



Controlling the financial flow are (from the left): Mark Ansell, Chief Executive of The Flow Group, John Wall, Managing Director of The Flow Group, Paul Gower, SYIF.

## Valve manufacturer controls financial flow

*A Sheffield valve manufacturer has received a SYIF investment to finance expansion into international markets.*

South Yorkshire Investment Fund (SYIF) provided the £500,000 expansion capital loan for Flow Group Limited, based off Carlisle Street.

The mezzanine finance package will facilitate international growth of the company, which consists of Shipham Valves, Conflow, Bestobell Valves, John Mills Valves and Bestobell LNG.

Flow Group has a turnover of over £20 million and more than 50 years experience in supplying valves to the global energy industry.

Mark Ansell, Chief Executive at Flow Group, said: "SYIF's timing was perfect - we received a mail-shot from them just when we were considering financing options, held a meeting with SYIF the following day and within a matter of weeks, we had the basic terms and conditions of the loan agreed.

"The loan is helping us to take advantage of current market conditions and invest in equipment, materials, exhibitions and travel to secure valuable overseas contracts."

Flow Group currently export more than 75 percent of

their products, to the oil and gas industry, the coal industry and for cryogenic markets in the industrial gas and liquid natural gas (LNG) industries. Some of these exports are through their own depot in Washington, Pennsylvania, which distributes their Sheffield made products to the American market.

Mark said: "We are in expansive mode right now and that needs funding. South Yorkshire Investment Fund has been incredibly helpful and we are very happy that they have supported our expansion

"They understand what we need as a company and hopefully, this will become a long-term partnership between Flow Group and South Yorkshire Investment Fund, so they can provide future funding opportunities for us."

Paul Gower, Investment Manager at SYIF, said: "The Flow Group mezzanine package came about through one of our direct mailshots, which is great as it shows that we are reaching our intended market. The funding came on the back of a successful management buyout for the company and will help to secure a dynamic future for them across an international market."

## Invitation to roadshows

*South Yorkshire Investment Fund is to roll out a number of roadshows across the county in November – and you are invited along!*

The roadshows aim to spread SYIF's latest news and to share the future strategy of the Fund in South Yorkshire.

Registration for all of the events starts at 8am, when tea, coffee and breakfast will be served. Presentations begin at 8.30am.

The roadshows will take place at:

- The Mount Pleasant Hotel, Doncaster, on November 8.
- The Platinum Suite, Sheffield United FC, Bramall Lane, Sheffield, on November 9.
- Hellaby Hotel, Hellaby, Rotherham, on November 15.
- Brooklands Hotel, Dodworth, Barnsley, on November 16.

For more details and to confirm your place please ring SYIF on 01709 386 377 or email your name, organisation and which roadshow you would like to attend to: [info@syif.com](mailto:info@syif.com)

SYIF is also holding a briefing session for the county's MPs and MEPs in Barnsley, in October, to spread the word about how the organisation is helping the area's businesses.

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# Welcome...



...to the twelfth edition of Profile!

In this edition you are all invited to join the South Yorkshire Investment Fund team at one of our four roadshows.

Here, you will be able to find out how SYIF is making a real impact in the region and our plans for a Succession Fund to run post 2008. So please come along and join us. Full details are on page 1.

SYIF has now invested over £24 million into businesses in the region – a fantastic achievement in just over four years. This money has helped a wide range of businesses large and small to meet the gaps in funding they need for their development.

All of our Investment Managers have had a busy summer with investments, including SYIF's largest single investment to date of £1.5 million into Barnsley based JDF Logistics. You can read about this and a selection of other deals in this issue.

I hope you enjoy reading this autumn issue.

Tony Goulbourn  
Chief Executive  
South Yorkshire Investment Fund Ltd



## Company is a cut above

# thanks to SYIF

*Pictured left to right are:  
Clive Downward, SYIF  
David Bennett, BLSY  
Alan Brock, Company Mentor  
Neil Jagger of Edwin Jagger.*

*A Sheffield manufacturing company is a cut above the rest, thanks to a £75,000 loan from South Yorkshire Investment Fund.*

Edwin Jagger Ltd, based at Cavendish Works, Sheffield, designs and manufactures a variety of classic and contemporary high quality wet shaving accessories and currently exports 70 percent of sales worldwide. The company combines expert design, carefully selected materials and cutting edge manufacturing processes along with hand finished results to produce absolute product perfection.

The company, which was established in 1988 and has an international reputation for excellence, has used the investment from SYIF to purchase a second CNC lathe after receiving increased orders.

The company's extensive range of shaving razors incorporating the latest razor blade systems, pure badger hair shaving brushes, straight razors, shaving sets, shaving creams and soaps meets the grooming needs of men today.

Neil Jagger, Managing Director at Edwin Jagger Ltd, said: "The loan has helped fund the purchase of a second CNC lathe to ensure production of an increased number of orders that we have received.

"We have also used the loan to assist us with marketing activities and to put in place new technology systems."

He added: "We were introduced to the SYIF by David Bennett from Business Link South Yorkshire (BLSY) and are also working with a mentor, Alan Brock, from APB Consulting Ltd, who prepared the business plan which secured the funding and is also providing us with his expert advice. Simon Quinn from HSBC has also helped us.

"I would recommend SYIF to any business who, like ours, is successful but needs a financial injection."

Investment Director of the Small Business Fund, Clive Downward, said: "When Edwin Jagger Ltd were looking for additional funding for new equipment we were only too happy to help.

"The company is well established and has an excellent reputation for providing quality shaving products and now the CNC lathe which was funded by the loan, is allowing the firm to increase production, which is great news."

## Team invest more than £11 million



*SYIF Chief Executive Tony Goulbourn (seated) is pictured with the Small Business Team.*

*South Yorkshire Investment Fund's Small Business Team has injected more than £11 million into businesses within the region.*

The team, which offer loans ranging from £15,000 to £150,000, invested £40,000 into Sheffield based Marshall Groves Chartered Accountants, taking the amount they have invested over the last 4 years to just over £11 million.

Back in April South Yorkshire Investment Fund's small business team recruited several new members to enhance its services even further.

Clive Downward, Investment Director for the Small Business Fund, said "We continue to receive applications from a wide range of South Yorkshire businesses who are wanting to grow or expand; whether by investing in new machinery or moving premises. We are here to help these businesses achieve their full potential."

Tony Goulbourn, Chief Executive of SYIF, said "Over 200 businesses have received loans or investments from the Small Business Fund over the last few years. It's a great achievement. SYIF's Small Business Fund team are helping to inject funding into companies in the county and in effect, helping to boost the local economy. The team do a brilliant job and they will continue helping small and medium sized companies in the region to tap into the funding they need."

The Small Business Fund offers loans with effective annual interest rates from as little as 2.4% per annum. Loans are unsecured for the majority of established profitable businesses with typically unsecured loans of up to £50,000 available for early stage businesses.

# SYIF completes biggest investment to date

South Yorkshire Investment Fund has made its largest single investment to date of £1.5 million into Barnsley based JDF Logistics, which offers a national transport and warehousing service to blue chip customers.

The landmark investment, part of a multi-million pound deal in conjunction with Yorkshire Bank, allowed Managing Director Paul Milnes to head the management buyout of the company.

Mary Broadhead, Investment Manager at SYIF, said: "This is an important deal for the region. We are pleased to be able to offer key financial support to such a progressive organisation."

JDF controls approximately 400,000 square feet of warehouse space on three sites adjacent to Junction 37 of the M1 motorway and operates a fleet of 45 distribution vehicles. The company employs 125 people and has turnover of £10 million per year, which is underpinned by a number of long term customer contracts.

Outgoing Executive Chairman, Douglas Fearnley appointed BDO Stoy Hayward LLP as lead advisers on this transaction. Jason Whitworth and Sam Irving headed the team and introduced the funders to the deal. Vendor legal support was provided by Bob Harrap and Richard Annett of Lupton Fawcett.

Douglas Fearnley, said: "I am delighted to be leaving the company in the hands of a dedicated and experienced management team, who will continue to build on the excellent progress we have made to date."

Paul Milnes, head of the MBO team, said: "I am delighted that Douglas has had the confidence in the strength of the management team to take the business forward and build on the success he has enjoyed for many years."

With the support we have had from our investors SYIF and Yorkshire Bank, coupled with the excellent legal and financial advice from Neil Thompson at DLA Piper and Patrick Abel at PKF, JDF is poised to build on that success."

During the company's 19 year history, many sector leading companies have come to rely on JDF Logistics to supply their distribution, warehousing and logistical needs ahead of key competitors.

Simon Murden, who led the Yorkshire Bank team, which was advised by Mark Davies and Chris Ramage



Pictured from the left (front) is Paul Milnes, and Stephen Garside (back row) Patrick Able, Mary Broadhead, Neil Thompson and Simon Murden.

of Cobbetts solicitors, said: "JDF is a profitable, well managed business offering a high quality and flexible service to its long standing customers. We have been bankers to JDF for 16 years and are delighted to support the strong and experienced management team and to facilitate in the company's progress."

SYIF received legal advice from Tim MacLean of Keeble Hawson solicitors and financial due diligence was carried out by Strategic Corporate Finance.



## Fund welcomes new manager

SYIF has appointed John Longstaff as an investment manager on its Capital and Development Funds.

John has joined the team having previously worked in corporate finance at Grant Thornton and latterly at Strategic Corporate Finance.

John said: "I am really looking forward to joining SYIF having worked with various members of the team in my previous roles."

"As an investment manager I will be appreciating business opportunities for equity linked investments as well as negotiating terms of our investments. I am keen to widen my expertise and help businesses to unlock their potential with the aid of SYIF finance."

John, aged 32, is originally from Bishop Auckland, County Durham and moved to Sheffield to attend University and has lived in the city for 14 years.

# Loan opens gate for business

A Barnsley-based manufacturer of wrought ironwork, steel gates, perimeter fencing and security products has secured a loan from South Yorkshire Investment Fund to expand its business.

JGP Engineering Ltd, of Wombwell in Barnsley, has taken a loan of £70,000 to use as working capital for the business. This is the company's second investment from the Fund, having secured a loan for £25,000 back in 2002.

The company specialises in supplying and fitting a range of products for commercial clients including the Virgin group of companies and the Royal Air Force.

The company, which employs 14 staff including fabricators, electricians, sales and site staff, will use some of the money to open the gate for future business development.

Gary Phillis, Managing Director of JGP Engineering, said: "We have recently moved to large new premises in Wombwell. The loan has made a huge difference to the company. We now have the freedom of scope to plan and develop future business as we see fit."

A key element of future development includes building a powder-coating plant at the factory, a move which will bring 90 percent of the company's processes under one roof and which will provide a new avenue of development as well as ensuring that quality control is consistent.

"Our scope for expansion is great and the powder coating plant is just one short-term objective for the company, and one that will provide plenty of scope for us to take on projects for other companies," said Gary.

As the company goes from strength to strength it also uses the management experience of mentor, Steve Lane of Lupton Lane.

Karl Hodson, Investment Manager at SYIF said: "JGP Engineering have a lot of potential for expansion and a good business plan. With the money from the loan, the company can now afford to plan and build for future business."



Pictured from the left are: Steve Lane of Lupton Lane, Brian Leach, SYIF Director and Gary Phillis, Managing Director of JGP.

# SEAMAN HERBERT & CO:

## An intermediaries view

*South Yorkshire Investment Fund works closely with a range of intermediaries – one of them is Kevin Hirst, a partner in Seaman Herbert & Co, Accountants and Business Advisers.*

Seaman Herbert & Co accountants are a four partner firm based in Barnsley. Established over thirty years ago they provide a whole range of services predominantly to small to medium sized owner managed businesses.

“We specialise in filling the gap for businesses who don't have their own internal accountant and who need help and advice in developing a successful business. This often means attending board meetings etc and helping develop the businesses strategic plans,” said Kevin.

“We also provide a “hand holding” service for new start ups who need help and advice in all aspects of running a business. Much of our own growth has been a direct result of our clients’ growth and success.

“We are able to provide many of our services via the SYIF Mentor bank facility.

“One area of advice we give to clients is in helping to source the correct mix of finance for a specific project and providing the back up services to enable the client to obtain the finance - i.e. approaching bankers, bespoke lenders and preparing applications and business plans.

“We have often approached SYIF in this capacity and have always found their staff very efficient and helpful. Many of our clients have been successful in obtaining funding from SYIF when the more traditional lenders were unable to help. In many cases this funding has enabled clients to expand their business much faster than they would otherwise have been able to achieve,” he added.

In a recent case SYIF provided gap funding to a client of £100,000 to facilitate an acquisition of a Sheffield based company. The offer letter being received within a matter of a few weeks after first discussing the case with the SYIF team. The ability to turnaround an application in such a speedy time frame can often be crucial and is one of the many reasons Seaman Herbert & Co. call on SYIF to assist their clients’ funding requirements.



*Pictured: Kevin Hirst*

# Technology company expands with loan

*A South Yorkshire company is expanding its operations, following an investment from South Yorkshire Investment Fund.*

SYIF provided development capital for Comvurgent, a high-technology telecommunications specialist.

The £350,000 from SYIF will be used to relocate Comvurgent's headquarters from Nottingham to Doncaster and will also provide support for rapid sales growth particularly in the American market.

Philip Hill, Chief Executive Officer at Comvurgent, said: “The Investment from SYIF has really given Comvurgent the opportunity to embrace new and international markets, which has proven essential for the continued growth of the company.

“I have been very impressed with the ease of dealing

with SYIF. They are totally supportive of our expansion programme and made the whole process of sourcing the investment and releasing the funds very straightforward indeed.”

Paul Gower, Investment Manager at SYIF, said: “The growth capital provided for Comvurgent's expansion has yielded a minority equity stake for SYIF in a company which has a phenomenal capacity to embrace emerging US markets.”

Over the past six years, Comvurgent has designed and developed a range of technologies and products and established a US-based office in Mission Viejo, Southern California.



*Comvurgent's Philip Hill is pictured (left) with Paul Gower of SYIF*