

The Observer takes a look at Frank Grace and finds out where his renewed passion for business comes from.

# In search of inspiration

Frank Grace and Yogesh Mehta have recently retrieved total financial control over their company, TEAM Relocations, by buying out their venture partners and eliminating all external bank debt. Why? When the international moving industry is suffering something of an identity crisis, why does Frank at 65 (Yogesh is only 50) feel motivated to take on additional financial responsibility? Where has this renewed passion for the business that has already given him almost unprecedented success, come from?

*il Molino di Grace*



**F**rank Grace was born in small town Ohio, met his wife, Judy, while at college in Cleveland, married in 1964 and had three children. In 1968 he moved to England with Global and set up his own company American Overseas Shipping in 1970. 15 months later he sold it to Giltspur Bullens. "It was an offer I couldn't refuse," he admits.

He remained with Giltspur for 2 years where he met Yogesh Mehta, who joined Giltspur having arrived from Uganda. Frank then left to take a major equity in Unirisc, an international household moving and insurance company. 15 months later Frank B Hall, one of the world's largest insurance brokers, bought the company.

In 1977, Frank and Yogesh set up a partnership: Amertrans. Shortly after they bought back the old company from Giltspur.

Over the next 20 years or so Frank and Yogesh built Amertrans into one of the most successful moving corporations in the world. "In those days it was a bit like a gold rush," Frank admitted. "It was a new industry with few established parameters. Exceptional profits could be made." Why did they succeed where others failed? "We effectively understood the marketing process and believed passionately in controlling the purchase order," he said.



“In an odd way it's regenerated my business enthusiasm totally,” he said. “Now I want to use the experience and drive that the success of the winery has given me to transform TEAM Relocations into its next chapter.”

**Frank Grace** on the success of his winery

In 2000, Grace and Mehta embarked on a major European expansion program requiring an input of equity from one major European bank and debt supplied by another. The new entity, named TEAM Relocations, in 2001 acquired Transeuro and 13 other European moving and relocation companies. The creation of TEAM meant, for the first time that Frank and Yogesh were no longer 100% master of their own destinies. The bank owned 35% of the business. Asked whether his enthusiasm was beginning to wane, Frank was characteristically honest. "With the post-2001 downturn in business, along with having banks involved in both equity and leverage, sure," he admitted. "I never lost interest in the business; I just lost focus. I needed to do something that would bring it back."

Frank doesn't think he is alone in this. Many successful people in the moving industry feel the same way. They still love the business, but as their companies have grown they have ceased to be a personal challenge for them. They become stale. "So they take their challenges elsewhere - art collecting, golf, sailing, motor racing, property dealing - whatever."

For Frank, the answer came, as so often it does, by chance. He spotted a Tuscan Villa and vineyard that was for sale. He



and Judy immediately took a trip to Italy, and fell in love with the 1000-year old villa and 58 hectares of rolling Tuscany...who wouldn't? They bought it! But in Frank's case, the vineyard was not to become a distraction from the moving industry, it was to be the focus for which he was, albeit inadvertently, searching.

Villa Castagnoli, named after the Chestnut tree indigenous to the area, is in the heart of the Chianti region. The place has a natural peace: its ancient walls keeping safe the secrets of the past, the silence broken only by bird call, and the all embracing scent of Jasmine that competes with Virginia Creeper to cover its ancient walls. "It's a magical place," says Judy, "everyone immediately feels at ease here."

But it's the vineyard and winery that are Frank's passion. He set up a team with which to convert this almost derelict estate into the home of a new generation of fine Chianti. First was Gerhard Hirmer, a retired German banker with a passion for fine wine. It was Gerhard's job to rebuild the old winery to 21st Century standard then manage the business. Then came Franco Bernabei, internationally acclaimed oenologist (wine expert), to transform this dream into the reality that would be known as 'Il Molino di Grace', named after the ancient windmill that has served the vineyards for centuries.

1999 was the winery's first full production with 30,000 bottles of unique Sangiovese Chianti. Frank and Judy tell the



story of the day they tried the first bottle, in the presence of a couple of other major Italian winery owners, and found it to be 'corked'. They had visions of the other 29,999 being the same until Franco Bernabei explained that there was nothing to worry about. The remainder was fine.

In fact it was more than fine, they received exceptionally high ratings from the internationally respected Gambero Rosso naming Il Molino di Grace the new winery of the year for 2004 with the supertuscan 'Gratius', achieving the coveted 'Tre Bicchieri', the wine equivalent of a 3-star Michelin rating. The winery now produces in excess of 210,000 bottles per year and is available in some of the world's best restaurants where the 'Gratius' sells for a minimum \$150 a bottle.

In just a few years Frank and his team have created a new winery that is already

achieving worldwide acclaim. But he has not deserted the moving business - quite the opposite. The winery has been an inspiration. "It's regenerated my business enthusiasm totally," he said. "Now I want to use the drive that the success of the winery has given me to transform TEAM Relocations into its next chapter."

It was for this reason that Frank, along with Yogesh, decided to retake full financial control of TEAM again. "We had to make a choice. This has been a successful business for us, it's been our lives." At one point they admitted to considering getting out completely: "But then we decided, no way, let's take full charge again. How do you leave an industry that has treated you so well?"

But the world of international moving has changed now. Now you don't just sell to corporations; the dynamic has changed. Now there are relocation companies, procurement brokers and HR outsourcing firms. The role of the mover has slipped in importance and the opportunities are not what they were 30 years ago.

Do you think that will stop Frank, Yogesh and the team? A quick glance at history says no. Even though the winery in Tuscany represented a mountain for Frank to climb, he sprinted up it anyway. Buoyed with that success, the future for TEAM looks assured. And there will be many around the world who will be raising a glass of their own to wish them well. ■

