

A Message from Mervyn Passmore

Meadows & Passmore is Alive and Well!

M&P went through a difficult time in 2018. Many customers experienced long delays. Contacting the firm was difficult and often unresponsive. Orders were taking much longer than usual to process. The purpose of this message is to provide a brief history of what took place and why.

Peter Meadows retired for personal reasons in 2016 and I purchased his share of the company. M&P owned a large freehold building which meant his share included half the value of the property.

When we bought the building in 1999 the cost of ownership was significantly lower. Business Rates were affordable. Heating and lighting a 7,500 sq. ft warehouse was relatively inexpensive, as were the other charges and services a business incurs. The building had always been far larger than needed and the ever increasing overheads were becoming a financial burden.

In early 2018 I decided to retire too. After all, Peter & I were born on exactly the same day! Because the value of the freehold exceeded the value of the business, I put the property on the market and employed a broker to sell the business. I also wrote to many long-standing customers in the hope of finding a buyer. Many sent me their best wishes for the future and thanks for the good service they had received in the past but unfortunately no one came forward to buy it.

The freehold attracted lots of attention and 15 accompanied viewings took place in the first couple of weeks.

The sale of the business was less successful but eventually a French couple expressed interest. M&P has an office in France and the catalogue and website already existed in French. They signed a non-disclosure agreement and after a lot of financial and administrative enquiries and a visit to Brighton, they made a 'non-refundable' deposit of around 30% of their offer. They were already working on modernizing a building in France that was to house M&P.

The sale of the freehold progressed, with several offers above the asking price. The agent set a deadline and the best offer was way in excess of his and my expectations. I exchanged contracts on the freehold, not wishing to lose the sale.

Sadly the concept of relocating the firm to France and my plan for retirement meant that M&P's staff faced almost inevitable redundancy and consultations commenced.

Despite being given every opportunity to assess the purchase and given answers to endless Due Diligence questions, the French unexpectedly pulled out of the purchase. This left me with a signed contract agreeing to vacate the building, nowhere to trade from and staff working their redundancy notice. The Broker was obliged to return the deposit because his contract was not legally binding.

The Brighton building was hurriedly cleared and the stock and equipment put into temporary storage units across the city. We continued to process orders as best we could from a storage unit in Hollingbury using mobile phones, a virtual 0333 phone number and PCs with internet SIMs. The building sale was completed and on May 31st the staff became redundant and the business effectively halted.

The broker sought new owners but only found one potential buyer. An extremely low offer was made which I reluctantly accepted. Far from being the rapid 'Asset sale' the broker had intimated, it became a re-run of the French Due Diligence enquiries into every aspect of the business, complete with ongoing audit trails during the transition and my personal assistance locked in to financial retentions etc. I decided not to proceed.

Faced with the choice of abandoning the business or trying to rescue it, I identified a small lockup near Heathrow that could be used as a registered office and to process simple orders.

The stock and equipment was moved from Brighton into a storage unit in Hayes using 18 ton removal truckloads, while I attempted to get the Southall lockup running. 1,300 sq ft of reserve stock and crates of documents had to remain in Brighton. In the meantime, the firm had no landline and therefore no internet. An incredible saga of incompetence by BT (for which we have now received a compensation package) resulted in a long delay installing a phone line. You cannot order broadband without the phone number it will be applied to and BT won't give you the number until installation is complete. It took BT a further month to activate the broadband, during which time emails and support tickets continued to arrive in huge quantities on the public server hosted elsewhere. Eventually the Ticket System collapsed.

In the midst of all this I sold my home in Brighton and moved to Hayes.

In October a unit became available very close to the little office in Southall and the working stock was moved a third time. At last, most of the everyday stock was back on its original shelves. Many items had been mislaid or misplaced during the three moves. The reserve stock, glass domes etc and crates of documents remain in a 1,500 sq. ft storage unit in Hayes.

Bit by bit the business recovered from the upheaval. Stock slowly got more organized and the huge task of updating websites, notifying suppliers and configuring technology progressed. The vast majority of customers were very understanding and sympathetic. Many expressed relief that despite rumours it had closed, M&P was alive and well. A handful were annoyed that they didn't get their goods on time and a few were positively rude. Most firms have competition and competitors need customers. Hopefully the ones that gave me a hard time while I was struggling to keep the firm going single-handedly are now giving the competition a hard time for some other reason!

Many orders now go out the same day. Others can take a few days but regrettably some get 'Stuck'. Some stock items have temporarily disappeared and naturally I couldn't order stock during the upheaval. I am confident that by the New Year things will be back to normal.

M&P is now very 'Hands on' and I am involved in every transaction. Almost every day I make improvements to the company's software. Those who buy online will have seen that I now show the actual quantity in stock against each item in the store. Items with little or no prospect of being available again 'any time soon' are no longer shown in the store.

The Help Ticket system that was broken during the summer of no broadband is up and running again and is by far the best way to make contact. The online customer database is more up to date and will soon show the current status of an order as opposed to being a historical database.

I have improved the way Back Orders are handled. Previously every item that could fulfill a backorder was posted regardless. In future, backorders will be recorded but instead of automatically shipping the item when it comes back into stock, an alert will be sent by email, SMS or Snail Mail. This will give customers the choice of buying it or not and of combining it with other items to save on postage.

I do appreciate the many messages of support and good wishes for the future that I have received and for the ongoing loyalty of so many customers, some of whom have had to wait patiently for their goods. Like a Phoenix, M&P is rising from the ashes, stronger and fitter than before!

Mervyn Passmore



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