

How do you conquer a rapidly changing world? Take a risk



Our high-growth stars understand that change is inevitable — and often profitable too, writes **Stuart Lisle** of BDO

CONSIDER how much has changed for entrepreneurs since the first Fast Track 100 was published in 1997. That year, if you recall, New Labour promised “Things can only get better”. Tony Blair’s government recognised the vital role of enterprise in jobs and wealth creation, and began a programme of tax breaks, including encouragement for investment in research and development.

International markets have since opened up even more as the pace of globalisation has accelerated, sweeping away some of the old logistical, regulatory and technological boundaries that had restricted growth. This has been fuelled by the rise of internet trading, as the local markets of the past

have given way to global online marketplaces, notably eBay, Amazon and China’s Alibaba.

The rise of ecommerce means companies are increasingly “born global”, trading internationally from the start. Alex Lovén, founder of Wrexham-based Net World Sports, No 45 on this year’s table, says this was second nature to him when, at the age of 22, he set up the online sports goods retailer from his bedroom.

“We had overseas sales from the beginning,” he tells me. “I knew to succeed I needed to make products available to as many people as possible, and the best way to do that was to sell around the world, on eBay and our own website.”

More than half the company’s total 2016 sales of

£11.9m came from overseas and it now has seven international websites. Lovén adds: “Ecommerce is ever changing. As a growing digital business, you either have to roll with it or get left behind.”

But it is not all about the internet. Bill’s Restaurants (No 70) is a prime example of a thriving, traditional business on Fast Track 100. Originally set up as a fruit and veg store in Lewes, East Sussex, nearly 30 years ago, it has fought through adversity and change, including being wiped out by a flood in 2000, to become a national chain of restaurants, providing a top-end experience while staying true to its origins.

“Our founder has remained in the business and key to our

brand throughout our growth, which ensures we retain our authenticity,” explains Mark Fox, chief executive of Bill’s.

“Being able to purchase a range of groceries and gifts while you dine is one of those elements retained from the original concept, as is our continued focus on delivering high-quality, fresh, largely British-sourced seasonal food.” Staying rooted in this way has proven a successful strategy for many of the Fast Track 100 companies over the past two decades.

Entrepreneurs are showing how long-established industry leaders can be challenged head-on in this brave new world. This is exactly what Charles Rolls and Tim Warrillow did, when they started Fever-Tree in 2004 to provide a high-quality alternative to Schweppes tonic water. The company first featured on the Fast Track 100 in 2011, with sales of £6.7m, which grew to £59m in 2015.

We worked with them from the start and provided advice on their 2014 move onto the AIM junior market, where they

were valued at £154m. The business, which still employs only 45 full-time staff, is now worth £1.2bn and exports to more than 50 countries.

High-growth and entrepreneurially spirited companies such as Fever-Tree and Bill’s Restaurants are exactly the sort of ventures that BDO helps to succeed. They represent the backbone of the economy, creating jobs, innovation and investment that helps us all to prosper.

We’ve seen an increasing number of Fast Track 100 businesses being started outside London and the southeast; 49 companies on this year’s table are based in other parts of the UK, an improvement on 30 of the first cohort in 1997. Back then, there wasn’t a single company with headquarters in southwest England; this year there are six, including Bristol-based Loungers (No 96), which operates 89 neighbourhood cafe bars and city-centre restaurant bars.

However, the capital continues to hold a disproportionate amount of the UK’s wealth, income and skills. At

BDO we are campaigning for a “New Economy”, which is sustainable, resilient and better distributed across all of the UK’s regions and sectors.

This is particularly important at a time of such economic and political uncertainty, not least in the wake of the Brexit vote and the US election. Negotiations for our withdrawal from the EU must put business at their core and support the fantastic entrepreneurial growth that has driven the economy in the past 20 years.

Thankfully, uncertainty doesn’t usually stop entrepreneurs seeking out new opportunities and markets. Net World Sports’ Lovén has a similar attitude to many of the driven entrepreneurs I speak to. “We’re a risk-taking business, we keep going and don’t take our foot off the accelerator pedal,” he says. “Change creates opportunity.”

Fast Track 100 businesses past, present and future give us confidence that the UK will remain an ambitious and entrepreneurial country.

Stuart Lisle is a senior tax partner at BDO



Alex Lovén founded Net World Sports (No 45) in his bedroom