

SMEs: get into shape for growth or 'exit'

INTERFINANCIAL managing director Sharon Doyle has a word of advice for SME leaders struggling to make headway: it's never too late to get your act together.

To realise the value of your business – and give yourself choices – you cannot avoid getting your business into the kind of shape that might attract investment or buy-out offers. In fact, InterFinancial has seen new avenues of investment coming available for Australian businesses this year.

InterFinancial Corporate Finance is more than your average business advisory service. It is an organisation of SME specialists who are as equally at home advising on mergers and acquisitions (M&A) as they are in sourcing capital for growth – and helping companies get ship-shape to maximise that growth.

"We work mostly with mid-range businesses who might be making a couple of million dollars profit a year through to \$20-\$30 million profit a year, helping them to grow their businesses and helping them to access cap-

ital to grow their businesses," Ms Doyle said. When the time comes, InterFinancial helps shape and implement exit strategies.

'INTERESTING' TIMES

Ms Doyle classified the current business environment as "very interesting times".

"We see lots of interesting companies," she said. "In the last six months we have been seeing businesses coming in that have found a niche that is very rapidly taking them global."

Innovative SMEs may find their funding in the sun is about to come.

"I think now people have realised that this market is exciting – the scalable return you can get on technology investments – and that has started to attract the money," Ms Doyle said. "We are seeing a lot of family (based funds) and small private equity funds start to spring up in the market which didn't exist two years ago."

"I've got to say, it is an exciting part (of the market) but it has historically been very difficult to get money into it – there was a big gap between govern-

ment funding and small angel funding, and where the much bigger venture capital investors would start investing. What we have found now is that the small family offices and the small funds, a couple of which are listed, have started to say we will write a cheque between \$1-5 million – and that area just hasn't been serviced well in the past."

But this is not the only fresh source of capital InterFinancial has seen come on recently.

"The other source that we have found to be more flexible and available in the last few years has been strategic investors," Ms Doyle said. "Trade players, larger companies who see that what you are doing is interesting and aligned to what their business might be. We are seeing them take minority stakes to support growth."

While funding for business growth is more available than it has been for many years, but Ms Doyle warned, "Let me be clear, it's not easy. But it is not impossible any more."

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Sharon Doyle.