

SARAH
PITTENDRIGH

Loan help for over-30s is welcome

THIS week a Government-backed loan scheme to help young entrepreneurs was extended to the over-30s, which is great news for the vast majority since the average age for starting a business is around 40.

The age restriction for the low rate five-year loans, which are awarded through charities such as The Prince's Trust, was raised from 24 to 30 earlier this year due to lack of take-up. And while bright young things should be applauded for going it alone, there's a good reason why only 5% of young people are self-employed.

For most, the capability and confidence required to start a business comes with experience so those in their late thirties and early forties are most likely to take the leap.

There should be more support for the over thirties – not less – as they're the ones who will help get the economy growing. When I started my business at 37, Business Link couldn't have been more supportive. However I had to find £6,000 to pay for my website and marketing before claiming 50% of the money back. I was lucky that my parents were willing to risk their savings to lend me the money, but not everyone is so fortunate.

Because of the early success of my business model, I was able to start franchising in year one. And while most of my franchisees have self-funded their business, those who needed funding haven't always found it easy. Feedback from franchisees suggests that grants are only available to brand new business start-ups. But why the distinction?

The franchisor is there for support and mentoring – but not to provide the funding. My franchisees are now employing people and boosting the economy, so why should they be treated differently to any other start-up?

The process of securing a business loan can also be a long, daunting and onerous task. One of my franchisees was made to jump through so many hoops, she ended up getting a personal loan at a higher interest rate in order to get the business up and running straight away. But there's always the option of a business angel if you're prepared to give up an equity stake, especially if they have core skills you are lacking.

The good news is that we're lucky in the North East to have some wonderful support organisations who can signpost you in the right direction for funding.

I would urge anyone to tap into the excellent business schools at Durham and Newcastle Universities, the Entrepreneurs Forum and the North East Chamber of Commerce.

Your local council's business and enterprise team is also a good place to start or visit www.nea2fguide.co.uk/ funding-options.

Sarah Pittendrigh is managing director of www.simplybowsandchaircovers.co.uk. Ask a question via Twitter: @simplybows

Women bosses lend ear and cash to firms

FINANCE

Jo Blakemore

0191 201 6440

jo.blakemore@ncjmedia.co.uk

LEADING businesswomen have come together to help fledgling and small businesses grow.

Gabriel Investments are offering equity investments or loans for firms that are struggling to find the finance to move their businesses forward.

The group of six believe that they are offering a genuine alternative for SMEs struggling to access funds from the Government's Funding for Lending Scheme (FLS).

Although the Treasury has just extended the scheme for another year, it has been criticised for failing to offer credit to companies desperately in need of it.

Members of Gabriel Investments LLP include Fiona Cruickshank, who is on the board of the Local Enterprise Partnership and founded Northumberland drug firms

Specials Laboratory and SCM Pharma; Caroline Theobald, Swedish consul and founder of Newcastle networking group The Bridge Club; and Sara Davies, who has grown the County Durham firm Crafters Companion from a student enterprise into an international success.

The other group members do not wish to be identified.

Theobald said: "We all have successful track records in creating, growing and in some cases selling businesses.

"We know the challenges it entails and how frustrating it can be when your business cannot progress simply due to lack of funding and support.

"We are keen to pass on our years of experience and to offer expertise and advice, along with practical financial help in the shape of equity investments or loans from £5,000 to £100,000.

"Because we are a private firm, Gabriel can be so much more flexible than the banks. Applicants will find us different in our approach.

We are certainly no pushovers but we are not Dragons' Den-style operators either. We don't just look at the balance sheet, we look at factors such as the company culture and ethos, its community involvement and what skills exist within the business."

Cruickshank added: "While we are an all-female operation, we are not just working with women-led businesses, we want to hear from anyone who already has a customer base but wants to move up a gear and can demonstrate potential and ambition.

"We are open to all scenarios – it might have started as a kitchen table business, or it could be a family business looking for a buy-in, a buy-out or a cash injection to help hand over the reins to the next generation."

And the trio revealed that they are also on the lookout for more female investors to join them.

Their call came on the day that Women and Equalities Minister Maria Miller unveiled a programme to get more women into

work, saying the UK could no longer afford to ignore their potential.

Davies said: "The North East is rich in women entrepreneurs, but many of them prefer to remain in the background, which is why most of our investors prefer to remain anonymous.

"It's astonishing that 51% of the UK population are women, 70% of the UK spend is in the hands of women, and there are hardly any of them sitting on angel investment boards.

"We think it's time that changed, and that we can bring something different to the economic community and benefit the entrepreneurial ecosystem.

"There is no doubt that economic recovery will be led by the private sector, but that will need to be supported with hard cash.

"If you are a small business owner hampered by red tape and suits, come and talk to us."

The investment group can be contacted at www.gabriel-investors.com

FORMER SHIPBUILDER PATENTS METAL-BLOWING TECHNOLOGY



WORLD FIRST From left, Stephen Newby of Full Blown and Cameron Ross of the MAS with the inflated metal radiator

A FORMER coppersmith has tapped into support from the Manufacturing Advisory Service (MAS) to help him realise the commercial potential of his "metal-blowing" technology.

Sculptor Stephen Newby, who used to work as a shipbuilder for VSEL, specialises in inflated metal structures and his

two-man firm Full Blown has now patented his metal-blowing technology, which will see the launch of Squeeze, the world's first inflated metal radiator.

Manufacturing Advisory Service helped the Biscuit Factory-based firm with advice on product development, workflow, costings and

additional processes.

Newby, whose latest project involved the creation of a 10-metre diameter Halo artwork for Trinity Square in Gateshead, said: "We are really excited about the commercial launch of Squeeze, which uses high pressure water forced between two sheets of polished stainless

steel to create the water channels for the radiator.

"The design is suitable for all central heating and domestic hot water systems. We've come up with the patented technology and proto-typing, Impress Group will be taking over production and Aestus Radiators are helping with the route to market."