

Business inspection Bobcat Digital

Founding a low-cost start-up

For new firms, keeping costs to a minimum is certainly sensible, but how low can you go? Words **Thomas Johnson**

The challenge

Setting up a new business is no easy task, especially in the current financial climate. But Bobcat Digital, based in Milton Keynes, is a good example of how doable it can be.

The company started life in January this year and was, up until a month ago, based in the rather grand and no-doubt inspiring surrounds of Bletchley Park, where Alan Turing famously contributed to the cracking of the Enigma code during the Second World War.

The company had come to be based in a refurbished naval office at Bletchley Park purely because this unusual venue had a favourable, short-notice break clause. However, a move to slightly less grand, although larger, premises has now saved Bobcat £400 per month on rent.

In the nine months since the business was set up, partners Louise Owen, Martin Bateman and Rob Blackburn have managed to secure regular work from 64 clients.

Working at a Luton-based litho printer before founding Bobcat, all three partners come from print backgrounds, each with their own area of expertise. Owen is used to working with people, having held HR and customer service roles before. Bateman has typically always held sales-cum-production roles in the companies he's worked for, holding estimating and inter-production management positions. Blackburn, the youngest member of the team, started off on the factory floor as an apprentice at the team's former employer, but eventually moved to the office where he worked as Bateman's estimation and production assistant.

It was at this previous employer that the idea for Bobcat Digital was

born. Owen explains where the inspiration came from: "From the research we conducted, research that was being published and our own experience we could see that the litho market was shrinking, and we couldn't ignore that. We tried our hardest to educate and influence our previous employer that we needed to expand into digital and large-format work, but it was something that they were very reluctant to do as they had always been a litho printer. It became quite frustrating that we weren't able to progress the company in the way we wanted.

"Then there was a bit of an 'aha' moment in March when we thought that if we can't influence the company we're working for, we should start our own – we believed we could do it better. This stayed with us and we kept talking about it and we said 'Well, let's put our money where our mouths are', and with that Bobcat was registered."

Obviously there's a lot to consider when starting a new company, regardless of how much experience you have. But the biggest and most fundamental aspect of any business is money.

Whether it's funding, cashflow or expenditure, it all needs to be kept on top of. Bobcat recognised that keeping expenses to a minimum was going to be vital to its success.

The method

The partners agreed to not take a salary from Bobcat until the company was in credit. They also took on just one employee, apprentice Lewis Brown, and committed to all mucking in and putting in the hours in times of high demand.

"When you go back to basics and

you really drill down to what you need to make a business function it's very easy to cut out the crap, like weekly stationery orders and all the sexy coffee. We were running the business for under £3,000 a month," reports Owen.

As a key part of this money-saving initiative, Bateman, a self-proclaimed computer geek, spent two months researching the best IT systems and MIS. He was looking for something that was not only low cost but also had plenty of potential to grow with the business.

He decided quite early on that Bobcat would opt for a Linux operating system (OS), despite neither of his partners having used it before. He chose the Zorin OS, which is designed to be usable by those more familiar with Microsoft products.

"Linux is just an alternative to Windows; it's just another operating system. It's maintained and updated regularly by the open source community and as far as licensing goes it's completely free. You also don't get any Linux viruses, so it's very secure," says Bateman.

"It's just like using a Windows computer but under the hood it's an operating system similar to Apple's Mac; it's based on Unix, which Macs also are. It looks very similar to

Windows and it feels very familiar to people when they use it.

"The software suite that you use on a day-to-day basis is an equivalent of Microsoft Office called OpenOffice. It has the same programs that you would typically get with Microsoft. It's a very mature product that we use for basic office functions."

Having a secure and easy-to-use IT system is all well and good but just as important is a productive and cost effective MIS. Bateman has worked with various platforms specific to the print industry, such as Data Design Services (DDS) and Tharstern software. These systems can cost thousands of pounds, something Bobcat couldn't afford.

After a two-month search for the perfect system Bateman found PrintLogic, "out of the blue". Developed by Dublin-based Wildcard Software, it comes with all the necessary tools to run a business and everything you would expect from a capable MIS, according to Bateman.

He explains how the low cost of PrintLogic compares with a conventional MIS: "With the products I've worked with before, the software licence costs thousands of pounds. Then you have to buy a server to run the data files from. And then there's a monthly cost for each user. Every

Vital statistics Bobcat Digital

Location Bletchley, on the outskirts of Milton Keynes

Inspection host Partners Louise Owen, Martin Bateman and Rob Blackburn

Size Predicted £250,000 after a year of trading. The modestly sized workforce is made up of three partners plus one apprentice

Established Business began 3 January 2014 when three former employees of the same company saw the opportunity to move out of litho and set up their own digital firm

Products The company produces a wide range of products including giant posters, vinyl banners, roller banner systems, Foamex panels, backlit display posters, exhibition stands, outdoor display and signage, pop-up systems, brochures, flyers, business cards, invitations, tickets, short-run literature and personalised materials

Kit Mimaki CJV30-130, Xerox 75, Easymount laminator, Ideal 4860 guillotine, business card trimmer, Plockmatic stapler-folder, padding press

Inspection focus

- Successfully launching a business by keeping overheads, including IT overheads, exceptionally low



Partners Louise Owen, Martin Bateman and Rob Blackburn



person you have on the system costs around £70 per month."

What caught Bateman's eye is that PrintLogic costs £75 per month for an unlimited number of users, so it doesn't penalise growing companies. And because it runs from a cloud-based server there is no need to invest in extensive computer hardware. The other benefit of PrintLogic is that it is accessed through a web browser, meaning that anyone can access the system from anywhere at any time.

Blackburn has first-hand experience of this feature's usefulness: "We had a situation once where Louise was the only one in the office. We had a client who needed an urgent quote, which could have been a problem as

Martin and myself are the estimators. Traditionally with a standard MIS, the quote wouldn't get done until one of us got back. But because of how PrintLogic is set up, I was able to log in on my phone and send the quote off within 15 minutes.

"I've used remote desktops before, but they're slow and the connection will often time out; you can't use that as a real option. To actually have a system that you can log into on a browser and access as if you were sat at your desk is – for us and our customers – something that we couldn't be without."

The next step for Bobcat is to launch its website. This is currently being built and will incorporate a web-to-print system.

The result

Bobcat started off with no customers. But its client base is growing nicely. It now deals with several colleges within the Milton Keynes area, two London hospitals and two local hospitals and has done work for a government body.

Owen explains that despite Bobcat's prices not being the cheapest, the company is finding that it is still winning repeat business. "Our prices are extremely competitive, but we're not the Primark of the printing industry and we don't want to be. That said, we've had feedback from clients saying that they received cheaper quotes from other printers but continue to place business with us because of our attention to detail.

We are beginning to build that loyalty and it takes time," she says.

Owen goes on to say how the level of customer service that Bobcat provides is made achievable by the MIS. She says: "I'm responsible for the day-to-day accountancy of the business and that isn't my forte but it's an idiot-proof system and all I can say is if I can use it, anyone can. We couldn't run the business without it – it's the backbone of everything we do."

Although the company has only been in business for nine months the predicted turnover for the first year of £250,000, shows how effective its strategy has been. Next year it hopes to increase this by 30% to £312,000.

In terms of how big an impact using an alternative MIS and open source OS has played, Bateman says: "We would not have as much money in the bank. If we'd taken another £5,000-£6,000 out of our cashflow from when we started we would be in a much worse position now."

A no-frills attitude to launching and running a business has certainly paid off for Bobcat. And key to this has been ensuring its software is not only cost-effective, but hard-working too. [www](#)

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