



**Bernie Kinsella, founder,
Worldbox.ie**
Picture: Conor McCabe

Dublin woman backs global 'click-and-ship' business

BY ELAINE O'REGAN

A Dublin woman who is investing €150,000 in a new global delivery service is hoping that her innovative click-and-ship model will find favour with small businesses and consumers alike.

Bernie Kinsella launched Worldbox.ie three weeks ago to offer an affordable worldwide shipping service for small deliveries of up to 20kg.

The company will deliver packing boxes to homes and businesses, along with the relevant customs documents, at an agreed time.

Customers can then fill the box straight away for delivery to any destination in the world, or they can opt instead to have it collected at a later date.

"We supply the box, the relevant forms you may need, the labels and an advice checklist

to make sure that you don't forget anything," said Kinsella. "Your box will be fully tracked and insured and you can follow its progress from collection to delivery on Worldbox.ie. It's the true meaning of click-and-ship."

The idea for Worldbox.ie came from Kinsella's experience running Wheels Couriers, a Dublin-based delivery company that employs 20 people on Belvedere Place. "It came about as a result of a complaint from a customer," she said. "Wheels has large customers in banking, for example, and we do all of their daily courier and logistics work."

"We got a call two years ago from a woman working for one of these customers looking to have a personal gift delivered to Australia. When she got the bill, she discovered that shipping the item cost four times its value."

"This is because the cost of shipping an item doesn't just come down to the weight, but also the height, width and

breadth of the package. You have to calculate the actual volume to work out the cost.

"Trying to get this across to the consumer is next to impossible. People put stuff into whatever box they have, regardless of its size, so we thought there had to be a way to let people know the cost of the shipping before they even decide to send the item."

Customers can choose from three boxes online at Worldbox.ie – 5kg, 10kg and 20kg options. By selecting the country to which they want to send their package from a drop-down menu, they can see how much the service would cost before placing the order.

The cost of shipping a 5kg box to Britain is €30, for example, while sending a 10kg box to the US would cost €60.

"We designed the box in such a way that they could hold as much as possible, but you are informed of the price before you ship," said Kinsella.

"It was a hard thing to do because we had to try to keep

the rates competitive to deliver any one of the boxes to anywhere in the world. That was our biggest challenge, but we managed to keep them reasonable.

"The 20kg box is a big box, you can fit a lot in it, but the dead weight can't go over that or the price goes up and you're in trouble with the airline."

"We have the driver weigh the boxes when they go out to collect them so they can say at the doorstep 'look, you're slightly over, what do you want to do?' People will usually just take something out, because it's at the last minute that they end up throwing in everything anyway."

The Worldbox.ie service will be offered in Dublin city initially and will be rolled out to other cities early next year. Kinsella sees three potential markets for the venture, including consumers who want to ship packages to relatives who are based overseas.

"We also know there's a gap in the market for tourists. There's research that

shows that tourists spend an average of €150 in Dublin city, but would spend more if they could ship home easily, so we're going to try to get the boxes into hotels."

Worldbox.ie will also target big companies, who employ people from overseas and are keen to attract staff with practical perks.

"The likes of Microsoft and Google will do anything to help their staff," said Kinsella. "We're in the middle of showing companies the product and we're getting a good response."

Learning to sell a new product to an unfamiliar market is a steep learning curve.

"It's a whole new skill-set. We're used to B2B [business-to-business], to sitting in front of people, looking at the whites of their eyes, knowing what they want and putting a proposal together for them."

"This is the first time we've had to learn to get people to come to our website and how to inform them about it before they need to ship."

Talking point

Budget has to help firms with finance options

BY DERMOT BYRNE

Budget 2015 must address the current shortage in the finance options available to businesses by fast-tracking plans to establish the Strategic Banking Corporation of Ireland. It is intended that the SBCI will offer facilities to small and medium-sized companies.

Invest in SBCI

It will be financed primarily by a German bank, but a new tax incentive should also be introduced to encourage bank deposit holders in Ireland to take their funds out of deposit accounts and invest in SBCI.

State investment

A state-guaranteed investment would help to create a 'third force' in Irish banking to complement AIB and Bank of Ireland.

Start Your Own Business scheme

A Start Your Own Business scheme was introduced last year, offering personal tax relief on profits of up to €40,000 per annum for the first two years.

The terms require eligible applicants to have been on the dole for 12 months. This should be shortened to just one month, as a person drawing the dole for 12 months is unlikely to be an entrepreneur.

Nama legislation

In the area of housing, Nama legislation should be amended to allow builders to construct houses on Nama land, and sell them on to first-home buyers. An agreed portion of the proceeds could be paid to Nama in advance for the site.

Nama remit

Nama's remit should also be extended to allow it to acquire some of the 26,000 sites with planning in the Dublin area, and to conduct the same exercise with builders for its own land.

First time buyer tax relief

I would like to see restoration of the tax relief for



Dermot Byrne, 9% VAT rate could be extended to construction operations

first-time buyers mortgage interest. As things stand, a young couple buying a house to let to a third party with a mortgage facility, get 75 per cent interest deductible against rent. If they decide to stop letting and use the house as their private residence, however, the mortgage interest relief for tax purposes is cancelled.

Free GP care to children

In terms of personal credits and rate bands, the proposal to give free GP care to children aged under six should be scrapped as unworkable and unnecessary. The funds saved could be used to offer a new tax credit for fees paid to registered crèches for children aged under six.

20% rate band to widen

The government has flagged its intention to widen the 20 per cent rate band so that people do not start paying tax at 41 per cent from €32,801 upwards. This is welcome and it is hoped that the changes are not merely cosmetic, but have real substance.

Impact on underprivileged

In the last six years of austerity, there have been many cutbacks that have had a negative impact on the weak and underprivileged.

Reverse cuts

If, as we are being told, the economy is now beginning to grow again, the Exchequer yield could be used to reverse cuts imposed on special needs assistant teachers, carers, and home care packages.

Capital gains tax rate

If the rate of Capital Gains Tax was reduced from 33 per cent to 25 per cent, benefits would follow. Fewer people are likely to sell assets at the current CGT rate, especially given that there has been no relief since 2003. Years ago, the rate of CGT was 40 per cent and when it was reduced, the Exchequer yield doubled in a short time.

Capital gains tax holiday

The seven-year Capital Gains Tax holiday should not be extended. The property market appears to have stabilised, with foreign funds acquiring trophy Irish assets at knockdown prices. We have an open economy and their investment here is a vote of confidence in our recovery.

Dermot Byrne is a tax consultant with Dermot Byrne & Associates

LowDown Top Tips for SMEs

This Week : Raising money

BY LAR BURKE

There is still a lot of subjectivity in the decision to lend or invest in business. Give your business plan to different lenders, and you'll get different responses. Give it to investors, and you'll get another set of responses again.

There will be some consistent messages, but you won't get exactly the same response every time. That's subjectivity at work and it is one of the reasons that you need to talk to more than one investor or lender.

One might say no, the next might say yes. You will never know unless you ask them. There are four elements that all providers of finance look at.

You have to be able to deal with these if you are going to convince them to finance your business.

Let's start with investors. They buy a stake in your business and in making this decision, they will assess:

- The people behind the proposal.
- The business idea or proposal (depending on what stage the business is at).
- The financial requirement – how much, for what purpose.
- The return offered – the ownership stake available and the future value they expect to achieve.
- Agencies like Enterprise Ireland and the local enterprise offices look at the same four elements, but how



Lar Burke, make sure to talk to more than one investor or lender

they define return is different. An important factor for them is the expected contribution to the economy. That is why agencies look for lots of additional detail about employees in Ireland, employees overseas, sales in Ireland, sales overseas and similar.

- Lenders look at:
- The people behind the proposal.
 - The business or proposal (depending on what stage the business is at).
 - The financial requirement – how much, for what purpose?
 - The security that is available to offset the risk – how they will get paid back if the business doesn't work out.

So, there are three core elements that everyone looks at:

- Who are the people and what is their capability?
- What is the business activity? Is it of interest? Has it growth potential?
- The financing and money needed – how much, from who, for what?

There is a fourth element – the expected return or security – depending on whether you are dealing with investors or lenders.

If you want to successfully raise money for your business then you need to be able to deal with each of these elements.

On the people side, you need to show that you, and your team, have the skills, competencies, knowledge and expertise needed. Ideally, you'll have a proven background – if you don't you will need to be able to show achievements and leadership qualities in other activities.

On the business side, a common mistake is to assume that people know more than they do. Take your time and don't rush through this. Explain what you are doing in simple language.

Make sure people are clear about the product, the service, the level of demand expected and whether you are solving a particular issue for customers.

Encourage questions – they are an opportunity for you to explain. On the financial side, show you understand the key financial detail and that you can deal with questions that are raised.

- Typical questions you can expect:
- How much is the company looking to raise?
 - How much are you looking for me to provide?
 - Where is the rest of the money coming from?



Take investors through how you've valued the business, what ownership stake you are offering and how much they should expect to get when they exit. Be ready to debate, discuss and have to justify and stand over your claims and be ready to negotiate

- What is the money to be used for?
- What evidence is there that other money is approved and available?
- What pre-conditions/terms and conditions are attached?
- Remember the financial details you put forward are likely to become milestones for you to achieve. Your projections need to be attractive enough to generate interest but achievable – it is a difficult balancing act.
- The fourth element – who are you dealing with?

Take investors through how you've valued the business, what ownership stake you are offering and how much they should expect to get when they exit. Be ready to debate, discuss and have to justify and stand over your claims and be ready to negotiate.

If dealing with agencies, put time and effort into your estimates for jobs created in Ireland and supplies and services bought from Ireland. These figures are important and could be the difference between you qualifying for support or not.

Show lenders that your business is low risk. The key thing they want to know is that they will get their money back even if the business can't repay. In other words, there is another asset or some other repayment option available for them. It helps if you are clear what you need the money for because lenders have different products for different purposes.

You will be successful if you look at it from the point of view of the people you are approaching. If you do this, you'll stand out from the crowd.

Lar Burke is the owner of Company-Matters.ie

Movers & Shakers

Brought to you by Michael Page
Worldwide leaders in specialist recruitment

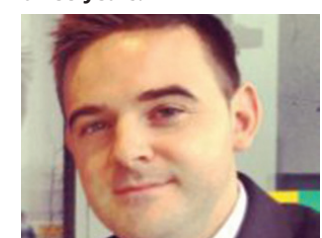
Michael Page



Oliver Daniels is the new chief executive of the Insight Centre for Data Analytics. Daniels is joining from Avaya, where he was R&D leader for Contact Center Applications for five years and R&D leader in multimedia applications for three years.



Julian McMenamin is Radware's new country manager for Ireland and Scotland. McMenamin has been F5 Networks' sales manager for Ireland for the past five years. Before that, he was sales manager for Juniper Networks in Ireland for three years.



Radisson Blu Hotels has appointed a new director of sales for institutes and associations. Mark Moynihan has been director of sales for the Park Inn Cork Airport and the Park Inn Shannon Airport.



Savills Ireland has appointed Darragh Cronin to the newly created role of head of Shopping Centre Leasing. Cronin has been Savills' vice-president of international tenant representation since 2012.

Looking for the top talent? Ready for your next opportunity? With 156 offices across 34 countries we have an unrivalled network of talented professionals and world-class job opportunities. Get in touch with our Dublin office now to find out how we can help you. Tel: +(353) 01 653 9800 www.michaelpage.ie