



## LENNY IN CONTROL?

"It was very difficult when I first started out in show business because I really didn't know anything about comedy or performing on television or anything.

But I had to learn to liaise with people. It must be said all of the people who I dealt with who were in the highest positions in television and stage were white. Consequently, all the people I depended on for my knowledge of show business and for my financial security were white.

Suddenly as I got to be more proficient in what I did I got to be able to take more and more control. More and more people were asking me what I thought. And, consequently, that's how I got into making decisions about my career.

As soon as you start to make decisions about your own life that's when you start to think ... 'Well hang on a minute I'll make this decision and it doesn't matter if it's wrong or right, it's my decision.'

So I started my own script development company and my own film company. I began to work with writers on scripts and ideas. It's much more satisfying now because I know that whatever happens in the next three years is all down to me. I started it all and if it's rubbish I take the flak and if it's good I take the praise. I chose the people I wanted to work with and I helped them with moulding the material I wanted to see on the screen. And that's what it's all about.

The only way to get anything done in this country, because of the way society works, is to get off your backside and do it yourself. Nobody is going to help you. It's not as if someone is going to come up to you and say here's a million pounds go and do your thing.

The only way to do it in this business is to batter people's doors down and say 'I've got a script it's ready to go, I've got a production

## BUSINESS • SPECIAL

budget so let's do it.' The same goes if you're a designer, making records or running a business. Find out who the potential investors are and what they're after.

I know it's difficult at first. When just out of school or say art college you don't know about lawyers, copyright, finance companies and doing deals. You just know that you want to be successful or you want to be a star. Well, my advice to anyone starting out in the entertainment or any other business is get yourself an accountant and a very good lawyer. There are people who will save your behind if you get into trouble. Make sure that you own everything you create, everything that is yours, you should own and then you can go from there. People will attempt to gain control of your creativity so you have to make sure you are protected.

For instance with Lenny Live and Unleashed I was involved every step of the way. From the writing through to the editing and direction. I've learned that if you want to be successful in this business you have got to have your finger right on the pulse or it's gonna be crap unless you're some kind of genius. And I don't know any geniuses just people who work hard."

## DO YOU MEAN

# business?

**Some people think that you just get an idea, a bank loan and then you are in business. This may be true for a few people, but for the majority of us it takes a little longer. Ade Sawyerr looks at the strategies that you need to apply when you say 'I want to start a business, and mean it'.**

### TO START

- You need to have a sound idea of the product or service you want to supply.

There must be a viable market for which demand is likely to grow.

- You need to be committed, dedicated and willing, with relevant technical and management skills and experience which can be applied to the enterprise.

- You should have a solid capital base and avenues for credit should be available to you.

- You need to get information on the various support initiatives, training courses, management and technical assistance packages available which help to create an enabling environment and without which many ventures will fail.

### SOUND BUSINESS IDEA

You should aim to set up business for which a large and growing market exists and in which you can combat present and future competition. The idea need not be new. New ideas tend to require a lot of capital and work to stimulate demand.

To succeed all ventures must have a good product or service targetted at a market with effective demand.





### GENTLEMAN'S AGREEMENT.

Sidnie Pantry from Moss Side, Manchester, started her Fashion and Design business just over a year ago.

Soon after finishing her studies at Salford College Sidnie started work at Graham Smith Hats of London, making hats.

Having developed her ideas on fashion and design while in London she arrived back in Manchester and started working on her new creation from her home.

After receiving help from her friendly bank m-manager 21-year-old Sidnie was able to move into the plush city centre Royal Exchange where she is the only black high fashion outfit in the centre.

With only six months in business Sidnie made her first mistake by misjudging the fashion market offering Suits at the wrong time instead of Casual Wear, and the business took a tumble.

But after correcting her first mistake the future looks very rosy and in addition to her regular stock Sidnie has now introduced a selection of Men's Wear and calls her operation Gentlemen's Agreement.

You must introduce some uniqueness into your business enterprise, and keep abreast of changes by introducing new products and services. Remember that a large proportion of our earnings are spent on products which has been up-dated and restyled over the past five years. Successful businesses earn roughly half their profits from these products.

Always try to reach new markets, look for new sources of supply and develop new production processes.

### MARKET ANALYSIS

Market analysis will enable you to calculate all risks and make informed decisions, based upon thorough research. Ask questions in a systematic way to find out how feasible your idea is. You need to know what factors influence demand, supply and prices; what the channels of distribution and profit margins are and how your competitors are faring. To obtain this information

you will need to speak to potential customers and some suppliers.

Design a questionnaire to conduct a small survey and analyse the results yourself. Published statistics and reports will tell you about the industry, but only good original research will tell you exactly what you need to know about your business idea e.g. where your customers are located, how many of your product they will buy, and how often, at what price and what they like or dislike about what you are planning to offer. This will give you a clearer idea of the viability and potential of your venture.

### THE ENTREPRENEUR

You must have absolute confidence and belief in yourself. Do not allow friends to distract you from your vision. In addition to your energy and enthusiasm you should also be, (or employ) an expert in the enterprise. If the business is to thrive you should be prepared to adopt sophisticated management



Leroy Jones-Hemmings

### CHEERS TO US!

Lloyd and Monica had to go through interviews with Bass before being taken on and trained. They subsequently took on the Spring Cottage for which they pay a fee to the brewery and undertake to stock their beer. In 1988, after taking over the pub, they won the Mitchell and Butlers West Midlands Region Food Competition. "We do the usual fast pub food but also serve up Caribbean chicken and rice and peas," Lloyd explained. "We also have a special supper license on Wednesday, Friday and Saturday evenings. It's long hours and hard work but I've made the right choice".

strategies. Successful business people are good workers, and organisers, they love people and are in good health. They are also patient enough to endure through all the initial teething problems faced by most enterprises.

**CAPITAL Initial Finance**  
Before you attempt to make contact with funding bodies you will need to estimate how much money will be needed for the first three months. The CAPITAL COSTS that you incur at the start will consist of CAPITAL EQUIPMENT - the machinery you require for use in production and PREMISES - the premium you pay for getting the lease, renovation, refurbishment, fittings, fixtures and furniture too, all form part of the initial capital needed. In addition to these, generally termed FIXED ASSETS normally spent prior to the start-up, you will also need to make allowances for the following. Professional Fees: monies paid to, surveyors, solicitors, accountants, business consul-

ants and insurance brokers.

**Initial Wages:** If you intend to employ people you will need to set aside at least three months wages for each employee.

**Initial Stocks:** You need not buy stock in bulk initially, because you do not really know how well the product will sell at the start.

**Advertising and Promotion:** You will, need to make potential customers aware of your business and sustain their interest in it. A fair amount of money will need to be budgeted for this because marketing is of vital importance to a new business.

### OPERATING COST

You need to estimate how much money you will spend during the year and when you will spend it. Calculate OVERHEADS like, rent, rates, telephone, fax, printing, publicity and promotion, postage, stationery, electricity, gas, transport, legal, accountancy, cleaning, and insurance. A useful rule of thumb when estimating how



much money you will need is to work out the budget for capital items and add three months overhead expenditure. Generally, short-term funds are financed by overdrafts and credit from suppliers.

### RAISING FINANCE

Monies needed for capital expenditure can be raised from loans, lease purchase, mortgages and venture capital funds as well as from private backers and 'sleeping' partners.

**Personal Savings** should be accumulated to invest in your business. It encourages other lenders and backers if you have staked your own capital.

**Partners and Backers** should be sought. Interest friends and relatives in your project before you approach the bank. It encourages those who do not

know you to take you seriously, if you can prove that people who do know you have invested in your enterprise. This source is useful for initial operating expenses.

**Bank Loans** are for people with security. You will need to present a business plan which states the reasons, duration, security and repayment terms for the loan. Expect the bank to require you raise at least half of the required capital from other sources.

The Government Loan Guarantee Scheme guarantees up to 70 per cent of your loan up to £100,000 for which you pay two-and-a-half percent above the bank's lending rate as a fee. This fee is spread over the period of the loan. This is intended for would-be business people without security and with very little capital.

**Venture Capital** is suited for those who want to give up some of the equity in their new company. Most venture funds are looking for people with proven management and technical skills, however, they are often interested in new ideas. The British Venture Capital Association, 3i, Venture Capital Report and Business Opportunities Digest are among the sources of venture funding.

**Trusts and Charities** are involved in assisting new businesses. They include the Princes Trust, Tudor Trust and Rowntree McIntosh. More information can be obtained from your local Enterprise Agency.

**Local Authorities** are interested in encouraging new business by providing grants for rent and refurbishment of premises.

Your local authority may have

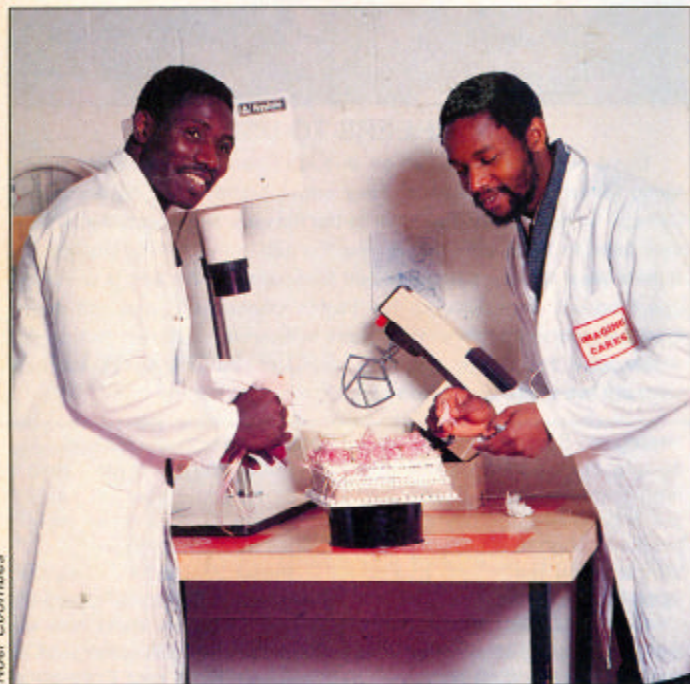
Business Advisors working within their Economic Development Units, who will be able to advise and assist you with your business plan.

They will also inform you of what financial assistance the Council can provide in the form of Feasibility Studies and Marketing Grants. Some local authorities also provide special grants for co-operatives.

You will need to shop around for the right combination of funds - usually a mixture of the above.

### THE BUSINESS PLAN

When raising funds it is important to prepare a business plan which tells the potential financiers how you will make the business a success. You have to show your fund requirements, initial capital and on-going cash requirements, and establish a



Les Spaine and Secretary Susannah Hunter checking the latest tour itinerary. ▶

### MOTHERS PRIDE

Paul and Robert Davison from Manchester started their Cake business in 1982 on the Enterprise Allowance Scheme using their Jamaican Mothers' recipes.

Within six months they scooped the Prince's Trust £1,000 Award which was presented to them by Prince Charles and Princess Diana in Liverpool Cathedral.

After tasting a piece of their cake Prince Charles and Princess Diana invited them to make Prince William's first birthday cake.

The business took off in a big way after that, with orders for television, the FA Cup 1983, the Centenary of Cricket in Great Britain in 1984, the Opening Of European Institute for the Media, they also landed a commission for a life size Michael Jackson.

The business took a temporary dive at the end of 1984 due to over expansion.

But in November 1988 there was a full re-launch and the future now looks very bright.



### MUSICAL CHAIRS

After spending eight years heading the marketing and promotions arm of Motown Records (UK) and five years at Capital Records promoting artists like Stevie Wonder and David Bowie, Les Spaine says it was an obvious progression to his present position running his own company.

He started Bestsounds, a management and publishing company six years ago representing artists like Phyllis Nelson, Grandmaster Flash and Five Star, two years later he took on Aswad's management, and recently signed the company to a label deal with Island Records.

Spaine, who also handles radio and TV promotions for Stylus, a TV



projection of profitability.

All in all, a lot of background work needs to be done before you can raise money. And remember that many good ideas remain just that, because the proposer does not have any money to invest and cannot raise the necessary capital from outside sources.

#### ENABLING ENVIRONMENT

Businesses thrive when there are mechanisms of support and when both central and local government provide the necessary encouragement and when there are enough institutions and financial brokers ready to help.

Important sources of assistance include: The Department of Trade and Industry's Small Firms Service which offers counselling for start-ups through enterprise counselors. You can get in touch with them through Freephone Enterprise. It is also possible for larger businesses to get part of the fees for consultancy work paid under the Enterprise Initiative scheme.

The Department of Employment offers business training courses through the Training Agency. They are also responsible for implementing the Business Growth Training Programme.

Job Centres will provide you with information on training as well as the Enterprise Allowance Scheme which pays £40 per week for one year, to those who give up unemployment benefits to start a business.

There are over 300 Enterprise Agencies around the country jointly funded by Private Companies and local government

which provide assistance to business people

The North London Business Development Agency, The Deptford Enterprise Agency and 3B's (or Black Business in Birmingham) are Enterprise Agencies funded by the Home Office to assist members of the black community in business.

Other professional people who may be able to help you include Business and Management Consultants, who help with advice on the best way in which you can start your business and with the planning, research and preparation of your business plans.

Accountants can help with setting up record keeping books and advise on tax planning and preparation of business plan.

Solicitors can read over contracts and help with conveyancing.

Insurance brokers can make sure that you are properly insured and let you know about employers and public liability, contract, fire, theft and loss of profit insurance. They can also give advice on medical and pension schemes. Health and safety officers will make sure that your premises are safe. If there is a Trade Association in your industry they will provide you with useful information about how to set up and operate successfully.

Any local chamber of commerce will provide you with practical assistance and help you make contact with local business people. ■

*Ade Sawyer - Equinox Associates, (Management Consultancy) is involved in assisting black and ethnic minority persons to set up in business.*

marketing company, is always on the look-out for new artists, both for his own label and for Stylus. Dance queen Ami Stuart is one of his latest signing.

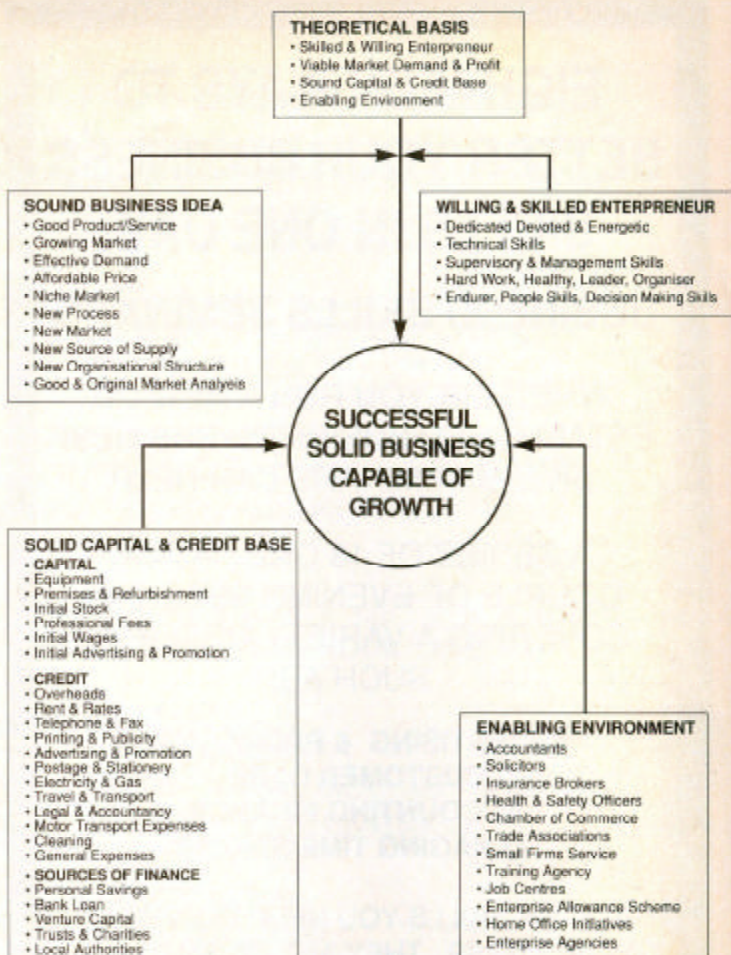
On how to get a head start in the music business Spaine says: "I found it no harder than anyone else.

Success depends on your approach. If you expect a bank manager to put money into your venture you should have your facts right when you meet him. I have a tendency to keep people that I've work with for a long time around me, and I've had the same bank manager since I was 18.

"The fact that I have an account at Coutts is also very much to my advantage. You have to learn how to play the game, it's all about credit rating.

I have two permanent people on staff, plus Richard my driver, and employ others on a freelance basis. For example, when Aswad is on the road we take on up to 25 people. We always use the same, musicians, engineers, stage and tour managers. For cash-flow reasons it would not be sensible to keep all these people full-time.

"I also always use the same travel agent for all the bands. I've been in a situation where in a week I've gone from here to America, Moscow and Japan, and it makes life easier when the companies you use are familiar with your requirements. I live in Fleet which is about 50 miles away, and I keep exactly the same office equipment there as I have in the office - computer, fax, four phone lines - so that I can work just as easily from home. I also have a car phone so once I get into the car I continue working".



The formula for success adopts the image of the human body. The head symbolise the theoretical basis. The hands represent sound ideas and, the entrepreneurial spirit and skills. These feed the stomach which represents the viable business. The Business stands firmly on its feet, depicted by the capital and credit and, the assistance of professionals in an enabling environment.



Noel Coombes

#### A BED OF ROSES

Thirty-four year old Roy Townsend is the only known black landscape gardener in Manchester.

He started his business two years ago by pushing a wheel barrow around Manchester looking for work.

His first £200 went to buy an old Bedford Van, and with the help of the Moss Side Black Business Association he now has now bought a new Renault van, and modern equipment.

Townsend, who lives in Whalley Range, has secured the contract for a major housing association and has two more in the pipeline. He now employs a staff of two.