

TVIN investment helps make energy visible



The Trio and Duet Displays

Thames Valley Investment Network members have recently invested £250,000 in energy-efficient monitor developers Green Energy Options, as part of a £800,000 funding round. The investment by TVIN's members was matched by an investment of £250,000 from the Bank of Scotland Corporate's Growth Capital team under the unique Co-Investment Programme arrangement between the Bank and the TVIN Network. The balance of the new funds came from high net worth individuals.

GEO GREEN ENERGY OPTIONS

Green Energy Options (GEO) has developed sophisticated monitoring devices that make energy use visible. While the public is becoming more aware of energy use - in the home, at work or in schools - people remain largely ignorant about energy use patterns. GEO's Chief Executive, Patrick Caiger-Smith, said: "Our products can provide real-time meaningful information about energy use, right down to individual rooms and appliances, that clearly demonstrates where and when people are spending most on their energy."

With ever-rising fuel bills, and pressure on businesses and homes to improve energy efficiency, GEO's devices can solve a lot of problems at once. Caiger-Smith said: "We identified that while people want to lower their carbon footprints, they will be spurred on to doing this if they can see clear cost benefits for doing so."

In developing the company's monitoring devices, GEO has addressed the three basic ways in which energy use can

be reduced: behaviour change, energy wastage and appliance efficiency. "If you can persuade people to change the way they do something - such as doing their laundry at a lower temperature - then cost savings of between 10% and 20% are possible," Caiger-Smith said. "Secondly, if you can alert people that devices have been left on when not in use - such as a television in standby mode, or a light left on in the attic - then not only are you warning them about energy wastage they were not aware of, you will change their behaviour as well." And because GEO's systems give real-time information about appliances and energy use, they can be run at optimal efficiency.

GEO has a number of products that are aimed at the home, business and school markets. The Home Energy Hub comes in three models: Solo, Duet and Trio. On a simple LCD display, the Solo device provides information about current energy use, daily consumption levels and total environmental impact of the energy consumed. The Duet has an additional display that can monitor energy use of up to six individual appliances and a home's hot water and central heating system. The Trio provides a more sophisticated level of monitoring, including linking into GEO's central systems via the internet, which allows for detailed analysis of a household's energy use profile.

The Home Energy Hub has already been tested in field trials, and the company is working with energy suppliers, developers and housing associations to get the devices into homes and so start cutting energy bills and domestic carbon footprints.

GEO's Business Energy Hub is designed to engage members of staff in energy efficiency - in much the same way as people have embraced recycling. Displaying results on office computer screens, the hub monitors appliances and overall energy use levels like the Home Energy Hub. It can be used alongside building management systems, which control major factors such as heating, to generate significant cost savings at the same time as raising overall awareness of energy efficiency issues among members of staff.

In schools, GEO's systems are primarily aimed at education and developing awareness among students about the im-

portance of efficient energy use. Teachers and pupils can monitor classroom energy use and, for example, devise simple contests between classes to improve efficiency of monitored devices.

The new funding round will allow GEO to invest in its supply chain and further develop routes to market for all its products.

Patrick Caiger-Smith said: "We have most of our suppliers in place and will be investing the new funds in securing the final remaining links in the chain as we step up production. We will also continue to secure channels to market, particularly via energy suppliers, housing associations and as an essential element of the forthcoming introduction 'smart metering' in the UK."

Commenting on the funding round process, Patrick Caiger-Smith said: "It was very easy working with Thames Valley Investment Network, and we were delighted to be able to introduce some of our existing contacts to the Network as part of the deal process. The matching funds from Bank of Scotland's Growth Capital team were obviously very welcome."

Leo Dunne, Investment Network Manager at TVIN, said: "GEO's products are clearly going to be increasingly in demand for consumers and businesses looking to save on energy bills and deal with their carbon footprints, and we were very pleased to be part of such a significant investment."

THE CO-INVESTMENT PROGRAMME

The Co-Investment Programme was launched by Thames Valley Investment Network and Bank of Scotland Corporate's Growth Capital team in early 2008. Through the £2 million programme, the Bank will match investments by TVIN's members in growing companies.

**BANK OF SCOTLAND**
CORPORATE

Malcolm Kpedekpo, Associate Director at Bank of Scotland Growth Capital, said: "GEO is an exciting addition to our portfolio, and this investment demonstrates the help that the Co-Investment Programme can bring to genuinely innovative companies."

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2008/9 Diary Dates:

Friday , 24 October 2008

**Supporting Sustainable
Innovation,
King's College,
The Strand London**

**4pm Thursday,
20 November 2008
TVIN Investment Meeting
Green Park, Reading**

The summer has been and gone - if you stayed in the UK you may have missed it. Much has happened in the World. The flames in Beijing have been extinguished and handed to Boris Johnson and now begin their journey to London for 2012; there have been storms and hurricanes and tragedies; and America has a race on for the Presidency which appears to be heading to the wire. In the UK, the general economic climate remains challenging, with inflation figures almost double official targets, the housing market suffering from falling prices and the occupant of 10 Downing Street coming under pressure from all sides, including his own. The credit crunch continues to take its toll on the banking sector, with Lehman Brothers failing in the States and the Lloyds TSB takeover of HBOS formally announced. A recently read news report also revealed that there are now no investment banks based on Wall Street. We live in interesting times.

Despite the general economic concerns, there are still signs of burgeoning life. Four TVIN companies successfully completed investment deals during the summer months, raising over £1m in total. Getting any deal done during the holiday period is notoriously difficult and my congratulations go out to all those involved; companies, investors and their advisors.

And the prospect of more deals being completed during the Autumn and Winter look good.

The Bank of Scotland Co-Investment Programme continues to operate well, with almost £1.5m of the allocated £2m being spoken for. We are naturally keen to ensure that TVIN companies continue to benefit from the programme in the run up to the year end and would ask all investors that are looking at a qualifying business to note that the remaining £0.5m will be allocated on a first-come first-served basis. Please do contact me if you are looking at any situation that you think might benefit from the programme.

Dealflow remains strong, both in terms of quality and quantity, with many potentially attractive propositions still coming through. Experience suggests that a slowdown in the markets has a knock-on effect on private company valuations, with these reducing to levels that may be more attractive to investors. It would also follow that there may be more companies seeking investment if other sources of finance become more difficult to obtain and/or as trading in a harsher climate puts company cash-flow under pressure. This may create significant opportunities for active investors looking to get involved with early stage businesses.

The clean/green sector remains topical, both in the political arena and amongst the newly awakened eco-conscious consumer population. The TVIN Green Technology Special Interest Group, established in late 2007, has attracted a number of proposals from emerging businesses in the sector, two of which were amongst the four raising investment this summer. With this in mind, the next TVIN Investment Meeting is to be held on the 24th October 2008 and will form an integral part of a day-long with a focus on Clean-tech companies. Speakers at the event will come from major corporates, the research sector and from government supported organisations and each will seek to outline their approach to Sustainability and tackling climate change. It promises to be an informative day and further details can be found within this newsletter.

Finally, and as many if not all of you may know, I took over the stewardship of TVIN from Nicki Hattingh in mid-June. Nicki left to pursue interests in fresh fields and we wish her well. If any reader or member has any comments or observations on any aspect of the Network, please do give me a call.

Kindest Regards, Leo Dunne, TVIN Network Manager.

The recent explosion of interest in **green technologies** has been fuelled by the public's interest and by Government support through grants and other incentives. UK hi-tech companies are at the cutting edge of this new and green industrial revolution.

The current global market for such technologies is about £150 billion with this predicted to quadruple over the next five to ten years. The rewards, therefore, are potentially enormous for companies and individuals investing in this sector. As with any technology based sector, Intellectual Property (IP) can play a vital role in protecting investment and securing return on that investment.

Green technologies often involve a blend of the more traditional technical disciplines. A good example is fuel cell technology, which requires a blend of chemical expertise for the catalysis, material science for the materials used in the cell and control electronics for controlling the environment of the cell. With these hybrid technologies, innovation is often based on what at first may seem like minor changes to or simple combination of existing technology. However, such innovation can provide key enablers for the technology and it is, therefore, critical to the success of those investing in this area to make sure that these innovations are adequately protected by IP. These new hybrid technologies, therefore, often require a creative and open-minded approach to obtain optimum IP protection.

Many of these innovations can be protected by patents. Other forms of IP protection, such as registered designs, trade secrets and copyright can also provide valuable protection. The decision of what IP protection to use to protect an innovation will depend on a number of factors including whether or not the innovation will become public when the product is released; the likelihood of a competitor making (and possibly protecting) the same innovation; the ease with which it would be possible to design around the innovation in terms of R&D cost; and whether it would be possible to obtain further revenue through licensing the IP rights.

Companies with IP strategies that identify and protect the most commercially important IP and manage it in a cost effective manner to suit their IP budget give themselves the best possible chance to be successful and to maximise the benefits of their investment.

Elisabeth Murray, Mathys & Squire

TVIN sponsors, Southampton based iMeta Technologies has recently announced that it has climbed the **Sunday Times Microsoft Tech Track 100** league table by 42 places to rank 49.

Now in its 8th year of business, iMeta has grown steadily and was recognised as one of the fastest growing private technology companies in the UK by its sales growth over a two year period. Led by directors Adrian Roe, Ben Marsh, Nick Canfor and Steve Strong, the company has grown its sales 60.5% a year from £1.5m in 2004 to over £6m in 2007 and has a staff of 75.

"We are absolutely delighted to have climbed the Tech Track 100 ladder by 42 places this year and are very proud of what we have achieved! It is our staff's dedication, hard work and can do attitude that have made this climb possible and I thank them all" says Ben Marsh, Managing Director, iMeta Technologies Ltd.

The combined sales of the companies listed on The Sunday Times Microsoft Tech Track 100 totalled £3.8bn. Together they employed 12,134 staff in 2007/8, and have on average increased their staff numbers by 67 each over their latest three year period from 2004/5 to 2007/8.

iMeta expertise and critical mass enables their customers to seize a market opportunity before competitors, to minimise cash-burn before market entry and to generate revenue sooner by delivering software that is outcomes focussed.

Florence Thomas, iMeta Technologies



“The future will not be what it used to be” and now more than ever before corporate finance has to work smarter to find creative solutions to old problems of SME's such as exit planning, growth finance and funding an MBO. The current credit crisis and general lack of debt capital for SME's will compel many businesses to seek equity funding. The following two examples where company names have to be withheld at this stage illustrate the need for planning in a more “out of the box” way.

We are helping a company client requiring £7 million for an MBO. It is an engineering company based in the South East; and the solution from Maxim involves pure equity funding and a “float” on the PLUS Stock Exchange. The traditional leveraged funding solution for an MBO would not be available anymore and equity funding has been the only way to finance the MBO. The company's plan to join the PLUS market is a crucial part of the funding solution; and it will offer the MBO team access to future rounds of equity to finance growth and it comforts the current investors that it will not run out of money.

Another company client of Maxim also in the South East operates in a highly fragmented industry with plenty of small competitors. It has an ambitious management team pursuing a fast track growth through acquisition, and it is joining PLUS through Maxim as part of the overall strategy. The management have already started negotiations with some potential acquisition target companies, and they are offering the target company owners as part of the consideration shares in their own company that is joining PLUS. They are achieving their fast growth by acquisition without having to raise significant funds and are using their own company shares as a “currency”.

Mehrtash Azami, Maxim Corporate Finance LLP

Supporting Sustainable Innovation

Friday 24th October 2008
Kings College, Strand, London WC2R 2LS
09:30 - 16:00

Promoting the interaction between emerging businesses, investors, research organisations and major global companies in Green Tech innovation.

This event aims to address and understand the needs of organisations that are responding to the increasing need for sustainable solutions and promoting Green Tech innovation through information exchange. Emerging businesses attending will have the opportunity to better understand what market influencers are looking for and Investors will be able to assess the businesses and the environment for technology solutions addressing climate change. Delegates will get a feel for the emergence of predominant design and themes within the broad spectrum of the Green Tech sector; and will get an insight into the political and economic environment which is both supporting and challenging this market.

Supporting Sustainable Innovation is aimed at key decision making representatives from the research community, innovative SME's, global corporations and from the investment community looking to support the Green Tech sector.

Programme:

- Representatives discussing latest technologies, developments and research emphasis.
- Government trends for funding and publicly funded initiatives
- The benefits of Open Innovation with regards to sustainable innovation
- Presentations from companies seeking investment for green technology ventures
- The corporate perspective and sustainability

In partnership with:



How do I book?

To register for this event [Click Here](#) and complete the on-line application form.

For further Information email events@iasse.co.uk or telephone 0800 288 8807



Arthuri Films -Project Story-teller. Sep 07

Soft Funding negotiations for horror movie The Hum have progressed with Canadian film funding agency Telefilms and the UK Film Council's Development Fund, and are on schedule.

The theatrical documentary Mugabe and the White African now has significant international sales agent interest, following the Zanu PF's recent abduction and torture of the White African family who are the principal characters. The BBC, Times, Sunday Times and NY Times covered the story when the Campbells were ambushed and left for dead.

The Company have continued to film throughout and the film has been chosen for the Big Pitch at Brit Doc [world documentary financiers] later in July/August.



ER Environmental Services Oct 07

ER Environmental Services, after obtaining guidance from their advisors, have decided to concentrate on their ToyGuard service and are considering franchising as an effective route to market.

The company have recently commissioned

CreateAds.com

Mar 08

The Company have commenced testing integration with the Financial Times and are anticipating a go live date in September. Further deals were also in negotiation with a number of other high profile customers including a major high street advertising organisation.

The product is being prepared for licensing in the German, Austrian and Swiss markets. Toyota have appointed CreateAds as their Virtual Ad Agency.



AltaScience

Feb 08

AltaScience announces the completion of first round funding by Powerscourt Investments and the appointment of Sean Melly to the board of AltaScience as non-executive director.

Dr. Robert Perryman Co-founder and CEO of AltaScience said 'We are delighted to have closed this round of investment which will enable us to accelerate the development of our innovative and patented technology and build a team of engineers and regulatory/quality specialists to execute the development plan.

Sean Melly, Chairman of Powerscourt Investments said 'AltaScience is addressing a major market opportunity with a product that meets all of the criteria for a new generation female sterilisation device. Furthermore the founders have extensive experience in the medical device area; this is their fourth start-up in the



Studentgems.com

Sep 08

The studentgems website has now been going for one year and has come out of Beta testing with plenty of developments in the pipeline. With effect from 15th October they are introducing charges on a results-based model as used successfully by dating sites, property sites and flat-share organisations. Searching for students, viewing their profiles and feedback, and posting jobs remain free, as does the matching process, which gives studentgems the edge over the nearest competitors.

After ongoing talks they have announced their advisory board who have indicated an interest in non-exec positions once funding is secured. The board consists of: Tim Reeve, ex-CTO, Betfair.com; Caroline Cartellieri, ex-MD, Expedia.com, also ex-McKinseys, Simon Williams, CEO/Founder, Lazysoft.com.

With support from these industry heavyweights, studentgems are confident of finding investors and taking the business to the next level.



TwentyNinety secures Investment for Safer and More Efficient Solar Panel Technology Oct 07

Innovative technology company, TwentyNinety, has secured £230,000 (€290,000) of funding to commercialise its unique Photovoltaic enabling technology which can be used to improve the performance and safety of solar panels while significantly reducing installation costs.

Investor members of Thames Valley Investment Network (TVIN) contributed £115,000 and their investment was matched with an additional £115,000 from The Bank of Scotland Corporate Growth Capital team under its unique Co-Investment Programme arrangement with TVIN.

London-based TwentyNinety will use the new funding to take its core product, a patented system known as Active Array™, to market. Active Array™ is a low cost wireless chipset that can be easily embedded into arrays (groups) of solar panels where it monitors performance and provides essential data reporting for users and manufacturers of Photovoltaic systems. The revolutionary Active Array™ system also dynamically detects and isolates any under-performing panels to maximise the efficiency of the rest of the array and provides a safety cut out to reduce fire risk when it senses abnormal overheating.

Richard Pitkin, TwentyNinety's Managing Director, said: "The rising price of oil provides a daily reminder of the need for rapid implementation of efficient energy production from renewable sources, such as solar energy. Renewable Energy generation technologies are still very raw and there is a real market for enabling technologies such as Active Array™. We are delighted to have secured this investment from LBAN, TVIN and The Bank of Scotland Corporate Growth Capital team, which will enable us to take ActiveArray™ into production within the next 12 months."

Leo Dunne, TVIN Investment Network Manager, said: "We congratulate the TwentyNinety management team on their successful fundraising. Their ActiveArray™ product has the potential to dramatically increase the return on investment of solar panels, helping to further drive the adoption of green solar energy."



10-11 November (Midlands) – one day **Making Your First Strategic Sale** workshop aimed at early-stage, clean tech companies. Practical advice for young companies who need to secure trials and sales. Places are limited and by invitation. If you are interested in applying, please email incubator@carbontrust.co.uk

The Oxford office of **Charles Russell**, TVIN Business Members, continues to “punch above its weight” according to the recently released independent legal directory, the Legal 500.

Highlights from a busy 2008, thus far, include advising;

- On the sale of Group Rubicon Limited to listed company A.G. Barr plc for a total initial cash consideration of £59.8 million.
 - Bibby Financial Services on their acquisition of Arbutnot Commercial Finance Limited and on the acquisition of Siemens Financial Services.
 - On the sale of Lancaster Insurance Services Limited to The Capita Group plc.
 - Summertown Publishing Limited on the sale of the entire share capital to Marshall Cavendish Limited.
 - Celoxica Holdings plc on the strategic sale of its electronic system level business to Catalytic Inc. for US\$3m.
- Lauren.Verner@charlesrussell.co.uk

TVIN Member **Oxford Capital** has sold its entire investment in human resources (HR) software specialist, Infobasis, to Nasdaq-quoted HR data and software provider Salary.com, Inc. (NASDAQ: SLRY). Following the transaction Info-Basis will become the principal European operation of Salary.com, Inc.

David Mott, Investment Director, Oxford Capital says: “With our support, Infobasis developed from an early stage business to become a European leader in the market for talent management software. This transaction is has delivered a good return to the Oxford Gateway Fund.”

manstey@oxcp.com

TVIN Members **Oxford Capital** announced its further investment in Sphere Medical Holding PLC, a Cambridge based medical microtech company, contributing to the first closing of £5m of the current £10 million Series C funding round. Oxford Capital has invested alongside Herald Ventures, Artemis, Fritas A/S, Hotbed and a major City institutional investor.

Sphere Medical Holding PLC is developing highly innovative monitoring products to provide clinical and economic benefits in the critical care environment, based on the company’s proprietary technology.

manstey@oxcp.com

Supporting Sustainable Innovation Friday 24 October 2008, King’s College, Strand, London

- Speakers now confirmed:
- **Dinah McLeod**, BT Global Services
 - **Tony Hutchings**, Forest Research
 - **David Porter**, EnviroBusiness
 - **David Bott**, Technology Strategy Board
 - **Huw Edwards**, IAS SE
 - **Patrick Caiger-Smith**, Green Energy Options
- To register for this event please email events@iasse.co.uk

Congratulations to Eileen Modral, Manager, of sister-network OION, on the birth of her second granddaughter, Lilia, on the 29th June 2008.

17-18 November (Midlands) and **3-4 December** (London) – four-day **Investment Readiness Programme** aimed at helping early-stage, clean tech companies to refine their investor pitch, culminating in presentations to a panel of VCs. Places are limited and by invitation. Companies need to be able to demonstrate how their technology/business saves CO2, how they plan to take it to market and a credible team. Companies are typically seeking funding of £250k-£3m. If you are interested in applying, please email incubator@carbontrust.co.uk

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Sponsorship Opportunities

If you are interested in exploring how you or your company can become involved with the TVIN, please contact the Network Manager, Leo Dunne, for an initial informal discussion.

*****Stop Press***Stop Press***Stop Press*****
OION, sister-network to TVIN, scooped the **Spears Wealth Management Business Angel Network of the Year 2008** award at Sotheby’s on Monday evening, 29th September. The award was made for the work involved in creating the innovative Bank of Scotland Co-Investment Programme, which covers all three networks, including TVIN, operation under the Oxford Innovation banner.

TVIN Contacts: For further information on TVIN, please contact either:

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TVIN is managed by Oxford Innovation Ltd (www.oxin.co.uk), the UK’s leading operator of innovation centre premises for start-up companies.