

From 'drabulous to fabulous'

■ Carolyn Herbert

PROBLEM SOLVING

COMPANY: Million Dollar Makeovers.

BUSINESS: Home renovators and builders.

GROWTH TIPS: Make customer service, quality and efficiency your top priorities.

MILLION Dollar Makeovers founder and CEO Sasha deBretton bought her first property at the age of 21, then renovated the house and sold it at a profit.

The 2011 *WA Business News* 40under40 winner repeated this process for the next decade, buying three or four houses a year and project managing a team to renovate each of them within a few weeks, generally during her work holidays.

"I was told by my grandfather to buy a house when you're young and you will get 10 steps ahead," Ms deBretton said.

"And I did but I was working full-time, so I scheduled the trades really tightly to get the whole house done in a couple of weeks and the value of the property went up quite substantially."

Ironically it was during the early stages of the GFC that Ms deBretton recognised the potential to turn her hobby of renovating properties into a business.

"During that time all the values of my properties dropped and the banks weren't lending, so I was faced with a very real possibility, like a lot of the developers, that I could lose a substantial amount of money," Ms deBretton told *WA Business News*.

"I didn't really have any fear of starting the business during the GFC because I had a need to bring in extra income for myself; I had been in my corporate job for years and I instinctively knew that the concept would work because people would not want to sell."

Million Dollar Makeovers started in 2009, with turnover increasing from \$2 million in the first year to



STEPPING UP: Sasha deBretton's business, Million Dollar Makeovers, is set to open a new showroom in Claremont. **Photo:** Grant Currall

more than \$7 million in the third year of business.

The company takes from two to five weeks to renovate a property and provides everything from structural renovations and landscaping to interior design.

Initially working on \$20,000 to \$50,000 jobs in the first year of business, the company now does renovations ranging from a minimum of \$100,000 to \$1 million.

Ms deBretton said the growth in the business's activity resulted from the efficiency and quality of service it provided.

"I could see a huge gap in the marketplace. Often, traditional builders are slow and they are not interested in the 'frilly bits' because they are more interested in building a house with a roof and four walls," she said.

"But once you put the bells and whistles into a tired dated home you can transform it from drabulous to

fabulous and significantly increase its value."

To keep the renovation process to a strict timeframe, Ms deBretton has numerous tradespeople working simultaneously on site.

"Rather than have one or two trades, we will have 10 or 15 trades on site so there is a flow and a schedule," she said.

"It's all about good management of the trades and it's just something that the building industry has never done; with them it has always been one trade after another and to me that's not good use of time."

As her business grew, Ms deBretton realised she couldn't play the role of project manager, interior designer and administration manager, so implemented a rigorous recruitment process to form her 'dream team'.

"I now have 10 full-time staff and because getting good staff is such a big challenge, rather than me interview-

ing them and giving them the job, I would give them three day trials where I would send them out on missions to test their skills," Ms deBretton said.

The slump in residential property sales during the past 12 months in particular has also given a welcome boost to the business, with Million Dollar Makeovers now completing up to six renovations a month.

"In this market people don't want to sell and they don't want to build because it costs too much and takes too long, not to mention dealing with agents' fees, moving fees and stamp duty, it is a big hassle," Ms deBretton said.

Million Dollar Makeovers is about to open a new showroom in Claremont, which will display some of the company's interior designs.

Ms deBretton is also in the process of launching her own furniture line and is planning to expand the business interstate.

IN THE NEWS

SMEs unsure about carbon tax

SMALL businesses and industry groups are calling for more clarity on the federal government's carbon price policy and the impact it will have on small and medium-sized enterprises.

Institute of Public Accountants CEO Andrew Conway said last week, after the government released the first details of the carbon price policy, SME owners were no closer to knowing how the carbon tax would affect them.

"It is clear that more modelling is urgently needed to assess the impact that it will have on SMEs across a range of industries from retailers to manufacturers," Mr Conway said.

He also expressed his concern that the only direct benefit small business owners would receive as a result of the policy would be in the reform of personal income tax.

"We are deeply disappointed that there will be no direct assistance provided to the small business sector – many of whom are already feeling the pinch," Mr Conway said.

"As we move closer to 2012, it will become vital for SMEs to identify new ways of delivering their products and services more efficiently to help minimise the impact to their bottom line."

Meanwhile, the Sensis Business Index has shown that 38 per cent of SMEs in WA said they did not understand the proposed carbon tax and 52 per cent said they only partially understood the tax.

In addition, more than half of WA's SMEs said a carbon tax would have a negative impact on their business, with 11 per cent saying they would consider closing or selling their business.

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