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Suffolk

FEATURING:
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ENERGY COSTS

Save money,
cut carbon
says Mark Sait

DOWN ON THE FARM

TOURISM:
HOW TO PROFIT
FROM A RISE
IN VISITOR
NUMBERS

Ten years after the launch of Jimmy's Farm, we meet Michaela Doherty who reflects on how far the business has come

In association with





The savemoneycutcarbon.com team, above

Photos: PHIL MORLEY

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Energy saving tips from savemoneycutcarbon.com

Businesses in every sector can cut their energy bills by 65% or more with internal and external **LED lighting**.

According to savemoneycutcarbon, a 50-person office can save up £13,700 and reduce carbon emissions by 73 tonnes over a year by installing LED lighting.

Water efficiency cuts bills, and carbon footprint: eco taps

are much more than just water restrictors as they smartly mix water with air while ensuring the quality and flow are maintained. Example - 50-person office: water savings £2,592, CO2 reduction - 6.30 tonnes

Heating, ventilation and air conditioning (HVAC) - this is a significant yearly cost for offices but with improved boiler efficiency, the returns on

investment are rapid. Then you go on saving year after year.

Example 50-person office: boiler efficiency savings - £7,000, CO2 reduction 77.30 tonnes.

In 24/7 operations like hotels and hospitals intelligent controls for lighting and HVAC, smart heat pumps and inverters have proven energy savings of up to 40%.

Going green is just good business sense

With fuel costs predicted to keep rising for the foreseeable future, businesses are looking at ways of how to cut their bills. Mark Sait tells Ross Bentley they might just end up doing their bit to save the planet at the same time



Bury St Edmunds-based business man Mark Sait believes that the best way to persuade companies to reduce their carbon footprint is to show them the huge savings they can make through cutting fuel bills.

In the space of just over two years he has been instrumental in building a rapidly-growing business that employs 13 people and already turns over more than £1million advising hotels on shrinking their energy and water usage, and selling green products online.

With a background in running a global business installing broadband in hotels across the world, it was only natural that Mark, 46, stayed in the hospitality sector for his latest venture. But it wasn't just his familiarity with the industry that caused him to direct his fuel-cutting expertise at hotels.

"We've started with hotels because they have huge energy consumption," he says.

"There are very few businesses that operate 24/7, 365 days a year but there will be lights on in most hotels at 4am on Christmas Eve."

"The electricity bill for a standard 200-room hotel in central London is around £50,000 a month. It's the second highest cost after staff wages and it's only going rise because fuels bills are predicted to see double-digit growth year-on-year as we go forward."

But despite the huge amounts hotels spend on electricity, Mark found that a lot of owners weren't taking steps to curb their energy usage. He and business partner Charlie Farr spent their first year of trading carrying out an extensive research exercise to find out why.

"It became clear there were a

lot of barriers - some didn't have time, others didn't know where to start while in a lot of cases the responsibility fell between engineering and finance and got lost. It was a very useful year - I believe if you find out why people aren't doing what it makes sense to do, and then remove the barriers to doing it, you have an interesting business."

A clue to the approach Mark takes is in the name of his business - savemoneycutcarbon.com - saving money first and cutting carbon second. He believes the way to get businesses to pare down their carbon footprint is not to appeal to the tree-hugger in them but to show them the positive effect that reducing energy bills can have on their bottom line.

The business - based at Park Farm Business Centre in Fornham St Genevieve just outside Bury - is split into two parts. First there is the website, aimed at both residential consumers and businesses, which offers a broad range of products and detailed information about the amount of energy each one can save.

"A lot of customer journeys start from a Google box," adds Mark. "I've banked with Barclays since I was 15 but I still go to Google to look up their online banking website. We settled on the name of savemoneycutcarbon.com because they are the two big things people want to do. So we started our journey with a slightly funky name and also made sure we could capture the online part of the business."

Mark says the intention of the website has been to pull together a product range that offers solutions to "touch points wherever energy consumption is going on".

As well as offering a broad

range of LED lighting products for anything from kitchen lights to street lighting, the website also features water eco-smart technology, boiler controls, heating and air conditioning optimisers, as well as intelligence controls.

"What we have created is one of the most extensive range of products in this area in the UK," says Mark. "What we are selling is not products but savings and typically clients initially focus on one area, say water, before moving onto another area like

You must start with the saving money part and the green will come

lighting. They can use the savings from one project to drive the other one and this enables us to maintain a long-term relationship with clients.

The second element to the business is the field services team who go out on-site and work with the company's bigger clients, which include hotel chains like Macdonald Hotels and the Carlson Rezidor Hotel Group.

When working with a hotel the first step the team takes is to measure energy and water consumption across their properties in order to understand where improvements can be made. This can be done using sophisticated software that tracks things like the water flow from toilets and keeps tabs on how much energy the water pumps are consuming.

Useful measurements can also be taken using the simplest of devices.

"We invented this plastic bag that you put under the shower head for a count of five seconds and it will tell you the flow rate," Mark continues. "We did this for a major hotel group who afterwards spent £65,000 on products to change the flow rate of taps and showers and saved £100,000 on their water bill in eight months."

As well as enabling the business to work closely with clients, the work of the field services team also dovetails nicely with the retail business of the website.

Mark says: "Because, we use the products we sell in the field, it allows us to understand them. For example, we installed 6,500 LED lights last quarter - when you install that many you understand what are the good products from the bad."

"At that level we are quite hands on and it has given us an edge in terms of quality control. The problem with online businesses is they can sell something online but not really know that it met a need when the customer receives it at home."

He adds: "The fact that we can test something - it's a really nice crossover for us."

Our bigger customers want to engage with the field services group and we want smaller businesses and individuals to engage with us on the website. It's not just the big guys who can benefit from this knowledge - the small guys can as well."

The company's success in such a short time - it grew by 500% last year and is on target for impressive growth this year as well - has recently seen it branch out from the hotel sector and start talking to warehouse businesses and hospitals about their energy use.

Mark says the two key drivers for his business has been legislation around carbon emissions and, most importantly, rising energy bills.

"If you are a hotel and your bills go up by 10%, you can't just put guest bills up by 10%. In a recession people won't wear it," he says.

He adds: "I believe if you want to get the masses to go green, you must start with the saving money part and the green will come. Doing it the other way around is harder work."

Everybody - any business or homeowner - wants to save money from their bills if it is presented in the right way. Presenting it in the right way is the challenge."

ENSORS

Emerging from recession

By Mark Upton,
business recovery
and insolvency
partner, Ensors



History tells us that one of the most difficult periods for businesses to negotiate is as the economy emerges from recession. Previous recessions have demonstrated that as the economy begins to grow then the number of businesses going into an insolvency procedure spikes as businesses 'over trade' and do not have the cash resources to fund the up-turn. The time lag between the receipt of funds from increased turnover and the need to fund the cost of increased production to service the turnover often imposes a critical strain on cash available.

My view is that the strain on cash as we emerge from this recession is likely to be exacerbated by the need to have funds available for capital investment as well as working capital. Many businesses have not been in a position to replace old and inefficient plant and equipment or vehicle fleets, or invest in new technology or infrastructure. In order to take full advantage of improving economic conditions investment is going to be required as continuing to try and get by with outdated plant or machinery that is constantly breaking down or in need of repair is clearly going to increase costs.

And then we need to consider the impact of future interest rate rises which are now visible on the horizon. Many businesses have been able to survive throughout the recession due to interest rates being at historic lows combined with low asset values meaning there hasn't been any push by lenders towards insolvency. Businesses and individuals have become accustomed to low interest rates and low mortgage repayments. When the interest rate rise hits us we will have to be prepared for an increase in the costs to businesses and a reduction in household disposable income which could by itself lead to an increase in both corporate and personal insolvency.

As we know about all of the potential challenges and threats that lie ahead, so the key to safeguarding against them is planning. All businesses should have a plan and financial forecasts factoring in such things as expansion, new investment and any associated increase in costs. Such information is essential as a tool to manage business growth, identify funding requirements and to ensure that over trading does not damage the business.

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