




Helping Luscombe Motors prosper

A client case study



With a very distinctive culture and a focus on treating staff and customers 'like family', Luscombe Motors has developed from a loss-making problem to a multi award winning business achieving record profits in recent years

Driving prosperity for Luscombe Motors

Turning £100,000 into £2.8million in just seven years proves how driven Robin Luscombe has been since he bought his Suzuki dealership. It was a team effort, one Robin is very proud of...

In 2006, Robin was employed as operations director at a Suzuki dealership in West Yorkshire. He was hungry for success and when he met David Kendrick and Paul Daly, who now head UHY's national automotive offering, at a local franchise event, he shared his desire "to go it alone".

Paul and David helped Robin identify and consider various opportunities and, following a speculative call in 2009, the opportunity to buy Bowetts Suzuki in Leeds came about.

A leap of faith...

At the time the business was experiencing various issues, but Robin was ready to back himself, his knowledge and his skills. He was sure he could make it work but he also knew the risk was significant and he needed some help and guidance.

There's a lot to buying a business, and Robin turned to Paul and David to help ensure all financial aspects were in place. They worked together on the documentation, the dealings with the bank and with the vehicle finance companies, plus working with Suzuki themselves.

As a result, after three decades in the motor trade and 28 years' experience with Suzuki, Robin Luscombe became the proud owner of his own Suzuki business, Luscombe Motors, in 2010.

A different perspective pays off

On purchase, the business was loss-making and Robin had a long road ahead of him. Some believed the business would be bankrupt within six months, however, Robin's commitment, work ethic and ability to lead a team saw fortunes rapidly turned around. In an early boost to team morale, one of first things Robin did was redecorate. He was supported one night by all 11 original team members who stayed behind after work to collectively repaint the showroom walls!

This was the start of Robin building a team culture, one where staff are trusted to make deals with their customers. At Luscombe Motors they avoided chasing aftersales work to boost profits, preferring to do things differently. Turning the car sales rule book on its head, the typical hard sale approach was replaced with training the team to help empower customers to buy a car.

"Paul and David are not only great business advisers, but have become good friends, which cements the relationship."

Robin Luscombe,
Luscombe Motors
Managing Director

With the strapline 'We won't sell you a car. We will help you buy one!', the approach at Luscombe Motors was to respect the wishes of their customers and build a reputation of doing things right first time around, in the hope customers come back for future purchases.

Despite what may sound like an altruistic approach to business, Robin's model proved itself quickly by returning a profit. After the first year of trading, the business went from a loss-making position to making a profit of £163,400, testament to Robin's drive and commitment.

More big steps forward...

The business developed rapidly. In the summer of 2016, Luscombe Motors secured the freehold of the Suzuki site, along with the neighbouring Mitsubishi franchise and used car pitch. Another entrepreneurial move on the property also secured a rental income stream from a hot tub company.

Driving growth...

By 2017, Luscombe Motors was turning over £26.3 million, making a profit before tax of £1 million (up 24.5% on the previous year alone) and had accumulated a net worth of £2.8m. Considering the initial capital invested of £100k, this was an amazing achievement.

In 2018, Robin looked again to UHY for advice regarding the potential to purchase another multi-million pound site adjacent to the business which would enable Luscombe Motors to unlock its next phase of growth. With the support of our UHY automotive team, in November 2018 Robin completed this purchase and company operations expanded further with an MG franchise from 2020.

The family prospers...

This phase of development also saw Robin's son, Sam Luscombe, join the business as MG Dealer Principal and focus on group innovation and the fast-growing digital side of the business.

£2.8million turns into £5.7million...

Luscombe Motors continues to go from strength to strength and, despite the damaging effects of the Covid-19 pandemic, the business is so strong that it still made a pre-tax profit in 2021 of £1.6m and grew its net worth further to £5.7m.

From a £100,000 investment to a net worth of £5.7million, employing initially 11 people and now employing 56 people, just shows what's possible.

The right support helps build security as well as growth...

Since meeting in 2006, Paul and David have not only helped Robin secure his business but supported him during its subsequent additions and developments. Our UHY automotive team also now provide audit and tax services and have advised on the company structure, including the introduction of a holding company to de-risk the business, and introducing Robin to advisers who have set up a pension fund, which now owns two of his four freehold properties, further strengthening his financial position and delivering considerable tax advantages.

We continue to be committed to helping Robin and his businesses prosper, and this help goes far beyond the traditional accounts, audit and tax services. Robin speaks regularly with both Paul and David and often seeks their opinion about the latest automotive insights. However, the critical element to this story was getting the business off the ground in the first place.

Knowing how to present the business case to get buy-in from the Suzuki brand, the bank and other financial stakeholders, convincing them that the significant sums they were investing were secure in this new venture, helped Robin get his start as business owner. Our team's knowledge and reputation in the automotive sector has proved to be a big help to Robin.

Financial results are important, but prosperity means more than money making...

Luscombe Motors has become highly regarded amongst the industry and its customers alike. As testament to this, the business has won multiple industry awards in recent years, from being named four time winner of 'Suzuki Dealer of the Year' to receiving Automotive Management's flagship 'Best Dealership' award in 2020.

With a very distinctive culture and a focus on treating staff and customers 'like family', Luscombe Motors has developed from a loss-making problem to a multi award winning business achieving record profits in recent years. Robin's robust belief that 'everyone is part of its success' has seen him develop a strong and successful management team, allowing Robin to enjoy the prosperous business he has created whilst also enabling him to indulge his passion for travel and motorcycle trials competitions.

Our UHY automotive team are very proud to have been part of the team that has helped Robin and Luscombe Motors prosper.

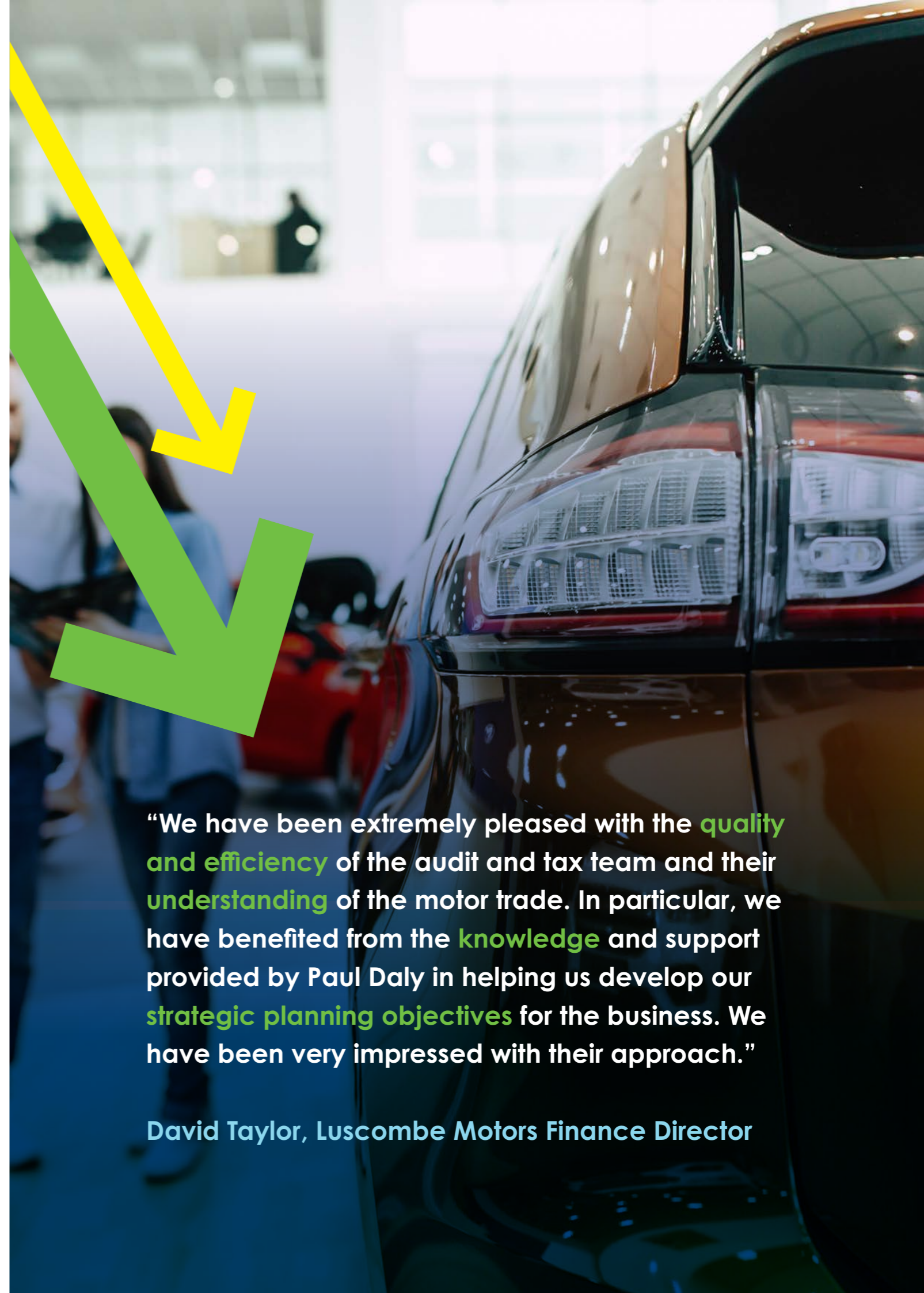
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“We have been extremely pleased with the **quality and efficiency** of the audit and tax team and their **understanding** of the motor trade. In particular, we have benefited from the **knowledge** and support provided by Paul Daly in helping us develop our **strategic planning objectives** for the business. We have been very impressed with their approach.”

David Taylor, Luscombe Motors Finance Director

The next step

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