



slumbersac CASE STUDY

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Karina Grassy bought Slumbersac in 2012. So how did she turn around this manufacturer of children’s sleeping bags from a loss-making business turning over £500,000 to a profitable £5 million turnover online retailer?

Background

“I joined Slumbersac as the German distributor in 2008 and when the business was offered to me in 2012, I thought I could turn it around from its loss-making position. By moving the business from wholesale to online retail meant we grew organically to £2.5 million in sales by the end of 2014 and that’s when I started considering external funding to help with a more structured growth plan.”

Meeting ActionCOACH

“I was introduced to James Akin-Smith, after enquiring about funding options at a local business growth event. They realised I would benefit from talking to a coach with experience in this area before I committed to borrowing large sums of money. I struck up a friendship with James immediately and we started weekly one-to-one coaching in April 2015.”

First Improvements

“James initially encouraged me to look at my business in detail – the team, the financials, the systems – getting clarity and focus on the priorities. I had gone to the event thinking I needed an investor but once I understood the numbers, I realised it wasn’t needed at this point. I started to develop stronger plans for the future and I was surprised by the progress. “My partner joined the company when the coaching began. He had been working shifts in the oil industry and we realised that we would really benefit from him managing the warehouse – not just financially but it would also improve our work-life balance. This was just the start of putting in key team members. With just these initial improvements, the business grew from £2.5 million to £3.5 million turnover – concentrating on team, not sales!”

Ongoing Coaching

“Our three-year plan is to increase the turnover to a minimum of £10 million with the backing of investors to secure the success of our rapid forecasted growth. That also means we must have

the best systems and the best customer service. The recent investment of £100,000 in a Magento based e-commerce system, which facilitates the scaling of our web presence in various markets in different languages and currencies, has led to significant improvements on all levels of sales, conversion and reporting. “James continues to introduce me to experts who can help me grow the business. Recently, he introduced me to an Amazon expert who helped me improve sales in our Amazon store in just our first meeting. I never thought that working with a coach would open up a whole new network of people to work with. But most importantly of all, he challenges me and asks the right questions which prompt me to deliver the answers I need for my business challenges.

“Despite my initial thoughts, I actually turned down an offer from an investor and raised finance with HSBC to take my business to the next level and retain 100% ownership.”

Rewarding Work

“In early 2016, James encouraged me to enter the Business Excellence Awards – a black tie, glitzy event at Celtic Manor. I didn’t think we’d have a fighting chance and I was surprised to be





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shortlisted in the Best E-commerce Business category. I couldn't believe it when Slumbersac was announced as the winner! It's been so great to share the success with the team and it's given me the confidence to enter next year, where I'll go for Best Growth Company or maybe even the Best Overall Company! "The awards were part of a two-day ActionCOACH Business Excellence Forum, which James had introduced me to, and it was such an impressive event that I'll be taking my whole leadership team next year. I was also introduced to the charity Buy1GIVE1 (B1G1) at the conference by one of the guest speakers, Paul Dunn, and I have signed Slumbersac up as a lifetime member. With a children-focused brand like ours, I think it is very important to give something back and, with B1G1, we have been able to do just that. We now count up how many sleeping bags we've sold each month and make a donation to three B1G1 projects – maternity care for working women, immunisations for babies and power to provide light on a maternity ward – all in areas of the world where this vital support isn't an everyday occurrence. Without James, it would have taken us a lot longer to be making this impact."

The Future

Canada, Japan and India as well as extending the product range to include new innovative ergonomic styles and a selection of contemporary baby shower related gifts. Through collaborative work and extensive research, our objective is to become a household name which specialises in children's sleeping bags and sleep safety related subjects.

"We now have a team of 18 full-time staff, 4 part-time staff and an international team with global reach. I have always had an exit strategy in mind to sell Slumbersac and move back to Germany and having the right team in place is key to that. We are planning to put a share option scheme in place in 2016 to retain and grow the talent in the company.

"My daughter is eight years old and loves horse riding. Taking more control of the business has meant that I can now keep weekends free to spend with my family. I'm going to Bali for the B1G1 conference and I'll be able to take an extra week for

relaxing, comfortable in the knowledge that I have a team in place to run the business without me.

"We are now on track for this year's projected turnover of £5.2 million. My weekly coaching sessions will continue for the foreseeable future - James is part of the team! He works with our leadership team, will support our new operations manager and he'll be there when we eventually prepare for the business sale. If you are prepared to work hard and make things happen then working with James can take your business to the next level."

The Coach Perspective

"Running a business is like a thousand-piece jigsaw without the picture on the box to guide you. My career prior to becoming a coach has enabled me to draw upon my knowledge from many experiences when coaching my business owner clients.

"Karina has an extraordinary work rate. She is focused and driven, taking everything forward from each one-to-one coaching session. Coaching has enabled her to think much bigger about the business. She takes time out of her everyday tasks to work ON the business rather than just IN it.

