

WELCOME TO THE INNOVATION NATION...



A new technology revolution is changing the way we live, work and communicate. The need to promote and finance the UK's innovation economy is now more vital than ever. The UK has a proud history of innovation, and the infrastructure and expertise to flourish in the years to come.

FUEL FOR... THE INNOVATION NATION

The BVCA, in conjunction with Oxford Economics*, has released comprehensive research on the impact of venture capital on the UK economy. The research shows that the £4.1bn invested by venture capital and angel investors during 2015 has a massive impact on business start-ups, job creation and overall contribution to the UK's high-growth innovation economy...



VENTURE CAPITAL (£)

4.1bn**

* Oxford Economics: The contribution to the UK economy of firms using venture capital and business angel finance, April 2017

** Pitchbook

FUEL FOR... START UPS

Around 24,400 firms operating in the UK during 2015 received VC or angel backing in the last five years. The vast majority of these firms were start-ups and small innovative businesses with less than 50 people.

START UPS

24,400

FUEL FOR... JOBS

These firms employed some 200,000 people in highly productive jobs across the UK economy. VC-backed jobs were estimated to contribute £73,700 per employee against a private sector average of £47,500.

PEOPLE EMPLOYED

200,000

by UK firms backed by VC or angel investment

FUEL FOR... GROWTH

Taken as a whole, these firms generated a total turnover of £29.2bn and contributed some £15bn to the Gross Domestic Product of the UK.



REVENUE (£)

29.2bn



GDP (£)

15bn



FUEL FOR... TOMORROW'S INNOVATION

Venture capital investment was heavily weighted toward the key growth sectors that will power the future of the UK economy. Around half of all VC and angel investment was concentrated on the digital economy in key strategic sub-sectors like online, media, entertainment and telecoms. A further 25% was invested in financial services and bio-tech and health. VC investment is specifically targeted at the innovative, hi-tech sectors that will fuel the UK's growth in year's to come.

BUSINESS SECTORS VC INVESTMENT

10%



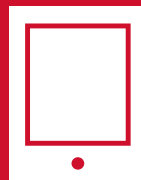
BIOTECH
& HEALTH

15%



FINANCIAL

50%

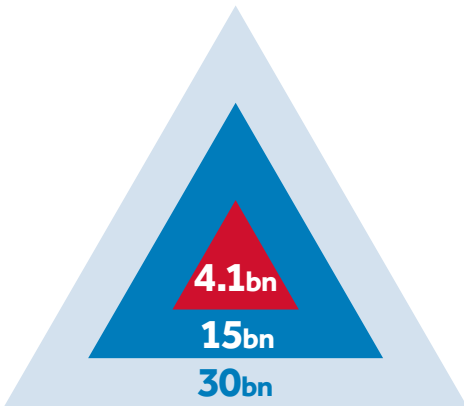


DIGITAL

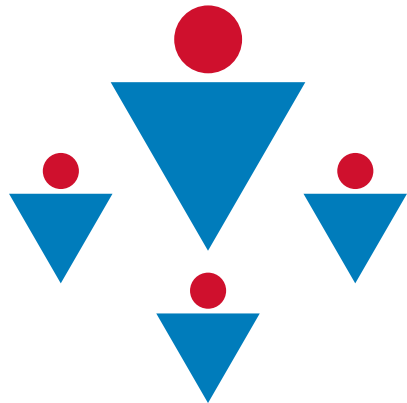
FUEL FOR... THE WIDER ECONOMY

The impact of the wider eco-system supported by VC-backed companies is even more impressive. When you consider the impact on the wider supply chain, the £15bn contribution to GDP doubles to £30bn – more than seven times the £4.1bn flow of VC and angel funding in 2015. In terms of jobs created by the sector, it is estimated that direct and indirect employment amounts to 480,000 full time employees, broadly equivalent to the amount of people working in the UK's retail sector.

GDP
30bn



JOBS
480,000



The UK is truly **THE INNOVATION NATION**

When people think of the UK, they need to think innovation.

No matter where you go in this country you will find people and companies doing extraordinary things.

If you are an entrepreneur anywhere in the world, the UK is the best country in Europe for you to start and grow your business.

For more information, contact:
innovationnation.uk.com

BRITISH INNOVATION IN ACTION

OXITEC

-90% MOSQUITOES

A spin-out from Oxford University, Oxitec has developed a way of breeding sterile male insects to reduce the spread of disease, including the mosquito that carries dengue fever. In trials, the mosquito populations were suppressed by over 90% in 90 days, showing the potential to deal with one of the world's most challenging and incurable diseases. The business was bought by US gene editing leaders Intrexon in September 2015.

Backers: Oxford Capital Partners



OXITEC





TYRES ON THE DRIVE

70% REVENUE GROWTH
2013-2015

TyresOnTheDrive is an online mobile tyre-fitting service where customers can book and arrange tyre fittings or repairs at a time and location of their choice. The company was set up in 2011 and after initially concentrating on servicing the North West market – it is headquartered in Cheshire – Tyres on the Drive now operates a growing fleet of vehicles covering Yorkshire, the Midlands and the South East.

Backers: Enterprise Ventures, MMC Ventures



CREO MEDICAL

£60m MARKET
CAPITALISATION

Creo Medical is a world leader in innovative medical technology, pioneering a new method of minimally invasive surgery using microwave and radio wave energy. Based in Chepstow in Wales, its portfolio of intellectual property includes 76 granted patents and 184 patents pending in Japan, China, USA, India, Canada and the UK. It listed on AIM in 2016 with a market capitalisation of over £60 million.

Backers: Angel CoFund, Finance Wales





DELIVEROO

650% ORDERS INCREASE

An online food delivery business, Deliveroo was founded in 2013 and has already established itself as one of the leading names in the sector – in 2016 it saw its orders increase by 650%. Headquartered in London, it delivers food from more than 20,000 restaurants to the home or office, and today operates in over 80 cities in more than a dozen countries including Australia, France, Hong Kong, Spain, and the United Arab Emirates.

Backers: Index Ventures, Accel Partners, Felix Capital, Bridgepoint and others



SKYSCANNER

42m USERS / MONTH

Skyscanner is the number one flight search engine in Europe. Headquartered in Edinburgh, the business was founded in 2003 by three friends, the idea starting life as an Excel spreadsheet following a frustration with booking flights online. It now boasts 60 million users a month and offices across Asia and Europe, offering travel searches in more than 30 different languages. Skyscanner was bought by Chinese online travel agent Ctrip in 2016.

Backers: Scottish Equity Partners, Sequoia Capital



Skyscanner is one of the best technology companies ever to come out of Europe

Michael Moritz
Chairman, Sequoia Capital



TRANSFERWISE

LESS FEES

Founded by two Estonians – one of whom was Skype's first employee – and launched in London in 2010, TransferWise is changing the rules for money transfer, cutting out the banks and cutting down the fees. Headquartered in London, the company now operates across the world, available in 59 countries covering 504 currency routes and moving £500 million globally every month.

Backers: Seedcamp, Index Ventures, Sir Richard Branson, IA Ventures, Valar Ventures, Andreessen Horowitz and others

 **TransferWise**



CAPTIFY

33bn MONTHLY SEARCHES

Captify is one of the fastest growing digital media businesses in the UK. The London-based company has developed proprietary search intelligence technology which powers digital advertising across desktop, video and mobile. It is the largest holder of keyword search data in Europe, and has offices in London, New York, Paris, Hamburg and Kiev, and runs campaigns on behalf of the world's largest brands including Microsoft, British Airways, and Warner Brothers.

Backers: Panoramic Growth Equity, Smedvig Capital



We believe Funding Circle is the future of small business finance globally, and it's a vision we share with some of the largest and most respected investors in the world

Samir Desai
CEO and co-founder, Funding Circle





FUNDING CIRCLE

+£810m LENT

Funding Circle is one of the UK's largest and most well-known peer-to-peer lending platforms, an online marketplace connecting investors with SMEs looking for affordable loans, quickly and simply. Globally, investors on the Funding Circle platform lent more than US\$1.4 billion to small businesses in 2016, taking the total lent to US\$3 billion, benefiting over 25,000 businesses and creating 50,000 new jobs.

Backers: Charles Dunstone, Ed Wray, Jon Moulton, Index Ventures, Accel Partners, Blackrock, Temasek, DST Global and others



SWIFTKEY

TOP APP 2014

SwiftKey is one of the most downloaded smartphone and tablet apps of recent years, a text prediction technology to enhance the speed and accuracy of texting. Launched in 2010 in London and bought by Microsoft in 2016, SwiftKey is installed on more than 300 million devices and supports more than 150 languages. It also has offices in San Francisco and Seoul, as well as a presence in India and China.

Backers: Accel Partners, Index Ventures, Octopus Investments