Platinum sat down with The Apprentice star, Debra Barr to find out what she did following the programme with her company Xcess Trading, and how they have fared over the tumultuous last year

TRADING TO EXCESS

After finishing university in 2006 I started working in digital media. It was during this time that I applied for the BBC business programme The Apprentice. Out of 31,000 applicants for series 5, I secured my place in Lord Sugars final 15 candidates fighting for the £100,000 a year job.

The process of The Apprentice was one of the toughest experiences of my life, but also the most enlightening. I was just 24 years old when I took part and it was like speed dating in the deep end for all different types of businesses and the operational challenges that go along with that.

We were waking up at 5am and getting told "right you are off to build a fitness brand, manufacturer the product and pitch it in a 2 day time frame". It's the pressure that environment created that I enjoyed, I think you sink or swim in those situations. I honestly don't think I would have set up my own business at 26 years old without that experience. It makes you realise your own strengths and weaknesses.

After taking part in The Apprentice I was introduced to the world of reverse logistics and asset disposal. Prior to this I didn't have any experience or background in the consumer electronics or retail world. I set up Xcess Trading in September 2011 with a £5,000 loan from my Mum and I started working from my kitchen table.

In 2020 post-Covid kitchen tables are all the rage, but in 2011 they were a means to an end for me as a start-up. I still love hearing about other people who started their companies this way, it's a truly organic way when you start something from nothing. It also allows you to understand all areas of your company, which I think is super important once you hire staff. I'm a massive believer in leading from the front, I respect business owners and executives who like to get their hands dirty and work on the shop floor so to speak.

> "I set up Xcess Trading in September 2011 with a £5,000 loan from my Mum and I started working from my kitchen table"

Xcess was set up to work with retailers, brands and distributors who have surplus stock. This could be excess stock to forecast, products that are becoming end of line or are part of a range change, right the way through to a customer change of mind return.

For the first five years, I predominantly focused on brand new stock, but as the business evolved, we started looking at computing and smartphone returns, as these products have a high secondary market value as Grade A refurbished devices. From 2011 our turnover was just under £1m in the first six months, then £2m, £3m, £5m in the years that followed.

In the autumn of 2015, I started buying a lot of laptop and computing devices which were 28-day customer returns and these needed to be securely data wiped so that all customer data was removed. We started using a refurbishment partner to process, data wipe, test and grade the computing stock we were buying. It was profitable but also niche as you had to be an approved data erasure partner to purchase the assets.

By 2016 / 2017 we were flying, and we needed capital to buy more stock and also give our customers trade credit terms. That's when we met with Natwest and discussed the various options available. It was a runaway success from day 1 and we went from £5.1m to £9.2m in less than a year!

This growth was followed by us wanting to own more of the refurbishment and testing process. I realised that if I owned a refurbishment business, it would allow us to control the quality of the stock we were processing and also gave us a distribution centre and an engineering team. From this point onwards we have consecutively hit well over the £1m gross profit for four years running.

Lockdown happened one week prior to our year end on March 31st 2020. We didn't know what the impact Covid would be. After such a great year, where we finished on £1.4m GP, none of us knew what to expect. However, the irony of everyone having to work from home led to the biggest year in laptop sales the world has seen in decades. From parents trying to teach their kids at home, to the daily office Zoom calls, everyone and anyone needed a laptop.

I'm proud to say that our refurbishment and e-fulfilment centres stayed open throughout all three lockdowns and we haven't had to furlough any of our staff or take any government grants.

Our senior relationship manager at NatWest Andrew Kettle, has kept in touch throughout the lockdown and explained the different options available to us if needed. We have less than a few weeks until our year end and I feel grateful. I think 2020 and Covid has changed the priorities for everyone. Health and happiness have become the key barometers of success.

Our future plans for the business are to merge, or be acquired by, with a bigger business as the technology we have created since buying the refurbishment business is second to none. With the exponential growth in online sales, the need for retailers and distributors to process customer returns quickly and securely has never been more important.

We are ten years old in August and we are launching an industry leading trade platform which will take an offline industry online and allow us to grow our buyer and supplier base.

Xcess TRADING LTD

Debra Barr

[redacted]

NatWest
We are what we do

Andrew Kettle, Relationship Director, Commercial Banking

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