

Marches Special Woods

Case study information

SCENARIO

Two small businesses in Herefordshire have decided to embark on a new enterprise. Marches Special Woods (MSW) have been supplying hardwoods to Marches Joinery (MJ) for a decade. Both companies supply to local builders and do not trade online. MSW can supply a variety of hard woods, both locally grown and imported. MJ have sophisticated CNC routers and laser cutters. Their joint company, Marches WoodShell (MWS), is being formed to manufacture and sell wooden cases for mobile phones direct to customers.

This will be an internet only business. Whereas both companies have been privately owned by families and run in a traditional manner, the new, also privately owned, MWS is in the hands of two of the new generation of the families, recent graduates, technically knowledgeable and enthusiastic about creating a vibrant product range. Their aim is to provide cool designs with customizable features for any current smartphone from Apple, Samsung, Sony, LG, HTC, Motorola and Nexus. Their unique selling point will be full customization with next day delivery.

Initial capital for the company is being provided equally by MSW and MJ. A separate production line has been established at MJ's factory. The owners also want to encourage active customer participation in allowing them to create designs and patterns for the cases and share them in a gallery. Other customers can order those designs and a credit would be applied to the original designer's account for future purchases.

LOCATION

Marches Joinery is based at a farm in a rural location at postcode HR1 4QL. The established business is located in a converted barn (offices) and converted cattle shed (stores and production). There are 2 telephone lines into the office. MSW offices are in the top floor of a converted machinery shed. Their CNC equipment is on the ground floor.

STAFF

6 employees in total:

- 2 owners
- 2 operators
- 1 admin/finance
- 1 web/IT technician

COMMUNICATIONS

MSW use mobile phones. Coverage is 2G indoors with patchy 3G if they hang out of the window.

There isn't a land line into their office.

They are in WiFi range of the MJ offices and they have to share the bandwidth.

CURRENT DEVICES

The CNC machines have network connections which are currently unused. Files are transferred using memory cards.

Each owner has a laptop and a 4G smart phone.