



Press Release

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Finance is available for businesses that do their research, says James Caan

We often hear that growth in Britain's vital SME sector is restricted by a lack of bank funding but entrepreneur James Caan argues in his new CNBC show, *The Business Class*, that finance is available for businesses that do the correct research

"Budding entrepreneurs are disappointed when they are refused finance for their ideas but often it is because they have asked the wrong lender or they are presenting themselves in the wrong way," said Mr Caan.

"In the next episode of *The Business Class* for example we feature the young entrepreneur behind Shutl.com who has raised all the capital he requires to launch his business by making compelling pitches to lenders," he said.

Throughout filming and researching the series, Caan found that how best to secure funds to fuel growth has become the most common challenge for SMEs.

"Some banks have reported that requests for business finance have actually decreased which is probably due to a lack of confidence. But lenders say that often funding is not granted due to business owners simply not providing the correct information or having a tight handle on their numbers," said Mr Caan.

"But the banks are lending if SMEs can present a strong business case," added Caan.

The Government's recent Funding for Lending Scheme has been a major move to encourage small business to borrow. The initiative aims to boost business lending by discounting loans and it was announced this week that 30 banks are now signed up to the scheme.



“Borrowing rates are at their lowest levels for years and there were small signs of recovery from GDP figures last week”, said Caan, “Right now appears to be an excellent time to invest in growth.”

James offers the following top tips to SMEs looking for funding:

- Lenders are obviously looking for evidence that a business can afford to pay for the finance it is requesting; be honest and realistic with them.
- A realistic cashflow forecast is a must. Think seriously about whether your debtor periods are realistic and whether there is flexibility in your projections.
- Speak to your prospective lenders early, whilst you are still formulating your business plan so that they can be involved at every stage.
- Know your numbers inside out. A lender will want to see that business owners really know their figures and their market.
- Remember banks provide secured lending. If you have no security or collateral then angel investors, private equity or venture capital may be more appropriate.

***The Business Class with James Caan* is specifically aimed at the UK’s SME sector and is broadcast on CNBC every Wednesday at 10.00pm** (Sky channel 505, Virgin 613 and Freesat 210).

Every week a different entrepreneur or business is profiled on the show and James is joined by two guest experts who discuss the prospects and offer candid insight to the company involved. Next week James is joined by Tony Stockil (Founder and CEO of Javelin Group, Europe's leading retail and ecommerce consultancy) and Jez Frampton (Global CEO of Interbrand Corporation and former advertising executive at Saatchi & Saatchi) who give their collective advice to Shutl, the world’s fastest and most convenient e-commerce delivery service, which currently holds the record for the world’s fastest e-commerce delivery.

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