

**Media Information
For immediate release -**

North Staffordshire entrepreneurs respond to Michelin Development business challenge

A challenge launched 12 months ago by Michelin Development to North Staffordshire businesses to be more entrepreneurial has been met with some impressive results.

In August last year Michelin Development – the business development arm of Michelin Tyre Plc - issued the challenge to North Staffordshire companies to become more entrepreneurial after figures revealed by the tyre giant's loans fund arm 12 months ago showed the area as the worst performing region for new business development and start-ups.

The statistics from Michelin Development Ltd exposed the North Staffordshire region as the lowest ranking of the four regions – East Lancashire, Dundee and Ballymena - where the Michelin Development fund is available to firms. Having only two years ago accounted for 48% of all the jobs created through investment from the Michelin Development fund, North Staffordshire found itself in alarming decline with no new loans or jobs created within the previous 12 months.

But entrepreneurs and business people in the region have picked up the challenge gauntlet with over 30 companies applying for financial support. Overall seven loans have been approved to a total of £225,000, with around 95 jobs expected to be created in the next couple of years.

One North Staffordshire business to benefit is SphereMania® – a market leading extreme sports company who offer adrenalin junkies the opportunity to enjoy the ultimate thrill ride by careering down hills and across water in giant spheres. Owned and operated by born again Christian, Robert Price, SphereMania® applied for and received approval for a £40,000 loan from the Michelin Development Fund to invest in new office space and create new jobs at a former church in Cheadle.

Mr Price, owner of SphereMania® which has 12 franchises across the UK, said: “We had gone to the banks for investment but in the current economic conditions there was a reluctance to lend, particularly to a more unusual business like ours.

“Without the loan from Michelin Development, we would not have been able to expand the business. The loan cash has helped to secure the future of 12 franchised families and create jobs, all of those staff of which have been drawn from the local North Staffordshire region.”

With a 95% share of the UK 'Hill Rolling' market, SphereMania® is on target to achieve its ambitions of having six full time staff and six part time staff in place over the next two years. Some of the funding from Michelin Development has also been used in creating a youth church and leisure space including a modest recording studio in the ground floor of SphereMania®'s new office premises.

Another loan recipient is WF Property Preservations – which provides specialist surveys and remedial work on 'problem' properties including damp proofing, dry rot treatment and timber treatment – who received a £20,000 loan to increase the workforce from 2 part-time to 6 full time plasterer/technicians and a part-time office administrator and help finance essential IT office systems, training and equipment. It's provided the springboard to a highly successful 2009 so far with notable business gains including a major contract from the Kier Group to work on properties within the Stoke-on-Trent regeneration programme.

Michelle Fox, Director at WF Property Preservations, said: "The banks were just not prepared to take any chance during the credit crunch despite the fact we had a strong business proposal that was looking to create jobs and regenerate the local economy.

"Thankfully Michelin Development took a different view. They had a far more human touch and were particularly interested in the fact we were looking to create new jobs and invest in the local region."

Dave Smith, Michelin Business Development Manager, said: "When we issued this challenge we did so in order to spark a North Staffordshire renaissance, returning to the times when the region accounted for almost half of the jobs created by our fund.

Since throwing down the gauntlet last summer, the challenge has gone a long way to meeting its objective of encouraging North Staffordshire entrepreneurs to create sustainable quality jobs.

It shows the appetite for business is still there in the region despite the current economic climate and the levels of interest the challenge has sparked can only bode well for the economic future of the area."

Michelin Development Ltd is dedicated to helping small and medium sized businesses that can create new employment in the areas of the UK, including North Staffordshire, East Lancashire, Dundee and Ballymena, where Michelin has present or historic links with the community. The UK operation, which is part of a European initiative to support entrepreneurs and a cornerstone of Michelin's Corporate Social Responsibility charter, helps expanding businesses through the offer of unsecured loans at Bank of England base rate and the provision of free business advice.

Over the five years since it was formed in the UK, Michelin Development has helped over 130 new

enterprises in industries as varied as engineering, construction, IT and fine china.

Michelin Development is in the next year looking to loan a further £1 million, help another 30* companies and create around 250 jobs. Interested parties should refer to www.michelindevelopment.co.uk to see how to qualify and apply for a 'market beating' loan.

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