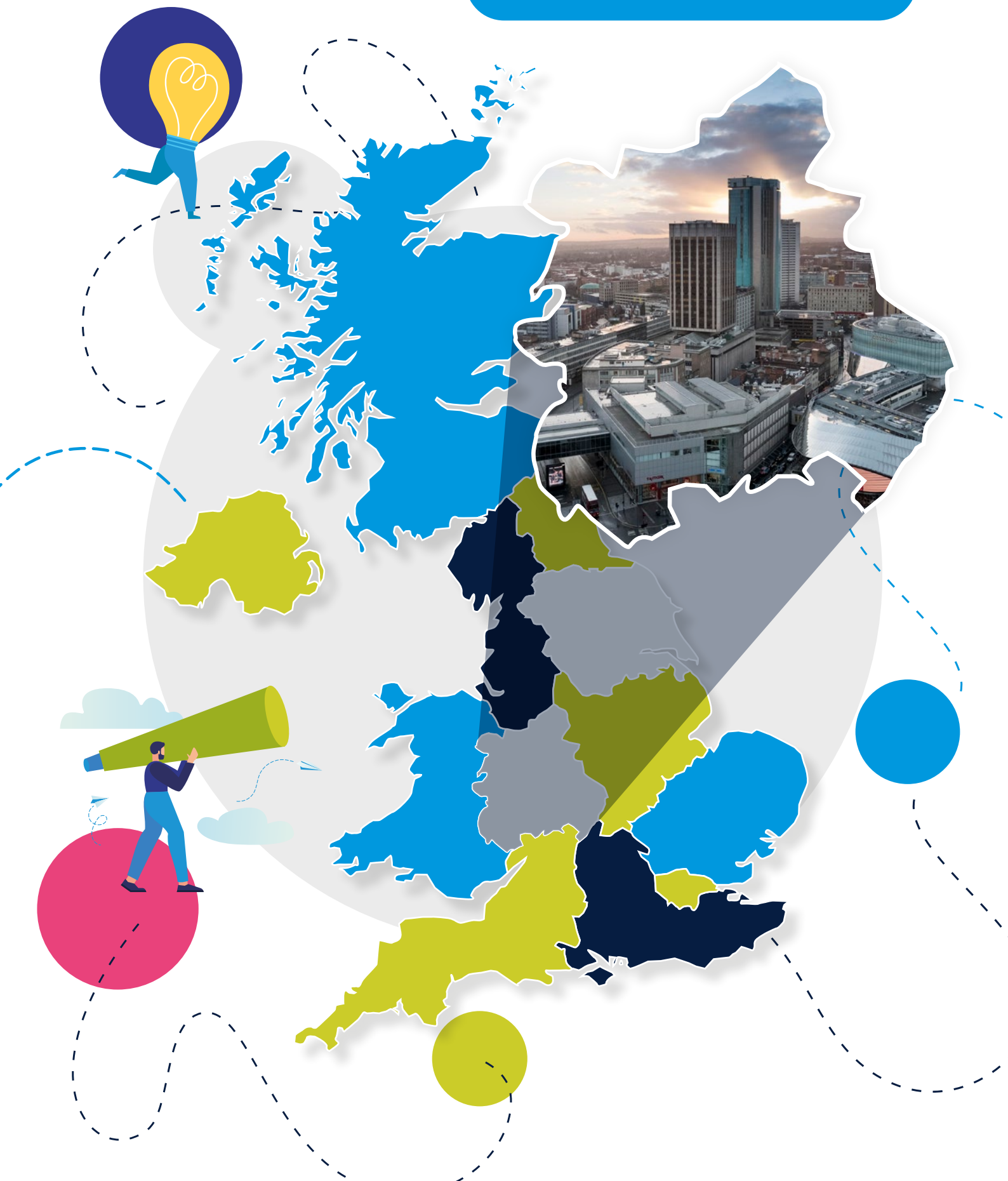
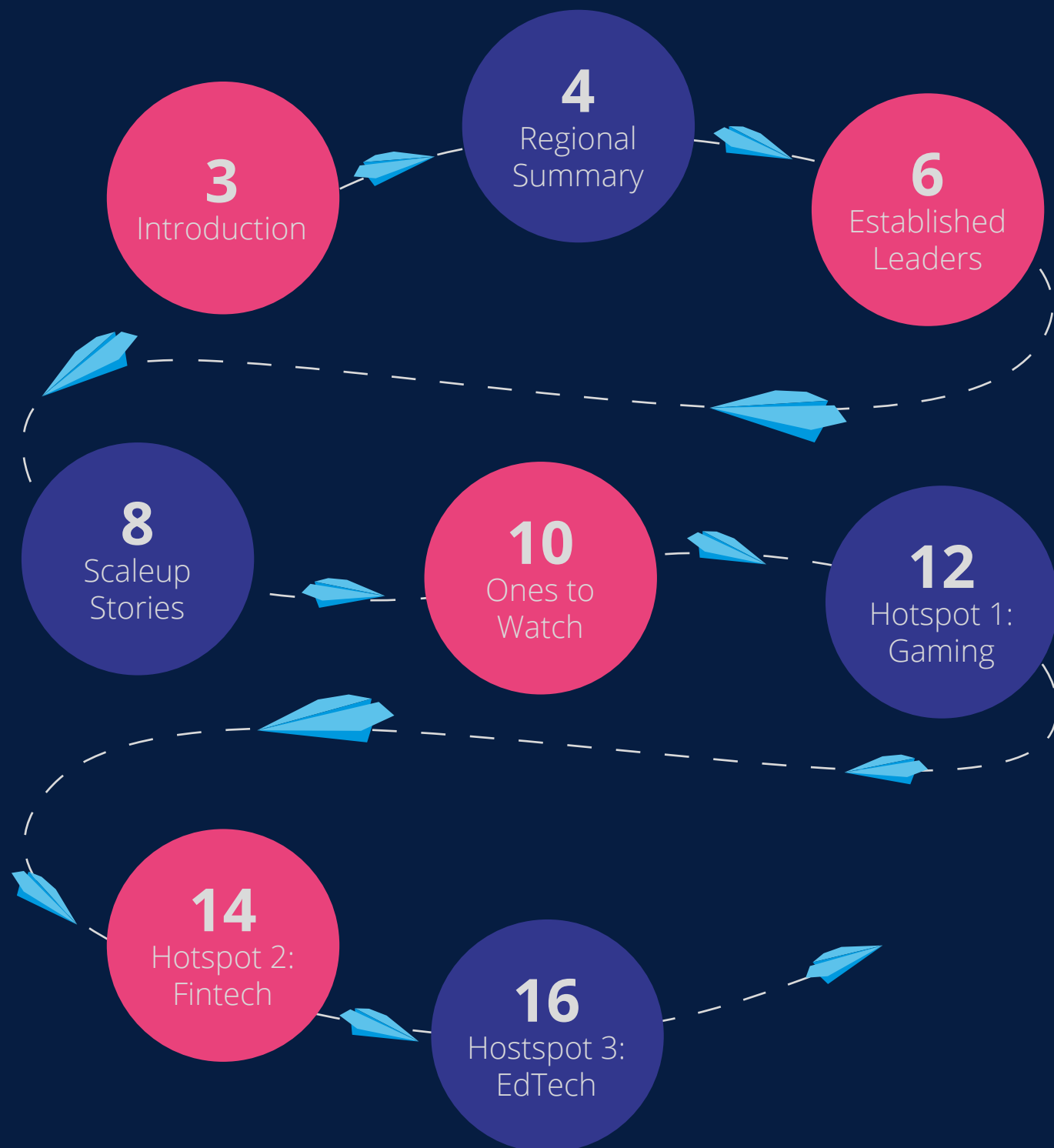


12 Clusters of Tech

West Midlands



Contents



12 Clusters of Tech

September 2020 – August 2021

Introduction

This is the story of technology in the UK. Over 12 months, [London Tech Week](#) and [UK Tech Cluster Group](#) will explore the unique ecosystems and tech trends in every region of the UK. From space tech in the South West to cybersecurity in Northern Ireland, 12 Clusters of Tech charts the companies, sectors and case studies that make up the entire UK tech landscape.



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TCG UK Tech Cluster Group

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Regional Summary

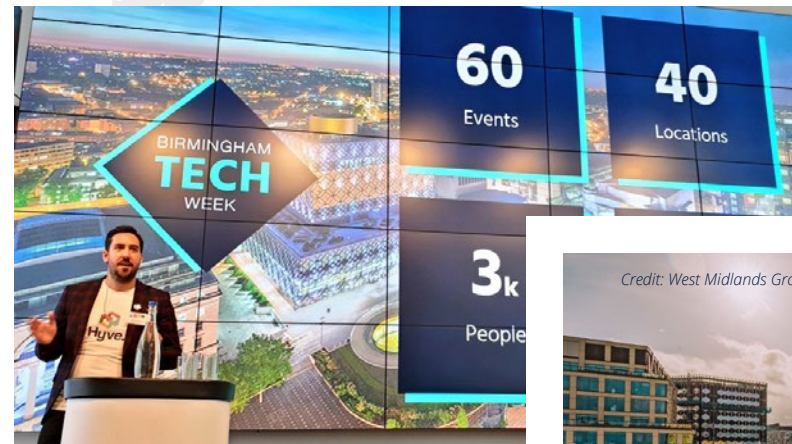
The West Midlands is a vibrant epicentre for technology with a well connected ecosystem of highly skilled digital entrepreneurs, startups and established companies. From automotive technology and digital media to EdTech and coding, there are over 13,000 tech firms employing over 100,000 people across the region.

Exciting tech-enabled innovation is happening right across the region. Aside from the large number of firms based in Birmingham, there are also a number of large tech clusters across the wider West Midlands region. The Coventry and Warwickshire area has a £1.4 billion GVA digital services sector of which software development (£195 million) and games development (£189 million) thrive from the wider base of creative industries based within the region, worth £1.1 billion, many focussed around 'Silicon Spa'. Solihull, Stratford-on-Avon, Wolverhampton and Telford also actively contribute to the region's vibrant tech scene.

The region's 12 universities are home to 50 tech-related centres of excellence, producing 70,325 graduates per year, 16,000 of which gain FinTech related degrees and qualifications. Employment opportunities for tech graduates within the West Midlands are strong, with tech roles accounting for 14% of roles advertised. This, coupled with the region's young and diverse population, central location, excellent transport links, and lower living costs make it an attractive proposition for graduates looking for employment after university. Many choose to stay on in the region, creating a larger tech talent pool than can be found in many other UK cities.

The size and scale of tech firms across the region vary considerably, although Birmingham has a particularly strong reputation for start ups. 2020 saw the city crowned the UK's leading regional location for startups for a seventh year in a row by thinktank, Centre for Entrepreneurs. At a time when many sectors have been negatively impacted by the pandemic, the West Midlands' tech industry has exhibited growth. The number of new tech startups increased by 48% in quarter three 2020 compared to quarter one data; with 507 software development and games businesses incorporated. This increase can be attributed at least in part to the impetus created by lockdown, which has driven an increase in demand for technology to support remote working and learning and entertainment.

At the forefront of digital development, the region is also currently piloting a new government programme to roll out 5G mobile networks earlier than in other parts of the UK. '5SPRING' is the UK's first 5G commercial innovation centre launched as a partnership between WM5G, O2, Deloitte, Wayra and the Digital Catapult. With facilities located in Birmingham, Coventry and Wolverhampton, the aim is to help organisations of all sizes unlock 5G's full potential through an immersive experience in a live 5G network and work with innovators to take advantage of how the next generation of mobile access to the internet can unlock new applications and services.



Established Leaders

As the home to the UK's first multi-city 5G testbed, with a highly skilled talent pool of graduates and an established tech ecosystem of entrepreneurs and SMEs, the West Midlands region is an attractive proposition to larger companies that are looking to be at the forefront of next generation innovations and tap into the very best digital talent. The UK's best-connected region by road and rail, the West Midlands' central location and accessibility appeals to larger firms including BT, Advanced, Virgin and SCC who employ over 5000 people across the region.



Gymshark

uk.gymshark.com

Location: Solihull

Established: 2012

Gymshark is one of the fastest growing and most recognisable fitness apparel and accessories brands, supported by over 5 million highly engaged social media followers and customers in 100's of countries. Created in 2012 by teenager Ben Francis and a group of his high-school friends, Gymshark has grown from a screen printing operation in a garage, into one of the fastest growing and most recognisable brands in fitness and is the West Midlands second ever unicorn company with a valuation of over £1bil.



SCC

www.scc.com

Location: Birmingham

Established: 1975

SCC, founded and headquartered in Birmingham is one of Europe's largest independent IT groups. Operating out of 65+ locations in the UK, France, Romania, Spain and Vietnam, SCC delivers limitless IT solutions in partnership with the world's best technology vendors. Providing multi-award-winning data centre modernisation services, networks and communications, workplace productivity, business process outsourcing, security and innovation solutions to customers in a broad range of public and private industry sectors, SCC is driven by curiosity and inspired by innovation.



HORIBA MIRA

www.horiba-mira.com

Location: Nuneaton

Established: 1946



"We're incredibly proud to be located in the heart of the UK's automotive industry, which gives us excellent

access to suppliers, customers and some of the best talent in the industry. Through the MIRA Technology Park we bring together world-class facilities and skilled engineers to provide a location for decarbonisation and mobility innovation and technology development, offering a hub that enables international companies to access all that the West Midlands has to offer."

Declan Allen, Managing Director

HORIBA MIRA's purpose is to improve lives by making journeys safer, cleaner and smarter.

HORIBA MIRA is a global provider of automotive engineering, research and test services, with 75 years of experience in developing some of the world's most iconic vehicles. Working in collaboration with vehicle manufacturers and suppliers around the world, they provide comprehensive support ranging from technology development and individual product tests through to full-vehicle design, development and build programmes.

Whilst traditionally known for its vehicle test services – including over 40 major facilities and 100km of Proving Ground – HORIBA MIRA is so much more than this. Over the last ten years it has invested heavily in the evolution of its engineering capability and in the development of MIRA Technology Park, Europe's leading mobility R&D location for developing the latest automotive technology. The unique combination of engineering expertise, advanced testing facilities and prime location of MIRA Technology Park in the heart of the UK automotive industry, enables customers to develop and validate their technology, or vehicle, in one place.

Scaleup Stories

The West Midlands has a robust pipeline of up and coming tech talent on its doorstep, fuelled by its universities and commitment to digital skills training. The School of Code and Tech Talent Academy are two bootcamps in the region championing access to tech careers and greater inclusivity across the sector. In 2020, 14% of the job vacancies advertised in Birmingham were for tech roles, making it the fastest growing sector in the city. Caroline Dineage, Minister for Digital, commented on the numbers saying "It is fantastic to see these new figures showing the strength and depth of the West Midlands tech sector". It's clear that as the UK's regional capital for startup company formation, Birmingham and the wider Midlands region also has the infrastructure to support these startup companies to scale. Through the proven network of accelerators and innovation hubs and established partnerships with the region's universities, companies can access investment opportunities, such as the £250m Midlands Engine Investment Fund, and accelerate business growth. The region's universities also play a vital role in stimulating creativity and discovery through nurturing talent; knowledge-sharing industry partnerships; and business incubator support, producing multiple tech spin-out successes.



Aceleron

www.aceleronenergy.com

Location: Birmingham

Established: 2016

Aceleron is an award-winning clean technology startup from Birmingham that is transforming battery waste management to kick start a circular energy economy fit for the future. Founded by entrepreneurs Dr Amrit Chandan and Carlton Cummins in 2016, the company is pioneering sustainable lithium-ion battery packs to improve lifespan and reduce waste. Aceleron has designed waste out of the battery manufacturing process, creating world-first batteries that can be repaired, reused and upgraded, avoiding total replacement. Currently operational in three global markets, Aceleron's product applications range from providing energy access to households, to back-up power for industrial and commercial use across the UK, Europe, Sub-Saharan Africa and The Caribbean. In July 2020, the firm secured £2m of investment to accelerate its international growth ambitions and scale up production of its batteries, which includes plans to double its team in the future.



"By future-proofing battery design to enable easy servicing, repurposing and reuse we can design out battery waste while creating a booming service employment market that will further drive our green industrial revolution."

Amrit Chandan, CEO

Did you know?

RESEARCH FROM THE SCALEUP INSTITUTE RECORDED **1750 SCALEUPS ACROSS THE WEST MIDLANDS' THREE LOCAL ENTERPRISE PARTNERSHIP (LEP) AREAS IN 2020, COLLECTIVELY GENERATING OVER £24BN OF TURNOVER.**

Clarilis

www.clarilis.com/en

Location: Leamington Spa

Established: 2015

Clarilis is a market leading intelligent drafting platform, positively disrupting the legal sector since 2015 and has the largest team of automation specialists in the UK, based in Leamington Spa. Working with both law firms and in-house legal teams, Clarilis is particularly known for the automation of complex document suites.

Clarilis has a unique, highly structured approach to automation - modelling data in relation to entire transactions rather than individual documents. Clarilis has a dedicated team of experienced professional support lawyers who work directly with clients to 'speak legal, not tech.' Business benefits include improved risk mitigation and accuracy, 90% reduction in drafting time and ultimately, a means for lawyers to be liberated from manual drafting time constraints to provide bespoke advice and handle non-standard aspects of transactions.

Clarilis works with a large number of leading law firms and organisations such as Addleshaw Goddard, Baker McKenzie, GoCompare, Gowling WLG, Herbert Smith Freehills, National Grid, Slaughter and May, TLT and Travers Smith.



"The Midlands has a thriving tech scene and it was an easy choice for us when selecting a HQ to work with the fantastic talent we have here. There's also a wealth of good universities in the area which means there is access to a high calibre of graduates, which is just what a high growth company needs. Many people are attracted to work for a company that leads the market, is a great place to work and does not carry a heavy commuting price (and time) tag when it comes to work life balance and wellbeing."

James Quinn, CEO

Click Travel

www.clicktravel.com

Location: Birmingham

Established: 1999

Click Travel is the UK's fastest growing corporate travel management company; reducing the cost & complexity of business travel through driving online booking and helping organisations to manage their business travel spend. Its unique online booking platform aggregates content from lots of different travel distribution networks into a single platform. Multi award-winning, Click Travel is founded on the principles of great customer service, great tech, strong teams and exceptional customer service.

Did you know?

BIRMINGHAM TECH
- THE REGION'S NOT-FOR-PROFIT COMMUNITY INITIATIVE (CIC) COMMITTED TO **RAISING THE PROFILE** OF THE BIRMINGHAM AND WEST MIDLANDS TECH SCENE - HAS ANNOUNCED ITS OWN SCALEUP PROGRAMME **FOR 2021** BUILDING ON THE SUCCESS OF ITS ANNUAL **BIRMINGHAM TECH WEEK FESTIVAL.**



Ones to Watch

Birmingham's young and diverse population has always made it a hotbed for innovation, and in 2020 the city was crowned the UK's regional capital for start ups for the seventh year running. 18,394 new enterprises started life in the city throughout 2020, marking the highest volume of startups outside London. The figures, released by think-tank Centre for Entrepreneurs (CfE) also ranked West Midlands locations Sandwell and Coventry highly, while Wolverhampton's registrations also increased by 30% over the year. Although nationwide lockdown restrictions impacted the rate of formations across the UK, the West Midlands – alongside London – had the strongest recovery of any region, recording 62% growth in June.

The West Midlands infrastructure is well established to support startups. Across the region, over 40 accelerators and incubators offer access to professional, commercial and financial support for startups, including Innovation Birmingham – the region's largest dedicated digital campus – and Europe's biggest finTech accelerator The Engine Room.



Energym

energym.io

Location: Birmingham

Established: 2018

Energym is a smart tech fitness company that builds clean-energy generating gym equipment to turn gym users' workouts into usable electrical power. Working with the country's top universities and engineers, it has developed innovative patented systems to capture and convert human energy into electrical power which can be used to charge devices such as laptops, electric scooters and smartphones and even power some buildings. Energym is committed to unlocking the potential of clean-energy generation to help customers and businesses reduce their carbon footprint.



"Innovation is vital for a tech start-up like us, we feel very fortunate to have world-class universities offering engineering and computer science degrees right on our doorstep. Fresh talent doesn't just mean attracting bright young sparks but honing that youth, enthusiasm and skill in ways that can drive innovation inside a tech company. With so many tech companies based in Birmingham now, there's an incentive for students to stay in the city after they graduate which has helped turn the region into a tech hub."

Will Flint, CEO

Round Midnight

www.roundmidnight.org.uk

Location: Birmingham

Established: 1992

Round Midnight is a creative arts company which has recently adopted tech to reach new audiences. Using VR, the company explores gang culture and risk taking behaviour with young people. Its interactive tech for good program recently featured on Channel 4 and examines the decision-making processes linked to anti-social behaviour. Its products have been used by a number of police forces and have proven to change young people's attitudes to anti-social behaviour. Following the success of 'Virtual Decisions: GANGS', Round Midnight has now been awarded funding from West Midlands Police and the Home Office to create 'Virtual Decisions: KNIVES', a real world virtual reality experience about knife crime.



"Birmingham is such an inspiring place to run a tech for good business. We have a wealth of expertise on our doorstep, fantastic opportunities for collaboration and dare I say we're the friendliest city in the UK."

Sami Cornick, Development Manager



Did you know?

OVER THE PAST 12 MONTHS, **OVER £30M INVESTMENT** HAS BEEN MADE INTO BUSINESSES IN THE COVENTRY AND WARWICKSHIRE AREAS, OF WHICH **47% HAVE BEEN SEED INVESTMENTS**

Petalite

www.petalite.co.uk

Location: Birmingham

Established: 2014

Petalite has invented a portfolio of technologies to enable safer and faster battery charging. Including safer supercharging of batteries with SDC Supercharging, to online detection of internal cell impedance through its Advanced Battery Management System. The Patent Pending charger design is a true Single Stage Battery Charger, which means fewer components (no Boost Inductor, no High Voltage Electrolytic Capacitors, no Blocking Diode, no PFC Controller, no PFC Power MOSFET) resulting to Lower Cost, Higher Reliability, Higher Efficiency, Higher Power Density. All firmware and hardware design is developed in house, resulting in no off the shelf 'black boxes' and enabling inherent connectivity in the modern world.



"I am extremely proud of the team at Petalite on what they have achieved so far. We are getting close to the vision of SDC charging being used around the World to accelerate the adoption of electric vehicles."

Leigh Purnell, CEO



Hotspot 1

Gaming

Around 130 of the UK's best gaming companies are based in the West Midlands, creating 3,000 to 3,500 full-time employees (FTEs). Over 50 of these companies are situated in and around Leamington Spa with between 2,000 and 2,500 FTEs working there, over 10% of the total UK games development workforce. The sector is developing large scale immersive simulations and visualisations. Birmingham, Coventry, Warwick, and Birmingham City universities all have centres in this field and are at the cutting edge of production, animation, Augmented Reality (AR), Artificial Intelligence (AI) and Virtual Reality (VR) research and development. Universities in the West Midlands are also boosting

the region's reputation in the fast-growing gaming sector. Staffordshire University is one of the UK's leading gaming universities and offers a unique degree programme dedicated to teaching the business of esports with the region fast becoming an emerging hub for esports in the UK. Additionally, the University of Warwick has just announced a major collaboration with BT to make it the first public 5G connected uni campus in the country, which is set to bring huge benefits for Leamington's, 'Silicon Spa', gaming cluster. University of Warwick students are the winners of The British University Esports Championship and Warwick is the first University to hold the UK esports University of the Year title.



Sumo Digital

www.sumo-digital.com

Location: Leamington Spa

Established: 2003

Headquartered in Yorkshire, Sumo's expansion to the region with two studios is helping to shape the West Midlands' gaming cluster. Sumo Digital is one of the UK's largest independent developers of AAA-rated video games, with over 750 developers working in studios in Sheffield, Newcastle, Nottingham, Warrington and Pune, India and now two studios in Leamington Spa. The business has acquired four studios since its IPO, which operate under their own names: BAFTA award-winning The Chinese Room in Brighton, Red Kite Games in Leeds, PixelAnt Games in Wroclaw, Poland and Lab42 in Leamington Spa. Sumo Digital provides turnkey and co-development solutions to a global blue-chip client base working on some of the world's biggest franchises in video games.



"Leamington Spa is recognised within our industry as a centre of excellence for games development, with studios of varying sizes all enjoying the large number of talented developers that live in the region. Sumo Digital has two studios in the town, with Sumo Leamington and Lab42 both making great games that play on a global stage, thanks to the incredible talent of both teams. We're very proud to be part of the tech and creative community within the region."

Gary Dunn, Managing Director

AtmosVR

www.atmosvr.co.uk

Location: Birmingham

Established: 2017



Did you know?

THE GAMING SECTOR
EMPLOYS 3-3500
FULL TIME EMPLOYEES
ACROSS THE REGION

Atmos VR is a unique VR company applying the entertainment power of VR to serve business audiences with new ways to entertain, train and explain.

Inspired by the potential to entertain the public by immersing them in large-scale VR experiences. A new multiplayer free-roaming interactive game is being developed with post-COVID audiences in mind and will offer strictly player-controlled, socially-distanced entertainment across the one-hour shows when it opens in Digbeth this summer 2021. Atmos VR has secured financing from Insight Media Fund and is combining its VR expertise with the Fund's Creative Industries partnerships to provide virtual solutions for businesses during the pandemic and beyond.



"The Midlands corridor was an ideal choice for our first immersive venue, not just because of its central location and accessibility but also due to its long history with the creative sector. The Midlands provides great support for startups and is a hive of creative skills, which we can build our future on."

Kevin Blair, CEO

Playground Games

www.playground-games.com

Location: Leamington Spa

Established: 2010

Playground Games became part of Microsoft in 2018 and is an Xbox Game Studio and one of the highest rated video games developers in the world. Established in 2010, it brings together some of the most experienced and talented developers from the UK industry, with the vision to create genre-defining titles for a global audience. With four critically-acclaimed, award-winning hits to its name; Playground's Forza Horizon games have garnered more than one hundred awards and have been played by many millions of fans.

Today, Playground has two world-class studios in Leamington Spa where it continues to support and grow the huge, vibrant Horizon community whilst developing Fable, a new beginning for the legendary franchise.

Did you know?

AAA TITLES
INCLUDING **FAR CRY,**
LITTLE BIG PLANET
AND FORZA
WERE ALL DEVELOPED
IN THE REGION.



Hotspot 2

Fintech

With a longstanding reputation in the financial sector, the West Midlands has evolved into an established hub for FinTech innovation. Of the many FinTech companies based across the region, there is a mix of large, established companies looking to embrace new technologies and data; and disruptive startups with innovation at their core. Inspired by the success of its FinTech ecosystem, research has revealed the West Midlands' significant potential to grow a professional services tech (ProfTech) cluster in the region. January 2021 saw the launch of SuperTech – the UK's only supercluster of its kind designed to catalyse innovation and investment in ProfTech - and put the West Midlands on the map as a destination for tech-led Modern Services.



CoreLogic UK

www.corelogic.uk

Location: Solihull

Established: 2010

CoreLogic UK is a leading provider of property information, big data and technology solutions, supporting the UK property services industry. Its integrated solutions deliver value to clients through unique data, analytics, workflow technology, advisory and managed services to help identify and manage growth opportunities, improve performance and mitigate risk. Its solutions include lending, surveying & valuation, market intelligence, risk management, energy, estate agency and virtual property tours. CoreLogic is responsible for approximately 80% of the UK's property valuations.



Did you know?

20% OF TECH ROLES IN THE REGION ARE FINTECH RELATED, WITH 122 COMPANIES EMPLOYING OVER 7000 PEOPLE.

CrowdProperty

www.crowdproperty.com

Location: Birmingham

Established: 2014

CrowdProperty is the UK's leading specialist property project online lending platform. CrowdProperty is a FinTech/PropTech online-lending innovator, exceptionally efficiently matching the demand (quality property professionals undertaking quality property projects) and supply (retail/institutional investors) of capital for value-creating property projects, delivering a better deal for all – borrowers, lenders, the under-supplied UK housing environment and spend in the UK economy.

Actual property development and investment experience lies at the heart of the business meaning hands-on, expertise-led due diligence and loan monitoring, with technology underpinning the efficiency and scalability of the business. Lending is focused on the SME property professional market, a key segment for supplying much needed UK housing stock, which is poorly and inefficiently served by traditional funding sources.

CrowdProperty was recognised as one of the 50 fastest growing tech businesses in the UK (#41 in the UK and #1 in the Midlands recognised in the Deloitte Fast50 report 2020) and #134 Fastest Growing Business in Europe (Financial Times FT1000 report 2021)

"Our mission is to transform property finance to unlock the power of SME property developers in the UK to build more homes, increase spend in the UK economy and ever more efficiently and effectively match the supply and demand of capital for the benefit of all."



"At the heart of the achievements to date is a passionate team of 41 based in Birmingham

with a great culture and a shared cause to solve pains on both sides of the CrowdProperty marketplace. We believe that our West Midlands base gives us significant advantage - in particular through access to a great talent pool and tech sector. This is just the start of realising our potential and we're on a trajectory to continue growing as rapidly as we have done, underpinned by a highly scalable, in-house built, proprietary technology platform, scalable capital sources and deep expertise in exactly the asset class being lent against, funding hundreds of millions of pounds each year."

Mike Bristow, CEO & Co-founder

PM Connect

www.pmconnect.co.uk

Location: Birmingham

Established: 2012



"As we continue on our ambitious growth journey, we are proud to be carving out PM Connect as a Birmingham-based global business."

"PM Connect is now active in 40+ territories, with five offices around the world but the West Midlands remains the best location for us to be headquartered – offering both the tech talent to support planned growth and a vibrant place to work for our dynamic, driven team."

James MacFarlane, CEO and Founder

PM Connect's mission is to make in-demand content accessible to all. The award-winning business connects brands to new audiences by enabling fans to pay for digital products using their mobile phone - without the need of a credit card.

This is possible through the company's global network of mobile operators and its direct carrier billing (DCB) mobile payments tech.

Founded in 2012, PM Connect now operates across Europe, the Middle East, Asia Pacific and Africa, processing over 10 million payments per month with a global reach of 1 billion consumers. Its brand partners include the NBA, WWE and the Premier League.

Hotspot 3

EdTech

The demand for EdTech existed before the onset of the Coronavirus pandemic in 2020 but has since been rapidly accelerated by the need for remote learning brought about by the crisis. The use of blockchain, IoT, machine learning and education robots are now commonplace within the classroom and the West Midlands' tech scene is actively supporting this, stimulated by increased investment available within the sector. In 2019, The West Midlands Local Industrial Strategy (LIS) pledged £1m to support EdTech within the region with a particular focus on improving support for adult learners and teaching digital skills. Across the region The LIS also pledged to pilot an innovative online hub to share work experience opportunities with schools.



Learning Labs

www.learning-labs.co.uk

Location: Birmingham

Established: 2012

Learning Labs is a UK EdTech team, developing innovative technology that unlocks the potential of learners that don't have English as a first language, whether they are at school, college or in the workplace. Its digital platform, FlashAcademy®, is an award-winning app that is licenced by over 500 schools and used by over 500,000 learners.

The platform is unique because it teaches English from 45 different home languages. Evidence from UK schools shows that the platform can help students to acquire English 3X faster than the national average.



"As a fast scaling EdTech business, we've found Birmingham to be the perfect base. We've been able to raise over £2m in equity funding and build a highly talented team, all whilst being based at the Innovation Birmingham Campus."

Veejay Lingiah, CEO



Digital Innovators

digitalinnovators.co.uk

Location: Solihull

Established: 2016

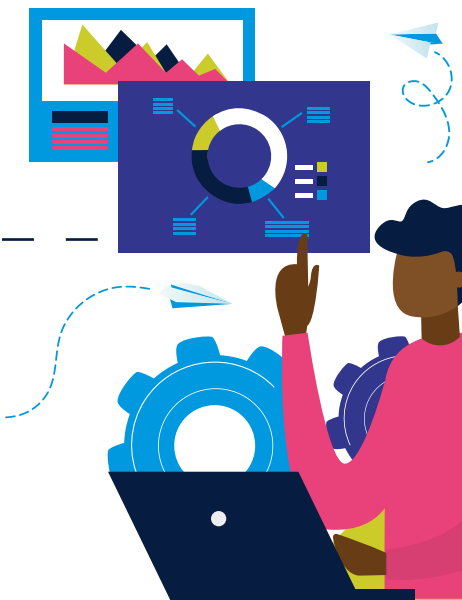
Digital Innovators is a not-for-profit training company dedicated to helping young people who are unemployed, out of education or in low-paid jobs to kickstart their careers, gain valuable work experience to unlock their potential.

Digital Innovators is currently working with Solihull College & University Centre and West Midlands Combined Authority to deliver specialised digital training and support to young people in the region, covering the vital employability and digital skills needed to succeed in the world of work as well as providing the opportunity to work with leading employers on a live work project. Many students have quickly secured jobs, apprenticeships, and further education even during the pandemic through the Digital Innovators' programmes.



"There is still a huge amount of work to be done to continue to build a more diverse digital and tech workforce which includes unlocking untapped talent from non-standard education pathways, as well as bridging the gap between academic studies and employment. Key to unlocking diversity is to recognise that the breadth of skills required in the sector goes far beyond coding."

Mick Westman, Founder



Smartella

smartella.co.uk

Location: Birmingham

Established: 2018

Smartella Ltd is an EdTech Technology Development business which has developed an innovative and fully integrated All-in-One E-learning platform. Smartella platform combines all the latest technology to enable education and training organizations to fully automate and manage engaging, interactive blended learner journeys. Comprising LMS, Virtual classroom, e-commerce and content editing tools (to create interactive and engaging content). The platform enables any size training company or education establishment to digitally transform their organisation to quickly scale and to go beyond borders to reach new markets.

Smartella boasts clients in UK, US and Middle East supporting thousands of learners.



"EdTech is a growing sector within the West Midlands with a vibrant innovation community and excellent new innovation startup support infrastructure."

Amir Shurrab, CEO

2020 – 2021

12 months.

12 Clusters.

The whole of UK tech.

