

# Zone

**business owners**

## oasis as deepens

since recovered and is thriving. And the state is keen to encourage foreign firms to set up operations in the most populous of the seven emirates.

In 1979, Dubai set up the first 'free trade zone' around Jebel Ali – the largest man-made harbour in the world – which allowed foreign firms unrestricted import of labour and export of capital.

There are now more than 20 such free trade zones in Dubai. In these areas, which cater to specific sectors such as health-care, media and technology, companies can retain 100 per cent ownership, are exempt from tax and have access to purpose-built office and warehouse facilities.

Outside the zones firms must be at least 51 per cent owned by United Arab Emirates nationals.

But Cooper warns that entrepreneurs looking at exporting to Dubai will need to spend time in the country. 'Culturally, business here is done on personal connections, so business owners have to

be here to build those relationships,' he says.

HSBC runs a global programme that takes business owners from all over the world to different countries to demonstrate the trade opportunities on offer.

Last week it took 90 companies to Dubai. Among those to attend were Evolution, a Sheffield-based manufacturer of power tools; the Cygnet Group, an engineering services provider in Northwich, Cheshire; and Group Rhodes in Wakefield, West Yorkshire, which designs and manufactures specialist machine tools.

Mark Ridgway is managing director of Group Rhodes, which has a turnover of £20million of which about 40 per cent comes from exports, including to China and India. He says: 'While we get a lot of work in the UK, we still need to look overseas for further growth. This event allows us to meet people and network. It also helps us to assess what markets and areas we need to focus on.'

## Small companies 'can lead a revival if banks share £80bn'

SMALL firms could lead a revival in business investment, provided banks use a Government scheme to pump up their lending to entrepreneurs, the Bank of England has said.

With small and medium-sized companies accounting for a third of all business investment, the sector is critical to hopes of a revival in capital outlays.

Under the Government's £80-billion Funding for Lending Scheme, the Bank provides lenders with funds at below-market rates on condition they are lent on to businesses and households to unblock the flow of credit. In its latest

quarterly inflation report last week, the Bank noted: 'Tight bank credit conditions may have constrained some companies' investment.

'In particular, investment by small and medium-sized enterprises may have been restrained, as they tend to rely more heavily on bank credit than some of their larger counterparts.

'Smaller enterprises account for a third of business investment. To the extent that the Funding for Lending Scheme improves corporate credit conditions, that should support investment.'

**■ Dan Atkinson****CASK MASTER:** Geoff Quinn now exports his beer to Belgium

## From a garage brew to 40,000 pints a month

REAL ale lover Geoff Quinn tried his first home brew in his garage just four years ago. Not long afterwards he formed Buxton Brewery, which now has a £500,000 turnover and is exporting ten per cent of its beer, much of it to Holland and Belgium, both famous for their own beers.

'It's a bit like selling coals to Newcastle,' says Geoff, 41, who is the company's managing director.

'I've always liked beer, rather fancied the idea of brewing my own, and eventually decided to take the plunge,' he says.

'A lot of people said I was crazy to start a brewery in a recession but I sensed an opportunity.'

The first batch of beer he made in early 2009 was a bit hit and miss. 'Some of it was okay, and some of it pretty awful,' admits the former IT consultant.

But with generally positive feedback, later

that year he quit his job in local government, borrowed £50,000, found suitable premises in his home town of Buxton, Derbyshire, and set up in business.

In the first full year of production, the brewery made just 10,000 pints – but three years later it is producing between 35,000 and 40,000 pints a month. The brewery now has six staff, including two full-time brewers.

Buxton Brewery's top-selling beer is Axe Edge, an India pale ale named after a moorland plateau outside Buxton.

The bulk of the beer is produced in casks for the pub trade but about 30 per cent is bottled and some of this goes abroad.

Next year the business is planning to move into bigger premises with an increased production capacity.

**■ York Membership**

PICTURE: STEVE HILL

# Gadfly

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## Easy rider Caan finds a parking spot – his office

GADFLY couldn't help noticing a monster Harley-Davidson motor bike in the lobby of the Mayfair offices of Hamilton Bradshaw, the private equity firm owned by James Caan, serial entrepreneur, author and one-time fixture on the BBC business show *Dragons' Den*.

We were there for the judging of Financial Mail's Made in Britain awards on Friday, but were surprised by the unusual sight in the chauffeur-driven world of high finance. Caan, proud owner of said machine, jokes that the impossibility of finding a parking space in this plush part of town forced him to the extreme solution of moving the machine indoors.

Surely no traffic warden would ticket such a handsome vehicle?

## Amazon's fair game

**YOU'VE suffered from the credit crunch, now play the board game! That's what Clarendon Games, maker of Market Meltdown, hopes you do over Christmas.**

Players move around the board on private jets, try to make their fortunes on the stock market (represented by a roulette wheel, appropriately enough) and hope they don't get hit with regulatory fines

or a run on the bank.

You can even pick up a 'lucky' card that reads: 'You have overpaid tax and are due a refund.'

Guess what? The game is available on that tax-efficient retailer Amazon.



MARGARET COLE, former enforcement chief at the Financial Services Authority and now general counsel for accountant PricewaterhouseCoopers, got a law degree yesterday.

Rather late? No, it was an honorary degree from the College of Law.

She passed her law society finals at the same establishment a little earlier – 1983, in fact.

## Passing the buckshot

PHIL McCabe, leaving as chief spokesman for the Forum of Private Business, was asked for the oddest call he had ever taken from a member. He recalled the landowner who had converted some buildings for business use and accidentally discharged his shotgun when strolling past said buildings while workers were out on a smoke break. 'I've shot someone,' he told a startled McCabe. 'You're the FPB. What do I do?' No wonder McCabe is moving to the forum's rival, the Federation of Small Businesses.



A LITTLE bird tells Gadfly that David Cameron may make an appearance at the Confederation of British Industry's conference, which opens in London tomorrow and has speakers including Vince Cable and Ed Miliband.

Meanwhile, a banking delegate has already thanked a utilities chairman for his industry's sterling work in being even more hated than the banks.

## I've got so many great ideas, how do I choose one?

*I have many ideas for new businesses. Which one should I choose?*

THE entrepreneurial process often starts with friends in a pub or restaurant, jotting ideas on a beer mat or napkin.

This creative process invariably generates too many ideas. The hard bit is to work out which will turn into a profitable and enjoyable business.



### Ask an ENTREPRENEUR

In his monthly column, entrepreneur Mike Southon tackles the questions business owners really want the answers to.

My advice is always to pick something you are passionate about, not just one you think will make a pile of money.

For example, there is certainly a fortune to be made in property, but only if you are an expert builder or persuasive

estate agent and know which properties will gain value over time.

Good ideas let you generate revenue fast. Start looking for clients among friends and locals, ideally finding those who are 'money rich and time poor'.

In the early stages of a business it is always far simpler to sell a service than a product. The classic entrepreneur's

motivation should be 'where's the pain?'

If you can spend a day or so solving a problem you should be able to get your friends to pay you for that service.

But the skill required to charm money from customers means that many successful teams involve an extrovert as well as an introvert.

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