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Bank looks best for backing a move into Tech City

**Ask
James**



James Caan

Dear James,
WE'RE looking at finance options for StreetPin – a network of digital, mobile noticeboards. Out of friends and family, seed investment, or larger backing to move into “Tech City”, which route would you suggest?
Tim Buick, StreetPin founder

THE mobile and app industry is growing every day, with Apple having passed the 18 billion download mark. I took a

look at the StreetPin app and my first thoughts were, have you started to market this to the masses? Look at the competitors to gauge how many downloads would be credible.

If you have a redundancy pay-off or an inheritance this could be a good option. But remember there is a danger that you could burn all your money quickly and see no return.

The advantage of outside money is you'll be forced to confront all the issues that you may have come across up to this point. You also get the advantage of gaining experience from third parties. The likes of Seedcamp, Innovate UK or Oxygen Accelerator may be able to offer advice to take the product to the next level.

If you have an order or proven interest in your product this will be more attractive to banks or anyone offering investment, so make sure you tell them about it. The bank is a challenging place to get money at the moment. Remember its position is about how you are going to repay the loan. What security can you provide?

I would recommend getting finance from the bank as you wouldn't have to part with any equity. If you approach anyone else for the money you will have to part with a certain amount of equity. But this may be a good option

as you are also gaining access to their expertise and business background.

No matter what sort of finance option you go for they will probably ask how many downloads does the app have? How much interest have you created?

■ *For the full article and news of James Caan's free app, go to standard.co.uk. His new book, *Start Your Business in 7 Days*, is in the shops now.*