

Fasten your seatbelts, these stars are picking up speed



By being open to opportunities at home and abroad, UK businesses are growing rapidly, writes **Gavin Isle** of Barclays

THERE is no single trick or secret to creating rapid business growth year after year – a stunning achievement for which all Fast Track 100 companies can be congratulated.

But it is clear that trading overseas has become an increasingly important part of that success: the number of exporters on Fast Track 100 has more than doubled from 23 on the first league table in 1997 to 52 in 2016.

Some businesses, propelled onto Fast Track 100 by domestic growth, have since embraced overseas markets to continue growing. Take the clothing retailer Boden, which featured on the first league table in 1997, with sales of £5.5m drawn from its mail-order catalogue. Two years later it started its website,

before launching in America in 2002. Exports now account for 57% of its £283m sales.

Manufacturers were among the first to embrace opportunities overseas, without ignoring their home markets. This year's league table features 28 – up from 18 in 1997 – including Gtech (No 24), which is taking on brands such as Dyson and Vax with its cordless and lightweight vacuum cleaners, and Lintbells (No 61), which makes pet supplements.

One of the highest-ranked manufacturers is Acro Aircraft Seating, which features at No 7 after increasing sales by an average of 157% a year over the past three years to £33.4m. Chief executive Chris Brady started the business in Crawley, West Sussex, in 2007

with two other airline industry veterans to design and make better, more compact, more comfortable airline seats.

“We thought we could make seats more efficiently and cheaply than low-cost carriers, which had started to buy ordinary economy seats and take away some of the mechanisms to keep costs low,” said Brady, who, at 6ft 2in, is acutely aware of the need for more legroom.

It took commitment to get the company going – Brady didn't take a salary for the first five years. “We have always had rock-solid certainty in what we are trying to achieve, to realise our idea. This is much more powerful than pursuing a business plan, or profits, or a sale to a competitor,” he said.

The company now makes 3,000 seats a month for more than 30 clients, including Thomas Cook, Jet2 and Spirit Airlines, and last year secured £7.8m from the growth capital firm BGF – which Barclays backs – for a minority stake.

Acro and other Fast Track 100 manufacturers show the continued importance to the UK of the wider manufacturing industry, which provides 2.7m jobs, 45% of total exports and 68% of spending on research and development.

They have overcome hurdles such as the rising cost of energy, difficulties accessing skilled staff and cheaper competition from abroad to scale up and sustain rapid growth. Input cost inflation may soon need to be added to that list of challenges, once the full force of Brexit hits. But so far UK manufacturers are showing resilience in the face of uncertainty, with exporters benefiting from the pound's relative weakness.

Manufacturing and trading overseas are not the only routes to sustainable growth. Other Fast Track 100 companies have

expanded in the UK, or grown by acquiring other businesses – one fifth of the 2016 cohort have expanded in part through buying and successfully integrating other ventures.

This strategy can scale businesses quickly. Just look at what the brothers Simon and Bobby Arora have done at the Liverpool retailer B&M. They spotted an opportunity to capitalise on demand for lower-priced goods, buying a chain of 21 stores from Phildrew Ventures in 2004, and increased sales to £256m to earn the business a first appearance on Fast Track 100 in 2009.

The company has since snapped up stores from struggling retailers to create an estate spanning nearly 600 shops, serving 3m customers a week in the UK and Germany. It employs 22,500 staff, has sales of £2bn and is now a FTSE 250-listed company with a valuation of £2.5bn. As its main banker, we are pleased to have supported its rapid growth from the beginning.

The league tables of the past 20 years also reflect Britain's transformation into one of the



TOM STOCKILL

First class: Acro Aircraft Seating boss Chris Brady has boosted sales 157% a year over three years

leading nations for internet retailing. Google's Eric Schmidt said in 2015: “Britain is the leader in ecommerce in the world, far ahead of the US.”

In the same year, UK retail ecommerce generated €157.1bn (£135bn) in sales, according to the Ecommerce Foundation. The three fastest-growing companies this year – the gymwear retailer Gym-

shark, the travel agency Love-holidays and the pharmacy Chemist-4-U.com – are ecommerce businesses.

The diversity of industries and growth strategies over the 20 years of Fast Track 100 are a fabulous demonstration of the strength and adaptability of the UK business community. This gives me confidence for the future. Crucially, these many

success stories aren't just creating wealth for their founders and directors: this year's 100 companies alone have more than trebled their combined workforce over the past three years, to 19,400.

We should applaud those who work tirelessly for such rapid, sustainable growth.

Gavin Isle is head of UK corporate banking at Barclays