

Entrepreneurs are stepping up in challenging times

Skilfully-run firms are growing, taking tough decisions – and attracting investors

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This year has brought extraordinary challenges for private businesses, and we have been impressed by the resilient performance of the UK's entrepreneurs. For some it has brought new opportunities within reach, for others the pandemic has resulted in a hard-headed focus on survival.

For Fast Track 100 companies, the likelihood is that robust foundations for growth were in place long before this crisis. Take Tile Mountain (No 53), the innovative Stoke-on-Trent retailer. Founded in 2013, it

has blazed a trail by selling tiles online, achieving growth of 58% a year over the past three years to reach sales of £34.3m in 2019.

Chairman Mo Iqbal and managing director Jeremy Harris, industry veterans, had invested in a new £10m warehouse and HQ in 2017, and were already automating processes to improve efficiency and using data to predict consumer trends. It meant that when lockdown saw customers start to renovate their properties, Tile Mountain could deliver the tiles they needed direct.

It is predicting substantial sales growth this year, having in June opened a third showroom, in Birmingham, then in September extending its sponsorship deal with Championship football side Stoke City. It is the story of a confident, well-run company with a strong business model that has been able to shine during the pandemic as demand rose for its wares.

Consumer behaviour has been transformed in myriad

ways, and an increased willingness to buy tiles online is just one of them. As the country looks for socially-distanced exercise and recreation, cycling has boomed – and again an agile Fast Track 100 company, led by seasoned experts, has been able to respond.

At cycling retailer Sigma Sports (No 95), based in southwest London, sales of its entry-level bikes rose 677% year-on-year in April. Having invested heavily in its online operations, and with a reputation for customer service, in May it launched a new website that allowed live chat and video consultations with its sales staff.

Since the pandemic struck it has opened a new warehouse in Lincolnshire, added a second store – in Rutland – and recruited 30 staff, while also unveiling a clothing brand called Universal Colours. It expects sales to rise 72% to £58m this year.

Many UK entrepreneurs and business leaders –



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Jason Turner and Ian Whittingham, co-founders of sports retailer Sigma Sports (No 95)

including Sigma Sports' co-founders Jason Turner and Ian Whittingham – have acted quickly and confidently this year, and investors have been keen to back them. In the first three quarters of this year, £32bn of equity was issued on the London Stock Exchange, an increase of 36% on the same period last year.

Some of this capital

enabled companies to manage sharp revenue falls, but there has also been fundraising to support growth. Investment banks such as N+1 Singer have acted rapidly to advise and help fund ambitious growth companies, even when working remotely: we took our fastest fundraising this year from idea to execution in just six days.

With a well-developed and responsive financial ecosystem that supports innovation, UK entrepreneurs have been able to call on a range of funding options as this unpredictable year has unfolded.

Take Freddie's Flowers in southwest London, which delivers flowers weekly and has seen its subscriber base

rocket from 60,000 to more than 100,000 during the pandemic. A 10 Fast Track Ones to Watch company in 2018, the company launched a "flower bond", which pays interest in cash or flowers, in October, and raised more than £4.5m in six weeks.

On the equity side, in August, Gymshark (No 23), the eight-year-old Solihull fitness clothing brand and former Fast Track 100 No 1, sold a 21% stake to American private equity firm General Atlantic, achieving a £1bn valuation.

While talk of IPOs evaporated in the spring, by the end of the summer it had resumed, with companies getting in touch to explore the process as investors looked for new growth companies to back. These include the clinical diagnostics firm Verici Dx, which N+1 Singer floated on London's AIM last month; the shares have risen more than 150% since their debut.

Across the whole of UK business this year, many

companies have faced severe tests of their viability. Some entrepreneurs have had to lay off staff who are friends, or wind up their businesses. But for those that have made difficult adjustments and pulled through, there will be a benefit: their companies will be in a stronger position to attract investment once markets revive. Many sectors will have undergone irreversible change, yet this is generally a catalyst for entrepreneurial activity, so we remain optimistic.

The new year is sure to involve yet more uncertainty, driven by both the pandemic and Brexit. However, UK entrepreneurs are adept at navigating challenges as they materialise, and spotting opportunities in turbulent times. Congratulations to all on this year's league table, who have more than earned the chance to relax, for a few days at least, this Christmas.

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