

It takes unconventional thinkers to produce superior results

Following their convictions has paid dividends for determined entrepreneurs

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“Sheer bloody-mindedness,” says Alex Lovén when I ask what gave him the confidence to go from selling cricket bats at school to founding sporting goods retailer Net World Sports. Since starting the Wrexham-based business in 2009, when he was 21, Lovén has driven it to profits of £5.1m on sales of £18.2m in 2017, helping the firm rank for a second time on Profit Track 100, this year at No 33.

While all the entrepreneurs I meet are

different, what sets them apart is their confidence to back their ideas, even against the odds, together with a belief in themselves and their ideas. As we prepare to leave the EU single market, we need business owners who see the opportunities others cannot, to find gaps in the market and to take calculated risks to succeed.

Resilience is also an important trait. Lovén recalls: “At school, one teacher said, ‘If you can’t organise a folder, how will you run a business?’” He has more than proved his teacher wrong: his company now employs 100 people, exporting goalposts, footballs and sports equipment around the world.

Entrepreneurs are often driven to show there are alternatives that established players have not considered. Susie Hewson, the founder of feminine hygiene brand Natracare (No 65), started the

company in 1989 after seeing a documentary about the pollution caused by bleaching paper products and becoming frustrated by the lack of response from leading brands.

“Anger is a really good motivator. You can protest or you can put a solution out there. I did both,” Hewson tells me. “We were on the internet in 1995 and had a very different message. When you’re doing something outside the box, people see it as a challenge. In the early days, we were harassed because of our principles.”

Natracare says it provided the world’s first alternatives to conventional feminine hygiene products, made from organic cotton. It now sells its products to 80 countries, generating profits of £4.5m from



Golden goal: Alex Lovén of Net World Sports (No 33)

sales of £14.5m in 2017, driven by demand for ethical products.

It is often when entrepreneurs start to see success that they need to make real changes. Many are concerned about losing control if they appoint a new chief executive or take external investment. For free spirits, reporting requirements can be akin to a cage, albeit a gilded one.

As the 24 companies on this year’s table that have taken external investment know, good matchmaking is crucial. Steve Mathers, director of specialist plastics manufacturer McGavigan (No 9), appreciates the power of a good fit. He and fellow director David Taylor bought the Glasgow-based firm out of administration in 2009.

“We had the benefit

of knowing the business well, having worked under the previous owners, so we could see the fundamentals were there,” says Mathers.

In 2011, they brought in external investment. “Once we had a business plan we were comfortable was robust, we started to explore potential sources of investment. We found a good chemistry with Maven Capital Partners’ senior team.”

Capital always comes with strings attached, so the importance of a good match between investors and owners cannot be overstated. As Mathers says: “Delivery on our commitments is part of doing business, though working alongside a co-investor who shares the same vision makes the relationship work so much better.”

Since the investment, McGavigan has more than tripled sales to £22.7m, with profits of £4.5m in 2017, and is focusing on the global

automotive industry. It is just one of 58 companies based outside London and the southeast of England, showing the national strength of the Profit Track 100.

When it comes to developing a growth strategy, there is no one-size-fits-all solution, nor one type of entrepreneur or business owner. At BDO, we want to work with people who are not afraid to take a different approach. We know that by providing support to the owners of Britain’s 30,000 mid-sized entrepreneurial businesses, we can help build a new economy for Britain’s post-Brexit future.

The companies on this year’s Profit Track 100 are already showing us the way. As Lovén says: “There’s no substitute for resilience and self-belief.”

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