



Annual Review 2018-2019

Matthew and Stephanie Foulds,
The Eco Larder



**business
gateway**
Connect with us

Helping Scotland's businesses

During the past year, as Scotland's national business advice service, we have helped almost **3,000** SMEs to grow their business as well as providing crucial support to help over **9,000** new businesses successfully start up.

Foreword

Welcome to this year's Annual Review of the Business Gateway service. Managed and delivered by Scotland's Local Authorities, Business Gateway forms part of a range of economic development and business support activity that Councils deliver in partnership with enterprise agencies and other key players in Scotland's business support landscape.

2019 marks the tenth anniversary of Business Gateway being delivered in the Highlands and Islands and, as a Councillor on Orkney, I am particularly pleased to see the successes achieved in this part of the country over the years and the role this important Local Government service plays in strengthening economies across the whole of Scotland, both rural and urban.

Scotland PLC cannot remain unaffected by the impact of events within the wider global economy and the past year has been dominated by the uncertainties arising from Brexit, polarised positions on world trade and diverging views on the important issue of climate change.

According to various surveys, that uncertainty seems to be playing out in reduced investment in growth by businesses. It is good, therefore, to see Business Gateway continuing to deliver the support and make the connections which enable our businesses to realise their potential and achieve their ambitions. Throughout this Annual Review there are a number of case studies highlighting the innovation, creativity and drive of Scotland's business people.

With regard to new businesses starting, it is worth noting that Scotland has benefited from a high employment rate over recent months and we know that the availability of employment is a factor in determining whether someone feels motivated to launch a business. That said, Business Gateway has helped over 9,000 people to start a business over the last year and we continue to support the ambition for Scotland to be a leading entrepreneurial country and one which aspires to create inclusive growth and a fair working environment.

For that reason, I am particularly pleased to see that women starting businesses with our support has risen to 50% of our start-up activity and that 7% of our start-ups are from ethnic minorities, nearly double the proportion of people from ethnic minority groups in the population.

We don't do this alone and, working with the enterprise agencies and other partners, we have achieved a great deal, from the Prepare For Brexit website, which is helping Scottish businesses plan for an uncertain future, to our joint activity on improving the business support landscape. As we look to the future we know that we face change – in our economy, our society and, potentially, our way of life. With that change comes opportunity and Business Gateway will continue to work with our partners and the people and businesses of Scotland to make the best of those opportunities for a fairer, more inclusive and more sustainable future.


Cllr Steven Heddle

Convention of Scottish Local Authorities
Environment and Economy Spokesperson




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Introduction

Business Gateway assists tens of thousands of businesses across Scotland, providing access to free business support services.

From established companies employing hundreds of people and growth firms expanding their markets to new businesses developing innovative ideas for products and services, Business Gateway delivers invaluable assistance which helps drive success, create jobs and boost Scotland's economy.

Across all key industry sectors from technology to tourism, food and drink to financial services, our team of specialist advisers provides expert assistance which helps Scottish businesses of all sizes to expand, innovate and grow.

This year's annual report reflects the challenges which the changing political, economic and technological landscape presents our businesses with while, at the same time, demonstrating how effective our support continues to be in assisting their progress.

In line with the wider ambition in Scotland to create an inclusive society which ensures a fair workplace for all, it is particularly pleasing to note the increases in both new and growth companies led by women, by minority ethnic clients and amongst those in rural areas.

As part of our commitment to continually enhancing the support we offer, identifying areas for further improvement and to seeking the views of our customers, we're also pleased to note that our most recent quality assurance survey has reported the highest ever levels of satisfaction with the service across all measures.

"Expert assistance which helps Scottish businesses of all sizes to expand, innovate and grow."

Our year in numbers

During 2018-19 we supported **44,808** customers. These range from highly successful growth businesses looking to expand and enhance their offering to start-up companies seeking guidance as they take their early steps into the marketplace.

Our expert teams have the skills and knowledge to help existing businesses grow by hiring new staff, increasing sales or exploring new markets or assisting start-up firms who need advice on digital technology, access to funding or formulating their business plan. For companies of any size, sector and stage of development, we're on hand to offer the support our clients need.

In supporting established businesses, we have further enhanced the services we provide including connecting companies to support from our partners across the business landscape.

The number of customers supported

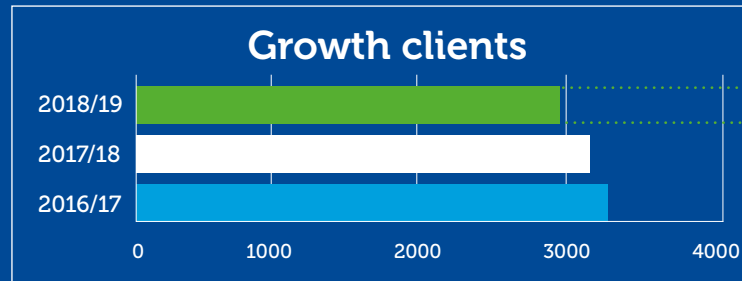


21,607

Established businesses supported

14,152

Enquiries from established businesses

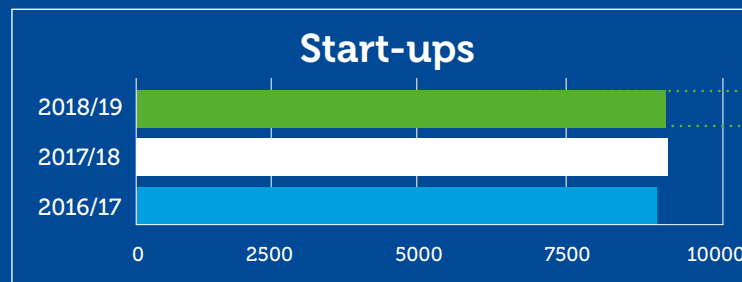


2,951

Growth clients

13,987

Growth & local event attendees



9,083

Start-ups

50% Start-ups led by women

9,016 Workshop attendees

22,318 Pre-start Enquiries

Our year in numbers

This year Business Gateway:

Organised 3,373 workshops and events across Scotland attracting **28,243** attendees

Delivered services from **170** advisers in **53** offices

Handled 40,775 enquiries*

Registered 24,888 new customer accounts*

Attracted 757,952 web visitors

Received 2,848,464 page views

*The introduction of the EU's new General Data Protection Regulation (GDPR) on data protection and privacy required changes in how client data is gathered, resulting in a fall in the number of website downloads in comparison with previous years.

Transforming technology

Ensuring that the businesses we work with are perfectly positioned to reap the benefits of digital technology has been a key objective for a number of years.

Technology is an essential item in the armoury of growth businesses and new firms, playing a vital role in successful entry into new markets, helping to expand customer reach and awareness and maximising efficiencies.

Via the national digital technology training programme, **DigitalBoost**, our advisers help Scottish companies develop or enhance their technical capabilities, honing the digital skills which will enhance their competitiveness in markets at home and abroad.



2,482

Digital health checks completed

2,533

Online tutorial views

5,240

DigitalBoost workshop attendees

671

Workshops held across Scotland

7,093

Guides downloaded

16,844

Visitors to DigitalBoost campaign webpage

720

1:1 adviser projects

GIVE YOUR
BUSINESS
DIGITAL

Wonky Woolies

1.1 E...
Free Digital
bgate

Alison and Graham, **Wonky Woolies**
with Kate Forbes, Minister for Public Finance and Digital Economy (centre)

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Wonky Woolies

The Business

After knitting as a hobby, **Alison Pottie** launched Wonky Woolies from her flat in Glasgow. In 2018, Wonky Woolies moved to the Borders to secure larger premises, increase sales and bring jobs back to Scotland's traditional textiles heartland. The firm broadened its product range following a £50,000 investment in new machinery.

The Challenge

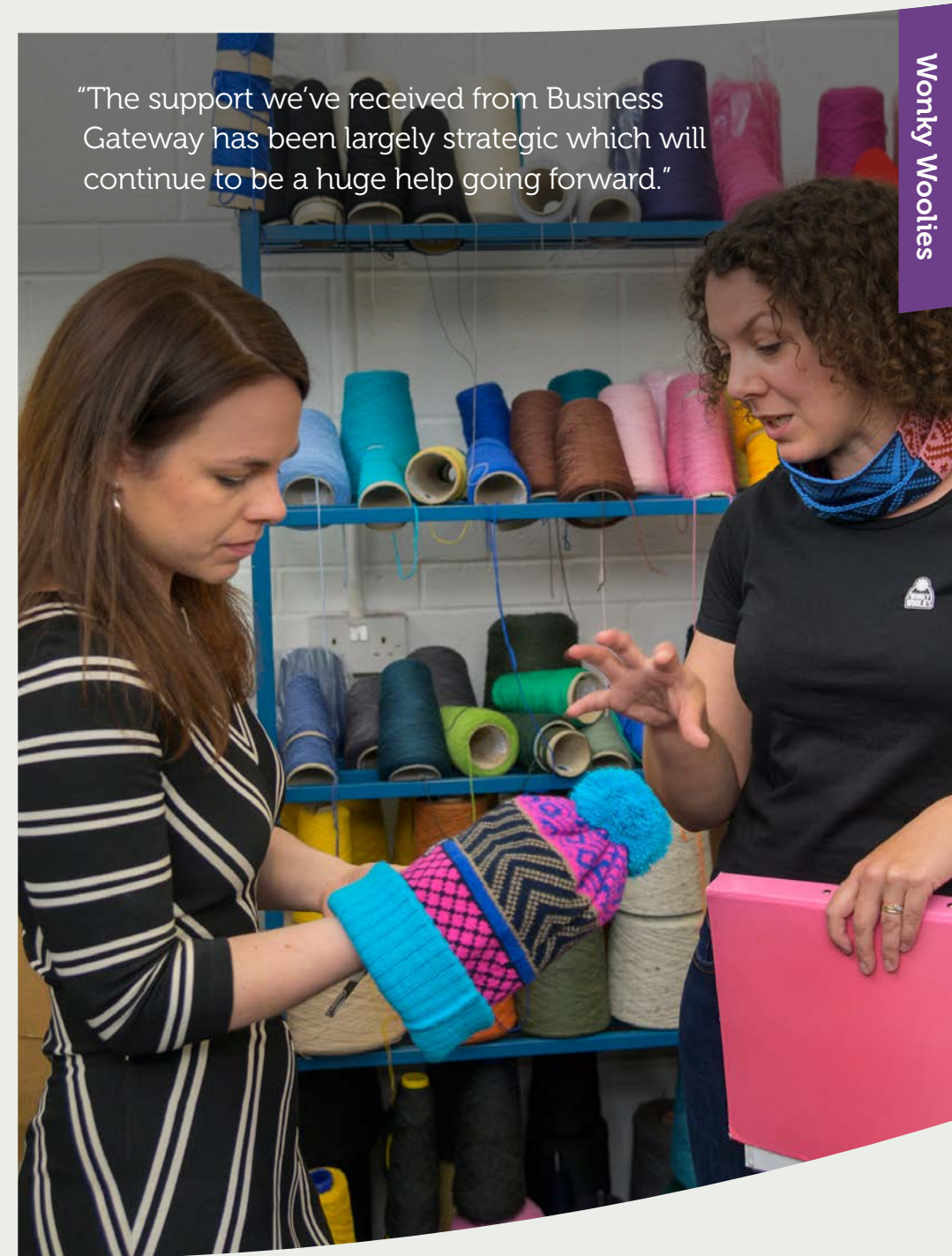
Founder Alison Pottie said: "I approached Business Gateway for some external help because, as a small business owner, sometimes it's difficult to see things from a different angle. It's great to work with enterprise support companies like **DigitalBoost** and Business Gateway who can see things from a new perspective."

The Support

Sandra Campbell, Business Gateway Growth Adviser said: "As part of our **DigitalBoost** programme, Wonky Woolies has received local adviser support on a diverse range of business issues including business strategy, workplace innovation, intellectual asset support and introductions to local networks. Our growth expertise is crucial to businesses ready to take that next step."

The Results

Founder Alison Pottie said: "The support we've received from Business Gateway has been largely strategic which will continue to be a huge help going forward. **DigitalBoost** support built the foundations of our digital strategy and equipped me with the knowledge and information I needed to take the next steps. Ultimately, Business Gateway allowed us to really understand who we are targeting and how best to do so."



"The support we've received from Business Gateway has been largely strategic which will continue to be a huge help going forward."

Supporting diversity

Across the country this year, our teams of advisers have once again provided **expert advice** and **assistance** to thousands of businesses.

The most successful companies are those which look to adapt to new circumstances whether these are economic, technological or societal.

As our business sector and our country change, Business Gateway is committed to reflecting and supporting the diverse nature of 21st century Scotland, assisting a wide range of clients led by **women, ethnic minorities** and **young people**.

In the past year, of the **9,083** new start-up businesses which received direct support, 50% were women-led businesses, an increase of 3% from last year.

While **4%** of Scotland's population is BAME (Black, Asian and Minority Ethnic), our figures show that **7%** of our **start-up customers** are from a **black, Asian** or **minority ethnic background**.

50%

Women-led start-ups

28%

Women-led growth clients

7%

Minority ethnic-led start-ups

5%

Minority ethnic-led growth clients

ThermaFY



Amanda Pickford, ThermaFy

ThermaFY

The Business

ThermaFY harnesses cutting-edge technology and software which turns mobile phones into powerful tools for collection and analysis of thermal data. The company's technologies include ThermaVet for the animal sector and ThermaMec for tradespeople such as electricians and plumbers.

The Challenge

Founder **Amanda Pickford**: "Thermography spans such a vast number of sectors and areas that it was difficult defining my exact offering. I was trying to be all things to all people but Business Gateway was good at making me narrow my vision and being clear about where I want to go."

The Support

"The biggest challenge when you start a business is believing in yourself and that's where Business Gateway has supported me. I went to them with a seed of an idea and they have provided nourishment to help the business grow. The business has gone through a huge transition over the past year and Business Gateway has played a pivotal role in helping me to achieve this."

The Results

"I received a **Make It To Market** grant which allowed me to get someone to help with the work and working more with **Scottish Enterprise** we managed to get an innovation grant of **£96,000**. I wouldn't be here without Business Gateway's support. They have supported me throughout my business journey and gave me the confidence to believe in myself."

"The biggest challenge when you start a business is believing in yourself and that's where Business Gateway has supported me."



IntelliDigest



Ifeyinwa Rita Kanu, **IntelliDigest**

IntelliDigest

The Business

A biotechnology start-up from Heriot Watt University, IntelliDigest was launched to develop and market IntelliAD, a device which turns food waste into biogas and biochemicals for commercial use by restaurants, hotels and other operators in the hospitality and food sector.

The Challenge

Director **Ifeyinwa Rita Kanu**: "When I set out to simplify waste management, I knew I had the scientific knowledge and skills to do so but I also saw that I would need specific and practical business support which is how Business Gateway became involved."

The Support

"Business Gateway became part of our bigger team and the connections our Business Adviser John Hughes had meant he was perfectly positioned to educate us about potential funding opportunities. John saw IntelliDigest could benefit from further advice and used his networks to set up an introduction to **Scottish Enterprise's Innovation Team**, leading to the business being awarded a ByDesign grant."

The Results

"Working with John I was able to tap into the expert help I knew I needed. That means the process of getting our product to market is moving more quickly and is far smoother than I expected. Having that assistance when it came to routes to market was crucial and will continue to be as we grow."

"Business Gateway became part of our bigger team and the connections our Business Adviser John Hughes had meant he was perfectly positioned to educate us about potential funding opportunities."





Spanning Scotland

Business Gateway is committed to supporting businesses the length and breadth of **Scotland**. Whether it's companies reinforcing our reputation for excellence in food and drink, pioneering innovative technologies or boosting the country's international tourism profile, our pan-Scottish outlook is helping firms succeed wherever they are based.

26%
Rural start-ups

25%
Rural growth clients

Isle of Skye Seaweed

The Business

Developing a unique technique to infuse seaweed with coconut oil has helped a scallop diver launch an all-natural cosmetic line that is now being stocked by VisitScotland. Since launch, **Ben Oakes'** Isle of Skye Seaweed Company has secured 16 stockists for his Wild Seaweed & Peppermint lip balm and Wild Seaweed & Mango Butter Hand and Body Balm.

The Challenge

Founder Ben Oakes: "It took me two years to figure out how to infuse local seaweed with coconut oil so the oil turns green and carries the salty scent of the sea; that process makes my products totally unique. It's all natural and there are no harmful parabens or harsh chemicals used."

The Support

"I turned to Business Gateway Highland for help with my business plan and to identify the best funding scheme to get things off the ground. With my adviser's help I successfully applied for a loan from the **Highland Council Loan Fund**, allowing me to buy the production equipment I needed and sort out my branding."

The Results

"An ecommerce website is due to be launched before the summer with two further products due to hit the market over the coming months. Early talks are also underway with potential distributors for the US. My adviser really gave me the extra kick and boost needed to get things off the ground."

"I turned to Business Gateway Highland for help with my business plan and to identify the best funding scheme to get things off the ground."



Creating connections

Time is one of the most precious commodities for any business person. But it can be a scarce resource when so much of their focus is on implementing a strategy for growth or laying the foundations for a start-up operation.

That is why a critical aspect of our work is easing access to financial support, **creating the connections** which help our clients access the funding available to them.

We work closely with our partners across the country, signposting businesses to potential funding opportunities, preparing them to become 'lender ready' and delivering advice on areas such as managing cash flow, invoicing, tax and insurance, helping put all the pieces of the funding jigsaw in place.

Nearly 50% of the Regional Selective Assistance (RSA) grants provided in Scotland, designed to help projects creating or protecting jobs, were delivered because our expert knowledge enables our teams to connect customers to the support they need.

In 2018/2019, support from Business Gateway helped our clients to access a total of more than £5 million in RSA grant funding.

50%
RSA grants provided

More than £5m
accessed in 2018/2019

Eventureworks

The Business

Founded in 2005 by cycling enthusiast **Brian Gibb**, Eventureworks designs, prints and manufactures clothing for a range of sports, specialising in bespoke cycling jerseys. The firm has celebrated several prestigious contract wins, including the official t-shirts for the Glasgow 2014 Commonwealth Games cycling team and Tour de France themed t-shirts for Timothy Taylor Beers.

The Challenge

Founder Brian Gibb said: "In the UK there has been a boom in outdoor leisure cycling that we wanted to capitalise on. With the business and marketing landscape changing so rapidly, especially with the rise of digital, Business Gateway's one-to-one support, free workshops and specialist services were the answer we needed to help meet our growth ambitions."

The Support

Lorraine Taylor, Business Gateway Adviser, said: "Eventureworks is a fantastic example of the diverse companies thriving in Falkirk. Business Gateway has assisted with expert marketing advice, video production, digital skills training via **DigitalBoost** and work with **Scottish Development International**. Most recently, we supported Eventureworks's successful application for a **£29,500 Regional Selective Assistance (RSA) Grant** from Scottish Enterprise."

The Results

Founder Brian Gibb said: "The help we've received from Business Gateway Falkirk has been crucial to the development of the business. RSA grant will be transformational for the businesses, allowing us to expand and invest in essential equipment and hopefully leading to a significant growth in sales throughout the next few years."

"The help we've received from Business Gateway Falkirk has been crucial to the development of the business."



Creating connections

In addition, we assist companies by helping them access wider financial support via our strategic partners such as **Business Loans Scotland (BLS)**. A consortium of Scotland's local authorities, BLS is the fund manager for a £7 million loan fund which aims to invest in new and growing Scottish SMEs.

The BLS initiative is part of the wider Scottish Growth Scheme, a £500 million package of financial support for Scottish businesses backed by the Scottish Government. In the coming year, Business Gateway will continue to assist customers by further raising awareness of this programme and other potential funding support.

Business Loans Scotland



Glentress Hotel

The Business

The iconic Glentress Hotel was given a new lease of life thanks to owners **Murray** and **Alexandra**. With over 300,000 visitors to the area annually and the planned £11 million rejuvenation of Glentress, the couple saw an opportunity to acquire and revamp the hotel for visitors and local residents alike.

The Challenge

With savings and funds being generated through family, Murray and Alexandra had a final funding gap they were looking to fill. Business Gateway introduced the couple to **Business Loans Scotland**. Following a successful online application, Murray and Alexandra secured the maximum business loan of £100,000 that would bring The Glentress Hotel back to life.

The Support

Alan King, Business Adviser at Business Gateway commented: "One of the key benefits of Business Gateway support is the connections we can build with partner organisations, such as **Business Loans Scotland** in this case. By working collaboratively, we can encourage growth and development for existing businesses, allowing them to enter new markets and reach more customers."

The Results

Murray Nisbet, co-owner of The Glentress Hotel, commented: "Crucial support from organisations such as Business Gateway gives people like us the confidence to invest and do risky things like leaving corporate jobs. Having Business Gateway and **Business Loans Scotland** on board enabled the project to go ahead and allowed us to work on something we're really passionate about."



"Crucial support from organisations such as Business Gateway gives people like us the confidence to invest and do risky things like leaving corporate jobs."

Glentress Hotel

Addressing regional issues

A key attribute of our service delivery is the ability to adopt a **flexible approach**, whether that's to individual client issues, societal trends such as digital technology use or to specific economic challenges.

Conscious of the difficulties which Aberdeen's economy has experienced in recent years, our Business Gateway Aberdeenshire team has worked closely with local businesses and entrepreneurs to support them during challenging times

Piggery- Smokery

The Business

Self-taught bacon producer **Mark Reynolds** is quickly turning his thriving artisan business into a household name. Founded in 2016, Aberdeenshire-based Piggery Smokery produces delicious, high-welfare bacon products, several of which carry Great Taste gold stars.

The Challenge

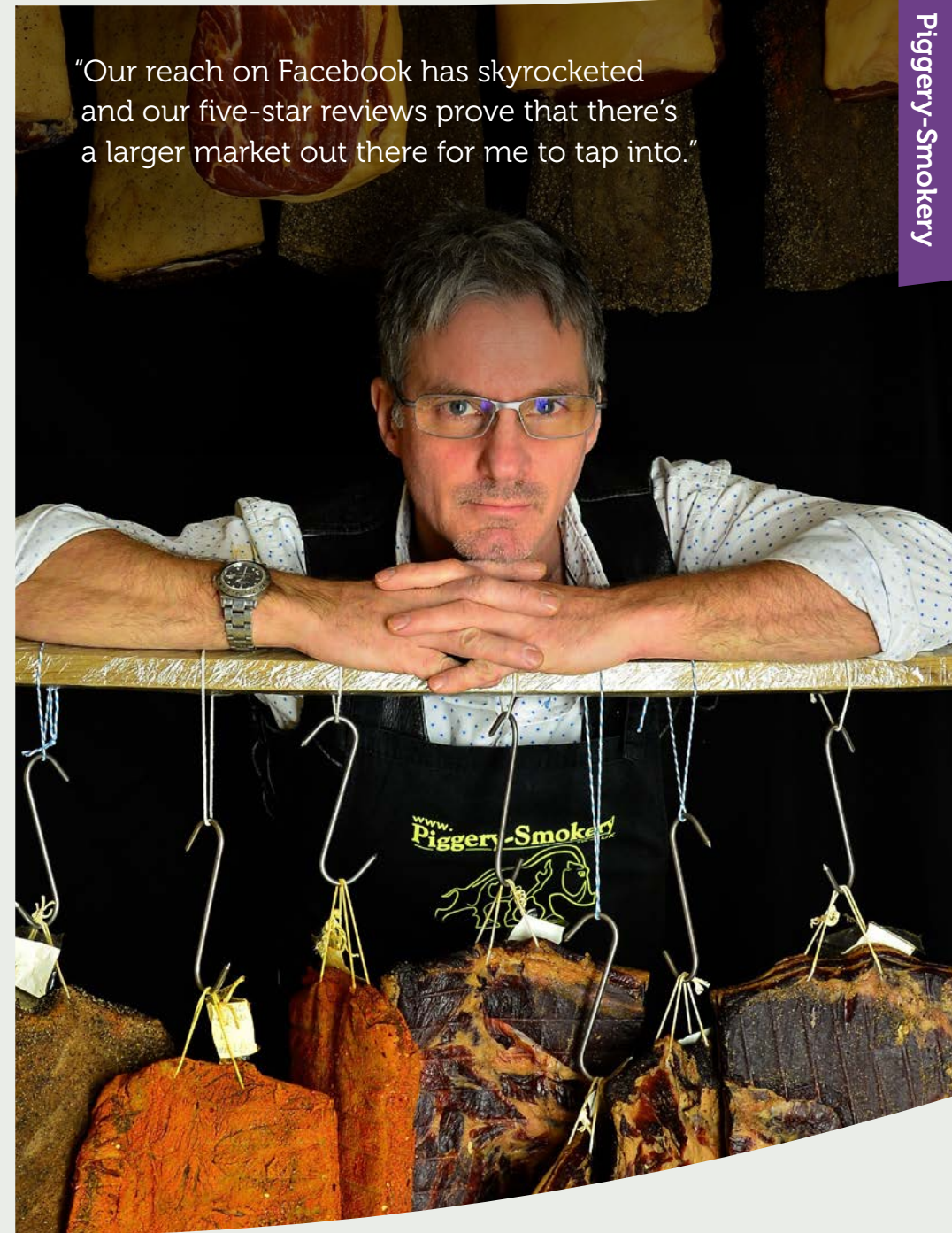
Mark Reynolds needed support to turn Piggery Smokery into a full-time business after he was made redundant from his job in Aberdeen's oil and gas industry. The business took off, with production increasing from 15kg to 65kg of bacon per week in the first 16 months, so Mark needed further advice to scale up and grow his operation.

The Support

Mark has drawn on his own project management skills and the advice of Business Gateway Aberdeen City & Shire. "Adviser Gordon Mackay has taught me the tricks of the trade and I'll shortly benefit from his sales masterclass." Piggery Smokey has benefitted from Business Gateway's business planning advice, market research reports and innovation support.

The Results

Mark commented: "Our reach on Facebook has skyrocketed and our five-star reviews prove that there's a larger market out there for me to tap into. To grow, I need to improve efficiencies and the new website is the first step. Now I need to build a larger smokehouse to increase production, so I can target food distributors and delis, and Gordon's knowledge and connections will help me identify potential funding streams to do that."



"Our reach on Facebook has skyrocketed and our five-star reviews prove that there's a larger market out there for me to tap into."

Working in partnership

As part of the wider support network which delivers high quality advice to Scotland's businesses, we have created **strong partnerships** with national economic development organisations and local business support groups that our clients can benefit from. A selection of the partners we work with include:



Oro Gin

The Business

Dalton-based, family-owned distillery Oro Gin produces two different small batch gins, with a cask of rum nearly in its second year of aging. Within 18 months, the distillery had sent its first consignment of gin to Spain and has further plans to export to Romania later in 2019.

The Challenge

Co-founder **Ray Clynick**: "We found it was useful to be able to talk to someone outside the family circle about a business proposal. Business Gateway instantaneously helped out in that respect and all the extra services they provided were staggering."

The Support

Allan McNaught, Team Leader at Business Gateway Dumfries and Galloway said: "We have assisted Oro Gin with local grants for websites, employability support, **Regional Selective Assistance grants** for distilling equipment, workplace innovation and **Scottish Development International (SDI)** export research. Oro Gin are an exceptional example of how Business Gateway support can help unlock growth and export opportunities. The business is a real family affair and their hard work has been rewarded by European success."

The Results

Ray Clynick: "Without Business Gateway we wouldn't have been able to contact SDI and speak to the right people. We have a lot of plans growth-wise in Europe and in Britain. We are doing more with Business Gateway and SDI so we're looking forward to working with them and growing to whatever potential we can."

"Without Business Gateway we wouldn't have been able to contact SDI and speak to the right people."



The Eco Larder

The Business

Matthew and **Stephanie Foulds** set up zero waste supermarket the Eco Larder in early 2018 in an attempt to make it easier for Edinburgh residents to reduce their plastic waste footprint. The shop is dedicated to being totally package-free.

The Challenge

In order to achieve their target of opening the zero-waste store in 2018, Matthew and Stephanie needed to source capital in order to secure premises. As a social enterprise, any profits made by the business would go towards supporting Ocean Clean-Up and the Marine Conservation Society.

The Support

Lindsey Sibbald, Business Gateway Adviser said: "We have advised Matthew and Stephanie with business planning, digital marketing, intellectual property brand protection and an introduction to **Scottish Enterprise** for wider innovation and environmental support. We have also linked them to specialist support services such as accountants, lawyers and **FirstPort** – a social enterprise development agency."

The Results

Following support from Business Gateway, the company received a £5000 Start It award from Firstport. Matthew and Stephanie were among 11 social entrepreneurs to receive a share of £54,000 funding in this latest round. The grants, designed to support individuals to cover essential start-up costs, were awarded as part of the Scottish Government's Social Entrepreneurs Fund. Following the Start It grant, and a successful crowdfunding campaign, the Eco Larder has secured premises in Haymarket and has started to serve the Edinburgh community.

"Following the Start It grant, and a successful crowdfunding campaign, the Eco Larder has secured premises in Haymarket and has started to serve the Edinburgh community."



Molke

The Business

After struggling to find clothes that would allow her to easily breastfeed her children, **Kirsty Lunn** from Blairgowrie set up Molke to sell comfortable body positive and breast-feeding friendly underwear. After her friend Ros came onboard as a partner, the business grew significantly and now exports to thousands of women.

The Challenge

Co-founder Kirsty Lunn said: "Initially we tried to take on too much without proper knowledge. We approached several factories without thinking about IP or really knowing what we were talking about. We had no business plans in place either and as a result we made some mistakes."

The Support

Andrew Webster, Business Gateway said: "After two years within our Growth Advisory Service and Growth Pipeline, Molke has accessed support ranging from IT and marketing to manufacturing and exporting. As a result of the support they've received over this period, the level of growth achieved and their international ambitions, Molke has recently been accepted into Account Management at **Scottish Enterprise**."

The Results

Kirsty Lunn said: "Without the support of Business Gateway we wouldn't have been able to make the leap to having our own staff and office. With our advisers' help we were able to turn it into an effective business that is constantly expanding. Recently, we were awarded **£45,000** from the **Scottish EDGE Awards** which will allow us to continue developing the business."

"Without the support of Business Gateway we wouldn't have been able to make the leap to having our own staff and office."



Pekoe Tea

The Business

Pekoe Tea, which was founded by tea expert **Jon Cooper** in 2008 and is accredited by the Ethical Tea Partnership, has grown from a small market stall and online business to importing teas directly from around the world and establishing its own blends in its tea shop in the Tollcross area of the Scottish capital.

The Challenge

In order to continue growing his successful start-up, Jon needed additional advice and investment to secure new premises, expand his customer base and explore export opportunities.

The Support

Following the completion of Business Gateway Edinburgh's entrepreneurial **Gateway To Investment programme**, which runs three times a year to help businesses seek investment, Pekoe Tea successfully secured £40,000 from **Apollo Informal Investments**.

The Results

Jon Cooper said: "We were delighted to expand and move into new premises on our tenth anniversary, creating two new jobs which will help take the business to the next level. More clients want a UK-based tea manufacturing and blending company that has a respect for the origins and culture of the tea and that can prove it has a personal relationship with its tea growers around the world, which is something we've worked hard to achieve from the very start. Following the help we've received we can begin to work with even more clients who appreciate ethical and authentic, great tasting loose tea."

"We were delighted to expand and move into new premises on our tenth anniversary, creating two new jobs which will help take the business to the next level."



Measuring success

The ongoing demand for advice and information from Business Gateway from both existing and new businesses demonstrates that Scotland's entrepreneurial spirit continues to flourish.

In order to ensure that our services meet the needs of our customers, we regularly contact our clients asking them to assess our performance.

As part of our Quality Assurance surveys, we contacted more than 2500 customers and the feedback we received over the past year indicates a high level of satisfaction with Business Gateway's service.

Survey highlights:

Highest ever levels of **satisfaction** with the service across all measures

Nearly **9 out of 10** clients say the service they received will benefit their business

87% say they would recommend our service

Service	2015/16	2016/17	2017/18	2018/19
Overall satisfaction (extremely satisfied, very satisfied or satisfied)	84%	83%	84%	85%
Service delivered met expectations (met or exceeded expectations)	82%	82%	82%	83%
Benefit the business will gain from service received (all saying yes, support will be beneficial – excluding those who report it is 'too early to say')	87%	86%	87%	89%
Would recommend Business Gateway (definitely or probably)	85%	85%	86%	87%



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