

How not to provide IT support

Jeremy Turner and Phillip Warris have used their experience of bad IT support to launch their own successful home entertainment systems business

Widget Finn

Published: 11:29AM BST 16 Jun 2010

Jeremy Turner spent four years learning how not to run a business, working for a company that provided IT support. "They did everything wrong. The customer would be sold one thing and end up with something completely different because the original item hadn't been ordered. There was bad planning, bad management and increasingly unhappy clients," he says.

Then came the final straw. "I didn't get paid." With an equally disillusioned colleague Phillip Warris he decided to go into the business of home technology installation as FAB AV based in St. Albans.



Jeremy Turner and Phillip Warris from FAB AV

Related Articles

Farmer switches from pigsties to holiday cottages for hens (</finance/yourbusiness/startingout/7696862/Farmer-switches-from-pigsties-to-holiday-cottages-for-hens.html>)

Growing an online gardening service (</finance/yourbusiness/7663080/Growing-an-online-gardening-service.html>)

Pub serves up new ways to make money (</finance/yourbusiness/startingout/7629541/Pub-serves-up-new-ways-to-make-money.html>)

Garden clogs man keeps a step ahead (</finance/yourbusiness/startingout/7601578/Garden-clogs-man-keeps-a-step-ahead.html>)

Starting out: 'Fire gutted our restaurant but we came back stronger' (</finance/yourbusiness/startingout/7550115/Starting-out-Fire-gutted-our-restaurant-but-we-came-back-stronger.html>)

New chapter for independent book seller (</finance/yourbusiness/startingout/7489107/New-chapter-for-independent-book-seller.html>)

"Anyone can buy a DVD or TV but it's a different matter to set it up. We aimed to do everything from the simplest systems to sophisticated integrated technology including home cinemas, smart lighting, CCTV and gate entry systems as well as computer networks. Phillip did installations while I concentrated on the business and marketing side. A customer gave us some simple advice: hold 50pc of the shares each, don't have outside investors or take on any debts."

They worked out of their bedrooms, meeting in pubs to discuss business. The first break came when a local estate agent put them in touch with a client who had just bought a house and wanted to install some new technology.

The biggest challenge was storage. "Most contracts involved a large amount of equipment," says Turner "and there was a limit to the amount we could store in my hall and living room. Often we arranged for suppliers to deliver the

goods to us on site. We made sure that we paid our bills promptly, or even early, to build up goodwill with our suppliers so they were happy to co-operate."

The obverse side of being small and flexible, points out Turner, was managing customers' expectations. "When doing a deal we had to be convincing that we had the resources and had done it before, without letting them know that there were just two of us, and no huge premises."

The business has grown on recommendations and the goodwill of satisfied clients. "If a client presses the wrong button we'll sort it out for free – no one likes to get a call-out charge of £50 for being an idiot."

Mindful of the financial mismanagement of his previous employer he keeps a tight rein on expenditure. "We always take an advance deposit for a project. Before the credit crunch that was easy, but now we have to negotiate. My attitude is that until you've made a financial commitment to us we won't do anything. We also stay on top of the invoicing and keep the cash flowing."

Turner advises small businesses to keep friendly with the bank. "We've never had an overdraft, and always communicated with our bank manager so if we needed assistance we could get help from her. When Lloyds merged with Bank of Scotland our bank manager was made redundant – and now I employ her as our office manager!" He also learnt the importance of keeping written records of every transaction. "We all keep computerised diaries and confirm everything in writing."

Working in a hi-tech field means keep up with constantly changing technology. "I do lots of homework on technology sites to make sure we're at the forefront of developments and ahead of the client."

Unusually, the recession had a beneficial effect on the business. All the speculative building which included FAB AV installations disappeared, including projects funded by Icelandic banks, though Turner's strategy of payment in advance meant inconvenience not disaster. But work increased with private clients who "know what they want and listen to us."

Turner and Warris plan to become more involved in energy management and extend their work in academic circles. Currently they are running a campuswide lighting control project with Bath University. But their core business is still home technology, and they recently won the industry's Oscars, the CEDIA awards, for their home cinemas. Having seen how not to run a business, they've learnt the secret of success.

Business:FAB AV

Founders:Jeremy Turner and Phillip Warris

Founded:2006

Start-up funds: £500

Staff:6 full time plus specialist contract staff

Turnover:£1m

www.fabav.co.uk (<http://www.fabav.co.uk>)

Starting Out advice:

DO

- Get payment upfront if possible – it saved us from cash-flow problems in the recession
- Ensure there is always a good float of money in the business to pay staff and suppliers
- Keep friends with your bank

DON'T

- Have a culture of blame – if a problem arises we admit it, and customers are amazed!

TIPS

- Hold on to your existing customer base. Recommendation, references and support are invaluable.
- Establish a reputation for transparency so customers and suppliers know they can trust you
- Live by the mantra that Customer is King. I don't work for myself, I have lots of bosses – my clients

© Copyright of Telegraph Media Group Limited 2010