



CRAIG LETTON

CEO, MRM Global

Industry: Software & Technology

Primary Key Driver: Switzerland Structure

AT A GLANCE



Increased revenue by 100% after working with a Certified Value Builder™



Customers in 34+ countries



Successfully secured first round of funding



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VALUE BUILDER BUSINESS OWNER STORY:

Tech Owner Doubled Revenue After Working with a Certified Value Builder™

BACKGROUND

In 2001, MRM Global launched as a digital printing company in Scotland. Ten years later, its husband and wife owners were looking to retire and pass the business on to someone else. Luckily, their son, Craig Letton, was interested in taking on a new opportunity that would require him to leave the corporate world behind. In 2012, Letton took over as CEO of MRM Global.

BUSINESS CHALLENGES

Letton got off to a difficult start. A few months into his tenure, several of MRM Global's customers left, representing a rapid 30% decrease in revenue. As a newly minted CEO, Letton had to focus his efforts on stabilising the business and generating profit at a much lower revenue level. Two years in, Letton believed the business had few growth prospects and encouraged his parents to sell the company. Unfortunately, that process was unsuccessful.

Upon reflection, Letton noted, ***"We tried to sell, but we failed miserably because the business just wasn't in a state to be sold. We did receive an offer, but I didn't feel that it represented a true reflection of the investment my parents had made in the business or the potential I felt that it had."*** This failure motivated Letton to transform MRM Global into a more valuable and sellable company.

Letton spotted an opportunity to use one of MRM Global's existing products to solve a sales and marketing problem he had experienced in his previous career in fast-moving consumer goods (FMCG). Letton decided to focus all of the company's resources on further developing a software platform, and he invested in specifically targeting the alcoholic drinks market, where the company already had success.

With a strong interest in this software platform from one of the world's largest producers of spirits and beer, Letton felt that this opportunity was significant and had the potential to scale internationally. Letton felt so confident in his ability to execute on this opportunity that he chose to raise bank financing to purchase a majority stake in the business from his parents.

Letton realised that to grow the business, this new platform needed to be scalable. MRM Global's existing solution was not scalable. They were building a unique system for each customer and sinking £20,000 into development each time, which took six months to complete. Letton recognized that scaling the business would require standardizing the new platform so it could be sold repeatedly.

To create a sustainable and valuable company, Letton needed to form a senior leadership team to take on some responsibilities and reduce the company's reliance on him. A reliable leadership team is also a hallmark of a valuable company that attracts investors and acquirers. Letton searched for a business coach who had experience in his industry and had a reputation for building valuable companies.

WORKING WITH A CERTIFIED VALUE BUILDER™

Letton partnered with Alan Smith, an ActionCOACH business coach and Certified Value Builder™ who helps owners accelerate their growth and development. Smith previously worked in sales and marketing roles within the consumer goods industry, making for a natural connection. Smith's areas of expertise include strategic planning, sales and marketing, and implementing systems and processes—all of which Letton was looking to improve. When deciding on a coach, Letton said, ***"I was keen to work with someone who isn't just a personal coach but someone who can help me work strategically to move my business forward."***

The first step when working with a Certified Value Builder™ is getting your Value Builder Score. This is an assessment of how valuable your company currently is based on the 8 Key Drivers of Company Value. More importantly, the Value Builder Score helps identify areas of weakness within the company and provides actionable steps to improve. Letton's first score was a 58 out of a possible 100. Despite uncovering areas of improvement, Smith was confident they would be successful. When discussing the qualities he saw in Letton early on, Smith said, ***"Craig was a highly competent business owner even before we got together. The number one rule of the coach is, performance is in the hands of the performer."***



ALAN SMITH
ActionCOACH UK



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Smith identified the Switzerland Structure as the first key driver that needed to be addressed. The Switzerland Structure is a concept that measures how dependent the business is on a single employee, customer, or supplier. In Letton's case, the company was far too reliant on him as the owner. Reflecting on this, Letton said, ***"I managed every client, and I had all the major relationships. If I were hit by a bus, we'd be toast."***

With a staff of six, Letton was heavily involved in sales, customer relationships, and vendor management. This led Letton and Smith to prioritize forming a management team and delegating specific tasks. They spent the next few months hiring and training new staff to apply the Switzerland Structure successfully. When discussing this, Letton said, ***"This is the biggest piece I've been working on. We now have a senior leadership team, and over time, I've moved away from doing everything to focusing on the specific areas where I can add the most value to the business."***

Interestingly, Letton deployed the Value Builder Score among his management team to understand how they saw the business. This exercise gave Letton a more objective view of how the company operates. When discussing how it opened his eyes, Letton said, ***"I still see my business with rose-tinted glasses, and it is nice to get an outside perspective."***

Smith and Letton also worked on standardizing MRM Global's offering to customers. Letton created a systemized solution to all clients and invested heavily in software development. In doing so, they eliminated the need for the expensive and time-consuming custom systems they previously provided. With a standardized system in place, MRM Global can now onboard clients faster, shorten their sales process, and cut operational costs for each client. In addition, Letton made their software available in multiple currencies and languages, which helped the company to scale internationally. As a result, MRM Global has drastically increased its total addressable market with growth opportunities worldwide.



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RESULTS

Since partnering with a Certified Value Builder™, Letton has successfully implemented a management team that he can trust and can now focus on scaling the business. With a more stable structure in place and significant growth opportunities, Letton focused on securing growth funding. With a strong leadership team, an excellent product, and a track record of growth, Letton successfully raised £2.6M from one of the UK's largest investors, BGF. This investment enabled Letton's parents to sell the majority of their remaining shares. 20 years after the company was founded, they made a substantial return on their initial investment.

Under Letton's leadership, MRM Global has transitioned from a printing company to a marketing technology business currently serving some of the world's largest brands. They now have customers in 34 countries and have experienced tremendous growth. In 2017 MRM Global generated £1 million in revenue. The following year, they generated £1.4 million, and in 2019 MRM Global doubled their revenue to £2.8 million, representing a 100% increase.

Letton and Smith have developed a strong partnership but always make sure they remain focused on their goals. When discussing their working relationship, Letton said, "We work together on solving growth challenges, but we always do so with a long-term view on how we can increase business value." Together, they make sure that each business decision contributes to creating a more valuable company.