

 **SmartCompany**

SMART50

AWARDS HANDBOOK

— 2021 —

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**Stories of growth
and resilience**

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The *SmartCompany* Smart50 awards celebrate the fastest growing SMEs across Australia.

Past winners and finalists have gone on to grow into some of Australia's most iconic — and successful — businesses. Back in 2007, Atlassian was a small but growing Sydney-based software business, and placed fifth.

Other past winners and finalists which have gone on to redefine their sectors include Adore Beauty, Booktopia, Showpo, Appliances Online, and Vinomofo.

The past year has been a particularly tough one for SMEs in Australia. The challenges have been multifaceted, between upending how — and where — people work, the staffing and talent troubles that follow from border closures, the uncertainty of lockdowns, restrictions, and everything in between.

This is exactly why taking lessons from the Smart50 winners is so crucial. These businesses exemplified resilience, and overcame many challenges to achieve growth against the odds.

Following a year in which so many SME operators had to struggle with sweat and tears just to keep the lights on, these businesses went above and beyond, building towards a future legacy just as their Smart50 predecessors have.

This eBook explains how the winning businesses achieved their impressive results, chronicling their struggles, strategies, and how they went beyond survival to build something special.

We'll cover the winners across multiple categories of the Smart50 awards, offering lessons in best practice across sustainability, community building, innovation, retail, and for young startups.



Smart50
WINNER
InstantScripts

InstantScripts was founded to solve the frustrating — and expensive — necessity of re-upping prescriptions. Co-founder Asher Freilich was a GP that set out to streamline the process by allowing people to order prescriptions and attend doctor consultations online, founding the business in 2017.

Customers can log onto the website, attend a short digital consultation with a GP, and have their prescription sent to a pharmacy within minutes.

As Frelich explains, “It not only saves the patient time and money but frees up a doctor's time to focus on higher-value medical care.”

While the business was established before the Covid-19 pandemic, it was perfectly placed to fill the need for remote healthcare, setting it to become one of the fastest growing SMEs in Australia.

InstantScripts' revenue growth is truly one-in-a-million. Jumping from \$500,000 in the financial year 2018-19, to \$7.5 million in 2020-21, InstantScripts achieved a growth rate of 1441.06%.

But increasing your revenue by a factor of over 14 in a single year brings incredible challenges too, especially as a newer company.

As Freilich notes, “As a founder in the early stages of my business, I find myself wearing every hat imaginable.

“Being a marketing officer, medico, legal officer, and CFO is a very exhausting combination to manage.”

The InstantScripts co-founders say it's key to have good accounting systems early, along with investing in customer support, especially if you're a consumer-facing business. Both can save you an enormous headache later.

Frelich also recommends you don't try to overcomplicate things in the earlier stages of your business. “You will never anticipate every pitfall and your initial product will never be perfect”, he says.

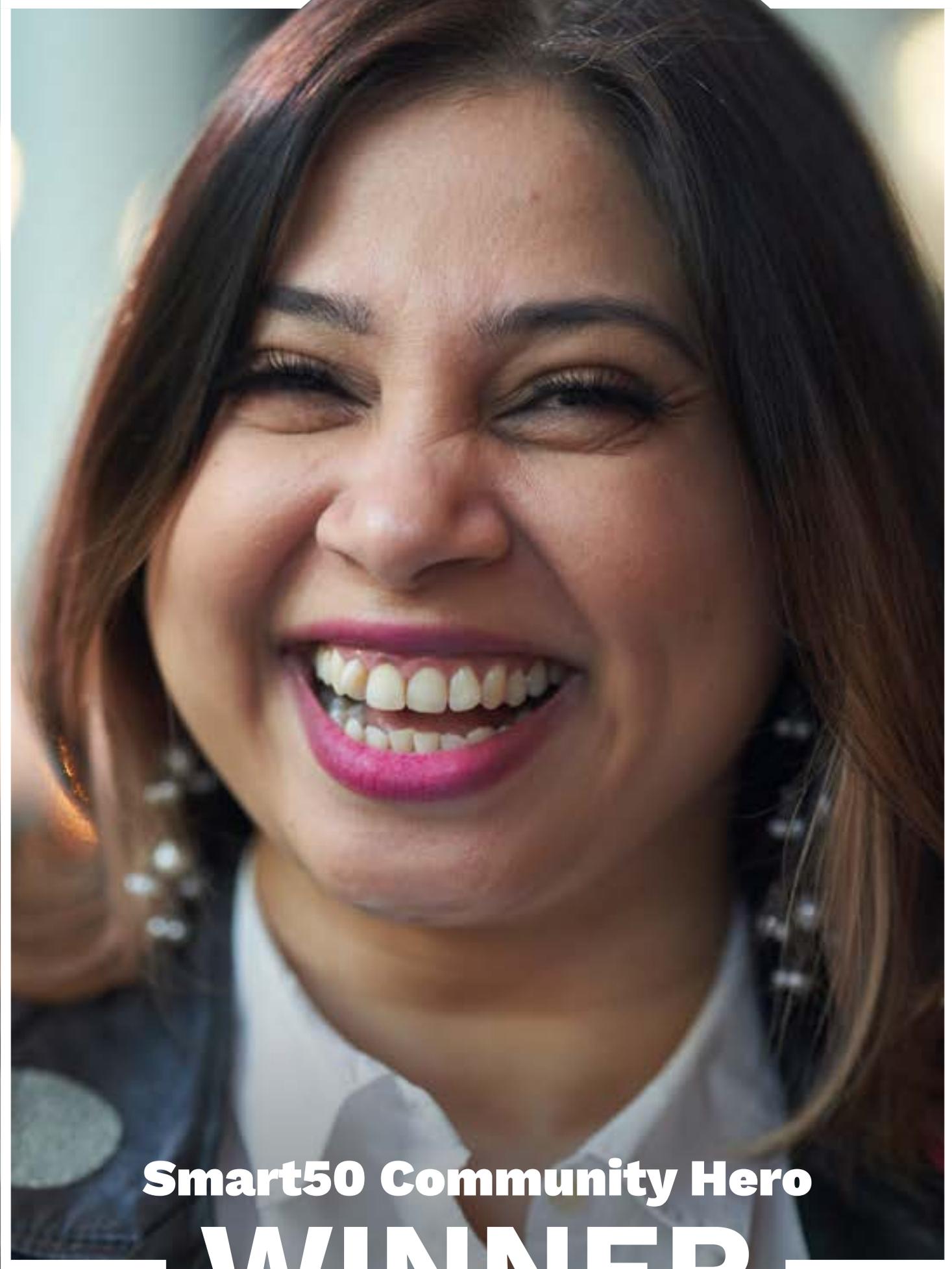
“Your priority should be getting the product to market as soon as possible and proving the concept.”

Overcoming the unique challenges of lockdowns

Even the fastest growing businesses, uniquely equipped and built to solve the challenges of the pandemic, struggled with the changes that lockdowns brought on.

For InstantScripts, not having a physical space to share ideas around was threatening to undermine staff morale and motivation.

To solve it, the business introduced Zoom sprint sessions every morning to keep the team focused. While it isn't a perfect substitute for direct human interaction, it may help to keep your team connected while we navigate further remote or hybrid work into the future.



Smart50 Community Hero

WINNER

The Creative Co-operative

The Community Hero award celebrates a small business that has been able to support and stay connected to its community as part of its response to Covid-19.

Founded during the pandemic, anti-racism consultancy business The Creative Co-operative supports and connects its community as its core business model.

Founded by Priyanka Ashraf, The Creative Co-operative aims to lift the economic and social access barriers experienced by women of colour due to systemic racism, which have been compounded by their gender.

With a heavy emphasis on intersectionality in all the work it does, the consultancy exclusively hires women of colour and migrants. It offers its creative, marketing, and digital consultancy services to women of colour to bridge the opportunity and access gaps in the startup world.

In Ashraf's words, "We're the first 100% migrant woman of colour owned, led and operated social enterprise doing this successfully through our unique Pay It Forward model — a consulting and venture production studio that hires, trains and mentors women of colour."

Funding from the Victorian University pre-accelerator got the business to the starting line. Then, from day one, The Creative Co-operative was generating revenue, growing from a \$50,000 turnover in the first month to \$850,000 by month 12, while amplifying the voices and profiles of about 200 founders and business owners from diverse backgrounds.

Resilience, trauma, and growth

Ashraf is the definition of a trailblazer in anti-racism in the startup space.

In her words, "innovating in intersectional anti-racism means we are pioneers. There's no one else to lean on to guide our path. We are writing it for ourselves and others, as we go."

While writing that path, The Creative Co-operative launched the first anti-racism campaign targeting the startup ecosystem, produced the first festival for women of colour creative entrepreneurs, and was first to create and deliver a startup program by and for women of colour.

Ashraf is the daughter of a freedom fighter, and survivor of institutional and interpersonal abuse and assault.

She says that having lived with the intergenerational trauma of genocide, "resilience, persistence, survival, relentless hard work and victory is engineered into my DNA and that of my team.

"Put simply, that is our secret sauce."

To grow so quickly, in such a tough time, you need the right people. Ashraf says startups should also avoid hiring for passion — a common piece of business advice.

"We must hire for skill. Hiring unskilled resources means we end up wasting the one thing we have — which is time, because it is spent on training and supervision."



Smart50 Eco Warrior
WINNER
Your Food Collective

As carbon footprints, sustainability, and broad environmental impact become more important to consumers, businesses like Your Food Collective exemplify why they don't have to come at the cost of convenience, or quality — as long as you can think creatively.

Your Food Collective was founded by cousins Cara Cooper and Lauren Branson. Frustrated with the lack of access to good, local fresh food for their kids, they saw themselves as having to decide between far-off farmers' markets, or closer supermarkets with a lower quality offering.

So, they built a logistics business connecting consumers with local growers, bringing fresh, affordable produce directly to their customers' doorsteps.

The tastiest solution to climate change

Because Your Food Collective sources food from regenerative growers, and the food travels a maximum of 250km, Cooper and Branson can offer fruit and vegetables with the smallest carbon footprint.

Essentially, regenerative farming focuses on rehabilitating the entire ecosystem of the land, including less disruption of topsoil so that more carbon can be captured and stored.

Cooper says, "The IPCC has issued a 'code red' for humanity and sustaining the status quo is no longer having the environmental impact we need. We need to look at ways of regenerating our land.

"We are on a mission to become Australia's most sustainable grocery offering and will be the tastiest solution to climate change."

The Eco Warrior award winners have had to be resilient along the way. When a leased warehouse the business was using to pick and pack burned down within the first 12 months, they didn't have a back-up plan in place.

But with a bit of hustle, Cooper and Branson mobilised a new warehouse within two days to get orders moving again.

"A business continuity plan wasn't at the forefront of our minds in those very early days when we were relentlessly chasing customers," admits Cooper.

Cooper and Branson believe they have an edge in the male-dominated logistics industry, quoting statistics that only 20% of men take care of the household shopping and food, yet run most of the food distribution businesses.

"Males are running food distribution businesses and don't intimately understand consumer needs. Lauren and I have donned our hi-vis and upskilled. We have called on our network and asked for help where we need it," says Cooper.

"We know the areas we aren't good at and the lesson is: never be afraid to ask for help. As females we adapt, and we are resourceful, this is how we respond to these challenges. We always find a way."



SmartCompany Plus Innovator

WINNER

Pickstar

Former AFL players James Begley and Matthew Pavlich reinvented themselves and their careers to found talent booking business Pickstar, and took out the SmartCompany Plus Innovator award for pushing boundaries in their new sector.

The Pickstar platform connected brands with sporting stars, influencers, celebrities — and even chefs — with a simple booking process for events, and a focus on making it easier for the talent.

But the pandemic was not a great time to be in the event talent-booking business.

As the co-founders explain, “As a direct result of Covid-19, we went to zero revenue because we were so heavily tied to in-person experiences which obviously came to a grounding halt”.

Instead of giving up, they turned a setback into a slingshot for growth.

NFTs, AI, and digital talent management

Begley and Pavlich moved their attention to their next project within Pickstar, building a platform — VLAST — to centralise talent management and automate the manual processes that eat up time behind the scenes, also making use of AI.

“As Covid struck and sports ground to a halt, those rights owners doubled down on revaluing their assets, with talent becoming seen as their most valuable and important commercial inventory,” the co-founders explain.

Their pitch is simple. Sign up to VLAST to manage your talent, and you can save 80% of the time associated with appearances to focus on other tasks.

As in-person events disappeared, Pickstar expanded online. That includes embracing the recent gold rush of NFTs through a partnership with Sportemon Go. Pickstar provides access to the talent rosters, and Sportemon Go provides the technology back end to host the NFTs for sale.

Their impressive roster includes Cricket Australia — and Adam Gilchrist — Manchester United footballer Luke Shaw, the South Sydney Rabbitohs, and dozens more. It was a crucial additional revenue stream for sports teams and sporting stars as in-person attendance was limited.

Begley says, “Through our various marketing and promotional-related activities, we played a critical role in educating brands and marketers on the power and benefits of NFT’s as well as promoting Pickstar’s ability to support NFT exchanges and deals.

“The result has been game-changing for our business both from a new revenue perspective, but also from a brand awareness and positioning perspective.”

To put it in numbers, VLAST and the NFT deals have helped Pickstar double its revenue from \$1.33 million in the 19/20 financial year to just under \$2.66 million in 20/21.

Smart50 Resilience Award

WINNER

Charlie's Fine Food Co.



Resilience is more than just weathering the storm, it means adapting to it in real time.

For Charlie's Fine Food Co. owners Jacky Magid and Ken Mahlab, turning tough times around is just business as usual.

The husband and wife team first purchased Charlie's Cookies out of administration in the late 90s, just a couple of years after it was founded in 1995.

Looking for a business that could 'impact, grow, and evolve', Magid and Mahlab turned the company around, and by 2019 the business had a steady turnover around \$8 million.

How the cookie crumbles

Not wanting to put all their cookies in one basket, over the years Magid and Mahlab diversified their customer base, with no more than 20% going to a single customer or channel.

That included airlines, corporate office catering, hotels, conference and function centres, pubs, clubs, and cafes.

All of which were forced to close in April 2020, sending the company phones quiet, and shuttering business to a standstill.

But it was how Magid and Mahlab bounced back that won them the Smart50 2021 Resilience Award.

While JobKeeper bought management a small bit of time to strategise, they quickly went about securing the future of the company.

That included securing a multi-million dollar export deal with a large retailer in China, and building out a retail offering for Woolworths and Coles in Australia.

The company leaned into hamper sales, corporate gifting, and stay-at-home packs as its customers' needs changed and evolved.

The judges also selected Charlie's Fine Food Co for its community efforts during the pandemic.

Between care packages for local cafe owners, contributing food to not-for-profits, educating staff on vaccinations — including paid time off and arranging time with a GP — Charlie's quickly had a fully vaccinated staff base (including their families).

That's no mean feat considering how polarising Covid-19 vaccinations have been in broader society, and attests to the co-owners' management skills.

But all of their efforts paid off, as Charlie's Fine Food Co. exited 2020/21 with a broader customer base, loyal staff and fully prepared for the challenges ahead.



MUSCLENATION

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Smart50 Retail Champion

WINNER

Muscle Nation

Muscle Nation co-founders Chris Anastasi and Nathaniel Anthony personify the gold standard of retailing. It was their outstanding customer service, smart sales and marketing initiatives, and community building that kept customers coming back and brought the prize home for the duo.

“Over the years, we have built an amazing community of over two million followers who support what we do as a brand, and our customer service is something we are very proud of,” says Anthony.

That includes an exclusive Facebook group with over 27,000 members, with the Muscle Nation team taking product ideas, and feedback from on a daily basis.

They started the business in 2016 from a small work desk in Anastasi’s Penrith home, building the website and community, with their orders packed and shipped directly from the US.

After a year they moved to Brisbane, and brought the operations back to Australia, packing all their orders from Anastasi’s grandmother’s house. In 2019 they expanded out into supplements, and in 2021 signed their first supermarket contract with Coles to launch a snack range.

All of which have contributed to the business’ stellar growth numbers, with Muscle Nation also placing as the 9th fastest growing SME in the Smart50 list, turning over \$51 million in revenue in 2020/21, and achieving a growth rate of 321.7%.

Now, they have their own warehouse, ship to over 150 countries, and have more than 50 staff, which expands out to 100+ during their Black Friday sales.

Keeping up with the gains

Just like Smart50 winners InstantScripts, fast growth came with its challenges.

Because of its strong online community, new product launches would quickly attract a lot of attention and website traffic, causing it to crash often in the early days of the business.

“We had to resolve our website struggles real quick, because it was impacting our sales, launches and ability to sell at a rapid rate. We solved this by upgrading our website to Shopify, and hiring key personnel to stabilise and strengthen our website and customer experience,” says Anthony.

During the pandemic, Muscle Nation listened to what its customers wanted, and broadened its apparel range to fit the new home-bound aesthetic.

“We not only focused on our new activewear collections, but we expanded our ranges introducing more comfortable, oversized and everyday and occasion garments,” says Anthony.

Now the business is getting ready for its next phase of growth, and finalising its new \$8 million headquarters in Brisbane. Muscle Nation flourished during a difficult year by remaining close to its community, and staying on top of what its customers needed as times changed.

Smart50 Rising Star

WINNER

Mr Yum



The Smart50 list is ranked from businesses' average revenue growth rate over three years.

The Rising Star award recognises the achievements of high-growth startups younger than three years. For Mr Yum, a business which saw 100% of its revenue disappear overnight, bouncing back to reach revenue growth sealed its Rising Star win.

Founded in 2018 by chief executive Kim Teo, along with Kerry Osborn, Adrian Osman and Andrei Miulescu, Mr Yum was an in-store ordering solution which let customers scan a QR code to bring the menu to life, with photos of every dish.

The founders all had experienced food envy — wishing they ordered what their friends had — and felt it was a hassle for customers to trawl through Instagram to view dishes before ordering them.

By letting customers order their own food at the table, restaurants could free up staff, and Mr Yum contends that its solution boosted table orders by 40%.

But after two years of signing up restaurants, adding functionality and growing the business, Covid-19 hit in 2020.

Going into lockdown, restaurants closed for dining in and Mr Yum's revenue disappeared overnight.

Nine days to turn to tide

Instead of giving up, moving on, or putting the business on hold, the founders quickly banded together to support their customers.

They built out delivery and pickup options for the user base in just nine days, and worked around the clock to help hospitality businesses adapt to keep their kitchens running.

Front of house staff who may otherwise have been stood down or let go were able to work as delivery drivers, and Mr Yum's customers could offer their own online ordering without the high commissions that come with third-party food delivery services.

And when restaurants started to reopen, Mr Yum's expertise in QR codes in the hospitality industry put them well ahead of the curve internationally. Social distancing was made simpler by letting customers order at the table and the government-mandated check in process was seamlessly integrated with ordering.

The highly-scalable business has since expanded to the US, UK, New Zealand and South Africa across casinos, theatres, shopping centres, cruise ships and airports as well as restaurants, bars, pubs and cafes.

In 2021, the business has raised \$100 million in capital, and sees itself at the beginning of a decade-long transformation of the way people order and pay for food and drink.

Final thoughts

The hardest challenges bring opportunities, and Australia's SME operators have had every challenge imaginable thrown at them over 2021.

We hope you will take inspiration from these Smart50 stories, and remember, after a tough year, you, and your business can only be stronger after dealing with adversity.

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