

BQ²

SPECIAL REPORT: TOURISM SUPPLY CHAIN



SCALE CHALLENGERS

Bank champions Scottish business

RIGHT VAN MAN

Meet the bespoke camper van guru

THE DRAM BUSTER

Financier's spirited career change

ON ROAD TO SUCCESS IN COMFORT

A business adventure encouraged Simon Poole and Cath Brookes to set up Jerba Campervans, now one of the leading VW conversion companies in the UK, in North Berwick. Kenny Kemp hears how they are striving for excellence as an SME >>







The first two-and-a-half years were a steep learning curve. It was a case of learning from the mistakes, analysing them and then making the improvements. We then tried not to repeat these mistakes

It is fitting that North Berwick – a holiday town with its bracing sea air and beach – should be the home of Scotland's only Volkswagen recognised campervan conversion business. But Jerba Campervans, in the lee of the volcanic stump of Berwick Law, is a midget gem of a Scottish manufacturing business, employing ten people, with a turnover touching £2m. Its founder and managing director Simon Poole, a fastidious and determined business figure, is committed to making high-quality motorhome conversions so part-time adventurers can enjoy the comforts during their leisure time. In 2014, the company has converted 43 vans, and it has bookings until May 2015.

Simon and his wife, Cath Brookes, lived in Canada in the mid-1990s and bought an old-style T2 Volkswagen in Vancouver. "It seemed like an easy thing to do. We would go off for the weekend when we were hiking, camping and climbing. It was a relatively cheap way of getting around. After seven months in Vancouver, we drove right across Canada and sold it in Montreal, and returned to the UK."

After their sabbatical, Simon returned to Cancer Research UK as a charity fund-raiser. However, the couple were smitten by the touring bug, and hired various motorhomes for trips before buying a newer T4 VW van. With three children soon part of the family, they toured New Zealand and Australia and learned about what's essential in layout and design. They often wondered if those who designed the various motorhomes had actually spent a day or a night in their creations. His work as a fund-raising consultant brought him to Scotland, but he missed the contact with the charities and seeing how the money he helped to raise was being disbursed. Simon was an accomplished weekend craftsman, who found he was handy at building kitchens and modifying kits and decided to convert his own VW. So he turned his passion into a business. In 2005, Cath and Simon bought a new VW Transporter T5 and undertook the painstaking conversion. In 2006, they set up Jerba Campervans, based in North Berwick. "The first two-and-a-half years were a steep learning curve. It was a case of learning from the mistakes, analysing them and then making

We've been able to capture the Scottish market and we're also getting orders from all over the rest of the UK. We are still smaller in volume... our lack of space has restrained us over the years

the improvements. We then tried not to repeat these mistakes. Everything we did was ploughed back into the business," he recalls. The company takes the VW T5 Transporter and turns it into a bespoke campervan for those who love to explore the great outdoors. The typical customer is a fifty-something outdoor type who loves hill-walking and scenic touring, but whose kids have left home and is now wanting a bit more comfort, rather than camping in a tent. They are not into anything flashy – they simply want a high quality campervan.

"People will sell their big cars, get a small car for the town and buy a campervan for ten years for long holidays in Europe and weeks away here and there. The van can easily cover 150,000 miles but most of the customers use it for holidays and that's nearly always less than 10,000 miles a year."

Jerba Campervans has been approved by Volkswagen Commercial Vehicles as a registered bodybuilder and works closely with the franchise dealership, Volkswagen Van Centre (Edinburgh) at Bilston, outside Edinburgh, through whom the vans are supplied. The customer buys the whole van and the conversion from Jerba.

When Jerba started, a particular rival company in Surrey was already doing conversions along a similar design layout, but Simon believed he could do this better in Scotland.

"The company was selling 25-30 vehicles a year in Scotland and people were travelling down to see the company, then returning to pick up the van. I could see that nobody was challenging them at the top end of the market, in what was then the £35,000-plus bracket, so I figured we could do in Scotland. There are only three or four UK-registered bodybuilders for VW Transporter

T5 campervans – and we are one of them, based in East Lothian. The others are all based in southern England, some way away, but we still compete strongly."

"We've been able to capture the Scottish market and we're also getting orders from all over the rest of the UK. We are still smaller in volume because we didn't have enough room. Our lack of space has restrained us over the years."

The company has outgrown the back of the old Ben Sayers golf club factory in North Berwick, which is due to be demolished. The remedy for Jerba has been to spend £300,000 on a new facility on the back road to the ruined Tantallon Castle, where Jerba will be opening its new 7,500sq ft premises on the site of a disused mushroom factory.

Jerba have been converting over 40 vans a year, while their largest competitor is doing more than 100. Simon says the new factory will allow his team to work 40% more effectively and reach 60 at the top end of the market.

"We've built up a reputation for high quality and excellent customer service. We have a flexible approach which is our point of difference to some of the guys down south. While they have an excellent reputation and very good quality, all of their furniture is pre-cut in Germany and then sent across. They assemble it in the UK. At Jerba, we have invested in the machinery and the skills and training to do the cutting ourselves. We can do bespoke conversion, whereas the other guys really can't do this."

The order book is testimony to the success. If you want a T5 Campervan conversions, you need to order now, to get it in time for your next summer holiday. It takes around four weeks to convert each van, and >>





approximately 150 hours of work. But it is obviously worth the wait. One specific order from a customer in southern England was for extra items and work which came to £65,000. The customer was delighted with the work and the finish. However, a typical price is around £44,000 for a VW T5 Jerba Sanna, with seats and berths for four people, with single or double bed, a plumbed-in swivel loo, a kitchen with a two-burner hob, a Vittrifrigo compressor fridge with freezer. All of this on a two litre, 138bhp engine, with a payload of 703kg for a passengers and all the kit. When Simon worked in the charity sector he was influenced by Peter Vicary-Smith, the chief

executive of consumer group, Which? and a former McKinsey consultant. "Peter was very good with his corporate mantra: he would say: 'a clear strategy enables me to say no to a good idea, or 'data takes the emotion out of decision-making', these were great business basics which I took from him." "I've been fixed on what we do. People come and ask if we can do other things. I want to focus on what we do well. If we can turn it out quickly and do it well, then it is not going to come back with a problem. People are delighted and you build your brand, rather than trying this or that." A breakthrough has been Jerba's involvement with the Scottish Manufacturing Advisory

Service (SMAS). Simon pays tribute to the help he has received. "I approached Scottish Enterprise about three years ago. I wanted to wait until my business was established and doing well and had a brand position within the market." Jerome Finlayson, of SMAS, who had worked with Glenmorangie as a production manager, and at Ethicon in Edinburgh, came to North Berwick and could see the obvious potential. Jerba, by then turning over £1million, was plotting its growth. To meet new DVLA safety regulations introduced in 2012, the firm invested in European Whole Vehicle Type Approval (EWWTA) which applies to motorcaravans. It gained the approvals for

all of its five types of converted vehicle.

"The proper way of proving the safety is to get the actual installation tested. We got a vehicle shell from VW, put in our rear seats and took the vehicle to a testing station. How we install safely is critical and we have European certification that covers all those key areas that we adapt and change from the original VW T5 factory-made Transporter van. This whole certification process cost us around £35,000 to do, but it is worth it because we are now ahead of the competition."

An SMS adviser came to help with lean management production.

"The guy who arrived used to work for the RAF and was in charge of the servicing of Harrier jets at Lossiemouth. So he helped us with our engineering process. He made us think about every aspect of our workflow." From the moment the new T5 arrives in North Berwick, every single job and movement was captured and analysed to see how it could be done more effectively. At this stage, the vehicle is a painted shell on its chassis with windows all the way around, and with the factory-fitted front swivel seats and the motorhome dashboard. The back is empty, ready for the conversion. Even for an SME, such as Jerba, this whole process can be refined by lean manufacturing.

"We had our guys sitting with Post-it notes all over the place. We broke it down into 15-minute segments and it showed that it was a pretty useful exercise. It made us think about where we put our tools and when a process or job should be undertaken. All the little things can be pieced together in a more sensible and efficient way. It was about having the right tools in the right place and life became easier. It improved our productivity instantly."

The results for Jerba have meant that fewer vans are returned with these irritating new-vehicle glitches. One early element that has improved is the drilling into the chassis, without shorting or damaging the underlying electrical systems.

"In a VW T5 there are electric cables running all over the place, for the wipers and the rear lights for instance. It was very easy to drill a hole through a cable or screw through something. As part of SMAS work, we identified every single time we had an



We do all the installation and fitting out from start to finish. The guys are very skilled, especially with the finished carpentry where we are working with edge-banding machinery

electrical problem and how we could prevent it. We instigated an electrics check after certain jobs."

"The message is that small companies can use lean management. The principles are simple and this is how we have done it," he explains. "We do all the installation and fitting out from start to finish. The guys are very skilled, especially with the finished carpentry where we are working with edge-banding machinery to bond 15mm lightweight plywood. The team have to work, mould, shape and trim this for the vans. The furniture all has to fit beautifully."

Simon has been ploughing the profits back in, which has allowed Jerba to open its new premises and the team is looking at designing

and manufacturing some of its own parts. Does he think there are markets abroad for his work? "It is hard to export because we can't order left-hand drive vehicles. VW won't let us do that, which is fine but we can still be a thriving business for the Scottish economy and the rest of the UK."

For 2015, Jerba will be focused on delivery and maintaining its high level of quality in the new East Lothian premises.

"It amazes me how other companies cut corners, I can see it but the customer might not always notice. If I stick to my principles and do it right then ultimately, as long as our spending is controlled and focused then I know that this underlying ethos will always win out in the end." ■