

Did you know that the UK's second-fastest growing company is based in Penzance? We meet independent currency broker TorFX, and discover how it can help you make significant savings when dealing or travelling abroad

# Currency kings

**C**ornwall is not known for being a financial centre in the UK, but in the foreign exchange world, that perception is rapidly changing.

For since being founded in 2004, Penzance-based independent currency broker TorFX has seen revenues rocket 217%. Indeed, not only is it the only Cornwall-based company to be named on the latest *Sunday Times* Fast Track 100 list, it is also ranked as the second-fastest growing private company in the whole of the UK. In the 12 months to the end of September 2008, TorFX handled nearly £270 million of exchange transactions.

Traditionally, most people have relied on the banks to buy or sell currency, with many just not realising that an alternative exists. Indeed, this is still a relatively new industry. Prior to the advent of electronic trading in the 1990s, there were no real alternatives.

## Superior

Many people also assume that they will get a better deal from the main banks, but this is not the case. And combine this with a superior customer service, TorFX offer a compelling product.

"Our core proposition is that we can offer better exchange rates than the bank," explains TorFX MD Jon Beddell. "On a large transaction amount, that can make a real difference.

"We started the business because we saw a gap in the market. We thought banks were offering a poor exchange rate and poor service. You couldn't really ring them up and talk to the same person about your foreign currency requirements and the rate offered would literally depend on who picked up the phone at the other end. If you called three times a day you could get three totally different exchange rates.

"Our aim was to offer a one stop shop where our customers could come and get specialist advice. Most of our customers had never made a large currency transfer before, so it can be quite daunting, it's a lot of money, usually life savings or proceeds from the sale of their property. So it's important that they get a good service and good exchange rate."



The majority of TorFX's business comes from private clients, typically buying or selling foreign property, while import and export deals feature heavily with the corporate sector. For instance, one of TorFX's largest clients in Cornwall is Ginsters, which realises the significant savings that can be made when buying machinery from abroad in the local currency, using TorFX's wholesale exchange rates.

## Service

But many businesses just do not realise this kind of service exists. "I met a company recently," Beddell recalls, "that was buying from Spain, but paying in sterling, which they thought was great until I pointed out that they were getting a terrible exchange rate."

And the process can be so simple. A short call to your account manager, who will give you a price and it's done. TorFX will even pay the supplier direct, saving the time of having to send euros back to the client.

The company is consistently innovating its products and most recently introduced its currency card, aimed at those who

regularly travel abroad on business or pleasure.

"It works just like a debit card," explains Beddell, "but it's a pre-pay card and you load euros and dollars on to it. The advantages are that you get a wholesale exchange rate, rather than the banks' or bureaux de change exchange rate. It effectively removes the need for travellers' cheques."

The card, which is a Mastercard and issued by the Newcastle Building Society, can be easily topped up online and helps open up a whole new customer base for the company.

And it is further evidence of how business can still thrive despite the downturn. For despite the impending recession, over the next 12 months TorFX is looking to add to its 45-strong team in Penzance, and anticipating revenues stretching past the £400 million mark.

And with 85%-90% of the industry still controlled by the banks, there is still much market share to be gained. ■■

**TOR**<sub>FX</sub>

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