

Client Profile **Annex Products**



Founders & Directors

Rob Ward, Chris Peters

Location

39-41 Mount Street, Prahran, VIC

Type of Business

Original Equipment Manufacturer (OEM): design, manufacture & distribute mobile phone cases

Years in Business 4

No. of Employees 4

Tell the story of your business

We started up a company doing websites initially, which led to importing laser cutting equipment and 3D printers and reselling the products. We talked about the future and we liked the idea of a scalable model i.e. product based versus a service based business. We wanted to own the brand and have control over the manufacturing line from end to end.

We had the idea of a bottle opener incorporated into a mobile phone case. Kickstarter crowd funding validated our idea and allowed us to launch our first designed and manufactured product 'Opena'. We thought it was a quirky idea, based on customer needs and it was simple to produce.

When you want a beer you need a bottle opener. We always found ourselves looking for a bottle opener,

so we designed a phone case with one in-built so you have one handy regardless of where you are. After all you always have your phone with you! We jumped in the deep end and grew.

So 'Opena' was our first product launch in 2011, then we got into the Quad Lock campaign in 2012. Quad Lock is the world's lightest and strongest mounting system on the market. Its dual stage locking systems make it the most secure solution for mounting your smart phone to your bicycle, car or even your arm.

Now we have almost 30 products in the Quad Lock range. We manufacture in China and Germany and have third party export logistics warehouses in the UK, US and Australia. We ship to 120 countries from these three locations. We always had a global vision that was the name of the game since day one.

What do you love about your business?

We love the way we've done the business, versus the market. The reason we started our own business is to get back our freedom and flexibility in what we want to do. Working for someone else you don't have a lot of say in what you do and how you do it. We like that we don't need permission to be successful. There is no boss or approval needed, no degree or other credentials required. We only need our customer's approval; that determines our success. There are no gatekeepers.

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We grew a lot faster than we expected, and while the responsibility is also greater than we expected, we have the power to make the required changes. We don't sweat the small stuff.



How did you come to be working with Prime (Formally MPR)?

As we started to grow we realised we needed an accounting/professional services team to work with. We had an Accountant, but we wanted to work with a team that would allow us to grow and support us on our journey as we scaled up.

We wanted to work with people who understood growth paths and could advise us accordingly. We were referred via a friend, one of our Wakeboarding mates from years back. We trusted his opinion and it paid off.

What challenges were you trying to solve? What were you looking to address?

Prime discussed our needs with us and straight away put us onto Xero, in the cloud. Given the volume of our turnover this was great for us and saved us a lot of hassle and a lot of money down the track. We now use this system on an hourly basis, so it is critical to our business. We're glad it was set up properly for us in the early days, saving us lots of headaches.

When we started selling more in the UK and the VAT rules changed we needed to adjust accordingly. Prime made sure we were set up and properly VAT registered. They keep our books up to date and squeaky clean, so we can spend our time where we really want to, focusing on growing the business.

How have Prime Accounting & Business Advisory helped your business to date?

Prime made us aware of the Export Market Development Grant (EMDG) and helped us with our initial application, taking most of the paperwork off our hands. Our application was successful and this has saved us on average \$150,000 per year.

Prime do all of the usual tax and compliance work for us. Given we service a global market we pay VAT in the UK and GST in Australia. They work out ways to forecast and

calculate our VAT and GST payments so that we are clear about what we need to pay, to who and by when so we meet these obligations. The Prime team help us with our tax deferrals and managing cash flow. This makes it easy for us and allows us to focus on what we do best – design, manufacture and distribute smart phone mounting systems.

What's great about Prime Accounting & Business Advisory? What do you like about them?

We can always pick up the phone when we need to speak to them and someone is there. They are business people so they understand us and our business. They make themselves available, even when they are overseas. They go above and beyond what we expect. It's a pretty special relationship.

We know who does what for us on the team and we have open channels of communication with them all including the Partners. They bring in the right people and suggest when we need other professional services i.e. lawyers etc. Prime know what we need and when we need it. They have a good feel for SMEs and what their needs are. We feel like they are part of our team. They have become our advisors as well as our Accountants.