

Welcome to CAIN

A very warm welcome to this first edition of the CAIN newsletter. CAIN (The Creative Arts Investment Network) is a national business angel network which has been established to connect potential investors with film, theatre, television, music and live events companies looking for private equity investment. Despite the difficulties currently being experienced throughout financial markets across the Globe, the Network has enjoyed a successful first quarter since its launch in July 2008, with two companies already receiving assistance and investment through the Network (more on pages 2&3).

The Network has been fortunate to attract the support of an 'advisory board' of industry specialists known as the CAIN Forum, including **Ingenious Media, Paramount Pictures, PeterJones TV, Screen South, The South East Media Network and Clive Chenery**. It is working with the CAIN Forum that gives the Network its unique positioning in the creative arts sector as the business angel network with a specialist panel of experts who undertake an informed and critical analysis of all potential presentee companies as part of their investment readiness process.

CAIN has already enjoyed published coverage globally in The Hollywood Reporter and Angel News, which has resulted in project submissions from the USA, Australia and Greece! Articles have also been published in Music Week and Record of the Day.

Screen Agency Funding for CAIN and South East film companies

CAIN has secured valuable funding from Screen South, the regional Screen Agency, to assist film companies in the region with finding private equity investment. These companies can also apply to Screen South through CAIN for a Business Development Investment Fund (BDIF) bursary to assist with CAIN presentation fees during their fundraising process. (More on page 4)

50+ Investor Members join CAIN

The Network is already enjoying the support of over fifty investor members, including individual business angel members, creative arts funds, and syndicates of angels with an interest in the creative arts. One syndicate of angels from New York has joined the Network with a view to investing, through CAIN, in both Broadway and West End theatre productions.

Members are enjoying the benefit of receiving condensed one-page overviews of each pre-assessed proposition CAIN is working with, together with an easy to read and understand financial overview with details of budgets, investment structures and recoupment waterfalls.

Investors will be invited to members only investment meetings, where a number of carefully selected propositions are given the opportunity to 'pitch' their projects, Dragon's Den style, to the assembled audience.

CAIN Founder, Nicki Hattingh, says:

"We hope that CAIN will become the mechanism of choice to bring together creative arts companies looking for investment and investors with an interest in the creative arts."

"CAIN is serious about the business and commercial opportunities that exist within the UK creative arts sector and we are committed to increasing the level of business angel investment and activity into this diverse and interesting sector."

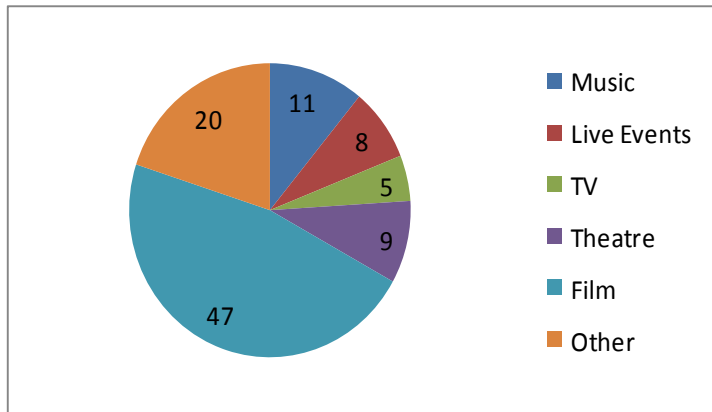
Investor Recruitment Drive still on!

CAIN is still participating in the continuous process of identifying serious business angel investors for its projects. If you do know of anyone who may be interested in finding out more about the Network, how we operate and the projects we have access to, please do recommend that they look at our website (www.cainuk.com) and make contact with us.

Submissions to the Network

CAIN is seeing a wide variety of submissions across all sectors of creative arts. Film submissions currently account for almost 50% of CAIN's propositions, with music, theatre and live events in almost equal proportions.

"CAIN is enjoying a wide variety of submissions from all ends of the spectrum - From first-time independent directors and producers to A-list writers, directors and producers from Hollywood."



Television programming propositions are currently in the minority, with only a 5% representation, but it is interesting to see that 20% of the submissions to CAIN come from sectors outside the CAIN remit for creative arts.

Some of these propositions are from publishing companies and web-based creative technology companies. If you feel that CAIN should be looking more closely at these propositions and that they might be something you, as an investor, would be interested in, please do let us know. (admin@cainuk.com)

Some propositions are investment-ready when they approach CAIN and some are taking a number of months to pull all their information together. From all the submissions made to CAIN in the first quarter (80), only 13% (11) have progressed through the initial assessment process to the CAIN Forum prior to presenting to the CAIN investor members.

It's a tough process and CAIN is only forwarding the very best submissions to its investor members. We hope that by following this procedure, we can ensure that good quality projects have the opportunity to receive the investment they require and that investors have a good chance of a return on their investment.

Investment Success for Guerilla Films

INVESTMENT SUCCESS
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CAIN Founder helps Guerilla Films to achieve investment success.

CAIN has helped Guerilla Films to secure the second half of its required angel investment for the *Charles Dickens' England* project.

Guerilla Films is producing a documentary feature film and coffee table book entitled *Charles Dickens' England* which will feature a well known actor as presenter. It is expected that both the film and coffee table book will be launched in the spring of 2009.

Guerilla Films' Chairman, award winning filmmaker David Nicholas Wilkinson, is producing and co-writing the film. His company, which is well established in film distribution and book publishing, is exploiting the film and book on extremely favourable terms for the investors. On hearing about the launch of CAIN, Wilkinson approached Hattingh to ask if she could help him to secure the angel investment he needed to complete the project. Wilkinson had already secured half his required funding through a key investment partner, but on realising the additional investment interest that CAIN subsequently secured in the project on behalf of Wilkinson, the original investor decided to also offer Guerilla Films the full amount of funding required.

Said Wilkinson: " I am obviously thrilled that I now have the investment I need to produce this wonderful project. There is a continuing market for the works of Dickens and his life and this project has taken me on a wonderful journey through this period of English history. I was thrilled that CAIN was able to generate such interest in my project through the Network's business angel and corporate investor contacts and am delighted at such a positive outcome."

Hattingh commented: "It was a pleasure to work with David on such an exquisite project and I am delighted that CAIN's involvement has helped to secure the investment David needs to complete this work and I very much look forward to seeing the film and the book early next year."

For further information on this project please email admin@cainuk.com

CAIN helps Creativeuk Solutions find Investment through new business partner



CAIN is delighted to announce that it has introduced Creativeuk Solutions to a CAIN business angel Investor Member to create a newly-formed business partnership.

Creativeuk Solutions was set up by Madeleine White in 2005. This marketing and PR agency, specialising in ethical brand building and communication, conceived and launched *Oi!* Magazine in late 2005 – a magazine written and edited by teenagers for teenagers. Praised regionally, nationally and internationally, *Oi!* has become recognised as an iconic and authentic voice for young people today.

An active member of Women in Journalism, Madeleine has also written for Teaching Expertise, Psychologies and the Evening Standard. 2008 has also seen MD, Madeleine White, writing for both the Guardian and the Scotsman translating the on-the-ground reality of living and earning in today's society for today's policy makers.

A combination of all these experiences and the desire to develop a magazine which reflects the authentic needs and aspirations of its readership led Madeleine to approach CAIN for help with finding investment and/or a business partner. Together, Madeleine and her new business partner are launching a project that is set to have a significant impact on the quality of magazines available to consumers both in the UK and further afield. This new publishing house will see the advent of four new magazines over the next two years, all linked by core brand values that reflect the real needs of real people.

CAIN MD, Nicki Hattingh, said: "I was impressed with the drive, determination and passion that Madeleine has for her work and felt that it was a project with which CAIN would like to be involved. I am really delighted that CAIN has been able to help. We have been able to watch the partnership and the project develop and await the launch of the new magazines with much excitement and anticipation."

Creativeuk Solutions' Madeleine White said: "I am thrilled that through the contacts of Nicki at CAIN, I have been able to find the perfect business angel partner to help take my company forward. It is testament to Nicki's attention to detail and knowing her investor members so well that she was able to help us. She believed in our project and although CAIN doesn't usually work on publishing projects, Nicki felt we were a cause worth working for."

For further information on this project please email admin@cainuk.com

CAIN becomes full member of the BBAA



CAIN is delighted to announce its full membership of the British Business Angels Association (BBAA). The BBAA is a National Trade Association of business angel networks and associate organisations. The role of the BBAA is to promote the recognition of business angel networks and the contribution business angels make to entrepreneurial culture. The BBAA also encourages the exchange of best practice, experiences and ideas between business angel networks.

Said CAIN Managing Director, Nicki Hattingh; "I am delighted that CAIN has been accepted as a full member of the BBAA.

"CAIN is an organisation that very much values professionalism, integrity, transparency and ethical standards of conduct. It is therefore a privilege to be part of the National Trade Association which promotes such values."

"CAIN's association with the BBAA will give confidence and assurance to potential investee companies and investor members that CAIN is a quality business angel network working to the highest professional standards."

"CAIN is the only member of the BBAA that is specifically looking at business angel investment into creative arts sector and I look forward to working with the Association to build awareness of new investment opportunities for the sector."

Hattingh is also a member of the Policy & Research Committee of the BBAA and aims to represent the needs of the creative arts sector through facilitating the interaction between policy makers/decision makers within central, regional and local government; academic and research institutions and the private equity investment community.

For further information on the BBAA, please visit www.bbbaa.org.uk

Screen South partners with CAIN to help film companies unlock private equity investment

Regional screen agency, Screen South, is partnering with The Creative Arts Investment Network (CAIN) to deliver the newly created **Business Development Investment Fund (BDIF) programme**. The aim of the programme is to assist film companies from the South East region to find private equity investment from business angel investors.

Film companies in the South East region applying to CAIN for assistance with raising their development and production funding from the Network's registered business angel members, will now be able to apply to Screen South for a Business Development Investment Fund bursary. The bursary will support qualifying companies with the cost of the direct mailshot or investment meeting presentation fees that are due through the fundraising process with CAIN.

Screen South has also awarded CAIN a direct project award for assisting film companies from the South East region to find private equity investment. The Screen Agency has now become a member of the CAIN Forum and assists the Network in assessing the potential of submissions to the group and by providing a useful platform for advice and contacts in the UK film industry.

CAIN Founder and Managing Director, Nicki Hattingh, said; "I am thrilled that CAIN will be working with Screen South in such a pro-active and useful way. The BDIF programme will deliver much needed presentation fees to qualifying film companies in the South East region when they are looking for private equity investment.

"The addition of Screen South to the CAIN Forum is a wonderful achievement for the Network and will provide us all with additional expertise and contacts throughout the sector. I am very grateful to Screen South for their support of the work that CAIN is doing within the UK film industry."

Screen South CEO, Jo Nolan, said; "It is a pleasure to be able to support CAIN in its endeavours to secure private equity investment for film companies in the South East region of the UK. We wholeheartedly support CAIN's efforts in this regard and are also delighted to be able to assist qualifying companies with their presentation fees, which are an essential cost in a film company's endeavours to raise investment for the development or production costs of their film project.

"I also look forward to working with CAIN and its Forum in assessing the opportunities presented to the group prior to presenting the best of these to the Network's investor members."

For further information on the BDIF programme, please contact bdif@cainuk.com or telephone CAIN on 01869 337269.



New musical theatre foundation looking for a 'home to call its own'

At present there is no r&d hub for the development of Musical Theatre in the UK. A new foundation is seeking to change that by finding a suitable physical space where the current and next generation of British creators can be creative. A space to make a noise, a space to share and a space to explore! Playwrights, painters, singers, actors, classical composers and poets have dedicated UK spaces for their art-form. Musical theatre writers don't yet

There is investment return to be had in Musical Theatre, there are millions of audiences to delight, and many businesses in London and across the World that survive and thrive when Musical theatre is at its most successful. At a time of recession, it can be a great 'cheer-up' event and has always been a great introduction to live arts for children.

It is however, deeply risky and the challenge is to spot a winner - but isn't that the challenge with all business?

This new musical theatre foundation is keen to talk to anyone who might have, want to have, or might be intrigued to have an interest in finding, building and opening such a space. Maybe the space is already there in the unexpected corner of a major business or building. Maybe the space is waiting to appear as part of a larger regeneration project. Maybe the space needs a bit of lateral thinking to bring not-for-profit together with for-profit considerations.

This feels like the right time to make things happen and the foundation is very happy to share its ideas and objectives with any interested parties.

If there is anyone reading this CAIN Newsletter that would like to know more and be interested in taking this exciting venture onto the next stage, please do contact :

admin@cainuk.com

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Musical Theatre Specialist joins CAIN Forum

CAIN is delighted to announce today, Thursday 14 November, that Chris Grady has agreed to join the CAIN Forum to give an added dimension to the already established specialist panel comprising **Ingenious Media, Paramount Pictures, Screen South, the South East Media Network, Peter Jones TV and Clive Chenery.**

Chris Grady is a freelance arts management and project developer specialising in working with emerging artistic practitioners, writers, composers and producers. He chairs the producers network, Musical Theatre Matters (MTM:UK) and is artistic programmer for the new festival of musicals within the Edinburgh Festival Fringe entitled Musical Theatre a George Square. Chris is also a consultant for IT&M Publishing and production looking at the development of their international licensing division, has just completed two years as a judge on the annual New York Festival of New Musicals created by NAMT and has started a new writer collaboration/mentoring programme with RADA entitled A month of Sundays for the UK and Korean markets. He is also preparing the 2nd International Conference on Musical Theatre on 6 March 2009.

Prior to working as an independent consultant, Chris completed five years as Head of International Licensing of Cameron Mackintosh Ltd (CML), and prepared a report for CML and the House of Commons Select committee on the needs of writers and emerging producers in the UK Musical Theatre scene.

On joining the CAIN Forum, Chris said; " I am honoured and delighted to become part of the CAIN Forum and look forward to working with the Network, seeing CAIN grow its investor base, its opportunities for interesting investment and its successes in matchmaking one with t'other."

CAIN MD, Nicki Hattingh said; "I am delighted that CAIN has attracted yet another high profile and influential creative specialist to its Forum. The addition of Chris to the CAIN Forum gives the Network an additional source of musical theatre expertise and connections in both the UK and overseas. I am very much looking forward to working with Chris to help to develop investment opportunities for musical theatre projects in the UK."

CAIN Contact Details:

Tel: 01869 337269
Fax: 01869 337269
Email: admin@cainuk.com
Web: www.cainuk.com

Postal Address: PO Box 662, Banbury,
Oxon, OX16 6GT

Further Information

If you would like further information on any of the articles in this Newsletter, or would like to comment or submit editorial, please contact:

admin@cainuk.com