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## Duncan Bannatyne

### Founder of The Bannatyne Group

Duncan Bannatyne was lying on a beach in Jersey with his girlfriend when he realised it was time to do something with his life. He was 30, penniless, and had spent the previous five years working as a barman and having a great social life. He says: 'I suddenly realised I was the oldest swinger in town. So I said to my girlfriend, let's go back to the mainland, start a business and become millionaires.'

The only problem was how to go about it. Brought up in a poor area of Glasgow, Bannatyne left school at 15 without qualifications to join the Royal Navy. He then worked on farms as a fitter and welder. His only aim in life was to make sure he did not follow in the footsteps of his family. 'My father, my sister, my uncle and my cousins all worked in the Singer sewing machine factory', Bannatyne says. 'The bell would go at six o'clock and they would all come out like zombies. I knew I didn't want to work there. And I didn't want to be poor.'



On his return from Jersey Bannatyne got a job in a bakery and to make ends meet also bought used cars at auction to do up and sell on. When an ice-cream van came up for sale he bought it for £450 and quit his job. He saved every penny he made selling ice creams to buy more vans, until two years later he had a fleet of six and was making £70,000 a year. But there was a problem. He says: 'I put on a lot of weight. I was more than 16 stone because I was eating ice cream all the time.'

He decided he needed a change of direction, so he sold the business and started buying terraced houses to provide accommodation for the unemployed instead. When a newspaper article highlighting the shortage of nursing homes caught his eye, however, he decided to invest everything he had to build one of his own.

Bannatyne says: 'I went round local nursing homes and found old ladies living eight to a room at the top of flights of stairs. The government was paying a lot of money to house them. I calculated that if I built a nursing home with

30 single bedrooms I would fill mine and the others would close down because I would be offering better accommodation at the same price. And I would still be making whacking great money. And that was what happened. It was full within three months.'

He footed the £180,000 cost of building the home by selling his house, car and everything he had. He also managed to borrow a total of £40,000 from four different credit cards after the bank refused his request for a loan. 'I went to the bank manager at Barclays and said here's my projections, this is phenomenal, I have got to do this, lend me some money. But he said that if it was that good, everybody would be doing it – and he threw me out of his office.' But Bannatyne had the last laugh. As soon as his nursing home opened for business it was valued at £650,000 and he was able to remortgage it to pay off his debts.

The same day he started building an 18-bedroom extension and within weeks had bought land to build a second nursing home. He kept building more nursing homes until by 1992 he had a chain of 30. But he also had personal debts of £6 million and the strain was beginning to show. Bannatyne started falling asleep in the middle of conversations and would have to pull over while driving. He says: 'The specialist said I was under pressure and so my mind was switching off as a release. I realised that I was under stress.'

Fortunately it was not for long. Within a few months he had floated the company, Quality Care Homes, on the stock market and was able to pay off all his debts and pocket £1 million for himself.

Suddenly he was chairman of a public company with a 73 per cent stake, which with his salary gave him £250,000 a year. But Bannatyne soon became bored working in an office and in 1997 sold the company for £46 million, giving him a personal windfall of £26 million.

He decided to use some of the money to build a chain of nursery schools, starting with one in his home town of Darlington, after realising he was having to drive 10 miles to take his daughter to nursery school each day. He also decided to open a gym in Darlington after he broke his leg skiing and realised that the nearest gym he could use to improve his muscles was also many miles from home.

Bannatyne sold his chain of nursery schools, Just Learning, in 2001 for £22 million. He then started building more gyms and after acquiring 24 gyms from Hilton he now has a 62-strong nationwide chain of gyms called Bannatyne Health Clubs. His company, the Bannatyne Group, also owns five hotels and a bar in Newcastle and in 2009 is expected to have a turnover of £100 million.

In addition to his business interests, in 2005 Bannatyne became one of the original judges on the highly popular BBC television show *Dragons' Den*, which is now in its sixth series. He also regularly appears on other television shows about business.

### Fact File

**Date of birth:** 2 February 1949

**Marital status:** married with six children

**Highest level of education achieved:** secondary school

**Qualifications:** none

**Interests:** socialising, working out at the gym, spending time with his children

**Personal philosophy:** 'Life is a bowl of cherries – just watch out for the pips.'

He admits: 'I get bored very easily and so whatever business I have got, I am always looking for something else to do.'

As a result Bannatyne, 60, now has a personal fortune of more than £310 million. He says: 'The secret of being successful in business is that there is no secret. Anybody with any spark of intelligence in this country can become a millionaire. You just have to work very hard.'