



“The day my business failed was the start of some of the best days of my life

OR Why Things go wrong in business and what you can do about it

I want to share with you the events of January 2000, which turned around my business and provided the platform for the life and lifestyle we enjoy as a family today.

I hope you have had a great Christmas, but 10 years ago it was not a great Christmas for me or my wife, sleepless nights do not really adequately explain the fear that can grip you and shake you awake at 2 in the morning in a cold sweat as you face the prospect of losing everything you have worked for. I was three to four weeks away from having my company wound up, I was tired, exhausted, and doubted my own ability, I needed options and I needed them fast!

I had started The Food Technology Services in 1994 on a shoe string from savings and as a result of a lack of capital we struggled from day one, my business suffered from the classic small business perennials of a lack of cash for investment in infrastructure, a lack of sales, poor profitability and a glass ceiling which we could not break through as hard as we tried.

My mantra was “if we could only do another £10,000 a month in sales” I would make good profits and dividends for the family. I had no money for marketing and when we did spend money the return was poor. The market was becoming increasingly competitive and prices were heading south and I found myself with the double whammy of lower margin business coming in the front door while high margins disappeared out the side door. Our customer retention levels were good, and we worked hard at this. Probably too hard.

The result throughout 1999 we gradually became insolvent.

By the December 1999 we had hit the crisis, by the Christmas holidays we had winding up orders pending from HM Revenue for PAYE and VAT arrears, and a couple of statutory demands from suppliers who had reached the end of their patience and support for me.

I turned to my local accountant who over the years had tried to guide me and I had spent reasonable sums of money with. His first reaction was about his outstanding account, his second was me that I was trading insolvently [which was true] and that I was personally at risk [which was untrue] and to wind up the company voluntarily. Like most things was neither bad advice nor wrong advice, but it was a long way from being good advice. And that's is what I and the team are all about at 4R Great Advice and Strategies for Business Rescue Recovery, and Rewards.

Any how, after a lot a work, stress and money I found the solution and I did Put Food Technology Services into administration and phoenixes the business the same day, this is



what is called a pre packed administration, and six years later in April 2006 it was this **phoenixed business which I sold for a seven-figure sum, to a major UK plc.**

The point is this:

I did not give up and liquidate the company as suggested by my friendly high street accountant. However my solution came at a cost, in short I was ripped off and fleeced, the whole process was achieved at a price, this was money my family needed, hell it as money I could have injected into the new venture. Unfortunately this is a common experience with most practitioners of the "dark arts" of insolvency, the legal significance gives the men in dark suits the opportunity to make hay on you money, so what ever you do shop around for advice and please give us a call for a free consultation.

Finally

The Pre pack Administration and Phoenix did give me the chance to restructure by business, and this new company was eventually sold for a significant sum of money and gave me and my family the financial freedom and stability to really start enjoying life.

However, it was the process of change management and restructuring my cost base, getting my marketing strategy right without spending lots of money, and gaining more customers at higher gross margins.

That is what 4R Business Recovery is all about, most Insolvency Practices and Practitioners are going to only be interested up to the point of administration or liquidation or some other insolvency procedure. [See my other video and article on what's wrong with UK Insolvency] We at 4R will stick with you to ensure your goals are achieved. [And by the way if w think they cannot be achieved we let you know coz we are not in the business of wasting our time or your money]

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