



THE DEALMAKER

Rob digs into the mind of Tom Hartley to find out how he started out almost 50 years ago, and the secret to his long-standing success.

Written by: Rob Ward

If you've tried to register for the Tom Hartley Summer BBQ on the SCD event list, you will know you have to be quick. It fills up as fast as the Secret Meet and there is no need to explain why.

The Tom Hartley showroom, in every detail, is something Tom envisaged from a very early age. All of Tom's 47 years of work have led up to this point, building what is arguably the world's most enviable showroom purely for the experience of his customers.

He's done it. He has reached the goal he always worked towards, to be able to work alongside his son and co-owner Carl and hopefully hand something very special down to his grandchildren. "There's nothing tighter than blood to build a business together", Tom

explains as he admits this development of the business, the showroom and the 40-acre estate have always been for the next generation of Hartleys, all so they can hopefully continue the business forward for generations.

Tom didn't attend secondary school. He is one of many people who simply didn't suit the curriculum. He was told he'd never get anywhere in life and was wasting his time. His mind, unstimulated by the methods of teaching in the early seventies, needed a different approach to learning and was clearly programmed differently. He was home educated from the age of 11 and from then on, knowing already that there was money to be made from cars, attended the auctions and started doing exactly that.

At the age of 18 in 1978, there is one particular deal that Tom traces his first million back to. A deal that resulted in a huge shift in the way Tom did business. Having purchased an imported Mercedes from a man in Brighton (whose name he can still remember), Tom learnt that, with the exchange rate at 4.6 Deutsche Mark to the pound, he could purchase Porsche and Mercedes for over 30% less than list price in the UK.

Because of the exchange rate, before long, Tom was buying cars for less abroad than the main dealers were getting them in the UK. He then started to sell them back to the UK dealers for a profit. Eventually, he was trading 20 to 30 cars per month to main dealers, making the same profit as the dealers were by retailing them in the UK. Tom never looked back, never looked at how much he was making, just carried on making hay while the German sun shone!

However, all of the Mercedes and Porsche dealers realised people could purchase cars from Tom for less than they could from them and eventually got smart. It was all due to what Tom and his cartel were doing that the dealers created the Type Approval Number. An individual number given to cars imported from abroad, needed for registering them in the UK. Without this number proving cars came direct from source to the dealerships, Tom no longer had a business.

So, when this was introduced, almost overnight, all of the cars that Tom had deposits on overseas could not be registered in the UK by him and were not saleable. Only one car per person per year was allowed to be imported under the new rules, which rendered Tom's business model defunct. Tom's golden egg was no longer.

This, coinciding with a potentially blinding eye condition known as Keratoconus, meant that Tom had to take a step back, rethink his business model, refund all of the customer deposits as well as pay any money back to investors and concentrate on his health. Although this was a wise move in the long run, it hurt.

One thing taken from this interview was that Tom kept the respect of everyone he'd ever dealt with by being the only person who lost any money. Knowing that at some point he'd be back dealing cars again in another format, bridges were left unburnt.

This, at the age of 19, resulted in Tom both making and losing his first million pounds in the space of only 2 years. We can find a common thread amongst entrepreneurs when it comes to risk and losing money. Once they've made it once, many will always know how to make it back. Look at Warren Buffet for example. He lost \$4.3 billion in one day, only to make it all back again and become the third richest man in the world.

Tom is no different. For him, just like Warren Buffet, part two was the easy bit. He'd done it once, he just had to do it all over again with a different business model. One huge benefit that Tom had over Warren Buffett was age. Tom was still only 19 years old and was perhaps in the best position to be able to start over with his determination intact.

I am confident that people are brought up with a financial thermostat. It is set to a level instilled into you as a child. Whether you're conditioned to believe that nothing is affordable and 'money doesn't grow on trees', or whether



New 1976 Rolls Royce Corniche - age 16

you're brought up with the view that the sky is the limit and you just need to go out and get it (or somewhere in between), that thermostat is what determines your inevitable financial level and, unless you're prepared to re-adjust it, that is where you will always be.

Tom's thermostat is set very high. Like any entrepreneur, he is programmed to take risks for the potential he can see. He is always looking forward and is not worried about what he could lose as he knows that he can always get it back again.

Having since been diagnosed with dyslexia, the reasons for thinking so differently have become very clear. Having spent a lot of time with other business owners and entrepreneurs, it has become apparent there is relevance. It is a little-known fact that 40% of the world's self-made millionaires have dyslexia and studies show that dyslexic people are able to develop a mental resilience to cope with academic weaknesses that actually helps them in later life to develop businesses in particular.

There's a proven link between the different mind of someone with dyslexia and success in business, and just by listening to the passion with which Tom speaks about his business, his ideas, his absolute dedication to remain both successful and highly respected, the difference in mindset is very evident.

Having asked Tom whether the business still has quiet times, even though social media perceives the showroom to never stop, Tom admits that if he didn't work hard, day and night, to create opportunities, he'd be as quiet as any other dealership in the tough times.

Selling to the super-rich does help to ensure that there aren't so many of the quiet times, as the effect of recession or slowing economic growth doesn't hit Tom's demographic quite as instantly. "You just need to know how and where to go out and get the leads you need to keep your turnover high. Don't wait for the phone to ring".



Bentley Turbo R - age 26



This is purely based on experience – nearly 50 years of it. There aren't many car dealerships who have gone on this long, with the same ownership, with the ability to pass such a name down for generations to come.

"It is one thing getting there, it's a very different thing staying there".

Tom's business model, with the amount of inventory he carries, is one that can be likened to a casino (hear me out). Not every deal is a good deal. There are some cars that will sit in the showroom and depreciate, there are some cars that simply don't make money, however, you don't see Tom tearing his hair out with worry that one or two of the cars are going to be losses. It's an overhead of the business.

Similarly, you don't see the owner of a Las Vegas casino pacing the floor while a rich guest cleans up on the roulette wheel, because there is always an edge. Tom's business and the way he works has always and will always result in overall profit.

The roulette wheel has an identical number of red squares and black squares. Alone, giving the player a 50/50 chance of winning. However, there is a green square too. If the ball lands here, the house wins. This means the odds are ever-so-slightly tipped in the favour of the house. Therefore statistically, over time, this edge will play out and the house will always make a profit.

Tom's edge, in the form of his work ethic, his ability to form deals out of experience, knowledge, contacts and the simple willingness to chase each sale, will always ensure the house wins over time and that there are more profitable deals than those that lose.

"You can never cover all your corners. You just have to take the occasional loss on the chin".

In case you are unaware, Tom has decided to share these experiences and more in his biography. Until last year, his 47th year of business, when Tom started working with a

ghostwriter, he'd never had the chance to reflect. He was always looking forward, looking to the next deal, looking at building the future of Tom Hartley as a brand, building the lake that we all know so well and, more recently, planning the build of the new showroom.

The book has finally given Tom the opportunity to stop, to put the business to one side and to slow life down a little. This has meant that Tom can finally use this time to reflect on what he has achieved.

Throughout the interview, Tom was very forthright, as I expected him to be. There is a demonstrative tone to his voice, one of someone who endearingly and unapologetically speaks his mind, however, there was a recognisable tone change when we came to speak about the reflection on his life. Volume reduced, tone softened, and Tom's humble persona showed through. He admitted a level of emotion at this point – a wonderful experience shared with Ken Gibson, the ghostwriter, and to a lesser degree, with me for this article.

It is rare to find a man of Tom's wealth who also remains as humble. Yes, Tom likes to tell you how well he has done, and I can tell he enjoyed telling me how he got there, but that last 30 seconds of our interview showed me that it is far from taken for granted. Each and every step of his life has been about his family's future, whilst not forgetting the past.

With this, only a snippet into the life of the man himself, I am looking forward to learning more. Evidently, as are hundreds of thousands of others, as Tom only last week took a call to learn that, based on pre-orders alone, his biography, *The Dealmaker*, is Amazon's Bestsellers Rank 5,283 in books overall, number 3 in Automobile Engineering and number 63 in Business Biographies & Memoirs, beating Steve Jobs and Richard Branson.

Tom, I salute you, and what a pleasure it was learning first-hand of your admirable success. ●

@tomhartleycars



- › Walked out of school at 11 years old, never to return
- › A millionaire by the time he was 17
- › Lost it all age 19
- › Fought his way back
- › Now at age 58, the world's most successful supercar dealer – 'The Dealmaker' – with a business empire worth over £200 million
- › How did Tom Hartley do it?

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