

Activity is best medicine for healthcare firm



Pictured (L-R): David Heaton, Activ4Life Sales and Marketing Director, Ian Revie, Chief Executive Activ4Life and Peter Pridham, Investment Manager SYIF

A healthcare company is set to launch a brand new technological system to help speed-up patient recovery.

Activ4Life Healthcare Technologies, at Kroto Innovation Centre, Sheffield, has devised a 'smart pedometer' to record how active a patient has been.

The company was established in February 2007 and has now gained backing from South Yorkshire Investment Fund with both seedcorn funding and an equity investment.

Activ4Life received an initial £125,000 Seedcorn Fund loan from SYIF just nine months after being established.

It used the funding to develop a series of working prototypes and achieve product orders in excess of £100,000. Following this, Activ4Life received a further equity investment of £125,000 from SYIF in May 2008.

Activ4Life provides detailed records on what a patient has been doing, offers projections for what they need to achieve and reports back to their consultant or GP.

The system is now undertaking a six-month clinical trial before being released into the healthcare market. The first areas to receive the trial include Harrogate, Edinburgh and Cardiff.

Ian Revie, Chief Executive of Activ4Life, said: "The initial seedcorn funding was very useful and gave us a good standing to build from. We had a very clear business plan at the outset and the investment has enabled us to stick very closely to it.

"Activ4Life allows the health industry to determine whether a patient has been active and records the level and type of body movements made each day.

"Each user's activity is compared against a researched

activity profile. Activ4Life determines this according to the patient's age, sex, normal activity levels, body mass index and whether they have had hip or knee replacement surgery. Feedback reports are then provided to either a consultant or GP, who will advise on recovery progress."

If the clinical trials are successful, the system could be soon rolled out across the country.

Ian added: "Our main target audience are initially orthopaedic patients, but the system will hopefully be extended into other healthcare services.

"There is nothing like this in the healthcare market. It has been well received and we are working directly with a number of surgeons who are very excited about the product."

Peter Pridham, Investment Manager at SYIF, said: "Activ4Life Healthcare Technologies is an example of how useful the Seedcorn Fund can be to early-stage businesses in South Yorkshire.

"From a standing start just over a year ago, they have made fantastic progress and are close to taking their product to market.

"Activ4Life has received acclaim from within the industry and we are confident that the service will be of great benefit to both patients and the health service."

Chris Fitzsimmons, Investment Manager at SYIF who led on the equity investment added. "The equity investment from SYIF alongside an investment from the Yorkshire and Humber Equity Fund will allow the company to complete product development and undertake clinical trials as well as close initial product sales."

For more information about Activ4Life, please visit www.a4lhealth.com

New rebate scheme introduced

South Yorkshire Investment Fund has introduced a new rebate scheme to ensure loans continue to provide affordable gap finance for local businesses.

The rebates are available for established businesses submitting applications for investment from SYIF up to the end of 2008.

It follows an increase in demand for SYIF investments, due partly to the current economic climate, which has meant the previous rebates available through the Money with Management scheme are now fully committed.

The new rebate scheme will be based on whether a business is rated as established and profitable or established.

South Yorkshire Investment Fund, Chief Executive Tony Goulbourn, said: "SYIF exists to offer funding when alternative finance may not be available. We do not compete against the banks, but provide a service which fills a gap in the market.

"In arriving at these rebates we have had to consider the latest State Aids guidance and this means rates will need to be reviewed in the light of prevailing market interest rates.

"However, we have also taken into account market rates for unsecured gap finance and we feel our pricing is competitively placed."

For more information about the rebates, please visit www.syif.com

Meanwhile, the investments made by SYIF into local business have passed the £45 million-mark (including Money with Management). The funding has assisted 1,666 businesses, created and safeguarded 7,342 jobs and has a forecasted sales growth of £420 million.

In This Issue:

Page 2

- Tool company grinds out growth

Page 3

- Yorkshire pudding firm heats up frozen food market

Page 4

- Booming security specialist secures loan

Welcome...



...to the 19th edition of Profile.

We are now entering the holiday season and I hope you are able to enjoy a well earned break during the summer months.

SYIF continues to work closely with Yorkshire Forward regarding the development of the Successor Fund in 2009 and the interim arrangements to ensure that businesses can continue to access finance when they need it. Talks are progressing well and we will let everyone know at the earliest opportunity as soon as we are able to announce more details.

The main point to make is that Yorkshire Forward has been helpful in providing support to ensure that we can continue the momentum of the existing Fund by providing additional funds to invest, up to the end of 2008.

The Fund has constantly filled gaps in the market left by commercial providers of finance, breathing new life into projects and providing a new dimension to development. The Successor Fund will be used to reinforce, accelerate and focus investment into the areas most required to meet economic objectives.

Success of the existing fund will ultimately be measured by the return to the investor. This will not be known for at least another two or three years, but our current forecast is estimated at £19 million, which will mean a permanent Fund for the region by 2013.

An area of achievement has been the support in manufacturing companies, which we highlight in this edition of Profile. More than 160 investments have been made by SYIF in the Advanced Metals and Manufacturing and Engineering Sectors, an industry which continues to thrive in South Yorkshire.

Although our investment period comes to an end in late December 2008, SYIF continues to provide financial support to businesses across South Yorkshire. Examples of some of our recent investments are highlighted in this newsletter, including The Real Yorkshire Pudding Company, Numill Ltd and Rocksure Systems.

Remember SYIF provide seedcorn, loan and equity linked investments, ranging from £15,000 to £2.5 million, specifically to help small and medium businesses meet the gaps in funding they need for growth and development.

If your company requires financial assistance, please give us a ring on 01709 386377 or email us at info@syif.com and we can explain how we can help you.

Tony Goulbourn
Chief Executive
South Yorkshire Investment Fund Ltd

Tool company grinds out growth after buy-out

A Sheffield tool company has seen its workload treble after a successful management buy-out 18 months ago.

Numill Ltd, who are based on Balaclava Road in the city, reclaim, design and manufacture machine consumable cutting tools for businesses across Europe.

Anne Wilson completed the MBO to become Managing Director and sole shareholder of Numill, taking over from the previous owner who had established the business in Sheffield in 1969.

The company has grown rapidly, adding two new employees at the end of 2007, with another one set to be appointed in the next few weeks.

To continue the success and the expansion of its UK and International sales base, Numill has received a £100,000 loan from South Yorkshire Investment Fund.

The funding will go towards the working capital needed to support the company's sales in the UK and across Europe, including Scandinavia, France, Denmark, Czech Republic and Spain and Slovenia – two new regions recently added to Numill's target area.

Anne said: "This support from SYIF is greatly appreciated and will enable the business to continue to grow to where we aim to be. We are now achieving three times as much work as we were in November 2006, which was a month after the management buy-out.



Pictured (L-R): Robert Hanney from Knowles Warwick, Anne Wilson Managing Director Numill Ltd and Andy Chaffer, SYIF's Business Director

"This has been organic growth from our existing customer base and core business operations, rather than bringing new business in."

Numill were introduced to SYIF by Robert Hanney from Sheffield-based Chartered Accountants Knowles Warwick.

Andy Chaffer, SYIF's Business Director, says: "Numill has just completed a very successful first year's trading under Anne's ownership.

"This additional funding from SYIF will enable the company to strengthen its position, not only in the UK, but further afield. It is also another example of Sheffield's manufacturing expertise being utilised by many overseas businesses."

Manufacturing remains key to South Yorkshire economy

Manufacturing in South Yorkshire continues to play an important role in supporting the growth of the region's economy, according to South Yorkshire Investment Fund.

SYIF has made 167 investments in the Advanced Metals and Manufacturing and Engineering Sectors, totalling more than £16 million and accounting for 40 per cent of their total funding.

Many businesses in the sector are investing heavily in new equipment to improve efficiencies and cope with increased demand.

Gordon Bridge, Sheffield's Master Cutler, has praised the support provided by SYIF.

He said: "I am delighted that SYIF has recognised the importance of manufacturing to both the region and country with the investments it has made.

"South Yorkshire's manufacturing expertise continues to be utilised around the world. The region has enjoyed a resurgence of growth in this sector in recent years, with both new companies emerging and traditional businesses enjoying expansion.

"Some of the world's leading companies and research institutions are now based in South Yorkshire, which continues to be regarded as a centre of excellence in manufacturing."

SYIF has twice helped Rotherham based PMS Diecasting Limited with loans totalling £150,000 to invest in machinery. The company won a new contract to manufacture die-cast zinc components and needed to step up their production capabilities to meet increasing market demand.

Independent Forgings and Alloys (IFA) Ltd on Livesey Street, Sheffield, is one of the world's largest blacksmiths. It



Pictured (L-R): Dr Gary Sheard Non Executive Chairman of Naylor's, Mary Broadhead of SYIF, Lyn Vardy from Pricewaterhousecooper, Edward Naylor Chief Executive Naylor Industries, Grahame Lunt of SYIF and Andy Trippett Financial Director for Naylor Industries.

has seen turnover grow by seven times in just six years, half of which comes from exporting to more than 30 countries. In 2007, IFA purchased a £2 million forging line in order to meet demand and SYIF assisted with a £500,000 loan.

Often manufacturing companies are looking to expand their product range. Naylor Industries is a building materials manufacturer from Barnsley which received £1.25 million from SYIF to help the company expand its operations and increase its product range.

The company has developed specialised clay pipes for the chemical industry, launched a new plastic pipe business and also formed Yorkshire Flowerpots, ranked as Britain's largest manufacturer of clay garden pots. These new products now account for more than 60 per cent of its current £25 million turnover.

Yorkshire pudding firm heats up frozen food market



Pictured (L-R): Richard Clark, Factory Manager at The Real Yorkshire Pudding Company, with Karl Hodson from SYIF and Joanna Ellis at Business Link Yorkshire.

A Doncaster Yorkshire pudding firm has seen a rise in turnover following the purchase of a blast-freezer.

The Real Yorkshire Pudding Company, based in Thorne, received a £50,000 loan from South Yorkshire Investment Fund for the machinery, which was needed to preserve a lucrative national contract and guarantee the jobs of its 70 employees for at least two years.

The company, which relocated from Sheffield 12 years ago, is an established leader in the production of chilled Yorkshire puddings.

But an increased demand in the frozen market opened an opportunity for expansion and the company created an additional chill store and a cold store on the premises.

The blast freezer is used to freeze the puddings quickly to avoid them being squashed before being packaged and it is estimated that the increased business will provide an additional £1 million in turnover.

Paul Holmes, Managing Director of The Real Yorkshire Pudding Company, said:

"The opportunity to capitalise on growth in the frozen market came at a good time for the company and the loan from SYIF has helped us to grow with it, satisfying demands of high profile clients.

"This has strengthened our position in the food service industry and complements our growing presence in the export markets of Europe and Canada.

"The blast freezer means we are now as proficient in the frozen food services industry as we have been in the chilled market for the past 12 years and we are now in an extremely healthy position to grow into different markets.

"The business is secured for the next two years at least and our prospects have been given an extra dimension."

Karl Hodson, SYIF's Investment Director, said: "The company's growth into the frozen market has been relatively quick and it is a positive statement about its flexibility to respond to industry changes.

"It will provide further opportunity to export and enable the company to build on its impressive expansion programme."

Alan Scott of Business Link Yorkshire introduced The Real Yorkshire Pudding Company Ltd to SYIF.

City businesses boosted by new micro-loan fund

Hundreds of companies in certain areas of Sheffield could benefit from extra investment, following the launch of a new Fund aimed at start-up and existing businesses.

South Yorkshire Investment Fund has joined forces with Sheffield City Council under its £26 million BiG: Make it your Business initiative, which aims to get more Sheffield people to start and succeed in self employment and in business.

The new BiG Business Loan Fund will provide loans from £1,000 to £5,000 for new start businesses and up to £15,000 for businesses that have completed six months of trading.

BiG Business Loans are available to sole traders, partnerships or owner-managers, either starting a new business or developing an existing one.

The Fund will target people who struggle to raise funds from banks because their venture is too early-stage or they have a poor credit history.

SYIF will assist with the completion of the loan agreements, distributing the loan and collecting repayments. Their partnership with BiG was highlighted at the recent Enterprise Show at Meadowhall, attended by 1,000 people.

Tony Goulbourn, Chief Executive of SYIF, said: "We are delighted to work with the BiG Team to provide these loans and help boost enterprise in Sheffield.

"SYIF is continuously looking to support sustainable business growth and increase the success rate of locally-owned businesses across South Yorkshire. This initiative will help make enterprise accessible for all and encourage entrepreneurship to grow, particularly in Sheffield's poorest neighbourhoods."



Pictured left: Jonathan Dixon, Deputy Chief Executive of SYIF at the Enterprise Show.

A BiG Business Loan can be used for:

- Start up costs including franchises and purchases of existing businesses.
- Working capital
- Asset purchases, excluding non-commercial vehicles
- Property purchases, property extensions or alterations

SYIF will be assisted by Donbac Finance Ltd, a Doncaster based loan fund and Key Fund Yorkshire, a specialist investor in social enterprises. Both have a number of years experience in lending to small and medium sized enterprises in this client group.

For further information about BiG Business Loans please contact Fiona Greaves at SYIF on 07931 904082 or fionag@syif.com. For more details regarding BiG, visit www.thebigwebsite.org.uk or call 0800 043 55 22.

Hawsons Corporate Finance: An intermediary's view



Pictured (L-R) Director Adam Ames, Partner Kevin Gregory and Associate Director Paul Fauset.

Hawsons Corporate Finance is one of the most active corporate finance teams in South Yorkshire.

The Hawsons practice was formed in Sheffield in the 1850s, but now has established offices in Doncaster and Northampton and has developed specific departments including audit and advisory, corporate finance, IT services, outsourced services, taxation and wealth management.

Hawsons Corporate Finance is led by Partner Kevin Gregory, who joined the South Yorkshire practice in 2000. He is assisted by Director Adam Ames and Associate Director Paul Fauset.

Hawsons has been the lead advisor in eleven merger and acquisition transactions in the last 12 months, while performing financial due diligence on a further six transactions, and undertaking numerous finance raisings.

South Yorkshire Investment Fund has been involved in no less than six of these transactions, with further deals in the pipeline.

SYIF's partnership with Hawsons was highlighted in the recent management buy-in (MBI) of Beta Engineering Services Ltd, where SYIF were joined by UK Steel Enterprise, Alliance & Leicester and Five Arrows to complete the transaction successfully.

SYIF's approval gave comfort to other investors, spreading the risk and sharing in the investment appraisal.

Hawsons' Corporate Finance Partner Kevin Gregory said: "SYIF's strengths are their approachability, pragmatism and the range of investment products on offer. They have something to suit a wide range of investment scenarios with varying risk profiles, from technology start-up to acquisition finance.

"SYIF have consistently fulfilled their stated objective of being able to fill a fund "gap",

providing finance as part of a total package with other investors, creating a tailored overall package.

"Another benefit with SYIF is the access to Mentorbank, providing our clients with invaluable mentor support to fill a skills gap. This in turn has contributed to making their businesses successful.

"What has always impressed us about SYIF is their openness and willingness to give us an early appraisal of potential projects. We would certainly recommend speaking to SYIF at an early stage to get a steer on the possible structure of a transaction.

"Our role as an intermediary is to manage the finance raising process, but crucially, we ensure that an investment opportunity is presented and structured in such a way as to be seen most favourably by investors such as SYIF.

"Corporate finance isn't just about quantitative matters such as building complex forecasting models. The projections are meaningless without the qualitative narrative and business logic. We believe we have the technical skills and business acumen to give our clients the best possible chance of raising finance."

For more information about Hawsons, please visit www.hawsons.co.uk

Booming security specialist secures loan



Pictured (L-R): Ian Johannessen, Managing Director of Rocksre Systems and David Ward, SYIF's Investment Manager.

A South Yorkshire security firm that specialise in the protection of lone workers has received a £75,000 cash injection to deal with its rapid growth.

Rocksre Systems Ltd, in Dinnington, needed extra working capital from South Yorkshire Investment Fund to expand its infrastructure and employ more staff.

The firm, which provides a safety monitoring service for professions including social workers and retail managers, has enjoyed impressive growth figures in its first three years of trading.

The company has increased turnover from £62,000 in 2006 to £768,000 in April 2008 and is expecting the figure to double next year.

Rocksre's service is used by a large range of lone workers who face potential threats in their line of work. The 'Peoplesafe' device is worn around the neck and transmits signals via a mobile network to a monitoring station relaying audio feedback, which

is automatically activated when the alert button is pressed.

The user, a colleague or the police can then be contacted if necessary.

Ian Johannessen, Managing Director of Rocksre Systems, said: "We needed to make the transition from a SME to an established company with a strong foundation and with the loan we have been able to increase our infrastructure and staff base to cope with the growth.

"Four years ago we decided to act on the gaping hole in the market for lone worker protection services to provide people like social workers, retail managers who open up stores by themselves on a morning, or truck drivers with a means to be personally protected while at work.

"As we've become more established the market has just exploded and because our business model guarantees a monthly subscription to the service, we know we will turn over more than a million pounds next year even without new business.

"Clearly we want to capitalise on this and with the loan from SYIF we are in a good position to make the transition and strengthen the foundations of the business."

The Carrera Court based company was established in 2004 and now employs a team of 17 security specialists.

David Ward, SYIF's Investment Manager, said: "It is a wonderful example of entrepreneurship and the company is helping to give security and confidence to people in jobs that may be associated with certain occupational hazards."