

onepoint

Since 2009, OnePoint has doubled from 10 to 20 staff in a tough print market.

When OnePoint was established in 1995, it followed the traditional business model of competing on price rather than value.

"We were doing what everyone else was doing," said CEO Kerim El Gabaili, "buying printing equipment and working with advertising agencies and print managers or brokers to sell print services."

Two years in, Kerim and brothers Jim and Kamahl began transitioning OnePoint - which was originally called Prografica - from a print-only business into one that also offers marketing services.

The transition was successful, but when the GFC hit Kerim enlisted the support of CIIC Business Adviser Mark Stewart to conduct a Business Evaluation.

Since then, OnePoint has doubled to 20 staff, with turnover growing from \$1.3 million in 2009 to \$4 million in 2014.

OnePoint also enjoys higher net profit margins than the industry average with net margins of around 18.5% in 2009, with the goal of achieving net margins of 20% in the next financial year.

Why did you decide to diversify beyond traditional print services?

Kerim: When Prografica launched, we were buying equipment and selling print services to print managers or resellers.

I still remember saying to my brother: 'This doesn't make sense. We take more of the risk, own more of the infrastructure, yet [print resellers] make more money than us.'

In 1997 we decided to stop working with resellers and work directly with the client, which meant cutting off 60% of our business. Within one year, albeit from a small base, our business grew 114%.

What sorts of challenges were involved in this transition?

We needed to build a strategy around selling printing and merchandising services while having a more strategic relationship with clients based around their brand. This meant getting out of procurement, where the only difference is price, and getting into the strategy and branding business.

How did you achieve this?

I enrolled in a marketing and advertising course at TAFE, and we set up a small agency in Petersham, which immediately positioned us very differently in the market and enabled our pricing to increase.

Why did you embark on a Business Evaluation with Mark Stewart in 2009?

The GFC was a bit of a wake up call for us. Our competitors were trying to hold onto their clients with their arms and legs wrapped around them. So we said, 'Let's do a Business Evaluation and get a status quo on where we're at.'

Mark came back to us with a report and I thought, 'He's nailed it.' His recommendations involved improving customer intelligence and refreshing our approach to sales and marketing.











































Case study





Cover image: Branding for Chifley Tower This page: Design, strategy & printing for 363 George

Did things improve as a result?

Sales improved dramatically. But it was a hard slog. So we decided to look at distressed businesses to buy. Over the next three years we purchased three – a print company, a digital agency, and a creative services agency.

We were ahead of our competitors because we had an aggressive strategy that provided exponential growth into new services.

What are the benefits of the Business Evaluation program?

The Business Evaluation is like a mirror – you get to have a good look at yourself in the face and see the wrinkles and think about what you're going to do about them. I'm always learning.

What happens after the Business Evaluation?

Mark has become a confidante. He'll say, 'Be careful. Watch out for this. Make sure you consider that.' He seems to really understand the frustrations, challenges and risks we face.

Last year, I asked Mark to assist me in "reengineering" Prografica from back to front. We went through a process where I said, 'If we want this much profit, how much turnover will we need, how many clients will we need, and what services will provide the best return?' We started with the end goal and worked backwards to refine our financial modelling.

When we rebranded as OnePoint in 2013, he helped me understand how to get everybody on board to sell our business as one that's focused on commercial outcomes for our clients.

What are you focusing on in 2014?

Now that our branding and positioning are right, we are focusing on defining our company culture, selling whole solutions to clients, and winning new clients along the way.

THEN vs NOW

www.1pt.com.au

2009

Company Prografica

Services Printing, advertising & marketing

Staff 10

Turnover \$1.3 million

2014

Company OnePoint

Services Printing, advertising & marketing

Staff 20

Turnover \$4 million

Article by Barbara Messer

ABOUT US

The Creative Industries Innovation Centre supports the business of creative enterprise. It is part of the Australian Government's Entrepreneurs' Infrastructure Programme, and is supported by the University of Technology, Sydney.

The CIIC's website, creativeinnovation.net.au provides creative companies and practitioners with access to business services, resources and features.

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