

Profile

Bringing style into the staid

An office fitout business found a niche that has made it one of Australia's fastest growing SMEs.

Jason Clout

Putting pizzazz into the fairly staid world of commercial office refurbishments has made Valmont an award winner and one of the fastest growing small businesses in the country.

Sergio Pires and Marcekl Zalloua founded the company after they had both been working in the industry for one of the major players, Built.

They enjoyed what they were doing but envisaged an opportunity to be even more creative with office refurbishments and fitouts.

"There are competitors out in the market who will do a very good and efficient job," says Pires. "But the design aspect of what we do has always been important to us, so we have an in-house design team."

They hired Jacqui Esdaile to head the design arm and that has contributed to Valmont picking up awards for design, a rare feat for interior decorator project managers like themselves. Generally it is only specialised design houses that take out gongs.

Business has also been good. Valmont began with \$200,000 in capital, raised through the parents of Pires and Zalloua acting as guarantors.

But Pires says the business has generated enough cash since then to mean there has been little need for further investment from the partners or their families.

"Money was loaned from the Valmont Sydney office to start our operation in Perth," says Pires.

"We're looking for space in Brisbane now to open an office and that will be started by funds from the Sydney and Perth operations."

Valmont made the *BRW* "Fast 100" list in both 2009 and 2010. Turnover in 2010 rose about \$4.7 million on the previous year and Pires is optimistic another good result is coming for 2011.

"We're ahead of where we expected to be this year," he says. "Perth has been strong for us."



Valmont's Sergio Pires ... renovations and fitouts will remain the focus of the company.

Photo Louie Douvis

Originally Valmont concentrated on small office fitouts of commercial space of about 100 square metres up to 1000 sq m.

But opportunities to work on bigger projects with old clients meant a rethink.

"We did a 9000 sq m job for [internet provider] iiNet. We also did a big job for Calibre Global in Perth and a few projects for Virgin."

While Perth has been a lucrative market for Valmont, it hasn't come without difficulties.

"Finding staff in that city has been the bane of my existence," Pires says.

"It's the old comment about the resources boom and receptionists wanting \$150,000 or they will go and work for a mining company.

"We've been lucky that a few of our Sydney employees have been prepared to move over to Perth for a few years. We're up to 32 staff across the country."

Pires says Valmont initially targeted smaller renovation jobs because there was a gap in the market. While they have changed their business model to embrace larger contracts, he says Valmont has no intention of moving away

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Sergio Pires, Valmont

from one of its guiding principles. "We won't touch out-of-the-ground projects," he says, referring to the industry's term for new building projects.

"Renovations and commercial fitouts will remain our focus. There isn't the resources here to do new construction or residential.

"That's where some companies get into trouble. They have a lot of people sitting around and they go into certain projects as if to give people something to do and forget what they used to concentrate on."

Targeting Brisbane came about because Pires says there are few competitors, which was also the attraction of Perth. But Melbourne is a different story.

"There is a lot of commercial design and interior decorators in the Melbourne market," he says. "It just seems like it could be tough to crack. We could look at Auckland where again there seems to be a lack of businesses looking after small commercial office renovation, so that could be appealing to us.

"Valmont will probably have to head to Melbourne at some stage but there will be other markets we aim at first."