

Managing the Growing Business SearchPro Group (A)

Abstract

"More people from my school went to prison than university," recalls Duncan Smith with disbelief, "I wish I was joking". Growing up in Huddersfield, he was one of the few among his classmates to attend Leeds University, but the academic life didn't come naturally: "Unfortunately I spent more time selling store catalogues to Leeds housewives than I did studying. I thought at that time I could either go into sales and marketing or join the army. But I never imagined a straightforward, rail-track career. Whatever I went into, I wanted an adventure". Duncan got his adventure when he became CEO of SearchPro Group and five years later was presented with the Ernst & Young Entrepreneur of the Year Award for technology and communication.

It's late in the afternoon. Duncan has spent the day in a board meeting with SearchPro's directors, who are now debriefing in the corridors of the company's new central London offices. Duncan walks over to the window to point something out among the bustle below: it's one of the nationally prominent high street brands he helped establish a number of years ago. He is a popular CEO of this rapidly grown company, but the afternoon's meeting has revealed differences of opinion within the executive team and the way forward seems less than clear: "We've been weighing up options for several weeks now", says Duncan, "The time has come to make some kind of a decision".

Prepared by Jamie O'Brien under the supervision of Keith Willey, Adjunct Associate Professor, London Business School as a basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation. 2nd Revision Feb 2010.

SearchPro Group

Duncan's background

Upon graduating in 1987 Duncan was offered the challenging job of Area Manager for Liverpool by Bass Breweries, managing their local network of franchised pubs. Bass was steeped in tradition but the company's fortunes there were waning, as Duncan explains:

"There were some serious problems in the company. I took Bass's Managing Director to one of the worst pubs we had. Two complete strangers at the door asked for money to enter. I told them that the man in the suit owned the entire company and they waved us in. We were hit by this wall of cannabis smoke, the girl behind the bar was smoking away and the landlord could barely stand up. The MD was shocked to the core. I told him to come back in six months."

Taking a hard line, Duncan broke the protectionism, which also brought an end to the drugs problem. He transformed the pubs' client culture and found ways to attract new customers.

Impressed by Duncan's efforts, Bass offered Duncan a job with the company's New Concepts department, as he recalls: "I joined a team of ten who were asked to come up with new ideas for chain pubs. It seemed a fairly straight-forward request and we came up with three new concepts: All-Bar-One, O'Neill's and It's a Scream. We presented the ideas to the board and met resistance. Eventually though the first two concepts achieved national roll-out and still exist 15 years later.

Duncan experienced other difficulties with the company's management style. By 1998, he had moved over to Bass's hospitality arm, Toby Hotels. "One of the hotels had a bar and restaurant," he says, "a nice, family place, but it only did a modest turnover. During the 1998 World

Cup, I decided to put in some TV screens and the profits doubled overnight. You'd think the directors would be happy with that – but no!" In fact the directors demanded that Duncan sack the pub manager. "I told them: if he goes, I go!"

The solution to Duncan's frustrations at Bass came in the figure of his then father-in-law, David Ashton, as Duncan explains:

"David was an entrepreneur and had just cashed out. He was looking for ideas and suggested to me that we start our own pub chain. We bought up two pubs in Blackburn, offering traditional ales and food... *[cut to the end]* ... What a waste of a million quid!"

They quickly learned that the entire pub industry was in serious decline. If Duncan and David were to grow a business, they had to look beyond their field of expertise. "It was 1999," explains Duncan, "so it seemed natural that we should have a look at dot.coms".

Party like it's 1999

Duncan and David approached a Warrington-based web applications company, Corporem, which had been set up in the mid-1990s by a husband and wife team and grown to 20 employees (see Exhibit 1 showing the Corporem homepage in 1999 and 2001). The pair initially asked for a consultancy session about capitalising on web marketing, but came away very interested in investing in Corporem itself. Duncan continues, "They had eleven services, including domain names, web design and search marketing."

By early 2000, however, investment in internet businesses had become wildly overheated, lost all stability and, in March of that year, collapsed into a cloud of bits. "It was shocking but David held firm – by the summer he felt that the collapse was flat and recovery could begin. We offered to buy 25% of the company, which they agreed to. 25% of what was then valued as

a million-pound company. We all breathed a sigh of relief.” Unfortunately David was wrong and in September the market crashed again. The dot.com bubble had well and truly burst. Duncan recounts the situation:

“It was clear then that the couple who had set up Corporem had developed an emotional attachment to their products and were really running a lifestyle business – on our money. We still thought there was value in the internet, but that it wasn’t to be found in a few web-authoring tools. We approached them with the idea of focusing on just one service, but they were too attached to the web tools they had developed. We had to either pull out of the company or take over.”

It had been twelve years since Duncan sold store catalogues to overburdened Yorkshire mums, but the salesman in him still felt drawn to specialist internet marketing. As he explains:

“Web marketing was about a client company asking to be shown their potential customers. I think the core reason I liked the concept is that all previous internet marketing worked on the concept of *I sell cars who wants to buy one?* Search was different it worked on *I want to buy a car, who wants to sell one?* It’s a substantially different way of thinking about marketing, based on a cost-per-action deal: we as the service providers spend a few pence to draw traffic from search engines and the like, and the client pays 50 pence per potential customer delivered – as long as it’s the broadly right type of customer. If it’s the wrong type of customer, then the client simply pays a risk premium. I just thought, ‘What’s not to like?’ Corporem’s owners had just signed

up two large financial services clients, Alliance & Leicester and HSBC, so it seemed very viable.”

It emerged that the owners were considering selling the company for whatever they could get and the pair managed to strike a deal whereby the owners walked away with £300,000. Duncan and David immediately dropped ten of the eleven services, keeping just one: Search Engine Marketing (SEM).

The company’s name was changed to SearchPro Group and its story since then has been one of breathless growth (see table 1 below).

Search Engine Marketing

The way SEM agencies work is actually quite simple: each offers a service that promotes hyperlinks to potential customers within the text of a web page, usually on search engine pages. These links are familiar to anyone who has searched using Google, Yahoo and similar sites to find details about a new car, package holiday or other attractive product.

Success in appearing on a relevant search engine results page depends on a combination of a multitude of factors, often different depending on the search engine. As search engines compete and adapt their models, agencies must also keep up to maintain results for clients.

Search result links will often lead to areas of the client website in which web users can fill in application forms for a service or product or even buy it immediately. From the clients point of view they can pay the agency for the cost of securing customers (cost-per-action (CPA)) instead of the traditional way of buying exposure to notional audience size (known as cost-per-

Table 1 SearchPro's Annual Sales and Growth Rate 2001-2007

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|---------------|----------|----------|------------|-------------|-------------|-------------|-------------|
| Revenue | £100,000 | £250,000 | £3,619,228 | £11,521,596 | £18,793,853 | £30,500,000 | £40,500,000 |
| Annual growth | | 150% | 1348% | 218% | 63% | 62% | 33% |

thousand or CPM) (See Exhibit 2 for further explanation). From the early days SearchPro emphasised the CPA system being often the most attractive for clients less familiar with internet marketing.

The value to the business client of SEM lies in the greater likelihood of that web user having deliberately sought information about a particular product. It thus tends to be popular with suppliers of high value items where users are already considering purchase. SEM can though also help to build branding presence on-line or generate sales leads.

The quality of SEM is improved through Search Engine Optimization (SEO), an algorithmic process or graphical design that helps deliver more 'natural' search results to the web users. SEO might be based upon back-end spidering algorithms or upon visible content that is designed to optimise how search engines present client hyperlinks to the user. SEO thus improves the quality of the web traffic that flows from the search engine to the business client's website.

SearchPro's Director of Search, Jon Myers, explains it like this: "Search is deal-based. A web-user might read the natural content, such as hotel or car reviews, but search marketing is about conversion, optimisation, budgeting and understanding the value of traffic."

So the goal is to optimise all of: the client's ranking within search results; the volume of click-through from that position either on the link or related adverts and the conversion to action of the resulting traffic. The complexity associated with both harnessing this ever-changing knowledge and then deploying online campaigns means that most agencies have encapsulated what they know into software systems that go a long way towards automating the processes, even linking directly to search engine software.

SEM Industry

In 2006 the UK had a distinct preference for SEM, comprising around 6% of all advertising expenditure, compared to around 3% in the USA. SEM spend in other European countries varied, where different spoken languages allowed different local industry dynamics to pertain. Rapid growth in SEM spend was however a feature everywhere, spawning specialist agencies in every country.

Spend on traditional advertising media had long ago become the domain of larger integrated ad agencies. Not surprisingly, they have all sought to develop SEM capability themselves. By 2007 though it was still clear that specialist SEM agencies got better results for the same spend than the in-house teams of big ad agencies and as a result there was buoyant M&A activity.

SearchPro is one among a large number of specialist SEM agencies – other comparable players include BigMouth (acquired in 2006 by Carlyle Private Equity), The Search Works and Ambergreen in the UK. In February 2007 another UK company, Spannerworks, was acquired by the larger US search firm, iCrossing. The activities of each agency are broadly similar, although their profile and presentation differ.

The Guys in Ties

SearchPro's first clients were financial services, such as credit providers, insurance brokers and mortgage lenders. The sector is a massive source of revenue for an SEM: Google reports that 3 out of 4 of its users have sought financial services on-line. Yet, more specifically, SearchPro's first clients in this vertical were the 'sub-prime' lenders and brokers that offer innovative packages (debt consolidation, and so on) to the disparate viewers of daytime TV.

These sub-prime services had worked with marketing agencies before but SearchPro did business differently. Their agents would turn up to client meetings dressed a little smarter than their artistically inclined peers and they soon acquired a reputation in the industry as being the 'guys in ties'. As SearchPro diversified their clients to include retail services, they decided to drop the ties, but did preserve the business-like manner that many small agencies lacked. As Duncan recalls: "I called a client finance director demanding payment on an invoice and the guy I spoke to just said, 'If you're in a position where you have to chase us for every £3000 we owe you, we can't do business with you'." That illustrated the difficulties small agencies faced - by 2004 however that particular blue-chip had become one of SearchPro's best clients, spending more than £1m per year.

SearchPro's Services

As SEM become more sophisticated SearchPro had augmented its range of services to include:

- Complete keyword management, which aims to eliminate gaps that can occur in bidding for keywords by regularly reviewing keyword hits and adjusting process accordingly.
- Guidance and advice on managing client budgets.
- Acting as a search engine agent and advocate on behalf of client.
- Providing click fraud detection. SearchPro is the only UK search company to offer this. The company collects around £25,000 per month in click fraud refunds.
- Comprehensive user tracking and reporting.

SearchPro is also pursuing small to medium enterprises (SMEs), by offering SearchPro White, an economy SEM package which SMEs can use for a monthly rate of £499. CTO Rob Shaw is

currently heading the SearchPro White project:

"We have a great opportunity to massively increase our sales with SMEs. I'm in a rare position where I know every one of our potential customers as they're all already out there on the Internet. SearchPro White has been developed in the spirit of expanding into new markets, especially emerging markets. Part of SearchPro White will even be run in India."

SearchPro offer clarity of cost benefit to the client which speeds the generation of new business and their campaigns have so far generated over £500 million in online sales transactions among their financial services clients alone. That represents a year-on-year growth of 500% since 2001. As Jon Myers puts it, "This is a service that sells itself. If you can't grow in this market, you're doing something drastically wrong."

The Organisation

As Search Director, Jon Myers has a unique perspective on the company's operations. Originally on the creative staff at Corporem, he is also SearchPro's first and longest-standing employee. In just seven years he has observed the company grow rapidly, both in sales and staffing, and the cultural changes that this growth has brought about. In summer 2006, they added a second office in central London, placing them amongst the heart of London's ad agencies.

Towards the end of 2003 the company recruited a Chief Operational Officer (COO), Robert Nicholson and Chief Financial Officer (CFO), Jane Copland to join Duncan and David on the Board. See Exhibit 3.

The Pod Model

The SearchPro business structure is based upon a unit model, by which all their areas of business are undertaken by pod-like

'mini-businesses' within the company. Each pod has an operational manager, a search manager and account manager and a team of sales executives. The advantage is that each pod can develop its own expertise and this knowledge can be shared when necessary. The pod model is also agile because a new mini-business can be created quickly to meet the needs of a particular client or market segment.

SearchPro seeks to attract entrepreneurial talent, yet experiences a high turnover of staff in the first three months of recruitment. There are, however, some advantages to this high turnover as new recruits will often bring in knowledge and experience from other companies and talent is usually freshly up to date with current market trends. This freshness of talent is important even given the high automation of search marketing, as CTO Rob Shaw explains:

"Our clients come to us because of the skills that our search executives have; we don't develop technology for technology's sake. What sets us apart from many other organisations is that the technologies we write aren't intended for the end users but to enable the staff that we employ. You simply can't automate human expertise."

Given the key value of talent to SearchPro's attractiveness to clients, each of the company's directors cited this as being the single greatest threat to their future growth. To maintain the quality of their talent, SearchPro operates a systematic review process whereby the top performing 10% of staff receive bonuses, while the bottom 10% are often shown the door.

What comes after success?

Duncan was preoccupied with the future – when so many things seem to be going well with the business, what else should an entrepreneur/CEO be thinking about?

Whilst it was true that he had built something of value, was it secure? In such a fast-moving world would they be able to stay up to date or hold together the ever-expanding organisation?

Table 2 Financial Results

| y/e Dec | | |
|-------------------------------|--------------|--------------|
| £ '000s | <u>2007</u> | <u>2006</u> |
| Turnover | 40,526 | 30,735 |
| Cost of Sales | -34,185 | -26,006 |
| Gross Profit | 6,341 | 4,729 |
| Administration Expenses | (5,288) | (2,632) |
| Operating Profit | 1,053 | 2,097 |
| Other Income | 407 | 196 |
| Profit (Loss) before Interest | 1,460 | 2,293 |
| Tax | 1,148 | (736) |
| Profit after Tax | 2,608 | 1,557 |

On the other hand it felt as though so much more growth was available such as Robert's ideas on new services and territories, Rob Shaw's vision for the SME sector. These questions and more were being posed by his team – especially the Board – which was a great sign of their ambition and motivation. However, it was his business that was at stake wasn't it?

EXHIBIT 1

Corporem website (late 1999 & 2001 overleaf; reproduced via www.archive.org)

Your springboard to success!

As our business continues to prosper, we aim to provide our clients with a complete Internet solution, including Web Design, E-Commerce and Internet Marketing.

With the dramatic growth of the free access services, such as Freeserve, more and more people are now embracing the Internet. The latest surveys suggest that over 7 million people now use the net in the UK on a regular basis. That figure is set to increase rapidly, especially when ADSL is launched next year.

What does this mean for your business?

For some years, we have been advocating the importance of the Internet as a business-to-business medium. We can now see that it is indeed happening and the acceleration is somewhat breathtaking. Way back in 1995, we coined the strap-line "*If your business isn't on the Internet by the millennium, you could be out of business*". Back then this statement may have seemed more sensationalist than factual, but today our prediction has become true.

So what's winning and what's losing?

E-Commerce is a continually developing industry.

It's easy to despair at some of the get-rich-quick stories in the media, a new E-commerce is no different to any ordinary business start-up. Like all new business ventures, a successful E-Commerce site needs hard work and a lot of patience to make it succeed. If you plan it properly, work at it, and promote it, it will work.

| E-Commerce | |
|---|--|
| This is the year for E-commerce, from hype to reality it's finally taken off. Take for instance <u>Edworthys</u> , <u>Thejewellers.net</u> or <u>Firstcameras</u> - | |

E-Marketing

So now you've invested in a site are you still waiting for that magical response?

Corporem provides a strategic approach to E-Marketing through advice on the best type of E-Commerce products such as Jewellers.net for your company through to visibility optimisation via search engine positioning and mixed campaign strategies.

Click here to learn more about our E-Marketing programme.

Total Design

Of course, we design your site or CD-ROM card for you, using the latest technology.

Want a web site with a Macromedia Flash front-end? Want the WHOLE site presented using Flash? No problem!

How about a database system? Maybe message boards, custom built CGI scripts or even a specific portal for your product? Again, not a problem.

That's what Corporem can offer with our dedicated web designers, graphic artists and programmers.

Contact our sales team today to discuss any of your project needs by simply clicking here

Corporem Website mid-2001



CORPOREM
CORPORATE E-MARKETING

HOME SITE MAP SUBSCRIBE ABOUT US CONTACT US

**Internet Marketing-
Generating Sales Leads**

Click Here!
to leave a message

Call 01606 45000 for a free consultation

SERVICES

- Business 2 Business
- Business 2 Consumer
- Audit Consultancy
- Internet Marketing
- Web Design

CLIENTS

Portfolio

NEWS

- Company Recruitment
- Industry Business

GENERAL

- Company Profile
- Business Link
- Support
- Contact Us
- Subscribe
- Live Assistance
- How To Find Us

We have built our business around the concept of exposing our clients sites cost effectively to produce sales and sales enquiries month by month. To achieve these results we have used a number of "Experience Strategies" to ensure client visibility on major search engines. A key factor in our success has been the understanding that Creative Design is driven by the increasingly complex technical requirements of the Internet rather than the other way round. Uncontrolled usage of the latest "Gismos" whether it be Flash, Frames or ASP are the primary cause of Non-Performance, particularly where designers major on visual effect rather than performance.

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Performance Marketing the Future

We specialise in internet marketing, search engine optimisation website development and website promotion. Whether you're new to the Internet or need to revamp your current site, we will work closely with you and your marketing, content, and technical teams to build, promote, and maintain your entire site or product-specific mini-sites and special promotions.

We continually update our database of search engines and professional directories with the latest listings and tips to achieve a high ranking, and we maintain up-to-the-minute information on the best affiliate network programs used by website owners to drive traffic and increase sales.

Whatever your online needs might be, Corporem can help you make the most effective use of the Internet for your business.

Click here to find out more about internet marketing.

Need to promote your website online?

We are experienced internet marketing professionals and can develop a website promotion and internet marketing plan that's right for you, from custom keyword creation, search engine optimisation, and search engine registrations to ad placements, keyword buys, seasonal promotions, and revenue-sharing opportunities.

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CLIENT NEWS

- ☐ Rugby union sportal tops record number of visitors!
- ☐ Corporate Accountants Chadwicks launch new business-to-business site.
- ☐ Yahoo Jewellers.net has a massive Christmas Success
- ☐ Letcarshop.com reaps rewards of marketing
- ☐ Corporem's latest interactive recruitment solution - Job Injector
- ☐ Citation Internet Marketing Campaign
- ☐ Corporem in conjunction with Venture Capitalist have invested in an exciting new concept to deliver "Royalty Free" music to the internet
- ☐ DIY-lawyer.com - 70% increase in traffic

NET NEWS

IT chiefs say ban spam...
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Napster heads back to court...
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Yahoo! bids for HotJobs.com...
[CNN Europe](#)

Yahoo! bids for Career Site in Threat to Previous Deal...
[New York Times](#)

Microsoft's Wireless Road Ahead...
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EXHIBIT 2 - Internet advertising

Adapted from "The ultimate marketing machine"

Jul 6th 2006 | SAN FRANCISCO | From The Economist print edition

Thanks to the power of the internet, advertising is becoming less wasteful and its value more measurable

IN TERMS of efficiency, if not size, the advertising industry is only now starting to grow out of its century-long infancy, which might be called "the Wanamaker era". It was John Wanamaker, a devoutly Christian merchant from Philadelphia, who in the 1870s not only invented department stores and price tags but also became the first modern advertiser when he bought space in newspapers to promote his stores. And, with his precise business mind, he expounded a witticism that has ever since seemed like an economic law: "Half the money I spend on advertising is wasted," he said. "The trouble is, I don't know which half."

Wanamaker's wasted half is not entirely proverbial. The worldwide advertising industry is likely to be worth \$428 billion in revenues this year, according to ZenithOptimedia, a market-research firm. Greg Stuart, the author of a forthcoming book on the industry and the boss of the Interactive Advertising Bureau, a trade association, estimates that advertisers waste—that is, they send messages that reach the wrong audience or none at all—\$112 billion a year in America and \$220 billion worldwide, or just over half of their total spending. Wanamaker was remarkably accurate.

What Wanamaker could not have foreseen, however, was the internet. A bevy of entrepreneurial firms—from Google, the world's most valuable online advertising agency disguised as a web-search engine, to tiny Silicon Valley upstarts, many of them only months old—are now selling advertisers new tools to reduce waste. These come in many exotic forms, but they have one thing in common: a desire to replace the old approach to advertising, in which advertisers pay for the privilege of "exposing" a theoretical audience to their message, with one in which advertisers pay only for real and measurable actions by consumers, such as clicking on a web link, sharing a video, placing a call, printing a coupon or buying something.

Rishad Tobaccowala, the "chief innovation officer" of Publicis, one of the world's biggest advertising groups likens traditional Wanamaker-era advertising to "an atom bomb dropped on a big city." The best example is the 30-second spot on broadcast television. An independent firm (such as Nielsen, in America) estimates how many television sets are tuned to a given channel at a given time. Advertisers then pay a rate, called CPM (cost per thousand), for the right to expose the implied audience to their spot. If Nielsen estimates that, say, 1m people ("the city") are watching a show, an advertiser paying a CPM of \$20 would fork out \$20,000 for his commercial ("the atom bomb").

The problem is obvious. The television room may be empty. Its owners may have gone to the kitchen to make a cup of tea or to the toilet. They may have switched channels during the commercial break, be napping or talking on the telephone. The viewer may be a teenage girl, even though the advertisement promotes Viagra. It might even be a TiVo or other such device that records the show so that the owner can watch it later and skip through the commercials.

EXHIBIT 3

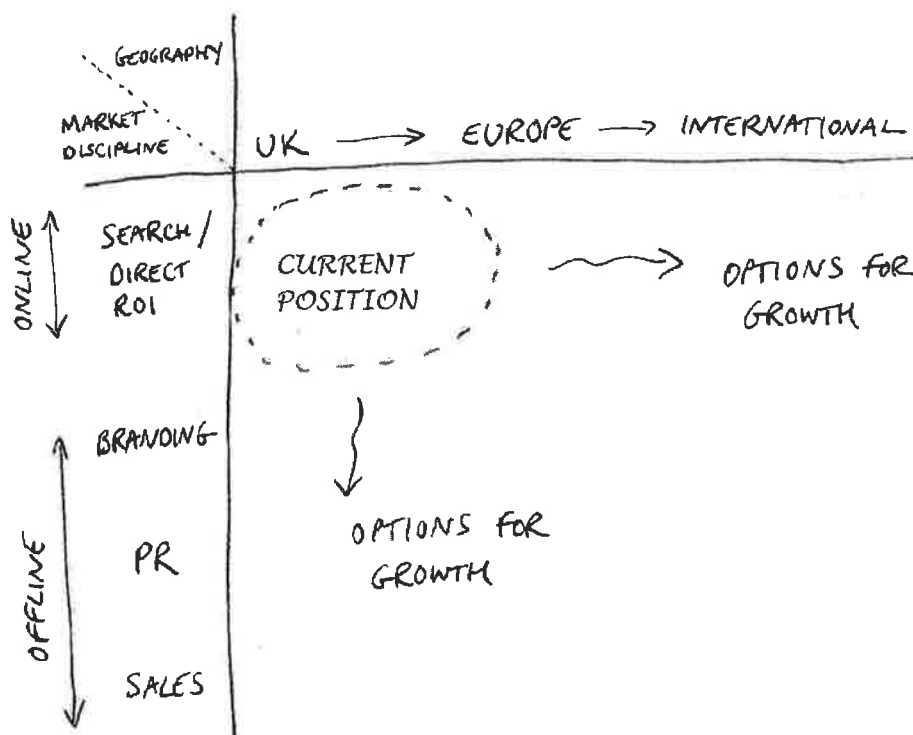
Board Appointments 2003-4

1) The COO

Robert Nicholson's background is in account and business management for on-line agencies. He joined SearchPro in the bumper year of October 2003. As SearchPro's Chief Operating Officer (COO), Robert oversees the marketing campaigns for all of the company's clients and serves as a consultant on European search marketing. He was also heavily involved in the development of COBRA, SearchPro's proprietary search software. Robert is a shareholder, owning 2.5% of the company. He is also the UK chair of the SEM professional body, SEMPO.

Robert is now concerned with SearchPro's strategy. "I'm a visual thinker", says Robert, as he leaps to the whiteboard to outline his view of SearchPro's position.

Figure 1. Robert Nicholson's matrix of SearchPro's position



The matrix Robert has put together makes clear how among SearchPro's options are expansion into European and other international markets and 'closing the on-line loop' between search and branding. "Many of the blue-chips are missing out on the enormous potential of linking search to branding," explains Robert. "If you Google or Yahoo! some major campaigns at the moment, you very often can't link to those companies' core products. It's a huge waste and that's one area where we can grow."

2) The CFO

Jane joined the company after an extraordinary period of growth in 2003. Since then has managed the performance of a company that has achieved consistently impressive growth year on year, as *Tables 3 & 4*, below, illustrate.

Table 3 Moving Quarterly Turnover 2002-2006 inc

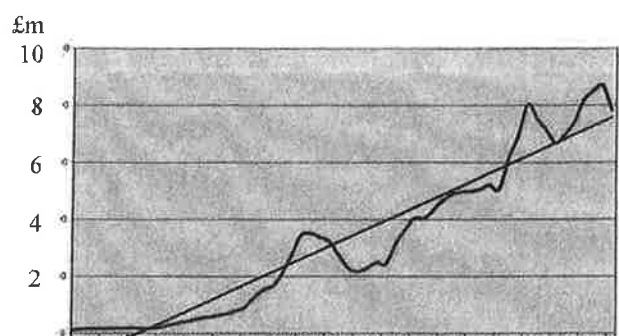
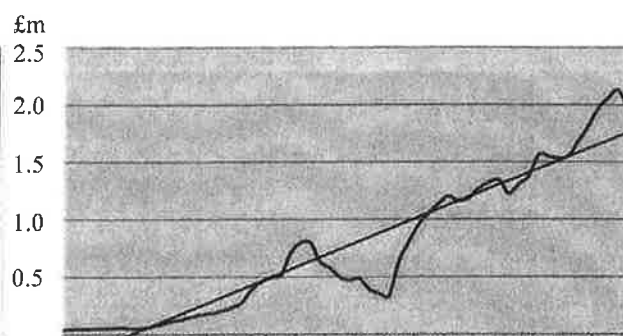


Table 4 Moving Quarterly Gross Profit 2002-2006 inc



With a background as Financial Controller for a major legal firm and Chief Financial Officer (CFO) for a sporting charity, Jane Copland joined SearchPro as CFO in February 2004. She is tasked with increasing revenue for all areas of the business and with mapping out SearchPro's performance. One of her first tasks though was to establish proper accounting systems and policies for items such as revenue recognition. Her activities are naturally indispensable to making the key decisions that the company's directors are currently addressing. Jane is also a shareholder, with a stake of 2.5%, equal to Robert Nicholson's share.

Table 5 Cashflow Statement

| £'000s | 2007 | 2006 | 2005 |
|---------------------------------------|--------|--------|--------|
| Net Cash In(Out)flow Operat. Activ. | 5,367 | 2536 | 1,834 |
| Net Cash In(Out)flow Ret. on Invest. | 407 | 196 | 151 |
| Taxation | -1,208 | -442 | -283 |
| Net Cash Out(In)flow Investing Activ. | | | |
| Capital Expenditure & Financ. Invest. | -209 | -511 | -438 |
| Acquisition & Disposal | | | |
| Equity Dividends Paid | -1,744 | -1,256 | -1,378 |
| Management of Liquid Resources | | | |
| Net Cash Out(In)flow from Financing | 218 | 0 | 0 |
| Increase(Decrease) Cash & Equiv. | 2,831 | 523 | -115 |

After conducting a review of SearchPro's performance, Jane has clear ideas as to the options: "We could do a transaction," she speculates, "either sell out to a bigger company, or buy in smaller companies for niche markets. Buying in would achieve stability, but a sell-out would mean different things to different shareholders. Another option is to recruit a Director of Innovation, to secure good performance over simple growth. We've observed that our competitors are generally bigger than us but don't seem to make a profit; we also have a lot of cash and maybe we can afford to invest in some top leadership. The decision is ultimately with Duncan."

