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By Michael Barker

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Swansons becomes employee owned

Scottish fresh produce wholesaler switches ownership model as founder Magnus Swanson plans for the future



Inverness-based fresh produce supplier Swansons Food Wholesalers has become employee owned, with over 40 staff given a stake in the business.

Established in 1991 by managing director Magnus Swanson, Swansons began as a single greengrocer shop with two staff. Thirty years on, it has grown into an extensive wholesale business, with a 40-strong team working from depots in Inverness, Nairn and Elgin.

The company supplies fresh, locally-grown produce to independent hotels, restaurants and shops across the Highlands, and also holds contracts for care homes, schools, nurseries and colleges in the area. It has been supplying schools in the Moray Council area for 18 years and in the Highland Council area for 10.

In early 2020, Swanson received an offer for the business from a larger wholesaler based in the south. While he determined

highly-skilled senior management team in place who I will continue to train and

that the offer wasn't right for Swansons, it prompted him to begin considering his eventual exit from the business.

"When it comes to considering your exit, one of the most obvious options is a trade sale," he explained. "However, I was concerned that selling to a remote buyer might see one of the branches closed, staff laid off, or clients resigned. We have a loyal and long-serving team at Swansons, and I wanted to ensure their jobs were secure. It was at this point that I began to consider employee ownership. I had seen some articles in the media and also knew that a couple of our clients were employee-owned. I thought that employee ownership could be a good fit with our goals and values and would allow me to gradually step back from the business over a number of years."

Valued and involved employees

An Employee Ownership Trust was

Its head Clare Alexander said: "Swansons Food Wholesalers is a great example of a

formed and now holds 100 per cent of the shares on behalf of the employees. The process was managed by Ownership Associates, with legal services provided by Harper Macleod and accountancy services by Saffery Champness.

"The support has been great and the process has been really quick and straightforward, with the entire deal unfolding throughout the pandemic," Swanson continued. "Lockdown had a significant impact on the business, with the closure of schools and the hospitality sector, however, requirements from shops increased and we also revised our operations to deliver hundreds of fresh fruit and vegetable boxes directly to consumers.

"Although the Covid crisis has presented a lot of uncertainty, like many businesses we continue to adapt to the changing circumstances, and we didn't let it deter us from making the move to employee ownership. I have a

Scottish Government with its aim of creating a stronger and fairer economy

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mentor over the coming years.

“Now more than ever we need the staff to pull together, and looking ahead, I hope that employee ownership helps them feel valued, encourages them to become more involved with the business, and demonstrates to existing and potential clients that Swansons has an engaged and invested workforce that is rooted in the local area.”

Co-operative Development Scotland appointed an adviser to Swansons and carried out a feasibility study as part of the move to employee ownership.

business with community at its heart; championing locally-grown produce, supporting and servicing other businesses in the area, and providing opportunities for local people. Employee ownership allows Magnus to step back from the business when the time comes, while helping ensure that this ethos is maintained in the future.

“Not only does employee ownership impact positively on the individual businesses and staff, it is good for the wider economy, helping to secure jobs and keep businesses rooted in Scotland. The model is key to helping the

that ensures local people and businesses have a genuine stake in producing, owning and enjoying the wealth they create.”

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