

Dear Mr Bennett

I was talking to a couple the other day who, 10 years ago, created their own company. It's doing rather well. Today they employ 12, have a turnover of £2m, and are looking to see sales rise this year.

They have no debt and only use their bank overdraft at certain times of the year – such as in the summer when they are buying Christmas stock – to help with cash flow.

Yet, as the conversation unfolded, I was struck by just how many hurdles are put in the way of hardworking, honest, entrepreneurial employers such as these. Obstacles by the very people who should be helping.

The VAT reduction, they said, cost £8,000 in admin and printing costs alone. Plans to increase corporation tax on SMEs will add to the burden.

Then, one of its biggest customers arbitrarily increased its payment terms from 30 days to 72. And as they buy most of their stock from China and Spain, the falling pound has simply added to their headache. Finally, they are waiting to see what their bank will do in relation to their ongoing overdraft facility. Let's face it, banks are a bit of a loose cannon at the moment!

It's as though those at the helm seem intent on stifling the very types of businesses that will see the UK through the recession; the small and medium-sized companies that make up the backbone of the British economy.

But are they downbeat? Are they resigned to a year of cashflow crises and plunging profits? Not a bit of it. Armed with a flurry of forecasts and an unbending will to secure a sale, they are optimistic. All they ask is that the banks, suppliers, customers and the government work with them rather than against; sentiments I'm

This Week's Case Study

Franchised grocery firm Thomas Green's aims to meet the needs of ex-pats looking for reminders of home. [»](#)

Strategy

What is the role of the business leader in a world where the customer is king? Asks Alistair Schofield of Extensor Limited. [»](#)

People

Whilst the population has been getting steadily older it seems government, employers and individuals have been hoping the problem will go away. [»](#)

Technology

You may not have even heard of the term 'cloud computing', but the chances are you have already experienced it. [»](#)

Latest Masterclass

Shetland-born solicitor Brian Inkster decided he could offer a better service to his clients by moving to Glasgow to open his office. It seems to have worked. In the past two years Inksters has seen profits grow by 80pc. In Scotland, lawyers can also act as estate agents. It's made itself prime choice for Shetlanders looking to sell by ensuring it runs a website that allows would be buyers to browse by postcode – something out of the ordinary in Scotland where most homes for sale are on a central website. [»](#)

Last remaining Million Dollar Challenge places up for grabs

You'll have to be quick to get your application in to be considered for yourBusinessChannel's Million Dollar Challenge. With only a handful of places left, applications are expected to close off shortly. The Million Dollar Challenge gives you the chance to access over US\$1million of sales and marketing expertise – campaigns and frameworks developed by some of the world's most accomplished business development experts – on a risk-free basis.

Successful applicants will get expert business growth advice to not only survive the recession, but actually grow their business dramatically. For more information and to apply click here. [»](#)

Win a chic weekend in Amsterdam

Simply go to the Business Club website and tell us your views and opinions on the changing patterns of work. By taking part in our latest survey on the issues facing small and medium-sized businesses you will automatically be entered into the free draw to win two nights' accommodation for two at The Dylan: a luxurious canal-side hotel in the very heart of Amsterdam, courtesy of boutique hotel specialists, Mr & Mrs Smith. The prize includes buffet breakfast each morning, dinner for two at the Dylan's restaurant (wine not included) on the first night of the stay and return flights to Amsterdam. [»](#)

Gloombusters

Harriet Kelsall is seeing steady growth at her jewellery firm. Despite the downturn, her business is booming. [»](#)

Money

Workers would be better off by around £4,500 a year if they were paid for overtime according to a new report. [»](#)

Sales

When it comes to selling, not using testimonials is like going into the ring with your hands behind your back. You're going to be knocked out fast. [»](#)

Operations

Sarah Webb looks at how the rise in social media has led to some companies' reputations being called into question. [»](#)

sure all SMEs will echo. Do you? Have your say by clicking here. [»](#)

But if you are looking for a helping hand, click below to enter our latest competition to win one of five business coaching programmes from ActionCOACH, each worth £2,495. Runners up will win one of 100 planning seminars each worth £295. [»](#)

Regards

Philip Smith MBA
Programme Editor

To forward this newsletter to a friend, click [here](#).

These links will only work if you have logged into the Telegraph Business Club website. If you have forgotten your password, click [here](#) and enter the email address used when registering (david@wordzone.co.uk).

Telegraph Business Club welcomes members to provide feedback and comments on any issues that are affecting your business. [Email us](#) if you want to raise an issue. Please note that member comments may appear on the Telegraph Business Club website in [Talk Back](#) along with your details. If you prefer your comments to be anonymous, please state this.

This newsletter is sent to users who have registered and chosen to receive email. To unsubscribe david@wordzone.co.uk, click [here](#) or edit your details on the website.



The Telegraph Business Club is a trademark of the Telegraph Media Group Limited
111 Buckingham Palace Road, LONDON SW1W 0DT | Company No. 00451593