

A visit in 2002 to watch their beloved Leeds Rhinos rugby league team convinced twins Geoff and Jim Riley to turn a hobby into a business. Geoff, a teacher at Eton College had developed a popular website that offered free materials for Economics teachers and students. Corporate financier Jim had recently completed a 12 month period of "gardening leave" after leaving his job at a quoted multinational. The twins resolved, in a half-time discussion, to turn the website hobby into a business.



A limited company was set up with share capital of £2,000 from the twin's personal funds. In order to conserve cash, Jim invested his own time free for a couple of years (so called "sweat equity"). Key business functions such as web design & development, editing and authoring were also outsourced. The business was also based in a loft conversion until 2006 at which point tutor2u's rapid growth justified a move to larger office premises.

By minimising fixed costs, tutor2u quickly achieved the break-even level of sales and has been profitable since trading began in 2003. Annual growth has averaged over 60%, all of which has been financed from retained profits.

The product range has been expanded to include a wider range of subjects and now includes student and teacher events in addition to digital learning resources. tutor2u's presence on the Web has enabled the business to build a strong online customer base with whom market research can be conducted. The launch of a free magazine for tutor2u's target teacher community has also helped to grow brand recognition and revenues.

Source: tutor2u

Lynch's Direct

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Having been unemployed for 15 months, Kevin Lynch found it almost impossible to get a job and his status made it difficult for him to get finance to turn his dream of setting up his own fruit and vegetable business into reality. From a family of greengrocers, he had the knowledge and experience of the market to make it a success, but with traditional avenues of finance closed to him, he needed to explore other sources.

Kevin approached the local Enterprise Development Unit (Invest Northern Ireland) who suggested he contact the youth charity, The Princes Trust. They put him on a five day business course and took him through the loan application process. With a £3,000 loan approval, Kevin opened his first store.

The greatest challenge Kevin faced was competition from the big supermarkets but with support of the local community, he built a loyal customer base and was then able to start a wholesale business to support the retail outlet.



Today customer loyalty is still strong and this has allowed him to expand both the retail and wholesale business. He commented that one of the best forms of advertising he has used is to get the name of the business seen across Northern Ireland, by way of his three vans, sporting the Lynch's Direct Flowers livery, this had contributed to expanding his market.