

THE SCALE-UP INSTITUTE

FUELING GROWTH FIRMS IN EUROPE

Sherry Coutu CBE

#scaleup

<http://www.scaleupreport.com>

Lisbon

23 October 2015



“We want nothing less than to make the UK the technology centre of Europe. This is the path we need to take to create new jobs, new growth and new prosperity in every corner of our country.”

George Osborne, Chancellor of the Exchequer



“This report makes a compelling case for getting behind the UK’s high growth ‘scale-ups’ and I hope all political parties seriously consider its recommendations.

These firms are already having a transformational impact, ***we just need more of them to grow.***

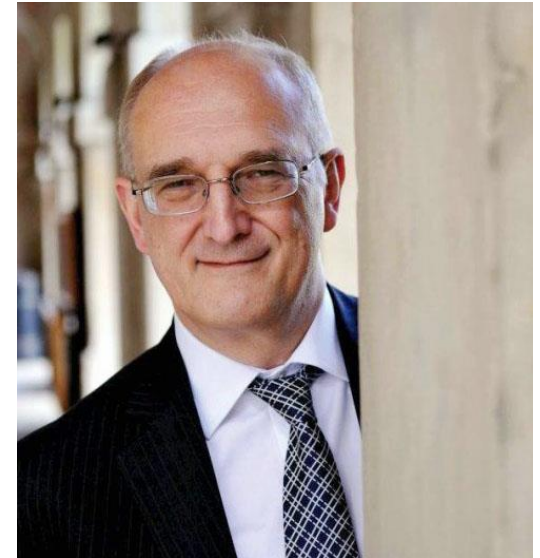
Helping them access the talent they need, develop their leadership and access new markets are the priorities.”



**JOHN CRIDLAND,
DIRECTOR-GENERAL
CBI**

“This report clearly demonstrates the significant benefits that can be achieved through Government, business and universities working together to help close the scale-up gap.

World leading universities such as Cambridge play a crucial role in creating business through the generation of innovation, entrepreneurship, and funding opportunities, but it is the talent and expertise of our students and academics that will help these businesses grow.”



**LESZEK BORYSIEWICZ,
VICE CHANCELLOR OF
CAMBRIDGE UNIVERSITY**

"Sherry Coutu's 'Scale-Up Report' zooms in on one of the most pressing growth challenges faced not only by the UK but many other advanced economies: how do you move beyond creating start-ups, and prepare the ground for companies to grow and create meaningful economic impact?"

This focus on the quality and not just the quantity of entrepreneurship helps the reader to gain new insights into what policy steps should be taken.



Professor Michael Porter

Harvard Business School



Neelie Kroes ✓

@NeelieKroesEU FOLLOWS YOU

Special Envoy Startups NL

startupdelta.org. Formerly Vice President of @EU_Commission @DigitalAgendaEU.

Follow my successors @GOettingerEU, @Ansip_EU.



81 Neelie Kroes @NeelieKroesEU · 10h

@scoutu thanks for your inspiring interview on scale ups in the @FD, precisely the next step for NL @StartupDelta.Greetings from Cambridge!



“Without a well-functioning digital single market, it is difficult for new ventures to emerge and scale-up in Europe, and lack of risk capital makes it harder still.

Startups find it hard to recruit and retain the right talent to fill the job vacancies...

Scale-ups need a solid pool of established companies interested in providing growth opportunities in order to flourish”

“We urgently need to tackle the most challenging issues such as data, skills and standards, for European industry and citizens to make the most of the digital economy.”



Andrus Ansip
Digital Single Market



Gunther Oettinger
Digital Economy & Society

THE SCALE-UP REPORT

ON UK ECONOMIC GROWTH

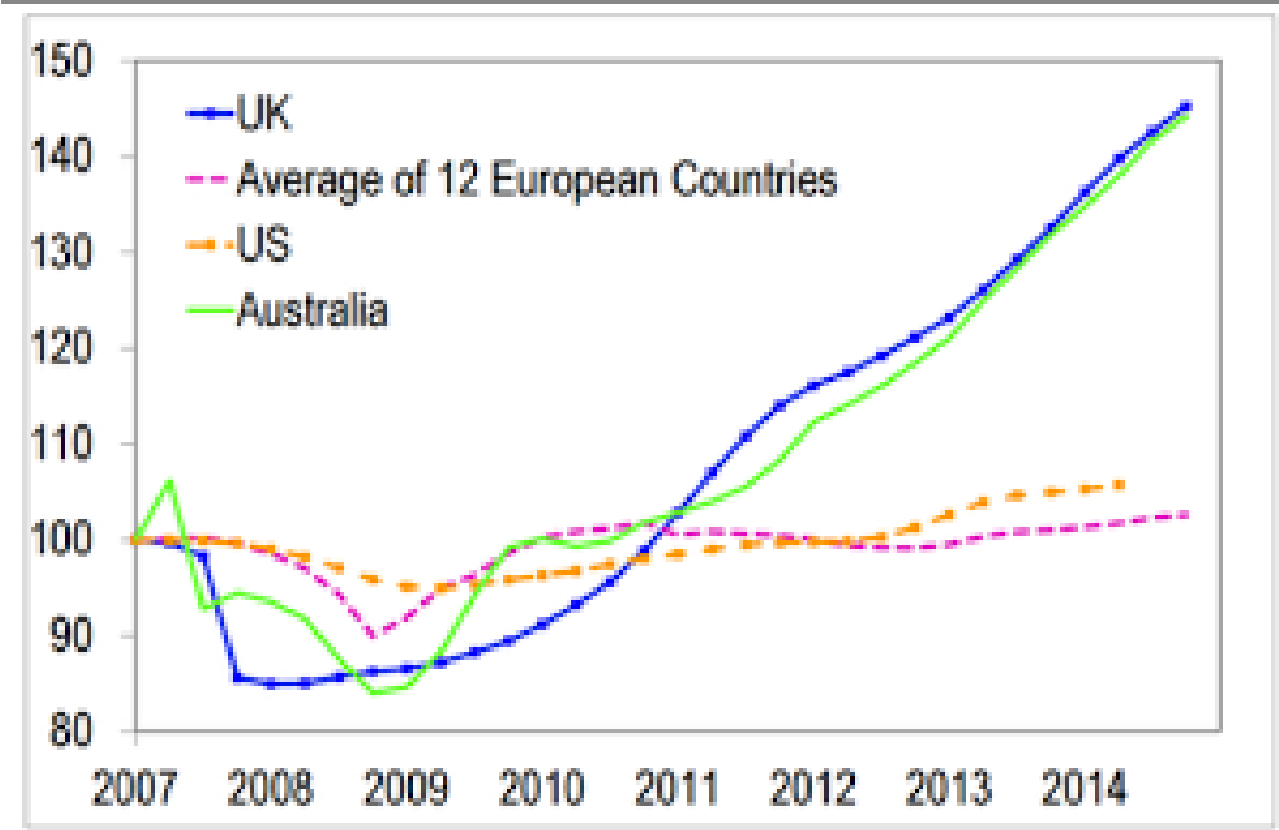
Definition

An independent report to the government
NOVEMBER 2014

A 'scale-up' is an enterprise with average annual growth in employees or turnover greater than 20 per cent per annum over a three year period, and with more than 10 employees at the beginning of the period

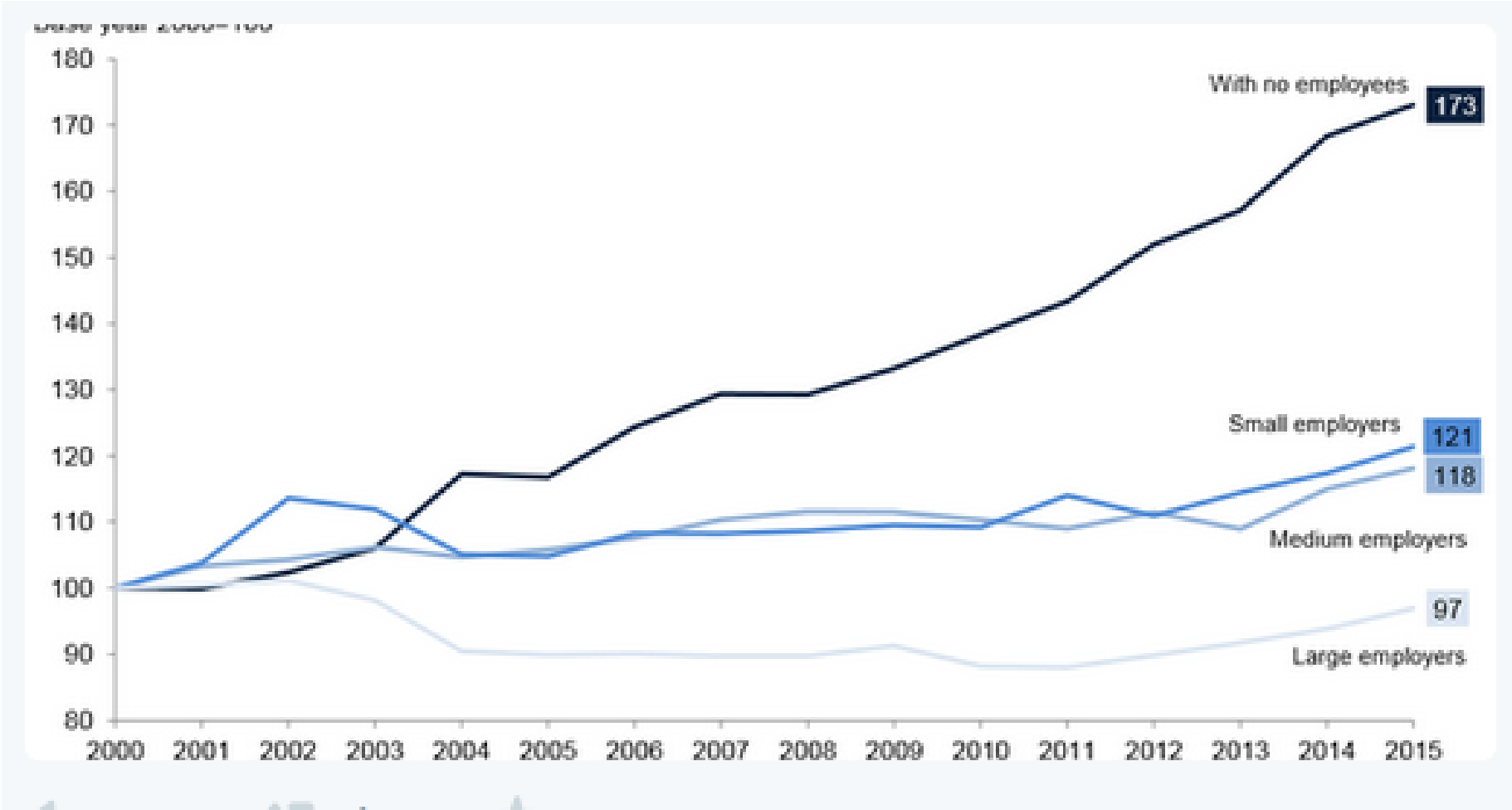


We are doing very well on Start-ups...



Sources: OECD and Citi Research

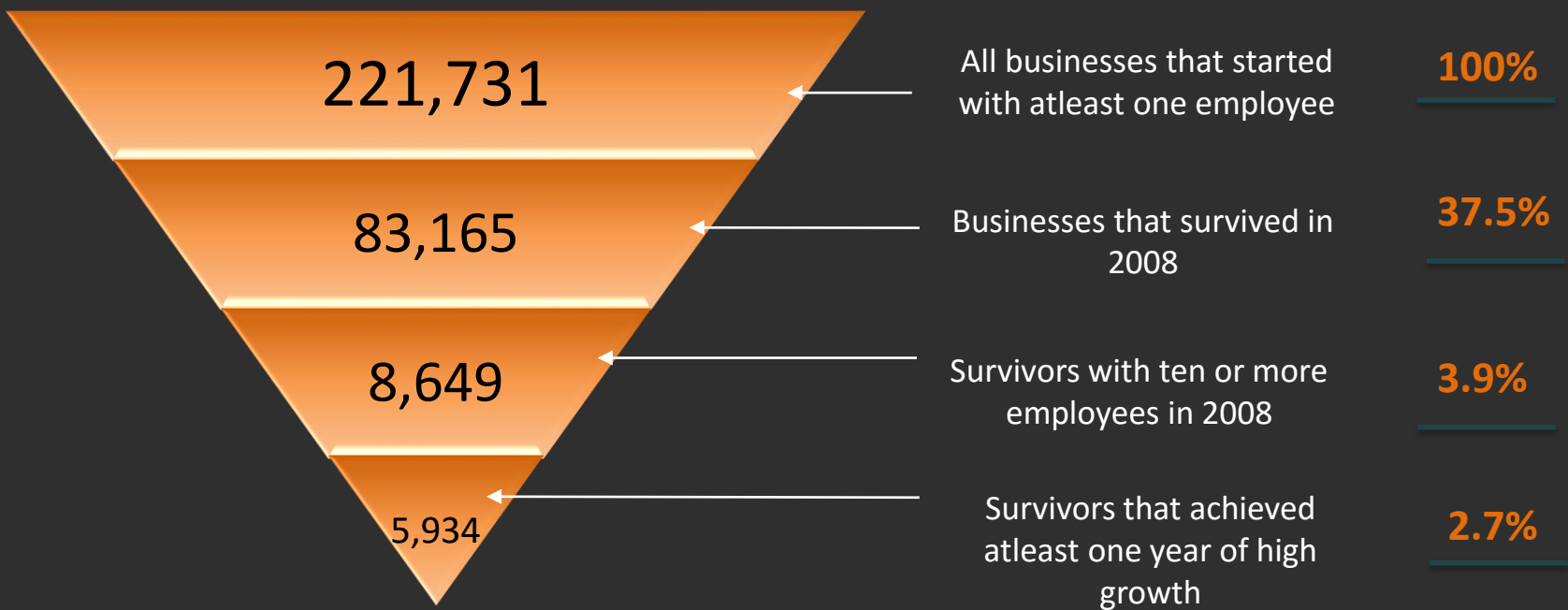
But we are doing less well on growing them.....



<https://www.gov.uk/government/statistics/business-population-estimates-2015>

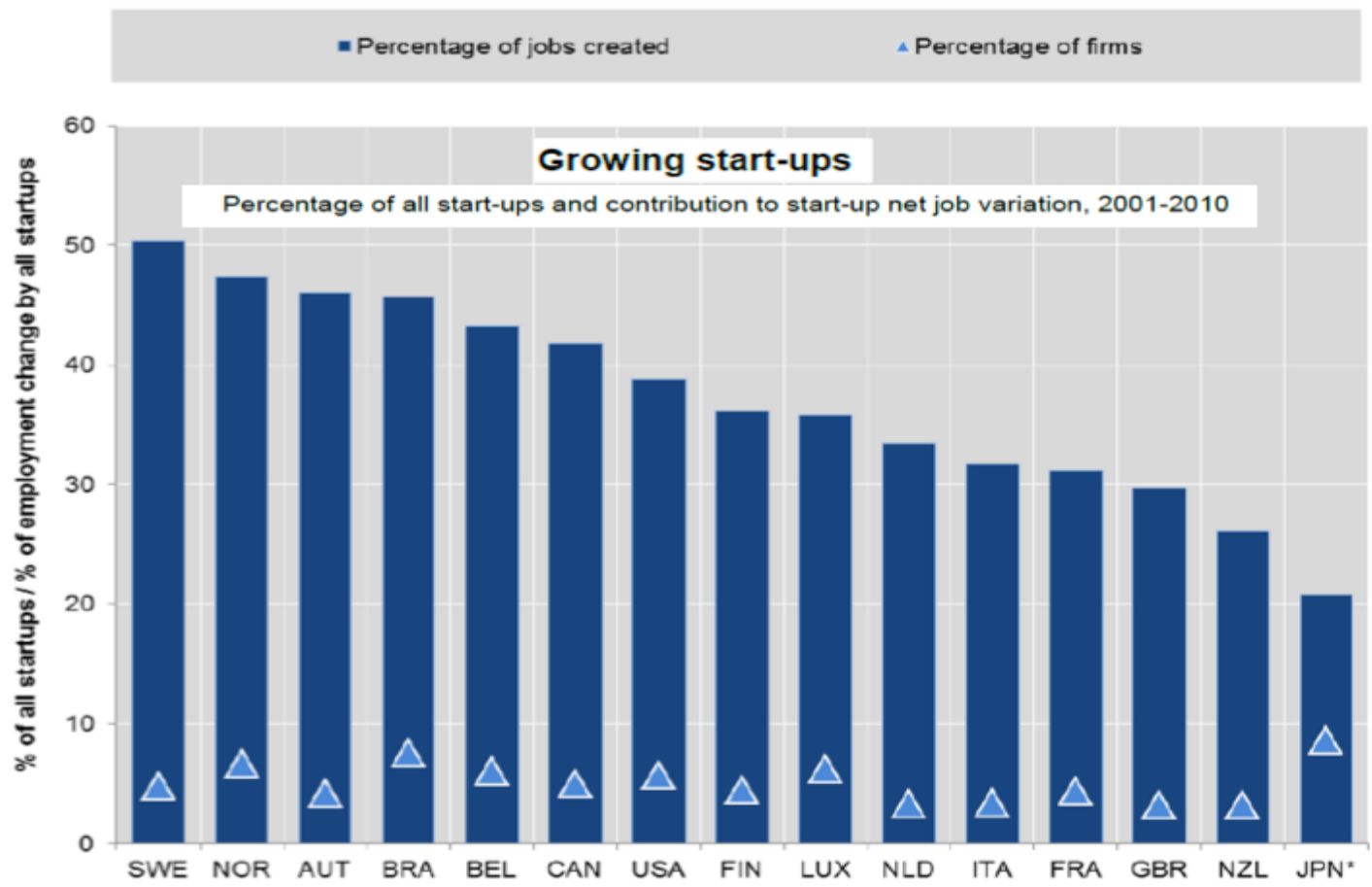
Very Few Start-ups Survive and Grow

UK businesses that started in 1998 – ten years later



Scale-ups:

A minority of start-ups account for a large share of jobs



Note: growing start-ups are firms with less than 10 employees at the age 0 to 2 with grow over 10 employees over a 3-year interval. Owing to methodological differences, figures may deviate from officially published national statistics. For Japan data are at the establishment level, for other countries at the firm level. Data for Canada refer only to organic employment changes and abstract from merger and acquisition activity.

Source: Criscuolo, Gal and Menon (2014). Please also see the methodological notes.

JOB CREATION IS LINKED TO COMPANIES THAT ARE HIGH GROWTH (2014)

1%
34 %

JOB CREATION IS LINKED TO COMPANIES THAT ARE HIGH GROWTH (2015)

In the UK, HGSBs created the equivalent of approx.

4,500 new jobs every week

,

**3 times as many new jobs as the
FTSE 100**

About the Skills Gap

1M

Number of new science, engineering and tech professionals required in the UK by 2020 (Royal Society 2014)

5.8M

The number of people forecast to be needed in the app economy by 2018 (OECD)

About the Skills Gap

100%

Net New Jobs created in Europe in the past 5 years were from companies less than 5 years old...

OECD (2014) Young SMEs, growth and job creation



About the Skills Gap

990,000

Open jobs today in Britain
(source Adzuna)



STARTUPS DO NOT CONTRIBUTE TO NATIONAL OUTPUT

Research by the academic David Storey found that the

Just one per cent have sales of more than £1 million six years after they star

1 %

STARTUPS DO NOT CONTRIBUTE TO NATIONAL OUTPUT

Research by the academic David Storey has found that the

median annual sales of a six-year-old firm in the UK are less than £23,000

£ 23,000

STARTUPS DO NOT CONTRIBUTE TO PRODUCTIVITY

BIS data show that in the UK average turnover per employee is:

- £170,000 for firms with 250 plus employees
- £164,000 for firms with 50 to 249 employees
- £134,000 for firms with between 10 and 49 employees³⁹

SCALE-UPS HAVE HIGH QUALITY JOBS

<http://www.scaleupreport.com>

Of the employees surveyed in these high-growth companies who had joined the company from another employer, 80 per cent stated that they were 'satisfied' or 'very satisfied' with their current job compared to 46 per cent when asked about their previous job

ON UK ECONOMIC GROWTH

Sherry Coutu CBE

CONCLUSION

Scale-ups are not start-ups

And we should focus our attention and policies on scale-ups

QUESTION

What percentage of your resources and attention are focused on scale-ups?

ANSWER

**GIVEN THAT ECONOMIC GROWTH COMES
FROM SCALE-UPS AND NOT STARTUPS,
HOW DO YOU FEEL ABOUT YOUR ANSWER
TO THE PREVIOUS QUESTION?**



“to nurture and raise a single child into a successful human being takes much longer and is a more complex and arduous process for society than to introduce an additional child into the world”

THERE IS A SCALE-UP GAP

The UK has a lower share of large businesses than the US.

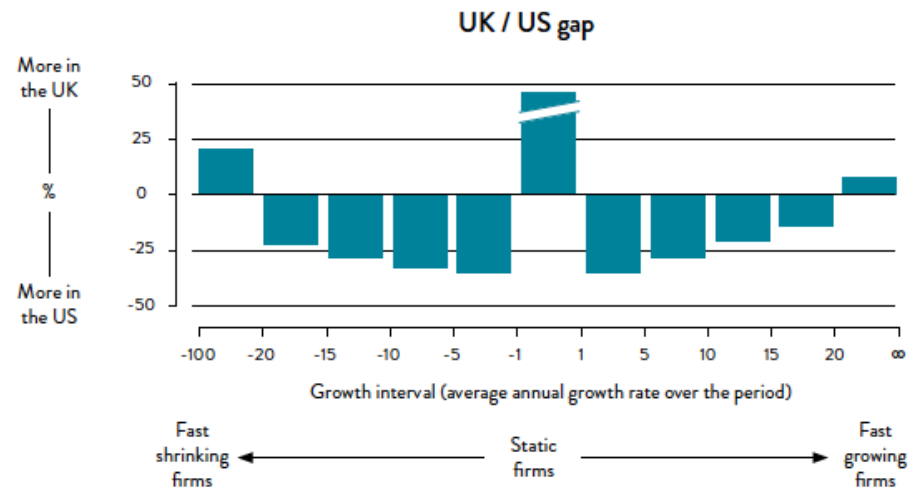
Large firms with more than 250 employees account for 0.5 per cent of firms in the UK but 0.7 per cent in the US.

THERE IS A SCALE-UP GAP

<http://www.scaleupreport.com>

- Many European economies, including UK are as effective as US in creating new businesses
- Not enough of them grow – displacing older firms
- This lack of ‘scale up’ means the economy as a whole loses on productivity and growth.

Chart 1.2: The difference in average annual company growth rate between the UK and US



Nesta (2011). A Look at Business Growth and Contraction in Europe

8,923

SCALE-UPS ARE THROUGHOUT THE COUNTRY

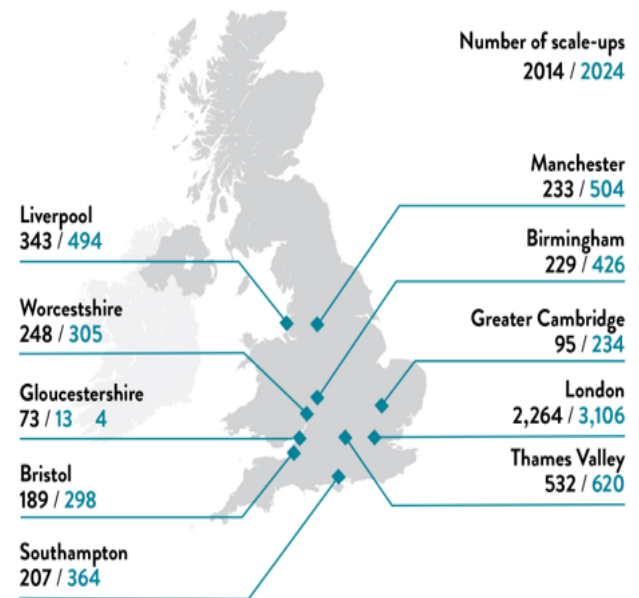
Scale-ups are found in each of the 39 LEP areas in England and 6,659 (75 per cent) of the total 8,923 scale-ups are located outside of London.

On average a LEP will have approximately 228 scale-ups in their area.

These in turn can be grouped into the Number of scale-ups companies that employ between

- 10 and 49 employees,
- 50 and 250 employees,
- >250 employees

Figure A3.1: High growth firms by Local Enterprise Partnership area



SCALE-UPS ARE MORE THAN DIGITAL SCIENCE ONES GREW 92% LAST YEAR.....

<http://www.scaleupreport.com>

“The Science 50”

Royal Society’s list illustrates the extent to which science-based scale-ups are a nationwide phenomenon.

36 (72 per cent) of the top 50 fastest growing science-based companies are located outside of London.

These 50 science-based companies increased their revenues by an average of 92 % between 2012 and 2013, achieving a combined annual turnover of more than £1.3 billion.

Adding more than £600 million to national output last year.

Figure 1.1: Map of the UK's top 50 fastest growing science-based companies



<http://www.svc2uk.com/the-royal-society-science-50-index/>

What can be done to provide more support for companies who have survived the startup phase and are looking to grow?

What are some of the key challenges companies face as they look to accelerate growth?

The Report identified 6 main gaps to focus on...

1. The Evidence Gap: public and private sector organisations identify, target and evaluate their support to scale-up companies.
2. The Skills Gap: improve the ecosystem so scale-ups can find employees with the skills they need
3. The Leadership Capacity gap: building their leadership capability
4. The Export Gap: accessing customers in other markets / home market
5. The Finance Gap: accessing the right combination of finance
6. The Infrastructure Gap: navigating infrastructure



We know how to help companies scale-up....

<http://www.scaleupreport.com>

The Endeavor Programme, which assists companies around the world to grow, has helped companies to achieve 5.4 times the rate of growth in employment of comparable firms in their own countries.

ON UK ECONOMIC GROWTH

Sherry Coutu CBE



Highly effective programmes in 20 other countries

HUMAN CAPITAL

367

people employed, on average, by Endeavor companies

HUMAN CAPITAL

400K+

high-quality jobs created by Endeavor Entrepreneurs (80% created from growth post-selection)

SOCIAL CAPITAL

50K+

hours of mentoring provided by Endeavor VentureCorps in 2012-2013

FINANCIAL CAPITAL

\$6.8BN

revenues generated by Endeavor Entrepreneurs in 2013

68%

average annual growth rate in first two years after engaging with Endeavor

75+

Endeavor Entrepreneurs would have qualified for the Inc. 500 list of fastest-growing US companies

\$332M

raised in equity capital by Endeavor Entrepreneurs in 2012

43

Endeavor companies have been acquired since 1997

HUMAN CAPITAL

40K+

candidates have received professional feedback since 1997

990

High-impact entrepreneurs selected from 629 companies

400K+

high-quality jobs created by Endeavor Entrepreneurs (80% created from growth post-selection)

367

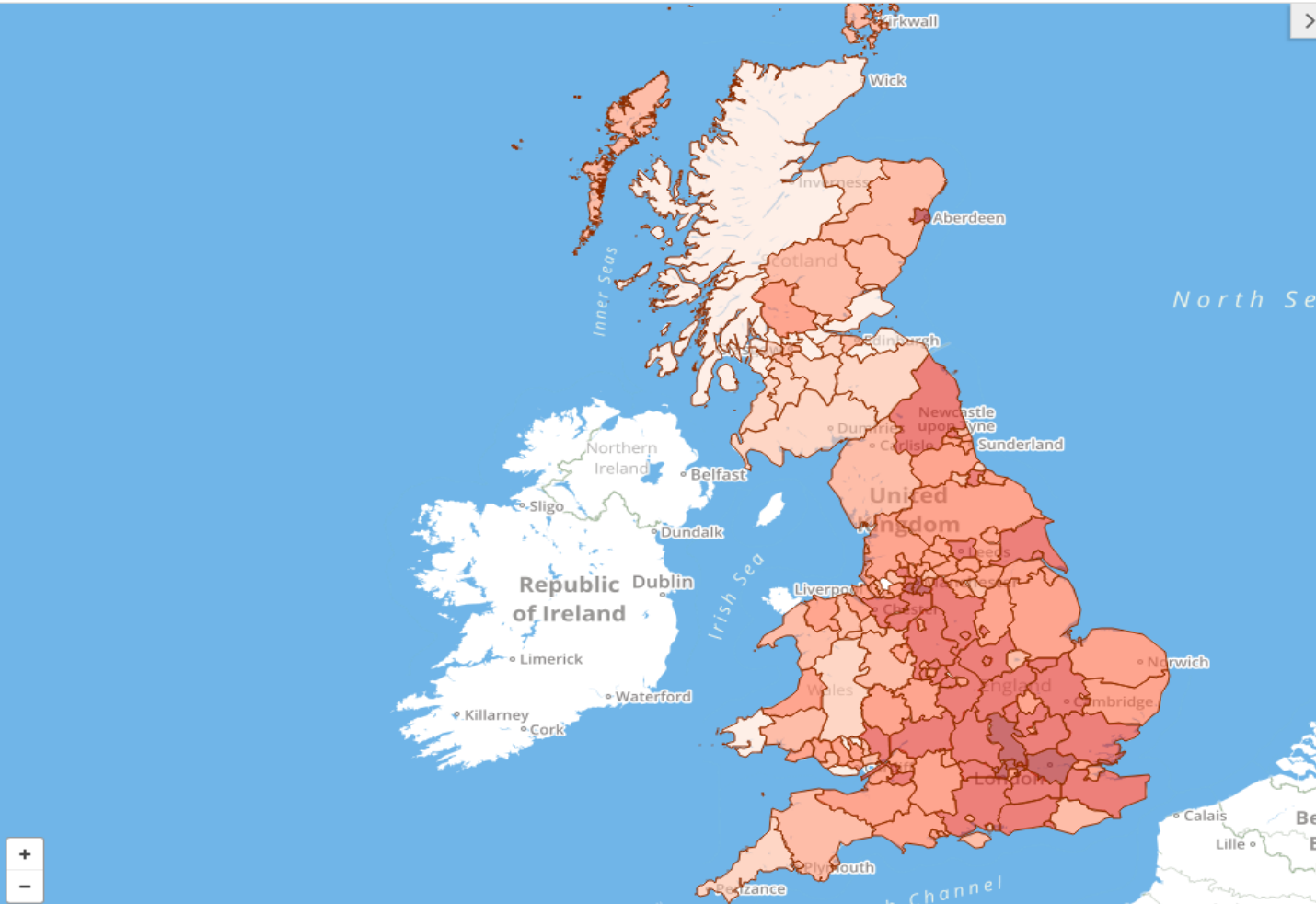
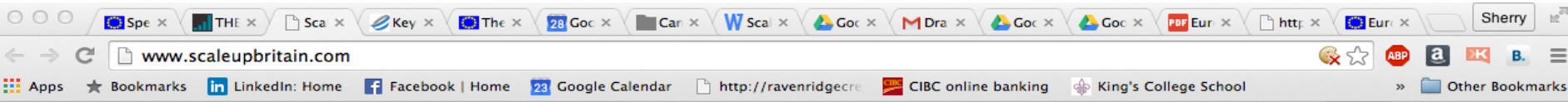
people employed, on average, by Endeavor companies

150+

Endeavor Entrepreneurs have started another company post-selection

AND ARE BEING TRACKED LOCALLY...

<http://www.scaleupreport.com>



Britain's high growth companies visualised
by Trampoline Systems
zoom or select a region for more detail

UK wide
7,633
High growth companies

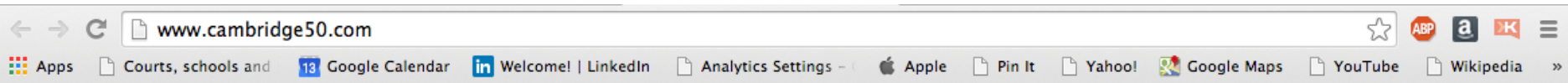
190bn
Total Revenue (£)

899,613
Total Employees

Top 50 Report

No. of Scale-ups per 100k residents

5.4	8.4	13	22	35	58
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Cambridge 50 tracks the fastest-growing companies in the Cambridge cluster

Cambridge 50 was put together by Cambridge businesses and the academic community to support economic growth in the Cambridge cluster. The site makes it easy and transparent to identify the fastest growing companies and find contacts to invest, work or partner with them.

All the companies listed have grown by at least 20% per annum over two successive years, measured by their revenue or the number of people they employ. You can sort them by sector to see which industries are growing the fastest. You can also see how many companies in Cambridge are already generating revenues of £1 million, £10 million, £25 million, £50 million, £100 million and £250 million.

Number of companies by revenue

	> £1 Million	> £10 Million	> £25 Million	> £50 Million	> £100 Million	> £250 Million
Latest	954	106	42	20	15	12
Previous	945	105	44	19	12	12
	Current			Previous		
New Scale-ups	53			41		

AND ARE BEING TRACKED LOCALLY... By Revenue (overall)

<http://www.scaleupreport.com>

Top 50

Rank (Revenue)		Rank (Employment)		Company name	Sector	Revenue ▼	Rev growth %	Employees	Emp growth %
Current	Previous	Current	Previous						
1 ▲	2	1	1	XAAR PLC	Manufacturing	£140m	59 ▲	692	38 ▲
2 ▲	3			EASTERN COUNTIES FINANCE LIMITED	Financial and insurance activities	£78m*	79 ▲	414*	79 ▲
3 ▲		4 ▲		DEEJAK BUILDERS (RUSHDEN) LIMITED	Construction	£24m	38 ▲	79	-18 ▼
4 ▲	5	2 ▲	4	GILEAD SCIENCES INTERNATIONAL LTD.	Manufacturing	£23m	23 ▲	99	10 ▲
5 ▲	7			FREDERIC SMART & SON LIMITED	Wholesale and retail trade; repair of motor vehicles and motorcycles	£23m	128 ▲	16	23 ▲
6 ▲				BLUE TREE LIMITED	Wholesale and retail trade; repair of motor vehicles and motorcycles	£14m*	114 ▲	33*	106 ▲
7 ▲	13			EXEJUJET (UK) LIMITED	Transportation and storage	£13m	114 ▲	74	61 ▲
8 ▲		3 ▲		THE CAMBRIDGE SACHEL COMPANY LIMITED	Wholesale and retail trade; repair of motor vehicles and motorcycles	£13m	48 ▲	96	68 ▲
9 ▲				J F LINDSAY CONSTRUCTION LIMITED	Construction	£11m	21 ▲	65*	
10 ▲				LINGUAMATICS LIMITED	Information and communication	£10m*	25 ▲	91*	25 ▲

AND ARE BEING TRACKED LOCALLY... By Employees?

<http://www.scaleupreport.com>

Top 50

Rank (Revenue)		Rank (Employment)		Company name	Sector	Revenue	Rev growth %	Employees ▼	Emp growth %
Current	Previous	Current	Previous						
1 ▲	2	1	1	XAAR PLC	Manufacturing	£140m	59 ▲	692	38 ▲
2 ▲	3			EASTERN COUNTIES FINANCE LIMITED	Financial and insurance activities	£78m*	79 ▲	414*	79 ▲
4 ▲	5	2 ▲	4	GILEAD SCIENCES INTERNATIONAL LTD.	Manufacturing	£23m	23 ▲	99	10 ▲
8 ▲		3 ▲		THE CAMBRIDGE SATCHEL COMPANY LIMITED	Wholesale and retail trade; repair of motor vehicles and motorcycles	£13m	48 ▲	96	68 ▲
14 ▲				PROVIDOR LIMITED	Mining and Quarrying	£5.9m	50 ▲	95	98 ▲
10 ▲				LINGUAMATICS LIMITED	Information and communication	£10m*	25 ▲	91*	25 ▲
3 ▲		4 ▲		DEEJAK BUILDERS (RUSHDEN) LIMITED	Construction	£24m	38 ▲	79	-18 ▼
7 ▲	13			EXECUIJET (UK) LIMITED	Transportation and storage	£13m	114 ▲	74	61 ▲
18 ▲		5 ▲		AMBERSTONE TECHNOLOGY LIMITED	Administrative and support service activities	£4.8m*	42 ▲	70*	43 ▲
9 ▲				J F LINDSAY CONSTRUCTION LIMITED	Construction	£11m	21 ▲	65*	
19 ▲				FETCH & CARRY (U.K.) LIMITED	Transportation and storage	£4.7m*	208 ▲	52*	206 ▲
15 ▲		6 ▲		GLOBAL DIGITAL MARKETS LIMITED	Administrative and support service activities	£5.6m*	109 ▲	48*	109 ▲

AND ARE BEING TRACKED LOCALLY... By Employee Growth...

<http://www.scaleupreport.com>

Top 50

Rank (Revenue)		Rank (Employment)		Company name	Sector	Revenue	Rev growth %	Employees	Emp growth % ▼
Current	Previous	Current	Previous						
19 ▲				FETCH & CARRY (U.K.) LIMITED	Transportation and storage	£4.7m*	208 ▲	52*	206 ▲
15 ▲		6 ▲		GLOBAL DIGITAL MARKETS LIMITED	Administrative and support service activities	£5.6m*	109 ▲	48*	109 ▲
6 ▲				BLUE TREE LIMITED	Wholesale and retail trade; repair of motor vehicles and motorcycles	£14m*	114 ▲	33*	106 ▲
14 ▲				PROVIDOR LIMITED	Mining and Quarrying	£5.9m	50 ▲	95	98 ▲
13 ▲		10 ▲		BAUFRITZ (UK) LTD.	Construction	£6.3m*	101 ▲	19*	90 ▲
2 ▲	3			EASTERN COUNTIES FINANCE LIMITED	Financial and insurance activities	£78m*	79 ▲	414*	79 ▲
8 ▲		3 ▲		THE CAMBRIDGE SACHEL COMPANY LIMITED	Wholesale and retail trade; repair of motor vehicles and motorcycles	£13m	48 ▲	96	68 ▲
7 ▲	13			EXECUJET (UK) LIMITED	Transportation and storage	£13m	114 ▲	74	61 ▲
12 ▲				CAMGRAIN (SERVICES) LIMITED	Agriculture, Forestry and Fishing	£6.6m	69 ▲	16*	
21 ▲		9 ▲		MISSION THERAPEUTICS LIMITED	Professional, scientific and technical activities	£3.2m*	69 ▲	24*	60 ▲
17 ▲	18			CR EDIT 360 GLOBAL LIMITED	Information and communication	£5.2m	56 ▲	24*	

AND ARE BEING TRACKED LOCALLY... By Revenue Growth...

<http://www.scaleupreport.com>

Keynote speech by Europe: x THE SCALE-UP REPORT ON x ScaleUp Britain x Startup Europe Partnership x Sherry

www.scaleupbritain.com/#/lists

Apps Bookmarks LinkedIn: Home Facebook | Home 23 Google Calendar http://ravenridgecre CIBC online banking Other Bookmarks

Top 50

Rank (Revenue)		Rank (Employment)		Company name	Sector	Revenue	Rev growth % ▼	Employees	Emp growth %
Current	Previous	Current	Previous						
19 ▲				FETCH & CARRY (U.K.) LIMITED	Transportation and storage	£4.7m*	208 ▲	52*	206 ▲
5 ▲	7			FREDERIC SMART & SON LIMITED	Wholesale and retail trade; repair of motor vehicles and motorcycles	£23m	128 ▲	16	23 ▲
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13 ▲		10 ▲		BAUFRITZ (UK) LTD.	Construction	£6.3m*	101 ▲	19*	90 ▲
2 ▲	3			EASTERN COUNTIES FINANCE LIMITED	Financial and insurance activities	£78m*	79 ▲	414*	79 ▲
12 ▲				CAMGRAIN (SERVICES) LIMITED	Agriculture, Forestry and Fishing	£6.6m	69 ▲	16*	
21 ▲		9 ▲		MISSION THERAPEUTICS LIMITED	Professional, scientific and technical activities	£3.2m*	69 ▲	24*	60 ▲
26 ▲		8 ▲		CAMBRIDGE ASSESSMENT OVERSEAS LIMITED	Education	£2.2m	59 ▲	27	29 ▲

AND ARE BEING TRACKED LOCALLY...
By valuation?

<http://www.scaleupreport.com>



Case-study: Goldman Sachs 10,000 Small Businesses Programme



1) Description of initiative(s)

- Regional programme to accelerate the growth of high potential small businesses to create jobs and grow economies, through (i) focusing on the development of entrepreneurial and managerial capabilities, (ii) facilitating the development of peer-to-peer support networks of small businesses with high growth potential; and (iii) developing a partnership model of small business support provision between the corporate and higher education sector that also draws on and complements existing local assets, infrastructures and networks
- 250 competitively selected new participants per year, forming cohorts of 25-30 entrepreneurs.

2) What need does this solve for scale-ups?

(1) Coordination, connectivity and promotion

Builds a unique national community of entrepreneurs.

(2) Access to Skills

Curriculum of 12 modules focused on business growth through a model of facilitated peer learning, as well as development of a Business Growth Plan.

(3) Leadership Capacity Building

Supplemental legal clinics, one-to-one mentoring and other needs-based support.

(4) Customers (Domestic & Export)

(5) Financing

(6) Infrastructure

3) Which stakeholders are involved with running this?

Entrepreneurs

Ecosystem umbrella organisations

Government (national/ local)

Private sector

Investors/financers

Education providers

Goldman Sachs, Goldman Sachs Foundation.

Saïd Business School, Aston Business School, Leeds University Business School, Manchester Metropolitan University Business School, UCL.

Example activities

Owner/funder

Content and delivery

4) What does success look like? What impact/outcomes are expected?

Economic benefits

- 77% participants increased the number of people they employed in the previous 12 months
- On average participants reported an annual increase of 23% in their net employment over the baseline position (vs. 1% for UK small businesses)
- 66% indicated their turnover had increased compared to the same period in the previous 12 months (vs. 35% of UK small businesses)
- Participants reported an annual increase of 16% in annual turnover over the baseline positions (vs. -9% for UK small businesses) – which totalled £266m

New knowledge and best practices

- 83% introduced new internal processes
- 81% using financial data more to drive business decisions
- 43% found new suppliers through the programme

- 52% increased training opportunities for staff
- 64% have improved the quality of an existing product/service

Business confidence and networks

- 92% report they are now more confident in their ability to successfully grow their business than before participating in the initiative

Strategic change

- 64% reported they had improved the quality of an existing product or service
- 53% had researched or developed a new product or service

Access to finance

- 84% agreed that the programme had enhanced their understanding of finance options and 71% reported that they had better ability to win finance. 20% reported that they had been introduced to new capital providers, 67% reported that they will seek finance to grow their business in the next 12 months.

Case-study: The Supper Club

1) Description of initiative(s)

- The Supper Club (TSC) supports high growth amongst CEO/founders of businesses above £1m turnover
- TSC delivers this through a series of carefully designed peer-to-peer learning events, including around 15-20 chaired roundtables per month
- TSC is growing but is currently over 300 members and has been going for over 10 years
- As well as face to face learning through roundtables and forums, also provide an online and offline concierge/support service for urgent matters

2) What need does this solve for scale-ups?

(1) Coordination, connectivity and promotion

TSC is for businesses beyond micro. Most members in £1m to £100m sales range. National coverage.

(2) Access to Skills

Peer group learning – match people appropriately at events/in forums to ensure maximum value.

(3) Leadership Capacity Building

Involve advisers and experts as well as more seasoned entrepreneurs to mentor and augment our peer-to-peer events.

(4) Customers (Domestic & Export)

(5) Financing

Run an early stage investor group in which members invest and mentor start-ups.

(6) Infrastructure

3) Which stakeholders in the ecosystem are involved with running this?

Entrepreneurs

Value is created by ability to curate the experiences of members, making it easy for the sharing of often confidential learnings. Members also contribute to a range of other programmes, developed from the best practice seen from over 1,500 roundtables.

Ecosystem umbrella organisations

Government (national/ local)

Regularly host roundtables with ministers and government departments.

Private sector

TSC is part of the Prelude Group (owned by founder/ CEO Duncan Cheattle). A team manage events, communications, member management and deliver services.

Investors/financers

Partner with firms like Octopus Ventures, Dunedin Private Equity, banks and corporate financiers to help deliver programmes.

Education providers

Example activities

Funded through subscription

Owner/delivery/content

4) What does success look like? What impact/outcomes are expected?

- Success of the Club is measured primarily in retention rates (as members can leave with one month's notice) currently >90%
- Average year on year sales growth of members consistently over 25% per annum
- Focus on growth rates by sales which are consistently over 25% per annum.

Case-study: General Assembly – Global

1) Description of initiative(s)

- General Assembly is a global community of individuals empowered to pursue the work they love. The company's mission is to build this community by:
 - Delivering best in class, practical education in technology, business, and design
 - Providing access to opportunities that build skills, confidence, and freedom in one's career
 - Building a global network of entrepreneurs, practitioners, and participants invested in each other's success.

2) What need does this solve for scale-ups?

(1) Coordination, connectivity and promotion

Builds a unique global network of alumni with skills in business, design and technology.

(2) Access to Skills

GA's courses provide professionals with the business, tech and design skills they need to pursue the work they love.

(3) Leadership Capacity Building

Short-evening classes and part-time courses help professionals level-up in their careers.

(4) Customers (Domestic & Export)

Entrepreneurs take GA courses to gain the skills needed to launch new companies. GA also hosts regular meetups and events.

(5) Financing

(6) Infrastructure

3) Which stakeholders in the ecosystem are involved with running this?

Entrepreneurs

GA's model is built on the idea of instructor-practitioners. The company's instructors come from the local tech and entrepreneurial community.

Ecosystem umbrella organisations

Government (national/ local)

Private sector

The company works with over 2,000 global hiring partners who both shape the company's curricula and hire its graduates.

Investors/financers

Education providers

4) What does success look like? What impact/outcomes are expected?

Students/Professionals

Success is empowering General Assembly's students to pursue the work they love:

- Since its founding in 2011, General Assembly has placed over 90% of its job-seeking graduates in full-time roles within ninety days of graduation from its full-time immersive programming in web development, user experience design and product management.
- In addition to the company's full-time, immersive courses, the company offers part-time courses in business, design and tech for individuals looking to level-up in their current job or gain the skills necessary to pursue a new career.
- GA's global alumni network connects professionals across industries and locations.

Employers

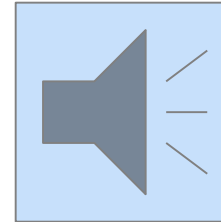
Success is solving employer talent needs through creating new streams of talent, and through providing training opportunities for current employees that allow them to level-up in their careers:

- General Assembly has a global network of over 2,000 hiring partners. The company builds its curricula in conjunction with these companies.
- General Assembly creates a stream of talent looking for jobs in the most in-demand industries of the 21st century. GA does not charge a recruiting fee to employers looking to hire its graduates.
- Current employees also benefit from General Assembly's offerings. Many companies send their employees through General Assembly's part-time night and weekend programming.

What can the government do to support 'scale up' companies further?

Will we see the emergence of scale up incubators like we have with startups?

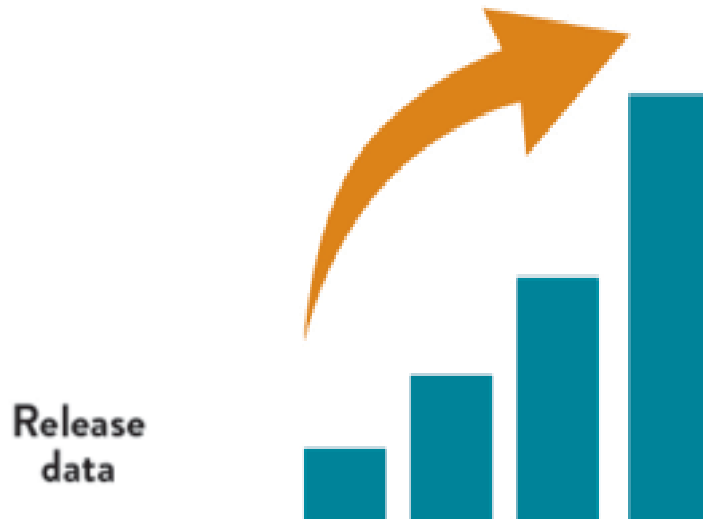
KEY RECOMMENDATIONS



Draw attention to scale-up companies and their leaders so that it is easier for them to act as **role models** to others and to find **customers**, **partners** and **investors**, both at home and overseas.

Case Studies: Elite, Mentorsme, Venturefest, SVC2UK

KEY RECOMMENDATIONS



Recommendation 1:

RELEASE the names of scale-ups

→ you already hold the information

so that local public and private organisations can identify, target and evaluate their support to scale-up companies, and evaluate their impact on UK economic growth.

Case Study: Cambridge Cluster Map

Scale-up Leader Search by LEP flow

LEP index page

Founders Schools

Navigation

Business leaders available to speak, listed by Local Enterprise Partnership (LEP)

LEP Name	Business leaders	Cumulative turnover	Average growth per company
Humber	46	£857,383,666	26.07% ▲
York and North Yorkshire	150	£4,790,688,206	31.67% ▲
Worcestershire	47	£1,095,461,403	29.29% ▲
North Eastern	105	£5,537,285,870	27.66% ▲
New Anglia	269	£2,321,086,710	24.68% ▲
Enterprise MD	325	£55,262,247,212	26.06% ▲

Full list

Humber LEP page

Founders Schools

Navigation

Business leaders who are prepared to speak at schools in the Humber LEP

HDS 2AB Search

Business leaders: 46

Cumulative turnover: £857,383,666

Average growth: 26.07% ▲

Search results page

Founders Schools

Search for founders by name, job or postcode

1. SEARCH AND FILTER RESULTS 2. ASSIGNMENT DETAILS 3. REVIEW AND COMPLETE

We've located 1,589 business leaders near HDS 2AB

Refine your search by which founder source:

Subject Area

Shortlist

0 of 4 speakers selected. Use the + and - buttons to add or remove founders from your shortlist.

- Jerry Higgins**
Owner & CEO
Wepin's Interiors

More information
- Cheryl Prosser**
Co-founder & CEO
Levevents
Collective Limited

More information
- Jayla Powell**
CEO
Sentience
Technology Limited

More information
- Dawn Telford**
Founder and Managing Director
Havenpig Ltd

More information
- Emma Jackson**
Finance Director
Santona

More information
- Claire Jowles**
CEO & Founder
The Up Group
Limited

More information
- Christine C.**
Co-Founder and Managing Director
Mind2Lives
Limited

More information
- Chris Gundry**
Managing Director
Team P Cooper
Limited

More information
- Richard D.**
Chair
London School
Of Economics & P

More information
- Andy Pearson**
CEO
Member Group
Limited

More information

Continue to next step



Jane R.

Co-founder & Director, Cutting Technologies Limited
Machinery

Co-founder and director of Cutting Technologies Ltd, a £3m turnover laser cutting and engraving business based in Barnsley, South Yorkshire, and a member of Regional Advisory Board of the EEF (Engineering Employers Federation). With 20 years' experience in engineering and manufacturing I set up my first business in 2001. Along with two partners, I founded Cutting Technologies in 2003 and now employ 32. I have overseen a successful programme of diversification over the last 18 months, developing the creative and design-led elements of the business which has secured continued growth through difficult economic times. I have shared my knowledge and opinions on [...]

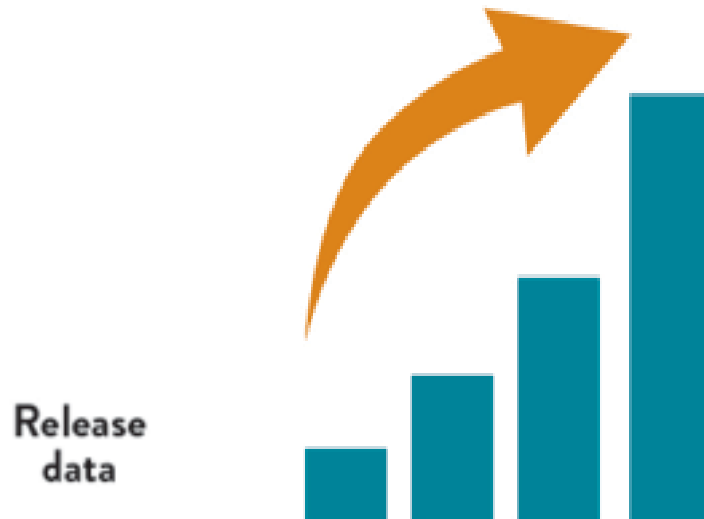
Industry	Revenue			Employees
	Previous	Current	% Change	
Machinery	£2,236,662.00	£2,659,650.00	18.91 %	--

[in LinkedIn profile](#)

[Company on Duedil](#)

Shortlist

KEY RECOMMENDATIONS



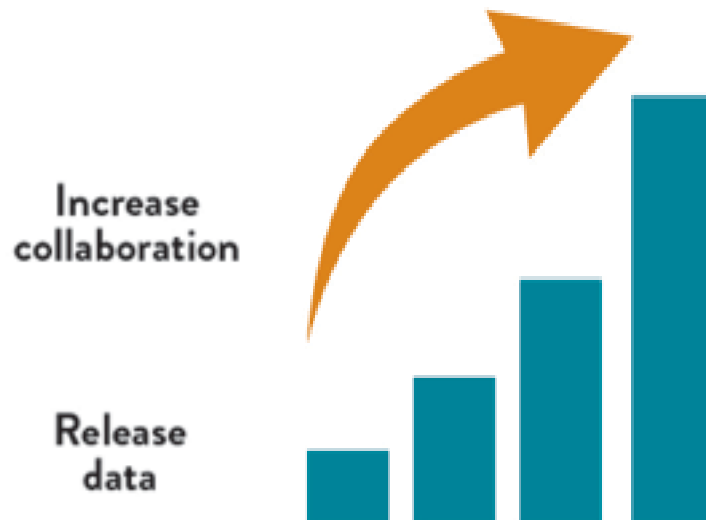
Recommendation 2

Publicly funded organisations
seeking public funding

should **review and report** on the extent to which the top 50 scale-ups in their areas are increasing their turnover and job growth from year to year **with the objective of increasing the proportion of scale-ups with more than 250 employees by three per cent by 2025.**

Case Studies: Future Fifty and National Cluster Alliance Programme

KEY RECOMMENDATIONS



Recommendation 3

50 % of public funding and promotion currently reserved for 'entrepreneurship' should be directed towards **collaborative initiatives** based on track-record

Case Studies: VentureFest Network & SVC2UK

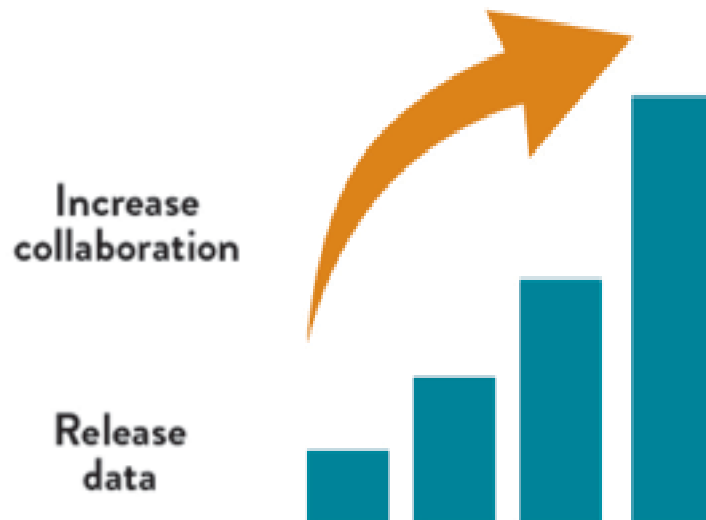
KEY RECOMMENDATIONS

Recommendation 4

A Minister should be made responsible for reversing the scale-up gap by 2025

a **task-force** appointed to deliver

a **scale-up report** to the Prime Minister every November for the next five years.



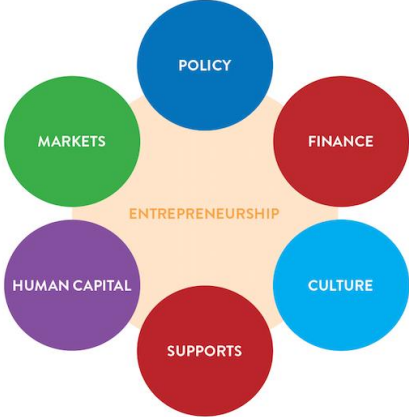
Case Studies: Manziales-Mas, Columbia, Scale-up Milwaukee, Endeavor, Singapore

Closing The Scale-Up Gap: Local Government



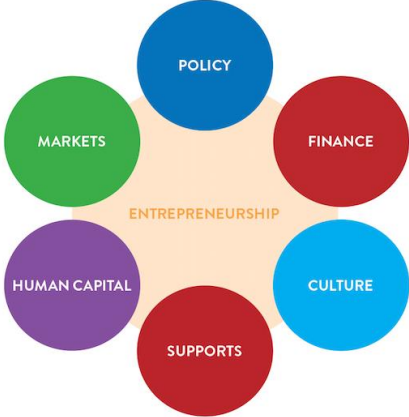
- **Celebrate scale-up growth events in your city with the media**
- **Invite scale-up leaders to share their experience with students**
- **Celebrate new customer wins and help create new ones**
- **Encourage local universities to offer courses to scale-up leaders**
- **Meet with a selection of scale-up leaders every month (3 hours)**
- **Persuade real-estate leaders to offer scale-up friendly terms**

Closing The Scale-Up Gap: Media



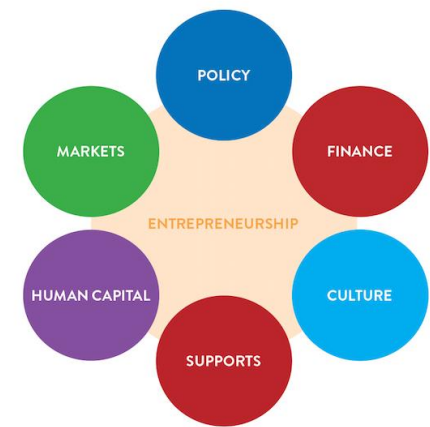
Shine a light on our most successful scale-up leaders and their companies rather than only start-ups.

Closing The Scale-Up Gap: Media



Profiling successful scale-up entrepreneurs at key mile-stones to inspire others (especially the next generation)

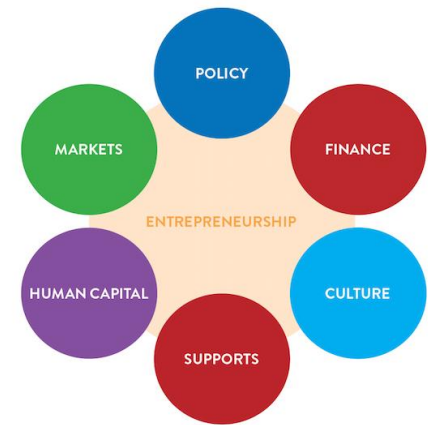
Closing The Scale-Up Gap: Media



Reviewing and holding to account initiatives and policies in entrepreneurship:

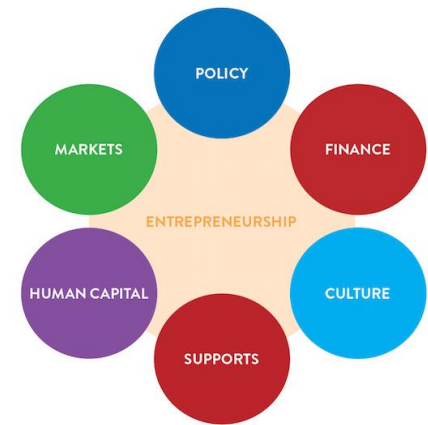
- Are they about starting or growing businesses?
- Are they actually providing evidence to support their claims?
- What is the cost per job created?
- Are they collaborative?

Closing The Scale-Up Gap: Human Capital – Schools & Universities



- **Entrepreneurship in curriculum?**
- **Entrepreneurs on board of Governors?**
- **Local Scale-up leaders in the class-room as role-models?**
- **Proportion of Local Scale-up companies featured in careers fairs?**
- **Proportion of work experience features local scale-up companies?**
- **Extra-curricular student entrepreneurship activities / clubs?**
- **Proportion of students visiting scale-ups on 'open days'?**

Closing The Scale-Up Gap: Supports:



- **Identify mentors with experience and find effective ways to share their knowledge**
- **Publish the the amount you procure from scale-ups**
- **Offer infrastructure / co-working spaces:**

Closing The Scale-Up Gap: Large Corporates



Short Term:

Publish the the aggregate amount you procure from scale-ups in your annual report and how many scale-ups this is with and what proportion of their turnover this represents.

Long-term:

- Support existing initiatives that help teachers and schools develop future entrepreneurial talent

Closing The Scale-Up Gap: Large Corporates

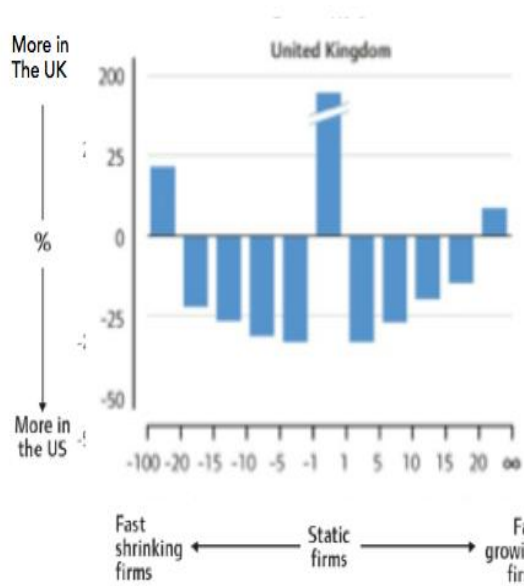


Med-term

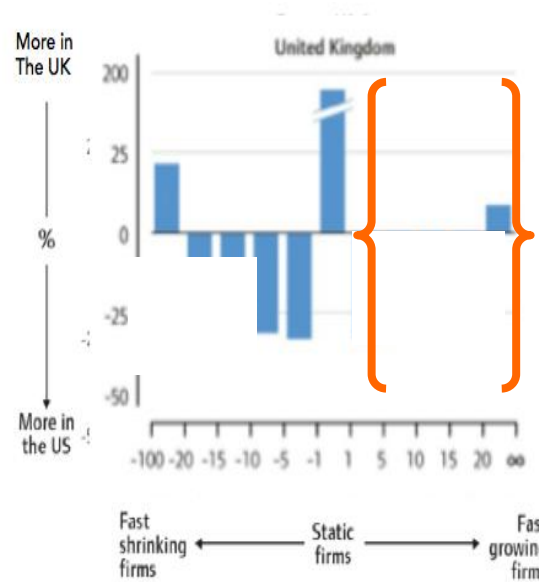
- **Identify & Sponsor infrastructure for product dev't and testing**
- **Support formal skill-building programmes for local scale-up leaders**
- **Support informal skill-building programmes for local scale-ups**

Let us start today: We can Reverse The Scale-up Gap

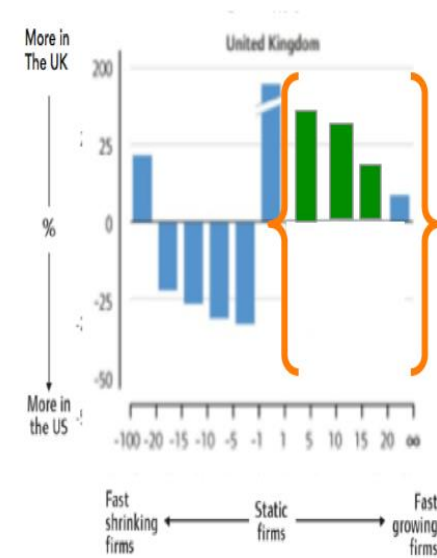
2014



2020



2034



THE SCALE-UP REPORT

ON UK ECONOMIC GROWTH

Let's do it together!