



THE ASCENT: A TENZING PODCAST - DUANE JACKSON

Title:

Duane Jackson talks old lags, Lords and the long-game

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Episode Overview:

Guy talks to Duane Jackson, founder of [KashFlow](#), [Supdate](#) and [Staffology](#).

After a turbulent childhood - separated from his mum at the age of 11 and growing up in care - Duane left school with no qualifications. In between IT contracting and looking for some fast cash, he became involved in his friend's drug trafficking business, but in 1999 at Atlanta airport, he was caught with over 6,000 ecstasy tablets and was handed a five-year prison sentence.

On release, he set up as a web developer with support from The Prince's Trust, but finding that accounting products such as Sage and QuickBooks didn't meet his needs, he developed a web-based application, initially for his own use; that software became Kashflow, and within 10 years, Duane had sold the company for an undisclosed sum, thought to be in the tens of millions of pounds.

Duane's story is one of adversity, resilience and redemption, with many personal and professional triumphs, including the full-circle achievement of becoming a patron of The Prince's Trust.

Quick-fire Round:

- **Favourite book?** [Rich Dad Poor Dad: What the Rich Teach Their Kids About Money That the Poor and Middle Class Do Not!](#) by Robert Kiyosaki. Coming from the background that I did, it's like, *okay, well maybe there's some stuff I need to learn* and it was really useful and it felt like that was a turning point in my financial life.

- **Advice for a founder or an entrepreneur?** Cash is king - it's a cliché, and it's bl**dy true. Keep an eye on it. Hire slow, fire fast - it's a cliché, but it's a cliché for a reason.
- **Most inspirational person?** For me, it's Elon Musk, because of the size of the stuff he takes on. I mean, this is changing humanity, the stuff he's doing.

GUY

Right, I'm going to start with the same question I ask everyone: can you remember your first entrepreneurial experience, no matter how young you were?

DUANE

Okay. So I read about people that had done the whole tuck shop thing, and I don't remember doing any of that at all - I'm just not that natural entrepreneur that's got all these stories from when there were kids, ducking and diving and making money, so it probably was when I got out of prison. It was 2002 that I first remember sort of doing any business-related stuff.

I remember being told I was money motivated when I was younger, and I remember thinking, *you're saying it like it's a bad thing!*

GUY

Sounds like a good thing to me... So you had quite a challenging upbringing. We spend a lot of time when we hire people in our own team, really trying to understand what happened to them when they were young and how that drives them, to understand their long-term motivations. Do you remember much of your upbringing before you went into care?

DUANE

I don't remember a lot of my life at all from, sort of, before 11, which was the age I went into children's homes. So I remember the school I went to and I remember some of my friends, but no, sort of, specific memories of anything, really, and I was never sure whether that was normal or not.

GUY

Was it a big shock going into care at 11? Do you find that people define you by that moment? Or do you find that as a pivot point for you?

DUANE

Not really. I knew other people that had been in care at that age and when you're 11, 12, and that's your life, you don't know any different. Of course, you know that you've got siblings at home and other kids at the school live at home, but there was such diversity and family setups, it didn't feel like a big deal to me at the time.

GUY

How many other kids were you with?

DUANE

So the first children's home I was in, there's got to have been at least a dozen - maybe even two dozen - children, and I then moved to a children's home in Wanstead, and where I kind of settled, if you like, was one in Buckhurst Hill in Essex, and it would vary from 10 to 20 other kids at any given time.

One of those things I do remember from being younger, I must have been six or seven, was, I'd always got my work done before everyone else. I remember one day I hadn't, everyone else was finished and I'm still doing it, and the teacher was like, "Come on, why aren't you done yet?" and we were meant to be copying a page from a book, and instead I was copying the whole book. I was doing, like, 15 pages or whatever it was. So it was that cliché of the kid that wasn't being stimulated enough so, therefore, went off and got in trouble because there's nothing else going on.

When I was about 15, and at a school called Brampton Manor in East Ham, I'd stopped going in in the morning, so I'd go for registration and then just go off with mates and realised I wasn't getting in trouble for it. No-one seemed bothered, so gradually I just stopped going to school. So I ended up leaving, literally left school with no exams because I didn't take any, but around that time I was evaluated by an educational psychologist and I was meant to be going to a special school to sit my GCSEs a year early, and there was a screw-up between the education department and social services and the school and it ended up just not happening.

GUY

So actually you were gifted and bright enough in the right environment.

DUANE

Yeah.

GUY

Didn't you pick up the ZX Spectrum around that stage, with the grey rubbery keys?

DUANE

Yeah. I picked that up with the manual and learned to program in Basic.

GUY

So you just literally went through the manual and taught yourself?

DUANE

Yeah. The manual was there, it said *10 PRINT "Hello"; 20 GOTO 10* and I go, *oh, this makes sense, this is good* and it, and it sort of grew from there.

GUY

What do you think you enjoyed so much about that compared to other subjects?

DUANE

So I read a document years later that summed it up for me, it was called "[A Hacker Manifesto](#)", and it's a whole poem about the beauty of the board and whatever else, but a part of it is the fact that if this thing screws up it's because I programmed it wrong, not because it doesn't like me, not because it shouldn't have been achieved in the first place, not because I didn't get laid last night - it's because I programmed it wrong.

So it's very black and white and you know where you stand. So I think in that world of where I was moving around so much from different children's homes and different people looking after you, you've got this island of predictability, if you like, and I think it was that, that appealed to me.

GUY

So you had a logical mind and quite enjoyed the fact that you are in control of it, and you got direct feedback, I suppose.

DUANE

Yeah, and there's no ambiguity about where I stood, right? *It had gone wrong, it had gone wrong at line 17 on the last character... oh, okay, it's missing a semicolon...and*

we're good again... rather than some ambiguous reason I'm never, ever going to be able to fathom.

GUY

So you're doing this in the care home in your own time, and then when you actually left school, what was that, 15, 16?

DUANE

Yeah, so 15, 16. I then ended up in an actual foster home, so I was in a family home, which I wouldn't call a loving environment, but it was comfortable, and I got my first job in a travel agents in Hatton Garden, and I was an office junior and I remember blowing them away on the computer. They said, "Oh, can you type this up?" and it's like, "Yep, no problem. Done." and yeah, blew them away and got offered the job pretty much there and there on the spot.

GUY

So that was the first bit of stability, I suppose.

DUANE

Yeah, and I had some income, which was nice, and I ended up looking after all the computers there and I'm 16, 17. I remember saying to Leon, who was the MD, I said, "Look, I'm on an office junior salary, but I'm your IT Manager, right?" and it was a seven person company, so it's like, "Well, I don't have the budget for it."

GUY

Yeah - you've promoted yourself.

DUANE

But what he did do, which really set me up, was he said, "Look, write your CV as if you're doing the IT Manager job, go and apply for IT Manager jobs and I'll give you a reference saying you are our IT manager."

GUY

Oh, wow.

DUANE

Yeah, really good of him, and that's what got me into IT contracting.

GUY

So how old were you then?

DUANE

17, and it's like, "Okay, so you're gonna pay me how much an hour?!" and it's like, over 20 pounds an hour and I'm 17, and the fact that you're not going to be working a lot of the year, right? I had zero money management skills, so it really was, sort of, feast to famine. So it would be one month I'm buying my mates pizza and the next month I'm having to borrow money to pay the rent. I'd go from 20 pounds an hour, 25 pounds an hour, 30 pounds an hour, and I enjoyed it, there's a variety of work, I like the fact that you didn't get involved with all the politics, you just went and delivered and got paid very well for it; and I remember the last contract, I was at Reuters over at St. Katherine's Dock, and this was like 43 pounds an hour, it's like big money - seems crazy now - but that contract came to an end, and I had a girlfriend in New York by this point...

I'd grown up around a lot of criminality and a lot of people I grew up with were involved with dodgy stuff. So, running out of money, not got another contract and need to pay the rent, got the girlfriend in New York saying, "When are you gonna come and see me?" and my friend Allen says, "Oh yeah, I'm not going next week, was going to go next week but I'm not now - one of the couriers let us down."

I said, "So, you're saying that you need someone to go to New York and you'll pay me, pay for me to do this? This sounds interesting, let me get involved." So I essentially volunteer to get involved with a drug trafficking ring that I grew up with.

GUY

So the first time you did it, you got away with it?

DUANE

It was what was then called a "safe route" in terms of the airline's interests. This is all pre-9/11, right? So you'd go London to New York and you'd just walk through. So I've done it a couple times to New York and bringing the money back more importantly because...

GUY

Oh, so you get cash there and then?

DUANE

Yeah, so getting the drugs taken out, that wasn't too much of a problem for him, it was actually *who do we trust to bring back hundreds of thousands of dollars?*

GUY

Is it really that much?

DUANE

Yeah, and it's normally in small bills, which doesn't help.

GUY

So literally like a duffle bag full of cash?

DUANE

No, it's all rolled up really tight into tubes and stuffed into portable speakers. If you remember, you had speakers back then with a battery compartment, all that was cut out and it's just stuffed with money. So a hundred grand each trip we'd be bringing back. So I remember we used to come back out of the airport, and we'd be driving down...

GUY

So you didn't have to wait for a cab for hours?!

DUANE

Oh no, the guys would pick me up and we'd be unscrewing the speakers in the car, getting the money out, and what's really annoying about it is, because it's been rolled up really tight so you're trying to sit on it to flatten it out... and of course it is a bit fun at the time as well, it felt like it, but yeah, it all came crashing down sort of mid 1999. A customs agent stopped me and found a whole lot of drugs on me and it all sort of unraveled from there.

It really is that cliché, everything going slow motion and it feeling like it's happened to someone else rather than you, because you've got the American accents, you're surrounded by guns and DEA agents. I think I still thought at that point, *oh, they're going*

to send me back home, give me a slap on the wrist, might have trouble coming back to the States again, but hopefully I'll be home by tomorrow and yeah, slowly it dawned on me that you've screwed up big time, and they said, "You know, you're looking at 25 years and a million dollar fine." Yeah, scary stuff.

What then happened - which I didn't know until later - within hours of me getting arrested the police in the UK kicked in all of the right doors in East London and we very quickly found out we'd been under surveillance for six months.

GUY

So how long were you in the States for?

DUANE

Not very long. I think about six, seven weeks. I got a note passed to me from one of the prison officers that said "call Ben on the London number" and Ben was a guy I'd worked for while I was doing contract, and I'd done bits and pieces for his firm, and we kind of stayed in touch - I wouldn't say as a friend, more that I was doing bits of ad hoc work for him - and so I was like, "*Which? Number one. How does he know I'm here? Number two. And why does he want me to call him?*" and it turned out that he'd got wind of it.

He said, "Look, I spoke to the DEA. They said it's going to be a year before you get to trial, your bail is \$50,000. If I come and park \$50,000, I can take you back to the UK and you have to come back in a year and stand trial. I can't do anything from that point on to help you, but I can at least come and bail you out if you come and work with me and stay at mine for a year. Are you up for that?" Of course I was up for that!

GUY

Wow. So you spent the next year working with him.

DUANE

Yep.

GUY

And then at the end of that year, did you go back?

DUANE

So no. I was the only one caught with any drugs on me, the whole nine of us, outstanding trial. So they really needed me as part of the trial in the UK, so they arranged what's called "administrative dismissal" in the US, so the charge got dropped, Ben got his money, I was traded, in effect, and I stood trial in the UK instead, in mid-2000.

Stood trial, went not guilty and tried to argue it out, but got found guilty, and because if you go guilty early on, you'll get a discount on your sentence, and we didn't, so we weren't looking at a discount. We were looking at 12, 16 years. So when we did get sentenced, I got five years, a few of the others got four, someone else got six and then we were over the moon because we were expecting a lot more.

GUY

So how long did you serve?

DUANE

I served two and a half years. So it was a five year sentence and I got out halfway through. When you go to prison for more than a year, you either come out significantly improved as a person or significantly worse and normally with a drug habit, and thankfully for me, it was better.

I do remember the moment as well. It was in Camp Hill and I mean, it's so ridiculously petty. It was the "mushroom incident", is what it was referred to. So... you only got mushrooms for dinner on a Saturday. I like mushrooms, so it was known that when the mushrooms come on the wing, put some aside for Jackson, put them under the hot plate. Someone complained that they were only getting two mushrooms rather than the four they were meant to get.

GUY

...because Jackson's getting my mushrooms.

DUANE

Well, they didn't know why, necessarily. So then the senior officer, a Miss Pratt was her name, proper kicked off over it, and basically, "If this happens again, you guys all lose your jobs, you're no longer orderlies if food carries on getting stolen", but I remember that evening, because if we lost our jobs, we'd have to change what cell we were in: I could go to the library whenever I wanted without the screws, I could take a shower and use the phones when other people went around.

GUY

So as good a quality of life as you could have.

DUANE

As good as possible, yeah, and all this woman had the power to take that away from me, just like that, over this mushroom stuff; and I remember thinking, *how have I ended up in this situation? How has this happened?* And it's so obvious in hindsight, right? I made a number of decisions and because of those decisions, that's where I ended up. I hadn't put any thought into those decisions, I just kind of bounced around and ended up there and I'm thinking, *well, hang on, if I'm a bit more thoughtful, decisive, switched on to what I'm doing, wondering what decisions I'm making on a daily, weekly, monthly basis, maybe I can... you're the master of your own universe...* and it just dawned on me; it's like, *shit, I can do whatever I want. I can end up wherever I want to end up, you've just got to be conscious of the decisions you're taking to try and get there.*

There was a quote I found somewhere that goes, *'if you don't have a plan for your life, you end up a part of someone else's plan and guess what they've got planned for you? Not much'* so that really kind of summed it up for me. It's like, okay, well you need to be a bit more aware of what you're doing with your life.

In prison you are either in education or you're working in industry, so of course I put myself down for education. They had a course called CLAiT - Computer Literacy and Information Technology - which was the basics of IT, so I put myself down for that. It was a two-month course. I'd done it in two days and she said, "Well, you're assigned to me for two months, so you have to stay and help." so I ended up helping teach that course. That teacher then got sick, so I ended up basically teaching that course myself over six, maybe even a year. For a long time I was basically teaching in the prison.

A lot of my co-defendants that I went to jail with had moved to an open prison and I was still stuck at Camp Hill and a prison officer took me to one side, Mr. Jenkins he was, and he said to me, "Why do you think you're sitting in this prison? You should be in an open prison by now." I said, "Yeah, tell me about it" and he said, "Do you wanna know why?" I said, "I'd love to know why" and he said, "Right, follow these steps. You leave this prison and go to Ford, which is where you're meant to be now, what gap do you leave behind you?" I said, "What do you mean?" He said, "Who's gonna teach the IT course? And that's gonna cost the prison at least 30 grand a year. You leaving this prison will cost 30 grand

a year, so stop teaching and you'll get moved.” So I said, “I don't want to teach this course anymore, I'd rather be just locked in my cell all day.” So I got moved back off of education, reallocated back to the wing and within a couple of months I got moved to Ford Open Prison.

GUY

Wow.

DUANE

So I worked for Ben for a year when I was on bail, and I didn't get paid anything while I was there. He said, “Look, I can't afford to pay you anything but I'll give you 20% of the company so you've got something to look forward to when you get out” and when I was at Ford, two things happened: you have a better class of criminal at Ford, so there were solicitors or whatever, and they said, “Yeah, this is basically what's called an option, and it's not really worth the paper it's written on” because this and that, so I called him up and said, “I've been told this.” He says, “Oh yeah, no, they're kind of right, but the lawyers made me do it. I'll get it changed for when you get out.” and so at the same time that he was saying he'd get it changed for when I get out and never did, The Prince's Trust came and gave a talk at the prison, about their enterprise programme, and it's like, *you mean, I can start a business, my own business when I get out?* And it just hadn't occurred to me but yeah, when they say you can come out and be self-employed and we'll support you and help you to do it, it's like, *oh, okay*. So I started writing a business plan, I think the following day, and got out of prison and went straight to The Prince's Trust to get help to start as a one-man web developer.

GUY

Just building websites for people?

DUANE

Yeah, and it grew from there, but where I struggled is with the bookkeeping, and it had become a bit of a mess. I thought there's got to be a better way to do this. So I spoke to the other Prince's Trust businesses and they said, “No, we're doing the same as you” so I knocked something together for me to use, and because I was a web developer, by this point, it was web-based software. I built it on the back of a website that I had. And again, The Prince's Trust, they put on a lot of good talks, general business talks, so one of them was the difference between selling a product and selling the service, and when you're selling a service, the only way you can scale is you either bring in other people so you've got a lot of management overhead, or you up your hourly rate, because there's only so

many hours in a day, but then there's a limit on that. What you really wanna be doing is selling a product because then you can make money in your sleep. And this makes a lot of sense. What could I possibly build? And then realise it is under my nose, right? This bit of software that I built just for me - actually other people need this, and it grew from there.

It was gonna be called LollyMates. It wasn't gonna be called Spondoolies but nobody knew how to spell Spondoolies, and I remember talking to someone at The Prince's Trust called Rachel Rickards who said, "Great idea, but give the name a bit more thought."

GUY

Yeah, it's a bit niche.

DUANE

So we came up with Kashflow with a K.

GUY

So you realise you've got a product because all the other Prince's Trust community go, *oh yeah. I could use this.* So, you know, you've got demand, you've built it for yourself - so obviously it works - and you start selling it back to the same people at The Prince's Trust?

DUANE

Yeah. Sell it back to them. At around the same time I joined forces with another Prince's Trust business - a guy called Sotiris. He was an SEO expert and I was a web developer. We had a lot of common clients and we said, "Doesn't it make sense for us just to combine and have a bigger business", so we had a two-person company at that point, which Kashflow was one of the things it did, but there's also web event running SEO clients. Kashflow was bringing in maybe a hundred quid a month or something like and it was very, very early days.

The company was fast running out of money. I didn't want to do any of the commercial stuff, I was happy being the techie, he was the CEO (well, it wasn't even a CEO, he was an MD - we didn't have CEOs in the UK in 2003 or 4!) and he was like, "Oh, mate, we're gonna run out of money in three or four months" and I replied, "No, it'll be fine, leave it with me, leave it with me" and we ended up completely screwed - out of money, a 25 grand loan from the bank that we couldn't afford to repay, and actually he'd done a very

gentlemanly thing: “Look, let's go our separate ways. One of us takes the core business, one of us takes this KashFlow thing” and in the end he said, “You know what, I'll sign everything over to, if you take on that debt, and of course you can just fold the business” and he knew this, you can fold the business, walk away from the debt. He said, “This KashFlow thing’s probably got potential. If we do an agreement where I get X percent of the profits of it in the future, I'll sign everything over to you.” and he did, which actually he could have been an a**hole and said, “You know what, I'm sitting on my 50%” and who knows what would've happened.

Also around that time, I'd met Lord Young, at a charity event.

GUY

Was that through The Prince’s Trust as well?

DUANE

It was a spinoff charity called London Youth Support Trust, and he'd shown an interest in investing and then gone very quiet, and what had happened - I only found this out afterwards - was Lord Young thought, *I like this Duane guy, this Sotiris guy less so.*

GUY

I don't want to get myself in the middle.

DUANE

Exactly, especially because of The Prince's Trust connection as well. So once Sotiris disappeared, I got in touch with Lord Young and I said, “Look, I own this thing a hundred percent now, so if you want to have a chat, let me know.” and yeah, very quickly, Lord Young was my business partner and mentor.

GUY

Wow. That must be like two worlds colliding, isn't it?

DUANE

Oh, big time. Massively. Yeah, the Lord and the ex-con, up to their old tricks again! But it solves so many problems just having his name associated because I'm trying to sell to accountants and they're like, *well, who are you? This company's only been around since*

X, Y, and Z. I've pulled your accounts. It looks like you're in a bit of a mess. So before I do any business...

GUY

As all accountants do...

DUANE

Yeah, they do.

GUY

They can't help themselves.

DUANE

But all of a sudden when Lord Young is the 50% shareholder they're like, *you're fine, carry on*. They stop asking questions.

GUY

So do you remember the stages of development? When did you hit, like, five people?

DUANE

So if you were to plot our growth, right, even number of customers or revenue or headcount, there's no exciting jumps in it. It's just smooth, steady, grow, grow, grow. I mean there are no exciting lumps in the graph. There was of course exciting stuff happening along the way. So, again, Prince's Trust event. So by this time we were doing something interesting in the technology space, so I was a good name, and a success story already at that point, so I got put in front of a lot of potential donors, including Bill Gates, and various other people over the years... Will.I.Am, Elon Musk more recently, so met a whole bunch of people through The Prince's Trust, but one of the benefits was people in the IT industry I got to meet.

So, Alex van Someren, who you may know is around the PE world in Cambridge, was arranging a dinner for some donors and someone he had on his radar was Mike Jackson from Elderstreet, who'd previously been Chairman of Sage. So he thought it'd be fun to put us together and basically Mike Jackson offered to buy the business off me for £2m quid.

GUY

And what did business look like then?

DUANE

We were probably doing near 10 grand a month.

GUY

So he's buying basically the product rather than the business.

DUANE

Very much so. I spoke to Lord Young and he's like "Look, if you want to sell to him, I'll support you to do whatever you need to do, but actually here's another option: let me give you a hundred grand as a loan, interest free, pay me back if and when you sell this company and let's just knuckle down and grow it", and we went that route.

GUY

And so you took a little bit of money off for yourself?

DUANE

It wasn't even money off the table. It was just a very soft, friendly, personal loan.

GUY

How did that money make you feel differently about either the business or risk appetite, and how you grew it?

DUANE

On the one hand I realised, *hang on, I've got something in it, someone thinks it's worth two million quid, therefore on paper I'm now a millionaire, and I can pay off the double glazing loan I've got* or whatever it was at that point. So yeah, it helped me focus on the business rather than worry about costs at home and stuff like that. I've got some real value.

GUY

Something to be cherished.

GUY

So how long's the time between you meeting Lord Young and then you receiving the two million offer?

DUANE

So out of prison 2002... started the business 2003... 2004 it was KashFlow... and 2006 Lord Young got involved... 2007/8, maybe, the two million offer. So only two years on from that we actually went through a formal process of trying to sell the business. I'd have been happy to take five. So I bought in a formal M&A firm to run a process to sell it.

GUY

And Lord Young had advised you to do that?

DUANE

He was very supportive of whatever I wanted to do. He'd rather I'd stuck with it and grew it, but he could understand why I wanted to and said, "Fine, I'll support you in doing that" and found the M&A firm for me and whatever else, made the introductions.

We spoke to so many people and that's when I realised things, right... One, I thought I was finding somebody, big company in industry that can come and show me how to do this properly. Like, you guys are clueless! But also, I met a guy called Subrah Iyar through that process, who founded WebEx, sold Cisco for hundreds of millions, and he said, "Look, I'm not interested in a business, but I like you." I remember that summer - and it must have been 2010 - I spent a lot of time drinking coffee with Subrah, and him saying, "Look, you get a lot of credit for how well you've grown this business with very little capital, but that's not the real miracle. The real miracle is you have no C-suite" and I'm like "What's a C-suite?" and he says, "Well, your marketing, your tech, your..."

GUY

Everything - your head of everything.

DUANE

Yeah. He said, "You need this. This is why you're not enjoying your job. Your job isn't the CEO's job. You're doing everyone's job. Build a good team around you, you'll have a more solid business and you'll be able to... you've got the vision, you know what you want to do, you're just not able to do it." So that's such good advice, so I walked away from the sales process, grew a team around me.

GUY

How was that, building the team?

DUANE

It was difficult and made the mistake early on of bringing someone in and - all the clichés are true, right? Hire slow and fire fast - and we did it the wrong way around, he wasn't the right person, he was terrified by the speed at which we did things, and because I got burnt, if you like, by that experience, I was reluctant to bring outside people in again.

We then got an offer. All of a sudden, one of the firms that said they weren't interested when we did the process, all of a sudden they want to chat. "No, no, no. I'm focused on the business." but then they said, "We want to give you seven and a half million quid for it." So I went and met with the then CEO - it's a firm called Exact over in Holland, a public firm at the time - and I said, "Look, I like the number but it's at the bottom end of what I'm comfortable with, so I'm tempted to walk away, but you know what, if we can do seven and a half and after due diligence, you don't try and knock it down by even a penny, let's do a deal."

They got stuck into due diligence, I brought in an external CFO that I knew well, Rob Carter, he's well known around the start-up community in London, tech startups. So we got to two weeks before signing, I'd made an offer on a house, I've gotta get this deal done now, and he says, "Have you looked at clause 13.2?" and I said, "I've looked at all of them. What about 13.2?" He says, "Look, what this is essentially saying is that the day the deal closes, you will owe them 700k, so they're effectively reducing the price by 0.7 million, even though they're not calling it that." So I got into the office and their guys were there and I said, "Look, what's this with clause whatever it was?" and I explained that I'm not happy about that and the M&A guy, he said, "This needs to get sorted out before we move on to any of the other points because this is an important point." I'm like, "Actually, yeah, you're right."

I said, "You're gonna have to get Max, your CEO, on the phone because I've told him if you move the price... and you're essentially moving the price." So I remember being stuck outside the boardroom, they're having conversations in Dutch, we go back in, there's a guy called Jeroen who's the Chief Council who no-one's ever said no to in his life, he's got a real air of authority about him (a really nice guy but you don't say no to him) and he says, "I've spoken to Max, it has to stand so if you don't agree to it, it's a show-stopper" so I said, "Alright, let's stop the show."

I opened the door and kicked them out of my boardroom. I dunno what was going through my head, how I was gonna tell my wife that I just walked away from the seven and a half million pound deal. It collapsed there and then because I wasn't willing to move on this 700k.

GUY

So this was in 2010.

DUANE

So this was 2011, I think, halfway through. So Lord Young is now mid-80s, so he was late-70s at that point, and a few weeks later I was having lunch with his best friend who happens to be Natie Kirsch, South African property billionaire. He was in the middle of buying Tower 42, which he now owns, and Lord Young was telling Natie this story and Natie says, "Well, why does he want to sell? Is the business not going anywhere?" And he said, "Oh no, the business's got a lot of potential, Duane just wants to de-risk, take some money" and he says, "Send them in to see me now."

Bear in mind, at this point, I'd done a beauty parade of 10 different companies, done all this crap with Exact. Spent half an hour chatting to Natie, at his flat over at St. James's or wherever it was, and he agreed to give me a million pounds personally. It wasn't enough to make it interesting for him, so he also bought some equity from my sister-in-law who had some equity at that point, and put some money into the business so it was worthwhile for him, at the same valuation, the seven and a half that Exact could have bought from. And that really did change my perspective, because at that point I had, in my eyes, f**k you money and I was then really focused on growing the business, and Lord Young actually said, "Look, no more talk about raising money, no more talk about selling, knuckle down, stay laser-focused on the business" and that's when Raj Patel came knocking.

He'd run Exact, funnily enough - pure coincidence - the company that I'd fallen out with, and he emailed me and a few others saying, "Hey, interesting business, you up for a chat?" and I was the first to reply to say "thanks, but no thanks."

GUY

So now he's interested.

DUANE

Yeah. And he said, “Well, let's have a meet-up anyway because I'm down in Brighton” and I say, “Okay, fine.” So I went and met with him at the Hilton in Brighton, got outrageously drunk on whiskey, and explain the situation to him that “Look, I've just taken this money, I'm very laser focused on growing the business. Even if I did want you involved, I can't” and Raj says, “I tell you what, let me come work for you for free for three months, and at the end of the three months, if you wanna hire me and we wanna do a deal, it will involve equity, otherwise I'll walk away, really not a problem, but I think we'll have some fun for three months and some of the stuff you've just been complaining about, I know to fix that really quickly for you.”

Okay, so you can't say no to that.

GUY

You've got an adult in now.

DUANE

Well, he's done a lot for me over the years, but the main realisation early on was helping me and my then team realise, *yeah, we're screwed up as a company, yeah, we're dysfunctional, but you know what, there's a name for it. You are, and it's this, and actually here's a study from one of the big Bain and Co whatevers and you are actually...* and it's like, there's a name for what we are! It's like having a disease and then finding out there's actually a cure.

He helped guide us through that and really sorted out the business, really helped it get it in the right direction, and very shortly after, within a year or so, I guess - business firing on all cylinders, our revenue was only at two and a half, maybe three million, probably approaching three million ARR - at that point we got an offer from Iris, that was already a reasonable number. Then Raj got involved in helping negotiate upwards and Lord Young said, “That's a great number, but it's not gonna happen, no-one's gonna pay that for this business.” but then from the PE world, when you look at how much they were paying for us, what our revenues were, the multiplier on Iris at the time, the premium paid-for software as a service, whereas Iris was all desktop at that point - it made perfect sense for Iris to pay... Iris could have paid double what they paid and it still would've made sense. So actually it was a really good deal for everyone involved. That was October 2013 when Iris acquired KashFlow.

GUY

And so when you sold to Iris, was it clean break?

DUANE

Yeah, very much so. So Phil Robinson was running it at the time. We are very different in terms of style, and we are very grown up in looking at each other and understanding that we are not gonna work well together. So let's make the business work at least, and by this time I had a very good management team so really didn't have much to do anyway. So it's like a 6/8-week handover and I walked away from it.

GUY

And how did you feel?

DUANE

It is weird when you've got this thing you've been striving for, for so long. The financial side of it, right, of having a ton of money where you never have to worry about money again... overnight, you get the, as one of my staff said, "You're not the CEO, I ain't gonna laugh at your jokes, that isn't even funny mate, really!"

GUY

Brutal. You're yesterday's man.

DUANE

Exactly. That's part of the culture - we were very open, direct, which didn't fit in so well with Iris at the time, but yeah, so overnight here's all the money, and sort of, we don't need you anymore; when you get up tomorrow, there's no job for you to come and do and you are not needed. That took some getting used to.

GUY

And since then, you've been building up small businesses.

DUANE

So I've built something called Supdate, which was a shareholder updating tool. So Lord Young wanted an update every month on where the business is, and it's quite easy: *new email to Lord Young, subject: February update*, and you just got this flashing cursor and it's like, *the customers over there need me and they need me to help out with it and I've*

gotta do this, where do I even start? and one of the things Raj helped with was getting a process in place for that. It's like, *why are you even writing the update, you're CTO, they need to write the update not you.* So, make it easy, make it predictable, make it repeatable, make it an easy process. So I built some software specifically for that, and part of that was, well, I was CEO, I had a good management team, what am I actually good at? What did I enjoy? And actually it's the product and the technology, I actually enjoyed that.

So building Supdate was me getting my skills back up to date, having a product to play with and you're getting an exclusive here, right... So when KashFlow was sold to Iris, the numbers weren't disclosed because Iris were probably embarrassed about the number they paid; when I sold Supdate to CrowdCube - their first and I think only acquisition - the numbers weren't disclosed because I was embarrassed how little I was getting for it! The reality was, by that point, I'd honed my tech skills on it, it was a nice product, but people kept saying, "How's your start going?" and I was like, "Well, no, it's not a startup, it's a project" but I'd had coverage in *Tech Crunch* and whatever else, so it was my thing, but then I got this idea for this payroll thing that I want to go and build, but I know the question's gonna be, "What happened to your last thing?" So CrowdCube had been looking at it and I said to Darren, "Look, can you take this off me?" and he's like, "Well, not really", so I said, "But it's interesting tech for you, right?", and he said, "Oh, we can make use of it, but we're not gonna pay you any money for it." I just think it was something like 10 grand, something ridiculous and then of course the narrative is that's written up says "sold", full line under that, "What are you doing next?" "Funny you should ask! Well there's this payroll thing I'm working on..."

GUY

The payroll business, that was Staffology, wasn't it? And you sold that to..?

DUANE

Iris again.

GUY

And that was about 18 months ago.

DUANE

December, the year before last.

GUY

And so you've done a year of transition for them. Last time you were out the door, weren't you? This time you stayed.

DUANE

Actually, I was at the point where my wife said it to me. She's like, "If you sell this, what are you gonna do with your time?" Or as Lord Young used to say, his wife said, "I married you for life, not for lunch." So I had that ringing in my ears. I'd also had a very good exit from BreatheHR, an HR company I was involved in, and done very well from that, so we're sitting pretty - I didn't need to do the deal. So I said to the guys at Iris, I said, "Look, happy to do the deal, but, and you're not gonna believe this, I don't expect you to believe it, I do wanna actually come and work there because I like the idea of the challenge of working there." So we're now at that point where I've done that, I've learned a hell of a lot, I've pissed off a lot of people because of the way I work, I think I've upset a lot of people without even realising it... So a lot of stuff I learned when Raj came in at KashFlow, he was coaching me to be a CEO, and that whole realisation that, in terms of your management style, you've got at one end highly consultative and the other end you've got dictatorial, you will naturally be one or the other and I'm naturally very...

GUY

...dictatorial.

DUANE

How did you guess? I felt a lot of entrepreneurs are, but if you are aware that there is a spectrum...

GUY

...at least you can move along it.

DUANE

Exactly. And I'd lost sight of that, so I became a half-decent CEO in the last year or so at KashFlow, and over the last year, picking up some of that again, and actually, *you need to know when to tone that down* and to consciously move elsewhere on these dials of how you're behaving, and I've not always made a success of it.

GUY

So you enjoying that?

DUANE

I'm enjoying the challenge of it, you know *this is how it works in a big company, I can't just stomp around*. And also how they manage product and why do you end up doing some of the stuff you end up doing, and some of it you walk away from because it's batshit crazy, and other stuff, you walk away, you go, *okay, that's interesting* and you can apply that elsewhere.

So if you were to ask me, where do I see myself in a year? I haven't got a clue. There's potentially stuff at Iris I can do, but it's more whether they can stomach me. So it's very different, but interesting. I liken it to a big train set. They've got a big train set there and some of the bits don't run as smoothly as I think they could or should and I'd love to help play with them, and there aren't too many other companies with...

GUY

... that much kit.

DUANE

Yeah, there's probably two or three in the UK that have that kind of stuff where I think I can be useful, but whether I can or not is another matter. But yeah, in my head, I know how to do some of this stuff in a slightly different way.

GUY

Super-stimulating.

I'm going to ask you a few wrap-up quickfire questions if that's alright.

DUANE

Yeah. Go for it.

GUY

Have you got a favorite book?

DUANE

So, yeah, it was the right book for me at the time. Now it feels a little bit juvenile, but for me, a book that I think really helped me sort myself out financially - so this is just before I got the loan from Lord Young - is [Rich Dad Poor Dad](#) by Richard Kiosaki. And the subtitle of *Rich Dad Poor Dad* is: *What the Rich Teach Their Kids About Money That the Poor and Middle Class Do Not!* so coming from the background that I did, it's like, *okay, well maybe there's some stuff I need to learn*. And it was really useful and I can't remember any specifics of it now, but I just remember at the time, and for years afterwards, thinking it resonated, and it felt like that was a turning point in my financial life, reading that book.

GUY

And about the most inspirational person?

DUANE

For me it's Elon Musk, because of the size of the stuff he takes on. I mean, this is changing humanity, the stuff he's doing. I was lucky enough to get to spend some time with him a couple years ago now, and so the irony is, right, he blew up on Twitter a few times over the last few years as we've seen, and then he was on the Joe Rogan podcast, and he said some ways like, "Look, I've done this, I've done that, and you expect me to be a normal chilled guy?!" but actually when I met him and he was fairly chilled, although interesting, he was with Tallulah Riley who was his wife, who he had already divorced and paid tens of million to, and now he was about to remarry her again. So yeah, maybe not so normal and chilled, but yeah.

GUY

What's your advice to a founder and entrepreneur?

DUANE

Cash is king - it's a cliché, and it's bl**dy true. Keep an eye on it. Hire slow, fire fast - it's a cliché, but it's a cliché for a reason. So all of that. The clichés true for a reason, and don't dismiss stuff because it's a cliché, think about why it is a cliché and how you can apply that in the business that you are growing and you're running; and the other thing I see happen time and time again... I said earlier that when I went to sell the business and went to speak to the grown-ups, the big guys, for them to show me how to do this properly...

GUY

They haven't got a clue?

DUANE

Yeah. You know your business, and how to run your business, better than anyone else does.

GUY

Duane, you've been a superstar. I really appreciate it.

DUANE

No problem. Thank you.