

Annual ScaleUp Review 2018



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THE ANNUAL SCALEUP REVIEW NOVEMBER 2018

The ScaleUp Institute is a private sector-led, not-for-profit organisation focused on collaborating with policy makers, corporates, finance players, educators and government at a local and national level.

Our mission is to help the UK to become the best place in the world to grow a business as well as start one, and enable our existing high-growth businesses to scale up even further.

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Introduction

Kelly Tolhurst MP
**Small Business Minister and Scale Up
Champion for Government**

High growth businesses are a critical part of our economy and make a significant contribution to economic growth and national productivity. The number of scaleups is increasing, driving job creation and growth right across the country. The UK is home to c35,000 scaleups, making us one of the leading OECD countries for our share of high growth businesses.

Through our modern Industrial Strategy this Government is taking forward a package of measures to help businesses to scale up and improve their productivity, with a dedicated action plan to unlock over £20 billion of investment in innovative and high potential businesses, including a £2.5bn investment fund incubated in the Government-owned British Business Bank. Our network of 38 Growth Hubs provides a local point of access to the range of support available to help businesses overcome the barriers to growth.

Having run my own business, I am acutely aware of the challenges fast growing businesses face and I am determined to use my role as Scale Up Champion to create the right conditions for businesses to succeed.

The ScaleUp Institute is a key partner for us in this endeavour, helping drive forward this work and making a real difference to scaleups across the country through their research and education programmes.

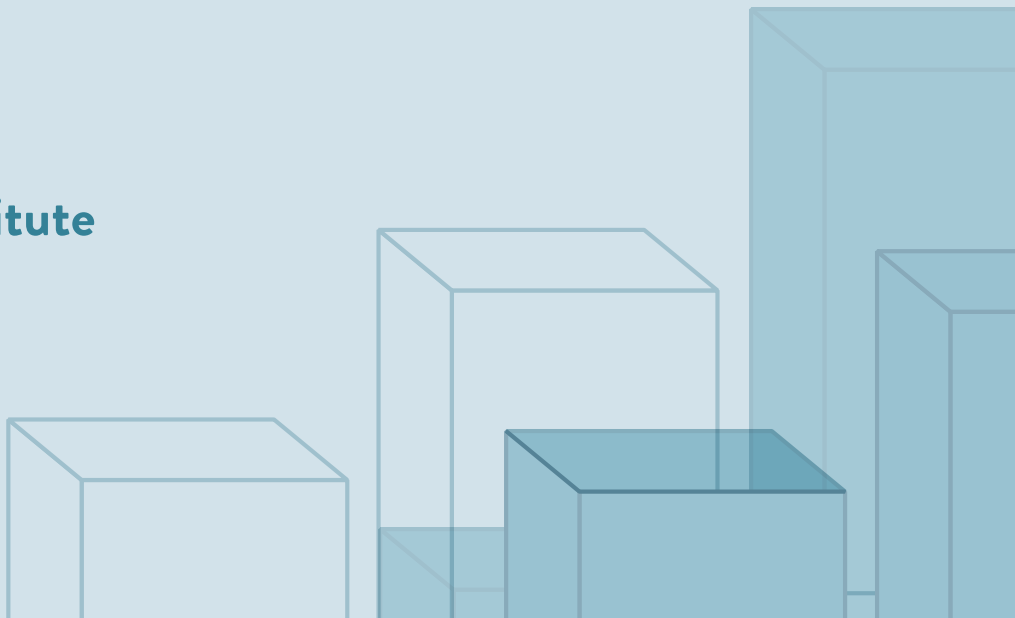
I look forward to continuing to work with the ScaleUp Institute on this exciting agenda.

Kelly Tolhurst MP



Foreword

Sherry Coutu
Chair, ScaleUp Institute



As the UK faces an increasingly competitive and uncertain economic outlook, the need for communities to be able to drive their economic growth remains mission-critical. There has never been a more important time to focus on scaling businesses.

As this 2018 Review demonstrates, the evidence is clear – for the UK economy, scaling companies are the engine of growth: creating high quality jobs and new tax receipts; leading business investment and innovation; and providing an important answer to the UK's great productivity puzzle. Scaleups have the potential to give the UK a competitive advantage for generations to come. And it will be scaleups that lead any export drive; they are already twice as likely to be international, hungry to expand further overseas and expecting to grow in the next 12 months by expanding into new markets.

Just four years ago I kicked off the debate in the Scaleup Report on UK Economic Growth, using evidence from several different sources. This showed that a one per cent boost to the UK scaleup population would create an additional 238,000 jobs and £38bn in Gross Value Added (GVA), and over time generate an additional £225bn in (net) GVA. In the intervening years, the ScaleUp Institute has become the foundation for a growing body of evidence and proposed solutions to the challenges that scaling companies face.

Year on year – thanks to the work of the Institute, our ambassadors, partners and collaborators – more and more private, education, and public sector organisations

have mobilised to focus on scaleups and to realise the potential of these 'growth heroes'.

This 2018 Review demonstrates that we are making good progress, but that there is still much more to be achieved.

Scaleup leaders may be global in their ambitions, but they want solutions and programmes delivered locally, in the communities in which they are based. To this end, I was delighted that earlier this year the Institute convened its third executive education course at Leeds University on 'Driving Economic Growth through Scaleup Ecosystems' (DEG) – involving Babson College and supported by Goldman Sachs 10,000 Small Businesses UK, Innovate UK and the British Business Bank. The course brought together over 60 local leaders, including scaleup businesses, from around the country to understand the ingredients that can foster a world class scaleup environment in their locality. This means that over the past two years we have trained over 200 ecosystem leaders, covering many localities of the country and we are excited by the progress the first three cohorts are making and the learnings being exchanged with each other.

If delivery is local, we must also be able to assess our progress through a local lens. To truly become a Scaleup Nation, senior leaders from every scaling business in every part of the UK should have the tools and support they require.

This year with our direct access to detailed datasets from the Office for National Statistics (ONS) we are able to further analyse in depth the diversity of scaleup growth across the country; we can see where communities are forging ahead in scaleup development and where scaleup 'cold spots,' remain.

In Chapter 1, we analyse the developing landscape right down to local authority level. Looking at our map on page 33, we aspire to work together to achieve the dark green colour throughout, yet there are some cold spots where urgent action needs to be taken. Some areas, such as the West of England, Cornwall and Enterprise M3, are doing terrifically well. Other areas are lagging, but introducing initiatives, such as in the Tees Valley where Teesside University



We will continue to ensure that the needs of scaleups remain high on the political agenda

launched its LEAP 50 this year to tackle their local scaleup challenge.

The development of thematic programmes to address scaleup barriers is covered in Chapter 2. I am very excited that we are now able to make available an enormous body of evidence which can be used by all stakeholders in the UK about ‘what works’ that to respond to the common barriers that prevent companies from scaling in their communities. In Chapter 3 we highlight new local initiatives, emerging from the Institute’s education activity, such as ScaleUp Ashford, ScaleUp Berkshire, ScaleUp North East, CanDo Scale Scotland, Scaleup Enablers and Generator Initiatives such as these give me cause for optimism. We are on the right path to close the scaleup gap even if it is clear from the data that much more can be done.

Government policy – at national, regional and local levels – has also shifted. Scaleup companies are increasingly being included as specific components of local and national strategies. In 2018, we have seen ‘scaling up’ embedded into the Government’s Industrial Strategy and Export Strategy, into the Patient Capital, LEP and Productivity Reviews, and into the recent 2018 Budget announcements.

I have no doubt that the creation of a Ministerial Champion for Scaleups has helped coordinate this national policy direction and ensure the needs of scaleups are fully considered in the UK’s economic and industrial agendas. The first Ministerial Champion, Margot James MP, has subsequently taken her enthusiasm for scaleups to her new role as Minister of State for Digital and the Creative Industries. Kelly Tolhurst MP, Minister for Small Business, has eagerly taken up the mantle and is driving forward the agenda working closely with the Scaleup Taskforce, co-led by my fellow serial entrepreneur and Board member, Sahar Hashemi.

The ScaleUp Institute will continue to monitor the impact of policy decisions and other stakeholder interventions, to ensure that they deliver practical, on the ground solutions for scaleup needs at a local level.

We have always said that the first obstacle to supporting scaleups, and high potential companies, is identifying them. The pursuit of an open ‘scaleup register’ remains a primary goal which will be extremely powerful in unlocking our full scaleup potential and I am pleased that we are making inroads on this.

The ScaleUp Institute has forged valuable partnerships with ONS and HMRC and over the past year has engaged in cross-Government work to help develop innovative ways of using data to segment businesses. The current ScaleUp Institute / HMRC pilots aligning scaleup identification to bespoke scaleup services is very exciting. I look forward to the outcomes of these pilots culminating in a solution that can work across all areas of the country, and public and private sectors. With this data we can fast track scaleup actions and engagement to greatest effect, unlocking new talent, markets and finance.

As part of this Review the ScaleUp Institute continues its role in putting scaleups on the map with the 2018 Scaleup Index including AIM companies for the first time and the inaugural Visible ScaleUp Public Procurement Index. My thanks go to Beahurst and Tussell for their collaboration on this.

The UK continues to be an attractive place to start a new company. As I said in the original ScaleUp Report, we also have the talent and basic foundations to become the best place in the world to scale up a company. It is undoubtedly true that over the past four years we have seen more people, more initiatives, more political will, and critically more money,

focused on making that happen. This is evidenced by having seen the growth rate of scaleups overall across the UK increase, to 4 additional scaleups per 100,000 population per annum with the latest ONS data, compared to 3 as reported in our 2017 Annual Review.

In the coming months and years, as Brexit unfolds, there will be many new and some unforeseen pressures on the UK economy. And, of course, there will also be opportunities.

At the ScaleUp Institute our focus will continue to be on identifying, praising and promoting what works; helping to ensure that impactful initiatives and programmes continue to be funded and good practice reaches every company, sector and region. We will continue to ensure that the needs of scaleups remain high on the political agenda, and we will work with larger corporates to help them understand the benefits of working and collaborating with fast-growing companies. And, of course, we will relentlessly pursue the release of more data.

That said, this Review has more new datasets, more information and more analysis than ever before. It is a testament to a vibrant and growing ecosystem of public and private sector organisations who themselves have recognised the power of the UK's scaleup companies. We are on our journey to be the best place on the planet to scale a business – let's make sure this becomes a reality. Do make good use of the 2018 Review and its findings to guide actions into 2019.



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Executive overview





Executive overview

Irene Graham
CEO, ScaleUp Institute

The ScaleUp Institute was established by the private sector with the practical mission to make the UK the best place in the world not just to start but scale a business.

Our core focus is to turn evidence and data, gathered through research and analysis, into robust practical actions, to remove the challenges encountered by scaling businesses in talent, leadership, markets, finance and infrastructure.

From the outset we have built alliances and co-operated with the diverse range of ecosystem players, including large corporates, financiers, educators, entrepreneurs, policy makers and local leaders. Together we are working to break down the barriers faced by our scaling companies in their local communities, so they can seize opportunities to scale further and faster, without obstacle.

It is clear from our 2018 Review that through this collaboration we are making tangible progress.

However, the scaleup race is not yet won.

With further economic uncertainty ahead – including concerns around Brexit expressed in our 2018 survey – the positive momentum we have built, must be maintained and accelerated. The UK economy needs more scaleups to realise their ambitions of domestic and international growth. Securing these ambitions will benefit all of UK society, helping to boost productivity.

Now is the time to double down on our collective efforts to address our scaleup challenges. At the heart of this must be a scaleup segmented, relationship-oriented approach – at all local levels – with initiatives developed, and policies identified, fully implemented.

Where we are now

When we started out, the ScaleUp Institute's imperative was to make sure that the scaleup challenge was reflected across the country in local solutions and services that made a measurable difference to our scaling community.

Across 2016 and 2017, through research, data and education, we developed the route map for local ecosystems to come together to overcome their scaleup barriers and we brought a a scaleup lens to the national policy agenda. We galvanised actions through our education programme “Driving Economic Growth through ScaleUp Ecosystems” (DEG), supported by Goldman Sachs *10,000 Small Businesses UK* and Innovate UK.¹ This in turn, led to the inclusion of scaleups in local Strategic Economic Plans, and in the core strategies of our devolved nations, notably Scotland and Northern Ireland.

As outlined in this Review, 2018 has seen the tangible results of this work in:

- the development of dedicated scaleup services across the country such as: ScaleUp North East; ScaleUp Berkshire; Scotland CAN DO Scale; ScaleUp Ashford; Scaling Services, Northern Ireland; ScaleUp D2N2, with universities, business schools and science parks playing a key role in emerging initiatives. In 2018 these solutions continue to expand through our ongoing regional engagement, including the running of our third DEG course in May, which was an opportunity for local leaders to share what had worked and gain new inspiration for their local scaleup actions.
- the realisation of the Government's Industrial Strategy Building a Britain Fit for the Future with growth and scaling up as a core foundation, with data recognised as a core enabler and

¹ And in 2018 joined by the British Business Bank



Now is the time to double down on our collective efforts to address our scaleup challenges. At the heart of this must be a scaleup segmented, relationship-oriented approach – at all local levels – with initiatives developed, and policies identified, fully implemented.

localities at its heart with further investment into local infrastructures.

- the development and launch of the Department for International Trade's new Export Strategy placing high potential scaleup businesses as a clear segment within it and the evolution of Innovate UK's scaleup services.
- data pilots progressed with Government, including HMRC, to identify scaling companies and their characteristics, as well as to inform, in pilot areas, the businesses of their scaleup status, and make them aware of services which they can be fast tracked into at a local level. The pilots will inform next steps in 2019.
- the implementation of HM Treasury's Patient Capital Review with the setting up of British Patient Capital, a £100m angel fund and a network of dedicated regional managers to foster a healthy ecosystem of scaleup finance at a local level including a growth capital finance hub.
- the private sector's growing focus on identifying scaleups among their client base, and creating more tailored solutions for scaling companies; this is most notable in the banking, advisory and tech community.
- the 2018 Budget announcements investing in peer-to-peer networks, mentoring and Business Leadership.
- bespoke sector specific scaleup solutions emerging, such as that recently announced in the creative sector and the recognition of the importance of scaleups to the UK economy in the recent formation of the Prime Minister's Business Councils.

Through 2018 we have continued to work closely with the Government at local and national levels on how these policy initiatives are effectively implemented for scaleups to deliver practical outcomes. This includes our continuing work with the Industrial Strategy, ScaleUp Taskforce, Productivity and LEP reviews. Politicians and parliamentarians generally, are looking for solutions to our scaling challenges. We have seen increasing interest from overseas in the ScaleUp Institute's work.

The 2018 Review once again draws on the thematic work of the ScaleUp Institute and the results of the recent survey of scaleup leaders, to present a complete picture of the national landscape for scaleups. For the first time it also contains a **Public Procurement Index**, identifying total public expenditure with visible scaleups, and a **Map of ScaleUp Support**, highlighting what support purports to exist for scaling firms, where the gaps are and consequently what more needs to be done.

Our partnership with the Office for National Statistics is proving extremely fruitful. This year we have analysed detailed datasets that lay bare the relative scaleup performance of different areas and highlighting where local authorities need to take more and urgent action.

Combined with other research undertaken during the course of the year, extensive meetings and engagements with scaleups and local business ecosystem leaders, and the results of the 2018 survey and Scaleup SME Finance Monitor, the data findings confirm a consistent pattern with key insights and learnings for us all to take forward through 2019.

¹ Department for International Trade: Export Strategy: supporting and connecting businesses to grow on the world stage

Our key conclusions for 2018 are:

Scaleups numbers and growth rates are generally rising but local disparities remain

ONS data continues to show a growing scaleup population in the UK. The total number of scaleups increased from 31,440 in 2015 to 35,210 in 2016, a growth of 12 per cent. Using sectoral data from the ONS, we have also shown that scaleups are much more productive across almost every sector of the economy – averaging £275,000 turnover per employee. This trend in ONS data is also evidenced in our latest ScaleUp Index with Beauhurst, which shows a 15% increase in number of scaleups achieving Companies House reporting threshold levels.

However, regional disparities persist. Our maps of scaleup density highlight the geographic variation – while some areas exhibit high growth, others are lagging. This reinforces the imperative for local intervention and action.

These datasets increase our understanding of scaleups, and also reinforce the need for more real-time information to enable more effective private and public sector engagement to scaling businesses at every level. This is work we continue to progress with Government.

Scaleups remain ambitious, confident to scale further, highly innovative, and global Scaleup leaders again evidence the fact that they are twice as likely to be innovative and international than any other business segment.

The majority of scaleups are globally focused and hungry to seek out international markets. As the Export Strategy recognises, they are crucial to our future trading success – and they are looking further afield than the traditional markets in Europe and the USA. The Pacific region, Middle East, Asia, and India are on their horizons. It is vitally important that the commitments made in the Export Strategy are put into practice to help them grow their access to overseas customers. The Government and private sector must help open doors for scaleups with better buyer connections and bespoke trade missions. This is especially important when more than half of all scaleups surveyed are worried that

Brexit will have a negative impact on their businesses – with one in eight believing it will have a very negative impact.

The core challenges stand, but Access to Markets is significantly on the rise

In 2018 our scaleup CEOs continue to say that they need the most help with securing talent, but rising up in importance – to be almost on a par – is access to markets, including overseas customers, and opportunities for procurement and collaboration with Government and large corporates.

Challenges in leadership development, finance and infrastructure also remain significant and can dial up depending on locality. Scaleups are keen to see better access to R&D innovation funding and growth finance options delivered locally, along with access to the infrastructure that supports their innovation drive. Finance and infrastructure remain vital components to scaleup success.

This year **four in ten scaleup leaders still perceive no relevant support available for a company like theirs** and two-thirds want much better coordination of national services in their local areas through some form of relationship management.

Scaleup initiatives to break down the core scaling challenges were sparse in 2014, but are now emerging at pace, with 1 in 3 EU co-funded. However, coverage of the country is not uniform; some areas lack local scaleup solutions; markets access is under-served. Quality not quantity is vital.

For the first time this year working with Innovate UK, the London School of Economics and Arup, we have mapped the available business support that purports to exist for scaleups across the UK. This has provided some critical insights which we will be following up in 2019.

Notably of the 219 programmes mapped, **60% have been established in the last three years; 1 in 3** are currently co-funded by the **European Regional Development Fund (ERDF)** and only 10% of programmes provided assistance with corporate collaboration, despite this issue being cited as a key barrier to growth by scaleups in our survey.

While many programmes state they aim to support scaleups, many have yet to be

endorsed by the ScaleUp Institute, and scaleups do not have the time to assess their quality. This reinforces the ongoing role for the ScaleUp Institute in assessing which programmes work – and which do not – and raising awareness of the most impactful initiatives.

EU funding for support to scaleup initiatives through EIB/EIF, ERDF, COSME and others is substantial. In leaving the EU we need to make sure no ‘scaleup chasm’ emerges by failing to have domestic policy routes to absorb past EU support for UK scaling businesses. Access to these facilities must be continued or appropriately replaced.

Procurement and collaborative opportunities need to be increased and simplified

Our inaugural Visible Scaleup Public Procurement Index, developed in collaboration with Tussell and published with this Review, highlights the further work that the public sector needs to do to engage effectively with scaleups, as well as the government bodies which are already benefiting from these interactions.

Public sector bodies awarded £1.5bn worth of contracts to 397 scaleups in Q3 2017 – Q2 2018, but more remains to be done as scaleups only account for 2.1% of the total value awarded. Central Government, in particular, has room to improve. It is currently only responsible for 10% of awards given to scaleups by value.

Scaleups continue to cite difficulties in discovering opportunities to bid, as well as finding the process too complex. More can be done to raise awareness and simplify procedures in the public sector sphere – but also significantly in the corporate world.

People and Place matter most

Scaleup business leaders most value locally-rooted resources and services to foster their growth. They are looking for local solutions that are easy to navigate and tailored to their specific needs. These include peer-to-peer networks where they can discuss solutions to common challenges with counterparts, stronger access to schools, universities and collaboration partners in the public and private sectors. While scaleup leaders recognise that there are national Government initiatives, they want these delivered locally in a manner much easier to navigate.

So, what does the scaleup ecosystem need to do now?

THE 5 KEY GAPS



THE TALENT AND SKILLS GAP

Finding employees to hire who have the skills they need



THE MARKETS GAP

Accessing customers other markets / home market



THE LEADERSHIP CAPACITY GAP

Building their leadership capability



THE FINANCE GAP

Accessing the right combinations of finance



THE INFRASTRUCTURE GAP

Navigating infrastructure

As an ecosystem we must:

- **Act at a local level to overcome continuing disparities and act in a targeted manner** with greatest emphasis on converting scaleup ‘cold spots’ to ‘hot spots’. Scaleup needs and solutions must be high on the agenda of every local area and authority. Detailed ONS datasets demonstrate where the challenges are and where action needs to be taken. In 2019, the ScaleUp Institute will carry out further research using these datasets and others to get behind the figures and help focus action on local needs and local areas that most need attention.
- **Unleash the most up-to-date data** so that we can be ever more effective in our engagement with scaleup businesses and leaders and to harness our resources with more effect, impact and investment. In 2019 we will continue our work with Government and HMRC in piloting the use of data to identify and communicate with scaleups and in driving forward a verification solution including further analysis on a central opt-in or self-identification service.
- **Develop better segmented scaleup centric and hubbed solutions.** An effective segmentation of the UK business population and a client-centric approach to solutions for scaling firms must be at the heart of ongoing intervention and developments. All Local Industrial Strategies should have a clear scaleup component. Local Account Managers should be put in place to curate relevant activities and help scaleup business leaders to better navigate impactful private and public sector initiatives tailored to meet their needs. In 2018 scaleup leaders have cited such roles as valuable to them, which we have also evidenced in Denmark and Scotland. Local communities in the UK are now seeking to emulate this model and in 2019 the ScaleUp Institute will continue to monitor progress in this area. We have also recognised the positive impact of the Scaleup Enabler role in the West of England, where much has been done to galvanise the ecosystem towards scaleups, and we encourage replication of this elsewhere.
- **Collaborate better and more effectively across markets.** Large corporates, business schools and universities can still do more with local scaling businesses, working alongside local authorities to foster talent, extend research and development facilities and open up opportunities to enter markets. Both public and private sectors can be more transparent, making their procurement processes simpler and easier to navigate for scaling business and joining up better with local scaleup initiatives to promote the opportunities. We have refreshed our corporate collaboration checklist with Nesta and recommend it as a tool for improved engagement with scaleups in the supply chain. In 2019 we will continue to monitor progress and highlight best practice as a part of our ongoing work.
- **Link scaleups to capital and local spaces to enable them to grow faster.** A series of new initiatives will provide promising opportunities for scaleups to access investment. It is vital that scaleups are aware of these opportunities and are given support to access them. In 2019 we will continue our overall work with the British Business Bank including the finance hub launched in June this year.
- **Ensure no gap in scaleup solutions emerge as a result of leaving the EU.** The Shared Prosperity Fund and Comprehensive Spending Reviews must take account of scaling businesses needs as the growth engines of the economy.

It is imperative that the public and private sector – in every locality – respond to these findings and continue their scaleup focus.

Our recommendations for action

For the ScaleUp Institute, 2018 has been a year of building upon the good work already underway and ensuring that this is translated into effective outcomes. We continue to advance a national scaleup action plan through education and significant local engagement, monitoring what exists and sharing insights on impactful actions around the country to ensure we have a joined up ecosystem for addressing the barriers to scaling up.

Progress is underway against many of the recommendations made in prior years. We are beginning to create the dynamic environment that our scaleups need to flourish. But our job is far from done and we must continue to drive forward.

Here, we refresh and recommend a further set of actions.

These recommendations are not a menu to choose from, but a comprehensive series of actions all actors can take to tackle the issues that hamper scaleup growth. Taken together, we are confident that we will make the UK the most attractive place in the world for scaleups.

Throughout the rest of this report, we examine:

- **Chapter 1:** The national and local scaleup landscape, as regards numbers, sector and growth trends, including new data sources on scaleup support and what our scaleup leaders are telling us.
- **Chapter 2:** Impactful programmes that work to overcome the barriers faced by scaleups and insights for local leaders to incorporate into their own efforts.
- **Chapter 3:** The progress made and lessons learned by new participants of our Driving Economic Growth programme, as well as updates on previous participants.
- **Chapter 4:** A review of progress on our previous policy recommendations, the work of the ScaleUp Taskforce, and what is needed in 2019 if we are to substantially break down barriers to scaling faster and more effectively.
- **Chapter 5:** A look forward to 2019 and the work that we need to support and promote to further grow scaleup businesses in the UK. This is followed by our “Local Scaleup Briefings” which draw together various sources to provide insight into the local picture. We share evidence on the numbers of scaleups in each LEP and region; the scaleup sectors and top 5 local scaleups growing in employees or turnover, including a local ‘snapshot’ of scaleup leaders’ views, to help illustrate what locally most needs to be addressed.

In summary

Scaleups are essential to a vibrant UK economy, but we need to continue to step up our game if we are to surpass our international competitors and climb to the top of the OECD rankings.

While we have reason to be optimistic, we cannot be complacent when barriers to scale still exist in many local areas and when scaling businesses are signalling concern that the UK may become a harder place to grow and see a lack of resources targeting their needs. We must act now to remedy this.

Challenges to UK scaleups predate the current ‘Brexit’ focus; Brexit simply makes the prize of reducing the scaleup gap, even more significant. These challenges are within our power to fix.

In 2019 the ScaleUp Institute will continue its mission to drive forward understanding, action and outcomes to ensure scaling business leaders are ‘top of mind’ in every local community.

We will continue to undertake more sector specific work, and build on the creative industry and social business work commenced in 2018; we will continue our education focus with more detailed practical guidance to local areas in most need; we will continue to progress understanding of well evidenced impactful programmes (including analysing further the mapping of the scaleup ‘support’ ecosystem with Innovate UK and an online scaleup hub) and insights on what works. As a priority we will progress our work on access to markets and with Government to expand the timely availability of datasets to ensure better interventions, investment and alignment of resources tailored to scaling businesses requirements. Closer engagement with the education sector will also be a high priority with specific attention to sharing of practice and solutions to the talent and leadership gaps. Strong engagement across the national and local, public and private sectors will be maintained. We will continue to work closely with Innovate UK and the British Business Bank on their specific scaleup solutions.

We look to all members of the ecosystem to join us in driving the scaleup agenda forward with pace and passion, to make the UK the best nation in which to scale a business.



We will continue our education focus with more detailed practical guidance to local areas in most need; we will continue to progress understanding of well evidenced impactful programmes



SCALEUPS ARE PRODUCTIVE

Scaleups are more productive than their peers, generating an average of £275,000 turnover per employee.¹



SCALEUPS ARE INNOVATIVE

4 in 5 scaleups have introduced or improved a product/service/process in the last three years, twice the rate of large firms.²



SCALEUPS ARE INTERNATIONAL

Two thirds of scaleups are involved in international trade, in a range of markets across the world. They are looking to expand further internationally despite Brexit.



SCALEUPS ARE ACROSS ALL SECTORS

Scaleups span the economy: the majority of them operate in sectors outside of technology.



SCALEUPS CREATE HIGH QUALITY JOBS

Scaleups help create high-quality jobs with more satisfied employees – employing 3.6m workers³ and creating c. 3,000 new jobs per week.⁴



SCALEUPS ARE DIVERSE

40% of all scaleups have at least one female director⁵



SCALEUPS ARE GOOD CORPORATE CITIZENS

64% of scaleups offer opportunities to young people through work experience, internships or apprenticeships. They offer apprenticeships at twice the rate of typical firms.⁶



SCALEUPS DON'T STOP GROWING

80% of scaleups expect to scale again in the coming year.
62% expect to achieve 20%+ turnover growth.
41% expect to achieve 20%+ employee growth.

1. IDBR, 2013-2016, and associated confidentiality protections.

2. ScaleUp Survey 2018 and UK Innovation Survey 2017

3. IDBR, 2013-2016, and associated confidentiality protections.

4. Octopus High Growth Small Business Report 2018

5. Beauhurst Visible Scaleup Index 2018

6. ScaleUp Survey 2018 and Employer Perspectives Survey 2016, Department for Education

Where not otherwise referenced, all statistics are taken from the 2018 Scaleup Survey

The ScaleUp Institute's core purpose is to:

- **Ensure scaleups are a national priority** embedded into the local fabric of the communities in which they operate, with solutions delivered across the private and public sector to break down the barriers they face.
- **Engage as a national data observatory**, providing insight on the scaleup ecosystem across the UK, disseminating and analysing the most recent data, ensuring scaleup businesses are on the map and providing benchmarks for the landscape each year to see where more can be done. Acting also as an international barometer and assessor.
- **Educate** on what is needed to create and foster a local ecosystem 'match fit' for scaling businesses at every stage of their growth journey, and to highlight well-evidenced impactful programmes and practices from which others can learn, emulate and improve.
- **Enhance knowledge** of scaleups through research, data, policy and analysis, to understand their needs and which localities of the country have the greatest requirement for private and public sector engagement, resources and investment to propel scaleup business growth.

3 Key principles guide our work:

1. **Data and evidence** – building upon what works: We will rigorously assess interventions and programmes based on data and evidence of measurable impact.
2. **Segmentation:** Businesses are not homogeneous – scaling business must be treated as a separate segment with bespoke solutions.
3. **Client centric and local:** Scaleups value locally delivered solutions – even when a programme is national. In a growing company, time is a scarce commodity and community level engagement is essential, alongside active relationship management.

These principles we believe should be at the heart of efforts to overcome the challenges which scaleups have continually identified to their growth. We will continue to champion them.

Recommendations for 2018

1	<p>A verification process with Government should be created to allow for local and national stakeholders to verify the 'Scaleup status' of a business, building on the recent work of the ScaleUp Institute with Government.</p> <p>This should tap into datasets that combine ONS, Companies House and HMRC data points to enable stakeholders to fast track solutions to scaleup leaders. If necessary, legislation should be passed to introduce such an enquiry capability.</p>
2	<p>A 'Scaleup Visa' should be made available in communities where there are 100+ scaleup companies to enable scaleup leaders, across all sectors, to recruit the staff they need to increase their capacity to grow.</p> <p>The Government should make the international skills needs of scaling businesses a priority. Local authorities, education establishments, advisory and finance companies should be able to be sponsors of such.</p>
3	<p>Funding for local communities should continue to be tied to the effective deployment of initiatives that close the scaleup gap as well as the results and impacts that they have on the number of scaleup businesses in their area.</p> <p>Every Local Industrial Strategy should have a scaleup pillar, including a markets access strategy and a scaleup cluster map based on currently available datasets.</p>
4	<p>All local communities should appoint a Scaleup Champion and develop a relationship management structure for scaleup businesses.</p>
5	<p>The outcomes of the Productivity Review, Shared Prosperity Fund and Comprehensive Spending Review should ensure that funding for impactful business support (whether it be mentors, leadership or networks) has a significant focus and segmentation towards our scaleup businesses, which are generators of wealth, exports and productivity to the UK economy.</p> <p>These Reviews should collectively ensure no gap in scaleup support provision is allowed to arise in light of the UK's changing relationship with the EU.</p>
6	<p>Central Government when implementing its Export Strategy should allocate a significant portion of resources to scaleups, including supporting dedicated trade missions for scaleups.</p> <p>All local areas should be encouraged to set up a local exchange programme for scaling businesses, such as that developed by the Mayoral 'Go to Grow' campaign in London.</p>

7

Public bodies should use the inaugural Visible Scaleup Public Procurement Index to further improve their understanding and reporting on the procurement involving UK scaleups, including scaling businesses not yet visible at Companies House.

All public bodies should improve the way opportunities are promoted to scaleup companies by significantly raising the visibility of procurement champions and ensuring their roles have objectives and measurements. The Government should continue the evolution of Contracts Finder to become a smart platform and continue to develop more scaleup specific 'meet the buyer' events working with local areas and build on the current work underway as regards sandbox environments.

8

Large companies should report on the level of collaboration and procurement they source from scaleup companies.

Any procurement contracts with Government should require an increase in the amount of business undertaken with scaleups as part of the contracting process which should be monitored.

9

The Department for Education, Local Enterprise Partnerships and the Careers & Enterprise Company should use their convening and promotional power to ensure that students at schools, colleges and universities come into contact with business leaders and that APIs to the National Pupils database and the destinations database (with suitable protections) are made available so that the impact of these interventions can be measured.

The public, private and education sectors should continue to work together to close the gap on provision of high-quality flexible scaleup leadership programmes, including mentoring, peer networks and matchmaking of non-executive directors who have scaled businesses before. Better connections should also continue to be made between national programmes and local ecosystem leaders. The Small Business Charter, and other such mechanisms, should integrate an assessment of 'scaleup engagement' into their performance analysis.

10

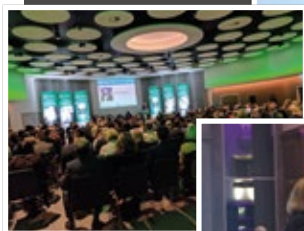
Government and industry should ensure progress is made closing the finance gap for scaleup by continuing the work to implement the Patient Capital Review.

Growth finance should be included as core curriculum in all local scaleup leadership programmes, enabling them to seek out and secure the most appropriate funding at each stage of their company's growth. The status of current EU sources of funding needs to be monitored, and replaced as appropriate.

2018 Highlights of the year

JANUARY

From London to Silverstone to Newcastle to Manchester – a day on the road with the SUI as we impart insights on scaleup corporate collaboration and leadership development with Silverstone Technology Cluster; host a thought leadership roundtable on Social Scaleups with Barclays; launch Manchester Business School's Scale-Up Forum peer network; and head to Newcastle to kick off ScaleUp North East.



Innovate UK's ScaleUp Pilot Advisory Board, chaired by SUI, kicks off.



FEBRUARY

The economic value of scaleups is discussed at the inaugural Colne Valley Business Conference



And we join the Scottish Ecosystem to assess the status on their scaleup plans.

(Twitter: @3mbic)



Peer-to-Peer with the Vine Club in Beaulieu discussing scaling pains with Smith & Williamson.

MARCH

First ScaleUp Female Founder Index is published to coincide with International Women's Day, highlighting the diversity and variety of our female-led scaling business.



Nordic Scaleup Summit invites SUI and Innovate UK to share UK insights on scaleup initiatives and to foster cross border collaboration: the first of many international insights imparted in 2018 with our core partners.

SUI participates in Downing Street roundtable with SME Crown Rep Emma Jones and Minister for Implementation Oliver Dowden to discuss announcements geared to enabling more Government business to be contracted with SMEs and scaling firms, many align with SUI and ScaleUp Taskforce recommendations.



APRIL

SUI participates at Thames Valley Berkshire Local Industrial Strategy workshop and Northern Powerhouse Growth Hub Network.

SUI helps shape Innovate UK's Scale Up Peer-to-Peer Summit at the Belfry.

Aiming Higher
Innovate UK & Enterprise
Europe Network
Scaleup Programme



SUI gives testimony to Lords EU Internal Market Sub-Committee on Startups, Scaleups and Brexit.



MAY

The third DEG course takes place at Leeds University with 64 ecosystem leaders from across the UK.



SUI hosts 2018 Scaleup Taskforce meeting at Digital Catapult; participates in Growing Women's Enterprise in Scotland with Strathclyde University; and continues to work with the Creative Industries on the sectoral challenges of accessing finance and scaling up.



JUNE

SUI hosts and gives evidence to BEIS Parliamentary Select Committee inquiry into business and productivity.



BBB soft launches Finance Hub focussed on growth capital working with SUI and finance ecosystem.



SUI joins Liverpool LEP at International Festival of Business to discuss Scaling in today's World (12/6) with the Entrepreneurs' Network and The Supper Club and meets with all UK chairs of Vistage to discuss the UK scaleup challenge and relevance to their UK wide peer-to-peer networks.

London Stock Exchange, ELITE, SUI, Nesta and Mind the Bridge host SEP ScaleUp corporate collaboration and investment summit London.

Chapter One

The scaleup business landscape



Scaleup indicators from a national and local perspective

Core to the ScaleUp Institute's mandate is to work with others to grow and share the evidence available about scaling businesses in the UK. With accurate and timely analysis of more data, local communities and authorities, LEPs, regions, and stakeholders from the private and third sectors will be better able to target interventions that remove barriers to scaleup growth.

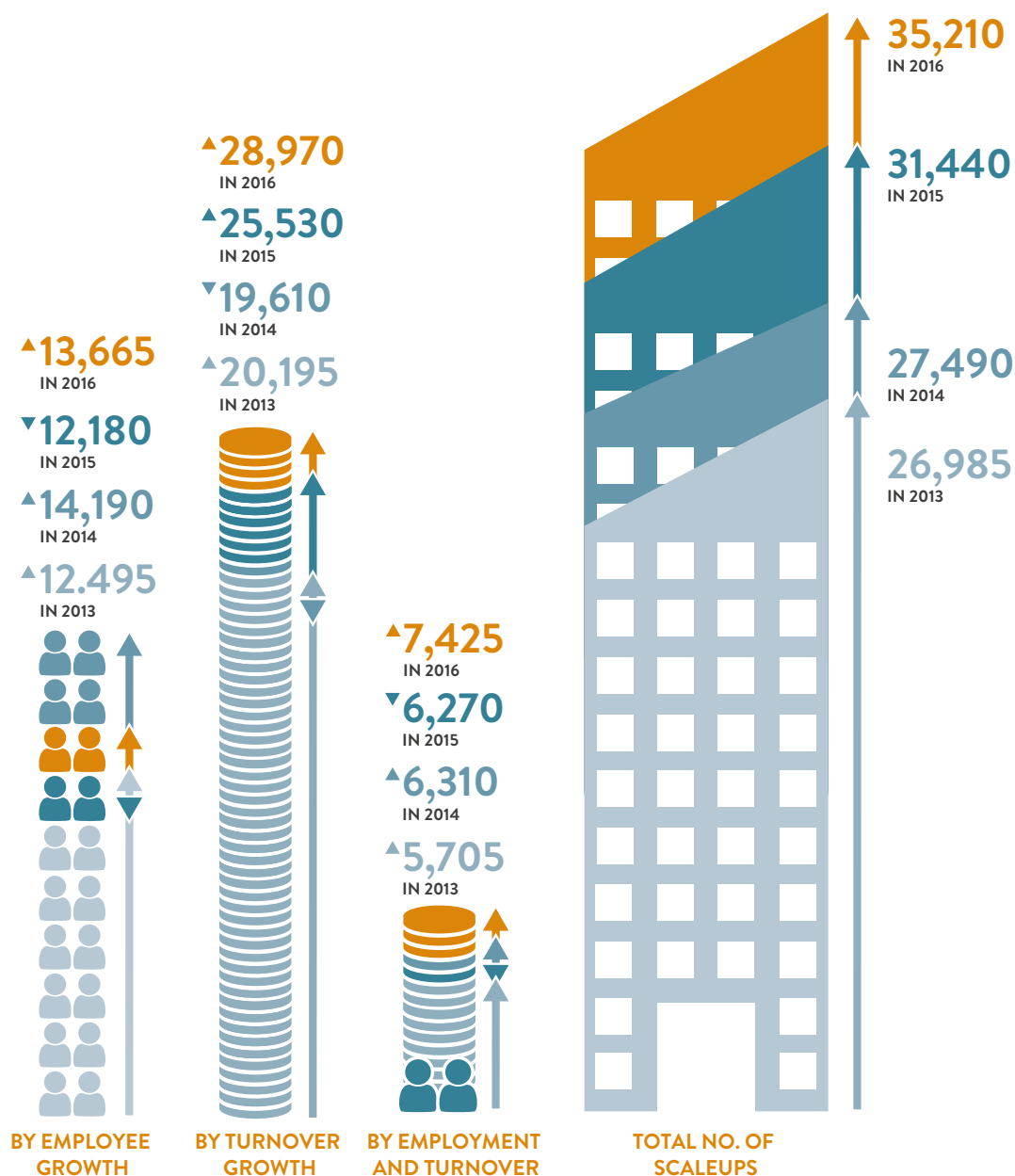
In 2014, the annual target was set to achieve one net additional scaleup per 100,000 population nationally. This is in line with aspirations deployed by those responsible for driving economic growth in other nations.

The ScaleUp Institute, in partnership with the ONS, has been able to undertake detailed analysis of four years of longitudinal scaleup data both at a national level, a sectoral level, and at an in-depth local authority level against three elements of the OECD high-growth (scaleup) definition. These are:

- **Scaleups growing by more than 20% per annum by employee growth**
- **Scaleups growing by more than 20% per annum by turnover growth**
- **Scaleups growing by more than 20% per annum in both employees and turnover.**

The scaleup population has grown in line with targets in recent years. In 2013, there were 26,985 scaleup businesses in the UK. The most recent ONS data shows that this number has risen to 35,210 scaleups in 2016, representing an increase of 30 per cent since 2013 and 12 per cent growth since 2015 alone. This annual change was driven by an additional 1,500 employment scaleups, an additional 3,400 turnover scaleups and an additional 1,100 scaleups in both employment and turnover. The number of employment scaleups has been variable, with the 2016 figure still 3.7 per cent below its peak in 2014, but 12 per cent above its value in 2015.

NUMBER OF SCALEUPS NATIONAL FIGURE DATA

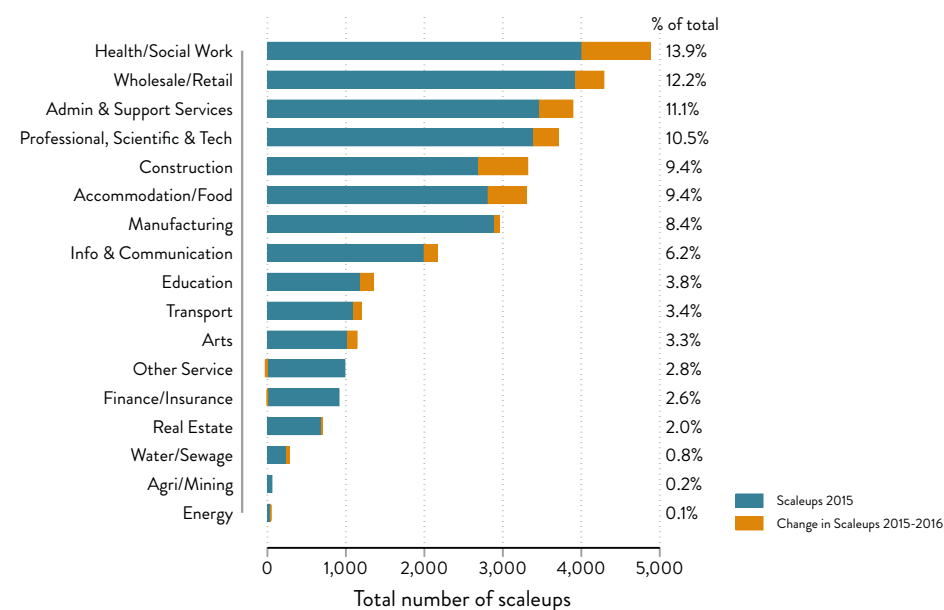


Data used on this page is taken from the IDBR datasets 2013-2016. The confidentiality of all data held on the IDBR is protected by the National Statistics Code of Practice and associated Protocols and by specific legislation. In accordance with these requirements, data presented is rounded to prevent disclosure. Differences may exist in totals across tables due to disclosure methods used.

Sectoral analysis

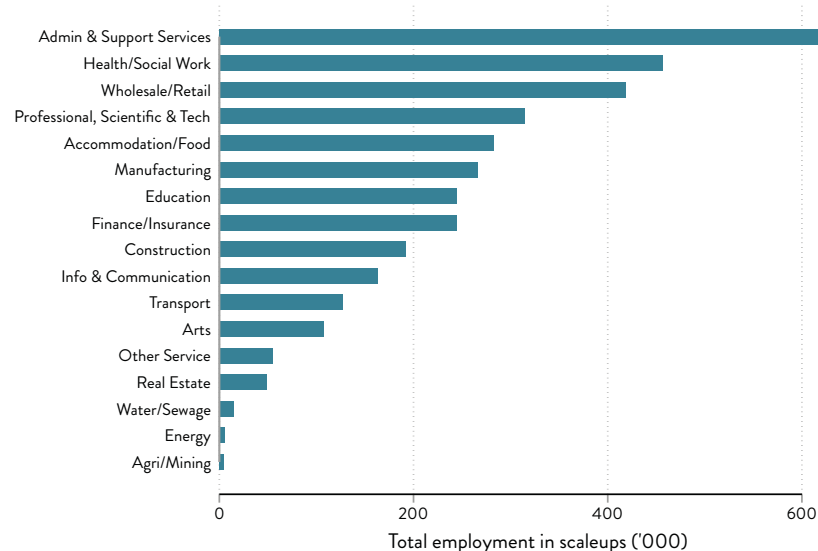
For the first time, the ScaleUp Institute has been able to conduct an analysis of scaleups at the sectoral level using ONS data. This reveals the true diversity of scaleups across all sectors of the economy, not just technology or science. The figure below shows the number of scaleups by sector of the economy, as well as the growth from 2015-2016. The largest sector in the economy by the number of scaleups is health/social work, closely followed by wholesale/retail and admin & support services. These largest scaleup sectors were also responsible for the vast majority of scaleup growth, with the top six sectors accounting for 82 per cent of the growth in the number of scaleups.

SCALEUPS BY ECONOMIC SECTOR (SIC SECTION)

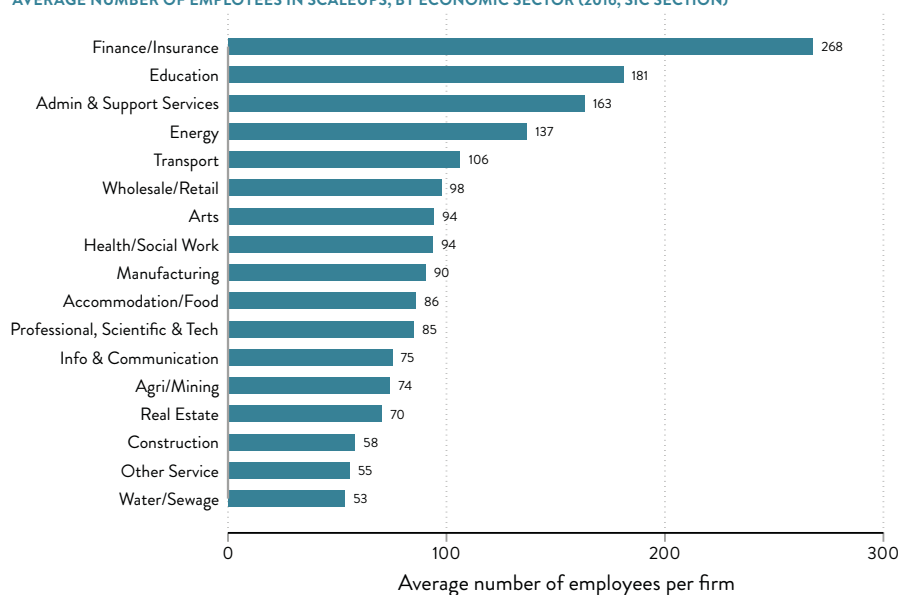


Looking at the breakdown by the number of employees that scaleups employ provides an alternate view of the sectoral dispersion, shown in the figure below. Of the 3.6 million people employed by scaleups in the UK, administration and support services accounts for more than 500,000 employees, and health/social work and wholesale/retail account for more than 400,000 employees each. This also shows how broad based scaleups are across the economy, given that there are eight sectors all employing more than 200,000 employees in scaleups. The average scaleup has 102 employees, which varies at the sectoral level from 268 employees in the average finance/insurance scaleup to 50-60 employees in construction, water and 'other services' scaleups.

SCALEUP EMPLOYMENT BY ECONOMIC SECTOR (2016, SIC SECTION)



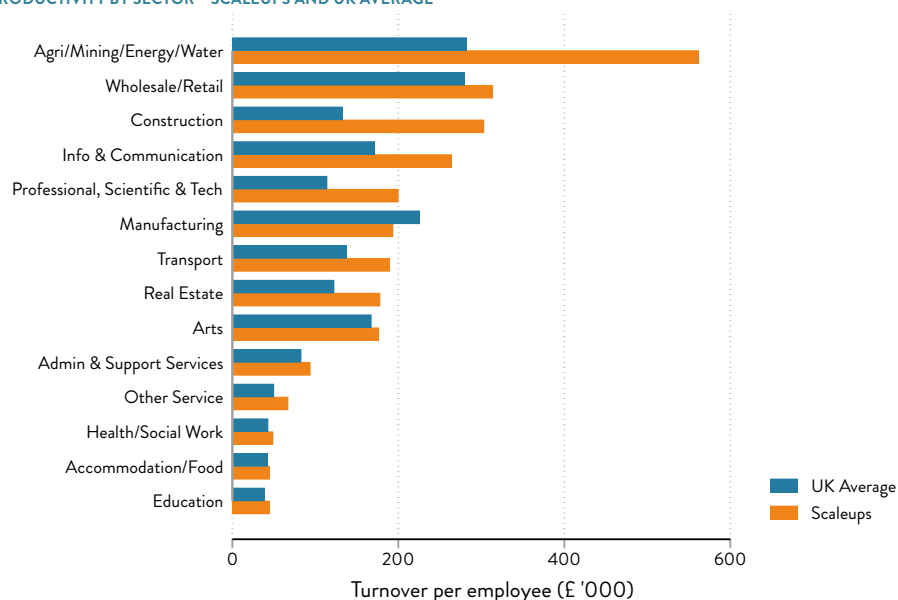
AVERAGE NUMBER OF EMPLOYEES IN SCALEUPS, BY ECONOMIC SECTOR (2016, SIC SECTION)



Productivity by sector

The sectoral data allow us to analyse the relative productivity of scaleups against the average firm in each sector, using the turnover per employee as a proxy of productivity.¹ The figure below shows that scaleups are more productive than the average firm in almost every sector of the economy. In construction and the combined sector for agriculture, mining, energy and water scaleups are twice as productive as the average firm, and in 11 out of 13 sectors scaleups were at least 10 per cent more productive than average.

PRODUCTIVITY BY SECTOR – SCALEUPS AND UK AVERAGE



¹ Turnover per employee is an imperfect proxy for productivity, as it does not account for differences in profitability between firms. However, ONS data does not measure profitability of firms, so it is not possible to compare on this basis. By controlling for the sector of the economy in which the firm operates, large differences in business operations are accounted for.

Source: UK average figures from ONS Business Population Estimates 2016, scaleup figures from ONS 2016 high growth enterprise data.

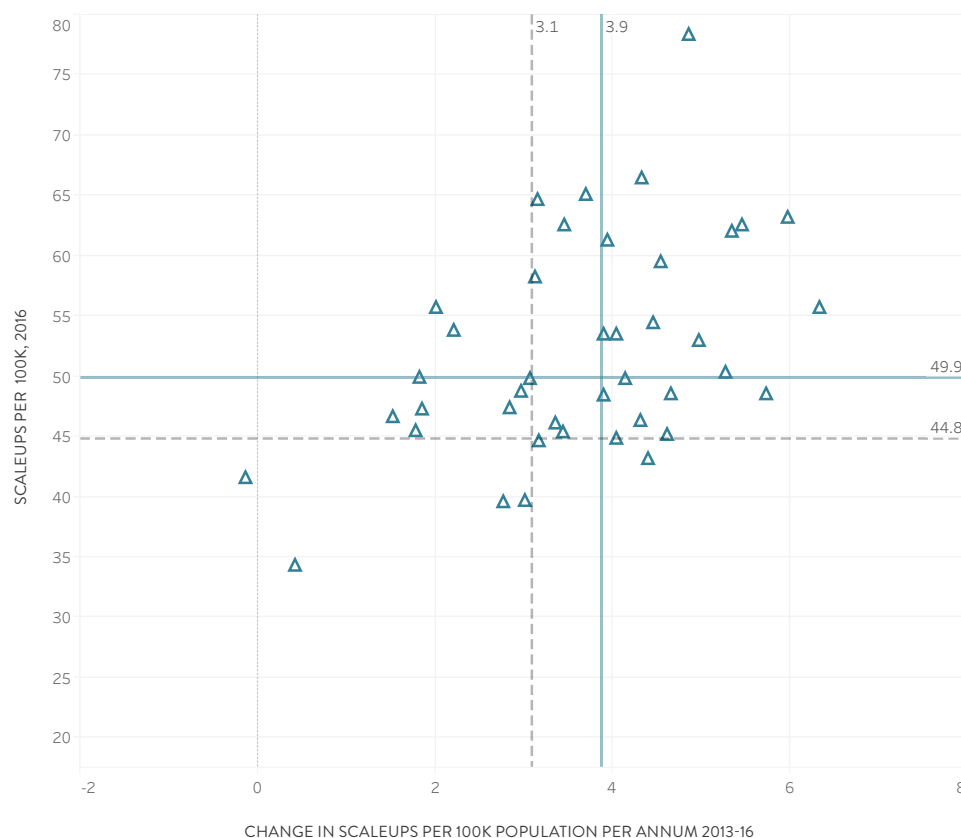
Notes: Financial sector excluded as UK wide financial sector turnover data was censored in the ONS business population estimates used. The agriculture, mining, energy and water sectors were aggregated to make like-for-like comparisons between the two data sources.

Local level

There is significant variation at a local level, looking at the 38 English LEPs, Scotland, Wales and Northern Ireland. The figure below shows the breakdown for the number of scaleups per 100k population, and the average annual change in this figure from 2013-16. In 2016, there was a median of 50 scaleups in each area, and there has been a median increase of 4 scaleups per year on average from 2013-2016. The relative 'cold spots' nationally are the Black Country and Tees Valley, the only LEPs to have a growth in scaleups of less than one per 100k population. Several regions have had a high average growth rate in the number of scaleups per 100k population, including Hertfordshire, Gloucestershire, Cornwall, New Anglia and the West of England.

An interactive visualisation of this data is available on the ScaleUp Institute website, enabling interrogation across all local authorities, LEPs and regions of the United Kingdom. Please visit www.scaleupinstitute.org.uk for further details.

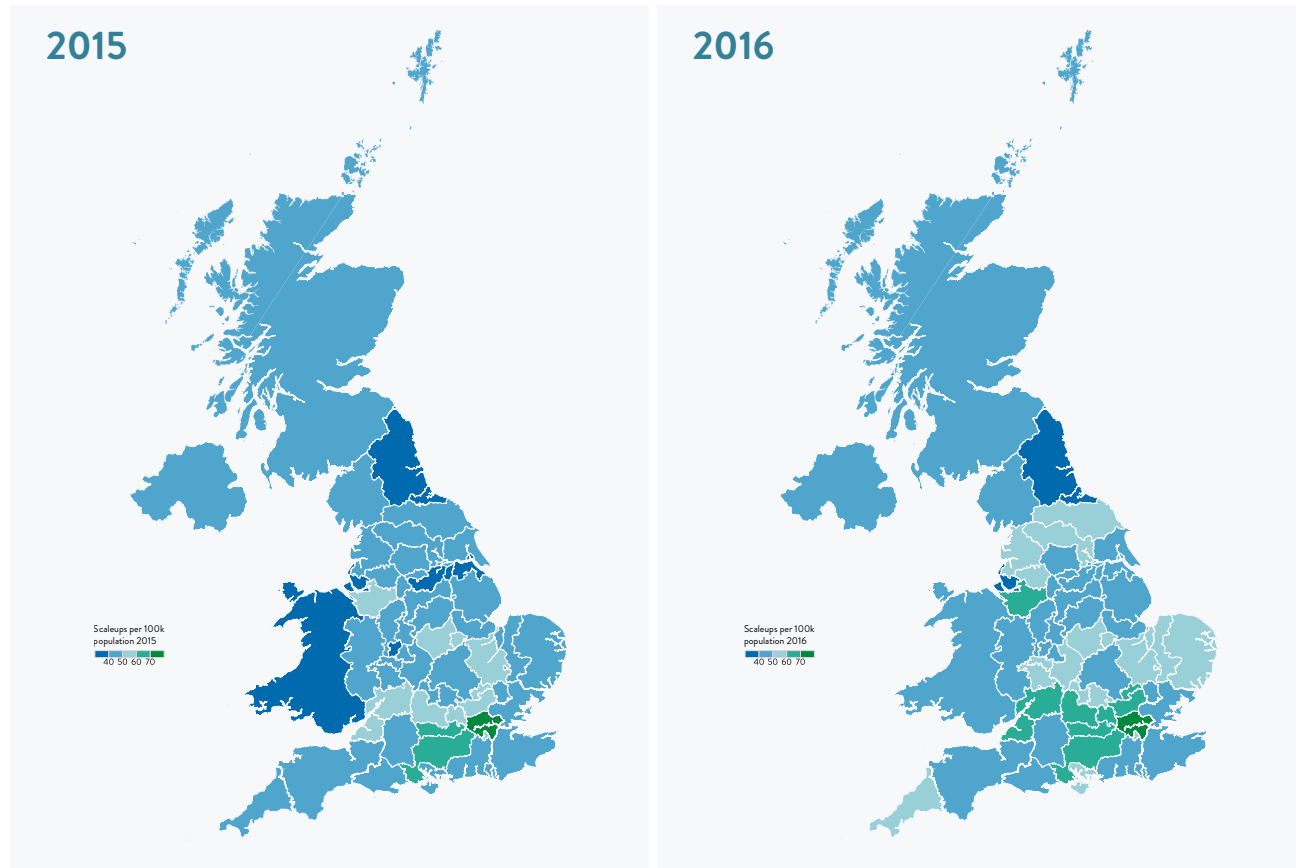
SCALEUP GROWTH 2013-16, LEPS, SCOTLAND, WALES & NORTHERN IRELAND



Notes: Solid lines indicate median values for the UK, dashed lines indicate median values from the previous year.

This geographic variation is also highlighted in the maps below, which show the number of scaleups per 100k at a LEP/country level across the UK, where areas of a darker shade of green have a higher number of scaleups relative to their population. Cheshire & Warrington, London and areas on the M3/M4 corridor stand out as having a particularly high number of scaleups per 100k population. The north of England has seen positive changes in scaleup density since last year, along with the east of England, Wales and Cornwall.

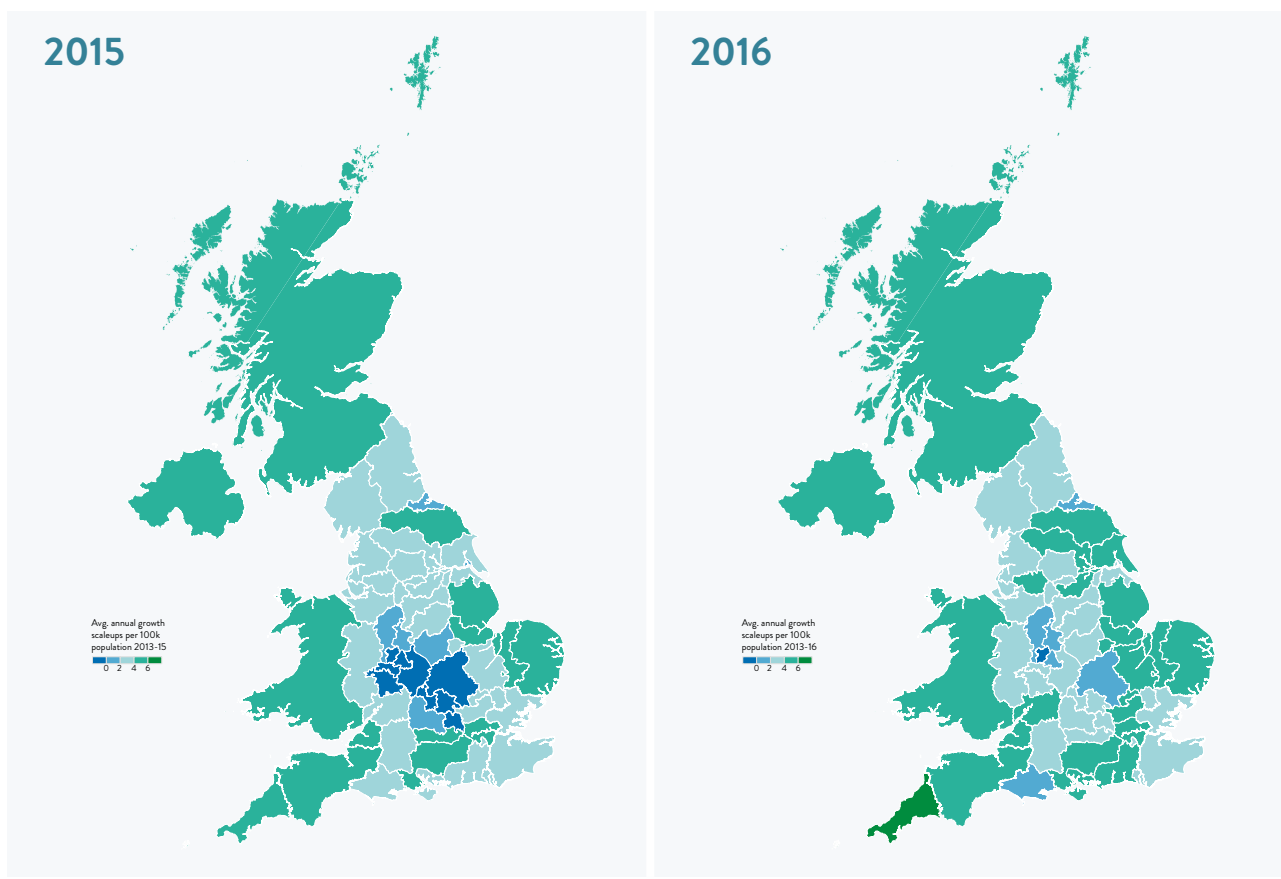
MAP OF SCALEUPS PER 100K, BY LEP/AREA



Notes: Where LEPs overlap, the average of the two LEPs is shown.

Particularly encouraging is that despite the high variation across the UK, most regions have seen their growth rate accelerate since 2015. The maps below show the relative growth rates of scaleups across the UK, where regions shaded in darker green have exhibited a high growth in the number of scaleups relative to their population over the last 4 years. Broad areas of the UK have performed well on this measure, with the South West particularly high, alongside Wales, Scotland, Northern Ireland and the East of England. In the last year, the Midlands has seen a material increase in the growth rate, beginning a catch-up with surrounding areas of the UK.

MAP OF AVERAGE ANNUAL CHANGE IN SCALEUPS PER 100K, BY LEP/AREA



Notes: Where LEPs overlap, the average of the two LEPs is shown.

To examine these trends in more detail, the table opposite shows how the average annual change in scaleups has progressed, highlighting that of the 41 UK regions, 34 have seen their growth rate increase in the last year, including eight of the nine regional ‘cold-spots’ identified in last year’s ScaleUp Review.

LOCAL GROWTH RATES IN NUMBER OF SCALEUPS PER 100K POPULATION, 2013-15 AND 2013-16

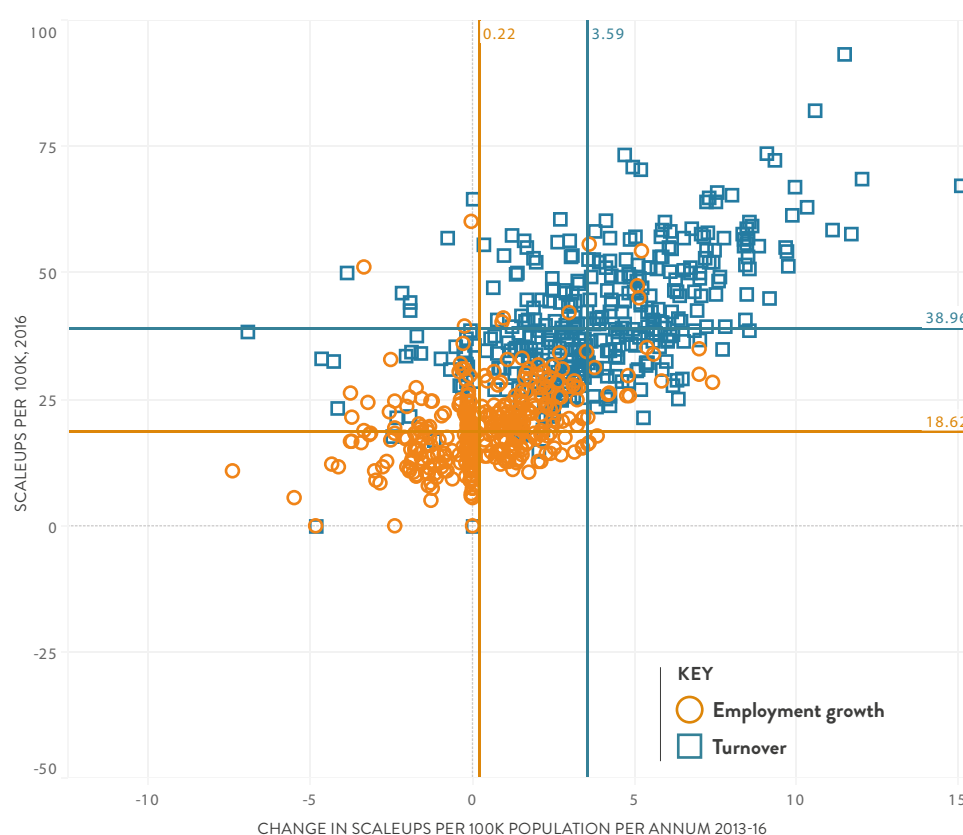
Local Area	Avg. annual change in scaleups			
	2013-16	2013-15	Rate of growth +/-	Change in growth rate
Cornwall and Isles of Scilly	6.3	4.3	+	2.1
West of England	6.0	5.7	+	0.2
Northern Ireland	5.7	4.5	+	1.2
Gloucestershire	5.5	2.8	+	2.6
Hertfordshire	5.3	2.3	+	3.1
New Anglia	5.3	4.2	+	1.0
York, North Yorkshire and East Riding	5.0	4.5	+	0.5
London	4.8	4.1	+	0.8
Heart of the South West	4.7	4.1	+	0.6
Greater Lincolnshire	4.6	4.5	+	0.1
Greater Cambridge and Greater Peterborough	4.5	3.7	+	0.8
Solent	4.5	3.9	+	0.5
Wales	4.4	4.3	+	0.1
Enterprise M3	4.3	4.9	-	-0.6
Sheffield City Region	4.3	3.1	+	1.2
Coast to Capital	4.1	3.9	+	0.2
Greater Manchester	4.0	3.1	+	0.9
Scotland	4.0	4.9	-	-0.9
Cheshire and Warrington	3.9	3.3	+	0.6
South East	3.9	3.3	+	0.6
Lancashire	3.9	2.1	+	1.8
Oxfordshire	3.7	0.6	+	3.1
Buckinghamshire Thames Valley	3.4	-0.6	+	4.1
D2N2	3.4	3.7	-	-0.3
Cumbria	3.4	3.5	-	-0.2
Humber	3.2	1.8	+	1.3
Thames Valley Berkshire	3.2	4.4	-	-1.2
Worcestershire	3.1	-1.1	+	4.3
Leeds City Region	3.1	2.1	+	1.0
Liverpool City Region	3.0	2.7	+	0.3
The Marches	3.0	2.4	+	0.6
Swindon and Wiltshire	2.8	2.6	+	0.3
North East	2.8	2.2	+	0.6
Coventry and Warwickshire	2.2	-0.8	+	3.0
Leicester and Leicestershire	2.0	0.2	+	1.8
Dorset	1.8	2.3	-	-0.5
South East Midlands	1.8	-0.7	+	2.5
Stoke-on-Trent and Staffordshire	1.8	0.5	+	1.2
Greater Birmingham and Solihull	1.5	-0.3	+	1.8
Tees Valley	0.4	1.4	-	-1.0
Black Country	-0.1	-2.6	+	2.5

Local authority district level

Looking at a local authority area further highlights the regional disparities across the UK. There was a median increase in the number of employment scaleups per 100k population of 0.22 annually from 2013-16, but this median figure hides the wide variation. 181 local authorities saw a decline in the number of employment scaleups per 100k population over the period, whereas 74 authorities saw an average annual increase of more than 2 scaleups per 100k population.

The number of turnover scaleups continues to strengthen, now representing a median increase of 3.6 scaleups per 100k population per year, also with significant variation among local authorities. Norwich has experienced a growth in turnover scaleups averaging more than 15 per 100k population per year, the greatest of any local authority outside of London. Across the UK, the median number of turnover scaleups is much higher than the number of UK scaleups, with 38.9 per 100k population, more than double the figure for employment scaleups.

SCALEUP GROWTH 2013-16 (ALL LOCAL AUTHORITIES)



Notes: Horizontal and vertical lines indicate median values for the UK, per measure. Seven outlying authorities with greater than 100 scaleups per 100k population are not shown to aid readability, all of these local authorities are within London.

The table opposite highlights the twenty local authorities which had the highest scaleup density and growth. London features strongly, with local authorities in London representing eight of the ten highest authorities by scaleup density and five by scaleup growth; however there is also a presence from many areas of the UK, including Scotland, Yorkshire, East England and Surrey.

TOP LOCAL AUTHORITIES FOR SCALEUP DENSITY AND GROWTH

DENSITY		GROWTH	
Local Authority	Scaleups per 100k population (2016)	Local Authority	Change in scaleups per 100k population per annum (2013-16)
City of London	7712	City of London	21
Westminster	479	Southwark	16
Camden	240	Hammersmith and Fulham	13
Islington	155	Midlothian	13
Hammersmith and Fulham	128	Norwich	13
Kensington and Chelsea	128	Waverley	12
Southwark	125	Harrogate	12
South Bucks	101	Derbyshire Dales	12
Hackney	97	Islington	11
North Warwickshire	95	Chorley	11
Winchester	94	New Forest	11
South Cambridgeshire	86	Ipswich	11
Shetland Islands	86	Maldon	10
Tower Hamlets	85	Conwy	10
Wycombe	85	Brighton and Hove	10
Watford	83	Christchurch	10
Hertsmere	82	Cheltenham	10
Stratford-on-Avon	82	Hackney	10
Cotswold	82	Richmondshire	9
Waverley	81	Stratford-on-Avon	9

The ScaleUp Institute, with ONS, will continue to analyse this data and provide a further update in December 2018 when the 2017 longitudinal datasets are made available. Preliminary analysis of 'snapshot' data from March 2017 gives an early indication that the encouraging trend in the number of scaleups is likely to continue. In the future, we hope this data is released on a much more frequent basis so that we can more readily respond and act on emerging rather than historic trends.

The ScaleUp Institute's overarching goal is to narrow local disparity over time and see the trend in movement of local areas progress upwards. Monitoring scaleup indicators enables us to evaluate and roll out interventions that work and to roll back those interventions that do not work. Using a consistent framework allows us to compare like for like, enabling us to learn what works best in one area and establishing if it could be useful elsewhere. It also helps in prioritising where resources, investment and particular focus will be of value.

This ONS data also emphasises the importance of getting broader, more 'real-time' information from sources such as HMRC. Our review, with Beauhurst, of 'visible' scaleups from Companies House data to create the ScaleUp Index – summarised overleaf – comes from those filing accounts. However, given reporting thresholds, many scaling businesses do not yet file such reports and are not 'on the radar', which limits effective, timely engagement.

Improved data access has been a key theme in our engagement with the ScaleUp Taskforce and one of its major recommendations. This is now being taken forward in joint work between the ScaleUp Institute and the Government including Cabinet Office, HMRC, and BEIS, including pilots on use of HMRC data to reach the leaders of scaling businesses at a local level. This joint work is welcomed and we hope leads to a future scaleup register that is more detailed and accessible across the public and private sectors. This remains a priority in our work with Government.

VISIBLE SCALEUP GROUPS

Based on Companies House data, excluding charitable and third sector scaleups and listed companies, which will be subject to separate analysis. Data analysed by Beauhurst.

METHODOLOGY

11,581

visible scaling legal entities
examined

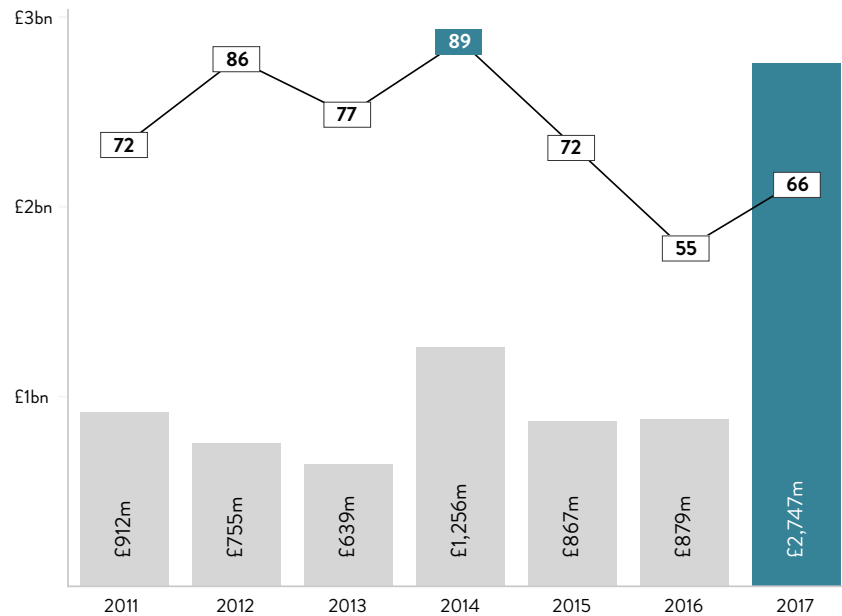
7,161

legal entities excluded
(charities, PLCs, foreign HQ,
duplicate subsidiaries)

4,420

unique scaleup businesses

EQUITY INVESTMENT INTO VISIBLE SCALEUPS OVER TIME



TOP SECTORS BY NUMBER OF VISIBLE SCALEUPS

Property/land development	658
Misc. manufacturing & engineering	347
Distribution	318
Builders	278
Food & drink processors	241

TOP LEPS BY NUMBER OF VISIBLE SCALEUPS

South East	243
Leeds City Region	209
Greater Manchester	186
Coast to Capital	129
Enterprise M3	125

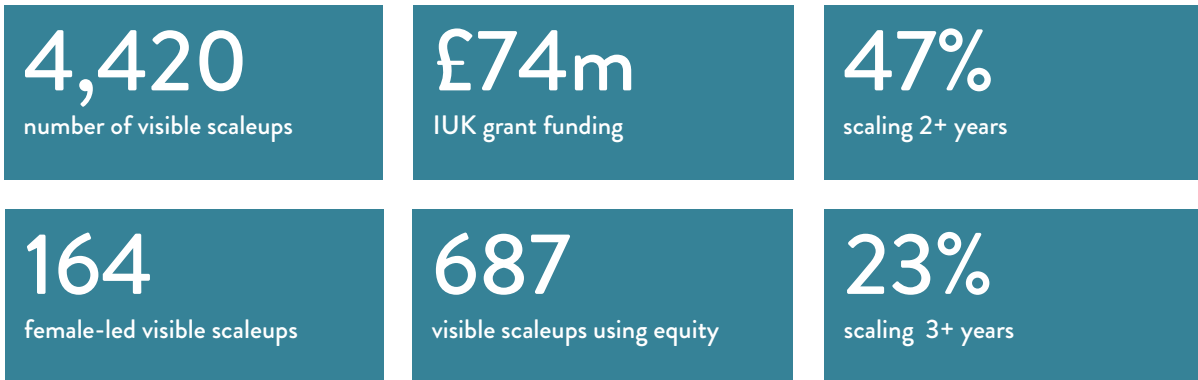
TOP VISIBLE SCALEUPS BY EMPLOYEE COUNT

BestWay Wholesale	25,122
The Staffing Group	18,607
The Siamo Group	4,988
Exclusive Contract Services	4,506
WGC	4,187

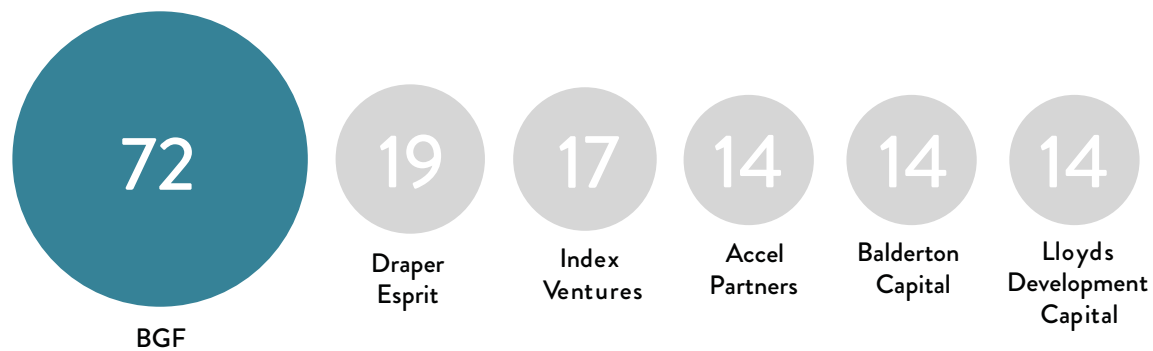
TOP VISIBLE SCALEUPS BY TURNOVER

BestWay Wholesale	£2,948M
State Oil	£1,849M
Motor Fuel Group	£1,546M
Wates	£1,530M
Rontec	£1,230M

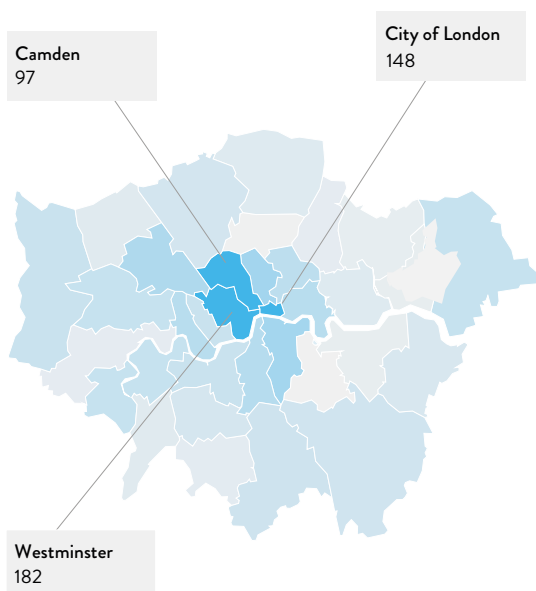
KEY FIGURES 01/11/2011 – 31/08/2018



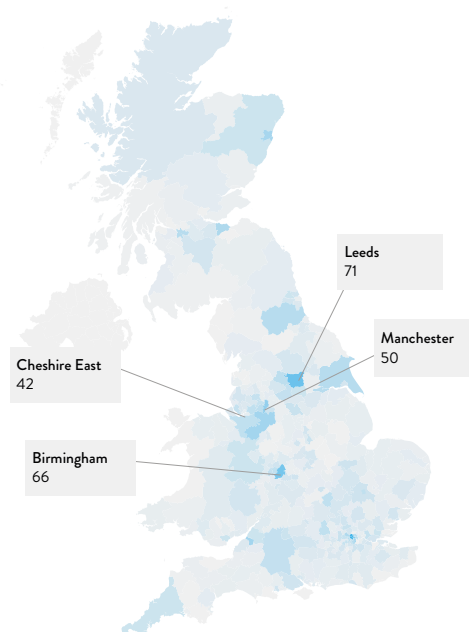
TOP EQUITY INVESTORS BY DEALS INTO VISIBLE SCALEUPS 01/11/2011 – 31/08/2018



VISIBLE SCALEUPS IN LONDON BY LOCAL AUTHORITY



VISIBLE SCALEUPS IN BRITAIN BY LOCAL AUTHORITY



2018 Scaleup leaders' views

2018's ScaleUp Survey was completed by 514 scaleup CEOs. It provides insight into the views of our most ambitious scaling businesses from a diverse set of sectors cross the country – 89% of whom expect to grow even further in 2019 in spite of their expectations that Brexit will have an overwhelmingly negative effect.

 **514**
SCALEUP BUSINESSES

 **£6bn**
REVENUE IN TURNOVER

 **£190k**
REVENUE PER EMPLOYEE

THESE SCALEUPS ARE:



MORE PRODUCTIVE THAN OTHER FIRMS, AND TWICE AS LIKELY TO BE INNOVATIVE AND EXPORTERS



OUTPERFORMING THEIR PEERS IN GOOD CORPORATE CITIZENSHIP WITH FOUR IN TEN OFFERING APPRENTICESHIPS COMPARED TO TWO IN TEN FOR TYPICAL UK FIRM



PLANNING TO SCALE AGAIN IN 2019 GENERATING £1.5BN MORE TURNOVER AND 7,000 MORE JOBS – IN SPITE OF OVERWHELMINGLY CITING BREXIT AS A NEGATIVE EFFECT



STILL CONSIDER TO BE UNDER-SERVED BY THE ECOSYSTEM YET HUNGRY TO EXPORT AND COLLABORATE MORE

In the following pages we focus on the survey responses from the scaleup business leaders whose companies are cumulatively generating £6bn in turnover. Not only are they fast-growing and confident, they are sizeable and often well-established companies. They are two times more likely to be innovative than large companies and they outperform their peers in the provision of apprenticeships.

The 2018 ScaleUp Survey provides detailed and comprehensive insight into the issues that the 514 scaleups regard as vital to their future growth and development.

The key issues and barriers faced remain consistent, but a striking aspect of this year's survey is the continuing rise in importance placed upon *access to markets* both at home and abroad. This now ranks almost equally with *access to talent* as the key barrier to the continued growth of the nation's scaleups.

The top challenges

1. Access to talent – whether that is the social and technical skills of their workforce, the ability to recruit from overseas or having the talent to secure international business, scaleups have consistently highlighted the need to be able to attract the right skills and experience as **the biggest challenge to their future growth**. In 2018 eight out of ten single this out as the most significant barrier- slightly down on 2017.

2. Access to markets – for the second year running, access to markets is identified as the second most important hurdle to growth. Significantly this year, it is ranked almost equal with the talent challenge. Many scaleups already do business with large corporates and/or government and other public sector bodies, but survey respondents cite similar barriers to gaining further work with both groups – primarily the complexity of the procurement process, and the ability to find out about opportunities to bid.

Two-thirds of scaleups are involved in international trade – **placing them firmly in the vanguard of the UK's trade ambitions** – and, among those who currently do not, more than a quarter plan to start doing so. The two key barriers cited here are a lack of people experienced at winning overseas sales and the inability to find appropriate overseas partners.

3. Building leadership capacity – while this is the third most important issue for scaleups, it is viewed as slightly less of a barrier than in recent years. Scaleups are focused on

developing their leadership capability and capacity.

They want solutions for leadership development delivered at a local level, with local access to mentors and peers who have the experience of growing a business, as well as surrounding universities and business schools. From the public sector they want easier access to public sector funding for innovation and R&D, general business support, Growth Hubs and Innovate UK. This includes two-thirds wanting practical relationship management support and two thirds wanting HMRC data better harnessed to link them to private and public sector offerings on an opt in basis. **When force-ranked, peer-to-peer networks are seen as the most vital support.**

4. Finance and risk capital – while access to finance is not seen as the main obstacle to their growth, a notable four in ten scaleups do not feel they currently have the right amount of funding in place for their current ambitions. Three-quarters of scaleups rely on external finance to support their growth, drawing it from a wide variety of sources. Regional disparities continue to be noticeable, with scaleups in London and the South East much more likely to be using equity finance than those elsewhere. Reservations about the use of equity finance remain as regards its unsuitability, fears of having to 'give up control' or a simple lack of knowledge.

5. Infrastructure – (space to grow, digital capacity) remains consistently cited as a growth barrier by scaling businesses, and is an issue that has to be considered alongside other barriers as a complement to a thriving scaleup ecosystem.

The desire for a **more proactive relationship with the public sector** is an important aspect that has been revealed in this year's survey. **Two-thirds of scaleups** stated that a **named single point of contact** as a local relationship manager would improve their route through to national government and private sector initiatives designed to foster growth. Four out of ten exporters wanted this service specifically from the Department of International Trade. The majority of scaleups also want an information hub specific to scaleup needs detailing the support available to them which SU1 will develop in 2018 with public and private sector partners.

Locally rooted solutions remain the most valued by scaleups, reiterating the need for national offerings whether public or private to have a local nexus.

Scaleup aspirations remain high – eight in ten scaleups are expecting to scale again next year – but half are worried about the future of the UK as a place for doing business and only four out of ten feel there is sufficient support from the private and public sectors currently available to them. It is imperative that we continue our focus on developing local scaleup ecosystems, remove the barriers to their growth and respond positively and energetically to the needs of UK scaleups.

THE 2018 SCALEUP SURVEY

AT A GLANCE



THEY ARE HIGHLY PRODUCTIVE
AVERAGING

£187,000
TURNOVER PER EMPLOYEE

These scaleups came from across all
regions and sectors:



THEY REMAIN
AMBITIOUS

62%
EXPECT TO ACHIEVE 20%+
TURNOVER GROWTH IN THE
COMING YEAR

41%
OF SCALEUPS EXPECT TO
ACHIEVE 20%+ EMPLOYEE
GROWTH IN THE NEXT YEAR

THEY ARE HIGHLY
INNOVATIVE

79%
HAVE INTRODUCED A NEW/
IMPROVED PRODUCT,
SERVICE OR PROCESS IN
THE LAST THREE YEARS

2x
THE INNOVATION RATE OF
LARGE FIRMS

THEY ARE GOOD
CORPORATE CITIZENS

2/3 (64%)
OFFER OPPORTUNITIES TO
YOUNG PEOPLE THROUGH:

WORK EXPERIENCE (51%)

APPRENTICESHIPS (38%)

INTERNSHIPS (44%)

2x
AS MANY SCALEUPS
OFFER APPRENTICESHIPS
AS TYPICAL FIRMS

61%
EMPLOY STAFF
FROM THE EU AND

35%
EMPLOY STAFF FROM
OUTSIDE THE EU

**THEY ARE
INTERNATIONAL**
TWO THIRDS OF
SCALEUPS ARE
INVOLVED IN
INTERNATIONAL
TRADE

54%
EXPORT

43%
IMPORT

59%
ARE ENGAGED
IN TRADE WITH
THE EU

53%
ARE ENGAGED
IN TRADE
OUTSIDE THE EU



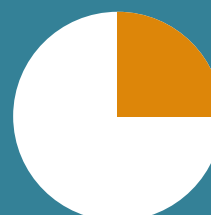
THEY HAVE, OR HAVE ASPIRATIONS TO GAIN, LARGE
CORPORATES AND GOVERNMENT AS CLIENTS

6 IN 10 SCALEUPS (55%)

SELL INTO LARGE CORPORATES AND

2 IN 10 (24%)

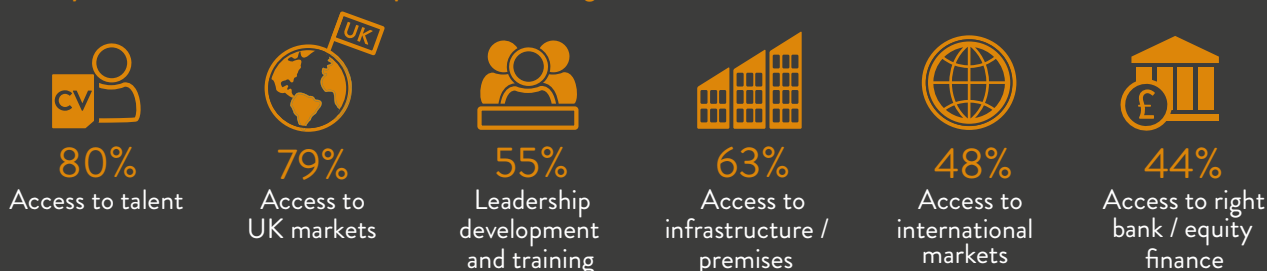
SELL INTO LOCAL OR NATIONAL GOVERNMENT



A QUARTER OF
THOSE NOT
CURRENTLY
SELLING INTO
EITHER LARGE
CORPORATES OR
GOVERNMENT
HAVE ASPIRATIONS
TO DO SO

LOOKING FORWARD: HIGH AMBITIONS TO GROW BUT CONCERN THE UK WILL BECOME HARDER TO SCALE IN WITH LIMITED SUPPORT AND BARRIERS TO BE ADDRESSED

The key factors that will allow scaleups to continue to grow are:



However, when asked to force rank their top 3 priorities, talent and markets remained in first and second place but bank/equity finance moved up to joint 3rd with leadership ahead of infrastructure.

The key sources of future help to grow are **LOCAL**:



Scaleups would also like easier access to Government resources of:



Scaleups know they are doing well – 63% agree that they are outperforming their peers. But four out of ten feel there is little support for businesses like them (40%) and half have concerns about whether the UK will continue to be a good place to do business (48%).

Two-thirds

scaleups would like a single point of contact to act as a relationship manager to support access to services

Key challenges



TALENT

Key future skills for scaleup employees are critical thinking (64%) and a service orientation (44%). 7 in 10 with overseas staff say it is vital/very important they can continue to bring in this talent.



MARKETS

Selling into both government and large corporates is made more complicated by complex procurement processes (50%), the time it takes to win a contract (36%) and being able to spot relevant contracts to bid for (36%). A relationship management approach is valued.



INTERNATIONAL MARKETS

Scaleups are already doing business across the world, and want to do more in regions such as the Middle East, Australia, Latin America and the Asian Pacific region. Key barriers to international trade are access to markets and partners overseas (31%) and having the staff with the right skills to win overseas sales (31%). A dedicated export relationship management approach is valued.



LEADERSHIP

Scaleups are looking for support from people who know what it is like to grow a business, whether as employees (46%), a network of peers (36%) or as non-exec directors (27%). They also want to develop their existing leadership team (57%).



FINANCE

Three quarters of scaleups are using external finance (75%), but 4 out of 10 do not feel they have the right finance in place for their business. A quarter (25%) are currently using equity finance and 8% plan to use it in the near future. The rest (67%) cite a fear of losing control, thinking it is not a suitable form of finance, or not really knowing much about equity finance as their reasons for not using this funding.



INFRASTRUCTURE

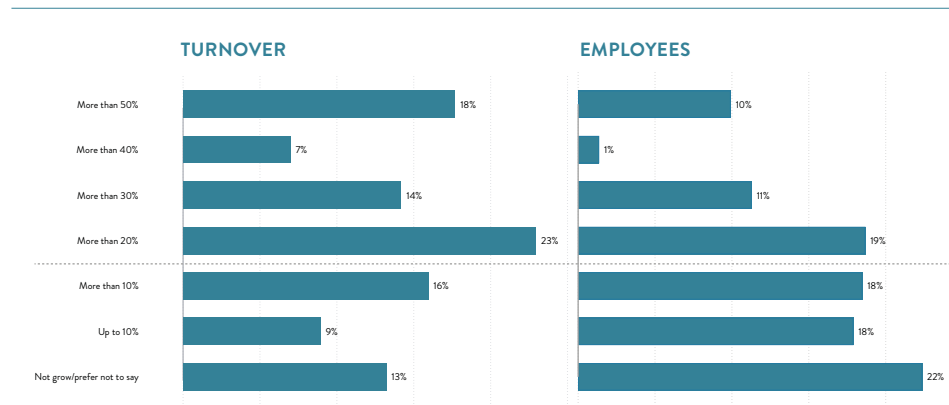
Infrastructure remains a critical component to get right for our fast growing companies, particularly scaleup space. The infrastructure challenge is complementary to other challenges. Scaleups are seeking much greater university support for space and R&D facilities.

Scaleup Survey 2018

This report focuses on the views of 514 scaleup CEOs. They are ambitious businesses: six out of ten (62%) expect more than 20% turnover growth in the next year; while four out of ten (41%) expect more than 20% growth in their employee count. **Two out of ten scaleups (18%) expect their turnover to grow by more than 50% in the next year, and one in ten (10%) expect that growth in their employee numbers.**

Looking at the way they have achieved their growth, one in three (34%) say that they have had periods of good growth, with periods of stability in between, with steady and consistent growth for 28% of scaleups, and one in four scaleups (26%) having grown dramatically year on year.

62% OF SCALEUPS EXPECT TURNOVER TO GROW BY 20% OR MORE IN THE NEXT YEAR, COMPARED TO 41% EXPECTING SUCH GROWTH IN EMPLOYEES



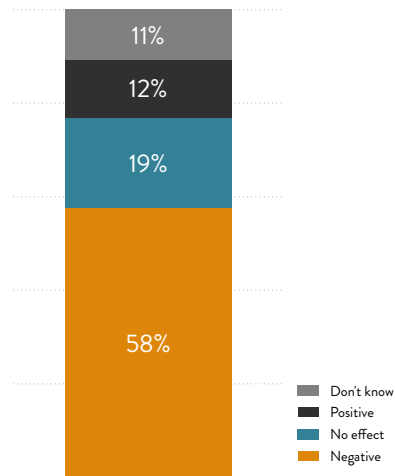
Scaleups remain optimistic about their own growth, despite having predominantly negative views on the likely outcome of the Brexit negotiations for their business

These forecasts of high growth contrast with their opinions of Brexit: looking ahead to March 2019, most scaleups believe that Brexit will have a negative impact on their businesses, with only one in eight (12%) thinking that it will have a positive effect.

Despite this, they remain optimistic, with 96% confident that they will achieve their growth ambitions. Four out of ten scaleups (37%) are very confident that they will achieve their growth targets and a further 59% are fairly confident.

MOST SCALEUPS EXPECT BREXIT WILL HAVE A NEGATIVE IMPACT ON THEIR BUSINESS

EXPECTED EFFECT OF BREXIT NEGOTIATIONS ON THEIR BUSINESS



Scaleups are well established and can be sizeable businesses

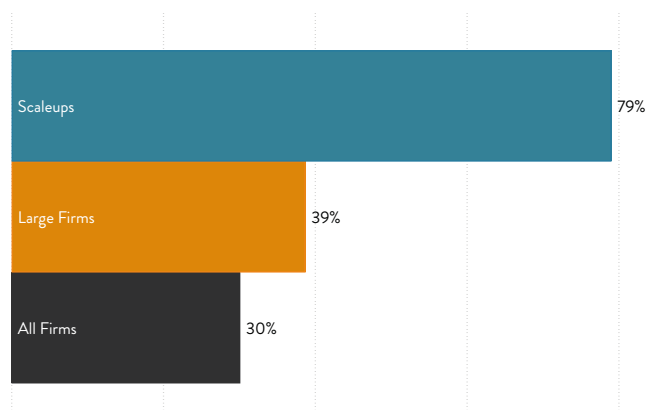
- 52% of scaleups have been trading for 10 years or more
- 10% have a turnover in excess of £25 million
- 28% have more than 50 employees

Scaleups are highly innovative

Scaleups are significantly more likely to be innovative than the typical firm. **Eight out of ten scaleups (79%) introduced a new or significantly improved product, process or service in the last three years**, while seven out of ten (68%) invested in areas such as internal R&D/training. This shows their heightened focus on innovation which contrasts sharply to the broader business population, as reflected in the **2017 UK Innovation Survey**, which estimated that only three in ten (30%) firms had recently introduced new products/processes/services, and only four in ten (39%) large firms.

SCALEUPS ARE TWO TIMES MORE LIKELY THAN LARGE FIRMS TO BE INNOVATIVE

PERCENTAGE INTRODUCING A NEW OR SIGNIFICANTLY IMPROVED PRODUCT/SERVICE IN THE LAST THREE YEARS



Source: Figures for large firms (250+ employees) and all firms are taken from the UK Innovation Survey 2017

Two-thirds of scaleups stated that a named single point of contact as a relationship manager would improve their relationship with the public sector

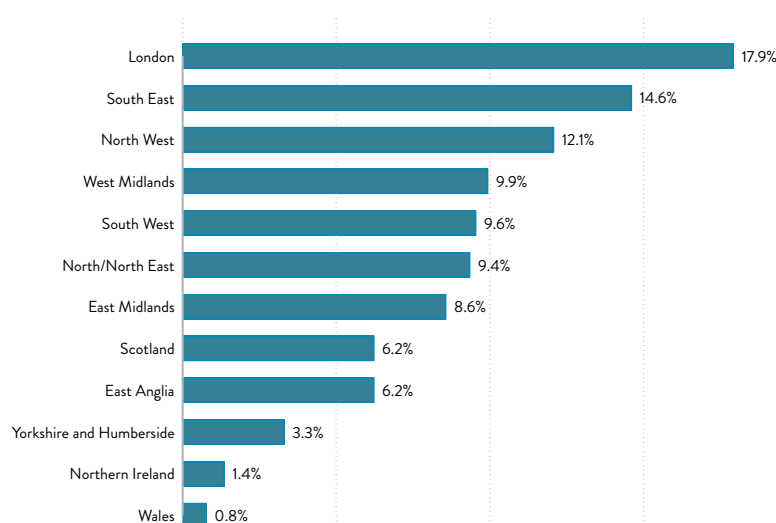
Scaleups value relationship management and being identified – ‘put on the map’

For the first time we asked scaleups what they would want to improve their ability to engage with government resources. Two-thirds of scaleups (64%) stated that a named single point of contact as a relationship manager would improve their relationship with the public sector. The majority (57%) of scaleups also supported the concept of a specific ScaleUp website detailing the support available to them.

These scaleups are happy to be identified on a public record, with **two-thirds (66%) stating that their scaleup status should be shared on an opt-in basis.**

SCALEUPS ARE FOUND ACROSS THE UK, AND BROADLY IN LINE WITH THE LOCATION OF UK BUSINESSES OVERALL

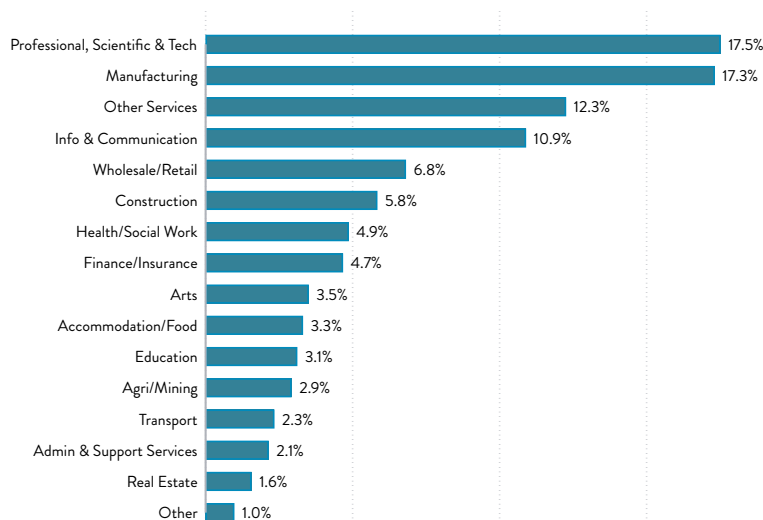
LOCATION OF SCALEUP BUSINESSES



The scaleups surveyed came from all sectors and locations of the economy, with the greatest number of responses from professional and scientific scaleups, alongside manufacturing firms and information and communication firms.

SCALEUPS ARE ACROSS ALL SECTORS

SECTORS OF SCALEUP BUSINESSES, SIC SECTION



Talent and skills

The vital ingredient

Access to talent remains the biggest challenge that scaleups face. 80% of scaleups said that access to talent was vital or very important to their business continuing to grow. Scaleups consistently show good corporate citizenship – outperforming their peers in apprenticeships and offering internships and work experience.

Scaleups employ a mix of graduates (70%), post-graduates (52%) and school leavers (36%). In addition, two thirds of scaleups (64%) offer opportunities to younger people through work experience (51%), apprenticeships (38%) and both UK and international internships (33% and 11% respectively).

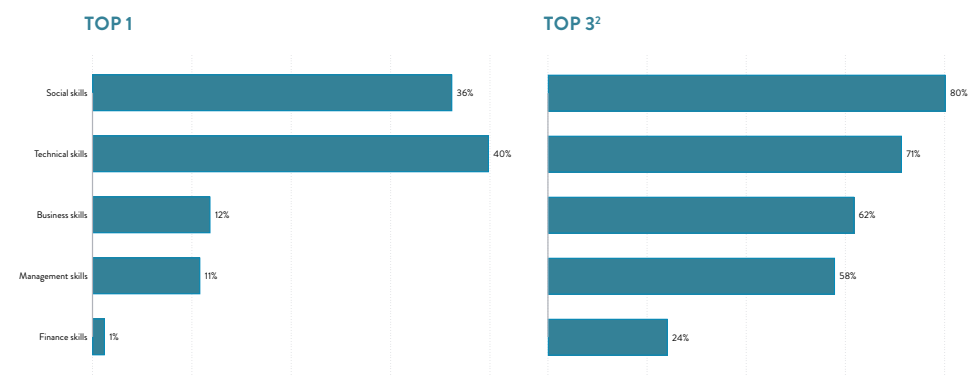
Scaleups are good corporate citizens – more likely to offer apprenticeships and willing to do more if there were easier school/university connections

The Department for Education estimates that 18% of all UK firms offer apprenticeships, which would imply that **the proportion of scaleups offering apprenticeships is more than double the proportion of all UK firms.**

Among those who do not currently offer apprenticeships¹, the most substantial barriers related to **finding suitable candidates** (47% did not know where to get good candidates from, 31% did not have good enough links with universities or schools) and **having work for them to do** (52% stated that they didn't have suitable work, 48% said they were not large enough to have the resources to accommodate apprenticeships). Those who do not currently offer work experience identified very similar barriers.

SOCIAL AND TECHNICAL SKILLS ARE THE PRIMARY DEMANDS OF GRADUATES AND SCHOOL LEAVERS

IMPORTANT SKILLS FOR SCHOOL LEAVERS AND GRADUATES



1 Employer Perspectives Survey 2016, Department for Education

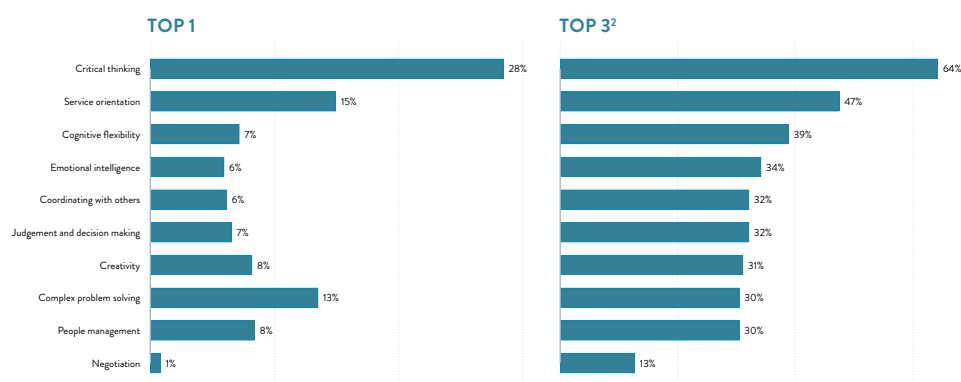
2 The ScaleUp survey was conducted both online and over the phone. For phone interviews, respondents were asked to rate the importance on a 1-10 scale. In these cases, a "top 3" response is taken to be any score of 8-10.

Technical and social skills were most likely to be nominated as the top skills required by graduate and school leavers (40% of scaleups chose technical skills as the most important with 36% choosing social skills). 80% of scaleups included social skills in their top three, followed by 71% choosing technical skills and 62% choosing business skills.

When scaleups were asked about the importance of a range of future skills that employees are likely to need, they ranked critical thinking as the most important, with 28% of scaleups nominating it as the top priority and 64% including it in their top three. This was followed by **service orientation** (anticipating, recognising and meeting others' needs) which was named as one of the top three factors by 44% of scaleups. **Cognitive flexibility** was the third most important skill, with 39% of scaleups naming it as one of their top three.

FOR FUTURE SKILLS, SCALEUPS THINK CRITICAL THINKING AND A SERVICE ORIENTATION WILL BE MOST NECESSARY

KEY FUTURE SKILLS – MOST POPULAR MENTIONS



Scaleups have an international employee base, with **two-thirds (64%) of scaleups employing people from overseas**: 61% employ staff from the EU and 35% employ staff from outside the EU. This does not preclude their local employment though, **all scaleups hire staff from the UK as well**.

Of the scaleups who employ overseas staff, **two-thirds say that it is vital or very important that they can continue to bring in talent from overseas** (66% for EU staff and 69% for other overseas staff). Half of all exporting scaleups (50%) say that it is vital or very important to have a fast-track visa system when hiring people and talent from overseas.

Access to markets

A growing challenge

Many scaleups already do business with large corporates, government and/or export, and want to do more as scaleups try to expand into new markets both within the UK and abroad, the importance they place on access to markets has risen significantly.

For the second year running, access to markets is the second most important factor for their growth, but this year it almost equals the talent challenge, with 79% identifying it as vital or very important.

Large corporates and government

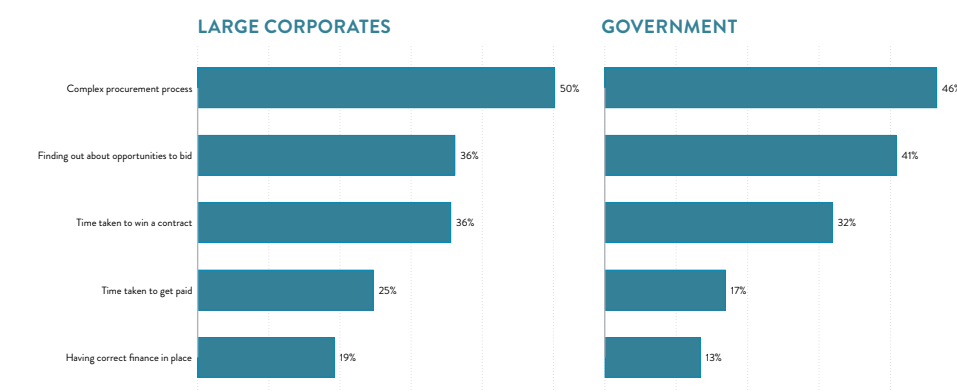
Large corporates and government already play a role for scaleups. Three quarters of scaleups sell, or have aspirations to sell, to large corporates and government:

- **Six out of ten scaleups (55%) sell into large corporates directly**, and 28% of scaleups are part of a supply chain to large corporates.
- **One in eight scaleups (13%) sell directly to the UK government**, one in five (20%) sell to local government, and one in seven (15%) are part of a supply chain that sells to the UK government.
- **One in four scaleups (26%) have aspirations to sell to large corporates or government** in the future.

The key barriers to working more with either large corporates or government are the same; relating primarily to **the complexity of the procurement process**, as well as the **ability to find out about opportunities to bid**.

COMPLEX PROCUREMENT PROCESSES AND FINDING OPPORTUNITIES TO BID PREVENT SCALEUPS WORKING MORE WITH BOTH LARGE CORPORATES AND GOVERNMENT

KEY BARRIERS TO WORKING MORE WITH GOVERNMENT AND LARGE CORPORATES



Trading internationally

Most scaleups (64%) are involved in international trade:

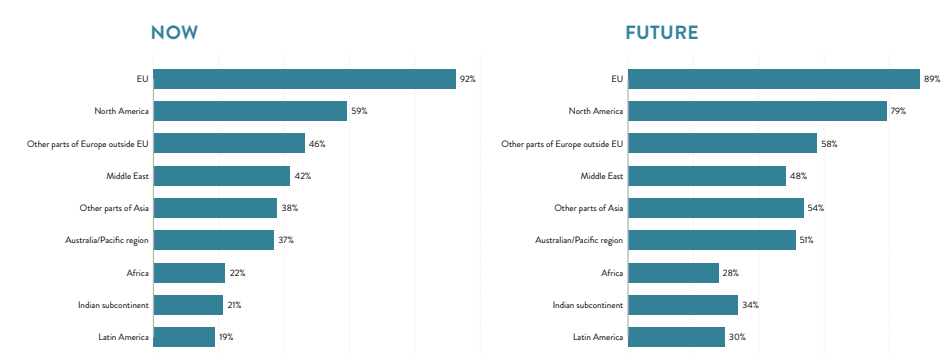
- **54% export** (50% to the EU and 44% outside the EU).
- **43% import** (37% from the EU and 33% from outside the EU).
- **Overall, 59% are involved in some trade to/from the EU** and a similar proportion (53%) trade outside the EU.
- Significant numbers of scaleups export to markets across the globe, including: **Africa, the Middle East, Asia, Australia and Latin America.**

Among scaleups not currently trading internationally, 27% plan to start doing so, 16% plan to start trading to the EU and 18% plan to start trading outside of the EU. **This means that, consistent with last year, we are seeing a strong pattern that 7 out of 10 scaleups would be international businesses – a significant prize to the UK's export aspirations.**

Among scaleups currently exporting, they are likely to be doing so in the **EU** (92%), **North America** (59%) but increasingly are developing a footprint in the **Middle East** (42%), **Asia** (38%), **Australia/Pacific region** (37%) and **Africa** (22%). These are also key future markets among exporters and would-be exporters.

EU AND NORTH AMERICA ARE KEY MARKETS BUT THERE IS CLEAR ACTIVITY AND APPETITE TO DO MORE IN MORE DIVERSE MARKETS SUCH AS ASIA, AFRICA AND INDIA

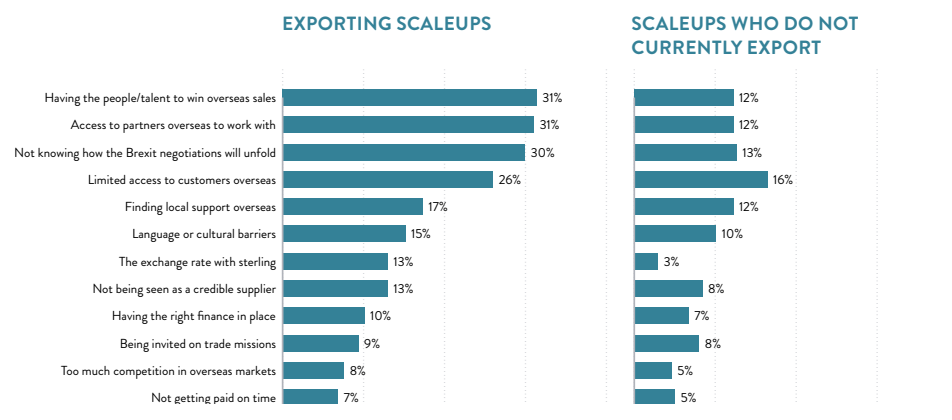
MARKETS FOR EXPORTERS AND FUTURE EXPORTERS, FOR SCALEUPS ALREADY EXPORTING OR LOOKING TO EXPORT IN THE FUTURE



Among those already exporting the main barriers to exporting more are threefold: **Having the people/talent to win overseas sales** (31%), **Not being able to find partners overseas to work with** (31%), and **Not knowing how the Brexit negotiations will unfold** (30%). The scaleups who are not already exporting see limited access to customers overseas as their main barrier, identified by 16% of them.

SCALEUPS WOULD EXPORT MORE IF THEY HAD THE TALENT TO WIN OVERSEAS SALES, ALONGSIDE FINDING SUITABLE PARTNERS

KEY BARRIERS TO OVERSEAS TRADE

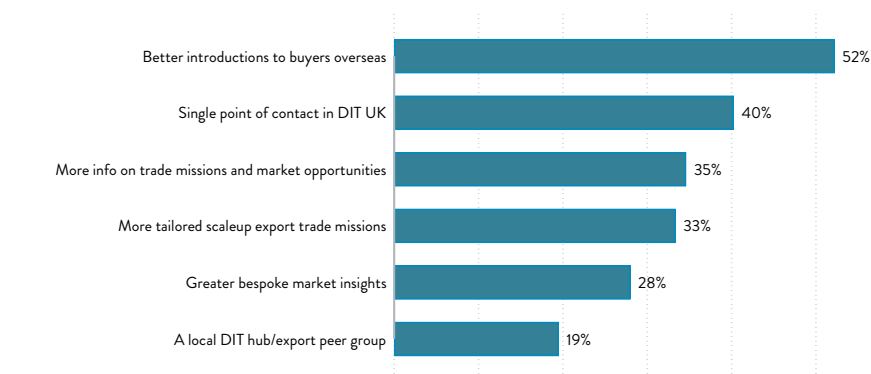


Breaking down the barriers to exporting

Looking at what would help these scaleups export more, **half of scaleups (52%) wanted better introductions to buyers overseas** (either from the public sector or corporates/financiers) and **4 out of 10 (40%) wanted a single point of contact with the Department for International Trade (DIT) in the UK**.

SCALEUPS WANT BETTER INTRODUCTIONS TO BUYERS OVERSEAS, AS WELL AS A SINGLE POINT OF CONTACT AT DIT

MOST VALUABLE TYPE OF EXPORT SUPPORT, AMONG SCALEUPS EXPORTING OR WANTING TO EXPORT



Leadership

Building leadership capacity remains one of the most important issues for scaleups, although it has been slightly less of a barrier in recent years. In 2018, 55% of scaleups identified it as a vital or very important factor in enabling their business to grow.

Scaleups want solutions for leadership development at a local level.

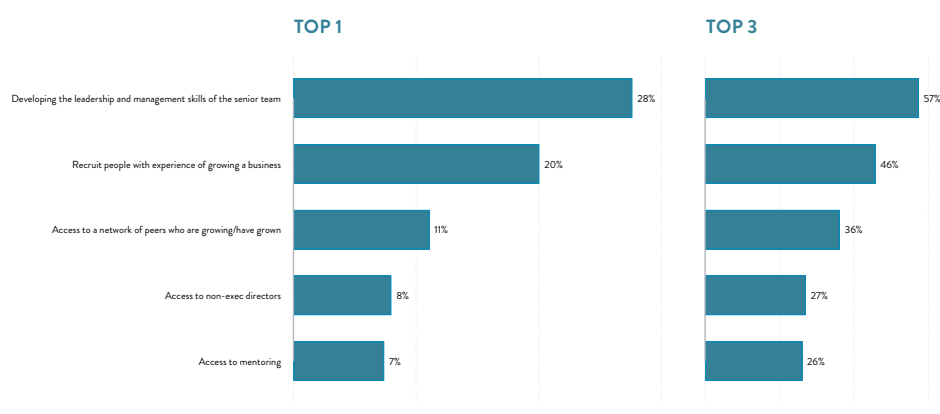
They want local access to leaders and peers with experience of growing a business, as well as surrounding universities and business schools. They also want easier access to public sector funding for innovation and R&D, general business support, Growth Hubs and Innovate UK.

Scaleups are focused on developing their leadership capability and capacity. More than half of scaleups included developing the leadership and management skills of the senior team in their top three factors supporting growth. **They want local support, as recruiting people with experience of growing a business** into the leadership team and **access to a network of peers** who are growing/have grown are rated as more important in supporting their growth than private sector led-support (11%) or support from larger corporates within the supply chain (16%).

Access to **peer-to-peer networks** is the most likely form of support to be rated **vital or very important** to help scaleups grow their business further (55%), followed by support from local business schools and universities (39%). 35% consider professional advisers an important resource.

DEVELOPING THE SKILLS OF THE EXISTING LEADERSHIP TEAM IS THE PRIORITY OF SCALEUPS INCREASING THEIR LEADERSHIP CAPACITY, ALONGSIDE PEER-TO-PEER NETWORKS AND EFFECTIVE HIRING

FACTORS SUPPORTING GROWTH – MOST POPULAR MENTIONS



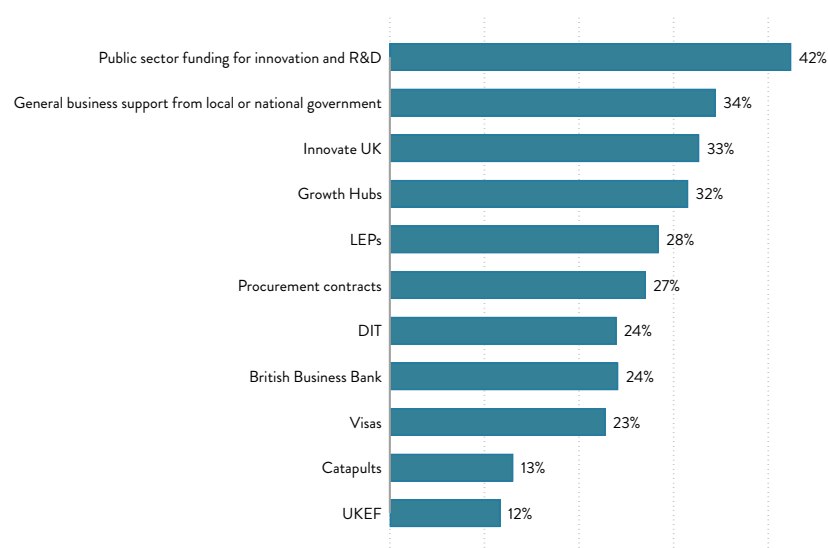
Mentors are a vital resource

Mentors continue to be an important resource for scaleups. More than half of scaleups have a mentor (55%) and more than nine out of ten of those who have a mentor valued their input. The main reasons why scaleup leaders did not have a mentor were the lack of a need (27%) and not knowing where or how to find one (24%).

Scaleups were most likely to say that they would welcome easier access to public sector funding for R&D and innovation (42%). **One in three scaleups would like easier access to general business support from local or national government, Innovate UK or Growth Hubs.**

EASIER ACCESS TO PUBLIC SECTOR FUNDING IS CRUCIAL FOR SCALEUPS, AS WELL AS EASIER ACCESS TO BUSINESS SUPPORT, GROWTH HUBS AND INNOVATE UK

FORMS OF SUPPORT SCALEUPS WOULD LIKE EASIER ACCESS TO



Access to finance

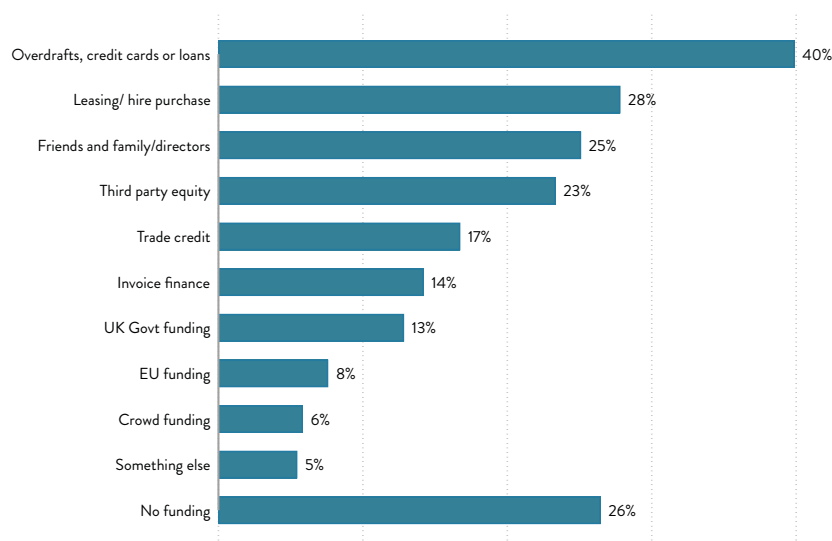
Scaleups are likely to be using a range of forms of external finance and while access to finance was not seen as the key issue holding them back, significantly four out of ten scaleups do not feel they currently have the right amount of funding in place for their current ambitions.

The regional disparities continue to be noticeable, with scaleups in London and the South East much more likely to be using equity finance than those elsewhere.

Most scaleups rely on external finance to support their growth (74%). This consists of a wide variety of sources, including overdrafts or loans (40%), leasing/hire purchase (28%), cash injections from friends, family or directors (25%) among others. 44% of scaleups think that their business does not have the right amount and type of funding in place to support their current ambitions.

SCALEUPS RELY ON MANY FORMS OF EXTERNAL FINANCE, WITH ONLY 24% ONLY RELYING ON INTERNAL FINANCING

EXTERNAL FINANCING USED



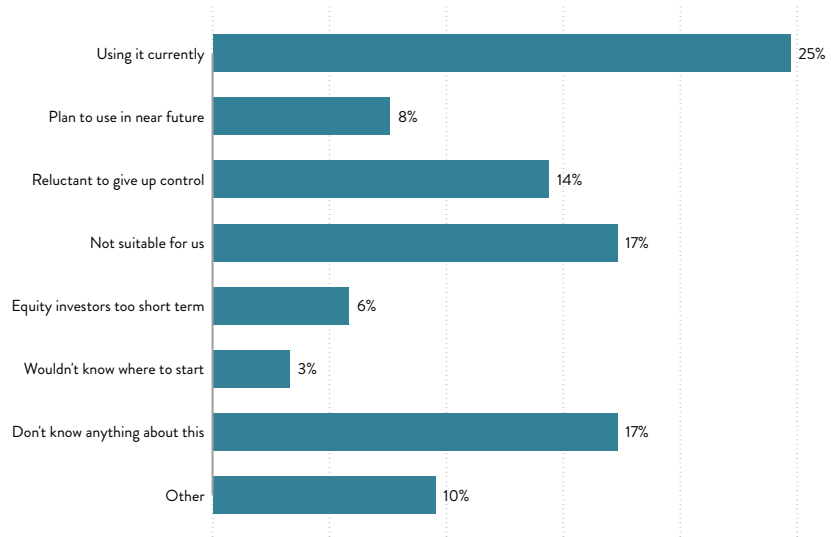
Those who do not use finance, or do not feel they have the right amount available to them cite **not wanting to give up control of the business** (29%), **finance coming with too many terms** (24%), or **a lack of collateral to provide** (22%). Education about finance may also be helpful – 17% stated that they don't know anything about equity finance.

Looking at their use of equity finance:

- Equity finance is currently used by one in four scaleups (25%)
- A further 8% plan to use it in the near future
- 17% don't think it is suitable for their current business
- 14% are reluctant to give up control

ATTITUDES ON EQUITY FINANCE VARY CONSIDERABLY ACROSS FIRMS

ATTITUDES TO EQUITY FINANCE



Scaleups in London and the South East are much more likely to be using equity finance (36% vs 18%) than those based elsewhere, who are less likely to feel that equity finance is not suitable for their business (13% vs 21%).

This strongly suggests that there is much more work to do to drive up knowledge and understanding of growth capital, which remains a key focus of our work with the British Business Bank and private sector.

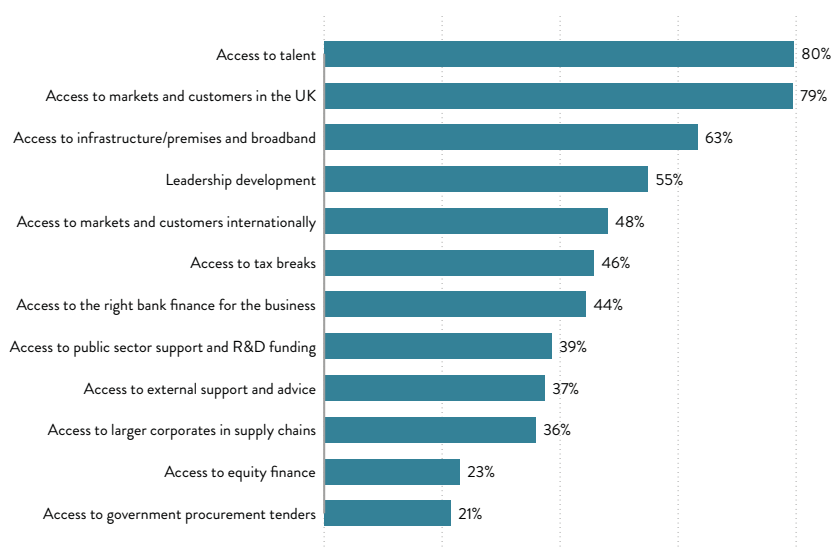
Looking forward

While scaleup aspirations remain high, there remains concern over sufficient support and the UK being a good location for doing business in the future, reinforcing the importance of the public and private sector addressing these businesses and their needs in a segmented and coordinated manner.

Looking forward, access to markets and customers in the UK has become an increasingly important focus for scaleups. It now ranks almost equally with access to talent as the key barrier to the continued growth of the nation's scaleups.

SCALEUPS VIEW ACCESS TO TALENT AND ACCESS TO UK MARKETS AS THE MOST IMPORTANT BARRIERS TO THEIR CONTINUED GROWTH

IMPORTANT FACTORS IN BUSINESS GROWING, VITAL/VERY IMPORTANT



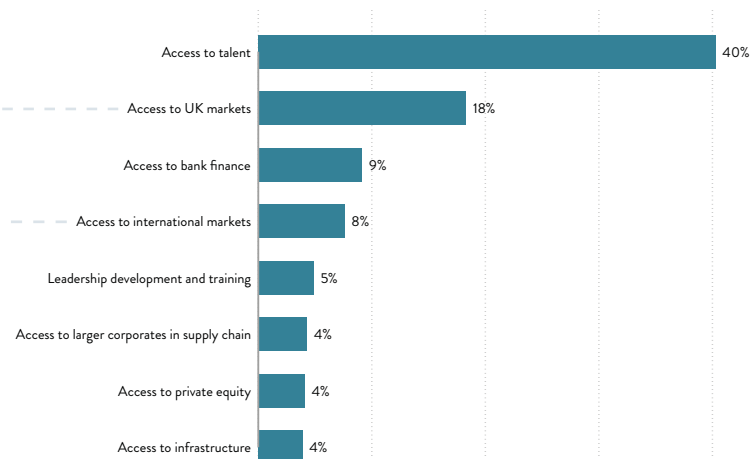
When forced to choose a single factor, **access to talent stands out as the primary barrier** closely followed by access to markets, with the recognition that leadership development is likely factored into the demand for talent and skills when scaleups were forced to choose a single factor.

30%

view access to markets as their number one barrier to growth

ACCESS TO TALENT IS THE MOST IMPORTANT BARRIER TO GROWTH IN FOUR OUT OF TEN SCALEUPS, WITH ACCESS TO MARKETS CHOSEN BY THREE OUT OF TEN SCALEUPS

IMPORTANT FACTORS IN BUSINESS GROWING, TOP RANKED



Looking at their attitudes, scaleups are aware that they are outperforming their peers (63%). Furthermore they remain ambitious; **seven out of ten scaleups (69%) think it is realistic to expect 20%+ growth every year.**

7 IN 10 SCALEUPS THINK 20%+ ANNUAL GROWTH IS REALISTIC, BUT HALF ARE WORRIED ABOUT THE FUTURE OF THE UK FOR DOING BUSINESS AND 4 IN 10 FEEL THERE IS LITTLE SUPPORT AVAILABLE

ATTITUDES TO GROWTH - % AGREE



Reflecting on the business environment, half (48%) have **concerns about the UK being a good location for doing business in the future.** It is reassuring that there has been a decline in the proportion of scaleups who **feel that there is little support available** (from 47% in 2017 to 40% in 2018), but it still is significant cause for concern that **four out of ten of our fastest growing businesses do not see sufficient support to available to them.**

There is some support (44%) for the view that most of the money and advice is in London and the South East - which highlights the regional disparities that exist.

The SME finance monitor 2018

The scaleup perspective

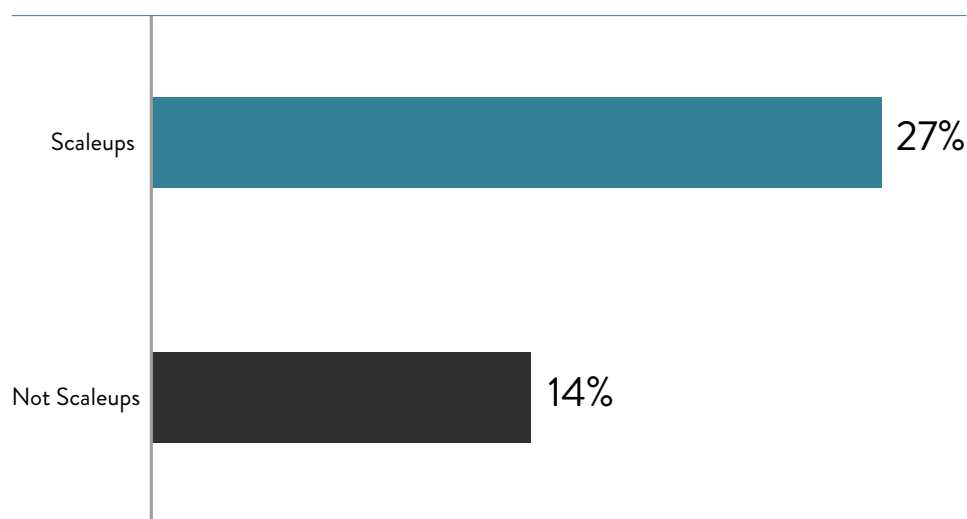
In 2018 we have worked again with our banking partners and BVA BDRC to assess what our SME scaleups' concerns and issues are.

In this process through the first half of 2018 we have interviewed **1,819 scaleup CEOs**, from across the country and sectors. **This diverse group of scaleups mirror the views held by respondents to our 2018 Scaleup Survey.**

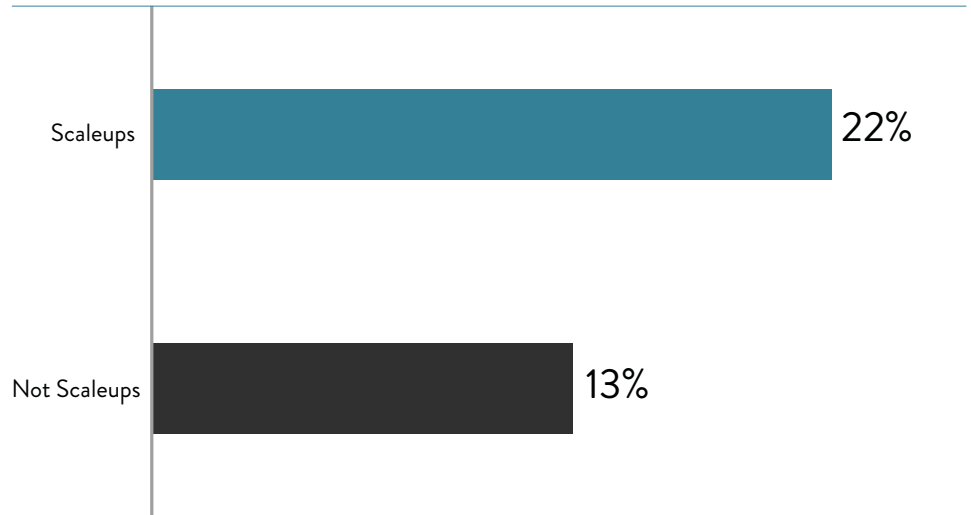
In the SME Monitor review **Scaleup** SME CEOs were more likely to identify recruiting and retaining staff as a key barrier to their growth than their peers (10% vs 6%), more likely to trade internationally (20% vs 13%) and more likely to have innovated (42% vs 31%).

Scaleups in the SME Finance Monitor are ambitious – the majority are planning to grow again in 2019, and looking ahead to the next year are also more likely to pursue growth opportunities than their peers:

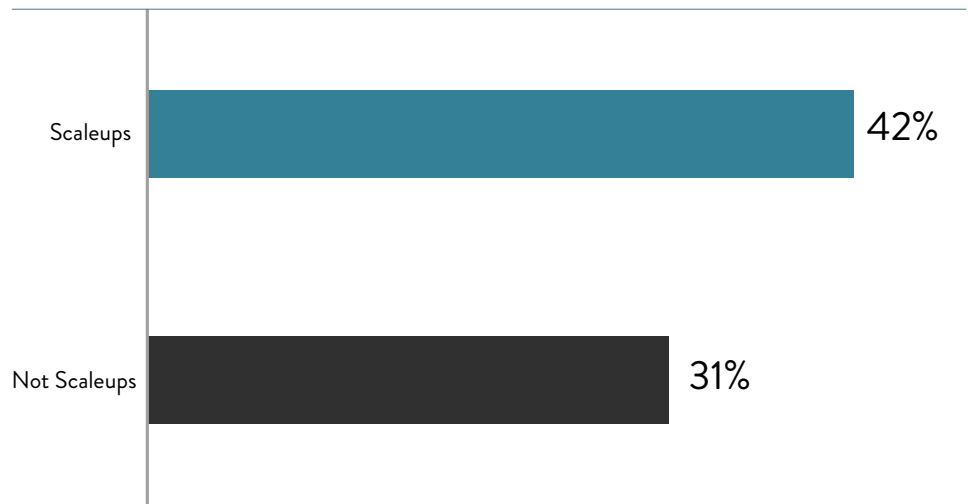
MORE LIKELY TO TAKE ON MORE STAFF



MORE LIKELY TO INVEST IN A NEW PLANT OR MACHINERY



MORE LIKELY TO HAVE INNOVATED



These results reinforce the characteristics of scaleup leaders: they are more ambitious, international and innovative than their peers, with higher growth and scaling aspirations. Given these dynamics it reinforces the importance of segmentation when looking at the UK business and SME landscape, ensuring that scaleups are always treated as a cohort in their own right.

The scaleup support landscape

Mapping the maze

Scaling companies can benefit from, and are hungry for, appropriate programmes designed to break down the barriers that they face. But in a sea of business support offerings many scaleups find it difficult to identify programmes that are specific to their needs. For a time-poor, fast-growing scaleup, it is often very difficult to determine what programmes really work.

To help them, the ScaleUp Institute endorses programmes and initiatives which can demonstrate that their support provides measurable benefits for scaleups. These are detailed in Chapter 2 of our report.

This year, Innovate UK and the ScaleUp Institute have also been working collaboratively with Arup and the London School of Economics to map all the support that purports to be available to high-growth businesses. This is in order to gain a holistic picture of the available programmes which specifically target scaleup and scaling businesses (those on the pathway to scaleup) and those programmes which are designed more generally for SMEs but which may have some scaling element to them.

Using an online survey, we gathered responses from a wide range of UK sources. The survey focused on existing programmes in the marketplace – whether public, education or private sector led – which address the core challenges faced by scaleups: talent acquisition; building leadership capacity; access to markets; finance and infrastructure.

Key statistics

The review uncovered 219 programmes designed to address ‘growing [scaling] pains’. Of these we found:

- 37 programmes have been endorsed by the ScaleUp Institute, 25 have been designated ‘one to watch’, and a further 80 programmes are designed to target scaleups/scaling firms
- Four in ten programmes (37%) are general growth business programmes, with some element catering to scaling businesses.
- 77 of these programmes are private-sector led, 49 education sector-led and 91 are public led, including hybrids of public and private local initiatives led by the Local Enterprise Partnership or regional authorities.
- The majority are delivered at a local level with 142 local, 6 multi-regional, 63 national and 8 international. The region with the most programmes is the East Midlands, with 30 programmes recorded.
- Significantly, of the 219 programmes reported, **1 in 3** are currently co-funded by the **European Regional Development Fund**.

Notably **more than 60% of the programmes for scaling businesses have been established in the last three years**. Very few have existed for more than ten years. Not only does this reflect the historic dearth of support for scaleups, it also **demonstrates the role and impact of the ScaleUp Institute in its focus and training through the Driving Economic Growth programme**. It also reinforces the ongoing role for the ScaleUp Institute in assessing which programmes work – and which do not.

Improving scaleup support requires local engagement and aligned private and public sector policy

The exercise reinforces the views of our scaleup leaders on what is ‘missing’ to break down their barriers, including the regional disparities. It emphasises the vital work remaining to be done if we are to ensure that every scaleup business, in every part of the country, has the right access to the tools to fuel their growth.

It also highlights the need to further consider the manner in which we can address the gaps in scaleup specific interventions and what the priorities of the Shared Prosperity Fund and Comprehensive Spending Review should be.

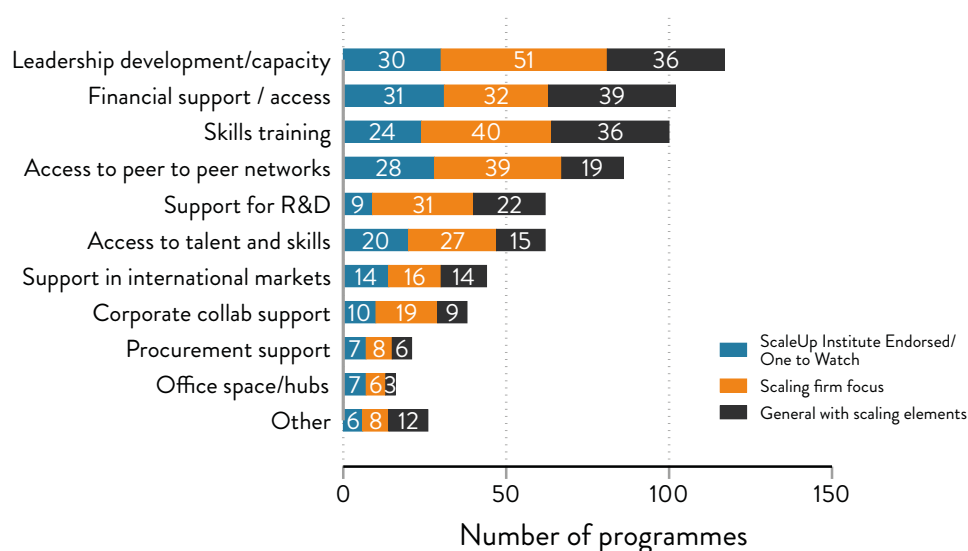
Those implementing the recent Budget announcements on leadership, networks and mentoring should carefully consider the evidence in this review and, in light of it, the proportion of spend assigned towards scaling firms. The ScaleUp Institute recommends that a significant proportion be given to scaleup interventions, building on those that have most impact and ensuring there is meaningful coverage in every local area. The Government should ensure that scaleups are a key segment in all interventions.

The results, which are summarised below, have been enlightening and give us all a great deal of food for thought as we consider our drive to become a scaleup nation and close the scaleup gap.

There are significant gaps in programmes addressing scaleup barriers to growth, notably in access to markets

- It is clear that there are **very few purely scaleup/scaling focused interventions** and very clear **regional and local gaps** in offerings. There are few bespoke offerings for this segment.
- There are substantial gaps in addressing the two barriers of access to talent and access to markets, which have been consistently cited (including in our 2018 survey) as major challenges to scaling firms.
- More than half of all the mapped support programmes focus on leadership development, peer networks or leadership capacity building.
- Only 10% of the mapped support programmes are designed to help scaleups to access public or private procurement.
- Only 7% offer office space / hubs that focus on the needs of scaleups.

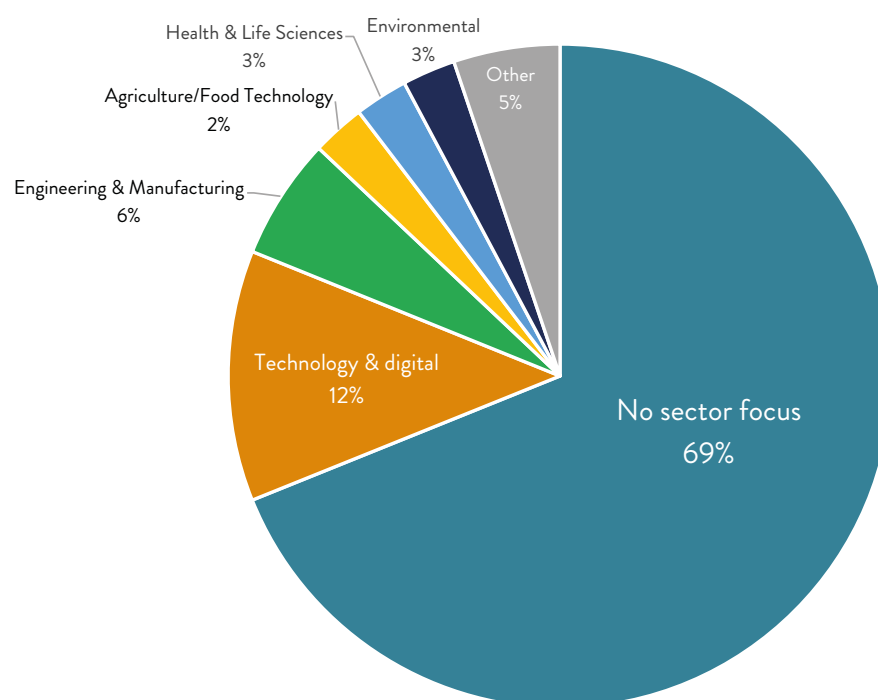
THE SCALEUP CHALLENGES SOUGHT TO BE ADDRESSED BY PROGRAMMES MAPPED



Programmes are often delivered at no cost to the participating business, while those that do charge have a range of fees from £500 to around £15,000. 23% of the programmes are accessed by simple referral with the majority (73%) requiring a formal application process. Very few undertake an interview process.

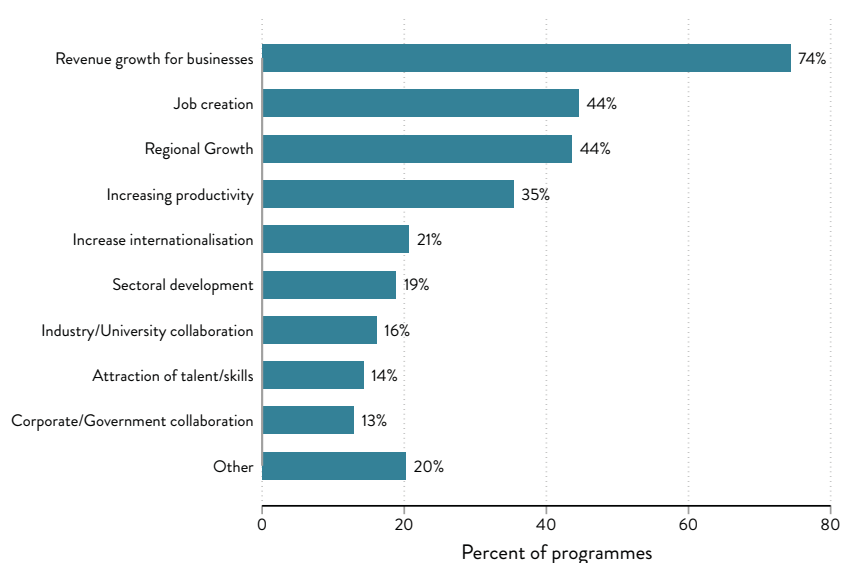
- In addition, most programmes reach a relatively small number of scaling businesses at any one time, **with the majority (53%) catering for scaling businesses in cohorts of up to 35 businesses and 4 in 10 (37%) focused on cohorts of fewer than 20.**
- This means that **many thousands of scaling businesses**, which are driving economic growth and jobs, are **missing out** on fundamental engagement with the public, private and education sectors. In terms of overcoming barriers to growth, this is an enormous missed opportunity.
- 69% of the programmes are sector neutral. This is encouraging given the range of sectors in which scaleups are found and that peer learning occurs across sectors.
- Of those with a sectoral focus, programmes are primarily targeting firms in technology, scientific and manufacturing sectors.
- 6 in 10 programmes (62%) have **no particular focus on attracting innovation-led businesses** or using that as **an assessment criteria** to gain entry to a programme. **This absence of innovation focus is surprising**, given that **scaling businesses are twice as likely as their peers to be innovative**. It is a metric that the ScaleUp Institute believes is a 'must have' for spotting a high potential scaling business. It also highlights the need for such agencies as Innovate UK to continue a targeted focus on such firms.

MOST PROGRAMMES HAVE NO SECTORAL FOCUS, WITH TECHNOLOGY, SCIENTIFIC AND MANUFACTURING THE MOST COMMON FOCUS AMONG THOSE THAT DO



- While most programmes are intended to increase revenues for participating businesses, alongside job creation, productivity and regional growth, **many could not provide detailed evidence to show actual impact of results.**
- This reinforces the need for rigour in analysis of outcomes from programmes. Where public funding is involved, a much better assessment of the impacts and return on investment is required so that public funds can be spent and targeted towards impactful programmes providing scaleup outcomes and aligned to the most effective.

THE PROGRAMMES' PRIMARY AIMS



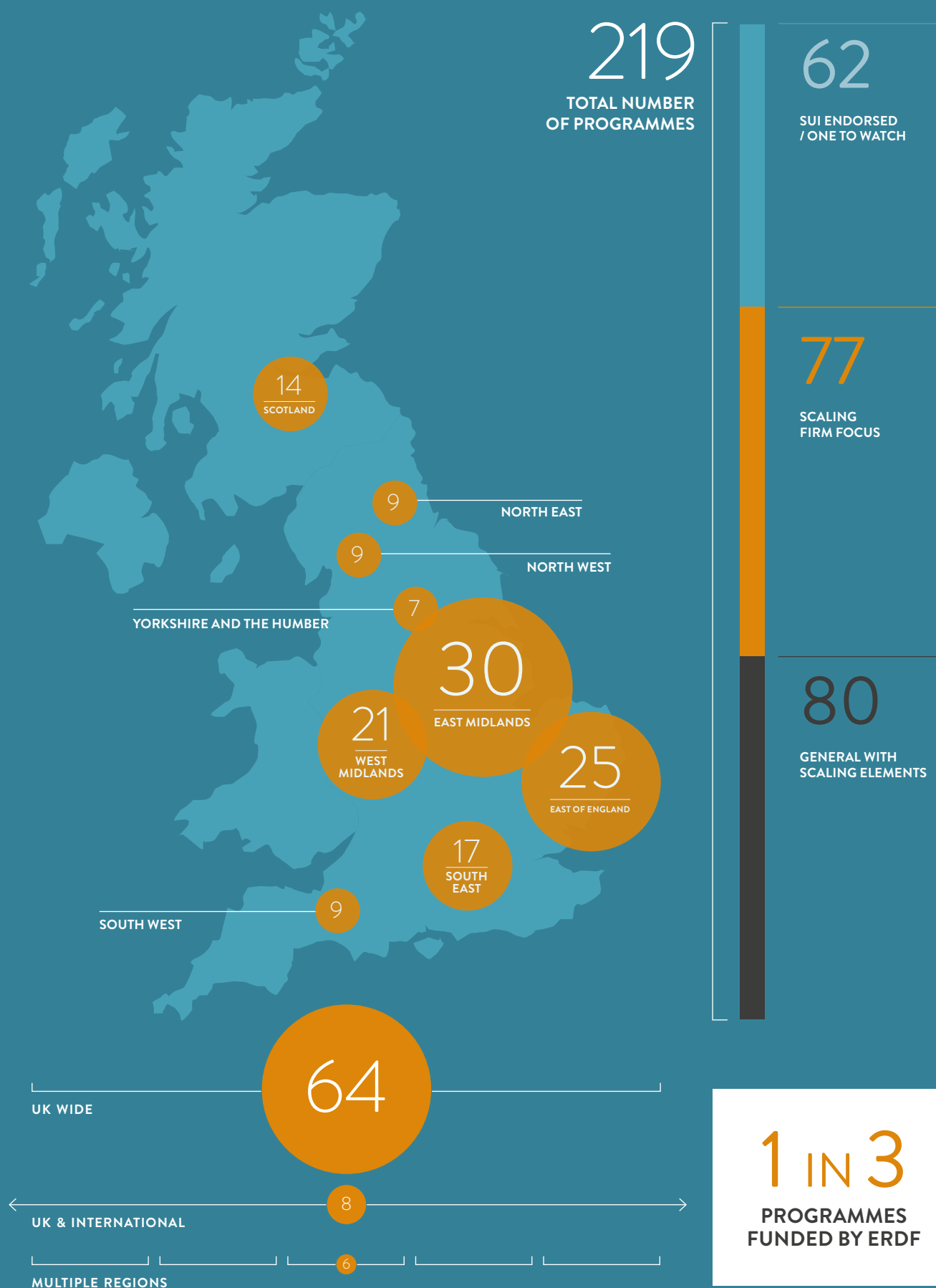
Notes: Percentages sum to more than 100 because some programmes had multiple objectives

While undoubtedly there are programmes we did not identify with this exercise, this review is the first of its kind and provides a critical baseline to better understand the growth support landscape and the gaps in provision that exist. As the ScaleUp Institute continues with its 'case study' analysis and endorsement of impactful programmes, this review provides a rich data source to interrogate further and better understand what does – and does not – work.

Key conclusions and next steps

- Although more programmes focused on scaleup businesses have emerged, considerable local and regional disparities persist. **Segmentation and coverage remains vital.**
- Progress is being made in getting more targeted engagement with scaleups through programmes that deal with the challenges in talent, leadership and finance. This needs to continue. **Significantly, both the public and private sectors need to do more for scaleups to address the challenge of access to markets.**
- **Quantity is not quality.** As scaleup programmes evolve we must be sure they are truly impactful and add value to our scaling businesses. This is a role the ScaleUp Institute will continue to pursue with rigour. With the rich data now uncovered further analysis will take place in 2019.
- **Universities and business schools are playing a key role in the evolving scaleup support landscape.** These entities have played an important role in closing the local scaleup gap and in 2019 we will be undertaking more work to showcase what is being undertaken and sharing good practices.
- **Banks, advisory and technology firms** are gearing up their scaleup focus and we would like to see this mirrored in other sectors.
- While we welcome the additional Government spend towards leadership, peer networks and mentoring, which builds on a range of our insights, **it will now be crucial to ensure a sufficient proportion of the spend is assigned towards scaleups and programmes with impact.** How the **Shared Prosperity Fund** and **Comprehensive Spending Review** develop will be crucial.
- As more scaleup programmes emerge, the more difficult it is for scaling companies to navigate the landscape and to gauge the quality of these programmes. In order to aid understanding, further analysis and impact assessment, **the ScaleUp Institute is making the results of this support mapping available online, as an interactive tool for the ecosystem and for businesses to self report, and assess programme quality and outcomes.** We will also continue our work with Innovate UK and our Evidence Committee to analyse the efficacy of these programmes and to identify any others.
- Innovate UK, the ScaleUp Institute and the British Business Bank also intend to work together with the Department for Business, Energy and Industrial Strategy (BEIS) to develop an effective online scaleup hub that brings together the public, education and private sector initiatives with proven scaleup impact. This is an important service that scaling businesses are keen to see provided. It should also provide useful insights as we move forward.

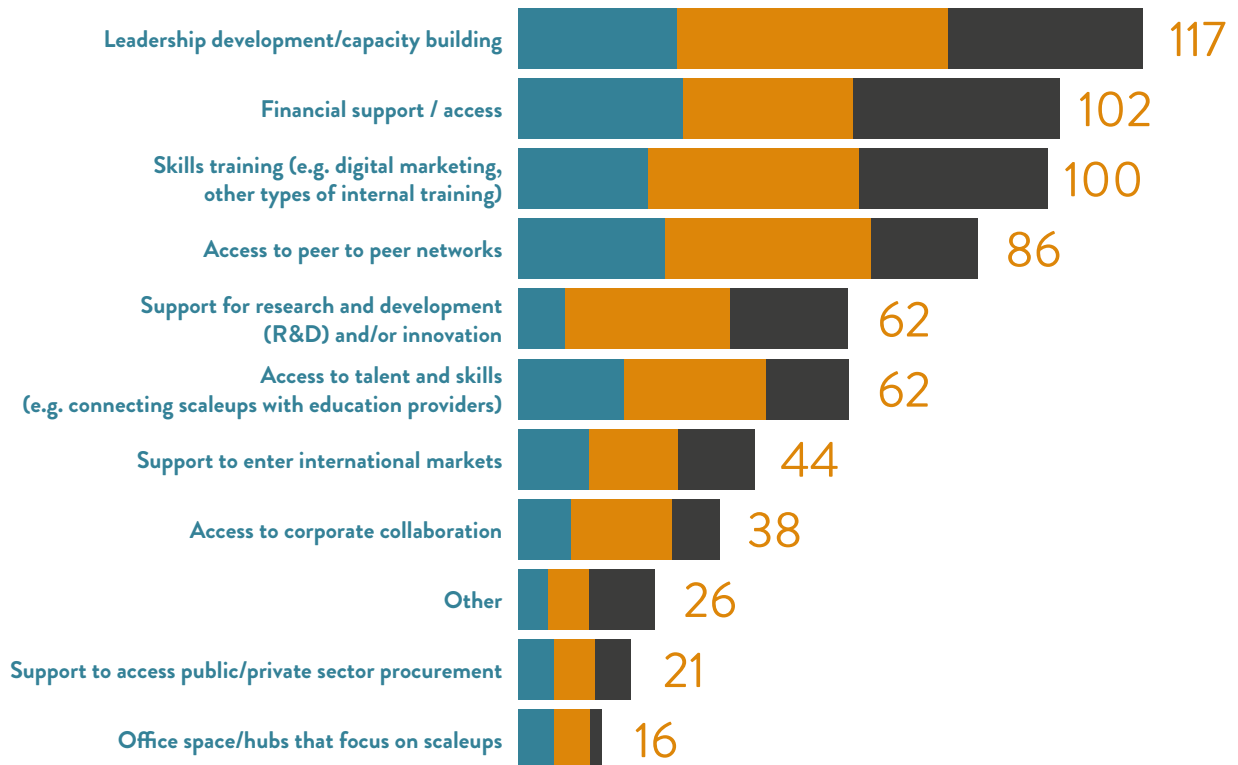
NUMBER OF PROGRAMMES BY REGION



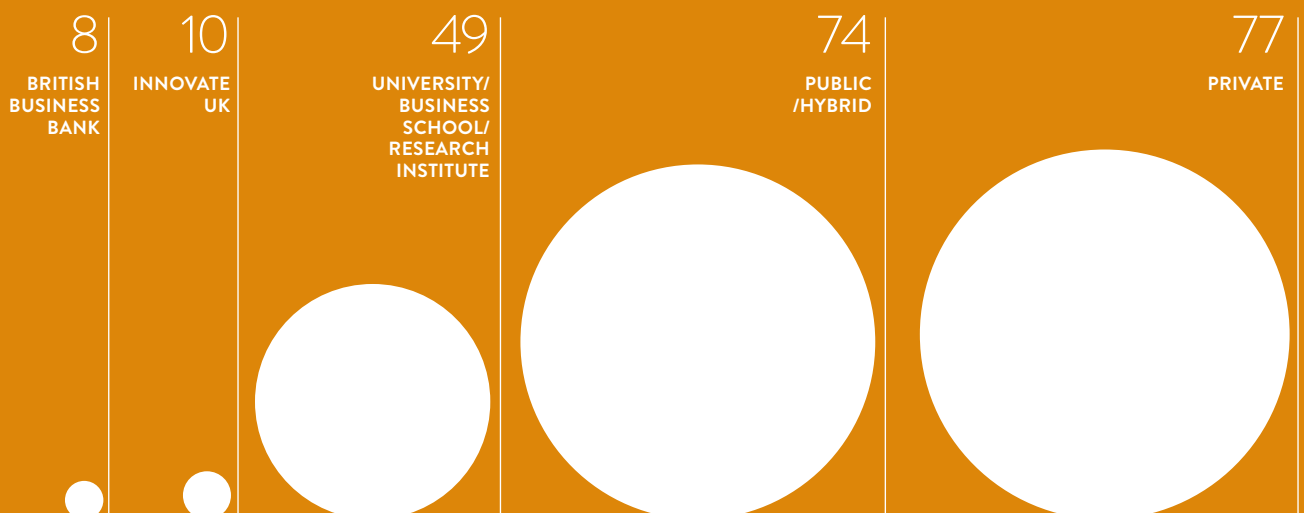
NUMBER OF PROGRAMMES BY TYPE OF SUPPORT PROVIDED

Innovate UK

● SUI ENDORSED/ONE TO WATCH ● SCALING FIRM FOCUS ● GENERAL WITH SCALING ELEMENTS



NUMBER OF PROGRAMMES BY DELIVERY ORGANISATION





Chapter Two

Leading programmes breaking
down the barriers for scaleups



Leading programmes breaking down the barriers for scaleups

The 2018 Scaleup Survey has demonstrated yet again that scaleup business leaders share the same needs. They are looking for the right talent to strengthen their workforces and scale even further and faster, the chance to share and learn from successful peers to overcome challenges and help shape their strategies and wider access to markets at home and overseas.

They also need access to finance that is ‘patient’ and ‘smart’ to meet their ambitions to scale and innovate and want to operate in supportive but flexible environments in which they can grow. For many that means an environment where they can learn from the similar experiences of others and develop through collaboration.

Private, public and education sector players are getting the message and developing an increasing number of initiatives and programmes to meet the specific needs of scaleups. As more data and information about fast-growing businesses becomes available they are developing more proactive engagement models with scaling businesses. However, the reality is that many scaleup leaders, with the intensive effort required to run their companies have neither the time or resources to identify or search out the programmes that will make a real difference to their business.

It is a central part of the ScaleUp Institute’s mission to identify what is working well in both national and local programmes to share emerging best practice and insights. We provide the information so that scaleup leaders can focus on building their business.

Our commitment is that we will only highlight exemplar programmes that have been able to provide evidence that demonstrates a measurable impact in dealing with issues faced by scaleups.

Our historical approach has been to endorse well-evidenced programmes that have proof that they are making a significant impact. We also seek out new programmes which look promising but where not enough time has yet passed to receive our endorsement. These are described as ‘ones to watch’ to keep them on our radar. We will not endorse any programme without having researched and verified the evidence supporting the claims made.

The main focus of this chapter of the Review is to describe these newly-endorsed case studies, highlight ‘ones to watch’ and review the progress of those endorsed in 2016 and

2017. As well as featuring these programmes we also include a number of practical lessons and insights from key ecosystem players working in this field.

In 2017 we identified that a significant element of most of the case studies was the valuable role played by account managers. We continue to recognise the importance of account managers and the need to train those carrying out this role in the specific needs of scaleup business leaders which are dramatically different from those of startups, SMEs or large enterprises. We also point to the successful pilot of a Scaleup Enabler based in Bristol's Engine Shed in helping to draw together a supportive ecosystem for the region's fast-growing residents and beyond.

Another important element of successful programmes is the role of the mentor who can help business leaders find solutions to challenges and barriers, develop successful strategies and source funding. In its valuable list of lessons learnt the Lazaridis Institute has highlighted the importance of matching the right mentor to the business leader.

The Mayor of London's International Business Programme continues to be a significant initiative mentoring and involving scaleups in overseas missions trade missions to Europe, US and beyond. We would like to see other City and Metro Mayors replicating its approach to help their local scaleups access new markets and customers.

For raising aspirations and developing skills for the future, we now endorse the Careers & Enterprise Company, which is focusing action on areas where young people are most in need of careers support and has 2,000 CEO and business leaders as Volunteer Enterprise Advisers working with 2,000 schools and colleges. We also feature Generator Digital Scale-up for its excellent talent development support to creative digital and tech businesses in the North of England.

Scaleup leaders cite executive education and leadership training as a priority for them, as well as better access to universities and business schools. We have turned the spotlight on the Massachusetts Institute of Technology Venture Mentoring Service which is supporting alumni and staff of this world-famous institution with ideas for innovative business and propose it as a model for UK universities. We are also pleased to see that programmes we have endorsed in previous years such as Goldman Sachs *10,000 Small Businesses UK*, the London Stock Exchange ELITE and the British Library's *Innovating for Growth* continue to grow their connections and reach.

Financial institutions are increasingly turning attention to scaling businesses and their need for patient capital. The number of offerings for scaling businesses is developing and providing a diverse range of funds, very often backed up with the specialist support that ambitious scaleup leaders are seeking. Regional disparities still exist but by highlighting the various finance programmes available we hope it provide insight to scaleups, as well as the finance community on what more can be leveraged and undertaken.

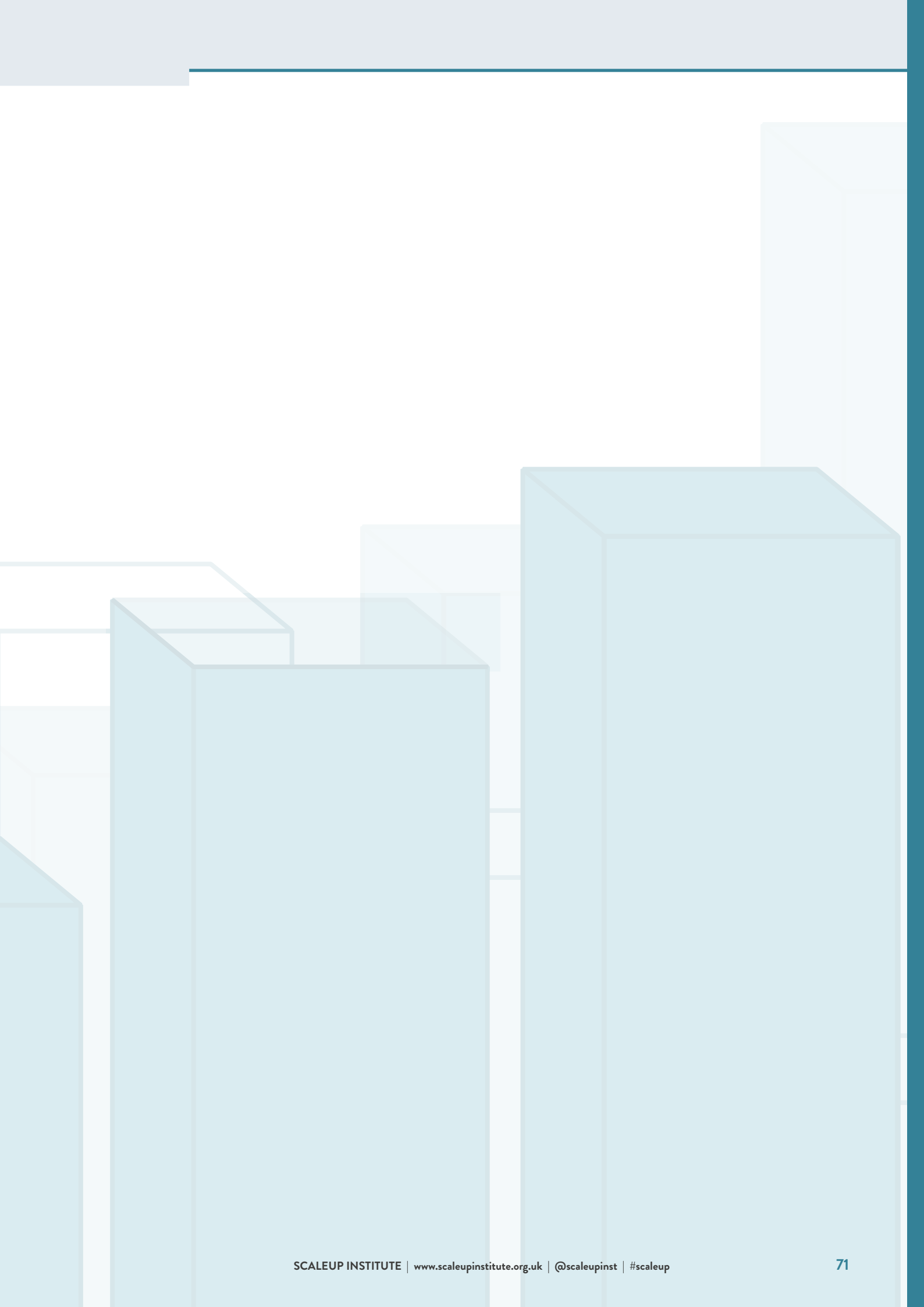
Finally, we focus on exemplar infrastructure projects that are providing flexible but often sophisticated hubs which scaleups with similar interests and challenges can work in, grow in and collaborate to develop ideas and overcome challenges. In 2018 we consider the impact that life science hubs such as Alderley Park and the Babraham Research Campus are having on scaleups.

In the following pages, we describe the case studies in more detail. The ScaleUp Institute is always looking to expand this directory of recommended programmes for scaleups and welcomes suggestions of further well-evidenced and high-impact initiatives.

Case studies

New and endorsed

	NEW CASE STUDIES FOR 2018	CURRENTLY ENDORSED CASE STUDIES
 TALENT AND SKILLS	 Careers & Enterprise Company Generator Digital Scale-up	 Freeformers Founders4Schools Google Digital Garage LifeSkills, created with Barclays
ONE TO WATCH	 Teach First: Careers Leader Programme	
 LEADERSHIP	 MIT: Venture Mentoring Service Vistage	 British Library: Innovating for Growth Cranfield School of Management: Business Growth Programme Goldman Sachs 10,000 Small Businesses UK London Stock Exchange ELITE The Supper Club
ONES TO WATCH	 Cambridge Network: School for Scale-Ups Entrepreneurs' Forum: Scale-up Leaders' Academy Lazaridis Scale-Up Program The Platinum Group Productivity through People Strathclyde Business School: Growth Advantage Programme	
 ACCESS TO MARKETS	 Corporate Stars	 Go to Grow: Mayor of London's International Business Programme Sharing in Growth (SiG) Silicon Valley Comes to the UK (SVC2UK)
 FINANCE	 Accel Balderton Capital Crowdcube Draper Esprit Eight Roads Index Ventures IP Group, including Touchstone Innovations LDC Notion Partech Santander Growth Capital Breakthrough programme Woodford Investment Management	 Barclays: Venture Debt BGF British Business Bank: Enterprise Capital Fund Octopus Titan VCT
 INFRASTRUCTURE	 Alderley Park Babraham Research Campus Barclays Eagle Labs	 Cambridge Cluster Map Engine Shed Google Campus
ONES TO WATCH	 FCA Regulatory Sandbox Level39 NatWest Entrepreneur Accelerator	
 INTERNATIONAL	 MIT: Venture Mentoring Service	 Endeavour Manizales Mas Scale-up Milwaukee
ONESTO WATCH	 Lazaridis Scale-Up Program	





Talent and Skills

NEW CASE STUDIES FOR 2018



Careers & Enterprise Company
Generator Digital Scale-up

CURRENTLY ENDORSED CASE STUDIES



Freeformers
Founders4Schools
Google Digital Garage
LifeSkills, created with Barclays

ONES TO WATCH



Teach First: Careers Leader Programme

Concern about the UK's skills gap and the impact this has on scaleup ambitions remains stubbornly the major issue for the leaders of fast-growing business.

For the fifth consecutive year in our Scaleup Survey, the challenge to find and develop the right talent and skills is viewed by scaleup leaders as the single most significant barrier to growth. Tackling this challenge and building a national pipeline of talent and modern skills remains a priority which will only be solved if the ecosystem works collaboratively together to address it.

It is against this backdrop that we highlight in 2018 exemplars that harness business leaders to schools and colleges to encourage the students to develop the skills relevant to our scaling businesses needs, as well as the continuing role corporates, charities and teaching entities have in raising the skills bar. We also highlight programmes addressing specific sector needs with notably this year a focus on the creative industries.

In 2018 we endorse the **Careers & Enterprise Company** which in 2017 was identified as 'One to Watch'. The organisation has attracted 2,000 volunteer Enterprise Advisers, 60% of whom are at CEO or senior management level. These Advisers work directly with school and college leaders to develop employer engagement plans and support local businesses to equip young people with vital skills. These volunteers are enthusing the next generation and motivating them to make the curriculum choices that will support careers in our current and future scaleup businesses.

Ofsted has found that careers guidance within schools is improving. It sees evidence of integrated, coherent and effective careers strategies in more schools, with more frequent opportunities for pupils to access workshops, themed events, work experience and contact with employers.¹

This improving picture is reflected in the continued expansion of the exemplar **Founders4Schools** which has seen a 50% increase in educators using its service and

a greater than 100% increase in student-employer encounters per 1,000 students.

Teach First has also recognised the importance of skilling up careers leaders in the nation's schools. Its pilot Careers Leader programme produced good results and strong feedback. Teach First is now planning to roll out the programme more widely and features in our 'one to watch' category as we evaluate the progress it makes.

In 2018 social skills are cited by 80% of scaleups as being in their top three skills required of graduates and school leavers. So we are pleased that **LifeSkills** is continuing its excellent work helping to equip young people with the skills they need for the world of work in the 21st century. Since 2013 more than 6 million young people have benefited from the interactive tools including a virtual work experience that the programme provides.

With technical/ digital skills remaining so vital it is essential that there continues to be expansion in programmes such as **Google Digital Garage** and **Freeformers** which remain notable in their reach.

Scaling up in the creative sector has a multitude of challenges and we endorse **Generator Digital** as an excellent example of how a mixture of interim talent infill, alongside mentoring, coaching, experts and peer group learning can support a specific sector.

We are convinced that these exemplar programmes offer a strong foundation for improving the skills and work readiness of the UK workforce – we encourage others to work with these schemes, learn from them and emulate their approaches. We need to relentlessly continue the focus across the private and public sector if we are to make further inroads to close the skills gap that is holding back scaleup growth.

¹ <https://educationinspection.blog.gov.uk/2018/06/12/building-confidence-encouraging-aspiration/>


CAREERS & ENTERPRISE COMPANY



IMPACT FOR SCALEUPS


>2,000
SCHOOLS AND COLLEGES PARTICIPATING


>2,000
VOLUNTEER ENTERPRISE ADVISERS


50%
INCREASE IN EMPLOYER ENCOUNTERS AMONG NETWORK SCHOOLS AND COLLEGES

FIRST £5M FUND REACHED
380,000
YOUNG PEOPLE AND ENGAGED
7,800
EMPLOYERS (45% NEW RELATIONSHIPS)

Established in 2015, The Careers & Enterprise Company links schools and colleges to employers and helps them to deliver world class careers support for all young people. Funded by the Department of Education, it also unlocks resources from LEPs and other sources.

The Careers & Enterprise Company approach is based on research that shows quality careers and enterprise programmes can improve young people's ability to make career decisions and increase their employability and earning potential in later life.

One of their key roles is to connect local employers with schools via its network of Enterprise Advisers – senior volunteers from the world of business. Enterprise Advisors are based in and co-funded by LEPs, which work with the private, education and local public sectors.

The Careers & Enterprise Company has a successful record in attracting volunteers, recruiting over 2,000 volunteer Enterprise Advisers – 56% female/44% male, with 60% at CEO or senior management level – from a diverse range of businesses. Enterprise Advisers work closely with a local school or college leaders to develop a practical careers plan.

In addition, the Careers & Enterprise Company works with “cornerstone employers” in each of 12 Government-identified Opportunity Areas of low social mobility throughout England, where local educators, employers, voluntary and community organisations collaborate to improve outcomes.

Cornerstone Employers range from large to small, operating at a local or national level.

They work with their networks and the wider business community to ensure that all schools and colleges in the areas have access to an Enterprise Adviser and all young people at least four meaningful encounters with businesses.

Across the country, more than 2,000 schools have signed up to the Network and receive resources, digital tools and training support. The Careers & Enterprise Company has seen a 50% increase in employer encounters among schools and colleges in the Network and schools are working with three new employers on average.

Members of the Network value the opportunity to showcase their business/sector and develop useful skills: 80% of Enterprise Advisers say they are satisfied with their role and would recommend it to others.

To date, the Careers & Enterprise Company has invested £19m in the Enterprise Adviser Network and £14m has supported careers/enterprise and mentoring programmes working directly with schools and colleges through its Investment Fund. Independent evaluation of the first £5m fund launched in 2015 has shown the programmes reached 380,000 young people – with 75% targeted in “cold spot” areas. Over 7,800 employers engaged with the projects – 45% were new relationships arising directly from the funding.

“Careers and enterprise education is not only important in preparing young people for the world of work. It is also an essential and central part of raising standards. The Careers & Enterprise Company provides a national platform to make this happen, bringing schools and businesses together to provide students with their entitlement to skills acquisition, engagement with employers and inspiration to engage with their studies.”

NICK BOWEN, PRINCIPAL, HORIZON COMMUNITY COLLEGE, BARNSELY

“Bridging the gap between the world of education and the world of work is a priority for business communities hungry for new recruits at every level. The Company's work with local partners to promote greater engagement between business and education is crucial to preparing the workforce of the future.”

DR ADAM MARSHALL, DIRECTOR GENERAL OF THE BRITISH CHAMBERS OF COMMERCE

For further information about the programme: scaleupinstitute.org.uk/scale-up-programmes/



CALL TO ACTION

If you are a scaling business leader put yourself and your business on the map for engaging with the UK's future talent by connecting with the Careers & Enterprise Company.

GENERATOR DIGITAL SCALE-UP

GEARING UP THE CREATIVE SECTOR



IMPACT FOR SCALEUPS



420

REPORTED EMPLOYEE
GROWTH AMONG 30
PARTICIPATING BUSINESSES



ON AVERAGE
EMPLOYEE GROWTH
HAS INCREASED BY

230%

IN THESE BUSINESSES



53%

REPORTED EMPLOYEE
GROWTH AMONG 30
PARTICIPATING BUSINESSES



DIGITAL UNION
GIVE ACCESS TO

500

BUSINESS CONTACTS
IN NORTH EAST

Generator is a leading creative digital sector specialist development agency in the North of England. It has been supporting business growth and talent development for over 25 years – originally with a focus on the music sector – offering a series of services for entrepreneurs.

In 2015 Generator brought together the strongest elements of existing support into a 12-month programme – “Generator Digital Scale-up” – specifically for scaling businesses showing promise of growth but little understanding of how to remove barriers and make further progress.

Generator begins the programme with a full diagnostic to identify the scaling business’ objectives and needs. A scaleup ‘relationship director’ then works with the business over the year; businesses meet regularly with mentors to set objectives and review progress. Scaleups are given guidance on strategy, processes and resourcing, while leadership needs are at the heart of the programme’s coaching programme.

A key element of the programme is the access to interim directors who can help the scaling business in areas of need such as finance, sales and marketing as they grow and evolve their operating models. The interim directors are chosen for their broad experience and the ability to share it effectively. Scaleups are supported to improve their financial management, to access the

finance they need to sustain further growth and to increase their revenue. Finance directors work alongside the business to prepare for investment that will lead to further growth. In addition, Generator works closely with the Department for International Trade in the North to identify opportunities for businesses overseas.

An important part of the approach is to bring businesses on the programme together as a cohort of ten, to encourage peer-to-peer discussion and also to attend a range of masterclasses on subjects ranging from leadership to access to finance. Participants are also offered membership of the Generator-run Digital Union, a major network of creative digital and tech businesses in the North East of England which provides opportunities for networking collaboration as well as assistance with PR, sector campaigns and tender alerts.

Generator has worked with a number of businesses that have scaled between 200% and 300% within two years of coming to them.

SECTOR FOCUS



CREATIVE



DIGITAL



TECH

Working with the Generator team helped us create a clear route to market and a more rigorous approach to identifying and qualifying new business prospects.

DAYKIN AND STOREY

Having access to proven and experienced business professionals has given us insight into what is required to get our company to the next level. The format of regular workshops and reviews has given us the dedicated time and space to get our strategic thinking in order, time which is often de-prioritised when focussed on the day-to-day.

CONSULT AND DESIGN

The mentors always listen and ... helped us to streamline our goals and targets. We have been able to fulfil the overseas orders we were struggling to meet and growth has been a remarkable 480% in turnover since engaging with the Scale-Up Programme.

DOODLE

For further information about the programme: scaleupinstitute.org.uk/scale-up-programmes/



**CALL TO
ACTION**

Scaling up in the creative sector has a multitude of challenges and we think this is an excellent example of how a mixture of interim talent infill, alongside mentoring, coaching, experts and peer group learning can support a specific sector. It has the potential to be scaled further across the creative sector throughout the UK and others in the creative sector can learn from this model.

Teach First

Getting Teachers 'match fit' for business to build a generation of Careers Leaders connecting future talent to opportunities



Since September 2018 Teach First has been rolling out a Careers Leader programme, successfully piloted in 2015/16. The intention is to work with around 130 schools this academic year, bringing in new schools and careers leaders in each subsequent year.

The programme is based on research originally commissioned from the University of Derby exploring the role of teachers in the delivery of high-quality career and employability learning which stressed the importance of developing the role of the careers leader in schools and making sure these leaders have the business knowledge necessary to impart careers guidance.

Teach First designed a training regime, initially for a pilot with 15 schools, which allowed participating teachers to develop

their leadership skills and knowledge of career and employability learning and to transfer this knowledge to other teachers in their schools. Subsequent evaluation by the University of Derby evidenced that schools taking part in the programme reported a growth in competency in careers practice and there were increases in the number of encounters with employers and pupils' experience of workplaces. All 15 schools had written career programmes at the end of the initiative. Teacher participants

were positive about the support received from careers providers, employers and peers on the course.

As a consequence of this excellent initial impact Teach First is now rolling the programme out to 130 schools and is continuing to integrate an element of careers education in its Summer Institute in order to ensure trainee teachers are aware of the need to consider and champion careers education from day one in their schools.

In our 2017 Annual Review we called for a sustained focus to be put into building teaching capacity to ensure the continual learning of teachers in evolving business skills and careers opportunities. We are therefore very encouraged by this programme rollout by Teach First and look forward to tracking its further progress.

Updates on currently endorsed case studies



Freeformers



Established in 2012 and now operating in 12 countries, the workforce technology company Freeformers helps companies to develop the digital skills, behaviours and talent required to be successful. They have a dual approach that combines training within companies and external training preparing young people for the workplace.

The 'Freeformers Adopt' programme transforms a business from within by helping staff develop a digital mindset. Following a digital skills audit that is linked to the challenges of an individual business, Freeformers

provides a blend of training, technology and consultancy services. The Digital Pulse online measurement tool then helps a business to measure its growth mindset over time. Company leaders are offered an Elite programme that combines a digital personal training coach to encourage the leadership team to be more progressive and forward thinking.

The company has now trained 60,000 front line staff. 4,235 young people have also benefited from their work.

LifeSkills, created with Barclays



LifeSkills has been running since 2013, helping to equip young people with the skills they need for the world of work in the 21st century. During that time more than 6 million young people have participated in the programme and over 84% of UK secondary schools, 66% of UK further education colleges, and 74% of universities have registered for the programme.

The programme brings together educators, businesses, young people and their parents and provides interactive tools for young people to learn in their own time or with their parents through a dedicated parents section. It

includes a virtual work experience tool to allow young people to experience a day in the life of a business.

LifeSkills is independently evaluated annually to assess its impact. The 2017 evaluation found that 88% of participants felt more positive about the future, 86% felt more motivated to do better in academic and vocational studies, 85% felt better prepared to make future career decisions and 71% felt they now had higher ambitions and aspirations. 96% of teachers rated the resources as good or very good.

Founders4Schools



Used by students, employers and educators in more than 300 local authority areas throughout England and Scotland, Founders4Schools builds smart connections between companies and students aged 6-24.

As an EdTech charity F4S works nationally and locally with more than 2,000 organisations to connect business volunteers with teachers and students in their community. The charity's work-experience service Workfinder – available on mobile phones – puts the young person at the centre of the search process and enables them to secure experience with growing firms in their communities.

To date F4S has supported 215,975 students, business volunteers have given 10,414 hours and created 656,625 student-employer encounters. In its 2017-2018 Annual

Report the charity reported a 50% increase in educators using its service and a greater than 100% increase in student-employer encounters per 1,000 students.

A recent innovation on the charity's website showcases the number of hours put in by business leaders who are volunteering in their areas to celebrate local community "Change Agents" and allow local authorities to track activity in their areas.

Through digital integration with the Careers & Enterprise Company government officials have access to detailed database that charts student-employer encounters and allows them to analyse learner attainment in schools where students have met 10 business leaders in the past six months compared to those that have not.

Google Digital Garage



Google Digital Garage is working to improve the digital capability of UK businesses and individuals with free skills training and coaching. Guidance provided ranges from how to use online tools and social media to maps and data analytics.

More than 300,000 people have been trained through the Google programme. This is delivered via:

- High Street Digital Garage training shops open for up to one year in major city centres – hubs are currently open in Edinburgh and Manchester;
- Bus tours visiting towns and villages across the country, delivering day-long face-to-face training;
- Pop-ups and bespoke tours such as the Digital Garage Coastal Tour which helped hospitality and

tourism businesses in 15 seaside towns use online tools to grow their businesses and the Market Town Digital Garage Tour which visited 12 towns;

- Online training offering users the choice to train in topics of interest or complete the whole online course for a certification from Google and IAB Europe.

Independent research has shown that as a result of the programme 88% of participants made changes to the way they run their businesses online; almost half (49%) had seen an increase in website visitor numbers and a third (32%) had experienced an increase in customer numbers.

Building a talent pipeline

SCALEUP
INSIGHTS



Scaleups continue to highlight their need for employees with the right skills and experience as their number one barrier to growth. However, there are ways we can raise aspirations and develop the skills of the future workforce.

- 1 Provide encounters.**
 Scaleup leaders can connect to a local school through the Founders4Schools (F4S) platform. To date, business volunteers have given 10,414 hours and created 656,625 student-employer encounters, giving careers talks or participating in activities such as mock interviews and CV workshops. "I would encourage any scaleup that is not connected to F4S to do so," says Claudia Harris, CEO of the Careers & Enterprise Company.
- 2 Rethink work experience.**
 The conventional format of two weeks' work experience in the summer "is not necessarily the highest impact way to support a young person," says Claudia Harris. There are other ways to provide insight into work, through multiple exposure to different workplaces or through social interaction. More than six million young people have benefited from the interactive tools provided by the Lifeskills programme, which includes a virtual work experience tool. Arranging appropriate work placements has been made easier through innovations such as F4S' Workfinder app.
- 3 Focus on the local ecosystem.**
 Know your local priorities, and target resources accordingly. Connect employers with schools and colleges in a local network to identify opportunities for engagement and open the eyes of pupils to local opportunities in scaling businesses. A city-to-city, local-to-local approach shows significant results as exemplified by F4S. In one project in Stirling, Scotland, a 10-fold increase in student-employer encounters brokered on a monthly basis was recorded.
- 4 Commit senior resources.**
 Involvement of CEOs and senior managers adds credibility and weight to employer-school engagement plans and demonstrates the organisation's commitment to growing skills and talent.
- 5 Use free tools.**
 Google Digital Garage provides free training and coaching on a range of digital skills and online tools. More than 300,000 people have been trained through the Google programme; as a result, 88 per cent of participants made changes to the way they run their businesses online; almost half (49%) saw an increase in website visitor numbers and a third (32%) experienced an increase in customer numbers.
- 6 Let the young teach the old.**
 Workforce technology company Freeformers helps companies to develop its digital skills, behaviours and talent with a dual approach that combines training within companies and external training that prepares young people for the workplace. The 'Freeformers Adopt' programme transforms a business from within by helping staff develop a digital mindset. Freeformers Pulse offers self and peer assessment, while Freeformers Learn allows employees to access coaching and digital learning. "A digital future doesn't mean everyone relying on a bunch of hipsters, but a system where older employees learn from younger, tech-savvy workers is essential in order for companies to adapt to fit evolving working practices," says Gi Fernando, founder of Freeformers.
- 7 Be confident about schools' capacity and appetite to work with you.**
 "There is now a clear standard of excellence in careers education, which there has not been before," says Claudia Harris. "That standard includes an expectation of much closer working between the worlds of education and work, and an expectation that every school has a person responsible for making this happen, which we never had before."



Leadership

NEW CASE STUDIES FOR 2018



MIT: Venture Mentoring Service
Vistage

CURRENTLY ENDORSED CASE STUDIES



British Library: Innovating for Growth
Cranfield School of Management: Business Growth Programme
Goldman Sachs 10,000 Small Businesses UK
London Stock Exchange ELITE
The Supper Club

ONES TO WATCH



Cambridge Network: School for Scaleups (CHAPTER 3)
Entrepreneurs' Forum: Scale-up Leaders' Academy (CHAPTER 3)
Lazaridis Scale-Up Program
The Platinum Group (CHAPTER 3)
Productivity through People
Strathclyde Business School: Growth Advantage Programme

The leaders of UK's scaleup companies continue to cite the importance of building leadership capacity to support the growth of their businesses.

Critically they want locally delivered solutions that enable better access to local peer-to-peer networks; they value highly local leadership development programmes and access to local universities and business schools.

A number of well-established programmes are maintaining their success in equipping scaleup businesses with the practical tools to develop personal and group leadership. In our 2018 survey we again find that peer-to-peer networks are the form of support that scaleups most frequently cite as vital or very important to their continued growth (55%). In this year's Review we have endorsed **Vistage** which has been running private peer advisory groups globally since 1955. In the UK, Vistage currently supports nearly 1,500 business leaders with an approach based on carefully selecting members and then linking them locally in an advisory group led by an experienced Chair recruited for their business background and scaleup knowledge. The group comes together for a day each month during which they solve challenges and evaluate opportunities. **The Supper Club**, endorsed in 2017, continues also to extend its peer to peer offering, through regional activities working with local areas and a series of expert guides based on peer learning.

A shared characteristic of many of the successful programmes we identify is the link with an academic organisation. This year, two of our featured case studies come directly from world-class North American universities. The **MIT Venture Mentoring Service** was specifically set up to help mobilise the university's graduates, faculty and staff to start and scale innovative companies, using a structured approach to mentoring and its ability to call upon a pool of its CEO and business leader alumni to help those starting and scaling ventures. We endorse its work which provides an

attractive model for UK universities to adopt.

In this year's Scaleup Survey, input of mentors is highly valued by 93% of all scaleup leaders who have one. Those who do not have a mentor identified not knowing where or how to find one as a main reason. There is a clear opportunity for universities to use their networks to provide more mentors to local scaleups, as in the MIT example. We see the provision of mentors as a feature in existing endorsed programmes. We are also encouraged by the use of mentors in the Manchester University initiative (see chapter 3), which others could emulate.

The **Lazaridis Institute** at Canada's Wilfrid Laurier University is at an early stage in the implementation of its scaleup programme and has been influenced by the work of the ScaleUp Institute. Lazaridis has already developed some powerful insights and learnings into what makes a successful programme for scaleups, stressing that networks are the basic currency for scaleups. It also highlights how scaleup leaders are looking for practical education delivered by industry experts and the value of bringing together leadership teams to work through strategies and challenges. We will watch their progress with great interest and encourage their learnings to be a mantra for everyone involved in delivering scaleup leadership schemes.

We will also be watching the progress of **Productivity through People (PtP)** which has completed a pilot involving two cohorts in the North West with Lancaster University Management School and is being expanded to Scotland, the South West, North East, Midlands and London, working with a series of academic institutions. PtP puts a particular focus on businesses in supply chains with larger companies,

thereby helping to address some of the ‘access to markets’ challenges raised by scaleups. It begins with a benchmark assessment which delegates use to assess their business practices against the best in class and which forms a focus for the coaching, action learning and mentoring offered to delegates.

Programmes that we have highlighted in previous years, are also a testament to the value of structured education for scaleup leaders involving academic organisations and continue to achieve valuable benefits for participants. More than 1,400 businesses have now graduated from the **Goldman Sachs 10,000 Small Businesses UK** programme, benefiting from the combination of networking, peer learning and rigorous business education delivered jointly with a group of UK universities. Graduates are three times more likely to create jobs than other UK small businesses and three-quarters have created a high-performance culture in their companies. The UK cohorts of the **London Stock Exchange Elite** programme have raised £3bn to date and now have access to private capital through its own funding platform. The **Cranfield Business Growth Programme**, which we endorsed in 2017, continues to go from strength to strength; on average, participants achieve profits growth year on year of 41% and increase sales by 21%. **The British Library’s**

Innovating for Growth programme continues to improve its highly effective reach into a truly diverse community of scaleup leaders, in the last financial year 51% of the participants were female-led businesses and 51% were Black, Asian and Minority Ethnic-led (BAME) businesses.

Other programmes that we highlighted last year – **Strathclyde Business School’s Growth Advantage Programme**, **Cambridge Network’s School for Scaleups**, **the Entrepreneurs’ Forum Scale-up Leaders’ Academy**, and **the Platinum Group** – all continue their important work, providing opportunities for leaders of scaling businesses to develop their leadership skills and to overcome their growth challenges by engaging with peers and being supported by mentors and coaches.

These scaleup leadership exemplars highlight the range of high-impact programmes on offer to scaling businesses as well as emerging initiatives. When combined, they are making a difference to closing the UK’s scaleup gap. The continued existence and development of such programmes at local level, as well as stronger links between local and national offerings, remains important for continuing to address the needs of our fastest growing businesses.



IMPACT FOR SCALEUPS

ANNUAL JOB CREATION
 **8,450**

EVENTS
 **30**
UK-WIDE PA

AVERAGE REVENUE GROWTH
 **23%**

122
ACCREDITED EXPERT
SPEAKERS/THOUGHT
LEADERS WITHIN THE UK


INTERNATIONAL
COMMUNITY OF
MEMBERS
22,000
(UK 1,500)


SCALEUPS:
35%
OF UK VISTAGE MEMBERS
ARE SCALEUPS WITH A
FURTHER 20% ACTIVELY
PLANNING TO SCALE

Vistage has been running private peer advisory groups for MDs/CEOs and Executives throughout the world since 1957. Worldwide, Vistage currently supports over 22,000 business leaders; in the UK the number is nearly 1,500.

At the core of the Vistage approach is the peer advisory group. Members are carefully selected and invited to join each locally-based peer advisory group. They meet monthly for a whole day with a dozen other business leaders led by a Vistage Chair, who acts as group facilitator and coach and are recruited for their business background, scaleup knowledge and experience. A Vistage Chair has on average 21 years of MD/CEO or P&L ownership experience and undergoes at least 126 hours of specific training before they start to support members.

From the start Vistage developed an approach for group meetings that allow members to help each other solve challenges, evaluate opportunities and explore effective strategies in a safe and confidential environment. The group and the Chair then hold each other to account for delivering on the commitments made.

In addition to the benefits of the peer group, members also have access to expert speakers and thought leaders presenting within a small group setting, monthly private one-to-one coaching/mentoring sessions with the Chair, and networks to build connections based specific industries or special interests. Furthermore, online resources containing the knowledge and insight of the international Vistage community plus wider research, tools and data are available through *My Vistage*.

A 2017 analysis revealed that companies that joined Vistage over the past five years had grown 220% faster than equivalent companies. The feedback from members is very positive – 88% of UK CEO members state that Vistage is more valuable than any other source available to them to increase their knowledge and ability to excel and one-third of new members are a direct result of referrals from existing members.

Vistage has changed my approach completely, I now see myself as a leader – I feel that my job is to lead and grow my team.

TOM HIGGINS, CHIEF EXECUTIVE OFFICER, GOLD-I LTD.

I could easily attribute 10% growth to things I have implemented because of Vistage that I didn't do before

ANDREW STELLAKIS, MANAGING DIRECTOR, Q2Q LTD.

You get an opportunity to run ideas past people with no vested interests which I think is fantastic.

MURRAY MCCALL, MANAGING PARTNER, ANDERSON STRATHERN.

Vistage is a great and cost-effective way to have a non-executive team around you.

IAN ROSEWELL, MANAGING DIRECTOR, PROCUREMENT INTERNATIONAL LTD.

For further information about the programme: scaleupinstitute.org.uk/scale-up-programmes/



CALL TO ACTION

A purpose-built peer advisory group, with group commitment, is at the heart of Vistage coupled with a business chair who has been on the 'scaling' journey and has the knowledge and experience to impart. Others can learn from the Vistage structure, the active matching of scaleups to appropriate peers, mentors and experts and its measurement of impact and continuous learning.

Update on currently endorsed case studies

The Supper Club: Peer-to-Peer Networks



The Supper Club is an exclusive membership community of high-growth founders and CEOs who are supported through all stages of the entrepreneur lifecycle. Members learn from their peers and specialist advisers at over 200 events a year, while dedicated member managers provide year-round support and connections.

Since 2003 it has enabled thousands of scaling entrepreneurs from all industries to realise their potential. The average growth of members is 34% year on year with sales ranging from £1m to £500m. The total value of investments into businesses in 2017 was £1.2billion, ranging from management buyouts to private equity investment.

In 2017 The Supper Club launched a national campaign to inspire the wider scaleup community with a series of guides, using insights from nearly 3,000 peer learning events. Tips for success and practical advice are available in two guides: *Talent Tactics* – to help founders recruit and build top-performing teams – and *Way to Grow* – to increase awareness and understanding of different funding options and how to use them to accelerate scale.

To support scaleup leaders unable to attend regular events in London but who value the content and connections of the network, The Supper Club has introduced a range of new membership options and is expanding outside of London with regional activities in cities including Bristol, Birmingham and Manchester.

Productivity through People

Supply chain collaboration to foster leadership development, scale and productivity



Productivity through People (PtP) is a programme designed to spread better working practices by encouraging stronger business collaboration, building industry networks and showcasing productivity exemplars.

The 12-month programme was first piloted in the North West between a collaboration of manufacturing partners BAE Systems, Rolls Royce and Siemens with Lancaster University. Launched in January 2017, the focus has been mainly on SME businesses in manufacturing and engineering but it is starting to extend to other sectors. The long-term objective is to build a National PtP Network involving a broader range of regional delivery and industry partners and PtP is now being expanded to other parts of the country including Scotland, South West, North East, Midlands and London.

The programme is built around three anchors: leadership, strategy and change, and culture. It begins with a benchmark assessment which enables the business leaders to assess their business practices against the best in class. It also forms a focus for the coaching, action learning and mentoring offered to business participants. This assessment is repeated at the end to track progress and the distance travelled by delegates during the programme.

An important part of the programme is industrial visits which are designed to inspire the business leaders about the potential of developing innovative practices in their

own company. Peer networking is another strong element and the programme has been specifically designed to enable the formation of a strong peer group among the delegates. Modules include action learning sets, shadowing and exchanges to optimise opportunities for the delegates to exchange best practice, share ideas and issues and to visit each other's businesses.

PtP has supported 37 businesses in the first two cohorts; its impact will be measured 12-18 months after they have completed the programme.

ScaleUp Institute research has shown that scaleups actively seek better collaboration in supply chains from the private sector and support from academia. PtP has the opportunity to facilitate this engagement on a more active and effective scale – we will be monitoring its progress with interest and specifically its outcomes and alignment to scaling businesses.

Strathclyde Business School

Growth Advantage Programme



The Growth Advantage Programme (GAP) is designed to deliver relevant, accessible and practical learning for the leaders of ambitious businesses in Scotland looking to scale up.

It combines world-class executive education with the power of peer learning. Importantly, GAP graduates continue to support each other and are actively involved in sharing their experiences with succeeding cohorts of GAP participants as part of the Growth Advantage Club. Launched in 2015, GAP is aimed at businesses with a minimum £1m turnover with real growth ambitions.

Over ten months, carefully selected participants attend a one-day orientation and four two-day workshops

under a common theme: Creating a Growth Advantage. Participants learn the practical application of research on growing businesses, while garnering inspiration from their peers and guest speakers. Learning is supported and reinforced through access to closed online communications platforms and a series of specialist masterclasses dealing with issues facing subgroups of participants. While the core design of GAP has remained consistent since launch, the delivery team have been responsive to feedback from scaleup

leaders to enhance sessions and improve their usefulness, for example introducing a session on the strategic use of IP.

GAP also provides access to project support from Hunter Centre for Entrepreneurship undergraduates and MBA students, product design resource from the Engineering Faculty, the use of the University Careers Service, and the sourcing of interns via the Santander Universities Internship Scheme.

Since 2015 53 companies have completed the programme. They had an average turnover of £2.1m when they commenced the course and at the end each company projected average sales of almost £5.1m within three years – nearly 2.5 times greater on average. Total employment is projected to grow from 1,325 to over 2,800.

MIT VENTURE MENTORING SERVICE

MOBILISING STUDENTS, STAFF AND ALUMNI TO START AND SCALE BUSINESSES



IMPACT
FOR
SCALEUPS



165

EXPERIENCED
MENTORS



1,450

BUSINESSES
ASSISTED



OVER
2,500

PARTICIPANT
ENTREPRENEURS



OVER
\$1.44bn

IN EXTERNAL FINANCE
RAISED BY PARTICIPANTS OF
VMS VENTURES

The Massachusetts Institute of Technology (MIT) Venture Mentoring Service (VMS) was founded in 2000 after two successful MIT-affiliated serial entrepreneurs proposed and were asked to develop a programme to remedy a gap in how the university supported emerging entrepreneurial ventures.

The programme, which provides a model that other universities can follow, is freely available to MIT students, alumni and staff with ideas that they would like to turn into businesses. The entrepreneur and the venture must both be based in the greater Boston area and participants are expected to commit to a sustained relationship with VMS as well as be professional, open and responsive to the volunteer mentors who work with them.

VMS matches both prospective and experienced entrepreneurs with skilled volunteer mentors. Participants meet initially with two mentors for a wide-ranging discussion so they gain as complete a picture as possible and identify the most critical action areas. Subsequently, a team mentoring approach is used with groups of 3-4 mentors who are continually tailored to each mentee's challenges. Meeting frequency and length of participation are up to the mentee who receives support in sessions that provide practical, day-to-day professional advice and coaching.

Mentors are selected based on their relevant experience and their careers represent a wide range of, such as founders, CEOs, chief technical officers, or executives of companies.

They give support across a broad range of business activity including product development, marketing, intellectual property law, finance, human resources and business management. VMS mentors contribute over 12,000 hours a year.

The message to participants is that the mentoring services are educational only. All business decisions remain under the full control of the participating founder.

VMS complements and works cooperatively with the numerous other MIT centres and programmes promoting entrepreneurship and offering resources to encourage the formation of new businesses and R&D.

A 2015 impact report underscored the substantial economic impact of MIT's alumni entrepreneurs who have founded 30,200 active companies that have created 4.6 million jobs and generate annual revenues of nearly \$2 trillion.

MIT VMS has created an Outreach Training Programme to share its practices, experiences and methods to other universities and economic development organisations across the US and worldwide.

"When I first heard about VMS, I was immediately attracted by the fact that it is structured as an educational journey for the entrepreneur. The focus on education and learning, combined with the brilliant feature of group mentoring, leads to a unique, effective and highly productive experience, for both mentee and mentor."

CATHERINE IACOBO,
VMS MENTOR

"It is no exaggeration to say that VMS' support was instrumental in helping us avoid major mistakes in the early stages of our growth. Now that we are bigger, the VMS mentor team provides an invaluable source of outside expertise both from a functional perspective (HR, strategy, financing, product development) and an industry insight perspective. On several occasions, the VMS team has also helped us identify and recruit the talent we needed to hit our growth objectives."

COGITO

"VMS' mentors have been a steadfast source of insight for KGS through many years of evolution and growth. We can always trust that the VMS mentors, and the VMS program, have the interest of the MIT founders and the company at heart, and not ulterior business motives. VMS has been and continues to be a guiding force in our business"

KGS BUILDINGS, LLC

For further information about the programme: scaleupinstitute.org.uk/scale-up-programmes/



CALL TO
ACTION

All UK universities, colleges and business schools should consider this model and its learnings; there are significant opportunities for the education sector to establish similar alumni mentor schemes and help businesses on their growth journeys, particularly given the significance scaleup leaders place on access to universities and business schools and high quality mentors.

Lazaridis Scale-Up Program

Canadian Insights



Running for two years, the Lazaridis Scale-Up Program is the flagship of the Lazaridis Institute for the Management of Technology Enterprises, based at Canada's Wilfrid Laurier University.

It has been designed to help Canada's most promising growth-stage tech companies build their businesses to globally competitive size.

Ten companies from across Canada are selected for each 6-month programme; ideally they have been founded within the previous three to five years and have recognised a minimum \$1m revenue in the past year. Participants meet one weekend a month in different cities. A significant element of the programme is that CEOs must commit to taking part in each and bringing an additional participant from their companies. The Lazaridis Institute has identified

that this is one of the critical success factors of the programme; executives who involve their senior leadership team get the most out of the programme. Alongside this, the Lazaridis Institute has identified nine further lessons from building a scaleup programme. These are featured as an Insight below.

The programme lays a strong stress on using industry experts to build aware,

self-confident leadership. Weekends are facilitated by experts in critical areas such as recruitment, product development and global growth. The programme culminates in five days of meetings in Silicon Valley.

Cohort companies receive 12 months of support from sector and functional specialists and 120 individual hours with a mentor who has scaled a business internationally and is chosen to meet each company's current challenges. All companies in the first cohort have reported increased revenues, 80% increased jobs, 90% increased productivity, 90% received external finance, 90% increased exports.



CALL TO ACTION

Others can learn from the lessons Lazaridis lays out when creating and developing a scaleup programme. How we also connect peer scaleups with each other on an international basis is a future focus for SUL with its partners.

INSIGHTS FROM CANADA:

Lessons on building a scaleup programme



1	Scaleups are not startups. The language they use, their time horizons and their challenges are different – make sure you tailor your content, language and focus.	6	Partner with accelerators to find participant companies at the right growth stage. A scaleup programme will help their graduates be even more successful – and that's a win for everybody.
2	Scaleups want to solve immediate problems and bypass future ones. Their busy leaders have little patience for theory.	7	The right mentors are vital – and they can't be one-size-fits-all. The mentors in the Lazaridis Scale-Up Program are chosen not only for each company but for the particular challenges that the company is currently facing. We don't use the same mentors each year. It's crucial that mentors have actually scaled a business, usually in the same industry as the company that they are mentoring.
3	A programme must help participants work on – not in – their company. There is huge value in the time spent stepping back and viewing the bigger picture, and away from the daily fires that they face in the office.	8	Sessions should be led by industry experts who have scaled businesses internationally. We don't use consultants or academic faculty members.
4	Get the best out of the programme by involving members of the senior leadership team. They maximise the learning, can brainstorm in the moment, and are ready to make decisions or change direction faster.	9	Networks are the basic currency of everything we do. Leverage partnerships to expand your network quickly, but make an ongoing commitment to building your own networks at the same time.
5	Don't under-estimate the importance of the peer network. Bring together diverse companies at the same stage of growth and they will make incredible connections. (BUT do not include competitors within the same cohort.)	10	Get a commitment for participating companies up front that they will report back on key metrics for a set period of time. It is much harder to chase the data afterwards.

KIM MORONEY, MANAGING DIRECTOR, LAZARIDIS INSTITUTE

Updates on currently endorsed case studies



British Library: Innovating for Growth



Launched in 2012, Innovating for Growth is a three-month programme, delivered one-to-one and through workshops. It has been designed and delivered by the British Library Business and Intellectual Property Centre (BIPC) and a number of private sector partners.

BIPC has a 12-year track record in supporting entrepreneurs to start and run successful businesses; to date, over 750,000 people have used the centre. Independent research shows that businesses that use their services are four times more likely to be successful and sustainable than the national average.

The Innovating for Growth programme specifically helps owners of businesses trading for more than a year and with aspirations to grow their business through innovation to make the most of the British Library's

expertise in IP management and customised business research.

Each owner is paired with an Account Manager who oversees the engagement, acts as a counsellor and refers participants to relevant services. Post completion participants undertake regular reviews to track progress and measure outcomes as well as becoming members of the "Growth Club," offering events, peer-to-peer support and networking.

BIPC now has an alumni network of over 430 scaling businesses; some are acting as mentors to the next generation of high growth potential scaleups. Notably, in the last financial year 51% of the participants were female-led businesses and 51% were Black, Asian and Minority Ethnic-led businesses.

Cranfield School of Management: Business Growth Programme



Cranfield's Business Growth Programme (BGP) has been offering leadership development for ambitious owner-managed businesses with the potential for growth since 1988. The programme was endorsed in the 2017 Review for demonstrating the value of linking scaleup leaders with peers in both the classroom and the business.

Typical participants have been operating for at least three years, with turnover now set between £0.5m and £20m. More than 2,500 business leaders have completed the nine-month programme participating in modules held over four weekends. Between these they develop their strategy and make immediate improvements.

Each participant is allocated a business counsellor, who works with them and visits the business. After the final

module they present their strategy to a panel of BGP and independent advisers. Participants leave with a robust and rigorous business growth plan, which is reviewed for progress three months later.

Alumni can join regionally-run BGP Clubs providing a network of support and mentoring. Alumni also 'give back' to the programme by sharing their experiences with current participants, providing funding and scholarships as well as mentoring new entrants.

Analysis of the programme shows participants grow their businesses faster than their peers. On average revenue growth is 19% a year, profits grow year on year by 41% and sales increase by 21%.

London Stock Exchange ELITE



ELITE is an ecosystem and platform helping the most ambitious private companies to scale up, structure for the next stages of growth and access capital. It was established to link scaleups with industry experts, corporate advisory and investor communities.

Companies become part of a vibrant community of founders, fast growing business leaders, advisers, investors and key stakeholders. ELITE provides structured training through an 18-month programme to give scaleup leaders the insights and tools to act strategically about their growth and investment.

The initiative started in Italy in 2012, expanding to the UK (in 2014) and further internationally. To date, ELITE has helped nearly 1,000 companies from 32 countries to scale up, connect to the right network and access capital. ELITE also offers support to companies raising private capital through its own funding platform that provides access to a range of professional investors.

ELITE companies have raised in excess of £8bn (over £3bn in the UK alone) and 19 are listed on public markets (5 in the UK).

Goldman Sachs 10,000 Small Businesses UK



Since 2010 Goldman Sachs 10,000 Small Businesses UK (10KSB UK) has helped accelerate the growth of high-potential small businesses through practically-focused business and management education. More than 1,400 businesses have now graduated from the programme.

Competitively-selected businesses are offered over 100 hours of education – both online and residential – fully-funded by the Goldman Sachs Foundation. Delivered in partnership with UK universities¹, the programme offers networking and peer learning opportunities in addition to high quality, applied business learning.

Studies of the impact of 10KSB UK show that alumni are three times more likely to create jobs than other UK small businesses, and grow revenue at 81% per year. 77% increase the training opportunities provided to

staff, 64% launch a new product or service in the year after completing the programme, and 70% seek external financing.

In June 2018, independent research on the productivity of 10KSB UK graduates showed 75% have created a high-performance culture, 77% attribute a change in the leadership style to participation in the programme, and 89% seek external partners. The result is a major impact on productivity: participants demonstrate an additional 22% increase in productivity after completing the programme, compared to a control group of similar high-growth UK small businesses.

¹ Oxford University Said Business School, Aston University Centre for Growth, Leeds University Business School, and Manchester Metropolitan University Business School.

The leadership mentality

John Morris



Scaling and learning go together. A company can only successfully navigate and sustain high growth if it is a learning organisation, in which its leaders embrace new ideas, techniques and tools, and constantly develop their own skills and those of their workforce. It's exciting to see the strength of the hunger to learn among the UK's scaleups. In this year's Scaleup Survey, more than half of scaleups cite "developing the leadership and management skills of the senior team" as one of their top three factors supporting growth.



This year, I have had the privilege to chair the ScaleUp Institute's Leadership Capacity committee. Our main objective is to identify programmes across the UK that make a real, evidential impact in this regard. So in my case, chairing and learning go together.

My preconception had been that all leadership programmes were much the same. The British Library's Innovating for Growth, with its broad reach among women, ethnic minorities, and disabled people, was a revelation to me. It demonstrates that there is both space and need for a variety of programmes – because our thousands of scaleups come in many different shapes and sizes. Their leaders have different beliefs and values, different back stories and priorities, and different measures of success.

To reflect this, a variety of mechanisms, forums and interventions are required that will enable scaleup leaders to achieve their growth objectives and outcomes.

Such a variety should apply to peer networks, which are so important for many scaleups. As the Scaleup Survey shows, access to peer-to-peer networks is the most likely form of support to be rated "vital" or "very important" to help scaleups grow their business further. Our scaleup ecosystems should harbour peer networks that vary in cost and time commitments, from which scaleups can choose.



At a local level, there is more to be done. I am hopeful that we will soon be recognising and praising local programmes that are world-class in their design, delivery and impact.

Many leadership programmes and peer networks tend to focus on the CEO or founder. That is both logical – and a good start. It’s encouraging that some also have mechanisms for providing access to similar leadership and talent development tools for their management teams. This is an issue that we have taken seriously at Smith and Williamson. We have collaborated with the ScaleUp Institute on a scaleup benchmark to enable companies to see how they fare against their peers. And this year, we launched our Scaleup Diagnostic tool, which helps management teams – not just the CEO – to identify strategic strengths and weaknesses that may need to be addressed in order to scale up successfully. By gaining different views of the business, this tool provides a mechanism for a business to understand both its ambition and readiness to scale.

At a local level, there is more to be done. I am hopeful that we will soon be recognising and praising local programmes that are world-class in their design, delivery and impact. This year, I attended the ScaleUp Institute’s third Driving Economic Growth course in Leeds. I would love to see a genuinely local programme emerge from this course which can stand on its own terms as an outstanding example of an initiative fostering scaleup leadership development.

Innovate UK/EEN Scaleup Pilot Programme

Maxine Adam

The Innovate UK Enterprise Europe Network (EEN) Pilot Scaleup Programme started in July 2017 and will end in December 2018. Jointly funded by Innovate UK and the European Commission, and created and delivered by EEN, the Scaleup Pilot Programme has been an ambitious initiative aimed at an ambitious group of companies.

Recognising that support ecosystems needed to be as responsive and agile as scaleup companies themselves and also that innovative companies have particular needs, its starting point was to put a group of innovative scaling companies at the centre, creating an adaptable service offer around them, from which support, targeted and tailored to their specific needs, could be drawn.

Shaping and driving the model is a team of eight high-calibre scaleup directors who operate together as a 'scaleup board' and provide each of the companies on the programme with a matrix of skills and connectivity. A single director provides each company with one point of contact but is drawing upon the collective resources of the board.

The scaleup directors help the companies to structure for global growth and collaboration and work with them to understand and address the particular set of needs that each company faces on their scaling journey.

It is a unique model for Innovate UK in how to deliver intensive support for innovative high-growth companies.

Selection criteria

Admission onto the Scaleup Pilot Programme was a rigorous and highly selective process. Drawing from an initial long list of approximately 1,200 companies, comprising the pool of companies who had received support through the Innovate 2 Succeed programme, Horizon 2020 or international collaboration support.

Following a process including local peer review panels, leading to invitations to submit expressions of interest for evaluation, 59 companies were carefully selected for individual visits by one of the pilot's scaleup directors. The directors' reports were assessed by the scaleup board, which then identified and selected 29

companies for inclusion in the full programme.

We looked for innovative, ambitious, high-growth oriented companies who were already on their scaling journey, whose innovations and/or business models had the potential to disrupt an existing market, and who were establishing or already implementing their international markets strategy. They had to have a verified business plan and a commitment to implement it. They had to have the potential to achieve compound annual growth rates (CAGR) in the range of 60-100% or more. In other words, they had the potential to make the leap to become large – but were in need of help to structure themselves for global growth, finding the right talent and accessing growth funding.

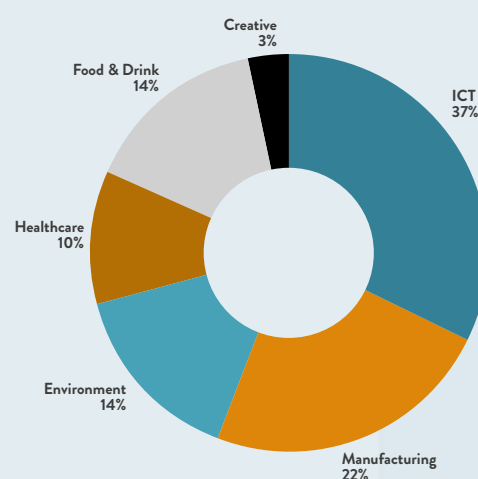
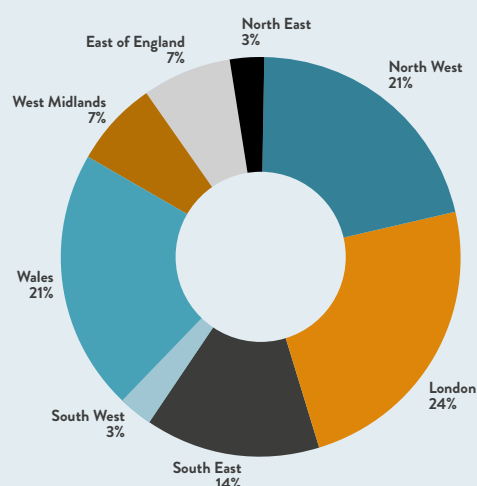
Team of scaleup directors

The scaleup board was central to our approach. It was a unique model.

The experience and skills of the eight directors covered areas such as finance, M&A, international markets, supply chains and IP. They also came from different industry sectors.

Each scaleup director performs a relationship manager role; they are "on call," providing each company with a single point of contact but critically access to the collective resources of the board. However experienced, no one person can provide a high-growth business with all the answers to its particular set of needs on their scaling journey – but a virtual board can. The scaleup director can leverage the support and international connections available through the wider Innovate UK family including EEN.

Over the period, via structured site visits and ongoing discussions, the scaleup directors help their companies to address their scaleup challenges and to harness enablers.



In addition, a Strategic Advisory Board, providing input from Innovate UK monitored the overall progress of the programme.

Participants

The scaleup companies on the pilot programme covered seven English regions and Wales and six key industry sectors. They were all scaling with a mix of pre-revenue, early-stage and established enterprises.

Lessons to date

The Scaleup Pilot Programme concludes in December 2018 and a formal evaluation of its impact will be conducted in 2019. What we have learned to date is indicative, not definitive. But it is most definitely exciting.

We found the challenges specific to each scaleup company and its management team could be grouped into six common themes: international markets, talent acquisition, accessing finance, leadership and mentoring, intellectual property, workspace and internal systems. Of these, the companies highlighted access to internationalisation, finance and successful exploitation of innovation as the most important areas where they

needed support, together with responsive intervention to help them accelerate their scaleup journey.

Participants have not simply been the recipients of support; the scaleup directors have been a critical friend to them in their thinking and approaches. A number of the companies have adopted new strategies as a result of interventions from the scaleup board.

The companies on the programme have gained from interaction with their peers. Within the timeline of the pilot, two peer-to-peer events were held, to facilitate collaboration and networking between the companies as well as gain knowledge input from Innovate UK and make broader connections with members of the Strategic Advisory Board.

As a result of the programme, the companies have been exposed and connected to the breadth of offers available across the Innovate UK family, other public and private sector programmes, and to each other.

At the time of writing, approximately 100 sessions have been organised with the participating companies to support them on their strategies around talent acquisition, market expansion, funding, IP and infrastructure. Approximately eight out of ten



As a result of the programme, the companies have been exposed and connected to the breadth of offers available across the Innovate UK family

companies have engaged with new stakeholders who were identified and introduced by the scaleup directors.

The results over such a short pilot period are striking:

- £9.4m in funding rounds have been secured and a further £14.5m is in progress – a combined total of £23.9m.
- Nine companies have secured new international collaboration agreements or established their presence in international markets.
- Nine IP audits and valuations have been conducted with a commercial value identified of £4.5m.
- 165 new jobs have been created during the pilot and a further 141 are projected in 2019 – a total of 306 jobs. This equates to an average growth of over 40% in job numbers across the pilot cohort.

While it is too early to calculate economic impact, translating the job growth alone suggests a potential impact on the UK economy of approx £8.4m and a benefit of £27 for every £1 invested in the Scaleup Pilot Programme.

The future

Many businesses have the ambition to scale, but it is not easy for a high-potential business to become a high-performing world-beater. Innovate UK will work with approximately 3,000 businesses each year, our aim – utilising resources from across the Innovate UK family and our experience of the Scale Up Pilot programme – is for more of these companies to become scaleups.



Access to markets

CURRENTLY
ENDORSED
CASE STUDIES



Go to Grow: Mayor of
London's International
Business Programme
Sharing in Growth (SiG)
Silicon Valley Comes to
the UK (SVC2UK)

Expanding into new domestic and international markets has been an increasingly important issue for scaleups in recent years, scaleups are hungry to export despite the uncertainty of Brexit.

Exporting remains one of the main enablers of scaling, leading companies to innovate, access new markets and develop new management models.

In the 2018 Scaleup Survey, exporters identified three major barriers to exporting more: access to customers and partners overseas, having the right people to win overseas sales, and uncertainty regarding the outcome of Brexit negotiations.

To break down these barriers, scaleups want more effective support: half of current and aspiring exporters wanted better introductions to buyers overseas and four in ten wanted a single point of contact with the Department for International Trade in the UK.

These findings reinforce the value and importance of trade missions that are tailored around the needs of scaleups. The 2014 Scaleup Report noted that trade missions to other countries should include more scaleup companies. Through such missions, scaleup leaders can be introduced to relevant connections and potential partners as well as build up their peer networks. Their growth intentions and objectives for participating on a trade mission are very different from startups or large, established corporates.

Participation on trade missions with genuine stature and credibility is critical for scaleups, helping them open the right doors and secure high-level access – as the endorsed **Mayor of London's International Business Programme, Go to Grow**, attests. This programme demonstrates how other UK City Mayors can help their local scaleups in their international growth and should be emulated by others. **Silicon Valley Comes to the UK (SVC2UK)** continues its work improving the relationships between US and UK scaleups, running a Female Founders trade mission to San Francisco in May 2018.

Procurement and collaboration

The 2018 Scaleup Survey highlighted that three quarters of scaleups sell, or have aspirations to sell, to large corporates or government. But they face barriers in their desire to do this – with half of scaleups citing a complex procurement process as holding them back from selling more, and four in ten finding it difficult to find out about opportunities to bid.

This year the ScaleUp Institute has worked with Tussell to create the first visible **Scaleup Public Procurement Index**, highlighting the visible scaleups already working with local and national government and showing the authorities who are effectively engaging with the scaleup ecosystem.

Corporate collaboration is an important step in improving the procurement process: sharing information on how scaling businesses can improve their ability and opportunity to connect with larger buyers and more easily integrate into their supply chain is essential. We highlight some of the essential attributes of the companies seen as exemplars in the manner in which they work with fast-growing companies and from whom others can learn. With Nesta we also offer insight into how corporates and scaleups can maximise the benefits of collaboration through considering a number of critical questions.

We also revisit the **Sharing in Growth** initiative set up by the aerospace industry as an example of a scheme that provides concentrated training and development over four years, targeted at raising the performance of UK aerospace suppliers (with at least £10m turnover) to world-class standards. The programme is consistently tackling the barriers to growth by providing training and support in leadership, strategy, manufacturing processes and business planning. 90% of sampled companies who participated in the initiative have made significant changes to their vision, mission and values, and have defined product market groups.

Corporate and Scaleup Collaboration Exemplars



Scaling businesses benefit enormously from corporate collaboration. But it is not a one-way benefit because large companies are increasingly recognising that working with fast-growing companies helps promote innovation and gives them access to new technologies.

More large corporates have begun to explore the potential of collaboration with scaling businesses but identifying what works best and ensures the most impact remains important to deliver the most beneficial partnerships. Tackling established thinking and internal barriers that hold back effective collaboration requires significant effort.

The ScaleUp Institute has continued its relationship with Nesta to identify and celebrate those corporates whose behaviours and procedures are making a real difference to effective partnership-building. Held two years ago for the first time, 25 companies were named as Europe's Corporate Stars – with 14 of the 25 either having significant headquarters or major operations in the UK.

In 2017 the approach was refined to identify 12 trailblazers from more than 100 nominees with another 24 recognised as Open Innovation Challengers. At the award ceremony in December 2017 specific awards were also made to companies for their accelerator programmes, procurement behaviours, M&A activity and innovative approaches.

Firms with significant UK operations continued to feature strongly in the exemplars:

- Telefónica, Virgin, Cisco, Mastercard and Unilever Foundry were among the top 12 stars.
- Telefónica also featured alongside Enel and Iberdrola in the procurement awards.
- Aviva, Barclays (Barclays Accelerator, powered by Techstars), BBC Worldwide, Google (for entrepreneurs), Microsoft, Nestle, Pfizer, Philips, RBS, and Shell were included as ones to watch in the Open Innovation Challenger category.
- Barclays (Barclays Accelerator, powered by Techstars), Mastercard (Start Path) and Philips (Health Works) were recognised with the Accelerator Award.

- Microsoft and Google were celebrated for their work on ecosystems.

Alongside the awards Nesta published a detailed report identifying key components of the leading firms' collaboration effort based on analysis of 31 of the 36 leading companies chosen because their headquarters are in Europe. This analysis identified that 84% had a dedicated innovation unit with just over half running an accelerator; **87% undertook innovative procurement from scaleups in 2017**, commercially engaging with an average of 10 businesses each. In addition, 71% had actively invested in scaling businesses and 61% were active in growing businesses' M&A.

Senior level engagement is important, the report found. Among those with an open innovation unit, **33% report directly to the CEO or Board of Directors, 38% report to other C-suite executives**, and the rest, 29%, report to non C-level executives such as the Head of Innovation or Executive Vice President. Six out of ten exemplar corporates now have either a digital Chief Innovation Officer or Chief Digital Officer.

Procurement, which provides a major challenge for large firms working with young scaling businesses that often have special needs, was another focus for the analysis. The majority of exemplar corporates that engage in procurement with early stage scaleups (24 out of 27) report having set up at least one 'friendly' procedure. These range from **67% having a "fast-track" option, 48% have special legal templates, 33% have dedicated procedures and 26% carry out "other" practices such as providing preferential payment conditions** and having a full-time person to help scaleups through the procurement process.



The ScaleUp Institute has continued its relationship with Nesta to identify and celebrate those corporates whose behaviours and procedures are making a real difference to effective partnership-building

Analysis of how the 31 foster an internal entrepreneurial culture demonstrated the value of hiring entrepreneurs, with this approach favoured by 19 firms. Other approaches included giving in-house entrepreneurs (intrapreneurs) time with C-suite executives to seek advice and exposing employees to innovation via missions and incentive programmes to tech hotspots such as Silicon Valley, as well as holding internal competitions/contests to encourage employees to develop ideas.

Focus on UK firms

Teléfonoica was lauded as a great example of digital transformation making significant efforts to integrate scaling businesses into the firm. The scale and vision of their OpenFuture programme was described as a sign that open innovation is at the core of Teléfonoica's strategy.

Virgin was again highlighted as a corporate able to ingrain entrepreneurship within its culture. This is reflected in its corporate values and internal KPIs. All Virgin companies engage with scaling businesses via different programmes, often supported by Virgin StartUp – a dedicated entity focused on supporting small innovative businesses.

A **Cisco** partnership with Mishipay, a company that provides theft-proof scan, pay and leave shopping solutions was highlighted in the 2017 report. After winning University College London's Bright Ideas awards Mishipay became a Cisco Solutions Partner and its product was deployed in beta trials for retailers, earning a host of awards.

In addition, Cisco has introduced the company to clients such as Media Markt Saturn, the largest consumer electronics retailer in Europe, and is developing joint solution with them. Mishipay built the first way-finding feature in its app using Cisco CMX to be deployed live by Cisco in a real showroom environment

Awards for 2018 are now being considered and the winners will be announced in December.

Corporate collaboration checklist

<input checked="" type="checkbox"/> DESIGNING YOUR PROGRAMME CHECKLIST	EXPLANATION
<input type="checkbox"/> Do you know why you want to work with scaleups? (e.g. innovating brands, entering new markets, solving business specific problems; changing your culture, CSR, etc.)	Clarity of purpose aids internal communication, promotes coherent strategy and helps identify the most appropriate mechanism for engagement.
<input type="checkbox"/> Given the objectives, scale and scope, which collaborative mechanisms have you considered? One off events (i.e. competitions such as hackathons); <input type="checkbox"/> Sharing resources (i.e. free tools, coworking spaces); Accelerator, incubator hub <input type="checkbox"/> Business support (e.g. Mentoring; leadership and talent support); <input type="checkbox"/> Partnerships (e.g. product co-development, collaborative R&D, procurement); <input type="checkbox"/> Structured procurement process with fast growing firms/growth SMEs in supply chain <input type="checkbox"/> Investments (e.g. corporate venturing); <input type="checkbox"/> Acquisitions (i.e. acqui-hire and buying growing businesses)?	Different modes of engagement suit different purposes and require different resource commitments from each partner.
<input type="checkbox"/> Have you considered instituting a dedicated innovation/'collaboration' unit (with its own budget)?	Separate units may help insulate early stage fast growing businesses (as well as internally generated innovations), and prevent stifling by corporate processes
<input type="checkbox"/> If so, do you have a plan to ensure that the activities of this unit align with broader corporate goals?	Separate units can sometimes be counterproductive, as independence can give rise to new silos, create rivalries and deepen divisions with the rest of the organisation.
<input type="checkbox"/> Does it have a Board level sponsorship?	The most effective programmes have Board level engagement and are monitored at that level.
<input type="checkbox"/> How will you measure impact and how will you report impact and benchmark this to others?	The most effective programmes agree impact assessment and benchmarking.
<input checked="" type="checkbox"/> IMPLEMENTING YOUR PROGRAMME	EXPLANATION
<input type="checkbox"/> When in the year does the Board review the degree to which your company is procuring from/collaborating with scaleups	Innovation almost always entails taking risks and rethinking processes. Senior buy in is crucial in making clear what is acceptable and communicating a sense of urgency.
<input type="checkbox"/> Has this been communicated to different business units?	Handovers between business units are common failure points, especially when units have conflicting internal goals.
<input type="checkbox"/> Do you have a scaleup procurement/ collaboration champion in each business?	
<input type="checkbox"/> Do you have a dedicated point of contact for enquiries from scaleups?	
<input type="checkbox"/> Do you have a account manager for those you are working with?	For small firms, everything has a huge opportunity cost. Difficulties in finding the right contact are often enough to prevent scaleups from engaging.
<input type="checkbox"/> Is it clearly signposted on your website?	
<input type="checkbox"/> If yes, does that person have decision-making powers, or close proximity to those who do?	A quick 'no' is much better for small firms than a protracted 'maybe'.

⁷ A checklist for those who are starting out, refreshing and/or considering their collaboration model.

<input type="checkbox"/> Do you have a fast-track procurement service for fast/high growth firms?	Many fast growing companies face a 'catch 22' with procurement, since they are often required to show track record or ISO certification, but cannot gain this without customers.
<input type="checkbox"/> Do you have a specialised legal team or legal templates?	Many corporate legal teams are great at dealing with large firms, but don't recognise that smaller firms have unique needs. For small firms, legal costs can be a major barrier in themselves.
<input type="checkbox"/> Do you use standardised agreements for intellectual property?	IP is a common sticking point, especially for collaborative research. Templates like the Lambert model agreements simplify the negotiation.
<input type="checkbox"/> Have you hired entrepreneurs to manage your scaleup programmes, and included entrepreneurial metrics in your recruitment process?	An innovative internal culture starts with the staff, but recruitment often tends towards 'safe pairs of hands'. Experienced entrepreneurs and those that have scaled businesses before, better understand the needs of scaleups.
MEASURING & SUSTAINING YOUR PROGRAMME	
<input type="checkbox"/> Do you have a succession plan for account managers?	Business relationships often take longer than the duration of someone in a given role. Changes in staff are a common mode of failure.
<input type="checkbox"/> Do you monitor what proportion of your company's total procurement (volume and/or value) is from scaleups?	Volumes speak volumes!
<input type="checkbox"/> Do you publish this in your annual report?	Publicly acknowledging collaboration sends a strong signal to partners and competitors alike.
<input type="checkbox"/> Do you know how long it typically takes to register as a new supplier with you?	Timescales are very different for corporates and scaleups. Long and complex procedures burn scaleups' precious time which could be better dedicated to the business.
<input type="checkbox"/> Do you know how long it typically takes to pay suppliers?	Slow payment kills growing companies.
<input type="checkbox"/> Do you assess your processes and fast-track policies for 'scaleup friendliness'?	Formalised process may be efficient for day-to-day business but often hamper exploration of new ideas.
CHANGING YOUR CORPORATE CULTURE TO BE MORE RECEPTIVE TOWARDS SCALEUPS	
<input type="checkbox"/> Do you incentivise entrepreneurial behaviour through KPIs and related bonuses?	Employees respond to incentives. Even if they see the potential for improved products or services, most will focus on their immediate job description unless there is suitable reward.
<input type="checkbox"/> How do you encourage learning from failure, in a way which does not penalise measured risk taking?	Promoting the safe sharing of failure stories is a key ingredient in combatting a corporate culture of risk aversion and building an entrepreneurial mindset among employees.
<input type="checkbox"/> Do you employ a dedicated scaleup manager/champion?	Scaleup champions can be a great way to cut across internal silos, and provide advice to staff about where to take their ideas.
<input type="checkbox"/> Do staff treat risk as something to be minimised or actively managed?	Not innovating is a lot riskier than innovating. Innovations always entails risk. An attitude which treats this as purely negative will kill innovation.

The checklist was produced by the ScaleUp Institute in partnership with Nesta and their European Partners in 2017.
For more details: <http://www.scaleupinstitute.org.uk/scale-up-programmes/>

Updates on currently endorsed case studies



Go To Grow: Mayor of London's International Business Programme



Since launching in February 2016, the Mayor's International Business Programme has supported more than 500 of London's high growth businesses in their international expansion. Each quarter, 50 leading businesses in the tech, life sciences, urban and creative sectors are accepted to join the programme. Participant companies gain access to bespoke support for one year in the form of mentoring, workshops, access to corporates, international trade missions and advice.

To date, the programme has supported companies to create 789 new jobs, close deals totalling £49m and raise investment to the tune of £133m. A recent cohort survey showed that more than 86% of the companies

created new jobs in 2017; of these companies, 54% signed new deals and 56% entered new markets in the past year.

Through international trade missions, companies have been able to scope out markets such as China, India and the USA – gaining access to key decision makers at corporates, investors and influencers. This May a group of 15 leaders of London's fastest-growing women-led tech companies headed to Silicon Valley in the USA as part of the Mayor's #BehindEveryGreatCity campaign. Other missions included Atlanta, Madrid and Toronto. Further missions are planned to Germany, Nashville and China.

Sharing in Growth (SiG): Action through supply chains



Established by industry in 2013, Sharing in Growth (SiG) helps aerospace supply chain companies to improve their productivity and competitiveness and be better placed to win a share of continued growth in the global aerospace market.

Companies on the programme have already secured more than £2.5 billion in contracts – equivalent to 4,500 high-value jobs. SiG has provided the necessary support to achieve this from its own 120-strong team of business coaches as well as a network of global experts including the University of Cambridge's Institute for Manufacturing, Deloitte and the National Physical Laboratory. Backed by aerospace prime customers including Rolls-Royce, BAE

Systems, Airbus and Boeing, SiG has delivered more than 2.5 million hours of support to 63 companies, helping to skill up around 11,000 employees.

SiG focuses on creating competitive capability by developing the people and the processes they use. As fast-growing companies need access to knowledge, expertise and coaching to move through their stage of growth, each programme reflects detailed knowledge of the individual business context and is delivered on site. Tailored support lasts up to four years, is scaled to a company's ambition and recognises that the needs of a smaller, evolving company are vastly different from a multi-site corporate.

Silicon Valley Comes to the UK (SVC2UK)



Silicon Valley Comes to the UK (SVC2UK) provides a series of invitation-only events that bring together investors, serial entrepreneurs, students, policymakers and first-time CEOs with serial entrepreneurs and investors from the US and the UK. It is designed to improve the ecosystem for entrepreneurship in the UK, Europe and beyond and drive sustainable growth by helping promising CEOs in their scaling journey, inspire students, and foster relationships with Silicon Valley and the UK.

In May 2018, SVC2UK ran its fourth Female Founders trade mission to San Francisco and Silicon Valley for 15 of London's female-led scaleups. The 3-day programme to build relationships included a reception, tours of

Facebook and Instagram's HQs, speed mentoring and roundtables with founders and senior figures from Silicon Valley.

SVC2UK hosts a summit every November; Silicon Valley and UK leaders in entrepreneurship lead workshops, masterclasses and lectures, with the aim to debate, discuss, create and fund today's most disruptive technologies to change our world in the years to come.

SVC2UK is run out of London & Partners, a not-for-profit public-private partnership, funded by the Mayor of London and a network of commercial partners.



Finance

NEW CASE STUDIES FOR 2018



Accel

Balderton Capital

Crowdcube

Draper Esprit

Eight Roads*

Index Ventures

IP Group, including
Touchstone Innovations

LDC

Notion

Partech*

Santander Growth Capital
Fund Breakthrough
programme*

Woodford Investment
Management

The ecosystem for growth capital continues to improve but the UK must continue to expand the pool of patient finance available to scaling businesses across the country and address the regional disparities, awareness and depth issues that persist.

Findings from the Scaleup Survey in 2018 suggest that while 74 per cent of scaleups rely on external finance to support growth, four out of ten scaleups do not have the right funding in place to fulfil their current ambitions.

In our analysis of 'visible scaleups' with Beahurst, we have identified those equity, debt and mezzanine investors who have been the most active in supporting scaleups between the period of 2011 to 2018. We feature these as our case studies for 2018. All of them have demonstrated commitment to financing scaleups through successive rounds and they are institutions about which scaleups should be more knowledgeable. We hope to see more new models of funding emerging from the Patient Capital Review.

Titan VCT, endorsed in 2017, continues to grow in size and increase its annual number of investments; it also offers structured support for the international growth strategies of its portfolio companies – more than 60 per cent of its portfolio companies have a presence outside of the UK.¹ It is an exemplar of how VCT investors can provide knowledge and resources as well as finance. These investors are mainly tech-focused and we need to consider how to develop pools of capital for all sectors as well as their greater disbursement throughout the UK's regions – this is a key element of the British Business Bank's mission.

We have previously endorsed two programmes provided by banks: the provision of venture debt, as exemplified by **Barclays**, and the **Santander Breakthrough Growth programme**. The varied capability of the principal banks to support scaleups is underlined by our endorsement this year of LDC, the private equity arm of Lloyds Banking Group, as a result of the firm's ongoing active investment in UK scaling companies. First formed in 1981, **LDC** invests in growing businesses from all sectors via a regional network of nine offices.

Institutional funds, either investment trusts or publicly quoted firms in their own right, form another important part of the funding landscape for scaleups. The emergence of these patient capital institutions – as well as the creation of British Patient Capital by the British Business Bank – creates a fresh source of institutional investment with time horizons that are less constrained by the life of a particular fund. This year we endorse **Draper Esprit**, which has received a £30m investment from the British Patient Capital programme, **Woodford Investment Management** and the **IP Group** (which acquired Touchstone Innovations in 2017).

CURRENTLY ENDORSED CASE STUDIES



Barclays: Venture Debt
BGF

British Business Bank:
Enterprise Capital Fund

Octopus Titan VCT

The breadth of these case studies demonstrates there can be no single route to finance for scaleups. A blend of complementary sources of UK-based long-term capital, all of whom have the capacity to participate in follow-on rounds and to add value by bringing knowledge, networks and expertise along with their funding, is vital.

Seven of our case studies are VC firms – **Balderton Capital, Accel, Index Ventures, Notion, Partech, Eight Roads**. (Draper Esprit is also a VC firm but one that is publicly listed on the London Stock Exchange, and so we consider it with other institutional funds). They reflect the emergence of VC investors who are consistently supporting the scaling up of companies and provide exemplars of how the wider VC industry has the potential and capacity to provide support to all stages of scaleup growth. Some of the firms, such as Partech and Eight Roads, have a global mandate; others, such as Balderton, Accel and Index, invest in UK scaleups from funds with a Europe-wide focus. **The Octopus**

*Female Founders focus

¹ <http://www.growthbusiness.co.uk/octopus-group-simon-rogerson-and-chris-hulatt-2554307/>

A newer asset class – equity crowdfunding – has emerged over the past decade as an alternative finance option for scaling companies. This is reflected in the number of companies that Beahurst data has identified as being supported via the **Crowdcube** platform. The growth of such platforms, along with the fostering of fintech companies in the FCA’s regulatory “Sandbox,” demonstrates the level of innovation in finance from which scaleups can benefit.

It is important that this growing number of diverse funding sources leads to greater allocation to companies with higher levels of gender diversity. **Financing and supporting more female scaleup role models will encourage more women to scale up their businesses** the Santander programme has expanded its offer, notably including a Women in Business programme to provide networking opportunities, mentoring and events specifically for female entrepreneurs. Research conducted by Beahurst for our Female Founders Index highlight how some of these endorsed firms – such as Paritech and Eight Roads – also demonstrate their support of and investment in female founders.

The British Business Bank (BBB) provides a model of how public sector finance can work with – and not crowd out – private sector finance in order to develop far bigger pools of capital in the UK and encourage more investors willing and able to provide ongoing rounds of follow-on or scaleup finance.

In 2017, we featured the **BBB’s Enterprise Capital Fund (ECF)** programme as a case study. The investment capacity of this programme has now increased to more than £1.2bn, with 28 funds facilitating finance to more than 470 businesses (as at end June 2018). In addition, the BBB has amplified its support of scaleups with the launches this year of British Patient Capital, the Managed Funds programme, and a Knowledge Hub for scaleups to identify and attract appropriate growth capital.

One of our original case studies, **BGF**, has continued to grow its support of scaleups. It has invested £1.7bn and backed 250 growth companies with £430m of follow-on funding and has 14 offices including opening in Ireland in 2017 with a €250m fund to support growing Irish businesses.

Scaleups continue to emphasise that it is not just cash that they seek from the financial community. They want smart money which brings knowledge and support along with it. The nature of that additional backing is taking many forms.

A more plural and diverse finance market requires strong and clear education for scaleup leaders about the growth finance options that are available.

Stephen Welton

CEO, BGF



They say change is the only constant and looking back at the last year or so, that has certainly been the case. While on one side, technological progress is transforming our lives, creating new industries and with them, a wealth of opportunities – on the other side, we are navigating increasingly uncertain waters. As we head towards Britain's exit from the EU in 2019, an exact vision of the future is hard to imagine.



One might naturally assume that such uncertainty would be bad for business. But as we've seen at BGF over the past 12 months, entrepreneurs and scaleup business leaders across the country, while acknowledging its impact, are determined to make the most of the opportunities it might present.

In 2018, BGF has on average made one investment per week, bringing our overall investment to more than £1.7bn across 250 companies.

A time of great transformation

The business environment is evolving, even down to the very ways we define success. There seems to be a renewed confidence in the impact that innovative, scaling businesses can have on the world around them. Leaders are striving to make a positive difference to society and power progress in the UK.

Indeed, innovation and supporting R&D have been a clear focus for the government, as seen in its Industrial Strategy and the new deals being brokered to support Britain's prowess in emerging areas, such as artificial intelligence (AI).

Our technology success

Britain's tech industry is certainly flying. The latest reports from TechNation suggest that the digital tech sector grew 2.6 times quicker than the rest of the economy between 2016 and 2017.

This growth is reflected across many of BGF's portfolio businesses, in particular our earlier stage group, which is in large part driven by digital. Take for example Trouva, which is creating an online marketplace for global bricks-and-mortar boutiques.

But we must not forget that fast growth – and the progress it brings with it – is not merely seen in the technology sector.

I can say with confidence that the bright sparks of innovation and productivity can be seen vividly from all sectors. From manufacturing and energy, to business services, hospitality and healthcare, we are a nation of passionate and ambitious creators.

The importance of diversity

For the UK to build a sustainable economy, it must create and support a diversity of businesses across all regions. We can't put all of our eggs in one basket and with such a wide-range of skills and talent in every corner of the country, there is no reason we should. Having more strings to our bow will bring resilience and will help us to meet any economic hurdles that this age of uncertainty might throw up.

It is critical, on a finance and growth capital basis, to be close to our scaling businesses. We need to build a nationwide approach, with more investment needed on the ground and a renewed focus on making Patient Capital a reality by crowding in institutional funds to support Britain's scaleups. The future may be uncertain, but one thing is clear – with such an inspiring crop of innovative, scaling companies, based in all corners of the UK – the future is bright.

ACCEL



IMPACT FOR SCALEUPS



27
COMPANIES
BACKED



48%
FOLLOW-ON
INVESTMENTS



2%
INVESTMENTS OUTSIDE
OF LONDON



27
GROWTH-STAGE
INVESTMENTS

Accel is an early and growth-stage VC firm which has a number of funds including the \$500m Accel London V Fund which is focused on Series A and B investments in Europe and Israel.

Typically investing between \$5-\$10m in Series A or B first-round investments, Accel invests on average \$15m per company over time; the average size of the investment rounds into UK companies in which it has participated since 2011 is £17.4m.

During this period, the fund has provided follow-on investments for 13 of the 27 UK companies that it has backed, averaging 1.85 investments per company. For more than half (56%) of the companies, Accel was the first institutional investor.

Accel contributed to ten equity investments into six unique scaleups in rounds worth a total of £277m.

The fund invests in technology companies globally, with a focus on the US, UK and India. Of the 50 investments made by Accel since the start of 2011, 49 have been into London-based companies.

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

BALDERTON CAPITAL



IMPACT FOR SCALEUPS



37
COMPANIES
BACKED



54%
FOLLOW-ON
INVESTMENTS



8%
INVESTMENTS OUTSIDE
OF LONDON



37
GROWTH-STAGE
INVESTMENTS

Balderton Capital focuses on Series A investments into European technology companies but also provides growth capital to companies at venture and growth stage.

Balderton typically invests between \$1-\$20m; the average size of the investment rounds into UK companies in which it has participated since 2011 is £10.5m. During this period, the fund has provided follow-on investments for 20 of the 37 unique UK companies that it has backed. Balderton has contributed to 11 investments into six unique UK scaleups since 2011 worth a total of £222m.

The fund primarily invests in businesses based in Europe but has invested in US and Asian businesses. It focuses on markets such as technology, e-commerce, software, communications, security, semiconductors, consumer services, media and financial services. It does not invest in life sciences or cleantech.

Describing itself as investing in European founders with global ambitions, Balderton organises hundreds of networking events across Europe each year, designed to connect companies with mentors, board members and customers. It provides advice on talent acquisition and global expansion. In October 2018 Balderton launched Liquidity I, a new \$145m fund dedicated to buying equity stakes from early shareholders in European-founded, high growth, scaleup technology companies.

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

CROWDCUBE



IMPACT FOR SCALEUPS



543
COMPANIES
BACKED



11%
FOLLOW-ON
INVESTMENTS



46%
INVESTMENTS OUTSIDE
OF LONDON



40
GROWTH-STAGE
INVESTMENTS

Crowdcube operates an online crowdfunding platform on which businesses pitch to receive investment. The fund focuses on seed and early-stage businesses due to average size of capital provided, although businesses at any stage are eligible.

Crowdcube typically invests between £250,000-£1m, with funding available as equity investment or mini-bonds, with the average size of its investment into UK companies since 2011 being £648,000. During this period, the fund has provided follow-on investments for 62 of the 543 UK companies that it has backed. Crowdcube has contributed to ten equity investments into six UK scaleups since 2011 worth a total of £13.2m; it has also facilitated two debt funding deals totaling £12.3m for the scaleup BrewDog.

Crowdcube exclusively invests in UK companies and has offices in Exeter and London. It provides companies that raise funds via the platform with access to a help centre and a campaigns team, access to a network of founders, and support with marketing and investor relations.

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

DRAPER ESPRIT



IMPACT FOR SCALEUPS



33
COMPANIES
BACKED



36%
FOLLOW-ON
INVESTMENTS



21%
INVESTMENTS OUTSIDE
OF LONDON



19
GROWTH-STAGE
INVESTMENTS

Draper Esprit invests in seed, venture and growth-stage companies based in Europe.

The firm typically invests between \$500,000-\$20m; the average size of the investment rounds into UK companies in which it has participated since 2011 being £9.15m. During this period, the fund has provided follow-on investments for 12 of the 33 unique UK companies that it has backed. Draper Esprit has contributed to 15 investments into seven unique UK scaleups since 2011 worth a total of £146m.

Founded in 2006, the fund invests throughout Europe, with offices in London, Dublin and Cambridge. It invests in technology-based businesses and those in e-commerce, digital media and online publishing. It focuses on companies in electronics, software, internet, medtech and mobile.

The average number of deals per annum, including follow-on rounds, is 20.

21 of the 52 investments made into UK companies by Draper Esprit since 2011 have been outside of London. The firm describes growth investing as its core business and emphasises that as a publicly listed VC fund it is not constrained by the limited partnership model of a time-limited fund, saying: "we have a balance sheet, a longer view, and the staying power to back teams to reach their full potential."

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

INDEX VENTURES



IMPACT FOR SCALEUPS



57
COMPANIES
BACKED



44%
FOLLOW-ON
INVESTMENTS



13%
INVESTMENTS OUTSIDE
OF LONDON



41
GROWTH-STAGE
INVESTMENTS

Index Ventures is a multi-stage VC firm, making equity investments at seed, venture and growth stage.

The firm focuses on life sciences, medical technology, digital media, e-commerce and software and invests in companies based in the US, Europe and Israel. It announced new venture and growth funds amounting to \$1.65bn in June 2018.

Index typically invests between \$100,000-\$2m in seed-stage companies and up to £50m for growth-stage companies; the average size of the investment rounds into UK companies in which it has participated since 2011 is £11.9m.

During this period, the fund has provided follow-on investments for 25 of the 57 UK companies that it has backed. Index has contributed to 17 investments into UK scaleups since 2011 worth a total of £386m.

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

IP GROUP, INCLUDING TOUCHSTONE INNOVATIONS



IMPACT FOR SCALEUPS

● TOUCHSTONE
● IP GROUP



50/76
COMPANIES
BACKED



58%/32%
FOLLOW-ON
INVESTMENTS



66%/88%
INVESTMENTS OUTSIDE
OF LONDON



23/17
GROWTH-STAGE
INVESTMENTS

IP Group is an FTSE-250 listed IP commercialisation company whose funds provide venture capital to spin-out companies from its university partnerships.

IP Group owns several funds, including Touchstone Innovations (which was acquired in October 2017), Parkwalk Advisors, and stakes in Oxford Sciences Innovation and Cambridge Innovation Capital.

IP Group invests in spin-outs from UK universities and some US universities. The great majority of investments – 88% – made by IP Group have been into companies in local areas of the UK other than London. Its subsidiary Touchstone Innovations focuses on companies developing research originating from the UK's "Golden Triangle" (i.e. Oxford, Cambridge, London).

The funds invest at seed, venture and growth stages and assist companies with the commercialisation of their new products and services, with technology transfer, IP licensing and protection. The funds continue to invest in portfolio companies as they scale. The firm has a long-term partnership model with UK universities and developed an approach to supporting businesses from "cradle to maturity," including assistance with executive search and recruitment and raising growth stage capital from co-investors.

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

LDC



IMPACT FOR SCALEUPS



37
COMPANIES
BACKED



5%
FOLLOW-ON
INVESTMENTS



82%
INVESTMENTS OUTSIDE
OF LONDON



35
GROWTH-STAGE
INVESTMENTS

LDC is the private equity arm of Lloyds Banking Group and has been an active investor in UK companies since 1981.

It makes equity investments between £2-£100m to companies who can demonstrate minimum revenues of £5m with profits of £1m and a two-year profits history. The average size of its investment since 2011 is £15.9m.

LDC has contributed to 12 investments into scaleup companies since 2011, worth a total of £193m. Of the 39 investments made by LDC, 32 have been to companies based outside of London.

The firm invests solely in UK companies and has nine offices around UK, including Aberdeen, Manchester, Bristol, Edinburgh and Birmingham. Portfolio companies are provided with sector-specific guidance, access to an executive network, and peer network opportunities with other portfolio companies.

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

NOTION



IMPACT FOR SCALEUPS



33
COMPANIES
BACKED



48%
FOLLOW-ON
INVESTMENTS



36%
INVESTMENTS OUTSIDE
OF LONDON



28
GROWTH-STAGE
INVESTMENTS

Notion specialises in making seed and Series A investments but has an \$80m growth fund to provide later-stage follow-on capital for portfolio companies. The fund invests exclusively in the B2B and SaaS sectors. Notion is located in London and invests across Europe.

The firm typically invests between £250,000-£5m, the average size of the investment rounds into UK companies in which it has participated since 2011 is £6.73m. During this period, the fund has provided follow-on investments for 16 of the 33 UK companies that it has backed. Notion has contributed to nine investments into UK scaleups since 2011 worth a total of £108m.

Of the 59 investments made by the firm since the start of 2011, 21 have been to companies based outside of London.

The fund offers knowledge, resources and pro-active support to its portfolio companies through its venture platform. This fosters active collaboration among its portfolio companies, shares knowledge to create “a powerful collective intelligence,” and creates a network with “deep domain expertise.” The founders say that their strategy is “to be the investor we wish we’d had.”

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

WOODFORD INVESTMENT MANAGEMENT



IMPACT
FOR
SCALEUPS



32
COMPANIES
BACKED



50%
FOLLOW-ON
INVESTMENTS



63%
INVESTMENTS OUTSIDE
OF LONDON



27
GROWTH-STAGE
INVESTMENTS

Woodford manages the Woodford Equity Income Fund and the Woodford Patient Capital Fund; between them, they provide equity investment for venture and growth finance, R&D and working capital. The Equity Income Fund is limited to up to ten per cent in unquoted securities and the Patient Capital Fund is limited up to 80 per cent.

Beauhurst research indicates that Woodford's funds typically invest between £2m-£40m, with the average size of deals being £32.7m. The funds invest in several other patient capital vehicles which invest in scaleups, including Draper Esprit and IP Group.

The funds have provided follow-on investments for 16 of the 32 companies it has backed since 2011. Of the 54 investments, 34 have been to companies based outside of London. It has contributed to nine deals into scaleups since 2011, worth £266m.

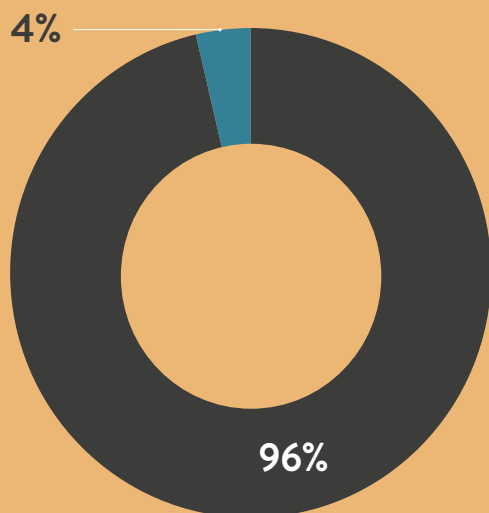
The firm has offices in Oxford and Exeter and invests mostly in UK businesses. The company vision is to provide patient capital to support young businesses "through to commercialisation and fulfillment of their long-term potential." The firm says that it aims to invest in businesses "with the potential to become the FTSE 350 companies of the future."

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

Female founders & finance



VISIBLE SCALEUPS IN 2017 WITH AT LEAST ONE FEMALE FOUNDER



■ No female founder ■ Female founder

Four per cent of visible scaleups have at least one female founder. As part of the inaugural ScaleUp Female Founders Index, the ScaleUp Institute identified the top funders by number of fundraisings for deals into scaleups with at least one female founder.

In total, £414m has been invested into female founded scaleups since 2011. The top investor is Eight Roads Ventures which contributed to 5 deals worth £121m. Other newly endorsed case studies with a track record in backing female founder scaleups include Partech Ventures with 2 deals worth £79m; and Santander Growth Capital Breakthrough Programme with 3 deals worth £15m.

EIGHT ROADS



IMPACT
FOR
SCALEUPS



14

COMPANIES
BACKED



21%

FOLLOW-ON
INVESTMENTS



12%

INVESTMENTS OUTSIDE
OF LONDON



13

GROWTH-STAGE
INVESTMENTS

Eight Roads provides venture and growth-stage capital, investing in fast-growing technology companies across the enterprise, consumer, fintech and healthcare IT sectors. It looks for businesses within a revenue band of €1-€5m showing year-on-year growth of 100 per cent and for those with revenues exceeding €5m whose growth is at least 30 per cent.

The fund has its head office in London and other offices in Hong Kong, Beijing, Shanghai, Mumbai, Tokyo, Hamilton, Boston and Stockholm. Eight Roads invests in companies based in Europe, US, India and China. It has backed 14 UK companies since 2011 and provided follow-on funding for three of them. Out of all these investments, the majority have been into London-based companies. The average size of the investment rounds into UK companies in which it has participated since 2011 is £32.4m, compared to £29.1m for all companies internationally.

The firm says that it aims to provide ambitious founders with scaleup guidance and business-building experience to help them “beat the odds” and that “with the right help the European ecosystem can systematically create \$10bn-plus global tech businesses.” Eight Roads is one of the funds showing a track record on investing in scaleup female founders or co-founders, investing for example in MADE and Notonthehighstreet, to name just a couple.

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

PARTECH



IMPACT FOR SCALEUPS



11

COMPANIES BACKED



36%

FOLLOW-ON INVESTMENTS



29%

INVESTMENTS OUTSIDE OF LONDON



6

GROWTH-STAGE INVESTMENTS

Partech makes equity investments at seed, venture and growth stage, operating through five funds. The firm focuses on tech and digital businesses.

The funds make around 45 new investments annually on a global basis, with a particular focus on the US and Europe. The funds have made 17 investments into UK companies, of which 12 were into London-based companies. During this period, the funds have provided follow-on investments for four of the scaling companies that they have backed. The average size of the investment rounds into UK companies in which it has participated since 2011 is £11m compared to £10.3m for all companies internationally.

In support of its portfolio companies, Partech provides

coaching on strategy, operations, executive hiring, board structure, as well as preparation for M&A and build-ups. The firm also provides peer networking opportunities through its global portfolio.

Partech, itself having a female managing director and CFO, is one of the funds showing a track record of investing in female scaleup founders.

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

SANTANDER GROWTH CAPITAL BREAKTHROUGH PROGRAMME



IMPACT FOR SCALEUPS



19

COMPANIES BACKED



16%

FOLLOW-ON INVESTMENTS



77%

INVESTMENTS OUTSIDE OF LONDON



20

GROWTH-STAGE INVESTMENTS

Santander Breakthrough Growth Capital provides growth-stage capital through a mezzanine loan offer, typically between £500,000 to £5m, which can work alongside additional senior debt facilities.

The funding, which targets companies that are growing at scaleup rates, has participated in 22 fundraisings totalling £76.4m. It is a national fund; five of the 22 investments have been into London-based companies.

A range of additional support is offered by the Breakthrough programme. This includes expertise to companies that are expanding internationally, providing commercial contacts and market knowledge to companies looking to export or open offices abroad. Businesses are connected with an online network of founders and business leaders, and regional peer group roundtables are also organised. The programme also

runs a number of 'Access the Buyer' events, leadership masterclasses, a series of network and mentoring events focused on female business leaders, and support for internships.

The Growth Capital Fund has provided follow-on finance for three of the 19 unique companies it has backed since 2011. It is one of the growth capital vehicles showing a track record on investing in scaleup female founders.

For further information about the programme:
scaleupinstitute.org.uk/scale-up-programmes/

Updates on currently endorsed case studies



BGF



BGF is the most active and influential investor in small and mid-sized businesses in the UK, with £2.5bn to support a range of growing companies – early stage, growth stage and quoted – across every region and sector of the economy. BGF opened in Ireland last year and has an additional €250m to support Irish businesses on a similar growth path.

BGF makes long-term equity capital investments in return for a minority stake in the companies it backs. Initial investments are typically between £1m-£10m followed by significant follow-on funding as required. BGF is a minority, non-controlling equity partner with a patient outlook, based on shared long-term goals with the management teams it backs.

With a specialist internal team of over 150 people, combined with an international network of business leaders, sector experts, and board-level non-executives, BGF has a unique platform and capability to support growing UK and Irish businesses. This is further reinforced through dedicated in-house support with chair and senior executive selection and appointments provided by its Talent Network, now some 5,000 strong.

BGF invests off its own balance sheet allowing it to offer flexible investment structures with a mix of equity and loan notes as appropriate. BGF can also provide equity release for existing shareholders, and funding to support acquisitive and organic growth strategies at home and abroad.

British Business Bank: Enterprise Capital Fund



The Enterprise Capital Funds (ECF) programme is a significant part of the UK venture capital industry now with 28 funds facilitating finance to more than 470 growing businesses. It aims to increase the supply of equity to UK growth companies and to lower the barriers to entry for fund managers looking to operate in the VC market.

The British Business Bank – the UK's national economic development bank – invests alongside venture capital funds on terms that improve the outcome for private investors when those funds are successful. It does this to encourage venture capital funds to operate in a part of the market where smaller businesses are not able to access the growth capital they need.

Enterprise Capital Funds are managed by experienced fund managers from a variety of backgrounds – including teams from the venture capital industry as well as serial entrepreneurs with a history of success in building early stage UK companies.

From inception to June 2018 more than £1.2 billion (including third party funding) has been committed through the ECF programme.

In 2017/18 the British Business Bank also developed a new British Patient Capital programme, providing up to £7.5bn of finance and designed to support high growth potential innovative UK businesses in accessing the long-term financing they require to scale up and launched the £250m Midlands Engine Investment Fund to support businesses across the region.

Octopus Titan VCT



Octopus Titan is the UK's largest Venture Capital Trust with £120m raised last year and £600m in assets under management. The 2017 ScaleUp Review identified it as an exemplar of how the wider VCT industry has the potential and capacity to provide assistance to all stages of scaleup growth.

Typically investing £1-£5m in a first round investment the Trust has the capability to follow its investments up to £20m. It has built a portfolio of approximately 60 of the UK's fastest-growing tech-enabled businesses with the potential for significant growth.

Octopus offers rapidly scaling businesses access to follow-on funding to promote significant growth, enabling high-growth companies to scale without the distraction or delay of seeking other funding sources whenever required. The firm's wider network of Venture

Partners provides hands-on help, practical advice and professional connections to other portfolio companies and industry experts both in the UK and overseas. Octopus has itself set up a New York office and collaborates with key partners in Singapore and Shanghai to help companies cope test and enter new markets.

Octopus is working with other leading organisations in the finance community, including the British Private Equity & Venture Capital Association (BVCA) and the Venture Capital Trust Association to champion entrepreneurship and scaleup.

Over recent years Octopus investment has enabled businesses to become part of some of the largest businesses in the world including Google, Amazon, Twitter and Microsoft.

Sam Smith

CEO, finnCap and female scaleup founder



The pool of capital available to scaling private businesses has deepened significantly in recent years. The landscape has completely changed. For today's scaling businesses this is very good news. We track the number of fundraising rounds between £2m-£25m – they have risen steadily.



Worldwide record low interest rates have been a key factor, as this has driven both private and institutional investors to look further afield for yield and to move into private investment opportunities.

This means that many more public market institutions will now look at private deals. In 2011, 173 institutional investors deployed capital in private deals; in 2017, it was 315. Not only does this deepen the pool of capital but it also brings different types and styles of investors.

The rise of patient capital institutions such as BGF and Woodford – as well as the creation of British Patient Capital by the British Business Bank – is creating a cohort of institutional investors whose time horizons, unlike VC and private equity firms, are unconstrained by the life of a particular fund.

Investment in early-stage growing businesses will continue to increase. This is partly due to the Chancellor's decision to double the limit on EIS investment, both in terms of the limits of how much investors can invest and how much EIS investment companies can receive, and to make changes to VCT rules in order to encourage investment in entrepreneurial knowledge-intensive companies.

These changes will result in further growth in tax-driven funds, all seeking great investment opportunities in the private capital landscape. A middle tier of finance for scaleups is emerging, comprising many disparate players. They range from family offices and VCTs to entrepreneurs who have sold their businesses but now want to be active investors.

In addition, the long-established de facto options for scaling companies – VC and private equity firms – have amassed considerable financial firepower (the so-called "dry powder") and they continue to look for great scaling businesses in which to invest.



the question today is not so much about access to capital, but rather access to the right kind of capital which is best suited to your business

The public markets not only offer entrepreneurs access to capital and a broader shareholder base but also the ability to stay in control of their company. Far from viewing an IPO as an exit, it is another step on the growth ladder.

So for private scaling companies, the options are broad and extensive. While this widening and deepening pool of capital is positive for scaleups, it does create a more confusing marketplace. It is hugely important for each startup to find the right investors – those whose investment hypothesis is aligned to the vision and strategy of the company. In an increasingly large and complex market, that is difficult.

For scaleups, the question today is not so much about access to capital, but rather access to the right kind of capital which is best suited to your business. Yet a great number of companies, particularly female-led businesses, simply don't try to raise growth capital.

There are many reasons for this, many of which relate to confidence and ambition. We are trying to fuel this ambition. We launched Ambition Nation to fuel growth among UK companies by telling stories of ambition to entrepreneurs and also providing them with better knowledge of the financial landscape. We want to encourage more people to grow their businesses and to access the right form of growth capital to help them achieve that.

In building finnCap, my barrier has always been about getting comfortable with the next stage of growth. If you are comfortable, the more likely you are to do it. To get comfortable and to gain that vital confidence, you have to meet people who have done it. Until you see what is possible and get comfortable with that, you won't get out of your comfort zone.

It's all about lighting ambition and refreshing people's bigger picture thinking. We have to encourage the mindset that people can build a £100m company – and if they can do that, then it could be a £1bn company. After all, it's easier to go from £200m to £1bn than it is from nought to £2m.

Entrepreneurs need to have the confidence to grow, and to hear stories of how they could potentially increase the size of their company ten times. It is

all about planting the vision and making people feel comfortable with the risks they are taking.

As a subset of Ambition Nation, we are focusing on developing this “think big, be bigger” approach among female founders. Many of them don't want to raise funds. Few of them go out on the road to do so, and fewer of them actually get money. But while there are both push and pull factors at work, we know that demystifying finance is at the crux of this problem.

There's a general point: financiers and entrepreneurs can often talk in different languages. Entrepreneurs want to get comfort on and understand issues such as the potential loss of control; financiers will focus on the numbers and financial ratios. And the other key point is that the world of finance remains very male-dominated. There's also a shortage of role models of female CEOs who have been there and done it – who have tackled the challenges of growth and have raised money.

Things are starting to shift – the push is definitely there. There is no shortage of female-led growing businesses and it's vital to keep building that pipeline. Steps are being taken to encourage more female angel investors and VC partners. Funds have been launched that will allocate more to companies with higher levels of gender diversity. Having more role models will exponentially encourage more women to scale up their businesses. I'm confident that we will make huge strides over the next few years.



Social Scaleups



Social businesses account for a large and growing portion of the UK business sector, comprising a range of enterprises focused on responding to complex and challenging community, environmental and broader societal concerns. In 2018, the ScaleUp Institute, in partnership with Barclays, has been looking more intensively at this under-researched sector of the economy.

Social businesses are not always perceived to be high growth but there are many that are actively scaling.

Not only are they growing their revenues and employee numbers rapidly, they are making profits which are then being reinvested to further their social goals and increase their reach. They are not necessarily just operating within their local communities but are active players on a national and international scale. These social scaleups are driven by ambitious leaders and are delivering innovative solutions.

The research draws from the findings of our Annual Scaleup Survey, in-depth interviews with a number of social business leaders and an extensive literature review. It demonstrates that social scaleups face a number of challenges to their growth.

They cite talent and skills as their principal issue, reflecting the concerns of the wider scaleup population. However, access to finance is seen to be a greater challenge to social scaleups than for their fast-growing peers in other sectors of the economy.

The findings will be published in Winter 2018 and will discuss the characteristics of social scaleups, the challenges they face and help to break down the barriers to their scaling up and the social impact of their activities.

This report will shed light upon this diverse group, whose scaleup ambitions are not always recognised. It will explore in more detail their challenges in access to finance and provide insights to the finance community, policymakers and ecosystem to act upon.





Infrastructure

NEW CASE STUDIES FOR 2018



Alderley Park
Babraham Research Campus
Barclays Eagle Labs

Scaleups are by their very nature fast-growing and agile companies and they have a huge appetite for high-quality infrastructure that is flexible and can help them expand.

Access to the right locally based infrastructure is consistently ranked as a significant barrier to scaling businesses, alongside the need in that environment for connection to peer networks, talent, expertise and investors.

CURRENTLY ENDORSED CASE STUDIES



Cambridge Cluster Map
Engine Shed
Google Campus

A striking characteristic of this year's endorsed exemplar programmes is the ongoing emergence of innovative hubs, some of which are sector specific, to meet scaleup needs at a local level that go beyond just a premises solution. They harness access to research facilities, technical expertise, mentorship and peer-to-peer groups.

ONES TO WATCH



FCA Regulatory Sandbox Level39
NatWest Entrepreneur Accelerator

In the 2018 Review we highlight the work of two hubs Alderley Park and Babraham Research Campus that are pioneering this approach in the field of life sciences. **Alderley Park**, based at the former AstraZeneca R&D facility, offers over one million square feet of state-of-art office and lab space to businesses in the life sciences sector. It provides end-to-end support for companies, from startup to scaleup, supporting the challenge of developing products for universities, hospitals and institutes as well as corporates including connecting businesses to an investor base. The **Babraham Research Campus** is co-located with the Babraham Institute, a world-leading research institute in life sciences, in order to bring research and business together. Funded by the Biotechnology and Biological Sciences Research Council, the site provides laboratory and office facilities, with a supportive and well networked community to new and scaling companies. This again includes connections to investors, buyers, peers and mentors.

We also this year draw attention to the way in which the banking sector, **Barclays Eagle Labs**, and **Natwest Entrepreneur Accelerator** (one to watch) is stepping up to address the challenges the scaleup community face with bespoke infrastructure that provides a range of interconnected services to foster scaleup growth. Barclays Eagle Labs – our third endorsed initiative – offers scaling businesses offices and co-working spaces alongside a mix of facilities, workshops and events with experts to help them grow. Support includes mentors and wider connections through the Barclays network enabling introductions to suppliers and buyers within the UK market. Barclays also importantly has as part of this a dedicated **high-growth relationship management team** who work with these businesses across their finance, international and day-to-day cash management/treasury needs.

Finally, we turn attention to the public sector and the role of a regulator in fostering innovation as we watch with interest the evolution of the **FCA Sandbox** and the role it is playing in providing an infrastructure to help growing financial services firms break down regulatory barriers and test out their business models. We believe this model would work in other regulatory sectors and is one others should seek to emulate.

Alongside these initiatives we continue to see previously endorsed programmes evolving their offerings with:

- **Google Campus London** now offering a **four-month Residency Programme** with personalised support and access to Google resources for globally-minded growth-stage companies.
- **Engine Shed**, Bristol, now planning to expand to two new sites and further embedding a ScaleUp Enabler role to facilitate connections and opportunities across the city and beyond.
- the **Cambridge Cluster Map** continuing to harness data from national and local sources to provide details of all local scaleups enabling potential employees, customers and investors to identify growth opportunities.

Much can be learnt from each of these endorsed and ones to watch initiatives as other localities build their industrial strategies, seek to put scaleups on the map and corporates, financiers, institutes, science parks, etc., consider further how they can repurpose and evolve space to build a comprehensive infrastructure for scaling firms that offers end to end solutions to their challenges.

BARCLAYS EAGLE LABS

DEVELOPING SKILLS FACTORIES TO AID
PRODUCTIVITY AND ECONOMIC GROWTH



IMPACT
FOR
SCALEUPS



1,200

ENTREPRENEURS
SUPPORTED



205

JOB'S CREATED
IN 2017



474

LAB
RESIDENTS



18

SITES



£18m

REVENUE RAISED
IN 2017

Barclays Eagle Labs aim to become skills factories for the UK. Now running for more than two years, they offer scaling businesses offices and co-working spaces alongside a mix of facilities, workshops and events with experts to help them scale. Support includes mentors and wider connections through the Barclays network enabling introductions to suppliers and buyers within the UK market.

During 2017 Eagle Labs reached 65,000 individuals, including corporates, schools and businesses and more than 130 businesses attended an accelerator activity hosted or run by a Lab.

There are currently 18 Labs spread across the country, including sites in Wales, Scotland, Northern Ireland, London, the South, the Midlands, the North, the East of England – with two venues within Cambridge – and the Channel Islands. The Notting Hill Lab is a partnership with the Law Society to support emerging Law and RegTech businesses develop new products. Member businesses have access to and licence to use the entire Lab Network.

Each Eagle Lab has:

- An in-house Engineer with the role and capability to support businesses develop physical and digital prototypes;
- High Growth Business Managers who can provide scaling businesses with access to financing options; and,

- Local specialist partners such as the Judge Business School in Cambridge and Edinburgh's CodeBase to build capability.

The aim is to have at least 22 UK Eagle Labs by the end of 2018 and there are plans to develop an international presence, to support scaleups access international markets, talent, supply chains and capital.

A significant element of the approach is to encourage collaborative innovation through peer-to-peer networking and to support this the Labs organise structured workshops. By the end of 2018 Eagle Labs will have an online connector platform allowing easy and in-time access to all residents. The Labs also help develop the skills of the wider community providing skills sessions for young people and training in cyber security.

"I don't think we could have scaled our team successfully without Eagle Labs' support and we are very proud to be the first graduates of Chesterton Road, Cambridge."

VISHAL CHATRATH, CEO, PROWLER.IO

"Where the Eagle Lab has really helped is the support from people who really understand our business and what we're trying to achieve. Because Barclays understands where we are trying to get to, the process is much more collaborative."

JERRY KRYLOVE, CORNER WEARABLES, SALFORD LAB

"Sure Chill is a fast-growing company with a groundbreaking technology that is changing the way people cool around the world. Currently in a state of rapid growth, we needed a location that was agile enough to suit our expansion with state of the art facilities to continue our innovative product development."

NIGEL SAUNDERS, CEO, SURE CHILL, CARDIFF LAB.

For further information about the programme: scaleupinstitute.org.uk/scale-up-programmes/



CALL TO
ACTION

The power of hubs and connected scaleup space that places scaling businesses together allowing collaboration; peer networking and connections to investors, mentors and talent has impactful results. Other corporates can learn from the models deployed in endorsed case studies and consider how they adopt such strategies and practical solutions.

NatWest Entrepreneur Accelerator



More than money – the finance industry providing space and guidance at the scaling phase

Launched in March 2018, this initiative builds upon a previous three-year partnership with Entrepreneurial Spark and is defined by three key features: community, coaching and networks.

The target is to reach 5,000 entrepreneurs in 2018. Founders from all sectors are offered a personalised journey, working with their Entrepreneurial Acceleration Manager to identify areas of the Accelerator that offer the most value to them. The Accelerator is based on two programmes:

- **Pre-Acceleration** – a 3-month series of physical and digital content and workshops for early stage entrepreneurs; and,

- **Acceleration** – this core programme offers up to 18 months of fully-funded office space in 12 Accelerator Hubs, a tailored learning journey with 12 learning topics, one-to-one coaching and access to partners and mentors. As part of this a bespoke Fintech Accelerator has been launched at the Edinburgh, Bristol, Manchester and London Hubs.

The Hubs host a monthly 'Meet Up' with specific learning content and the opportunity to network with fellow

founders and key players in the local ecosystem. A local Development Manager in each Hub works to coordinate with local stakeholders to provide expertise and support to the businesses. Each hub has strong working relationships with their local universities and higher education bodies, including the Universities of Sussex, Brighton, Birmingham, Aston, Ulster and Queen's University Belfast.

In the Entrepreneurial Spark format, the programme helped over 3,000 businesses in their scaling journey with participant businesses raising £255m in investment and creating 8,096 jobs.

ALDERLEY PARK

MAKING SCIENCE PARKS WORK FOR SCALEUPS



IMPACT FOR SCALEUPS



65

RESIDENT
COMPANIES



>1,200

EMPLOYEES



£21m

FINANCE RAISED
IN 2018



>200

SENIOR INDUSTRY
LEADERS



2

ONSITE
VENTURE FUNDS

Acquired by Bruntwood in 2014 and currently undergoing a £160m investment, Alderley Park is home to the internationally-recognised Mereside bioscience campus managed by Manchester Science Partnerships (MSP).

As well as providing over 1m sq ft of state-of-art office and lab space to businesses in the life sciences sector, the site provides support for companies, from startup to scaleup, supporting the development of products for universities, hospitals and institutes as well as corporates.

All companies on site have access to Alderley Park's flexible infrastructure and scientific services, which allows them to start small (such as a hot desk or single lab bench) and then to expand as their business develops and grows. There are now 65 physical companies on site, the number having grown from 16 in 2013 and over 1,200 employees compared to 47 in the first year.

Following participation in the DEG course in 2018, the Alderley Park biotech business support service – the Accelerator, powered by BioCity – developed a specific Scale-Up Programme to support rapid growth. Through bespoke one-to-one engagement and expertise both onsite and offsite, companies are supported with leadership skills and development, access to finance options and international markets. Other services available relate to raising company

profiles and acquiring the right talent and skills through the site's engagement with universities. Structured support is also available for biotech startups at Alderley Park with a focused Pre-Accelerator and Accelerator programme.

Early in its development, Alderley Park recognised the importance of mentoring and the significant impact a small number of entrepreneurs, business angels and venture capitalists could have on the growth of the site and the companies based there. In 2014 an Expert Mentor Network was established building on the links with senior industry leaders who wanted to contribute to the site's future success. Currently there are over 200 mentors within the network, all of whom are fully integrated into the programmes, providing unique access to global pharma leaders and their networks, as well as senior finance and business executives. Regular network events are also held during which companies can ask the mentors for support in specific areas of business. For scaleups access to markets and funding support have been particular asks.

SECTOR FOCUS



LIFE SCIENCES

"The three co-founding directors attended the first Bio-entrepreneur bootcamp before becoming one of the first tenants with a hot desk. Today, our niche contract clinical research organisation helps a growing portfolio of local, national and international life science clients to transform their promising molecules into valued medicines. This success has allowed us to expand to a team of 48 people and move into a 2,800sq foot office suite."

STEVE MCCONCHIE,
CEO APTUS CLINICAL

"From a practical perspective, Alderley Park understands that small, lab-based, growing companies need to have space that they can grow into. Alderley Analytical has benefited from this approach on two occasions. Without this approach we would not have been able to attain our current level of growth and would have had to turn work away – letting down our customers and shareholders."

ELIZABETH THOMAS, CEO
ALDERLEY ANALYTICAL

For further information about the programme: scaleupinstitute.org.uk/scale-up-programmes/



CALL TO
ACTION

Science parks and similar centres have tremendous opportunity to work across their local communities to step up engagement with scaling businesses. Alderley Park is a prime example of what can be achieved at a science park through effective collaboration from which others can learn. We look forward to seeing more exemplars in 2019.

BABRAHAM RESEARCH CAMPUS

PROVIDING A SUPPORTIVE COMMUNITY ENVIRONMENT FOR LIFE-SCIENCE SCALEUPS TO FLOURISH AND GROW



IMPACT
FOR
SCALEUPS



59
COMPANIES
PARTICIPATING



1,027
STAFF EMPLOYED



339%
INCREASE SINCE 2011



£308m
ACCESS TO FINANCE
SINCE 2017

The Babraham Research Campus is home to 59 life science companies, co-located with the Babraham Institute, a world-leading research institute in life sciences. World-class research and business come together in a campus environment to promote innovation and strengthen links between academia and the commercial world.

Funded by the Biotechnology and Biological Sciences Research Council, the site provides laboratory and office facilities, with a supportive and well networked community to both startup and scaleup companies.

Campus companies have varying funding streams and structures, from those funded by grants and customer revenues, to those funded by venture capital and larger pharma deals. Others are traded on the public markets. They are translating UK science from ideas into products, services and therapies, creating new jobs, and attracting inward investment.

Over £500m has been invested into these companies through equity and corporate deals post January 2015, and since 2017 campus companies have raised an additional £308m, most of which originating from outside the UK. Several of the companies on campus have grown rapidly and are expected to be among the leading life science companies of the future.

A central element of the success of Babraham Research Campus is that the site brings together like-minded organisations with a common culture, working in the

same industries and sharing experiences and resources. Members of the campus have access to the science laboratories and offices on short-term tenancies, with the opportunity to grow into larger space as the company evolves, and specialist scientific facilities via the Babraham Institute. In addition, companies can access consultancy, specialist equipment, skills training and leadership capacity-building through the Accelerate@Babraham programme which includes mentoring schemes.

The site hosts a number of Venture Capital investors and each year there is a Babraham Investor Conference which brings investors and companies seeking investment together. Campus companies are offered numerous networking events including “show and tell” sessions for major pharmaceutical companies and investors.

Increasingly, the challenge for the campus is to support companies that started on site, but which have grown and are in scaleup stage. The need to provide additional space for fast growing companies has led to the announcement of two investments to build scaleup space.

SECTOR FOCUS



LIFE SCIENCES

“Babraham is a unique bio-incubator environment, set in an inspiring landscape, that provides an immeasurable service to the Cambridge Biotechnology phenomenon”

CHRIS TORRANCE, PHD, CEO, PHOREMOST LTD

“Every company on site benefits enormously from the proximity of the cutting edge Institute and the efforts that the campus make to enable interaction between both academic and commercial groups.”

DR. PETER PACK, CEO, CRESCENDO

For further information about the programme: scaleupinstitute.org.uk/scale-up-programmes/



**CALL TO
ACTION**

Babraham truly creates a space to grow with enablers on site in a coordinated and effective way – others can learn and emulate the practices here as you set up or develop a local hub – no matter the region, sector or facility. Valuable insights and lessons to be had.

Science lessons



The strategies being successfully adopted by Babraham Research Campus in Cambridge and Alderley Park in Cheshire hold lessons not just for the life sciences industry – but for all UK scaleup ecosystems.

Recognise that growth is not continuous

The particular challenges of how to scale up a business in the life sciences sector has been recognised by the Life Sciences Industrial Strategy, which has set a strategic goal of creating, in the next ten years, four UK companies with a market capitalisation of at least £20bn.

Their growth comes in jumps and leaps rather than in a neat linear fashion. The inflection points are decidedly non-trivial; to make the next step in its scaling path, a life sciences company will require fresh finance, larger facilities, additional clinical expertise and an infusion of new commercial talent – all at the same time. “In this industry, there are always ‘big gulp’ moments for the board,” says Andy Richards, biotech entrepreneur and investor and a board member of Babraham Research Campus, “but in a truly vibrant cluster, these discontinuities can be smoothed.”

Understand your tenants – and help curate their growth

One aspect that marks out these campuses is that they regularly review progress with their companies and this is linked to a suite of business growth services, primarily through an extensive events programme that can cover finance, talent acquisition, market access, organisational design and leadership.

“Most science parks focus on incubation and early-stage businesses,” says Anne Dornan, Head of Innovation at Manchester Science Partnerships (MSP). “Our model at MSP is to support businesses at every stage of the lifecycle, creating a very diverse and ever expanding portfolio. We know our companies’ business plans, their growth objectives, and target milestones, when they are going through a major fund-raise or recruitment round, or are about to land a big contract. Working closely with our customers in a proactive way ensures they can access the right support resources at the right time to help meet their growth ambitions.”

“It is critical to have a 360-view of a company,” says Ned Wakeman, Director of Alderley Park Accelerator, powered by BioCity. “You have to understand the

company’s business when it arrives here. You need to help them understand with whom they might they collaborate, or sell their services. Each business has to know why their presence on the Park will be additive for them, the community and the ecosystem – and how they can better grow and develop their business by being here. Our job is to help attract, create, and scale those businesses here through direct support on a one-on-one level with domain and business experts, to structured programmes (early-stage and scaleup), boot camps, commercial workshops, on-site conferences, as well as providing access or introductions to the site’s scientific services.”

Babraham offers access to consultancy, specialist equipment, skills training and leadership capacity-building through its Accelerate@Babraham programme.

Be flexible about property

Facilities can be a real challenge for life sciences companies. Their growth requires constant changes to their infrastructure requirements, in terms of laboratories and offices. They may require access to specialist scientific facilities for short periods. It’s an ever-changing jigsaw puzzle. So flexibility is built into terms, license agreements and access to specialist scientific services and facilities; “we want to ensure that companies can move easily and seamlessly through our portfolio, with security of access to specialist services, so that we are always enabling their growth,” says Anne Dornan.

Alderley Park’s infrastructure allows companies to start as a hot desk or single lab bench and to expand as their business develops. There are now 65 companies on site, the number having grown from 16 in 2013, now with over 1,200 employees compared to 47 in the first year.

The 59 life science companies on the Babraham campus have access to the science laboratories and offices on short-term tenancies, with the opportunity to grow into larger space as the company evolves, and specialist scientific facilities.

Build a community that shares things

Both Babraham and Alderley Park work hard on community building. The co-location of companies can be hugely influential and additive but relationships between businesses have to be built. “Science parks can be sterile places,” observes Andy Richards. “You have to be very pro-active to get people to fit in and work together.”

“Building the buildings is easy,” says Anne Dornan. “It’s building a successful and sustainable business community that can be hard.”

So collaboration is built into the DNA of the campuses. “Collaboration is essential: it takes 100 skill-sets to develop a drug – but a biotech could have only three people,” Wakeman cites an oft-repeated saying, “and it is important to catalyse relationships both locally and nationally.”

Be a talent magnet

For Babraham, the proximity of Cambridge and its dense network of expertise is vital. It is an environment, Andy Richards notes, in which world-class specialists will have their portfolios of projects. “For example, you can secure a top clinical development person for one day per week, if they are excited by your project.”

Develop leaders

Access to finance may be a major challenge for companies but, says Anne Dornan, “the main thing that many need is talent.” Especially for companies with an academic and scientific background, this can often mean help with building an experienced business management team, and recruitment of key board members.

Provide mentors

The provision of mentors is “absolutely critical,” says Ned Wakeman. Soon after it started operations, Alderley Park established an Expert Mentor Network to build on the links with senior leaders within the industry who wanted to contribute to the Park’s future success. The Expert Mentor Network is based on a philosophy of giving something back. “This is not a route for people to seek out investments, non-executive directorships or consultancy assignments,” says Wakeman. “It is only for people who are interested in supporting the companies.”

Attract investors

More than £500m has been invested into Babraham Research Campus companies through equity and corporate deals since January 2015. From 2017, campus companies have raised an additional £308m, the majority of which originated from outside the UK. “There has been a noticeable shift in the quality of investors,” says Andy Richards. “They are more global, more patient and bigger ticket.”

Build strong corporate relationships

Babraham and Alderley Park represent two sides of the same corporate coin. The pharmaceuticals giant AstraZeneca departed from Alderley Park as part of its decision to relocate its global headquarters to Cambridge.

So Alderley Park is the site of numerous spin-outs from AstraZeneca, often started by experienced executives who did not want to move to Cambridge. Strong commercial relationships have been maintained with the pharma giant – according to Ned Wakeman, at least half a dozen companies on site have done commercial deals with AstraZeneca.

At Cambridge, Babraham is feeling the benefits of AstraZeneca’s arrival. “It is the marriage of growth within the environs of a global life sciences company,” says Andy Richards. One impact is on the breadth of available talent: geographical proximity means that AstraZeneca executives can take up board positions on local companies as well as bring their own networks of international talent into the ecosystem.

Measure the impact

“The success of MSP’s portfolio of companies – in terms of revenue and asset growth, employees, investment in R&D, numbers of new products taken to market and levels of internationalisation – are all vital economic performance indicators,” says Anne Dornan. “Our shareholders and wider stakeholders want to see economic impact.”

Multiple stakeholders are a source of strength for these ecosystems

A “triple helix” partnership of public, private and academic shareholders has always been “a key defining feature” of MSP. This combination includes universities, city and county councils, the NHS, and private sector property company Bruntwood. MSP has retained this broad partnership structure since its formation in 1984.

Babraham Research Campus is jointly owned by the Biotechnology and Biological Sciences Research Council (UKRI) and the Babraham Institute, which has the status of a postgraduate department within the University of Cambridge. “Ownership is important as it does drive motivation,” says Andy Richards. “For the Babraham Campus the motivation is the long term health of the bioscience cluster and the companies within it.”

FCA Regulatory Sandbox

Breaking down regulatory barriers



Located at the Financial Conduct Authority's London headquarters, the FCA Sandbox provides an environment for firms to test innovative products, services, business models and delivery mechanisms in the real market with real consumers.

The FCA Sandbox provides support to innovative firms regardless of their size or maturity and accepts applications from firms based internationally; however, the business must intend to operate within the UK financial services market.

Qualifying firms must be looking to deliver innovation that is either regulated business or supports regulated businesses in the UK financial services market.

Their innovation must offer benefits to consumers – either directly or through heightened competition – and be ready to test.

The FCA Sandbox's support to businesses includes the opportunity to test developed technologies, assess commercial viability and pricing strategy and develop their business models in response to the testing. Firms also have access to FCA regulatory expertise.

Launched in June 2016 the programme has had three cohorts, involving 60 firms, 70% London based. Most participants have a retail finance background with others in general insurance, pensions and retirement income, retail investments and lending and wholesale.

Initially the programme has attracted startups, however the FCA Sandbox has the potential to support scaling up by reducing the time and cost of getting innovative ideas to market (90% in cohort 1 are progressing towards a wide market launch) and helping to attract investment (40% in cohort 1 received investment during or following their test).



Others can learn from how this centralised regulatory and governing body is opening up to innovation and streamlining processes to reduce and remove barriers for scaling companies in financial services. We hope other industry, and public sector, regulatory bodies will learn from this and seek to evolve similar schemes to progress access to markets, so vital to scaling up.

Level39



Level39 is an innovation space in the heart of London's Canary Wharf with a focus on supporting early-stage businesses from fintech, cybersecurity, AI, data, blockchain, smart cities and retail technology sectors to grow and transitioning them into scaleup stage.

More than 200 companies have benefited from membership which includes a high-quality infrastructure as well as structured access to investors, mentors and business experts. Level39 has strong connections with executive education provided by Fintech Circle and CFTE (the Centre for Finance, Technology and Entrepreneurship) and informal support from the UCL

School of Management one floor below. Level39 has 200 mentors on its roster, formed of finance executives and former entrepreneurs providing regular advice. Mentors also connect members to procurement departments and leads within financial institutions.

Since Level39 opened in March 2013 it has hosted 1,500 events, provided 92 hours of seminars and workshops,

organised 520 hours of mentoring and 126 investor meetings. It has formal partnerships with China, Korea, Japan, Norway and the UK Government and informal partnerships with financial institutions and corporates globally. Members are encouraged to work with one another, buy from one another, and collaborate. Level39 members raised more than \$150m in finance in 2016 and almost \$100m in 2017.

An immediate measurement of success is a member company outgrowing Level39 and taking commercial office space elsewhere in Canary Wharf and beyond. Companies that have done this include: Revolut, Digital Shadows, Motive Partners, Behavox and Loot.

Updates on currently endorsed case studies



Engine Shed: Infrastructure Hub



Engine Shed, launched in December 2013, is a collaboration between Bristol City Council and the University of Bristol designed to generate and encourage innovation through collaboration and networks. In the past year the hub, based in Brunel's historic building, has provided flexible accommodation for 300 companies and hosted around 29,000 visitors to events and meetings.

Engine Shed hosts the SETsquared Bristol Incubator which supports 83 fast-growth technology businesses and Oracle Startup Cloud Accelerator whose latest cohort had 50% female founders. Investors in Residence help scaleups explore investment options and an Angel Hub, in partnership with UK British Angels Association, brings them together with potential investors.

Supporting scaleups is a central part of the mission and in June 2017 the hub joined forces with West of England LEP piloting a 'Scale Up Enabler' role to develop the broader scaleup ecosystem. The appointment has been confirmed as a full-time Engine Shed post. In 2018 the Hub launched a new Entrepreneurial Outreach service with local partners to bring the established business support ecosystem into under-represented communities. Engine Shed also welcomes school pupils and staff to learn about current STEM careers.

Engine Shed 2 and 3 are both currently in the planning stages and delivery is on track for Engine Shed 2 in 2020 and Engine Shed 3 in 2022.

Google Campus



Campus London is Google's physical space for ambitious businesses. It is operated by Google for Entrepreneurs whose mission is to connect growing young global companies to resources and to each other to work on today's challenges.

The hub is based in a seven-storey building in East London and offers a diverse and connected community alongside world-class education for entrepreneurs, including weekly mentoring sessions.

Globally-minded growth-stage startups can now apply for a four-month Campus Residency that offers personalised support and access to Google resources. Campus Experts Summits bring together an experienced group of Google mentors from across the world for two weeks of hands-on problem solving.

Since opening in 2012, Campus London businesses have created over 4,189 jobs and raised more than £194m in funding. Campus London has over 90,000 registered members; 40% female and from more than 160 countries.

Campus was started in London but has now scaled to six cities – Tel Aviv, Seoul, Madrid, Warsaw, Berlin and São Paulo. On a global level, businesses from the Campus network have created over 15k new jobs and raised more than \$792m since 2012. Last year Google supported members of Campuses around the world to host more than 4,200 events for fellow entrepreneurs.

The power of place and space



Creating a physical environment in which scaleups can thrive is not just about the provision of property. It's about fostering a campus mentality, in which many ingredients are mixed to create a vibrant scaleup culture.

Space to grow

All too often, scaling companies have had to adapt to the physical space available. At places such as Babraham and Alderley Park, the physical space flexes to the growth of the enterprise: companies can start at a single desk, gain access to laboratories and offices on short-term tenancies, with the opportunity to grow into larger space and specialist scientific facilities as the company evolves.

An energetic environment

Thriving hubs are super-busy places. Engine Shed, based in Brunel's historic building in Bristol, provided flexible accommodation for 300 companies and hosted around 29,000 visitors to events and meetings in the past year.

A learning environment

Education is a key role of a successful hub; activities can range from international conferences to specialist workshops, seminars and peer group meet-ups. Barclays Eagle Labs describes itself as "a skills factory for UK businesses."

End-to-end support

Structured programmes for scaleups are becoming a central part of the offer at life sciences parks. At Babraham, companies can access consultancy, specialist equipment, skills training, leadership capacity-building and mentoring through the Accelerate@Babraham programme. Alderley Park has developed a structured scaleup programme.

At Google Campus, globally-minded growth-stage startups can apply for a four-month Campus Residency that offers personalised support and access to Google resources. Campus Experts Summits bring an experienced group of Google mentors from across the world for two weeks of hands-on problem solving. Barclays Eagle Labs provide a venue – as well as a source of participants – for the bank's scaleup programme.

Numerous, committed, local mentors

The Expert Mentor Network at Alderley Park builds on its links with senior industry leaders who want to contribute to the site's future success. The mentors are not expected to invest, seek non-executive directorships

or consultancies with the businesses that they mentor, emphasising that this is a place in which successful individuals can give back.

Expertise on tap

The support service at Alderley Park – Accelerator, powered by BioCity – consists a team of eight with deep business and domain expertise (including M&A, capital raising, R&D leadership) who roll up their sleeves and work directly with companies on site.

Each Barclays Eagle Lab has an in-house engineer with the role and capability to support businesses develop physical and digital prototypes. They also use local specialist partners (e.g. Judge Business School in Cambridge and CodeBase in Edinburgh) to build capabilities.

Finance on the doorstep

Investor days and conferences, which bring companies and investors together, are regular fare for all hubs. More than £500m has been invested in Babraham's campus companies since 2015 – through equity and corporate deals.

Finance and advice can also be available on site. Alderley Park has two on-site venture funds and on-site financiers; Babraham also hosts a number of VC funds, such as Medicxi Ventures. Bristol's Engine Shed has Investors in Residence who help scaleups explore investment options and hosts an Angel Hub in partnership with UK Business Angels Association. Each Barclays Eagle Lab has a high-growth business manager to provide scaling businesses with access to financing options; members of the Cambridge Eagle Lab raised more than £108m in finance in 2017.

Strong peer networks

Successful hubs seek to support collaborative innovation by fostering peer-to-peer networks, workshops and seminars. Barclays Eagle Labs is building an online connector platform to enable easy, in-time access for all its resident companies.



Successful hubs seek to support collaborative innovation by fostering peer-to-peer networks, workshops and seminars

Direct market connections

The Financial Conduct Authority (FCA) Sandbox is located in its London headquarters and provides an environment for firms to test innovative products, services, business models and delivery mechanisms in the real market with real consumers. Support also includes the opportunity to test developed technologies, assess commercial viability and pricing strategy and develop their business models in response to the testing. Firms also have access to FCA regulatory expertise.

At Alderley Park, a former R&D site for AstraZeneca, dozens of companies have spun out of the pharmaceuticals giant and nearly every company on site has hired out of the corporation – demonstrating the value of a “leaky corporate.”

Close to academia....

Strong links to universities play a vital role. Babraham Research Campus is co-located with the world-leading life sciences research institute Babraham Institute. Engine Shed is a collaboration between Bristol City Council and the University of Bristol.

....and to schools

Alderley Park runs graduate events and provides sandwich student and work experience placements. As part of a wider programme of activity, the NatWest Entrepreneur Accelerator supports 12 all-girls state schools near to each of its Accelerator Hubs, providing access to its network of experienced mentors and entrepreneurs.

A key player in the local ecosystem...

Engine Shed and West of England LEP have created a full-time post of ‘Scale Up Enabler’ to develop the broader scaleup ecosystem. The hub has launched an Entrepreneurial Outreach service with local partners to bring the established business support ecosystem into under-represented communities.

...with a deep understanding of local environment

The Cambridge Cluster Map database now covers 14 local authorities, identifying 49,000 companies based in the wider Cambridge region with a combined employment of 458,000 and turnover at £77bn. Enhanced information showing the location of employment is being used to inform the modelling of local housing and transport infrastructure needs.

A window onto the world

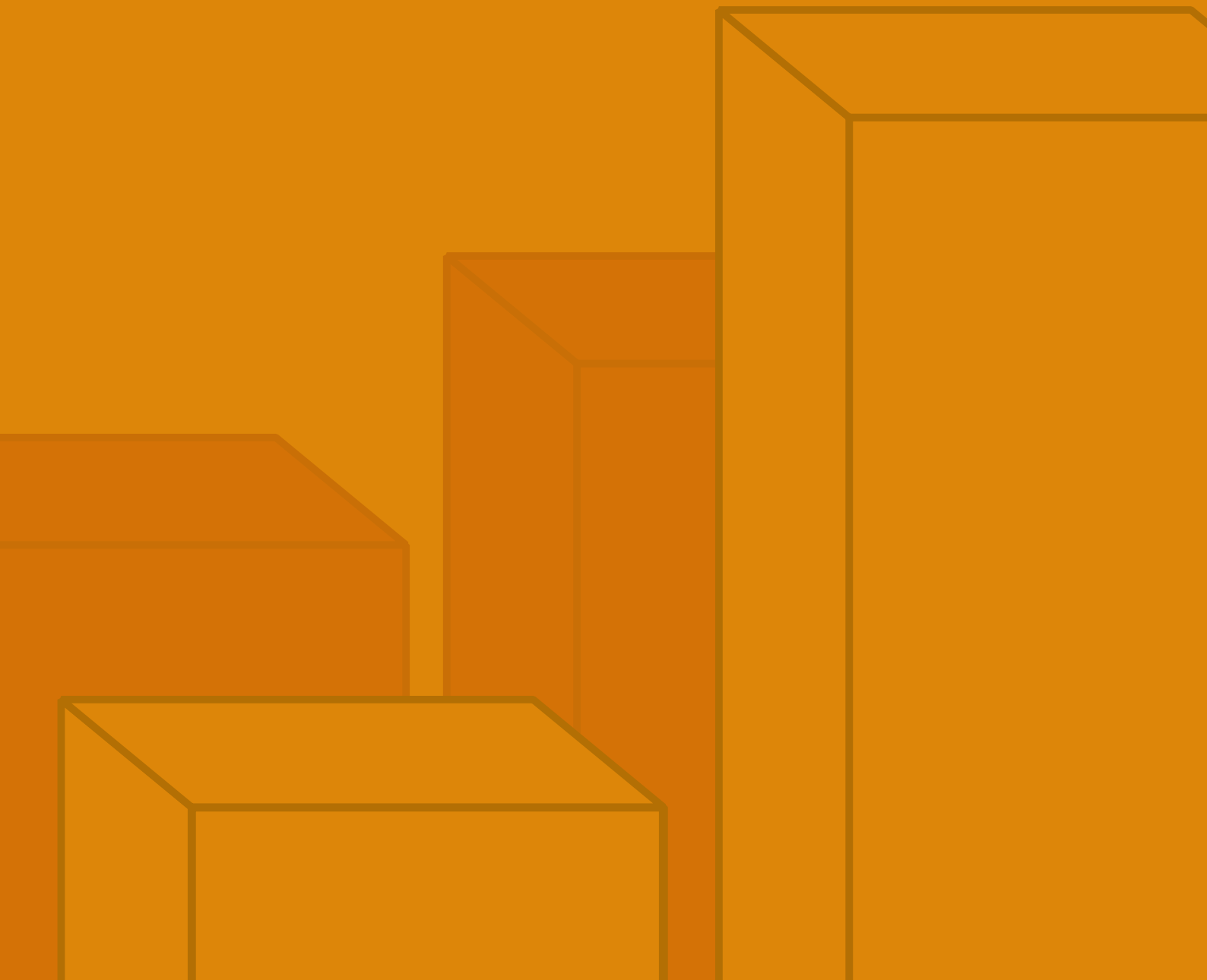
The promotion of inward investment and developing opportunities for collaboration and access to international customers plays an important role. Places such as Alderley Park and Babraham exploit their growing international reputations by regularly hosting visits from biotech companies from Asia, Europe and North America.

Strong social connections

The campus mentality extends to services and benefits that are focused on individuals and their families. The site at Alderley Park has a full-service gym and a dedicated specialist company, ClubAZ, whose role is to run events and help build an on-site culture – from family fun days to film premieres to cycling weekends.

Chapter Three

The local scaleup ecosystem



Location, location, location

Driving UK economic growth through scaleup ecosystems

Scaleup leaders want locally-rooted solutions to help them break down their barriers to growth. A local environment that provides resources to address scaling pains in access to talent, leadership, markets, finance and infrastructure is central to nurturing the UK's fastest growing companies.

In 2016, the ScaleUp Institute, with the support of Goldman Sachs 10,000 Small Businesses UK and Innovate UK, introduced the 'Driving Local Economic Growth through Scaleup Ecosystems' (DEG) course – led by Professor Daniel Isenberg of Babson College. The course empowers LEPs, cities, universities and Growth Hubs from across England, as well as participants from Northern Ireland and Scotland, to better serve scaleup businesses by developing local ecosystems that enable faster growth.

The original workshops were highly successful and, in 2018, with the additional support of the British Business Bank, we were delighted to run the third programme at Leeds University for an additional cohort of 64 local ecosystem leaders. This course built upon the first two held in 2016 in Birmingham and Manchester and brings the total number of leaders engaged with the DEG executive education programme to more than 200.

Each cohort has taken part in interactive lectures, exercises and case study discussions, developing plans for removing the barriers faced by scaleups in their communities. Participants gain an understanding of global best practice to identify scaleups and remove systemic barriers from their path. Participants use examples to develop practical solutions for their local community and a scaleup plan to implement and benchmark progress against. The Government has since encouraged LEPs to include scaleups in their Strategic Economic Plans.

KEY TO EXEMPLARS

2018 ●

2017 ●

NORTHERN IRELAND:
TAILORED SCALEUP
PROGRAMMES WITH
RELATIONSHIP
MANAGEMENT

MANCHESTER UNIVERSITY:
SCALE UP FORUM
POWERING LOCAL PEER-TO-
PEER NETWORKS

LIVERPOOL: SCALEUP MBA

THE MARCHES:
SECTOR SPECIFIC
PROGRAMMES FOR CYBER
AND RURAL SCALEUPS

WORCESTERSHIRE:
SMART BOARDS AND PEER
GROUPS FOR SCALEUPS

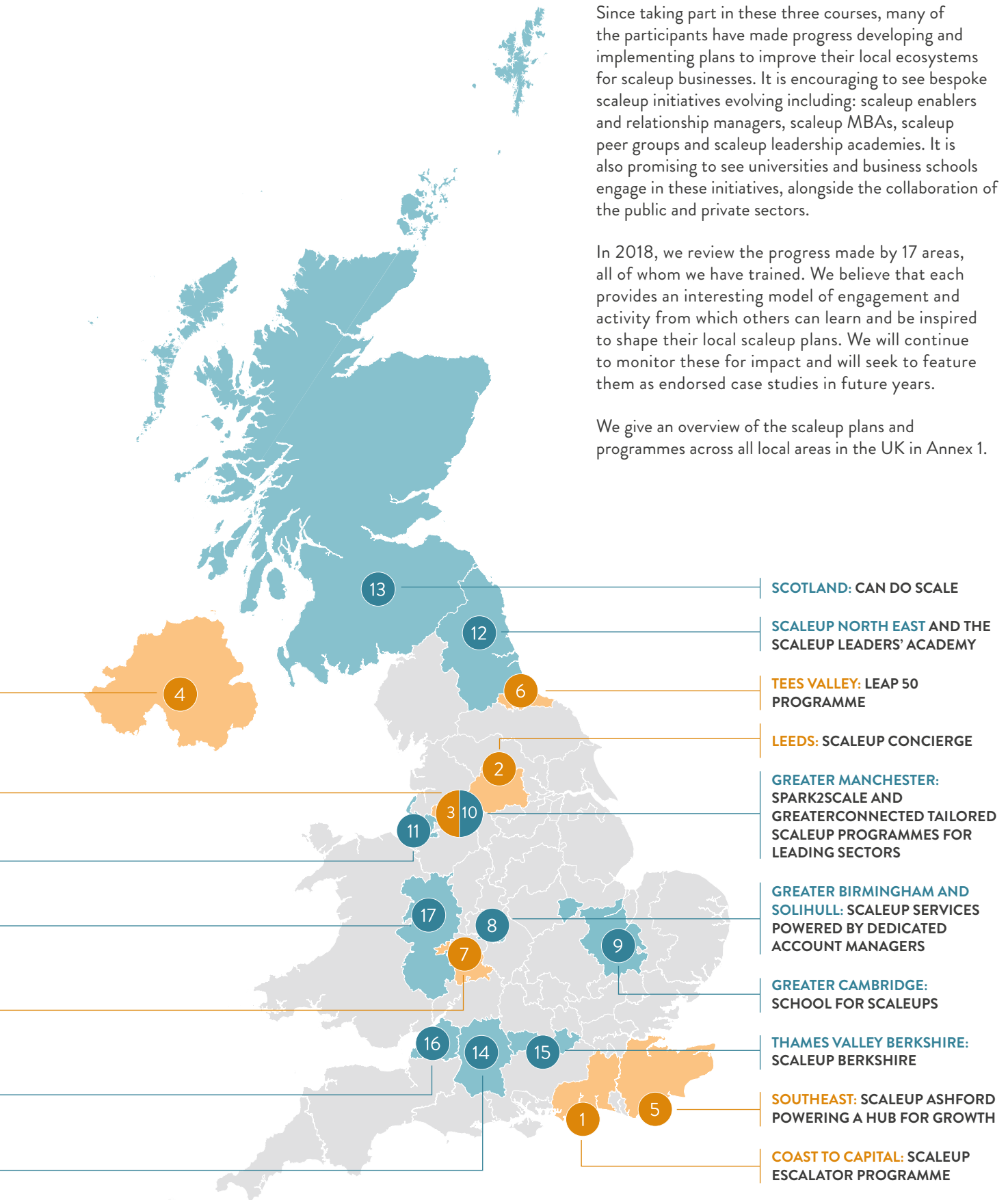
WEST OF ENGLAND:
SCALEUP ENABLER
CONVENING THE REGION'S
SCALEUP ECOSYSTEM

SWINDON AND WILTSHIRE:
INSPIRE ELITE PROGRAMME

Since taking part in these three courses, many of the participants have made progress developing and implementing plans to improve their local ecosystems for scaleup businesses. It is encouraging to see bespoke scaleup initiatives evolving including: scaleup enablers and relationship managers, scaleup MBAs, scaleup peer groups and scaleup leadership academies. It is also promising to see universities and business schools engage in these initiatives, alongside the collaboration of the public and private sectors.

In 2018, we review the progress made by 17 areas, all of whom we have trained. We believe that each provides an interesting model of engagement and activity from which others can learn and be inspired to shape their local scaleup plans. We will continue to monitor these for impact and will seek to feature them as endorsed case studies in future years.

We give an overview of the scaleup plans and programmes across all local areas in the UK in Annex 1.



Learnings from local ecosystems

Harness the power of local learning.

As “anchor institutions,” universities and business schools can help scaleups address many of their barriers to growth and, through access to their facilities, research and teaching expertise, and student talent, can play a key role in the creation of a strong local scaleup ecosystem. They are running a growing number of scaleup programmes, particularly in the areas of leadership development and growth strategies.

Engage local leaders in the ecosystem.

Galvanising local leaders – from the CEOs of corporations, university vice-chancellors, secondary school headmasters and governors to City Mayors, City Council members and the media – and engaging them with the scaleup agenda, are vital. The West of England’s ScaleUp Enabler is a role model to emulate.

Identify and celebrate scaleups.

Much is already being done to identify and highlight local high-growth companies. The Cambridge Cluster Map is a vital data tool for growth companies to attract talent, customers and investors – and to understand the area’s wider economic development. We are seeing advances in areas such as the West of England, where its Scaleup Generator details both visible and ‘invisible’ scaleups and various of support services available in the local area.

Focus on peer networks.

Peer-to-peer networks help scaleups to share knowledge and experiences, and provide opportunities for collaboration, learning and mutual support. We are encouraged by the high level of enthusiasm among LEPs and Growth Hubs to promote and develop them at the local level; this year we look at a new network established by Manchester University. A key point: truly successful peer networks flourish by having dedicated account management.

Account managers do make a difference.

Account managers help scaleup leaders to navigate available and relevant public and private sector programmes and can streamline their engagement with multiple bodies. Scottish Enterprise has a well-evidenced account management approach. We are seeing this role emerge as a key feature in new programmes.

Forge a local-national nexus.

Local ecosystem players must be able to prepare and introduce their scaleups to national programmes – such as Goldman Sachs *10,000 Small Businesses UK*, the London Stock Exchange ELITE, or bodies such as Innovate UK – at appropriate points in their growth cycle. Having such a local-national nexus creates a virtuous circle of growth.





Play to local growth strengths.

Many LEPs are adopting sector-specific approaches to their scaleup programmes, building on a close understanding of the local economy, strong networks and data insights.

Meet their challenges with a suite of solutions.

Five major areas present challenges to scaleups – access to talent and skills, leadership capacity, access to markets, finance and flexible infrastructure. To help scaleups effectively at a local level, a suite of solutions is required to overcome these challenges.

Be selective and assess impact constantly.

Helping scaleup leaders is not effectively achieved through a scattergun process. Successful local programmes apply clear and disciplined filters when assessing the businesses to admit into their cohorts. Profiling and eligibility screening are important for the selection of companies; a peer-to-peer network must include true peers.

Measure your impact and outcomes.

These are still early days but there is an encouraging emphasis on the measurement of impacts and outcomes for scaleup programmes. The Inspire Network in Swindon and Wiltshire is collecting data from its initial “diagnostic” meetings with companies to use as a baseline; it then follows up with one-to-one visits to update that data, which is stored on bespoke CRM systems for regular review. Newcastle University is measuring the impact of the scaleup programmes in the North East. The ScaleUp Institute will continually monitor benchmarks to apply rigorous assessment to what is really impactful and will report on these in coming years.



Images taken at DEG 2018

COAST TO CAPITAL EXEMPLAR

MOBILISING THE SCALEUP ECOSYSTEM

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



Medical Tech



Pharmaceuticals



IT Services



Computer Software



Hospitality



Financial Services



Air Transport



Agricultural



Telecommunications



Environmental Technology



Food & Beverages



Energy

Coast to Capital LEP has an ambitious vision to become the most dynamic non-city region in England and has recognised the importance of scaleups to achieve this. In order to promote the growth of scaleups the Growth Hub is leading the development of a dedicated Escalator Programme, aiming to support and sustain the growth of up to 100 scaleup businesses every year.

Background

ONS data for 2016 shows that there are 1,005 scaleups in the Coast to Capital LEP: 410 are classified as scaleups due to rapid growth in their employees, 820 are classified as scaleups due to rapid growth in their turnover and 225 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 4.13 per 100,000 of population per year, which is above the median of +3.56 per 100,000 of population.

The LEP moved quickly to establish its programme after attending the Driving Economic Growth Course in May 2018. Participating in the course gave the Coast to Capital team the insight and knowhow to understand this group of businesses and, importantly, recognise the specific barriers to growth they experience and the added value the ecosystem can offer to support them.

An issue for the LEP is identifying scaleups, so Coast to Capital used the research from the ScaleUp Institute and Beauhurst to help overcome this challenge as well as mobilising stakeholders across the region to come forward and identify local scaleups. Stakeholders are playing a significant role in helping the LEP deliver its programme for scaleups.

SCALEUP PROGRAMMES

The Coast to Capital Escalator Programme has been designed to offer dedicated support for scaleup business owners and decision makers. The LEP shaped the Programme based on learnings from the ScaleUp Institute and the highly successful international escalator programmes highlighted in DEG. Founders will be given the opportunity to join a time bound growth programme that will accelerate the development of their businesses by focusing specifically on the barriers to growth that they are experiencing.

The chosen approach is to combine topical thought leaders, expert facilitation and peer-to-peer discussion to achieve solutions. Over six months, the cohorts will meet monthly, taking part in professionally-delivered sessions examining the barriers and developing appropriate solutions. At the end of the programme businesses are allocated a dedicated **Account Manager** from the Coast to Capital Growth Hub to support their long-term sustainable growth, as well as invited to join an exclusive alumni programme.

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At the end of the programme businesses are allocated a dedicated Accounts Manager from the Coast to Capital Growth Hub to support their long-term sustainable growth.

Growing businesses can also receive a day of specialist support from an expert in a relevant field from the Growth Champion Network funded by the Growth Hub to overcome a specific barrier to their growth.

Impact and results so far

The LEP will fully evaluate the programme after the first pilot working with the ScaleUp Institute.

Lessons learned

Coast to Capital has already drawn on the lessons shared during the DEG programme and scaleup practices around the world.

Future plans

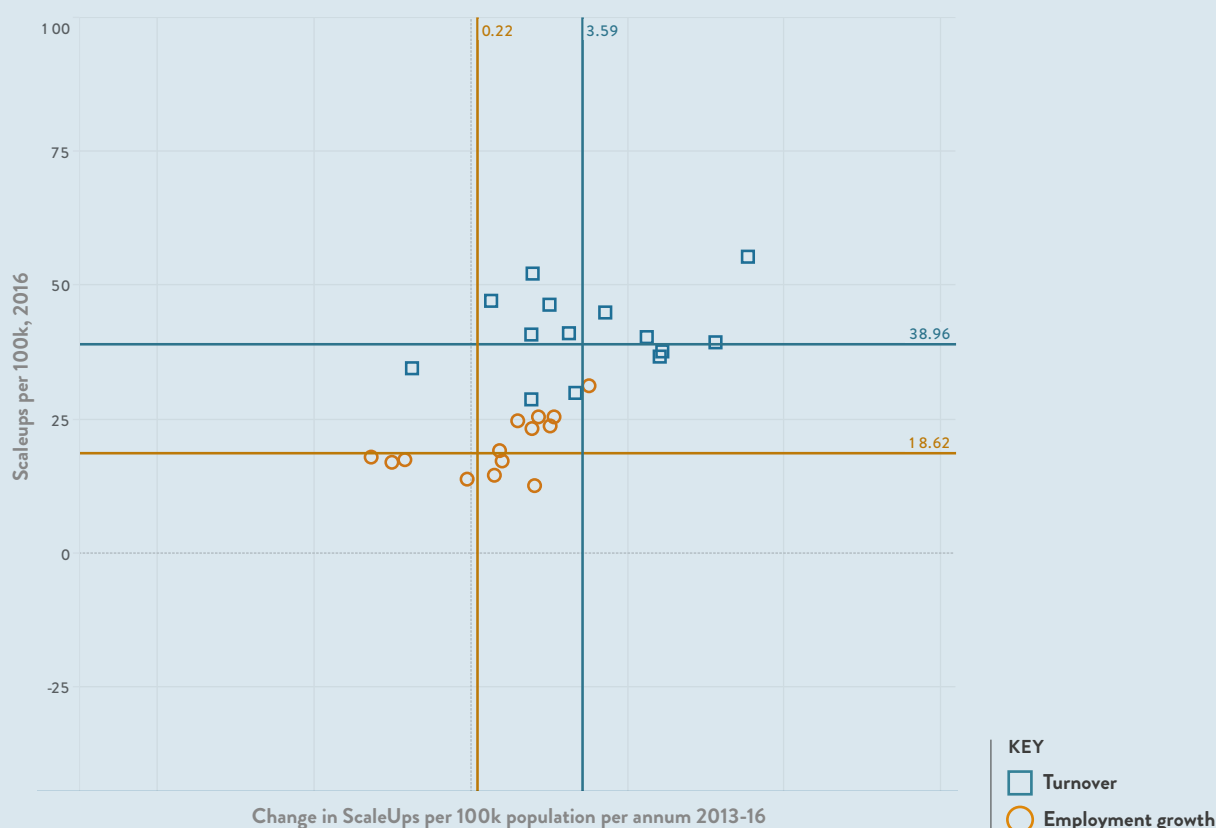
After the first six-month programme pilot, the LEP is aiming to make the Escalator Programme part of the ongoing support provided by the Coast to Capital Growth Hub. The intention is for the Alumni Programme to offer long-term engagement and support the development of a scaleup community.

The LEP will collect success stories and promote them across multiple channels to publicise the impact of the programme and raise the ambitions of the area's businesses.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the Coast to Capital LEP.

Local Authorities in the Coast to Capital LEP have a mixed density of scaleups and the trend between 2013 and 2016 is also mixed although there are signs of progression and we will be monitoring the impact of this pilot.



Scaleups by Density: Mixed

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 7 of the 14 local authorities¹ have an above median density of scaleups measured by employment growth and 9 of the 14 local authorities² have an above median density of scaleups measured by turnover growth.

Scaleup Trends over time: Mixed

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 10 of the 14 local authorities³ are above the median in terms of improving the density of scaleups by employment in their community and 8 of the 14 local authorities⁴ are below the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

FOOTNOTES

¹ Adur, Arun, Brighton and Hove, Chichester, Horsham, Lewes, Mole Valley.

² Adur, Brighton and Hove, Chichester, Crawley, Horsham, Mid Sussex, Mole Valley, Reigate and Banstead, Tandridge.

³ Adur, Arun, Brighton and Hove, Chichester, Croydon, Epsom and Ewell, Horsham, Lewes, Mole Valley, Reigate and Banstead.

⁴ Arun, Chichester, Croydon, Horsham, Lewes, Mid Sussex, Mole Valley, Reigate and Banstead.

Data used on this page is taken from the IDBR 2013-2016. The confidentiality of all data held on the IDBR is protected by the National Statistics Code of Practice and associated Protocols and by specific legislation. In accordance with these requirements, data presented is rounded to prevent disclosure. Differences may exist in totals across tables due to disclosure methods used.

LEEDS CITY REGION EXEMPLAR

SCALEUP CONCIERGE: ENTREPRENEURIAL AND CORPORATE ECOSYSTEMS COMBINING FOR SCALEUPS

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



“So many of our new plans and strategies have come from conversations with people in the ecosystem who provide a new perspective and an experienced view of how we can scale up what we do. It has created a confidence in the leadership team to be more ambitious in our scaleup plans and has enabled us to work on the business with a team of trusted advisors.”

ZANDRA MOORE, CEO, PANINTELLIGENCE

Scaleups in Leeds City Region are benefitting from a bespoke ‘scaleup concierge’ service bringing together the ecosystem and increasing awareness of the programmes available to help businesses scale.

Background

ONS data for 2016 shows that there are 1,520 scaleups in the Leeds City Region LEP: 600 are classified as scaleups due to rapid growth in their employees, 1,255 are classified as scaleups due to rapid growth in their turnover and 335 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 3.07 per 100,000 of population per year, which is below the median of +3.56 per 100,000 of population.

Complete Resourcing has stepped into the role of connecting the existing dots of scaleup support already being provided in the region but not visible enough and often delivered as individual services. The vision has been to ensure each part of the ecosystem helps the other through the provision of a “concierge” service. This new service has built upon the collaborative culture of the Leeds City Region and avoided the need to reinvent the wheel and develop new programmes.

SCALEUP PROGRAMMES

A number of scaleup programmes already exist in the region, such as the Goldman Sachs 10,000 Small Businesses UK, the PwC Scale-up programme and Growth 365. Grant Thornton currently provides Growth 365 to business leaders of ambitious and successful firms helping them develop the vision, advice and insights to put plans into action but is working with Complete Resourcing to develop a proposition for companies at the start off their scaleup journey. The LEP itself has two scaleup projects:

- The **Strategic Business Growth Programme** provides one-to-one advice, financial support towards capital investment that will accelerate growth, and specialist workshops.
- The **AD:VENTURE** programme offers a comprehensive and innovative mix of tailored business support to boost growth and develop businesses in their early years.

The challenge is that businesses often don’t know exactly what they offer, how they will benefit from them, or where to find them and this is where Complete Resourcing is making a difference. Although it is early days, the scaleup concierge is encouraging more companies to work together, seeing events become more coordinated and finding more people and businesses are wanting to become involved.

“

The scaleup concierge is encouraging more companies to work together, seeing events become more coordinated and finding more people and businesses are wanting to become involved.

“Scaling up is much less daunting when you’re being helped by someone who has already done it but many companies on their journey don’t have access to the network of advice they need. The Leeds ecosystem helps companies make valuable connections and offers them a way of navigating the local landscape of advice.”

**RICHELLE SCHUSTER,
ASSOCIATE DIRECTOR,
GROWTH 365**

As a result a number of structured elements are starting to emerge from these collaborations. Complete Resourcing has organised a number of workshops with companies to look at how to build world-class teams and improve productivity and Mills & Reeve – early joiners of the ecosystem – have now organised regular informal peer evenings – one example of how the community has started to just do things without going through a programme.

Impact and results so far

A big impact is that more people are seeing Leeds as a vibrant business community for high growth and there is improved visibility of the wide range of support available.

Lessons learned

Complete Resourcing has understood to build an ecosystem it has to reach beyond just the local business and support services community and look to engage the social, cultural, leisure and public sector in order to build a vibrant business environment that people want the region to have.

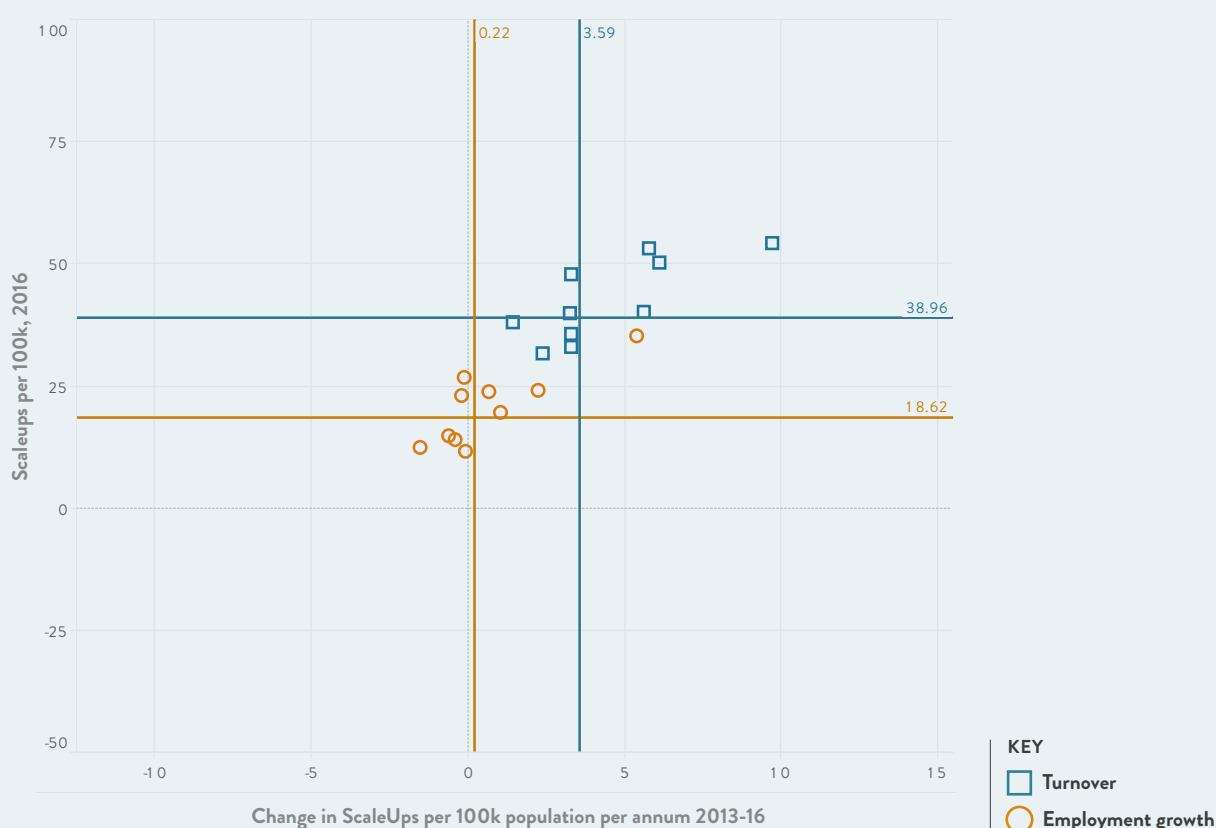
Future plans

Complete Resourcing is developing some structured projects to provide bespoke support to local scaleups. These will be based focused collaboration, directing companies to the best of what already exists, ensuring maximum impact to each scaleup business.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the Leeds City Region LEP.

Local Authorities located within the Leeds City Region LEP have a good density of scaleups, but the trend between 2013 and 2016 reveals that few of the local authorities showed a below median change in the number of scaleup businesses, but few also showed an above median increase in scaleup density.



Scaling in Leeds

Gordon Bateman, Managing Director,
Complete Resourcing



Eighteen months ago, I was asked for my view of the scaleup landscape in Leeds. But although my business is based in Leeds and focused on helping to scale businesses, we had no clients in the city. I didn't know; it was embarrassing



We started to do some digging around. It was amazing what we discovered – and how easily we found it. There were some really exciting scaleups dotted all over the city. There were two in our office block.

It soon became clear that Leeds had all the component parts in place to support scaleups. But the component parts weren't connected and the scaleups in the city region didn't know about the component parts.

At the same time, I attended the Driving Economic Growth course in Manchester. I was struck by Dan Isenberg's phrase – "build an ecosystem, not a farm." We had to connect what already existed in the city.

All it took was to make some phone calls – to corporates, investors, banks, professional services firms, companies that had scaled up – for the network to begin.

Up to now, the network has been principally about connecting dots. It is not about creating new products for scaleups; it is about each member of the network connecting scaleups to existing products and services which are already in place but about which they were unaware.

It doesn't have a name and nobody owns it. But there are clear rules of engagement: members can't poach clients or make heavy sales pitches. They have to support each other and recognise that most of the work they do is for free. We share information about everyone at each meeting. The core of this is collaboration, building awareness and knowledge among the group so we are all aware of what others in the network can do for scaleups. By building awareness among the group, we create knowledge that feeds into action and informal cross-fertilisation.

So if one of the members meets a company founder with the mindset to scale, we will introduce them to others in the network. It won't be because the company is demonstrating certain levels of turnover growth, or because of their technology or their business plan – but because we can see that they have the drive and proven capability. In other words, network members listen to scaleups and point them to other members who may be able to solve their problems.

It creates a virtuous circle. For example, large corporates want access to innovation and to acquire new customers who are growing fast; scaleups, on the other hand, want access to corporates as potential clients.

The network is a genuine mix. Membership is non-exclusive; for example, it includes Leeds University Business School's centre for executive and professional education, the Yorkshire & Humber Academic Health Science Network, the Leeds City Region LEP, but it also has five accountancy firms, four law firms and several large technology corporates. It now comprises about 70 organisations and there is no shortage of people who want to be part of it. There are others who don't want to share – and they don't play. There has been no marketing or promotion of the network, nor has there been a penny of expenditure on its delivery. It doesn't need a website or PR. To



Large corporates want access to innovation and to acquire new customers who are growing fast; scaleups, on the other hand, want access to corporates as potential clients.

date, my firm has handled its administration. It has happened by osmosis and it looks and feels impromptu – and that’s one good reason why companies trust it.

In April this year, I attended the DEG in Leeds which helped to develop our plans for the future. There is a project in the pipeline and things are constantly evolving.

We have now mapped the intentions of most of our network members. Of course, their motivations differ. Commercial organisations see the potential for deal flow and gaining greater brand recognition. Social enterprises want to generate greater levels of economic activity within all parts of the community. The public sector has a variety of objectives, such as attracting inward investment and creating employment. But these differing objectives are aligned and complement each other. We can get both hearts and minds behind this.

The other powerful outcome from DEG is that we are now able to give stronger articulation to the question of “why scaleups?” The public sector is often asked whether it should support companies that are already growing; corporates find it hard to justify focusing on a small number of emerging companies.

As the network has not cost anything and is not funded, we have not yet felt the need to measure it but we are beginning to collate information about the number of member introductions to scaleups.

We had thought of an ecosystem as something that co-ordinated support services and helped to grow a number of businesses – like a virtual accelerator. We had envisaged a concierge service, which would require appointing an individual to understand the full picture and connect with everyone. But actually, the whole network is the concierge. Having a connected ecosystem means that you know who, how and where to call to find the right support.

The real output is to make Leeds a great place to scale a business, and to get more people to think that it is good to grow a business.

ALLIANCE MANCHESTER BUSINESS SCHOOL EXEMPLAR

SCALE UP FORUM: THE POWER OF PEER-TO-PEER NETWORKING WITH ACADEMIC BACKING

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



Construction



App Development



Medical Tech



Law Practice

“Enjoyed a good evening with the Alliance Manchester Business School attending the Scale Up Forum. Some really bright ideas and interesting conversation for me to take consider further.”

PHIL POWELL,
MATRIX TELEMATICS

“Delighted to be running and chairing the third Scale Up Forum, run by the Alliance Manchester Business School. Great opportunity from Prof Andrew James to build on the momentum and support fast growing businesses in the North.”

BRENDAN FATCHETT,
CEO, 365 RESPONSE

Fast-growing companies face particular challenges to scale to the next stage. Alliance Manchester Business School is offering its internationally-recognised talent, skills and knowledge to support scaleups in a peer-to-peer initiative that helps business leaders share experiences and lessons to mutual business benefit.

Background

Manchester University's Alliance Manchester Business School had an ambition to support scaleups on their growth journeys and overcome their obstacles to growth. Participating in the Driving Economic Growth course helped faculty members to understand their position within the innovation ecosystem and the value of peer-to-peer networks.

Impact and results so far

The main objective for Alliance Manchester Business School is to support the North West business ecosystem. Engagement between the Forum members and the University has also led to one Knowledge Transfer Partnership and some graduate recruitment.

Lessons learned

Experience has shown that initial recruitment is best targeted at scaleups that have an existing relationship with the University of Manchester and then using those businesses and others in the Business School's network to help refer other scaleups. Keeping the Forum events informal leads to a more open and shared discussion; it works best if a Scale Up Forum member chairs the discussion, reflecting the Forum's aim to be a peer-to-peer network run by scaleups, for scaleups

Future plans

Alliance Manchester Business School intends to continue to grow the membership of the Scale Up Forum and work with the Business Growth Hub and LEP to maximise the benefits of the Scale Up Forum to the regional business ecosystem.

SCALEUP PROGRAMMES

In January the Business School launched the Scale Up Forum to provide a peer-to-peer network for businesses at all stages of the scaleup journey to explore shared challenges and how different scaleup leaders overcome them.

Participants have been recruited via a number of means. Some members were already engaged with the University, others have been identified using the ScaleUp Institute and Beahurst data sets, or via referrals from the ScaleUp Institute or the Business Growth Hub. Once a member joins the network, the organisers ask them to refer another scaleup business, which is helping to grow the network further. The Forum currently has 25 members, which has grown from the original ten.

A Forum event typically begins with a Business School academic giving a thought leadership overview of the chosen topic to kick off the discussion. The roundtable discussions are chaired by one of the scaleup members. The opening event focused on the challenges faced by scaling companies and how successful companies in the North West are tackling barriers to growth. Other topics include talent recruitment and retention, building leadership capability and strategies to reach new customers.

GREATER MANCHESTER EXEMPLAR

POWERING UP SCALEUP SECTORS: TAILORED PROGRAMMES FOCUSED ON DIGITAL, TECHNOLOGICAL AND LIFE SCIENCE

PARTICIPATING SECTORS

Working with a diverse range of sectors including:

SPARK2SCALE

Cross-sector programme:



Media



PR/Marketing & Advertising



Financial Services



Manufacturing



Social Enterprise

GREATER CONNECTED



Creative



Gaming



Digital



PR/Marketing & Advertising



App Development

STEP INTO HEALTHCARE



Medical Tech



Scientific/Technical



App Development



Healthcare

RECIPE4SUCCESS



Food & Beverages

Greater Manchester LEP and Growth Hub have focused efforts on priority scaleup sectors identified in the Science and Innovation Audit. This highlighted the area's core strengths in health innovation and advanced materials, along with fast growth opportunities linked to the future potential of digital, energy, and industrial biotechnology. The LEP is also working to escalate sustainable growth in the food and drink sector.

Background

ONS data for 2016 shows that there are 1,490 scaleups in the Greater Manchester LEP: 570 are classified as scaleups due to rapid growth in their employees, 1,245 are classified as scaleups due to rapid growth in their turnover and 325 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 4.04 per 100,000 of population per year, which is above the median of +3.56 per 100,000 of population.

Following the 2016 DEG course in 2017, the LEP established a Task and Finish Group to consider how best to help local firms scale up. The Group reported that while there was awareness of the potential of scaleups to the economy, there would be real value in Greater Manchester partners collectively identifying this as a shared priority and overall ambition, so that the message filters through consistently at all levels.

SCALEUP PROGRAMMES

Since 2017 scaleups in the Greater Manchester area have been offered a range of programmes aligned in the main to the priority sectors identified, these programmes are:

- **Spark2Scale**, a six-month programme to escalate sustainable and comprehensive growth among scaling businesses led by a team of four business advisers who help participants on a one-to-one basis. Six masterclasses on relevant subjects and peer-to-peer learning sessions with industry experts equip scaleups with analysis and modelling tools to develop the most effective business growth strategy.
- **Greater Connected**, a scaleup programme for the digital, creative and tech sectors now running for over 18 months. The next stage is a new export service launched in October 2018, **Greater Connected Amplify**, this nine-month programme for the senior leaders of the most innovative and global of the Greater Connected alumni is designed to provide three full cohorts over the next three years, supporting the senior leaderships of 45 businesses to implement their business plans.

“

The Task and Finish Group reported there would be real value in Greater Manchester partners collectively identifying the potential of scaleups to the economy as a shared priority

- **STEP into Healthcare**, a repeatable cohort programme for health and life science scaleups. This provides four sessions of extensive support to health and life science scaleups including access to networks and workshops with industry experts on relevant subjects as well as market access opportunities.
- **Recipe4Success** is a six-month programme to support growth in the food and drinks sector, providing masterclasses and skills workshops with industry experts, Manchester Metropolitan University and the Department for International Trade and culminates in a Meet the Buyer opportunity. The programme is led by a specialist business adviser who supports the participants on a one-to-one basis.

Impact and results so far

- **Spark2Scale** – 95 companies have completed the programme since March 2017 and results show it has led to the creation of new jobs and products and an increase in turnover.
- **Greater Connected** has now supported more than 150 scaleups; currently the programme has produced 56 new jobs and 7 new products, with a continuing pipeline.
- **STEP into Healthcare** – over 50 companies have participated in five cohorts; several participating companies are in discussion with NHS procurement teams with some securing trials of their products or services.
- **Recipe4Success** – 70 companies have completed the programme and a number of candidates have acquired new listings with major buyers, including Tesco, Morrisons and Holiday Inn. The programme has led to the creation of new food and drink products, more jobs, over £2m in sales and the creation of new collaborations.

Lessons learned

A key lesson of the STEP into Healthcare programme is that the number of Greater Manchester-based innovative life sciences companies with potential for scaling is small. As a result the programme may be extended to support companies with innovative products and services relevant to the NHS – but not in the life sciences sector.

Greater Connected has found that *“the experience is equally as important as the content”*. Customer feedback is that space to interact directly with advisers on a one-to-one basis, both before and after the programme, allows for principles and theory imparted to be applied with real results and is one of the main keys to unlocking the scalability of the majority of businesses with the highest potential.

Future plans

Spark2Scale has been adapted to focus more on leadership, personal and sales development. Positive feedback on the importance of a peer-to-peer network to scaleups’ continued growth and development has led to the creation of an alumni network. The LEP has also collaborated with the University of Salford to run a specific graduate/student focused Spark2Scale programme, due to pilot Autumn 2018.

The Business Growth Hub is planning to expand Greater Connected beyond 2018 and evolve the programme as sector challenges change. A major focus in 2019 will be the successful delivery of the Greater Connected Amplify pilot.

The 2019 Recipe4Success programme is scheduled for a January start with continued support from Morrisons.

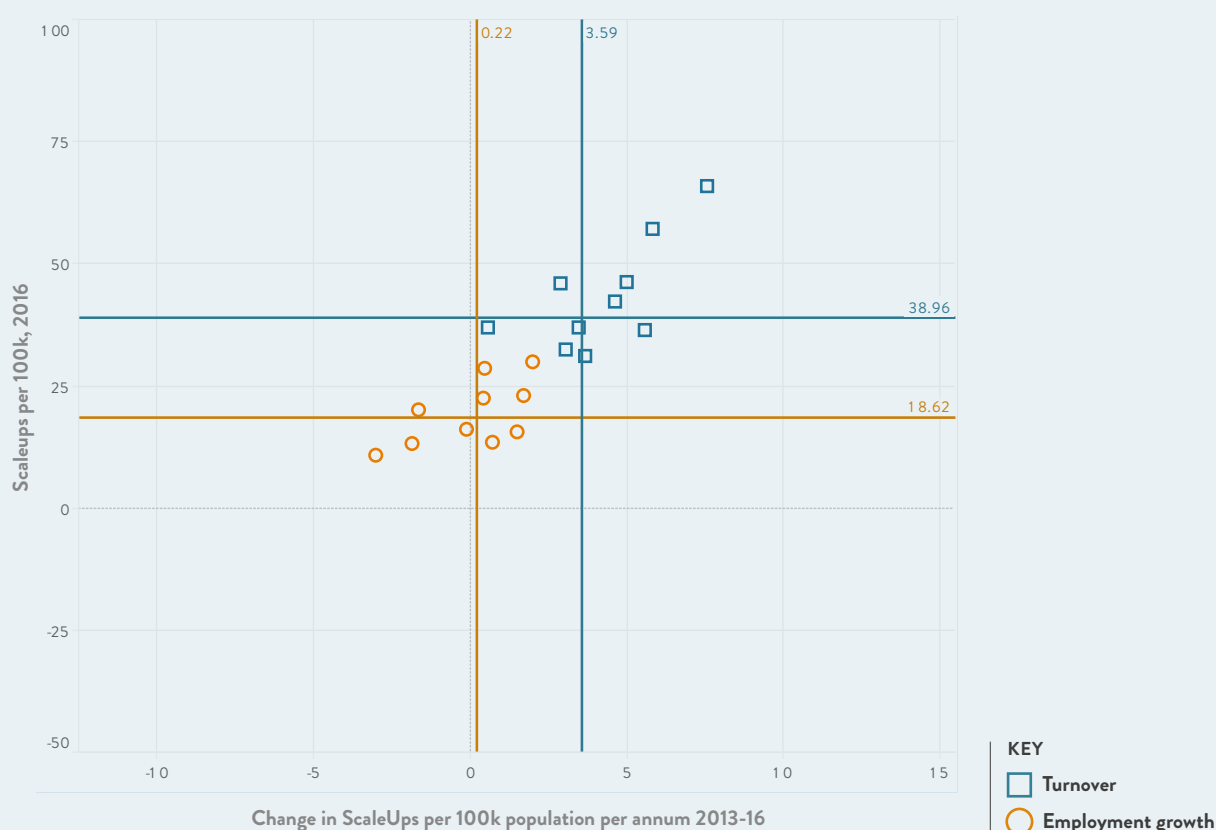
“Greater Connected gave me a lot of ideas about how to tailor our sales messages and how to build a senior management team. We have already met a couple of the other companies to discuss collaboration, which is crucial for all of us to build our business.”

**NICK BLACK, CHIEF
COMMERCIAL OFFICER
APADMI**

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the Greater Manchester LEP.

Local Authorities located within the Greater Manchester LEP have a moderate-low density of scaleups, but the trend between 2013 and 2016 reveals that few of the local authorities showed a below median change in the number of scaleup businesses, while most showed an above median increase in scaleup density.



Scaleups by Density: Moderate

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 5 of the 10 local authorities¹ have an above median density of scaleups measured by employment growth and 5 of the 10 local authorities² have an above median density of scaleups measured by turnover growth.

Scaleup Trends over time: Good

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 6 of the 10 local authorities³ are above the median in terms of improving the density of scaleups by employment in their community and 6 of the 10 local authorities⁴ are above the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

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KEY

- Turnover
- Employment growth

FOOTNOTES

¹ Bolton, Manchester, Salford, Stockport, Trafford.

² Bolton, Manchester, Salford, Stockport, Trafford.

³ Bolton, Manchester, Stockport, Tameside, Trafford, Wigan.

⁴ Bolton, Manchester, Oldham, Stockport, Tameside, Trafford.

NORTHERN IRELAND EXEMPLAR

TAILORED SCALEUP PROGRAMMES WITH RELATIONSHIP MANAGEMENT

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



Professional Services



Business Services



Agricultural



Financial Services



Food & Beverages



Creative



Scientific/
Technical



Digital



Defence & Cyber
Security

“The Scaling L4G Course cohort group has been very helpful as a group working like a board you could never afford to share and help solve common business issues.”

CHIEF EXECUTIVE,
INVEST NI SCALING
CLIENT

Invest Northern Ireland (Invest NI) has a strategic focus on growth companies. It has taken a tailored multi-channel approach, which recognises the need to encourage companies onto and up a pathway to innovation, growth and exports. Invest NI works with around 1,900 growth companies, including scaleup and scaling firms, engaging with them through a one-to-one relationship. This group of companies employs over 100,000 people and delivers around £16bn of sales annually outside Northern Ireland.

Background

ONS data for 2016 shows that there are 905 scaleups in Northern Ireland: 340 are classified as scaleups due to rapid growth in their employees, 730 are classified as scaleups due to rapid growth in their turnover and 165 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 5.72 per 100,000 of population per year, which is above the median of +3.56 per 100,000 of population.

Invest NI aims to be seen as a trusted business partner of choice. It works closely with growth companies to understand their aspirations better, identify their growth potential and pinpoint where its support can unlock any constraints.

Companies across Northern Ireland are supported by self-serve online tools and one-to-many engagement. Physical resources are being focused on high potential startups, pre-scaling and scaling companies. **Ambitious companies achieving 20% growth per annum and a minimum turnover of £10m are offered a tailored Scaling Programme.**

SCALEUP PROGRAMMES

Invest NI aims to help more of its customers to grow faster and succeed by supporting them to drive higher levels of innovation, increase competitiveness and increase exports and as a result create more jobs.

Key features of the Scaling Programme include:

- Access to world-class leadership, business development and coaching programmes targeted at the Managing Director/Senior Management Team;
- Increased face-to-face contact with Invest NI Client Managers;
- Account development planning;
- Support to remove barriers to growth.

“

Key features of the Scaling Programme include access to world-class leadership, business development and coaching programmes targeted at the Managing Director/Senior Management Team.

“The Scaling Initiative has been excellent for my company ... the 1:1 support and enhanced focus has allowed our Invest NI Client Manager to really get to know our business and the opportunities and challenges we face.”

**CHIEF EXECUTIVE,
INVEST NI SCALING
CLIENT**

Other Invest NI activities that support scaleups include:

- Supporting those customers with the greatest growth potential to increase employment and ensure they can access the skills required to realise their ambitions.
- Prioritising R&D and innovation support towards projects that have a clear link to exports and ensuring that the research base is aligned to sectors, clusters and niches of strength.
- Working with universities and local and international partners to stimulate clustering and collaboration.
- Developing and increasing the export intensity of local companies to deliver sales growth beyond Northern Ireland.

Invest NI also partners with Enterprise Ireland (EI) to offer EI’s Leadership 4 Growth (L4G) Programme to Northern Ireland companies. Participation on this programme enables businesses to be part of an international programme and work with a cohort of scaleups from Northern Ireland and the Republic of Ireland.

Impact and results so far

A review of Invest NI’s scaling programme showed that:

- Companies found Invest NI more proactive and responsive and appreciated the partnership approach with Invest NI.
- Businesses were challenged to deliver growth.
- Participants were more capable of generating growth – having developed confidence, honed strategy, as well as developing structure, skills and operations.
- Businesses in the programme experienced on average 20.1% growth on the previous year.

Future plans

Invest NI will continue to work with partners to deliver a comprehensive action plan that encourages and supports businesses to accelerate their growth and ensure they can access the necessary finance. Invest NI’s ambition is to double the number of participating companies in the Scaling Programme.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for Northern Ireland.

Due to the ONS changing the boundaries of Local Authorities within Northern Ireland, it is not possible to examine the figures at a local authority level. The analysis below examines the scaleup density and growth trends for Northern Ireland as a whole.

Scaleups by Density: Moderate

Northern Ireland has a marginally below median density of scaleups measured by employment growth (18.3 scaleups per 100k population compared to the UK median of 18.6) and a marginally above median density of scaleups measured by turnover growth (39.2 scaleups per 100k population compared to the UK median of 39.0).

Scaleup Trends over time: Moderate

Northern Ireland is above the median in terms of improving the density of scaleups by employment in their community (+2.2 scaleups per year per 100k population on average compared to the UK median of +0.2) and above the median for scaleups by turnover (+4.6 scaleups per year per 100k population on average compared to the UK median of +3.6).

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

SOUTH EAST EXEMPLAR

SCALE UP ASHFORD: POWERING A HUB FOR GROWTH

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



“Our involvement with Scale Up Ashford has been invaluable. The team have provided an expert sounding board which has encouraged and reassured us that investing in our business was the right thing to do.”

**CLIVE WILSON, MD,
AES PRECISION
ENGINEERING**

Ashford Borough Council and Kent Invicta Chamber of Commerce are working in partnership to deliver a programme giving tailored, intensive support and extensive networks to a group of carefully selected companies to help them grow their business, deliver more jobs and create a 15% increase in gross added value.

Background

ONS data for 2016 shows that there are 2,020 scaleups in the South East LEP: 730 are classified as scaleups due to rapid growth in their employees, 1,690 are classified as scaleups due to rapid growth in their turnover and 400 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 3.89 per 100,000 of population per year, which is above the median of +3.56 per 100,000 of population.

The core of the Scale Up Ashford programme was conceived at the Driving Economic Growth course, which also shaped the partners' ideas of how to apply it practically. The initial programme was designed as a testing ground to assess if intensive interventions with high-growth businesses could create more jobs and boost the companies economically in a more sustainable way than regular business support.

Using the both the chamber's and council's knowledge base of local businesses an original list of 36 business was selected. These businesses were sounded out about participating in the programme and the willing participants were interviewed by a business adviser for their suitability to participate in the pilot, potential for growth and willingness to take on board new ideas. Eventually, six companies from various sectors were selected for the first cohort.

SCALEUP PROGRAMMES

Scale Up Ashford provides a six-month bespoke programme of support beginning with a workshop for the entire cohort to introduce the programme and its concepts. Following the workshop the business coach holds an exploratory meeting with the individual businesses to conduct a survey and identify issues within the business which leads to a tailored plan of activity and targets/goals.

Participants then receive intensive support with the business coach visiting them on a monthly basis to offer advice, support and planning to meet monthly goals and programme goals. Company progress against goals is monitored via a software programme that allows easy visual reference.

Programme participants can also draw on the resources of the Chamber, the Growth Hub and the Council to help resolve issues such as funding, infrastructure and regulation. The programme ends with a workshop involving the next cohort to discuss outcomes.

The second cohort involving 10 businesses began the programme at the end of May 2018.

“Participants receive intensive support with the business coach visiting them on a monthly basis to offer advice, support and planning to meet monthly goals and programme goals.”

“Our business has blossomed as a result of taking part in Scale Up Ashford. Having an external source come in and look objectively at the way we run our company and offer recommendations on how to grow was the best thing we took away.”

JONTI HOBBS, MD,
MEDASH SIGNS

Impact and results so far

All six companies in the first cohort completed the programme creating 17 new full-time jobs during the six months plus another 43 as a result of programme-related actions. Turnover of the six increased on average by 21% and the participating businesses had invested £500,000 in new plant and machinery and secured £20,000 of grant funding.

Lessons learned

Some lessons were learned as a result of the pilot, including the need to be able to source large-scale funding for growing businesses and the importance of building more structured peer-to-peer networking into the programme. The cohort did begin trading with each other and using each other's expertise but more could have been built in to facilitate this.

Though the programme was well publicised it could have benefitted from more continuous publicity but a decision was taken to proceed cautiously due to it being a pilot project.

Future plans

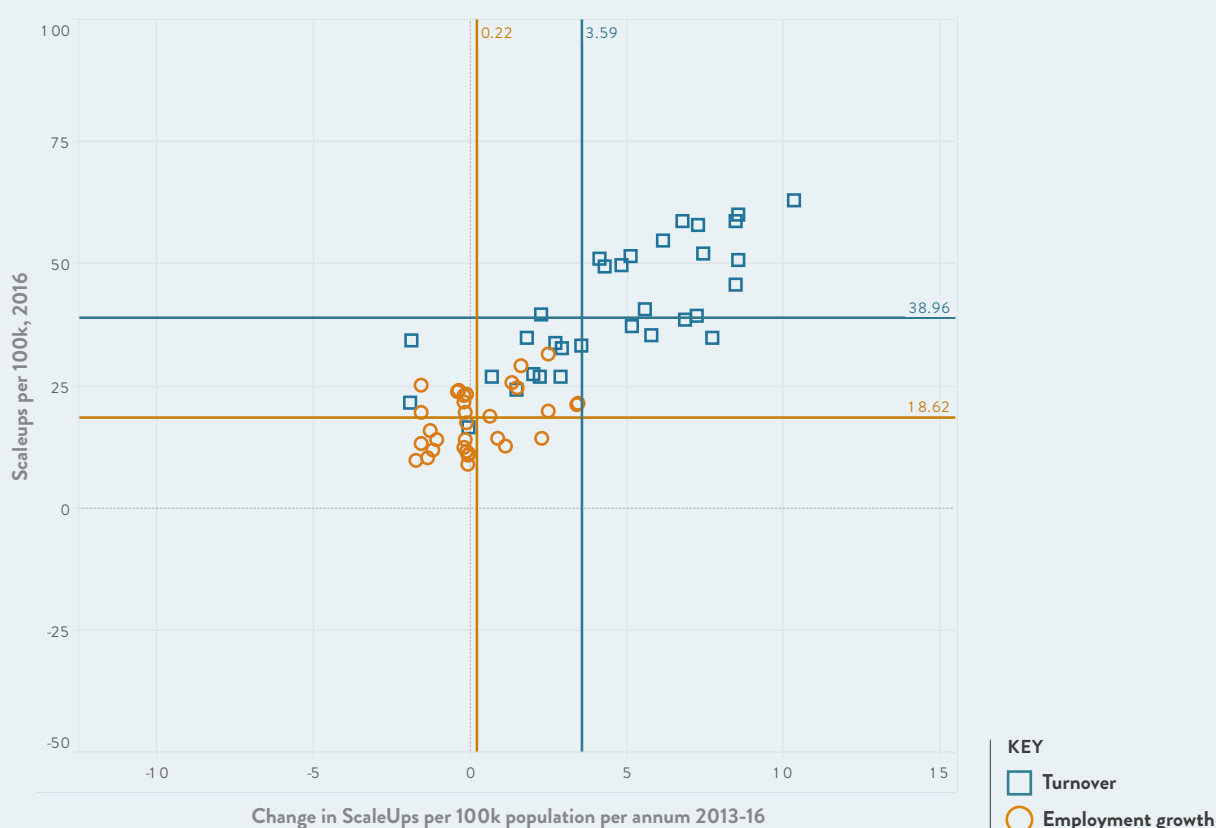
A third cohort is planned for 2019 and looks likely to include 10 new businesses, though a part-funding element may be introduced to the programme to make it more sustainable.

Due to the success of the programme, Kent Invicta Chamber of Commerce has also been asked to run similar programmes in Folkestone and Hythe District and West Kent (Sevenoaks, Tonbridge and Malling and Tunbridge Wells) with ScaleUp West Kent launched October 2018.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the South East LEP.

Local Authorities located within the South East LEP have a moderate density of scaleups, and the trend between 2013 and 2016 reveals that some of the local authorities showed a below median change in the number of scaleup businesses, while others showed an above median increase in scaleup density.



Scaleups by Density: Moderate

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 16 of the 32 local authorities¹ have an above median density of scaleups measured by employment growth and 16 of the 32 local authorities² have an above median density of scaleups measured by turnover growth.

Scaleup Trends over time: Mixed

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 21 of the 32 local authorities³ are below the median in terms of improving the density of scaleups by employment in their community and 19 of the 32 local authorities⁴ are above the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

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KEY

- Turnover
- Employment growth

FOOTNOTES

¹ Ashford, Basildon, Braintree, Brentwood, Colchester, Dartford, Epping Forest, Lewes, Maidstone, Maldon, Rother, Sevenoaks, Tendring, Tonbridge and Malling, Tunbridge Wells, Uttlesford.

² Ashford, Basildon, Braintree, Brentwood, Chelmsford, Colchester, Dartford, Dover, Epping Forest, Harlow, Maidstone, Maldon, Sevenoaks, Tonbridge and Malling, Tunbridge Wells, Uttlesford.

³ Basildon, Braintree, Brentwood, Canterbury, Castle Point, Dartford, Dover, Eastbourne, Epping Forest, Gravesham, Harlow, Hastings, Maidstone, Rochford, Sevenoaks, Shepway, Southend-on-Sea, Swale, Thurrock, Tonbridge and Malling, Wealden.

⁴ Basildon, Braintree, Brentwood, Chelmsford, Colchester, Dartford, Dover, Epping Forest, Harlow, Maidstone, Maldon, Rochford, Rother, Sevenoaks, Tendring, Thanet, Tonbridge and Malling, Tunbridge Wells, Uttlesford.

TEES VALLEY COMBINED AUTHORITY EXEMPLAR

WORKING WITH TEESIDE UNIVERSITY TO SUPPORT CEOS WITH STRONG AMBITIONS

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



Digital



Food & Beverages



IT Services



Healthcare



Retail



Technology



Waste Management Service



Creative



Manufacturing

“LEAP 50 is an essential initiative to identify and assist those companies best placed to expand, which will help deliver jobs and boost our economy. I look forward to continuing our partnership with Teesside University and hearing of all the success stories this project will undoubtedly bring.”

BEN HOUGHEN,
TEES VALLEY MAYOR

Research from the ScaleUp Institute has driven a new approach to support growing firms in the Tees Valley region. The result is a new initiative to help ambitious firms grow to their full potential led by Teesside University.

Background

ONS data for 2016 shows that there are 230 scaleups in the Tees Valley LEP: 95 are classified as scaleups due to rapid growth in their employees, 195 are classified as scaleups due to rapid growth in their turnover and 60 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 0.42 per 100,000 of population per year, which is below the median of +3.56 per 100,000 of population.

Tees Valley Combined Authority (TVCA) responded positively to the ScaleUp Institute's finding that scaleups in its area were not capitalising on the opportunity to grow further. The Authority worked with Teesside University to develop LEAP 50 an imaginative offer focusing on the barriers that scaleup businesses can face.

SCALEUP PROGRAMMES

Launched in 2018, the fully-funded programme begins with a two-day residential to induct participants to the programme and kick start their learning experience. This is followed by around 12 one-day workshops hosted either at Teesside University's Middlesbrough campus or the Centre for Professional Executive Development in Darlington. It is designed to provide knowledge, experience and personal leadership development alongside practical ways of unlocking barriers to growth. The aim is to enable business leaders to meet the challenge of accelerating business growth while at the same time leading and managing it successfully.

Eleven companies are involved in the initial cohort with the programme designed and tailored to meet their specific needs and respond to the diverse businesses represented. Participants are receiving support and training from number of experienced professionals with track records of working with and developing high growth scalable businesses. They take away actions from each intensive learning intervention and are encouraged to implement new ideas in their businesses.

Peer-to-peer learning is also another significant element of the programme as LEAP 50 participants work with their cohort members and are encouraged to share experiences and knowledge. The Digital City SCALE Programme is a three-month programme

“

The Programme is designed to provide knowledge, experience and personal leadership development alongside practical ways of unlocking barriers to growth.

“LEAP 50 places companies at the heart of an experience designed to accelerate business growth and contribute to the economic ecosystem of the Tees Valley.”

**MERYL LEVINGTON,
ASSOCIATE DEAN
(ENTERPRISE
AND BUSINESS
ENGAGEMENT),
TEESSIDE UNIVERSITY
BUSINESS SCHOOL**

for ambitious business owners in the digital and technology sectors. The programme involves implementing processes and systems to ensure that the company has the capability to grow, with a focus on strategy formation, people & leadership, intellectual property development and finance. After each session a dedicated business mentor helps participants to formulate a bespoke action plan. Importantly, participants work alongside like-minded peers giving them the opportunity to learn from each other and share knowledge, ideas and experience.

Growing companies can also benefit from the Growth Fund administered by Tees Business Compass. This offers funding for projects such as consultancy support for developing digital and online strategies, business planning and help to improve business processes.

Other initiatives on offer in Tees Valley include:

- Launchpad – providing advice, support and co-working and office space to early-stage companies with potential for high growth.
- Innovate Tees Valley – to help businesses build innovation capacity for entry into new markets and sectors with new products and services.
- National Horizons Centre – a £22.3m bioscience facility, delivered with TVCA and support from the ERDF, to address the specific needs of businesses operating in the bio-industries.

Impact and results so far

The various initiatives undertaken at Teesside University, including LEAP 50 and Digital City, have been recognised by the university winning the Improving the Business Environment category in the 2018 Enterprising Britain Awards.

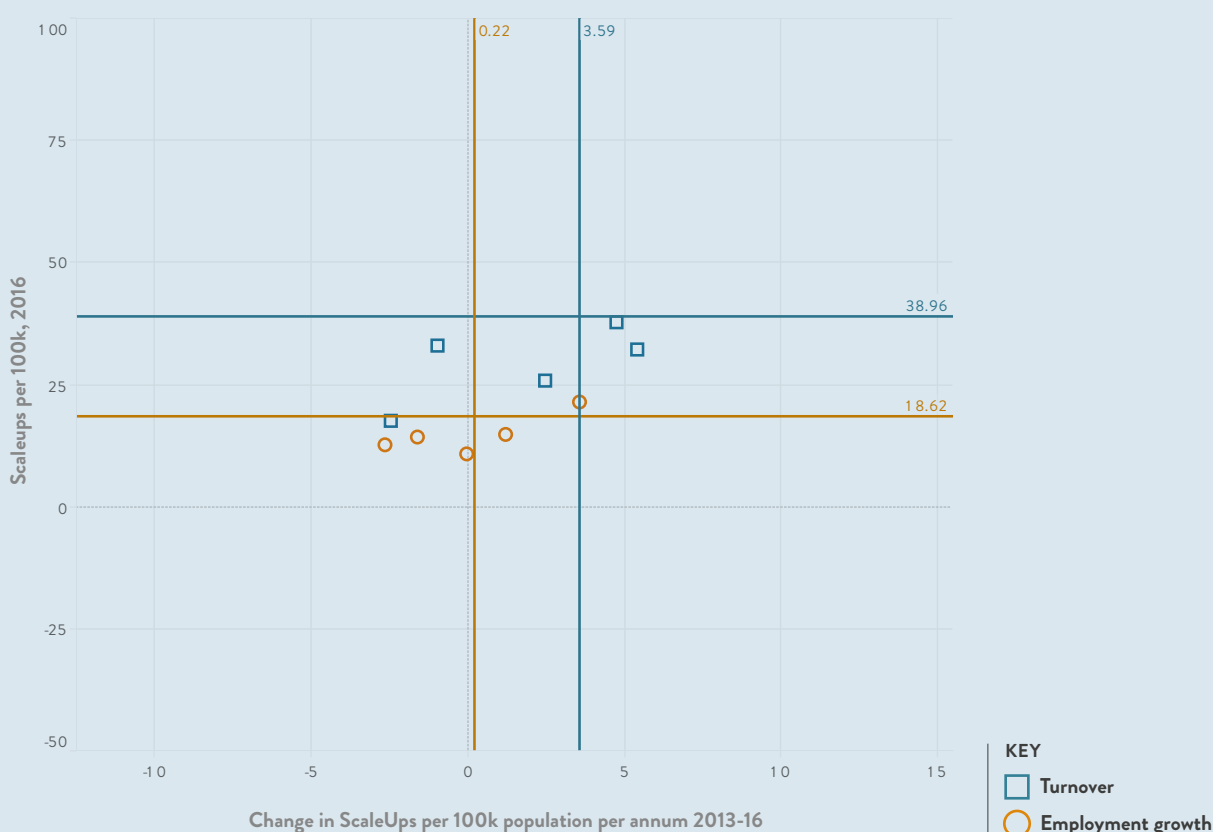
Future plans

The LEAP 50 programme has the aim of helping at least 50 ambitious Tees Valley businesses take the next steps to growth.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the Tees Valley LEP.

Local Authorities located within the Tees Valley LEP have a low density of scaleups, and the trend between 2013 and 2016 reveals that most of the local authorities showed a below median change in the number of scaleup businesses, while few showed an above median increase in scaleup density.



Scaleups by Density: Needs improvement

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 4 of the 5 local authorities¹ have a below median density of scaleups measured by employment growth and all of the 5 local authorities² have a below median density of scaleups measured by turnover growth.

Scaleup Trends over time: Needs improvement

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 3 of the 5 local authorities³ are below the median in terms of improving the density of scaleups by employment in their community and 3 of the 5 local authorities⁴ are below the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

FOOTNOTES

¹ Darlington, Middlesbrough, Redcar and Cleveland, Stockton-on-Tees.

² Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton-on-Tees.

³ Darlington, Middlesbrough, Stockton-on-Tees.

⁴ Middlesbrough, Redcar and Cleveland, Stockton-on-Tees.

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WORCESTERSHIRE EXEMPLAR

FROM STARTUP TO SCALEUP – RESETTING THE DIAL

PARTICIPATING SECTORS

Working with a diverse
range of sectors including:



Manufacturing



Medical Tech



Agricultural



Defence & Cyber
Security

Worcestershire's vision to create a connected, creative and dynamic economy has driven a new strategic approach that has put focus on business growth. The LEP is working with partners including local government, the University of Worcester, Herefordshire and Worcestershire Chamber of Commerce and business support delivery bodies to identify and support potential scaleups.

Background

ONS data for 2016 shows that there are 340 scaleups in the Worcestershire LEP: 110 are classified as scaleups due to rapid growth in their employees, 290 are classified as scaleups due to rapid growth in their turnover and 60 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 3.13 per 100,000 of population per year, which is below the median of +3.56 per 100,000 of population.

Despite having a number of high-growth companies such as GTech and Gymshark within the region, the Worcestershire area has demonstrated a relatively poor performance in terms of business growth and entrepreneurship when compared to other LEP areas. Participating in the Driving Economic Growth through Scaleup Ecosystems course encouraged the LEP and its partners to review the existing approach and challenges to growth.

“We now have all our ideas, forecasts and action plans down on paper and have checklists that can be referred to and ticked off when completed.”

**GUY TOMLINSON,
NEMESIS UK
PERFORMANCE**

SCALEUP PROGRAMMES

BizSmart – a private sector business support contractor – is delivering the Worcestershire Business Growth Programme – a comprehensive 12 month programme with monthly tutorials and exercises. In addition, BizSmart provides an in-depth analysis of business performance and benchmarking against statistically proven drivers of value. BizSmart also provides SmartBoards which deliver peer-to-peer networking for growth and scaleup companies supported by business experts.

Picking up the importance of ‘hubs’ and the impact they can have on growth the Worcestershire LEP recently launched its very own dedicated technology accelerator called ‘BetaDen’ for entrepreneurs and scale up businesses. Co-located with one of the UK’s first 5G testbeds at the Malvern Hills Science Park, it is building companies at the forefront of testing and developing future technologies. The testbed provides a revolutionary platform for businesses to develop next-generation technology, such as the internet of things and industry 4.0. BetaDen will offer entrepreneurs, startups and scaleup businesses a package of business support including free office space, mentorship from selected experts, access to Worcestershire’s 5G testbed advice and proof of concept funds.

“

Participating in the Driving Economic Growth through Scaleup Ecosystems course encouraged the LEP and its partners to review the existing approach and challenges to growth.

“The support we have had from Worcestershire County Council and the Worcestershire Business Accelerator Programme has helped us to achieve significant growth over the past two to three years. The increase in sales volumes can be attributed to the training we were steered towards. The main result is that the assistance we received through BizSmart has helped us to employ more staff and expand further into other markets and countries.”

**DAVID LYNES,
FOUNDER OF
UNIQUE IQ**

Impact and results so far

The Enterprising Worcestershire Growth Programme has supported over 100 companies and BizSmart have a number of SmartBoards running providing growth and development to scaleup companies in Worcestershire.

BetaDen's first cohort was launched in October 2018 with seven companies supported by the programme. The second cohort will commence in May 2019.

Lessons learned

BizSmart continues to develop and refine its product to businesses. It is recognised that business owners and managers want to go at different speeds in dealing with the strategic direction of scaling a business alongside the urgency of here and now delivery.

Future plans

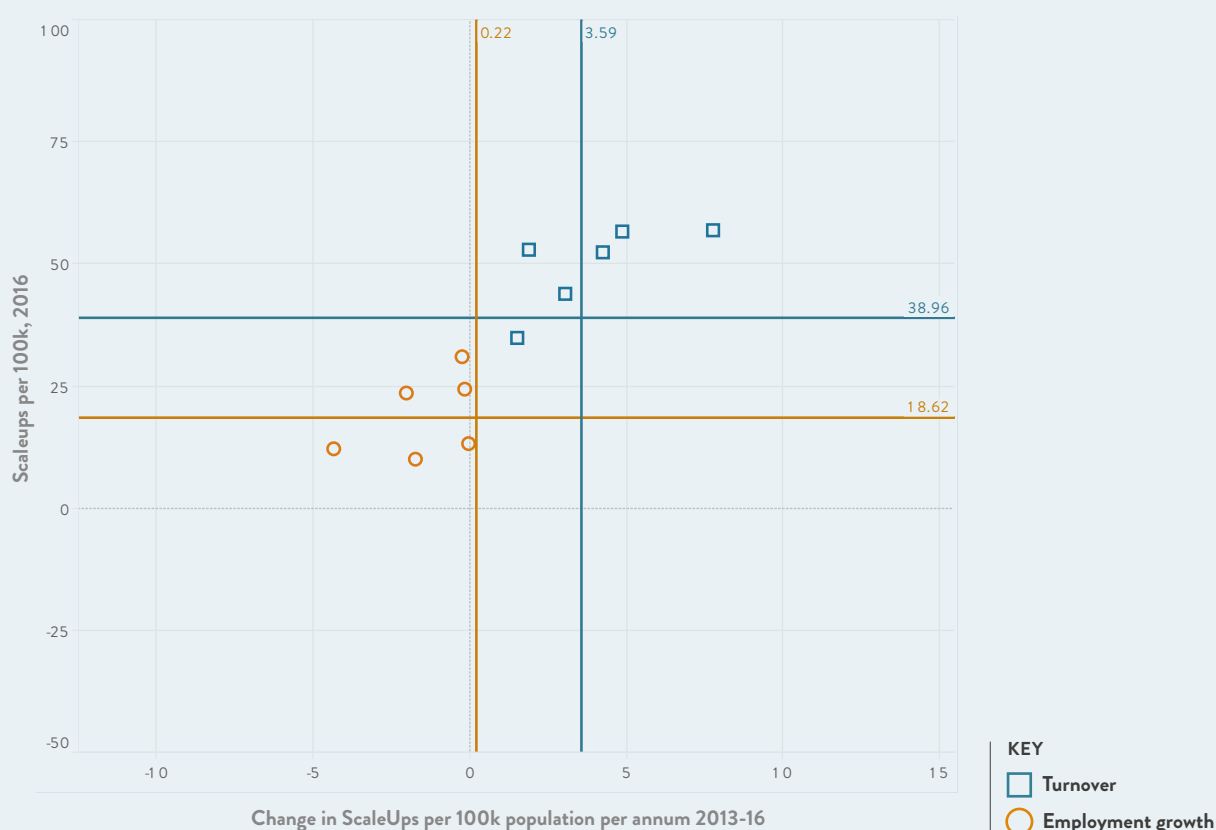
Worcestershire will continue to identify the resource to ensure the county's scaling businesses have a joined up approach to their needs between the private and public sector. We consider it vital that we create an effective 'escalator' of connected support with a holistic scaleup programme where we provide an entry and landing point locally while also harnessing in impactful national scaleup programmes to our local scaleup needs.

The LEP's ambition is to prove that the BetaDen model works and then roll out to all locations across the county making it financially sustainable.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the Worcestershire LEP.

Local Authorities located within the Worcestershire LEP have a good density of scaleups, but the trend between 2013 and 2016 reveals that most of the local authorities showed a below median change in the number of scaleup businesses, while few showed an above median increase in scaleup density.



Scaleups by Density: Good

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 3 of the 6 local authorities¹ have an above median density of scaleups measured by employment growth and 5 of the 6 local authorities² have an above median density of scaleups measured by turnover growth.

Scaleup Trends over time: Needs improvement

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 6 of the 6 local authorities³ are below the median in terms of improving the density of scaleups by employment in their community and 3 of the 6 local authorities⁴ are above the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

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FOOTNOTES

¹ Bromsgrove, Redditch, Worcester.

² Bromsgrove, Malvern Hills, Redditch, Worcester, Wychavon.

³ Bromsgrove, Malvern Hills, Redditch, Worcester, Wychavon, Wyre Forest.

⁴ Bromsgrove, Malvern Hills, Wychavon.

GREATER BIRMINGHAM AND SOLIHULL EXEMPLAR

SCALEUP SERVICES POWERED BY DEDICATED ACCOUNT MANAGERS

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



Manufacturing



Creative



Financial Services



Digital



Scientific/
Technical



Services
(Professional Support)

Greater Birmingham and Solihull LEP has used its knowledge of local scaleups to provide a diverse range of programmes to support sustainable business growth.

Background

ONS data for 2016 shows that there are 940 scaleups in the Greater Birmingham and Solihull LEP: 355 are classified as scaleups due to rapid growth in their employees, 765 are classified as scaleups due to rapid growth in their turnover and 180 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 1.53 per 100,000 of population per year, which is below the median of +3.56 per 100,000 of population.

Since its activities were highlighted in the 2017 Review the LEP has been focusing on innovating the ecosystem to fuel scaleup growth. The intention is to continue to build upon a solid foundation of support that underpins sustainable business growth.

SCALEUP PROGRAMMES

The Growth Hub has introduced a new scaleup service under the banner 'Scale Up Your Business To The Next Level' with a strong account manager approach. This includes a series of scaleup workshops with Aston Centre for Growth based on the success of the pilot held in 2017. Each workshop also includes a follow-on clinic, where business can gain direct support on the actions they decide to take to grow their business. The aim is to support up to 100 potential scaleup business leaders through this scheme.

In addition, the Scaleup service brings together in one place both private and public sector scaleup offerings, on a coordinated basis. It offers connections to both national, regional and local solutions covering the key barriers to scaling up this includes linkages to Goldman Sachs 10,000 Small Businesses UK, PwC Scale Midlands Programme and London Stock Exchange's ELITE programme.

The LEP is also developing new initiatives to increase access to funding, including holding a series of targeted 'Investment Readiness Workshops' in partnership with VC firm Midven and the NatWest Accelerator.

With an Access to Finance adviser and Finance Portal in place the LEP is also developing a new Regional Angel Investment Hub, working in partnership with the UK Business Angels Association. A 'hub and spoke' model will be designed to connect angel investors, the Midlands Engine Investment Fund and corporate financiers to scaling businesses across the region. The aim is to unlock over £50m in new angel monies, to help tackle the equity funding gap in the region, at the same time as building capacity in potential and existing high growth businesses.

“
The Growth Hub has introduced a new scaleup service under the banner ‘Scale Up Your Business To The Next Level’ with a strong account manager approach.

Other projects supported by the Growth Hub include a two-year extension of the Inclusive Growth Project, in partnership with the Centre of Research into Ethnic Minority Entrepreneurship (CREME) at the University Of Birmingham. The original pilot aimed at providing support to businesses based within diverse communities that do not traditionally access mainstream support. The pilot supported over 200 businesses at various stages of development but with a specific aim to generate future engagement of those with scaleup potential into the more bespoke scaleup programme offer.

Impact and results so far

Between 1st April 2017 – 31st March 2018, 674 businesses have received intensive account-managed support that is focused on unlocking their scale up potential.

Future plans

In the Spring of 2019 the LEP will launch a new scaleup accelerator programme focused on helping 30 businesses to experience accelerated growth of 20% or more within a six-month period. Using a peer-to-peer learning format, businesses will be supported to deal with a range of scaleup challenges and receive coaching support from industry partners.

The Platinum Group



The Platinum Group was formed in January 2012 by the Black Country Chamber of Commerce. The original network covered committed and senior leaders from the Black Country's high value manufacturing, automotive, logistics, freight & distribution sectors. A second cohort for service sector companies was launched in 2016.

Members meet to share knowledge, new ideas and best practice, as well as working collectively to promote the region and tackle the challenges holding it back. A feature of the programme is that it involves as many layers of an organisation as possible to ensure the benefits spread beyond the managing director or owners. Senior teams also have access to the

Strategic Leadership Programme, an intensive leadership and development programme run over nine months including six full-day workshops and six one-to-one sessions.

The Platinum Group facilitates the events, agrees the content and sources the speakers but they are hosted by the business members and often followed by an opportunity to tour the premises or hear about new developments. The Group has helped members to access funding and worked with partners to provide access to infrastructure.

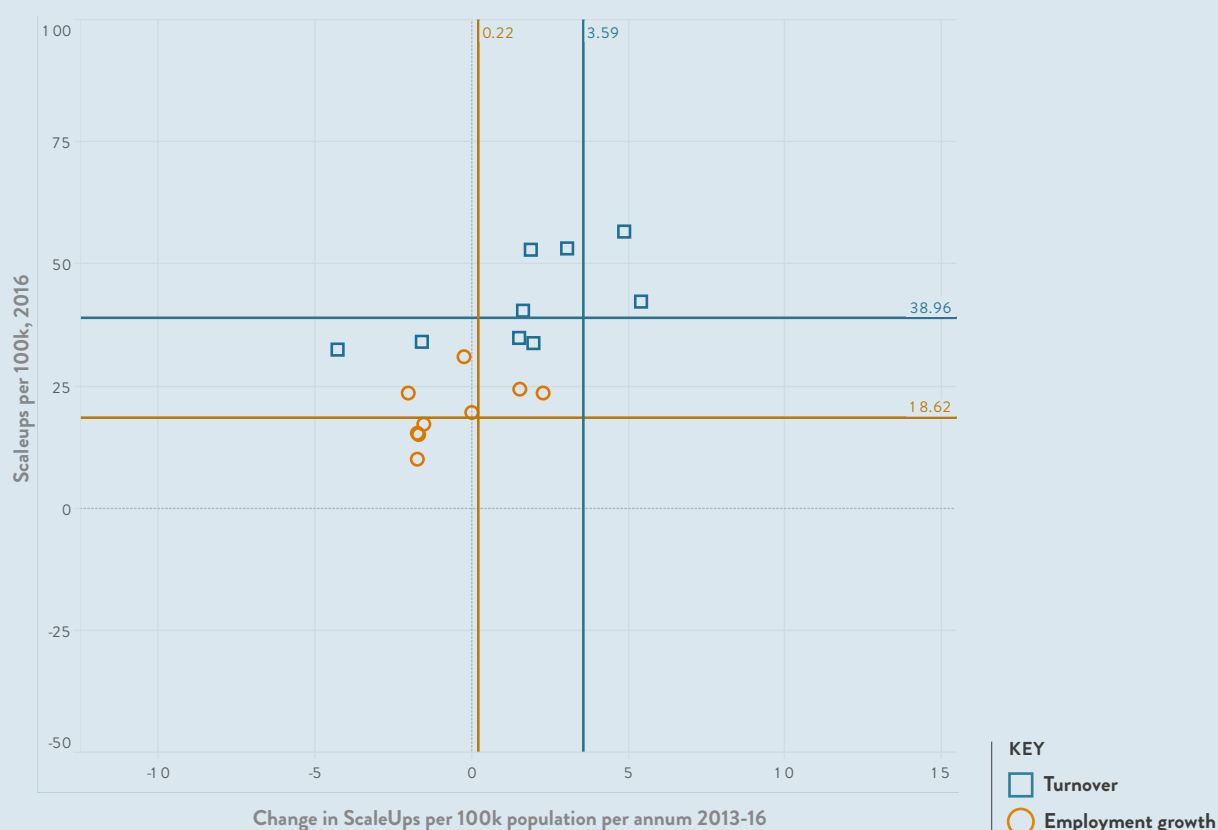
There are presently 25 members in the current cohort of The Platinum Group

covering the manufacturing, logistics and freight sectors. The Platinum Group Service Sector now has 13 members. The Platinum Group has seen a number of success stories including one member growing its workforce from 15 to 140 employees over the last five years. Another example is a member that increased turnover growth by 155% in four years and another where they have set up their own training academy to improve the pipeline of apprentices working with the business and upskill existing staff.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the Greater Birmingham and Solihull LEP.

Local Authorities located within the Greater Birmingham and Solihull LEP have a moderate density of scaleups, and the trend between 2013 and 2016 reveals that most of the local authorities showed a decrease in the number of scaleup businesses, while few showed an increase in scaleup density.



Scaleups by Density: Moderate

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 5 of the 9 local authorities¹ have an above median density of scaleups measured by employment growth and 5 of the 9 local authorities² have an above median density of scaleups measured by turnover growth.

Scaleup Trends over time: Needs improvement

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 7 of the 9 local authorities³ are below the median in terms of improving the density of scaleups by employment in their community and 7 of the 9 local authorities⁴ are below the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

FOOTNOTES

¹ Bromsgrove, Lichfield, Redditch, Solihull, Tamworth.

² Bromsgrove, Cannock Chase, Lichfield, Redditch, Solihull.

³ Birmingham, Bromsgrove, Cannock Chase, East Staffordshire, Redditch, Tamworth, Wyre Forest.

⁴ Birmingham, Cannock Chase, East Staffordshire, Lichfield, Redditch, Tamworth, Wyre Forest.

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GREATER CAMBRIDGE, GREATER PETERBOROUGH EXEMPLAR

SCHOOL FOR SCALE-UPS: DEVELOPED BY SCALEUPS FOR SCALEUPS

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



Retail



Pharmaceuticals



IT Services



Education



Telecommunications

Cambridge Network used its lengthy experience working with scaling businesses in the Cambridge area to build a bespoke programme developing leadership skills for CEOs and senior teams in scaleup – the School for Scale-ups. The content was designed with input from successful leaders in high-growth companies and was further refined after the Driving Economic Growth course in 2016. This is one of a number of organisations offering a specialist leadership programme for scaling businesses. Others in the Cambridge area include Barclays Eagle Labs and Babraham Research Campus featured in Chapter 2.

Background

ONS data for 2016 shows that there are 855 scaleups in the Greater Cambridge and Greater Peterborough LEP: 335 are classified as scaleups due to rapid growth in their employees, 705 are classified as scaleups due to rapid growth in their turnover and 185 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 4.54 per 100,000 of population per year, which is above the median of +3.56 per 100,000 of population.

The School for Scale-Ups Programme has been specifically designed to improve leadership and respond to skills challenges identified in the ScaleUp Report. The core programme is delivered by experienced business trainers who have supported Cambridge Network members successfully through scaling.

Cambridge Network: School for Scaleups



The programme is open to all high-growth businesses and social enterprises and has a guiding principle that growth demands leadership at all levels so staff in operational roles are welcome alongside senior teams.

It runs as active learning with a cohort of 12 delegates meeting face-to-face every six weeks for a formal training workshop with an experienced trainer. The cohort works together over 14 months with

modules focusing on a different aspect of leadership skills. A Cambridge Network representative works with trainers and delegates throughout the process and delegates can call upon additional training, coaching or mentoring. Access to finance is discussed and is indirectly benefited by improved communication and confidence of the leaders as well as introductions to business angels and different funding models.

On completion of the course, scaleup leaders benefit from the Cambridge Network CEO group which acts as 'the board you cannot afford' on a continuing basis. To date the programme has successfully developed three cohorts.

“

The School for Scale-ups runs as active learning with a cohort of 12 delegates meeting face-to-face every six weeks for a formal training workshop with an experienced trainer.

“The training is excellent. Cambridge Network is helping with connections and advice for our investment in the UK.”

**GERALD HORHAN,
FOUNDER AND CEO,
INVESTMENT PUNK
ACADEMY**

“The exposure to other small companies has opened my eyes to the problems other people are facing, which I think in time may help create additional business opportunities for BBT or improve our offering.”

**DAN COLE, BABRAHAM
BIOSCIENCE
TECHNOLOGIES**

Impact and results so far

The businesses participating in the programme are growing fast. One of the first cohort – Raspberry Pi has grown from 30 to 130 people and tripled profit to £10m. In the most recent cohort one company has raised \$10m and is doubling its team, another has grown its workforce from 65 to 150 and raised \$50m new funding. As an estimate, revenues have more than doubled for the aggregate of businesses since they participated in the School for Scaleups.

Lessons learned

Delegates value the close relationship with peers as a major strength of the programme and the dynamic of the group changes per cohort based on the participants. Diversity in the group makes it more successful and is a useful experience for some of the delegates.

The Network has learned to keep pre/post work to a minimum as delegates are all under pressure and prioritise business demands; content has to be high impact and directly practical to their needs.

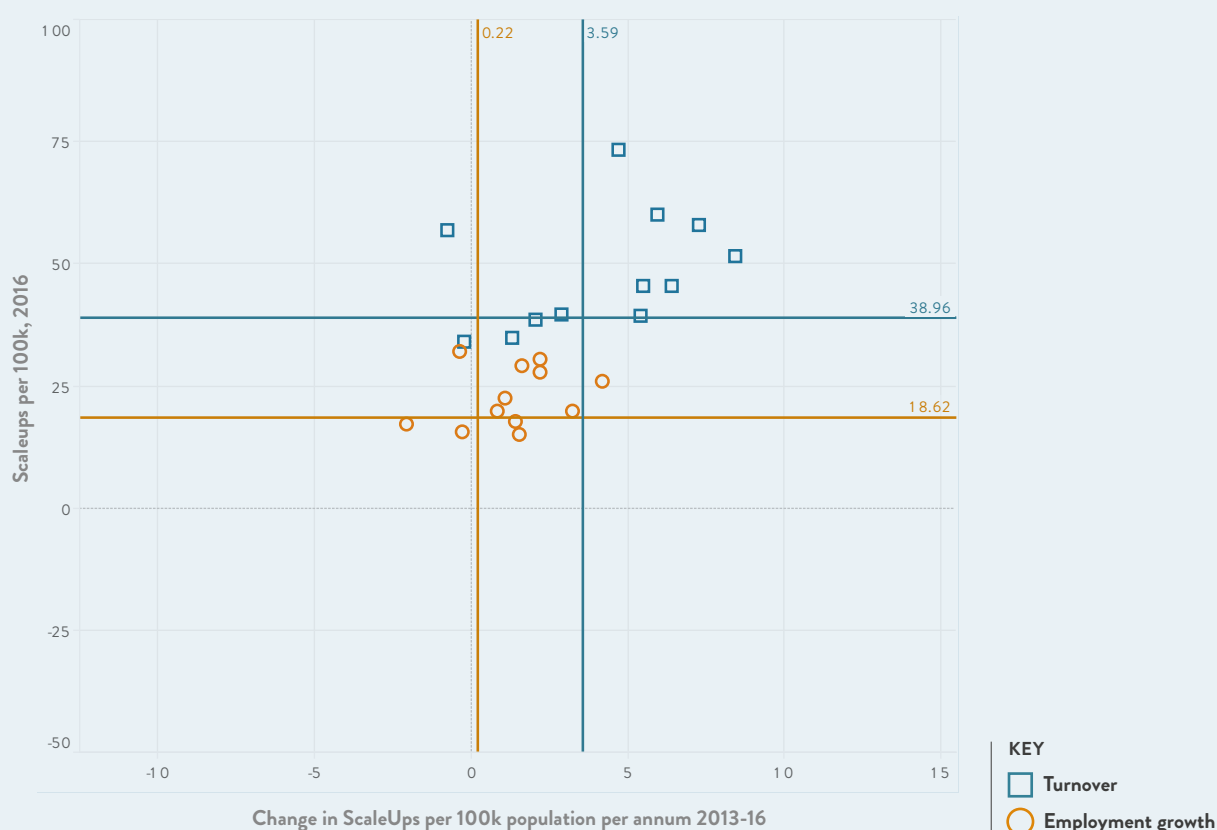
Future plans

The aim for School for Scale-Ups is to continue spreading word further afield as the model will work in many more places than just Cambridge. The Cambridge Network will also review stakeholder experiences to uncover specific learnings of what makes the most difference. Places are on offer now for the next cohort which will start in early 2019.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the Greater Cambridge and Greater Peterborough LEP.

Local Authorities located within the Greater Cambridge and Greater Peterborough LEP have a good density of scaleups, and furthermore the trend between 2013 and 2016 reveals that few of the local authorities showed a below median change in the number of scaleup businesses, while most showed an above median increase in scaleup density.



Scaleups by Density: Good

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 8 of the 12 local authorities¹ have an above median density of scaleups measured by employment growth and 9 of the 12 local authorities² have an above median density of scaleups measured by turnover growth.

Scaleup Trends over time: Good

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 9 of the 12 local authorities³ are above the median in terms of improving the density of scaleups by employment in their community and 7 of the 12 local authorities⁴ are above the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

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KEY

- Turnover
- Employment growth

FOOTNOTES

¹ Cambridge, Huntingdonshire, King's Lynn and West Norfolk, North Hertfordshire, Peterborough, Rutland, South Cambridgeshire, Uttlesford.

² Cambridge, Huntingdonshire, King's Lynn and West Norfolk, North Hertfordshire, Peterborough, Rutland, South Cambridgeshire, St Edmundsbury, Uttlesford.

³ Cambridge, Fenland, Huntingdonshire, King's Lynn and West Norfolk, North Hertfordshire, Peterborough, Rutland, St Edmundsbury, Uttlesford.

⁴ Huntingdonshire, King's Lynn and West Norfolk, North Hertfordshire, Peterborough, Rutland, South Cambridgeshire, Uttlesford.

LIVERPOOL CITY REGION EXEMPLAR

SCALE UP MBA AND LEP LEADERSHIP

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



Business Services



Digital



Manufacturing



Professional Services



Engineering



PR/Marketing & Advertising



Food & Beverages



Hospitality



Recruitment



Financial Services

“Even at this early stage [of the Scaleup MBA course] there are lots of things relating to day to day work that will prove beneficial. I definitely think it was a good move for the business.”

KAREN REILLY,
DIRECTOR OF HAYES &
FINCH LTD

The Liverpool City Region (LCR) LEP has developed a strong network to further advance the scaleup agenda in the LCR. Working with partners in the private sector and particularly the local universities, LCR has developed the first dedicated Scale Up MBA which is delivered by Liverpool John Moores University's Business School.

Background

ONS data for 2016 shows that there are 610 scaleups in the Liverpool City Region LEP: 205 are classified as scaleups due to rapid growth in their employees, 515 are classified as scaleups due to rapid growth in their turnover and 110 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 3.01 per 100,000 of population per year, which is below the median of +3.56 per 100,000 of population.

Liverpool City Region recognises that scaleups are already playing an important role in helping the area to reach its full potential. LCR has worked hard to generate high level political buy in as what has become apparent is the need for very specific and targeted provision rather than a generic scaleup support programme. To generate buy in the LEP has outlined the benefits and evidence that demonstrate the value of bespoke services for scaling businesses.

SCALEUP PROGRAMMES

Liverpool City Region is home to the UK's first dedicated Scale Up MBA which is delivered by Liverpool John Moores University's Business School. The rationale of an MBA fits well with scaleup businesses. This programme focuses on areas businesses should investigate to support scaleup potential. These areas combine the key management disciplines with recent national research on the drivers of scaling. The MBA Business ScaleUp is structured in four phases:

- **Phase 1 Accelerating Business Growth** – provides an intensive focused range of interventions aimed at realising the potential of growth within businesses.
- **Phase 2 Developing the Business for Scale** – brings together the different strands of scaling up a business investigated in phase 1 and considers how they integrate in order to develop a business. The focus is on the business development needs and strategies for accelerated growth.
- **Phase 3 Leadership Strategies to Enable Growth** – emphasises individual leadership and the importance of equipping other leaders within the organisation to enable growth.

“

The John Moores MBA programme focuses on areas businesses should investigate to support scaleup potential. These areas combine the key management disciplines with recent national research on the drivers of scaling.

- **Phase 4 Business Growth Project** – brings the strands together into a significant project aimed at impacting the business.

In addition the LCR Growth Hub continues to develop its scaleup offering for the region with the following components to it:

- Dedicated account management
- Mentoring network
- Peer-to-peer scaleup business group
- Leadership and management development
- Targeted growth diagnostic.

The network and programme offering will also seek to integrate with nationally significant programmes including ELITE and Goldman Sachs *10,000 Small Businesses UK*.

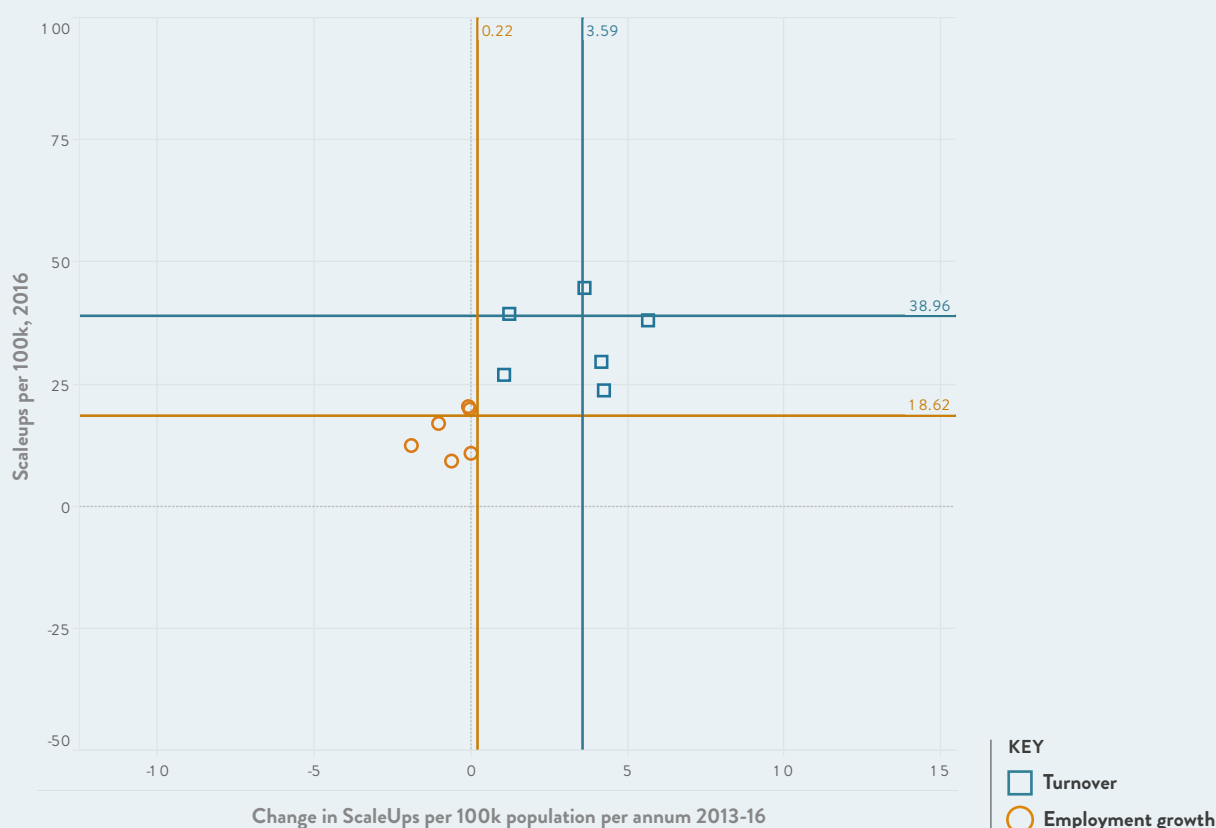
Future plans

A comprehensive overview and upgrade of the LCR Growth Hub is currently underway which will result in a dedicated account management model designed to focus on higher growth and scaleups. The development and delivery of a scaleup accelerator network is expected to have a transformational effect of the scaleup agenda in the region.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the Liverpool City Region LEP.

Local Authorities located within the Liverpool City Region LEP have a low density of scaleups, and the trend between 2013 and 2016 reveals that only two of the local authorities showed a below median change in the number of scaleup businesses, although few showed an above median increase in scaleup density.



Scaleups by Density: Needs improvement

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 4 of the 6 local authorities¹ have a below median density of scaleups measured by employment growth and 4 of the 6 local authorities² have a below median density of scaleups measured by turnover growth.

Scaleup Trends over time: Needs improvement

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 6 of the 6 local authorities³ are below the median in terms of improving the density of scaleups by employment in their community and 3 of the 6 local authorities⁴ are above the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

FOOTNOTES

¹ Liverpool, Sefton, St. Helens, Wirral.

² Knowsley, Liverpool, Sefton, Wirral.

³ Halton, Knowsley, Liverpool, Sefton, St. Helens, Wirral.

⁴ Liverpool, Sefton, Wirral.

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THE MARCHES EXEMPLAR

SUPPORTING INNOVATION IN CYBER AND RURAL SCALEUP SECTOR AND COMBINING LEP CLUSTER NETWORKS

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



Automotive



Manufacturing



Food Packaging



Agricultural



Defence & Cyber Security

“Our aspiration was to grow the business both domestically and internationally; however, to do so, we needed to invest heavily in our own manufacturing capability. Securing the loan from BCRS Business Loans, through the Midlands Engine Investment Fund, was crucial in making this happen.”

TIM HUGHES,
MANAGING DIRECTOR,
MOTIV TRAILERS
LIMITED

The Marches is building a track record of supporting cutting-edge companies and institutions in its area with a particular focus on agri-tech, defence and security, including the rapidly-emerging area of cyber security.

Background

ONS data for 2016 shows that there are 330 scaleups in the Marches LEP: 130 are classified as scaleups due to rapid growth in their employees, 265 are classified as scaleups due to rapid growth in their turnover and 65 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 2.96 per 100,000 of population per year, which is below the median of +3.56 per 100,000 of population.

The region has the fourth-highest concentration of employment within the defence and security sector of any LEP, with the 72-hectare Hereford Enterprise Zone home to over 200 advanced manufacturing, defence and security businesses. The LEP is now part of the new Cyber Resilience Alliance involving Worcestershire, Gloucestershire and Swindon & Wiltshire LEPs which is working with Maryland in the USA.

SCALEUP PROGRAMMES

The Marches LEP continues to work closely with partners and neighbouring LEPs to deliver a range of programmes. The Midlands Engine Investment Fund – a collaboration between the British Business Bank and ten regional LEPs – has extended its offering and improving access to finance for scaling businesses. Originally providing debt and business loan funds, equity and proof of concept funds were added in February 2018.

The Agri Tech West Alliance involving the Marches, Stoke & Staffordshire, Cheshire & Warrington and Worcestershire LEPs has been broadened to include business, Further Education and Higher Education representatives and a Strategic Board has been established to drive and develop the partnership's work programme. Its online hub went live in July 2018 to highlight the sector, to signpost scaleups to relevant areas of business support across the partnership and to encourage the use of growth hubs by rural and land-based businesses.

Since June 2017 around 100 business leaders have been supported with coaching and mentoring through the **Start2Great** and **SmarterGrowth** programmes and a further 40 enterprises in their initial stages have been supported to grow. Another 40 have either completed or are currently undertaking the programme for more established businesses.

“
The **Marches LEP** continues to work closely with partners and neighbouring LEPs to deliver a range of programmes.

The **Business Growth Programme** is a £33m fund which consists of four strands of business support; namely the Business Development Programme, the Business Innovation Programme, the Green Bridge Supply Chain Programme and the HS2 project. It is delivered by Birmingham City Council in partnership with the Marches LEP and LEPs in Greater Birmingham & Solihull and Stoke and Staffordshire. The **Manufacturing Growth Programme** supports SME manufacturers to grow by identifying, understanding and removing barriers to growth in the Marches and the West Midlands, Yorkshire and Humber, parts of the East Midlands, South East and East of England.

Impact and results so far

Businesses from the Marches have benefitted from funding offered by a number of schemes. Up to March this year they were awarded nearly £1.8m of funding under the **Business Growth Programme**, creating nearly 200 jobs. The **Manufacturing Growth Programme** has helped more than 50 businesses with nearly £70,000 of grants.

Future plans

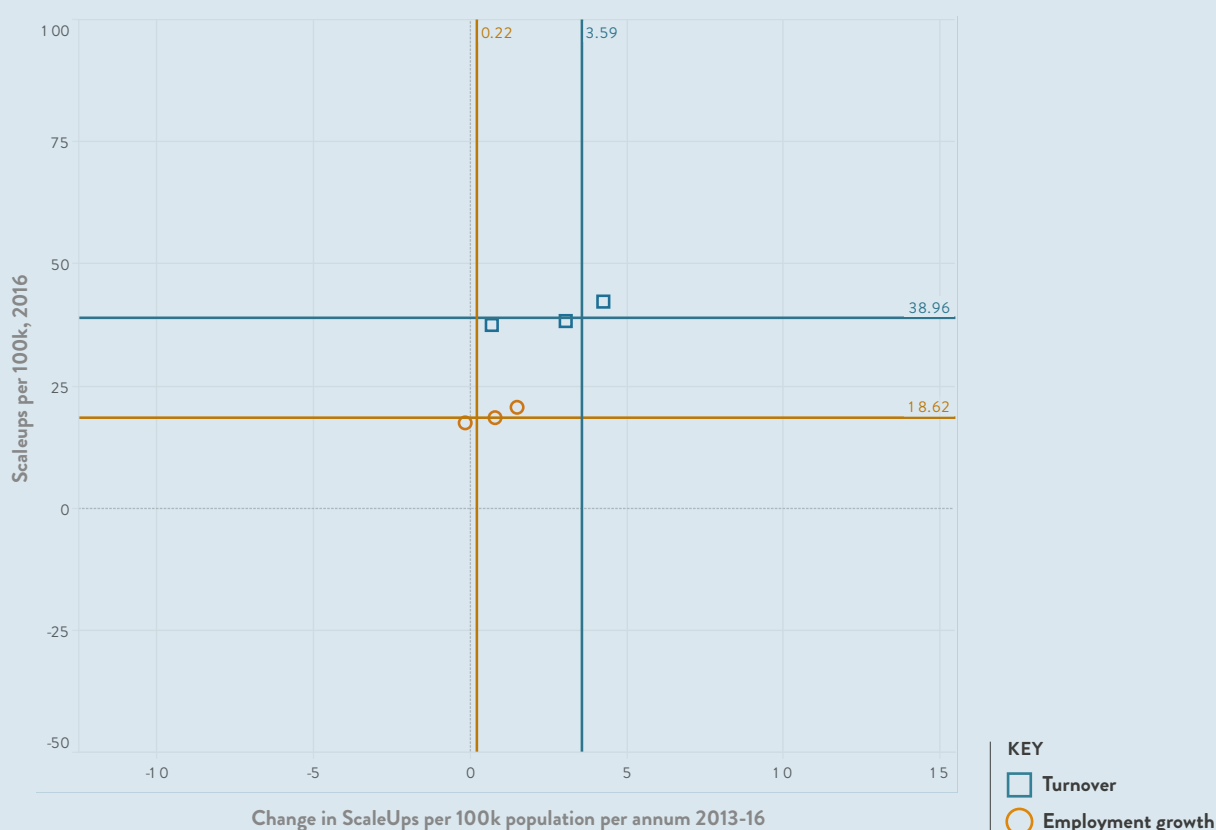
Aston University and Harper Adams University are supporting delivery of the **Agri-tech Growth and Resources for Innovation** project which assists Marches-based businesses to innovate and develop new products and services to exploit growing market opportunities. The project will support 90 businesses in the region over 3 years and to date has worked with 32 companies with both short one-to-one assists and longer-term innovation development collaborations.

The proposed Cyber Security Centre being developed by the University of Wolverhampton in Hereford will provide research capability in cyber supply chain resilience and education and training facilities. It will link the best of cyber research with business-led activities to commercialise new innovations, develop skills and create a world class cyber security capability in the UK.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for The Marches LEP.

Local Authorities located within the Marches LEP have a low density of scaleups, and the trend between 2013 and 2016 reveals that some of the local authorities showed a below median change in the number of scaleup businesses, while others showed an above median increase in scaleup density.



Scaleups by Density: Needs improvement

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 2 of the 3 local authorities¹ have a below median density of scaleups measured by employment growth and 2 of the 3 local authorities² have a below median density of scaleups measured by turnover growth.

Scaleup Trends over time: Mixed

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 2 of the 3 local authorities³ are above the median in terms of improving the density of scaleups by employment in their community and 2 of the 3 local authorities⁴ are below the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

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FOOTNOTES

¹ Herefordshire, Telford and Wrekin.

² Shropshire, Telford and Wrekin.

³ Herefordshire, Shropshire.

⁴ Shropshire, Telford and Wrekin.

NORTH EAST EXEMPLAR

TRUSTED ACCOUNT MANAGERS WORKING WITH SCALEUPS ON A BESPOKE PACKAGE OF SUPPORT TO MEET AMBITIOUS TARGET FOR HIGH GROWTH COMPANIES

“Being on the programme and benefiting from our ScaleUp Partner’s invaluable support and advice has put us at the forefront of our target market. Our ScaleUp Partner introduced us to staffing agencies which has eliminated previous recruitment issues and the financial injection we have received has impacted extremely positively on the business and enabled us to invest in our further scaling.”

TOM TODD,
OPERATIONS
DIRECTOR, THE WHEEL
COMPANY

“The Gazelles approach used throughout the Scale-up Academy is clear and very focused. The combination of taught content and peer discussion has been very powerful, and has meant that I’ve gained practical tips that we’ve implemented pretty quickly and relatively easily.”

GILL BURGESS,
MANAGING DIRECTOR
OF R//EVOLUTION

As the 2017 Annual Review identified, the North East has a clear strategic plan to increase the density of scaleup businesses in its region by 50% by 2024. To do so it has created ScaleUp North East, a tailored package of business support and intensive account management. ScaleUp North East will work with the existing community of scaleup firms to ensure their future growth and, importantly, focus on identifying businesses with scaleup potential to help them overcome any barriers to growth. It also includes the Scale-up Leaders’ Academy run by the Entrepreneurs’ Forum which continues to go from strength to strength.

Background

ONS data for 2016 shows that there are 780 scaleups in the North East LEP: 305 are classified as scaleups due to rapid growth in their employees, 645 are classified as scaleups due to rapid growth in their turnover and 170 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 2.77 per 100,000 of population per year, which is below the median of +3.56 per 100,000 of population.

North East LEP has put a major focus on building the scaleup ecosystem in its region, reaching out to organisations and service providers. Over 60 organisations have become referral providers working closely with customers and networks to identify scaleup firms and signpost them to the ScaleUp North East programme. In addition, solutions providers with evidence of a track record with scaling business have been identified and the LEP continues to work closely with the Entrepreneurs’ Forum Scale-up Leaders’ Academy and other bodies such as the High Growth Mentoring Programme.

SCALEUP PROGRAMMES

North East LEP has recognised the importance of using expertise to tackle specific problems faced by scaleups. ScaleUp Partners or Directors – with proven expertise in scaling – have been recruited to work as account managers to businesses on the ScaleUp North East programme.

Every scaleup business on the programme works their Partner on a bespoke action plan that directly reflects the nature of their business needs. The aim is to support 675 scaling companies produce action plans by December 2020. Initial assessments focus on the five barriers to growth identified by the ScaleUp Institute: talent and skills, markets, leadership capacity, finance and infrastructure. The action plan identifies two or three key challenges which can be overcome to improve the

“

Every scaleup business on the ScaleUp North East Programme works their Partner on a bespoke action plan that directly reflects the nature of their business needs.

“The Scale-up Leaders’ Academy is a fantastic, thought-provoking and insightful programme for fast growing business leaders. The Entrepreneurs’ Forum have created an environment where it has been possible to meet, work and learn with a group of like-minded individuals over a sustained period of time. The impact has been immediate and is on-going!”

RICHARD LANE,
CO-FOUNDER OF
DURHAMLANE

ability to scale successfully and matches these to a series of interventions or opportunities, such as specialist workshops, access to growth mentoring, leadership development, access to financial assistance or product development.

The programme also offers a series of peer-to-peer events to strengthen the scaleup community by sharing knowledge and experience based around specific themes.

Impact and results so far

ScaleUp North East was launched in January 2018 and 90 businesses (65% of those that applied) are currently working on ScaleUp Action Plans and the programme is forecasting the first cohort of companies will create more than 500 new and better jobs.

Lessons learned

A key element of the programme is that ScaleUp Partners develop deep, trusting and long-term relationships with existing scaleup businesses as well as those with scaleup potential.

Future plans

The ScaleUp North East online hub is to become the main point of engagement for companies interested in finding out more about the programme. It will capture all enquiries through an Expression of Interest form. The plan is also to use the digital platform to offer elements of future delivery to the scaleup community.

North East LEP is also planning an annual ScaleUp Summit to supplement monthly events.

Entrepreneurs’ Forum: Scale-up Leaders’ Academy



The Scale-up Leaders’ Academy offers a programme of support dedicated to helping high-growth business owners prepare to scale up their companies faster through a mix of events, coaching, peer-to-peer mentoring and action-based learning. The aim is to support companies to develop a clear strategic plan.

The Academy – organised by Newcastle’s Entrepreneurs’ Forum – announced its third cohort will commence in January 2019. Participants must be running established and fast-growing companies with at least ten members of staff to join

the Academy. They must agree to commit to at least two actions during each scaleup coaching session and workshop that they will implement and report back to the group on.

Academy students take part in a seven-month programme, which includes workshops on leadership, building brands and world-class teams, sales and getting investor ready. Each participant is matched with an experienced entrepreneur who provides peer-to-peer mentoring support. Coaching subjects include strategy and planning, implementation and finance

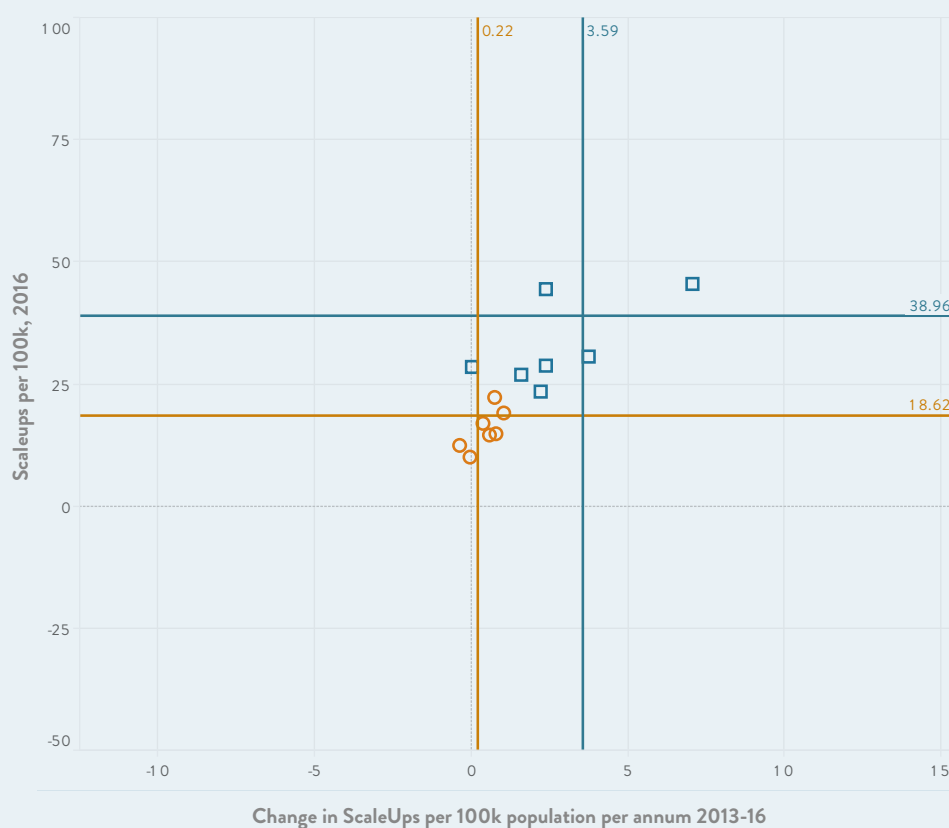
for growth. Academy alumni continue to receive support and inspiration after the programme ends.

Newcastle University has examined the progress of nine of the twelve companies who joined the first cohort in February 2017. Total forecast turnover has increased by 66.37% (an average of £668,413 per company), forecast operating profit has risen by 71.66%. Eight companies completed its second cohort in July 2018, an evaluation of this cohort is currently underway.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the North East LEP.

Local Authorities located within the North East LEP have a low density of scaleups, and the trend between 2013 and 2016 reveals that some of the local authorities showed a decrease in the number of scaleup businesses, while others showed an increase in scaleup density.



“Taking ideas from the programme and other business leaders, and applying them to Animmersion, has definitely influenced our growth. The coached sessions helped us to stay focused on the key issues, rather than getting dragged into the detail, and we now have a clear plan that isn’t overly technical, but has true scale-ability. We’ve identified a cost-effective framework that will hopefully allow us to triple turnover in the next five years, without having to re-evaluate plans at every stage.”

DOMINIC LUSARDI,
CO-FOUNDER OF
ANIMMERSION

KEY

- Turnover
- Employment growth

Scaleups by Density: Needs improvement

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 5 of the 7 local authorities¹ have a below median density of scaleups measured by employment growth and 5 of the 7 local authorities² have a below median density of scaleups measured by turnover growth.

Scaleup Trends over time: Moderate

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 5 of the 7 local authorities³ are above the median in terms of improving the density of scaleups by employment in their community and 5 of the 7 local authorities⁴ are below the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

FOOTNOTES

¹ County Durham, Newcastle upon Tyne, North Tyneside, South Tyneside, Sunderland.

² County Durham, North Tyneside, Northumberland, South Tyneside, Sunderland.

³ Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, Sunderland.

⁴ Gateshead, North Tyneside, Northumberland, South Tyneside, Sunderland.

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SCOTLAND EXEMPLAR

CAN DO SCALE: COMBINING SCALEUP FORCES – PUBLIC AND PRIVATE SECTOR PARTNERS COLLABORATE TO BRING BENEFITS TO SCALEUPS

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



In Scotland, there is now a clear recognition among the key players across the public and the private sectors that scaleups are critically important to Scotland's economic future. This consensus has been brought together under the banner of the CAN DO Scale Movement. It includes the Scottish Government and its economic agencies, banks and investors, business schools, advisory community and other entrepreneurial support organisations.

Background

ONS data for 2016 shows that there are 2,425 scaleups in Scotland: 910 are classified as scaleups due to rapid growth in their employees, 1,940 are classified as scaleups due to rapid growth in their turnover and 425 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 4.04 per 100,000 of population per year, which is above the median of +3.56 per 100,000 of population.

Entrepreneurial Scotland, Scottish Enterprise (SE) and Highlands and Islands Enterprise (HIE) have established a Scaling Ecosystem group. This brings together private sector intermediaries to discuss the scaleup landscape, increase awareness of support and ensure a smooth referral mechanism in order to increase the number of scaleups engaged across the system.

This group was instrumental in hosting Scotland's First Scaleup Summit in November 2017 which attracted over 140 attendees from businesses, professional advisers and investors as well the Scotland CAN DO Scale partners.

SCALEUP PROGRAMMES

CAN DO Scale is working to create an environment in which ambitious entrepreneurs have the skills and connections to grow to scale and are provided with appropriate levels of support and challenge from the ecosystem. Collaboration between public and private sectors is a priority and a major focus is on scaling businesses' leadership teams.

Important initiatives include Strathclyde Business School's Growth Advantage Programme, the ScaleUp Scotland leadership programme and the 'Scale' summer school run by SE, HIE and the Scottish Funding Council as well as a range of executive education designed to meet the needs of scaling companies.

SE and HIE – as the Scottish Government's economic development agencies – continue to enhance their assistance to companies through programmes such as the Entrepreneurship Development Programme with MIT. SE and HIE directly deliver a

variety of services and programmes to over 2,500 companies through a comprehensive account management service that provides strategic engagement and access to a wide range of specialists, products and services.

Businesses receive support to access talent, infrastructure and investment as well opportunities to develop their leadership capacity and develop new international markets. This support is provided directly and through collaboration with private partners. This one-to-one service is underpinned by access to themed networking events, masterclasses, coaching programmes and tailored learning journeys. These are delivered in a way that encourages peer-to-peer support with the sharing of challenges, experiences and learning.

Lack of capacity and experience in the senior leadership team can hold back the speed of growth of a business and SE responds to this gap with the **scaling executive education** programme. These programmes are delivered by world-renowned business schools held at Strategic Retreats. Targeted at scaling companies with £10m+ turnover, these retreats often result in positive behavioural change and improved strategic thinking. There are also opportunities for pipeline scaling companies to attend providing valuable peer-to-peer networking opportunities and access to best practice academic thinking and toolkits.

Scaleups also receive help in accessing international markets through Scottish Development International and guidance on accessing and raising the right finance through Scottish Investment Bank to support growth. In particular, scaleups within the Start2Scale service are projecting around £175m of investment will be required over the next 12-24 months to help achieve their growth ambitions.

2018 saw the establishment of a new **ScaleUp Scotland** programme delivered by Entrepreneurial Scotland in partnership with The Hunter Foundation and Scottish Government. The first cohort comprises the leaders of 19 businesses who meet every 6 weeks for a day and a half with established entrepreneurs, content experts and most importantly each other.

Impact and results so far

- SE's Start2Scale service currently works with 180 companies but has ambition to grow this to 250 during 2018/19. SE is in the process of building up its existing team of 17 Account Managers to 21.
- Between June 2014 and March 2017 SE's portfolio of scaling companies (£10m+) has grown from 17 to 60 and by end of 2018/19 aims to reach 100.
- 130 companies are currently in the scaling pipeline.

Lessons learned

Businesses continue to request stronger support on accelerating international sales, talent attraction and development, and raising ambition of scaleups in relation to their investment needs. The enterprise agencies are focused on tailoring support to meet these needs.

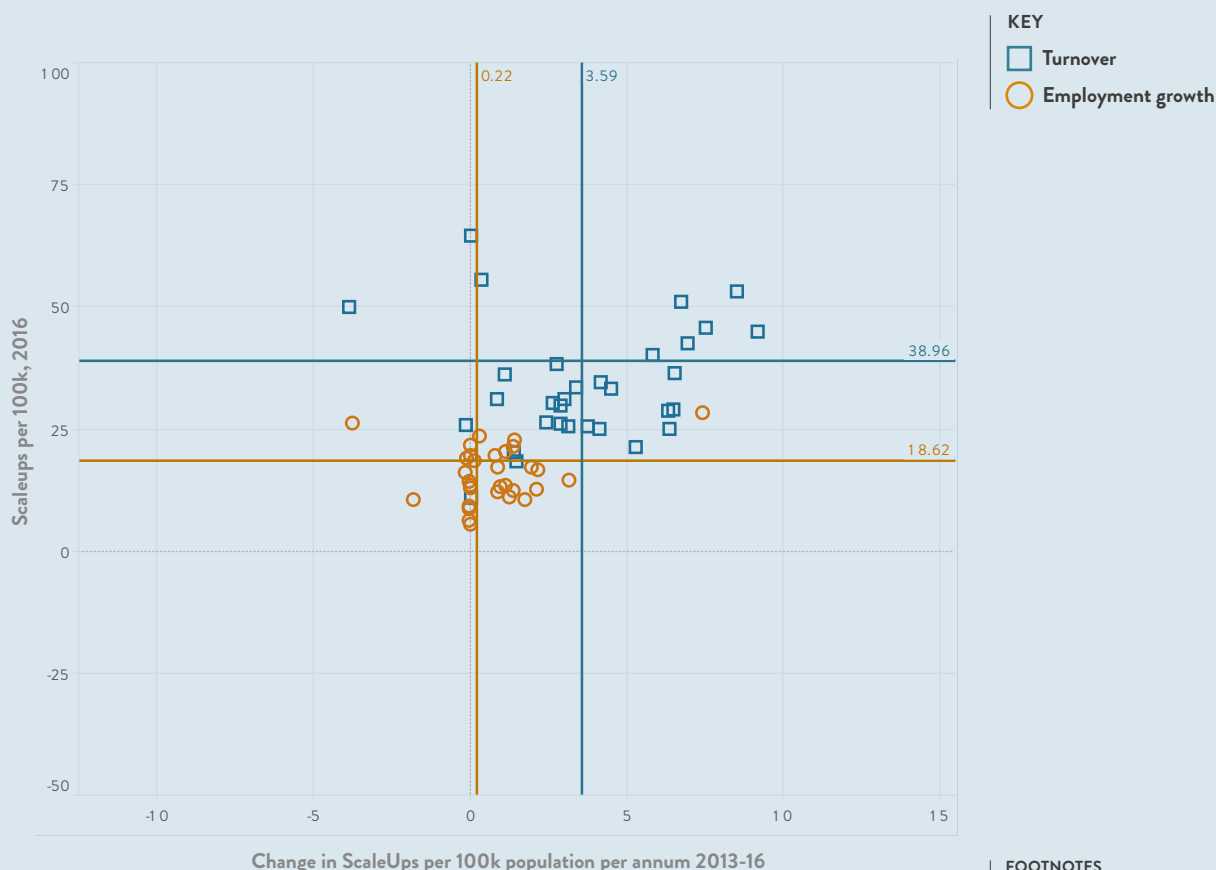
Future plans

- SE has an ambition to increase the portfolio of the Start2Scale service from 180 to 250 and specifically grow the number of scaling companies from 60 to 100 during 2018/19. Work will continue to develop the service so that the customer journey is integrated and seamless.
- Scotland CAN DO Scale is continuing to work on widening the involvement of stakeholders to include banks and the advisory community and developing a communications plan to boost engagement and raise the profile of scaleup companies. Key groups have been working on aligning the leadership/executive education provision and establishing consistent measurement criteria as well as consistent communications.
- Piloting additional scaling services to help accelerate growth – the London Stock Exchange ELITE programme is building a Scottish cohort.
- Participating in the HMRC data pilot to identify scaleups not already engaged with the enterprise agencies.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for Scotland.

Local Authorities located within the Scotland LEP have a moderate-low density of scaleups, and the trend between 2013 and 2016 reveals that some of the local authorities showed a below median change in the number of scaleup businesses, while others showed an above median increase in scaleup density.



Scaleups by Density: Needs improvement

The vertical axis of this matrix shows where local authorities located in Scotland stand compared to the rest of the UK: 22 of the 32 local authorities¹ have a below median density of scaleups measured by employment growth and 23 of the 32 local authorities² have a below median density of scaleups measured by turnover growth.

Scaleup Trends over time: Moderate

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 17 of the 32 local authorities³ are above the median in terms of improving the density of scaleups by employment in their community and 17 of the 32 local authorities⁴ are below the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

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SWINDON AND WILTSHIRE EXEMPLAR

THE INSPIRE ELITE PROGRAMME, PEER-TO-PEER NETWORKS AND EFFECTIVE ACCOUNT MANAGEMENT

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



Business Services



Digital



Manufacturing



Professional Services



Engineering



PR/Marketing & Advertising



Food & Beverages



Hospitality



Recruitment



Financial Services

“Growing businesses that are successful don’t have time to sort out a lot of pressures and it’s good to talk. It’s been a hand-holding operation; it’s lonely at the top and to be put in touch with other people who are at the top of their businesses is a good support.”

**DOMINIC LEWIS-
BARCLAY, MD,
WENTWORTH
WOODEN PUZZLES LTD**

Swindon and Wiltshire LEP is continuing to emphasise scaling businesses as an important cohort to strengthen the local economy. The LEP works in partnership with Inspire – a local Chamber of Commerce organisation – to provide intensive support to scaleups, creating a 3-5 year strategy for growth through the Inspire Elite Programme. Inspire has now launched a similar programme in the Bristol area.

Background

ONS data for 2016 shows that there are 335 scaleups in the Swindon and Wiltshire LEP: 135 are classified as scaleups due to rapid growth in their employees, 280 are classified as scaleups due to rapid growth in their turnover and 80 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 2.84 per 100,000 of population per year, which is below the median of +3.56 per 100,000 of population.

Inspire Elite has now been delivering intensive support over the past two years to more than 135 businesses. It is a model based on one-to-one support, peer-to-peer networks and a strong ecosystem involving a carefully selected but wide-ranging group of more than 60 partner organisations.

Inspire has invested in ongoing training and development for the client-facing team to ensure strong in-house diagnostic skills and to create a highly professional and proactive culture. The Account Manager continues to play a key role in the programme.

SCALEUP PROGRAMMES

The Inspire Elite Programme continues to focus on a combination of peer-to-peer networking – now involving 150 businesses – and education, intensive support through workshops, one-to-one advice and senior management team mentoring and a signposting service to all publicly funded programmes and commercial expertise. Inspire Elite is working to help scaleups overcome the key challenges by providing an in-house recruitment service to members – including supporting interviews if required, and guidance on developing a successful distribution strategy.

Inspire has also partnered with Goldman Sachs to introduce members to the 10,000 Small Businesses UK programme. Around one third of members have now been through this programme. Further leadership programmes are provided through the University of West of England, Weston College and other commercial training and coaching providers to build an offer which can be bespoke to a member’s needs and requirements.

“Inspire has invested in ongoing training and development for its client-facing team to ensure strong in-house diagnostic skills and to create a highly professional and proactive culture.”

“What we’ve done is put together a business plan with business objectives which we hadn’t really been doing before. It’s given us structure.”

JACKIE PARKER, BM,
BOA OCCUPATIONAL
HEALTH SERVICES

It has partnership arrangements with mainstream banks and other financial institutions, referring members to the most appropriate source of funding and with the Enterprise Network to help businesses find suitable accommodation across the county.

A key element of the programme is an opportunity to help scaling businesses develop clear business strategies for growth. Businesses are offered guidance on developing a strategy, often followed by workshops with the whole management team. Inspire Elite has found businesses are keen to be pushed into action on delivering their strategy, so has instituted a regular progress call with the dedicated account managers.

Impact and results so far

The number of businesses supported by Inspire Elite has increased by 47 over the past year, a total of 130 of Elite participants are pursuing a growth strategy and there are 54 alumni of the Goldman Sachs 10,000 Small Businesses UK programme.

Inspire Elite has made 577 referrals: 36% to public sector bodies and 64% to private sector

Lessons learned

- Inspire Elite has learned that the real needs of ambitious business owners go beyond the scope provided within the current support landscape. As a result Inspire Elite has created a trusted ecosystem for strategy development/implementation with quarterly development meetings, peer-to-peer knowledge sharing and education which is available to growing businesses in the long term.
- It is hard to keep finding subjects which are relevant for all members so now the programme is now divided into three streams to allow selection of relevant topics by attendees.
- Different skill sets are required for recruiting new members to the group and providing ongoing support. Inspire Elite now has a team of Client Relationship Managers providing ongoing support and a separate team of “recruiters”.

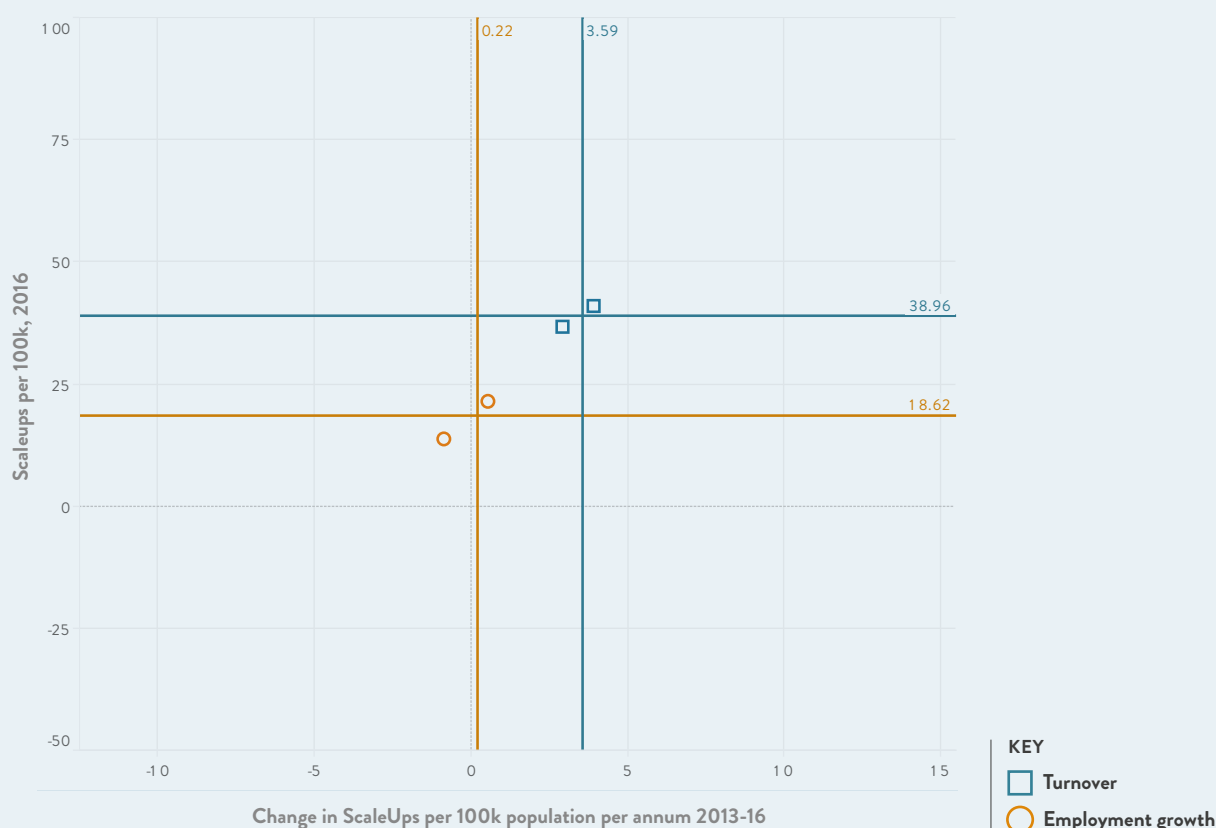
Future plans

Inspire Elite has now established in Bristol and recently recruited an Account Manager to lead work with scaleups in the area. The plan is to launch the programme in Heart of the South West LEP (covering Plymouth, Exeter and Taunton) in 2019.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the Swindon and Wiltshire LEP.

Local Authorities located within the Swindon and Wiltshire LEP have a moderate density of scaleups, and the trend between 2013 and 2016 reveals that one of the local authorities showed a below median change in the number of scaleup businesses, while the other showed an above median increase in scaleup density.



Scaleups by Density: Moderate

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: Wiltshire has an above median density of scaleups measured by employment growth and by turnover growth, with Swindon below the median on both measures.

Scaleup Trends over time: Moderate

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: Wiltshire is above the median in terms of improving the density of scaleups by employment and also by turnover, Swindon however is below the median for employment and turnover scaleups.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

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THAMES VALLEY BERKSHIRE EXEMPLAR

SCALEUP BERKSHIRE

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



“The importance of supporting our mid-sized companies, many of whom are scale-ups at the core of the UK economy, is becoming better understood. The much needed support network and infrastructure that is being launched in Berkshire will shorten the learning curve for these aspiring high growth companies.”

**CHRIS DODSON,
CHAIRMAN BUSINESS
UNITED, MORTIMER
TECHNOLOGY
GROUP AND SCALEUP
BERKSHIRE ADVISORY
GROUP**

Thames Valley Berkshire (TVB) LEP used a year-long project including one-to-one interviews with a range of scaleups to review the specific needs of high-growth businesses in its area. The findings were mapped against existing support to identify gaps in the Berkshire scaleup ecosystem and in September 2018 ScaleUp Berkshire was launched to close those gaps. Managed through the Berkshire Business Growth Hub, the programme which is aimed at ambitious businesses with a turnover greater than £1m. It brings together a range of dedicated scaleup offerings into a single, clear and highly visible service. This includes private and public providers, for example the Berkshire Business Growth Hub, Funding Escalator and Henley Business School.

Background

ONS data for 2016 shows that there are 580 scaleups in the Thames Valley Berkshire LEP: 250 are classified as scaleups due to rapid growth in their employees, 460 are classified as scaleups due to rapid growth in their turnover and 130 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 3.15 per 100,000 of population per year, which is below the median of +3.56 per 100,000 of population.

Following participation in the Driving Economic Growth course TVB LEP and partners wanted to do more to improve the entrepreneurial ecosystem. The chosen approach is to help scaling businesses achieve their full growth potential by bringing visibility and connectivity to scaleup activity and business support available in Berkshire.

SCALEUP PROGRAMMES

An account management service connects potential and existing scaleups to relevant and specialist services. As is the long-established norm for an economy such as TVB, the ScaleUp Berkshire Programme brokers the support for scaleups rather than deliver it directly. A ScaleUp Berkshire Advisory Group comprising the LEP, Business Growth Hub, Henley Business School, Biz United and business leaders from the sub-region will guide the programme and review sustainability over time in order to make recommendations to the LEP.

“

ScaleUp Berkshire brings together a range of dedicated scaleup offerings into a single, clear and highly visible service.

“The ScaleUp Berkshire programme aims to help the local scaleup community grow by enabling scaleups to access specialist services, share knowledge between peers, connect with partners and source funding.”

**JUREK SIKORSKI,
EXECUTIVE
DIRECTOR OF
HENLEY CENTRE FOR
ENTREPRENEURSHIP
AND SCALEUP
BERKSHIRE ADVISORY
GROUP MEMBER**

“This programme is aimed at providing practical help and introductions to scaleup leadership teams. I wish it had been there when Fairsail was scaling up.”

**ADAM HALE,
CHAIRMAN OF
DEVOPSGROUP, BOARD
MEMBER TECH NATION,
FORMER CEO FAIRSAIL
AND MEMBER, SCALEUP
BERKSHIRE ADVISORY
GROUP**

TVB LEP has used its database of existing and potential scaleup companies, developed via a variety of sources, to identify around 185 potential participant businesses to be targeted for the programme. In addition, via an HMRC pilot exercise, the LEP is targeting a further cohort of businesses that have scaled in the past 3 years.

The new fully-funded programme:

- pinpoints the scaleup services and support available locally and nationally and connects businesses to relevant support to help them grow faster.
- Provides one-to-one account management support to help businesses develop their strategy.
- Connects businesses to tools to implement and monitor their business strategy.

Introduces businesses to other local scaleup leaders to share ideas, learn what works and build mutually beneficial relationships.

A new micro-site includes links to core offers from ScaleUp Berkshire consortium partners, a list of relevant events as well as case studies to inspire businesses to scale and grow.

Skills agenda

TVB has worked with Founders4Schools (F4S) through the Careers & Enterprise Company to connect schools and colleges with businesses in the local area. Around 400 local business leaders are now listed on the F4S website and 55 business leaders have volunteered 446 hours of their time to visit classrooms or to host work experience placements in Thames Valley Berkshire.

Twelve Thames Valley Berkshire schools have used the service and there have been 9,150 student encounters with F4S' volunteers.

Impact and results expected

Early indications since launch are that there is high demand for the service and several cohorts now building which we will highlight in 2019.

Lessons learned

Working closely with scaleup businesses has enabled TVB to fill gaps in the current provision of advice and support.

The LEP will continue to maintain this map of live scaleup support in Berkshire.

Future plans

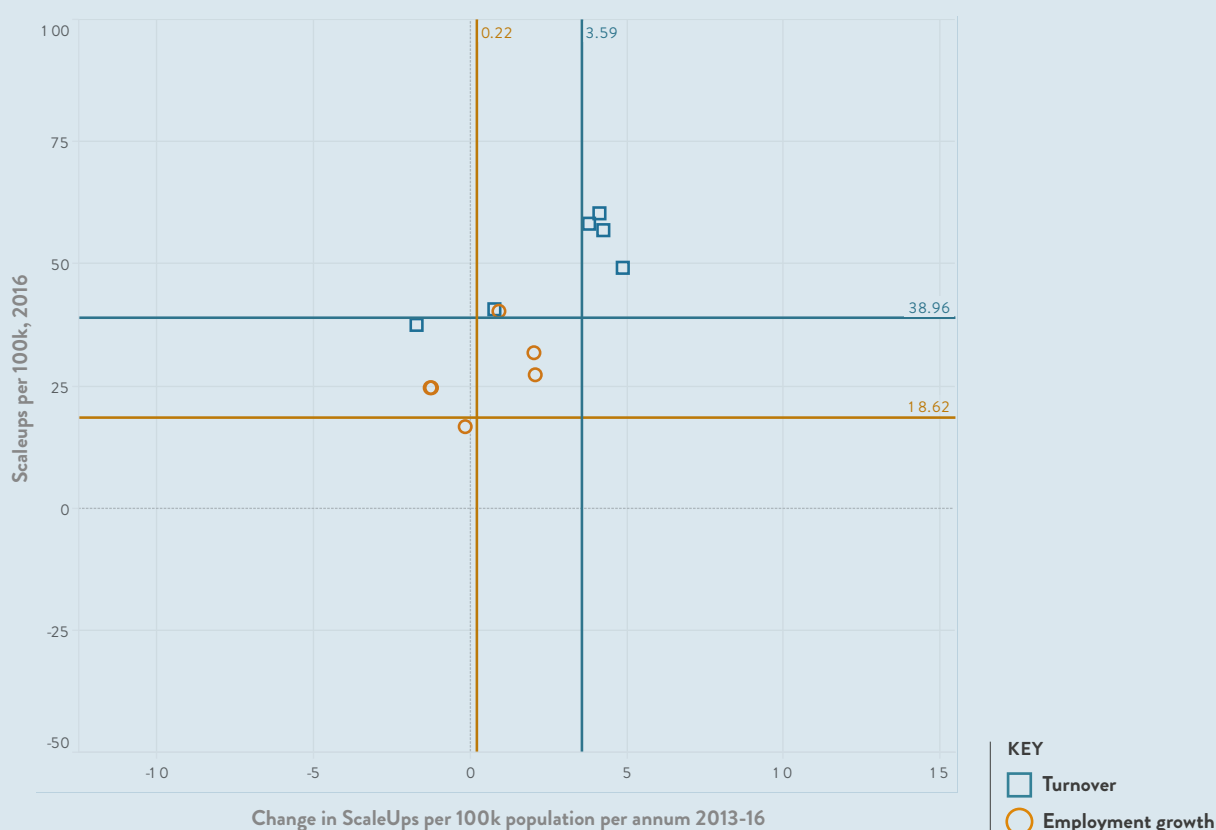
The ScaleUp Berkshire programme will be rolled out over 2018-2020 with plans to recruit and account manage a minimum of 25 existing and potential Berkshire scaleups per year.

The Advisory Group will review sustainability over time and make recommendations to the LEP so that the programme has longevity beyond the initial 2-year period of BEIS funding.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the Thames Valley Berkshire LEP.

Local Authorities located within the TVB LEP have an excellent density of scaleups, and furthermore the trend between 2013 and 2016 reveals that few of the local authorities showed a decrease in the number of scaleup businesses, while most showed an increase in scaleup density.



Scaleups by Density: Excellent

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: 5 of the 6 local authorities¹ have an above median density of scaleups measured by employment growth and 5 of the 6 local authorities² have an above median density of scaleups measured by turnover growth.

Scaleup Trends over time: Good

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: 3 of the 6 local authorities³ are above the median in terms of improving the density of scaleups by employment in their community and 4 of the 6 local authorities⁴ are above the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

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KEY

- Turnover
- Employment growth

FOOTNOTES

- Reading, Slough, West Berkshire, Windsor and Maidenhead, Wokingham.
- Reading, Slough, West Berkshire, Windsor and Maidenhead, Wokingham.
- Slough, West Berkshire, Windsor and Maidenhead.
- Reading, West Berkshire, Windsor and Maidenhead, Wokingham.

WEST OF ENGLAND EXEMPLAR

CONVENING THE REGION'S SCALEUP ECOSYSTEM

PARTICIPATING SECTORS

Working with a diverse range of sectors including:



Agricultural



Aviation & Aerospace



Creative



Technology

“Working with the Scaleup Enabler allowed us to unlock new relationships and increase awareness and applications.”

**JONATHAN HOLLIS,
COMMERCIAL
INNOVATION, PWC**

The West of England has taken the initiative in creating a Scaleup Enabler role to bring together the region's vibrant and diverse ecosystem to increase the opportunities for scaleups. The role – piloted for a year – has now been made permanent and the continuing priority is to drive investment, inspiration and invigoration of the scaleup ecosystem.

Background

ONS data for 2016 shows that there are 715 scaleups in the West of England LEP: 295 are classified as scaleups due to rapid growth in their employees, 605 are classified as scaleups due to rapid growth in their turnover and 185 are scaleups that are increasing both employment and turnover simultaneously.

The ONS data reflects that across the four-year period from 2013 to 2016 the density of scaleups has increased by 5.97 per 100,000 of population per year, which is above the median of +3.56 per 100,000 of population.

Participants from the West of England attended the DEG course in 2016 using learnings as a catalyst for action in the local area. A diverse ecosystem exists in the LEP and following a review of the region's needs a strategic decision was taken to 'enable' the potential of the scaleup ecosystem rather than create and deliver a new programme.

The appointment of the "Scaleup Enabler" working jointly between Engine Shed and the LEP has driven increased interest in this significant group of businesses and helped to ensure that the support provided by the public and private sectors responds directly to the challenges that growing companies face.

SCALEUP PROGRAMMES

A number of programmes operate in the LEP, including the locally delivered: Business West Scale-up Hub; Innovation for Growth; PwC SCALE; SETsquared Scale-up Programme; Entrepreneurial Spark SCALE; Inspire Elite; Innovate2Succeed; and, Scaleup 4 Growth (launches Nov 2018).

Additionally national programmes also provide services to local scaleups including: Barclays Scale-up Programme; Cranfield's Business Growth Programme; Goldman Sachs 10,000 Small Businesses UK; London Stock Exchange ELITE; Oracle Scaleup Ecosystem; and, TechCity UpScale.

These have all been mapped on a Scaleup Generator.¹

“

The appointment of a Scaleup Enabler has driven increased interest in scaleups and helped to ensure that the support provided responds directly to the challenges that growing companies face.

“The availability of scaleup space has changed significantly over the last 12 months. The Scaleup Enabler’s proactive approach has helped move this issue up the regional agenda, as a result we have now developed the range of available options to ensure that the regions scaleups are not limited by available space.”

ELAINE MCKECHNIE,
CENTRE DIRECTOR,
FUTURE SPACE, UWE
NORTHGATE

The Scaleup Enabler:

In the first year in post the Scaleup Enabler focused on three themes repeatedly raised by scaleup founders in the West of England: the lack of grow-on space in the region, the disproportionate amount of time spent courting potential investors and the need to build leadership capability and capacity.

In response to these challenges, the Scaleup Enabler delivered a variety of peer events and contributed to programme design and creation as well as promoting the needs of scaleups through blog posts and articles.

Three key developments in 2018 are:

- **Scaleup Generator** – an ecosystem support map which identifies over 400 organisations, programmes and services. The information is organised according to the challenges reported by scaleup founders and can be accessed online.
- **Scaleup Company Map** – highlighting over 800 scaling businesses both those that are scaleups and those that are on the journey “aspiring.”
- Work to improve understanding across public and private sectors of what a scaleup is, the exact nature of the challenges that they face and the gaps in support.

This work was not intended to deliver a programme or service in itself, but to act as a catalyst to help others deliver the services needed by the scaleup community. For example, in part due to the Scaleup Enabler’s work in amplifying the ‘space’ constraints, three new multi-occupancy spaces have come onto the market in Bristol to meet the infrastructure challenge.

Impact and results so far

Over 700 scaleup businesses have been identified and 53 scaleup meetings held to explore the challenges such companies face. More than 30 applications have been received to join the Bristol Angel Hub, a community of investors committed to sharing good practice and invigorating the local investment ecosystem. Working with the community, the number of data points on the Scaleup Generator has quadrupled and functionality is growing.

Lessons learned

Being an honest broker, without institutional impediments or objectives has supported the developments in the West of England.

Developing and building earned trust; creating an environment of collaboration where actions are pursued quickly and risk taking is encouraged are all elements of the approach of the Scaleup Enabler and Engine Shed.

Future plans

West of England have made a number of commitments to respond to the challenges identified by scaleups in the region:

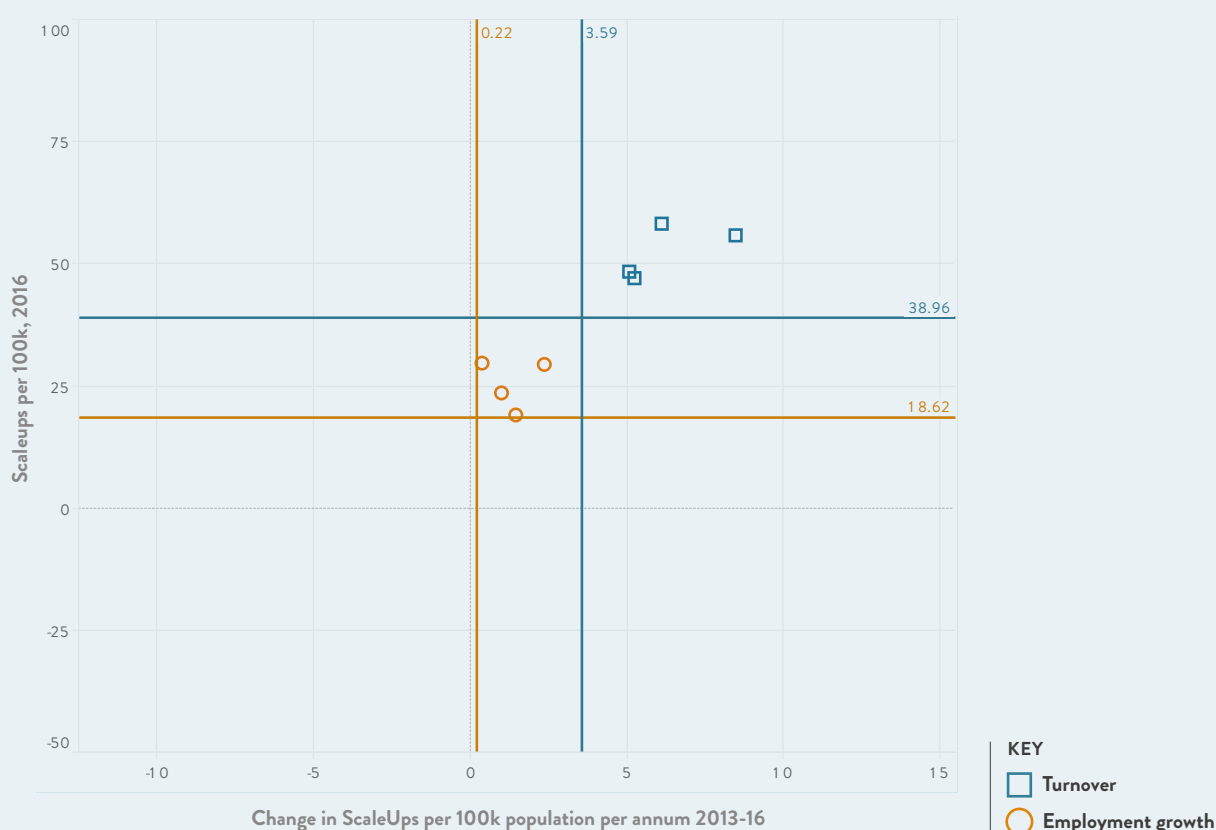
- To invigorate the investment ecosystem in the region and improve access to finance – the LEP will continue to run a Quarterly Investment Briefing bringing investors together and facilitate the Investor In Residence service at Engine Shed.
- To inspire founders and aspiring scaleups through briefing events and a growing bank of case studies and supporting peer-to-peer networks.
- To invigorate and build the profile of the region as a home for successful scaleup companies the LEP will share resources, data and maps to while gathering intelligence to minimise duplication and maximise collaboration; support will be made more accessible.

The British Business Bank will bring new support to the West of England through the recruitment of a regional team.

LONGITUDINAL ANALYSIS

According to ScaleUp Institute analysis of data received directly from ONS for years 2013-2016, the following picture emerges for the West of England LEP.

Local Authorities located within the West of England LEP have an excellent density of scaleups, and furthermore the trend between 2013 and 2016 reveals that none of the local authorities showed a below median change in the number of scaleup businesses, while all showed an above median increase in scaleup density.



Scaleups by Density: Excellent

The vertical axis of this matrix shows where local authorities located in this LEP stand compared to the rest of the UK: all 4 local authorities¹ have an above median density of scaleups measured by employment growth and all 4 local authorities² have an above median density of scaleups measured by turnover growth.

Scaleup Trends over time: Excellent

The horizontal axis of this matrix shows whether the density of scaleups has increased or decreased over time relative to the rest of the UK: all 4 local authorities³ are above the median in terms of improving the density of scaleups by employment in their community and all 4 local authorities⁴ are above the median for scaleups by turnover.

The ScaleUp Institute will continue to monitor this closely in the coming years to track whether the initiatives described above move the dial in the right direction for increasing the density of scaleups.

For the detailed analysis behind this please refer to www.scaleupinstitute.org.uk

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FOOTNOTES

¹ Bath and North East Somerset, Bristol, North Somerset, South Gloucestershire.

² Bath and North East Somerset, Bristol, North Somerset, South Gloucestershire.

³ Bath and North East Somerset, Bristol, North Somerset, South Gloucestershire.

⁴ Bath and North East Somerset, Bristol, North Somerset, South Gloucestershire.

Key learnings from universities and business schools



CONTRIBUTORS:



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Strathclyde Business
School

The role

It is evident that as “anchor institutions,” universities and business schools can help scaleups address many of their barriers to growth.

As deliverers of education, their students also represent an important pipeline for talent for scaleups. “Universities can connect into the local scaleup ecosystem by ensuring students get exposure to local scaleup companies through curricular and extra-curricular activities, such as internships, live projects, guest speaking and mentoring,” says Fiona Whitehurst.

“A great role that business schools can play is connecting ambitious, confident entrepreneurs to talented individuals,” says Eleanor Shaw. “We can help plug the skills gaps that prevent them from realising their scaling ambitions. And that’s not just our student population, it is about connecting them across the ecosystem.”

They provide leadership programmes for scaleups, both as partners of national programmes and as providers of their own courses.

Their academics provide expertise and specialist knowledge and can engage and include scaleup businesses in research projects and knowledge exchange initiatives. Campus facilities can be made available, such as incubation space, specialist equipment and

laboratories. “Universities are in a great position to support businesses as they contain experts in almost every facet of education, not just the management and administration side of business, but often the technical expertise in key departments as well,” says Sarah Underwood.

As permanent features on the local landscape, these institutions also offer stability. “Universities do not come and go with a change in government,” says Sarah Underwood. This means that they have relationships with many other partners – all of whom have a role in fostering the local scaleup ecosystem – and can forge relationships across a wide range of players. “The beauty of the role of the business school is its neutrality,” notes Stephanie Hussels. “Business schools are honest brokers. They are trusted brands delivering trusted programmes – and they are not going anywhere,” says Mark Hart.

They are also a source of many potential scaleups, both through the formation and growth of student enterprises and from spin-outs led by faculty members. “In a world where everything is online, it’s important to have physical spaces where interaction can happen,” says Peter Tufano.

One “major game changer” has been the establishment of the kitemark Small Business Charter (SBC), says Mark Hart. To achieve an SBC award, business schools undergo a rigorous assessment to determine the effectiveness of their business support, entrepreneurship



Business schools are honest brokers. They are trusted brands delivering trusted programmes – and they are not going anywhere

education and engagement with their local economy. The first set of accreditations were issued in 2014 and there are now 35 SBC-accredited business schools across the UK which have directly supported more than 18,750 small businesses. According to the SBC's 2018 Impact Statement, a principal benefit of the award for business schools is that it "acts as a catalyst for collaboration with other stakeholders within the business support ecosystem."

The engagement

There is no single route map for these institutions in the way in which they engage with, and foster, their local ecosystems – but the number of initiatives has increased in 2018.

This year, Manchester University's Alliance Manchester Business School has launched the Scale Up Forum to provide a peer-to-peer network for scaling businesses to explore shared challenges and how different scaleup leaders overcome them. Teesside University has launched LEAP 50, a programme delivered by the University and the Tees Valley Combined Authority, to help at least 50 Tees Valley companies in their scaling journey. Liverpool John Moores University Liverpool Business School has designed and launched an MBA Scale-Ups Masters level degree apprenticeship in conjunction with the Chartered Management Institute to help businesses to achieve growth. Aston Business School is a strategic partner with the Greater Birmingham & Solihull LEP working with its Growth Hub to deliver a range of scaleup services.

For the Saïd Business School, a primary mode of engagement with scaleups is through the Goldman Sachs *10,000 Small Businesses* UK programme, in which it is a principal academic partner. "It is the best way for us to focus our resources on some of the best ventures in the country," says Peter Tufano. "We can work with them to develop their skills so that they can move to the next level."

"We look to help businesses at every stage of their growth," says Mark Hart of Aston. The school is a strategic partner in the local Growth Hub and runs its own programme for small business growth as well as Goldman Sachs *10,000 Small Businesses* UK. "We know what connections are needed and can demonstrate that we are part of the wider ecosystem. We pay very serious attention to this."

"Entrepreneurship and innovation is a core priority for the university," says Strathclyde's Eleanor Shaw. "It is not restricted to the business school. When an entrepreneur comes onto the Growth Advantage Programme they don't just engage with the business school. That might be their opening into the university but we work with them to facilitate introductions to the wider innovation and entrepreneurship ecosystem at Strathclyde."

The challenges

Getting scaleups to engage with universities remains a challenge, believes Sarah Underwood of Leeds. "This is partly because there is confusion or misunderstanding about what universities can, or will, do to help. Universities can, and should, do more to get out beyond the limits of the campus and find ways to better interact with the business community."

Perceptions can be changed by working with trusted parties to help convince entrepreneurs that universities are open places that they come to, says Strathclyde's Eleanor Shaw. For example, Strathclyde Business School has an 'open door' policy which welcomes key partners onto campus including CBI Scotland, the ScaleUp Institute, Founders4Schools and the Scottish Chamber of Commerce. With a growing programme of events and now being in the fourth year of running its Growth Advantage Programme, she believes that Strathclyde's connectivity is developing at pace. "We are getting real traction with this but it has not happened overnight."

“We need to do more to identify champions who can catalyse students and staff to engage with the scaleup agenda,” says Newcastle’s Fiona Whitehurst, “and we need to work with partners – in our case the Entrepreneurs’ Forum and North East LEP – to highlight the potential for engagement with universities.”

Awareness remains a challenge. “There is still plenty of ignorance about what courses are available and about how this can help them,” says Stephanie Hussels. “I am always amazed at this.”

For many scaleups, it is simply a matter of committing the time and/or the budget. “It is tough to ask business owners to commit 100 hours in a year,” notes Aston’s Mark Hart. “Businesses can see the value once they have been on the courses but baulk at the upfront commitment of time and money.”

The future

“Doors are starting to open for scaleup businesses to access courses, advice and networks that can be instrumental in helping them to grow,” says Sarah Underwood. Leeds University is currently implementing a number of physical developments on its campus and developing new educational courses for scaleups.

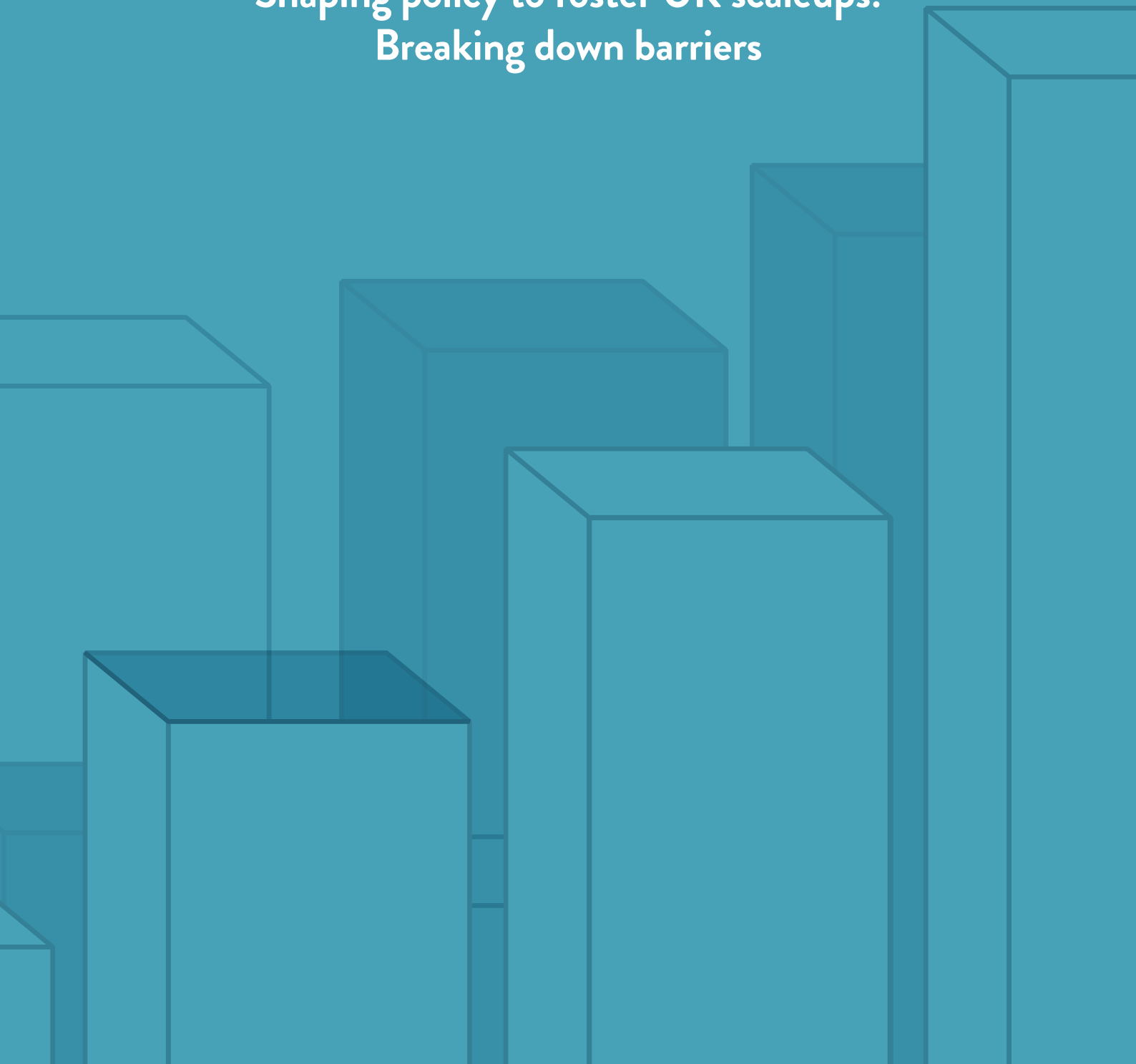
“We want to make it easy for the external community to engage with us,” says Eleanor Shaw. Strathclyde Business School has joined with Glasgow City Council to develop a growth programme – Innovation GAP – for companies on the council’s Tontine business accelerator. With a physical location in Glasgow city centre, Tontine and Strathclyde will work closely together, with other key partners in Glasgow City Innovation District to help innovation-driven enterprises grow to scale.

Others are expanding their reach. “Cranfield has had a thriving entrepreneurial ecosystem for many years,” says Stephanie Hussels. “We are now looking to replicate this more widely in the region; we are engaging more with incubators in places such as Milton Keynes and Bedford.” In December, Barclays Eagle Labs will open its first campus site at Cranfield.

Universities and business schools recognise that working with scaleups should not be a one-off intervention. For example, companies are returning to the Cranfield Business Growth Programme to prepare themselves for a new phase of growth.

Chapter Four

Shaping policy to foster UK scaleups:
Breaking down barriers



Shaping policy to foster UK scaleups

The UK scaleup policy landscape has continued to evolve across 2018 with further impetus from the private, education and public sectors to address the scaleup gap.

The value that scaling businesses bring to all parts of the UK and to local economies is broadly recognised. Scaleup needs are becoming embedded into local economic strategies and solutions. Now, we must monitor results, to ensure good intent leads to impactful outcomes and that no community is left behind.

For the ScaleUp Institute, 2018 has been a year of building upon the good work already underway to ensure policy intent is translated into effective outcomes. We continue to advance a national scaleup action plan through education and significant local engagement, monitoring what exists and sharing insights on impactful actions around the country to ensure we have a joined up ecosystem for addressing the barriers to scaling up.

An effective segmentation of the UK business population, and a client-centric approach to solutions for scaling firms, must be at the heart of ongoing policy intervention and developments.

We have consistently emphasised the need to address scaleup leadership capacity through peer-to-peer networks and effective mentoring, as well as recommended specific interventions to break down barriers facing scaleups in relation to talent, procurement, exports and innovation, finance and infrastructure.

As we reflect on taking action to close these scaleup gaps, we can see progress on many of our past recommendations, notably in leadership, finance and local policy alignment towards scaling businesses. However, there remains a long way to go as regards closing down the UK's scaleup talent and market access gaps; the latter of which is rising in criticality.

The 2018 Policy Milestones

In 2018 we recognise that there have been some key scaleup policy milestones reached (outlined overleaf) which have been borne out of the evidence and learnings the ScaleUp Institute has fostered over recent years and from our work with the Scaleup Taskforce.

It is clear that we are on a journey which is gaining momentum, but we have not yet reached the finish line in the scaleup race – the execution of these policy initiatives now needs to translate to meaningful scaleup outcomes. As we assess where we are it remains clear that:

We are far from solving the **talent** shortage which affects scaleup businesses. We must work closely with schools, universities and business schools to close the talent gap and develop a fast track 'scaleup visa' process to enable our scaling businesses, who are major innovators and exporters, to access the talent they need to fuel their growth.

While an **Export** Strategy has been launched, which is welcomed, the delivery of the new, enhanced International Trade Adviser Service must, at home and abroad, provide the results to scaleups that they want to see in relation to market opportunities, connection to buyers, market insights and bespoke trade missions, including replicating what has been undertaken to great effect with the Mayoral Go to Grow programme in London.

In relation to **procurement**, the policy announcements in April must translate to better engagement with, and buying from, scaling business across central Government and every local area. Procurement champions and meet the buyer events need to connect better with emerging local scaleup hubs and programmes exemplified in Chapters 2 and 3.

As the **leadership** announcements within the 2018 Budget move in to implementation, it should be ensured that the spend in relation to peer networks and mentoring – so valued by scaling businesses – and the creation of the Small Business Leadership programme – have suitable allocations towards scaleup companies.

On the **finance** side, the private and public sector collaboration between British Business Bank (BBB) and financiers needs to continue at pace to deliver more localised equity, as well as more patient capital from institutional investors. The awareness of and connection to growth capital solutions needs to also continue, building on the good work currently underway in the Finance Hub, launched in June, and the Relationship Manager network at BBB now under development.

At a **place level** – every local area needs to turn their Strategic Economic Plans into effective Local Industrial Strategies which place scaleups at their heart. This means making sure infrastructure is scaleup fit and local programmes and initiatives that address scaleup barriers are built upon including the championing of scaleups, putting them on the map and coordinating their relationship in more holistic manner across the public, education and private sectors. We recognise the strategic alignment to scaleups in the devolved nations of Scotland and Northern Ireland, and will continue to work with them as they evolve their scaleup ecosystems.

Underpinning all of this is **data and segmentation** – while encouraging progress continues to be made with Government, this must move ahead at pace in 2019, with the introduction of legislation if required, if we are to spot scaleups early and lean in quickly to these businesses. Evidence shows the timeliness of interventions is crucial if we are to optimise our scaling businesses greatest potential. It is also essential that we crowd in and build upon what works, while at the same time closing the gap on any under-served areas. This work should be collaborative with the private and education sectors.

These policy initiatives, alongside the continuing role of a Ministerial Scaleup Champion, provide a strong foundation for further progress. We need to continue to make sure that the UK can rise in the ranks to lead our international peers and make the UK the leading scaleup nation and counter any Brexit headwinds. Challenges to UK scaleups predate the current 'Brexit' focus and yet remain. They are within the power of the UK to fix.

In this context the work of the ScaleUp Institute is as critical as ever in guiding our response to closing the scaleup gap.

PUBLIC POLICY MILESTONES

- The **Industrial Strategy White Paper, including the ScaleUp Taskforce**, with the ambition of making the UK the best place to start and **grow** a business at its core. This has five foundations, each directly linked to key scaleup needs and challenges **People; Places; the Business Environment; Innovation, and Infrastructure**. It takes forward many of the prior recommendations of the ScaleUp Institute and those of the Scaleup Taskforce.
- The **Patient Capital Review** outlining a suite of actions to be taken to improve the availability of, and access to, appropriate finance for scaling businesses. Implementation is now under way with additional funding allocated to the British Business Bank who have also established a network of regional managers; the launch of British Patient Capital in June 2018; the development of additional regional funds through British Business Bank, working with the private sector; and, the launch of a finance hub (on which the ScaleUp Institute was a collaboration partner).
- Improvements in **Public Procurement** announced in April 2018, including expansion of Contracts Finder to include all contracts above £10,000 and requiring companies working on large government contracts to advertise subcontracting opportunities; requiring prime suppliers to report their spend on government contracts; and, the appointment of Ministerial Procurement Champions in every department and within major Government suppliers.
- The new **Export Strategy** launched in August 2018 placing emphasis on high potential scaleup businesses as a clear segment, and developing a programme of active peer networks as well as targeted initiatives for high potential scaling firms.
- Alignment of **funding for LEPs/ Growth Hubs to services for scaling businesses** and the creation of the role of relationship managers to better connect public and private sector offerings to local scaleups. This builds on the requirement across England for every LEP to embed scaleups in their Strategic Economic Plans and emerging Local Industrial Strategies.
- The **Budget 2018** builds upon each of these areas and has at its heart the importance of ensuring the UK is the best place in the world to start and scale a business. The Budget details further actions intended to increase management capability, smooth access to apprentices for growing firms, improve firms' access to finance, and support innovation.

An ecosystem fit for scaling and productivity

Productivity is a complex issue. There is no silver bullet. But, key to shifting the dial on UK productivity, is a sharper, better segmentation of the business landscape and the provision of bespoke solutions for our most productive scaling firms.

The outcomes of the Productivity Review must build upon what works, and ensure that places lacking in services, and under-served by current programmes, are better provided for. As we consider the Comprehensive Spending Review and evolution of the Shared Prosperity Fund no gaps can be allowed to arise should EU support no longer be accessible.

The ScaleUp Institute will continue its mission to maintain focus on our ambitious scaling businesses. Three key principles will remain, guiding our input into and evaluation of policy interventions:

1. **Data and building upon what works:** All interventions should be data driven and measurable. Continued funding to initiatives should only occur where impact can be evidenced.
2. **Segmentation:** Businesses are not homogeneous – scaling business must be treated as a separate segment with bespoke solutions.
3. **Client centric and local:** Scaleups value locally delivered solutions – even when a programme is national. In a growing company, time is a scarce commodity and community level engagement is essential, alongside active relationship management.

These principles should be used as a foundation for efforts to overcome the challenges which scaleups have continually identified to their growth. We will continue to champion them.

SELECT COMMITTEE ENGAGEMENT

The ScaleUp Institute: Driving the productivity agenda, local solutions, and ensuring implementation through parliamentary engagement

This year ScaleUp Institute has appeared, by invitation, twice at the House of Lords EU Internal Market Sub Committee. We were also delighted to host the BEIS Select Committee, at our offices in the Digital Catapult, for a session of their Small Business and Productivity Inquiry.

In each of these we were able to clearly impart our scaleup imperatives.

Key scaleup messages across each of these sessions:

- The UK's scaleup challenge of being 13th in the world at growing a business significantly predates Brexit and the challenges to scaling up continue to persist.
- It is in the UK's own gift – and hands – to fix these challenges through the national policy agenda and greater collaboration between the public, private and education sectors.
- We need to harness our resources more effectively towards scaleup businesses, and double down on efforts to address their needs in talent, leadership, market access, finance and infrastructure. Building on what works and as impact, making sure no community is left behind.
- Now more than ever the UK must 'turbocharge' engagement with scaleups and the solutions available to our scaleup 'growth heroes' and make sure we continue to make strides to close the scaleup gap by:
- Identifying scaleup businesses sooner through effective use of our datasets, specifically harnessing HMRC data to enable engagement. The progress being made on this needs to be accelerated, and if required, legislation should be passed to enable a full scaleup register to be created.
- Ensuring our education sector prioritises engagement with local scaling businesses, and is able to equip all students with the skills of today and tomorrow. It is important to link scaleups, schools and colleges to the local skills agenda by having scaleup leaders on the boards of LEPs and education bodies, and skills and business boards.
- Higher Education Institutions should also support scaleups by ensuring that they can easily access student projects, research facilities and graduates.
- Developing a 'client centric', scaleup Relationship Management approach to scaleup businesses, harnessing and aligning resources towards them in a coordinated manner whether this be in the private or education sectors, and building upon local infrastructure and solutions which exist and are proven to work. This must be rooted in local areas, but measured to a national standard.
- Continuing to align UK export and innovation strategies towards scaleups and dial up the intensity of interaction with them. Ensure research and innovation under UKRI is closely connected to scaling businesses.
- Boosting access to public sector procurement contracts for scaleup firms; Government should also encourage OEMs and Tier 1 companies to seek out innovative scaleup firms as part of larger opportunities.
- Continuing to implement the Patient Capital Review recommendations, and make steps to unlock institutional investment, alongside wider progress to tackle regional disparities.



Scaleup Taskforce

Sahar Hashemi



Every three months since March 2017, the Scaleup Taskforce has come together to support and push for the development of policies that will foster growth and productivity in the UK economy. Our members come from global financial institutions such as the London Stock Exchange, banks and private equity houses, entrepreneurs, academics and LEPs. The Scaleup Taskforce doesn't only comprise a brilliant breadth of institutions, it is also a group of passionate, highly informed individuals who can provide government with a unique perspective on the growth challenges facing the UK.



When I was first invited to co-chair the Scaleup Taskforce, I was particularly struck by one statistic: that the UK ranked third in the OECD for startups but 13th for scaleups.

Yet our 35,000 scaleups are the gems in our economy. They are amazing businesses that should be celebrated and supported for their huge contribution to creating wealth and jobs, both locally and nationally.

We are getting better at identifying scaleups. This is one issue which we are very focused on. A great amount of work has already been conducted by HMRC on VAT and NI records to identify and understand better the patterns of scaling businesses in the UK. This is essential – scaleups can't be provided with the support that they need unless we know who they are.

This is not just a question of data science; local teams need to be able to use these insights to spot scaleups and companies aspiring to scale. It will be crucial part of the ongoing work of the Scaleup Taskforce to ensure that the use of this data can continue to highlight and better target interventions to businesses as they scale.

Support for scaleups has to be targeted. A general, broad-brush approach that tries to help all small businesses does not yield results. There is a real power that comes from focusing on scaleups and helping them get to the top. This is not just about helping young companies to grow exponentially. Scaleups are found in all sectors and are of all ages. To continue their growth, they may need to increase their exports, win more contracts, develop succession plans, or hire the right people. That means providing them with the



There is a real power that comes from focusing on scaleups and helping them get to the top

right tools and a great level of service. Get this right, and we will create a climate of aspiration – one where more companies aspire to scale.

The delivery of targeted help to scaleups is an attainable goal that will deliver fast, fruitful results to the UK economy. These are businesses who are already on their way and who just need tiny nudges to achieve their full potential. The dividend of enabling scaleups is evident; a one per cent increase in their number creates a hugely disproportionate yield.

Delivering a consistent, high quality service for scaleups across the country is achievable so long as it is carried out at a local level to provide ownership and focus. The LEP and regional structures do help to make this manageable – there are, several hundred scaleups per local area. It's great to see how far some local areas have already gone in their provision of scaleup support. The work that the ScaleUp Institute has done through the Driving Economic Growth (DEG) course¹, enabling local areas and Growth Hubs to share and learn the latest thinking about scaleups, has been exciting to see.

When I first started out in business, the label of entrepreneur was attached to just one or two people such as Richard Branson and Anita Roddick. Now, the idea that we are a nation of entrepreneurs has taken hold and many people call themselves entrepreneurs. The same needs to happen with scaleups. As 2019 is the year in which we can start Scaleup Week, we are creating that momentum.

1 Supported by Goldman Sachs 10,000 Small Businesses UK, Innovate UK and in 2018, the British Business Bank.

Scaleup identification

Resolving the challenges that scaleup business leaders in every locality face requires a more efficient and quick way to identify the UK's fastest growing firms at a national and local level

Accessing up to date data remains the single most important item on the ScaleUp Institute's agenda. This means being able to enquire on a company's scaleup status against the most recent data held within Government, namely at HMRC.

In 2018, we have been encouraged by the data pilots we are undertaking with HMRC and the collaborative cross Government approach to reviewing options for disseminating this data more readily. Evidence shows the timeliness of interventions is key if we are to optimise our scaling businesses' greatest potential. Research reflects that when a business is scaling rapidly speedy engagement early on in its journey is vital as the window of opportunity is 'limited' if the scaling firm is to realise its fullest opportunities and 'scale' again.

Data is the fundamental ingredient to make sure all communities can engage on a timely basis with scaling companies and make sure they get the right support at the right time that fosters their continued growth here in the UK.

As we move into 2019, we must escalate the current good work underway with Government with further vigor – using data held by HMRC, ONS and Companies House – to build an integrated solution that allows for timely identification and, verification of scaleups for all the stakeholders in the community.

We believe, that if a company's scaleup status is made available to enquire upon via a 'verification service' it will encourage engagement from the public and private sector. It will also enable resources to be targeted much more efficiently and effectively towards specific scaleup firms to foster their continued growth, removing hurdles and allowing access to the necessary talent, leadership, finance and infrastructure support.

A more granular understanding of UK businesses, and effective firm level interventions, will also benefit monitoring and analysis of existing policy interventions and work on future initiatives. It is only through greater understanding, segmenting and targeting of our scaling businesses and available services towards them that we as a country will be able to shift the dial on UK-wide growth, exports, procurement, innovation and productivity. The data also enables prioritisation of those areas of the country where the scaleup gap is increasing and makes the ecosystem more efficient in their assessments and solutions.

Over the last 5 years, including our 2018 research, evidence has built up and been corroborated again that leaders of scaleup businesses would value the data that is filed in to Government, to be used more effectively to engage with them. How we achieve this is imperative to finalise in the coming 12 months. If legislation is required to be more proactive with Government datasets, then we believe that Government should actively consider the appropriate framework for this legislation, and work to move this forward.

HMRC, Cabinet Office collaboration

In 2017 we highlighted the fact that we would be working with HMRC – subject to their statutory conditions – in scaleup ready locations. We are pleased to confirm that this work is underway; informing scaling companies of their scaleup status and making them aware of services that they can be fast-tracked into at a local level. Pilot programmes are now active in Scotland, Greater Birmingham and Thames Valley Berkshire. Each of these areas have dedicated scaleup programmes in place, able to provide businesses who are contacted with services that are bespoke and match their requirements.

This work with HMRC is vital to unlocking relevant data – particularly as most public datasets today are not real time and lag the current scaleup status of business. Good progress with Government has been made. We look forward in 2019 to this work being accelerated to enable a full scaleup register to be created with a view on what options may look like for ‘self declarations’ or ‘opt-ins’ to a central point for identification, acknowledging that some form of legislative change may be required. Alternatively, a tool to allow scaleups to request to self identify against a closed database could be developed.

While this work develops, the ScaleUp Institute will also continue to update its Scaleup Map and Scaleup Index, developed with DueDil and Beauhurst, and our newly published Scaleup Procurement Index which we have developed with Tussell. We also encourage universities, banks, accounting firms, LEPs and schools to continue to put ‘Scaleups on the Map’ based upon indices, client, and local knowledge. This challenge has already been taken up, to excellent effect, in Cambridge, Thames Valley Berkshire, Ashford, and by Barclays and Sage; just a few examples, which can be emulated.

In summary

While progress continues to be made on a more targeted approach to scaling businesses, much more still needs to be done across 2019 to move the dial and ensure that a segmented approach can be implemented at all levels. As such we reinforce our previous recommendations and update them as follows:

2018 Recommendations

1

A verification process with Government should be created to allow for local and national stakeholders to verify the ‘Scaleup status’ of a business, building on the recent work of the ScaleUp Institute with Government. This should tap into datasets that combine ONS, Companies House and HMRC data points to enable stakeholders to fast track solutions to scaleup leaders. If necessary, legislation should be passed to introduce such an enquiry capability.

GOVERNMENT INSIGHT:

Working together to unlock the power of data to understand and support high growth businesses

Through its modern Industrial Strategy, the Government is committed to harnessing the value of publicly held data as a means of identifying businesses with scaleup potential and connecting these business to the range of support available to help them reach their potential.

Her Majesty's Revenue and Customs (HMRC) has the largest and richest dataset on individual businesses. HMRC is committed to maximising the value of the data it holds, both for the department and for others while continuing to appropriately safeguard confidentiality. HMRC has frequent requests to share its data, but is bound by a strict statutory duty to protect taxpayer confidentiality, laid out in the Commissioners for Revenue and Customs Act 2005 (CRCA), which governs all information held by the department.

In early 2018 the Department for Business, Energy and Industrial Strategy (BEIS) and HMRC began an experimental project using cutting edge data science techniques to understand the characteristics of high-growth firms and test whether these could be used to identify firms with similar characteristics that might go on to achieve high rates of growth.

Initial results are encouraging and the dataset will be developed further through winter and into spring 2019 to build a fuller picture of scaling businesses in our economy.

Since 2016 HMRC has embarked on a series of small scale pilots, to understand how data can be used to profile businesses and then send them targeted messages to signpost to local, government-backed growth support.

The most recent pilot, in October 2018, aimed to signpost selected scaling businesses towards local scale up programmes. The pilot used HMRC data to identify scaleup businesses. Emails and letters were issued to raise the business leaders awareness of their potential high-growth status, and to advise them of tailored local initiatives geared to their growth challenges.

To shape the approach and fine tune the detail of the offer the work involved HMRC, BEIS, Cabinet Office, Insights, the ScaleUp Institute and three of the local areas who have benefitted from the Institute's Driving Economic Growth course and established bespoke scaleup programmes, namely, Thames Valley Berkshire and Greater Birmingham Growth Hubs, and Scotland.

Making it simple for scale ups to navigate the support available

A key part of the project is looking at how this firm-level data can be used to target messages to scaleup businesses to signpost them to local initiatives designed to help them in their growth challenges. Early work by HMRC indicated that customers would be receptive to such messaging and wanted targeted, timely and more joined up communications from government.

“

Ruth Mackman, who led the work for HMRC, said: “Getting these pilots running took a lot of planning and close collaboration with stakeholders. All the partners’ expertise was needed to ensure we got various aspects aligned, including timing and communication styles. Our partners were all very generous in their support and willingness to work together to get this right.”

NEXT STEPS

The pilots went live in October 2018. HMRC and BEIS plan to continue working with stakeholders through 2019 to evaluate these pilots and shape further pilots in 2019. This will lead to delivery of a series of communications trials from early 2019, to further connect high-growth potential businesses to the right support at the right time. These trials will build on this year’s work and learnings from it. They will not involve any sharing of individual company data with BEIS or any of the partners.



Talent and skills

“Teach them basic professional skills.”

NORTH/NORTH EAST SCALEUP
BUSINESS LEADER

“Teach more relevant social, emotional and technical skills so students leave better armed to thrive in the modern workplace.”

EAST MIDLANDS SCALEUP
BUSINESS LEADER

“Technical skills can be taught with the right aptitude, but the soft skills – understanding of workplace culture and buying into the values of a company – are more important.”

SOUTH WEST SCALEUP
BUSINESS LEADER

“Coding skills are crucial across the board in everything we do – even the non-coding jobs.”

EAST OF ENGLAND SCALEUP
BUSINESS LEADER

“It’s soft skills and confidence that we find most lacking and that we need to train from scratch.”

SCOTTISH SCALEUP BUSINESS
LEADER

Accessing the right talent and skilled workforce continues to be the most significant barrier for scaleup leaders.

The intersection between the need for a world class skills pipeline and the modern global jobs market is a stark reality for our scaling businesses, who continue to experience significant barriers in recruiting the requisite skill sets into their business as they grow.

On average scaling businesses are increasing the number of people they employ by 3,000 people per week¹ and overall employ circa 3.6 million people across the country. Given the export focus of many of these companies, they place a high value on international expertise and many – two thirds – have employees from overseas.

Job tracking company Adzuna shows 1,115,677 open positions in the UK² – a skills shortage that predates Brexit, but has widened since 2014³ and could become ever wider for our scaling firms if the UK does not address its domestic skills gap and ensure that international access to skilled workers remains open. Half of all exporting scaleups say that it is vital or very important, to have a fast-track visa system if they are to retain their growth rates.

Social skills, technical skills and the skills of tomorrow – what more needs to be done

Technical and social skills remain the most vital to our scaling businesses far outstripping any other skills when force ranked. These findings reinforce our previously stated position that while retaining the impetus on Science, Technology, Engineering and Maths (STEM) skills is essential, there is a need to examine how school and university students are prepared for the world of work developing softer skills, earlier on.

With this in mind, we continue to urge all actors to work together to better prepare students for the world of work.

This is further cemented by the view scaleup leaders have of future skills, where they highlight **Critical Thinking** as most important, followed by **Service Orientation** (anticipating, recognising and meeting others’ needs), and **Cognitive Flexibility**.

These survey findings reinforce our own findings last year, and are in line with the World Economic Forum’s (WEF) 2018 Future of Jobs Report.⁴

Given the future skills desired by our scaleup workforce and the global nature of them it is disappointing that England (but not Scotland) will be among a number of countries⁵ to opt out of the ‘Global Competence’ section on the PISA Framework which includes a specific goal to measure how schools are teaching students to develop a fact-based and critical worldview including understanding of intercultural and global issues.⁶

From a scaleup perspective this is concerning. All UK students must be equipped with these attributes and taught them at an early age. We need to monitor our effectiveness in this area if we are to stay ahead of our competitors in the scaleup race and find an effective mechanism to do that.

1 Octopus HGSB Report 2018: <https://octopusgroup.com/high-growth-small-biz/>

2 <https://www.adzuna.co.uk/jobs/search> [retrieved 6 November 2018]

3 In the 2014 ScaleUp Report on Economic Growth, this number stood at 990,000 – p46

4 <http://reports.weforum.org/future-of-jobs-2018/conclusions/>

5 <https://www.tes.com/news/england-shunning-global-skills-test-because-pupils-are-not-ready-it>

6 <http://www.oecd.org/pisa/pisa-2018-global-competence.html>

“Collaborate with employers and independent training providers to ensure progression into employment that meets predicted skills shortages. Collaborate to ensure meaningful careers advice that highlights opportunities to secure employment based on predicted regional needs.”

**NORTH WEST SCALEUP
BUSINESS LEADER**

The growing role that automation will play of course means that there must be a twin approach, ensuring that our current and future workforce is equipped to work alongside, and effectively engage with, AI and Machine Learning driven processes.

The UK skills pipeline – connecting educators and scaleups in a collaborative approach

The evidence shows that scaleups are good corporate citizens, ready to offer work experience, employ interns and apprentices.

The education sector has an essential role to play in enabling talent acquisition for UK scaling firms with a resultant knock on effect to productivity and growth.

Domestically, many initiatives exist to better connect schools and universities with businesses – such as the work of the Careers & Enterprise Company highlighted in Chapter 2. Encouragingly the Government’s recent Careers Strategy⁷ endorses the Gatsby Charitable Foundation benchmarks and explicitly links careers provision with social mobility seeing this as vital if we are to address the skills needs in every community. In Scotland, the creation of the Enterprise and Skills Strategic Board, and the publication of their Strategy in October 2018,⁸ is an important step forward and seeks to address skills shortages for business and boost Scotland’s productivity.

Encounters with employers, one of the Gatsby benchmarks, remains a vital factor in making sure our scaleups needs are well understood by the education community. The Careers & Enterprise Company’s work in this area and recent ‘Closing the Gap’⁹ report highlights the progress being made on this in numerous areas but also flags the significant gaps and ‘patchiness’ in others. Scaleups want better engagement and educators to get to know them.

We still need more commitment from both sides of the fence. The Careers & Enterprise Company sets out some helpful recommendations for the education sector in this regard. We encourage all localities to embrace these, including recognising the importance of these engagements at primary and Key Stage 3 (11 – 14 year old students) where, approximately, only 50% of students participate in at least one employer encounter.

We also continue to consider it important that the LEPs, higher education institutions and schools have scaleup leaders on their Boards and, vice-versa, local authorities align their skills and business boards with education establishments in a joined-up manner. The recent LEP Review should offer an excellent opportunity to implement this in England.

Supplementing traditional education establishments and routes is also key, such as through the work being undertaken in the growing EdTech sector. EdTech 50 showcases some of the modern ways in which skills training is being supplemented by private and not for profit players through collaboration with the education sector and/ or direct student engagement. This should be built upon.

Apprenticeships as a solution and role of the private sector

Scaling businesses value apprenticeships and the significant opportunities they offer. In the 2018 Survey 38% said they employed apprentices – double the national average. Of those not employing apprentices, 47% note that this is because they do not know where to get good candidates from. Making sure there is readily accessible information on what is available with helpful tools and resources and examples of what others have done should continue to be a focus.

The Chancellor’s announcement earmarking £695m for apprenticeships, alongside allowing the transfer up to 25% of apprenticeship funding of larger corporates into supply chains – which we have previously recommended – is very welcome. This should be a further valuable resource to our scaling businesses which we will be monitoring.

⁷ <https://www.gov.uk/government/publications/careers-strategy-making-the-most-of-everyones-skills-and-talents>

⁸ <https://www.gov.scot/groups/enterprise-and-skills-strategic-board/>

⁹ <https://www.careersandenterprise.co.uk/research/closing-gap-report>

“Schools and universities should recognise the importance of apprenticeships and offer students the ability to train in non-academic areas. There is a huge shortage of skills in most engineering and manufacturing sectors, and they need to be reintroduced.”

NORTHERN IRISH SCALEUP BUSINESS LEADER

“Not everybody needs to go to university. Promote apprentices and work-based vocational activities.”

EAST OF ENGLAND SCALEUP BUSINESS LEADER

The private sector can also play a greater part in building skills. The work of such entities as Ada, the National College for Digital Skills, with its apprenticeship and digital skills training, is an excellent example of how larger companies can collaborate to support an education entity that is gearing up of the skills of the workforce for all. Google’s Digital Garage and Freeformers – SUI endorsed programmes – also exemplify the role the private sector can play in skills transformation.

Enabling teachers to make a difference

There is still work to be done to enable the teaching profession to have the capacity to engage in the scaleup business community. In a resource-constrained profession, which itself is looking overseas to fill the skills shortages it currently has, there are a number of practical limitations to the way in which these institutions can effectively resource additional calls upon their time. Effective collaboration at a local level between the private, public and education sector becomes ever more vital to enhance the capacity of our teaching profession. A partnering approach is essential. This enables more innovative models for curriculum delivery that provide students with practical ways to learn. Barclays LifeSkills, General Assembly, Makers Academy, Computing at School, RaspberryPi, Founders4Schools and others highlighted by the EdTech 50 are good examples of these that can be leveraged and expanded upon.

It is encouraging that Ofsted has found that careers guidance within schools is improving,¹⁰ but more work is needed. Ongoing training is a vital component – especially for those teachers leading careers and enterprise education. The ScaleUp Institute particularly recognises the work of Teach First and their ‘Careers Leader’ programme which up-skills careers leaders in the nation’s schools. Its pilot has produced good results and is now being rolled out more widely. It is featured as a key ‘One to Watch’ initiative in Chapter 2.

Lifelong learning and digital skills

The development of effective skills for the modern workplace is not limited to primary and secondary education or university. Indeed, opportunities for progression throughout working life are recognised as core parts of the Taylor Review on ‘Good work’,¹¹ as well as the suggested metrics for measuring good work.¹²

There is wider associative evidence to suggest that ongoing ‘upskilling’ of our workforce is an important part of the wider productivity puzzle, facilitating digital adoption among firms of all growth rates. It is also most significant to ensuring that there is a strong, digitally capable, and adaptable talent pipeline at all levels of seniority, and across all sectors.

The ability to learn throughout life is also a core skill¹³ of the future, with the World Economic Forum explicitly noting that ‘active learning’ is in itself becoming an in-demand skill. This tallies with the changing nature of skills requirements within the workplace, and the recognition by employers that adaptability among their staff will be essential as the skills required in ten years’ time may be substantially different from those today. This is most evident within scaleup businesses who are rapidly evolving as businesses, innovating and looking for new market opportunities.

The Digital Skills Partnership launched by the Government in 2017 is beginning to produce some interesting developments. The launch of the Heart of the South West Digital Skills Partnership in June saw more than 50 businesses, recognised as excelling in the sector, attending. We look forward to this initial interest and enthusiasm producing practical results.

The National Retraining Scheme set out in the 2018 Budget is to be welcomed as another potential resource in the future for scaling business who want experienced hands in the company but may require them to have more technical skills.

¹⁰ <https://educationinspection.blog.gov.uk/2018/06/12/building-confidence-encouraging-aspiration/>

¹¹ Good work: the Taylor Review of Modern Working Practices – July 2017

¹² Measuring Good Work, Carnegie UK and The RSA – April 2018

¹³ <https://www.weforum.org/agenda/2018/09/future-of-jobs-2018-things-to-know/>

“Like many other businesses, we have great concerns over Brexit and the access to labour from around Europe. We employ a large number of EU nationals in our organisation due to the lack of skilled local workers.”

**NORTH WEST SCALEUP
BUSINESS LEADER**

“Restricting access means it is more likely we will consider opening offices in the EU to access talent.”

**SOUTH EAST SCALEUP BUSINESS
LEADER**

“UK scaleups have succeeded through access to UK and EU talent – at all levels.”

**WELSH SCALEUP BUSINESS
LEADER**

“We need to continue to encourage universities to train talent from outside the UK to create a richer and more diverse pool of talent.”

**SOUTH EAST SCALEUP BUSINESS
LEADER**

International talent remains vital

Scaleup companies are significant employers of international talent – 64% of scaleups employ staff from overseas. There is a clear, ongoing need for highly skilled overseas workers to support the UK’s scaling economy. Of the scaleups who employ overseas staff, two thirds say that it is vital or very important that they can continue to bring in talent from overseas (66% for EU staff and 69% for other overseas staff). Half of all exporting scaleups (50%) say that it is vital or very important to have a fast-track visa system when hiring people and talent from overseas.

Indeed, concerns about accessing skills is likely to be a significant contributing factor in the high rate of concern about the impact of Brexit, which we have noted elsewhere. In 2017 we recommended that a ‘Scaleup Visa’ be made available in communities where there are 100+ scaleup companies to enable scaleup leaders to recruit staff they need to increase their capacity to grow.

The extension of the Tier 1 visa system for exceptional talent¹⁴ which was announced at the end of 2017 is very welcome, as is the Startup Visa adjustment to the existing student visa announced in June – but this needs to also cover scaleups.

We have noted the Prime Minister’s recent announcement of a skills-based immigration system post-Brexit and the expected White Paper. It will be important for the details and outcomes of this White Paper to address the ongoing evidence of a skills shortage in the short term, working effectively to smooth access to talent for growing businesses. This should be in addition to any longer term, structural changes intended to develop a more robust domestic skills pipeline.

It is essential for outcomes from this policy process to recognise that talent is needed across growing businesses in all sectors, as was highlighted in the MAC review¹⁵ publication earlier this year.

Sector specific needs cannot be ignored. Scaleup sectors such as life sciences and creative industries have bespoke needs. The recent letter by 29 Nobel Laureates and six winners of the Fields Medal further highlights this issue¹⁶, emphasising the role that overseas talent plays in UK science and research. In the letter, the group stated that for science to flourish it “requires the flow of people and ideas across borders to allow the rapid exchange of ideas, expertise and technology.” This international, inclusive outlook is also fundamental to innovative scaleup businesses, many of whom are developed from the UK’s rich research base.

To support growth across the UK, we recommend a more localised focus for visa arrangements, with local institutions given powers to act as sponsoring organisations, better ensuring that the talent needs of growing firms are met across the whole of the UK. Connecting local sponsoring organisations to local educational institutions will also help to smooth the wider skills pipeline, ensuring that we are able to capitalise directly upon our world class education system, and retain the very best minds who have come to the UK to learn, to start a business, or to join an existing business. As noted elsewhere, international linkages through graduate students have a direct bearing on companies looking to export, and can form the seeds of significant overseas expansion.

¹⁴ <https://www.gov.uk/government/news/government-doubles-exceptional-talent-visa-offer>

¹⁵ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/741926/Final_EEA_report.PDF

¹⁶ <https://royalsociety.org/~/media/news/2018/brexit-nobels-fields-UK-letter.pdf>

In summary

The Talent Gap remains, and with Brexit around the corner we need to collaborate to find innovative ways to address it. This demands ever stronger partnerships between educators, the private and public sector, at both local and national level, as well as greater connectivity to scaling businesses and their needs. As the UK considers its future outside of the EU, a specific focus will be necessary on the development of a ‘scaleup visa’ – to be administered and delivered locally – to allow all businesses to have access to the talent that they need to continue their growth journey.

2018 Recommendations

9a

We recommend that the Department for Education, Local Enterprise Partnerships and the Careers & Enterprise Company use their convening and promotional power to ensure that students at schools, colleges and universities come into contact with business leaders and that an API to the National Pupils database (with suitable protections) are made available so that the impact of these interventions can be measured. To further enable these connections, LEPs should have higher education institutions and schools represented on their Boards, and educational institutions should seek to have scaleup leaders represented on advisory committees.

2

We recommend that a ‘Scaleup Visa’ be made available in communities where there are 100+ scaleup companies to enable scaleup leaders, across all sectors, to recruit staff they need to increase their capacity to grow. The Government should make the skills needs of scaling businesses a priority. Local authorities, education establishments, advisory and finance companies should be able to be sponsors of such.



Leadership

Boosting leadership capacity in our scaling companies

Leadership capacity and extending it remains a consistent challenge in fast growing firms. They are looking for local solutions which include peer-to-peer networks, improved access to universities and business schools, quality mentors with scaleup credentials and better coordinated engagement at a local level by Government Agencies.

When a business is growing fast – with the number of employees and sales doubling and trebling in size year after year – leadership support in a rapidly changing and fast-paced environment remains of critical importance to the CEOs of our scaleup companies. These CEOs consistently advise us that they want local-based leadership development opportunities. They are concerned that there is insufficient capacity to cater for their current leaderships needs where they are operating. This is evidenced in Chapter 1 and it is clear that bespoke programmes for scaling businesses were rare prior to the ScaleUp Institute being established.

That is why, since 2016, we have placed such an emphasis on our education programme ‘Driving Economic Growth through Scaleup Ecosystems’ (DEG) delivered in partnership with Goldman Sachs *10,000 Small Businesses UK*.¹ This seeks to galvanise local leaders to work together across the private, public and education sector; to both join up existing initiatives more effectively and develop new ones where significant gaps exist.

As a consequence of this work a range of solutions is now emerging – highlighted in Chapter 3 – which we are monitoring closely to ensure they have meaningful and impactful outcomes that deliver added value to scaleups. Quality remains paramount, as does ease of access for scaleups. Our evidence shows that programmes which feature a combination of universities and business schools, working with the private sector at a local level are likely to be the most valued.

It is also clear that there are localities and sectors which remain under-served – a challenge that we must meet. As such we are pleased to see that the Government has now given the objective to all LEPs – and Growth Hubs – to make scaleups a core part of their strategic offering. In addition, Scotland and Northern Ireland have placed scaling businesses as core to their strategic growth. This focus and vigour needs to be maintained and requires investment.

Attention should be particularly paid to those programmes that work so they can be strengthened and expanded to ensure that scaleups can access them across all communities.

Local ecosystems are the gateway to national programmes from both the public and private sectors. Scaleups want far better signposting of current national Government services at a local level.

¹ In 2016, DEG was also supported by Innovate UK, and in 2018 DEG was supported by Innovate UK and the British Business Bank.

A strong peer network is like “a trusted board of advisors, holding you accountable for turning good intentions into great results,”

SAYS ONE SCALEUP LEADER

Peer-to-peer networks and mentoring

Scaleup leaders continue to highlight the importance of meeting peers who are growing at pace. Well organised peer-to-peer networks and high-quality mentors are the most prized leadership interventions.

This is reinforced again in our 2018 survey where 6 in 10 scaleup leaders place peer networks as the most important guidance to their future growth. The number of peer-to-peer programmes is growing in the UK, with many run locally as standalone offerings or as part of hubs and broader leadership programmes. A few are national or international in their reach. However, by their very nature they generally contain a relatively small cohort of participating firms at any one time and therefore building peer-to-peer network capacity is essential. In addition, we are seeing some peer groups evolving for varying leadership levels and disciplines in an organisation, for example for CFOs and COOs, which is valued by the broader leadership team.

Based on our work it is pleasing that the importance of effective peer-to-peer networks has been strongly endorsed in the Industrial Strategy, the Export Strategy, and recent Budget announcements by the Chancellor where £20m has been provided to support local peer-to-peer networks.

These announcements are helpful, but it will be important to understand better how this money will work for scaleup firms. A significant portion should go towards bespoke peer networks for scaling businesses with a defined methodology of measurement. Care should be taken to build on existing initiatives that are proven to work and crowd-in, rather than crowd-out, impactful providers of effective solutions that are already in the market and have structured frameworks of operating based on the below criteria.

From the peer-to-peer groups the ScaleUp Institute has endorsed (detailed in Chapter 2) – Vistage, The Supper Club – we observe the following key attributes that drive ongoing impact and value to the scaleup leaders.

Key elements of effective scaleup peer networks

Scaleup leaders consistently tell us about the great value they derive from learning from their peers. Strong, trusted peer networks between scaleups can have a powerful impact on their individual performance, and they must be fostered.

- 1 PARTICIPANTS SHOULD ALWAYS DRIVE THE AGENDA FOR DISCUSSION,** not the sponsors of the network or those who organise or facilitate the meetings.
- 2 EFFECTIVE CURATION REALLY MATTERS** Match members on personality, experience and expertise at appropriate events and forums in order to optimise peer learning.
- 3 HAVE A MIX.** Peer networks work well as both cross-sector and sector-specific groups. Trust between individual members is built more effectively and quickly if they are not commercial competitors.
- 4 INCLUDE SCALEUPS AT DIFFERENT STAGES OF BUSINESS GROWTH.** Scaleup leaders learn more effectively from peers who have encountered similar issues to their own, particularly if recently.
- 5 KEEP IT LOCAL.** Peer groups want the engagement without the disruption to their day-to-day running of business.
- 6 DISCUSSIONS MUST BE CONFIDENTIAL.** Effective peer groups discuss their plans, strategy, finance and people in an open and frank environment.
- 7 PEER NETWORKS ARE NOT JUST FOR CEOS.** Some scaleup programmes run similar groups for other management team members.
- 8 MAKE EACH MEMBER ACCOUNTABLE TO THE GROUP.** Scaleup peer networks should report on their progress to one another, testing plans and assumptions with time bounded measurable goals.

“I think my managers would benefit from having a peer group network of contacts at a similar level, who they could share their experiences and questions with without being embarrassed in front of their co-managers.”

NORTH EAST SCALEUP BUSINESS LEADER

“Our MD is a member of Vistage, our chairman has just completed the Goldman Sachs 10,000 Small Businesses UK course and we are continuing to strengthen and train our senior and middle management team.”

SOUTH EAST SCALEUP BUSINESS LEADER

Local solutions with relationship management at its heart

Scaleup leaders are focused on growing their business and do not have the time or resources to seek out and research the right programmes to meet their needs.

Over the past two years we have highlighted evidence of the benefits of local account management structures in working with scaleup businesses, as reflected by activities in Denmark and Scotland. These account managers act as a single point of contact for the business, to work with them on their challenges and harness private and public sector solutions towards their needs, as they arise. They often work alongside product specialists to create an effective holistic ‘relationship team’ for the scaleup business.

In our 2018 survey, two thirds of scaleup leaders have affirmed that they value this type of approach and we are pleased that this model of operation is beginning to take root in increasing numbers of local areas. This is clear in many of the local DEG-trained areas highlighted in Chapter 3, such as Greater Birmingham, the North East and Swindon and Wiltshire, etc. These account managers are skilled individuals, many of whom have scaled businesses themselves and have direct knowledge of the challenges that scaling brings. Alongside this approach, the product specialist units of UK Government such as Innovate UK, the Department for International Trade and the British Business Bank are re-examining their models of engagement with scaling businesses, harnessing their support for these companies with a more co-ordinated interaction. For example, Innovate UK has piloted ‘The Scaleup Board’ (see page 90) and British Business Bank is creating regional managers to work across the finance ecosystem in gearing up its alignment with scaling businesses.

We continue to recommend that all local public sector-funded entities adopt this scaleup ‘Account Manager’/relationship approach as part of a wholly client-centric, client demand-led service, with the needs of targeted business leaders at its centre. The development of such an approach should draw upon models that already operate in this way in both public and private sectors.

To ensure consistency, this Scaleup Account Management structure should be benchmarked to a national standard, incorporating standardised Key Performance Indicators (KPIs) and backed by a comprehensive Customer Relationship Management (CRM) system to professionally manage the relationships developed. Continued funding should be based upon success.

We also recommend that to augment local engagement through account managers, an online communications toolkit should be provided for scaling businesses to signpost public and private sector programmes and initiatives. This should be created by building on work underway with the ScaleUp Institute.

The role of the scaleup champion and enabler: diffusing growth, celebrating success

In 2017 we recommended that all local communities appoint a Scaleup Champion to celebrate local scaleups and foster understanding of their needs and the connectivity of local solutions. We continue to encourage local communities to follow this approach, and are keen for City Mayors to take an even more active role in championing ‘scaling up’, and acting as a facilitator within city and regional ecosystems.

We are seeing notable exemplars of this approach in areas such as Greater Manchester, Liverpool and Bristol. Bristol has established a Scaleup Enabler role working across the West of England and rooted in the Engine Shed hub supported by the LEP, universities and the private sector. In Chapter 3, we describe the results of this role, which we recommend others learn from and replicate.

Entrepreneurial growth is still often inspired by examples of success. It is important to boost the profile of businesses that are succeeding and help create a clear path to growth by generating a halo effect in local areas across the UK. Greater awareness among scaling

“What works best is one-to-one leadership coaching from someone who truly understands our unique challenges.”

**NORTH EAST SCALEUP
BUSINESS LEADER**

“We need more help from education sector to ensure that effective leadership training is offered.”

**NORTHERN IRISH SCALEUP
BUSINESS LEADER**

“We need flexible, inclusive mentoring and training.”

**WEST MIDLANDS SCALEUP
BUSINESS LEADER**

businesses of the success of their peers will help spur others on. To this end, it is important to celebrate scaleup success at a local level. A conscious effort to ground all business support and inspiration in the stories of successful **“growth heroes”** is a vital plank of encouragement.

The education sector has a central role

In 2018, as in 2017, local university and business school engagement was ranked by scaling business leaders as the second most important resource to their current and future growth.

As our suite of endorsed case studies in Chapter 2 shows, there is a growing evidence base that those scaleup programmes that feature a combination of universities and business schools, working with the private sector and at a local level are likely to have the most impact. They can be anchor institutions. We are therefore very much encouraged by the range of educators who have participated in our DEG programme alongside local ecosystem teams who have then gone on to be a key element of delivery and partnership in the emerging scaleup initiatives.

Insights can be gained from those active in this work such as Aston, Saïd, Imperial, Bristol, Cambridge, Lancaster, Leeds, Liverpool, Manchester, Strathclyde, Newcastle, Henley, Worcester, Cranfield, and Teesside. Each has worked closely with local Growth Hubs and private sector players, to develop scaleup programmes (see Chapters 2 and 3). Lessons can be drawn from the programmes these institutions have developed – from university - led bespoke scaleup peer groups such as in Manchester, to a MBA for scaleup leaders in Liverpool, to a Scaleup Leaders’ Academy in Newcastle as well as the established models of ELITE, Goldman Sachs *10,000 Small Businesses UK* and the Cranfield Business Growth Programme.

Based on our body of evidence, it is pleasing that the importance of expanding the provision of leadership courses has been recognised in the 2018 Budget, through the creation of a Small Business Leadership Programme. This aims to deliver 2,000 places in 2019-20, and has an ambition to train 10,000 managers per year by 2025. It is right that these should be undertaken in partnership with business schools and leading businesses across England.

Deploying this expenditure to the most effective solutions for scaling businesses will be essential, as is the need to build on programmes we have identified that work and can be extended. Tackling regional disparities is crucial; our scaleup support mapping in Chapter 1 has shown how important it is to ensure that every scaleup business, in every part of the country, has the right access to the tools to fuel their growth. The role of the Small Business Charter should also be considered in relation to the ongoing assessment of the fostering of ‘scaleup engagement’ and leadership development opportunities for scaleups across its members.

As we progress into 2019, we also need to consider the manner in which we can close the gaps in scaleup specific interventions that may arise from EU withdrawal as ERDF provides support to many leadership programmes, as evidenced in our scaleup support mapping in Chapter 1. Ministers will need to think about what this means for the priorities of the Shared Prosperity Fund and Comprehensive Spending Review.

In summary

Following our recommendations in previous years, it is encouraging to see the growing focus on development of high quality tailored leadership programmes, peer groups and mentoring at a local level, for scaleup leaders. Scaleup leaders immensely value them and will be pleased with the recognition in the 2018 Budget of the vital role leadership development plays in a company's growth and productivity journey. However, some areas are still under-served and any new programmes must be effective for scaleups, and based upon what works. We must get better at curating the programmes in a more coordinated and consistent manner. It is now essential for access to these effective programmes to be made as seamless as possible for scaleup businesses, through proactive relationship management at a local level. Ecosystems must increase their efforts at a local and national level if we are to enjoy the increased productivity and prosperity that comes continued scaleup growth. We therefore recommend the following:

2018 Recommendations

3	Funding for local communities should continue to be tied to the effective deployment of initiatives that close the scaleup gap as well as the results and impacts that they have on the number of scaleup businesses in their area. Every Local Industrial Strategy should have a scaleup pillar, including a markets access strategy and a scaleup cluster map based on currently available datasets.
4	All local communities appoint a Scaleup Champion and develop a relationship management structure for scaleup businesses.
9b	The public, private and education sector should continue to work together to close the gap on provision of high-quality flexible scaleup leadership programmes, including mentoring, peer networks and matchmaking of non-executive directors who have scaled businesses before. Better connections should also continue to be made between national programmes and local ecosystem leaders. The Small Business Charter, and other such mechanisms, should integrate an assessment of 'scaleup engagement' into their performance analysis.
5	The outcomes of the Productivity Review, Shared Prosperity Fund and Comprehensive Spending Review should ensure that funding for impactful business support (whether it be mentors, leadership or networks) has a significant focus and segmentation towards our scaleup businesses, which are generators of wealth, exports and productivity to the UK economy. These Reviews should collectively ensure no gap in scaleup support provision is allowed to arise in light of the UK's changing relationship with the EU.

Scaling up creative businesses



The creative industries contributed a record £91.8bn to the UK economy in 2016 and employ over £2m people. Measured by Gross Value Added (GVA), the contribution of the creative industries rose more than twice as fast as the national average.

Creative industries services exports grew more than three times faster than those from the rest of the economy in 2016 (up 8.8 per cent), and accounted for 11 per cent of total services exports from the UK. At a local level, they demonstrate the vibrancy of a region and can provide a magnet for economic development. So the economic value of scaling up greater numbers of local creative businesses is important – but it is not easy.

Talent

In line with the broader findings of this year's Scaleup Survey, access to talent is one of the main challenges that creative businesses face in order to maintain their growth. There are concerns about the supply of talent from the education system as well as deep fears surrounding access to talent in the wake of Brexit.

"I know we can't just magic ten computer science teachers into every secondary school but there needs to be greater emphasis on subjects such as computer languages, digital design processes and data analysis," says Jim Mawdsley, CEO of Generator, a creative digital sector specialist development agency in the North of England.

Apprenticeships are starting to play a role at the junior end of the employment scale, but there remain concerns about the small number of relevant apprenticeship frameworks. And it takes "a lot of effort for a growing creative business to appropriately manage apprentices," notes Richard Jeffrey, Director of Greater Manchester Business Growth Hub.

Finance

The 2018 Scaleup Survey shows that almost half of scaleups do not have the right amount of funding in place for their current ambitions. This is evidently the case for many scaling creative businesses.

Creative Industries Council research shows that there is a greater appetite for investment among creative businesses than from the wider population of SMEs – but that they do not always ask for enough. They depend more significantly on informal sources of funding from friends and family (27% use this source as opposed to nine per cent of businesses generally) and 52% ask for less than £25,000. "Businesses in our sector are undercapitalised," says Caroline Norbury, CEO of Creative England and council member of the Creative Industries Council.

Leadership

Talent and finance are not the only challenges. The creative industries are full of "accidental leaders," says Richard Jeffrey. This is because businesses are formed by an individual who starts as a freelance contractor and who then takes on a project that grows. After pulling together a team, the founder has created a business with the potential to scale. "Leaders of creative business may want to grow and have the opportunities to grow, but they can find it difficult to put the systems in place to enable them to grow," says Jim Mawdsley.

The need for more specialist, targeted support

Creative businesses are keen to seek out specialist help from those with practical experience in the sector yet there is little available sector-specific support, according to Caroline Norbury.

The benefits of such a sector-specific programme can be seen from the impact of Generator, the creative digital sector specialist development agency in the North of England. A key element of the programme is providing access to interim directors who can help the scaling business in areas of need such as finance, sales and marketing as they grow and evolve their operating models. The 20 businesses in the first two cohorts have reported an average 53 per cent increase in revenues in the 12 months after participating in the programme, and overall employee growth has increased by 230 per cent. This programme has been endorsed by the ScaleUp Institute this year.

Mentoring is also greatly valued in the creative industries and demand for mentors is increasing, according to Richard Jeffrey. And here, too, he says, "sector experience is the golden ticket for credibility." Mentoring, peer-to-peer structured learning and coaching are core aspects of Greater Connected, a service focussed on creative sector scaling businesses run out of Manchester Growth Hub and based on the learnings from the ScaleUp Institute's executive education course.

Government Action to address creative industries specific issues

Given the above figures the importance of the creative industries are an undoubted strength of the economy and are at the heart of the nation's competitive advantage. To build on this success the Government announced earlier this year a raft of measures to support creative businesses to scale as part of the Creative Industries Sector Deal, including:

- **Creative Scale-Up** – A £4m investment readiness programme improve the leadership capacity for early stage scalable creative businesses wishing to grow their business through growth finance; and,
- **Creative Careers Programme** – To increase the supply and diversity of skills and talent in the creative industries, government will make up to £2m available to support an industry-led creative careers programme aiming to reach at least 2,000 schools and 600,000 pupils in two years and industry development of apprenticeship standards. Industry will provide further leadership on diversity and scope expanding the voluntary Skills Investment Fund supporting on-the-job training.

The ScaleUp Institute has worked closely with DCMS and the Creative Industries Council on Creative Scale-Up and will continue to do so in 2019.



Access to markets

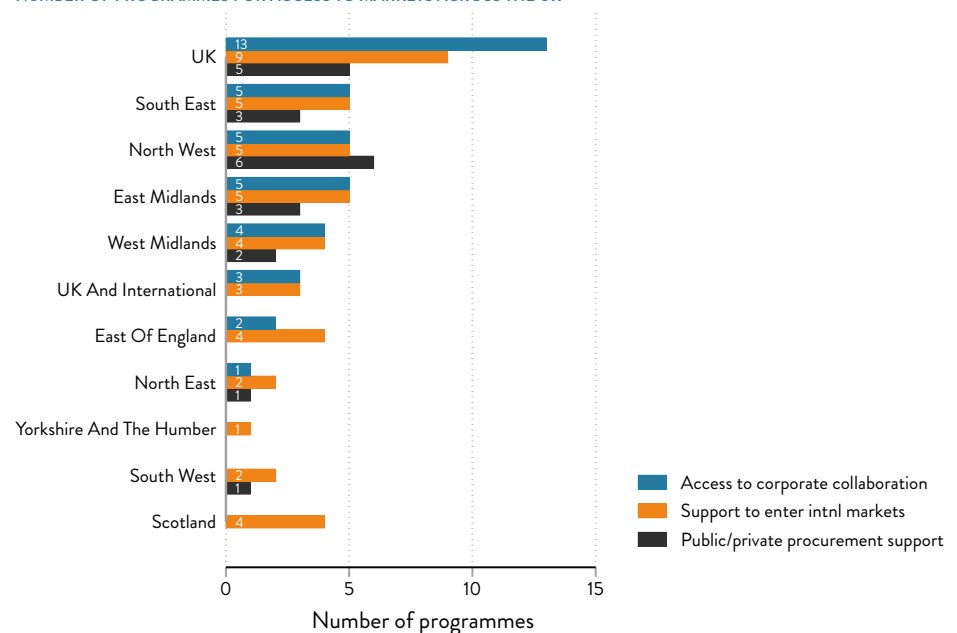
Access to corporate customers, the opportunity to bid for Government contracts and exporting opportunities are ever more crucial to scaleups. In 2018 our scaling leaders cite this as a rising challenge – on a par with Talent – making it a priority for the ecosystem to address.

Access to Markets, both UK and International, has risen sharply in importance for scaleup leaders who are twice as likely to be international as compared to other businesses.

In our Scaleup Business Survey 2018, Access to UK Markets (corporate and government procurement and collaboration) was the second biggest barrier highlighted by scaleup leaders at 79% and Access to International Markets was a concern for 5 out of 10 of our scaling leaders.

It is also significant that this spike in importance is consistent with the gaps in provision of specific ‘access to markets’ support to scaleups, which we have uncovered as part of the mapping of scaleup services we have undertaken with Innovate UK (see Chapter 1: Mapping the Maze). Our mapping shows that of the programmes that purport to exist for scaleups – only 10% of the total are focused upon corporate collaboration and procurement, and only 20% on internationalisation. This highlights a significant gap in provision for scaleups in an area of acute importance which needs priority attention.

NUMBER OF PROGRAMMES FOR ACCESS TO MARKETS ACROSS THE UK



“My company gets 60% of its revenues from outside the UK, but this is not recognised or encouraged by any government body.”

LONDON SCALEUP BUSINESS LEADER

“Our problem is being able to execute sales and services in foreign markets.”

NORTH EAST SCALEUP BUSINESS LEADER

“Help in expanding my supply base in overseas countries would be really helpful, especially India.”

WEST MIDLANDS SCALEUP BUSINESS LEADER

“The Government should stop trying to fit export opportunities into neat boxes and offer tailored support...in the form of export vouchers.”

EAST MIDLANDS SCALEUP BUSINESS LEADER

“A barrier for us to grow internationally is not having people with the knowledge of different countries and potential markets.”

SOUTH WEST SCALEUP BUSINESS LEADER

Exporting for growth

Access to customers and partners overseas, and having the people and talent to win overseas sales, are explicit issues raised by scaleups as barriers to further international expansion. In our 2018 annual survey, when asked what they would value more from the public and private sector to address these challenges, they cited as most important: better introduction to buyers overseas; a single point of contact at the Department for International Trade (DIT); more information on trade missions and market opportunities, alongside tailored missions.

The Export Strategy¹ – published by DIT on 21 August this year – has an ambitious goal to increase exports as a share of UK GDP from 30% to 35%. Focusing more support on scaleups will make this achievable.

The Strategy acknowledges the importance of scaleups as a segment for intensive engagement as part of its High Potential Export Businesses category. This stated intent is welcome and now must be delivered on with the implementation of an enhanced International Trade Adviser Service creating a proactive relationship management team, at home and abroad, dedicated to our scaling businesses that encompasses buyer introductions, market insights and more tailored trade missions. This dedicated expert team should be rooted in hubs closest to the scaling business and be skilled in scaleup needs.

Evidence in Denmark and Scotland shows the value in this approach as we are also witnessing in our exemplar case studies in Chapter 2. How this also operates effectively in the overseas markets will be key and considering how best to create a ‘soft landing’ in markets with a suite of solutions at hand. The recognition of the need to have peer-to-peer networks as an active part of ongoing DIT work is to be encouraged.

This export effort should, as indicated in the Strategy, be supported by the broader joint work being undertaken between the ScaleUp Institute and the Government towards better use of data, making it easier to identify scaling businesses that are already exporting and wanting to grow in current or new markets. It is also important to encourage the development of, and build upon innovative solutions – such as the ‘Google Market Finder’ tool launched in 2017.²

As noted elsewhere in this report we continue to view the Mayor of London’s Go to Grow programme as an exemplar of a focussed service for scaling businesses which others should follow. Since our last report it is pleasing to see that Manchester’s City Mayor is now taking a similar approach at a local level. These bespoke scaleup solutions should be accelerated as part of the Export Strategy rollout involving City Mayors and local areas. Export vouchers should be assessed as part of this.

The Export Strategy deployed effectively towards scaling businesses has significant potential to help in closing the UK balance of payments – indeed directly working to lift the export turnover quotient with the Index of visible scaleup companies has alone the potential to add billions towards the UK’s export drive. The public and private sector needs to redouble efforts to identify and work with scaling businesses in their localities and client base to make sure we can turn scaleup export aspirations into reality – and at pace.

Accessing UK customers

Corporate and Government procurement / collaboration can drive productivity both through the engagement of scaleups and innovative firms, as noted in the recent IPPR report ‘Charting a Course for the Future’,³ and corroborated through our own research.

Engagement in global supply chains gives exposure to global competition, and increases the need for the adoption of industry ‘best practice’ and technologies that improve a firm’s competitiveness.

For many scaling businesses achieving an “anchor customer” – either a major corporate or a government department is a huge milestone, acting as a trigger to further growth.

¹ <https://www.gov.uk/government/publications/export-strategy-supporting-and-connecting-businesses-to-grow-on-the-world-stage>

² <https://www.thinkwithgoogle.com/tools/market-finder/>

³ <https://www.ippr.org/research/publications/charting-a-course-for-the-future>

“For corporates or Government, there should be dedicated entry portals so vendors can present themselves and articulate their value proposition – so at least they are visible.”

SOUTH EAST SCALEUP BUSINESS LEADER

“A SME/Scaleup procurement track should be made mandatory... we should not be pushed through the same procurement process as a large company... it's too onerous for us.”

SOUTH WEST SCALEUP BUSINESS LEADER

“Government purchasing portals are not efficient. We would need a whole department just to respond to tenders. Let's just have one template that we can complete and upload to any tender.”

SOUTH EAST SCALEUP BUSINESS LEADER

Improving corporate collaboration

Many scaleups tell us that the most important help they can receive is the ability to access corporate buyers in a timely, consistent and efficient manner. Consistently, scaleups cite the culture and procurement processes that go with trying to become a supplier to a large corporate as difficult and time consuming to navigate.

Our 2018 survey again highlights that the time it takes to secure a contract with a large corporate is longer than securing one with Government. It reinforces the need for corporates to become clearer and more transparent in their supplier requirements and to create simpler online tools that makes the procurement process more accessible to scaling businesses.

There are some practical ways improvements can be made and this is seen in the endorsed programmes which we have exemplified in Chapter 2 and the checklist we have created with Nesta from our observations of good practice. These practices include: Board sponsorship; dedicated senior level scaleup champions across functions – not just in the procurement arena but also in risk, compliance, legal, IT, etc.; dedicated scaleup units; fast-track options and procedures, or other practices such as preferential payment conditions.

Corporates should also emulate the Government's transparency in identifying the businesses they are buying from and what opportunities exist to do more with them. This transparency has allowed the ScaleUp Institute, with Tussell, to create a Public Procurement Index. Individual corporates could use the same methodology to cross check their scaleup buying. Highlighting this work in practical 'meet the buyer' events in local areas and via online hubs is invaluable to scaling businesses. Despite the intents stated, our evidence currently shows this is not being undertaken as well as or as extensively as it might. 2019 needs to see a 'stepping up' of direct corporate / scaleup engagement. We hope the emerging scaleup programmes across the country will seek to do much more in this space.

UK government procurement

Government procurement – at both national and local – is a huge potential market for scaleups. Each year Central Government spends over £40bn with non-public sector organisations. This year, working with data firm Tussell, and building upon our ongoing work with Beauhurst to identify visible scaleups, we have published our inaugural ScaleUp Public Procurement Index identifying the 397 individual scaleups who have been procured from by the public sector to a total value of £1.5bn. As depicted on page 216, this shows that Local Government accounts for 49% of public sector purchases from scaleups with contracts totalling £977m; Central Government comparatively has 20% of scaleup contracts by number and 10% by value at £149m.⁴ Cabinet Office is recorded as the largest single procurer from scaleups and overall 2.1% of purchases made by the public sector are with visible scaleups. This showcases the opportunity available for more to be done and highlights the variation between localities and at a central level which can be improved upon.

Going forward this Index will be our benchmark by which we measure the progress of the Government's intent to do more with scaling firms. The policy announcements made this year in Spring reflected a range of the recommendations made by the ScaleUp Institute and Scaleup Taskforce to further move the dial including: expansion of Contracts Finder to include large corporate supplier subcontracting opportunities, and the development of procurement champions across all Government departments. The Index will be a tracker by which to measure whether the announcements actually deliver meaningful impact.

There still remains much to be done to build on the current policy steps if we are to address the significant scaleup gap compared to larger businesses. In 2019 we would wish to see further progress on:

⁴ The remainder of public procurement is from the NHS, Housing Authorities, and other public sector bodies.

“Large companies are generally a real challenge unless you have a very decent and practical senior sponsor.”

LONDON SCALEUP BUSINESS LEADER

“If corporates want to support the ecosystem, then lip service about innovation units... isn’t enough. The board should have a KPI of money spent with scaleups. To get deals done takes superhuman powers, even when a large enterprise truly wants to buy your product.”

LONDON SCALEUP BUSINESS LEADER

“Have more, smaller procurements than fewer, larger, procurements.”

SCOTTISH SCALEUP BUSINESS LEADER

- Contracts Finder being better used by the public sector,⁵ more user oriented, and better known among the scaleup business population.
- Procurement champions having clear objectives and measurements. They should work to a defined job description, with clear expectations and recognised outputs and be more visible in localities and sectors.
- OEMs and Tier 1 companies working with Government being further encouraged to work with scaleups in their supply chain. Productivity will be improved if interactions within supply chains can be enhanced and made more efficient.
- More ‘meet the buyer’ events being conducted with scaleup firms and Government departments, working closely with the emerging local scaleup programmes to make these more targeted. Lessons should be taken from endorsed programmes, such as SVC2UK, on how to conduct these to good effect.
- Qualifying thresholds should not be unnecessarily high as this can create significant hurdles for scaling firms.
- More timely advertising of procurement contracts.
- Informal notifications about upcoming tenders, in order to give scaleups time to prepare.
- Breaking larger opportunities into smaller packages, to enable scaleups to compete for a wider range of contracts where they would otherwise face capacity constraints.

The role of supply chains in scaling up

Some large infrastructure projects, such as Hinkley Point, are already well engaged in promoting local supply chain opportunities and have created a very effective hub and engagement model to work with scaling businesses on the huge opportunities they present. There is an opportunity for others to learn from this which we will be exploring further in 2019. Larger corporates have a key role to play in their supply chain in identifying scaling businesses and working with them as regards their talent, leadership and finance needs. Sharing in Growth, outlined in Chapter 2, remains delivering this in the manufacturing space and we are watching with interest the Productivity through People initiatives to monitor their effect on scaling businesses.

Requiring large corporates who are competing for Government contracts to do more through their supply chain, including contract and payment terms will help to shift corporate culture and lead to a breakdown in barriers to growing firms. Celebrating those that do this well is also to be encouraged.

Providing new opportunities to innovate

In this year’s review we feature the FCA Sandbox as one to watch as it is a concept with significant value for boosting and facilitating innovation and growth. The FCA Sandbox provides an environment for firms to test innovative products, services and business models with delivery mechanisms in the real market with real consumers. The scheme is showing real signs of success with 90% in Cohort 1 progressing towards a wide market launch and many attracting investment to enable their scaling up. Sandboxes help scaleups experiment within a realistic environment without penalty, but they also help ‘regulators’ learn how they adapt. In New South Wales (Australia) there is now an open approach to sandbox environments allowing companies to apply to test ideas relating to any of the State’s regulations. Last year we encouraged the UK to seek to emulate these models across departments and sectors such as health and education. It is therefore pleasing to see the £10m now being deployed to regulatory sandboxes through the ‘Regulators’ Pioneer Fund’. We will be monitoring outcomes of this programme closely. It is also important to continue to open up APIs to allow for private sector innovation in this area.

⁵ Work by the Spend Network suggests that Contracts Finder is not being properly used. So we also need more emphasis on public bodies using this as they should.

“We are working hard to create good relationships with a couple of larger corporates but the changes that occur within them means that it is hard to manage their contacts and delivery timescales.”

SCOTTISH SCALEUP BUSINESS LEADER

“Government spend should be prioritised towards UK/ regional and local companies ... and help develop local and regional champions.”

SOUTH EAST SCALEUP BUSINESS LEADER

“Work packages are often aimed at larger companies as the public sector believes that large companies are safer than smaller ones.”

SCOTTISH SCALEUP BUSINESS LEADER

Innovate UK’s role in the scaleup landscape continues to evolve. As exemplified in the ScaleUp Index 2018 its investment programme has been a key anchor to over 345 Visible Scaleups. Crucial to this impact is also the broader services Innovate UK provides across its Enterprise Europe Network (EEN), Knowledge Transfer Network (KTN), the Innovate 2 Succeed offer, Catapults, Industrial Challenge funds, international collaboration support and connections to corporates. In 2018 the ScaleUp Institute has been delighted to work with the Innovate UK EEN team on their Scaleup Pilot Programme utilising their concept of a ‘Scaleup Board’ and engaging a team of Scaleup Directors to work intensively with a cohort of ambitious innovative scaling firms in breaking down their scaleup challenges. The initial results reported on this intensive coordinated intervention are encouraging and we are pleased to learn of its expansion in 2019.

In summary

Access to domestic and international markets has significantly moved up in scaleup leaders issues and challenges placing it alongside talent as the most significant barrier to further growth. The research that the ScaleUp Institute has undertaken shows an insufficient range of solutions at local level to address scaleup ‘access to markets’ demands. The private and public sector need to intensify their focus and services on scaling businesses to make sure they can achieve their fullest potential both at home and abroad and follow through on the following recommendations:

2018 Recommendations

6

We recommend that Central Government when implementing its Export Strategy allocates a significant portion of resources to scaleups, including dedicated trade missions for scaleups. All local areas should be encouraged to set up a local exchange programme for scaling businesses, such as that developed by the Mayoral ‘Go to Grow’ campaign in London.

7

We recommend that Public bodies use the inaugural Visible Scaleup Public Procurement Index to further improve their understanding and reporting on the procurement from UK scaleups, including scaling businesses not yet visible at Companies House.

All public bodies should improve the way opportunities are promoted to scaleup companies by significantly raising awareness of procurement champions and ensuring their roles have objectives and measurements. The Government should increase the promotion and continue the evolution of Contracts Finder to become a smart platform and the development of ‘meet the buyer’ events and more sandbox environments.

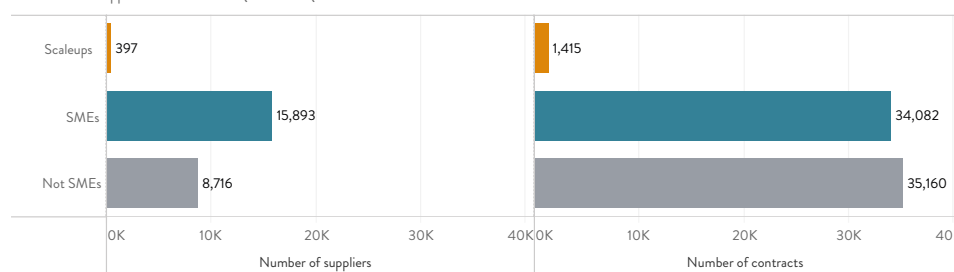
8

Large companies should report on the level of collaboration and procurement they source from scaleup companies. Any procurement contracts with Government should require an increase in the amount of business undertaken with scaleups as part of the contracting process and provide an annual update.

Scaleup Public Procurement

Based on visible scaleups from Companies House data, excluding charitable and third sector scaleups and listed companies. Data analysed by Tussell, based on the period July 2017-June 2018.

Public sector suppliers and contracts Q3 2017 - Q2 2018



By value, **2.1%** of public sector contracts were won by visible scaleups, worth **£1.5bn**

An additional **£4.6bn** was awarded to scaleups in framework value

LOCAL GOVERNMENT ARE THE MAIN BUYERS FROM SCALEUPS

Number of Scaleup contracts by buyer type as a proportion (Q3 2017 - Q2 2018)



Value of Scaleup contracts by buyer type as a proportion (Q3 2017 - Q2 2018)



HA = Housing Association

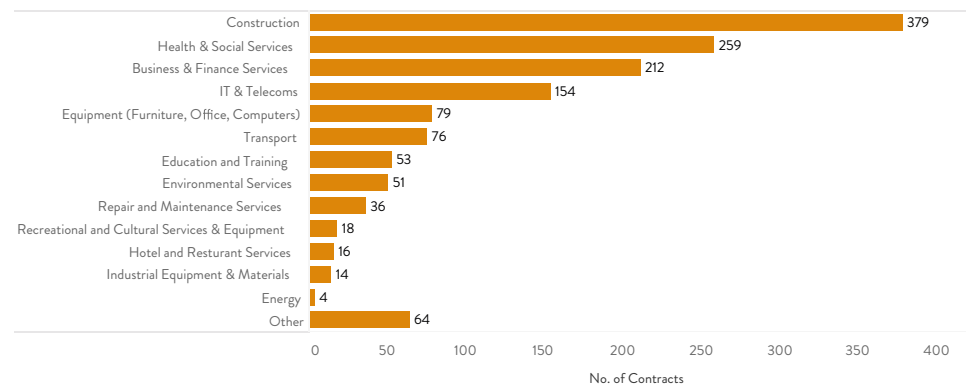
The top 3 buyers from visible scaleups:

By number of scaleups awarded contracts

LOCAL GOVERNMENT		CENTRAL GOVERNMENT	
1	Eastern Shires Purchasing Organisation	1	Cabinet Office/Crown Commercial Services
2	South East Shared Services	2	Business Services Organisation
3	Staffordshire County Council	3	Home Office

Scaleups won the most contracts in the construction sector, followed by Health & Social Services and Business & Finance Services

Number of contracts won by scaleups by sector (Q3 2017 - Q2 2018)



AWM based in Leeds was the top visible scaleup by award value, winning awards worth £165m



Accessing finance

The finance challenge for scaleups in the UK remains, particularly at a local level where surveys continue to show an ongoing perception that funding is most available in London and the South East. Scaleups are keen for a vibrant and connected finance market, that is easily accessible in the regions in which they operate and suitable to their needs as scaleup businesses – including the availability of patient money to finance long term growth plans.

While scaleups consistently report the most need for action on talent, access to markets and leadership, they also cite access to finance – and notably long-term patient capital – as a barrier to their growth. Scaling businesses consistently point to the problems of finding long-term investors which is why they have often turned to overseas investors. This requires the UK to create ‘at scale funds’ and deeper and more visible pools of connected capital, available through the lifecycle of a business to reach global scale, sustained growth and longevity.

Our annual survey reflects that three-quarters (74%) of scaleups surveyed this year are currently using a source of external funding, far in excess of SMEs, generally where 36% are using external finance. The largest proportions of scaleups are, like their peers, finding resources from traditional sources – 40% using overdrafts, credit cards or loans, 28% through leasing or hire purchase and 25% have received cash injections from family and friends or directors. Only 23% received equity from a third party investor and 13% from Government funding.

Reservations about the use of equity finance remain, with too few high profile regional case studies able to counter: perceptions of complexity; perceived unsuitability; a fear of having to “give up control”; or, a simple lack of knowledge.

When it comes to finance, scaleups are not just looking for cash; they want smart, patient money which brings knowledge, skills and customer and market connections with it. It is clear that financial providers must work more closely with local communities in order to provide tailored solutions for scaleups where they are based and that certain sector challenges still persist.

Provision of patient capital

We were pleased by the Government’s response in both the 2017 and 2018 Budgets to the consultation feedback given as regards ‘Financing Growth in Innovative Firms’ meeting the challenges of patient capital. The additional capital injection to the British Business Bank and launch in June of British Patient Capital, a newly established £2.5bn investment fund incubated in the British Business Bank, is an important step towards enabling long-term investment in innovative and scaleup companies across the UK.

We very much welcome the fact that plans have progressed to include regulatory reforms and a commitment from industry leaders such as Aviva, HSBC, L&G, NEST, The People's Pension and Tesco Pension Fund, to work with the British Business Bank to explore options for pooled investment. This is closely aligned with our own consultation response, bespoke research and recommendations of our Annual Review 2017.

The importance of EIS and VCTs is also noted by many scaleups as a cornerstone of early stage growth capital and follow on funding. It is important that clarity around these incentives – alongside Entrepreneurs' Relief – has been given as part of the 2018 Budget to maintain long-term investor confidence about the availability of these instruments in order for them to remain a key component of the funding ladder.

Addressing regional disparity

Regional disparities in access to private equity by deal numbers and value persist.

Latest figures from the British Business Bank show that – as in previous years – London accounts for a significant proportion of deal activity. The business stage composition of equity deals varies by region and devolved administration (see table below) with overall activity in Scotland in 2018 increasing compared to 2017.

While proportions of deals between seed, venture and growth stages are broadly similar between London and the rest of UK overall, there is larger variation in individual areas.

Some regions have a higher than average proportion of seed stage deals in 2017 including Northern Ireland, Wales, West Midlands, Yorkshire and Humber, and the North East. The North East and East Midlands have a high proportion of growth stage deals. In the case of the East Midlands this is driven by the small number of seed stage deals in the region. Scotland has a higher proportion of venture stage deals than the overall UK market, but a relatively low proportion of growth stage deals.

PROPORTION OF EQUITY DEALS BY BUSINESS STAGE (2017)

Area	Seed	Venture	Growth
London	47%	37%	16%
South East	49%	39%	12%
Scotland	43%	48%	9%
East of England	47%	36%	17%
North West	49%	33%	18%
South West	49%	37%	15%
Wales	51%	38%	11%
West Midlands	51%	37%	12%
Yorkshire and Humberside	52%	33%	14%
North East	50%	15%	35%
Northern Ireland	64%	14%	23%
East Midlands	29%	24%	47%
UK	47%	37%	16%

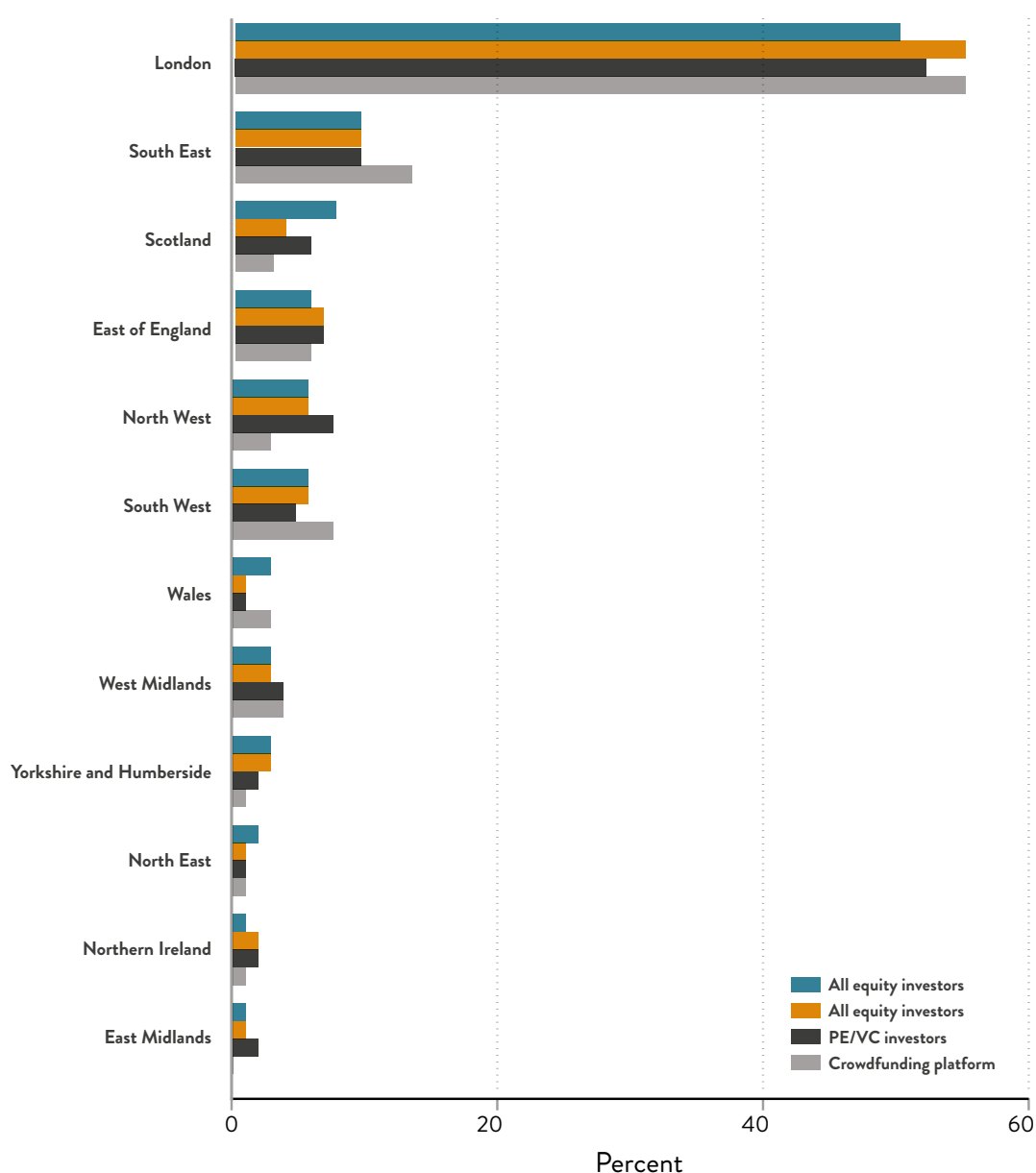
Source: British Business Bank analysis of Beahurst

The role of the British Business Bank and its partnership with the private finance and business community is ever more important if we are to address these regional and capital asymmetries.

An important criteria going forward for British Business Bank co-investment will be the ability of the private investor co-partners to deploy the funds into scaling businesses in the regions and local areas outside London and the South East.

Equally the British Business Bank-led commercial investment programme to support developing clusters of business angels outside London, alongside its deployment of a network of regional managers, which we endorse, are essential elements to address the regional imbalance.

DISTRIBUTION OF EQUITY DEALS BY TYPE OF INVESTOR (2017)



Source: British Business Bank analysis of Beauhurst

The Europe effect

Analysis from the British Business Bank shows that significant amounts of regional equity funds are backed by EU money, and it is important that money has been identified to fill any potential EIB shortfalls here for 2018/2021. This will need ongoing assessment.

Additionally, the joint initiative between the EIB and the European Commission has provided vital pools of capital and research collaboration for life science businesses and other innovative sectors under the Horizon 2020 and COSME programmes. As matters evolve and the UK relationship with the EU is clarified, access for UK innovative businesses should be maintained to these schemes, or they must be replicated as part of the UK replacement EIB/EIF arrangements through the British Business Bank.

Knowledge and demand

It is not just a question of supply. It is also important to increase the provision of education about growth capital so that scaleup leaders are fully aware of all the available options and can structure their companies appropriately.

Our most recent research with Beauhurst shows that 16% of visible scaleups use equity. This is 687 out of the 4,420 on our Visible Scaleup Index, and continues to show a direct correlation between even faster growth and an equity stake. The more equity investment a company has received, the more likely its revenue is to be growing at a rate quicker than 100% a year. It is therefore important to continue our work to encourage other scaling businesses to consider equity finance as an option for growth.

As part of our efforts to close this knowledge gap, as announced in our 2017 Annual Review, the ScaleUp Institute has been pleased this year to collaborate with the British Business Bank, alongside the London Stock Exchange and other important players, to develop the Finance Hub which better brings together the knowledge on growth capital across the country on a digital platform tailored to scaling businesses.

The establishment of regional relationship managers within the British Business Bank is also important to better connect capital between locations and scaling businesses. They will play an important role in developing a more comprehensive, connected, and productive UK finance ecosystem across geographies to help ensure the ecosystem is connected and funding gaps addressed from the seed stages through to public markets.

Funding innovation

Innovate UK's role in the fostering of the UK's most innovative businesses across sector and geographies is evidenced again in the 2018 Scaleup Index – it shows Innovate UK has played a critical investment role in 345 of the visible scaleups (a 37% increase in the number supported from the 2017 Index) to a value of £74m (a 19% increase from 2017) – showing the vital role Innovate UK plays with businesses that are scaling up. This role must be maintained and built upon.

The sector dynamic

As effective finance solutions are developed, it will be important to consider how these can be applied across different sectors. It is notable from our case studies – evidenced in Chapter 2 – that there is a growing pool of financiers providing investment capital to scaling businesses which is encouraging. However, many of these are addressing the needs of the tech sector which, while good, also highlights a need to be vigilant on sectors that may be under-served by the finance community. This is why it is important that monitor finance options for female-led firms – a focus for the British Business Bank – and IP rich businesses.

Across this year the ScaleUp Institute has been working with the social business sector and creative sector to assess the challenges of scaling up as relates to them. Both of these sectors, alongside life sciences, show greater sensitivities to availability and access to scaleup finance than others. Later this year we will publish, with Barclays Bank, a report into the

challenges faced by ‘Social Scaleups’ where we will provide further insights for the finance ecosystem to act upon. We have also been working across this year with the Creative Industry Council Access to Finance Forum, and DCMS, and how we address the issues here in relation to investment readiness, and connections to capital, which will be a feature of our work in to 2019.

In summary

History tells us there is no single lever to pull to solve the finance challenge but a combination of initiatives are necessary.

At a time when the global competitive landscape is shifting, many countries are placing more effort and resources into supporting their scaling firms, and looking to tempt those in the UK to move overseas and many international investors are scouting here for our scaleup business talent. While this creates opportunity for our scaling firms, they want better connected capital here and if we wish to maintain our competitive advantage it is imperative that the policy initiatives introduced in recent years, or currently being implemented, are ambitious and deliver meaningful outcomes. We shall monitor carefully the impact of current and recently announced initiatives as they are implemented and work with organisations to ensure that funding is targeted towards and reaches scaling businesses. It will be important to maintain impetus and we therefore continue to recommend:

2018 Recommendations

10

Government and industry ensure progress is made closing the finance gap for scaleup by continuing the work to implement the Patient Capital Review. Growth finance to be included as core curriculum in all local scaleup leadership programmes enabling them to seek out and secure the most appropriate funding at each stage of their company’s growth. The status of current EU sources of funding needs to be monitored, and replaced as appropriate.



“The British Business Bank’s mission is to help drive economic growth by making finance markets work better for small and scaling businesses – wherever they are in the UK and wherever they are on their business journey – enabling them to prosper and grow. Compared to their peers in the USA, the leading scaleup environment, a major barrier holding back the continued development of young innovative firms is access to longer-term investment. The lack of this patient capital slows these firms’ growth and ultimately holds back the UK’s productivity. Following the Patient Capital Review, addressing this gap has been a major focus of our activity. To deploy the £2.5bn of new resources for the Bank announced at last year’s Budget, British Patient Capital has been established to enable long-term investment in innovative companies across the UK led by ambitious entrepreneurs who want to build successful, world-class businesses. Over time, our goal is to develop these markets and encourage private institutional investment into this area.

“Our research also shows that the UK’s high-growth scaling businesses suffer from regional imbalances in the supply of early stage equity finance, with London and the South East receiving a disproportionate share of equity flows compared to their population of high growth businesses. Launched in October 2018, the Regional Angels Programme will deploy £100m of new funding to help redress these imbalances and will ensure that more ambitious scaling businesses can access the early stage equity finance they need to grow and succeed, wherever they are in the UK”

KEITH MORGAN, CEO, BRITISH BUSINESS BANK



Infrastructure

Space with room to grow and evolving scaleup campuses offering a suite of scaling services.

“Universities work pretty slowly compared to businesses so we always find it frustrating. We usually give up and move on. They aren’t set up to work at pace and over the summer they all disappear.”

NORTH/NORTH EAST SCALEUP BUSINESS LEADER

“Universities need to advertise their facilities and services better, maybe all on one website.”

EAST ANGLIA SCALEUP BUSINESS LEADER

“We would like to have access to a university’s R&D facilities as that would help us accelerate our product development and technology without needing to invest in expensive equipment that we might only use occasionally.”

SCOTTISH SCALEUP BUSINESS LEADER

‘Place’ has been rightly emphasised as one of the five core foundations of the Industrial Strategy. Finding the right flexible space in which to flourish and grow is a consistent concern for scaleups.

Having the ‘space to scale’ in the localities in which a scaleup already has a presence and existing workforce is a fundamental enabler to their growth – or inhibitor if not available. Scaling businesses in manufacturing and those in the life science sector are particularly sensitive to this opportunity given the ‘kit’ that also comes with any expansion plans. Not having the local ecosystem make a concerted effort to make sure growth is frictionless can be an acute hindrance to a company scaling.

This means that ever more local authorities and regions need to know, work with and consider their local scaleups making sure they plan for the future to meet the capacity demands that scaling businesses will have. Whether this be in flexible leasing structures and online tools to showcase available business real estate such as the examples seen in London and Bristol; or transport and digital infrastructure; or the homes in which employees will need to live. Significantly it is important to factor these issues into the development of Local Industrial Strategies, and policies designed to ensure that existing companies can be retained within localities as they grow.

In Chapter 2 of this Review we have highlighted the very effective work being performed by universities, science parks and hubs in creating not only the space but the environment to rapidly grow, so wanted by our scaleup leaders. In particular we have endorsed **Alderley Park** in Cheshire and the **Babraham Research Campus** in Cambridge for their work and continue to endorse the expanding role of the Bristol-based **Engine Shed**.

A key attribute that all three bring to the table is not just space but, importantly, the way in which they have created a ‘scaleup’ campus mentality in which ideas can thrive and joint solutions to challenges be developed, as well as a pool of peers, mentors, and investors, to work with these scaling firms. These hubs are also growing with their scaleup communities rather than holding a static place in their companies’ growth journey. For example, Babraham is investing to build scaleup space having realised the need to cater for businesses that have started with them but are scaling fast, and the importance of frictionless access to new premises on the same campus. Similarly in Bristol, Engine Shed is building new space as well through their ScaleUp Enabler, who identified the lack of suitable accommodation as a major challenge for West of England scaleups, and has worked with the local ecosystem to source new office space for scaling firms.

“Small companies with original ideas are concerned about going to some universities because of IP issues and because university funded collaboration attract large fees for overheads. This makes the process expensive and erodes the funding for innovation.”

**NORTH WEST SCALEUP
BUSINESS LEADER**

“We work well with universities but that is a function of personal contact with professors and others, rather than a more formal process.”

**EAST ANGLIA SCALEUP
BUSINESS LEADER**

“Office space and rents are a barrier to our growth. We need the commercial landlords to move with the times more.”

**SOUTH WEST SCALEUP
BUSINESS LEADER**

Financiers are also playing their part in scaleup space with on-the-ground support through the repurposing of buildings to create new scaleup space and environments to support their growth. Notable in this regard are:

- **Barclays Eagles Labs**, which we endorse in 2018, now has 18 sites across the UK, offering scaling businesses offices and co-working spaces alongside a dedicated scaleup leadership programmes and mix of facilities, workshops and relationship experts to help scaling businesses grow even further.
- **NatWest Entrepreneurial Accelerator** has 12 UK hubs, offering development managers who work with scaleups to provide expertise and support. This service makes our ‘one to watch’ list in 2018.
- **Level39**, which is ‘one to watch’, based in the heart of Canary Wharf’s financial district, focuses on supporting early-stage businesses and scaleups with a high-quality infrastructure, structured access to investors, mentors and business experts as well as links to major customers.

We are aware that other corporates in the UK are involved in initiatives such as this like BT, and will be exploring these further in 2019.

Research and development

Research and Development (R&D) is intrinsically tied to the education agenda, but is also strongly linked to the infrastructure available to growing firms. Scaleup leaders have again highlighted that they highly value access to R&D and innovation, including Innovate UK, and wish to see even more engagement with these opportunities.

Those accessing Challenge Funds should be encouraged to engage with growing and scaleup businesses including the opening up of their research facilities and deployment of students to projects with scaling businesses. Programmes that are geared towards the commercialisation of research are likely to have more impact if the role that fast growing firms have in the area of innovation and research is effectively captured. The options for evolving the R&D tax credit treatment should also be kept under review including ways in which it could support firms in adopting new technologies, driving productivity. As in 2017, we continue to view the Government building upon the work of Innovate UK and the Industrial Strategy Challenge Funds as important to ensure that research and innovation drives made under it are closely connected to scaling businesses – and sectors.

In this regard we are encouraged by the 2018 Budget announcements allocating £25m to the Knowledge Transfer Partnership scheme with its intent to place over 200 additional graduates and academics with relevant skills into firms to translate their research insights into business growth. We will monitor with interest its progress. It is also positive that the Government is confirming £115m to extend funding for the Digital Catapult, which has centres in the North East, South East and Northern Ireland, and the Medicines Discovery Catapult in Cheshire. This builds on the £1bn in long-term funding already committed to the broader network of Catapult centres located across the UK.¹

As EU transition discussions progress, the continued access to, and/or replication of, COSME/Horizon 2020 initiatives will be essential.

In summary

Some good progress has been made with certain infrastructure needs of our scaleup leaders being answered. We need to ensure this continues and encourage ecosystem stakeholders from across the country to take inspiration from peers so that this hindrance can be removed from scaleup leaders’ list of growing pains. The continued focus and investment by the Government on local infrastructure will remain key, as will development of local hubs such as those exemplified in Cambridge (Babraham Research Campus), Cheshire (Alderley Park), and Bristol (Engine Shed).

¹ Budget 2018 – HM Treasury



2017 Recommendations: Progress

PROGRESS KEY

	STRONG PROGRESS		PROGRESS		FURTHER PROGRESS NEEDED		SIGNIFICANT PROGRESS NEEDED
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EVIDENCE GAP

1

We recommend that ‘Scaleup status’ is officially recognised as a formal business classification and that national datasets are made available to allow local and national stakeholders to verify the ‘scaleup status’ of a business.

If this data were to be released, it would answer the calls from stakeholders in local communities to develop a comprehensive picture of their local scaleup businesses. The development of a scaleup ‘kite mark’ should also be considered.

2

We recommend that funding for local communities should now be tied to the effective deployment of scaleup initiatives that close the scaleup gap, and the results and impacts that they have on the number of scaleup businesses in their area.



TALENT AND SKILLS

3

We recommend that the Department for Education and Local Enterprise Partnerships use their convening and promotional power to ensure that students at schools, colleges and universities come into contact with the top 50 scaleup business leaders within 20 miles of their establishment and that an API to the National Pupil database (with suitable protections) is made available so that the impact of these interventions can be measured.

4

We recommend that a ‘Scaleup Visa’ be made available in communities where there are 100+ scaleup companies to enable scaleup leaders to recruit staff they need to increase their capacity to grow. The Migration Advisory Committee should make the skills needs of scaling businesses a priority.



LEADERSHIP GAP

5

We recommend that all local communities appoint a Scaleup Champion and develop a relationship management structure for scaleup businesses.

6

We recommend that local stakeholders signpost effective mentorship programmes and matchmaking programmes between peers and non-executive directors who have scaled businesses before.

Local and national educational institutions should prioritise the introduction of high-quality flexible courses designed to help scaleup leadership teams with their development needs. Better connections should also continue to be made between national programmes and local ecosystem leaders to encourage scaling business leaders to apply to courses with known impact. The Small Business Charter, and other such mechanisms, should integrate an assessment of ‘scaleup engagement’ into their performance analysis.



ACCESS TO MARKETS

7

We recommend that Public bodies review and report on the procurement procedures for scaleups and improve the way opportunities are promoted to scaleup companies so that we see an increase in the extent to which Government procures from scaleups.

This could also be achieved by significantly raising awareness of scaleup procurement champions. This should include the evolution of Contracts Finder to become a smart platform and depository of supplier opportunities from large companies that have contracts with Government; the development of 'meet the buyer' events and the development of more sandbox environments.

Any Government agencies that interact frequently with scaleups should introduce fast-track procedures for scaleups and report on these.

8

Large companies should report on the level of collaboration and procurement they source from scaleup companies. Any procurement contracts with Government should require an increase in the amount of business undertaken with scaleups as part of the contracting process and provide an annual update.

9

We recommend that central Government should align a significant portion of its export activities and resources towards scaleups and create bespoke trade missions for scaleups.

All local areas should be encouraged to set up a local exchange programme for scaling businesses, such as that developed by the Mayoral 'Go to Grow' campaign in London.



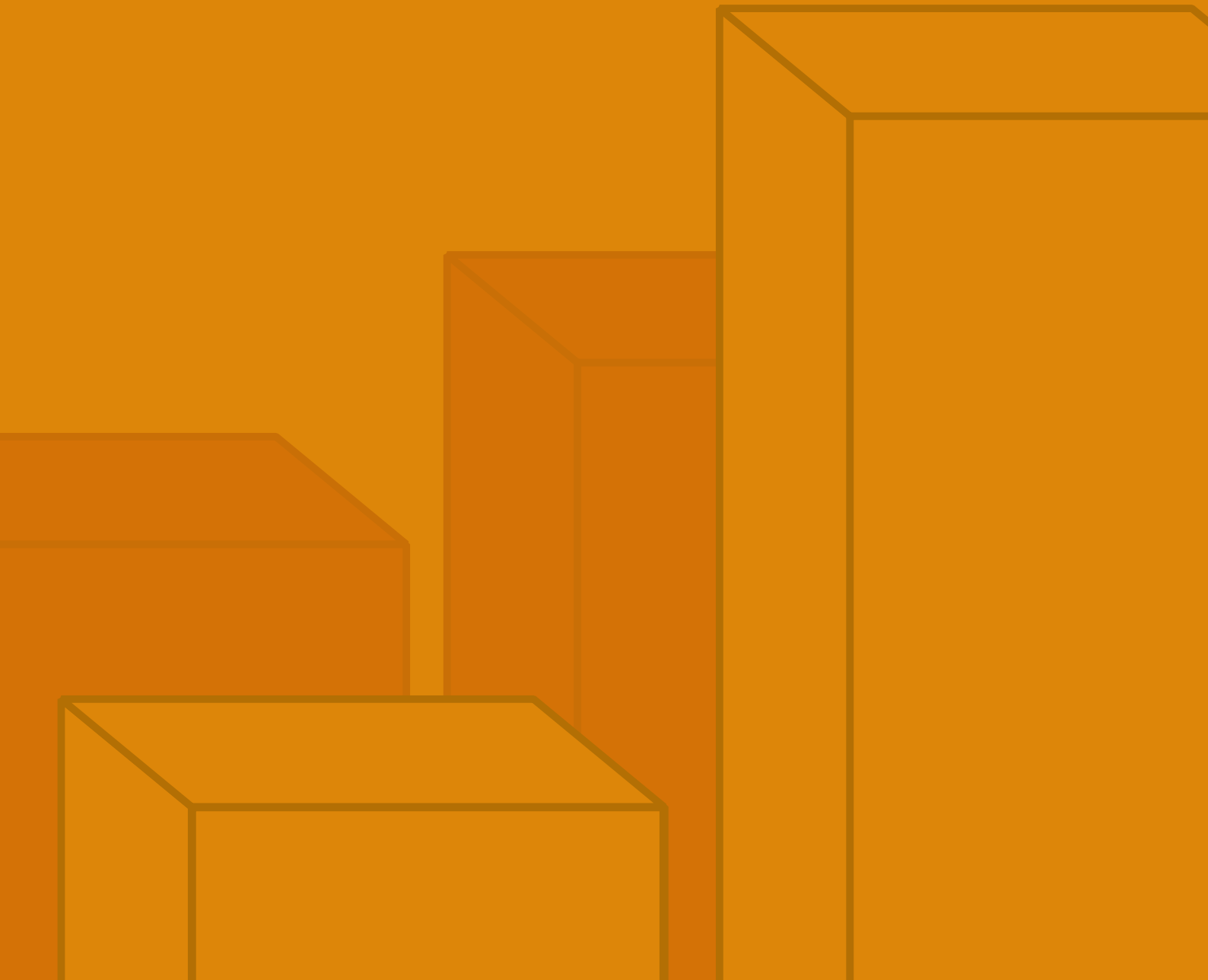
FINANCE GAP

10

Government and industry ensure progress is made closing the finance gap. Growth finance to be included as core curriculum in all local scaleup leadership courses.

Chapter Five

Looking forward



Making the UK the best place to scale a business

We have come a long way together since 2014 when we first took stock of the barriers that prevented companies from scaling further and faster – and what could be done to break them down. Much has been achieved since then, but much also remains to be done.

Our 2016 Review reported upon how local and national players were establishing a more focused ecosystem for scaling companies. Across 2017, through research, data and education, we developed the route map for local ecosystems to come together to address their scaleup barriers and we brought a scaleup lens to the national policy agenda.

In 2018 more local communities have moved forward with valuable practical initiatives after participating in the ScaleUp Institute's education programme Driving Economic Growth through ScaleUp Ecosystems.¹ Further progress has also been made within the private, public and educational sectors, giving us new exemplar programmes which we can endorse. The UK Government has further embedded scaleups into its Industrial Strategy; Export Strategy; the Patient Capital Review; and, in the Chancellor's November Budget. The cross-governmental role of Ministerial Champion for Scaleups has been maintained.

We need to continue at pace if we are to realise our ambition to move the UK to the top of the OECD ranks in growing a business, with the hundreds of thousands of jobs, billions in economic value and prosperity that would bring.

Overall, scaleup density has been improving, but the national picture masks the significant local diversity and drivers of scaling up. This reinforces the need for targeted local action. A large proportion of scaleup leaders are concerned about whether the UK will continue to be a good place to grow a business and do not believe they are as well served as businesses that are not growing as fast. We must continue to work very hard at how we coordinate and collaborate in order to address their concerns. Only by doing so will we close the scaleup and productivity gaps.

The ScaleUp Institute will maintain momentum with an ongoing programme of analysis, research, education, and local engagement. Our Committees will continue to evaluate the evidence provided through case studies, with a particular emphasis on local and regional programmes, and we will continue to recommend policy actions for Local and Central Government and the private sector to address the barriers faced by scaling business leaders.

¹ The Driving Economic Growth Through Scaleup Ecosystems Course is supported by Goldman Sachs 10,000 Small Businesses UK, Innovate UK and, in 2018, the British Business Bank.

Our number one priority remains the acceleration of the harnessing of existing Government data sources to identify scaling businesses. If this can be completed at pace, we will unlock and dramatically enhance intra-governmental, local and private sector engagement with our fastest growing firms. We view this as vital outcomes from the Scaleup Taskforce and Industrial Strategy.

The three P's – People, Place and Productivity – remain crucial, as is the coordination and curation of services at local level. Scaleup business leaders most value locally-rooted resources and services to foster their growth. We will keep the emphasis on local actions because that is where real value lies for scaleups and where they most want action to occur. Yet our new research this year has shown that the provision of scaleup support is variable across the country. We will report once more on progress in November 2019 and developments as they unfold throughout the year.

We have also seen how innovation, investment and internationalism are integral to scaleup success. This makes them of even greater importance now. We must ensure that the scaleup gap, which existed before the UK referendum on EU membership, closes rather than opens wider.

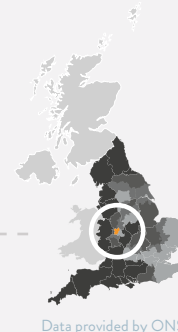
We pledge ourselves again to the vision of making the UK the best place in the world for a leader to choose to scale their business. We encourage you to join us in making this ambition a reality.

Annex 1

Local area summaries

BLACK COUNTRY	LIVERPOOL CITY REGION
BUCKINGHAMSHIRE THAMES VALLEY	LONDON
CHESHIRE & WARRINGTON	NEW ANGLIA
COAST TO CAPITAL	NORTH EAST
CORNWALL & THE ISLES OF SCILLY	OXFORDSHIRE
COVENTRY AND WARWICKSHIRE	SHEFFIELD CITY REGION
CUMBRIA	SOLENT
DERBY, DERBYSHIRE, NOTTINGHAM, NOTTINGHAMSHIRE (D2N2)	SOUTH EAST
DORSET	SOUTH EAST MIDLANDS
ENTERPRISE M3	STOKE-ON-TRENT & STAFFORDSHIRE
GLOUCESTERSHIRE	SWINDON AND WILTSHIRE
GREATER BIRMINGHAM AND SOLIHULL	TEES VALLEY
GREATER CAMBRIDGE & PETERBOROUGH	THAMES VALLEY BERKSHIRE
GREATER LINCOLNSHIRE	THE MARCHES
GREATER MANCHESTER	WEST OF ENGLAND
HEART OF THE SOUTH WEST	WORCESTERSHIRE
HERTFORDSHIRE	YORK, NORTH YORKSHIRE AND EAST RIDING
HUMBER	SCOTLAND
LANCASHIRE	WALES
LEEDS CITY REGION	NORTHERN IRELAND
LEICESTER & LEICESTERSHIRE	

BLACK COUNTRY LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

490



NO. BY EMPLOYEE
GROWTH

165



NO. BY TURNOVER
GROWTH

420



NO. BY EMPLOYEE AND
TURNOVER GROWTH

95



TOTAL EMPLOYEES

57,764



TOTAL TURNOVER

£6.6bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

WILLIAM GIBBONS

William Gibbons operates a printing company, which produces a variety of magazines, catalogues and mail items.

SELECT HEALTHCARE GROUP

Select Healthcare Group operates a group of care homes.

ASH & LACY

Ash & Lacy provide a range of roof and building systems such as rainscreen cladding and steel frame systems.

MECHATHERM

Mechatherm designs and manufactures equipment for the aluminium industry, such as casting furnaces and scrap charging machines for recycling.

JHOOTS PHARMACY

Jhoots Pharmacy operates a network of pharmacies also offering personal health care services such as smoking cessation.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

CHARTER COURT

Charter Court provides retail banking services.

WILCOX

Wilcox operates two companies, Jmp Wilcox & Co and Wilcox Industrial Supply Co, that recycle textiles donated by charities into wiping cloths for use in industry.

MECHATHERM

Mechatherm designs and manufactures equipment for the aluminium industry, such as casting furnaces and scrap charging machines for recycling.

SELECT HEALTHCARE GROUP

Select Healthcare Group operates a group of care homes.

DAVRO STEEL

Davro Steel supplies a large range of steel products such as galvanised steel.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Advice, Investment and Market Development (AIM) for the Black Country works in partnership with the area's Growth Hub, local authorities, the Chamber of Commerce and the University of Wolverhampton to deliver a programme that offers scaling businesses a coordinated approach to a range of services.

Business Navigators work with scaleups to agree a bespoke 12-month programme of one-to-one support and events designed to break down barriers to growth. Scaleup leaders can take advantage of two peer-to-peer networks: The Platinum Group and the West Midlands Manufacturing Club.

Boosting leadership skills and management teams' capabilities, the Black Country Chamber Strategic Leadership Programme is delivered by a facilitator with significant experience with both manufacturing and service sectors. Delegates graduate from the programme with a toolkit of practical techniques and knowledge.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

Access to talent is a key barrier to growth, but also vital are access to UK markets and to infrastructure. They are looking for support from Innovate UK, and then from a range of providers, including DIT, peer to peer networks, public sector funding for R&D and local universities and business schools.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



INFRASTRUCTURE

Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

- Innovate UK
- DIT (Department for International Trade)
- Local universities and business schools e.g. access to their talent, facilities and R&D
- Peer to peer networks
- Public sector funding for innovation and R&D (e.g. tax credits)



WHAT'S NEXT/FUTURE PLANS: The Black Country Growth Hub continues to work closely with neighbouring hubs and the Midlands Engine to devise new activity for businesses with the potential to scale. There are plans to establish a business angels network, a programme of pre-investment support and a mentoring scheme in partnership with Be The Business.

These are programmes offered by the LEP and do not represent all the programmes offered to scaleups in the local area. These have not been evaluated or endorsed by the ScaleUp Institute for their impact and effectiveness. Data utilised at the top of this page is taken from the IDBR 2016. The confidentiality of all data held on the IDBR is protected by the National Statistics Code of Practice and associated Protocols and by specific legislation. In accordance with these requirements, data presented is rounded to prevent disclosure. Differences may exist in totals across tables due to disclosure methods used.

BUCKINGHAMSHIRE THAMES VALLEY LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

335



NO. BY EMPLOYEE
GROWTH

120



NO. BY TURNOVER
GROWTH

275



NO. BY EMPLOYEE AND
TURNOVER GROWTH

60



TOTAL EMPLOYEES

28,088



TOTAL TURNOVER

£8.4bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

PHD

PHD provides bespoke scaffolding building services.

iPRO

iPRO provides bespoke engineering services to businesses for developing manufacturing tools, machines and systems.

LCVR

LCVR supplies cars and vans to vehicle leasing businesses.

SIMPLY WASTE SOLUTIONS

Simply Waste Solutions provides bin collection services for waste and recycling, alongside specialist waste management services such as confidential or hazardous waste.

BIG EASY RESTAURANTS

Big Easy Restaurants operates a chain of restaurants.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

GREENTECH DISTRIBUTION

GreenTech Distribution recycles old mobile devices by refurbishing them and wiping their data and then selling them onto clients.

BIG EASY RESTAURANTS

Big Easy Restaurants operates a chain of restaurants.

PHD

PHD provides bespoke scaffolding building services.

PHOENIX DATACOM

Phoenix Datacom provides businesses with network and data management services.

COMLAND

Comland operates a property development company.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Buckinghamshire Thames Valley has a range of services for scaleups focused on overcoming barriers such as leadership skills, access to new markets, finance and infrastructure. Peer-to-peer networking is a major aspect of these programmes with a new programme called MD Ngage being rolled out which allows business leaders to discuss and share issues of business interest.

A team of advisers provide one-to-one general and specialist business advice, including in-depth advice on inward investment, developing action plans, investment readiness and signposting to relevant provision. The LEP is also championing simplified cooperation with universities and workspaces for incubation and collaboration – and the Growth Hub is embedded into each of these activities.

Sector skills groups have also been set up through a collaboration between BTVLEP, The Skills Hub and The Buckinghamshire Business First Growth Hub with work focussing mainly on skills in the workplace and apprenticeships.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barrier is access to talent, followed by access to markets and infrastructure. They are looking for support from peer to peer networks, Innovate UK and professional services.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



INFRASTRUCTURE

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

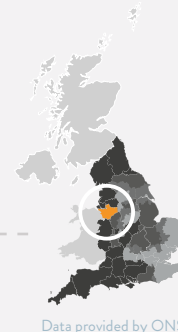
- Peer to peer networks
- Innovate UK
- Local professional services



WHAT'S NEXT/FUTURE PLANS: Plans are underway to build on current work making it more sectorally focussed and to introduce mentoring for the county's scaleup organisations where need is identified.

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CHESHIRE AND WARRINGTON LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

565



NO. BY EMPLOYEE
GROWTH

225



NO. BY TURNOVER
GROWTH

480



NO. BY EMPLOYEE AND
TURNOVER GROWTH

140



TOTAL EMPLOYEES

65,077



TOTAL TURNOVER

£18.5bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

PROXIMO

Proximo provides a range of outsourcing services to companies operating in the insurance sector, including third party claims handling, and the management of incident responses.

COUNTY MILK PRODUCTS

County Milk Products supplies dairy products and animal feed.

LAKER VENT ENGINEERING

Laker Vent Engineering manufactures welding and mechanical components such as pipe racks and pipe work construction.

CREST MEDICAL

Crest Medical supplies first aid and pharmaceutical products such as plasters, bandages and burn gels to both retail and commercial clients.

KINAXIA

Kinaxia runs a group of haulage and warehousing companies in the UK.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

LAKER VENT ENGINEERING

Laker Vent Engineering manufactures welding and mechanical components such as pipe racks and pipe work construction.

WILLIAMS TARR

Williams Tarr provides construction services for a range of industries such as pharmaceutical, retail and commercial.

MYPROTEIN

Myprotein retails sports supplements and nutrition products such as protein shake powders, weight loss tablets etc.

GLADMAN

Gladman operates a property development business specialising in retirement homes, offices and industrial spaces.

KINAXIA

Kinaxia runs a group of haulage and warehousing companies in the UK.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Cheshire and Warrington LEP has a 'Scale Up Programme' providing targeted services, developing partnerships, and establishing a peer-to-peer mentoring scheme.

The LEP is using a series of digital data sources and social media platforms to identify the scaleup businesses in the area as well as recognise trends in their growth when they would benefit from information on the provision available.

Growth experts are available to give advice, they are generalists with experience in business, including managing and running their own scaleups. The next step is to further gear up the resourcing to create a broader dedicated Scaleup Service with specialist scaleup advisers.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to talent, access to markets and infrastructure. They are looking for a range of support from local and regional government, banks, and Growth Hubs and are more likely to mention wanting support with procurement contracts and from large corporates

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

- Local and Regional Government e.g. LEPS, Growth Hubs, city councils
- Banks and other financial suppliers
- Growth Hubs



WHAT'S NEXT/FUTURE PLANS: The LEP is current considering the next stage of development including options for reactive and proactively seeking out businesses looking to grow.

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COAST TO CAPITAL LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

1005



NO. BY EMPLOYEE
GROWTH

410



NO. BY TURNOVER
GROWTH

820



NO. BY EMPLOYEE AND
TURNOVER GROWTH

225



TOTAL EMPLOYEES

93,584



TOTAL TURNOVER

£22.3bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

COACHHOLIDAYS.COM

Coachholidays.com operates a coach holiday booking website.

ILG

ILG provides a wide range of logistics, warehousing and procurement services.

KEW ELECTRICAL

Kew Electrical operates an electrical components wholesale company.

BROOKCOURT SOLUTIONS

Brookcourt Solutions provides IT consultancy services specialising in securing and integrating business networks and technologies.

IDE GROUP

IDE Group (formerly CORETX), provides a range of services related to a business' IT infrastructure.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

AMSYS

Amsys provides IT support, repairs and consultancy services and operates as an authorised Apple service provider.

COLLINS CONSTRUCTION

Collins Construction provides refurbishment and interior fit out services.

IDE GROUP

IDE Group (formerly CORETX), provides a range of services related to a business' IT infrastructure.

CHERRYFIELD

Cherryfield operates a pork cutting plant.

CHAPMAN FREEBORN

Chapman Freeborn offers a range of air charter services such as private jet and air cargo charter.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

The LEP aims to support and sustain the growth of up to 100 scaleup businesses every year through the Coast to Capital Escalator Programme. This initiative currently being piloted offers dedicated support for scaleup business owners on a six-month growth programme that concentrates on barriers to growth.

Cohorts meet monthly for sessions relating to the specific barriers they have identified as holding them back. At the end of the programme they are allocated a dedicated Account Manager to support their long-term sustainable growth and invited to join an exclusive alumni programme.

Growing businesses can receive a day of specialist support from an expert in the relevant field from the Growth Champion Network funded by the Coast to Capital Growth Hub to overcome a specific barrier to their growth.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

Access to talent is a key barrier to growth, followed by access to markets and infrastructure. Their key support is peer to peer networks, followed by Innovate UK and the banks or other financial suppliers.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



INFRASTRUCTURE

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

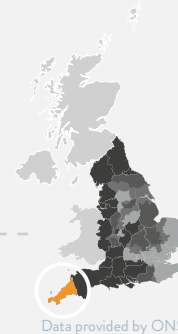
- Peer to peer networks
- Innovate UK
- Banks and other financial suppliers



WHAT'S NEXT/FUTURE PLANS: After the pilot, the LEP is aiming to make the Escalator programme part of the ongoing support provided by the Coast to Capital Growth Hub. Success stories will be promoted across multiple channels to demonstrate the impact of the programme and raise the ambitions of the area's businesses.

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CORNWALL AND ISLES OF SCILLY (CIOS) LEP



KEY SECTORS:



TOTAL NO.
OF SCALEUPS

310

NO. BY EMPLOYEE
GROWTH

120

NO. BY TURNOVER
GROWTH

235

NO. BY EMPLOYEE AND
TURNOVER GROWTH

45

TOTAL EMPLOYEES

14,767

TOTAL TURNOVER

£1.2bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

GOONVEAN

Goonvean acts as a holding company for a range of businesses, including a clay manufacturer, a producer of PAT test labels, and a producer of wristbands.

SEASALT

Seasalt designs and manufactures clothing that it sells in its stores.

FRED CHAMPION

Fred Champion operates a groundworks contracting business.

WESTCOUNTRY

WestCountry trades and supplies fresh produce to both private and public sector customers.

MJL CONTRACTORS

MJL Contractors provides groundworks services to the construction industry.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

GOONVEAN

Goonvean acts as a holding company for a range of businesses, including a clay manufacturer, a producer of PAT test labels, and a producer of wristbands.

AUDIOTONIX

Audiotonix (formerly named Allen & Heath) designs and manufactures audio mixing devices for live-sound events, such as concerts and theatres. Following the acquisition of Calrec and DiGiCo, Allen & Heath was renamed after the new enterprise Audiotonix.

SEASALT

Seasalt designs and manufactures clothing that it sells in its stores.

WESTCOUNTRY

WestCountry trades and supplies fresh produce to both private and public sector customers.

TEAGLE

Teagle manufactures and sells agricultural machinery.

LOCAL LEP SCALEUP PROGRAMMES

The LEP has worked closely with the CIOS Growth and Skills Hubs to develop a stronger focus on support for scaleup and high-growth businesses. The Growth Hub now offers a tiered approach to help target businesses with high growth aspirations as well as link partner business support programmes to high growth/scaleup businesses.

The CIOS Skills Hub can also work with them to help develop the workforce. The CIOS Growth Hub developed a highly successful 'Growth Fest' in late 2018 which brought together 350 businesses, partners and stakeholders in a day to focus on growth.

Data powered by Beauhurst

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to markets, access to talent and infrastructure. They are looking for support through peer to peer networks and public sector funding for R&D and to a lesser extent through local universities and Growth Hubs.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

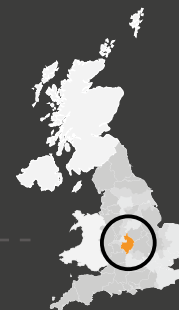
- Peer to peer networks
- Public sector funding for innovation and R&D (e.g. tax credits)
- Local universities and business schools e.g. access to their talent, facilities and R&D



WHAT'S NEXT/FUTURE PLANS: The LEP is planning to build on its scaleup focus through: Championing success stories – managing and building CIOS-specific Scaleup Communications; Linking and working with national growth programmes as well as external programmes such as Goldman Sachs 10,000 Small Businesses UK, Innovate UK; Developing a programme of strong peer-to-peer networking for scaleup businesses

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COVENTRY AND WARWICKSHIRE LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

490



NO. BY EMPLOYEE
GROWTH

185



NO. BY TURNOVER
GROWTH

400



NO. BY EMPLOYEE AND
TURNOVER GROWTH

95



TOTAL EMPLOYEES

120,606



TOTAL TURNOVER

£12.1bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

STAIRCRAFT

Staircraft is a produces bespoke wooden staircases for house building companies. They also provide wooden floors and decking.

EXASOFT

Exasoft develops software products and offers consultancy services for the financial services sector.

MILLBOARD

Millboard produces and sells a range of wood-impression outdoor flooring.

SOLID SOLUTIONS MANAGEMENT

Solid Solutions Management sells 3D design software and provides ongoing training, integration and support services for these products.

MCS GROUP

MCS Group carries out construction projects including extensions, fit-outs, refurbishments, and new builds.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

MATRIX

Matrix manufactures various machinery parts for thread making factories.

STAIRCRAFT

Staircraft is a produces bespoke wooden staircases for house building companies. They also provide wooden floors and decking.

EXASOFT

Exasoft develops software products and offers consultancy services for the financial services sector.

ALUMET

Alumet designs, manufactures and installs a variety of products for the construction industry that envelope buildings in either glass curtain walling, aluminium windows or cladding.

BATHEMPIRE

BathEmpire is an online retailer of bathroom suites.

Data powered by Beahurst

LOCAL LEP SCALEUP PROGRAMMES

Coventry and Warwickshire uses data on turnover and number of employees to identify scaling businesses.

Account managers, who have focused on scaleups since 2014, are responsible for strategically coordinating district plans working as a whole team to ensure a joined-up approach.

The LEP has a well-developed system of peer-to-peer networks including a network of experienced business mentors and leadership programmes. It has established a Scaleup Academy which focuses on two key points in the business cycle – the phase of initial growth and when a natural growth spurt takes place or is needed.

The CW Connect Portal enables local scaleups to develop businesses opportunities and highlight the structures and qualifications they need to compete for such opportunities.

An annual fortnight-long Business Festival with a wide-ranging programme of events hosted by organisations from across the region, brings businesses together to encourage collaboration, networking, learning and sharing opportunities.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to talent and access to UK markets. Their key support is local, through peer to peer networks and local universities and business schools, but also from the Business Bank.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK

Access to tax breaks

WANT TO SEE MORE OF:

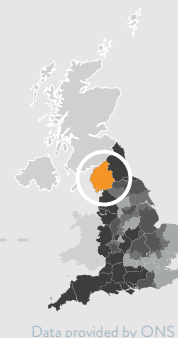
- British Business Bank
- Local universities and business schools e.g. access to their talent, facilities and R&D
- Peer to peer networks



WHAT'S NEXT/FUTURE PLANS: CWLEP's next focus is on skills and infrastructure. The LEP is looking carefully at investment in infrastructure to help retain the area's strength in digital.

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CUMBRIA LEP



KEY SECTORS:



TOTAL NO.
OF SCALEUPS

230

NO. BY EMPLOYEE
GROWTH

85

NO. BY TURNOVER
GROWTH

170

NO. BY EMPLOYEE AND
TURNOVER GROWTH

25

TOTAL EMPLOYEES

10,890

TOTAL TURNOVER

£0.9bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

STORY CONTRACTING

Story Contracting offers construction and civil engineering services, specialising in transport infrastructure projects.

TOP NOTCH CONTRACTORS

Top Notch Contractors provides development, construction and land management services.

LAKELAND LAND ROVER

Lakeland Land Rover sells new and used Land Rover vehicles, parts and accessories and offers automotive servicing.

POINT ON TRACKWORK

Point on Trackwork provide railway maintenance services.

THE SWAN HOTEL

The Swan Hotel operates a luxury hotel and restaurant.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

THE SWAN HOTEL

The Swan Hotel operates a luxury hotel and restaurant.

LECK CONSTRUCTION

Leck Construction provides a range of property development services, constructing across the residential, industrial and commercial industries.

STORY CONTRACTING

Story Contracting offers construction and civil engineering services, specialising in transport infrastructure projects.

POINT ON TRACKWORK

Point on Trackwork provide railway maintenance services.

IMPACT INTERNATIONAL

Impact International provides leadership and management training to organisations.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Cumbria is developing a programme for scaleups based on leadership development, investment, trade and export awareness. The LEP has been using existing data as a first step to discover suitable scaleup companies to target.

A significant part of this is to work with large corporations based in Cumbria to develop local supply chain knowledge, overcoming barriers to accessing new customers and markets at a local level, for scaleups.

Existing networks are being used as a knowledge transfer network and scaleups are invited to participate in this.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to talent and infrastructure, alongside UK markets and the right bank finance. They are looking for support from LEPs and Growth Hubs, alongside peer to peer networks.

Analysis by BYA BDR from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Access to infrastructure/premises and broadband

Access to the right bank finance for the business (including debt finance, bank loans, credit cards, overdrafts)

WANT TO SEE MORE OF:

- Growth Hubs
- LEPs (Local Enterprise Partnerships)
- Peer to peer networks



WHAT'S NEXT/FUTURE PLANS: Look out for our developing scaleup programme in 2019.

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DERBY, DERBYSHIRE, NOTTINGHAM AND NOTTINGHAMSHIRE LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO. OF SCALEUPS

990



NO. BY EMPLOYEE GROWTH

365



NO. BY TURNOVER GROWTH

835



NO. BY EMPLOYEE AND TURNOVER GROWTH

210



TOTAL EMPLOYEES

80,961



TOTAL TURNOVER

£9.0bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

COOKE & MASON

Cooke & Mason is an insurance and risk management firm.

ONCIMMUNE

Oncimmune has developed an early cancer detection technology, EarlyCDT, which uses autoantibody assays to detect cancer via a simple blood test.

SDL GROUP

SDL Group provides a range of services to property portfolio owners, buyers or sellers including surveying, valuations, letting, and mortgage broking.

BARROWCLIFFES

Barrowcliffes supplies and distributes fresh and processed produce to supermarkets and other retailers.

BRADBURY'S CHEESE

Bradburys Cheese imports and exports a wide variety of cheeses which it sources from food producers and supplies to retailers.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

STRAWSON'S PROPERTY

Strawsons Property operates a property development and investment business.

COOKE & MASON

Cooke & Mason is an insurance and risk management firm.

SDL GROUP

SDL Group provides a range of services to property portfolio owners, buyers or sellers including surveying, valuations, letting, and mortgage broking.

CWC GROUP

CWC Group operates a property development company.

THE KENT GROUP

The Kent Group offers electrical, mechanical and civil engineering services specialising in the rail industry

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

D2N2 has launched a new ScaleUp Service, providing a co-ordinated support programme tailored to the specific needs and scale up requirements of selected participant businesses. Companies invited to participate in the programme are offered a critical review of individual challenges and opportunities. Scaleup Advisers signpost companies to high-quality coaching as well as leadership and management development programmes and workshops focusing on access to markets, talent and finance, sales and marketing. In addition, scaleups can join an executive peer-to-peer network to share learnings.

The Growth Hub is working with Nottingham Business School, Nottingham Trent University, The Centre for Management & Business Development Centre, The East Midlands Chamber and the Professional Coaching Alliance (PCA) to deliver the programme. It is aiming to create an active and dynamic support community that will help develop both the individual businesses and, collectively, the interaction and profile of those businesses.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barrier to growth is access to UK markets, followed by leadership development and access to talent. They would find a range of support valuable, all of it local – from the LEP, local universities, local leadership programmes and also peer to peer networks.

Analysis by BYA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO MARKETS

Access to markets and customers in the UK



LEADERSHIP

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

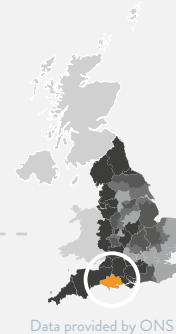
- LEPs (Local Enterprise Partnerships)
- Local leadership development programmes
- Local universities and business schools e.g. access to their talent, facilities and R&D
- Peer to peer networks



WHAT'S NEXT/FUTURE PLANS: Look out for our developing scaleup programme in 2019.

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DORSET LEP



KEY SECTORS:



TOTAL NO.
OF SCALEUPS

365



NO. BY EMPLOYEE
GROWTH

135



NO. BY TURNOVER
GROWTH

280



NO. BY EMPLOYEE AND
TURNOVER GROWTH

50



TOTAL EMPLOYEES

25,419



TOTAL TURNOVER

£2.9bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

MCCARTHY & STONE

McCarthy & Stone operates a property construction company, specialising in new build residential developments which are used as retirement homes.

LUSH

Lush develops a range of natural bath and body products.

4COM

4Com provides telecommunication services for businesses such as mobile and fixed line provision, internet hosting and phone-related software such as call recording technology.

WYATT HOMES

Wyatt Homes operates an upmarket property developer.

AGINCARE

Agincare operates a number of care homes throughout the UK and also provides live-in care services for the elderly or those with physical or learning disabilities.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

HOLTON HOMES

Holton Homes operates a property development company that specialises in building houses for first time buyers.

C. SMART AGRICULTURAL SERVICES

C. Smart Agricultural Services sells new and used agricultural machinery such as balers and combine harvesters.

BOURNE GROUP

Bourne Group design and construct car parks and steelwork structures.

OSPREY

Osprey manufactures and sells a variety of backpacks which are designed for outdoor activities, travel and sports.

WYATT HOMES

Wyatt Homes operates an upmarket property developer.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Businesses in Dorset can now access high-level business support free of charge via the Dorset Gateway service from Dorset LEP. The Gateway is a new central repository of information, advice and support for businesses within the county, providing them with a business support service and signposting to the most appropriate local or national commercial or public funded assistance available to help them grow.

Drawing on the research undertaken with three other West Country-based LEPs to identify businesses with the potential to scale up, the LEP is now focusing on these businesses for its bid writing support service. The fully-funded service gives successful businesses the option of accessing either up to 40 hours of support to write a funding application or a comprehensive application checking service.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to markets, access to talent and infrastructure. They are looking for support through peer to peer networks and public sector funding for R&D and to a lesser extent through local universities and Growth Hubs

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



INFRASTRUCTURE

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

- Peer to peer networks
- Public sector funding for innovation and R&D (e.g. tax credits)
- Local universities and business schools e.g. access to their talent, facilities and R&D



WHAT'S NEXT/FUTURE PLANS: Future plans will be posted through the business support pages of the LEP's website: <http://dorsetlep.co.uk/business-support/>

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ENTERPRISE M3 LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

1120



NO. BY EMPLOYEE
GROWTH

470



NO. BY TURNOVER
GROWTH

910



NO. BY EMPLOYEE AND
TURNOVER GROWTH

260



TOTAL EMPLOYEES

104,651



TOTAL TURNOVER

£23.3bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

MONEY EXPERT

Money Expert runs a comparison website for financial products such as credit cards, car insurance and current accounts.

REASSURED

Reassured operates a comparison website on which consumers can compare a variety of life insurance policies from a range of both major and smaller insurance providers.

STATE OIL

State Oil operates eleven fuel service stations throughout the UK which provide fuel, convenience retail and fast food services. Under the brand Prax Petroleum they also import and supply automotive and industrial fuels to both the wholesale and retail sectors.

CENNOX

Cennox has developed and manufactures devices for the ATM (cash machines) sector, including a security device that combats skimming from payment terminals.

3V

3V manufactures food and drinks that specialise in the use of natural, organic and free-from ingredients.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

LYMINGTON PRECISION ENGINEERS

Lymington Precision Engineers manufactures machine components, fabrications, assemblies and kit sets for the oil and gas, telecommunications, aerospace and defence, land and sea systems, nuclear and marine industries.

HAMBLEDON VINEYARD

Hambledon Vineyard produces sparkling wine.

NURTURE LANDSCAPES

Nurture Landscapes provides gardening and landscaping services.

REASSURED

Reassured operates a comparison website on which consumers can compare a variety of life insurance policies from a range of both major and smaller insurance providers.

HWM ASTON MARTIN

HWM Aston Martin operates a car dealership which sells new and used Aston Martins and services customers' vehicles.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Enterprise M3 is now using its strong evidence base to reach identified scaleups. To enhance its scaleup activity the Growth Hub is partnering with local authorities to target the top scaleups and book them into joint meetings, introducing them to scaleup support in the region.

This activity will feed into a blended learning programme being piloted with two councils focusing on skills and recruitment. The programme will include webinars and events on employer branding, recruiting and retaining staff.

Current business support mapping is being extended with the launch of an online community in October and a live discussion forum. The Growth Hub has launched a targeted email marketing campaign aimed at companies with more than five employees and with scaleup potential to enhance its engagement. Sector specialists are being used to reinforce signposting with scaleups utilising our sector specialists to reinforce the message.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barrier to growth is access to talent, as well as UK markets and infrastructure. They are looking for support through peer to peer networks, Innovate UK and local universities and business schools.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



INFRASTRUCTURE

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

- Peer to peer networks
- Innovate UK
- Local universities and business schools e.g. access to their talent, facilities and R&D



WHAT'S NEXT/FUTURE PLANS: Future plans include launching the 5G Scaleup Programme through the Growth Hub and working alongside other scaleup programme offers to enable high growth companies to scale faster by offering a blend of business and technology support services. The Growth Hub is also looking at regular podcast/youtube videos with lead industry figures on scaleup issues.

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GLOUCESTERSHIRE LEP

KEY SECTORS:



Data provided by ONS

TOTAL NO.
OF SCALEUPS

390



NO. BY EMPLOYEE
GROWTH

170



NO. BY TURNOVER
GROWTH

305



NO. BY EMPLOYEE AND
TURNOVER GROWTH

85



TOTAL EMPLOYEES

44,673



TOTAL TURNOVER

£10.5bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

PROCOOK

ProCook manufactures and sells a variety of kitchenware and other accessories such as pots, pans and knives.

ECOTRICITY

Ecotricity generates and supplies green electricity to homes and businesses.

LEMACA LIMITED

Lemaca Limited operates a McDonald's franchisee, a fast food chain.

UK POWER SOLUTIONS

UK Power Solutions provides engineering and planning services for power and supply related projects.

AUTO-SLEEPERS

Auto-Sleepers builds, services and sells motorhomes, specialising in Mercedes and Peugeot van conversions.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

NEWSPACE

Newspace manufactures metal storage containers and modified units which can be used as portable offices, canteens, toilets and several other functions.

DAIRY PARTNERS

Dairy Partners produces and wholesales frozen and fresh cheese products.

LEMACA LIMITED

Lemaca Limited operates a McDonald's franchisee, a fast food chain.

AUTOPARTS & DIAGNOSTICS

Autoparts & Diagnostics supplies automotive parts and tools, as well as diagnostic equipment.

NEWLAND HOMES

Newland Homes operates a property construction business, specialising in flats, townhouses and executive homes.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Gloucestershire offers a Scaleup peer-to-peer network of 30 scaling businesses who are invited to 6 sessions over a 6-month period. This familiarity and frequency of attendance has brought about shared experiences and application of lessons learnt throughout the programme.

The engagement of Growth Guides to tackle key barriers to growth facing the scaleups in Gloucester provides an opportunity to seek expertise. A mix of private and public sector actors from the ecosystem are brought together to support these peer-to-peer networking events. These include Ernst and Young to deliver sessions on product and processes looking at the key issue of disruption and innovation, and systems and IT looking at technology delivery and change. Other sessions have focused on talent management, leadership and leading change, Finance and how to access it, as well as sales strategy.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to markets, access to talent and infrastructure. They are looking for support through peer to peer networks and public sector funding for R&D and to a lesser extent through local universities and Growth Hubs.

Analysis by BVA BDR from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



INFRASTRUCTURE

Access to infrastructure/premises and broadband

WANT TO SEE MORE OF:

- Peer to peer networks
- Public sector funding for innovation and R&D (e.g. tax credits)
- Local universities and business schools e.g. access to their talent, facilities and R&D



WHAT'S NEXT/FUTURE PLANS: The LEP will continue to encourage this expert-led peer-to-peer element in 2019.

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GREATER BIRMINGHAM AND SOLIHULL LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

940



NO. BY EMPLOYEE
GROWTH

355



NO. BY TURNOVER
GROWTH

765



NO. BY EMPLOYEE AND
TURNOVER GROWTH

180



TOTAL EMPLOYEES

79,305



TOTAL TURNOVER

£11.6bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

UK POWER RESERVE

UK Power Reserve operates a portfolio of power plants that help improve supply at times when there is high demand on the national grid.

MV KELLY

MV Kelly offers civil engineering and building services, specialising in groundworks and infrastructure.

STEEL PROCESSING (MIDLANDS) LTD

Steel Processing (Midlands) Ltd manufactures a variety of steel products and fittings.

TEACHERACTIVE

TeacherActive supplies a variety of teachers, such as cover teachers and teaching assistants, for schools.

PALLETLINE

Palletline operates a distribution company which offers a range of services including next-day delivery, lift assistance and European transport.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

PALLETLINE

Palletline operates a distribution company which offers a range of services including next-day delivery, lift assistance and European transport.

UK POWER RESERVE

UK Power Reserve operates a portfolio of power plants that help improve supply at times when there is high demand on the national grid.

BOX LIMITED

Box Limited sells a wide range of technology products such as computers, TVs, printers and home appliances.

HANNAFIN CONTRACTORS

Hannafin Contractors provides construction related services such as demolition, excavation, site preparation and deconstruction.

TAMWORTH STEEL

Tamworth Steel offers a range of steel related services such as drilling, grinding and sawing as well as stockholding services.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Greater Birmingham and Solihull LEP has been focusing on innovating the ecosystem to build a solid foundation of support for scaleups. Supported by an account managers scaling business can access 32 separate programmes in the region plus 11 ERDF-funded programmes designed to promote high growth. Three one-day ScaleUp Workshops with follow-on clinics are planned after a successful pilot.

The LEP is developing new initiatives to increase access to funding, including holding a series of Investment Readiness Workshops in partnership with VC firm Midven and the NatWest Accelerator. With a new Access to Finance advisor and portal in place the LEP is working to connect angel investors, MEIF funders and corporate financiers to business support locations across the region. The aim is to unlock over £50 million in funding.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to talent and leadership development, alongside access to UK markets and tax breaks. They are looking for primarily local support through peer to peer networks, local professional services, LEPs as well as national support from Innovate UK.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



LEADERSHIP

Leadership development: training and developing the people you have

Access to tax breaks

WANT TO SEE MORE OF:

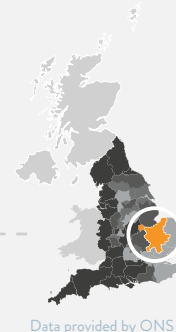
- Peer to peer networks
- Innovate UK
- LEPs (Local Enterprise Partnerships)
- Local professional services e.g. accountants and lawyers



WHAT'S NEXT/FUTURE PLANS: In Spring 2019 the LEP will launch a new scale up accelerator programme focused on helping 30 businesses to experience accelerated growth of 20% or more within a six month period. Using a peer to peer learning format, businesses will be supported to deal with a range of scale up challenges and receive coaching support from industry partners.

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GREATER CAMBRIDGE AND GREATER PETERBOROUGH LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

855



NO. BY EMPLOYEE
GROWTH

335



NO. BY TURNOVER
GROWTH

705



NO. BY EMPLOYEE AND
TURNOVER GROWTH

185



TOTAL EMPLOYEES

78,321



TOTAL TURNOVER

£9.8bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

NEUL

Neul has developed hardware designed to create a machine-to-machine network using TV signal white space frequencies, in order to reduce the amount of congestion on other networks, such as WiFi and GSM.

GRETTON SCHOOL

Gretton School operates a school for children with autism.

MICK GEORGE

Mick George provides contracting services, waste management and aggregate supplies to the construction industry.

DCN

DCN manufactures machinery and other industrial equipment for food processing and packaging factories.

HOWARD GROUP

Howard Group operates a number of companies including HowardProperty and Howard Capital.

Data powered by Beauhurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

NINJA THEORY

Ninja Theory creates offline and mobile video games and sells game related merchandise in their online store.

AVEILLANT

Aveillant has developed a 3D holographic radar that will enable airports to distinguish between aircraft and noise from wind turbine blades.

FLEXENABLE

FlexEnable develops and commercialises products based on a proprietary organic transistor technology, including flexible screens for smartphones and tablets and sensors for wearable devices. The company also aims to develop new applications for graphene.

GEOMERICS

Geomerics has developed technology that aims to provide real-time lighting within virtual worlds (in computer games, for example).

DCN

DCN manufactures machinery and other industrial equipment for food processing and packaging factories.

LOCAL LEP SCALEUP PROGRAMMES

The region's School for ScaleUps Programme has been specifically designed to improve leadership and respond to skills challenges identified in the Scale Up Report. The core programme is delivered by experienced business trainers who have supported Cambridge Network members successfully through scaling.

It runs as active learning with a cohort of 12 delegates meeting face to face every six weeks for a formal training workshop on different aspects of leadership skills with an experienced trainer. Delegates can call upon additional training, coaching or mentoring. Access to finance is discussed and is indirectly benefited by improved communication and confidence of the leaders as well as introductions to business angles and different funding models.

On completion of the course, scaleup leaders benefit from the Cambridge Network CEO group which acts as 'the board you cannot afford' on a continuing basis. To date the programme has successfully developed three cohorts.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to talent, alongside access to international markets and infrastructure. They are looking for support through public sector funding for R&D, but also from large corporates and for visas.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers internationally

Access to infrastructure/premises and broadband

WANT TO SEE MORE OF:

- Public sector funding for innovation and R&D (e.g. tax credits)
- Large corporates
- Visas (e.g. easy access to visas for talent and skills needed from overseas)



WHAT'S NEXT/FUTURE PLANS: Look out for our developing scaleup programme in 2019.

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GREATER LINCOLNSHIRE LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

485



NO. BY EMPLOYEE
GROWTH

200



NO. BY TURNOVER
GROWTH

390



NO. BY EMPLOYEE AND
TURNOVER GROWTH

105



TOTAL EMPLOYEES

38,780



TOTAL TURNOVER

£4.0bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

AMVALE MEDICAL TRANSPORT LIMITED

Amvale Medical Transport Limited provides 24/7 medical transport services such as rapid response, front line and transplant units.

ROBSONS OF SPALDING

Robsons Of Spalding provides distribution services for fresh produce and dry freight.

LUXUS

Luxus operates a plastic recycling plant helping companies manage their scrap plastic and also which processes recycled polymers to create thermoplastics.

THE COACHING INN GROUP

The Coaching Inn Group runs a chain of hotels in the UK.

FOSTER ENVIRONMENTAL

Foster Environmental installs and service air conditioning and refrigeration units, as well as data centre energy management technology.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

FOSTER ENVIRONMENTAL

Foster Environmental installs and service air conditioning and refrigeration units, as well as data centre energy management technology.

LUXUS

Luxus operates a plastic recycling plant helping companies manage their scrap plastic and also which processes recycled polymers to create thermoplastics.

BROADGATE HOMES

Broadgate Homes operates a construction company that focuses on residential projects.

THE CLUGSTON GROUP

The Clugston Group operates a number of businesses in areas such as construction, property development and civil engineering.

FOX

Fox operates a civil engineering firm.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

The Business Lincolnshire Growth Hub has developed a tailored offer to help high growth businesses reach their potential. The Scaleup Programme is led by the Scaleup Account Manager who visits premises, works with business leaders to identify the most appropriate support and tailors the programme to a company's specific growth stage and business needs. The Account Manager provides expertise and guidance to local businesses, opens the door to fully-funded programmes and helps them develop a strategic business plan for future growth.

The programme includes: one-to-one support provided by a network of professional experts, leadership and management programmes, peer-to-peer networks, including coaching and mentoring support and pathways to national offers. Leadership and management programmes are led by successful business entrepreneurs, while specialist workshops focus on challenges such as access to finance and managing the media.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to UK markets, access to talent and leadership programmes. They are also looking for support through local leadership programmes, as well as peer to peer networks and local universities and business schools.

Analysis by BYA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



LEADERSHIP

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

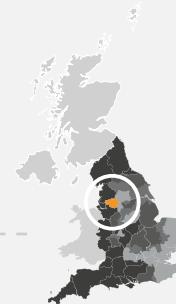
- Local universities and business schools e.g. access to their talent, facilities and R&D
- Peer to peer networks
- Local leadership development programmes



WHAT'S NEXT/FUTURE PLANS: Alumni from the Lincolnshire programmes will be invited to join a peer-to-peer network and link to businesses who have accessed other East Midlands Growth Hub programmes through a cross-LEP partnership.

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GREATER MANCHESTER LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

1490



NO. BY EMPLOYEE
GROWTH

570



NO. BY TURNOVER
GROWTH

1245



NO. BY EMPLOYEE AND
TURNOVER GROWTH

325



TOTAL EMPLOYEES

141,856



TOTAL TURNOVER

£19.2bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

MYPAY

MyPay is an Umbrella company, acting as the employer of clients recruitment agencies' contractual and temporary workers in order to streamline administrative and payroll tasks for the client.

PEAKDALE MOLECULAR

Peakdale Molecular provides specialist chemistry services to a number of industries, including pharmaceuticals and biotechnology.

THE HUT GROUP

The Hut Group operates a range of e-commerce websites and has also developed e-commerce software that it licenses to other onlineretailers.

JOHN HARGREAVES

John Hargreaves manufactures corrugated packaging materials for the packaging industry.

VIL RESINS

Vil Resins manufactures Alkyd resins which are used in the paint and ink manufacturing industries to provide a protective coating to products.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

STEADFAST ENGINEERING

Steadfast Engineering manufactures a variety of engineering components such as nuts, bolts and machine screws, and supplies them internationally.

BYROM

Byrom provides management services such as transportation and logistics for large sporting events and specialises in ticketing.

LASER QUANTUM

Laser Quantum designs and manufactures lasers, instruments and accessories which can be used across a large range of sectors from medicine to the military.

PH PROPERTY HOLDINGS

PH Property Holdings operates a property development company, specialising in designing, building and fitting out high end residential housing.

ALBERT'S

Albert's operates a restaurant.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Scaleups in the Greater Manchester area are offered a range of programmes:

- Spark2Scale – a six-month programme led by business advisers who help participants on a one-to-one basis. Six masterclasses on relevant subjects and peer-to-peer learning sessions with industry experts equip scaleups with analysis and modelling tools to develop effective business growth strategies.
- Greater Connected – a scaleup programme for the digital, creative and tech sectors; this year an additional 9-month programme called Greater Connected Amplify was launched to support senior leaderships of businesses to implement their business plans.
- STEP into Healthcare provides extensive support to health and life science scaleups including access to networks and workshops as well as market access opportunities.
- Recipe4Success – a six-month programme to support growth in the food and drinks sector.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barrier to growth is access to UK markets, followed by people factors through access to talent and leadership development. They are looking for support from local and regional government, Growth Hubs, and funding either from banks or through the public sector for R&D, innovation etc.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Local and Regional Government e.g. LEPS, Growth Hubs, city councils
- Growth Hubs
- Banks and other financial suppliers
- Public sector funding for innovation and R&D (e.g. tax credits)



WHAT'S NEXT/FUTURE PLANS: The LEP has collaborated with the University of Salford to run a specific graduate/student focused Spark2Scale programme, due to pilot Autumn 2018. The Business Growth Hub is planning to expand Greater Connected beyond 2018 and evolve the programme as sector challenges change. A major focus in 2019 will be the successful delivery of the Greater Connected Amplify pilot.

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HEART OF THE SOUTH WEST LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

840



NO. BY EMPLOYEE
GROWTH

325



NO. BY TURNOVER
GROWTH

675



NO. BY EMPLOYEE AND
TURNOVER GROWTH

160



TOTAL EMPLOYEES

54,590



TOTAL TURNOVER

£4.9bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

SBAW GROUP

SBAW Group operates a wide range of companies, including developers and hotels such as Coxley, Holbrook House and Oakhill Brewery

BLUE CEDAR HOMES

Blue Cedar Homes builds retirement homes for those that wish to downsize.

BROTHERS DRINKS CO.

The Brothers Drinks Co. produces and sells variety of flavoured ciders.

SILVERLINE TOOLS

Silverline Tools manufactures and supplies a variety of hand tools, power tools and accessories.

STORMFRONT

Stormfront operates an online Apple reseller and retail stores, specializing also in fixing and repairing of Apple products.

Data powered by Beauhurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

ABBEY MANOR GROUP

Abbey Manor Group builds and manages commercial properties.

SUMMERFIELD DEVELOPMENTS

Summerfield Developments operates a property development company working on both commercial and residential projects. The company also rents, manages and sells properties.

SBAW GROUP

SBAW Group operates a wide range of companies, including developers and hotels such as Coxley, Holbrook House and Oakhill Brewery.

BROTHERS DRINKS CO.

The Brothers Drinks Co. produces and sells variety of flavoured ciders.

AMULET HOTKEY

Amulet Hotkey designs and manufactures virtual and physical workstations for businesses.

LOCAL LEP SCALEUP PROGRAMMES

Heart of the South West LEP is continuing to develop its scaleup plans and has identified a number of potential elements for its action plan, including:

- Prioritising referrals to (public/private) service offers that best meet the needs of scaleup businesses;
- Producing a 'scaleup pack' for businesses with the available package of schemes and support, factsheets, workshops, networks and contacts;
- Signposting available support such as the Heart of the South West Growth Support Programme, international trade/export opportunities and access to finance resources;
- Linking scaleups to wider stakeholder support such as enterprise centres, Chambers of Commerce and the knowledge sector. The Growth Hub is also considering a targeted marketing and engagement campaign and creating dedicated pages on its website bringing together the support options for scaleup companies.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The two key barriers to growth are access to talent and access to UK markets. They are looking for support through peer to peer networks and local leadership development programmes as well as the Business Bank.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK

WANT TO SEE MORE OF:

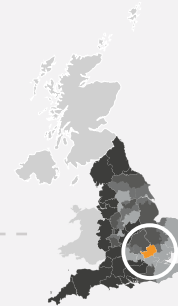
- Peer to peer networks
- British Business Bank
- Local leadership development programmes



WHAT'S NEXT/FUTURE PLANS: After attending May's DEG Course the Growth Hub is exploring how the Smith & Williamson Scale-up Diagnostic Tool could best be used by local businesses. It is also meeting with organisations to help secure a stronger connection with programmes such as Goldman Sachs 10,000 Small Businesses UK, as recommended by the course leaders.

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HERTFORDSHIRE LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

730



NO. BY EMPLOYEE
GROWTH

270



NO. BY TURNOVER
GROWTH

630



NO. BY EMPLOYEE AND
TURNOVER GROWTH

170



TOTAL EMPLOYEES

110,934



TOTAL TURNOVER

£9.9bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

RONTEC

Rontec operates a portfolio of roadside food and retail outlets. It also has its own convenience-shop brand, Shop N Drive.

GPF LEWIS

GPF Lewis operates a construction and facilities management company, working within the commercial, residential and industrial sectors.

LUCION SERVICES

Lucion Services operates a number of risk management companies that provide a range of services such as health and safety training, and hazardous material removal consultancy.

BOSTON

Boston supplies servers, desktop workstations and other computer hardware to business clients.

GROUND CONSTRUCTION

Ground Construction runs a construction company that specialises in concrete frames, groundworks and demolition services.

Data powered by Beahurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

HEPTARES

Heptares develops drugs for central nervous system and metabolic disorders (for example, schizophrenia, type 2 diabetes and depression).

MACK BROOKS GROUP

Mack Brooks Group operates a number of companies which work in connection with corporate exhibitions, trade shows and conferences. The group also publishes related content such as sector directories and trade magazines.

PIRIN HOLDINGS

Pirin Holdings provides its parent company with property management and other administrative services.

RO GROUP

RO Group operates a number of property, real estate and investment companies including RO Finance, CharterOak and Metis Homes.

BAMBOO DISTRIBUTION

Bamboo Distribution recycles and refurbishes electronic devices such as mobile phones and then resell and distribute them.

LOCAL LEP SCALEUP PROGRAMMES

Hertfordshire LEP believes that scaleups are the drivers of growth but are not achieving their full potential in its area. The LEP is focusing its attention on overcoming some of the challenges of growing a business in Hertfordshire, specifically access to skills including leadership and management, access to finance, and access to markets.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The two key barriers to growth are access to talent and to leadership programmes, followed by access to markets in the UK. The key form of support they are looking for is through peer to peer networks, followed by general business support from local or national Government and support from banks and other financial suppliers.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



LEADERSHIP

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Peer to peer networks
- Banks and other financial suppliers
- General business support from local or national Government



WHAT'S NEXT/FUTURE PLANS: Look out for our developing scaleup programme in 2019.

These are programmes offered by the LEP and do not represent all the programmes offered to scaleups in the local area. These have not been evaluated or endorsed by the ScaleUp Institute for their impact and effectiveness. Data utilised at the top of this page is taken from the IDBR 2016. The confidentiality of all data held on the IDBR is protected by the National Statistics Code of Practice and associated Protocols and by specific legislation. In accordance with these requirements, data presented is rounded to prevent disclosure. Differences may exist in totals across tables due to disclosure methods used.

HUMBER LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

415



NO. BY EMPLOYEE
GROWTH

140



NO. BY TURNOVER
GROWTH

345



NO. BY EMPLOYEE AND
TURNOVER GROWTH

70



TOTAL EMPLOYEES

33,491



TOTAL TURNOVER

£5.1bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

BEE HEALTH

Bee Health manufactures and sells a range of health supplements including vitamins and minerals.

J ROTHERHAM

J Rotherham operates a stone masonry business, creating a range of stone and marble pieces such as worktops, fireplaces and flooring.

BANKSIDE PATTERSON

Bankside Patterson manufactures steel building products such as framing and chassis.

CREST

Crest manufactures and sells bricks, roofing tiles and aerated concrete blocks for use in construction projects.

WALKER MODULAR

Walker Modular designs and manufactures bathroom pods for large companies and developers.

Data powered by Beauhurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

SPENCER BRITISH ENGINEERING

Spencer British Engineering operates a transport and infrastructure engineering company providing construction and design services across multiple sectors such as rail, waterways, bridges, and highways.

BEE HEALTH

Bee Health manufactures and sells a range of health supplements including vitamins and minerals.

J ROTHERHAM

J Rotherham operates a stone masonry business, creating a range of stone and marble pieces such as worktops, fireplaces and flooring.

WALKER MODULAR

Walker Modular designs and manufactures bathroom pods for large companies and developers.

JOHN GOOD SHIPPING

John Good Shipping provides a range of shipping based logistics services, including distribution and warehousing.

LOCAL LEP SCALEUP PROGRAMMES

The Humber LEP is supporting businesses to scale up in a number of ways. At the outset the Humber Growth Hub offers a full diagnostic service helping to identify businesses that can grow at a significant rate with some support. Advisers are networked into local and national business support providers and can refer clients directly to brokered solutions.

Renewable energy companies benefit from initiatives such as the Greenport Growth programme. This shares latest market intelligence and sector learning principles with local supply chain businesses and is supported by AURA, a University of Hull offshore wind research facility. Growth in the logistics industry is supported by the Logistics Institute and the Modal Training Centre, a world-leading maritime training simulator facility.

The Humber has a capital grants scheme aimed at supporting companies with their physical growth plans. It is part of a suite of financial products which include an infrastructure loan scheme and the Northern Powerhouse Investment Fund.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to markets in the UK, and to access to talent and to leadership programmes. They are also looking for support through local leadership programmes as well as peer to peer networks and Growth Hubs.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



LEADERSHIP

Leadership development: training and developing the people you have

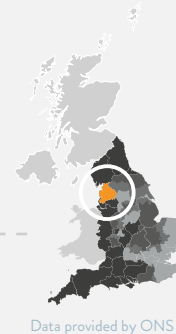
WANT TO SEE MORE OF:

- Local leadership development programmes
- Peer to peer networks
- Growth Hubs



WHAT'S NEXT/FUTURE PLANS: Support available from October 2018 includes three Growth Hub programmes funded by ERDF: an ICT Programme will providing specialist support to introduce technology; an Investor Readiness Programme will help growing businesses draw down funds; and, a Growth Programme with workshops and masterclasses aimed at improving the understanding and implementation of best practice.

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KEY SECTORS:



TOTAL NO.
OF SCALEUPS

795

NO. BY EMPLOYEE
GROWTH

315

NO. BY TURNOVER
GROWTH

665

NO. BY EMPLOYEE AND
TURNOVER GROWTH

185

TOTAL EMPLOYEES

83,517

TOTAL TURNOVER

£12.0bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

WALKERSTEEL

Walkersteel manufactures and sells various technical steel parts and products such as coils, steel sheets and plates.

THE HUB PHARMACY

The Hub Pharmacy operates several pharmacies.

H & S RESTAURANTS LTD

H & S Restaurants Ltd operates a McDonald's franchisee, a fast food chain.

ELITE TELECOM

Elite Telecom provides businesses with a wide variety of telecommunications and connectivity services, including broadband, internet hosting and fixed line hardware and software.

TYREFORCE

Tyreforce sells tyres for a range of automotive brands and provides related maintenance services.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

PAYCO

Payco operates a commercial contracting business providing business clients with employee and self-employed individuals.

WALKERSTEEL

Walkersteel manufactures and sells various technical steel parts and products such as coils, steel sheets and plates.

CUADRILLA RESOURCES

Cuadrilla Resources locates and takes on projects for extracting underground natural-gas and oil reserves via fracking.

THE HUB PHARMACY

The Hub Pharmacy operates several pharmacies.

J MALLINSON

J Mallinson constructs sports fields for a range of sports including football, golf and cricket.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Boost – Lancashire's Enterprise Hub – acts as the first port of call for growing businesses in the area. It refers them to a range of local scaleup support programmes:

- Productivity through People – Lancaster University Management School's workforce and efficiency focused 12-month growth programme for senior managers;
- Profitable Growth through Innovation – Edge Hill University Productivity & Innovation Centre's 3-month sprint programme for data driven innovation;
- DigitMe2 – Up to 20 days of consultancy support at the University of Central Lancashire's Burnley campus, for new product development support in areas including 3D Printing / Additive Manufacturing, Automation, Big Data Processing, Data Collection and Analytics, and Robotics. Skills, training and recruitment support and programmes are offered through the Lancashire Skills Hub while Boost advisers and local business leaders provide peer-to-peer growth mentoring and one-to-one specialist adviser support.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to UK markets and to infrastructure, followed by access to talent. They are looking for a range of support, much of it local through universities and business schools, local and regional government and peer to peer networks, as well as from banks and other financial suppliers.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Banks and other financial suppliers
- Local universities and business schools e.g. access to their talent, facilities and R&D
- General business support from local or national Government
- Local and Regional Government e.g. LEPS, Growth Hubs, city councils
- Peer to peer networks



WHAT'S NEXT/FUTURE PLANS: From January 2019 scaleups will have their own dedicated account manager at the Lancashire LEP who can refer them to the latest support services, programmes and funding options across Lancashire and the UK. A number of specialist services will be opening including the North West AMRC (Advanced Manufacturing Research Centre).

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LEEDS CITY REGION LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

1520



NO. BY EMPLOYEE
GROWTH

600



NO. BY TURNOVER
GROWTH

1255



NO. BY EMPLOYEE AND
TURNOVER GROWTH

335



TOTAL EMPLOYEES

165,072



TOTAL TURNOVER

£19.5bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

LOGICAL PERSONNEL SOLUTIONS

Logical Personnel Solutions provides recruitment services for businesses in the technical sector such as construction, logistics and manufacturing.

HARRISON

Harrison operates a land and property development company, working across a range of sectors.

NIC SERVICES GROUP

NIC Services Group provides outsourced cleaning and facilities management services.

PHARMACY2U

Pharmacy2U retails pharmacy products and prescription medicine online.

GEAR4MUSIC.COM

gear4music.com is an online retailer of musical instruments and equipment.

Data powered by Beauhurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

TEAM17 DIGITAL

Team17 Digital develops and publishes a range of video games for various platforms, including Worms, Overcooked and My Time at Portia.

D D PORTER

D D Porter provides a range of construction services with specialisms in medical construction, fit outs and joinery manufacture.

THE SKILLS NETWORK

The Skills Network provides various technology related training courses across business sectors, and also provides training analysis services to determine whether training is feasible in the long term.

LOGICAL PERSONNEL SOLUTIONS

Logical Personnel Solutions provides recruitment services for businesses in the technical sector such as construction, logistics and manufacturing.

CONTIS GROUP

Contis Group provides alternative debit card banking and payment services such as branded Visa debit card and mobile payment app development.

LOCAL LEP SCALEUP PROGRAMMES

The Leeds City Region's two primary scaleup projects are now in full delivery and are having a positive impact on new and existing firms across the region. The Strategic Business Growth (SBG) project is for established enterprises that have been trading for over three years. SBG provides scaling firms with a blended package of workshops, business coaching and grant investment, and includes an important element of peer-to-peer learning. Ad:Venture follows a similar model for earlier stage businesses, but with more focus on helping newer enterprises to overcome early-stage barriers to growth.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barrier to growth is UK markets but also important are access to leadership development and access to talent. That is reflected in their desire for more support via local leadership programmes and peer to peer networks and support from local and regional government.

Analysis by BYA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



LEADERSHIP

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

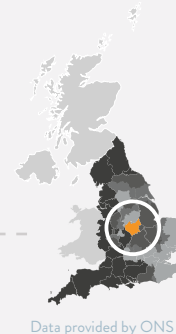
- Local leadership development programmes
- Peer to peer networks
- Local and Regional Government e.g. LEPS, Growth Hubs, city councils



WHAT'S NEXT/FUTURE PLANS: An Investment Readiness project launches Spring 2019 to provide growth-focussed firms with tailored guidance and advice on how to prepare for and access external finance to realise their growth plans. It will involve expert industry support from a number of private sector lenders and investors, sharing what they are looking for when investing in businesses.

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LEICESTER AND LEICESTERSHIRE LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

575

NO. BY EMPLOYEE
GROWTH

245

NO. BY TURNOVER
GROWTH

475

NO. BY EMPLOYEE AND
TURNOVER GROWTH

145

TOTAL EMPLOYEES

50,305

TOTAL TURNOVER

£6.8bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

TOTAL MOTION

Total Motion provides management services for commercial vehicle fleets, including developing vehicle tracking and fleet management software.

YEW LODGE

Yew Lodge operates a 4 star events venue including a hotel, restaurant and spa.

MORNINGSIDE

Morningside develops and supplies healthcare products and pharmaceuticals.

SLM

SLM collaborates with local authorities to provide management assistance to sports and leisure outlets.

C3 CONSTRUCTION

C3 Construction works with property developers to provide a variety of contractual groundworks, civil engineering and construction services.

Data powered by Beauhurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

C3 CONSTRUCTION

C3 Construction works with property developers to provide a variety of contractual groundworks, civil engineering and construction services.

ADEPT CARE HOMES

Adept Care Homes run a number of care homes that provides residential care for the elderly.

BRUNTINGTHORPE

Bruntingthorpe operates an automotive and aerospace testing ground, also offering facilities for defence and off-road testing.

HKS

HKS operates a number of service stations, partnering with supermarkets such as Spar to provide onsite convenience stores in some of the locations.

CAMBRIDGE & COUNTIES BANK

Cambridge & Counties Bank operates a bank which provides a range of financial services specifically to SMEs.

LOCAL LEP SCALEUP PROGRAMMES

Leicester and Leicestershire LEP (LLEP) Growth Hub is interrogating a diverse range of datasets to identify and target businesses with scaleup potential.

The existing network of business advisers is already well established within the area's business community and actively engages with companies that are ambitious about growth. The advisers provide one-to-one general and specialist business advice, including in-depth advice on developing action and growth plans.

The advisers currently provide tailored advice and support through a wide number of programmes within the LLEP area, ensuring access to services that encourage growth, innovation and finance. There is also a wide range of workshops and events covering areas such as accessing new markets, investment marketing, accessing finance and exporting.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to UK markets, access to talent and leadership programmes. They are also looking for support through local leadership programmes, as well as peer to peer networks and local universities and business schools.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Local universities and business schools e.g. access to their talent, facilities and R&D
- Peer to peer networks
- Local leadership development programmes



WHAT'S NEXT/FUTURE PLANS: LLEP plans a targeted scaleup service to businesses in 2019. The service will be designed to develop support that focuses on leadership and management, marketing, and investment readiness. The support will be provided by a consortia of partners and will include peer-to-peer mentoring and links to other mentoring programmes.

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LIVERPOOL CITY REGION LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO. OF SCALEUPS

610



NO. BY EMPLOYEE GROWTH

205



NO. BY TURNOVER GROWTH

515



NO. BY EMPLOYEE AND TURNOVER GROWTH

110



TOTAL EMPLOYEES

58,513



TOTAL TURNOVER

£4.6bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

CASTLEROCK RECRUITMENT GROUP

Castlerock Recruitment Group is a healthcare recruitment business that provides permanent and temporary staff to clients that include the Ministry of Defence (MOD), NHS, HM Prisons and private sector companies.

THE CONTACT COMPANY

The Contact Company (TCC) operates a call centre and provides outsourced customer support services to businesses.

POTENS

Potens provides a range of specialised care services for children and adults, including supported living, residential and domiciliary care.

CHESHIRE MOULDINGS

Cheshire Mouldings manufactures and supplies a wide range of wooden products from stair parts to garden decking.

MAC ROOFING AND CONTRACTING

MAC Roofing and Contracting manufactures and installs a variety of roofing and cladding for buildings within a range of commercial and public sectors.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

COFFEY GROUP

Coffey Group operates a group of engineering and construction companies; Coffey Construction Ltd, Coffey Construction (I) Ltd and Coffey water.

A&B ENGINEERING

A&B Engineering designs and installs electrical, mechanical and plumbing systems, specialising in working within the commercial building sector.

CASTLEROCK RECRUITMENT GROUP

Castlerock Recruitment Group is a healthcare recruitment business that provides permanent and temporary staff to clients that include the Ministry of Defence (MOD), NHS, HM Prisons and private sector companies.

JOLODA INTERNATIONAL

Joloda International manufactures and installs manual and automatic truck-loading systems suitable for the air-cargo, newsprint and distribution industries.

POTENS

Potens provides a range of specialised care services for children and adults, including supported living, residential and domiciliary care.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

The LEP is providing strong leadership to accelerate the growth of scaleups across the area. Liverpool John Moores University are now offering a Master of Business Administration for Business Scale-ups. In addition the integrated high growth programme for the City Region plans to support 100 local businesses to accelerate growth through the provision of dedicated 'Scale up Managers' and mentoring from local business leaders and the development of peer-to-peer networks. The core elements are Scale Up Leadership Programme; Scale Up Export Programme; Scale Up Innovation Programme and Scale Up Voucher Scheme.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to talent and to UK markets, alongside access to public sector funding for R&D. They are looking for local support through local and regional government, but also from large corporates and national government.

Analysis by BYA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO MARKETS

Access to markets and customers in the UK

Access to public sector support and funding for R&D and innovation

WANT TO SEE MORE OF:

- National Government
- Large corporates
- Local and Regional Government e.g. LEPS, Growth Hubs, city councils

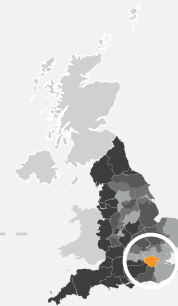


WHAT'S NEXT/FUTURE PLANS: Look out for our developing scaleup programme in 2019.

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LONDON LEP

KEY SECTORS:



Data provided by ONS



TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

MARTIN BUNZL

Martin Bunzl supplies and distributes yarns, fibres and non-woven products such pulp and paper. Martin Bunzl also operates a subsidiary company, Martin Bunzl Marketing, which represents non-UK companies in the UK and Ireland.

PREMIER FRUITS

Premier Fruits supplies a range of fruit to its clients.

BULLGUARD

BullGuard provides a range of cyber security products, including antivirus software and identity protection for digital users.

METHODS

Methods operates a group of companies which specialise in the provision of digital services to the public sector.

BETA DISTRIBUTION

Beta Distribution supplies trade customers with branded IT products and operates as Canons largest UK trade for distributor.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

CARGOSTORE

Cargostore sells and leases shipping and storage containers and accessories.

CN CREATIVE GROUP

CN Creative Group has developed a hand-held device that delivers vaporised nicotine without smoke, carbon monoxide and tar.

ALCHEMI GROUP

Alchemi Group develops mixed-use building projects.

SHUTL

Shutl has developed an internet platform that aims to connect retailers with local same-day courier companies, enabling online and in-store customers to receive their shopping.

METHODS

Methods operates a group of companies which specialise in the provision of digital services to the public sector.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Partnership working with organisations that have strong relationships with scaleups has been the lynchpin of London's approach. The data gathered is being used to identify and target potential growth businesses and shape the services offered.

A cornerstone of this is the Business Growth programme run by London & Partners, the capital's official promotional agency which runs Go to Grow, a leading international and export programme for our scaling businesses.

Scaleups involved in a London & Partners-run initiative can join the London VC Club which connects them with London's financiers, crowdfunding platforms and angel network.

In addition to the Business Growth Programme, other services available to scaleups in the capital come from many private sector leading institutions such as:

- LSEG ELITE
- Goldman Sachs 10,000 Small Businesses UK, which operates across the county
- The British Library's Innovation for Growth Programme.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barrier to growth in London is access to talent, as well as access to markets both in the UK and internationally. Their key support needs are via peer to peer networks, public sector funding for R&D and obtaining visas.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Access to markets and customers internationally

WANT TO SEE MORE OF:

- Peer to peer networks
- Public sector funding for innovation and R&D (e.g. tax credits)
- Visas (e.g. easy access to visas for talent and skills needed from overseas)



WHAT'S NEXT/FUTURE PLANS: Look out for our developing scaleup programme in 2019.

These are programmes offered by the LEP and do not represent all the programmes offered to scaleups in the local area. These have not been evaluated or endorsed by the ScaleUp Institute for their impact and effectiveness. Data utilised at the top of this page is taken from the IDBR 2016. The confidentiality of all data held on the IDBR is protected by the National Statistics Code of Practice and associated Protocols and by specific legislation. In accordance with these requirements, data presented is rounded to prevent disclosure. Differences may exist in totals across tables due to disclosure methods used.

NEW ANGLIA LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

825



NO. BY EMPLOYEE
GROWTH

330



NO. BY TURNOVER
GROWTH

650



NO. BY EMPLOYEE AND
TURNOVER GROWTH

155



TOTAL EMPLOYEES

86,496



TOTAL TURNOVER

£6.4bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

THE BIG PRAWN COMPANY

The Big Prawn Company sources, processes and distributes a range of sea food, specialising in prawns.

IT FLEET AUTOMOTIVE

IT Fleet Automotive provides a range of services to companies in the automotive industry, including the logistical transport of cars, vehicle refurbishment, and secure vehicle storage.

AGCHEMACCESS

AgChemAccess supplies crop protection products to agricultural companies around the world.

R&D CONSTRUCTION

R&D Construction provides civil engineering, utilities and infrastructure services.

MATRESSMAN

Mattressman sells mattresses online, in-store and to trade contacts.

Data powered by Beauhurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

CHURCHMANOR

Churchmanor operates a property construction and development company, specialising in building developments for the business, industrial, retail and science sectors, including business parks, research and development facilities, shopping centres and offices.

IT FLEET AUTOMOTIVE

IT Fleet Automotive provides a range of services to companies in the automotive industry, including the logistical transport of cars, vehicle refurbishment, and secure vehicle storage.

R&D CONSTRUCTION

R&D Construction provides civil engineering, utilities and infrastructure services.

BREHENY

Breheny operates a civil engineering company that works on projects such as building railways and bridges.

BATEMAN GROUNDWORKS

Bateman Groundworks provides groundworks and civil engineering services for both domestic and commercial clients.

LOCAL LEP SCALEUP PROGRAMMES

New Anglia LEP has now identified high growth companies in the region using data from Experian, Beauhurst and Fame/Mint. The LEP is putting together a menu of business support that can be offered to high growth businesses to turn 'silver' companies into 'gold' companies. Each company identified from its data mining will have a dedicated high growth adviser allocated to them to help explore the company's exact internal requirements and the external support that can be provided by the ecosystem. For the past two years New Anglia Growth Hub has been recommending suitable companies to apply for the Goldman Sachs 10,000 Small Businesses UK programme. This has been very successful and ten companies are now alumni of the programme.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to talent, to UK markets and to infrastructure. Their two key support mechanisms are public sector funding for R&D and Growth Hubs, followed by interaction with peer to peer networks and LEPs.

Analysis by BYA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



INFRASTRUCTURE

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

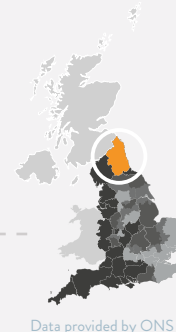
- Public sector funding for innovation and R&D (e.g. tax credits)
- Growth Hubs
- LEPs (Local Enterprise Partnerships)
- Peer to peer networks



WHAT'S NEXT/FUTURE PLANS: The LEP plans to create a group of companies interested in high growth in the region to provide a forum for discussion of the high growth agenda.

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NORTH EAST LEP



KEY SECTORS:



TOTAL NO.
OF SCALEUPS

780



NO. BY EMPLOYEE
GROWTH

305



NO. BY TURNOVER
GROWTH

645



NO. BY EMPLOYEE AND
TURNOVER GROWTH

170



TOTAL EMPLOYEES

68,267



TOTAL TURNOVER

£11.0bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

FAIRSTONE GROUP

Fairstone Group offers retail and corporate financial and investment management services.

BARRIER GROUP

Barrier Group provides outsourced coating management, construction and insulation services for companies in the construction civil engineering services.

EDEN FARM

Eden Farms provides a frozen food wholesale and distribution service to retail businesses.

CONNECT HEALTH

Connect Health provides physiotherapy services for patients suffering from musculoskeletal disorders.

DW SUPPORT SERVICES

DW Support Services provides repair, refurbishment and maintenance services on properties.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

BARRIER GROUP

Barrier Group provides outsourced coating management, construction and insulation services for companies in the construction civil engineering services.

THE TROUT HOTEL

The Trout Hotel operates a hotel which features a restaurant and bar, and caters for a range of events including weddings and corporate functions.

PARTNER CONSTRUCTION

Partner Construction provides property development services such as building land driven affordable houses.

EDEN FARM

Eden Farms provides a frozen food wholesale and distribution service to retail businesses.

CRABTREE

Crabtree manufactures metal decorating and coating equipment.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Launched in January 2018 the LEP has created the ScaleUp North East Programme for high growth businesses. Every participant business works with a high-calibre Scale Partner on a bespoke Action Plan that directly reflects the nature of their business needs.

Initial assessments focus on the five gaps identified by the ScaleUp Review: talent and skills, markets, leadership capacity, finance and infrastructure. The subsequent action plan identifies two or three key challenges to be overcome and matches these to a series of interventions or opportunities, such as specialist workshops, access to growth mentoring, leadership development, access to financial assistance or product development.

The programme also offers a series of peer-to-peer events to strengthen the scaleup community by sharing knowledge and experience based around specific themes. Alongside this the Entrepreneurs' Forum offers the ScaleUp Leaders' Academy now in its second year of operation.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barrier to growth is access to UK markets, followed by access to talent and leadership development. They are particularly keen for support through peer to peer networks, and also desire more support from LEPs, local professional services and public sector funding for R&D.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



LEADERSHIP

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Peer to peer networks
- LEPs (Local Enterprise Partnerships)
- Local professional services e.g. accountants and lawyers
- Public sector funding for innovation and R&D (e.g. tax credits)



WHAT'S NEXT/FUTURE PLANS: The ScaleUp North East website will become the main point of engagement for companies wanting to know more about the programme, capturing enquiries through an Expression of Interest form. Eventually it will offer elements of future delivery to the scaleup community. North East LEP is planning an annual ScaleUp Summit to supplement monthly events.

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OXFORDSHIRE LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

455



NO. BY EMPLOYEE
GROWTH

175



NO. BY TURNOVER
GROWTH

355



NO. BY EMPLOYEE AND
TURNOVER GROWTH

85



TOTAL EMPLOYEES

62,483



TOTAL TURNOVER

£7.4bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

VIRTUA

Virtua provides design, installation and upgrading of telecoms and mobile infrastructure to businesses.

SILBURY

Silbury operates a manufacturer and distributor of food ingredients and other processed foods, specialising in pizza ingredients such as toppings, sauces, oils and pastes.

AGILITYWORKS

AgilityWorks provides a range of IT support and digital consultancy services to businesses, specialising in SAP software and business analytics.

OXFORD ECONOMICS

Oxford Economics analyses market trends to provide economic, social and business forecasting and advice to corporations and government.

YASA MOTORS

YASA Motors develops and manufactures electric motors for automobiles.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

OXFORD NANOPORE

Oxford Nanopore Technologies has developed a small device that performs DNA sequencing and analysis.

REBELLION

Rebellion develops video game for multiple formats such as Xbox 360 and iOS.

GIGACLEAR

Gigaclear provides ultrafast broadband internet access using fibre-optic service to homes and businesses in rural communities.

CIRCASSIA

Circassia has developed vaccines designed to treat a broad range of allergies, and drugs against conditions such as rheumatoid arthritis and psoriasis.

VIRTUA

Virtua provides design, installation and upgrading of telecoms and mobile infrastructure to businesses.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Oxfordshire's team of Network Navigator advisers is well established within the region's business community and actively engages with companies that are ambitious about growth. Advisers have strong links to other local, privately funded networks of mentors and accelerators and refer companies on to these.

Oxfordshire LEP helps design tailored programmes for each scaleup, ensuring access to services that encourage innovation, finance and mentoring as well as a range of workshops and masterclasses. New programmes added in 2018 equip scaleups with a comprehensive programme designed to help scaleups overcome key barriers to growth.

The £5.2m Innovation Support for Business programme is designed to help companies commercialise innovations, promote business investment in innovation and strengthening links between businesses and researchers. Oxfordshire has invested in a network of four Innovation Centres offering space and wrap-around support to high growth potential companies.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barrier to growth is access to international markets, followed by access to the talent. They are looking for a range of support from Catapults and Innovate UK to general business support from local or national government and from their local professional services.

Analysis by BYA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers internationally

WANT TO SEE MORE OF:

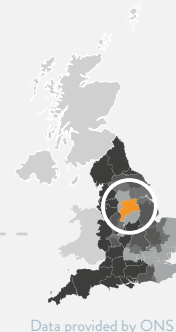
- Catapults
- General business support from local or national Government
- Innovate UK
- Local professional services e.g. accountants and lawyers



WHAT'S NEXT/FUTURE PLANS: With the largest cluster of R&D facilities in Western Europe, Oxfordshire is strengthening its ambition to nurture scaleups in high growth sectors – particularly life sciences, space and satellite applications, autonomous vehicles, high performance engineering, quantum computing and creative and digital sectors. Its local Industrial Strategy will have a strong focus on support for high growth potential companies.

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SHEFFIELD CITY REGION LEP



KEY SECTORS:



TOTAL NO.
OF SCALEUPS

860



NO. BY EMPLOYEE
GROWTH

330



NO. BY TURNOVER
GROWTH

710



NO. BY EMPLOYEE AND
TURNOVER GROWTH

180



TOTAL EMPLOYEES

82,411



TOTAL TURNOVER

£9.3bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

SUMO DIGITAL

Sumo Digital develops games that can be played on multiple platforms, including PlayStation and PC.

XEROS

Xeros has developed “virtually waterless” laundry cleaning using a polymer based method, which reduces the cost and environmental impact compared to conventional detergents. Xeros was floated on AIM in March 2014.

BLUETREE

Bluetree provides commercial printing services, specialising in large format print and 3D POS design and production.

CHESTERFIELD POULTRY

Chesterfield Poultry wholesales halal poultry.

EVOLUTION POWER TOOLS

Evolution Power Tools designs and manufactures power tools for construction professionals and specialise in power tools for cutting and drilling steel.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

METALYSIS

Metalysis has developed a technology that it claims allows it to produce metal and alloy powders with reduced costs and carbon footprint. This technology can be used to make titanium powder for 3D printing.

STRATA

Strata builds houses.

DON VALLEY ENGINEERING

Don Valley Engineering designs, manufactures and installs machinery for the mineral extraction and power generation industries.

SUMO DIGITAL

Sumo Digital develops games that can be played on multiple platforms, including PlayStation and PC.

UNIVERSAL RECYCLING

Universal Recycling provides waste management services, specialising in recycling car parts, scrap metal and cables.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Business Sheffield is supporting companies planning or experiencing growth through the Growth Hub Enhancement Project. The project provides dedicated account managers who can advise companies on support relevant to their needs, which include intensive one-to-one support and demand-led masterclasses. Complementing this broader offer, there is a team of three specialist scale-up advisors for digital companies.

A number of new self-organising networks/meetups have sprung up to support business growth and leadership, such as Sheffield Digital Leadership meetup and the Sheffield Women in Tech network.

The RISE scheme (supporting growing businesses to access graduate talent) is in its fifth year of delivery, having supported over 320 growing companies to employ more than 400 graduates. The economic impact of the scheme has been independently assessed to have been £7.3m from the past three years.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to markets in the UK, access to talent and to leadership programmes. They are also looking for support through local leadership programmes as well as peer to peer networks and Growth Hubs.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK



LEADERSHIP

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Local leadership development programmes
- Peer to peer networks
- Growth Hubs



WHAT'S NEXT/FUTURE PLANS: The Collider Tech Hub has started operating in a temporary space in advance of the opening of Castle House, early in 2019. This will have acceleration and incubation activity, including via Barclays Eagle Labs. Sheffield City Council is set to refresh its economic strategy, followed by developing an action plan on key projects.

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SOLENT LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

875



NO. BY EMPLOYEE
GROWTH

350



NO. BY TURNOVER
GROWTH

700



NO. BY EMPLOYEE AND
TURNOVER GROWTH

175



TOTAL EMPLOYEES

69,412



TOTAL TURNOVER

£9.8bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

ON SITE GROUP

On Site Group provides recruitment and communication services, specialising in the engineering sector and covering a number of areas such as the Automotive, Aerospace, Energy, among others. Companies in the group includes On Site Technical and On Site Connect.

OWNTONS

Owntons runs a chain of family owned butchers supplying lamb, beef, pork and game meat.

A2C

A2C trades IT equipment in bulk.

PATHFINDER

Pathfinder operates a recruitment company, hiring for temporary and permanent roles within the driving, industrial and commercial sectors, and for jobs in ports.

MILLBROOK GROUP

Millbrook Group operates a number of different companies such as Millbrook Painting and Millbrook Healthcare.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

BENEFEX

Benefex provides flexible, online employee reward and benefit schemes.

STEWART SIGNS

Stewart Signs designs and produces signs to be displayed on a wide range of surfaces, including trains, fleets, architecture and ships.

WILLIAMS SHIPPING

Williams Shipping offers a range of logistic and marine services, including container hire and sale, storage and warehousing, and vessel carter.

CAPTEC

CAPTEC manufactures specialist computers and provides IT infrastructure support services to their clients, who exist in a number of sectors such as medical, energy and defence.

HIGHWOOD GROUP

The Highwood Group operates a land acquisition and property construction company, specialising in building residential properties and care home developments.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

The LEP has made available a new fund called the Solent Prosperity Fund to support High Growth Potential Businesses through capital investment. The fund is accessible and simplified for businesses to achieve scale.

The Solent LEP Growth Hub also has a Growth Accelerator Programme providing intensive support for businesses which have been trading for at least 2 years with 10 to 250 staff and turnover between £250k and £25m.

Investment is being made into skills programmes as provided by the Civil Engineering Training Centre to make available the talent required by scaling businesses in the civil engineering sector. Action in this area also includes the introduction of the Solent Apprenticeship Hub delivered through a range of partners designed to create opportunities and provide skilled employees to support growth.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barrier is access to talent, followed by access to markets and infrastructure. They are looking for support from peer to peer networks, Innovate UK and professional services.

Analysis by BYA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers internationally

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

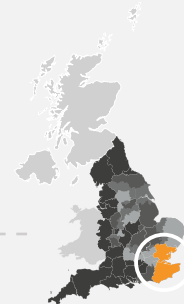
- Peer to peer networks
- Innovate UK
- Local professional services



WHAT'S NEXT/FUTURE PLANS: The LEP is planning a "Solent Scale Up Programme" involving 15 scaleup businesses selected through an application process. The programme will develop leadership skills and create peer to peer networks and include identifying and working with the region's top 40 businesses to boost leadership skills through a range of roundtable events.

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SOUTH EAST LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

2020



NO. BY EMPLOYEE
GROWTH

730



NO. BY TURNOVER
GROWTH

1690



NO. BY EMPLOYEE AND
TURNOVER GROWTH

400



TOTAL EMPLOYEES

143,244



TOTAL TURNOVER

£22.8bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

MOTORCLEAN

Motorclean provides car valeting services to retailers of cars.

CONNELLY GROUP

Connelly Group provides interior and exterior drylining and facade finishing services.

APOGEE CORPORATION

Apogee Corporation manufactures and sells hardware and software used in office print and processing systems.

CALL ASSIST

Call Assist provides vehicle rescue services for broken down cars, bikes and marine vessels.

NATURE'S FINEST

Nature's Finest has developed a range of fruit salads in juice.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

COOPER ESTATES

Cooper Estates operates a property investment and development company.

CIVILS

Civils operates a construction company, working on a range of projects from aviation infrastructure to residential properties.

SMITH & OUZMAN

Smith & Ouzman prints secure documents for a range of clients such as universities, banks and governments; applying a variety of technologies to ensure security, such as watermarks and holograms.

E&S HEATING & VENTILATION

E&S Heating & Ventilation manufactures and installs ductwork for the construction industry.

GROUND CONTROL

Ground Control provides a range of grounds maintenance services, such as snow clearance, landscape design, gardening and roofing.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

To meet the needs of the markedly different sectors and clusters in the South East LEP's area, three regional sub-hubs – Business Essex Southend and Thurrock, Business East Sussex and the Kent and Medway Business Hub – deliver targeted action.

Programmes offered in the region include Scaleup Ashford – a six-month bespoke programme of support led by a business coach. Scaleup West Kent launched in October. Sandwich's Discovery Park is providing scaleups with the space and support to progress on the site of Pfizer's former European research headquarters – now a vibrant community of scientists, innovators, process designers, experts and professionals.

The LEP is also reviewing evidence from scale-up projects in comparable areas to develop a bespoke programme.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to talent and access to UK markets. They are looking for a range of support from public sector funding for innovation, business support from government, LEPS and procurement contracts to the British Business Bank.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers internationally

WANT TO SEE MORE OF:

- British Business Bank
- General business support from local or national Government
- LEPS (Local Enterprise Partnerships)
- Procurement contracts
- Public sector funding for innovation and R&D (e.g. tax credits)



WHAT'S NEXT/FUTURE PLANS: The LEP plans to develop a peer-to-peer network for scaling businesses in Essex and offer bespoke sector-specific scale-up programmes at the Discovery Park Enterprise Zone. In East Sussex the LEP will select companies to trial a number of different intervention models.

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SOUTH EAST MIDLANDS LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

1000



NO. BY EMPLOYEE
GROWTH

395



NO. BY TURNOVER
GROWTH

825



NO. BY EMPLOYEE AND
TURNOVER GROWTH

220



TOTAL EMPLOYEES

70,047



TOTAL TURNOVER

£39.0bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

STEVEN EAGELL TOYOTA

Steven Eagell Toyota operates a number of new and used Toyota vehicle dealerships throughout the UK, also offering repair and maintenance services.

BROADWAY STAMPINGS

Broadway Stampings manufactures metal pressings and stampings for the automotive industry.

NEVILLE CONSTRUCTION GROUP OF COMPANIES

Neville Construction Group of Companies runs a few businesses in the property industry such as construction and property development companies.

CHARGEMASTER

Chargemaster provides a comprehensive range of electric vehicle charging points that have been developed to accommodate new technological advances.

PANTHER LOGISTICS

Panther Logistics provides logistic services to retailers including 2-man assisted delivery, installation and removal.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

CHARGEMASTER

Chargemaster provides a comprehensive range of electric vehicle charging points that have been developed to accommodate new technological advances.

BLUE CHIP

Blue Chip specialises in hardware maintenance and the support of IBM products. The company also offers data storage, backup and website hosting services.

TXM PLANT

TXM Plant is a supplier of vehicles for construction and maintenance to the rail industry.

STEVEN EAGELL TOYOTA

Steven Eagell Toyota operates a number of new and used Toyota vehicle dealerships throughout the UK, also offering repair and maintenance services.

ALTDIGITAL

Altdigital supplies office technology to companies in the UK, with relevant IT consultancy services also provided.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

SEM LEP is currently developing a local industrial strategy; one of the priority themes coming out of this work is supporting scaleups. The area is the third strongest LEP area in the country for startups, but this strong performance is not carrying through to the scale-up stage. To turn this around, SEM LEP's Growth Hub is looking to provide a more comprehensive package of support to scale-up businesses, in conjunction with local universities. The Growth Hub is also looking to strengthen the pipeline of skills that local scale-up employers need and to increase the quantity of suitable employment premises for scale-up businesses.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to talent and UK markets. They are looking for a range of help and support from local and regional government, the Business Bank and Innovate UK, alongside peer to peer networks.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers in the UK

WANT TO SEE MORE OF:

- British Business Bank
- Local and Regional Government e.g. LEPS, Growth Hubs, city councils
- Innovate UK
- Peer to peer networks



WHAT'S NEXT/FUTURE PLANS: Look out for our developing scaleup programme in 2019.

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STOKE-ON-TRENT AND STAFFORDSHIRE LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

510

NO. BY EMPLOYEE
GROWTH

220

NO. BY TURNOVER
GROWTH

415

NO. BY EMPLOYEE AND
TURNOVER GROWTH

125

TOTAL EMPLOYEES

33,990

TOTAL TURNOVER

£4.5bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

KNIGHTS BMW

Knights BMW operates a number of car dealerships that sell BMWs.

PDM

PDM grows a range of lettuce and baby leaf produce.

BRI-STOR SYSTEMS

Bri-Stor Systems manufactures van storage systems and provides van conversion services.

GRINDEYS SOLICITORS

Grindeys Solicitors provides a variety of legal services for businesses and consumers.

BET365

bet365 offers online sports and in-game betting services.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

KNIGHTS BMW

Knights BMW operates a number of car dealerships that sell BMWs.

BET365

bet365 offers online sports and in-game betting services.

PDM

PDM grows a range of lettuce and baby leaf produce.

A.P. WEBB PLANT HIRE

A.P. Webb Plant Hire supplies the construction and rail industries with a variety of plant machinery and trucks on a rental basis.

WELLS FARM DAIRY

Wells Farm Dairy supplies milk and other dairy products as well as eggs, bread, and juices to retailers, wholesalers, and food processors.

Data powered by Beahurst

LOCAL LEP SCALEUP PROGRAMMES

A strong, well-established partnership network delivers scaleup services in the region, ensuring growing companies have access to a range of services and experience. A high-level Partnership Group and Enterprise Round Table facilitate intelligence sharing and networking opportunities.

The Growth Hub tailors its approach according to each company's growth status, current position and ambition. The top 100 growth businesses across the region have a dedicated account manager and activity is monitored through an investment and development database.

Advisers using an account management model target a further 250 businesses with demonstrable growth potential. Each business receives a business assessment report and ongoing access to services. Visits to companies involve established partners, minimising disruption to business but allowing for maximum intelligence and information sharing.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to UK markets and access to talent, followed by infrastructure. The key forms of support sought are peer to peer networks, Innovate UK and professional services.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

- Peer to peer networks
- Local professional services
- Innovate UK



WHAT'S NEXT/FUTURE PLANS: Look out for our developing scaleup programme in 2019.

These are programmes offered by the LEP and do not represent all the programmes offered to scaleups in the local area. These have not been evaluated or endorsed by the ScaleUp Institute for their impact and effectiveness. Data utilised at the top of this page is taken from the IDBR 2016. The confidentiality of all data held on the IDBR is protected by the National Statistics Code of Practice and associated Protocols and by specific legislation. In accordance with these requirements, data presented is rounded to prevent disclosure. Differences may exist in totals across tables due to disclosure methods used.

SWINDON AND WILTSHIRE LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

335



NO. BY EMPLOYEE
GROWTH

135



NO. BY TURNOVER
GROWTH

280



NO. BY EMPLOYEE AND
TURNOVER GROWTH

80



TOTAL EMPLOYEES

33,113



TOTAL TURNOVER

£8.2bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

ANIMAL FRIENDS PET INSURANCE

Animal Friends provides pet insurance.

WILTSHIRE CONCRETE

Wiltshire Concrete distributes a range of building materials and machinery for hire and sale such as concrete mixers, pumps and skips.

TITHEGROVE

Tithegrove provides civil engineering and groundworks services on a contractual basis.

TMTI

TMTI provides businesses with tech support services such as customer helplines, product testing and interactive simulations and tutorials.

RED HOUSE FOODS

Red House Foods produces a range of gluten-free food.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

BINX HEALTH (FORMERLY ATLAS GENETICS)

Binx Health (formerly Atlas Genetics) is developing devices designed to diagnose a range of infectious diseases, including chlamydia and gonorrhoea.

MYOPTIQUE GROUP

MyOptique Group runs several online optical retailers that sell prescription glasses, sunglasses and contact lenses.

TITHEGROVE

Tithegrove provides civil engineering and groundworks services on a contractual basis.

BIG VAN WORLD

Big Van World runs an online car dealership for new and used vehicles, specialising in vans.

REPL

REPL manufactures cable accessories, such as cable joints, cable terminations and heatshrink.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

The LEP continues to work with a partner delivering the Inspire Elite Programme for scaleups. This programme focuses on a combination of peer-to-peer networking – now involving 150 businesses – and education, intensive support through workshops, one-to-one advice and senior management team mentoring and a signposting service to all publicly funded programmes and commercial expertise.

Members are offered an in-house recruitment service, guidance on developing a successful distribution strategy, support to access funding and leadership development through the Goldmans Sachs 10,000 Small Businesses UK programme.

A key element of the programme is help to develop clear business strategies for growth. Businesses are offered strategy advice and guidance on developing a winning strategy, often followed by workshops with the whole management team.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to UK markets, access to talent and infrastructure. The key forms of support they are looking for are peer to peer networks and access to public sector funding for innovation, followed by Growth Hubs and general business support from local and national government.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers internationally

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

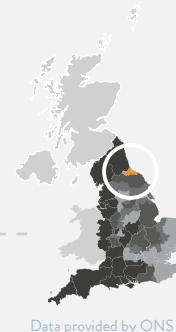
- Peer to peer networks
- Public sector funding for innovation and R&D (e.g. tax credits)
- General business support from local or national Government
- Growth Hubs



WHAT'S NEXT/FUTURE PLANS: Inspire Elite has now established in Bristol and recently recruited an Account Manager to lead work with scaleups in the area. The plan is to launch the programme in Heart of the South West (covering Plymouth, Exeter and Taunton) in 2019.

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TEES VALLEY LEP



KEY SECTORS:



Data provided by ONS



TOTAL NO.
OF SCALEUPS

230



NO. BY EMPLOYEE
GROWTH

95



NO. BY TURNOVER
GROWTH

195



NO. BY EMPLOYEE AND
TURNOVER GROWTH

60



TOTAL EMPLOYEES

18,326



TOTAL TURNOVER

£1.8bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

GREENCROFT MILK SUPPLIES

Greencroft Milk Supplies sources, sells and distributes milk products to individual homes, retailers, bakeries and caterers.

BMSL GROUP

BMSL Group provides recruitment services to businesses and employers in the construction, rail, building and engineering sectors.

CAMERONS BREWERY

Camerons Brewery operates a brewery.

MODUS SEABED INTERVENTION

Modus Seabed Intervention operates unmanned submersible crafts to aid in work undertaken on the seabed, such as oil exploration and maintenance of offshore wind-farms.

ALEXANDERS MOTOR GROUP

Alexanders Motor Group operates a number of car dealerships which sell new and used vehicles and offer maintenance and repair services.

Data powered by Beauhurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

APPLIED GRAPHENE MATERIALS

Applied Graphene Materials, formerly trading as Durham Graphene Science, specialises in the synthesis of graphene. The company uses a scalable bottom-up approach to prepare graphene that is protected by a patent application.

WYNYARD HALL

Wynyard Hall operates a hotel which includes a spa, gardens and dining facilities.

MODUS SEABED INTERVENTION

Modus Seabed Intervention operates unmanned submersible crafts to aid in work undertaken on the seabed, such as oil exploration and maintenance of offshore wind-farms.

BMSL GROUP

BMSL Group provides recruitment services to businesses and employers in the construction, rail, building and engineering sectors.

GREENCROFT MILK SUPPLIES

Greencroft Milk Supplies sources, sells and distributes milk products to individual homes, retailers, bakeries and caterers.

LOCAL LEP SCALEUP PROGRAMMES

Tees Valley responded to the ScaleUp Institute's finding that scaleups in its area were not capitalising on the opportunity to grow further by working with Teesside University to develop LEAP 50. This fully-funded programme was launched in July 2018 with the aim of helping at least 50 ambitious Tees Valley businesses.

The programme includes a two-day residential and 12 one-day workshops providing knowledge, experience and personal leader development alongside practical ways of unlocking barriers to growth. Peer-to-peer learning is also another significant element of the programme.

Digital CitySCALE Programme is a three-month programme for ambitious business owners in the digital and technology sectors. The programme involves implementing processes and systems to ensure that the company has the capability to grow, with a focus on strategy formation, people & leadership, intellectual property development and finance.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to UK markets, access to talent, leadership development and infrastructure. The key forms of support they are primarily local: professional services, peer to peer networks, leadership development programmes and universities, but also include banks and other financial suppliers.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS



ACCESS TO
MARKETS



INFRASTRUCTURE

Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Access to infrastructure/premises and broadband

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Local professional services e.g. accountants and lawyers
- Banks and other financial suppliers
- Local leadership development programmes
- Local universities and business schools e.g. access to their talent, facilities and R&D
- Peer to peer networks



WHAT'S NEXT/FUTURE PLANS: Tees Valley Combined Authority will continue their partnership with Teesside University to deliver LEAP 50 helping deliver jobs and boosting the economy in the Tees Valley. A second cohort has recently started DigitalCity SCALE and the programme will be delivered at a number of key locations across the Tees Valley.

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THAMES VALLEY BERKSHIRE LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

580



NO. BY EMPLOYEE
GROWTH

250



NO. BY TURNOVER
GROWTH

460



NO. BY EMPLOYEE AND
TURNOVER GROWTH

130



TOTAL EMPLOYEES

94,267



TOTAL TURNOVER

£28.0bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

HALA LIMITED

Hala Limited operates a Domino's franchisee, which operates a pizza restaurant chain.

ARCHWAY SERVICES

Archway Services provides scaffolding and temporary access services on a contractual base.

ANESCO

Anesco provides efficient energy product packages, energy cost-tracking and maintenance services.

JAKE'S PLAYBARN

Jake's Playbarn operates a children's play centre and a mini farm.

ALERTME

AlertMe has developed a device that aims to help homeowners reduce energy consumption. The company also enables clients to check their energy consumption online.

Data powered by Beauhurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

DISPLAYDATA

Displaydata (formerly ZBD Solutions) designs and supplies electronic shelf labels (ESL) and associated software products for the retail industry.

ALERTME

AlertMe has developed a device that aims to help homeowners reduce energy consumption. The company also enables clients to check their energy consumption online.

ESP

ESP offers a range of IT support and consultancy services.

NEILSON FINANCIAL SERVICES

Neilson Financial Services operates a number of international insurance brands that specialise in providing life insurance for families and the over 18s and over 50s age groups.

TENEO

Teneo provides businesses with a variety of IT management, maintenance and support services, dealing both with infrastructure and software.

LOCAL LEP SCALEUP PROGRAMMES

After investigating the specific needs of scaleups in its area, including using one-to-one interviews with business leaders, Thames Valley Berkshire has launched the ScaleUp Berkshire Programme aimed at ambitious businesses with turnover above £1m to make existing offerings visible and close the gaps identified during the mapping process. The new fully-funded ScaleUp Berkshire Programme will be targeted to existing and potential scaling businesses identified via the LEP's own dataset and the HMRC pilot. It will:

- Explain services and support available locally and nationally and connect businesses to relevant support;
- Provide one-to-one account management support to help businesses develop their strategy;
- Connect businesses to tools to implement and monitor their business strategy; and,
- Introduce businesses to other local scale-up business leaders to share ideas, learn what works and build mutually beneficial relationships.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to talent and UK markets. They are also looking for access to infrastructure and to external support and advice, citing local support in the form of peer to peer networks, local professional services and local and regional government.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



Access to the talent you can hire who can do the jobs you have available

Access to markets and customers internationally

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

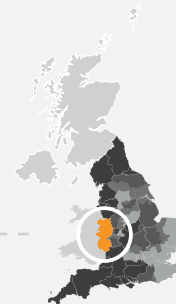
- Local and Regional Government e.g. LEPS, Growth Hubs, city councils
- Local professional services e.g. accountants and lawyers
- Peer to peer networks



WHAT'S NEXT/FUTURE PLANS: The ScaleUp Berkshire Programme will be rolled out over 2018-2020 with plans to recruit and account manage a minimum of 25 existing and potential Berkshire scaleups per year. The Advisory Group will review sustainability over time and make recommendations to the LEP so that the Programme has longevity beyond the initial 2-year period of BEIS funding.

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THE MARCHES LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

330



NO. BY EMPLOYEE
GROWTH

130



NO. BY TURNOVER
GROWTH

265



NO. BY EMPLOYEE AND
TURNOVER GROWTH

65



TOTAL EMPLOYEES

27,517



TOTAL TURNOVER

£3.9bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

NORTHGATE HEALTHCARE

Northgate Healthcare operates a number of care homes, providing residential care for the elderly.

GUESTLINE

Guestline has developed guest and property management software for companies in the hospitality industry. They also produce front-facing marketing websites; seen by guests, for example, when they access a hotel's internet connection.

S&A PRODUCE

S&A Produce grows a variety of soft fruit, asparagus and avocados in locations around the world, and sells them in the UK and throughout Europe.

GRAINGER & WORRALL

Grainger & Worrall designs and manufactures automotive components made by metal casting, for use in hi-specification vehicles within the motorsport industry.

DODD GROUP

Dodd Group designs and installs mechanical and electrical systems for buildings in a range of sectors, such as education and leisure, with relevant repair and maintenance services also provided.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

WYE VALLEY GROUP

Wye Valley Group operates a number of construction and recycling companies including Wye Valley Demolition, Wye Valley Metals and Wye Valley Skips.

EUROPEAN AVIATION

European Aviation operates a group of 5 companies that specialise in aircraft manufacturing, maintenance, pilot training and aircraft operations.

SHROPSHIRE HOMES

Shropshire Homes operates a property construction company, specialising in new build and refurbished residential developments.

NORTHWOOD

Northwood operates a number of companies that manufacture and supply a number of paper-based products such as toilet roll and tissue paper, mostly from recycled office waste-paper.

EDMO

Edmo designs, manufactures and installs a variety of extruded aluminium components and products.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

The Marches is working closely with high-growth businesses in agri-tech, defence and security sectors including the rapidly-emerging cyber security area.

Partnership with organisations and neighbouring LEPs remain important in the delivery of programmes such as the Midlands Engine Investment Fund which provides a range of funding sources for scaling businesses. It is also a partner in the Agri-Tech West Alliance with three other LEPs working with businesses and further/higher education to boost skills and opportunities, applying research and innovation to the sector.

Grants and support have also been made available under the Business Growth Programme, creating nearly 200 jobs, and the Manufacturing Growth Programme which has helped 50 businesses identify and remove barriers to growth. The SmarterGrowth programme is helping business leaders with coaching and mentoring.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to UK markets and access to talent, followed by infrastructure. The key forms of support sought are peer to peer networks, Innovate UK and professional services.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS



ACCESS TO
MARKETS



INFRASTRUCTURE

Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Access to infrastructure/premises and broadband

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Peer to peer networks
- Local professional services
- Innovate UK



WHAT'S NEXT/FUTURE PLANS: The LEP is partnered with Aston and Harper Adams Universities to deliver the Agri-tech Growth and Resources for Innovation project which will support 90 businesses over 3 years to innovate and develop new products and services. A new Cyber Security Centre in Hereford will link cyber research with business to commercialise new innovations.

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WEST OF ENGLAND LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

715



NO. BY EMPLOYEE
GROWTH

295



NO. BY TURNOVER
GROWTH

605



NO. BY EMPLOYEE AND
TURNOVER GROWTH

185



TOTAL EMPLOYEES

76,332



TOTAL TURNOVER

£7.1bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

BRC

BRC provides recruitment services for the social housing, construction and care industries.

INDIGO FOODS

Indigo Foods operates as a holding company for a number of businesses that produce meat based products for food retailers, including The Welsh Pantry and BM Foods.

MOLSON GROUP

Molson Group is a supplier of machinery and equipment for the construction industry.

FIDELIUS

Fidelius provides a range of financial services for businesses and individuals, specialising in employees benefits, insurance and wealth management.

KINGS COURT TRUST

Kings Court Trust provides legal services, specialising in probate (dealing with a person's assets after death).

Data powered by Beauhurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

INDIGO FOODS

Indigo Foods operates as a holding company for a number of businesses that produce meat based products for food retailers, including The Welsh Pantry and BM Foods.

MD GROUP

The MD Group operates a property construction and maintenance company, providing a wide range of refurbishment, building services and utility system repairs.

KINGS COURT TRUST

Kings Court Trust provides legal services, specialising in probate (dealing with a person's assets after death).

UPLANDS

Uplands operates a property construction company, specialising in new-build and refurbishment projects within the retail and leisure sectors.

MAWDSLEYS PUMP SERVICES

Mawdsleys Pump Services provides installation, maintenance and repair services for a range of pumping systems such as sewage pumps.

LOCAL LEP SCALEUP PROGRAMMES

The West of England has appointed a Scaleup Enabler to ensure a strong ecosystem that responds to the specific needs of local scaleup businesses.

Significant achievements during the year include the mapping of the regional ecosystem in the Scaleup Generator, identifying existing services and programmes and categorising them against the challenges faced by growing companies and the development of the Scaleup Company Map which highlights 700+ invisible scaleups and around 100 visible scaleups. In addition, the Scaleup Enabler has held more than 50 scaleup meetings to explore the challenges faced by growing companies.

Acting as a catalyst the Scaleup Enabler has brought the local investment community together to ease access to finance and pressed the case for more local infrastructure which has led to three multi-occupancy office spaces coming onto the market in Bristol.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth are access to talent and UK markets, followed by infrastructure. The support they are looking for is from peer to peer networks, public sector funding for innovation and local universities and business schools.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO
MARKETS

Access to markets and customers internationally



INFRASTRUCTURE

Access to infrastructure/ premises and broadband

WANT TO SEE MORE OF:

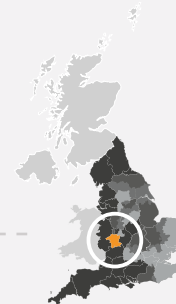
- Peer to peer networks
- Public sector funding for innovation and R&D (e.g. tax credits)
- Local universities and business schools e.g. access to their talent, facilities and R&D



WHAT'S NEXT/FUTURE PLANS: More action to encourage finance options for scaleups through a quarterly investment briefing, continued briefing events and support for peer-to-peer networks, sharing of data, resources and maps to demonstrate the strength of the region. The British Business Bank will bring new support through the recruitment of a regional team.

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WORCESTERSHIRE LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

340



NO. BY EMPLOYEE
GROWTH

110



NO. BY TURNOVER
GROWTH

290



NO. BY EMPLOYEE AND
TURNOVER GROWTH

60



TOTAL EMPLOYEES

19,877



TOTAL TURNOVER

£2.8bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

GTECH

Gtech produces cordless vacuum cleaners, garden tools, power sweepers and electronic bikes.

LIONCOURT HOMES

Lioncourt Homes operates a residential property developer.

PRIME

Prime offers property management, design and development services to the healthcare industry.

HERITAGE MANOR

Heritage Manor operates a number of care homes that provide residency and care services for the elderly with dementia.

INDUSTRIAL & TRACTOR

Industrial & Tractor supplies tubular components to a range of industries from agricultural to automotive.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

LIONCOURT HOMES

Lioncourt Homes operates a residential property developer.

GTECH

Gtech produces cordless vacuum cleaners, garden tools, power sweepers and electronic bikes.

LUDLOWTHOMPSON

Ludlowthompson operates an independent estate agents for residential properties.

HERITAGE MANOR

Heritage Manor operates a number of care homes that provide residency and care services for the elderly with dementia.

MAINSTAY GROUP

Mainstay Group provides residential, commercial property and facilities management services such as rental collection and increasing the property's value.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Working with the Chamber of Commerce, Worcestershire County Council's ERDF programmes and Growth Hub, the LEP plans to search for, identify and qualify potential scaleups. It has two current offers for scaleups:

- BizSmart – delivering a comprehensive programme is a 12 month programme with monthly tutorials and exercises, an in-depth analysis of the business performance and benchmarking against statistically proven drivers of value. BizSmart also provides SmartBoards which deliver peer-to-peer networking and is supported by business experts to scaleup companies.
- A new technology accelerator called 'BetaDen'. Situated at Malvern Hills Science Park, BetaDen will offer scaleup businesses a package of business support including free office space, mentorship from our handpicked experts, access to Worcestershire's 5G testbed advice and proof of concept funds.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to UK markets and access to talent, followed by infrastructure. The key forms of support sought are peer to peer networks, Innovate UK and professional services.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS



ACCESS TO
MARKETS



INFRASTRUCTURE

Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Access to infrastructure/premises and broadband

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Peer to peer networks
- Local professional services
- Innovate UK



WHAT'S NEXT/FUTURE PLANS: The LEP's ambition is to prove that the BetaDen model works and then roll out to all locations across the county, making it financially sustainable.

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YORK, NORTH YORKSHIRE AND EAST RIDING LEP



Data provided by ONS

KEY SECTORS:



TOTAL NO. OF SCALEUPS

610



NO. BY EMPLOYEE GROWTH

235



NO. BY TURNOVER GROWTH

510



NO. BY EMPLOYEE AND TURNOVER GROWTH

135



TOTAL EMPLOYEES

36,602



TOTAL TURNOVER

£4.9bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

CAWINGREDIENTS

Cawingredients manufactures and packages soft drinks and advises brands in the soft drink industry on product development.

RBA MOODY BROS (CONTRACTORS)

RBA Moody Bros (Contractors) builds and restores properties, specialising in buildings within the education and healthcare sectors and new-build housing. They also manufacture timber furniture and joinery.

WHITBY SEAFOODS

Whitby Seafoods produces chilled and frozen seafood.

METCALFE FARMS

Metcalfe Farms operates a number of divisions within the automotive, agricultural machinery and distribution sectors, including a garage, an agricultural machinery hire business, and a haulage division which specialises in the transportation of heavy goods. It also operates a crop and dairy farm.

SAM TURNER & SONS

Sam Turner & Sons sells garden supplies, machinery and accessories.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

NEWQUIP

Newquip sells pig and poultry equipment made by Big Dutchman.

BRIGHT STEELS

Bright Steels produces and supplies steel flat and square bars.

IAN MOSEY

Ian Mosey manufactures and supplies animal feed to the agricultural industry.

PROCTERS COACHES

Procters Coaches provides coaches and minibuses for hire.

SAM TURNER & SONS

Sam Turner & Sons sells garden supplies, machinery and accessories.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

The York, North Yorkshire and East Riding LEP is committed to developing services that help businesses to scale up in a way that delivers wide societal, environmental and economic impacts across the region. The LEP has moved away from a sector specific approach to focus on the ambitions, opportunities and growth potential of businesses across the region.

The LEP works closely with its partners to support them in designing business support services that are based on extensive economic, demographic and ethnographic analysis and new programmes focused on scaleups will be launched in the coming year. Business leaders are supported by wraparound relationship management provided by two dedicated business relationship managers who work with them face to face to help them to realise their ambitions.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers are access to markets in the UK, access to talent and to leadership programmes. They are also looking for support through local leadership programmes as well as peer to peer networks and Growth Hubs.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND SKILLS

Access to the talent you can hire who can do the jobs you have available



ACCESS TO MARKETS

Access to markets and customers internationally



LEADERSHIP

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Local leadership development programmes
- Peer to peer networks
- Growth Hubs



WHAT'S NEXT/FUTURE PLANS: The LEP currently has a number of scaleup services in various stages of development and will be launched over the next 12 months including Investor Readiness, Leadership and Management and Supply Chain support services. For further information contact support@howsbusiness.org

These are programmes offered by the LEP and do not represent all the programmes offered to scaleups in the local area. These have not been evaluated or endorsed by the ScaleUp Institute for their impact and effectiveness. Data utilised at the top of this page is taken from the IDBR 2016. The confidentiality of all data held on the IDBR is protected by the National Statistics Code of Practice and associated Protocols and by specific legislation. In accordance with these requirements, data presented is rounded to prevent disclosure. Differences may exist in totals across tables due to disclosure methods used.

NORTHERN IRELAND



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

905



NO. BY EMPLOYEE
GROWTH

340



NO. BY TURNOVER
GROWTH

730



NO. BY EMPLOYEE AND
TURNOVER GROWTH

165



TOTAL EMPLOYEES

62,277



TOTAL TURNOVER

£8.9bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

TRACEY CONCRETE

Tracey Concrete manufactures pre-cast concrete products specialising in drainage equipment, such as pipes and rings.

B.MCCAFFREY & SONS LTD

B.McCaffrey & Sons Ltd manufactures and distributes a variety of sand and gravel made building products such as gravel, asphalt plants and window panels.

MAC-INTERIORS

Mac-Interiors offers construction, interior fit-out and refurbishment services, specialising in commercial interiors.

ABBAY BOND LOVIS

Abbey Bond Lovis provide corporate insurance for companies involved in a variety of industries, such as agriculture, manufacturing and commercial property.

SIMPLYFRUIT

Simplyfruit manufactures and distributes fresh fruit produce.

Data powered by Beauhurst

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

TRACEY CONCRETE

Tracey Concrete manufactures pre-cast concrete products specialising in drainage equipment, such as pipes and rings.

B.MCCAFFREY & SONS LTD

B.McCaffrey & Sons Ltd manufactures and distributes a variety of sand and gravel made building products such as gravel, asphalt plants and window panels.

HEARTSINE TECHNOLOGIES

HeartSine Technologies develops mobile defibrillators which are used to treat patients undergoing cardiac arrest.

ABBAY BOND LOVIS

Abbey Bond Lovis provide corporate insurance for companies involved in a variety of industries, such as agriculture, manufacturing and commercial property.

WILSONS AUCTIONS

Wilsons Auctions provides independent auctioneering services to various sectors such as construction, private treaties and government auctions.

LOCAL LEP SCALEUP PROGRAMMES

Invest Northern Ireland aims to support scaling companies to grow faster and succeed by supporting them to drive higher levels of innovation, increase competitiveness and increase exports. The approach is based around dedicated scaleup services led by relationship managers.

It has introduced a Scaling Programme aimed at ambitious companies achieving 20% growth per annum and with a minimum turnover of £10 million. Senior teams from these companies are given access to leadership, business development and coaching programmes, increased face-to-face contact with Invest NI Client Managers and help with account development planning as well as support to overcome barriers to growth.

Other Invest NI services include support to increase employment and access to skilled workers, advice on access to overseas markets and partnerships with universities and others to stimulate clustering and collaboration.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

Scaleups in Northern Ireland view many barriers as equally important: access to talent, leadership development, access to UK markets, bank finance and infrastructure were all seen as critical. They want more support from local leadership development programmes and universities, as well as banks and peer to peer networks

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS



ACCESS TO
MARKETS



INFRASTRUCTURE

Access to the talent you can hire who can do the jobs you have available

Leadership development: training and developing the people you have

Access to markets and customers in the UK

Access to the right bank finance for the business (including debt finance, bank loans, credit cards, overdrafts)

Access to infrastructure/premises and broadband

WANT TO SEE MORE OF:

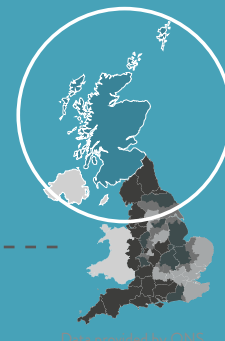
- Banks and other financial suppliers
- Local leadership development programmes
- Local universities and business schools e.g. access to their talent, facilities and R&D
- Peer to peer networks



WHAT'S NEXT/FUTURE PLANS: Invest NI aims to double the number of participating companies in the Scaling Programme

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SCOTLAND



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

2425



NO. BY EMPLOYEE
GROWTH

910



NO. BY TURNOVER
GROWTH

1940



NO. BY EMPLOYEE AND
TURNOVER GROWTH

425



TOTAL EMPLOYEES

188,134



TOTAL TURNOVER

£29.5bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

EDEN SCOTT

Eden Scott provides specialised recruitment services to businesses for specific projects and campaigns, covering both professional and technical employees.

INTERACTIVE INVESTOR

Interactive Investor is a community of traders and investors, which provides execution-only products and services that enables its site users to trade and invest directly from the site.

GRAMPIAN CONTINENTAL

Grampian Continental provides specialist road transport for the oil & gas and energy industries, including hazardous goods such as explosives, gases, and radioactive material, as well as abnormal loads such as wind turbine towers and blades.

LORIMER CARE HOMES LTD

Lorimer Care Homes Ltd operates a number of care homes for the elderly.

GPH BUILDERS MERCHANTS

GPH Builders Merchants sells a range of building materials at wholesale prices to construction companies.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

HFD GROUP

HFD Group operates a property construction company specialising in designing and building commercial properties.

INTERACTIVE INVESTOR

Interactive Investor is a community of traders and investors, which provides execution-only products and services that enables its site users to trade and invest directly from the site.

CAMPION HOMES

Campion Homes designs and builds housing developments.

KINNEL GROUP

The Kinnell Group operates a number of insurance companies which service the construction and health industries, including Kinnell Corporate and National Warranties.

ALBAVET

Albavet operates a network of veterinary clinics.

Data powered by Beauhurst

LOCAL LEP SCALEUP PROGRAMMES

Scotland CAN DO Scale is working across public and private sectors to create an environment in which ambitious entrepreneurs have the skills and connections to grow to scale and are provided with appropriate levels of support and challenge from the ecosystem.

Initiatives include Strathclyde Business School's Growth Advantage Programme, the ScaleUp Scotland leadership programme and the 'Scale' summer school run by Scottish Enterprise (SE), Highlands and Islands Enterprise (HIE) and the Scottish Funding Council. SE and HIE directly deliver a variety of services and programmes to over 2,500 companies through a comprehensive account management service.

The ScaleUp Scotland programme was launched in 2018, delivered by Entrepreneurial Scotland in partnership with The Hunter Foundation and Scottish Government. The first cohort comprised the leaders of 19 businesses who meet every 6 weeks for a day and a half with established entrepreneurs and content experts.

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk

SCALEUP VIEWS:

The key barriers to growth in Scotland are access to talent, access to UK markets and infrastructure. Their two key support mechanisms are local: peer to peer networks and universities and business schools, although they also want more support from local leadership development programmes and national Government.

Analysis by BVA BDRC from the Scaleup Survey 2018

TOP BARRIERS TO GROWTH:



TALENT AND
SKILLS

ACCESS TO
MARKETS

INFRASTRUCTURE

Access to the talent you can hire who can do the jobs you have available

Access to markets and customers in the UK

Access to infrastructure/premises and broadband

Leadership development: training and developing the people you have

WANT TO SEE MORE OF:

- Local universities and business schools e.g. access to their talent, facilities and R&D
- Peer to peer networks
- Local leadership development programmes
- National Government



WHAT'S NEXT/FUTURE PLANS: Scotland is planning to expand the number of scaleups they work with through various programmes, including Start2Scale and ELITE, and by participating in the HMRC data pilots. Scotland CAN DO Scale is continuing work to widen stakeholder involvement.

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WALES



Data provided by ONS

KEY SECTORS:



TOTAL NO.
OF SCALEUPS

1345



NO. BY EMPLOYEE
GROWTH

505



NO. BY TURNOVER
GROWTH

1105



NO. BY EMPLOYEE AND
TURNOVER GROWTH

265



TOTAL EMPLOYEES

110,358



TOTAL TURNOVER

£14.2bn

TOP 5 VISIBLE SCALEUPS BY EMPLOYEE GROWTH

THE TRADE CENTRE WALES

The Trade Centre Wales operates a number of car dealership 'superstores' that sell used cars.

INSPIRESPORT

Inspiresport provides sports travelling programmes, which entails organising professional coaching tours to some of the world's greatest sports clubs across a range of sports.

BVG GROUP

BVG Group is a manufacturer and retailer of clothing, sport supplements, fishing equipment and homeware, available via various channels.

EDENSTONE HOMES

Edenstone Homes operates a home development company which takes care of the whole process from surveying land, planning and design, and building.

MACBRYDE HOMES

Macbryde Homes operates a construction company that specialises in building homes and other residential properties.

TOP 5 VISIBLE SCALEUPS BY TURNOVER GROWTH

TEME VALLEY TRACTORS

Teme Valley Tractors sells and services tractors and other agricultural machinery.

BEMACO STEEL

Bemaco Steel manufactures and sells steel and steel products.

CYDEN

CyDen develops and manufactures hair removal devices including their product SmoothSkin.

BIOTEC SERVICES INTERNATIONAL

Biotec Services International offers various pharmaceutical services that include providing supplies, product certification and sample storage, among others.

THE TRADE CENTRE WALES

The Trade Centre Wales operates a number of car dealership 'superstores' that sell used cars.

Data powered by Beauhurst

For further information and to see a complete list of visible scaleups, Scaleup Champions and Ambassadors visit us at www.scaleupinstitute.org.uk



WHAT'S NEXT/FUTURE PLANS: ScaleUp Institute are looking forward to engaging with Wales on their developingscaleup agenda.

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Annex 2

The ScaleUp Institute



Our vision

The ScaleUp Institute is a private sector-led, not-for-profit organisation focused on collaborating with policy makers, corporates, finance players, educators and Government at a local and national level. Our mission is to help the UK to become the best place in the world to grow a business as well as start one, and enable our existing high-growth businesses to scale up even further.

If the UK is to capitalise on its long history as a trading nation and the vibrant entrepreneurial spirit which has seen an explosion in vitality over the past five years, it now needs to focus determinedly on how it 'leans in' to support its growing firms to scale.

The UK's future economic prosperity and social wellbeing are critically dependent upon our being a world-leading environment in which companies thrive once they have been started, enabling opportunity for reach and scale and contributing positive impact for generations to come.

Scaleups exist across the country and across all sectors. Evidence shows these businesses are also highly productive and international. Increasing the number of firms reaching scale has the potential to deliver hundreds of thousands of additional jobs and billions to the local economy, driving forward productivity in every community.

We believe that making the UK a fertile ground for developing scaleups across localities, industries and supply chains is fundamental to achieving both immediate and long-term UK economic value.

We aim to advance understanding of how to scale up a business, and how to build the most effective environment in which scaleups can flourish. We undertake research, thought leadership and targeted projects with partners. We spread best practice, providing opportunities for scaleup companies across industry sectors and regions to meet and share ideas.

Our mission is to ensure that the UK is the best place in the world to grow a business into a large business, thereby becoming an exemplar of what is possible when a society embeds understanding and collaborates at all levels.

Our network is at the heart of our support. Through our wide variety of activities, our economic development programme, and our policy committees and research agenda, we enable cross-sections of private and public sectors and local, national and international ecosystems to work and learn from each other. We thereby develop and assess initiatives to close the scaleup gap and provide solutions to the leaders of our scaling businesses.

Our work

- We **act** as a catalyst, bringing together national, local, business and public sector players to map and develop both a national and local ecosystem for scaleups.
- We undertake detailed **analysis** of the scaleup landscape across the UK, providing evidence of how scaleups are developing at a national and local level.
- We **support** the development of local scaleup ecosystems through training programmes and engagement with Local Enterprise Partnerships (LEPs), Growth Hubs, business schools and universities up and down the UK.
- We **publish** reports that have set the agenda for current thinking on growth and productivity across Government and the business community.
- We **develop** policy proposals based upon rigorous evidence to evolve the business landscape so that the UK can become the best place to grow a business.
- We **convene** experts from across the business community and academia, policymakers and decision makers to kick-start new thinking and deliver concrete improvements for fast-growing business firms, including the launch of our Annual Review.

Our committees

Committees provide direction and expertise to our work.

- **DATA REVIEW AND EVIDENCE GATHERING** – to assist public and private organisations to identify, target and evaluate support to scaleup companies.
- **BUILDING LEADERSHIP CAPABILITIES AND CAPACITY** – to support leadership capability and transformation in scaleup companies.
- **TALENT AND SKILLS COMMITTEE** – to improve the ecosystem so scaleups can find employees to hire who have the skills they need.
- **ACCESS TO MARKETS (INTERNATIONALISATION, CORPORATE PROCUREMENT, EXPORTS AND INFRASTRUCTURE)** – to facilitate and ease international knowledge and expansion, local supply chains and domestic procurement; and to enable navigation and infrastructure development necessary for scaling businesses.
- **FINANCE AND RISK CAPITAL** – to enable further understanding of, and access to, the right growth finance combination.

You can find out more by visiting <http://www.scaleupinstitute.org.uk/about/#ourvision>

Board of directors

The Directors of the ScaleUp Institute are drawn from all constituent part of the ecosystem. They meet quarterly in order to ensure that the ScaleUp Institute delivers on our mandate to increase the number of scaleups in the UK relative to other nations.

NAME	COMMITTEE
Sherry Coutu CBE	Chair of Board and Evidence Committee
Irene Graham, CEO	The Board & Thematic committees
Lucinda Bruce-Gardyne	The Board
Sahar Hashemi	The Board
Thomas Hoegh	Evidence
Charlotte Keenan	Leadership Development
Luca Peyrano	Finance
Tamara Rajah	Evidence
Andy Richards	The Board
Jon Rhodes	Access to Markets
Sancho Simmonds	Finance, Audit and Risk
Jon Steinberg	Talent and Skills
Professor Peter Tufano	Evidence

Thanks go to Reid Hoffman and Martha Lane Fox for their inspiration in the setup of the ScaleUp Institute and who will continue to be Ambassadors and guide our thinking in the future. We welcome new board members Lucinda Bruce-Gardyne, Sahar Hashemi and Andy Richards and look forward to working with them over the coming years.

Ambassadors

The ScaleUp Institute Ambassadors have been helping us since 2014 in a range of ways and from a variety of locations around the world. All are scaleup experts in their own right. We keep them informed of updates in scaleup policy and research as well as involving them in our activities around the country. *All of our Committee members are also Ambassadors for the ScaleUp Institute.*

NAME	TITLE	ORGANISATION
Toby Austin*	Co-Founder and CEO	Beauhurst (scaleup)
Tudor Aw	Partner	Technology Sector Head, KPMG Europe LLP
Lord Karan Bilimoria CBE*	Chairman and Entrepreneur	Cobra Beer Partnership Ltd; UK India Business Council
Mike Blackburn OBE	North West Regional Director	BT
Chris Blundell	Partner	Brunswick
Jon Bradford	Managing Director	TechStars
Rowena Burns	CEO	Manchester Science Partnerships
Edward Bussey*	Founder & CEO	Quill
Jessica Butcher*	Co-Founder & Director	Blippar
Claire Cockerton	Founder & CEO	Plexal
Louise Conolly-Smith	Senior Key Account Manager – North America	London & Partners
Janet Coyle	Principal Adviser; Non Executive Director	London & Partners; Rocksteed
Julian David	CEO	TechUK
Julie Deane*	Founder & CEO	Cambridge Satchel Company
Jacqueline de Rojas	President; Chair; Non-Executive Director	TechUK; Digital Leaders; Rightmove
Samir Desai*	Founder & CEO	FundingCircle
Gi Fernando, MBE*	Founder & CEO	Freeformers / Serial Entrepreneur
David Gammon*	Founder & CEO	Rockspring
Nick Giles	Co-Founder	Seven Hills Group
Daniel Glazer	Partner	Wilson Sonsini Goodrich & Rosati
Lyn Goleby	Co-Founder	Picturehouse
Priya Guha	Ecosystem General Manager	RocketSpace UK London Tech Campus
Chris Haley	Head of New Technology and Startup Research	Nesta
Michael Hayman	Co-Founder	Seven Hills Group
Davor Hebel	Partner	Fidelity Growth Partners
Sahar Hashemi, OBE	Co-Founder	Coffee Republic
Taavet Hinrikus*	Founder & CEO	Transferwise
Brent Hoberman*	Executive Chairman	Founders Factory
Reid Hoffman*	Partner	Greylock
Paul Hofheinz	President and Co-Founder	The Lisbon Council asbl
Adam Jackson	Director of Public Affairs, Policy & Insight	Grant Thornton UK LLP
Clare Johnston	CEO & Founder	The Up Group
Elizabeth Kanter	Director Government Relations and Public Policy	Cabinet Office
Sandy Kennedy	CEO	Entrepreneurial Scotland
Shalini Khemka	CEO	E2Exchange
Damian Kimmelman*	Co-Founder	Duedil
James Klein	Partner, Corporate Team	Pennington Manches
Bethany Koby*	Co-Founder & CEO	Technology Will Save Us
Martha Lane Fox*	Founder	Lastminute.com
James Layfield*	CEO	Central Working
Alastair Lukies	Founding Partner, Origination	Motive Partners
Mike Lynch*	Founder	Invoke Capital
Stephen Maher	CEO	MBA
Dr Ruth Mckernan*	Neuroscientist, Innovator	Non-Executive Director, Various
Frank Meehan*	Co-Founder and General Partner	Sparklabs Global Ventures
Jose Neves*	Founder & CEO	Farfetch
Caroline Norbury	CEO	Creative England
Kathryn Parsons	Co-Founder and CEO	Decoded
Caroline Plumb, OBE*	Founder & CEO	Fluidly, previously started and scaled FreshMinds
Russ Shaw*	Founder	Tech London Advocates
Jeremy Silver	CEO	Digital Catapult Centre
Emma Sinclair, MBE*	Co-Founder	EnterpriseJungle
Sam Smith*	Founder & CEO	finnCap
Nick Sturge*	Co-Founder & Managing Director	Engine Shed
Jenny Tooth	CEO	UKBAA
Sarah Wood*	Co-Founder & Non-exec Chair	Unruly
Hakim Yadi, OBE*	Founding CEO	Northern Health Science Alliance

Those denoted by a * are also Members of the ScaleUp Institute.

Our committees

The ScaleUp Institute operates five thematic committees that each meet quarterly to provide assessment and direction on the key needs and policy issues affecting scaleup businesses. This includes research, analysis and thought leadership as well as reviews of programmes that support scaleup businesses, in order to develop appropriate case studies and learnings.

Evidence committee

NAME	TITLE	ORGANISATION
Tera Allas	Visiting Fellow	McKinsey Global Institute
Tina Baker	Partner	Withers Tech
Sherry Coutu CBE	Chair	ScaleUp Institute
Dr. Cathy Garner	Trustee; NED; Advisory Board member	Centre for Ageing Better; Castle Rock Edinvar Housing Association; Centre for Health Research and Development Standing Selection and Monitoring Committees of the National Centres of Excellence of Canada
Thomas Hoegh	Investor, Entrepreneur and Co-Founder	Arts Alliance
Professor Daniel Isenberg	Professor of Entrepreneurship Practice	Babson Executive and Enterprise Education
Tamara Rajah	Founder & CEO	Live Better With
Professor Peter Tufano	Dean & Professor of Finance	Saïd Business School, Oxford University

Talent and skills committee

NAME	TITLE	ORGANISATION
Sherry Coutu CBE	Chair	ScaleUp Institute
Dr David Docherty	Strategic Advisor to the Council	National Centre for Universities and Business
Ty Goddard	Co-founder; Chair	The Education Foundation; Edtech UK
Lesley Giles	Director	Work Foundation
Claudia Harris	CEO	Careers Enterprise Company
Charlotte Keenan	Executive Director	Goldman Sachs
Kirstie Mackey	Director of Citizenship Consumer Affairs & LifeSkills	Barclays
Jon Steinberg	Public Policy and Government Relations Manager	Google

Leadership committee

NAME	TITLE	ORGANISATION
Charlotte Keenan	Executive Director	Goldman Sachs
Anne Kiem	CEO	Chartered ABS
Geoff Lawrence	Managing Director	Vistage UK
John Morris	Partner	Smith & Williamson
Stephen Pegge	Group External Relations Director	Lloyds Banking Group
Claire Ruskin	CEO	Cambridge Network
Professor Eleanor Shaw	Professor of Entrepreneurship and Head of the Hunter Centre for Entrepreneurship	University of Strathclyde
Jon Steinberg	Public Policy and Government Relations Manager	Google
Sarah Underwood	Director and Associate Professor of Enterprise Centre for Enterprise and Entrepreneurship Studies	University of Leeds

Access to markets committee

NAME	TITLE	ORGANISATION
Ben Brabyn	Head of Level39	Level39
Stephen Drew	Partner and Head of International Services	Smith & Williamson
Jean-Marc Frangos	Managing Director of External Innovation	BT
Chris Haley	Head of New Technology and Startup Research	Nesta
Richard Hill	Head of Manufacturing & Automotive Sector	Royal Bank of Scotland
Richard Jeffery	Director of Business Growth	The Growth Company
Mark Ling	Managing Director	Santander UK
Lara Morgan	Founder	Companyshortcuts.com
Andy Page	CEO	Sharing in Growth UK Ltd
Jon Rhodes	Non Executive Director	ScaleUp Institute
Jeremy Silver	CEO	Digital Catapult Centre
Natasha Thomas	Director of Government Relations	Sage
Elizabeth Vega	Global CEO	Informed Solutions

Finance and risk capital committee

NAME	TITLE	ORGANISATION
Steve Bates	CEO	BioIndustry Association
Simon Calver	Partner; Chairman	BGF Ventures; UKBAA, Gousto BGF Ventures, UKBAA
Shiona Davies	Director	BDRC
David Gammon	CEO	Rockspring
Michael Higgins	Chairman; Non-Executive Director	Ebiquity PLC; Quoted Companies Alliance
Keith Morgan	CEO	British Business Bank
Luca Peyrano	CEO ELITE	London Stock Exchange Group
Richard Phelps	Managing Director of Senior Relationship Management	Barclays Investment Bank
Guy Rigby	Partner	Smith & Williamson
Sam Smith	CEO	finnCap
Marcus Stuttard	Head of AIM	London Stock Exchange Group
George Whitehead	Venture Partner Manager	Octopus
Henry Whorwood	Senior Consultancy Associate	Beauhurst

For more information on our Committees and the programmes that have significant impact on scaleups please refer to our website: www.scaleupinstitute.org.uk



Sherry Coutu and Irene Graham at DEG 2018

THE SCALEUP INSTITUTE

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Our mission is to help the UK to become the best place in the world to grow a business as well as start one, and enable our existing high-growth businesses to scale up even further.



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