

Audio transcript – ‘Wish someone told me’ with Nat Locke – Episode 2: Boom Fitness

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Nat Locke: Hey, it's episode two of Wish someone told me. Each episode, I'm chatting with a different small business owner about the ups and downs of running a successful small business. Today, I'm going to get into the minefield of starting a small business with a mate. When I think about opening a small business with a mate, I can only think of the things we'd likely fight about, but maybe that's because I'm a tiny bit aggressive. There are so many stories of fall outs and friendship breakdowns, but this is a happy story. Adam and Jackson have stuck it out now and run a successful fitness business with two locations in Perth. We'll be talking about all sorts of things: staff management, business expansion, and very importantly, why running a business with a mate is all about compromise.

Male voice: You're listening to 'Wish Someone Told Me', with Nat Locke.

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

- Nat Locke: Today we have Adam and Jackson from Boom Fitness. Welcome guys.
- Adam: Hi, Nat.
- Jackson: Hi.
- Nat Locke: Very formal start. So we are talking about business, and you guys ... it's a bit unusual in that you're two mates that got into business together. Or were you mates beforehand? How did it start?
- Adam: Yes, we worked for separate businesses before we met. Jacko came and covered me for a few weeks while I went to Europe working for another...
- Nat Locke: So he was your holiday fill in.
- Adam: He was the holiday fill in, came from another place, and he'd been training at our studio for a while as well, with his boss and other crew that came across. So yeah, and then I asked him to fill in, and from there on, we built a bit of a relationship.
- Jackson: Seven trips to Europe I had to cover, so it became a permanent thing.
- Nat Locke: So but at what point do you say, "Let's go into business together"? Because it's a big commitment. There's a lot on the line.
- Jackson: Yeah, I was probably pushing the button a little bit on Adam, but...
- Adam: Definitely.
- Jackson: ... but didn't ... I don't think we thought too far ahead; I think we just thought "We can do this, and we have got a bit of an idea", and then it's ... Yeah, the opportunity came up through Adam's family on a site, and we thought we should ... yeah, I was really

keen, and then Adam was keen once I kind of pushed him a little bit.

Adam: Mm-hmm (affirmative)

Jackson: And then when he got back from Europe, we ...

Nat Locke: Again... (laughs)

Jackson: Yeah. We got the whips cracking. But yeah, I don't think we looked too far in the future. We never definitely sat down, set out facts and figures of where we wanted to go, but we...

Nat Locke: Just jumped in.

Jackson: ...had a vision, and we both seemed to do... agree on everything.

Nat Locke: So did you define your different roles within the business, how the partnership was going to work?

Jackson: Just recently a little bit, actually.

Adam: Recently we've actually learned... yeah, it's taken 11 years to sort of realise that for us to take the next stage, we actually do need to have our own little positions in the business. So yeah, from day dot, I think we just put our heads down and grinded really, and went flat out and...

Jackson: We weren't really a typical business. We were system-less. And now were probably engaging with systems across the board.

Nat Locke: Yeah, right.

Jackson: Yeah, but.

Nat Locke: So you've got two gyms now. Did you just start with one and expand? Is that the way it worked?

Adam: It did, yeah, yes. We used to be in an indoor sports centre in Melville, so we started there, which was only 50 square meters. Real small, small little area we worked with. Which was great. I

was also working at the same time in Scarborough, so sort of between two places... Jacko pretty much focused full time in Melville I think at that stage?

Jackson: And also uni a bit, yeah.

Adam: Yeah, and doing uni as well, so yeah. A couple of years into that, we focused just on Melville, and went back to open our own place up in Scarborough. So Scarborough's been ... what, eight years now? Nine?

Jackson: Yeah.

Adam: Eight or nine years now. So yeah, started Melville and three or four years into it, we opened Scarborough. So yeah.

Nat Locke: And any challenges with expanding the business?

Jackson: Yeah, I think so. Yeah. Probably yeah, just... Originally, it was paper and pen still, but running two diaries and constantly being in a different place. So we used to be next to each other all the time, and then it was probably a good thing that we branched out and got the second place, because we probably would start to wear each other down a little bit... But yeah. Then our lives became just communication between the phone.

Nat Locke: Yeah, right.

Jackson: And then that was probably where we... yeah, we felt like we needed to meet up more, and to expand the business, we needed to actually meet more so than over the phone, but yeah. So that probably took a few years to sort of get that under control, and then... staffing, increasing your staffing...

Nat Locke: Well, this is the thing, you've got to get staff, don't you? And staff that you can rely on, and that stay with you.

Jackson: We've been really lucky, we've got really good staff retention, probably averaging over four years...

Nat Locke: Yep.

Jackson: ...for most of our staff. We get...

Nat Locke: That would be a bit unusual in the industry, I'd imagine?

Jackson: Yeah.

Adam: It really is, yeah. Yeah, I think it's a good little work place. I think everyone is sort of... we get along. I suppose it's mates we get with staff as well, don't we? So we've got to draw a line obviously, but we've always had a good relationship.

Nat Locke: How do you go about doing that? 'Cause that can be tricky.

Adam: That is tricky. And that's something I think we're still learning, developing, you know? Like we've got a few of the boys that have been with us for a long time now, so, like, [inaudible]'s been with us for what, seven, eight years? So yeah, he's as good a mate as he is an employee, really. But yeah, we're sort of learning that, aren't we still?

Jackson: Getting the right people to build a prospective business first and foremost, and then obviously they become friends.

Adam: Yeah, in this industry it's hard, because people... you know, they can so easily get a certificate now. They come into it, the experience... we've been in it for 16, 17 years now, so they think they can just come in and run a business like we run the business. Where, sometimes you get a sort of push back and we say, "Hey, there's a lot of work that's gone behind the scenes here, you know, you've gotta pay your dues".

Nat Locke: Now, the other thing you've done is then expand even further and branch out, I suppose, by opening up a coffee outlet as well. It's not an obvious sort of evolution of your business. So talk me through that, what other than you just like coffee, is that it?

Jackson: Yeah, pretty much. We get up at 4 am, six days a week for quite a long time, and now we've... I've sort of... Adam's got a dog, which

is like his child, and I've got a child and another one on the way, and yeah, I think coffee becomes a big part of your life at that stage, but... Yeah, I think we just always both were keen to explore the hospitality industry, but we probably thought it was too hard to have a site away from where we were.

Nat Locke: Yeah, right.

Jackson: We wanted to control the quality, we wanted to keep controlling it at the gym as well as well as what we do in the food and coffee business. So yeah, we thought why not marry 'em up and attach the two, and diversify a little bit our space. We only run 90 square meter studios, and so yeah, to open up a little window in East Fremantle called Me Me Jones. We're really stoked how it's going, so it's good.

Adam: It's good fun.

Nat Locke: Yeah. Any hesitation about that? Like, who's idea was it out of the two of you?

Adam: Probably I think again, I think you [Jackson] pushed it more than myself initially, so.

Jackson: I'm not taking all the credit, but it probably [crosstalk].

Nat Locke: Because you would have taken all the blame [crosstalk]

Jackson: That's right, yeah.

Adam: I think that's the thing, like we share ideas and something comes up that we semi think it's going to work, we'll back each other in, which I think is a big key, and... but we both know that we back it in, we've got to go 100% at it, otherwise it's never going to happen.

Nat Locke: Yeah. It's all or nothing. Yeah.

Adam: Yeah. So we always knew it would work, it's just...

- Jackson: Both happy to grind, I think that's the key.
- Nat Locke: Yeah, yeah. 'Cause you are... and you're both still very hands on in the business, so you work as trainers, you still see clients. It's not like you're sort of ruling from above and managing like that. You're still very hands on. Is that conscious, are you happy to keep doing that for a long time?
- Jackson: Yeah, definitely. I think in our game, we're still personal training. Obviously we run groups and whatever, but you've gotta kind of I think lead from the front and if you become a finger pointer, the quality control will drop. And yeah, I think we obviously enjoy that part of it as well. The paying bills and the dealing with strata issues and those sort of fun things don't always appeal to us, so we kind of do like to engage with clientele as well.
- Adam: Yeah.
- Nat Locke: So who... how do you divide that labour up? As you said, all the unpleasant stuff.
- Jackson: Adam's really good at that stuff, actually.
- Adam: Parts of it. We do have... we've got our roles now, so that ugly side of it I've sort of taken on. Jacko is a bit more of a sales man, and he runs the diary probably a bit better than I've always ran it. So he's a bit more of a numbers guy, and I'm just more the input numbers guy. So yeah. It works.
- Jackson: I really like that we're lucky in that way, we both don't really mind which role we've picked up along the way. Yeah, Adam's probably a bit better at keeping the place afloat than me, maybe a few more ideas here and there, but...
- Nat Locke: Yeah.
- Jackson: I think that's kind of like anything that works. I remember that probably the biggest thing I learned going into it was our accountant, Vick, who we still train. He was like, he was a client

originally, and then when we decided to go out, he was one of the first people we spoke to. And I think he said, "Oh", because Adam was married at the time. I think you were married already?

Adam: Yeah.

Jackson: And he said, "Oh, just be prepared... you know, you're going to see this guy more than your wife or your partner." And we were laughing and going, "Oh, that's all right, yeah", kind of thing. And then yeah, I think we do. We definitely communicate more together, like the midnight texts and stuff like that. Yeah, it doesn't really work.

Adam: Yeah, 100%.

Jackson: Yeah. Unless you've [crosstalk]

Nat Locke: And troubleshooting, like have there been any major issues that you've had to deal with along the way?

Jackson: Just my fuse.

Adam: I was speaking to my wife about this last night, and... not really, like it's... anything we've been up against is, we've been able to handle it, maintain it... the biggest things are the... setting up the coffee shop, and renovations, which just takes us out of our comfort zone I guess, more than anything else.

Jackson: I think it's probably worked in a positive, 'cause we were able to vent to each other, as opposed to...

Nat Locke: Sure.

Jackson: ...on employees or contractors and things like that. We can kind of vent to each other and then go back with a bit more of a clear mind about issues. Obviously there's not all negatives, there's a lot of positives, but yeah. I mean, we definitely disagreed on a few things, but we're not really like...

Nat Locke: It doesn't come to... you don't put the gloves on. 'Cause you've got them there. [crosstalk]. That's one way to settle it.

Jackson: I think better mates punch the hell out of each other than close mates, so...

Nat Locke: Oh, you can call it a workout, but we all know what it really is (laughs). What about... you said at the start you didn't have a business plan. Do you have one now?

Adam: Well yeah. We've actually done a bit of a restructure recently, with the help of someone as well. So that's been a real good learning curve for us, because we've got to look at the next one for the next five, ten years. And Jacko having a second kid pretty soon just... we can't keep doing what we're doing forever. And myself, I'm realising I can't keep doing what I'm doing for ever at the level we're on, so..

Jackson: Adam's a few years older than me, so we've got to start...

Nat Locke: Significantly, I think [crosstalk].

Adam: But I think... yeah, as long as we're still... Like, I love it. I love what we've built, I love the business, I love training people and that, so I think as long as we can structure the business so that we can still enjoy what we're doing, and be able to take on the clients who enjoy taking the class we enjoy taking... I think that would be a big tick the next couple of years, so... where before, we've been doing training every client back to back and that, and now we...

Nat Locke: And you're still doing the 4am starts and stuff?

Adam: We are, though. And that's the business and we realise that's the way it is at the moment. So... yeah, but no we are. We're putting some structures in place, and we're pretty... feel positive about where it's going, definitely.

Nat Locke: Yeah.

Adam: We don't feel like we're stuck in the same spot at the moment.

Nat Locke: And what about the marketing of your business? How... have you had a strategy around that, or have you just kind of relied on word of mouth, or?

Jackson: Yeah, we're not the best at marketing, we're probably... that's one of the things... we just engaged a good friend of ours recently to help us with, sort of like a bit of a mentor setup. And I think the only really foundation start was we've thought we had to be on a high, like to be seen, it's like... it's a...

Nat Locke: So sheer visibility, yeah.

Jackson: You need to be seen by a wider audience, so we're on Canning Highway and West Coast Highway, two fairly busy roads. And that was kind of our thing, the signage at the front. We thought we had good locations... location, location, location. It's like an old thing that you hear, and we obviously tried to base that on ourselves. We kind of learned that from the previous business we worked at. We thought our locality was the key, and that's kind of where we went. And social media's come in, and we haven't really adapted as well as everyone else, but we didn't need to, because we had a fairly good base around us. So we probably could have grown quicker, but again, it wasn't really in our mindset at the time. So now it kind of is, maybe just to expand a little bit, and see how that goes.

Adam: Yeah. We're learning, we're still learning. So definitely lots to learn and still going forward, so.

Nat Locke: And okay, so if there was... if I was going to ask you this, is there something that you wish somebody had told you at the outset that would have made everything a little bit easier now? What do you reckon?

Jackson: Hmm...

Adam: Good question...

Jackson: Yeah, the pedal never really comes off, maybe. I don't know.

Nat Locke: Yeah, right.

Jackson: I think if you're in a small business, you kind of... you've got to love what you do. Like it doesn't work like that at all. Otherwise, if you don't love what you do, you won't stick at it forever. And that's the only way I think it works, is you've got to be happy to stick at something for a long time because you love it.

Adam: Yeah. Spot on.

Nat Locke: So you're just saying ditto... [crosstalk]

Adam: Ditto. Yeah (laughs).

Jackson: Yeah, I think... I'm not sure... you don't want to sound like just enjoy the grind, because it sounds a bit negative, but I think you've got to enjoy that...

Nat Locke: It is the reality, though, is that it is a grind. There's... you've got to put in the hours, essentially. Yeah.

Jackson: You only do that if you're passionate about it.

Nat Locke: That's exactly right. Yeah, so it's not... it's putting in the hours, but it's not necessarily a grind.

Jackson: And having a coffee shop attached to your work place.

Nat Locke: That was a stroke of genius, wasn't it? (laugh) Oh, it doesn't make any money, but everybody's caffeinated (laughs).

Jackson: There's coffee on tap. Brilliant coffee too.

Nat Locke: It is great coffee.

Nat Locke: All right, thanks guys.

Adam: Thank you.

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 'em out.

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

Nat Locke: Next episode is all about evolving with your business. And we'll be talking to a lady who started one business, but it took a bit of a left turn. She ended up with a completely different, even better version. Turns out, you've just got to be flexible.