



Celebrating 70 years

70 years since the company was first established as a pharmacy wholesaler, Allegro is one of the most respected distributors in the FMCG sphere.

ShelfLife spoke to senior executives at the company to learn what makes this brand tick



Allegro's managing director Joe Butler and commercial director Cillian Molloy

Allegro Ltd., the long-established and well-respected distributor of FMCG products, representing some of Ireland's best-known brands, is currently celebrating 70 years in business. Marketing itself as 'the brand behind the brands', Allegro's clients include household names such as Nivea, Eucerin, Weetabix, SC Johnson, Irish Sugar, Lil-Lets, Raytex, Maggi,

Mars, Linwoods, Nairns, Dentinox, Caldesene and Astral.

To learn about the past, present and future of this essential and innovative operation, *ShelfLife* caught up with Allegro's managing director Cillian Molloy and commercial director Joe Butler, to get their views on the history of the company, its core areas of expertise plus a discussion on some of the key topics of the day.

Over the past two years, Allegro has developed its offering to be a brand partner to its clients as opposed to simply shipping product. How and why was this change implemented?

CM: Allegro has always prided itself on being a skilled and commercially-minded sales and marketing partner, as opposed to just

being a 'box-shifter'. That distinction is very important to us as it is only through a thorough understanding and appreciation of a brand principal's requirements that you can develop a relationship that works both for the brand owner and retail customer. We operate in a traditional market, and some initial feedback indicated that we should update our messaging – hence our evolution to 'the brand behind the brands'. We wanted to hold on to our heritage, but also to articulate that Allegro's expertise in the wider market is engaging, meaningful and trusted by brands.

JB: Over the past two years, we have invested in our technology which has equipped our sales team with the ability to deliver valuable insights straight back to our brand owners. We communicate real-time information providing visibility on in-market performance, especially around promotional periods and compliance for agreed core listings. This allows our commercial team to focus on a brand's individual needs to provide an excellent tailored brand management experience. Furthermore, our finance team have developed transparent processes that offer clarity and certainty to brand owners on their investment strategy.

With this new approach in mind, what is your vision for the company going forward?

CM: We see Allegro as a brand partner fit for the modern retail landscape. Brand distribution is no longer just about availability and price. Using our technology platform will give greater insights for brand performance on distribution points, sell-out rates, compliance and competitor brand activity, which allows for more informed decision making.

JB: Offering a knowledgeable level of category and consumer insights to our retail customers reinforces our credentials in a very busy space, and aids the pull-through of our brands from the store shelf. We would also like Allegro to be a destination company for talented people that want to work in this interesting and fast-paced sector.

How does Allegro's brand partnering differ between small and large businesses, if at all?

CM: While Allegro represents brands of varying scale, our approach with brands is not dependent on size. Rather, it relies on brand principals' individual requirements. Typically, the smaller brands might need collaboration on new launches into categories such as health & wellness or sustainable products and so their needs will be different to a long-established, more mature brand.

JB: Our brand conversations with retailers reflect each brand's needs, and retailers are very

supportive of NPD in growing areas such as benefit foods or products that are addressing needs for a greener environment. The larger brands might want to concentrate on shopper insights or category growth, whereas the smaller start-up type brand may need guidance around listings and in-market activation.

It's a very tricky time for any business with the looming threat of Brexit, and the uncertainty that comes with it. What preparations has Allegro in place in this area, for 1 November and beyond?

CM: We have been busy on the Brexit front since 2018. We have worked closely with our customs broker, and taken professional advice from those bodies with proven expertise in international customs and movement of goods. We have also engaged and attended numerous industry events and met with Revenue officials to plan our way forward. While political decisions will determine the eventual shape of Brexit, as a commercial business we want to make sure we are as well prepared as possible. We have been approved for AEO (Authorised Economic Operator) status, which will see Allegro treated as a trusted trader in the eyes of Revenue. We have also upskilled our colleagues through Skillnet training so that we can raise our own internal knowledge levels to navigate through the next number of months.

JB: Our obvious priority is to ensure product availability both for our brand partners into the Irish market, and stock in-store for our retail customers and ultimately consumers. We have engaged with our brands to look at mitigation plans for tariff and non-tariff costs, plus inbound logistics from the UK as well as customer delivery points for both ROI and NI markets. Our Northern Ireland team working out of our new Belfast office, allows Allegro to present a complete island of Ireland solution. We already went through an additional stock build for the March 2019 deadline and will do so again in advance of 31 October.

Being an historic company, and also a subsidiary of a Total Produce, we would love to know about the culture that exists in your company. What are the core values imbued in the team that so that they might perform to the best of their abilities, and create a sociable atmosphere?

CM: While the products distributed by Allegro and Total Produce are different, we share the same cultural links. Although a listed public company on a global scale, Total Produce's roots come from a family business local to Ireland and many people working in our parent company have been with the business a long time. Allegro's history goes back 70 years and indeed many of our colleagues have similar long service. We recently recognised six colleagues with each over 40 years' service in the business!

We have a flat company structure with an open and honest communication policy, we challenge ourselves and each other to continuously improve on the service we offer to brand partners and retailers alike. We think of ourselves as a family type business, many of our colleagues have grown up together in this company. While we take our responsibilities seriously, we firmly believe that there needs to be plenty of room for fun and enjoyment in everyone's role.

JB: Personal development is a crucial part of job satisfaction, and we actively encourage and promote our colleagues to advance their own careers by taking on further education opportunities. We have a training programme for our management team and recently completed a very worthwhile training plan with our sales teams. While we are always mindful that a fast-moving market can present unpredictable challenges, our team has proven its resilience and reliability to ensure that we can put a problem right. We like to reward and celebrate our wins along the way, which is an important part of enjoying what we do!

There must have been many milestones for Allegro over the past 70 years?

CM: Yes, as you would expect, over 70 years there have been some significant changes to the business – product expansions and periods of growth together with economic recessions and the need for restructuring with the business never sitting still. The company started life as Gillespie Distribution and was founded by five pharmacists to supply into the pharmacy channel, but quickly evolved into grocery retailers with brands such as Milupa and Cow & Gate. Over the following years, brands such as P&G and Roma were added to the portfolio and the company was acquired by Total Produce in 1993. It was only at the time of acquisition in 1999 that the company changed its name to Allegro and further acquisitions included the Wholefoods Wholesale business in 2007. My own role with the company started in 2000 as GM of its oral care manufacturing plant in Bray, Co. Wicklow where we made the Fiacla brand as well as providing private-label supply and R&D work for all the main UK retailers.

JB: While I have only been with the business for two years, Allegro has always had a valued name in the trade. I have also been around the industry long enough to witness the cyclical market forces and how they impact a company like Allegro. The recession in 2007 changed the retail landscape in Ireland for all FMCG operators. The business has made great inroads in building our food portfolio with iconic brands such as Weetabix, Nestlé and Irish Sugar, which is testament to our readiness for the years ahead. ■