Foodservice Equipment & Supplies 2015 HALL OF FAME

A Serial Entrepreneur

Meet Ken Gill, FE&S' 2015 Hall of Fame Award Winner. During the course of Gill's illustrious career he sold grocery store equipment; opened and ran a successful, multi-location restaurant and started one of the foodservice industry's most successful and respected equipment dealerships, among many other business ventures. Along the way Gill earned the respect of his colleagues, competitors and even suppliers. Even today, he shows no signs of slowing down. What makes FE&S' 2015 Hall of Famer tick? Read on to find out.



ump out of an airplane. Check. Zip line through the jungle in Costa Rica. Check. Learn how to scuba dive. Check. Start your own business. Double, triple, quadruple check. Make \$1 million before 40. Check.

"That last one I just made by six months — Sara Lee helped." (More on that later).

This was just part of the bucket list Ken Gill, founder of The Gill Group, drew up while a student in college. By age 40, he had accomplished every single item on that yellow-lined paper, at which point he says he entered a "deep depression." (He's exaggerating a little, of course.) But little did Gill realize his life was far, far from over.

"I tried retirement — it was the only thing I failed at twice," he says. "Someday I'll hit a wall."

The "start your own business" item is an ironic one, but only because by age 40, Gill had not only started his wildly successful equipment dealership and fabrication company, he had also previously opened his own restaurant company, two more restaurant locations, and a financial planning house — and this was all ahead of more businesses to come.

"I tried retirement it was the only thing I failed at twice."

Along the way, Gill found time to serve the foodservice equipment and supplies industry as a president of the Foodservice

Equipment Distributors Association (FEDA), as a mentor to many accomplished professionals and as a friend to countless others. He did all of this with a sense of style and grace that was second to none. So for these reasons and many more that will become evident as you read on, *FE&S* has chosen Ken Gill for the 2015 Hall of Fame Award.

A Serial Entrepreneur

Given his business track record, it's no surprise that Gill has earned the nickname, "serial entrepreneur." I asked him if he likes that title.

"I love it," says Gill, his signature wide smile flashing the pearly whites that match the sheen in his now silver hair. Gill admits he's financially conservative, but more the dreamer than the execution type, which is precisely why he's partnered with many master taskmasters over the years, including his own daughters. He jokes that when they were young, they had to beg him not to buy or start another business. "*Dad*, no more businesses!" they would say.

Becoming a successful "serial entrepreneur" requires a few key attributes, Gill notes. "I think an entrepreneur is a person who takes an investment and can grow it and grow personnel, and end up with an acceptable ROI based on the money and time you put in," he says. "You also can't fall in love with your inventory, and you should have a solid exit plan." Makes sense, then that he's seen the massive, multimillion dollar sale of Gill Company not once, but twice, during his career.

The "personnel" Gill talks of includes two of the most important people in his life — daughters Kimberly Gill Rimsza and Laura Gill Jacobsen — now running the dual companies Gill Group and Gill Marketing, respectfully, under the TriMark brand. Getting back to that bucket list, it's no wonder he says "family" when I ask him what has been his greatest experience so far.

Add to that, getting married. Oh, and maybe seeing his college's new football stadium bear his name three years ago. So much to cover (deep breath). Let's begin.

The Early Years

Kenneth R. Gill was born in 1938 in West Virginia where he lived with his family for a short period prior to his father's transfer to Pittsburgh as an engineer during the Great Depression. After serving in War World II, his father became vice president of government sales for a commercial laundry equipment manufacturer. Only years later would Ken realize commercial equipment sales must have been in his blood.

A natural athlete and an all-state player in Maryland as a high school senior, Gill went to Western Maryland College on a football scholarship, playing tight end and starting for three years. A number of years later Gill was inducted into Western Maryland's football Hall of Fame. During college, Gill was also a member of the ROTC and graduated as a commissioned second lieutenant.

After graduating with honors in 1961, Gill briefly enrolled in an MBA program at NYU only to see his paratrooper dream (Bucket List Item #2) become a reality during the Cuban Missile Crisis, when he was called into service. "I did that for two years," he says humbly almost with a shrug. No, the story is, he let go of his fear, held his breath and leapt from an airplane at nearly 2,500 feet to train in service of his country. Gill talks about how at Fort Campbell the Airborne Division would conduct heavy training sessions in the afternoon when they were already exhausted from their morning five-mile run and "light" PT workout. The idea is that in war, you learn to react to emergencies by instinct, regardless of how tired you are. Sounds like good preparation for life too.

"Where you really learn discipline is going through Airborne training," says Gill, even more so than in football. "It was harsh training, but I loved every minute of it — because I worked hard and could do it. It was a real honor to wear the badge in the 101st." Though he never saw combat, the experience was challenging enough to earn a checkmark on that bucket list.

"I will never accept defeat." "I will place the mission first." These are the words of the U.S. Army and things Gill subscribes to — regardless of whether he even realizes it. Disciplined. Fearless. Adventuresome. Hardworking. It makes perfect sense that all of these traits Gill honed on the

LETTERS FROM

THE KEN GILL "FAMILY"

"I met Ken 35 years ago when he came to Columbus to encourage me to become involved with FEDA. Becoming involved with the association was one of the most positive decisions I have ever made, and I thank Ken for that. Ken and I have continued our friendship over the past 35 years as competitors, mentors to each other and, foremost, as friends. The foodservice equipment and supplies industry owes a great deal of gratitude to Ken Gill for his leadership."

Rodney Wasserstrom, The Wasserstrom Company

"Ken Gill is one of the most astute businessmen I have ever met. He has the ability to patiently and carefully analyze opportunities as they present themselves, quickly and concisely make a decision and then execute on that decision better than almost anyone else I know. I was fortunate to have been able to watch and learn from Ken early on in my career, but consider myself even luckier now. Every day I get to work alongside Ken's daughters, Kim and Laura. I see so much of Ken's intelligence, wit and leadership skills in the both of them. The legacy of Ken Gill in our industry lives on!"

Jerry Hyman, TriMark USA

"Ken Gill is a serial entrepreneur whose vision, drive and confidence make whatever he touches truly spectacular. Ken's magic comes from his unique and extraordinary combination of persistence, determination and extreme gentility. Whether it's in his business life or family life, Ken's magnetism and dedication to those he cares for are unparalleled."

Louise O'Sullivan, Prime Advantage

"Ken is a leader who had the respect and admiration of everyone in the industry. It must have been the wisdom he demonstrated after listening to various points of view on industry issues. Wisdom is what sets him apart from those of us who had plenty of knowledge. Ken could always be trusted — in business, family, social and personal matters. Golf brings out his competitive nature. At crunch time, he is a great partner."

Bill Boelter, The Boelter Companies

"Ken is a visionary. He can see where the industry is going and always positioned his businesses and himself to get in front of those trends. Ken is also a model businessman. He always loved the industry and its people, but he never fell too deeply in love with any of his companies that he couldn't sell or buy when the price and timing was right. Ken has an analytical mind as sharp as a razor, but he is more than just smart. He has a terrific personality. Ken is always positive and fun. His quick wit and infectious laugh puts everyone at ease and makes him someone you want to work and spend time with."

Fred Singer, Singer Equipment Company



field and in the sky would form the foundation for a successful work and family life. In fact, it was at Fort Campbell that Gill, then married to wife Joanne, saw the birth of his first child. Kim.

"I'm not afraid to work 7 days a week," says Gill. Maybe that's because it's not work to him. It's just living a full life.

Into the Restaurant World

When discharged from the Army in 1964, Gill landed a job at a California-based supermarket equipment manufacturer as the East Coast sales manager in the Washington, D.C., market for a couple of years. Three years later he accepted a position as a commissioned dealer sales rep for a local restaurant equipment company, a position he held for nearly a decade.

Somewhere in the back of Gill's head, though, was another bucket list item — open a restaurant. "In 1968 my

KEN GILL

former college roommate and I had a little too much to drink one night and decided to open a restaurant — it was a 300-seat steak and lobster restaurant," Gill says.

Magically, the plan worked. "I was president of the corporation because I had \$250 and my friend had \$200. We borrowed the rest and poured a quarter of a million dollars into this thing," says Gill. "We started off with a negative cash flow. But we ended up doing extremely well and eventually opened two more restaurants because that's the only thing entrepreneurs can do. So we borrowed more money, and signed a third or fourth mortgage on the house." He chuckles.

In the meantime, Gill had his second child, son Kenneth Jr., aka "Rick," now a schoolteacher and father of two in Colorado. That said, restaurant work was becoming too much for the elder Gill. "My wife told me, 'You're son's now in third grade, and you haven't seen him yet," Gill jokes. But he knew the seriousness of taking time away from family, so instead he worked days as a commissioned sales rep, only working the night shift every other day. Eventually, they sold all three restaurants.

Then, because, as he says, "This is what serial entrepreneurs do," Gill opened another business with two college friends and teammates, who also had a background in finance and economics. The successful financial planning house is still in existence today — in fact, Gill serves on its board.

By the late '60s Gill became father to his third child, Laura. By 1975 Gill and Joanne moved the family to a horse ranch in Great Falls, Va., which goes hand in hand with his appreciation for country-western music and "I Love This Bar" by Toby Keith.

Formation of The Gill Group

In 1973, Gill "started this little equipment company and all of a sudden, we got a major account." With the unbelievably fast growth of the Washington, D.C.-based Gill Company, Gill walked away from the financial planning company to focus on the equipment dealership full-time.

"The equipment company really took off mainly because there were two really old, established companies, one I had worked for, that both closed during the same summer, and that left the whole market wide open," he says. "The entire sales and marketing teams on both sides wanted to come work for me."

"My lawyer and I structured our terms much like closing on a home — all of the money went into escrow to protect the cash flow," says Gill. The plan worked.

"We were going along OK, and then the federal government asked me to sit on a committee to investigate whether to put foodservice equipment on the GSA procurement schedule," Gill says. The timing couldn't have been more perfect. Gill Company, once focused primarily on independent restaurants and hotels saw even more rapid growth, now in the noncommercial sector.



"Ken Gill has a laugh that makes you smile and a smile that draws you to him. I have had the privilege of working closely with him over the years, and although he taught me so much, I learned even more by watching his deeds and actions. He has a deep sense of fairness, which is seen in all his business and personal dealings. He has a leadership quality that you can't help but recognize; always making others feel important and part of the team. Dad is always ready to lend a hand and help friends, business associates and family whenever they need assistance or someone to talk to as a sounding board. My father, Ken, has been my mentor in business and influential in so many aspects of my life. He has taught me humility, leadership and, mostly, the importance of family."

Kimberly Gill Rimsza, TriMark Gill Marketing

"Through each relationship with my father as daughter, employee, partner and friend, his character, intelligence and kindness have been guiding lights. He taught me that compassion, responsibility and commitment would make me a better human being. He continues to strive to make a difference and he does so with such humility that his generosity is accepted as who and what he is. There is no greater honor than to be referred to as Ken Gill's daughter."

Laura Gill Jacobsen, TriMark Gill Group



There was so much growth that Gill split off the divisions into separate legal entities: Gill Company, a conventional dealership handling all other segments of the foodservice industry; Gill Marketing, handling government and military contracts; and Gill Manufacturing, a custom fabrication arm supporting both divisions.

The '70s and early '80s saw continued growth, with Gill Company expanding into large, multi-unit chain (Wendy's, for one), and large national contracts. In 1984, *FE&S* presented Gill Company Inc. with its Dealer of the Year Award.

The award was well deserved: the Gill Company grew from \$450,000 and 5 employees in 1975 to more than \$25 million and 75 employees in 1984. The most rapid growth occurred in 1982, when the company's sales jumped from \$6.2 million and 39 employees to a whopping \$20.3 million, mainly due to the expanded government and chain work.

By 1984, Gill Company had specialists in all areas of the business, from service to warehouse management to installation. But at the same time, everyone was proficient at sales with the ability to handle work in different departments.

Robin Ashton, then FE & S' editor, pointed out Gill's key steps to success in an article on the award-winning dealership, and they still apply today: "the realization that the company is first and foremost a sales and marketing organization with every single employee skilled in that art; tight financial and management oversight combined with great line-level freedom and responsibility; an unusually close relationship with suppliers; and a systematic approach to new markets."

"In 1976, I began to understand the round hole/peg theory," Gill said in the article about the award. "You must have the right people. And the job must be good for the person and the company."

Gill Company Grows

Just two years after winning the award, Sara Lee initiated an offer to buy all three parts of the Gill Group Company, Gill Marketing and Gill Manufacturing (by then under the umbrella name of The Gill Group) as part of a strategy to expand the equipment dealership side of the business under the PYA/Monarch, now US Foods, division.

"Being an entrepreneur, this was a struggle for me because they put me in charge of five-year planning on the board of directors," says Gill. "A lot of people thought that would be fine, but they didn't realize all my planning about what I was going to do that day came over the first cup of coffee in the morning."

The big corporation thing just wasn't his scene, it turned out. Luckily enough, the whole equipment dealership thing wasn't Sara Lee's scene either. So in 1988 Gill negotiated to take Gill Marketing back from Sara Lee.

In the following three years, Gill Group grew even more exponentially. "We were probably grossing \$100 million dollars and also doing a lot of international work," Gill says,

LETTERS FROM

THE KEN GILL "FAMILY"

"I have been blessed to serve in the administration of the best and brightest of the dealer community. I count Ken as one of the very brightest and as my very dear friend and mentor in my early years with FEDA. I love Ken's humor. I once made a program suggestion and he told me — with his great smile and twinkle in his eye — 'Ray, 98 out of 100 times your ideas are terrific. This just isn't one of them.' Ken is a visionary. He led the way in enhancing FEDA's regional symposiums, the introduction of CAD to the industry and support for FEDA's many educational endeavors, including supporting the FEDA education foundation for many years."

Ray Herrick, FEDA

"Ken is a great guy with a great sense of humor and fun to be around. We had different approaches to the business, but we always shared a lot of good ideas. I always enjoyed spending time with him because I always learned something. He's been a great teacher and mentor not only to me but to my son, David, who is now the president of our company. David spent many long weekends with Ken and his family when he went to George Washington University."

Paul Ellingson, Bargreen Ellingson

"Ken Gill is one of the key contributors to my decision to join the industry. He is the first person who convinced me it is an incredible industry with great opportunities, and the first to tell me I would find an incredible passion for it. He was absolutely correct. His positive approach and passion are exactly what the industry needs more of."

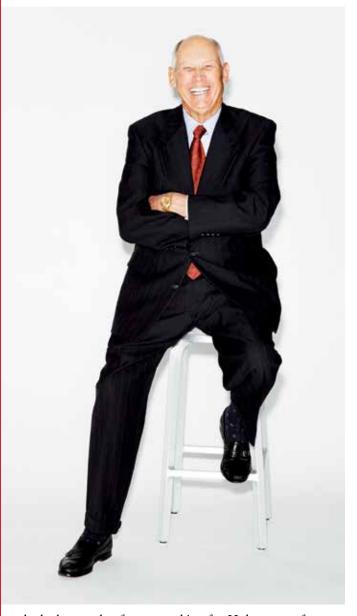
David Ellingson, Bargreen Ellingson

"In a nod to Ken's love of football and basketball — let me describe my longtime friend using some sports 'ingredients': his patience to completely understand a situation before taking action is our Bill Belichick ingredient; his passion to win is our Vince Lombardi ingredient; the love of his players, the respect from competitors and the duration of his success is our John Wooden ingredient; and finally, his love of family and being a great friend are the ingredients from Ken's first coaches — Mom and Dad — and later, by his wife and 'head coach' Joanne."

Ira Kaplan, Irinox

adding that he picked up another couple offices in the U.S., thanks to US Foods closing its E&S division.

In 1990, Gill had a health scare and asked Kim Gill if she wanted to leave the Phoenix-based manufacturers' rep firm she was working for and return to Maryland to take over Gill Marketing. At the time, Kim Gill had already



clocked a couple of years working for Hobart out of Phoenix and had worked as a national accounts manager for Louise O'Sullivan at Groen prior to moving to O'Sullivan's rep firm.

"She ran it so successfully to the point that, when I did get well, she was running her own operation, and Laura, who had earned her law degree, wanted to get in the business too," says Ken Gill. Laura Gill eventually took over the commercial side of Gill Company with Kim running the government contracts under Gill Marketing.

With two daughters running two successful businesses and his health in good shape, Gill had a little more time on his hands. Retirement didn't work out as mentioned, so he went to England for six months and did some entrepreneurial things there, he says.

Overseas, he caught up with his old friend Horst Herbert, a previous Hobart Germany executive, to whom he sold a side business he had started in the '70s in Germany. Food Equipment Marketing (FEM), based in Frankfurt, sold equipment to U.S. facilities in Europe. After a few years Gill sold the company to Herbert basically on a handshake. Over the course of 10 years Herbert paid every last dime off — a quarter of a million dollars.

Gill also caught up with Luciano Berti, his old friend and now the head of Ali Group, who back in the '70s had offered Gill the opportunity to buy a little ole company called Champion Dishwashers.

Coming back to the States, Gill says he "got bored and needed another business . . . again." Ira Kaplan, now the Irinox president and a close friend, suggested he start a buying group for manufacturers. Gill was skeptical, given the competitive nature of his manufacturer friends, but he partnered with O'Sullivan ("who was also bored") and established a buying group for supplying componentry to food equipment manufacturers. That became Prime Advantage.

"We took all the orders and were able to create bulk discounts," says Gill. Eventually a private equity firm bought out the business and O'Sullivan stayed on as president, later buying the company back out.

The Big Sale

The year was 2007. Gill Group was humming along great, but there was a growing change in the foodservice equipment industry — private equity groups started rolling up smaller dealerships, and there were other nationwide buyouts on the landscape. In September, TriMark, the nation's third-largest distributor at the time (with more than \$4 million in revenues and 700 employees) acquired Gill Group, then based in Crofton, Md., and Gill Marketing in Phoenix. Both Gill companies joined TriMark USA's six additional divisions. Kim, Laura and the entire management team remain in place today.

Having the Gill Companies as the burgeoning dealer's seventh operating division gave TriMark an entrée into an additional sector of business, government purchases, and expanded the contract capabilities of all locations. SS Kemp was TriMark's other big buyout around that time.

"To Jerry's credit, not one president of all of the companies he has bought has left," says Gill of his good friend. "That's a real tribute to his management skills. Everything TriMark said they would do verbally, they executed, and my daughters still enjoy the business — running their own divisions and they enjoy it."

Hyman has good things to say about Gill, and he's certainly not the only one (see "Letters from the Gill Family" on the previous pages).

Beyond Gill Group

Over the course of his storied career, Gill has spent time working with a variety of companies and serving FEDA as its president and even helped start the FEDA Educational Foundation. FEDA was also where he made close friends. FEDA honored him with a lifetime achievement award in 2010.

Today, Gill serves on the board of trustees for McDaniel College, formerly Western Maryland College (his alma mater), and has served on various other boards, including that of Anne Arundel Medical Center, in Annapolis, Md., one of the top medical centers in the country. One of the newly built structures even bears Gill's name.

And (retirement, what?) he's also gotten involved in two more businesses: an age redox supplement company and a commercial real estate firm with daughter Kim's husband in Phoenix, where he now resides. Looks like Gill's drinking the redox "punch" he's invested in — that, plus eating less meat and working out regularly, his skin literally glows. He's also an impeccable dresser.

Of course, his real estate office is situated right on top of a golf course, so he can indulge one of his many passions off the clock. Oh, by the way, Gill at one point owned a 50-acre golf and family entertainment center in Maryland, which he bought at the suggestion of a former golf instructor. The business did very well, but not long ago Gill handed it over to the golf pro —

then a 15 percent investor — the entire business supports his family.

So what do you have to do to succeed in this industry, as Gill clearly has? "You have to be willing "You have to be willing to work extremely hard, but you also need to be lucky."

to work extremely hard, but you also need to be lucky," he says. I'm not convinced luck has played that big of a part — seems like this whole time Gill has made his own luck. Or at the very least, his energy and optimistic outlook have put him in the position of having positive experiences that could be construed as luck.

Either way, his world is a good place to be.

Gill is a happy man, on or off the clock. That became evident in just the first hour we spent together, when he stopped to smile or chuckle or simply to take a sip of water or eat his lunch. He's the type many see as their friend, investor, confidant, mentor — and of course, he's a father and grandfather to seven.

"There's no better compliment than to see your children and grandchildren grow into beautiful, smart and lovely people," he says. "Knowing how respected Kim and Laura are in the industry and how well their brother is doing — there is nothing better than that." **FE&S**