

Founder of successful Cobra Beer and one of Britain's top entrepreneurs, Lord Karan Bilimoria now has his sights set on Asia. But in building his business, easy options weren't always on tap.

text PHILIPPA ANDERSON

LARGER THAN LAGER

Karan Bilimoria started selling his first bottles of Cobra beer from a battered, bright green Citroen 2CV. Unable to afford a distributor, he nevertheless had total faith in his product — and was confident that sales to a handful of Indian restaurants in the UK would be the start of his global brand.

“I had zero credibility, no money — in fact I was £20,000 in debt — and my parents were against the whole beer idea. But I knew I had a product that was better and different. You have to believe in yourself and have passion to succeed.”

Born in Hyderabad, India, in 1961, Bilimoria went to Britain in the early 1980s to study. There he found Britons drinking harsh, gassy beers that did nothing to enhance food, particularly his favourite Indian curries. “I always enjoyed beer in India. I just didn't enjoy drinking lager in England,” he explains. Like many great entrepreneurs, he turned a problem into an opportunity.

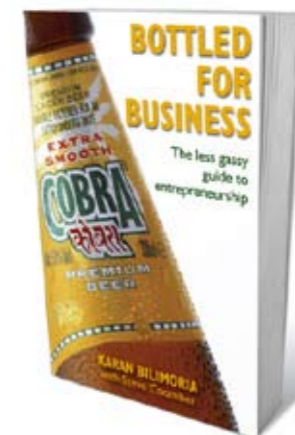
After qualifying as a chartered accountant and completing a law degree at Cambridge, at 27 he gave up a promising professional career to follow his entrepreneurial instinct. His first venture was importing polo sticks from India but he became increasingly determined to launch a new premium Anglo-Indian lager.

“The taste had to be just right — as refreshing as lager but as smooth as an ale. I wanted to create something for 'effortless drinking'. And the brand had to work around the globe,” he explains.

“It was quite a thing starting from scratch in a very competitive, long-standing industry. We were up against giants who had been in the business for centuries.” He omits to mention that he had no knowledge or prior experience of the beer industry — just an idea and a burning desire to create a distinctive product.

Bilimoria may appear to be one of those people who are just lucky but he believes people make their own luck. “Luck is when determination meets opportunity,” he affirms.

His determination set him on a journey to find a brewer to create his dream drink — India was the obvious choice so he went back and won over the sceptical management of Mysore Brewery in Bangalore. It took time to



Bottled for business: Bilimoria's guide to entrepreneurship

get the recipe right and overcome numerous obstacles but in 1990 the beer went into production and the first shipment of Cobra left India for the UK.

RECOGNITION

Eighteen years on and Cobra Beer Ltd has come a long way. The company has offices in the UK, India and South Africa and exports to 45 countries worldwide, including Hong Kong, South Korea, Singapore and Japan. It has built a reputation for quality second to none and has been consistently recognised with industry awards including 20 gold medals, six of them grand gold, at Brussels' prestigious Monde Selection World Quality Awards 2007.

Bilimoria is justifiably proud of his achievements, particularly the brand's fearsome reputation for innovation. The original bottled product has extended to draught lager, low-calorie Cobra and a non-alcoholic variety. Bilimoria's favourite, however, is the double fermented King Cobra which he describes as “the champagne of beers”.

In 1999, he launched General Bilimoria wines. His father, Lieutenant General (retd) FN Bilimoria, had mentioned that pre-Independence wine his regiment, the 5th Gurkha Rifles, had served went extremely well with Indian food. That

gave his son an idea and, after much research for wines to complement the complete range of Indian foods, Bilimoria added a small selection from France's Languedoc region to his beer business. So successful were they that General Bilimoria (named, obviously, after his father) has become the house wine of many restaurants, including some with Michelin stars.

Such business skills and creative flair have been recognised with numerous entrepreneurial accolades for Bilimoria in the UK and India — the list runs to two pages — and an even longer list of appointments and memberships, many linked to his charitable efforts. He is the youngest appointee to the Vice Chancellorship of Thames Valley University and an Honorary Life Fellow of the Royal Society for the Encouragement of Arts, Manufacturers and Commerce.

But top of the list is his appointment to the House of Lords as The Lord Bilimoria of Chelsea. He takes the peerage seriously and attends the house as often as he can. When he took up the role of crossbencher in 2006 he became the first Zoroastrian Parsi to sit in the English parliament's upper echelon.

Lord Bilimoria he may be, but people at Cobra's busy headquarters still call him Karan. His charisma and enthusiasm for the product are infectious: The south-west London office is a hive of activity, particularly with a new management team, including a new CEO, which has allowed Bilimoria to step up to the role of chairman.

With Cobra beer now firmly established, the company has undergone a major strategic review and has ambitious plans to double sales in the next two years. "Not bad for a company that couldn't afford advertising at the outset," says Bilimoria, smiling. "Growth in the first eight years was all through word of mouth. We couldn't even afford four-colour printing for flimsy table cards for Indian restaurants and had to opt for just black and green."

GOING HOME

India is to be a major focus. From the initial start there, brewing was moved to the UK in 1997. Today Cobra is also brewed under licence in Poland, Belgium, The Netherlands and five locations in India — the company has also recently announced the purchase of a controlling stake in Iceberg Breweries in India's state of Bihar.

"The plan was always to take the beer back to India when the time was right," says Bilimoria. "India is now poised to become a global economic super power. With that comes growth in the Indian beer market — the fastest growing beer market in the world.

"We're looking at capturing a 10% share of that growing market by 2012. It sounds ambitious but with our track record there I am sure we can do it."

With India as the potential hub, the Cobra team has identified Hong Kong, Malaysia, China, Vietnam and Taiwan as growth markets; as well as expanding geographically, Bilimoria believes he can widen Cobra's appeal to a greater variety of palates. "We started with Cobra as an accompaniment to Indian food but it actually tastes good with Chinese, Japanese, in fact any food," he says. And taking Cobra back to India is like fulfilling a dream. "When I came to England in the 1980s I knew I wanted somehow to bring the two countries together. Things are right for that to happen now."

Today this belief, combined with his energy and commitment, sees him involved in various roles to support Anglo-India relations including, as chair of the UK India Business Council, recently accompanying UK Prime Minister Gordon Brown on a large trade delegation to New Delhi.

Asked if, on looking back, he might have done things differently, Bilimoria has no business regrets but on a personal front wishes he had recognised lifelong learning earlier in his career. He describes his attendance at Cranfield School of Management in 1998 as a turning point in his life. That led to involvement with other leading business schools both as a student and lecturer, and he attends Harvard for a weeklong course with other global CEOs once a year.

How does he find the time? "It's like everything — you have to make the time. The most important thing is the opportunity to learn. Learning should never stop. When I am sitting in the House of Lords, I am learning something every day."

His philosophy is 'engage, enrich, enjoy'. He has imbued a learning culture into Cobra so all staff are also involved in external learning programmes and he has captured many of his business ideas and experiences in his book *Bottled for Business*. It is not a bad record for someone who was told at school he was "not very creative". ▲

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