

Markets & Analysis



Lucy Tobin
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Next time you hear an unemployed graduate complaining about the lack of job opportunities and about student debt, you might like to point them in the direction of Nicko Williamson.

Aged 23, and on his way home from [Bristol University](#), Williamson spotted an LPG (liquid petroleum gas) garage making cars more eco-friendly, and had the idea of creating a "green" taxi business for [London](#). Four years on, his company, Climatecars, has more than paid off his £10,000 student loan. It's also turning a healthy profit, as revenues last year hit £2.2 million.

"I drove past the garage and realised no one was talking about how much taxis were polluting," he says. "I stopped to talk to the garage owner, but realised buying cars to convert to LPG wouldn't be viable. But I thought hybrid cars could work. I had absolutely no experience of the taxi business or the corporate world. I just thought the idea might take off."

So Williamson signed up to a month's work experience at a London minicab company (which has since been taken over by [Addison Lee](#)).

"I told them I didn't know what I wanted to do after graduating, and was interested in finding out how the taxi business worked. Which was true, really," he grins.

Still at university, Williamson started juggling his coursework on the history of American slavery with business planning. He wanted to buy a fleet of [Toyota's](#) hybrid [Prius](#) cars, and trade on their green credentials to sell journeys to big corporations and private passengers.

"I sat in the British Library, with two documents open, so when writing about slaves got boring, I'd switch to making a business plan for Climatecars." After entering an entrepreneurial competition at the [London Business School](#), Williamson secured two business mentors who helped him sell 30% of the business to friends and family for £200,000.

"I was lucky that they were willing to back a mildly insane 23-year-old," he admits. "But I think my business plan was solid." Williamson topped up his funding with £50,000 of his own savings, from an inheritance, and went car shopping.

"I approached vehicle funders all over the country. Most said 'no way, we won't touch a start-up' but eventually, after paying a huge deposit and agreeing to high interest rates, I won backing to buy five cars and credit lines for another 20."

Williamson then phoned Toyota's head office. "I just said, 'I have this idea...' I think they thought I was a bit mad, but at the time, they weren't making any money on the Prius, and liked the promotion that would go with taxis, so they gave me a 10% discount. I get a bit better than that now."

That's because the 27-year-old runs a fleet of 70 cars, with 68 self-employed drivers. He now happily works out of Climatecars' headquarters in [Battersea](#), but admits managing staff decades older than him wasn't easy at the start.



Eco-friendly: Nicko Williamson, founder of Climatecars, has a fleet of 70 taxis

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"The first driver I employed was 60, whilst I was 23," says Williamson. "I had to create my own version of The Knowledge and quiz potential drivers on directions, and at first it felt odd telling people what to do. But I grew a tough skin quite quickly.

"Now I have a head of operations to do all of the day-to-day business."

A year after launch, Williamson raised a further £300,000 from angel investors. "That helped us to pick up more corporate clients," he says. "But I was surprised at how quickly the clients came in even from the beginning. It helped that most of my uni friends went into all the usual jobs in law firms and accountancy, and asked their bosses to sign up for Climatecars accounts."

Despite rivals growing fast - notably Green Tomato, with its distinctive branding - Williamson says there's enough work to go around.

"The Tomatoes are doing quite nicely, but City bankers don't want to be driving around in cars emblazoned with tomatoes. We have contracts worth around £700,000 with a particular big US investment bank, for example. I think the banks like to see their staff travelling in hybrids, rather than being fat cats in Mercedes."

Business may be booming, but Williamson, who lives in Chelsea, isn't planning retirement yet. "I want to grow Climatecars into a stronger business with turnover of £10 million-plus in London, and expand elsewhere too. I may look at other eco-friendly logistics businesses. I'm also introducing pure electric saloon cars at the end of this year for shorter trips in the City.

"The only thing holding us back is London's traffic - it's a huge problem when you're trying to get cars to people on time."

Looking ahead, Williamson reckons some of his investors will want to cash in in three to five years. "So I'll either sell up or look for more backing," he says. "But I'll definitely continue working. I've just joined the board of an ethical clothing brand, and am dabbling in property development. I found this spectacular plot up in the north of Ibiza with killer views, and am planning to build a large, quite dramatic villa, then rent it out."

Overseas property development doesn't exactly have a reputation for business success. But you wouldn't bet against Williamson beating the odds in that sector too one day soon.

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Reader views (3)

brilliant business, i salute you,it will grow & grow before Addy Lee buy you out. the only thing i would be very cautious with is residential development in Ibiza! no joke, its who you have to pay off to get what you need, builders there are very tricky and you need to play the game otherwise you will get crushed..its a very small island that is a well oiled pharmacy...good luck

- big LD, nw8, 20/05/2011 16:23

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I have to say, from what he's talking about, it is clear that he is an Entrepreneur. The business has taken off from adding green credentials to an old business model, Taxis. If your plain sighted then, yes he is "just another owner of a minicab company", but if you look at the rate a which his company has grown and the potential of the service, it nothing short of Entrepreneurial. Whilst i have reservations on his flair, and "it seemed soo simple" flair (that and he lives in Chelsea, Went to Bristol + a few mates in investment [w]banking) etc, anyone who starts a

business that young and turns a profit, deserves a bit of limelight.

- Ha, London, 19/05/2011 19:08

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Once again, we have a minicab firm claiming that they are a "Taxi" business. Let's ask TfL if this guy runs a "Taxi" business and they'll say he doesn't.

It's a minicab firm. And for someone with "no experience of the taxi business". He's even created his own version of The Knowledge. Really? How long does that take? 4 years? No, Probably as long as people know which direction East London is in ("Err, is it in the East?") and they can figure how switch a sat-nav on then they're in.

This is a minicab firm. I can understand why he wants to call himself a "taxi business". He aspires to be like the best in the World. If you want to do that get on the side of real taxis and fight TfL for a greener, more economical version of the London taxi forced n the trade... don't become just another minicab firm.

And once again the Evening Standard show how little they know about London Taxis and Private Hire. Come on Ms Tobin, change the article to say what this guy really is, just another owner of a minicab company.

- Headlong, Strood, Kent, 19/05/2011 17:58

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