

Audio transcript – ‘Wish someone told me’ with Nat Locke – Episode 3: Mister Nosh

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Nat Locke: Welcome to the latest instalment of *Wish someone told me*, where each episode I'm sitting down with small business owners to hear about their experiences when it comes to running a business. Now, what if you start a small business, but something better comes up that works even better for you? Do you stick it out with the one you started? Or do you evolve with the flow? If you ask Lea Kurandy from Mister Nosh, she'll be pretty straightforward about it. Just go with it. Up next with Lea, we'll talk about when business plans aren't plans, how to keep cash flow under control, and, of course, how to roll on when your business decides to change.

Male voice: You're listening to *Wish someone told me* with Nat Locke.

Nat Locke: Running a small business can be a lot of hard work, so Bankwest has pulled together some tools to help you succeed. To download templates for your business plan, marketing plan and cash flow forecasting, and use online calculators to suss out your cash flow and loan repayments, just jump online to bankwest.com.au/connect.

Male voice: This is *Wish someone told me* with Nat Locke.

Nat Locke: Lea Kurandy from Mister Nosh, welcome.

Lea Kurandy: Welcome, thank you.

Nat Locke: Now, Lea, I first met you because you were running an awesome café in Fremantle.

Lea Kurandy: Correct, yes.

Nat Locke: Now, devastatingly, you no longer do... Devastating for me, but not so much for you. So let's talk about way back in the beginning. The café business is a tough one. Why did you decide opening a café was going to be the way to go for you?

Lea Kurandy: Oh, well, I didn't actually.

Nat Locke: Oh, okay.

Lea Kurandy: It was an opportunity that came up, and my Mum's always been in the cooking industry.

Nat Locke: Yeah.

Lea Kurandy: So it was something that I knew she was good at. Not so much myself. I had no experience whatsoever in hospitality. But, yeah, just jumped into an opportunity that came to us.

Nat Locke: Yeah. So did you have any business background before that?

Lea Kurandy: Yeah. So before that I actually worked in the fitness industry for about seven years managing a sales team.

Nat Locke: Yeah, right.

Lea Kurandy: So I definitely had experience I guess in running sales people and face to face type of environment, which I thought hospitality was a lot like as well.

Nat Locke: Yeah, because it's like personal service, isn't it?

Lea Kurandy: Yeah, but not the cooking side of it, no.

Nat Locke: Yeah. Wow, okay. So there's a lot to running a café, isn't there?

Lea Kurandy: Heaps.

- Nat Locke: Because obviously you've got to try and anticipate how many people are going to walk through the door.
- Lea Kurandy: That's right.
- Nat Locke: So you've got to have the supplies there, you've got to be able to run it, prepare food in a way that keeps everybody happy, so quickly, and so that they can get what they want. And your Mum is a great cook. So I know she did a great job. But you've also got to manage staff. There's a lot to it, isn't it? You've got to meet health regulations.
- Lea Kurandy: Regulations, yep, yep, so...
- Nat Locke: Did you find any of that challenging?
- Lea Kurandy: Look, the hardest part is the staff. Definitely in that industry you have a lot of uni students. More young, I guess Y Gen-type people. So that was the hardest part. Yeah, definitely the trials and tribulations that come with those...
- Nat Locke: So high turnover, I imagine, and everybody wants exam time off?
- Lea Kurandy: That's right. Yeah. No one wants to work weekends, this that, everything else.
- Nat Locke: Of course the weekends are the busiest for you...
- Lea Kurandy: That's correct.
- Nat Locke: ...because that's the brunch trade, isn't it?
- Lea Kurandy: Yeah.
- Nat Locke: Yeah. Gosh, that must've been difficult. How did you get staff that would stay with you or be more loyal to you?
- Lea Kurandy: Yeah, that's a tough question. People want to work for you because of who you are and what you want to achieve.
- Nat Locke: Yeah, if there's a personal loyalty to you, yeah.

Lea Kurandy: Yeah, so I guess the good thing about Mum and I was we were passionate about what we were doing. We were passionate about what we were cooking and so on and so forth. We tried to create a family environment with our café. So the staff that we did have for a long time definitely were the right type of people that were similar to us.

Nat Locke: Yes, they slotted in so it becomes personality driven, almost. Yeah. Yeah.

Lea Kurandy: Yeah.

Nat Locke: Okay, so you don't have the café anymore, but that's...

Lea Kurandy: No.

Nat Locke: ...but that's not because there was a problem with the café. You just decided to take the business in a completely, not completely different, but a new evolution. Talk to us about that process.

Lea Kurandy: Yeah. So the café, we were there for six years in total. The first four years were probably our best and we found it to be a pretty successful business. But I guess the last two years were the toughest time there. As you would know there was a few cafés in the area that came and gone and places started to close down. So we knew our product was good, we enjoyed cooking. So it was like, well, what can we do that we still do that, but get out to more people? Because more people weren't coming to us. So my Mum actually when I was young used to do something similar for supermarkets. She used to do a little bit of baking and cooking to local supermarkets back in the day when there wasn't any nutritional labels and things. It was so easy, you could just go into your local place...

Nat Locke: And say, "Do you want to sell this for me?"

Lea Kurandy: Yeah, and they would. So my Mum and I, yeah, over a few months we were talking more and more about it and decided to launch a wholesale brand into local supermarkets.

Nat Locke: Yeah. So this is food to go. So ready prepared...

Lea Kurandy: Yeah.

Nat Locke: ...healthy, good nutrition, because health and fitness is really important to you.

Lea Kurandy: Yeah, yeah.

Nat Locke: So nutritionally sound meals that you provide to retail outlets where people can come and buy them, then heat them up for dinner or for lunch.

Lea Kurandy: Yeah, that's right.

Nat Locke: So how did you find outlets? Was it a lot of door knocking?

Lea Kurandy: Yeah.

Nat Locke: "Will you stock my food?"

Lea Kurandy: The first thing I did was I went into Peaches and actually asked, "What do you require? I want to start a brand. I wanna be one of these brands here on the shelves. What do you need from me?" So the guys there are so nice. Yeah, Rob, Nadia and Nat and all of them basically just gave me all the information that I needed. And then I took that away and came up with the branding and the labelling and everything. So that was my first place that I got into and then from there, yeah, it was just basically going around.

Nat Locke: Did you find it easier the more retailers you had, the easier it became?

Lea Kurandy: Yes.

Nat Locke: Because you can say, "We're already stocked here, here, here and here. Do you want to be one of our stockists too?"

Lea Kurandy: Yeah, and the confidence as well. I think it was tough only being in the one or two places. You don't feel confident going into other

places. Some will ask, "Oh, well, where are these?" And, "Oh, just here."

Nat Locke: Yeah, yeah.

Lea Kurandy: But, yeah, as time's gone on, I feel more confident, and people are seeing it a bit more. Yeah. So it became easier.

Nat Locke: And for a while you did both, didn't you? You were just using the food to go as a way of supplementing the café because you had the kitchen space anyway?

Lea Kurandy: That's correct. Yes, that's right.

Nat Locke: And then, so you had to make that decision to transition from a café to the wholesale business.

Lea Kurandy: Yeah, yeah.

Nat Locke: What was that process like?

Lea Kurandy: It was hard work. So once the shop was done for the day, we'd say back there...

Nat Locke: And cook.

Lea Kurandy: ...and do the second work, the second job basically, yeah, that needed to be done.

Nat Locke: Yeah. And did you do any business modelling or did you decide, from a financial point of view, the café isn't performing and this is? Were you confident that going forward into the wholesale business, you'd be okay?

Lea Kurandy: Yes. Very much so.

Nat Locke: That's good, isn't it?

Lea Kurandy: Yeah.

Nat Locke: So it became a solid business decision more than anything.

Lea Kurandy: Yeah, that's right.

Nat Locke: Yeah. Okay. So then I guess you've got to find commercial kitchen space?

Lea Kurandy: Yes.

Nat Locke: How did you go about doing that?

Lea Kurandy: That took a little while, looking around. It was very tough to find something that was already set up, ready to go. The places that were, were quite expensive. So knowing what I knew, having the café and trying to keep the expenses down, I had an idea of how much rent I wanted to pay this time. So, yeah, we ended up finding a space that was completely gutted, and we've started from scratch.

Nat Locke: Oh, So you fitted it out yourselves?

Lea Kurandy: Yeah, so we fitted it out ourselves, and we found that was the best option because moving forward...

Nat Locke: To get exactly you wanted.

Lea Kurandy: ...the rent's a lot cheaper, and things like that.

Nat Locke: Yeah, sure. So there was still a cost associated with it, but it's upfront rather than ongoing?

Lea Kurandy: That's right.

Nat Locke: Yeah. Okay. So you're now doing that fully. So the café's just a distant memory for all of us who loved the Moroccan eggs there?

Lea Kurandy: With a side of bacon.

Nat Locke: Yeah. So how is it? How are you finding it now compared to running the café?

Lea Kurandy: At first it was a little silent.

Nat Locke: Because it's just you and your Mumm, right?

Lea Kurandy: Because it's just my Mum and I now.

Nat Locke: No customers annoying you?

Lea Kurandy: No customers.

Nat Locke: No people bring their dogs around to get sausages off your Mum?

Lea Kurandy: Yeah. But the better aspect of it is we can work in our own time. We don't have to be there at that set time. As we grow we will get staff eventually, but right now it is a lot easier because we're just managing ourselves and not anyone else.

Nat Locke: Yeah. And are you and your Mum even partners in the business?

Lea Kurandy: Yes, we are.

Nat Locke: Do you agree on all of the decisions?

Lea Kurandy: She classes herself as a worker, so she lets me make majority of the decisions, which is good. But, yeah, my Mum's more the creative side, I guess. I'm a little bit more the sales side and the business side of it.

Nat Locke: Yes.

Lea Kurandy: So we do work well together.

Nat Locke: Yeah.

Lea Kurandy: Yeah.

Nat Locke: Well, that is good. It's important to have that sort of relationship, where you've each got your strengths, and if she has decided that you're going to make the bulk of the decisions, you get to make the most of the decisions. And does she ever go, "Oh, what did you do that for?" Or she's pretty happy with everything so far?

Lea Kurandy: She would just keep silent if that's the case, yeah.

Nat Locke: Smart woman your Mum, isn't she?

Lea Kurandy: Yes.

Nat Locke: Okay. So to grow the business...

Lea Kurandy: Yes.

Nat Locke: Where are you looking at seeing the growth coming from? How do you find new customers? How do you upscale the business?

Lea Kurandy: Yeah, I still go out and try and get business. Instagram works really well for us, which is fantastic. Yeah, it's just awesome that so many people...

Nat Locke: It's a whole new frontier, isn't it, that's really only sprung up in the last five years, maybe, of that, being able to market your business for free, on a platform that now the world can see.

Lea Kurandy: Yeah.

Nat Locke: That's made a big difference, hasn't it?

Lea Kurandy: Yes, definitely.

Nat Locke: Yeah. So your Instagram posts and then, so people can see what you're doing, so people are now getting in touch with you?

Lea Kurandy: Yeah, they are.

Nat Locke: That's gratifying, isn't it?

Lea Kurandy: Yeah, it's really good.

Nat Locke: And what about even to deliver the food? Are you in the car driving food around?

Lea Kurandy: No, not anymore. So I have a logistics system set up, which is handy. And, yeah, just basically relay the cost to them. And, no, it's really good because we are in places like Safety Bay now...

Nat Locke: Yeah, right.

Lea Kurandy: ...Mindarie and so on and so forth. So it would be a battle...

Nat Locke: It would be impossible, yeah.

Lea Kurandy: ...if I had to deliver it myself.

Nat Locke: You literally can't do anything. Yeah. So how did you find that process? Has anybody given you advice along the way?

Lea Kurandy: No, not really.

Nat Locke: You've just muddled through?

Lea Kurandy: Yeah.

Nat Locke: Good on you.

Lea Kurandy: There was a way that I was able to get delivery, but unfortunately I couldn't get on that platform at the time.

Nat Locke: Yeah.

Lea Kurandy: So I knew what their costs were and I just went to someone else who I know delivers to a lot of areas and put it forward to them and they were happy to do it. So, yeah, I guess I just had to figure out a way.

Nat Locke: Yeah, I mean, good on you. Because I don't even know if I would know where to start with that sort of stuff. So what have you found has been the biggest challenge for you?

Lea Kurandy: Cashflow...

Nat Locke: Yeah, right.

Lea Kurandy: ...is a big challenge.

Nat Locke: Because you have to pay upfront for all your ingredients and equipment and that kind of stuff before the money starts rolling in.

Lea Kurandy: That's right. And a lot of the businesses that we are in are monthly. Some are fortnightly, some are terms but, yeah, finding that is very tough.

Nat Locke: So you deliver the food and you might not be paid for it for another month, essentially?

Lea Kurandy: Correct, yeah. So I guess managing your costs is really crucial in the early stages.

Nat Locke: So were you on the spreadsheets doing all this stuff yourself?

Lea Kurandy: Yes, so not myself. So that's one thing that I've learned is I'm not good with those types of things...

Nat Locke: Okay.

Lea Kurandy: I won't know where to put my money first or do this or do that.

Nat Locke: Yeah.

Lea Kurandy: So my boyfriend is actually really handy with all of that.

Nat Locke: Yeah, great.

Lea Kurandy: So we sit down once a week, he tells me, we put it into the spreadsheet, and we have a bit of a chat about it. And, yeah, so...

Nat Locke: And invoicing as well? He does that for you?

Lea Kurandy: Yeah, that's correct.

Nat Locke: You've got a system that does it all for you.

Lea Kurandy: Yeah, got a system, yep. So as, I guess, yeah, moving forward with different businesses, I've learned I can't know everything, so I need to get help from people.

Nat Locke: Yeah, yeah. And did you have any mentors that helped you step through it?

Lea Kurandy: Oh, I do know a few people in Fremantle, business people that I like to have a chat with. But working in the fitness industry, I had one great manager there the whole time that taught me the sales industry, and he's just been a great role model that I've carried through all the way that he trained me...

Nat Locke: Yeah, sure.

Lea Kurandy: ...into my business.

Nat Locke: And those skills have transferred into this new industry?

Lea Kurandy: Yeah.

Nat Locke: Yeah. So are you happy that you've made this move?

Lea Kurandy: I'm definitely happy.

Nat Locke: Yeah.

Lea Kurandy: Best decision that we've made.

Nat Locke: And if you were to think of one thing that you wish someone had told you before you got into at all or before you switched, what would that be?

Lea Kurandy: Yeah. Is to take more risks, so I know opening a business is a risk in a sense, but you get caught up in doing the day to day things where you're stuck in a rut, and you don't really think outside the box and take more risks.

Nat Locke: Yeah, sure.

Lea Kurandy: So I guess you get a bit comfortable and you want to feel safe. So I guess in the café side of it I should have worked more on the business rather than in the business.

Nat Locke: Yeah.

Lea Kurandy: But that was a risk because, yeah, you don't want to hire more people, more expenses, so on and so forth. So now moving

forward, we're three months into this new business. In the next few months, yeah, I definitely need to train someone up to do what I do, and go out and do what I do best.

Nat Locke: Yeah.

Lea Kurandy: Yeah.

Nat Locke: It is good to know, and I've heard that before. Work on the business, not in the business.

Lea Kurandy: Yeah.

Nat Locke: Because it can make such a big difference in the long run, but you do, you do get caught up in that little day to day stuff because you think, oh, I can do that, I'll just do that. I'll do it, because it's down to you, essentially.

Lea Kurandy: Yeah, that's right.

Nat Locke: Yeah, it's interesting, isn't it?

Lea Kurandy: Yeah.

Nat Locke: Well, good luck.

Lea Kurandy: Thank you.

Nat Locke: Onwards and upwards. We'll be looking out for Mister Nosh everywhere.

Lea Kurandy: Yes.

Nat Locke: Taking over the world.

Lea Kurandy: Yeah.

Nat Locke: Awesome. Thanks, Lea.

Lea Kurandy: Thanks for having me.

Nat Locke: Don't forget, Bankwest has a bunch of tools and calculators online to help your business succeed. Head to bankwest.com.au/connect to check them out.

Male voice: Next time on *Wish someone told me...*

Nat Locke: Next time I'm going to be shooting the breeze with a fellow chiropractor. And it won't all be about bad cracks and posture. A bit of it, maybe. Staff management, doing the taxes, delegating, keeping clients on board. Make sure you're sitting up straight for that one.