



UNCETA: A century and a half of family commitment; the key to development

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The splendid morning was an omen for the best. After announcing our presence at the headquarters of Unceta, in Elgoibar, we stood admiring an old cash register. Only the sign saying, “Do not touch” stopped us from pressing any of its tempting buttons. How many things must that old machine have heard and seen? If only it had been able to tell us its secrets! The till, though, wasn’t the one that was going to tell us about the company, but rather Pablo Garate, who, striding towards us, came over and greeted us warmly.

It is always a pleasure for a teacher to bump into students years later, to see them in charge of responsibilities and relevant business projects. It had been more than twelve years, and we had still been remembering Pablo Garate as a young student before we found ourselves with an executive who was going to tell us about his company.

He accompanied us to his large office and, once we were settled, we noticed that he hadn’t closed the door. There were no secrets in this company. Little by little, he outlined to us the last few years of the company, one which supplies all kinds of industry goods, from cutting tools and machine-tool accessories, passing through dimensional metrology and dynamometry, abrasion and power tools, to hand tools and office material.

The company’s introductory statement is its catalogue, which comprises more than 45,000 references from leading global brands. In truth, this catalogue is a complete and tidy guide to macro storage; some 9,000m² over two semi-automatic floors and an entirely automated third floor, which allows Unceta Herramientas de Calidad (Unceta Quality Tools) to make any product available to their clients in under 24 hours.

Unceta PLC owns three of their own brands: STD for cutting and abrasion tools, IROKO for hand-held tools, workbenches and cabinets, and their third brand is MAFASA, for moulding. It is an official exclusive distributor for Mituoyo, a global leader in the production of precision measuring equipment, and, furthermore, they work with more than 450 leading suppliers in Europe. Unceta, along with Metrología Sariki (Sariki Metrology) and Labmetro, makes up the Unceta Group.

Important synergies exist between the three companies in the group: on the one hand, Sariki Metrology was born of a calling to help industrial companies in the area to improve the quality of their finished products by providing integral solutions to precision measuring to be incorporated into their industrial processes. Sariki has more than thirty years of experience in the Spanish and Portuguese markets and has multinational metrology sector leaders among its directors, providing Unceta and their customers with all their technological potential and knowhow.

On the other hand, Labmetro Ltd. is a Metrology Laboratory created in a joint venture between the Unceta Group and ISQ (*Instituto de Soldadura e Qualidade* (Portugal) (Institute of Welding and Quality)), with the aim of offering the Spanish market and all their clients an integral solution to Metrological Calibration, Tests and Control Services. Labmetro focuses on metrological calibration and testing at their facilities, as well as at their client companies’

facilities where they carry out their activity. Moreover, Labmetro Ltd also offers technical consultation services, client team management and training. Labmetro was created by the Sarikal Laboratory, founded from the end-of-degree project of Leire Idarraga, who took charge of developing the business over ten years, and who is currently still at Labmetro in a role of responsibility. This company is certified by ENAC (*Entidad Nacional de Acreditación* (National Certification Agency)), a very demanding certification awarded by the Spanish government and which is vital for Labmetro to carry out their work.

Figure 1: Structure of Grupo Unceta's brands



Source: Unceta, PLC.

Taking into consideration their geographical extension, whose main market is the Iberian Peninsula, Unceta also has sales branches in Portugal, Unceta Ferramentas de Qualidade (Unceta Quality Tools), as well as Unceta Cuba, since 1989, which was a market that Ricardo Garate, the fourth generation of family ownership, developed since he joined the company.

Currently, the family business, which now boasts a staff of 158 people, 45,000 products of reference and a list of 6,000 clients, in 2016 passed the €30m mark in turnover. Pablo Garate, the current General Manager, is surrounded by a small management team, but one that is very Unceta-oriented. Aitor Tejada supports him as the company's Marketing Manager and his father, Ricardo, assesses quality as the group's president. Edward Dahlkamp is Head of Purchasing and Agustin Esandi, the Financial Director, make up the rest of the management team, all of whom have spent more than 20 years at the company.

Origins

The origin of Unceta Ironmongery lies in a barbershop at the end of the 19th century. In 1874, Juan Pedro Uncetabarrenechea y Cendoya (who later shortened his surname to “Unceta”), born in a farmhouse near Eibar called Arekitxa-Haundi, located in the Arrate Valley, left the farmhouse and moved down to Eibar. Among the farmhouse’s chores was one of shearing sheep. Therefore, when he was settled in the town and wondering what he could do to make a living, Unceta thought that he could be a barber, and so opened a barber’s in the centre of Eibar. Haircuts and shaves required him to be stocked up on razors, for which he often travelled to Bilbao, and the barber’s customers took advantage of his trips to ask him to buy them tools. What began as a favour became a business for the steady increase in orders, and Juan Pedro, through whose veins ran the initiative of the family business, decided to dedicate himself to the sale and purchase of tools. A few years later, in 1874, the Unceta firm was created to supply tools for the thriving Eibar arms industry.

Figure 2: Portrait of J. Pedro Unceta



Source: Unceta, PLC

The business kept growing, with the facilities having to be expanded to take on tools; at that time, he was already importing files from the American firm Nicholson – then considered the best in the world – and was even importing raw materials that his clients needed. Juan Pedro Unceta, along with Juan Esperanza, founded the Unceta, Esperanza & Cia arms factory in 1908.

When Juan Pedro Unceta died in 1934, his son, Andrés Uncetabarrenechea Ibarzabal, took the reins of the company. Meanwhile, his brother went on to found Astra, Unceta & Co. in Gernika. Andrés Unceta followed in his father’s footsteps together with his sister, María, developing the business of selling tools and even opening several branches. At that time, there had already begun an indefatigable worldwide search for providers who could bring

improvements to the industrial processes of Basque industry business, which was avid for new techniques to improve its processes. Unceta was an austere man, tirelessly hardworking and childless; his life was his company and he invested all his profits in the hardware store's warehouse. This attitude surprised his neighbours in Eibar, who often asked him why he worked so much since, as soon as his nieces and nephews inherited his money, they would spend it all. "If they enjoy spending it as much as I have enjoyed working for it, it'll be fine," he answered.

Figure 3: Portrait of Andrés Unceta



Source: Unceta, PLC

The Spanish Civil War forced the business to halt and practically disappear. In the year 1941, two nephews relieved him of the company and, with the conflict now over, they established in Bilbao the "Sociedad Regular Colectiva Andrés Unceta y Cia" (Andrés Unceta y Cia General Partnership), which supplied the Eibar industry beginning to emerge in the post-war period. In the year 1948, a branch was opened in Madrid, two years later in Zaragoza and, in 1958, another in Barcelona. In the 60s the spread continued, with branches opening in Valencia in 1963, Seville in 1968 and Vitoria in 1969.

In the year 1959, the name of the company was changed to "*Ferretería Unceta S.A.*" (Unceta Ironmongery PLC), with its headquarters on Ibarrecruz street in Eibar. After Andrés Unceta, his nephews Gregorio Unceta and José Alberto Garate Unceta took over the company. They consolidated the Spanish market, expanding branches and the products on offer (they came to have over 100,000 references) and began the opening of the Latin American market.

The loyalty of a handshake between business families that has lasted for more than half a century

In 1963, Mitutoyo, a Japanese firm and global reference in precision measuring, was looking for a distribution company in Spain. Three potential candidates came forward and they eventually chose Unceta.

- *“My father and my uncle made the pitch to Mitutoyo. None of the candidates knew what the others were promising the Japanese company in order to get the contract, but Unceta simply assured them that they would carry out Mitutoyo’s instructions, and that made the Japanese choose Unceta. This achievement allowed Unceta to bring Mitutoyo to the Eibar hardware business, and greatly helped many other companies in the country to improve their quality and their products” – Ricardo Garate, Unceta President.*

Figure 4: Portraits of Gregorio Unceta and José Alberto Garate



Source: Unceta PLC

In this manner, in 1965, Unceta came to an agreement of exclusivity in Spain with Mitutoyo, the Japanese company and leader in precision measuring.

- *“The agreement was sealed with a handshake: there was never any contract. This was an important landmark given that Mitutoyo is still the global leader in this type of product, and our alliance gives us prestige that allows us to help other companies to improve their competitiveness.” – Pablo Garate, Unceta General Manager.*

Nearly twenty years later, in 1981, Pedro Unceta and Ricardo Garate took over the management of the company. Sons of the previous managers, they sought to modernise the company by abandoning some of the traditional supplies, such as screws, and acquiring others of greater value. Among the main actions that were undertaken under the leadership of the two cousins, the ones that stand out are the creation of Sariki Metrology in 1985, gaining a foothold in the Cuban market in 1989 and the relocation of the headquarters to the vicinity of Alzola in the neighbouring town of Elgoibar in 1990.

Sariki focused its efforts on the high-range Mitutoyo products and became an integral provider of measuring solutions for the industry. Their activity encompasses consultation on measuring systems, the supply of equipment, training for users, customer support (technical assistance for hardware and software), measuring engineering service, and the design and implementation of tailored engineering or “turnkey” projects. The last of these concepts is a sign of clear support for the future of Sariki. The greater-value products present in Mitutoyo’s catalogue require an advanced assessment service for their installation and training. Therefore, more than fifty percent of Sariki’s staff are engineers.

- *“The projects undertaken at Sariki last between six and eight months. Constant technological evolution in the sector and the complexity of the service to be supplied means that a strategic plan is required, which we carry out every three years with the support of external consultants.” – Pablo Garate, Unceta General Manager.*

Their activity is aimed at the automotive sector, aeronautics, machine-tools, etc., and their main competitors are multinationals who have branches in the Iberian Peninsula. Sariki’s competitiveness is based on three keys: **customer awareness** – through a strong customer service structure which offers approachability and adapts itself to the needs and/or problems that the user may have; **technological awareness** – in order to be able to offer highly-developed technologies to the market and be able to anticipate client challenges; and **innovation** – through undertaking cutting-edge engineering projects specific to each client and project applied in R&D.

The two companies are still working together today. Japanese culture is a loyal one and the Japanese family maintains a personal relationship with the Unceta family to this day. Until now, the General Manager of Sariki has always been external and not part of the owners’ family. However, this could change with upcoming retirement.

- *“Only now, with globalisation, have we asked them for a letter to formalise that handshake. Up until this point, we only had the handshake and we worked with just that.” – Ricardo Garate, Unceta President.*

Figure 5: Celebration of the 50th anniversary of the agreement between Unceta and Mitutoyo



Source: Unceta PLC

The sales team: the heart of Unceta

At the end of the eighties and the start of the nineties, the company's sales team were dedicated to selling the products, and the company was simply a wholesale distributor. Management of the sales team was in the hands of José Ángel Ormaechea, who came from the world of cooperatives, and who had a team of six salespeople in Euskadi, mainly in Gipuzkoa and Biscay. Until the end of the eighties, Unceta distributed to retailers, usually ironmongers, the people who came into contact with the user of the tool.

- *“On weekdays, we would go out to sell and then on Fridays we would stay in the office to process offers and orders. Once the afternoon was over, the office work was finished and everyone had gone home, we would have a meal together in a family environment. The sales team would get together, the Marketing Manager, the Unceta family, etc.” – Aitor Tejada, Unceta Marketing Manager.*

However, Unceta's activity was not limited to the two Basque provinces; outside the region, in Madrid, Barcelona, Valencia, Sevilla, Zaragoza, Castilla-León, Rioja and Álava, there were sales branches whose job it was to make retailers aware of the product and provide them with it. There were also surprising occasions, like the order that suddenly arrived from Cuba:

- *“In Cuba, it all started because the Cubans had not been subsidised for an order of 65 million pesetas. The then Cuban Minister for Foreign Trade went to the Embassy to ask what providers could be found in Spain, and the name Unceta came up. We have been in Cuba for the 28 years ever since, since 1989, to be precise. I was in charge of the international market, as well as the Spanish branches, and I maintained a close friendship with the island; I even met Fidel Castro.” – Ricardo Garate, Unceta President.*

Figure 6: Unceta's stand



Source: Unceta PLC

On a national scale, this situation changed when the ironmongers started to associate to buy directly from the producers. At that time, the value of wholesalers was questioned, making it necessary to reassess the strategy to implement in order to increase the value with which companies such as Unceta provided a client who was opting for disintermediation.

- *“When ironmongers began creating purchasing associations, we understood that we had to adapt our structure and target the industry; not supply, or ironmongers. At that point, we identified a new niche for Unceta: industry, the final user. That is precisely what is good about this company: that it has known to adapt to the time; it has known, with its resources, how to make decisive changes.” – Aitor Tejada, Unceta Marketing Manager.*

The company considered that its sales method, with salespeople and warehouses spread all over Spain, was becoming obsolete. At that time, the engineer López de Arriortua was at his peak, and the philosophy of the provider being closer to the needs of the industrial client permeated through many companies, including Unceta.

With the aim of realising this idea, the company proposed creating a department for its biggest contracts, which would allow an improved service and to personalise and help clients such as Fagor and Ulma. The objective was to provide a *premium* service to the company's principal clients. This stratagem is still in place today. In fact, this distribution company follows its clients all over the world, reaching agreements that provide a service to all the clients' departments. To this end, the sales team have had to and have to be trained and client-oriented.

Hard times: the alliance that fell apart

In this context, and seeing the approaching revolution in the distribution sector, at the start of the nineties, the two cousins and descendants of the founder, turned the company round 180 degrees: they looked at Germany and copied the distribution model of the German group Hoffman.

- *“In the year 89-90, we began conversations with Hoffman and allied ourselves with them. The years with Hoffman were very profitable. We learned a lot in the twenty years that we were working together.”* – Pablo Garate, Unceta General Manager.

The collaboration was a complete success for Unceta. Hoffman was a distributing company like Unceta, but much bigger and in a more advanced environment. They learned a lot about “own brands”, which at that time did not exist in the Spanish market, and using that concept as a base, Unceta developed their distributor-brand market. In this way, they widened their range, learned management for advanced companies and took advantage of their purchase capacity. The result of the agreement between Hoffman and Unceta was manifested in the form of a full-colour catalogue, illustrated with photographs of the products on sale. This catalogue, which included tariffs, was sent to the clients and companies that asked for it. All this allowed Unceta to double their client list. These catalogues are used for their educational value in Professional Training Centres, to whom Unceta annually gifts numerous copies.

Figure 7: Pedro Unceta and Ricardo Garate



Pedro Unceta
Ricardo Gárate

Source: Unceta PLC

This situation of close collaboration with the German company lasted more than twenty years, until Hoffman changed their sales strategy and decided to directly enter the Spanish market. This threw Unceta into upheaval, since they were not only obliged to break off the collaborative relationship, but also to respond to the presence of a new and powerful competitor in their own country.

- *“In 2008, they wanted to get straight into Spain, without us, and that was a big danger to us; not only from the point of view of the market, but also because a significant portion of our purchasing was done through Hoffman.”* – Pablo Garate, Unceta General Manager.

These changes meant having to redo the catalogue. In 2008, Unceta launched their own brand, which had been a registered trademark since 1989, but one that they had not used since employing the German brand. Nowadays, the Basque distribution company has three of its own brands: STD (for cutting tools), IROKO (for hand tools) and MAFASA (for moulding).

- *“This made us directly contact every maker one by one. They were very difficult years. The Marketing Manager was visiting every provider and negotiating the conditions from scratch with them. It was a very bad year financially, but we got back the providers who trusted Unceta.”* – Pablo Garate, Unceta General Manager.

Their own brand gave some action margin in setting prices. The price is very relevant in a sector in which, for clients, the purchasing of tools is not strategic. In fact, it is usually their lowest expense in the purchasing of materials. Against the producers' brands, own brands and their price are less comparable, and in one catalogue a producer's tool and an own-brand tool compete, even though the maker may be the same. In the case of Unceta, the own brand has grown gradually, and in 2016 comprises 25% of their sales. However, in those days, sales fell dramatically, and nowadays Hoffman is Unceta's biggest competitor.

“Their entry into Spain was traumatic, given that they knew our clients, hired our salespeople and even tried to buy Unceta itself.” – Pablo Garate, Unceta General Manager.

Salaries were reduced, they tried to avoid redundancies by issuing record of employment regulation, but eventually it was necessary to sack people to keep the project going.

- *“It was my worst moment in Unceta. Firing colleagues from branches is very hard.”* – Aitor Tejada, Unceta Marketing Manager.

Although the situation was critical, the decision was clear: there was an increase in capital, the number of owners was reduced, and they decided not to sell legacy of five generations. Thanks to this brave decision at a time of crisis, the company is still going today, with its nerve centre in Gipuzkoa.

- *“At that difficult time, Ricardo Garate not only backed the company financially, but also with his own son. I had offers to leave Unceta, but I stayed because I feel identified with the Unceta project; I feel “Uncetan”. I’m at a leading company and although we’ve always kept an eye on the competition, we’ve stayed in the lead. I’ve made this project my own. I’m an active part of its strategy and its evolution.” – Aitor Tejada, Unceta Marketing Manager.*

Nevertheless, this bad experience did not stop Unceta from sealing one more alliance, for the time being, since 2012. In 2002, Sarikal was created: a laboratory made to provide calibration services, since, by law, measuring instruments must be certified. In 2012, the company closed, and a joint venture born from the union of Sarikal – which brought experience of the Spanish market – and the ISQ Metrology Laboratory, Labmetro, with more than thirty years’ technical experience in all, with a total of more than 75,000 tests and calibrations per year. Located in Elgoibar and with branches in Madrid, Galicia and Barcelona, backing this new alliance allowed Unceta to develop its services.

- *“We hadn’t planned on creating a mixed company with anyone else, but, in this case, we clearly saw the benefits: we provided market penetration and they provided the technical knowledge.” – Pablo Garate, Unceta General Manager since 2014.*

ISQ has a thousand employees and is a company with which Unceta had long, shared path, since it often subcontracted them. Today, Labmetro has a team of twelve people, and still participates at 50% with its Portuguese members.

Innovation and digitalisation of the 21st century Unceta

Distribution is an unstable sector. Disintermediation, with producers who reach the final buyer through international delivery companies; large companies who sell online, presenting themselves as a large warehouse with all sorts of products available; all the information available to the buyers – all these factors threaten the position of the intermediary and force the sector to recreate itself in order to continue to represent value to their customers. The sales strategy, which was previously enough for three years, now has an ephemeral shelf-life. All of this subsequently demands increasing the level of service given to the clients, improving our knowledge of such, anticipating their needs, making our communication with them more agile, etc.

Figure 8: Unceta's offices



Source: Unceta PLC

Innovation in sales strategies and the digitalisation of processes have been key to the evolution of the business. In 2014, the company's management team took steps to the automatization of the management systems in the shape of an ERP, Axapta, Microsoft's flagship, entailing sweeping changes to the company's internal processes.

With regards to the market, the company coordinates fifty salespeople from their headquarters, in groups at branches in Catalonia, Levante, Andalucía, Madrid and the north, who take orders and place them in the system directly from their laptops. They are teleworkers, given a company car and a laptop connected to head office, allowing them to work wherever they are without the need for an office. The informatization of the sales process has gone hand in hand with the modernisation of Unceta's warehouse, facilities spanning 9,000 square metres in Elgoibar.

However, since 2014 the online sales channel has been widened, going from a solely business-to-business channel to becoming accessible to individuals. In this manner, anyone can access Unceta's catalogue. This is a means whereby the company can maintain their current clients in order for them to be self-sufficient, and reach new clients for them to discover the distribution service online. To this end, the online strategy as well as a presence on social media, has grown in recent years.

- *"Nowadays we aren't oriented towards the professional final consumer, but we believe that in, in the future, it will be a more important client."* – Pablo Garate, Unceta General Manager.

The incorporation of these technological advances has benefitted the company in two ways: on one hand, the introduction of online sales helped in the difficult process that the business had to go through following Hoffman's entry into the Spanish market. At that point, Unceta had to reduce its number of salespeople to nearly half, with a consequential reduction in visits to customer companies, though the new channel partly mitigated this lack of contact. On the

other hand, online sales have allowed the company to access a new niche: the market of self-employed professionals. This segment, though still residual, is predicted to increase in relevance as a client of Unceta.

- *“Faced with a very fragmented clientele, we focused our efforts on priority clients to reduce costs. The sales network should be in the client’s home or a relatively small radius from there. To optimise the strength of sales, clients were trained how to access the online store and thereby be able to purchase directly. In this way, they can operate autonomously and, in the event of any problems or doubts, a person is there for support with regards to the application of the sales network. The salespeople were reluctant initially, but they understood that their work as salespeople was not to merely sell a product, but to put emphasis on the customer service; taking care of the clients’ needs, providing solutions and giving them a greater service.”*- Aitor Tejada, Unceta Marketing Manager.

Figure 9: Pablo Garate at the Unceta warehouses



Source: Unceta PLC

Aside from implementing the ERP in 2014 and the online shop on the website a year later, in 2016 three independent modules were installed as a result of Unceta’s own developments. Specifically, Slimtock, a module whose objective is to support managing purchases and inventories; a second tool for the management of finances and forecasting accounts and, eventually, that of electronic billing, which responds to the need to automatize a process of bills that need to be sent out along with the 500 packets that Unceta sends out to its clients on a daily basis. These modules are integrated into the existing ERP management system.

- *“For us, the innovation of processes is constant. If there’s one thing I can’t tolerate, it’s people saying that some things are done in a certain way because ‘that’s how it’s always been done’. We firmly believe in the benefits of this process of informatisation, and we dedicate €500,000 a year to investments in this area. Furthermore, not only is it beneficial for the improvement of our operating processes, but people appreciate it because you liberate them from routine tasks. In fact, the only way of increasing productivity in a company like ours is by applying technology.” – Pablo Garate, Unceta General Manager.*

The future of a century-and-a-half-old company

In 1999, Unceta celebrated its 125th anniversary, and did so in an original way: decorating the exterior of the Guggenheim Museum in scrap metal. The 70,000kg mountain of scrap, which was donated by 400 Spanish client companies of the Gipuzkoan firm, was piled into the shape of a dune, which attracted the attention of some of the visitors to the museum, who even wanted to photograph it, thinking that it was a modern sculpture. However, it was just a symbolic act that was attended by the Unceta and Garate families – the owners of the company – the then Industry advisor, Josu Jon Imaz, all the company’s employees, their partners, and Unceta’s management team. Besides being symbolic, the gesture was also one of solidarity: the seventy tonnes of metal waste, whose value was doubled by the company (2.3 million pesetas), was donated to a Cuban Professional Development school.

Figure 10: Celebration of Unceta’s centenary



Source: Unceta PLC

In recent years, until 2012, to be precise, the company has been co-presided over by two cousins: Ricardo Garate and Pedro Unceta, in a bicephaly that has lasted for over twenty years. Nevertheless, although their closeness with Unceta has always been high, they had an external directive since 1991 who carried out executive tasks. Following the separation from Hoffman in 2008, the situation became complicated and the continuity of the family company was put on the table.

The company was divided between the two family branches in equal parts: on one side, the Unceta branch had no clear succession the company, since their children had projected their professional careers away from the company. On the other hand, the critical situation demanded a very significant financial injection to keep the business project afloat. At that crucial time, Ricardo Garate took the initiative and committed himself to the project again; not only devoting his life's work to it, but also providing the capital required to avoid its closure, at a time of sky-high contextual uncertainty. Ricard had four children, in whom he had fostered a love for the company, and they, therefore felt ironmongers themselves – yet another of Ricardo Garate's legacies to the business – the link between his heirs and the business is something of incalculable value for the continuity of the business families and the families' businesses.

- *“We had to grow significantly, I saw clearly. If we didn't invest, the business would close. So I spoke with my wife and told her ‘Everything we have is thanks to the hardware store’. She replied ‘If we have to invest, we'll have to invest; whatever you say’. And that's how I provided the totality of the increase in capital necessary to relaunch the company, and I obtained a majority of the business. It wasn't a traumatic process.”* – Ricardo Garate, Unceta President.

At that critical time, an increase in capital allowed for the concentration of ownership into a family branch, and to materialise the commitment of the family to this centenary company. However, shortly afterwards, health problems for the majority shareholder, Ricardo Garate, led him to ask his second son to join the company. Pablo had studied Economic and Business Sciences at the University of Deusto, and he was working as the director of exports for a gears company in Azkoitia. They waited for him to finish a master's in Madrid, and once he had finished that, he joined the company.

- *“I joined in 2010 and took the reins in 2014. During that interval, I was alongside the then Sales Manager – I needed to know the business perfectly. Today I'm happy that I chose this path. The staff at Unceta welcomed me really well. They knew me because I had often come to eat, I had been a client of the company when I was working in Azkoitia and I even did some work experience in summer while I was studying. I suppose that I represented the continuity of the family business at a critical time, and furthermore, I profoundly believe in the value of work; I am wholly dedicated to the company: I don't care what time it is or what day it is; I'm always available and always have my phone on.”* – Pablo Garate, Unceta General Manager.

Although the injection of capital left the family protocol of maintaining equal participation in the company's capital, as they had agreed in 2006, invalid, access to Unceta's management was not arbitrary. The chosen candidate met the rules established by his father to accede to the company's highest position: to know and speak languages, hold a university degree and to have had professional experience outside the company.

- *"I'm the second of four brothers and I have always had the feeling of wanting to manage Unceta, so when my father called, I came without a second thought. I hadn't worked in the company previously – only a summer work placement during my second year of university to earn a bit of cash – but I suppose that it's the result of a whole life spent hearing about Unceta over dinner every evening. We used to live in Eibar, and the company was on the ground floor of the building our flat was in, so dad and grandad were able to go to work in their slippers!" – Pablo Garate, Unceta General Manager*

Ilustración 11: Pablo Garate



Source: Unceta PLC

If any of Pablo's brothers had been willing to join the company, all three of them have respected his decision. The relationship between the four brothers is very good. It is no coincidence. Since they were Young, their father has nurtured the value of family, and they have kept up the good habit that they had as children of going to spend the weekend together somewhere as a family, and that is part of the reason for the complicity of this brotherhood.

- *“My father fostered in me the idea that at the hardware store, our obligation was not just to buy or sell, but that we had a professional obligation to look for new things to bring to Euskadi, to look at how we could help our clients to be better. That is something I have taught my children. I have always encouraged them to carry on the company, to develop; I’ve spoken to them a lot about the business and this way of understanding it.” – Ricardo Garate, Unceta President.*

There is a very high level of trust amongst the brothers. The current manager of Unceta feels a maximum level of commitment to both the company and the family, and, reciprocally, he feels supported and backed up by his family, as well as the management team – particularly at the start.

- *“The first years after I joined were very hard. In 2012, we had a record of employment regulation. Having barely started, I was off to branches to fire people; we’ve had to employ salary reductions, redundancies, etc. The Financial Manager told me ‘You’ve been through the company’s worst times; the future will doubtless be better.’” – Pablo Garate, Unceta General Manager.*

Nowadays, Pablo calls his father and the minority family branch once a year to show them the accounts and discuss the company’s situation in more informal and relaxed way. Nevertheless, they usually get together with Ricardo and his sons throughout the year to speak about the company.

- *“It’s true that, at the moment, we don’t have administration advice. It’s probably something we’ll have to do for the future, and we’ll also have to think about the next generation. Until now, it’s been very easy, since my father and my grandfather had no siblings, but now I have three brothers. For my part, I hope to leave this company to my children, nieces and nephews; the greater our legacy can be, the better.” – Pablo Garate, Unceta General Manager.*

But Unceta does not only look inwards; it is also present in the community, sponsoring very diverse activities, but ones which are related to the company’s activity, like StartInniva-Diario Vasco and the Instituto de Máquina-Herramienta (Machine-Tool Institute (IMH)), or the town: they once sponsored the Elgoibar handball team. Recently, they have been collaborating with the Eibar Armory School, with the new post-graduate degree that this professional development centre plans to offer to specialise in metrology, given that there is no training in this area currently on the market. Their oldest sponsorship is with Eibar F.C., ever since the club was in the third division, Unceta has had advertising hoardings at the ground, and now that it is in the first division, there is more visibility, but they do it for the pride of belonging to the town that saw the birth not only of the company, but also of the five generations of the family.

Nowadays, most industrial companies ask for solutions on a European and global scale. Unceta's priority is still to serve its clients above all else, extrapolating the relation model that they have with customers in Spain to its mirrored plants around the world, providing them with a service of the same agility and professionalism they do nationally. To that end, this distribution company, which adapts to the market and has known how to recover its balance following a process of succession at a critical moment, looks to the future with optimism.