

# BUIC Case Study – Phones 4 Business



Interview with Rob Allen, Sales Director at P4B

## Company Background

Our core business is telephone systems - maintenance - call charges - as a one stop comms supplier; supplying products – plus, we investigate faults either on the line or the system. We sell to small to medium sized businesses only.

## Have you experienced much growth whilst being located in BUIC?

Since we started 3 ½ years ago we have grown from £18,000 to just under £600,000 turnover as of November 2005. We are managing growth so we don't overtrade. Employee numbers have grown from 2 – 5. Expansion has been in the company infrastructure – admin, accounts and sales.

## How does the company feel about the services provided by BUIC?

Office space, location & parking have been excellent. Ability to have storage room was excellent as it kept our product lines clean. Use of printers helped as this kept costs down and allowed us to grow and concentrate on marketing.

## How have you found the management of the Centre?

Management of BUIC has been great from our point of view. Service has been excellent right from the beginning.

## Have you accessed any other University services whilst at the Centre?

We have been to a few University business exhibitions and they were useful. We also accessed consultancy from 4 University MBA students and this was excellent. The lessons we derived from this were: we started charging more, asked for more deposit, we looked at our marketing costs and pared those down, cut the advertising and increased our profit.

We have stripped overheads - Reduced from 7 staff to 5. Shaved advertising saving £1000 per month, the equivalent of selling 2 small phone systems; have upped price by 25% to cover costs of sales. Our margins are now better and sales have not been affected. We increased deposit from 50% to 75% and this has helped cashflow. In hindsight, we should have done this from day 1 especially in our industry. We had a learning curve to go through and it's paying dividends now.

## How useful has BUIC been for networking with other businesses?

Very good, we found it extremely useful, great to have the knowledge around and this has led us into other areas; they have fed off other companies like MOHC on IT related topics. It has been extremely useful to see programmers at work – nice diversity to be able to see into other areas.

## Has this networking helped your business?

We did the phone system for one of the other tenant companies and we have also passed on leads to other tenant companies.

As a result of networking with one of the other businesses we have developed a whole new area of business. A colleague in another business based at the Centre taught me how to search for website domain names and this led to us changing our name to Phones 4 Business. We have now started a website design business 3 months ago and it has already done £20,000 turnover with some larger projects in the pipeline. We now have a whole new range of avenues to explore with dealers and this is providing a bigger sales force for Phones 4 Business. We have now tied in Websites 4 Business and Brochures 4 Business. Without talking to MOHC, this new service area and new skill set for me wouldn't have come about.

## Would you recommend BUIC?

Yes, it's been a major help; 24/7 access, security, in general help has been excellent from every one - from reception right the way up. Response times have been very good. We have recommended the Centre to a few people.