



# Press Release

3 October 2012

## Young entrepreneurs get kick-start as £82m Start-Up Loans scheme celebrates being open for business

### **We are The Start-Up Loans Company and we are open for business**

Government has promised £82.5million over the next three years to fund start-up capital, training and the support of mentors to young entrepreneurs. There is £10 million, ready to go now and young people aged between 18 and 24 are already being helped to start their own business. Now, we want more young people to apply.

We are coming together to celebrate our Pioneer Entrepreneurs, the first to have received funding on Wednesday 3rd October. Start-Up Loans chairman James Caan, from TV's "Dragons' Den" and Lord Young of Graffham, Enterprise Advisor to the Prime Minister and the brains behind the idea will be there; our ambassadors, a group of successful young entrepreneurs who started their businesses for less than £2,500, will host the event. There will also be a group of young applicants with plans for their own businesses who have successfully pitched for a ticket via our Facebook page or our website.

Confirmed in this year's Budget and developed over the summer, we have already received almost 2,000 loan applications. James will also be announcing corporate support for young entrepreneurs worth an additional £50m so far, including from Regus UK, PayPal, eBay, Magento Go and Metro Bank. And we are in the market for more – we want to strike a deal on everything a young entrepreneur could possibly need to support their business start-up.

*"Start-Up Loans Company aims to stimulate entrepreneurship across England and highlight starting a business as a viable career option for young people. I know from personal experience both how exciting and challenging it is to start a business but with the mentoring advice we provide and the corporate support we have from Regus and PayPal we can make a huge difference to these new businesses.*

*I encourage everyone aged 18-24 to apply and see where their business idea can take them."*

JAMES CAAN

-END-

### NOTES TO EDITORS

The event will be held at 12.30pm at Church House, Dean's Yard, Westminster, on Wednesday 3 October.



## About Start Up Loans

Under the scheme, young people who want to set up their own businesses receive loans averaging £2,500 as seed capital to get their businesses off the ground. Loans are charged at 3% over the Retail Price Index and have been fixed at 6% for the duration of the pilot. This innovative and competitive scheme hopes to create over 30,000 new businesses over the next three years.

The scheme has started off with a £10m pilot this financial year. If successful, the scheme will be bolstered by a further £32.5m and £40m in 2014/15.

Loans are provided by a network of **Delivery Partners** working across the country. These include:

- The Prince's Trust, National coverage, with a focus on disadvantaged young people
- Business Finance Solutions, North West Region including Greater Manchester (BFS)
- South West Investment Group (SWIG), South West
- Young Britain, West Midlands
- Let's Do Business Group, Surrey, E & W Sussex, Kent, Hampshire & Essex
- North London Community Finance (NLCF), London
- PNE/Virgin Unite, North East and Cumbria
- GLE oneLondon / NACUE, National coverage, graduate focus

*More will be announced as they come online.*

**Corporate support** will play an invaluable role in supporting the entrepreneurs of the future. Help includes:

- Regus UK: Regus UK: £20m of support, providing 30,000 young entrepreneurs with a free Virtual Office which includes call and mail handling, access to more than 160 Regus Business Centres across the UK and a wide range of other discounted services
- PayPal: Reduced transaction fees for six months
- eBay: Three months free eBay store and no insertion fees
- Magento Go: Six months' free e-commerce package
- Metro Bank is offering young people resources and products to help them succeed
- Ernst and Young is providing significant resources to help scale Start-Up Loans
- Other partners providing exclusive products/services include Intuit, Keystone Law and Little Chef

There are over 1m young people unemployed. With limited opportunities for talented individuals in the employment market, Start-Up loans aims to open a pathway to starting your own business, and create jobs for others. We believe business is a viable career option for young people who might not otherwise consider it.



## Interview opportunities

- James Caan, Entrepreneur and Chairman of Start-Up Loans
- Lord Young, Enterprise Advisor to the Prime Minister and Godfather of Start-Up Loans
- Elena Mingas, first loan recipient in Manchester (via BFS)
- Carl Smith, mentor to Elena Mingus
- Zoe Jackson, Start-Up Loans Ambassador, Virgin Media Pioneer, Entrepreneur
- Richard Hurtley, Start-Up Loans Ambassador, Young entrepreneur
- Steve Purdy, MD, Regus, Corporate Partner

## Case Study

*"I decided to apply after my mum told me about the scheme as she had seen it in the paper (The Sun). If successful, the loan would be enough to help me get off the ground in the first few months. I applied via Facebook (in July I think) and was contacted in August by John Cannon, who I met with my business plan and cash-flow forecast. John was really helpful and seemed genuinely interested in my idea and my vision which was really reassuring.*

*I was accepted on the scheme and given a mentor - Carl Smith, who I am soon to have my second meeting with. I was really impressed and extremely happy with the thought process that had gone behind pairing me with Carl - a man who knows the Industry and has many useful contacts he is willing to share with me (we also have a freakish amount of things in common!). As we all know, it's who, not what you know so the fact I was given a mentor who is active in advising me, willing to help and see's the vision through my eyes, is invaluable to mine and any other business. It's so much more than a loan; the mentoring and the corporate support such as being given a six months free virtual office from Regus have really helped me to focus on building my business.*

*Knowing the funding was there was a real confidence boost as most of my personal savings had been absorbed in the set up & rent deposit and I couldn't open with my bank balance on £0. I had previously to other funding providers, to which I had been unsuccessful time and time again."*

Elena Mingas, Start-Up Pioneer and First Loan Recipient from Manchester

## More Case Studies available on request

## Event format

- James Caan and Lord Young as main speakers
- The Ambassadors (mentors) will introduce the event and speak about their involvement
- Loan recipient (Elena Mingas, Manchester, Tangled Dress Design) and her mentor Carl to speak about their experiences

FAQs <http://www.startuploans.co.uk/faqs/>

## Contacts

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