992. He had worked for the business since leaving school in 1937, and had been chairman of Shepherd Construction for 20 years.

As the three remaining brothers neared the end of their careers, they looked to the future of the group. In 1994 the first two non-executive directors, Alan Fletcher and Les Tench, joined the board. Fletcher had been chairman and chief executive of The Wilkinson Sword Group and chief operating officer of Swedish Match, and had set up a number of successful private companies. Tench came with considerable experience of the building products sector, having joined CRH plc in 1992, where he would later become managing director of CRH Europe – Building Products. Together they would become a positive influence on the future direction of the group.

Peter Shepherd finally retired from the board in 1995 after nearly 64 years with the group. He died less than a year later at the age of 79. His brother Donald

stepped down from the board in 1996, having served almost as long. In 1992 he had been awarded the OBE for his role in generating exports as chairman of Portakabin, indirectly acknowledging his even more important contribution towards design and innovation in the field of modular building. His retirement too was only short, and he died at the age of 78 in 1997. Colin Shepherd, who had also received the OBE, in his case for his contribution towards housing, relinquished the chairmanship in 1996. He died two years later, on the very day he was due to retire from the board after half a century with the group. In two and a half years the group had lost the advice and expertise of all three brothers. Although each of them had retired or was intending to retire, their collective sense of family that had kept them united in spite of many often strongly expressed differences of opinion would be much missed.

A new generation was in charge. Paul Shepherd took over as chairman and managing director of the group in 1996. Like his father and uncles, he too was active in the wider industry, for which contribution he would receive the CBE in 1999. Three other members of his generation sat alongside him on the group board, Piers, Mark and Patrick Shepherd, accompanied by Dennis Reaston as finance director, and non-executive directors Alan Fletcher and Les Tench.



Alan Fletcher.



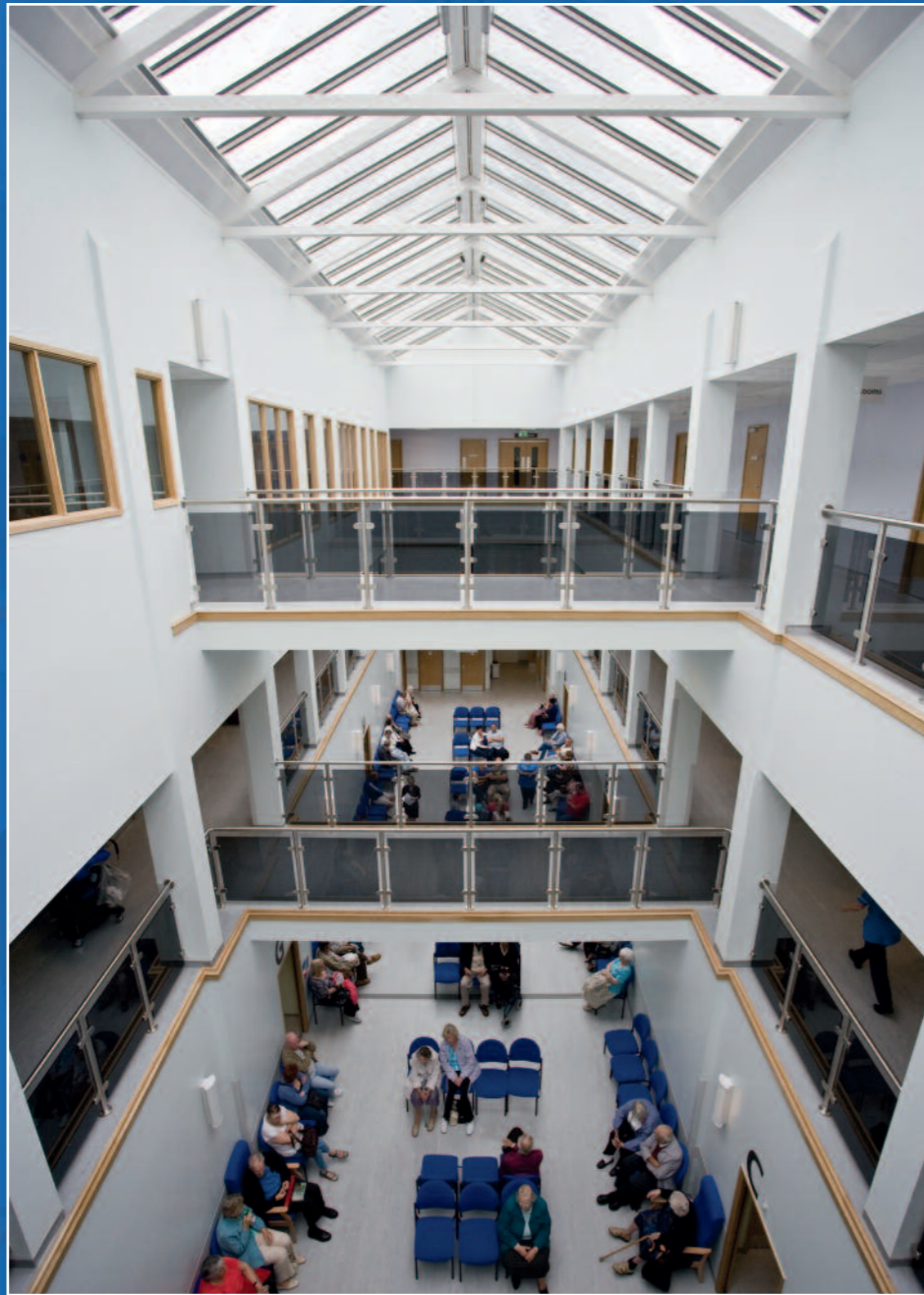
Les Tench.





Shepherd Group

The Story Of The Shepherd Group | A Family Enterprise



Portakabin - Hull
Royal Infirmary.



Shepherd Group

1997- Modernisation

For the decade after 1997 the UK economy grew on average by nearly three per cent every year. Unemployment fell as low as 2.3 per cent in 2001 and inflation dipped to 2.2 per cent at the end of 2005. Despite the tremors caused by the dot.com fiasco in 2000, this was a time of economic stability and prosperity, even deluding some into thinking that boom and bust had been consigned to the dustbin of history. Yet even as real incomes increased by a fifth in real terms, house price inflation soared and final salary pension schemes were becoming a thing of the past. With hindsight the seeds were sown at home and overseas for the dramatic collapse that affected the world economy in late 2008.

Under Paul Shepherd, advised by Alan Fletcher and Les Tench, the group developed a strategy aimed at modernising operations and developing financially strong and entrepreneurial subsidiaries. There was greater decentralisation but also greater scrutiny to ensure every business remained on a sound financial footing. There was also a determination to create

closer links with shareholders not active within the group. A more active investment strategy was also encouraged.

Progress towards these goals was slow. The success of the group's manufacturing operations was not matched by other group businesses and several acquisitions in the USA proved short-lived. While turnover exceeded half a billion pounds in the early years of the new millennium, profits were disappointing and the group even suffered a loss in 2002.

The group changed tack, selling off failing businesses and concentrating on its core construction, manufacturing and property interests. Group management was also overhauled. In 2001 Alan Fletcher became the group's first non-executive non-family chairman, with Paul, Patrick and Mark Shepherd as chief executives of the construction, manufacturing and property divisions, respectively. Paul Shepherd left the group in 2002. In the same



year, Mechplant, the business run by Piers Shepherd, was sold and Piers left the group board. He continued his relationship with the group as chairman of the Shepherd Group Pension Fund. Also in 2002 Patrick Shepherd became group deputy chairman.



Patrick Shepherd

The next decade would be a time of rebuilding. The culture of the business was reshaped. More effort was invested in defining the relationship between family and professional management. Links with shareholders were further developed, resulting in a family council and a family constitution. Time could be given to concentrating on future strategy. The directors concentrated on continually improving systems and operations in each of the

businesses, grounded in better budgeting. The various parts of the business were reorganised and rationalised, with the introduction of new controls, systems and management. Financial procedures were overhauled and better budgeting established. The calibre of senior group executives continued to rise as further external appointments were made throughout the group. Senior executives were also involved more closely at group level, most importantly through the formation of a group operations executive comprising the managing directors of the major subsidiaries.

All this was accompanied by the development of the family's vision and values, launched in 2007, which were later adopted by the business. Summed up as Vision, Integrity and Pride, these stressed that the

group's aim was to encourage the business to achieve its full potential through making the most of opportunities and innovations presented by staff and embracing best practice throughout the business and in relationships with employees and the local communities in which the group had a presence. Consistent sustainable performance would be secured through integrity, openness and honesty, and through taking pride in the business and the family name.

The group's vision and values were in many respects an expression of the characteristics that had been for so long an intrinsic part of the business. In the same way corporate social responsibility was not a new concept for the group. The more formal development of this idea built upon the foundations laid by previous generations in areas such as training, safety at work, pensions, social activities and community support. The group's community support policy, for instance, still embraces activities in many sectors, including sport and the arts, education and training, health and backing local businesses.

The group had the advantage of implementing such far-reaching change during the prosperous years of the new decade. In 2004-05 every company in the group made a profit for the first time since 1988 while in the following financial year the group as a whole achieved record turnover of £725 million and record profits of £43 million. In 2006 the group became Shepherd Group, removing the misleading word 'Building' which conveyed a narrow view of the group's more broadly based activities. Financial progress, however, was badly dented by the severity of the ensuing economic recession, and the group recorded losses in 2008-09, aggravated by reorganisation and redundancy costs. Although

turnover dipped, the group returned to profit in 2009-10. Reaching this point involved hard work, a commitment to change and reinvigorated management.

Throughout this period the star performance came from the group's manufacturing operations. Portasilo thrived on innovation. Portastor equipment housing was so successful that it became the main part of the business. It was proving particularly successful in technologically sophisticated sectors of the economy, broadening its markets beyond the rail and telecoms markets into areas such as pharmaceutical and waste treatment. Units were also being sold either directly or indirectly for installation abroad. In 2010, for instance, the company supplied giant switchgear housings for the Singapore Parallel Train project. Such initiatives helped Portastor to remain profitable in difficult trading conditions.

To foster this important new product area, the business had been restructured in the late 1990s. The major change was the transfer of Portaloo to Portakabin. This gave Portaloo the boost it needed as its basic range was being priced out of the market by cheaper overseas products. Portakabin's expertise in

design, fitting-out and distribution proved invaluable in the development of more sophisticated Portaloo products.

Portasilo retained the bulk handling business, which continued to receive group investment. The concept was as relevant in the new millennium as it had been in the 1950s. Significant contracts included the supply of silos for the new cement terminal at King's Cross in 2006; and, in 2010, the construction of 34 silos for the first phase of the world's largest paint plant at Rohtak in India.

A diversification into park and leisure homes in 2004 was at first sight unusual but it was based upon the business's manufacturing expertise. This new venture expanded through acquisition and the development of a new factory in Northamptonshire in 2010. In the following year this side of the business was judged to be strong enough to become a separate business as Shepherd Park & Leisure Homes.

This allowed Portasilo and Portastor to concentrate on their technical expertise, for which a separate engineering division incorporating the two businesses was established in 2012.



The silos built by Portasilo for the Rohtak paint factory in India.



Shepherd Group

The Story Of The Shepherd Group | A Family Enterprise

Portakabin was the powerhouse of the group. Under the direction of Patrick Shepherd as chairman and Stephen Price as managing director, a more transparent management approach was adopted alongside an even greater emphasis on quality. Staff with differing skills were brought together in a variety of working groups, and obstacles to efficiency and barriers between the sales and production sides of the business were swept away. Better results flowed from rising productivity and curtailed waste. Working relationships improved and staff gained a greater understanding of the business. There was a stronger

emphasis on customer service and the company also benefited from a clearer marketing strategy.

With further investment in research and development, Portakabin continued to lead the field in the UK, launching a series of more sophisticated, better equipped and high quality units, such as the Titan, Ultima and Solus. For the more competitive lower end of the market, the Konstructa model was developed, alongside its own hire division, Konstructa Hire. The company also moved into the growing used market. It acquired Foremans Relocatable Building

The Titan was one of many improved units launched by Portakabin.



Shepherd Group

1997- | Modernisation

Systems in 2000 and Allspace, the leading Irish supplier of modular buildings for sale and hire, in 2006. As a separate business, Portakabin's own hire division grew strongly, with 39 UK hire centres by 2000.

The greatest challenge was Europe. While Portakabin had 20 per cent of the UK market, it held just four per cent of the European market. The first step on a determined European expansion plan began in November 2010 with the opening of Portakabin Modulaire plant at Crespin, near Valenciennes in

France, Portakabin's first-ever assembly plant outside the UK. Encouraging results also came from the decision to develop the hire business in Belgium and the Netherlands.

Portakabin's strength was evident from its financial performance. In 2008 sales exceeded £200 million for the first time. It proved resilient during the downturn as well, sustaining significant profits, which in 2010-11 represented more than three-quarters of the group's overall profits, thanks largely to the flourishing hire division.

The Portakabin Modulaire assembly plant at Crespin in France. Inset the famous Portakabin logo.





Shepherd Group

The Story Of The Shepherd Group | A Family Enterprise

The construction business proved much more difficult to manage. Shepherd was not alone in this, as other major UK construction businesses proved equally challenging during the topsy-turvy times of boom and bust in the new millennium. A major challenge was preventing the company being squeezed between the much larger national contractors and the smaller local builders. Significant effort was invested in changing working practices, raising the calibre of management and improving risk management. A more open, transparent and co-operative culture was encouraged. Profit rather than turnover was pursued. Making a profit was difficult, however, especially as the economy became depressed.

The York Designer Outlet constructed by Shepherd.

Much of Shepherd Construction's work came from sectors with which it had long had an association. There was work for various universities, including Bath, Cambridge, Leeds Metropolitan, Loughborough, Manchester, Sunderland and Cardiff. There were schools in Rochdale and Monkseaton and colleges in Gateshead and Burnley. Military work included a new infantry training centre at Catterick Garrison. The company built designer shopping outlets outside York and Glasgow, took part in the first phase of the regeneration of Birmingham's Bull Ring and developed retail complexes at Walkergate in Durham and Trinity Walk in Wakefield. There were numerous



Shepherd's involvement at Catterick Garrison stretched from the 1930s to the 2000s.



Shepherd worked on the regeneration of Birmingham's Bullring.



Trinity Walk in Wakefield was one of many shopping developments built by Shepherd. (Paul Harness/Alamy)



Shepherd restored and redeveloped Liverpool City Library.



The striking bus station at Walsall built by Shepherd. (Tony Smith/Alamy)





The Darwin Centre constructed by Shepherd for the Natural History Museum. (Loop Images Ltd/Alamy)



Shepherd Group

1997- | Modernisation

contracts for the NHS, including successful Private Finance Initiative ventures in Bishop Auckland and Leeds. Individual contracts of note included the innovative bus station in Walsall, the Darwin Centre for the Natural History Museum and the restoration and redevelopment of Liverpool City Library.

The latter contract involved Shepherd Engineering Services (SES) which transformed its fortunes during this period. By minimising risk, results improved, business expanded, several new offices were opened and SES moved into Scotland. In 2010 it was recognised in its sector as Contractor of the Year.

Shepherd Engineering Services was involved in many of the contracts carried out by Shepherd Construction.





Innovation was evident here too. In Liverpool SES used its newly established arm, SES PRISM (Prefabricated Integrated Services Modules), to build off-site a large part of the required mechanical and electrical services.

In 2010 Shepherd Construction, SES and Shepherd Homes were brought together within the newly created built environment division. Construction was again restructured to ensure projects were carried out with greater consistency and contract errors were minimised. In 2010-11 Shepherd Construction recorded its highest-ever operating profit of £4 million on increased turnover of £251 million. The new division also included two new businesses. The first was Shepherd FM, initially known as Total Solutions, which drew on the group's wide experience to offer a single source facilities management service. The second was Shepherd Aligned, which applied a modern management approach to Shepherd's design and build service.

By now the group was very different in outlook. Patrick and Mark Shepherd, the remaining family board members, had steadily relinquished their executive responsibilities and by 2008 were acting as non-executive directors. For the first time in the group's history the board did not have an executive director who was a member of the Shepherd family. Senior group executives were appointed to the board and non-executive appointments were refreshed under chairman Alan Fletcher.

By this time the hard work of so many people over so many years seemed to be bearing fruit and providing a platform for further growth. Importantly, the group had made great strides in professionalising the operation and management of the business. The

more open nature of the business, coupled with the creation of formal consultative structures, had helped to improve relationships with shareholders. Most recently, as a means of enabling shareholders to focus on key issues, a family business committee was established as part of the existing family assembly.

Despite the woeful economic situation the group achieved improved results in 2010-11, thanks principally to the continued success of the industrial division. Shepherd Construction's results were the highlight of the built environment division's performance. The financial strength of the group remained as much of a bulwark against difficult times in 2011 as it had been 40 years previously. The group had virtually no debts and held cash in excess of £45 million. The remarks of the chairman were the most positive since his appointment: 'The quality of the management teams, the excellence of the product offerings, the swift action taken to improve efficiencies and sound cash management have combined to drive improved profit performance and build the Group's financial strength. These are encouraging results which provide firm evidence of the Group's resilience in the face of challenging markets and demonstrate its ability to continue to withstand the current market pressures. While the continuing general economic uncertainty points to a need for caution in the short to medium term, the considerable improvement in the Group's profitability and its sound financial performance give confidence in the underlying strength and future potential of the business'.

Alan Fletcher stepped down in 2014. As the driving force for change and modernisation, his contribution to the group had been immense. As well as his tireless work within the business, he had been widely

liked and hugely respected by the shareholders, his acumen and manner helping inordinately to improve relationships.



David Williams.

His successor, David Williams, came not only with extensive experience of construction and engineering, but also of global business, having been chief executive of a French engineering company and a Danish energy company. Under his chairmanship the group followed a strategy aimed at focusing its resources on high-quality, lower risk returns whilst reducing exposure to lower-quality, higher risk earnings.

A thorough review of the operating companies was carried out to identify their strengths and weaknesses and to look at ways of securing their future and the jobs of their employees. It was evident that the nature of the construction market, like so often in the past, as the group's history attests, was again in a period of change. The implications were evident: growth in shareholder value would require investment. At the same time, the opportunities for growth created by Portakabin's success also called for investment in management talent and capacity. This resulted in a decision to concentrate on the flourishing Portakabin operations and to eliminate the adverse impact of the volatility associated with the construction markets, with an emphasis on building up shareholder value.

It was not an easy decision to make for a group whose roots lay in construction but in the summer of 2015 Shepherd reached agreements to sell the businesses forming the built environment division. Shepherd Homes was sold to Galliford Try and Shepherd Construction, Shepherd Engineering and Shepherd FM were sold to another long-established family

business, the Wates Group. Galliford Try combined the Shepherd Homes business with Linden Homes, its own house building company. While SES and Shepherd FM were sold in their entirety to Wates Group, the deal for Shepherd Construction was more complex and involved the transfer of a significant number of contracts and frameworks with Shepherd Group retaining some live contracts. The net effect, however, was the same. All three businesses were transferred to Wates on completion of the deal, although the Shepherd name was retained by Shepherd Group in all cases. The negotiations also achieved job security for Shepherd employees. As with the Shepherd Homes transaction, where all employees transferred to Linden Homes, employees from Shepherd Construction, SES and Shepherd FM transferred to the Wates Group under the terms of the deal. An important factor when the opportunity arose for discussions with Wates was the family ethos of the business which had much in common with the values of Shepherd Group.

As a result of this strategic decision, all these businesses had been sold to organisations better able to build on their achievements and to make the most of the opportunities arising out of their skills and technical capability. As David Williams explained at the time, 'Shepherd Group has a strong history of adapting to market opportunities as they evolve'. The Shepherd Group board was confident that these transactions would secure the future of the divested businesses involved while supporting the group's long-term growth strategy and enabling it to concentrate resources on the remaining businesses. During the summer of 2015 an early statement of intent for the planned growth of the business came with the announcement that Portakabin Group was investing £22 million in new modular buildings for hire.



Shepherd Group

The Story Of The Shepherd Group | A Family Enterprise

As a consequence of these strategic decisions, Shepherd Group begins an exciting new phase in its history as it celebrates its 125th year. As a professionally managed, family owned and supported enterprise, it now has a clear focus on the continuing expansion of the Portakabin Group in the UK and overseas. Change has not been achieved without difficulty but it has been accomplished while sustaining those values the group holds to be important, particularly honesty and integrity and an appreciation of people and ideas.

These and other values have been characteristic of the group since it was first established by Frederick Shepherd at the end of the nineteenth century. Hard-working and entrepreneurial, he handled the ups and downs that have always afflicted construction by seizing opportunities as they arose, moving from development to contracting and back again. Under his son, Frederick Welton Shepherd, this entrepreneurial zeal was redoubled. Between the two world wars the business expanded in size, range and capability. Beginning the inter-war period as a major builder of housing for local authorities, by the time the world stood on the verge of war once more Shepherd had become a contractor of choice for the military.

The third generation of the family possessed an equal abundance of entrepreneurial spirit. The hard work and dedication of Peter Shepherd helped the construction business to embrace an ever-wider range

of work over a broadening geographical area. Donald Shepherd's creative mind produced three of the UK's most recognisable industrial brands in Portakabin, Portaloo and Portasilos, and in so doing set up a profit stream that supported the rest of the group in difficult times. It became a more complex business after 1945 but one that remained under the day-to-day control of the four brothers, Peter, Donald, Michael and Colin. Their solidarity helped the group survive one of the two worst crises in its history. The Linton aerodrome contract in 1936 and the YDG contract that followed 30 years later almost broke the business. If the group in 1966 had forgotten the lessons of Linton, it would never forget the lessons of YDG. For the next 30 years the group's expansion was hindered by the memories of those traumatic years as caution tended to dampen entrepreneurial spirit.

As the fourth generation of the family faced the task of modernising the business, the non-executive directors helped to give the group a sense of direction, shifting its culture towards greater openness and transparency. Good governance and effective talent management has reinforced the reputation of a respected family-owned business. Today the group is still an important part of its home city. Under the stewardship of the family, supported by talented professional executives, and soundly based on a well established and innovative manufacturing business with highly regarded brand names, Shepherd Group is well prepared to meet the challenges of the future.



Shepherd Group

1890-1918 | Beginnings

The focus of the Group today is on the expansion of the Portakabin Group. These striking images highlight the Group's forward-looking approach.



Portakabin - Hull Royal Infirmary.

Yorkon - Archbishop Holgate School, York.



Yorkon - Crofton Academy, Wakefield.



Yorkon - Cambourne Village Academy, Cambridgeshire.



Yorkon - Frimley Park Hospital.





Bryan, Donald and Peter Shepherd with (front) David, Colin and Michael Shepherd.



Peter, Donald, Colin, David and Bryan Shepherd on the day in 1994 they were made Freemen of the City of York.



Shepherd Group

The Story Of The Shepherd Group | Timeline

Date Event

- 1854 Birth of Frederick Shepherd
- 1875 Frederick Shepherd married Hannah Welton
- 1880 Frederick Shepherd builds his first house at 42 Fountayne Street, York
- 1880 Birth of William Shepherd
- 1885 Birth of Frederick Welton Shepherd
- 1890 Formal foundation of the Shepherd business
- 1893 Villas, North Parade, York
- 1894 Houses, Grove Park, York
- 1894 Villas, Queen Anne's Road, York
- 1895 Cottages, Abbey Street, York
- 1895 Town houses, The Avenue, York
- 1897 Lead Mill Lane, York, premises acquired
- 1897 Cottages, Compton Street, York
- 1897 Cawood brickworks bought by Thomas Shepherd
- 1899 Houses, Volta Street, Selby
- 1903 Frederick Welton Shepherd joins the firm
- 1905 First contract on behalf of Brierley & Rutherford
- 1906 Cawood brickworks sold
- 1906 Houses and shops, New Street, Fulford
- 1907 Houses, Derwent Road, Fulford
- 1907 William Shepherd emigrates to Canada
- 1913 Villa, Acomb
- 1913 Bandstand, Knavesmire, York
- 1916 Frederick Welton Shepherd becomes a partner
- 1920 Council housing, Tang Hall, York
- 1924 F Shepherd & Son Ltd formed
- 1924 Council housing, Tang Hall, York
- 1924 House, Crossways, Strensall
- 1925 Council housing, Tang Hall, York
- 1925 Blue Bridge Lane acquired
- 1925 Public Library, York
- 1926 St Chad's Church, Campleshon Road, York
- 1927 House, Innisfree, Station Road, Poppleton
- 1927 Barrack block and sergeants' mess, York Military Hospital
- 1927 Buildings, Territorial Camp, Ripon
- 1928 Council housing, Tang Hall, York
- 1928 Children's Block, Fairfield Sanatorium, York

Date Event

- 1928 Harrogate General Hospital
- 1928 Various branches for the Midland Bank
- 1930 Council housing, Tuke Avenue, York
- 1930 Montague Burton, Coney Street, York
- 1930 Village hall, Hovingham
- 1930 Death of Frederick Shepherd
- 1931 Nurses' Home, Harrogate General Hospital
- 1931 Methodist church and schools, Starbeck, Harrogate
- 1931 Extensions, Queen Margaret's School, Scarborough
- 1931 St Hilda's Church, Tang Hall Lane, York
- 1931 Peter Shepherd joins firm
- 1933 Printing works, Ben Johnson & Co, Boroughbridge Road, York
- 1933 Housing, Acomb Priory, York
- 1933 Housing, Elm Bank Lodge, Shipton Road, Alwyne Grove, Alwyne Drive, York
- 1933 Housing, Colburn Lane and Leeming Lane, Catterick Camp
- 1933 Donald Shepherd joins firm
- 1935 Conversion of Castle Museum, York
- 1936 Montague Burton, Beverley and Ripon
- 1936 York Postal & Engineering Garage, Leeman Road, York
- 1936 Hangars, Linton aerodrome
- 1937 Married quarters, officers' messes, sergeants' messes, barrack blocks, regimental institutes and guard rooms, Catterick Camp
- 1937 Michael Shepherd joins firm
- 1939 Hung, Territorial Army
- 1939 Militia camps, Sedgefield and Guisborough
- 1939 Anti-aircraft hutting, Tyne and Humber
- 1940 Hutted camp, Barnard Castle
- 1940 Carpentry and joinery, Royal Ordnance Factory, Newton Aycliffe
- 1940 Multiple airfield maintenance contracts 1940-45
- 1940 Peter Shepherd, Dennis Ransome and John Wreghitt appointed directors
- 1941 Ordnance Factory, Thorp Arch, Wetherby
- 1942 Extension, RAF station, Scorton



The Story Of The Shepherd Group | Timeline

Date	Event	Date	Event
1942	Camp, Canadian Bomber Command, Allerton Park	1957	Death of Frederick Welton Shepherd
1942	Water main, Selby RAF Church Fenton	1958	Design and build activities started
1944	Air raid damage repairs, Lewisham and Erith	1959	Accident and orthopaedic wing, Middlesbrough General Hospital
1945	Purchase of Alne Brick Co and Hemingbrough Brick Co	1959	Everthorpe prison
1946	Contributory staff pension scheme	1959	Heminborough Brick Co absorbed within Alne Brick Co
1946	Council housing, Woodlea Avenue, Acomb	1959	Mechplant established
1946	Public housing, Catterick Camp, Catterick, Richmond, Dringhouses and Scarborough	1959	E Taylor & Co acquired
1946	Catterick office	1960	Shepherd Holdings formed
1946	Donald Shepherd appointed director	1961	Portakabin formed
1946	Trading estate, West Hartlepool	1961	Laeven concrete construction business acquired and renamed Conspan
1947	Pre fab housing, York	1961	Shepherd Development formed
1947	Michael Shepherd appointed director	1961	First land acquired at Huntington, initially for Conspan and Portasilo
1948	Peter Shepherd appointed managing director	1961	Leeds training colleges 1961-67
1948	Colin Shepherd joins the firm	1962	George Dougill & Sons acquired
1949	Catterick office relocated to Richmond	1962	Holding company renamed The Shepherd Group
1951	First consulting engineer appointed	1962	Shepherd Engineering Services formed
1951	Ready mixed concrete plant in operaon	1962	York Design Group formed
1951	Pre stressed concrete factory, Huddersfield	1962	Housing development, Woodthorpe, York
1952	Hull office	1963	Main contractor for York University
1952	Wates PH6 Non- Traditional House constructed under licence	1963	Spacemaker industrialised housing system
1952	Forerunner of Mechplant established	1964	Holding company renamed Shepherd Building Group
1952	Various schools across the north east and West Yorkshire	1964	Ripon training college
1953	Portasilo formed	1964	Buildings for Hull University
1953	Church of Our Lady, Gale Lane, York	1965	Shepherd Building Service formed
1954	Non-contributory staff pension scheme	1966	Yorkshire Development Group industrial housing contract 1966-70
1954	Bradford office	1966	Paul Shepherd joins group
1954	Purchase of York Pre-Cast Concrete	1966	Portaloo launched
1955	Safety & Welfare Officer appointed	1966	First computer
1956	York Pre-Cast Concrete renamed Concrete Services	1966	Weetabix factory
1956	Foxwood County Secondary School, Seacroft, Leeds	1967	Restoration of York Minster 1967-72
1956	Prison, Everthorpe, York	1967	First use of Portakabin units outside construction
1957	Public housing, Skerne Park, Darlington	1967	Trevelyan College, University of Durham
1957	Public Housing, Holme Wood, Bradford	1967	Boston general hospital (one of several general hospitals Shepherd built 1967-74)
1957	Admiralty wireless station, Forest Moor, Harrogate		
1957	Engineering Building, Leeds University		



The Story Of The Shepherd Group | Timeline

Date	Event	Date	Event
1968	6788 employees	1984	Paul Shepherd joins group board
1968	First Portakabin export order	1985	Alne Brick Co closed
1968	Michael Shepherd appointed managing director of Shepherd Construction	1985	Littleborough closed
1969	Shepherd Woodwork absorbed by Portakabin	1985	Portakabin hire division formed
1970	Portakabin's first overseas subsidiary formed in the Netherlands	1986	Concrete Services sold
1970	Computerskills formed	1986	Patrick Shepherd appointed general manager, Portakabin, Scottish Division
1970	UMIST student accommodation	1986	Colin Shepherd succeeds Sir Peter Shepherd as group chairman
1971	Shepherd Building Service absorbs Shepherd Design Group	1986	Colin Shepherd awarded OBE
1971	Portaloo division formed	1987	Patrick Shepherd appointed general manager of Yorkon
1971	3587 employees	1987	Challenger Tanks production line, Leeds
1973	Sheffield University student accommodation	1988	Shepherd Retirement Homes formed with Mark Shepherd as manager
1973	Leeds railway station	1989	Potteries Shopping Centre, Stoke on Trent
1973	National Railway Museum, York	1989	Soft drinks plant and can factory, Wakefield
1974	Portastor range launched	1990	Shepherd Homes sponsors Gateshead Garden Festival
1975	Paul Shepherd becomes general manager, Shepherd Engineering Services	1991	Portastor switchgear housing launched
1976	Peter Shepherd knighted	1992	Portakabin gains Technological Achievement
1976	Speed Shore hydraulic trench struts added to Mechplant fleet	1992	Dennis Reaston joins group board
1977	Wolfson College, Oxford	1992	Death of Michael Shepherd
1978	Portakabin gains Queen's Award for Export Achievement	1992	Donald Shepherd awarded OBE
1980	Yorkon modular building system	1993	Piers Shepherd joins group board
1980	SAS Barracks, Hereford	1994	Doncaster prison
1981	Portasilo Research wound up	1994	The Shepherd brothers are made freemen of the City of York
1981	Piers Shepherd appointed general manager of Mechplant	1994	Alan Fletcher and Les Tench become the group's first non executive directors
1981	Frankland prison	1995	Fulford Moor House opened
1982	MSS acquired	1995	Sir Peter Shepherd retires
1982	Shepherd Construction relocate from Blue Bridge Lane to Frederick House	1995	Patrick Shepherd and Mark Shepherd appointed group directors
1983	Spacemaker division formed	1995	Rotoflo discharge unit launched by Portasilo
1983	Portasilo Superflo Dense Phase Conveying System launched	1996	Patrick Shepherd becomes chairman of Portakabin
1983	Ridings Shopping Centre, Wakefield	1996	Death of Sir Peter Shepherd
1983	Findus Prepared Foods factory, Newcastle	1996	Donald Shepherd retires
		1996	Paul Shepherd succeeds Colin Shepherd as group chairman



Date Event

- 1996 Alan Fletcher appointed deputy group chairman
- 1996 MSS US acquisitions made
- 1997 Death of Donald Shepherd
- 1997 Design and build operations renamed Shepherd Consulting
- 1997 Shepherd Consulting US acquisitions made
- 1998 Death of Colin Shepherd
- 1998 GRC Consultants acquired and renamed Shepherd Process
- 1998 Shepherd Homes acquires George Longden Ltd
- 1998 Portakabin's Spanish subsidiary sold
- 1998 David Webb joins the group board
- 1999 First PFI construction project
- 1999 Portaloo transferred from Portasilo to Portakabin
- 2000 Konstructa unit launched
- 2000 Foremans Relocatable Building Systems acquired
- 2000 Walsall bus station
- 2000 Bishop Auckland General Hospital Private Finance Initiative
- 2001 Terry Smith appointed finance director
- 2001 Alan Fletcher becomes group chairman
- 2002 Fulford Moor House sold
- 2002 US businesses sold
- 2002 Paul Shepherd and Piers Shepherd leave the group
- 2002 Patrick Shepherd becomes deputy group chairman
- 2003 Group headquarters moves to Huntington House
- 2003 Angus Fraser appointed non executive director
- 2004 Tony Pedder replaces Les Tench as a non executive director
- 2004 Park and leisure homes business started
- 2005 Portakabin's German subsidiary closed
- 2006 Portakabin acquires Allspace

Date Event

- 2006 Shepherd Building Group becomes Shepherd Group
- 2007 Stephen Price joins the group board
- 2008 Martin Clark replaces Tony Pedder as a non executive director
- 2008 Patrick Shepherd and Mark Shepherd become non executive directors
- 2009 Liverpool City Library restoration and redevelopment
- 2009 Manufacturing division renamed industrial division
- 2010 Alan Fletcher appointed executive group chairman
- 2010 Shepherd Engineering Services named Contractor of the Year
- 2010 Built environment division created under Mark Perkins
- 2010 Shepherd FM and Shepherd Aligned established
- 2010 Portakabin Modulaire assembly plant opened in France
- 2010 Homeseeker factory opened in Rushden, Northamptonshire
- 2010 34 silos for Asian Paints, India
- 2011 Mark Perkins joins the group board
- 2011 Shepherd Park & Leisure Homes formed
- 2011 Keven Parker appointed finance director
- 2012 Derek Carter appointed chief executive of Portakabin
- 2012 Todd Altman appointed chief executive, engineering division
- 2014 David Williams succeeds Alan Fletcher as group chairman
- 2015 Shepherd Homes sold to Galliford Try
- 2015 SES, Shepherd FM and significant contracts from Shepherd Construction sold to Wates Group to Complete disposal of Built Environment Division
- 2015 Shepherd Group celebrates 125th anniversary





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1890-1918 | Beginnings



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