

SCALEUPS IN THE COMMUNITIES



scaleup week.

THE BUSINESS PLAN

SCALEUPS ARE UK WIDE GROWTH CHAMPIONS

33,445 SCALEUPS



Generate a total turnover of **£1.1tn** for the UK economy (10% INCREASE ON 2018)



Have an average turnover of **£32.6m** per scaleup (compared to £29.5m in 2018)



Employ **3.2 million** people



Have an average of **96** employees per scaleup (compared to 103 in 2018)



Had an average turnover per employee of **£338k** (19% INCREASE on 2018)

SCALEUPS ARE HIGHLY PRODUCTIVE, INNOVATIVE AND INTERNATIONAL GENERATING 50% OF THE SME ECONOMY



5.9 MILLION SMES GENERATE **£2.2TRN** FOR THE UK ECONOMY

SCALEUPS ARE HIGHLY PRODUCTIVE



51%

More productive on average

SCALEUPS ARE HIGHLY INNOVATIVE



75%

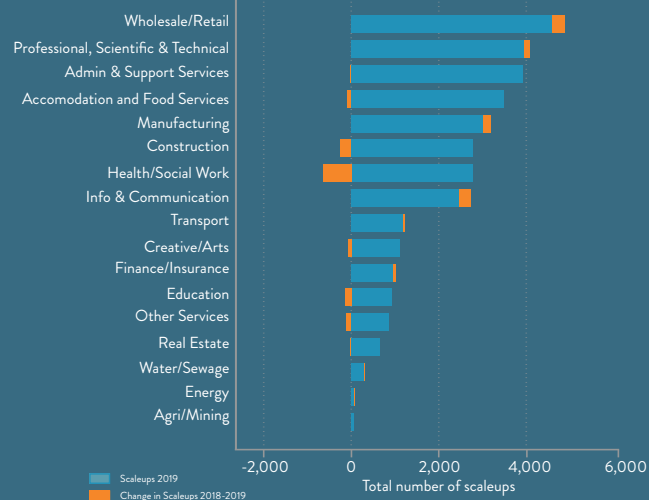
have invested in innovation

SCALEUPS ARE HIGHLY INTERNATIONAL



60%

plan to export more in 2021

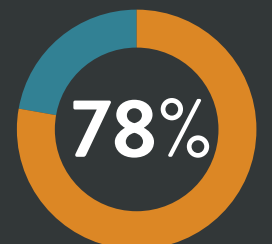


Source: ONS IDBR 2010-2019 for total scaleup turnover, ONS Business Population Estimates 2019 for total SME turnover

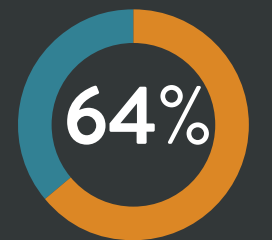
SCALEUPS ARE AROUND THE COUNTRY

LEP/Region	Total scaleups	Scaleups per 100k pop 2019	Trends 2013-19
London	7,285	81.3	2.9
Northern Ireland	895	47.3	2.6
Thames Valley Berkshire	640	70	2.5
Oxfordshire	475	68.7	2.4
Gloucestershire	385	60.4	2.4
Greater Cambridge and Greater Peterborough	865	59.6	2.3
York, North Yorkshire and East Riding	605	51.7	2.3
Enterprise M3	1,090	63.6	1.7
Hertfordshire	660	55.5	1.6
Cornwall and Isles of Scilly	260	45.5	1.4
Cheshire and Warrington	545	58.1	1.4
Wales	1,215	38.5	1.4
Coast to Capital	935	45.6	1.4
New Anglia	705	42.2	1.3
Scotland	2,195	40.2	1.2
Heart of the South West	740	42	1.2
North East	770	38.6	1.2
Buckinghamshire Thames Valley	320	58.8	1.1
D2N2	925	41.6	1.1

LEP/Region	Total scaleups	Scaleups per 100k pop 2019	Trends 2013-19
Humber	385	41.3	1
Greater Manchester	1,345	47.4	1
Leeds City Region	1,445	46.6	1
Cumbria	210	42	1
Sheffield City Region	735	39	0.9
West of England	585	50.6	0.9
Greater Lincolnshire	400	36.6	0.9
South East	1,780	41.7	0.8
South East Midlands	1,015	49.5	0.8
Dorset	360	46.5	0.8
Liverpool City Region	550	35.3	0.8
Solent	735	45.3	0.7
Worcestershire	315	52.9	0.7
The Marches	305	43.8	0.6
Leicester and Leicestershire	565	53.3	0.6
Lancashire	675	44.7	0.5
Greater Birmingham and Solihull	905	44.2	0.4
Stoke-on-Trent and Staffordshire	480	42.3	0.3
Swindon and Wiltshire	295	40.8	0.3
Coventry and Warwickshire	450	47.4	0
Tees Valley	220	32.5	-0.1
Black Country	440	36.7	-0.9



of scaleups are outside London



of scaleups are outside London and the South East with the following cities growing in scaleup numbers

Birmingham, Bristol, Edinburgh, Glasgow, Leeds and Manchester

DRIVERS OF LOCAL GROWTH

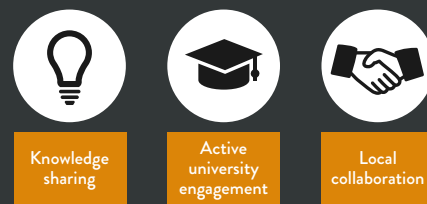
8 QUANTATIVE FACTORS ASSESSED



OF WHICH 3 FACTORS THAT MAKE A POSITIVE DIFFERENCE

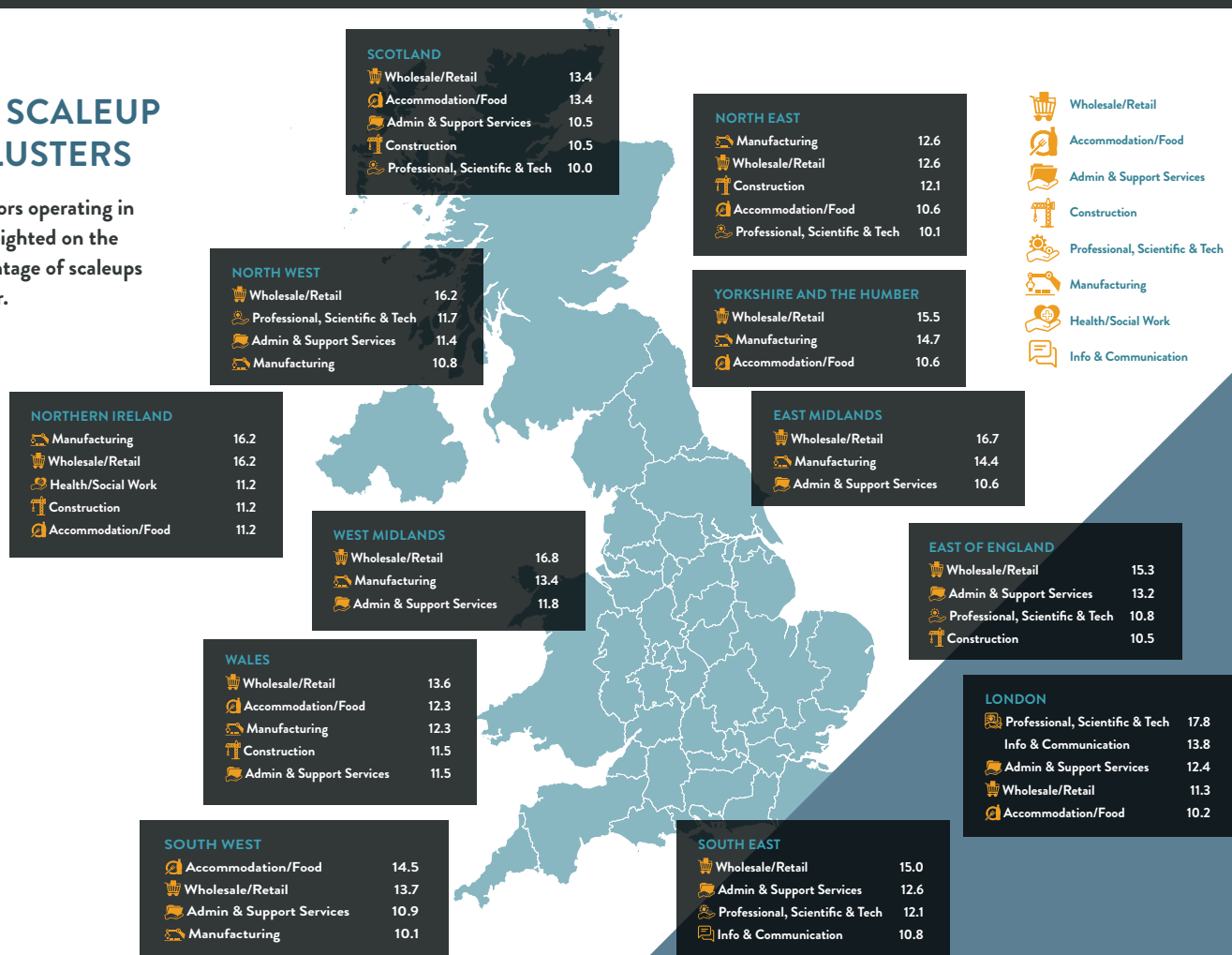


QUALITATIVE FACTORS



REGIONAL SCALEUP SECTOR CLUSTERS

The key scaleup sectors operating in each region are highlighted on the map, showing percentage of scaleups in each sector cluster.



2020 SCALEUP VISIBLE INDEX SHOWS 37% INCREASE IN SCALEUPS BREAKING £10.2M TURNOVER BARRIER



KEY FIGURES 01/11/2011 – 31/08/2020

7,474

number of visible scaleups

£286m

Innovate UK grants

50%

scaling for 2+ years

493

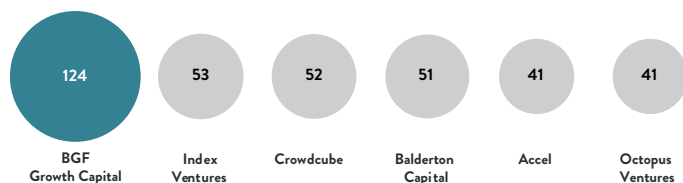
female-led visible scaleups

1,550

visible scaleups using equity

31%

scaling for 3+ years

TOP EQUITY INVESTORS BY DEALS INTO VISIBLE SCALEUPS
01/11/2011 – 31/08/2020

TOP SECTORS BY NUMBER OF VISIBLE SCALEUPS

Property/land development and construction	920
Other manufacturing and engineering	622
Other business and professional services for businesses	548
Distribution	416
Food and drink processors (including quality control)	398

TOP LEPS BY NUMBER OF VISIBLE SCALEUPS (EXCLUDING LONDON)

South East	354
Greater Manchester	300
Leeds City Region	258
Enterprise M3	201
South East Midlands	183

TOP VISIBLE SCALEUPS BY EMPLOYEE COUNT

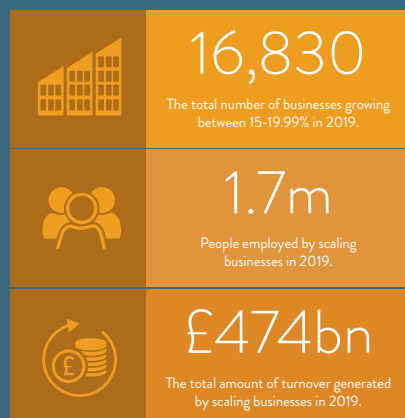
OCS	77,701
Cordant Group	39,513
Bestway Wholesale	29,172
Home Bargains	22,816
2 Sisters Food Group	20,746

TOP VISIBLE SCALEUPS BY TURNOVER

Greenergy	£16.8b
Sovereign Global	£6.56b
ED&F Man	£6.22b
Sunbelt Rentals	£5.05b
Palmer and Honey	£4.44b

THE SCALING PIPELINE IS FAIRLY CONSTANT

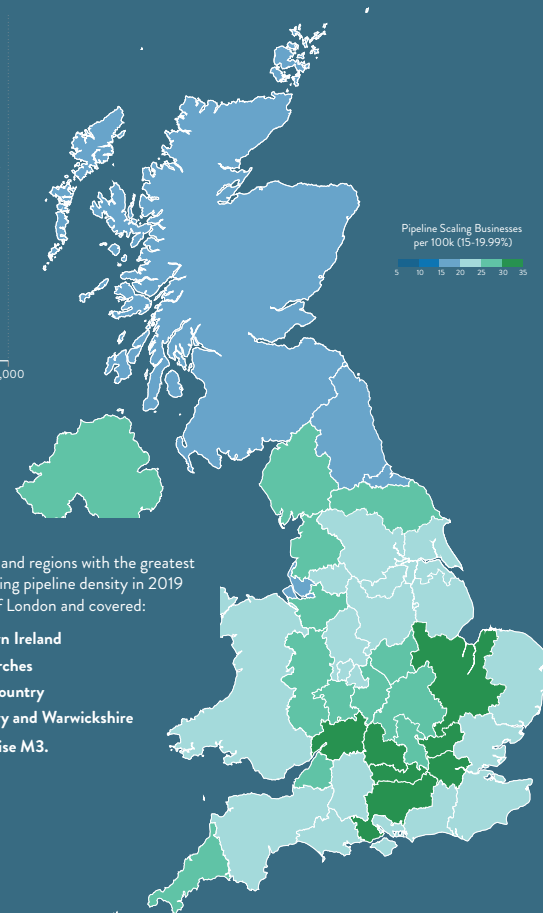
Businesses in the scaling pipeline are those that are not yet at scaleup growth rates but are growing revenue and/or employment between 15-19.9% annually.



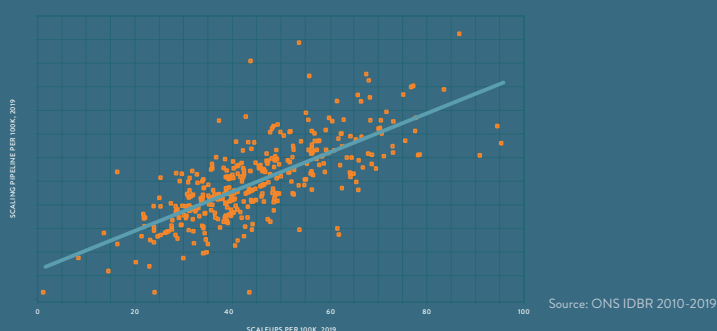
PIPELINE SCALING BY SECTOR 2018-2019



DENSITY OF PIPELINE SCALING BUSINESSES PER 100K POPULATION



SCALING BUSINESSES AND SCALEUPS



There is a strong positive relationship between a local area having a strong scaling pipeline and a strong scaleup population.

- 9 of the top 10 areas in pipeline scaling density were also in the top ten for scaleup density.
- 7 of the 10 areas with the lowest scaling pipeline density were also in the bottom ten for scaleup density.

THE KEY CHALLENGES TO SCALE ARE

When picking their top priority challenges, Markets is by far the most important to scaleup leaders with access to Growth Capital and Talent now on par with each other.

74%
Access to UK and international markets

47%
Access to the right bank / equity finance

46%
Access to talent

19%
Infrastructure

18%
Leadership development

SCALEUPS WANT TO SEE MORE

LOCAL RESOURCES TO HELP SCALE

62%
want proactive relationship management

59%
want to do more with universities R&D facilities

56%
NEDs

46%
mentors

46%
Peer networks

30%
Financiers

SCALEUPS WOULD LIKE EASIER ACCESS TO GOVERNMENT RESOURCES OF:



44%
Innovate UK

40%
Public sector funding for innovation and R&D

36%
Growth Hubs/ LEPs and Devolved Enterprise Agencies

30%
Procurement and collaborations

THERE IS NATIONAL AND LOCAL SUPPORT EMERGING AROUND THE COUNTRY



2017/18 ● 2019/20 ●

SCOTLAND: COMBINING SCALEUP FORCES, PUBLIC AND PRIVATE SECTOR PARTNERS COLLABORATE TO BRING BENEFITS TO SCALEUPS

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

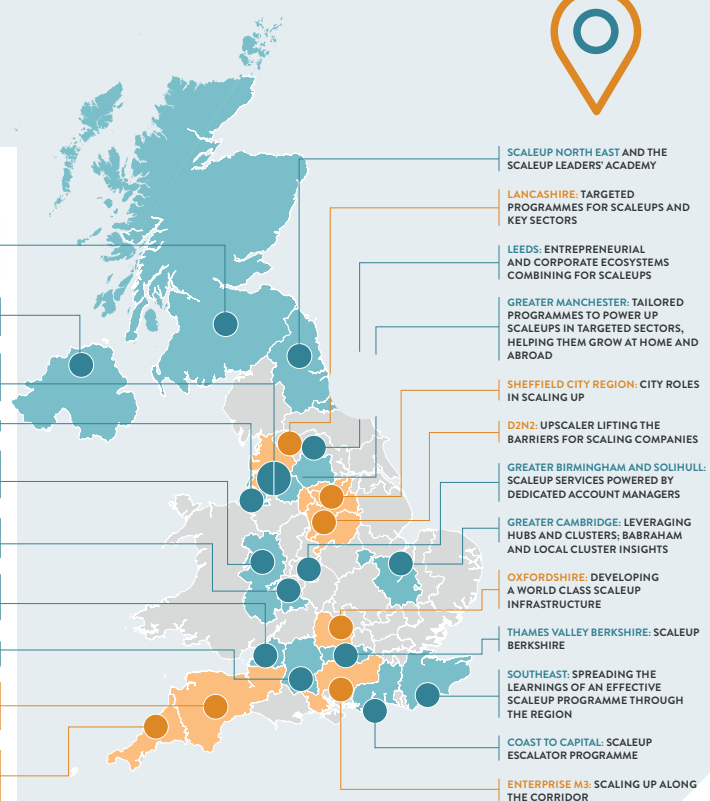
WORCESTERSHIRE: GROWTH USING TECHNOLOGY NETWORKS

WEST OF ENGLAND: EVOLVING THE REGION'S RICH AND REWARDING SCALEUP ECOSYSTEM

SWINDON AND WILTSHIRE: INSPIRE ELITE PROGRAMME

HEART OF THE SOUTH WEST: LEVERAGING UP: BUILDING ON LEARNING FROM WHAT ALREADY WORKS

CORNWALL & ISLES OF SCILLY: TARGETED HELP THAT REACHES RURAL AND COASTAL BUSINESSES



FIND THE SUPPORT TO SCALE YOUR BUSINESS

scaleupinstitute.org.uk/find-programmes/



WE HAVE TO HARNESS AND ALIGN RESOURCES TO ADDRESS OUR SCALEUP CHALLENGES ACROSS THE ECOSYSTEM

SCALEUP ECOSYSTEM	ENTREPRENEURS	GOVERNMENT	EDUCATORS
	LARGE CORPORATES	MEDIA	INVESTORS
SUPPORT	TALENT	CUSTOMERS	INFRASTRUCTURE
	LEADERSHIP	FINANCE	

