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Growing strong with ScotPac

In 2013, after 20 years as a chartered accountant, Wade Glass embraced his entrepreneurial spirit to take on new ventures of his own. His initial journey began with financial help from ScotPac and he has continued to grow with their ongoing support and encouragement.

Wade became a director of RHT Holdings and more recently Claymark Group which are forestry and sawmilling businesses as well as well-established curtain businesses - Harveys Furnishing in the North Island and Millers in the South.

When ScotPac looked at the investments Wade and his partners had made in the businesses, they liked that they had 'skin in the game'. "They could see we had backed the businesses with our own resources. It was probably a good reason for them to invest alongside us," explains Wade. "We liked that they hadn't yet moved into a formulaic banking model based on algorithms. They seemed to 'bank the person'."

Wade has found success by improving existing businesses, adopting new technology and growing as well as improving high performing teams. At Harvey furnishings, he created an app which lets him market curtains to customers all over the world. "The app is smart enough to allow the customer to measure their own windows using a combination of manual input, our own proprietary measuring technology or the native measuring technology inside Android and iPhone. This allows a small Kiwi business with a great history to spread its products around the world."

He first adopted that technology in his forestry business. "We were one of the first to use this unique measuring technology in our log exports from the USA to China. It provided the inspiration to apply the same technology in the curtain business." While his businesses have gone from strength to strength, when you are expanding, there are always challenges to overcome.

Wade says, often it's about trying to understand the various perspectives – both customers and suppliers – and helping his team to create a happy place in the middle. For example, in the current retail environment, curtain customers need some form of online offering as people are time poor. Yet some clients still prefer to drive to bricks and mortar stores. "Some of our customers prefer to come in and to touch and feel the texture of products. The feel of the products is extremely important with things like window furnishings in the home." Trying to cater for all scenarios, adding new layers of service, obviously requires finance. The challenge with

forestry, says Wade, is that it is a commodities-based business. Forestry and sawmills are not assets most banks have an appetite for. Without funders like ScotPac, says Wade, there wouldn't be a lot of productivity in forestry. "When things are good, people get excited and they tell people how smart they are. But log processing is driven by China and it's volatile. It can swing either way by 30 to 40 percent in a year. You need a funding partner like ScotPac that rides the highs and can still be there for the so-called lows."

Wade points out that ScotPac's core business is funding accounts receivable. Claymark was one of the first to receive asset funding offering through ScotPac in New Zealand. It made a huge difference to the company's viability. ScotPac has provided Wade with the flexibility he needed to grow, by going outside the hard terms of the contract for brief periods when required. The relationship has been built on trust which is unusual these days. "They've grown with us, supported us and encouraged us to do more."

He recalls one acquisition, where a company had tarnished its reputation with other banks. "ScotPac knew us and backed our decision. It turned out well for everyone and saved literally hundreds of jobs. This was the acquisition of Claymark, a large wood processor with more than 600 staff. "If we hadn't bought the company, somebody else would have bought it and broken it up. It's probably the deal I'm most proud of. It had a lot of challenges, but we made it happen right in the middle of Covid in September 2020." In the future, Wade will continue to grow and to find new challenges.

He's particularly excited about the curtain businesses and recently extended a national contract to supply Kainga Ora properties for another seven years. "We're looking to buy up other businesses in that sector to utilise our manufacturing business in Auckland to expand. With ScotPac's help, almost anything is possible."

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