

# Proud diva

Once a civil servant, always an entrepreneur. Jane Cameron finds out what led Erica Lewis to launch her fast-growing Diva Telecom business.

The playful name Diva is as near as she is likely to get to her childhood dream of becoming a fashionista, held since the age of six. Apart from a swiftly abandoned dabble with design college, Bradford-born Erica Lewis, 49-year-old founder of Diva Telecom, has spent her entire career in telecoms.

But it took her quite a while to build up the confidence to set up her own Leeds-based business in 2006, now turning over £2.4million and naming Toyota and Virgin among clients.

Though it seems incongruous now, she actually spent more than 20 years with British Telecom and other corporates before deciding to ring the changes.

She says it wasn't easy – en route from her status as 17-year-old employee of public-owned utility company to captain of her own free ship, Erica has battled cultures of inertia and sexism.

"I was a civil servant. I began as a clerical officer in the sales department, which was a joke because there were no competitors," she says. But the telecoms industry provided stimulation enough. It was the beginning of the eighties, when faxes and pagers were exciting and a push-button Mickey Mouse handset could go for £150.

"I went in at a fantastic time, there were so many changes. All these things that are old hat were so innovative then, I loved the products and just thrived."

So, with all these products but no selling culture, the 1984 BT privatisation and market deregulation thereafter came as a blessed relief. Her aptitude for sales discovered, she had become a telephone account manager.

"At last we were truly competing and it was fun, though it was probably a shock to those who were older. The culture changed."

But not, perhaps, enough, as another problem remained: male domination. "I felt I had hit a glass ceiling in BT," says Erica, by now working as a senior sales consultant for

small and medium-sized businesses in the north of Britain. "It was difficult to get out of that division to other areas of the business. It was a boys' club. The industry still is – I'm one of a handful of lady MDs."

So, in 1999, when offered a job by rival Torch, part of the Hull-based Kingston Group, she made the call to leave her long-standing employer. And she negotiated her new salary up to £42,500 from BT's £28,000, admitting money to be a big motivator: "Not to earn money for money's sake, but to have a nice lifestyle to enjoy things that a woman typically likes: nice home, nice clothes, nice car [she drives a BMW Z4]."

Torch asked her to manage 'inbound' services, by now her area of expertise. These services, often freephone, are also known as 'marketing' numbers and are given out by companies to their customers and potential customers.

She was next picked out by hungry European competitor, Colt, to run its UK and international business numbers. This lasted only two years, however, as Erica tired of the corporate world.

"I didn't like the Colt culture or management structure. They became too aggressive, quite male, a hire-and-fire place and they didn't understand the product."

It was a turning point. "I was sick to death of corporate and politics, realising I wanted to influence things. I wanted more control and to deal with customers more spontaneously."

With what she now considers naivety, she borrowed £100,000 on her Leeds home to invest in a £3million turnover operation in Leicester called Pipemedia. She was attracted by its innovative approach, as it came up with applications such as an Internet Protocol (IP) voice solution long before Skype. She took a hands-on role as sales director.

Within two years, the company was sold to BusinessServe for £600,000 cash and £1.5million potential earn-out. Erica more than doubled her money.

She says about the venture: "It was probably sheer folly. I didn't do due diligence but I came out smelling of roses." But sadly soon back in her corporate briar patch, after internet company Thus snapped up the business – she left.

Finally, at 44, she created Diva Telecom with the aim of providing an expert independent company able to custom-make solutions for its clients. There was no time to lose from her new loft conversion office at her Roundhay home.

"I finished on Friday afternoon and Monday morning I made phone calls. I had some loyal customers and some lucky breaks. I did things the right way round, with a website and a brand from the outset. My first calls were to suppliers – it was all about what I could buy for, not what I was selling for.

"I still thought, 'I'm not sure how long I will do this for, I'll probably have to get a job'. But that wasn't the case. I started earning money within two months."

Although it offers traditional services to local organisations, including many of Leeds' schools, Diva's main revenue source is in inbound numbers and international services.

"We work for call centres handling multiple clients and manage numbers from 100 countries. For example, we might have European support numbers for three languages or split calls to Australia for a 24-hour service. Inbound is my passion and it wows customers."

With no technical kit or residential services to put costs up, the company has an above-average profit margin – with earnings before interest, tax, depreciation and amortisation (EBITDA) of 35 per cent. Diva employs eight staff – several from Pipemedia – and, with 40 per cent annual growth in the last two years, is recruiting two more for sales. Its next focus is the SMS market.

"I have created exactly what we want culture-wise. We are very passionate about customer care and our customers," adds a proud diva.



## Favourite Facts

Book: Cider with Rosie, Laurie Lee

Film: Cabaret (with Liza Minnelli)

Website: theoutnet.com

Cuisine: Italian

Holiday destination: Greek islands

Pastime: My cats

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