

# HSBC: An intermediary's view



Pictured: Michael Farr, Paul Ravilious and Martin Lyons.

As operating in the UK continues to pose challenges and becomes more expensive, businesses will increasingly look abroad for opportunities. Research from HSBC Commercial Banking found that half of businesses expecting to grow this year believe they need to trade internationally.

Venturing overseas can provide businesses with new opportunities and profit potential. Fundamental to success is having the right financial support, so a strong banking relationship is crucial, together with sound, impartial guidance from a dedicated team of professionals from organisations such as SYIF.

An international bank account, guidance on managing international cashflow, trade services and

Across South Yorkshire, at four dedicated Commercial Centres, HSBC is committed to supporting the business community and, through its relationship with SYIF, has provided solutions across a wide spectrum of sectors. Most recently, funding has been sourced for Emerteas Limited - South Yorkshire's premier supplier of branded school uniform - through Andy Chaffer, business director at SYIF and Mike Farr, commercial manager at HSBC, Barnsley Commercial Centre.

foreign exchange management (FX) can help businesses manage the demands of international trade. A bank with global reach and experience can be of particular benefit. SYIF's experience on the ground supplements this global knowledge to ensure that businesses can fulfil their ambitions.

Martin Lyons, HSBC's Area Commercial Director, North Lincolnshire and Doncaster comments: "The current economic climate hasn't dampened the desire for businesses looking to expand overseas. HSBC has dedicated and experienced relationship managers who can call on colleagues in the UK and internationally.

"Our aim is to provide strong support for our customers and

we're always willing to talk to potential customers to see how we can help. We work closely with SYIF throughout this process to ensure supplementary funding is accessed.

"It is evident that the UK business landscape is evolving. At HSBC, we will continue to ensure that through partnering with our clients and professional colleagues, we will provide a service to take them into the future

"Now could be the prime time to look for opportunities in new markets. With the right advice and appropriate financial foundations, forging trade relationships or expanding operations overseas can aid business survival and success."

## Local businesses gain from SYIF expertise

Established businesses and budding entrepreneurs from across the region had the opportunity to benefit from SYIF's guidance at a special event.

The final Enterprise Show of 2009, located in a giant marquee at the Meadowhall centre, was one of a number of Business Link Enterprise Shows held across the region every year.

The shows, which are funded by Yorkshire Forward and delivered by Business Link Yorkshire, provided a huge range of free advice and information under one roof on how to start and develop a business.

Representatives from SYIF were on hand to showcase how the investments they provide can help small and medium sized businesses meet the gaps in funding for development.

Suzanne Tinkler, marketing manager at SYIF, said: "We are always delighted to attend this kind of event so we can talk to businesses and entrepreneurs from across South Yorkshire and show how SYIF can assist their growth and development."

## Biotechnology company has global vision

A South Yorkshire medical company has been chosen as the key distributor for Europe and the Far East by the largest independent human tissue processing company in the United States.



Pictured: Stephen Fox and John Hill from Biovision Medical with SYIF's Andy Chaffer.

Biovision Medical in Dinnington, a member of the Medsmart Solutions family, distribute and store orthopaedic implants and trauma products for use in surgical procedures for spinal injuries, sports medicine, orthopaedics and trauma.

The contract, with Florida-based company TissueNet, required Biovision to expand its facilities to cater for the business' inevitable growth and to create a 'clean-room' to prepare metal implants and other medical devices before distribution.

Biovision recently gained a £50,000 investment from South Yorkshire Investment Fund which has allowed the company to create the 'clean-room' and in turn, successfully fulfill the contract with TissueNet.

Biovision was set up three years ago by Stephen Fox who had previously spent 27 years in the medical industry. His vision for the future of the company is now becoming reality as a result of this development.

John Hill is company secretary of Biovision and he said: "This is a significant deal for the company. It's huge. Biovision have enjoyed a steady growth during the last three years gaining more recognition

in the market place and this partnership with TissueNet reflects our commitment in taking the business to a new level.

"The United States, particularly Florida, has become a world centre of excellence for the processing of human tissue and TissueNet are the largest independent human tissue processor over there. They are looking to expand in to new markets and saw Biovision as the ideal partner to help them achieve that goal."

The human tissue processed by TissueNet is from deceased donors approved for organ transplant. This can be vital for patients who have suffered musculoskeletal trauma, such as broken or damaged bone caused by accidents or sports injuries.

Andy Chaffer, business director at South Yorkshire Investment Fund, said: "This is a great example of young innovative company which is building a growing reputation around the world.

"We are pleased to support this development and assist Biovision Medical to become an even stronger organisation in the medical sector."

## South Yorkshire Investment Fund

Investing in Business in South Yorkshire

...profile

Summer 2009 Issue 23

### £1million boost for South Yorkshire businesses

South Yorkshire Investment Fund invested almost £1million in the region's businesses during the first three months of 2009.

The Fund, provided investments totalling £893,000 between January 1 and March 31.

In January, SYIF received an additional £7 million from Yorkshire Forward to support business growth in Yorkshire and the Humber during 2009 before the start of the planned Successor Fund later this year.

It is hoped this new Yorkshire-wide fund will be worth up to £90 million.

The figures also highlight how the investments made since October 2008 have helped businesses.

A total of 163 businesses were assisted, creating and safeguarding 118 jobs and creating £5.49 million worth of additional sales.

Tony Goulbourn, chief executive of South Yorkshire Investment Fund, said: "The initial investment figures for 2009 are encouraging and we are looking forward to providing more funding for businesses during the rest of the year.

"We encourage anyone looking to expand their business to get in touch with us.

"As the latest economic output figures show, the investments are crucial to supporting business growth in South Yorkshire. We are expecting similar outcomes for this year, which would be a significant boost to the region's economy."

SYIF's initial investment period came to an end in December 2008 after investing a total of almost £50 million in businesses (including money with management).

The money helped create and safeguard a total of 8,000 jobs and generated more than £425 million worth of additional sales.

Looking ahead, SYIF is continuing to work with Yorkshire Forward and Partnership Investment Finance to develop a £90 million regional fund planned for launch later in the year.

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## Delta Adhesives forge a bond with Barnsley

Pictured: Grahame Lunt, Investment Manager with Nigel Lockwood, Managing Director of Delta Adhesives.

A leading industrial adhesives company is defying the credit crunch by relocating to Barnsley in a bid to expand the business into new markets.

DeltaAdhesives, originally based in Leeds, produce, market and distribute industrial adhesives for use in engineering, automotive and Original Equipment Manufacturer (OEM) industries across the British Isles and Europe.

But with an opportunity to substantially grow the business, Delta Adhesives decided to relocate to South Yorkshire.

Nigel Lockwood, Managing Director of Delta Adhesives, said: "We decided to move the company to Barnsley to expand our manufacturing and product development side of the business.

"At our previous location in Leeds we didn't have the facilities to efficiently manufacture our products - this was done via toll manufacture and third party supply.

"But our new premises at the Claycliffe Business Park, Barnsley, provide us with the facilities to do this. We also now have a research and development laboratory, where we can develop ideas and create new adhesives for different sectors, such as woodworking and coach building."

Delta recently received £50,000 investment from South Yorkshire Investment Fund, to assist with the company's relocation and to help fund new product development.

Nigel added: "The funding and assistance we received has been instrumental in the company's move to Barnsley. It played a big part in the decision to relocate and has helped us to establish our manufacturing side".

"Barnsley has a lot to offer us as a company. Since moving here earlier this year we have employed six more members of staff. The transport links are great and as two of the company directors are from South Yorkshire, we are working a lot closer to home.

"We're very grateful for the funding assistance the region has provided us with. The future is looking bright for us, as we continue to develop new adhesives for new sectors and as the company expands."

Grahame Lunt, Investment Manager at SYIF, said: "It's good news that Delta Adhesives have relocated to Barnsley. The company is a real asset to South Yorkshire.

"We are delighted to have played a part in helping them make the move to the area and we look forward to seeing the business expand as they develop and introduce new products."

The loan formed part of a larger funding strategy, which saw UK Steel Enterprise (UKSE) make its first Barnsley investment, with a loan of £100,000.

Allan Wood, Regional Executive at UKSE, said: "This investment was doubly pleasing. Not only was it our first in Barnsley, since expanding our investment area to include the whole of South Yorkshire and Humberside, but it also saw Delta Adhesives relocate to the region."



# Welcome...



...to the 23rd edition of Profile.

Despite the challenging economic climate we have found ourselves operating in over the past few months, it is not all doom and gloom out there! The work of South Yorkshire Investment Fund has continued and I hope this issue gives you a real flavour of the many business successes that have been achieved across the region so far this year.

We are delighted to announce that in the first three months of 2009, SYIF invested almost £1million in South Yorkshire businesses. In addition, since October 2008 we have assisted a total of 163 businesses and safeguarded 118 jobs which is really encouraging news.

We are looking forward to providing even more funding for businesses as the year progresses. This has been helped by the additional £7 million SYIF received from Yorkshire Forward in January to support business growth in Yorkshire and the Humber. We are continuing to work with Yorkshire Forward and Partnership Investment Finance to develop a £90 million regional fund planned for launch later this year.

This edition of Profile is packed with a number of features on companies who have benefited from SYIF investments.

From the growth of a high specification children's outdoor clothes specialist in Barnsley to a creative media production company from Sheffield talking the silver screen by storm, SYIF is helping a range of small and medium sized businesses meet the gaps in funding they need for growth and development.

Remember SYIF provide seedcorn, loan and equity linked investments, ranging from £15,000 to £2.5m. It is very much business as usual and we urge any company within South Yorkshire to speak to us about how we can provide the funds required to assist their growth.

If your company is requiring financial assistance, please give us a ring on 01709 386377 or email us at [info@syif.com](mailto:info@syif.com) and we can explain how we can help you.

Tony Goulbourn  
Chief Executive  
South Yorkshire Investment Fund

## ZOO Digital takes the silver screen by storm

A creative media production company from Sheffield has taken the silver screen by storm, thanks to more than £900,000 of funding from South Yorkshire Investment Fund.

ZOO Digital provides creative and technological solutions that concentrate on automating processes such as audio translation, DVD and Blu-ray Disc production, for film studios, television networks and corporate clients around the globe.

The company received the funding over four years, through a series of equity linked investments and business loans.

Helen Gilder, Group Finance Director at ZOO Digital Group plc, commented: "A major film will often be translated into 40 different languages, this is time consuming but we can automate this process saving both time and money.

"We also provide creative services for clients, such as graphic design and special features for DVDs."

Founded in Sheffield in 2001, ZOO Digital has gone from strength to strength. The company now has a second office in Los Angeles and counts some of the biggest film studios in Hollywood as clients.

Helen said: "Thanks to SYIF we have been able to advance our products and the business into the 'pre-media' sector, meaning we can produce virtually any printed materials from posters to packaging and advertising.



Pictured: (left to right) Helen Gilder, Debbie Sorby and Grahame Lunt.

"As part of a wider strategy we have also established an operation in LA. We work directly with a lot of the major Hollywood studios, so it made sense to be on location.

"However, we've not forgotten our Sheffield roots and we still carry out most of our software product development from our office in Furnival Square.

"SYIF have been fantastic and we wouldn't be where we are today without their help. In addition to the investments we've received, they have always been on hand to provide business support and help."

Debbie Sorby, portfolio manager at SYIF said: "ZOO Digital is a highly creative and innovative company. It is a true South Yorkshire success story – they have taken a small local business and turned it into a worldwide brand."

## New enterprise set to make IT green



Pictured: Ed French, Fund Manager for SYIF's Seedcorn Fund and Dan Chester from Iceotope

An innovative Sheffield company has been established to help reduce carbon emissions within the IT industry.

Iceotope Ltd has developed a way to lower the temperatures of servers within data centres - large warehouses filled with computers that run the internet - and ultimately reduce the amount of CO<sub>2</sub> they produce.

SYIF has given its support to the computer cooling company with a £300,000 Seedcorn Fund investment.

The deal is part of a larger investment of £750,000 which includes funding from The RisingStars Growth Fund II.

Local entrepreneur and inventor Peter Hopton, founder and non-executive director of Iceotope, says a normal data centre server produces the same amount of emissions annually as a Range Rover which has been driven for 15,000 kilometres.

Peter said: "It has been my personal mission to reduce CO<sub>2</sub> emissions in the IT industry and make servers more energy efficient.

"Many environmentalists want Range Rovers taken off the road because of their carbon footprint and I aim to do the same with servers by replacing them with more eco-friendly versions.

"Servers often have a life-span of five years, so when they need to be refreshed we can include this new technology. There are thousands of data centres around the world, who host and run websites for millions of people."

Dan Chester, who has an entrepreneurial background in the semiconductor industry, was brought in to Iceotope to push the project further.

He explains: "We received initial Seedcorn money from SYIF in 2008 so we could do some testing and independently assess the opportunity.

"In a few months we had enough data to show that not only could Iceotope's technology help, it could make a huge impact on energy and capital budgets for data centres."

Ed French, Fund Manager for SYIF's Seedcorn Fund, says: "We were looking for technology that could solve the issue of heat management in data centres when we met Peter.

"The Seedcorn investment has now shown the great potential of the technology and the team behind it. We've now provided funding that can accelerate their work into 2010."

## Global company moves to Sheffield to help businesses

A global enterprise has moved to Sheffield to help UK organisations improve their corporate governance and avoid financial meltdown.

Governance Integrity Solutions on Ecclesall Road has developed an online system for boards of directors at medium to large listed companies in the corporate sector to identify and monitor risk assessment.

The company, which has additional bases in London and Wales after initially being launched in South Africa, also provides products that support good governance across industry sectors, including pension funds and the public sector.

To support their UK expansion, Governance Integrity Solutions has received a £150,000 equity linked investment from South Yorkshire Investment Fund. The funding will help build awareness of its services to the industry through marketing collateral, such as sales brochures, support services and a new website.

Jonathan Lewis, managing director of Governance Integrity Solutions, said: "We can help a board of directors identify risk assessment responsibilities, gain assurance from management that all risks are being implemented and monitored, and enable the company to benchmark itself against its peers.

"Our web-based solution enables us to load bespoke content which is appropriate to a client's particular sector to help identify where the organisation is doing well and where it can improve."

Jonathan sold a similar company in South Africa in 2004 after enjoying rapid growth in a two-year period. He subsequently devised a new product within the industry, offering an improved service, but was restrained from trading in competition against his previous business until 2009.

He used this time to explore expanding the business into Europe and began to research the UK where he identified a gap in the market.

Governance Integrity Solutions were recommended to base themselves in Yorkshire by Stuart Ager, network director of the Global Entrepreneur Programme, part of UK Trade and Investment - [www.entrepreneurs.gov.uk](http://www.entrepreneurs.gov.uk).

Jonathan added: "When looking for a base in the UK, the investment that was available from SYIF made South Yorkshire an attractive option for the development of the business.

"We are now in the process of setting up the company and securing clients. Our three-year plan aims for the business to have more than 20 employees to support the work we will have in place by 2012."

David Livesley, investment manager at South Yorkshire Investment Fund, said: "Evidence has shown that any company which is upfront and transparent about its risk management will be more attractive to investors. Good governance can help an organisation work better."



Pictured (left to right): David Livesley, investment manager at SYIF with Jonathan Lewis, managing director of Governance Integrity Solutions.



Pictured (left to right): Stephanie Butterworth one of the founders of Spotty Otter, David Ward, investment manager at SYIF with youngsters Luke Jones and Maddie Gunson who are modelling the new brand.

## Funding boost gives adventurous business a new direction

An innovative Barnsley company that sells specialist kids outdoor gear has successfully expanded its business enterprise thanks to funding from South Yorkshire Investment Fund.

Little Trekkers, a specialist e-commerce retailer of outdoor clothing and equipment for children which was established in 2002, received £50,000 in total from SYIF to help develop a new brand, Spotty Otter.

Over the last six years Little Trekkers has gone from strength-to-strength after founders Stephanie Butterworth and Matthew Jones first identified that the children's outdoor clothing and equipment market was not covered well by mail order and the internet. They started from home but quickly needed more storage and a showroom and are now based near Penistone just outside Barnsley.

But last year, now with a staff of seven, the business identified a change of direction was needed to ensure continued success. Says Stephanie: "It quickly became apparent that developing our own product range, which had the potential to become a brand in its own right, was the way forward. We knew what was missing from our market - high specification children's outdoor wear - so we developed Spotty Otter to cover this gap."

Spotty Otter rapidly grew and is now sold across the country but to continue the development of the brand extra funding was required.

Added Stephanie: "Our bank has always been supportive of Little Trekkers but we are not an asset rich company and had reached the limits on what they could offer us. So, we approached SYIF to provide additional borrowing and support for the ongoing development of Spotty Otter in particular the design, development and manufacture of a lighter weight packable range of waterproofs."

After meeting with SYIF investment manager, David Ward, it was recognised that funding of £50,000 would be better provided in two instalments of £25,000 – the first in July 2008 to concentrate on the design and development of the new line and the second amount at the beginning of this year to help with the costs of manufacturing it.

Says Stephanie: "It was a really easy and helpful process dealing with SYIF because they have lots of business expertise. David was able to look at our business requirements not just our financial position and provide a package that really meets the needs of our company."

David Ward, investment manager at SYIF said: "Spotty Otter is an exciting brand that has had a very clear business focus from the beginning. We are delighted to have been involved in its recent growth and development and see a really bright future ahead for both Little Trekkers and Spotty Otter."

## SYIF recruits new investment manager

South Yorkshire Investment Fund has appointed a new investment manager.

Kevan Glaysher, 41, from Chinley, North Derbyshire, joins the Fund with more than 23 years in the commercial finance sector.

Kevan said: "I'm really excited about getting started in my new role. SYIF is a vital resource for many businesses across the region and our investments make many people's dreams a reality.

"In my position as investment manager I'll be working with SYIF's existing clients and new businesses. I'll be supporting the work they do by looking at funding opportunities and helping companies who are wanting to grow and expand.

Tony Goulbourn, SYIF's Chief Executive, said: "We are delighted to welcome Kevan on board at SYIF. His experience will benefit our clients as well as the business and the rest of the team at SYIF."

