

Seizing Opportunity

An Interview with Ann Gloag,
Co-Founder and Nonexecutive Director, Stagecoach Group plc

EDITORS' NOTE Ann Gloag is Co-Founder of the international transport company Stagecoach and served as an Executive Director until May 2000. Through her Balcraig and Gloag Foundations, she has invested heavily in Africa. In 2009, Gloag was admitted into the Order of the Star of Africa with the grade of Commander, in recognition of her support for the people and the country of Liberia. She also received the inaugural Susan B. Anthony Humanitarian Award from the National Council of Women of the United States at the United Nations in 2010 and the Eleanor Roosevelt Val-Kill Medal in 2011. She is a past winner of the Businesswoman of the Year Award and European Women in Achievement Award.



Ann Gloag

COMPANY BRIEF Stagecoach Group (www.stagecoach.com) is a leading international public transport group with extensive operations in the U.K., United States, and Canada. The group employs around 35,000 people and operates bus, coach, train, and tram services. Stagecoach's interests in North America include Coach USA, Gray Line New York Sightseeing, and megabus.com. The company started with two buses in 1980 and today serves three million passengers a day.

How did your career evolve to where you are today?

I started as a nurse and later became involved in transport when the law changed for much of the transport industry from a licensing system. When we became aware of the changes, my brother – who was an accountant – and I bought two buses, which we started running from Scotland to London.

We didn't come from a wealthy family, so we had to borrow money for everything. We then went on to build Stagecoach Group, which in the States owns Coach USA and megabus.com.

We started in June 1980, so we are 33 years into the business.

Did you envision early on what this venture could become?

The initial goal was to focus on the opportunity that was created by a change in the law. We started the day the law changed. After that, the law was further refined and, after some more

changes, we went into a big privatization program in the U.K. and grew significantly during the time. We're a deregulation privatization story. We didn't think we would be where we are now, but we did believe this was a unique opportunity and we believed in running as fast as we could to take the chance.

How has Stagecoach consistently performed so well among its competitive set?

Stagecoach has been very good at innovation – megabus is a great example of that. It's great to have one good idea but you need to be continually coming up with new ideas and megabus demonstrates this with its Internet booking system and Wi-Fi on the buses – young people love that. Airports are places where people increasingly dislike spending time, so journeys of a certain length are easier to travel by bus than by getting to the airport, getting on a plane for an hour, and then getting back into a city again. It's about reading markets, and monitoring political changes and lifestyle changes that people make.

How did your interests come about in the different areas you support? Do you look at philanthropy in the same way you look at the business?

I look to get the biggest bang for my buck in business and in charity work. Making money isn't easy so I always look for great value for the money I give away.

We used to run bus companies in Africa and the first week after we won the business in Kenya, I went to the garage at 3 AM to figure out why we were losing so much diesel. I discovered a cleaner who had found a newborn baby on the bus, which had been left there. When I asked him why, he told me that people left babies on the bus all the time and the staff only took them to the orphanage if they got time later in the morning.

I was horrified so I took the baby and went to the orphanage and what I found there was horrendous – kids who hadn't been fed for two days. That is now the orphanage that we run and manage. So this is how you can get involved in philanthropic outlets while you conduct business overseas.

Would you talk about your work with Mercy Ships?

When we ran the bus companies in Africa, we always believed we should be giving something back, so we built a couple of units in hospitals and a couple of clinics. I recognized how tough it was to build a center of excellence in Africa – that was when I met the Mercy Ships people, and I loved the concept.

This fully equipped ship sales into the country, fully operational, and every single person on that ship is a volunteer who pays to fly there and for his meals. So it's a cost-effective model.

It's a fabulous experience to see the ship in action. The atmosphere on it is fantastic – everyone is there for the right reason and everyone is working together. It's not a perfect solution, but a great one for people in need at that time. The ship will sit in the country for up to 10 months, so a lot of surgery can be done for those in need at that time. There are all levels and types of expertise. We also train local medical professionals and do small building projects so the effect on the countries we visit can be significant.

Does your nursing background complement your work in the area of women's health?

Yes. I first heard of fistula because there were many women who came to the ship with a fistula problem. People in the West don't even know what this problem is, but there are at least a couple of million women with this problem in Africa. The trouble is, they don't have a voice because they are outcasts. For me, it was an enormous motivation to let people know about it and do something about fixing it, which is why I set up the Freedom From Fistula Foundation.

Is it tough to remain patient when you observe what is truly needed to make an impact?

Yes, because one individual can only do so much. But it's important that our projects are centers of excellence, and that the women are treated with great respect, love, and care because that's what they have never had. So I like to keep the standard and the treatment they're given at the highest level we can.

Did you know that you had business acumen when you started Stagecoach?

My only asset was that I like working with people. It doesn't matter if the person is a patient or a passenger – it's about relating to that person and whatever his or her need is at the time. ●