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## LOCAL NEWS

### BUSINESS AND COMMUNITY SUPPORT SCHEMES AVAILABLE THROUGH COMHAIRLE NAN EILEAN SIAR

"A broad range of advice, support, and financial assistance, including: *business-planning; access to funding; marketing; and the practicalities of starting & developing your business.*"

SCHEME	SCHEME SUMMARY	FUNDING AVAILABLE
Micro Business Loan	Provision of funding to encourage the creation and growth of small businesses which can contribute to new jobs in the local economy.	Preferential loans of <b>up to</b> £2,000 – Interest Free
Business Loan	Funding available to encourage business start-up and enable business and community development in the Outer Hebrides.	Preferential loans of <b>up to</b> £8,000 - 4% interest rate
PSYBT	Aimed at the <b>18-30</b> age-group, with particular concern for the disadvantaged. Pre-start training, along with business-planning and marketing advice, and a two-year Business Aftercare programme.	Discretionary loan & grant assistance
Shell LiveWIRE	A range of advice and support, enabling those aged <b>16-30</b> to turn their business ideas into reality.	Advice Only Service
Inter-Island Business Development Scheme	Funding available for businesses that trade or propose to trade across the sounds of Harris or Barra. The main aim of the scheme is to support economic and business development by stimulating and increasing business between the three main island groupings.	Discretionary grant assistance (normally 30%)

<b>Community Regeneration Fund</b>	<i>Aims to support projects which assist communities to enhance their future through the generation of sustainable social and economic opportunities. Arts Development support is also available for capital projects from fully constituted groups.</i>	<i>Capital grant assistance (please contact your local Community Co-ordinator for more information)</i>
<b>Community Renewables Support Fund</b>	<i>Supports communities to develop community-based energy solutions for infrastructure in their localities. Groups are invited to apply for assistance with projects of both a commercial or community-scale.</i>	<i>Capital grant assistance (please contact Community Energy Scotland on 01851 707344 (Kathleen MacLennan) or 01870 603932 (Rona MacKay).)</i>

*Any business applying for funding must submit a business / marketing plan and financial projections  
Existing businesses must provide up-to-date accounts and current bank statements (6 months)*

**For more information, please visit [www.cne-siar.gov.uk/eds/business](http://www.cne-siar.gov.uk/eds/business)  
or contact your local CnES Business Advantage office at:**

Stornoway – 01851 707 317  
Council Office, Balivanich (John Huson) – 01870 602 425  
Gleus House, Daliburgh, (Lynne MacMillan) – 01878 700 863

## **2008 WESTERN ISLE'S TOP YOUNG ENTREPRENEUR IS A FINALIST IN NATIONAL AWARDS**

Angus John MacIsaac, founder of A J Builders, has been named Western Isle's top young entrepreneur after winning a prestigious business award and a cash boost of £1000. Angus, 31, originally from Uist, beat the business talents of Western Isle's best young start ups to win the regional final of the 2008 Prince's Scottish Youth Business Trust 'Young Entrepreneur of the Year' Awards. Subsequently Angus has been announced as one of the six finalists in the national 2008 PSYBT 'Young Entrepreneur of the Year Awards'

Prior to setting up his own business, Angus worked as a qualified bricklayer in Barra but after seeing an increase in demand for local house-building in recent years, he decided to set up his own business and created AJ Builders. Angus successfully applied to PSYBT for a loan to purchase essential tools and materials and has created a successful thriving business with several regular contracts. As a result, Angus has been able to provide employment for one tradesman as well as taking on two apprentices. Customer satisfaction and word of mouth is especially important in a small community and this has been key to Angus' success. As well as modern bricklaying and building, Angus is also working with traditional materials such as lime to restore buildings on the Isles.



The Regional awards ceremony, which took place early September was attended and supported by Marilyn McDonald of Lloyds TSB Scotland who presented Angus with a cheque for £1000. The runner-up in the awards was Christine Macintosh of Heb Hostel. Christine, age 29, opened her high standard, family owned backpackers hostel in Stornoway after being inspired by her travels through different countries whilst taking a year out. After finding suitable premises, Christine opened Heb Hostel in May 2007 and has since achieved a four star rating from Visit Scotland. The 28 bed hostel is increasingly attracting regular bookings from tour groups, local groups, and tourists. Alex Macdonald, Comhairle Convenor presented Christine with a cheque for £500.

PSYBT Regional Chairman, Roddie Mackay said, "These young entrepreneurs represent some of the most talented, creative and dedicated business people in Scotland today and we are delighted to be able to recognise and reward their achievements through these awards. They should act as a true inspiration for us all in demonstrating the necessary commitment, self belief and determination to succeed."

Angus has now fought off stiff competition from hundreds of young business start-ups throughout Scotland to compete for the national title of PSYBT 'Young Entrepreneur of the Year', in Glasgow's Barony Hall on Monday 17<sup>th</sup> November 2008, where the winner will also receive a £2,000 cash prize.

Commenting on the six finalists achievements, PSYBT Chief Executive Mark Strudwick, said “For me, this year’s PSYBT Young Entrepreneur finalists have been truly exceptional. In a difficult economic climate, these young entrepreneurs have exemplified the determination, the will to succeed and the ability to turn an idea into a viable business”.

## **£1MILLION INVESTED BY PSYBT FOR YOUNG WESTERN ISLES ENTREPRENEURS**

Two young carpenters are turning their dreams of running their own company into reality thanks to the Prince’s Scottish Youth Business Trust (PSYBT), bringing the total invested in assisting young entrepreneurs living in the Western Isles to start up their own businesses to £1million.

Since 1989, 246 businesses in the Western Isles, representing a wide range of industry sectors, have benefited from loans and grants provided by PSYBT, which supports 18-30 year olds looking to set up or continue in business, including those who for a variety of different reasons have failed to find support for their idea from other sources.

The £1million milestone was reached today with the approval of funds for S&S Construction, a partnership formed in Stornoway by two fully qualified carpenters, John Macleod and Scott Inglis. The funds will contribute towards the purchasing of a vehicle, scaffold and other tools and equipment. They were also presented with their cheque for £7000 at the aforementioned PSYBT Regional ‘Young Entrepreneur of the Year’ Awards in Stornoway.

Commenting Jane Campbell, PSYBT Regional Manager for the Western Isles, said, “We are delighted to have been able to support so many young people in the Western Isles to start their own businesses. It is a brave step to set out on your own and takes hard work, determination and a great deal of self belief to make it work but so many of our young people are proving they have what it takes.”

In the last three years, of the fifty businesses who have received start up funding from the PSYBT, 85% are continuing to prosper and grow. “These businesses go on to contribute substantially to our local communities creating employment opportunities, as well as wealth and prosperity for the surrounding area” said Jane.



PSYBT has been investing in entrepreneurs aged between 18 and 26 from the Isles of Lewis, Harris, Uist and Barra for nearly twenty years with more than 50% going towards the retail (27.2%) and fishing (24.4%) sectors. Other sectors to benefit include hotel and catering (2.4%), personal services (10.6%), music and entertainment (4.9%) and fashion (4.9%). In 2002, PSYBT raised the age limit to 30 for young people in the Western Isles in order to support more business start-ups in the region. Since then, PSYBT has funded a total of 104 new businesses.

One of the first businesses to be funded by PSYBT in the Western Isles in 1990 was Christine Campbell of The Art Studio. Christine was born in the Isle of Lewis and after graduating from Glasgow School of Art she has worked full-time as a fine artist and illustrator and can be seen in the above picture with Scot Inglis and John MacLeod of S&S Construction. She has private collections worldwide including that of HRH The Prince Charles, Duke of Rothesay who was presented with her work on a past visit to the island.

Other notable successes over the years have included Linda Maclean of Tigh na Mara Guest House on the Isle of Barra and Duncan Mackay of Autoparts Stornoway Ltd. Linda received support from PSYBT in 1990 and eighteen years on, her guest house is still welcoming tourists and visitors to the Western Isles. Linda, herself, has in the past served on the Barra PSYBT panel for a number of years supporting other young people to start up their own businesses. Duncan began his business in 1996 offering a car valeting and hire service. He later diversified into selling car parts and accessories and now employs 8 members of staff in his purpose built store. With the growth of the business Autoparts Stornoway Ltd. has made it on to the list of PSYBT’s top 60 businesses across the country.

## HEBRIDES.TV

Hebrides.TV ([www.Hebrides.tv](http://www.Hebrides.tv)) provides a platform where people can upload their video content and can be a good podium for businesses, individuals and/or community groups who might not have their own website, or who want to widen out their potential audience. It is easy to use and the range of content on the site is already very wide and the only restriction is the need for a 'Hebridean' connection.

The site can also accept any older footage or existing promotional DVDs that you would like an additional home for. The site is taking the first steps in developing community-based broadband television for the Outer Hebrides. There is also access to free equipment for groups or individuals.

## FUSION INNOVATION AWARD 2008

If your business has implemented a new idea within the last two years that has made a major contribution to your success, Fusion would like to hear about it! The innovation can be in any area of your business: IT, other technology, marketing, business model, product, service or process but has to be based in the Highlands and Islands. The winner will receive a trophy and will also benefit from considerable publicity both at Fusion's Annual Conference, where the Award will be presented, and in press releases issued immediately afterwards.

The judges will be basing their decision on a combination of two factors: the commercial gain to date (whether through additional sales or through cost savings) and the potential for additional commercial gain in the future; and the novelty and originality of the innovation. The deadline for receipt of applications is Friday 7 November 2008. For further information please contact Paula Kirby, Relationship & Networking Manager, FUSION, The Green House, Beechwood Business Park North, Inverness, IV2 3BL, E-mail: [paula@fusionlinking.co.uk](mailto:paula@fusionlinking.co.uk), Tel: +44(0)1463 667302, Fax: +44(0)1463 667310, Web site: [www.fusionlinking.co.uk](http://www.fusionlinking.co.uk).

'**LIGHT YOUR FIRE**' – Fusion's Annual conference, this year being held at the Aviemore Highland Resort on the 20<sup>th</sup> and 21<sup>st</sup> November 2008, is all about inspiration and ambition. The conference aims to enable you and your business make that leap to the top of your game and help keep you there by interacting with those already at the top to provide advice, help and encouragement. For further information please visit the Fusion website at [www.fusionlinking.co.uk](http://www.fusionlinking.co.uk).

## UHI BUSINESS IDEA COMPETITION

The Business Idea competition is open to anyone aged 16 or over living in the Highlands and Islands, Moray or Perthshire who has a great idea for a business and you could win a share of our £2000 prize fund.

There are two categories in the competition age 16 – 26 and age 27 and over. There are 1st, 2nd and 3rd cash prizes in each category of £500, £300 and £200 respectively. There is also one-off prize of £300, sponsored by Alchemy Plus, for the most innovative idea.

To enter download the entry form by the clicking on the following link - <http://www.lews.uhi.ac.uk/events/uhi-business-idea-competition>, answer the four simple questions and e-mail the completed form to [businessidea@inverness.uhi.ac.uk](mailto:businessidea@inverness.uhi.ac.uk) or post to Business Idea Competition, Business Development, Inverness College UHI, FREEPOST IV326, Inverness, IV1 1BR.

## BUSINESS TIP

### CASHFLOW ADVICE

Having ready cash in the business is imperative when faced with a possible recession. Small businesses depend on having cash available to pay for bills and keep their business operating. **Effective cashflow management is essential** to a business and the following are tips on how to ensure that the cash continually flows in and out of the business.

**Define a credit policy which clearly sets out your payment terms.** Your debtors may also be finding it hard to survive which makes it a key task to manage meticulously and therefore agree terms and conditions with the purchaser at point of sale to establish debt collection procedures.

**Send invoices as soon as work is completed and regularly chase outstanding payments.** Follow letters with phone calls to make sure the information has been received and identify when payment is to be received. Make up a debtors list to keep track of who owes you money. Prompt payment incentives may also help but make sure these are cost assessed.

**Chase up late payments and record/note all communication with each debtor.** Consider exercising your right to charge late penalties on payments and for greater amounts consider using debt collection agencies but levy the cost of using these against your overall loss. Aim to resolve disputes quickly and make sure you have all your noted communication, emails, and invoices available to answer any queries quickly.

**Negotiate deposits or staged payments** for larger contracts as this will guarantee at least some cash flowing into the business.

**Do not be afraid to do a credit check on a customer** to identify if they should have credit limits imposed on them.

**When YOU are the debtor make sure you pay on time**, as this will affect your credibility. Consider reducing your stock levels to save spending on goods that might not be sold and adopting the 'just-in-time' system of ordering stock.

**Consider leasing fixed assets** rather than purchasing them outright to save on a large amount of cash leaving the business in its early stages.

To find further useful information on cashflow please visit [www.businesslink.gov.uk](http://www.businesslink.gov.uk) and [www.smallbusiness.co.uk](http://www.smallbusiness.co.uk).

## **IS MENTORING FOR YOU?**

Mentoring is a long standing form of training, learning and development and an increasingly popular tool for supporting personal development. Traditionally, mentoring is the long term passing on of support, guidance and advice. In the workplace it has tended to describe a relationship in which a more experienced colleague uses their greater knowledge and understanding of the work or workplace to support the development of a more junior or inexperienced member of staff. This does not necessarily involve employing a consultant or employee to help you with running your business as you could ask an experienced businessman or woman in another sector or who has retired for their assistance and guidance.

At these turbulent times experienced and trusted advice can go a long way to surviving the current economic downturn. Please visit the CIPD website for more useful information on Mentoring at <http://www.cipd.co.uk>.

On the other hand you may feel that you could mentor or provide aftercare to another business. Young people are constantly starting up in business and therefore guidance is key to their success and there are organisations like the Prince Scottish Youth Business Trust ([www.psybt.org.uk](http://www.psybt.org.uk)) and The Princes Trust ([www.princes-trust.org.uk](http://www.princes-trust.org.uk)) who are constantly looking for volunteers.

## **BUSINESS NEWS**

### **MUSIC AND COPYRIGHT – ARE YOU BREAKING THE LAW?**

Many businesses do not realise that if they play music, from CD's, MP3's to the radio, without having a licence that they are breaking the law and authorities are now cracking down on offending businesses. Music can be good for business, be it an office, salon or restaurant, as it does create an atmosphere in the business. Studies have shown that it could have a positive effect on customer behaviour and how they act in

your shop or store, furthermore it can also increase employee productivity and morale as staff can be more relaxed in their workplace.

The cost of a Licence varies in relation to what type of business you operate. In salons it depends on how many stylists operate on the shop floor, offices are dependant on the number of workstations, and restaurants on the number of seats available. Even 'on-hold' music on a telephone call and music played on your website requires a licence.

You will find further information from The MCPS-PRS Alliance website at [www.mcps-prs-alliance.co.uk](http://www.mcps-prs-alliance.co.uk), which represent the world's best songwriters, composers and music publishers.

## USEFUL LINKS

The following are useful links that may also assist you succeed and grow in your sector by networking with other groups and gaining more tips and information:

- Please visit the Business Advantage website for loan and business advice and information [www.cne-siar.gov.uk/eds/business](http://www.cne-siar.gov.uk/eds/business).
- The Princes Scottish Youth Business Trust offers start-up funding and advice to young people aged between 18 and 30, with a business idea. They also offer expansion funding and more information is available at <http://www.psybt.org.uk/Regions/WesternIsles.aspx>.
- [www.businesshebrides.co.uk](http://www.businesshebrides.co.uk) – The most complete local online listing of businesses and organisations in the Outer Hebrides.
- [www.hiebusiness.co.uk](http://www.hiebusiness.co.uk) - very useful for staff and clients and very user friendly support so well worth visiting. The site will be regularly updated so any changes in legislation etc will be incorporated promptly.
- The Business IT Guide is operated by e-skills UK and assisted by The Highlands & Islands Enterprise offering useful hints and tips on IT solutions for small businesses as they have found that small businesses in the UK are losing millions of pounds from lost revenue due to not being adequately IT literate. Please visit them at [www.scotland.businessitguide.com](http://www.scotland.businessitguide.com)
- A regular 'Socio Economic Update' is published containing useful information on the local economy at: <http://www.cne-siar.gov.uk/factfile/index.htm>
- 'Aim-Hi' ([www.aim-hi.org](http://www.aim-hi.org)) is an online forum for the Creative Industries sector - please feel free to register your interest and visit the site at <http://s4.invisionfree.com/aimhi/>.
- The Creative Industries section of Comhairle nan Eilean Siar also publishes a periodic newsletter on the website at <http://www.cne-siar.gov.uk/eds/creativeindustries/index.htm>. Creative Industries focus on the arts, crafts film, and television, publishing, and new media sectors and therefore this is worth a read if you specialise in this sector to help you keep ahead of your competitors.

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If you have any feedback or suggestions for us to make this service more relevant please e-mail your comments to [business.advantage@cne-siar.gov.uk](mailto:business.advantage@cne-siar.gov.uk). If you wish to discontinue your subscription to Business Advantage please send a blank e-mail to [business.advantage@cne-siar.gov.uk](mailto:business.advantage@cne-siar.gov.uk) putting UNSUBSCRIBE in the subject box. Remember that we guarantee never to sell or give your e-mail address to anyone else.

**Good luck**

## The Business Advantage Team

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Business Advantage  
Department for Sustainable Communities  
Comhairle nan Eilean Siar  
James Square  
9 James Street  
Stornoway  
Isle of Lewis  
HS1 2QN

Tel: +44 (0)1851 707317  
Fax: +44 (0)1851 707319  
Email: [business.advantage@cne-siar.gov.uk](mailto:business.advantage@cne-siar.gov.uk)  
Web: [www.cne-siar.gov.uk/eds/business](http://www.cne-siar.gov.uk/eds/business)