

News Release

Red Ventures raises £250,000 to develop Pooh Bear Giftware

A company that supplies branded giftware and jewellery featuring well-loved Disney characters such as Winnie the Pooh, Snow White and the Lion King, has raised £250,000 from The Capital Fund, a £50 million venture capital fund which backs fast-growing, small and medium-sized enterprises in Greater London.

Red Ventures Ltd designs, manufactures and distributes creative giftware and jewellery using its rights to Disney licences to incorporate Winnie the Pooh, Cinderella, Sleeping Beauty, Tinkerbell and the Beatrix Potter characters on products ranging from photo frames and gold locket to money banks and musical carousels. The company's impressive client list includes jewellery specialist retailers such as Signet Group (owner of H Samuel and Ernest Jones) and F Hinds, as well as Argos, Tesco, and export markets.

Simon Bingham, Managing Director of Red Ventures, said:

"Licensed products are the fastest growing segment of the jewellery and giftware market, estimated to be worth over £4.4 billion, and a number of supermarkets and retailers, including Boots, Superdrug and WH Smith, are beginning to diversify into higher margin giftware and jewellery products.

We believe that Red Ventures' giftware and jewellery products have long-lasting, popular appeal because they include established characters. Customers typically buy our giftware to mark the birth of a child, or a birthday or anniversary. The jewellery featuring Winnie the Pooh has mass appeal, while jewellery with Snow White, Cinderella and Sleeping Beauty is a particular favourite with young girls. Our Beatrix Potter jewellery mainly attracts people who have read the stories as children so we sell it through family jewellers such as F Hinds."

Mr Bingham commented on the help received from The Capital Fund:

"Our ambition is to become the leading supplier of licensed giftware and jewellery to retailers, and the investment from The Capital Fund has let us take the first step in that process. They considered our funding requirements, which would fall below the radar screens of many venture capitalists, and provided vital capital so that we can create new product lines and add new brand licences to our portfolio. We are also actively exploring possibilities for collaboration with a number of blue chip companies in the giftware and jewellery sectors."

Michael Kennedy, Investment Manager of The Capital Fund, said:

"We are delighted to provide Red Ventures with the funding needed to help realise its growth potential. Red Ventures offered a very attractive investment opportunity as it focuses on established brands that won't go in and out of fashion, and the company has good potential for expansion into the mass retail market. We were also impressed by the strong track record of Red Ventures' founder in the jewellery and giftware sector, and will follow the company's progress with interest."

NOTES FOR EDITORS

1. THE CAPITAL FUND

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Launched in 2002, The Capital Fund is a £50 million venture capital fund which backs fast-growing, small and medium-sized enterprises in Greater London. Initial investments can be up to £250,000 and the Fund can invest a further £250,000 after six months or more. In some circumstances, alongside other new investors, the Fund can follow on its investments with up to £5m in total in a single company. The Capital Fund is the largest of the nine Regional Venture Capital Funds and has a mixture of public and private sector investors. For further information: www.thecapitalfund.co.uk

The Capital Fund is managed by YFM Venture Finance Limited, which is authorised and regulated by the Financial Services Authority and part of the YFM Group. The YFM Group provides investment capital and business development services to SMEs throughout the UK. It currently has £250m in funds and consultancy contracts under management, with over 70 employees. For further information: www.yfmgroup.co.uk

2. RED VENTURES

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PHOTO AVAILABLE ON REQUEST

Products from the Red Ventures range of branded jewellery and giftware, featuring well-loved characters including Winnie the Pooh.



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