



Shrader Tire & Oil still has plenty of tread

Shrader Tire & Oil has been in its Sylvania Avenue location for many years. Calling it a fixture, though, is misleading. Fixtures tend not to change. The company is more like a hub of innovation, forward motion and determination to stay ahead of every curve.

At the helm is Joe Shrader, third generation of the family that started as true entrepreneurs and founders of a family dynasty. “My grandfather and grandmother, Jim and Bernie, founded the company in 1948 after he declined a position in Washington, D.C., to be the government liaison for Goodyear Tire.

“My grandmother told him that he could move to Washington, but she would stay in Toledo, where she was from,” Joe added, smiling at the familiar family story. “He had his priorities straight, and Toledo remained their home.”

As founder, the first Jim Shrader cast a long shadow over his family and the company they continued to build. When Joe and his brother John graduated from The University of Toledo, many businesses’ best practice was that potential family business

successors should work at companies outside their own for a time, then return when they'd gained experience.

"There was actually a war between my father Jim Jr., who was president by that time, and my grandfather. It had been arranged that I would work at Goodyear and John would go to Firestone," Joe said.

"My grandfather said, 'They may never come back.' He won out, and we went directly into the family business."

This is where the UT Center for Family Business was able to fill the gap. "The knowledge I didn't get by working outside the business, I was able to get from other organizations. I used the resources of the Family Business Center, and in fact, Walt Churchill and I were in the center's very first affinity group, back in the 1990s, when his father General Churchill was still alive.

"The affinity group was called 'Next Generation,' and everybody in the group was in line to potentially take over the family business. It was a great group, all of us in the same boat, but at different stages of our careers. In some cases, the businesses took paths that weren't expected. Churchill's was a great example – Walt ended up creating his own business."

An early sense of mission

Joe says that he always knew he wanted to eventually become president of Shrader Tire & Oil. "I grew up in the business. I was able to make sales calls with my grandfather when he was still in charge," he says. "When my dad took the business over, it was for 15 years. I was 38 when I took over. *We had a good succession process in place, put a lot of planning into it, and used the resources of Family Business Center.*

"I give my dad a lot of credit; he wanted the business to continue rather than cash out – which would have been his right. Keeping a company strong takes a desire from one generation to the next."

It takes nimbleness as well, and the willingness to make tough decisions – like the one Shrader Tire & Oil made in the 1990s to focus entirely on being a business-to-business enterprise for trucking and related companies. Until then, Shrader had serviced passengers cars – and "we were the place to buy tires!" Joe interjects. It was a hard choice, he allows, but one made because of a changing market.

It proved to be a wise choice. Today Shrader Tire & Oil employs more than 200 employees, having just completed a large acquisition and opened more locations. With facilities in Ohio, Michigan and Indiana, plus regular business in several other states, the company offers have a 24-hour road service that caters to trucking companies nationwide.

Challenges and rewards of family business

A seasoned player in the family business arena, Joe also has plenty of contacts in the corporate world. His preference is clear. "Here, you get a higher level of dedication when it's your name on the building, although I don't think of it as mine; it's my grandfather's, my father's.

"It's a motivator to do your best, to honor the founders."

His pride in Shrader's employees is clear, even those who don't wear the family name. "Employees are here because of the way they're treated. All I'm doing is to follow the lead of my father and grandfather. I don't want to make a big deal of it, but we have a history of helping employees financially when their life circumstances become difficult. I don't think every company does that, but this is the culture we've always had."

To codify the Shrader culture — known in the company as the STO Way — the company spends much time on communications, Joe says. "We focus not just on managers, but everyone on the line. It's harder when we have offices that are four hours away, so we work hard on keeping the message consistent and distributing it to everybody."

Joe's brother John is head of sales; they function as co-owners. The arrangement works, Joe notes, because the brothers complement each other's skills, and get along very well. He adds, "People are here because they want to be here, and because they contribute. If people can't contribute to the company, they can't be here."

"My grandfather used to say that in a family business, you had to work twice as hard for half the pay."

In the Shrader narrative, each generation in a family business plays an essential role. The first generation is made up of the entrepreneurs who establish the business. The second generation sets the direction. And under Joe's presidency? He's quick to answer: "The third generation professionalizes everything, makes sure it runs like a corporation."

Yet not quite like a typical corporation, he adds. "A non-family business might have a great culture right now, based on who's in charge — but that can change overnight."

"One of the things I hold myself accountable for is maintaining our culture."

And for the future?

"I will be happy when the day comes to become the CEO, let go of the day-to-day realities of holding the presidency," Joe says. "We're blessed with a lot of good people, but I'm still looking for that perfect successor. It takes a special skill set, and a passion for that leadership position."

Given the determination that's marked the company so far, there's little doubt of a successful search.