

Presented with an unexpected opportunity to acquire a competitor, Michael Ray thought all his Christmases had come at once. But that was the problem – he had to complete the deal over the festive break. Here's how he did it, with Business Link's support.

Essex entrepreneur is sitting pretty

Michael Ray started Emerald Office Solutions in 2003 with his own cash, a business unit in Epping, Essex and a lot of ambition. To build a solid client base, he literally walked the streets, cold calling to win new clients and selling out of distributor catalogues. From that modest start, he has built an internet business, now trading as Emerald Online, which offers over 20,000 products for next-day delivery to private and public sector clients nationwide.

Michael's success is based on a solid background in retail and sales. "My first retail job was working for a high-street electrical brand, then in 2000 I had moved into office furniture sales," says Michael. "I then joined a stationery business in Greenwich at the start of 2002 and, after three years gaining experience and creating a strong network with distributors, suppliers and customers, I started looking at the numbers involved. Having done the maths, I decided at the age of 23 that I wanted my own piece of the office supplies action!"



Bad backs boost business

Michael says those early days were tough, with only a very small unit and a total staff of one – himself. And, although Michael is a natural salesman, he'd decided early on that the business would require more than just his sales skills. "A competitive edge was needed," he explains, "and I identified a niche in supplying fitted ergonomic chairs.

"Musculoskeletal conditions are rife in modern offices, with seemingly minor issues, like bad posture, causing real misery for many office workers," continues Michael. "Yet it's amazing how many bad backs are soothed by a correctly fitted chair."

Michael quickly learned, however, that providing the right chair was just the start, as customers needed to know how best to use it. "For a chair to be properly effective in easing or preventing back pain, several fittings might be required before it is just right for the occupant. This is a service Emerald Online includes as part of the deal, which gives us a real competitive edge."

Building of an online empire

The business grew fast, mainly serving customers in Essex and London, but Michael recognised that achieving real business growth would mean a new approach. "I got to the point after three years when I needed to go online if I wanted Emerald to continue growing. It's what my customers were demanding and the competition was offering," he says.

So Michael invested in a strong online presence, and quickly began to see the benefits: "It is much more cost-effective to trade electronically via an e-commerce website. Plus, of course, I was suddenly visible to a national audience. Most of my client base was relatively local, because that's where I'd worn down my shoe leather knocking on doors to win the accounts in the first place," says Michael. "But shipping costs don't vary much around the UK, so now I can ship as easily to Edinburgh as I can to Essex."



Expansion online also led to Michael finding new opportunities with public sector clients, and that's when he realised he needed additional support. "I was suddenly being asked to supply this policy and that policy before I could even talk to the customer," he says. "I needed outside expertise, and my online research showed that Business Link seemed the place to go for business support. So I gave them a call."

Without the encouragement and support of my Business Link Adviser, and the financial support from the Harlow voucher, I would have missed a great opportunity to grow my business

Michael Ray, Emerald Online

Enter Business Link

Business Link Adviser Tony Barritt was soon in touch, and his colleagues at Business Link's Information and Intelligence Service were able to provide just the sort of policy templates Michael needed. "Public sector clients generally have strict procurement rules for contracts over certain values or for buyers in certain sectors," explains Tony. "Michael was aiming for larger contracts with existing public sector customers, plus going for previously untapped markets, such as the 2012 Olympics, and so needed to have written policies in place to confirm what he was already doing as a business."

According to Michael, the initial, speedy assistance from Tony led to an ongoing stream of valuable business information, as well as meetings with Tony face-to-face or over the phone. "Tony also introduced me to networking opportunities at Business Link events, and even helped me improve our company profile on Compete4, the website for Olympics-related contracts."

Getting the ink to dry on a great Christmas deal

Then, shortly before Christmas 2009, Michael received a call from the owner of an online ink distributor who offered Michael a great price for the ink and toner cartridge business if the sale could be processed quickly. And by quickly, the vendor meant by the end of the year, as he was emigrating. There were just days to tie up the whole deal.



Michael was keen to take up the offer, but was not familiar with the process of buying a business and did not have time to learn. "I got on the phone

to Tony who suggested that I used a consultant experienced in this kind of business acquisition to first evaluate it, and then to help manage the process if I still wanted to go ahead." Then it got better: "Tony also mentioned that, because Emerald Online is based in Harlow, I could apply for a voucher worth £500 from the Harlow 2020 Partnership towards the costs of this consultancy."

Michael had to move fast and Tony used Business Link's specialist databases to supply the details of three suitably qualified consultants. "Michael wanted to talk through his requirements with each candidate before choosing," explains Tony. "And whilst that was happening, I helped him prepare an application for the Harlow voucher to put £500 towards the cost of the consultant."

As the deadline loomed, Michael's consultant pulled together a deal that resulted in Emerald Online acquiring the online ink business by the end of December, and before the vendor emigrated. Michael concludes: "Without Tony's encouragement and the financial contribution from the Harlow voucher, I'd have missed a great opportunity to expand my business."



NOTES TO EDITORS

About Business Link

Business Link is a government initiative to promote enterprise. In the East of England, it is funded by the East of England Development Agency (EEDA), to support businesses and entrepreneurs in Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk. Business Link's services include:

- One-to-one support from an experienced business adviser (free for established businesses)
- Workshops and briefings on a range of relevant business subjects
- Effective telephone and online support through Business Link's Information and Intelligence Service (BLIIS).

Logos and photographs

High-resolution versions of the Business Link logo and images to accompany this story are available from the Business Link Press Office, details of which follow.

Business Link Press Office

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Additional information:	
Client / company name	Emerald Office Solutions t/a Emerald Online
Trading vehicle	Limited company
Sector	Office supplies, consumables, stationery, furniture
Location	Harlow, Essex
Web address	www.emeraldonline.co.uk

Business Link services the client has accessed / benefited from (✓)	
Information & Intelligence Service (BLIIS)	✓
Business advice – 1:1 / Online Adviser (OLA)	✓
Attendance at workshops / other events	✓
Brokerage using Supplier Brokerage Service (SBS)	✓
Brokerage to partner / other service	
Grant / voucher / project funding	✓ Harlow Voucher
Other Business Link services	

Any additional performance data (GVA, turnover, profitability, etc)



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