

## **SWEB's COMMERCIAL SUCCESS**

By David Cousins & Peter Lamb

*This article has been compiled from research in the bound volumes of SWEB News/Life Journals held in the SWEHS Archives. Considerable other material has been supplied particularly by Ian Crichton, but also Keith Oxtoby, John Muggleton and Chris Hogg for which they are thanked.*

-----

When the 39 undertakings in the South West were nationalised in 1948 to form the South Western Electricity Board, the new organisation inherited a variety of commercial activities promoting the use of electricity, sale and hire of domestic appliances and electrical installation work. Many of the urban undertakings possessed grand showrooms, such as Torquay and Taunton. Plymouth and Exeter had had such prestigious premises including demonstration theatres, which had been lost in the Blitzes. Bristol on the other hand had four small showrooms, but was in the throes of building one in the guise of Electricity House which was incomplete at the outbreak of hostilities and was commandeered by the Ministry of Munitions for manufacturing purposes and was only released for completion in May 1948.

Upon the appointment of the SWEB Board members in January 1948, initially four, Stanley Steward (Chairman), Harold Midgley (Deputy Chairman and ex-Chief Engineer of the Plymouth undertaking), Frank Forrest and Sir John Kingcome. These four gentlemen set about interviewing and appointing the Chief Officers and they were all appointed by June as follows:-

Chief Engineer	George McLean (from Edmundsons)
Dep. C. Engineer	A.W. Allwood (from Dep.C.E. Norwich)
Chief Commercial Officer	Bob Steel (from Cheltenham)
Dep. C. Comm. Officer	George Richards (from Cornwall El. Power Co.)
Chief Accountant	Charles Knight (from Hampstead Borough)
Dep. C. Accountant	D.S. Duncan
Secretary	Derek Wood
Dep. Sec. & Solicitor	Dan Bentham

Electricity House was designated the Board's Headquarters and work was put in hand immediately to furnish the building with the third floor being completed by the opening in September 1948.

Later appointments, who would feature in the commercial story, were Gerry Lamb as Publicity Officer (from Consumers Engineer, Plymouth) and Tommy Topping as Head Office Architect. These two gentlemen were despatched to view all the current showrooms (80) in the South West and to get them rebranded with the South Western Electricity logo as Service Centres. Where there was inadequate coverage of the proposed commercial activity, they were commanded to acquire suitable premises and a Window Display Competition was inaugurated.



**No.1 Original Branding of a Service Centre**

Most of the "bosses" of the numerous undertakings were initially designated "Senior Executive Officers". Many retired and many became District Managers of the Districts within each Sub-Area (initially 5 reduced to four in 1950). Under each District Manager were a District Engineer, District Commercial Officer and District Clerk and the Commercial

Department tasks consisted of Service Centres, Marketing Electricity, Tariff Advice, Meter Installation, Appliance Servicing and Contracting (including street lighting). Considerable publicity was involved in selling of appliances with SWEB staging demonstrations and displays at the County Shows, particularly the Devon County Show for which great effort was made in 1949, when it was staged at Tavistock, with much photographed Board members attending. Next year at the Royal Cornwall Show, the King, Queen and Princess Margaret attended.



**No.2 Devon County Show with Board members 1949 at Tavistock**

One of the greatest tasks facing SWEB Commercial Department was to create standard tariffs. The Electricity Act 1947 which had brought about the nationalisation of the electricity industry laid down that Area Electricity Boards should promote the simplification and standardisation of the methods of charging. As an example, at nationalisation there were 137 domestic tariffs alone in SWEB's area. All the 39 undertakings had their individual tariffs and in some cases staff had built-in tariff benefits into their salary structure. However, the biggest problem was the difference between the urban tariffs and the rural tariffs with the latter being generally twice the cost of urban areas due to the sparse consumer density in the countryside; so a balancing act was needed, which didn't penalise the urban dwellers and on the other hand give too many benefits to rural consumers. In addition to tariffs, the Commercial Department was responsible for the terms and conditions for connections and supply. At nationalisation, two thirds of SWEB's area was without electricity, the cost of extending the network and earning an economic return in a thinly populated area with small and scattered communities with little or no industrial load was a major issue. Under the Rural Development Scheme, the chargeable contribution

toward the cost of extending mains supplies in the countryside to new customers could be paid by quarterly payments over 7 years or as a lump sum.

Having only just completed the service centre in Electricity House, Bristol involving a new demonstration theatre in 1950, the Board decided that the commercial activity in Bristol was totally inadequate and proposed to expand it by creating four Commercial Districts, North, East, South and Central. Buildings were purchased in Redland (North), Downend (East) with the former North Somerset Electric Supply Company head-quarters at Bower Ashton used for the South District office. Central District was housed in the Ground Floor of Electricity House and in later years the Esso Building opposite.

During the 1950's Secretary Derek Wood had been interfering in the commercial policy making and persuaded the Board that he could do a better job, so in early 1951 Bob Steele was moved to Bath as District Manager and Derek Wood took over the control of the commercial activities of SWEB. At that time the demonstrator (home service adviser) at Bath was Mary Berry. Wood became a considerable driving force pressing the sale of appliances to a new level. Newspaper advertising followed and a Publicity Conference of all commercial staff was held introducing direct mailing, demonstrations, window displays and an instruction for all service centre staff to be welcoming with a smile! Mobile showrooms were introduced in 1954 a national first and the presence of SWEB at the County Shows was stepped up. This particular endeavour was demonstrated in 1952 at the Royal Show, which was held at Newton Abbot.



**No.3 Royalty Visit SWEB stand 1950's**

By the mid- 50's, more mobile showrooms were put into service using converted second-hand buses as major sales drives were organised, such as a task force in Plymouth in 1955 to sell immersion heaters. The local branches of the

Electrical Association of Women (EAW), nationally chaired by Dame Caroline Haslet, were supported financially by the various districts and with advertising from the British Electrical Development Association (known as the EDA) to encourage housewives to use electricity continuing the pattern established before nationalisation.



**No.4 One of the First Mobile Service Centres 1950**

In 1956 The British Electricity Power Convention was held at Torquay which gave SWEB the opportunity to show off to senior staff in the ESI, its expertise in appliance and energy sales, which they did with large display stands for delegates to peruse. The rural development programme was going then at a great pace, such that SWEB were able to boast that 27,342 new consumers had been connected, which obviously contributed to the high sales. Derek Wood left SWEB in 1957 being appointed Deputy Chairman of Eastern Electricity Board. During his tenure, the number of Service Centres was increased from the original 80 showrooms to 112 with a considerable increase in the Bristol coverage.



**No.5 Derek Wood presentation on leaving by Chairman AN Irens, also with Messrs. Knight, Willis & Hocking**



**No.6 1950's Advertising Leaflet**

Mr RF Richardson was appointed in 1957 as Chief Commercial Officer (CCO) with three assistants covering development, supply and tariffs. He had considerable command and flair such that he was appointed to the Board in 1961. His immediate task was to put on a brilliant show at the Royal Show held in Bristol in 1958 on its redundant airport at Whitchurch. During his tenure SWEB topped the Area Board league tables for sales per 1000 customers in both cooking and storage heaters. This had been helped by a sales incentive scheme, which was introduced for sales staff.

In 1958 the Electricity Council replaced the Central Electricity Authority and played an influential role in commercial activities of the Area Boards.

Richardson left in 1963 being appointed Chairman of North Western Electricity Board (Norweb) to be replaced by Mr Alec O Johnson, who surprisingly came from Norweb; a very good swap indeed. Surprisingly he was already CCO there, having been appointed to that position in 1948, so he may have been keen to find further promotional prospects elsewhere. In that year his deputy CCO, Mr WJ Guscott was appointed as CCO of North Eastern Board (NEEB). AOJ, as he



was known, immediately installed four assistants covering tariffs, supply, sales and publicity.



**No.7 Alec Johnson (AOJ) with Messrs Richrdson and England at a reunion**

AOJ made a great impact on the Commercial activities in his 10 year tenure. He first sent out a directive to all commercial staff asking them "Keep SWEB Ahead". Brian Weston was appointed as an assistant in 1967 being groomed for the top job. He was immediately despatched to the EDA (British Electrical Development Association) Conference in Brighton in 1968 to wave the flag for SWEB. He gave a presentation on "SWEB's Success in Heating Campaigns" highlighting the fact that one in 10 consumers in SWEB had installed off-peak heating.



**No.8 Cooking Demonstration for Bristol EAW 1960's**

In 1969, SWEB's commercial publicity budget was £195,000 and in addition to Commercial Department press advertising, the opportunity to promote SWEB was extended to most vehicles both commercial and engineering by having 'sales and service' added to their sides and 'get up to date – go electric' on roof mounted ladder racks. He had a very active Commercial Department continually trying to improve its communication with all types of customers and through contact at the highest level with builders, architects and

consultants. Promotions were also held throughout the South West at a mixture of venues including local offices, hotels and village halls.

SWEB had a large energy marketing and design team based in Electricity House, Bristol supporting the specialist sales and design staff in the local offices covering domestic, commercial, industrial and agricultural markets. This very experienced team was acknowledged for the wide range of projects they worked on, such as electric car development, which involved purchasing a Mini Traveller, and developing new ideas for the use of electricity in industrial processes, agricultural schemes, energy efficient lighting projects and office developments. The domestic market was the most important and a probably the most profitable when linked to sales in the shops and electrical contracting work. SWEB staff attended most National Housing Association annual meetings usually with a display of what we could offer them and discuss projects they were working on.



**No.9 Electric Driven Mini-Traveller**

SWEB was considered way ahead of any Electricity Board in their progress to sell electric heating and new ideas, SWEB were already known to have the highest sales of domestic appliances and had many excellent show rooms with competent home service advisers. Helped by the fact that gas did not have the extensive distribution, for many homeowners the options were oil, solid fuel or electricity and the only one already in the vast majority of homes was electricity. The type of heating systems becoming available for installation in home were many and various, storage heaters including Electricaire, stored water, heat pumps (either air or ground type) and many direct acting room appliances.

The earliest off peak storage heaters required longer charging periods often requiring a daytime boost and later as the design improved the 8 hour 'white' meter (2 rate) tariff was introduced. It was a time when the Electricity Boards were keen to increase the sale of off peak electricity to use base load generation to provide a cheaper off peak electricity during the night and thus reduce peak daytime demand from use of heating appliances.

SWEB had a special showroom in Electricity House, Bristol for display and to meet builders, architects, housing associations and local authorities, the various heating systems and to outline the design service SWEB offered. In 1970, nationally the Medallion Award Homes (new build private homes) and Civic Shield (local authority and housing associations) schemes were introduced that offered off peak space and water heating with panel heaters in a well-insulated home to offer economical energy costs. These systems were welcomed by both builders and local authorities as they helped their budget costs and if they had problems SWEB would help with advice to the customer.



**No.10 Electricity House sale**

Also in 1970 SWEB's Commercial Department together with the Architectural Section were heavily involved in the design of two new buildings, Avonbank, Feeder Road, Bristol was the first all-electric commercial building built to the high standard of insulation, reduced glazing, controlled lighting and ventilation, full heat recovery from exhaust air and computer rooms and with storage off peak water available to top up heating if required. It met the full standard to meet the marketing requirements for an IED building. (Integrated Environmental Design). The SWEB Chairman, Mr A N Irens took great interest in the environmental aspects of the new building, regularly contacting Ian Crichton who was in charge of the design. Cliff Brazier also kept a close brief on the progress as it resulted in bringing together all the Bristol Group/Bristol

District Engineering and Commercial staff at one location. The four Bristol Commercial Districts were merged as a result. Following the completion of Avonbank in 1971 work started on the new Central Accounts (CAO) building in Outland Road, Plymouth with all the ideas used as applied to Avonbank and with the advantage of using surplus heat from the large computer equipment.



**No.11 Servicing Appliances at Temple Back Workshops**

AOJ retired in 1973 with Brian Weston taking over. JT Scott who had been assisting AOJ for many years as Tariffs and Economic Adviser was appointed Deputy. AOJ was appointed to the Board as a part-time member for services rendered and Brian Weston followed two years later. At that time it was realised that the Trading accounts weren't in a good shape, so Brian Weston was charged with carrying out a Fundamental Review, which changed the course of trading strategy. During Brian Weston's short time, major new TV campaigns were initiated to keep up the appliance sales. Incidentally Brian was the highest profile product of SWEB's own Student Apprenticeship Scheme. During this period SWEB sold appliances under the **SWEBline** and the national **electra** brands. However, Brian left SWEB in 1977 having been appointed Deputy Chairman of Yorkshire Board (later he became Chairman of Manweb).

It is fundamentally apparent that senior people in the ESI were impressed with SWEB's successful commercial activity regularly topping the sales league tables, such that three of its senior officers mentioned above were promoted to higher office in the industry.



**No.12 Brian Weston eventually Manweb Chairman**

Brian Weston was replaced by Keith Oxtoby from the South Eastern Board (SEEB) in 1975, who was also a product of SWEB's Student Apprenticeship Scheme, and he initiated some better coordination of marketing, launching evening sales meeting (no overtime) but with a social aspect involving food and drinks, which improved the staff morale, setting sales targets and a commercial performance monitor.

In 1978, a new off-peak tariff called Economy 7 was introduced nationally with full support from SWEB. In the same year to encourage caterers to choose electric equipment in their establishments, a Commercial Catering Centre was opened at Feeder Road, Bristol. In 1979 SWEB announced major reorganisation with the district structure abandoned in favour of four managed areas, thus paving the way for an amalgamation of the Group commercial staff with that of the districts, which allowed for a general slimming down of the organisation.



**No.13 SWEB's new livery 1980's**

Throughout the 1980's Keith Oxtoby was continually stating that "trading had returned to profitability" or "turned a corner" implying that it was tough, but with the measures above he kept

SWEB ahead of the field. Many shops were then closed down from 101 in 1977 to 78 by 1985 remaining like that for next five years. Note also the name change from Service Centres to Shops at that time and rebranding SWEB's marketing with a new stylish logo in red and white.

On 1<sup>st</sup> April 1981, a new Area structure was introduced throughout SWEB Commercial replacing the Groups and Districts. In 1982, an Energy Marketing "Task Force" was set up in each Area targeted with defending existing off-peak consumption (especially against competition from North Sea Gas) by calling on new occupiers of premises with an existing off peak supply. They also called on customers with an off peak supply who had shown an interest in changing to Economy 7. They would advise customers on the newer types of electric storage heating and the benefits of insulation together with budget running costs. A big advertising campaign was created on all double-decker buses throughout the region.

In 1983, the Energy Wise scheme promoting energy efficient existing homes was announced and also, the national television 'Creature Comforts' campaign promoting the use of electricity. Mark Wood-Robinson, SWEB's lighting expert, was presented with three prestigious awards for the lighting designs in three SWEB buildings. Mark had previously designed lighting schemes for cathedrals, buildings and bridges in the South West. In the mid 1980's the first Civic Shield was awarded to Yeovil District Council and 1000<sup>th</sup> Medallion Award was presented to a Taunton developer. The 5000<sup>th</sup> Medallion Award was reached in such a short time; certainly a great achievement! 1985 marked the 100,000<sup>th</sup> Economy 7 customer in SWEB.



**No.14 Presentation of Medallion Award by Chairman Mr Whittle**



In 1987 Keith Oxtoby introduced “Total Heating”, which was part of a national campaign replacing Heat Electric. The public were beginning to get the idea of well insulated homes as the Building Regulations were demanding better levels of insulation in new houses. This opened a new source of marketing for both new and existing houses with the introduction of ‘Total Heating’ which comprised well insulated all electric homes with a well-controlled heating system which could be a mixture of storage heaters for background heating topped up by controllable direct heating panels. In late 1987, Andy Potter Energy Marketing and Contracting Manager moved to MEB as a Divisional Manager and in 1988 a surprise appointment was made with Randall Meadows (Deputy Secretary and Solicitor) as his replacement.



**No.15 Keith Oxtoby welcomes MP Tom King to an Electricity House display**

The central appliance and spares store at Sowton opened in October 1989 and in that year sales staff were informed about plans well under way for new Superstores. The first one was opened in December 1988 at Cribbs Causeway near Bristol and gradually increased the number of Superstores it operated with Plymouth in 1989, Longwell Green in 1990 and Yeovil in 1991 and at least a dozen smaller shops were converted into Customer Care Centres (as part of Operations Division) - advising customers on energy efficiency.

With the Government announcement of the privatisation of the electricity supply industry, major changes within the Commercial Department began to emerge. In February 1989, a privatisation steering group including Keith Oxtoby, Commercial Director and John Bonner, Director of Privatisation (previously Tariffs and

Economics Manager). In March 1989, the Board approved the formation of a Trading Division (Retailing, Contracting and Appliance Servicing) with Randall Meadows as Trading Director. At the same time, Keith Oxtoby announced his retirement (being released early to work for a local charity as Director of BRAVE, Bristol & Avon Enterprise Agency) but he was pleased to announce that SWEB had achieved the 10,000<sup>th</sup> Medallion Award before bowing out. Derek Lickorish (ex SEEB) was appointed Electricity Marketing Manager.

The privatisation of the Electricity Industry resulted in many changes in SWEB's operational structure. As well as the Retail, Appliance Servicing and Contracting being run as separate businesses, so would Distribution and Supply of Electricity. In June 1989 it was revealed that the Energy Marketing and Indirect Sales functions of the Commercial Department both at Head Office and in the Area offices would be transferred to the Engineering Department (later to become Operations Division) under Dr Malcolm Carson with Derek Lickorish to become Customer Relations and Marketing Manager thus the only Commercial Department function remaining was the Tariffs and Economics. The 'old' Commercial Department was no more!

In 1990, life became pretty hectic with the Head Office move from Electricity House to Aztec West and the Privatisation of South Western Electricity Board to become South Western Electricity plc in April 1990, but still referred to as SWEB! John Bonner was announced as Contract and Tariffs Director and he was responsible for electricity purchasing, contract and tariff pricing, forecasting, settlements, marketing, connection charges and supply policy, SWEB Gas and South West Power. In 1991 the Contracts and Tariffs Division was renamed the Commercial Division under John Bonner as Commercial Director.

The phased introduction of competition in supply meant that advisory services in future would be the prerogative of the customer's supplier. The first phase of competitive supply was to customers with a demand at a single site of over 1MW (1990), 100kW from 1994 and to all customers in 1998. Many of the Energy Marketing advisory activities ceased but energy efficiency and tariff advice continued and support was given to the Commercial Division in contract negotiations for supply of electricity and SWEB Gas.

In 1990, a new direction was taken with the County Shows. In a large tent a major film was shown to the public and it was very successful; it was called "The All-electric Picture Show". Energy Minister Mr Heathcote-Amory visited SWEB Customer Care Centre in Nailsea, where an ex retail shop had been converted. This was the first in the Country! He complemented SWEB that they were doing a grand job in establishing these new Centres that offered an advisory service on E7, heating, insulation, energy saving, home lighting, electricity in kitchens and bathrooms. Also featured was a domestic and commercial leaflet bank, appliance purchase catalogue, account payments and enquiries. As part of Operations Division, energy marketing continued promoting energy efficient sales of electricity for homes and business. The annual Business Awards of PEP (Power for Efficiency & Productivity) and BETA (Building Efficiency) highlighted the benefits of electricity to business users and confirmed SWEB as a staunch supporter of energy efficiency.

The following year SWEB Retail Ltd was set up as joint venture with South Wales Electricity with Randoll Meadows as MD of the new company, which meant taking over all the shops in South Wales and establishing new superstores there. However, within two years Randoll Meadows retired and Graham Brown replaced him.



**No.16 First Superstore opening at Cribbs Causeway 1989**

The changes at this time were breath-taking with so many things happening at the same time. New superstores were being established some outside the South West area, two at Redruth and Taunton and five in South Wales, bringing the total eventually to 18. The Trading Division was then further subdivided by the creation of two more companies, SWEB Servicing Ltd (appliance

servicing) and SWEB Connect Ltd (contracting and street lighting). The new powers given to the distribution companies under the Electricity Act 1989 for privatisation with vesting day April 1990 allowed them to indulge in generation projects. SWE plc created a subsidiary South West Power Ltd., and invested in various projects, the largest being a share in the Teesside Power Station near Middlesbrough, an 1875MW combined cycle gas turbine plant. Also the company took a share in a Humberside project of land-fill gas power generation and smaller plants such as a 3MW plant at a firm in Plymouth called Beckton-Dickinson and another at Saltash.

With such big plans in place for expansion of SWEB's retailing activity in 1988 and expansion in the following 5 years, competition from the national electrical retailers, tight margins and perhaps insufficient return on investment resulted in April 1995 an announcement SWE plc was selling its retail arm SWEB Retail Ltd for £4.3M to NORWEB and later the contracting business SWEB Connect Ltd was sold to Southern Electricity plc (SSE plc). It is interesting to note that within a year NORWEB sold its outlets to Kingfisher PLC to be part of the Comet chain. Later Comet was separated and subsequently went out of business. So ends the saga of SWEB retailing success/activities over a period of 48 years. The new Commercial Division was renamed after the takeover by Southern Investments UK plc (Southern Company of Atlanta) to Commercial Marketing with Phil Saunders as Director in 1996 and disappeared in 1999 with the disposal of SWEB's supply business and trading name to EDF Energy. South Western Electricity plc became Western Power Distribution plc who assumed connection policy in accordance with the regulatory framework.

What had SWEB's Commercial activity achieved? It had contributed to educating the public to a wider use of electrical appliances at a greater pace than would have happened naturally giving the South West good bedrock for its launch into the current technological age. It introduced electrical processes to business customers and for many decades it promoted efficient use of electric heating in homes and commercial properties with insulation standards that were better than the Building Regulations required. Without Commercial Department resources, the economic growth of the network may have been lower especially in rural areas. .