



Breda Fox [Local Enterprise Office Galway] and Peter Morrow [Skylark Electric Attic Stairs].

Photography credit: Simon Burch

Grow

Making It Happen: Competitiveness boost helps stairs maker rise above Brexit

Local Enterprise Office Galway helps Skylark reach new business heights

The impact of the Brexit vote was instantaneous for Peter Morrow of Skylark Electric Attic Stairs in Galway. Up until July 2016, 95% of his sales came from the UK. “For the two months after the referendum we had zero UK sales. It was horrendous,” says Morrow.

He called his Local Enterprise Office in Galway for help, just as he has done since he first came up with the idea to design and manufacture fully automated electronic attic stairs, in 2013.

By 2014 he had a prototype and a strong sense that he was “on to something special”. He was however working in a friend’s borrowed farm building with holes in the roof, giving new meaning to the term ‘no overheads’. “There was no way I could go into production there.”

Local Enterprise Office Galway helped, providing a Business Priming Grant and a Start Your Own Business course. The latter was something he was reluctant to

do. Now he’s very glad he did. “I use the skills I learned on that course every day.”

It was at Local Enterprise Office Galway’s suggestion too that Peter entered, and subsequently won, a local business awards initiative, netting his business a cash prize and a rent free unit for 18 months. A subsequent Business Expansion Grant enabled him to move into his current, larger premises.

He identified the UK as his target from the outset, in part because of the sluggish home market. The company’s first sales came via UK trade shows, supported by Local Enterprise Office assistance for flights and accommodation.

Sales grew rapidly, through to the first half of 2016. “It was a terrific time to be selling into the UK and on top of that, every £1 sterling was worth €1.37 to me.” Brexit changed everything, including the currency differential. Sterling’s subsequent decline was allied to a fall off in sales volumes. “It almost put us out of business,” he says.

There was a glimmer of hope. In 2015 he had availed of a Feasibility Study Grant to assess the US market and on foot of that had applied for a US patent. In August of 2016 it came through.

He seized the opportunity and secured an order to send a shipping container of product to a US stair specialist. That one order had the capacity to save the business, but did he have the capacity to deliver the order?

He feared not. It was at that point that he called Local Enterprise Office Galway again.

To help him build capacity for that large US order, it encouraged him to participate in its Lean for Micro Business initiative, designed to help businesses achieve productivity savings.

“At the time I said no, I don’t have the time. Now I tell other business owners they don’t have the time not to,” he says.

“On the first day the LEAN consultant came to assess my factory a suggestion she made about a component that took me 32 minutes to make, cut the time to 15 minutes. What it has done for the business has been incredible. It’s one of the best things I ever did for the business.”

Head of Enterprise at Local Enterprise Office Galway Breda Fox agrees: “The Lean for Micro programme is just one of the ways we bring big company thinking to small businesses. It transformed Peter’s business, enabling him to double productivity without any investment. When that first US opportunity arose, he thought he was too limited in production capacity to fulfil it. He wasn’t.”

Boosting productivity leads to greater competitiveness, putting companies like Peter’s in a better position to cope with challenges such as Brexit. At the same time,

Brexit has encouraged many small businesses like Peter’s to look further afield, developing new markets.

Skylark launched in the US in January 2017, supported by funding to develop and localise its website. Today 25% of its sales come from the US. The UK market, which has since rebounded, now accounts for 50% of his market – with geographic diversification mitigating risk. A further 25% of sales come from the home market and the company has also begun selling into Australia.

At every stage in its development Peter availed of his Local Enterprise Office’s panel of expert mentors. When he entered the US market, for example, he was paired with a mentor who had dealt in the same sector there.

“It doesn’t have to be a formal mentor, we can put clients in touch with other businesses that have gone through the same things too,” says Breda Fox. Before Peter could sell into Australia for example, he had to ensure the product was heat treated.

“Few problems are unique, they are just new to the person going through them. We can help clients find practical solutions to the problems they face. From pre-start, to start to grow phase, the problems a business faces are very different, so we align our supports to their developing needs,” she says.

“Peter availed of every single financial support available to him right along the way but I think the real transformational value of Local Enterprise Office intervention for him was the advisory piece, the problem solving. Skylark Electric Attic Stairs is now perfectly aligned and ready to scale up and grow.”

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If you want to grow your small business, talk to us. Together, we can make it happen.