



GREG'S TEA CASE STUDY

 **LYSSES**

DIGITAL STUDENT COMPETITION ON FAMILY BUSINESS



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SLOGAN/TAKE AWAY MESSAGE:

"It is never too late to put family knowledge to good use and turn it into a business."

KEYWORDS:

Change of generations, succession, founding fathers

ABSTRACT:

Founded in 2004, Greg's Tea enterprise is built on centuries of family knowledge and focuses on the health-enhancing role of herbs. The company's knowledge was represented by Uncle Greg, while its heart is represented by his daughter Sue, whose name is associated with the company's restructuring and development. Today, the founder is known as Hungary's best-known naturopath, the "Herb Man". His products, based on herbal tea and herbal recipes, are consumed by thousands of people daily. But there comes a time in the life of every business when a decision has to be made about the future. Greg's Tea Ltd. has two potential heirs. The first heir to the business will begin the generational transition soon. However, this raises several issues in terms of space - as they work remotely - and time. Perhaps the most important of these aspects is how to successfully carry out the generational change, in which a girl from a completely different profession has to get into and learn a completely new profession.

INTRODUCTION TO SITUATION (STORYTELLING)

On a Sunday morning - as they did on every important occasion - the family gathered at the family estate in the hills of Bükk. Sue had prepared an immune-boosting brew for



the season based on a centuries-old family recipe. As she was pouring the tea, her eyes drifted towards the woods where her father had spent much of his time gathering the various plants, and then, with a smile, a memory came to her mind. *"Everybody, stop! There's a blade of grass mixed in the herbal tea bowl!"* shouted the grandfather to the women who were sorting the herbs, showing his precision. *Remember how he cherished the herbs?"* recalled Sue. *"Of course! No Sunday lunch was complete without the current seasonal plants,"* said the older girl. "Yes, the teachers at school always wondered how we knew so much about their impact," the little one joined in. *"Well yes... it's because of this dedication that now I run a successful business"*, Sue went quiet, then continued, *"... and that's what I want to talk to you about now... but I don't know how to begin"*. The past year flashed before her eyes and for a moment she was again unsure...she would not want to force Greg's Tea Ltd. on her daughters. She took a deep breath and got started: *"... so I've got to the point where I've got to start thinking about the future of the company and I'd like to ask you this. What do you think, would you like to continue the business?"*. *"Oh Mom! Is that what you were so nervous about?"* asked the younger one. *"Yes, I didn't want you to feel pressured by the question ..."* she replied. The girls looked at each other and walked over to their mother and hugged her. The bond between them had always been very strong, so it was clear to both of them that they would like to continue what their grandfather and mother had created, as they had a noble cause.

Sue spent a whole year defining the company's potential future. She participated in a mentoring programme focused on generational change. As a result, she came to the conclusion that she did indeed need to ask her children about their vision for the future. This was a huge challenge for her because she didn't want the girls to feel pressured by the question. Thanks to her mentor, however, as the story above shows, she managed to break through her personal barriers and the company can now enter a new era of



second-generation inclusion.

Following a family meeting, it was decided that the younger daughter would be the first to be integrated, as she was currently considering a career change after her maternity leave ended. At Sue's suggestion, product development was chosen as her own area of work, which she will gradually become involved in. This generational change began a few months ago. *"I'm pleased that she is very motivated and enthusiastic. I feel that she sees a lot of things better than I do. Of course, there are times when I think it's not quite the way it should be done, and I ask her questions to make her see that it's not the right way to do it- Sue."* The first step of the generational transition is made more difficult by the fact that the family is spread over three locations, Sue is in Switzerland, the younger daughter is in Warsaw, the older one is in Brussels, while the business is centred in Bükkszentkereszt, in the north of Hungary. So, integration must take place in an already difficult situation, in a partly online space.

DESCRIPTION OF CHARACTERS AND FAMILY BACKGROUND



Uncle Greg, the founder:

Born in 1928 to a tradesman and a housewife, Uncle Greg went into the book industry after leaving school. But the story of his business took off much later, in his retirement years. *"My father was trying to find a side hustle after retirement, so he reached back into the family tradition and turned his attention to medicinal plants."* - Sue. Uncle Greg learnt all the tricks of folk medicine and his respect for herbs from his grandmother, who was a herbal advisor back at the time. *"Seven generations of my family have done it, Grandma could do it in secret, if someone came to her for advice and she was recommended by someone she trusted, she would tell them what tea to use, what to use it for, how to use it - Uncle Greg."* It was with this approach that he started going into the woods, collecting plants and selling them at the market. *"My father had a mission to educate people, not to be entrepreneurial in what he did, but to show people how plants could help them stay healthy."* Among his major achievements, he created a unique tea blend - the namesake of the brand - to help control blood sugar levels in diabetics. Uncle Greg 's knowledge and mission have earned him many honours, most notably a Knight's Cross.

Sue, the company manager:

The only child of Uncle Greg, Sue has always wanted a career in philology. As a teacher of Hungarian literature, she loved analysing poem and art. *"I never wanted to be an entrepreneur...in fact, I treated it as a stigma,"* Sue smiled. However, Greg was desperate to find a partner for his mission and Sue was the only one who saw Uncle Greg's vision as a truly noble and worthwhile goal. Therefore, so she deep dived into the topic and started the family business. She always sought out the right people for the problem at hand, so there was constant progress along the way. Her greatest success is the registration of her father's tea as a medicinal product, which she achieved with a year and a half's worth of work. She admits that genuine enthusiasm is the driving force



behind her and her father's business, although in different areas of the company. The company framework is entirely Sue's responsibility, as Uncle Greg passed this task on to his child from an early age. She is credited with opening the stores and the first plant, which she achieved through her pushing character and attitude, as illustrated by the following quote, *"I always tell and teach our salespeople that as people bring their hard-earned money to spend at our company, we must provide them with the best quality product possible."*

Sue's daughters:

Sue has two children who were given the opportunity to choose their own careers. The elder has a law degree and a job at the European Commission in Brussels, while the younger studied film directing in England. Sue never wanted to force the family business on them, but always asked for their opinion and advice. In the meantime, their younger daughter had children and after maternity leave, she changed careers to join the family business. She does not lack enthusiasm either, as she regularly attends meetings that are not even in her field (e.g.: product development).

INFORMATION ABOUT FAMILY BUSINESS

General information about the company:

Greg's Tea Ltd. was founded in 2004 by Uncle Greg and his daughter Sue. In the beginning they built their company from scratch, but now they have a conscious operation. Their first product was a tea blend for diabetics, but Uncle Greg knew and used over 150 herbs to create more products. In the early days, he collected, dried and packaged them himself to make herbal teas. Today the herbalist's business has grown into a successful family business. They employ more than 50 people, making them the largest employer in the small village of Bükkszentkereszt. Currently, in addition to tea blends, they offer herbal extracts, ointments and creams, as well as books about herbs



and family heritage. Their products contain no additives or preservatives and are largely based on Hungarian herbs, which are processed and packaged with expert care, using Uncle Greg's recipes.

They now have 4 sample shops (two in Bükkszentkereszt, one in Miskolc and one in Budapest) and sell their products in their own webshop. The COVID pandemic didn't shake them that much, so after it subsided, they started a larger-scale investment and set up a 1,600 sqm, 3-building plant last year, with the aim of producing quality cosmetics by processing their herbs.

PROBLEM TO SOLVE

Greg's Tea business has reached a turning point in its life. The moment has come for the future of the family business, created by a grandfather and his daughter, when a new generation must learn and become involved in the business, so that it can have a future as well as a present. Sue's youngest daughter is joining the business by learning about product development. The new situation requires new scenarios and solutions. The involvement of an owner can cause tension for the employees, but it can also spark a sibling rivalry in a set-up where only one is actively involved. Thus, Sue, as a manager and as a mother, has to make smart decisions so that the generational change does not cause a noticeable change for the company and the family, but still promotes success.

QUESTIONS

1. How do you integrate the newest generation of owners into the life of the company?
2. How can the new role be developed in a way that is easily accepted by the employees?
3. What problems and difficulties might arise in the relationship between the two



sisters?

4. How can the generation who is furthest away from herbalism successfully lead the product development?

INSTRUCTIONS FOR STUDENTS

- Please read the case carefully and make yourself familiar with the company Greg's Tea and the theoretical background of generation change.
- Students should answer the questions posed above.
- Handing in: Written solution (5-6 pages)

Video presentation -> can be video of team, animation, etc. pitch 3 min

EVALUATION

- Aims and Process: the team was able to identify the problem/crisis/issue, defines clear and comprehensible aims on how to solve it and describes its approach and the reasoning behind it.
- Structure & Form: the form and structure of the final output and its presentation is creative (editing, tools used, design, attractiveness), comprehensible (red line), follows academic standards (citations), and uses adequate language.
- Research (literature and theory): the approach and processes to solve the problem are based on relevant literature and theory.
- Content / Solution / Outcome: the team's solution provides an added value for the family business and its members. Relevant criteria:
 - Level of Creativity
 - Level of Innovativeness



- Level of Feasibility / Possibility of real-life implementation



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