

# Flair and little changes steer Carsales boss's win

**Mark Fenton-Jones**

The founder of online advertising company carsales.com was named the Ernst & Young 2009 Australian Entrepreneur Of The Year in Sydney.

At a glitzy function on Thursday, Greg Roebuck was awarded the prestigious title ahead of 30 other national finalists. He will go to Monte Carlo next year to represent Australia at the World Entrepreneur Of The Year 2010 awards.

Since launching carsales.com in 1997, Mr Roebuck has driven the business to become Australia's leading automotive, marine, motorcycle, construction and equipment classifieds business. It listed on the ASX in September.

Chairman of the independent judging panel Paul Cave, who is chairman of BridgeClimb and the 2001 Entrepreneur Of The Year, said Mr Roebuck had shown "absolute flair and executed his business model very well; financially carsales.com is outstandingly successful — not many businesses are getting the profits they are delivering".

Revenue for the year ended June 30, 2009 was \$96.3 million compared with \$72.5 million the year before. Profit before income tax for the same periods was \$40.9 million and \$37.5 million respectively. Revenue is

expected to increase by 20 per cent this financial year, and earnings by about 30 per cent.

Unlike many information-based businesses, Mr Roebuck said his business model acknowledged the role of its staff, not only the founders, in maintaining its innovative edge and ultimately its bottom line. He was not expected to come up with all the good ideas: "as a company we all focus on the fact that little changes all add up and make a big difference".

**Innovation is really the only way someone can go past us.**

Greg Roebuck, Carsales.com

One of those "little changes" was the mobile phone version of the main carsales.com.au site. That emerged from a regular meeting where employees pitch their ideas to senior management.

"It's a fascinating thing watching these techos try and sell an idea but it's good to point out to them they need to push a little more. As a techo by background I love the idea of helping others realise that they are not just there to write codes; they are there to help improve the business."

Encouraging new ideas was also

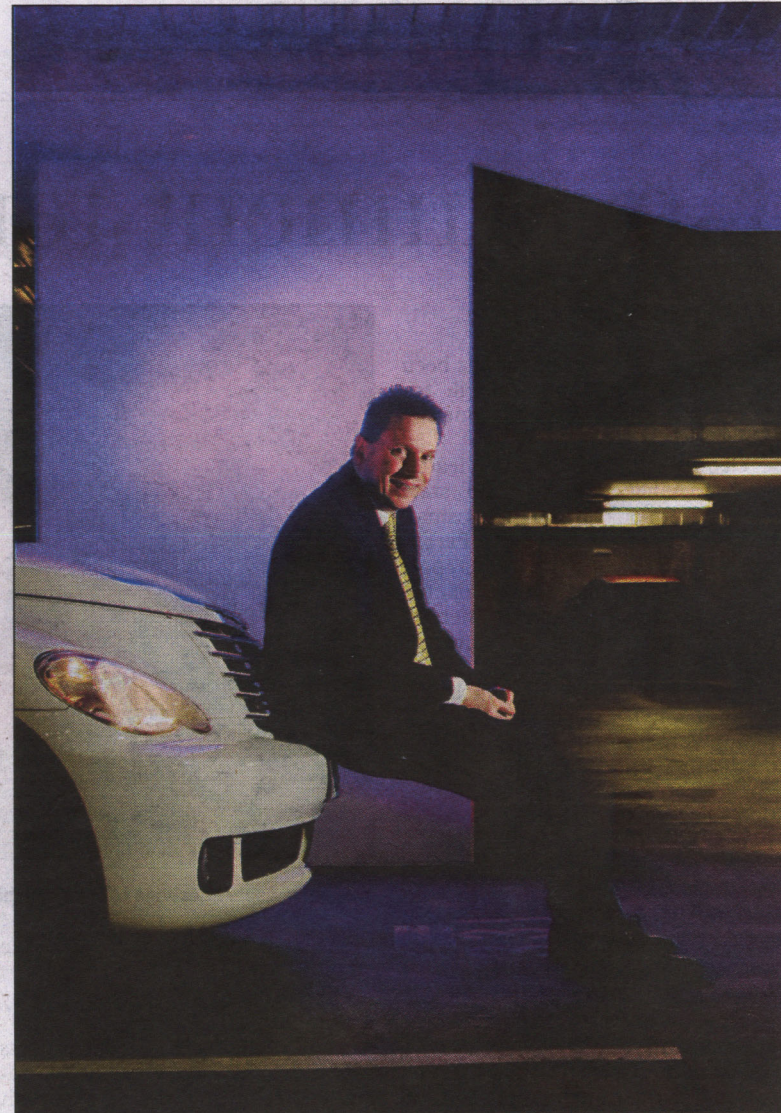
aimed at ensuring that the business did not fall behind its competition "because innovation is really the only way someone can go past us".

Mr Roebuck said the mobile version of the website was already delivering thousands of inquiries. "It's had a positive impact on the business and is worth tens of thousands of dollars a month now. There is absolutely no doubt we continue to improve the business as a result of those initiatives."

Mr Roebuck told *The Australian Financial Review* he would reward staff for profitable ideas at a function this year, with PlayStations, Xboxes and paid dinners. "It will never be cash. I just don't think the reward you get from cash is anywhere near as compelling as the reward you get from someone who's thought about what you are actually providing them."

Carsales.com plans to expand its online sites from the existing 24. Homesales.com.au was launched about two months ago for the private-to-private real estate market, which is estimated to represent less than 1 per cent of transactions in Australia, but is expected to replicate the Canadian experience where transactions amount to 30 per cent of the market.

"We'd rather be there early and grow with that change," Mr Roebuck said.



**Greg Roebuck says he improves the business by gathering ideas from all staff and 'little changes add up and make a big difference'.**

Photo: JESSICA SHAPIRO