

Old College Capital

Why Investment Matters- An Edinburgh Perspective

October 2023

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INVESTMENT IS KEY TO SCALING STARTUPS & SPINOUTS

Accelerating The Journey Of Spinouts & Startups

Responsible, early-stage investment helps UoE ideas, research, and innovation transition out of labs and classrooms into the wider world, making an impact at scale.

Investors and investment into UoE companies bring benefits to:

Our Startups & Spinouts: capital, expertise & networks

Our People: high-tech and rewarding career opportunities

The University: strategic goals, impact and returns

Our Ecosystem: recycling capital, talent and experience

Our Planet: health, sustainability, empowering people



OLD COLLEGE CAPITAL

The university's venture investment fund

Old College Capital (OCC) is the University of Edinburgh's venture investment fund.

OCC manages Edinburgh's early-stage investment activities and shareholdings; supporting exciting ideas and technologies emerging from the University.

Working with our founders, investors, and the ecosystem, OCC accelerates the journey of startups and spinouts looking to make a positive impact on people and our planet.



Pictured: Student startup, Mocean Energy

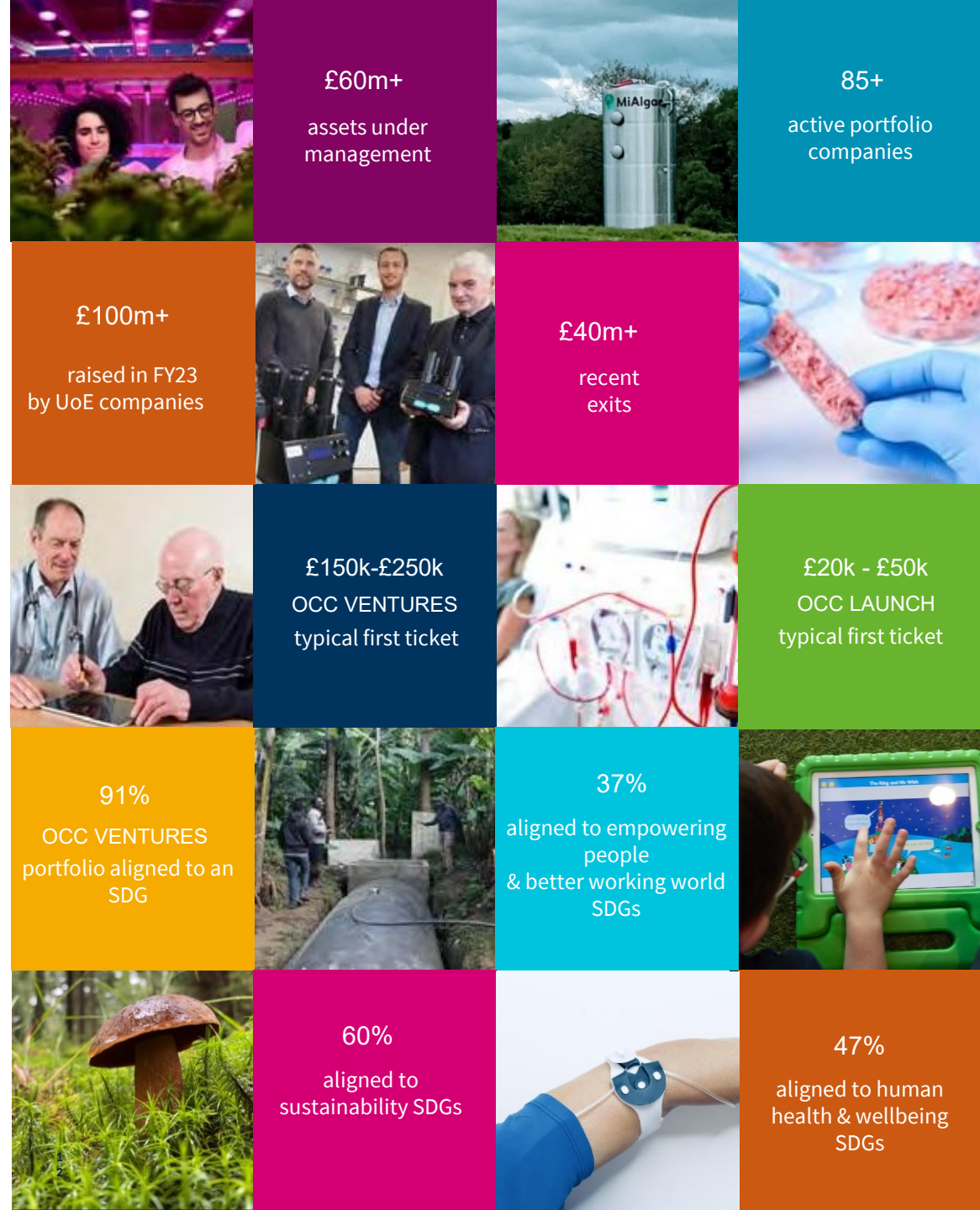
WHERE WE ARE TODAY ►

and our ambition... ▼

For Edinburgh to be a thriving deep-tech ecosystem, supporting innovative companies working on solutions to society's biggest problems.

For Edinburgh to be an investment destination, able to help University companies reach their potential.

For the University of Edinburgh startup and spinout companies to provide high-tech, impactful and rewarding career opportunities to our staff and students.



OUR CURRENT APPROACH

Investing Directly

Directly investing in UoE founders and their startups and spinouts

- Visible sign of UoE confidence in our research, staff, students
- Allows us to support areas where there are funding gaps or challenges
- Assists UoE promote its values and the principles of responsible investment
- Cements UoE's relationship with our founders, companies, and investor partners
- Creates opportunities for investment returns

Alongside Understanding & Supporting The Market

Building relationships & understanding of investors, to help UoE companies find the right investors for them

- Recognises different investors bring different perspectives, experience and expertise
- Diversifies investor pool, avoiding over-reliance on single parties
- Allows UoE to be inclusive to all eco-system players and avoids restricting founder choice



OUR EVERGREEN MODEL

Our ultimate goal is doing the best we can for our diverse portfolio helping more high impact ideas and founders fulfil their potential.

To help us scale our activity, we follow an evergreen model, reinvesting our returns to help the next generation of companies.

We believe that by investing the University can go beyond being a passive shareholder and can instead take an active role in supporting a wider range of University companies, further on their journeys.

THE  TIMES

Bayer buys Edinburgh-based medical specialist Blackford Analysis

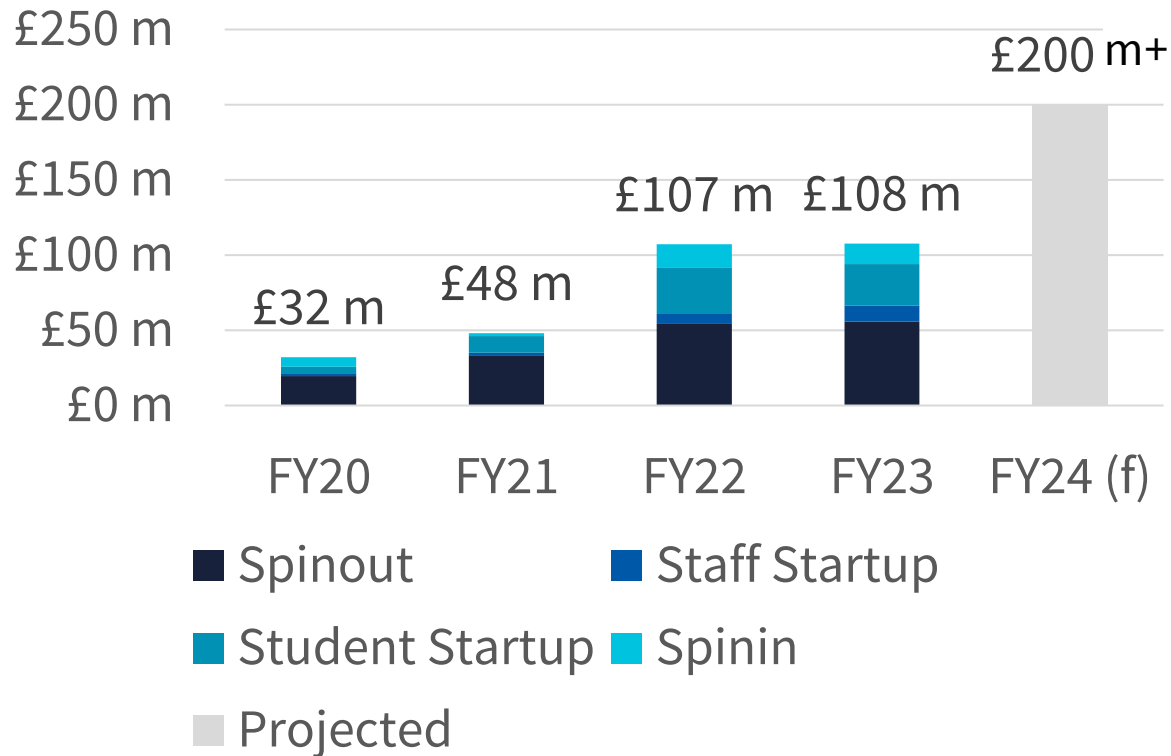


“I’m deeply grateful for all the support that OCC has put into Blackford over the years, over our long journey.”

Dr Ben Panter, CEO, Blackford Analysis
(Acquired by Bayer, 2023)

WE REMAIN ON A POSITIVE TRAJECTORY

Investment into UoE companies is growing...



...attracting a wider array of investors



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OUR INITIATIVES

We support early-stage companies associated with the University via four activities



OCC LAUNCH

OCC Launch invests in pre-seed opportunities at the earliest stages to explore, experiment, and build traction.



OCC VENTURES

OCC Ventures co-invests to accelerate high growth companies from Seed to Series A.



OCC EQUITY

OCC Equity will hold the University's founding shareholdings in spinouts alongside other equity positions.



OCC STRATEGIC

OCC Strategic supports initiatives that bridge commercialisation, translational, and ecosystem funding gaps.



Pictured: Current OCC team



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WHAT WE INVEST IN

OCC supports early-stage companies associated with the University

OCC primarily invests in the University of Edinburgh spinouts & startups:

SPINOUT

A new company in which the University owns founding shares in return for the exclusive license of intellectual property (IP), support services, and/or other assets transferred to the company.

STARTUP

A new company formed by a University student or staff member who is actively engaged with the University. Any related IP will be owned by the founder (not the University) and transferred to the company.

OCC can also consider spin-in opportunities, subject to capacity:

SPIN-IN

A company that has approached the University for collaboration, where a University student or staff member is actively involved in the development of the company's technology or IP.



OCC LAUNCH

Our new pre-seed investment initiative

LAUNCH 50 invests **£50k** to help companies leverage pre-seed funding to match fund co-investments or grants or to deliver a significant value inflexion point.

OCC will expand its pre-seed activity further in Autumn 2023, with **LAUNCH 20**, **£20k** investments to help companies validate and experiment in areas such as feasibility testing, prototype development and customer engagement.

Pre-Seed

investment stage



£20k & £50k

typical cheque sizes



30+

pre-seed companies supported



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RHIZOCORE
TECHNOLOGIES

Pictured: Startup Rhizocore Technologies who received





OCC VENTURES

Our co-investment fund from Seed-Series A

OCC Ventures invests in high-growth businesses associated with the University of Edinburgh. OCC Ventures backs ambitious founders and tech from across the University, able to make a positive impact at scale.

We follow a co-investment model, looking to be between 10-30% of a round.

Seed-Series A

investment stage



£150k to £250k

typical cheque size



30+

active ventures portfolio companies



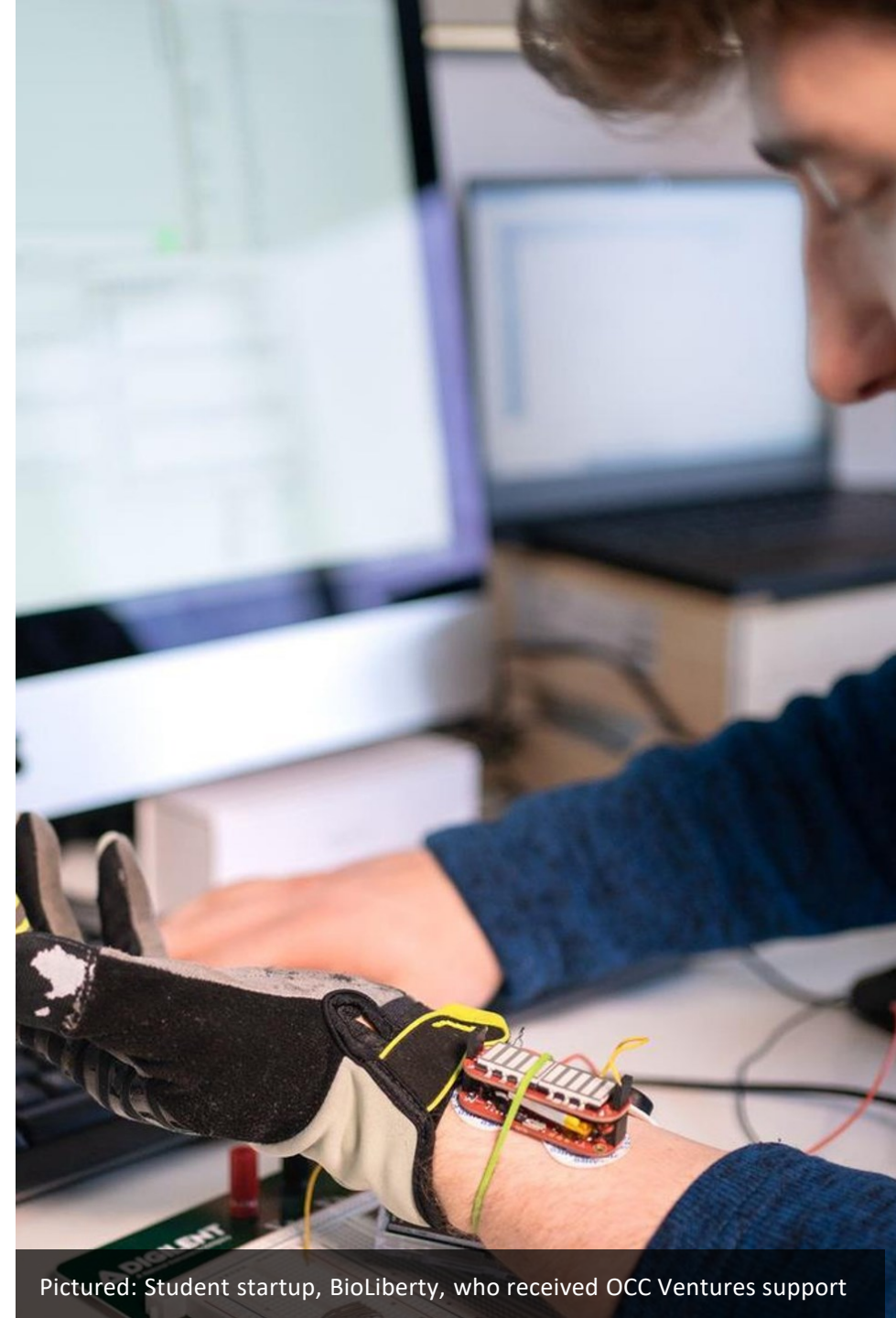
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Pictured: Student startup, BioLiberty, who received OCC Ventures support

OCC EQUITY

Holding university shareholdings

The University of Edinburgh takes founding shares in some of its companies, usually as part of a spinout licence agreement. These shareholdings are managed as part of OCC Equity.

The OCC team manages these positions together with shareholdings received for investment, to ensure a holistic approach that supports companies, while maintaining rigorous governance.

The University Group

When receiving shareholdings, the University establishes the concept of the University group in legal documentation. This permits shares and any associated rights to be transferred between UoE entities, allowing the OCC team to manage equity positions holistically on behalf of the University. The provision also enables UoE entities (such as OCC Ventures) to invest in spinouts, enabling the University to be an active, rather than passive shareholder on the cap table.



OCC STRATEGIC

Supporting initiatives & strategic priorities

Old College Capital Strategic (OCC Strategic) will support initiatives which bridge commercialisation, translational, and ecosystem funding gaps.

A number of propositions are currently being worked on by the wider university, building on programs such as [beLab1407](#) and the [Fast Program at Roslin](#).



Pictured: Algae Sampling



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OUR TEAM

OCC is a team of deep-tech, early-stage investment specialists, passionate about getting ideas from our staff, students, and research out into the world to make a difference.



Head of Investment

Andrea Young (CFA)

Andrea is part of the founding OCC team and has 30+ years of investment and venture capital experience. Andrea is FCA qualified and prior to joining OCC held director positions at Deutsche Bank, Royal Bank Of Scotland and Scottish Enterprise. Andrea holds a BSc in pure and Applied Maths from the University of Strathclyde.



Investment Director

Simon Durrant (CA)

Simon joined the fund in May 2019. Simon is a qualified Chartered Accountant (ICAS) with varied commercial experience, having founded his own company and worked with a wide range of others as part of roles in strategy consultancy, accounting, finance and early stage investment. Simon holds a BA in Economics and Management from the University of Cambridge.



Investment Manager

Kate Fox (PhD) (MBA)

Kate joined the fund in March 2020 from the enterprise development team at Edinburgh Innovations, where she supported development of University of Edinburgh spinouts. Kate previously worked in business development consultancy, and R&D regulation and policy. She holds a PhD in Microbiology from Imperial College London and an MBA from the University of Edinburgh.



Investment Manager

Dougal Adamson

Dougal joined the team in December 2021 from Atlantic Bridge, a Dublin-based venture capital firm, and was previously a fellow at M Ventures. Dougal has additional experience in corporate strategy and market research. He holds an MPhil from the University of Cambridge and a BSc from the University of St Andrews.



Investment Executive

Hannah Dent

Hannah joined the team in July 2023. She has most recently worked as a director for Social Enterprise Scotland, supporting growth with private sector investment and partnerships. She also has a broad range of commercial experience in strategy consultancy, corporate strategy, and digital transformation. She holds an MA in Economic & Social History from the University of Edinburgh.



Investment Executive

Eddie Haldane (CA)

Eddie joined the Old College Capital team in May 2023 following a decade in professional practice (PwC and Deloitte) as a leading advisor in taxation and accounting for some of the world's largest multi-national fund houses. Eddie is a qualified Chartered Accountant (ICAS) and holds a MA (First Class) in Business Studies and Accounting from the University of Edinburgh.



Investment Administrator

Catie Cundall

Catie has a wealth of administrative experience in a variety of industries, from startups to academia. Most recently, she worked as EI's DDE Programme Administrator, and was previously supporting the Institute of Design Informatics at the Edinburgh College of Art. She studied Business Management at Dalhousie University with a focus on Entrepreneurship.



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OUR TEAM

In addition to the core team, OCC is supported by a team of Venture Partners, who bring a wealth entrepreneurial, technical, and investment expertise to the table.



Dr Sandy McKinnon
Software, AI, Deeptech

Sandy has been a Pentech partner since 2001. His areas of interest include security technology, the applications of machine learning and artificial intelligence, and new infrastructure technologies such as blockchain and microservices.



Bill Yost
Engineering, Materials, Deeptech

Bill has spent more than 25 years helping to bring new materials and early-stage technologies to market. He was Founding-CEO of Electrolytic Ozone and GelSight Inc, a spin out of MIT. For the past five years, Bill has been an active investor as part of the UK venture capital community. He has worked with many of the UK's leading research universities, gaining extensive experience in founding spin-out companies with a particular interest in hardware and cleantech enterprises.



Dr Nicola Broughton
Life Science, Medtech

Nicola is a highly accomplished business leader, entrepreneur and investor. She has more than 20 years' experience in sourcing, starting and growing life science businesses, predominantly from the University sector. Nicola was recognised as one of the 'Top 50 Movers and Shakers in Biotechnology' in 2019 for her contribution to the life science industry in the UK.



Andy Coleman
Software, Cleantech

Andrew is an investor and advisor in new science and technology ventures, with 30 years' experience in IT, business development, strategy and partnerships. His most recent venture was sold to Capita plc in 2015. Andrew's current portfolio of early-stage investments includes Mocean Energy, OGI Bio and Carbogenics. He is also Entrepreneur-in-Residence at the Bayes Centre, and a mentor for Edinburgh Innovation Ltd.



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OUR INVESTMENT COMMITTEE

All investment decisions are made by an investment committee (IC) made up of:



Hamish Mair

MD, Head of PE, Columbia Threadneedle Investments

Hamish joined BMO Asset Management (now Columbia Threadneedle) in June 2005 and has 30+ years of investment experience. Hamish is head of the PE team, with overall responsibility for all the fund vehicles that the Private Equity team manages. Hamish is based in Edinburgh office.



Sandy McKinnon (PhD)

Partner, Pentech Ventures

Sandy has been a Pentech partner since 2001. His areas of interest include security technology, the applications of machine learning and artificial intelligence, and new infrastructure technologies such as blockchain and microservices.



Prof Simon Best (OBE)

Life Sciences Entrepreneur

Simon has 25 years' experience in HealthTech research and commercialization having held founder, CEO and Chairman roles in entrepreneurial companies around the world.

Simon is also an experienced Angel, Venture Capital and Private Equity investor.



Ian Ritchie

Computer Science Entrepreneur

Ian has 40 years' experience as an entrepreneur, chair and angel investor. Ian has a computer science background having founded Office Workstations Limited (OWL), the first and largest supplier of Hypertext / Hypermedia authoring tools (forerunner to the World Wide Web). The company was subsequently sold to Panasonic.



Catherine Martin (PhD)

VP Corporate Services, University of Edinburgh

Catherine leads the Corporate Services Group at UoE, over 2000 staff. Catherine holds a PhD in French Literature & Language, is a chartered accountant and fellow of the Royal Society of Arts. She has held numerous non-exec roles and is currently on the board of Edinburgh University Press and the Scotland Advisory Group for Parkinson's UK.



Jane Reoch

Executive Director, SNIB

Jane is a highly experienced venture capital investor with 15 years' operating in the UK SME market. She has worked in funds including Panoramic Growth Equity, Cass Entrepreneurship Fund and Mobeus Equity Partners, which have provided exceptional returns to investors. Jane has consistently taken businesses from start up to successful exit.



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Selected Case Studies



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Aveni - UoE Startup

[Aveni](#) is a University of Edinburgh startup that is on a mission to enhance professional advice with next-generation speech technology and deep learning, making advice more meaningful, more accessible and more human.

The company was founded by Joseph Twigg while he was studying for an Executive MBA at the University of Edinburgh Business School in 2018, together with Dr Lexi Birch, a Senior Research Fellow and natural language specialist in the University's School of Informatics.

Aveni's beachhead product, Aveni Detect, transforms risk monitoring undertaken by financial service institutions. Its software uses NLP to analyse 100% of customer interactions, identifying customer vulnerability, the conduct and competency of agents and advisers, complaints and financial crime.





REOptimize Systems, a UoE Staff Startup

Software that optimises control settings for wind turbines, leading to increased energy production, reduced loads and noise

REOS is a UoE staff startup, resulting from Juan Pablo Echinique's PhD while he was studying at the University of Edinburgh's School of Engineering. He subsequently co-founded the company with another UoE Researcher Richard Crozier.

The Company's software makes wind turbines more efficient by improving their power performance whilst reducing maintenance costs. This is done in a novel and cost-effective way; optimising the brain of the turbine (the controller) without adding sensors or hardware. This enables precise adjustments to the wind turbine control parameters and therefore the asset is calibrated perfectly for optimum performance in its specific environmental conditions.

REOS is transitioning from R&D to a commercialisation pilot and will initially sell its technology as an optimisation service which guarantees an energy production uplift.