

EUROCHAMBRES: facilitating business transfer could save 2.8 million jobs

Presenting the findings of the project “A Helping Hand for SMEs” at the closing conference of SME Week in Madrid today, EUROCHAMBRES argued that 2.8 million European jobs could be secured if the transfer of businesses from one owner to another were adequately supported.

Business transfer is often overlooked in the European Union, even though one in three company owners are expected to retire within the next decade, affecting an annual average of 690,000 small and medium-sized businesses and representing almost 2.8 million jobs. Statistics indicate, however, that most of these owners will simply close their business and, of those that do transfer them to someone else, more than 20% are likely to fail within five years.

“Start-ups are of course vital for growth, but it is unquestionably more efficient to maintain established companies and jobs,” said Ben Butters, EUROCHAMBRES’ EU Affairs Director. *“Measures must be put in place across Europe to facilitate and follow up on business transfers, and thus help ensure that many successful companies – and the jobs that they provide – do not disappear.”*

Mentoring schemes to help buyers overcome post-takeover difficulties are a valuable tool, as the European project “A Helping Hand for SMEs” demonstrated, yet they remain uncommon.

“A Helping Hand for SMEs” – The EU’s project to support business transfer

Thanks to the pilot action “A Helping Hand for SMEs – Mentoring Business Transfer”, financed by the European Commission and coordinated by EUROCHAMBRES, 890 entrepreneurs who had recently taken over a small company benefited from ten days of free personal coaching delivered by Chambers of Commerce from 18 member states participating in the initiative.

The project identified essential areas of knowledge and competence for the successful transfer of business ownership. In particular, buyers expressed the need for training in the areas of accounting and finance, strategic management, human resources and access to finance.

“The innovative mentoring scheme tested during the project demonstrated how support after a business transfer maximises the chances that the company will survive and indeed gain a new lease of life under a new owner. Further such schemes at national or regional level would contribute to the continuity of thousands of viable companies in the EU. Practical support like this must be integral to the delivery of the Small Business Act,” concluded Mr Butters.

The brochure “A Helping Hand for SMEs – Mentoring Business Transfer” can be downloaded from www.eurochambres.eu/content/default.asp?PageID=1&DocID=2493

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