

Virtual board

Samuel Bail

As co-founder of Troubadour Goods, Samuel Bail has filled a glaring gap in the men's luggage market. Now moving into new territories, he wants to ask this month's panel of business leaders how to maintain effective leadership while growing internationally

Words Nick Scott

Exasperation and entrepreneurialism make great bedfellows. Take the case of Ohio-based toy factory-owner John Van Wormer who, 100 years ago this October, was granted a patent for the liquid-holding carton – an idea prompted by a messy accident with a milk bottle one morning.

And so it was with the conception of Troubadour – a top-end leather luggage company founded in 2009 by London-based Canadian duo Samuel Bail and Abel Samet. “Abel and I were struggling to find a bag we could take with us to a meeting that was on a weekend trip,” explains Bail, a former professional cyclist. “Everything out there was either too flashy, garish, screaming out that it cost £3,000, or just too formal and structured.”

The duo – then colleagues in mergers and acquisitions at the London offices of Lazard Frères – decided to turn their problem into a challenge, and embarked on a mission to create the commodity they felt the market lacked. “It started off as just a hobby for the two of us,” says Bail. “Driving around Europe, talking to zipper factories, tanneries, ateliers and so on, hearing the stories of the people that we met, made us really excited,” says Bail. “Their passion, their excitement about what they do – we really got a kick out of it.”

The realisation that their products would embody the rich narratives of the artisans whose work went into them would later prompt Bail and Samet to name their company after the medieval performers who told stories via lyric poetry. Their hope is that their wares will one day carry not just their owner's personal



Bail with the bag borne of the need to combine a weekend with a business trip

effects, but their personal narratives too. “We'd both looked at our grandfathers' worn, beaten-up briefcases which had been to so many places and had so many stories contained within them,” explains Bail.

Cherry-picking a team of craftspeople took huge amounts of time and tenacity on their part: Tuscan artisans accustomed to dealing with the Chanel, Zegna and Balys of this world can make a cold-calling start-up feel less than wanted. “We certainly had a couple of moments in which we had to hit ‘restart,’” says Bail. “You go down this path, following a plan, and suddenly realise, ‘OK, this isn't actually going to work.’”

Eventually, though, the product of their dreams came

CV

Age 28

Education McGill University, Montreal; master's at Oxford

Career 2008–2013, MCI
2010–2013, Lazard Frères

Lives London

Hobbies Things I can do in the middle of nowhere, such as cycling, swimming, rock climbing and cross-country skiing [Bail is about to go into training to swim the English Channel next year]

to fruition – and people in the pair's social milieu were highly impressed at the quality and chicness of what they came up with. “The way they're made, from the vegetable tanning which ensures softness and durability, right down to the way the handles are attached with rivets – they'd stay on in a tornado – means that the product will wear in well,” says Bail. “We kept getting asked, ‘Where did you get that bag – can you make one for me?’ It all spiralled out of control and we ended up quitting our jobs and doing this full-time.”

For the first year and a half, they funded the operation from their savings, but have recently benefited from external investment. “We closed a venture »

capital round at the end of 2013," says Bail. "Before that, we had a lot of interest and orders, but the inventory required to get all those products onto the shelves was quite high, so that was a key use of the investment. It really helped that, both of us having worked in finance, we had experience of capital allocation and so on."

Even with greater financial clout, Troubadour faces the usual roster of challenges that present themselves to production-based SMEs. "On one side, manufacturers want you to pay up front because they've never heard of you," says Bail. "On the other, when you're selling, stores will demand payment terms from you."

Despite these struggles, Troubadour has enjoyed steady growth from the outset. Having spent their first year focusing on the UK, getting their products into stores such as Harrods and Harvey Nichols, the pair switched their focus to overseas territories and are now in about 35 stores around the world. "Half our business comes from the US," says Bail, "and Australia, the UK and Japan are also significant markets for us." They've been expanding rapidly, but are not ready to slow down yet. "We are planning to more than double in size in 2015," says Bail.

Bail and Samet's priority is to increase Troubadour's international presence. "Understanding which cities and cultures are the right ones for us now is an interesting topic," he says. "How important is it to have an agent or distributor in Japan, how important is it to do press in the various regions and so on? It varies from country to country."

They're certainly asking the right questions. These connoisseurs of the artisanal narrative already have a fascinating story behind them – and the plot, it seems, is set to get much thicker. **D**

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 What advice would you give to Bail?
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Expert answers

How do you maintain effective leadership when the business is growing internationally?

Dr Stephen Castell Founder and chairman, Castell Consulting



How are you 'doing leadership' right now? Whatever needs 'leading' in your domestic business will still need 'leading' internationally. This assumes a successful business that can sustain success at the rapid growth rate reported (being a 'one-bag company' – along with the usual problem of moving from an entrepreneurial start-up to a professionally managed enterprise – could be far more critical to success than leadership issues).

Find trusted partners in key target territories and set up robust monitoring, reporting and action frameworks (and a global ERP computer system) to communicate

regularly with them. Then leave/lead them to do their own detailed business development and management in those territories. Write down your (quantified) mission statement. Make sure your staff understand and subscribe to it and lead by transferring your leadership philosophy to (capable) others.

You don't have to use a consultant like me to assist, but it may help. I was recently briefly involved with a top fashion-label family spin-off (Italian, begins with a 'G'), focusing on leading its own 'one-bag plus' product retailing development strategy on the Côte d'Azur.

 castellconsulting.com

 **Dr Stephen Castell is a member of IOD East of England**

Roger Harrop Author and motivational business growth speaker



I have no doubt that communication problems increase with the square of the distance between you! Successful, sustained international growth is as much dependant on the calibre of, and communication channels with, your local people as it is with all the other normal business and market considerations.

I would always recommend having a local national in charge and who therefore understands the local business culture. You need to visit and have a formal meeting with him/her and their team regularly. I would segment overseas markets into league divisions one, two and three based upon both current

business and potential, and have all the levels in your organisation focus accordingly.

Investment in improving employee communications globally can be high but worth it. For starters make sure you have an annual conference/Christmas party, or similar, to get the global leadership team together. In one business we had a five-a-side football competition each year between the 14 companies we had globally. It produced improved teamwork across the group.

Finally, you must not allow your local companies to feel too independent and I would particularly suggest a strong dotted line between the group CFO and the local accountant.

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 **Roger Harrop is a member of IOD Oxfordshire**

Sarah Wood Co-founder, Unruly



This brand has storytelling deeply embedded in its DNA, which gives it a head start on the competition. As the company brand and its employees travel across cultures and languages, the founders will need to make sure the story looks forward as well as backward, supplementing a compelling founder mythos with a future vision that customers and employees everywhere can feel a part of.

As start-ups scale internationally, having a clear set of values is invaluable when it comes to successful delegation and empowering people in far-flung time

zones to make autonomous decisions. At Unruly, our mission is to deliver the most awesome social video campaigns on the planet and our values are to #EmbraceChange, #DeliverWow and #ShareTheLove. That's the basis of our decision-making framework and helps new staff know how to behave from day one.

Clarity of communication is a challenge when your team is spreading round the world. Here are practical things that have worked for us: weekly newsletters for key comms and shared photos; Trello to manage multi-office workstreams; and weekly squad meetings via Hangout for key projects. You'll need to communicate more often than you ever thought was necessary.

 unruly.co

Bail's response Thank you. Operating in a fast-moving sector we adapt to meet the market – partly why we want to explore innovative ways to reward contributions while retaining flexibility. I'm concerned the traditional mechanisms around options may lack flexibility; negotiating interim value of shares on employee departure seems counter-intuitive. Property investment is a great idea, especially if we can structure this to enable investors and/or employees to benefit from tangible capital growth. We're looking for a simple structure that encapsulates a genuine and well-founded sense of ownership while engendering the requirement to 'put in extra before taking out more'. Employee-share options should be an easy investment opportunity benefit and not a statutory right, so a form of the Bimbo idea also sounds interesting.