

## Finnegan's Fish Bar

I: Finnegan's Fish Bar in Bridgend, South Wales recently won the award for the British Fish and Chip Shop of the Year, 2003. The owner, Huw Jones, established the company two and a half years ago. Already there are two branches turning over 1.2 million pounds per year. Huw's objective was to create the fish shop that he wanted to visit. It is clear that he has created something unique.

HJ: We get a lot of people from a lot of distance. I mean, I see people travel 10/15 miles to come here, which is very good. They drive past seven other chip shops, just because we do those little extras and they know the stuff is cooked fresh to order and, yes, they have to wait, but they also seem to like it.

Maureen (Manager): Everything is cooked to order. All your fish is all fresh. The chips are always fresh; they're never left in the hot pan. They're in the hot fat for a short amount of time and they are taken out. We always try and use the best of everything instead of just making do with the cheaper cuts of fish and cheaper ranges. We go for the best.

Customer: It probably is the best fish and chips in the area. I do like the curry as well; a good curry sauce, which I can't get locally. I live in Porth Cawl which is about five miles, six miles from here, so I come just purely for the curry.

I: So customers are willing to drive great distances to visit the shop and some will wait half an hour to get their food. Finnegan's Fish Bar is proof that small companies can be innovative. In innovation management we identify four areas in which a company can be innovative. These are: the business paradigm; market position; product innovation; and process innovation, forming the innovation diamond. We would like to use the example of Finnegan's Fish Bar to show how they are innovative in all these areas. Let us begin with their business paradigm; in other words, the principles which underlie the way business is conducted in Finnegan's.

HW: I try to do a chip shop here that I was looking for whenever I went into a chip shop. I was always looking at things, 'Why don't they do this? Why don't they do that?' So everything I was looking for – different types of curry sauces or fresh fish – we put it all into place here.

There are loads you can do. Innovation in the food thing is not that easy, because a lot of people try and test in everything. But fish and chip shops, I feel in this area, it's a huge market. It's little thing all the time I'm adding on. Just keep looking at it. Don't sit back on your laurels. Anything from the staff, any kind of idea – a spray vinegar was Maureen's idea, the manageress. I don't hold my hand up to everything. Batterless was my idea, which I thought of; goujons were my idea, calling them goujons.

We don't want to diversify too much from the fish and chip trade. I mean we could go on kebabs, pizzas or all different types of things, delivery service. We felt all

those would be diluting. The menu is quite large already. We don't want to dilute. Our main sale, 70% is fish and chips.

Fruit and Veg – very good trade, very good business. We have five shops. I started when I was 20 trading in a town called Porth Cawl, which is about eight miles away. I spent four hours displaying the goods. We'd be down at our business 6 or 7 o'clock for market and I'd do what we call a 'flash', the display outside. It was good. It used to win awards with all this time dressing. So, when we came here, instead of just having one pie and one thing, like a lot of fish fryers do – one of this and they get it from the microwave. We'd fill the cabinets up because people do buy with their eyes. Obviously, if you are not busy, you are throwing away a lot of stuff, so you've got to get the right balance. Image is everything.

I: Drawing on past experience, Huw created the innovative company. He encourages the staff to think about new ideas and he implements the good ones. He sees where too much change could be detrimental, but constantly thinks of small incremental ways to improve. Let us move on and analyse how Huw promotes and positions his company in the marketplace.

HW: As you can see now we're standing right by the menu boards. One of the big things about the shop is there's quite a big choice. Our main business is fish and chips, 70% of sales, but we do provide a lot of other things for customers. So, you've got your four different ways of doing cod, you've got your haddock. Then we do the guest fish, salmon, tune, plaice and scampi. Then we have got chickens: chicken goujons, nuggets for kids, chicken breast and we do chicken burger. The vegetarian menu there, for the vegetarians coming here, usually young ladies, predominantly, don't eat any kind of meat or anything to do with it or chips are fried in vegetable fat and it's not cross-contaminated when we filter fat with the fat that's fried with fish. We do a senior citizen's meal. Again, they come in, a full portion of chips is too much for them, sometimes the fish is too much for them. The kiddies' meals, you don't see that too often in fish and chip shops.

We always ask customers every time they come in, are they OK and enjoying the fish. Well they must because they're back, but it's still nice to hear, 'Yes, it was great last time.' Really important. If they say, 'Well, it wasn't so good last time,' which does happen now and again, but not very often, I can tell you now. We serve 3,000 a week. It's very usual if we get more than one complaint, sometimes we get two. I know we had five Christmas week, which was a disaster for us, but 3,000 customers. Actually Christmas week was probably more like 4,500 customers.

A lot of fish and chip shops, a lot of self-employed people will say, 'What's the point of going in for an award?' Well, it only takes that one award to win it to make the difference. Our takings are up 25/30% just from the publicity on that alone. Then we got a lot of people come here perhaps hadn't come here before, not because they didn't think we were any good, but just wouldn't make the effort. So it makes a huge

difference. If you can just keep on improving with new ideas – we do meal deals and leaflet drops and customer loyalty things. We're donating 10% of our takings to Macmillan fund for a local customer.

I: Finnegan's has a highly differentiated menu catering for the needs of all possible customers. Huw is also creative in the way he markets his products, including entering his company for various awards. Huw's creativity also extends to the development of new products, a few of which are presented now.

HW: We do batterless cod here where you get the cod in a spoon **and** it goes straight in the batter and you scrape it straight off. You'll have to try one of those today before you go. So, it goes straight off, fry it, so it's a much lighter meal than a normal battered cod. Great if you want fish and chips at lunchtime, you don't want to feel too full and bloated. That goes really well. We sell over 50 a day of those. That's a sort of trademark, batterless cod. That is one of the reasons it won Fish and Chip Shop of the Year.

The guy who supplied our sausages and buys the pasties and stuff, he was offered chicken strips, but really a piece of chicken like that off a processor which was all breast. He said, 'Can you use it?' So, Mo (Maureen) the manageress, had a box in, she just basically looked at it, battered a few and tried them. He said, 'Chicken goujons.' So, we do quite a lot of those – about five or 10 cases a week and there are four portions to a meal.

So, that's the fish and chip box. Basically, you open it up, it's lined with greaseproof paper, two holes there for steam to escape. They line that with chips on this half, go over, grab the fish from the cabinet, pop it in there, over the counter, wedge of lemon, salt and vinegar, spray on vinegar so it is very directional, close it up and then just pop it straight into a carrier bag. A lot of customers will have two or four fish and chips, on a Friday night especially. So, four in there, put them in the carrier bags and off they go. But when they get them home it's not chewed up and the batter is not all broken, the fish isn't squashed. So, they can open it up then. A lot of them do eat it out of this box.

I: Chicken goujons and batterless cod – innovative products emerging out of an innovative company. We end this video by analysing process innovation in Finnegan's and asking how were innovative processes developed.

HW: We found if we put the pies in, the heating element does its job, the actual bulb in the fish cabinets was so powerful to light up the product, it was actually hotter than the heating element. So, what it was doing, if that pie was in there for more than 20 minutes or half an hour, which they sometimes are, it was making the top of the pie so hard you could snap them like a thin piece of balsa wood, inedible, it had dried out. So, what we do is take it and put it upside down, take the lid off, let it warm up for about 30-35 minutes and put the lid back on to protect it. That just shields it. You'll see that pasties and a couple of things have tinfoil over them; that's to stop the

light cooking them too much. So, we got the Range manufacturers down here and we got them to put rear stamps in, so we can dim them in the three counters. It cost £200 to do that, but it was saving our product and giving a better quality product again.

Maureen: There are a lot of them, they just put their potatoes into the water and that's it, whereas when we put them into the water, we chip them but we also rinse them after that to get the starch off, because we found that, the more starch you can get out, the nicer your chip is. By rinsing them a second time you're getting that little bit extra starch out, so it's making a difference to your chips then. It was just a thing we decided to try. Huw talked to different chip people and to potato firms and Huw took tips off them. So, when he came back he said, 'Should we try this?' So we tried it and it seems to suit us the way we do the chip. That's why we've stuck to it.

HW: This one particular boat (fishing boat supplier) we use, when they skin their fish they still leave a lot of flesh on. They leave a nice thick shoulder and I've tried a lot of different fish and this is the best, as far as I'm concerned. A lot of fish captains will argue that. Price is secondary, really. I mean it matters. I mean, I used to bid every morning on 100 products, so it's in my nature to bid. But there again, a lot of fish fryers and probably a lot of people, and I know a lot of people in the restaurant trade, because I used to supply restaurants – they're in there, they're making a good margin, but they'll never question the price. I reckon seriously I'm saving £10,000 a year by questioning the price every time it comes in. I don't mean that I'm bidding them, I'm just saying, 'How much is it? Is that the best you can do?' Those two questions save me £10,000. It's a lot of money.

I: Huw's ability to think innovatively and implement good ideas give him every reason to hope for future success. Through our case study of Finnegan's Fish Bar we have seen how small companies can be innovative through applying many of the same principles as big companies. Huw Jones in particular is an inspirational leader, driving the innovation process.

HW: We've looked at two outlets now in two and a half years. We hope to go to five or 10 after five years. Not too fast, because if you look at retail operations at that speed, you're heading for disaster. Just controlled, finding the right manager, the right person to run it each time and then we get to 10 and we can sell out Henry Ramsden's