

*The
Ferwellers'
Story.*

REAL STORIES

MC

METAL CONCENTRATORS

In Conversation with Grant Crosse

Words by Michael Pryke
on behalf of Metal Concentrators

“Africa is in my blood and in my soul, and I will always have a magnetic attraction to the culture, the diversity and the people.” says Grant Crosse the quietly-spoken, deeply-engaging Financial Director of MetCon.

It was his first line in his INSEAD MBA application form 6 years before moving back to South Africa. Before this he’d worked as a consultant from South Africa through the UK and in several countries across Asia.

“And did you always know that you would do an international MBA?”

“Not really. I remember during a presentation to Rolls Royce, a Financial Manager said: ‘This all sounds fantastic but each country has differing corporate tax considerations and intercountry duty rates. How does your proposal deal with this issue?’” Sadly, I was not able to help. *“My BSc degree clearly did not equip me with the financial knowledge that I needed and I had to admit that I did not know how to assess the taxation impact.”* He laments.

“You were how old at that time?” I ask.

“Sure, I was only in my mid-twenties... but it highlighted to me my lack of in-depth financial knowledge.” He continues. *“That evening, I phoned my father. I told him that I needed to learn about tax and other financial issues”. One of my*

father’s many qualities is that he seldom provides outright answers. Instead, he asked me a number of leading questions to stimulate the debate. It was in one such debate, that I decided it was time to embark on an MBA program at an international school called INSEAD, known for its European and Asian business focus.”

“Apart from the obvious, what were the significant highlights of that experience?” I enquire.

“So many... it exposed me to a world in which all possibilities could be transformed into reality... new ways of thinking – how disruptive factors are vital to change and innovation. But most of the benefit came from meeting like-minded people from around the world who were on their own mission to do something great. It was a truly inspiring environment where you couldn’t help but dream big.” said Grant with a smile of nostalgia.

“But back then, the thought of getting involved in a family business wasn’t even remotely on the radar.” I remark.

“Well, not entirely. After my MBA at INSEAD, I had a lot of debt to repay and thus had to get back into the big corporates. In 2009, when I graduated, there weren’t too many good opportunities in the UK or Europe, so I decided to move to Singapore to work on Asian capital projects. The

work took me across all parts of Asia eventually landing me with a management role in China. But the dream of doing something entrepreneurial was always hovering around and I did try a couple of ventures which ended up being too small to really work.”

“Obviously, your parents were closely observing your impressive progress in both your corporate and entrepreneurial pursuits. I’ll bet you all had some interesting conversations with them along the way?”

“I think that is one of the defining characteristics about our family – the kind of conversations we have always been encouraged to have. Our dinner-table talk always revolves around ideas – possibilities – the future – challenges – taking risks.” Says Grant with a smile.

Indeed, Grant Crosse is a new breed of business person; utterly self-effacing, realistic, polite and personable. Combining a constantly enquiring mindset with intelligent foresight, he exemplifies qualities that seasoned executives take a lifetime to acquire.

“Tell me how the MetCon opportunity arose?” I ask, changing direction.

“That’s an interesting story. My father, with his many years of experience as MD and then Chairman of Omnia, introduced the concept of the value of an entrepreneurial experience to myself and my brother Darren – especially whilst we were young enough to afford the risk. We talked about the differences between working for a company and building one’s own business – the excitement, the ownership feeling, the inability to stop working... the learning.”

“He shared my mother Charlotte’s and his vision to create a family business and suggested that I get involved. I was faced with the decision to move my high-octane international career into Switzerland or return to South Africa to initiate the process of finding a business to buy. It was a tough choice. I would have no initial income – I would have to go back to living with my parents and I would have to invest my

entire life savings into the venture; but I would have the opportunity to do something completely new and to share in the experience of working with my father. I have always known that apart from his amazing business brain, my father is fundamentally a teacher at heart – a mentor and coach who has always been passionate about growing others. So, I packed my bags and moved back home in May 2014.”

“But evaluating and selecting a business was not such a simple prospect!” I prompt.

“It was not easy – in fact people told us we were crazy and several banks wouldn’t fund our venture. I also thought it would be easier than what it really was. Part of the problem was that we weren’t looking for just any business, but rather something that had a degree of recycling to it or “green” aspect. It was also complicated by the fact that we couldn’t afford a legal team or consulting group. My father suggested that I dedicate my time to doing a large amount of the process myself... ‘after all,’ he said, ‘what better way to get to know the real potential of each business and learn the process of buying a business, first hand.’ And so, that’s what I did. It took longer, but was a good learning experience! Over a period of nine months we searched through 41 potential businesses and eventually ended up with 3 businesses.”

“Wow – That must have been seriously intense!” I remark.

“Oh, it was!” he agrees. *“It was a roller-coaster of highs and lows that were often debated late into the night over several bottles of South African Port.”*

“Then there was MetCon. What made it attractive was that it was already a family-owned business, it involved recycling, it had a product that was dollar denominated and most importantly, its connections with the jewellery trade provided an ideal platform for the rest of the family to participate in the venture. This wasn’t an original consideration, but in hindsight a real bonus!”

“And now you are the FD of your own family company! What an incredible journey!”

I exclaim, awed by his vision and tenacity. “Sure... but there is still so much to learn and so much to do...” concedes Grant with his characteristic blend of humility and determination.

“We’ve done much over the last 2 years, especially in improving the foundations of the business and learning about the industry. In fact, the idea of the Jewellers Story came about from us knowing very little about the Jewellers within South Africa and their stories. When we started the process of learning, we realized that there were many other people who also wanted to know more about the legends that form the corner stones of the industry.”

“Besides the initiatives like the Jewellers story, MetCon has been investing heavily into our equipment, our support systems and our people. We’ve completely rebuilt our lab allowing for far greater accuracy in measuring the precious metals that we handle every day. We are in the process of commissioning a world-class ERP system so that we can manage our individual business units more effectively and reduce business costs. And, most importantly, we’ve brought in some key talents into the organization to assist us in developing better products with service unmatched within South Africa.”

It is clear that the combination of Grant’s youthful enthusiasm, his father’s counsel together with the experience of the existing MetCon team led by Michael Vincer has been a powerful combination in driving the business development over the last few years.

“The business is now entering into its third year under the families leadership – what are your plans for the future?”

“We’ve spent a lot of time and money on MetCon over the last 2 years to create a platform on which to take the business forward.”

“It’s clear that we’ve entered an industry in a state of turmoil. Whether it’s global competition on our shores, regulations and the associated red tape, personal security risks or just trying to find enough

suppliers and customers. It seems that there are very few people in the industry having much fun. We don’t know all the aspects of the industry, but we are looking to inject some energy and different ways of doing things. We realize that a business is about people and we want to make a significant contribution to the lives of all the people we impact whether our suppliers, customers, our staff or community. In particular, we would like to help formerly disadvantaged people get a foothold in the industry”.

“Could you be more specific about what you aim to do?” I enquire hoping for more.

“We recognize that there is a disconnect between the regulator and the industry, and we will be putting together initiatives that we know will be to the benefit of both parties. We’ve also seen the growth in our casting business and recognize the need for such a service to the industry. We’ve added some great talent to our team and will now be making significant investments in our casting equipment. We hope that this will provide better quality products, faster and cheaper.”

“We’re looking to invest into a future where many South African’s buy locally produced product, not because it’s the cheapest but because it’s the best product.”

“You’re not a typical FD” I ask jokingly

“Certainly not. We’re not a big enough business to have one person do just one job.”

“Following a fairytale romance, you recently got married. Has MetCon made life easier or more difficult?” I enquire.

“Interesting leading question!” He enjoins happily. “It’s been great to move out of the parents’ home and get back to building a life of my own, but I’d be lying if I said that MetCon hasn’t increased our families investment in jewellery! It has been a little intense buying MetCon and then shortly thereafter getting married. Bronwyn is still waiting for a date for us to go on honeymoon!” he jokes. “We both agree on what’s important right now – and my focus is in ensuring that the business continues to push its

debt levels down so that it can be in a good position to benefit our family investment and cement its base to support the growth of the company, its staff, its customers and the overall industry.”

Grant Crosse, together with his lovely wife Bronwyn, epitomize the concept of delayed gratification. Deeply immersed in the challenge of growing a family enterprise, he knows that rewards abound for those who are prepared work and wait for them. His flair for future concepts – taking an established business in one of the oldest of industries, and finding ways to revolutionize it together with his family. This is not just a story of one remarkable young man, but of a family with a plan and a company that is going to develop well beyond what any of us can imagine.

The Jewellers' Story.

An initiative from Metal Concentrators.

Neville Crosse, his wife Charlotte and son Grant purchased Metal Concentrators (Pty) Ltd (Metcon) in late 2015 and rapidly became aware of the issues and difficulties faced by retail jewellers and manufacturing jewellers on a day to day basis. This led to a lot of thought and discussions as to whether Metcon could play a role in improving the sustainability of the industry.

To that end, Metcon created The Jewellers' Story. An initiative intended to provide a platform for dialogue and debate within the industry.

The first phase was a series of published caricatures presenting the compelling case to the public that purchasing South African manufactured goods has a number of benefits for the jewellery purchaser as well as developing the industry to be more inclusive of all the talented people in the country.

The second phase seeks not only to highlight the most apparent issues, but as a space to share knowledge and wisdom from the most senior and innovative participants, and to nurture emerging talented jewellery makers, as well as to help established businesses struggling to compete at the global industry level. To tell important stories. To share lessons learned. To establish a sense of community within the industry.

There are many challenges ahead for the industry, from both direct and indirect forces. Only by working together to confront them as a community can we triumph over them and provide a new hope for all South African jewellery retailers and manufacturers.

This hope we place in The Jewellers' Story.

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