Matthew Tripp says he is just an “average bookie” who has struck lucky. The co-founder and chief executive of internet gaming company Sportbet debuts on the ASX Young Rich List this year with an estimated fortune of $74 million, thanks to a deal to sell a majority stake to Irish betting giant Paddy Power earlier this year. “If somebody had come to me five years ago and said you’ll be the biggest bookmaker this country has ever seen and turning over more money than anybody else in the history of Australian racing, I’d tell them that they were nuts,” Tripp says.

Gambling is in Tripp’s blood. His father Alan Tripp, founder of Number One Betting Shop (now Sportbetting), had a long career as one of the more colourful bookmakers in Australia. Tripp himself has inherited his father’s passion for horse racing, golf and punting. “I’d be a good [punishing] client to have because I am hopeless,” Tripp says. “I’ve got a few rachet horses and I back them often and I love a bet on the footy. My mates and I put some money on the golf when we play.”

Tripp always planned to work in the family business. He joined his father’s company – then based in Vaucluse – in 1993 and stayed there for three years. Tripp then returned to Australia and bought a sports and greyhound betting licence at Sydney’s Wentworth Park with business partner Vincent McDonald. He spent three years working with McDonald – who now owns and operates Sportbetting competitor Berry & – and tried to convince the New South Wales regulators to grant them a seven-day-a-week betting licence.

“Wire is competition but we’re still good mates and I learned a lot from him,” Tripp says. “We lived out of each other’s pockets literally because we had no money and we were constantly borrowing money off one another.” During that time Tripp also borrowed money from clients and became “good friends” with a lot of people who continue to wager with Sportbet today. “I used to say, ‘Look, I can’t pay you this week, but they knew they would always get their money,” he says.

When Tripp and McDonald bid for the NSW betting licence was denied, Tripp returned to work with his father in Vaucluse in 2000, taking some of his clients with him. He worked to build the business for two years before English betting agency Sportbetting bid successfully for it. Tripp then approached several former colleagues from Vaucluse about going into business together.

They focused on Sportbet, a struggling company turning over just $1 million a week. Tripp and his partners raised $200,000 to buy it and restructure the business, investing heavily in its online capabilities. “Luckily I had the right people because I have trouble even turning a computer on,” Tripp says.

The business grew rapidly – it now turns over $25 million a week – and when Paddy Power representatives came to Australia searching for takeover targets last November, Tripp was not interested in selling. However, two months later, while on a business trip to the United Kingdom, he visited Paddy Power executives and told them he was interested in buying competitor International All Sports after hearing they were also considering buying it.

“I said, ‘If you go for EAS as well, somebody’s going to pay too much for it. So why don’t we try to arrange a three-way deal?’ They thought about it for an entire 20 minutes and said, ‘OK, let’s do it’!”

By May, Sportbet had announced it was selling 51 per cent of the company to Paddy Power for $49 million, with the option of the bookmaker buying the balance of the business in three years. Two months later, Sportbet and Paddy Power were also given approval to buy EAS for $40 million.

Tripp says he still has “plenty more to learn about business” and wants to stay in the industry after the Paddy Power deal is completed. “It will only be 38 in I don’t think retirement is on the cards. I need to keep ticking over mentally to stay sane. Paddy’s have been great to me so far and all going well I can see myself staying with them long term. It will allow me to put my head on the pillow at night knowing that I am not risking millions of dollars overnight any more.”

In an interview this year, Melbourne entrepreneur Ruslan Kogan claimed he couldn’t remember experiencing any setbacks in business. The truth of that statement is a matter of perspective.

In 2006, halfway through pre-selling a container load of television, internet and mobile phones, Kogan’s account was cancelled. It was his only sales channel. He had no way to sell the rest of the load, no way to pay for the order and no way to get the goods delivered.

That, in the minds of most people, is a big problem. Catastrophe was averted thanks to credit cards and a group of loyal friends. Between them, they rustled up $40,000 worth of credit to complete the transaction.

After starting out in his parents’ garage, Kogan has gone on to build a $15 million online business, Kogan Technologies, selling consumer electronics – ranging from TVs and Blu-ray players to laptops and video cameras – and, more recently, furniture.

Kogan is a bargain-basement retailer. When he looks at a Harvey Norman outlet, the 26-year-old sees a mountain of overheads that adds up to 50 per cent to the price of an item. He keeps costs low by selling only online, sourcing product directly from China. He reacts quickly to price changes and currency fluctuations, markets himself cost effectively and makes computers do the work where possible. He checks product demand using Google Insights – a free service rather than paying thousands of dollars to consultants to carry out similar research.

Kogan constantly tries to make the business more efficient. This year, he realised people would knock $10 off the price of a TV. He supplies user manuals in digital format rather than paper and buys $500 worth of customers through blogs and social networks.

Corresponding with the federal government’s $900 stimulus handout, in March, he introduced his “Kogan TV” marketing campaign – a 37-inch high-definition LCD TV for $999, plan a bonus Kevin Rudd T-shirt – and caught the attention of commercial TV and radio stations. Later, he gained nationwide publicity, courtesy of the Seven Network’s program Today Tonight, with the “television kingpin”. The gimmick is that all of Kogan’s LCD TVs have a 1 year reserve on eBay.

With revenue reaching nearly $15 million in 2008-09, profits are poured back into the business. Kogan expects sales to increase to $80 million this financial year, but the challenge is retaining a lean, agile model.

Eight months after starting Kogan Technologies with childhood friend Dean Ramler, he launched an online furniture business, Milan Direct, which sells replica designs priced directly from Chinese factories. Milan Direct is expanding into the United Kingdom market and will be owned by Kogan Technologies. Kogan Technologies has pushed back its entry into the United States until Christmas, but Kogan maintains that the depressed economic conditions are an opportunity.

“Can-price brands are doing well in this climate; look at Vizio,” he says.

Vizio is a privately owned consumer electronics maker that started in the US in 2002 with $350,000 and three employees. In 2007, it had an estimated turnover of more than $132 million ($2.35 billion). “The plan is that Kogan Technologies will learn from Milan Direct’s mistakes in the UK, and Milan Direct will learn from Kogan Technologies’ mistakes in the US,” Kogan says.

“The Kogan model is becoming a familiar one, and there’s a sense he could apply it to other products. However, he is secretive about involvement in two other start-ups, “I don’t want competitors knowing I’m involved yet.”

Time management is not his forte, he says, but for someone who works a 75-hour week, Kogan finds time to include a diverse range of interests. He is a keen tennis and squash player, made the finals in an amateur poker tournament at Melbourne’s Crown casino, participates in a philosophy club, and one day hopes to add a luxury yacht to his list of assets.