

# The sky's the limit: boss of roofing contractor aims to double turnover

Kelly invested everything he owned to launch firm

**W**HILE the new Coalition Government has stepped up the rhetorical pressure on lenders to provide more money for small and medium-sized businesses, SMEs say that banks are not the only companies that are making life difficult. This week a veteran of the roofing business makes a plea for firms that are at the top of the food chain to play fair by smaller fry.

Name: John Kelly.

Age: 58.

What is your business called? Weatherproofing Advisors Ltd.

Where is it based? Headquartered in Blantyre, South Lanarkshire, with offices in St Helens and Newcastle.

What does it produce, what services does it offer? WPA is a specialist roofing contractor, surveying, specifying and applying weatherproofing systems to protect the buildings for commercial, industrial and public sector customers.

To whom does it sell? The company operates in the industrial, commercial and public sector markets across a range of sectors, including education, transport, chemicals, health and the food industry. The client list ranges from universities, hospitals and shopping centres to industrial clients like Siemens.

What is its turnover? This year's forecast is almost £12 million. The market continues to be difficult with major industrial clients still consolidating and public sector clients focused on areas where they can make savings.

How many employees? 108, including contract workers.

When was it formed? February 1987.

Why did you take the plunge? Having worked for another roofing company for 13 years I knew I had the necessary confidence, knowledge and



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market experience to run my own company. I moved to Scottish construction firm Ogilvie Builders as sales director but given the state of the housing market in the 1980s, I was looking for a change. I was sure that I could provide a better business model than was already on offer in the roofing sector and that's when I decided to set up on my own.

What were you doing before you took the plunge? I worked for an American-owned roofing material manufacturer, ending up as the UK sales manager with departmental responsibilities ranging from training to marketing. I was then headhunted to become the sales and marketing director for Ogilvie.

How did you raise the start-up funding? I used my own money and a bank loan, with my home as a guarantee. When your house is at risk it really focuses the mind, attitude and direction you take to ensure that you are successful. I invested £15,000 to get Weatherproofing off the ground but that was everything I had at the time. I lost my company car when I gave up my job so I had to ask my wife if I could use hers for business. It was not easy because we had two children under the age of three. However I promised her I would replace it within six months, which I did and she now drives a Mercedes SL500, so she knows it was worth it.

What was your biggest break? We quickly established a portfolio of blue-chip accounts, including ICI in Ardeer, IBM in Greenock and the former Coats Patons plant in Paisley. One of the biggest early wins was to



UP ON THE ROOF: John Kelly founded Weatherproofing Advisors in the belief that he could offer firms a something different to the rest of the market. Picture: Jamie Simpson

upgrade the former Uniroyal Factory at Newbridge outside Edinburgh, which was owned by Continental Tyres.

What was your worst moment? In autumn 2003, Ballast Plc went into administration at the time when we were involved in a major PPP/PFI project for East Lothian Schools. Ballast owed us approximately £500,000 and this put real pressure on our business. We asked our MSP for help but his view was that all the risk passed to the contractor under PFI partnerships, so he suggested we take legal advice and sue. The local authority was trying to resolve the matter with the consortium but basically no-one wanted to hear any contractor complaints. It was a major blow to the business but we re-grouped and managed to work our way out.

What do you most enjoy about running the business? Over

the last 23 years many individuals have joined the company and have developed very successful and rewarding careers. We have a long service club with five, 10, 15, and 20-year members and the club as a whole accounts for more than 40% of our employees.

What do you least enjoy? Dealing with negative people.

**I had to borrow my wife's car when I started and promised to replace it. She now drives a Mercedes**

who see, "opportunities as the first step to disaster" as stated by the cartoon guru, Homer Simpson.

What is your biggest bugbear? "Subby bashing" and the delays

in being paid by some of the main contractors. This is still a major issue for every sub-contractor in the UK. Some main contractors look upon the outstanding retention money as part of their profit margin and will do everything in their power not to pay. This can put a lot of additional financial pressure on sub-contractors.

What are your ambitions for the firm? To continue to innovate and thrive, as well as provide a vibrant, rewarding and exciting future for all our employees. We plan to double our turnover in the next two to three years following the launch of our REALM system. We developed this product to give commercial clients access to their roof management history in real-time via an innovative, web-based system. We have also developed a number of customer care programmes which focus on providing "more for less".

What are your top priorities? An accident and incident free working environment; achieving sales at the right margins that reward our efforts and enable investment in the future; to continue the development of our people by recruiting, rewarding, retaining and training good employees.

What single thing would most help? If every company in the UK, as well as national and local government organisations, paid on time the world would be a much more positive place to operate. All too often, particularly in the construction industry, contractors are either paid extremely slowly, or underpaid for no real reason. It is a war of attrition to get your money and you frequently end up with less than you should have. Legislation has been passed to help the situation and various promises have been made but unfortunately too many companies still push for a

credit extension which places additional pressure on contractors' already tight cash flow.

What could the Westminster and/or Scottish governments do that would help? The business community is a major payer and collector of taxes, both local and national and yet the policy makers still go out on their way with new legislation and red tape to make taxation even harder for businesses to navigate their way around.

What was the most valuable lesson that you learned? In business the key is to ensure that the money coming in exceeds the money going out.

How do you relax? I am an enthusiastic jogger and try to run four times a week as it's great for thinking things through. I am hoping to complete in the Great Scottish Run and the Great North Run in September.