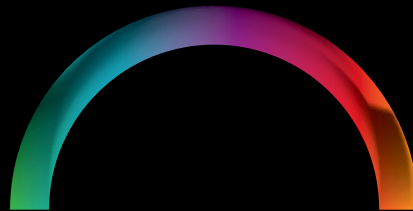


# The Fast Growth Report

Insights and advice to help your business grow faster

Sponsored by



## FESTIVAL OF ENTERPRISE

23-24 OCTOBER 2019  
NEC



# Contents

About this report	2
<b>1</b> The power of focus	3
<b>2</b> Funding what you do best	4
<b>3</b> A management structure for growth	6
<b>4</b> Committed people are invaluable to a startup	8
<b>5</b> Working towards a happy ending: The Exit strategy	9
About the Festival of Enterprise	10
Thank you to our contributors	11

## About this Report

Fast growth. It's the quality that most startups and business owners crave.

It's also vitally important to the UK economy.

We need startups and established businesses to grow quickly and firmly if we are to remain competitive in the world marketplace.

The UK economy also needs the tax revenues and employment gains that startups and SME's deliver.

So how do business owners achieve this status? How do the companies that have the tools and skills to help them, reach through to this important market?

The Fast Growth Report will provide some substantial clues and guidelines.

That's because we have interviewed a selection of business owners and advisers.

We asked them about the ingredients of fast growth success for their businesses or those of their clients.

We have also referenced items of research dedicated to this subject.

If you are a business owner, you can learn from the experience of some proven fast-growth success stories.

If you are business seeking to market to startups and SME's, you'll learn how to position your company in a way that will resonate with your audience.

### **Sponsored by the Festival of Enterprise**

The Fast Growth Report is sponsored by Platform Business Media, organisers of the Festival of Enterprise.

The Festival is an exhibition and conference dedicated to the subject of growth and entrepreneurship, and it takes place at the NEC Birmingham in October 2019.

For details about participating or visiting, visit [www.festivalofenterprise.co.uk](http://www.festivalofenterprise.co.uk)

# 1. The power of focus

In conversations with business owners about fast growth, one quality got mentioned more than others. **Focus**.

Specifically, the ability to focus on what the business did best, delegating to external experts, tasks that lay beyond those core skills.

HR, IT, data management and marketing: These were all things that could be outsourced.

Many now-successful businesses took time to realise this, but when they did, they felt the benefit and grew fast.

## Hollywood Monster

**Simon Mckenzie**, is Managing Director of Birmingham based Hollywood Monster, a company with a turnover above £20 million annually.

The business supplies the retail and events industries. Simon explains how focus came to be valued.

*“There came a time when we realised that we weren’t good at everything. That there were people out in the wider world who were much, much better than us at doing certain things.*

*So now we outsource HR and marketing to two excellent specialist partners.*

*We only pay when we need their services, and we don’t carry an expensive overhead within the business for those skills.*

*Just as important, we get a top of the range service from experts who are much better than we are.*

*Making this decision and putting it into practice has been one of the critical drivers of our growth.”*

## The Business Troubleshooter

**Rohit Nanda**, founder of management consulting and strategy firm The Business Troubleshooter agrees.

*“Traditional business owners don’t get this way of thinking. They think that keeping everything in-house is best.*

*But in areas like IT, which is so fast-moving and so specialist, it just doesn’t make sense.*

*The speed at which a specialist can fix problems or create improvements is often both surprising and shocking to a business owner delegating for the first time.*

*But if IT or HR or Social Media are not what your startup does, then bring in specialists.*

*They will free you up to focus on what you do best.”*

## 2. Funding what you do best

Focusing on what you do best is essential, but so is funding the ability to stay at the top of your game.

Investing in the equipment and people that can drive growth should be a priority for companies that want to grow fast.

### **More from Simon Mckenzie of Hollywood Monster on this subject**

*“In the early days of the business, a lack of confidence on our part meant that we didn’t seek the funding to make big leaps forward.*

*We never had an overdraft, and we always had a good credit rating, but we kept our borrowings low.*

*However, when we did decide to borrow on a much bigger scale so that we could buy state of the art machinery, our growth exploded.”*

The growth in textile printing has been one of HM’s biggest success stories.

By investing in state of the art, large format printing machines that print to textiles, Hollywood Monster have been able to take on much larger projects that demand fast turnaround times.

These conditions make the business ideally suited for supplying the retail and events industries, and that’s reflected in the considerable upsurge in orders of recent years.

Investment in new machinery has paid off so well that Simon believes that HM could double turnover with only a minimal increase in overhead within the next year.

### **Where to raise money**

Many startups begin trading with money that has been saved by the owners, raised from family and friends or redundancy payments.

Once orders start coming in, cash flow is often relied on to fund the business, but this can limit investment.

If investment funding can’t come from cash flow, then seeking an external source should be considered.

Your bank is an obvious place to start, but there are lots of other potential sources out there.

Angel or equity investors will invest in a business they believe in, doing so in exchange for an equity stake.

Credit cards are often used to fund equipment purchases and marketing costs.

There are many well-known stories of business owners maxing out their cards to keep a company solvent.

However, another, less costly route to funding that comes with the benefit of gaining expertise at the same time is the small business grant.

These grants, of which there are many, are a form of funding and support given by national and local government agencies and in some cases by private bodies.

Small businesses applying for grants will have to meet particular criteria.

One of these sources is **Innovate UK** part of UK Research and Innovation, a non-departmental public body funded by the UK government.

It presents an excellent example of how the grant process works.

Businesses can apply for Innovate UK grants through administrative bodies which include some of the UK's leading universities.

**Alexander Titcomb, Project Officer for Collaborative R&D at Nottingham University** explains how the scheme works.

*"In our case, we offer the university's academic expertise to companies that want to grow.*

*This expertise can be part-funded by the Innovate UK scheme.*

*The amount of project funding applied for depends on the size of the business applying for the grant.*

*For a small business, 70% of the total can be grant funded, 60% for an SME and 50% for a large enterprise.*

*No matter the size of the business, each applicant must present a strong case.*

*They must show that profits or productivity will increase once the project is up and running.*

*The typical cycle from start to finish of an application is six months.*

*Allow for that when writing your marketing and cash-flow forecasts.*

*Nottingham University, and other organisations like ours, are happy to help business owners complete their applications.*

*It's not hugely complicated, but you do need structure and you must present a strong business case."*

### 3. A management structure for growth

#### Case Study: Elonex

One of the UK's fast growth success stories is Elonex a business founded in the late 1980s but acquired by its present owner and CEO, Nick Smith in 2006.

In January 2019, Elonex listed as one of the UK's fastest growing firms in the Sunday Times' Virgin Atlantic Fast Track 100.

**Nick Smith** describes how the management structure of the business had to change so that growth ambitions could be met and exceeded.

*"From the very beginning, I saw Elonex as a disruptor, although we were careful not to appear that way to the outside world.*

*I also saw us as convergence experts.*

*A business that could take technology in one field and transfer it to another and in the process, expand the use and benefit gained from the original piece of technology.*

*It was this approach that helped us to become the UK's top-selling computer vendor in 2008.*

*We were also the Top 3 UK tablet vendor and Top 2 UK eBook vendor in 2011.*

*And, all of the things we learnt along the way about digital screens in our early days are now applied to our latest range of products, large format digital out of home advertising screens.\**

*Having the right management team to deliver growth:*

*"You can't stand still"*

*"Elonex has always been a fast growth business.*

*One of the things I understood during our growth was that the management structure had to change and evolve to meet each new level of ambition.*

*The team and structure that got us to our first £1m in sales were not going to be able to get us to £10m.*

*The same was true when we wanted to achieve £30 million in sales and, again for breaking the £100 million barrier.*

*As the business grew, deeper levels of skills and expertise at a senior level were needed and I did my very best to recruit people to the company who had the skills and drive to take us further."*

\* 'Elonex now operates the fastest growing network of digital advertising screens in the UK (3,000+)

## Case Study: Gate8: A search for external management skills really paid off

**GATE8** is a business that specialises in making cabin bags for people who value fast check-ins and quick exits from airports when they fly.

The business was founded in 2000 by Alistair Callender, a man who in his own words “had spent too many hours in airports waiting at baggage collection, having paid countless excess baggage fees. I wanted to fight back.”

And so he did and, like many startup founders, he began his business from home. He started from the garage in his garden.

Despite those modest premises, Alistair always had a big vision for GATE8, and he was very proactive in trying to attract skills and funding that would enable the business to grow.

In his first year of trading, GATE8 won the Best New Business Award from the Federation of Small Business.

Alistair also entered for the TV show, Dragon’s Den.

His goal was to attract not just funding but the management skills and contacts that an investing “Dragon” would bring to the business.

And of course, the publicity and exposure would be great for GATE8 too.

Unfortunately, he didn’t make the final cut and didn’t get to the filming stage in front of the dragons.

This setback prompted a different approach.

*“When I started the business, I had a young family, and this made me risk-averse. I wasn’t prepared to sign-over my home as a guarantee to a bank in exchange for any loan they might provide.*

*I knew that I couldn’t fund my plans just from cashflow so, I made up my mind to find a partner that had a proven track record in building a product-based company.*

*One that sold their products internationally as I wanted to.*

*So, with that in mind, I went looking for an angel investor that met the profile and, I was successful.*

*Giving up part of the equity in my business in exchange for the money, mentorship and experience that would enable the company and myself to grow was not an issue for me.*

*It’s been a very successful arrangement, and I’m happy I took this route.”*



## 4. Committed people are invaluable to a startup

Just as focus was mentioned in every conversation about fast growth, so too was the importance of possessing a strong company culture.

A team that's committed to the goals and success of the enterprise and the service of its clients can achieve big things.

**Simon Mckenzie,  
Hollywood Monster**

*"A strong team culture is vital in our line of work, which often involves long days and out of hours working.*

*From the beginning, we fostered a "can-do" spirit, mainly because we are often up against tight delivery deadlines.*

*This policy has served us well. We have a great team and very low staff turnover.*

*However, we have also always made it a policy to acquire and retain highly skilled and motivated people.*

*That feeling of motivation to succeed is so powerful when it runs throughout a business. It really can help you to achieve great things."*

**Nick Smith, Elonex**

*"I would say that I spend most of my time on company culture. It's something that we invest in massively.*

*We now employ 400 people, and within that team, there are baby boomers, millennials and increasingly, people from Generation Z.*

*Different things motivate each group and, each has a different philosophy to work and rewards.*

*And, as each new demographic group enters the workforce, a significant change in culture takes place.*

*For boomers and millennials, financial rewards rank higher than for Generation Z.*

*I find this group rank security as being of high importance.*

*That's because they have been born in the age of austerity.*

*It doesn't make them less ambitious, just more cautious about their careers.*

*As we are only as good as the people within our business, all of these different characteristics have to be taken into account if we are to continue retaining our best people."*

## 5. Working towards a happy ending: The Exit strategy

The happy ending for many entrepreneurs arrives on the day that they sell their business.

It's a milestone that represents an ambition achieved.

If that's an ambition you share, then run your business from the start with a view to the exit.

That's the advice of **Ian Hook**, Managing Director of software company Pierhouse, which he sold last year to a much bigger Polish-based retail supply business.

*"By keeping that final objective clearly in mind, you can plan the steps that need to be taken to make your business an attractive proposition for a future buyer.*

*That plan should include building a team that can stay in place once the deal has gone through.*

*If everything revolves around you, the owner, the acquisition is likely to be viewed as much riskier by prospective buyers.*

*And if you decide later not to sell, you will have built a team that can free you up for other ambitions, be they business or personal."*

## About the Festival of Enterprise

The Festival of Enterprise has been designed to provide established SME's and startups with the tools and information needed for fast growth.

### **The seminar and presentation programme: Foundations of the event**

It's the place to learn about the experiences of real businesses and their owners.

Hear how they went about getting the funding that enabled their growth.

And how they grew their management and delivery teams. The critical obstacles they overcame and, how they re-shaped their plans as they grew.

### **The freedom to focus**

The suppliers you'll meet within the exhibition at the Festival of Enterprise have expertise in areas you don't.

They will show you how they can free your business up to focus on what it does best.

Successful fast growth businesses have told us that the delegation of non-core tasks was one of the big keys to their success.

It freed them from tasks that other people were better suited to handle.

It enabled them to focus on growth.

Keeping you on track with the things that matter most.

The demands of running a business day to day can get you sidetracked from the strategic.

Those demands can also impede your creativity and innovation.

Being in the company of thousands of other business owners and entrepreneurs is invigorating.

### **We call it "being in the ideas zone."**

It's the place that all business owners and managers need to be in from time to time.

### **Making it all worthwhile**

Owning, running and growing a business is demanding.

Those long hours spent working and away from your family need rewarding.

That's why the Festival of Enterprise has a whole section devoted to personal finance.

Plus, there are experts on hand to talk about planning a successful exit strategy when you feel the goals for this particular business are in sight.

For all of these reasons, both you and your business will benefit greatly from a day spent at the Festival of Enterprise.

Register to visit the event here <https://registration.n200.com/survey>

To exhibit at the Festival of Enterprise call **0121 582 0519** or email [hello@festivalofenterprise.co.uk](mailto:hello@festivalofenterprise.co.uk)

## Thank you to our contributors

We want to thank the following people who generously gave their time for in-depth telephone interviews.

The tips, advice and the telling of their business stories were invaluable to the production of the Fast Growth Report.



### Alistair Callender of GATE8 Luggage

Alistair is the Founder of GATE8 Luggage, a brand that specialises in helping customers travel hassle free with innovative products that enable them to avoid baggage checkin.

The business was born as a result of Alistair's frustration with too many hours spent in airports waiting at baggage collection points, having paid countless excess baggage fees.

He fought back by founding a business that is now international in its client base and a supplier of luggage not just to travellers but to airline crews that now include Etihad and easyJet.

[You can contact Alistair Callender via LinkedIn](#)

### Ian Hook of Pierhouse Business Solutions Ltd

Ian is the Managing Director of Pierhouse Business Solutions, a software supplier to the retail sector.

Ian has worked with FTSE 500 and private companies in Media, IT and Retail and he sees the big picture when it comes to making a business succeed.

Managing businesses through rapid growth and the challenges that come with that growth has been a consistent and rewarding aspect of focus throughout his career.

[You can contact Ian Hook via LinkedIn](#)



### **Simon Mckenzie of Hollywood Monster**

Simon is Managing Director of Birmingham-based Hollywood Monster, a business that produces large scale signage, banners and graphics for the retail and events industries.

Hollywood Monster specialises in super-wide format Digital Printing, and won the Wide Format Project of the Year at the British Sign Awards in 2015.

They have also won the CSR/Pride Award at the West Midlands Business Masters Awards in 2013 and 2015 and, were one of the biggest suppliers of print and signage to London 2012.

You can contact [Simon Mckenzie via LinkedIn](#)



### **Rohit Nanda of The Business Troubleshooter**

Rohit leads a consultancy that specialises in helping SME, CEO's grow their businesses. Essentially, he helps them to focus more of their attention on strategic issues and less on the day to day aspects of their enterprises.

For CEO's and owners that are already successful, there is The Alpha Group.

This a peer to peer executive board style meeting group where up to 20 business leaders from different industry sectors meet every month to discuss problems, swap ideas and strategies.

You can contact [Rohit Nanda via LinkedIn](#)

### Nick Smith of Elonex

Nick is CEO of Birmingham-based, Fast Track 100 firm Elonex, a leading manufacturer of LED Display Systems and an influential UK Digital Outdoor Media owner.

Elonex has led a revolution in the digital signage market over recent years and has created the fastest growing network of digital advertising billboards in the UK. Elonex, engage with businesses to deliver Digital Out of Home marketing campaigns, designed to maximise brand awareness, drive sales and accelerate business growth.

Elonex holds over 60 original patents covering a wealth of technology, from energy saving techniques to fundamental computer, circuit, interface and communication designs.



You can contact Nick Smith via [LinkedIn](#)



### Alexander Titcomb of Nottingham University

Alexander is Project Officer responsible for Collaborative R&D at the University of Nottingham.

As part of the Research and Innovation team, Alexander helps businesses become more competitive by collaborating with University academics on collaborative R&D projects.

His particular focus is on sourcing funding from Innovate UK, a non-departmental public body funded by the UK government. The scheme is designed to help businesses boost their productivity and their profitability.

You can contact Alexander Titcomb via [LinkedIn](#)

**The Fast Growth Report is sponsored and produced by Platform Business Media, organisers of the Festival of Enterprise.**

**The Festival of Enterprise takes place 23-24 October at the NEC Birmingham.**

**To contact Platform Business Media:**

**Call: 0121 582 0519**

**Email: [hello@festivalofenterprise.co.uk](mailto:hello@festivalofenterprise.co.uk)**