

BGP Stories from the front-line

Rona Tait on Never Giving Up!

On Friday 3rd of February our January cohort was joined by our first BGP alumna guest speaker of 2023, Rona Tait, founder of TDS Commercial. As Rona shared her journey of the last fifteen years, it rapidly became clear that she was giving a masterclass on never giving up, whatever the odds against you.



"I was a busy fool," she says, describing the state of her business when she enrolled on the Business Growth Programme in 2007. At the time TDS consisted of a cleaning business and launderette, both serving the private market in south-west London. Regardless of the hours Rona put in, the business was failing to make money.

Within a short time of her being on BGP it was clear that a simple restructuring of the cleaning operation would turn it around, and that her right-hand employee should be empowered to head it up. Rona created a plan to diversify into the commercial laundry sector, with the aim of securing better margins and suffering fewer headaches. To get started, she acquired the freehold of a suitable unit on a nearby industrial estate. The cash flowing from the revitalised cleaning business would partly fund the investment, and the up-front costs would be reduced by leasing the equipment. By good fortune she also found a highly-experienced commercial laundry consultant, and for the price of a good lunch she learned the essentials of what she needed to know.

Winning business, however, was harder than Rona anticipated. The hotel and restaurant sector awarded contracts on a two - three year basis and was highly risk-averse. These customers also expected their laundry contractors to own and provide linen, towels and so forth, meaning yet more investment.

Just when things were looking bleak, Rona had a second stroke of luck. Out of the blue TDS was contacted by the

legendary motorsports company McLaren. Would TDS be able to handle the cleaning of the staff's entire kit, from F1 drivers downwards? The answer, not surprisingly, was yes. It was a huge publicity coup and fitted perfectly with Rona's ambition to differentiate TDS in a market traditionally dominated by large companies competing on price.

The growth of TDS meant that the original industrial unit of 1200 square feet was no longer big enough. Laundry is a bulky business, says Rona. She relocated to new premises and, unfortunately, new neighbours. Within months of operation a private householder who had been living for years under the Heathrow flightpath complained about the noise from the laundry's extractor fans. Rona engaged an independent expert to prove that the laundry's decibels were well within legal limits, but the "vexatious litigant" persisted and eventually TDS lost the case. The judge ruled against her and the litigant's lawyers – operating on a no-win, no-fee basis - pursued Rona for costs of £120,000.

Only the last resort of engaging a friendly receiver, who warned that TDS would be put into administration unless the lawyers agreed to settle for £50,000, produced a result. The lawyers complained that they disliked being threatened. "Neither do I," retorted Rona. She got her deal, with repayment over five years, free of interest.

Next in store for the business was Covid, and an economy in lockdown. Apart from furlough payments for her staff, Rona received no government support. Between February 2020 and March 2022 TDS lost money every month. She was embroiled in a constant battle with the local council over payment of business rates and finally, thanks to her persistence, actually received a support grant of £20,000. At the same time she was struggling to meet rent demands

from her landlord, a major insurance company. They were represented by their managing agents, and neither organisation was prepared to respond to Rona's requests to discuss a payment plan. The sums owed mounted up. Finally, Rona familiarised herself with every detail of the insurance company's stated ESG [environmental, social and governance] policies and contacted all their real estate fund managers with a LinkedIn profile, to inform them that they were in breach of their own standards. It took 20 minutes to get a reply, and not much longer to agree an arrangement.

Despite all this TDS is currently trading profitably and the debts are being cleared. Now in semi-retirement, Rona has handed over day-to-day management to her son. Her time is freed up to pursue her passion for improving her industry's environmental record. It takes 10,000 litres of water to manufacture a kilo of cotton and in the process 9.3 gms of carbon is emitted. Every year the hospitality industry wastes 5,000 tonnes of cotton, virtually all of which could be avoided through better and more sustainable practices. She spearheads the industry body set up to address these issues and is joined on the board by the person responsible for a major part of the Royal households' laundry arrangements. Rona still keeps one eye on the business....

Rona Tait is a Freeman of the City of London and a member of the Worshipful Company of Launderers.

Rona created a plan to diversify into the commercial laundry sector, with the aim of securing better margins and suffering fewer headaches.

About the companies

Cranfield Executive Development

Cranfield Executive Development is consistently ranked as one of the top two providers of customised learning development in the UK, and among the top 10 in Europe. Its programmes draw on the expertise of faculty from Cranfield School of Management, which is one of an elite group of Schools worldwide to hold the triple accreditation of: AACSB International (the Association to Advance Collegiate Schools of Business), EQUIS (European Quality Improvement System) and AMBA (the Association of MBAs).

W: www.cranfield.ac.uk/som/execdev

T: +44(0)1234 754500

E: execdev@cranfield.ac.uk

TDS Commercial

TDS is a West London based commercial laundry using new sustainable working methods to deliver laundry with a clear conscience. We passionately believe in the quality of service we deliver and also about ensuring that our service is as sustainable as possible.

W: www.tdscommercial.com

T: +44 (0) 20 8755 1144

E: info@tdscommercial.com

