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BE ENTREPRENEURS: THE ORIGINALS VS THE NEW WAVE

At this year's MIPIM, *BE News* editor-in-chief Liz Hamson pitted 'original' built environment entrepreneurs against 'the new wave' to find out how different their approaches to business are – but are they that different?

THE GUESTS

Sanmi Adegoke, chief executive, Rehoboth Property International
Liz Banks, partner, Freeths
Tom Bloxham MBE, chairman, Urban Splash
Nick Bratt, head of business development, Swish Fibre
Michael Dean, director and co-founder, Avamore Capital
Mark Dixon, founder and chief executive, IWG
Alice Dockar, partner, Freeths
Chris Edwards, marketing director, Swish Fibre
Nadia Goshmir, co-founder and chief technology officer, PropTech.AI
Richard Jackson MRICS
Samantha Kempe, co-founder and chief investment officer, IMMO
Ami Kotecha, co-founder and group president, Amro Partners
Conor Nolan, co-founder, Swish Fibre
Paul Singh, chief financial officer, EEDN
Michael Squire, senior partner, Squire & Partners
Chair: Liz Hamson, editor-in-chief, *BE News*

The BE Entrepreneurs: the Originals vs the New Wave dinner, which took place at MIPIM earlier this month, was not, as it turned out, an adversarial event.

Bringing together industry legends with ambitious young leaders, the evening was one of mutual respect, with the older contingent keen to hear about new ideas and the younger speakers equally delighted to hear from some of their heroes.

Here we share the edited highlights of what was a lively, wide-ranging debate.

Mark Dixon

Nadia Goshmir

QUESTION: What are the main obstacles to entrepreneurialism right now?

SINGH: Getting the people. We're looking to grow and it's very important that we get the right people because life sciences is a specialist, niche area. But construction has massive skills gaps right now and I don't know how that is going to be solved because it goes back to government, to GCSEs, even to 13-year-olds. And no matter what certain lobbying institutions do in my industry, the government hasn't created a dedicated GCSE. No one is listening to this.

Paul Singh

Michael Dean

QUESTION: Is access to investment an issue too?

DEAN: I don't personally consider that to be the biggest barrier to entrepreneurialism. I think there's still a lot of money out there for entrepreneurs. But I think something that I have been observing is the difference in culture between the US and the UK. The general attitude to success and failure in the UK versus the US is very different. In the UK, we disregard someone who has failed at anything, whereas in the US if you haven't failed at something it's almost like 'you're not ready for support'.

> ***The general attitude to success and failure in the UK versus the US is very different***
>
> *Michael Dean, Avamore Capital*

DIXON: It's also the tax regime. In America, if you back start-ups and you lose money, you get 100% relief. People often have a portfolio of backing for start-ups through funds. So, you get a huge wall of money going into quite small start-ups to get people going. I think that what's missing in the UK is that early-stage funding. The banks used to do it. In the old days, the banks would give you something. But these days they might give you nothing. They're not really there for small businesses.

GOSHMIR: In the last two years, there's been a shift. It is true that they were more likely to be risk-takers, but now they are very into cashflow businesses because the high-tech bubble seems to be bursting. So that's first. Also, three years ago they would give in the

Ami Kotecha

seed round, I don't know, maybe $2m or $3m for 25% of your business. Now, they will give you $1m for 30%.

KOTECHA: I fundamentally don't think there's anything wrong with that because it's about valuing risk correctly. That means you need the agility to react, which is something we should not ever lose as entrepreneurs. We should be more responsive. That is what differentiates us. I think it should be within our DNA to be more agile and responsive.

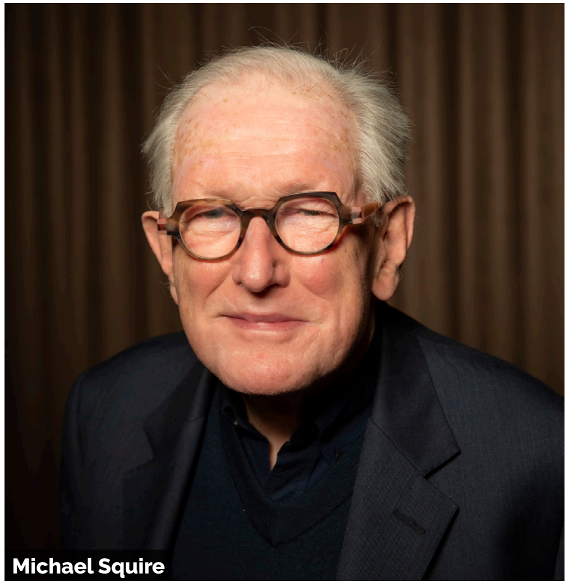
QUESTION: Is the environment becoming even less supportive for female entrepreneurs?

Samantha Kempe

Entrepreneurialism is about free thinking

Mark Dixon, IWG

KEMPE: I have barely experienced any sexism since I started the business. It's partly the environment. I mean, I'm building a business with a culture and people who I want to work with in that environment I want to work in. Whereas before, I was in huge corporates and that was quite tricky. Now, I have more confidence in general



Michael Squire

but also there is more acceptance of me at the table surrounded by senior executives from the more traditional real estate world who are all men. I do think there has been a shift.

QUESTION: Do you have to be lucky to be a successful entrepreneur?

SQUIRE: You can be the victim of events. For architects, as soon as a recession comes along, people still need their accountant and lawyer but not the architect thank you very much. You really need to be lucky but you also need to be really thoughtful and careful, intelligent and able to do the hard work.

Liz Hamson

Richard M Jackson

As the businesses get bigger and bigger, the stakes get higher and higher

Ami Kotecha, Amro Partners

KOTECHA: The other characteristic is resilience. You need to keep going forward to keep pep-talking everyone else around you when they're buckling under the uncertainty. And that gets harder and harder. As the businesses get bigger and bigger, the stakes get higher and higher. You're hiring more and more people. You feel responsibility for them, for the mortgages they're paying and the families they are supporting. You just hope and pray you're making the right decisions.

QUESTION: What are the big opportunities people are looking at right now?

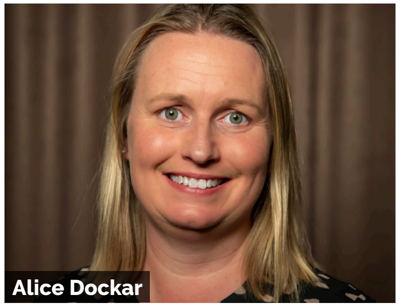
SINGH: For me, it's about creating multiple apprenticeships due to my employment skills gaps. To solve the problem, I've taken on apprentices. If the government is not going to help you, it's an opportunity that benefits your sector and benefits your business.

DEAN: It's about trying to be entrepreneurial with purpose and not necessarily about how to make a quick buck. It is creating that alignment between societal need and where you can make money. It now seems to me that there is a big need for operators in, say, the childcare sector, so the properties that are needed for nurseries. They are ticket sizes that typically are outside the scope of where institutions will come to invest, so that


Tom Bloxham


Sanmi Adegoke


Conor Nolan


Alice Dockar

creates an opportunity for private investors and small property owners.

QUESTION: So, has social impact become more important?

JACKSON: I think the opportunity is there for those people who are passionate about it. Everybody is learning on the job in terms of ESG and I think a lot of people do it because they've got a box to tick and they don't really care about it. But I think for those businesses that do care, fast-forward five or 10 years and they will be far better positioned. If you're creating brands, whereby you're creating a service for somebody, if that brand stands for something that people believe is not just about money, I think that brand will be more popular and more successful.

ADEGOKE: I think for me, coming from Africa where governments don't care about society, people have to fend for themselves. I tend to see a lot of people blaming government in the UK. And I say that as developers we can grow solutions. What we need to look at is: how do we create impactful stuff in communities? That's why we've launched this positive social impact fund. We're just going to look to the private sector and see how can we can create solutions for the community.

QUESTION: How does the instability in the UK and elsewhere affect entrepreneurialism?

BLOXHAM: [A lot of people] don't sound like entrepreneurs to me if they're blaming Brexit and the governments. It doesn't matter what the environment is. Entrepreneurs find new solutions. By definition, entrepreneurs need to find a new way of doing things that people have done for ages. To get that vision you need values. If you've got the vision and the values and you articulate that then you can get a whole army of people to come behind you and actually work with you to make that a reality. And that's what I think entrepreneurs have.

QUESTION: What's the best advice you can offer to would-be entrepreneurs?

DOCKAR: Think outside the box – at Freeths we call it "*Freeth*inking".

NOLAN: Believe in what you're doing and be flexible in your strategy.

DIXON: People spend too much time thinking about things. Just have a go and do it! □

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