

THE NEXT STEP

HOW AMBITIOUS BUSINESSES CAN
ACHIEVE THEIR POTENTIAL



Finding where
the future lies

Interview with Robin Hope
Managing Director
BFS Pressroom Solutions



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A report commissioned by SAS Specialist Accounting Solutions considers the biggest challenge for any independently-owned company which has the potential to go further.

The ability of the owners to scale the business.

In their own words, directors talk about the issues they are having to address and how they want to achieve their goals.

The interviews will be brought together as a report to be published by DECISION magazine and then as a digital book.



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‘If you focus on what has happened before, you’ll trip over the present and not get to your future’. That’s paraphrasing something author Don Harpell happened to say, but it has some resonance for every business whose traditional market is being decimated by the impact of new technology.

Although seeing it coming isn’t enough. It’s immediately realising that adopting the King Canute response isn’t going to get you anywhere.

Take BFS Pressroom Solutions. “If you go back fifteen years, 60% of our customers were magazine and newspaper printers,” explains managing director Robin Hope, “but even back then we knew it was inevitable that market would decline. We realised that if we began to start focusing immediately on areas where print would still be in demand, that would give us a timeline to make a concerted effort to generate new business in sectors where there is a sustainable future - packaging for example with the switch from plastics to cardboard, as well as printing on beverage cans.”

Robin Hope



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And in addition, Hope has been applying some lateral thinking. In addition to supplying consumables, his company also makes rubber rollers for printing presses and research told him that this sector only makes up 20% of demand in the UK for that kind of product, so he sees an opportunity to produce rollers for other sectors of manufacturing.

“One of the reasons why an owner-managed business can change direction quite quickly is that it doesn’t need to hold a lot of meetings in order to get the buy-in of hundreds of people,” he points out.

“But it’s no good an independent company just talking about speed of response; they’ve got to demonstrate they are dynamic,” says Hope. “I’ll give you a simple example. When a customer asks for quotation, respond in the time you’d want to receive it; always see things from the customer’s perspective. We stepped in when a competitor simply closed their doors, albeit temporarily, when lockdown was announced; they failed to see what they had to do to enable their customers to stay on track.”

Indeed, even before Amazon became known for something other than a rain forest, BFS provided as a matter of course a next-day delivery service to customers who needed it.

Hope’s father and mother started the business some thirty-five years ago with what wasn’t - indeed still isn’t - the easiest concept to sell. They focused on one particular product for specialist printing companies which was 50% dearer but produced demonstrably better quality as well as lasting longer.

Their repertoire grew, but as a consequence of them continuing to seek out premium products. “If you are selling the best possible products you



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have to provide the right quality and availability of technical support for everything, especially now as so many manufacturers have cut back on it,” Hope explains. “Our sales people are ex-printers so they understand first-hand the use of the products.

“I did my apprenticeship, in the factory, in the office, and then out on the road. That all-round involvement means that even today, when I hear someone talking to a customer on the phone, I know who it is by the way the conversation goes.

“We’ve never done a survey to gauge the importance to the customer of being able to address their technical issues, but we’ve assumed it’s essential based on their continuing to order from us.”



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Being a trusted technical resource rather than just a supplier has another advantage. When raw material prices have risen, something which is obviously out of Hope's influence or control, the company has been in a position to pass on that additional cost. That's because there is more likely to be an acceptance if margin is eroded, that has to impact on the ability of BFS to fund that valued technical support.

"Maintaining margin is absolutely critical," says Hope, "and in the process that means you've got to be prepared to lose business, even chunks of it, because there is no point trying to sell a technical product if you can't sustain the resources to support it."

There's another reason. "We received so many questionnaires from larger companies about our approach to Brexit, it made us realise there was a growing anxiety about product availability," Hope explains. "So we decided that instead of holding six weeks stock, we would up it to ten, although we didn't ask customers to commit to giving predictions of future orders in return.

"We have always been conservative when it comes to what we take out of the business, because you've got to have something in reserve if you have to react suddenly to changing circumstances, such as the need to increase the buffer stock."

Although exports account for 15% of sales, Hope says it makes no sense to re-export products originally sourced across the channel back to Europe. It would also be difficult if the rollers manufactured by BFS in the UK on licence from a German concern were then sold back to that country.



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And as it happens, the decline in traditional print in the UK has not been completely to their disadvantage. “We have picked up business as the market has contracted because we are one of the last remaining suppliers,” Hope observes. “Today, nobody would set up a greenfield print consumables company in this country, or anywhere else for that matter.”

Over the years, BFS has become more of a family business. Hope’s wife and co-director Nicky, sister, and brother-in-law all work at the company.

“Having a business with a £5million turnover is a level which most owner-managers can be comfortable with,” Hope says, “but I genuinely believe if they have had formal training, they will probably end up with bigger businesses. I went on courses but really I just cracked on and learned from experience.

“So if I was starting a new business today, I would build credit insurance into the pricing because in the early days, a bad debt could prevent you from developing the business as you intended, or worse, it might bring you down. And you have to learn as a director, there are times when you have to count to ten and think through your response to something, and if you can’t agree, sleep on it first before reacting.”

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About Specialist Accounting Solutions

‘We strive to give our clients the most reliable, accurate and insightful financial information’, says founder Sean Hackemann. ‘Our passion is to help businesses fully understand the numbers which in turn helps them create, grow and sustain great businesses’.

Specialising in advisory, virtual FD and financial outsourcing services, Specialist Accounting Solutions Ltd works with ambitious entrepreneurs and management teams, supporting them to achieve their goals.

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