

## Local companies combine forces to boost SMEs

Two Cape-based companies have joined forces to ensure that small and medium-sized enterprises (SMEs) will have greater access to funding.



Karl Westvig, CEO at Retail Capital

SME funder Retail Capital and asset finance firm First Asset Finance have combined their expertise to offer more funding and support to small businesses across South Africa, that are growing, despite tough economic times.

“Any business that invests in growth will survive despite the state of the economy,” says Retail Capital CEO, Karl Westvig. “Tough economic times by no means indicate that you should stop investing in your business.”

“In fact, it’s even more reason to make changes to boost your business’s growth – whether it’s refurbishing, acquiring new assets, expanding your premises or building on the marketing of your product.”

He adds that small businesses need more help available to help them build and grow.

Currently, according to Retail Capital CFO, Guy Hosking, banks are very tight on the rules and the support they provide for

small businesses. The company has provided almost R2bn in loans to date to around 10,000 local businesses, predominantly retailers and restaurants.

### **Access to funding is still a challenge**

With the economic climate, Hosking says, access to funding is becoming more difficult for SMEs in a time when they need it to boost their businesses and, by default, the economy.

“If banks are not helping to boost SMEs with funding, it is up to non-bank lenders to take up that slack,” explains Hosking.

“Ultimately, our goal is to have a range of funding products to service all SMEs. Adding this new finance product is a big step in that journey.”

The partnership will provide SMEs with funding options in various areas of their business. Westvig explains that the products from both companies complement each other seamlessly, with First Asset Finance offering a natural product extension to Retail Capital’s portfolio of funding and insurance options supporting SMEs based on their cash flow.

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