

Business Briefing: Anthony Clarke

Anthony Clarke is chairman of the British Business Angels Association (BBAA), the new trade body for angel investors in the UK. He's driving the BBAA's campaign for greater understanding of angel financing and the benefits it can bring.

What is the role of the BBAA?

It's a non-profit-making national organisation working to promote and highlight best practice in the angel investment marketplace. Members are predominantly business angels - individuals or groups providing finance to entrepreneurs in return for equity - but entrepreneurs and private enterprises are also involved. The association is not concerned with making deals or matching angels with businesses needing finance; rather, it seeks to draw all these parties together to raise awareness of the important role angels can play in the private sector.

How can companies get involved?

We screen prospective members before they join and each membership application must be supported by an existing association member. This helps to ensure that the code of conduct we have established continues to be maintained. Most prospective members apply online and our website is a useful communication channel, ensuring information is easily accessible for angel networks across the country.

Why don't more companies use business angels?

The perception of angel financing in the wider business community seems to be that it operates on the fringes and is a rather mysterious financing method. The market needs to become more transparent and accessible.

We are working with the Government on the development of less conventional methods of funding. After all, the UK is an innovative business nation and innovative companies need risk capital. Business angels can add significant value to a growing company and not just through finance. Angels can provide useful industry knowledge and contacts, acting as a mentor to an expanding company by conferring wisdom gained from previous experience.

By acting as a focal point for sharing expertise, researching key issues and celebrating success stories in the media, the BBAA is helping break down misconceptions and increase public awareness of the benefits angel financing can bring. I've heard business angels described as 'mentor capitalists', which I think is an apt account of what they offer growing companies.

For further information visit:

- www.bbaa.org.uk