



# INTHEBLACK

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## UPSTART

MOBILECENTRAL 24/7

# We've got your number

Those pesky chargers, USB cords and the rest of the paraphernalia for mobile phones may be closer than you think.

STORY SHELLEY DEMPSEY

It is such a simple and obvious business idea, but no one had thought of it in Australia. In the US, selling mobile phone accessories from vending machines is big business at places like airports. In Australia they were nowhere to be found, says Julian Yates, director of mobilecentral 24/7.

He and partner Joe Stagnitti decided to set up the business here to fill the gap in the market. Soon it won't be hard to buy a phone charger or a USB stick on the run at Australian airports, backpacker hostels, hotel chains – even at truck stops in the middle of nowhere. Brisbane-based mobilecentral 24/7 plans to roll out 2000 phone accessories vending machines in Australia and New Zealand by the end of 2015.

"Some of the simplest ideas can be the ones that are overlooked," Yates says. "Vending in America is huge. I've been to New York three times via Los Angeles in the past two years and seen all the accessory vending machines over there. Why don't we have them here? No idea."

Last year Yates and Stagnitti developed a business plan and installed their first test machine at Ascot racecourse in Brisbane. After ironing out a few bugs, 13 machines were installed in Queensland and more are due from the manufacturer in China.

"We've got a 40-foot container on the way with another 26 machines due this year and a further 26 by January."

The machines are cashless and use different kinds of electronic payment methods, such as payWave, credit and debit cards and phone pay, through an agreement with Israeli company Nayax and Bankwest. "We've spent a lot of time on software development for the machines so we can sit in Brisbane and monitor sales all over Australia and send people out to restock," Yates says.

Products on sale include car and wall chargers for the latest mobile handsets, including Apple, Samsung, Motorola, BlackBerry, Sony, Telstra and Nokia, plus accessories such as snap cases, screen protectors, prepaid credit and starter kits.

Stagnitti and Yates, who met about 15 years ago through business and became good friends, have already owned separate businesses for a long time. Stagnitti has run a Telstra phone dealership for 12 years and Yates a large debt collection firm for 23 years. "After so long, I want to step away a bit and Joe's the same with his business," Yates says. "The two of us are concentrating on this new venture and we've already put on a business development manager." Yates claims debt collecting has taught him to be cautious and that the new venture has all been funded from cash "just to be safe".

Requests to host the vending machines are coming thick and fast. "We have a lot of interest from major players – food retailer SPAR and its franchisees, a couple of big hotel chains and pubs. We're also in discussions with Jetstar, Spotless and various airports. It's starting to take off very quickly, on a large scale." ■

### ONE PIECE OF ADVICE

*When starting a new business you need to research, research, research. Prepare a good business plan, speak to accountants and solicitors, listen to their advice and ensure you have the capital to run the business once launched. Then stick to the plan, which is hard, but essential.*



Bits and pieces: from left, Joe Stagnitti and Julian Yates.