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Crannagh
& Co.
Michelle
& Carol
Lynch

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WORDS: LIV MORGAN



Women who Launch

*In every edition of WMB, we are committed to assisting **women entrepreneurs** who have recently launched into the business world.*

» They achieved 7.5% profit after tax in their first year of business, they've acquired 20 of the Fortune 500 companies on their books and they were the winners of the County & City Enterprise Boards National Enterprise Award 2007. Carol and Michelle Lynch are, to put it mildly, women who mean business.

Crannagh & Co. is a boutique firm, providing a business advisory service to international trade companies who are either importing or exporting into Europe or from Europe or Ireland into new markets. "We look at what the customs duty implications are, what's the indirect barriers to trade, what's the trade regulation aspect, how do you get your goods in and out at the least possible cost, all while ensuring compliance with the Revenue and EU regulation," says Carol. Just finishing their second financial year the girls have bigger and bolder expectations. "We set very ambitious targets for ourselves in year one and not only did we achieve those but we achieved profits. So now for year two as we're looking at it we're doubling our turnover," says Michelle with every hint of excitement.

The sisters-in-law success is evident, they are now being recognised as the industry experts and have had to grow as educators. "We've been called on by large groups like IBEC and Chambers Ireland to do presentations and workshops. The IDA have also asked us to provide workshops for their clients. We're doing more educating than we expected but invariably that means those clients do turn to us." Carol agrees with Michelle on the benefits of this, "a

referral from a client to a client is worth much more than two or three actual cold calls or meetings with a client who know's nothing about you."

Being in the International Trade Business, the competition within the industry is for huge clients and its absolutely rife to stay ahead. The Head of the local County Enterprise Board (Cavan), Vincent Reynolds who is familiar with Crannagh & Co, pointed out recently that they had the 'crème de la crème' of International clients on their books. "Our business philosophy is to focus on our clients. We build our client base and they stay with us forever because of the service they get.

"Even if the client isn't active we keep them up to date as a matter of service provision. The legislation is continuously in a state of flux, because there is always new pieces of legislation emanating and new regulations coming out. But when clients are on retainer with us, when we update them we don't charge for that. If you're a client of ours, we'll look after you. It's relationship building with the client," Michelle promises.

The knock on effect of having a good, strong professional yet personal relationship with clients is the backbone behind Crannagh & Co's success says Carol. "Our accountants are always surprised that we just don't have debt. Once it goes into two months we're on the phone and literally nothing ever goes beyond three months. We have a funny policy of chasing debts. Before Christmas Michelle got on the phone and said 'Now, now Christmas is coming and we won't have any Santa

if we don't have some money in the bank. Hand over the money Scrooge!"

Both Michelle and Carol have impressive business backgrounds. Between them they have 20 years experience in the International Trade field. Michelle is a barrister and a former Senior Vice-President of the World Trade Centre, whilst Carol is the former Vice-Chairman of KPMG's European Trade & Customs Practice and former Head of KPMG Ireland Trade and Customs Practice. Having given up salaries higher than what they let themselves take from their business now, why take the risk of failure when setting up Crannagh & Co.? "Failure wasn't an option" laughs Carol! "It was a challenge. You always want to develop and grow as a person so when you get to grips with one area you want to challenge yourself and set new horizons and bars up there. So both of us would be reasonably competitive and we are very focused on training and development. You always have to just push yourself that bit further out of your comfort zone. So we had a lot of experience, we both had seen different aspects of the business, we knew there was an opportunity for a niche consultancy firm. It seemed like a good, exciting challenge and we just wanted to see how it worked."

The girls admit they didn't completely throw caution to the wind. "Before we even had a desk and a chair we had clients. Carol would have come with a lot of loyal clients and a strong reputation". In the US the International Trade Service business had progressed from being just an add-on to a firm to becoming a unique niche type of operation in its own right. So having spotted the effectiveness of the business idea they duplicated it here but added a hell of a lot of personality to it. Carol and Michelle are so bubbly and full of life and this comes across in the way they work. "We have a policy in the

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3 WISHES IF YOU HAD A BLANK CHEQUE?

1 We'd like our own helicopter! We have to import so many private jets and helicopters and we have none. So we're thinking about painting the 'H' outside the door because we've been trying to hitch a lift with Sean Quinn for quite some time and he's just not coming up trumps for us! So we reckon paint the 'H' and it will come.

2 Because we put our money back into the business all the time, we'd like to do **something frivolous** and go pamper ourselves.



YOUR TRAITS

CAROL ON MICHELLE:

Michelle would be a little more forthright and that would be from her background in Dallas. She's more American in terms of how she deals with issues. 'You can take the woman out of Dallas but you can't take the shoulder pads off the woman'.

3 There's an awful lot of people under stress and pressure in the country and groups like **Aware** and **Childline** do such a great job and they're totally under funded. We have a nice lifestyle and we're happy so we don't really need money. I'd like to support groups, particularly for **young people** who have nothing sometimes to do. It's all very well to criticise young people for drinking too much but look around what resources are out there? If you don't put money in to setting up things for people to do what do you expect them to do.



YOUR TRAITS

MICHELLE ON CAROL:

Carol would be the more academic, competitive, business-focused, very much focused on the client person, she loves her work so much that she probably would work for some clients for nothing but I step in and say 'ah-ah! I'll deal with the finances.'

office for ourselves and our staff which is that you can have a 24-hour grumpy period but then you have to get over it and whatever you need to say within those 24-hours you're entitled to say it so long as it closes on the 24th hour. We're very clear about not having any hidden resentment, no ongoing issues — get it out, get it clear and move on."

Together with a third director who joined last year, Eamon Flood, they cover all areas of the industry with a clear distinction between each of their roles. Carol and Michelle hold the fort in their head office in Belturbet, Cavan while their third director stays in their rented Dublin office. In business reality, they thought it essential to have an office in the capital city for availability of meeting rooms for their Dublin clients but Michelle says the little town of Belturbet works as well as anywhere else. "We're about three miles from Sean Quinn and if it's good enough for him then it's good enough for us! We're in the middle of the country here so all our clients in Ireland are no more than two hours away. We can get to the midlands, we can get to the West, we can get to the North so we're very accessible. Then when our American clients come in, we always give them a choice whether they want to meet us in Dublin or in Cavan and without question they always say Cavan because they invariably come in on a Thursday and then they have the weekend to look around the place. A city is a city where as they get to see more of the countryside and generally don't want to leave."

The International Trade business is fraught with difficulty and complexity but the girls say they have no sad stories to tell; as knowing all the legal ins and outs is their business they have a very terse line when running the company. "We have three legal brains in the company alone. But as professionals we don't take on every client. We actually professionally believe that you cannot take on just about everybody so we have a client acceptance policy and then when we meet a new client, we review them, we chat with them and there has to be full disclosure from that client. They must be totally honest and then



Some of the Crannagh & Co. team

we have an engagement letter and a confidentiality agreement so we set those up with them, put them in place and then when we work through any documentation in the office and we're researching and preparing any advice for our client we have what's called the 'four eye review' so there's always two senior people reviewing any advice going out. It's the nature of the business to absolutely make sure that that is iron clad."

To ensure complete security of files and prevent anything that could cause damage to the company in or out they have an IT person on retainer. Setting up the IT infrastructure was their biggest challenge. "Because we deal on the phone, internet, email and



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“We’re certainly on 70-80 hours a week. When you’re global you can’t take time off,”

we deal with a lot of global companies in different timezones, a lot of our work is done via email. When we were getting the computers networked and getting broadband setup we were pulling our hair out but we focused in on it, got in an IT expert and said do whatever needs to be done.”

Unlike most start-ups funding wasn't really a problem. The Cavan County Enterprise Board helped in putting Crannagh's business plan together, with cashflow projections and various training initiatives. Then Bank of Ireland were equally as enthusiastic about helping out. "They could not have been more supportive in terms of backing the business, supporting and helping us get up and running," Carol gushes, "We put a lot of our own money

into the business but they would have given us a temporary loan while we were sorting out our own finance.”

With 50-55 clients on their books at any one stage, in addition to working with the US timezone it's hard to imagine there being an end to their working day. "We're certainly on 70-80 hours a week. We were back in here the day after Christmas but we did stagger that with staff members. When you're global you can't take time off," Carol affirms. Competition from the American market is also to be watched but as the girls quote in Euros they say the Dollar is not really impacting on them to great extent. "It means obviously we are less competitive but we're certainly more competitive because we have lower overheads here, our prices are very

YOUR MENTOR

CAROL:

When I was being interviewed for **KPMG**, in the second interview I found out I was pregnant which was rather a shock but when I went into **my boss John Roche, a Senior Partner in KPMG** who was interviewing me and told him that I might not be the right person for the job since there was such a huge amount of work needed, he always really impressed me because he said 'so you're pregnant, you're not sick.' He continued to support me throughout, gave me an awful lot of sensible and down to earth advice on how to interact with people and how to manage a business.

MICHELLE:

Guy Tozzoli, he was the **President of the World Trade Center's Association** and he actually was the man in 1962 who conceived of and built, oversaw, rented and developed the whole twin towers trade centre in New York so when I worked with him I was Vice-President and he was a rather gutsy, Italian man but by god I learned an inordinate amount from him. I remember him saying 'you've got to do what you have to do in order to do what you want to do'. He had no time for you hanging around the office until midnight. He used to say 'don't tell me how hard you work, just show me the results.' He was nominated for a nobel peace prize.

competitive and because we have such special knowledge we're a service that have to be bought.”

Now the girls say that 'consolidation' is their way forward. After growing much faster than they ever expected they would, they're ready to sit down and focus on pulling everything together now in terms of training, developing everyone's expertise and focusing on building their client base with a good reputation. With the demand and the determination there, Crannagh's foundation is firmly set for success.