

The rising tide of Wave



Andy Stanford, md of Wave Air Conditioning talks to ACR Today about the ups and downs of the company's first 18 months in operation.

Wave Air Conditioning is one of the UK's best known distributors, but 18 months ago it was only an idea in Andy Stanford's head and a hope for the 14 people who chose to follow him out of Diffusion.

"It is no secret that those who worked in the air conditioning operation there were not happy," says Andy. "We understood we were a late addition to the group, and it was only natural that the core business of fan coils was looked after first, but we were suffering for the benefit of the rest of the company."

So, Andy and the team decided it was time to move on.

"However, any pleasure I had at their confidence in me was tempered by the realisation that I was starting a company that had to meet the payroll for 15 people, which meant we needed income from day one," he said.

DIFFERENT THIS TIME

Over the past 15 years, Andy has started up three air conditioning distribution operations. On the first two occasions they were part of a larger organisation, and each time, he says, it was the needs of that organisation that came first, to the detriment of the air conditioning business. This time things would be different in two significant ways.

Firstly, it was decided they would raise their own finance, to be in control, with no dependence to a 'head office', that had other priorities.

Secondly, a share option scheme placed the original team in control of their own destinies through partial ownership of the company.

The main early priority was generating income to pay salaries and bills, but there were many other concerns in those early weeks.

"We had done a good deal on the warehouse at Basingstoke, but that was only the start. We also needed functioning offices, so builders, tradesmen, office equipment suppliers, printers and BT all needed chasing up. Luckily we had the services of our redoubtable office manager, Lynda Selby."

The second thing was to complete the portfolio. The company started with franchises from Panasonic and LG. While this was a strong inventory, the team new they needed the extra strength of the third brand they had sold at Diffusion, Fujitsu.

While Fujitsu General wanted to deal with the fledgling company, its relationship with Diffusion made it impossible to supply Wave straight away. However, these problems were resolved within weeks and the Fujitsu brand was added.

Since then, the company has also added Clivet chillers, Eaton Williams close control equipment, Air King and Thermoscreens to its range, and formed a sister company to sell and promote a brand of heat recovery equipment from Canada.

ALL IN A NAME

"During those first few weeks, there was always too much to do to worry," says Andy, "but then we hit our only real bump in the road.

"I remember going in to see when we could move in to our new office. The team were already selling from their homes, our launch press release had been issued, our logo was designed, and the artwork was ready for our catalogue, cards etc. Then I picked up the mail, to find a solicitors letter saying we couldn't use the name we had decided on for the new company – Dolphin.

"We'd done all the right searches and we believed we had a good claim. The problem was that the other side had more money than us and our resources would have been tied up at a time we needed them elsewhere. Also, as a new company, we needed a name we could confidently promote, so we decided against a battle and to go with another name, which we all now believe to be stronger than the original choice.

"Luckily we had incurred no actual printing costs and the logo was easily adaptable to the new name. However, at one point, when we couldn't use Dolphin and we had no new name, we had to operate without one, hence the unique advertorial we ran in an ACR Today wholesale feature, which carried no company name at all."

Since it began 18 months ago, the company has grown to where it has 17 staff, a turnover of £3m, a data base of 450 regular customers, two branches and three sales engineers based in the field.

It has recently also opened a trade counter at Basingstoke, and will soon be providing CITB Safe Handling of Refrigerants courses.

Says Andy Stanford: "It's been quite a ride, but the best thing has been that we still have the same excellent team and we have strong personal and business relationships with all our customers."

