



Securing expansion through flexible funding

About IPM Group

Established in 2006 by founder and CEO Rick Bailey, IPM Group is a multi-service facilities management organisation, combining knowledge and expertise from a range of sectors, including security, fire protection, IT/telecoms, secure courier and commercial cleaning services. Headquartered in Sheffield, the business operates both nationally and internationally and its clients include councils, the NHS, high street retailers, construction services, catering, hospitality and leisure industries and social housing schemes.



The challenge

IPM Group has come a long way since its founder, Rick Bailey, started the business in his final year at university, at which time he was also working at a local security company to supplement his income. This experience sowed the seeds for founding his own business in the security industry and Rick soon identified opportunities to introduce higher levels of personal service and smarter technology to the sector.

The rest is history, as Rick Bailey explains: “We have a distinct opportunity to reap the rewards for the hard work we have put into the development of our patent-pending technology. We are continuing to invest heavily in our operational infrastructure, the

expansion of our senior team and new warehousing facilities. While some may feel it is counter-intuitive to increase our spending at a time when others are focusing on cost reduction, we see this as a way of gaining competitive advantage. The quote from James Caan, “Observe the masses and do the opposite”, definitely resonates with our way of thinking.”

This progressive strategy has proved highly effective in terms of new business generation, resulting in a pressing requirement for additional working capital to keep up with rising market demand domestically, as well as taking on large contracts from overseas.

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Rick Bailey, Founder and CEO

Investec's solution

Investec Capital Solutions met with the CEO to discuss his plans and ambitions for the business. The team at Investec responded by tailoring a flexible £600,000 working capital funding package to keep pace with the company's sales. The resulting facility has provided IPM Group with the opportunity to reach the next level of growth by building more intelIPods, fulfilling larger customer contracts and fuelling investment in innovations, such as their range of natural cleaning products for which the company will have global rights.

Rick Bailey continued: "We are delighted to have selected Investec Capital Solutions as our finance partner and working with their team has been a very positive experience. The process was smooth and straightforward and communication and follow-up have been excellent. It's vital to know that what you have agreed is what gets delivered. Although that is rare in business, it is certainly our experience of working with the Investec team. We had an open dialogue and they demonstrated a real commercial appetite and flexibility throughout."

Outcome

"These are very exciting times for IPM Group. The facility structured by Investec Capital Solutions has given us greater freedom to scale the business, in addition to having substantial buying power at our disposal. Importantly, with the new funding line in place, we can forward plan 18 months ahead, knowing that the working capital will be there to help us drive the business forward without feeling restricted in any way," he added.

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