

# Me and My Mentor

**MENTORBANK** : RUNNING A COMPANY ON YOUR OWN CAN BE A LONELY BUSINESS AND DIRECTORS OFTEN HAVE NO ONE THEY CAN CONFIDE IN, DISCUSS THEIR WORRIES AND PLANS FOR THE BUSINESS.

That is why the Fund always seeks to introduce a mentor to the businesses it invests in through its Mentorbank initiative. Mentors provide specialist professional support and are drawn from a wide range of experienced businessmen and women.

When the Fund recently backed the buyout of Sheffield-based AWW Turner with a £40,000 loan, it introduced Derek Nice to the company as a mentor. AWW Turner supplies consumables to the engineering and manufacturing industries including the supply of lubricants, hand and power tools, abrasives and hygiene and specialist banding products.

Managing Director of AWW Turner Graham Hall, who bought the company in September 2002, said: "Mentorbank has really paid off for us. Derek has a wide range of experience in areas that I do not. He has offered invaluable support and expertise in areas including accounting, contracts and legal issues."

Formerly a Finance Director at Whitbread plc, Derek Nice comes to AWW with a wide range of industry experience and provided a new perspective to Graham's business.

**For further information about Mentorbank contact Jonathan Dixon on 01709 386380, or visit the website at [www.syif.com/mentorbank](http://www.syif.com/mentorbank)**

Mr Nice said: "AWW Turner is a company with real potential, led by management who are committed to developing their skills and further expanding the business.

"I have worked in business most of my life and it is impossible not to pick up a great deal of knowledge. I am now in the position to add real value to fast growing businesses like AWW. More importantly mentoring is something I genuinely enjoy and I get enormous satisfaction helping a business like AWW develop and grow."

Tony Goulbourn, Chief Executive of South Yorkshire Investment Fund Ltd, said: "The partnership forged between Graham and Derek is a shining example of how small businesses can benefit from working with experienced mentors.

"Graham and Derek have developed a close working relationship - an essential element to any mentoring process. The Mentorbank initiative is now a proven model and our mentors bring certain key strengths to businesses that would otherwise have had to pay a fortune for access to such expertise."



MENTOR DEREK NICE WITH MANAGING DIRECTOR OF AWW, GRAHAM HALL AND MENTORBANK MANAGER JONATHAN DIXON.

## Events

### BARNSELY CHAMBER OF COMMERCE SMALL BUSINESS CLUB Wednesday 30th April 2003

The Business Club will be presented in conjunction with South Yorkshire Investment Fund and Business Link South Yorkshire. From 5.30pm for 6.00pm till 8pm. For further information contact Linda Darlington on 01226 217770 or E-mail [ldarlington@barnsleychamber.co.uk](mailto:ldarlington@barnsleychamber.co.uk)

### CAPITAL NETWORK Tuesday 29th April 2003

6:00pm at Tankersley Manor Hotel, nr Barnsley, sponsored by The Royal Bank of Scotland. For further information Telephone Lynne Martin on 01709 386387

### ENTERPRISE CHALLENGE Do you want £5,000 to get your business idea off the ground?

South Yorkshire Investment Fund is pleased to be sponsors to the Enterprise Challenge for the second year running. Enterprise Challenge is Sheffield Hallam University's annual competition to discover budding entrepreneurs. For further information see: <http://www.shu.ac.uk/enterprise/challenge/sponsors.or> Tel: 0114 225 5000 Fax: 0114 225 3524 Email: [enterprise@shu.ac.uk](mailto:enterprise@shu.ac.uk)

### I'VE GOT A GREAT IDEA. WHERE DO I GO TO GET MY MONEY? Holiday Inn, Sheffield March 26, 2003.

We are looking forward to meeting you at the next Raw Talent event on March 26 at Holiday Inn, Sheffield. Raw Talent is a series of free events through 2003, designed to help South Yorkshire's entrepreneurs realise their ambitions.

### What happens next?

If you submit an application for investment in a project with demonstrable growth potential which has been well thought through, we shall be keen to get involved. If when we meet you we feel that you have the necessary ability and integrity to make the project succeed, we can invest quickly.

**For further FAQs see the next issue of Profile or visit the website at [www.syif.com/faq](http://www.syif.com/faq)**

## South Yorkshire **Investment Fund**



**Tony Goulbourn**  
Chief Executive  
South Yorkshire Investment Fund

## Welcome...

AS SOUTH YORKSHIRE INVESTMENT FUND CELEBRATES ITS FIRST ANNIVERSARY THERE IS MUCH TO REFLECT ON AND MUCH TO LOOK FORWARD TO.

Since we set up office last year we have invested a total of £2.3m in more than 35 companies operating in a diverse and exciting range of industries. The team at SYIF have worked hard at sourcing new investment opportunities and we have substantially grown our network of contacts in the region.

SYIF is now very much part of the business landscape in South Yorkshire and our work has gained further credence through the partnerships we have forged with local companies and firms of advisers.

The deal flow we have witnessed has been all the more remarkable because during the same period corporate finance activity has declined significantly. Indeed, the volume of transactions carried out by South Yorkshire Investment Fund make us one of the most successful funds in the North.

Meanwhile, the pipeline for new deals for the next six months is very encouraging - made possible by our new dynamic website, our significant outreach into the business community, and sheer hard work. Elsewhere, we have an excellent network of partners, intermediaries, business angels and mentors who are keen to work with us and get deals done.

However, looking forward, we are not complacent and SYIF remains keen to talk to businesses about their funding needs and to further engage with advisers and other intermediaries.

As well as providing funding we can also provide management support through our Mentorbank initiative and introduce good businesses to other funders through our network of partners. With our portfolio of investments and by working closely with other key decision makers in the region South Yorkshire Investment Fund is making a genuine contribution to the region's future economic growth.

Elsewhere, the Fund is committed to the local community through supporting social enterprises and our bi-monthly Capital Network forums continue to bring together Business Angel investors with entrepreneurs looking for capital investment.

As always we hope you enjoy Profile and we would welcome your views on the publication and the Fund's other activities.



ADRIAN SMITH, JULIE KENNY OF SYIF, ANDREW KEMPTON FROM EDGE INNOVATION AND ALLAN WOOD INVESTMENT MANAGER WHO LED THE DEAL.

## Overview

PHILIP DRURY MEDICAL TECHNOLOGIES HAS BEEN GIVEN A £50,000 UNSECURED LOAN FROM SYIF WHICH WILL HELP IT DEVELOP ITS BUSINESS FURTHER.

The deal is one made by the Fund, which over the past six months, has become the main investor in the region bridging the "funding gap" for smaller businesses.

Based at the Globe Business Centre on Penistone Road, the business was formed by Dr Philip Drury seven years ago. The firm is a regulatory affairs consultancy offering a range of services to medical companies.

These include working on behalf of clients to get their products and medical devices approved for use throughout the world (including CE Marking and FDA approvals), obtaining government and health authority reimbursement of products and the implementation of quality systems such as ISO 9001:2000. It currently employs four consultants but this is expected to almost double over the next few months. Managing Director, Dr Philip Drury, said: "This additional funding is important for the next stage of our growth.

We will be able to recruit additional consultants with specialist skills which will allow the company to offer a fuller range of services to our clients."

Tony Goulbourn, Chief Executive of South Yorkshire Investment Fund Ltd, said: "We were delighted to be involved with Philip Drury Medical Technologies which we regard as an exciting company operating in a fast developing sector.

"This investment is only the latest of several made by the Fund in the past couple of months and it bodes well for the future development of SYIF's portfolio of businesses which now cover a diverse range of companies and sectors."

The Fund has developed an extensive range of portfolio business since the last issue of Profile and it continues to extend its reach right across South Yorkshire.

### OTHER SIGNIFICANT INVESTMENTS DURING THE PAST QUARTER INCLUDE:

- A £40,000 unsecured loan to Elite Tooling Ltd
- A £15,000 unsecured loan to Sheaf Telecom Ltd
- A £20,000 unsecured loan to Knight Engineering
- A £50,000 unsecured loan to Bentley Textile Services Ltd
- A £27,500 unsecured loan to Edge Innovation Ltd

**For further information about the fund and how it can help your business telephone 01709 386377 or, email us at [info@syif.com](mailto:info@syif.com) or visit our website at [www.syif.com](http://www.syif.com)**

## FAQs

INVESTMENT MANAGER NIGEL FEIRN ANSWERS SOME OF THE QUESTIONS WE OFTEN RECEIVE FROM BUSINESSES SEEKING INVESTMENT FROM THE FUND.



INVESTMENT MANAGER NIGEL FEIRN

### What types of funding are available from South Yorkshire Investment Fund?

SYIF offers loans and equity investment packages, ranging from £15k - £1m to SMEs in, or planning to move into, South Yorkshire. SYIF's finance packages have been designed to help complete those projects that may not otherwise happen by complementing finance available from banks and other lenders.

### What is an SME ?

An SME is the standard European Commission definition and is generally any business that has less than 250 employees and either has turnover of less than 40m Euros (~£26m) or balance sheet net assets of less than 27m Euros (~£18m).

### What sorts of businesses are eligible for funding?

The Fund aims to finance ambitious entrepreneurs who can demonstrate ability to grow their businesses beyond current available funding limits. Our focus is on SMEs and we aim to be a new source of finance to complement conventional sources of funding available for these businesses. Any type of business can consider applying to SYIF, including sole traders, partnerships and limited companies. All stages of business life are considered, apart from pre start-ups and we can consider lending or investing in most business sectors, principal exceptions apply in retail, primary industries, property development and sports and leisure. If you are not sure if your business is eligible, please contact us.

### What does the Fund look for in a business?

We want to see new or existing businesses with sound business ideas and plans, and potential for rapid expansion, but have insufficient security to raise all the finance they need from a conventional source, such as a bank, or are too small to attract traditional levels of venture capital.

### What kinds of projects are eligible for funding?

We can consider providing finance for capital expenditure and working capital needs, acquisitions, investing in new technology or equipment, entering new markets, management buy-out and buy in opportunities and product or export development.

### How should I submit my application?

You can submit an application online by visiting our web site at [www.syif.com](http://www.syif.com), the form can be downloaded and submitted electronically. If you submit an application for a project you must be able to demonstrate its growth potential. In our experience you will improve the turnaround time and your chances of success if you work on your application with an accountant or business advisor. Please feel free to contact us and we will be happy to advise on this.



## Bartec Auto on the road to success

**CASE STUDY:** BARTEC AUTO ID IS ONE OF SEVERAL COMPANIES TO HAVE BENEFITED FROM A LOAN FROM SYIF. INVESTMENT MANAGER ANDREW CHAFFER REPORTS

To outsiders SYIF's unsecured loans to small, growing businesses might look small fry when compared against the major deals done by the banks. But these investments underpin what SYIF is all about - supporting ambitious entrepreneurs who can demonstrate their ability to grow their businesses beyond their current available funding limits.

Our focus is on small to medium-sized businesses and our aim is to be a new source of finance available to complement the existing funding that is available for businesses.

A good example of the kind of businesses we are seeking to encourage and invest in is Barnsley-based Bartec Auto ID. The Fund recently provided the company with a £50,000 unsecured loan to ensure that it remained ahead of its competitors and remain at the leading edge of its technology.

Our investment was also matched with a £34,800 loan from National Westminster Bank under the Government's Small Firms Loan Guarantee scheme.

Bartec started trading in 1992 and has since gone on to develop a wide range of digital

measuring devices including a range of radio frequency readers designed to program in-car computers to measure the air pressure in car tyres. This system not only alerts the driver to a possible blow-out but also help petrol efficiency.

Bartec is a genuinely innovative company at the cutting edge of technology in its field. As a major exporter in some of the toughest markets in the world including the United States, Canada, Japan, France and Sweden, Bartec is just the sort of company that the Fund immediately warms to.

The team at the Fund worked closely with Bartec Managing Director Colin Webb to gauge how the Fund could best help the company. Colin plans to use the funding to maintain Bartec's lead in the niche export markets and keep it at the forefront of its technology.

He said: "The new funding will help us develop new products and support our continued growth. Our technology - radio frequency identification - is becoming increasingly important in the motor trade, with new laws in the US making it compulsory on all vehicles by 2006.

"We have a very full order book and are proud of the work we do with motor giants such as



COLIN WEBB OF BARTEC, DEMONSTRATES A TYRE ID READER TO SYIF CHIEF EXECUTIVE TONY GOULBOURN AND INVESTMENT MANAGER ANDREW CHAFFER

Ford, GM, Daimler-Chrysler, Renault, Volvo and Nissan. But the new funding adds a whole new dimension to our business."

At the Fund we were delighted to get involved with this highly innovative and exciting company, which is clearly a world leader in its field. The team at Bartec clearly have the potential to grow and create new employment.

South Yorkshire has many companies like Bartec and we are always open to talk to them about their financing needs and how SYIF can help them.

**Businesses in South Yorkshire which might be struggling with a funding gap should give us a call on 01709 386377.**

## Boost for Atomising Systems

**CASE STUDY:** INVESTMENT MANAGER ALLAN WOOD RECENTLY ADVISED ON THE FUND'S £100,000 BACKING OF ATOMISING SYSTEMS LTD. HERE HE REFLECTS ON THE DEAL.

Readers of the financial pages will have grown accustomed to articles about major multi-million pound private equity investments.

These deals usually involve a venture capital firm taking a significant equity stake in a business in exchange for a cash investment. Here at the Fund we deal in rather more modest sums but no less significant for that.

One recent deal was a £100,000 investment we made in Sheffield-based Atomising Systems Ltd. Established in 1992 the company, based in Vulcan Road, Meadowhall, specialises in the technology of metal powder production by atomisation.

Atomised metals have a wide range of applications, such as in the production of automobile components or in electronic grade solder pastes. Atomising is also used in the refining of metals, where a fine powder is required for chemical processes.

The company appealed to the Fund as an investment proposition when its chairman and technical director John Dunkley approached us. He and his team have

more than 30 years experience of atomising technology and have designed and delivered 120 plants in 33 countries.

Their wide experience, supported by continuous investment in research and development, has made Atomising Systems the leading supplier of atomising technology and equipment to the global metal powder industry. Employing 10 people their clients include companies from Europe, North America, India, China, Japan, South Africa, and Australia

John told us that the extra funding would enable Atomising Systems to fund new product development and maintain the company's position in the market place. Moreover, by investing in a fast growing and entrepreneur-led business like Atomising Systems the Fund would be further safeguarding the long-term future of an employer looking to recruit highly skilled people.

We provided Atomising Systems with a £100,000 loan / equity package, which included a 15% equity share in the business.



INVESTMENT MANAGER ALLAN WOOD WHO LED THE DEAL WITH TONY GOULBOURN, SYIF CHIEF EXECUTIVE WITH ATOMISING SYSTEMS CHAIRMAN JOHN DUNKLEY.

It is always good to support businesses at the forefront of their industry and Atomising Systems is just the kind of forward thinking company we are looking to work with.

**At SYIF we are always ready to discuss ideas with entrepreneurs, either at established or start-up companies, and to investigate how we can help finance their long-term business ambitions.**

**Phone us on 01709 386377**

## Hawsons: an intermediaries view

HAWSONS CHARTERED ACCOUNTANTS HAVE ASSISTED CLIENTS TO SUCCESSFULLY RAISE FUNDING IN EXCESS OF £700,000 FROM SOUTH YORKSHIRE INVESTMENT FUND.



CHRIS HILL AND KEVIN GREGORY FROM HAWSONS

Through working with South Yorkshire Investment Fund, Hawsons have helped a number of clients to raise valuable growth finance where alternative sources were unavailable. This has been to the mutual benefit of all parties.

The Fund makes available finance packages, which help fill the gap when there is a requirement for unsecured lending or equity. By working with other funders, deals which were previously unachievable are now possible thanks to SYIF.

The key to successfully working with the Fund is to discuss potential deals with them first, and in particular the relevant Fund Manager, as soon as possible (contact details are on the SYIF website). This helps in the application process and ensures that time is not wasted on ineligible and unsuitable projects.

**Which businesses can SYIF help?**  
SYIF provides fixed rate loans from £15k to £100k and equity linked packages from £50k to £1m. The Fund looks to invest in businesses who want to grow but are unable to raise the required capital from traditional sources. Finance is provided to support working capital requirements, implementation and development costs, and the capital costs of a project.

**Examples:**  
South Yorkshire Investment Fund funded product development in Atomising Systems Ltd, a technology client, and invested in Qualsys Ltd, an IT client, to fund additional marketing activity and product development.

If you are aware of any of your clients undertaking a growth project then we recommend contacting the Fund to see if help is available.

**What management teams can the Fund help?**  
South Yorkshire Investment Fund will also invest in management teams or individuals looking to acquire and grow a business in the South Yorkshire area. To be eligible the individuals must demonstrate the necessary skills and experience and be prepared to demonstrate commitment to the acquisition through investing a reasonable proportion of their own funds.

We have successfully worked with the Fund to complete management buy-outs and management buy-ins where the fund has invested with other lenders to enable the transaction to complete.

**Examples:**  
The Fund invested in the management buy-out of Transtar Freight Forwarders Ltd, and in the management buy-in of A W V Turner Ltd, a specialist engineering supplier.

**How can intermediaries help?**  
Intermediaries have a pivotal role in linking the Fund to their clients. Part of this role is to help clients to present their applications to enable them to provide all of the information required by SYIF. The benefit of submitting an application through an intermediary means that the information submitted is more likely to be complete and meet the Fund's requirements, and the process is less likely to be delayed. To date all applications submitted by Hawsons have been successful.

**For further information contact Kevin Gregory, Corporate Finance Partner on 0114 2667141 or email: kg@hawsons.co.uk**

## Coiled for growth

THE FUND SEEKS TO ENCOURAGE NEW AND ESTABLISHED BUSINESSES IN THEIR EFFORTS TO BRING FURTHER PROSPERITY TO SOUTH YORKSHIRE.

One such company is Turton Springs, which supplies some of the biggest names in the automotive world including Aston Martin, Lotus and Rolls Royce.

Turton Springs which has had a presence in Sheffield for more than 100 years, has been backed by the Fund with a £100k investment.

Producing a range of engineering springs used in several sectors including automotive, mining and quarrying, doors, railway, oil and gas, the company was acquired by the management team in 2002 by current directors Andrew Eyre, Douglas Maxwell and Andrew Bumford. They have grown the business substantially since then and it currently employs 50 staff.

The extra investment, which is in addition to £30k of self-generated funds, will be used to acquire new coiling machinery which will allow for further improvements in product quality, reduced production costs and will give the company an opportunity to win further contracts in sectors previously closed to it.

Financial Director, Andrew Eyre, said: "This represents the first major capital investment since the purchase. It shows the directors' long-term commitment to



MARK HUNTER, INVESTMENT MANAGER WHO LED THE DEAL, MANAGING DIRECTOR OF TURTON SPRINGS DOUG MAXWELL, FINANCIAL DIRECTOR ANDREW EYRE AND PRODUCTION DIRECTOR ANDREW BUMFORD.

a solid established business with a good strong order book. The investment by South Yorkshire Investment Fund is also a massive vote of confidence in our aims and future plans."

Douglas Maxwell, Managing Director, said: "As part of our continued investment the only way forward is to keep ahead of our competition. With the purchase of two new coiling machines we intend to increase our cold coiling business and offer a product synonymous with a worldclass spring maker.

"These are state of the art British made machines and will enable us to enter new markets at competitive levels with increased volumes the aim."

The company's product range covers coil, torsion, extension, compression and disc springs, as well as wire forms and torsion bars. Investing in the latest technology it produces springs from a wide range of materials including high tensile steel, tungsten, titanium and nickel alloys. Turton boasts many blue chip companies as clients including Bombardier, Railpart and JCB.

## SYIF back £1m deal

TELEVIDEO LTD, THE SHEFFIELD-BASED TELEVISION PRODUCTION COMPANY, HAS ACQUIRED LEEDS-BASED CBF MEDIA IN A £1M-DEAL DEAL BACKED BY SYIF.

The deal will bring together two companies to provide television production facilities and outside broadcast services for many of UK's top sporting events.

Paul Scivill, Managing Director of Televideo said the deal creates one of the largest independent outside broadcast provider in the North of England, with a combined turnover of more than £5m.

He said: "For many years now, Televideo and CBF have been operating in the same business sector in a highly competitive market. The acquisition makes excellent business sense as the two companies are a very good fit - their different strengths complement each other very well."

The deal was part funded with a £50,000 unsecured loan from the SYIF, which provides help for small and medium sized firms.

Televideo, based at The Riverside in the Lower Don Valley, is a leading provider of outside broadcast facilities in the sports sector with a client list including Sky, ITV Sport, the BBC, Eurosport, MUTV (Manchester United's dedicated



PAUL SCIVILL, MANAGING DIRECTOR OF TELEVIDEO.

satellite TV channel) and several Premier League and Nationwide League football teams.

CBF's client base is split between broadcast and corporate users, with the company's editing facilities, among the most technically advanced outside London. CBF's broadcast sports work includes a contract for horse racing coverage, which is often midweek.

Tony Goulbourn, Chief Executive of SYIF Ltd, said: "We are delighted to have played a part in this important deal for South Yorkshire. The company has an impressive client list and helping it become the largest independent outside broadcast provider in the North is a significant achievement for the Fund."

Mr Scivill said that the two companies have recently been working closely on joint projects, including the supply of all camera crews for Sky Television's Rugby League coverage with post-production work undertaken in Leeds by CBF.

**He added that Televideo's intention is to keep the two companies running separately at their different sites and to continue with the existing staffing.**