

# SCALEUP INSTITUTE SCOTLAND SCALEUP INDEX



In 2024 the Scotland ScaleUp Index reflects 2,140 scaleup and 1,015 scaling businesses generating £62.2 bn for the Scottish Economy, and employing more than 246k people. Of the 2k scaleups, the are majority growing over 30% yoy in either employment or turnover, and a quarter are growing by more than 50%. Furthermore, over 500 have broken through £10.2m in turnover or £5.1m in assets, attaining £626m in external investment. These companies are across all sectors and geographies with Built Environment, Industrials, and Food and Accommodation, along with Wholesale and Retail, representing the largest sectors with the significance of Science, Technology and Creative sectors continuing to grow. The biggest barriers highlighted by Scottish Scaleups CEOs to their further growth is Access to Talent; Markets, at home and abroad; and Funding: ScaleUp Britain wants to make sure we continue to address these challenges and connect Scottish scaleups to the Money, People and Markets they need to propel their global ambitions.

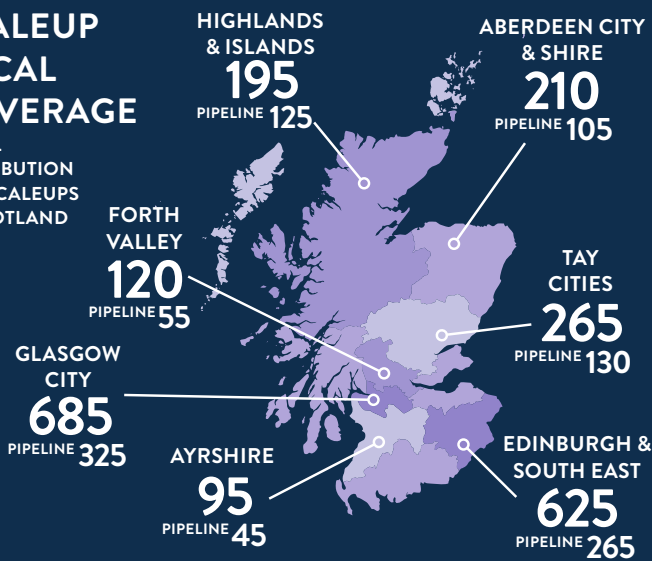
## SCOTLAND SCALEUPS OVERALL NUMBERS - ONS DATA



### SCALING PIPELINE

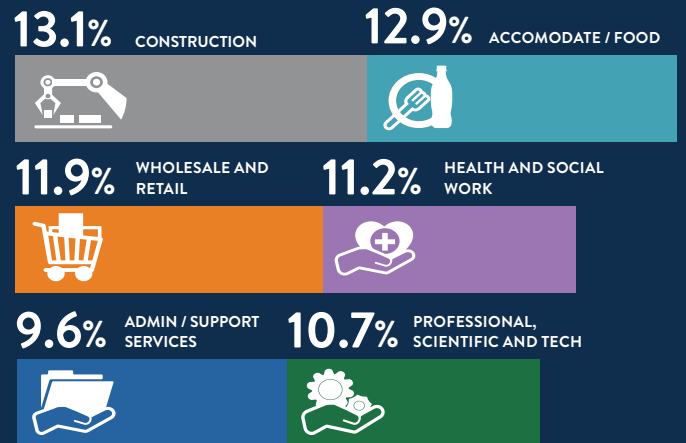
## SCALEUP LOCAL COVERAGE

LOCAL DISTRIBUTION FOR SCALEUPS IN SCOTLAND



## OVERALL SECTORAL CLUSTERS OVER 10%

ACROSS SCOTLAND KEY SECTORAL CLUSTERS ARE HEALTH/ SOCIAL WORK AND WHOLESALE AND RETAIL



Sources: ONS IDBR 2019-2022

## SCOTLAND VISIBLE SCALEUPS

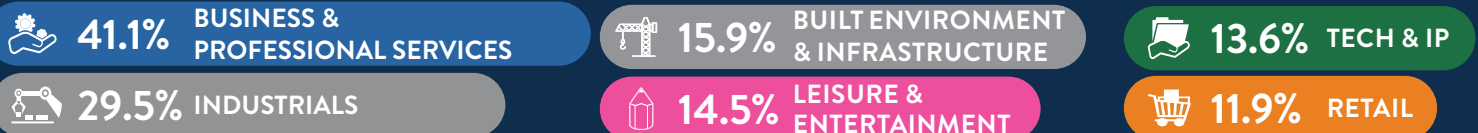
Based on Companies House data this show the number of scaling businesses breaking through the £10.2m t/o; £5.1m assets and / or 50 employees barrier in 2023.



Innovate UK awarded 163 grants with £123 million supporting their scaleup journey

## VISIBLE SCALEUP CLUSTERS GREATER THAN 10%

ACROSS SCOTLAND KEY SECTORAL CLUSTERS ARE BUSINESS AND PROFESSIONAL SERVICES, INDUSTRIALS AND BUILT ENVIRONMENT & INFRASTRUCTURE



## SCOTTISH UNICORNS



THERE HAVE BEEN **4** UNICORNS FROM SCOTLAND  
FROM **4** DIFFERENT SECTORS

- BrewDog
- Exscientia
- Skyscanner
- Smart Metering Systems

FOOD AND DRINK  
LIFE SCIENCES  
INTERNET PLATFORMS  
ENERGY



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## TOP FUNDERS WITH 2 OR MORE FUNDRAISINGS

BY NUMBER OF FUNDRAISINGS FOR DEALS INTO VISIBLE SCALEUPS

Scottish Enterprise	47	Deepbridge Capital	3	University of Edinburgh (Old College Capital)	3
Archangels	21	Equity Gap	3	University of Strathclyde	3
Business Angels	12	ESM Investments	3	Barclays	2
BGF	10	Highland Venture Capital	3	DC Thomson	2
Maven Capital Partners UK LLP	6	Imperial College London	3	Galvanise	2
Downing	5	Investing Women	3	Greenwood Way Capital	2
London & Scottish Investment Partners	5	Par Equity	3	Osaka Gas	2
Scottish Equity Partners	4	Scottish National Investment Bank (SNIB)	3	SyndicateRoom	2
TRI CAP	4	UK Steel Enterprise (UKSE)	3		

## TOP 5 ADVISORS BY NUMBER OF VISIBLE SCALEUPS ADVISED

ADDLESHAW GODDARD

DELOITTE

CATALYSIS ADVISORY

ERNST & YOUNG (EY)

MAZARS

## BARRIERS TO GROWTH FOR SCOTLAND SCALEUPS

As identified the follow barriers to growth in the recent ScaleUp Institute survey of over 90 scaleup CEOs located in Scotland, across all sectors, whoes businesses generate £468m in turnover and employing over 3,100 people.

### THE KEY CHALLENGES FOR FUTURE GROWTH HOLDING BACK SCALEUPS IN SCOTLAND:

Access to the talent you can hire

70%



Access to markets in the UK / internationally

69%



Access to the right debt / equity finance

42%



Access to infrastructure

31%



Leadership development

25%



### SCOTTISH SCALEUPS WANT MORE OF RELATIONSHIP MANAGEMENT AND IDENTIFICATION



**8 in 10** would like a single point of contact to act as a relationship manager for them. Scottish scaleups are happy to be identified on a public record, with **7 in 10** stating this should be on an opt-in basis.

### LOCAL RESOURCES TO HELP THEM SCALE

Access to peer networks is the local external resource that scaleups in Scotland are most keenly seeking.

4 in 10

Peer Networks

Universities

Mentors

3 in 10

NEDs

Professional services

### SCALEUPS WOULD LIKE EASIER LOCAL ACCESS TO:

**6 in 10** Scaleups in Scotland are looking for advice on funding your business as it grows/ Introductions to potential investors

5 in 10

Devolved Enterprise Agencies

Tailored Growth Support

Support with R&D and innovation

4 in 10

Innovate UK

Flexible leadership programmes and programmes to access domestic markets

Source: ScaleUp Institute Annual Scaleup Survey 2021-2023

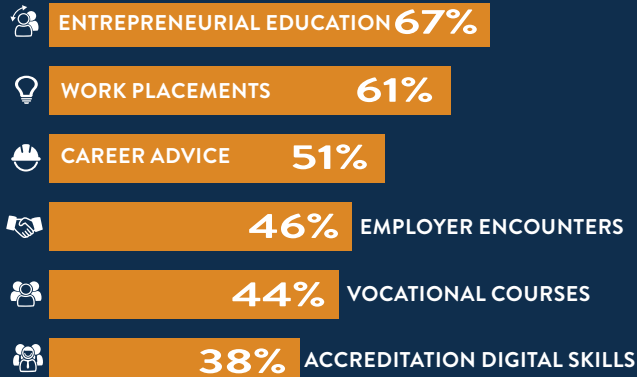


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## THE TALENT, SKILLS AND LEADERSHIP PERSPECTIVE

The education system has a critical role to play not only in equipping young people with the skills they need for the future but also in guiding career choices and supporting scaleups develop the skills of their current workforce.



71%

SCOTTISH SCALEUPS  
OFFER APPRENTICESHIPS  
OPPORTUNITIES TO YOUNG  
PEOPLE

### Board/senior management skills desired by Scottish scaleups

Sales / Business Development	56%
Strategy development	53%
Brand building / marketing / communications	40%
Innovation / product development	34%
Finance / Fundraising	31%
Compliance/Risk Management	26%
HR / Talent / Culture Management	21%

### KEY FUTURE SKILLS

#### MOST IMPORTANT SKILLS FOR THE FUTURE WORKFORCE



78%

PEOPLE MANAGEMENT

COGNITIVE  
FLEXIBILITY 74%

RESILIENCE  
AND FLEXIBILITY 74%

COMPLEX PROBLEM  
SOLVING 74%

CRITICAL /  
ANALYTICAL  
THINKING 71%

JUDGEMENT AND  
DECISION MAKING 70%

ACTIVE  
LEARNING 65%

SERVICE  
ORIENTATION /  
INITIATIVE 61%

NEGOTIATION AND  
PERSUASION 61%

Using Maths and modern technologies  
- statistical analysis, modelling, AI,  
advanced coding, etc

How business funding, investment  
and venture capital works

77%

58%

'MATHS TO 18' PLAN

## THE MARKET PERSPECTIVE

### WE NEED TO BREAK DOWN BARRIERS TO EXPORTING



6 IN 10  
CURRENTLY  
EXPORT



8 IN 10  
LOOKING TO  
FUTURE EXPORT  
MARKETS

78%

PRIMARILY SELL TO OTHER  
BUSINESSES OR GOVERNMENT  
(B2B)

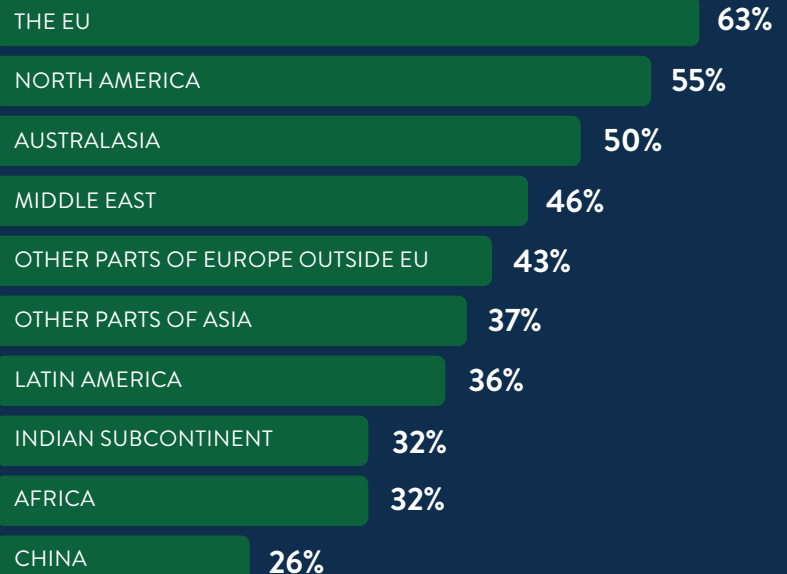


22%

SELL DIRECT TO CONSUMERS  
(B2C)



### KEY EXPORT MARKETS FOR SCALEUPS IN SCOTLAND



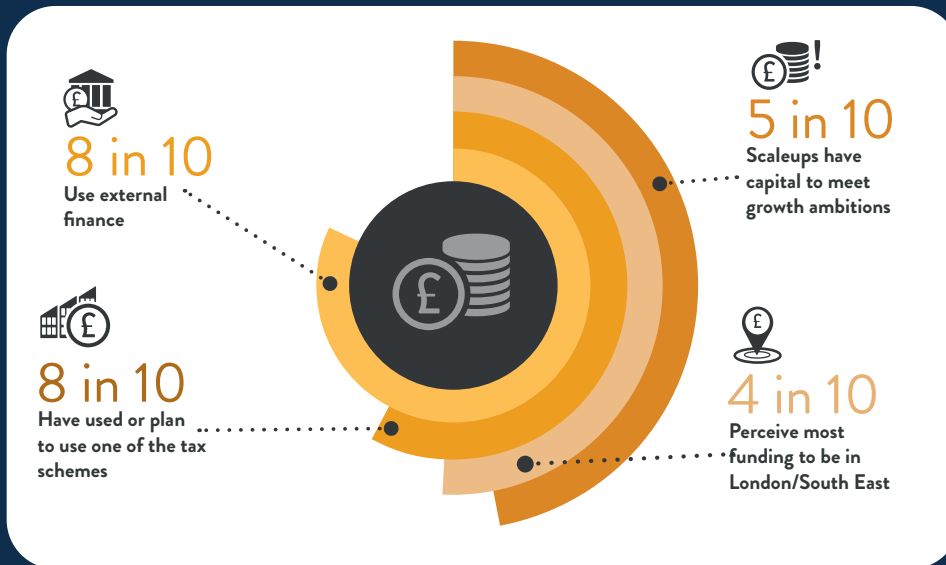
Source: ScaleUp Institute Annual Scaleup Survey 2021-2023



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## THE FINANCE PERSPECTIVE

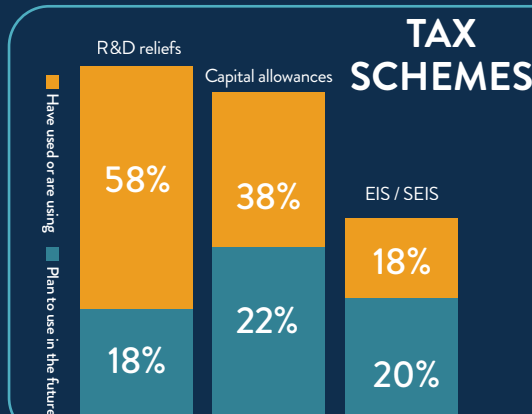


### BARRIERS TO FINANCE

- We do not think we would get the deal we want **32%**
- We are put off by the short-term focus of investors **20%**
- We are not sure what to do e.g. who to apply to/ask advise/ what to apply for **18%**
- Investors often lack of understanding of our sector **17%**
- We don't want to give up control of the business **16%**

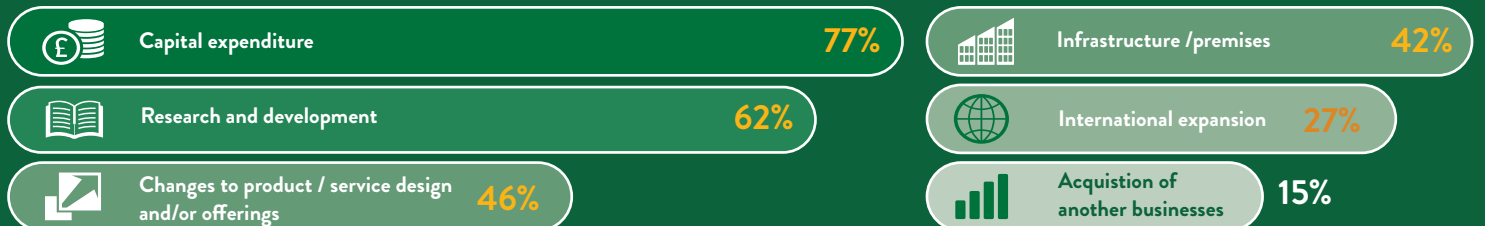
**£217M -  
£1.5BN**

**GROWTH  
CAPITAL GAP  
IN SCOTLAND**



Increased awareness of such schemes	55%
Making schemes easier to understand/apply for	50%
Expanding the range of things we are able to claim for	45%
Commitment from Government to continue offering these schemes beyond current time periods	40%
Increasing value of any allowance we are able to claim for	29%
If it was recommended to me by someone I trust (e.g. accountant, lawyer, etc)	11%

## PLANS FOR INVESTMENT



### SCALEUPS ARE SEEKING SUPPORT TO ACCESS INVESTMENT

