

NEWS COMMENT AND ANALYSIS ON THE YOUNG COMPANY MARKET

Swipii views “huge potential”



Swipii is a marketing platform which has developed a loyalty card app for SMEs

The latest version of the app removes the need for physical loyalty cards by linking to a debit or credit card, and rewarding users with points as they shop at businesses signed-up to Swipii. The app’s original iteration had 1.1m users and its 1,700 affiliated businesses saw up to a 1.5x revenue boost, but it relied on using iPads to track visits only.

Chitresh Sharma, co-founder and CEO of Swipii, says “We estimate that there are more than 600,000 small to medium sized businesses in the UK that could benefit from Swipii, so there is huge potential for expansion.”

Users must enter their 16-digit credit or debit card number or take a picture of their card to link it to the app. Once they have done so, the app will reward them 10 points for every £1 spent at signed-up businesses.

Swipii recently secured an investment of £1.9 million in a funding round led by Par Equity, joined by Scottish Investment Bank together with Green Shore Capital and other follow-on investors. Swipii previously raised equity in October 2016, when LocalGlobe, Global Founders

Capital and Kima Ventures invested £2 million

Sharma commented on the latest round: “Our card linking technology has improved on an already popular product by making it even more intuitive, and this investment means we can build on our existing userbase and grow with the new, more intuitive Swipii.”

Par Equity partner Paul Munn added “What struck us about Swipii was how convenient it is for users and how wide its appeal can be. We all know the frustration of forgetting to bring a loyalty card with you.

“And as for businesses, Swipii gives them useful data and their customers a reason to return, so it’s a win-win – and that makes it very attractive for investors.”

Swipii recently doubled its product team as well as hiring new Growth Director Janet Balneaves from Skyscanner, and new Product Owner Mark Crabbie from Google. Also, Mark Logan, ex-COO of Skyscanner who participated in this round of funding, and 5pm.co.uk founder Ronnie Somerville have joined the board of directors.

Company

Company: Swipii
 Incorporated: November 2012
 Location: Glasgow
 Sector: software

Contact

Contact: Chitresh Sharma
 Telephone: 0800 368 7416
 Website: www.swipii.com

Deal data

Deal date: 4 March 2019
 Amount: £1.9m
 Investors: Par Equity, SIB, Green Shore Capital, others

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Curo Compensation doubles sales team

Curo has developed a configurable and scalable compensation management software solution

The company is led by CEO Gerry O'Neill who co-founded Vebnet, a SaaS-based employee benefits solution, sold to Standard Life in 2008.

The company has three main products: CuroEnterprise, a highly configurable solution which enables organisations to manage and optimise their human capital investment and deliver on their reward strategies; CuroLite, an affordable, configurable compensation planning solution for SMES; and CuroGPG, a complete solution for UK gender pay gap compliance, insights and forecasts. The company has also developed HCM Connector, which allows automated data exchange between CuroEnterprise and leading Human Capital Management (HCM) software.

In December Curo closed a £1.5 million investment round from Maven Capital Partners, Downing, Scottish Investment Bank, and others, almost exactly a year after raising £1.8m from the same investors.

In the interim the company has been making good progress. Year on year recurring revenue was up by more than 60% at the end of the 2017/18 financial year, and Gerry O'Neill confirms that when the 2018/19 FY closes at the end of this month, a similar increase in recurring revenue will be posted.

The main purpose of the latest fundraising was to increase sales, and the company has lost no time in pursuing this goal, more than doubling its sales team since the investment was completed.

Company

Company: Curo Compensation
Incorporated: September 2009
Location: Edinburgh
Sector: software

Contact

Contact: Gerry O'Neill
Telephone: 0131 510 2010
Website: www.curocomp.com

Deal data

Deal date: 24 December 2019
Amount: £1.5 million
Investors: Maven Capital Partners, Downing, SIB, others

Udrafter prepares for expansion



Udrafter has created an app which provides approved businesses with a platform to post one-off jobs or bite size projects, to be completed by skilled students looking for flexible and paid work experience opportunities

The company was started by brothers Daryll and Luke Morrow, and is currently focused on Aberdeen, where it has 225 students and 64 businesses registered on the platform. Daryll is an MSc International Business graduate from Robert Gordon University, who started the business as part of a university project, and was later accepted on to the 12 week Elevator Business Accelerator programme in Aberdeen.

The company recently secured £150k seed investment from two business angels based in Aberdeen, Mike Wilson (entrepreneur and current chairman of Ecosse IP), and chartered accountant Alec Carstairs (former

partner of EY). Wilson said: "I'm very enthusiastic about the prospects for this business. What is really great is that businesses get to look at the next crop of talent while they perform real jobs and vice versa. The team is hugely talented, bubbling with enthusiasm and has a product ready to deliver huge benefits to both employers and students."

The funding will enable the business to extend its coverage to other cities in Scotland, initially Edinburgh, Glasgow, and Dundee, before rolling out across the UK. Udrafter is currently preparing a promotional campaign to be launched before Easter.

The company was incorporate in October 2016, but work started in earnest in June 2017, when Daryll decided to leave his graduate job to work full time on the project, and Luke returned to Scotland after a period travelling. As with many start-up businesses, this meant no salary for some time before the company started to win grants and awards. Udrafter secured a Virgin Start Up Loan and Scottish Enterprise grant funding in 2018, and went on to win a Young EDGE prize of £10k in Round 12 of the Scottish EDGE awards. Daryll won the Make Your Pitch Happen competition at Elevator’s ninth annual conference in October, and the company has since spent two months on Robert Gordon University’s Start-Up Accelerator to develop its launch strategy.

Daryll described the thinking behind the company’s formation. “In 2018, The Graduate Market reported that more than a third of recruiters from the Top 100 UK graduate employers stated that those who have no

previous work experience are unlikely to be successful during the selection process for their graduate programmes.

“We firmly believe there is a real gap in the market for our expertise. It is the right time for us to deliver. Udrafter bridges the transitional skills gap between education and the work place by giving students an opportunity to taste the world of work, before they have even graduated. Businesses benefit by having direct access to student talent without the expense of hiring a full-time employee.

“The investment and expertise we are receiving is game changing for the business, it will allow us to scale our proven concept across Scotland and the UK. We are really looking forward to providing value to students who need vital work experience to transition into the work place.”

Company

Company: Udrafter
Incorporated: October 2016
Location: Aberdeen
Sector: mobile app

Contact

Contact: Daryll Morrow
Telephone: 01224 262484
Website: www.udrafter.com

Deal data

Deal date: 18 February 2019
Amount: £150k
Investors: private investors
Advisers: Gilson Gray

BGF backs Parklands Group

Parklands, one of the largest independent care home providers in the north of Scotland, has received a £5 million investment from BGF to further accelerate its growth.

Set up in 1993 in Buckie by Ron Taylor, Parklands provides high-quality residential care for older people at eight care homes across Moray and the Highlands, the most recent being its newly opened Lynemore home in Grantown on Spey. Parklands was one of the first nursing care providers in Scotland to achieve Investors in People status and the group has won a series of awards for the quality of its care and its commitment to staff development and training.

The investment marks BGF’s first investment in the Highlands and Moray. The growth capital from BGF will be used to support the building of a £4m 40-bed care home in Fortrose and a £6.5m care hub in Inverness, comprising a 48-bed care home and 16 assisted living suites. Through its Talent Network, BGF introduced Maurice McBride who will join the board as non-executive chairman.

Company

Company: Parklands Ltd
Incorporated: December 1993
Location: Buckie
Sector: care homes

Contact

Contact: Ron Taylor
Telephone: 01542 836000
Website: www.parklandsgroup.com

Deal data

Deal date: 18 December 2018
Amount: £5 million
Investors: BGF

Scottish-European Growth Co-Investment Programme

Scottish Enterprise has provided £6.12 million of equity investment from this Programme to the first cohort of companies, facilitating investment rounds totalling £16.26m.

The Scottish-European Growth Co-Investment Programme (SEGCP) is delivered by the Scottish Investment Bank (SIB), the investment arm of Scottish Enterprise, in partnership with the European Investment Fund (EIF), and is backed by the Scottish Government through the Scottish Growth Scheme. It aims to increase available equity funding options for companies who are at the next stage in their growth journey.

DeepMatter Group has built a platform which transforms chemistry into code. It uses Artificial Intelligence (AI) and Machine Learning (ML) to make better molecules and provide insights not previously available.

The company, incorporated in June 2006 and previously named Oxford Advanced Surfaces Group plc and Cronin Group plc, was founded by Professor Lee Cronin, Regius Chair of Chemistry at the University of Glasgow, with investment from IP Group. The company was admitted to AIM in October the same year, raising £3.3 million with a market capitalisation of £4.5 million.

This month DeepMatter confirmed that it had raised £4 million via a placing, and had completed the acquisition of Infochem GmbH, a specialist in cheminformatics, from Springer Nature, an academic publishing company. The £4m placing included £2.86m from the SEGCP and its partner (IP Group).

DeepMatter CEO Mark Warne said “The investment allowed us to cement DeepMatter’s long-term development strategy, providing funding that ensures we remain at the forefront of the digitisation of chemistry, whilst also helping the company to secure additional institutional investment. We remain committed to building a sustainable business in Scotland and this year plan to expand our workforce, adding further software developers and data scientists to our team of visionary experts.”

ONZO Ltd is a data analytics company working predominantly in the energy industry. Investment of £2m in May last year from SEGCP together with its partner Cipio Partners, a German private equity fund, was coupled with funding from existing investor West Coast Capital, a Scottish private investment business, and Eneco, a Dutch energy company, in a deal totalling £7.7m, which enabled ONZO to accelerate its plans to expand its operations and open a Scottish office. The company has worked closely with Scottish Development International (SDI) in planning its Scottish operations; the Scottish Enterprise website has a video describing how together with the company’s German investors it assisted ONZO in opening an office at CodeBase in Edinburgh.

ONZO CEO Steve Daniels said “The new investment and our existing shareholders’ support has enabled us to take a significant step forward in accelerating the development of our business. We have already set up an office in Edinburgh, concentrated on speeding-up the delivery of our product road map, in terms of existing requirements. Importantly, the calibre of the team we have begun to recruit will also enable us to develop product and service features for the future requirements of the energy sector.”

Kerry Sharp, director of the SIB, said “ONZO and DeepMatter are exactly the type of ambitious companies our innovative programme is designed to support. By understanding the financing needs of our businesses, introducing new investors to the Scottish market, and actively filling the gap in funding availability, SEGCP has enabled the companies to deliver their growth ambitions.

“The programme is only one of the available financing support mechanisms we have at SIB. We are here to invest in growth and I encourage companies looking to raise additional funds – and investors interested in considering fantastic investment opportunities in Scotland – to get in touch with us.”

Kelvin Capital approaches 10 year anniversary

The Glasgow based investment syndicate has moved into its tenth year of business by completing its biggest investment year



A total of £10.5 million was invested across nine businesses in its portfolio in 2018, made up by eight follow on investments and one new investment.

The portfolio covers sectors including internet and app technology, biotech, life sciences and electronic manufacturing and medical technologies as it continues to support disruptive technologies with global ambitions.

Since its formation in 2009, Kelvin Capital has secured almost £30.2m in investment for its portfolio companies, made up from its syndicate members' money, plus co-investment from others. The investment group, which was launched by John McNicol, now has more than 200 UK wide members.

McNicol said "2018 was a particularly strong investment year which saw the Kelvin Capital syndicate invest at record levels. The reputation of Kelvin Capital is also reaching across the whole of the UK, and overseas, with ambitious companies now approaching us seeking our investment and expertise.

"For any new investment, we are looking to support companies with international growth potential which are already revenue generating, or have commercial traction and are close to being revenue generating."

2018 follow-on investments:

Biotangents: a company that develops DNA manipulation technologies;

Clear Surgical: develops new innovations by collaborating with surgeons to research and develop and bring novel healthcare solutions to market;

QED Naval: focused on the development of the marine renewable energy industry and the vessel requirements for deployment of offshore wind, wave and tidal devices;

Pyreos: the world's only thin film pyroelectric sensor supplier operating in the growing market for advanced infrared sensor technology in gas detection, motion sensing, and spectroscopic analysis;

miDrive: an established leader in taking the learn to drive market online, and disrupting the £10bn market for first-time driving and insurance;

ScotBio: a biotech company that has developed a patented, vessel-based process to respond to worldwide demand for 'clean labels' and products free of artificial colours by providing FMCG's with traceable, natural blue and green colourants;

Sofant: a business that has developed inherently low cost, low power and high performance smart antenna technology; and

Chromacity: an Edinburgh based company which is changing the world of ultrafast lasers for scientific research and industry.

2018 new investment:

Novosound: developed and patented a ground-breaking technique to mass-manufacture printable ultrasound sensors

www.kelvincapital.com

Abertay University wins games accolade

Abertay University videogames degrees have been ranked best in Europe for the fifth consecutive year. The annual Princeton Review once again rated Abertay as number one in Europe for undergraduate level games courses, with the University also breaking into the world top 10 at postgraduate level.

This latest accolade builds on the University's reputation for international excellence in the videogames sector and follows the recent launch of the £12m InGAME partnership, which is led by Abertay and aims to undertake research and development with the games industry in Dundee and across the UK.

www.ycfscotland.co.uk

Deals Monitor

YCF issue	deal date	company	location	sector/activity	TOTAL £'000	investors, lenders, grants	advisers
240	Dec-18	Incremental Group	Glasgow	IT services	£3,000	Dunedin	Dickson Minto, Burness Paull, EY
240	Dec-18	Air Control Entech (ACE)	Aberdeen	oil & gas	n/d	private individuals	Anderson Anderson & Brown
243	Dec-18	Bella & Duke	Blairgowrie	pet food subscription	£920	BLUE14, individuals	
242	Dec-18	Greengage Lighting	Roslin	electronics	£2,012	Par Equity, SIB	
242	Dec-18	Amiqus Resolution	Edinburgh	software	£355	Par Equity, SIB	MBM Commercial
243	Dec-18	Parklands Group	Buckie	care homes	£5,000	BGF	
242	Dec-18	Red61	Edinburgh	ticketing software	£612	Par Equity, SIB	MBM Commercial
242	Dec-18	Uniklasers	Edinburgh	laser technology	£383	Par Equity, SIB, private investors	MBM Commercial, Burness Paull, ISW Legal, CMS Cameron McKenna
243	Dec-18	Insignia Technologies	Newhouse	sensing technologies	£432	Equity Gap, SIB, Highland VC, other private investors	Harper Macleod
241	Dec-18	Shot Scope Technologies	Edinburgh	wearable technology	£2,777	Equity Gap, SIB, OCC, other private investors	Morton Fraser, WJM, Macdonald Henderson, Burness Paull
243	Dec-18	Curo Compensation	Edinburgh	software	£1,500	Maven Capital Partners, Downing LLP, SIB	
241	Jan-19	Cutitronics	Glasgow	skincare	n/d	Croda International	Harper Macleod
241	Jan-19	Exscientia	Dundee, Oxford	life sciences	US\$26m	Celgene Corporation, GT Healthcare Capital Partners, Evotec AG	Rothschild & Co
241	Jan-19	AWS Ocean Energy	Inverness	renewable energy	share of £7.7m	Wave Energy Scotland	
241	Jan-19	Mocean Energy	Edinburgh	renewable energy	share of £7.7m	Wave Energy Scotland	
242	Jan-19	Moulded Foams	Cumbernauld	materials	n/d	BGF	
	Jan-19	BioCity	Nottingham, Newhouse, Altrincham	incubator	n/d	BGF, Blue Skies Investment	
242	Feb-19	Pitchbooking	Edinburgh, Craigavon (Ulster)	internet app	£250	Aurient, Techstart Ventures, Co-Fund NI (Clarendon Fund Managers)	
243	Feb-19	NovaBiotics	Aberdeen	life sciences	£1,800	SBRI (DHSC) grant	
243	Feb-19	Udrafter	Aberdeen	mobile app	£150	private investors	Gilson Gray
243	Feb-19	NeurocentRx	Edinburgh	life sciences	£242	Equity Gap, SIB	Morton Fraser, Shepherd+ Wedderburn, WJM
243	Mar-19	Swipii	Glasgow	software	£1,900	Par Equity, SIB, Green Shore Capital	
243	Mar-19	DeepMatter	Glasgow	software	£4,000	SEGCP, IP Group, others	

BGF investments

BGF's team in Scotland have invested a total of £250 million into Scottish businesses since 2011

This includes 30 new investments completed to date.

The team, based in local offices in Edinburgh and Aberdeen, provided £42 million of patient capital to businesses, with three new investments in 2018 including **Moulded Foams** (Cumbernauld), the UK's largest independent manufacturer of moulded foam products.

BGF also provided follow-on funding to oil and gas service providers **SPEX Group** (Aberdeen), oilfield technology group **FrontRow Energy Technology Group** (Aberdeen) - £10m to support further growth in its group companies, and **Walker Precision Engineer-**

ing (Glasgow) - £2.75m to invest in further equipment and double the size of its manufacturing presence in Poland.

In the past 12 months BGF has seen three exits: software business **Petrotechnics**, following its acquisition by US-based Sphera Solutions Inc, opticians **Duncan & Todd** at the time of the investment by private equity investor LDC, and R&D tax credit specialists **Jumpstart**, acquired by Visiativ Group.

www.bgf.co.uk

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BLUE14 investments

BLUE14 is a £10 million fund set up by e-marketing entrepreneurs Jim Lewcock and Dominic Benton

With a collaborative marketing hub at the fund's Brighton headquarters, the duo is now expanding the concept across the top tech cities in the UK, sharing ideas, assets, and resources.

Three of the fund's eleven investments to date are in Scottish companies:

Bella & Duke, Blairgowrie

www.bellaandduke.com

Online pet food subscription brand, delivering raw dog food anywhere in the UK

BLUE14 invested in the company in December last year, in a round totalling £920k

Flavourly, Edinburgh

www.flavourly.com

An e-commerce retailer, offering craft beers and other premium drinks to subscribers

BLUE14 invested in September last year, in a £1.7m round led by Equity Gap with SIB co-investment

Triyit, Glasgow

triyit.co.uk

Triyit's Product Discovery Club allows members to receive products to test; membership to the Club is free, in exchange for users feeding back information about the products they receive.

Triyit raised £115k in March last year from AngelsDen and angel syndicates Apollo Investment and Wallace Equity. BLUE14 invested £165k in the business in November.

We will give further details of BLUE14's innovative approach to investment in the April issue of YCF.

www.blue14.io

St Andrews Angels of London

A new investor network was launched this month with the goal of building an ecosystem of entrepreneurialism and investment around the University of St Andrews

The St Andrews Angels of London will be an alumni-led investor group comprising seasoned investors, entrepreneurs, business leaders and alumni. The group will provide investment capital, strategic advice, and mentoring to early stage businesses founded by St Andrews alumni or introduced by the group's members. They will also support spinouts coming directly out of the University.

The group has launched in partnership with Withers Tech, a legal service from international law firm Withers designed to meet the needs of entrepreneurs, investors, and technology companies across the world. Withers Tech will help to establish the group's operations and will provide the angel network with legal support and expertise as it grows in the City.

The St Andrews Angels of London's co-founder, Alex Rowe, described Withers Tech as the ideal partner for the network. "We are delighted to finally launch the

group after more than 18 months of planning, including direct engagement and discussions with alumni in the investment industry. We have big ambitions for the group and as we look to build a growing community of investors and entrepreneurs over the next year, Withers' unparalleled experience and global network will enable us to build the foundations of what we hope will be the start of an investment legacy for the University."

The partnership will see James Shaw, partner at Withers, head of Withers Tech, and St Andrews alumnus, undertake the role of general counsel to the St Andrews Angels.

The St Andrews Angels of London will be hosting its launch event at Withers' London HQ this May.

www.standrewsangels.co.uk

Scottish Life Sciences Awards

The awards recognise the success and achievements of Scotland's life sciences sector over the last 12 months in areas including innovation, investment, business leadership and collaboration

The 2018 young company winners (under 10 years old) are:

Rising Stars: High Growth Company

sponsored by Charles River Laboratories

FLEXMEDICAL SOLUTIONS

www.flexmedical-solutions.com

FlexMedical Solutions is a specialist contract design, development and manufacturing organisation with a focus on in-vitro diagnostics. The company helps its customers bring their point of care (POC) diagnostic idea to life, from concept to commercialisation.

Innovative Collaboration

sponsored by Marks & Clerk

SCOT BIO AND THE UNIVERSITY OF EDINBURGH

Scot Bio (www.scotbio.com), based at BioCity Scotland in Newhouse, and academic researchers from the University of Edinburgh have collaborated since 2016 on funded research projects and two ongoing CASE PhD Studentships. Scot Bio designs, installs and operates microalgal photobioreactor systems to produce high value biochemicals. Over the course of the past 24 months, Scot Bio and the University of Edinburgh have

been developing novel molecular biology techniques and downstream extractions processes with the aim of further enhancing the phycocyanin yield that Scot Bio can produce and increasing the purity of the product.

Rising Stars: Extraordinary Talent

sponsored by Hyper Recruitment

ROYLANCE STABILITY STORAGE

www.roylancescientific.co.uk

Another BioCity Scotland company, co-founded in 2016 by Benedict Roylance and Marieanne Miller, Roylance Storage provides controlled conditions to store pharmaceuticals, biologics and medical devices.

Innovation

sponsored by Haseltine Lake

CLINSPEC DX

www.clinspecdx.com

ClinSpec Diagnostics aims to be a world leader in blood tests for early detection of cancers and other diseases. Its lead product is the ClinSpec Dx™ Triage ID test for brain cancer, the world's first cost-effective blood test for early detection of this disease.

Converge Challenge KickStart Award

This Award, aimed at early-stage projects, offers advice and support for emerging entrepreneurs at the start of their journey

KickStart is part of Converge, a pan-Scotland company creation programme for staff, students and recent graduates of Scottish universities and research institutes with the aim of creating a new generation of entrepreneurs in Scotland.

Winner (£10k prize)

WATERWHELM

Founded by Dr Ali Abbassi Monjezi, a Research Associate within the School of Engineering at the University of Edinburgh, Waterwhelm aims to address a worldwide lack of clean water.

His concept is to commercialise a self-powered technology to produce fresh water from waste water whilst simultaneously generating electricity.

Runner up (£5k prize)

DESIGNED FOR LIFE

Designed for Life is a collaboration between the Glasgow School of Art and the University of Glasgow. Founder Ms Saskia Goeres' first product, Sofa for Life, is a portable, washable and easily repaired sofa. Designed for Life's products aim to dramatically reduce landfill waste caused by low value furniture.

Young Company Showcase:

Clear Surgical

A participant in the Showcase at last year's YCF conference, Clear Surgical has met an enthusiastic welcome for its technology from surgeons around the world. CEO Phillip Harris picks up the story.



Clear Surgical manufactures and supplies surgical instruments designed to make life safer for patients. The company's first product, Oplight, is a single use sterile light cartridge that can be attached to surgical retractors used in surgery, giving much better illumination of the entire surgical cavity.

Why didn't anyone think of this before?

Many people have thought that the concept of light inside the surgical cavity would be a great idea, as it eliminates shadowing from overhead lights, or the use of head-torches that are fairly universally disliked; there are a number of products that have been introduced to try and solve these concerns. Many of these solutions, however, introduce their own issues without satisfactorily resolving the lighting problem, such as the light being an integral part of a retractor system that only suits a narrow range of procedures, or the use of fibre optics which provide a too focused light source, or have trailing cables which surgeons are trying to eliminate as much as possible.

The Oplight is a self adhesive small LED light source which allows it to be attached to any flat blade retractor system currently in use by surgeons and so eliminates the need to purchase a new retractor system in order to get the light. The light is soft and diffuse, and illuminates the whole cavity. It is a sterile single use product, so eliminates cleaning and re-sterilisation, and the potential for contamination. The patented technology also eliminates any extraneous light shining back into the surgeon's eyes as well, so has a number of key advantages over competitors.

How easy or difficult was it to make the idea a reality?

With medical devices the route to market can be fraught with all the regulatory requirements. Since the company's inception the products have evolved based on feedback from surgeons, so the products we have now are not the same as we started with. However we are now gaining great traction with sales and tremendous feedback now that the products fit their needs much better.

There have been manufacturing issues to sort out as well, but that is not unusual with new revolutionary products and these are now resolved satisfactorily.

You are selling in many different countries - has the Oplight been universally welcomed, or have some potential users required more convincing?

On first seeing the Oplight it is universally liked by surgeons and distributors and there has been virtually no negative feedback. The only issue has been that once you show professionals they want to try it for all procedures! and at the moment it will only attach to flat blade retractors. We have designs to introduce a version with a curved back which will allow attachment to another wide range of curved retractors, which will further open up the market. We are close to completing a design for a thinner version as well, which will again give us entry to a wider range of applications.

What issues did you face in appointing distributors in so many countries?

We are taking a fairly unique approach, as within the company there is considerable experience in the pitfalls of appointing distributors from previous roles. Our strategy has always been to drive demand by interacting with surgeons directly through electronic routes, but then get product delivered by distributors. If you appoint a distributor and then wait for the demand from surgeons it will very much depend of the quality of the distributor.

So we have been connecting with surgeons using LinkedIn initially. We are now fast approaching 2,000 connections with surgeons, and we regularly get 2,000 views of any posts we make. We can then provide surgeons directly with samples to test out in theatre. We then ask the hospitals who they would recommend as a distributor, which helps to take away some of the risk in appointing an unknown distributor. Once we have identified a suitable distributor we then work with the firm to confirm that they are sure it is the right fit,

and we will only sign a contract once there is a commitment to sales volumes. This is working well for us.

What excitements does 2019 hold for the company?

We are completely focused on selling the existing Oplight, and that is progressing well. However there are two very exciting developments that we are accelerating through the research and development phases. Now that we have the Oplight in production we can change the wavelength of the LEDs relatively easily. Hence we have two variants, one with ultraviolet (UV) and one with Near Infrared (N-IR) LEDs.

The UV has potential to kill airborne bacteria. It is currently under testing, and we are planning to launch in Q2 this year. This product has generated huge interest amongst surgeons.

N-IR has been used to excite dyes that have been selectively attached to cancer cells in patients, to give much greater visibility of the cancer during surgery. We have a surgeon in the US who has pioneered the research and is very excited about performing trials with the N-IR Oplight.

So, exciting developments for the Oplight in 2019!

www.clearsurgical.com



Clear
Surgical

Good-Loop and Invest-in-Change

YCF readers will be familiar with Good-Loop, not least as winners of the best pitch at EIE18, but also featured in a number of articles covering awards, grants, and investment.

In a recent conversation with Good-Loop co-founder Daniel Winterstein we discovered that the team has created a new platform to focus on charitable donations independent of a commercial objective.

Good-Loop itself is an advertising platform that allows businesses to donate money to charity every time a viewer watches one of its online adverts.

Daniel explained the development of Invest-in-Change in this context:

“Invest-in-Change came out of Good-Loop's experience raising seed funding from angel investors. Angel investors want to make a return of course, but they are often driven by more than just money. That's where Invest-in-Change helps.

“To recap: Good-Loop is a profit-with-purpose company. We plan to make money and deliver a financial return, but we also deliver benefits for society. Indeed, positive action is core to how we make money. Good-Loop has now grown beyond the angel investor stage - following several quarters of high commercial growth, we're launching a Series A round and talking to VCs.

“We created Invest-in-Change to harness the energy of our angel network, and support the next generation of companies in launching ethical innovations.

“Our last fund-raising round was from angel investors [*]. It was hard work. Often people were confused by our

business model, mistaking us for a charity (we're not that nice!). We were successful in the end, raising over £250,000. We found there are plenty of investors who want to fund positive change, provided it makes good business sense. These are the ideal people to invest in profit-with-purpose companies, as they have shared values with the entrepreneur.

“Unfortunately finding those people was time-consuming, as there was no place for angels with a purpose to connect with like-minded companies. We experienced first-hand a gap and a need. So we created Invest-in-Change to help the next round of purpose-led companies. It's a loose network - basically a mailing list of investment opportunities - to connect ethical companies and investors. We focus on linking start-ups with angels. Start-ups can be the generators of big change and are powered by angel funding, so there's enormous potential for angel investors to make a real difference. It's grown beyond our original network, and we now have several hundred signed-up to the Invest-in-Change mailing list.”

invest-in-change.com

www.good-loop.com

* - Good-Loop's campaign on the Seedrs platform in April 2018

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YCF Annual Conference 2019

Teams and Team Building

Friday 13th September 2019, Sheraton Grand Hotel, Edinburgh

Investors almost without exception talk about judging a company by the quality of its team before committing any funds. At this year's conference we aim to look at the issues of building a team and keeping it motivated so that the business can reach its full potential. The issues to be explored will include:

- ◆ Why investors focus on the management team, and how they make their decisions
- ◆ The ideal makeup of a team at different stages of a company's development
- ◆ How the team can be motivated – share options and other incentives
- ◆ What happens to the team as the company grows or is acquired

The first two speakers to be confirmed are:

Chris Wardle, Senior Investment Manager, Foresight Group LLP, a UK private equity investment manager with approximately £2.8 billion of assets under management.

Bruce Douglas, director of Confidas People, a consultancy which specialises in management team due diligence for mid-market private equity firms and their portfolio companies.

Early Bird booking opens at Easter - in the meantime, please note this date in your diary!

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