

A Few Minutes With Ian MacKechnie

BY MARCIA BLITZ



Don't confuse accents, readers — Bono speaks with an Irish brogue; Ian MacKechnie speaks with a Scottish burr. But right now, the founder, president and CEO of Amscot Financial isn't speaking — he's laughing wildly because he's just been asked if Sean Connery should play him in *Amscot: The Movie*. Catching his breath, MacKechnie modestly expresses doubt that Hollywood would greenlight such an “unimportant” project. Anyway, Connery is too old to play the energetic and younger-looking 62-year-old, just named 2006 Entrepreneur by the *Gulf Coast Business Review*.

One of the leading reasons for this accolade, says the paper, is “Amscot's phenomenal yet controlled growth over the past three years.” It also cites MacKechnie's “bold, entrepreneurial, risk-taking philosophy” and his ability to rebound from failures (which are far in the past). Perhaps it helps that he's a direct descendant of Rob Roy MacGregor, the legendary 17th century Highland hero who fought for the commoner. Coincidentally, MacGregor got his start in finance, too. His saga began when he borrowed money from local nobility to buy cattle.

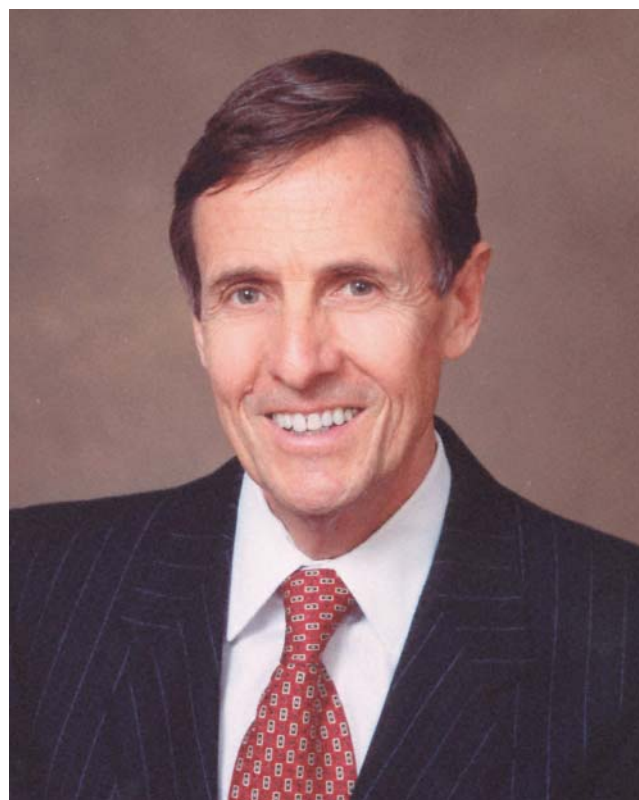
Amscot (derived from America and Scotland) Financial has its headquarters in Tampa, Florida, with 113 locations in 14 central Florida counties. How, since 1989, MacKechnie transformed one bold idea into “the Wal-Mart of the financial services world” generating revenues of \$85 million a year is a story worthy of Dickens.

Ian MacKechnie was born and raised in Glasgow and moved with his family to Vancouver, British Columbia, when he was 15. There he worked in his father's bakery, getting up at 5 a.m. to help out before school. By the time he was 16, his father's love of business had taken hold of him. “I wasn't that academic,” he admits, “so I left school at 16 to join the bakery.” Like so many other self-made business moguls, instead of an MBA, he had innate ambition, drive, daring, courage and the nimble intelligence to learn on the job.

When his family moved back to Scotland in 1961, MacKechnie briefly worked as a management trainee in a large baking company. At 20, he joined his father and brother in forming MacKechnie Foods, a wholesale manufacturing baking company. Rising to CEO by 1969, he helped develop MacKechnie Rolls, the brand that cornered the Glasgow/Edinburgh baked goods market. When the family sold that business, MacKechnie went out on his own, enjoying spectacular success with a chain of coffee shops called Oliver's, named after Dickens' *Oliver Twist*. At the time he sold the chain in 1986, it was generating about \$18 million in annual revenues. MacKechnie was ready for a new challenge.

Cut to a small café outside of London (*Amscot: The Movie!*). There Ian MacKechnie is having breakfast, reading the *Financial Times*. He finds an insert that calls Tampa, Florida, “one of the fastest growing cities in the United States.” This intrigues him because he's currently reading John Naisbitt's *Megatrends* — the bestselling book that also identifies Tampa as the fastest growing city east of the Mississippi.

It was a no-brainer for MacKechnie. “We came to visit Tampa and that was it. Entrepreneurs do stuff like that,” he says. Yet the baking business he bought there failed to thrive and lost MacKechnie a million of his own dollars. (In 2004, he was number



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SUMMING UP HIS APPROACH TO BUSINESS LEADERSHIP, MACKECHNIE VIEWS COMING INTO WORK EACH DAY AS PAINTING A HUGE PICTURE. **"BUSINESS IS NOT SCIENTIFIC OR MATHEMATICAL. IT REALLY IS AN ART FORM."**

50 on The *Times of London's* list of the richest people in Scotland.)

Luckily, he was an observant man. He noticed his employees were cashing their paychecks not at banks, but at bars and liquor stores. The reason, they told him, was convenience. Always seeing problems (i.e., no business) as opportunities, MacKechnie started Amscot, opening his first two check cashing stores in 1989. His overriding concern was to create a safe, attractive place that customers could come to rely on. "Look after customers, employees and communities...and you'll be fine," he reasoned.

To this end, MacKechnie has created a phenomenon, having skillfully branded Amscot with a bright, consistent store design, a meaningful slogan ("You're OK with us"), and a dedication to excellent service. He's carefully expanded Amscot's line of products in response to ever-changing markets, state regulations, and customer demand. Its attractively designed stores are open long hours, seven days a week, and 25 percent of the stores are open 24/7.

Amscot now offers customers personal check cashing, payday advances, small loans, Western Union wire transfers, notary services, faxing, copying, currency exchange, stamps and envelopes. Money orders are available with no service fees. Utility and cell phone bills? Payable at Amscot. Should customers use Amscot's tax preparation services, they can get a refund anticipation loan. And as paper checks become scarcer, Amscot can provide up-to-date electronic products: the Amscot Prepaid MasterCard, Visa debit and gift cards...even prepaid cell phone minutes.

MacKechnie speaks of technology with a passion. Soon after starting out with handwritten card files, he brought in an IT person and now operates with state-of-the-art systems. He's spent millions to create a hurricane-proof 3,000-square-foot data server room by which all stores are linked and every customer can be bounced against OFAC. Amscot even has its own backup power-generating equipment.

Machines aren't everything, however. To remain the fastest growing financial services company in Florida, MacKechnie also relies on demographics; he bases Amscot's expansion on the size and strength of media markets because the company is a very heavy advertiser on local TV and radio. (See their TV spots on Amscot's bilingual Web site: amscotfinancial.com) Always eager to learn, MacKechnie keeps an eye on the tactics of other industries and is very keen on business books. Among those he recommends are: *Good to Great: Why Some Companies Make the Leap and Others Don't* by Jim Collins; *Execution: The Discipline of Getting Things Done* by Larry Bossidy; *Will and Vision: How Latecomers Grow to Dominate Markets* by Gerard J. Tellis; and "virtually all books by Jack Welch — *Winning*, absolutely!" MacKechnie enthusiastically shares books with colleagues, and every employee gets a copy of Adrian Gostick's *The Integrity Advantage: How Taking the High Road Creates a Competitive Advantage in Business*.

MacKechnie projects that Amscot will have 250-300 stores in the next five years. Relevant to those figures, "Amscot has the most admired business model in the industry," notes an analyst who follows public companies in the industry. Will Amscot go public? "When it really makes sense," MacKechnie says. "Going

public brings another level of credibility and that's important." He sees himself as a calculated risk-taker, but never a gambler.

MacKechnie is a member, by invitation, of Globalscot, an international networking organization founded to benefit Scotland's economy. Back in the U.S., he is active in FiSCA as a board member, and believes that "education comes with the territory." Often he brings local elected officials and state representatives to Amscot's offices to explain "who we are and to make sure they truly understand the business...that we create good, well-paying jobs and we care about the customers...Of course, these same customers are the electorate."

Growth and success aside, Amscot is a haven for its 1,500 employees as well as its customers. (MacKechnie notes that Amscot is a "majority minority employer," hiring more minorities than not.) This year, on the basis of anonymous employee questionnaires, Amscot was a winner in the *Tampa Bay Business Journal's*

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"Best Places to Work" competition. Perhaps this is the accomplishment in which MacKechnie takes most pride. "It's a tribute to all of our associates who have pulled together to make this company a great place to work," he says.

Yet, leading a great place to work isn't enough for MacKechnie. As much as he likes to prosper financially, he loves to give money back. Amscot's community service is exemplary. Partnering with government and private companies, Amscot donates money and goods to a long list of recipients, including Tampa Bay's "Kids First" program, the Salvation Army (bus passes for the working poor, school supplies for needy children), and the Missing Children Awareness Foundation. The company is a proud sponsor of Financial Service Centers of Florida's disAdvantaged Scholarship.

Most visibly in the past year, Amscot has done its part for hurricane relief, donating tens of thousands of dollars to the Red Cross and Salvation Army. After Katrina, Amscot waived fees on any FEMA check. "We were delighted," MacKechnie declares, "to help these poor souls who were hit hard."

On a lighter note, MacKechnie laughs

again when asked if he considers retirement. His love of his business and the Florida lifestyle is such that he even considers vacations unnecessary. The Sunshine State gives him "constant recharging...and vitamin D." And now that he has a strong managerial staff to whom he delegates (including sons Fraser, 31, and executive VP Ian Andrew, 38), MacKechnie claims to be less of a workaholic than he used to be. Each day he runs for 45 minutes and often hits the beach with his wife, Jean. Once a month, he takes out his boat. Invoking a very American phrase with his melodic burr, the upbeat Scot describes himself as "a happy camper."

Still, it's work he prefers to talk about. Summing up his approach to business leadership, MacKechnie views coming into work each day as painting a huge picture. "Business is not scientific or mathematical. It really is an art form," he stresses. Thus, he sees the big picture for Amscot's future, but every day – striving to improve his workplace and community – he paints in the details that highlight Amscot's core values: integrity, energy, intelligence, and ability to make it happen. ■



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