

RocketRoute.com takes off with investment from TVIN



Aviation navigation company **RocketRoute.com** has secured £220,000 of equity investment, including £40,000 from a consortium of investor members at Thames Valley Investment Network, a business angel network that helps growing companies raise funding and operates in Reading and the Thames Valley. The new funding will enable RocketRoute.com to take its online flight planning service to market.

Surrey-based RocketRoute.com has created an online service that allows pilots to promptly generate and file flight plans up to thirty minutes before departure. The company's innovative product solves a significant problem for many pilots, from executive jet operators to weekend enthusiasts.

Currently, preparing a route and filing with the correct authorities is a manual and time consuming process for pilots who do not have the luxury of their own flight operations department. RocketRoute cuts this task from an hour or more of planning to a matter of just a few minutes. Pilots can log in from a PC or any internet-ready mobile phone to generate a route and file it. The service is quick, easy to use and cost effective.

Kurt Lyall, co-founder of Rock-

etRoute.com, said: "We want to give every pilot a flight planning experience that matches the quality enjoyed by the most advanced airlines operating their own flight planning team. We are doing this using internet economics at a low price and challenging today's market perception."

Lyll said: "Other competitor offerings are either complex to use or too expensive. What TomTom did to the car navigation market, we would like to repeat for aviation navigation. We estimate that in Europe there are 200,000 pilots and 110,000 of these could benefit from using RocketRoute."



L-R: Kurt Lyall, Justin Coelho, Uwe Nitsche and Mike Flynn, co-founders of RocketRoute.com

Amateur pilot Tony Carter is the lead investor of the TVIN consortium and has joined the RocketRoute

board as a non-executive director. He said: "I'm very aware of the complexity of pre-flight planning and then navigating across controlled airspace. I can see why RocketRoute.com is highly attractive to pilots. When you fly an aircraft from A to B, it is expensive. Something that makes things easier and cheaper is just what's required."

Kurt Lyall welcomed the new funding round: "Justin Coelho, Uwe Nitsche, Mike Flynn and I are delighted, as company founders, to have secured our start-up funding. This enables us to focus on implementing our strategy."

Leo Dunne, investment network manager at TVIN, said: "RocketRoute impressed me with the clarity of their business concept. There appeared to be a market opportunity and the management team had the ability to communicate this effectively. This was quickly picked up by TVIN investors, one of whom - Tony Carter - took the lead role in taking the investment forward to completion. We are confident that the team now assembled, including the new investors, will successfully grow the business. It was also a pleasure to work again with Keystone Law, the legal team responsible for the corporate work on this deal."

iGeolise - Making the Web Local



Location based services are hot talk on the web at the present and iGeolise are looking to capitalise on their lead in the market.

Charlie Davies, co-founder of the business, told us about their journey to secure the investment..."It was a tough year. We gave maybe 150 presentations, including two at TVIN, and met 100's of individuals. We got some helpful feedback but for a whole year we had to bootstrap the business ourselves". Raising investment is seldom easy and in the current economic climate it is "decidedly

difficult". But as Charlie can confirm; "Everyone who's ever built a business has had knock-backs. You can do one of two things. Accept that you're crazy or use the positive feedback constructively (and ignore the rest) - we did the latter."

Funding is just the start for iGeolise, as their beta site goes live in Guildford in Quarter 4. There is a lot of commercially sensitive development work going on at the moment and you'd be surprised if they let us have too much detail at this time but you can judge the excitement within the

business from the blogs on their website (www.igeolise.com). It seems that they're flat out developing the product and discovering new opportunities for the business along the way. iGeolise are working with several support organisations to help develop their business. They are in the Set-Squared incubation program and are working closely with Surrey University's Computer faculty.

The last words are Charlie's, If Einstein had seen iGeolise, he would have said..."relatively speaking, your search results make more sense..."

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Network Managers' Update

I wish I could say that it had been a long hot Summer, and it may have been somewhere, but not here in the UK. The wet summer seemed to correspond with the mood of the nation. The football team flopped (again) at the World Cup, there were allegations of match fixing in cricket and we are continually being told how tough things are. But is it all doom and gloom?

Not so. There are some energetic and persistent business owners-managers out there who are determined to see their projects through to success. Rocket Route and iGeolise both secured the funding they sought and a number of businesses that have presented at TVIN in the past, and secured investment, report significant commercial momentum.

There is no doubt that the economic climate is challenging and those businesses working with or serving the public sector may be feeling this particularly acutely. The Comprehensive Spending Review (CSR) announced by the Government is almost upon us and it will, I have no doubt, paint a bleak picture and support the need to make all the proposed cuts announced or leaked. Whether its child support or business support, there will be an inevitable reduction in what is available. With regards to the latter, it makes it increasingly important that what is available meets a clear and distinct purpose and provides exactly what the intended user needs.

The impending demise of the Regional Development Agencies (RDAs) may have a marked effect on the business angel community here in the UK. Many angel networks have a spe-

cific regional focus, are supported by their local RDA and may have objectives that are not singularly focussed on bringing investors together with businesses looking for investment. That is not to detract from the quality or need for the additional services provided, whether this is encouraging investment readiness for businesses or providing networking opportunities for local professional communities. TVIN and its sister-networks, OION and OEI, have had this tough commercial focus for some time now and we try to deliver these for the benefit of both members and businesses. We could point to the benefits of our dry run panels and the improvement that presenting businesses demonstrate a week later time and time again. If you've sat on one of these panels, or have attended as a business yourself, you will have seen this first hand. Our series of investor workshops is proving very popular as well. I am currently working with William Robins of TVIN sponsors Keystone Law to develop a workshop which looks at Convertible Debt instruments and whether these could or should form part of the armoury of the angel investor. There are a number of issues to be considered and we will be looking and discussing these in mid-November.

We see all of these initiatives as part of our job and not as additional extras. We'll keep improving, with your help and support, and aim to provide you with the best service out there.

Leo Dunne
TVIN Network Manager.

Dates for your Diary

Investment Meetings

4pm Thursday
28th October 2010
Green Park, Reading

4pm Thursday
25th November 2010
Green Park, Reading

4pm Thursday
27th January 2011
Venue tbc

4pm Thursday
24th February 2011
Venue tbc



Investor Workshops

The investor workshops organised by Oxford Innovation's three investment networks have been running for just over a year now and are very popular.

The next workshop will be held on the **14th October** at the Harwell Campus and will be looking at licensing strategies and understanding royalties.

The November workshop will focus on **Convertible Debt** and whether this has any role to play in the deals that angel investors structure. The workshop will be held sometime during the week of the 8th November and further details will be available once a venue is confirmed.

If you have a topic or subject area that you would like featured in a future workshop, please do let us know and we will see what we can do.

TVIN is delighted to be sponsored by a select group of prominent professional service firms active in the Thames Valley Region. Here they provide Newsletter readers with the benefit of their expertise and discuss issues relevant to both managing and investing in early stage businesses.

An Entrepreneurs Bill of Rights: All wrong?

There is a real buzz in the Angel Marketplace these days and Angels are seeing more deal flow than ever before. Added to that is a cultural shift originating from Silicon Valley which seems to be having a genuine effect on some of the deals we are seeing on our side of the Atlantic. This cultural change seeks to give the entrepreneur a better deal, but will this really catch on in England?

Very much akin to the calls from the barricades of Revolutionary France, Entrepreneurs are calling for Freedom, Equality and Solidarity and a bill of rights along the following lines:

- The right to a quick decision
- The right to use standardised documents
- The right to choose who will invest
- The right to sensible valuations on seed rounds leaving them with at least 80%
- The right to retain full operational

control

- The right to sell (or not to sell) when they want
- The right to have a peer to peer relationship with investors
- The right to offer sweat equity to investors with required skill sets
- The right to cash up front

This is all very worthy talk, and in California the demand/supply equation might mean Entrepreneurs are getting their way at least some of the time. But what is really happening on this side of the pond? There is no definitive "Angel Barometer" and we would certainly welcome your views. From our experience, we have seen evolution and not revolution: decisions are being made relatively quickly, valuations are getting better; the lists of reserved matters are shrinking. However, we have not seen any appetite to standardise the process. On the contrary, Angels have made a virtue of being able to look at

each business on its own merits and to deal with problems, such as IP imperfections or the need to have a "kicker" to square the circle where opinions on valuation differ materially. This individual approach has seen the lawyers offering solutions that get the deal done rather than allowing the deal to crater. Of course some problems can't be solved with clever drafting, but we have been having some interesting "outside the box" conversations with investors and entrepreneurs alike this year.

If you'd like to know more, if you want to share your experiences with us or if you just want a free first opinion on a legal issue do drop us a line.

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KEYSTONE LAW

Tax Planning is Now More Important Than Ever for Both Business and Investor!

Since Nunn Hayward became involved with TVIN, we have made presentations to businesses raising funds and to investors, on the subjects of EIS tax relief and valuation of businesses, both from a practical perspective. The importance of all the aspects of tax planning when making or receiving investment has never been more important.

As anyone who has ever started or run a business will know, there are so many issues for a new/growing business to deal with that some, such as tax planning, could simply pass you by and be lost forever. This highlights the need for expert and timely advice if you are to avoid unpleasant consequences at a later date. For example, we have worked actively with our own clients on issues such as:

- Obtaining official HMRC confirmation of EIS qualifying status for businesses raising investment so that they can demonstrate this to potential investors and helping them restructure to reach qualifying status

where this is not automatic.

- Reviewing the EIS qualifying status of a company for potential investors to help them decide whether an investment affects their ability to be directors, take salaries, or make/take loans.

- Valuing businesses for Investors helping them to see the wood for the trees, and in particular looking at what is not contained in the official financial statements produced by the business.

- Looking at the value of Research and Development (R&D) Tax Relief and Tax Credits – to identify potential R&D activities and to pursue claims to generate "cash refunds" to assist with cashflow.

- Reviewing Capital Allowances on Buildings – identifying and assisting clients with obtaining **accelerated tax relief** on expenditure that would otherwise not be eligible for relief.

- Tax Efficient Employee Incentives – one stop shop implementation of **EMI** (Employee Management Incentive) share option schemes as well as Share Incentive Plans and **(SIP's)** other tax efficient benefits.

- Tax Efficient Exit Strategy Planning

– working with the owner managers and investors in conjunction with the business strategist to ensure that the tax on gains made is mitigated as far as possible, and that any tax reliefs available should the business fail to achieve its plans are also maximised.

The key to the above is having an open and close working relationship with your accountant. At Nunn Hayward we seek to achieve this with every single client and fully believe that we are

**BIG ENOUGH TO COPE,
SMALL ENOUGH TO CARE.**

*Stephen Cook
Tax Partner
Telephone : 01753 888211
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Nunn Hayward 
Chartered Accountants

Sponsorship Opportunities

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

The following provides brief details of businesses seeking investment who have presented their propositions at TVIN Investment Meetings in recent months. Further details are available from the TVIN team.

| AddBlox | | |
|---------|----------|---|
| £320k | Jan 2010 |  |

AddBlox is an IPR technology company that specialises in designing and developing browser and mobile business applications. They have created and designed over 50 standard business modules. Having completed the R & D and product development they are seeking to commercialise their SAAS/Cloud software toolkit to the software and mobile industry.

| Eclector | | |
|----------|-----------|--|
| £220k | Sept 2010 |  |

Eclector enables anyone to build, for free, their own online market places – initially for books – and to share the profits fifty/fifty. These free, customisable, online shops whose several million books come from the largest UK wholesalers, are working for a range of clients including the Ramblers and other charities, Future Publishing, SME websites, schools.

| Ecoinomy | | |
|----------|-----------|---|
| £250k | Sept 2010 |  |

Ecoinomy has developed a web 2.0 employee engagement scheme, called the eco.system, that makes ‘greening the workplace’ easy, social, fun and rewarding for staff and their employers. It’s designed to save organisations money, increase productivity, reduce carbon dioxide emissions and create higher levels of engagement.

| Element8 Software | | |
|-------------------|-----------|---|
| £475k | Sept 2010 |  |

The company’s product, xpoint™, provides a unique and comprehensive platform to enable medium and large enterprises to successfully manage complex organisational change. They made their first sale in May 2010 after launching brand in March. Projected sales for 2010 are £180k, including 2 deals with IBM acting as a reseller to a global pharmaceutical client.

| Finance Gofer | | |
|---------------|-----------|--|
| £250k | Sept 2010 |  |


Finance Gofer setup by FDU Ltd, a leading provider of finance professionals to SME’s in response to demand for templates, financial models, and ‘know-how,’ from its community of 4,000. They have registered 500+ users at the rate of 20+ a week through FDU’s network and are in active dialogue with over 400+ corporate and individual contributors.

| Intelligent Furniture | | |
|-----------------------|-----------|---|
| £500k | June 2010 |  |

Intelligent furniture integrates a patented remote control technology into furniture, primarily to the education sector, but also to hotels and homes. Their product works with all industry standard computers, enabling the PC to be placed remotely, up to 20 metres away. It makes ICT hardware secure, creates more space and reduces electricity use.

| Nanodome | | |
|----------|-----------|---|
| £160k | Sept 2010 |  |

Nanodome is a lean, agile, security camera design and manufacturing company. Its patent-pending, industry-leading PTZ (“Pan / Tilt / Zoom”) technology comes highly praised by security industry insiders. Currently, it is finalizing the electronics to drive its elegant mechanical production prototype and then moving to mass production.

| Real Life | | |
|-----------|-----------|--|
| £250k | June 2010 |  |

Real Life provides young people with an opportunity to test drive jobs and careers. It is a 3D, avatar based online game encompassing a virtual London in which users earn virtual money and get ahead through job simulations. The business model is based on a free to use approach with monetization through item purchases, advertising and sponsorship by recruiters

| Sample Me | | |
|-----------|-----------|---|
| £215k | Sept 2010 |  |

Sample Me counters the disadvantages of sampling and gives companies not only a direct unique route to the consumer and market research but fulfils further marketing objectives to profile, directly promote, tie in and retain consumers all in one place for one price with no extra effort or time needed from the companies and so offers unrivalled ROI.

| Selborne Brickworks | | |
|---------------------|----------|---|
| £300k | Jun 2010 |  |

Selborne Brickworks intends to solve the problem of the high energy cost necessary for making bricks, by generating its own gas through anaerobic digestion, taking in food waste. The gas produced will be sold into the grid and then bought back. As the producer of gas, SBC will receive the renewable heat incentive, so its cost of gas is actually negative.

| The Zap Corporation | | |
|---------------------|-----------|--|
| £540k | Sept 2010 |  |

Zap designs targeted advertising systems for Broadband TV. The Company software is hosted inside broadcast transmission networks where it reads captures and analyses audience viewing habits over time. This output is then converted into addressable micro segments for advertising, encoded, and injected into packet header data.

| Viztone | | |
|---------|-----------|---|
| £350k | Sept 2010 |  |

Viztone’s application will allow the delivery of advertisement during the pre-connection phase of any telephone call. Its “video ring back tones” replace the traditional (brrr sound) a caller hears whilst he is waiting for the recipient of his call to pick up. The innovation is backed by patents granted in the UK and Australia and filed in the USA .



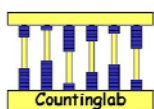
Augmentra Ltd, the Cambridge based company staffed by outdoor enthusiasts

and backed by TVIN investors, is celebrating after their ViewRanger GPS smartphone application went to #1 in Apple iTunes navigation apps chart during August.

The summer has also seen ViewRanger GPS highlighted for its quality and excellence. Channel 5 television's The Gadget Show featured ViewRanger GPS in it's Great Outdoor Challenge. In the final part of their challenge Gadget Show presenters Ortis Deley and Suzi Perry had to navigate their way to the summit of the Pap of Glencoe. Suzi used a traditional outdoor GPS unit whilst Ortis was kitted out with a Google Nexus One mobile phone equipped with the ViewRanger GPS app, with Ordnance Survey topographic mapping. Using ViewRanger GPS, Ortis was able to triumph and finish first by using the walking routes available for live download within the app.

The ViewRanger GPS app was also selected by The Sunday Times as one of their "five-star must-have" applications, in The Sunday Times guide to the best apps of the year. ViewRanger GPS was amongst just 26 apps, including games, that were selected in this ultimate category of excellence.

www.augmentra.com



Olly Garland reports that **CountingLab** (TVIN May 2010) continues to make excellent progress. The legal spin-out process from the University of Reading is now complete and two new projects will start between now and the end of the year.

The first is a trial of CountingLab's Agent based Modelling techniques on product launches for a large pharmacy chain, the second is the first stage in a three year project modelling consumer demand for utilities. CountingLab now has a clear organic growth path, but the Directors are still actively seeking investment to accelerate activity in 2011.

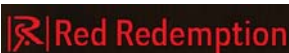
www.countinglab.co.uk



Guys or Dolls (TVIN May 2010) have successfully undertaken a shift in their immediate focus and are concentrating on developing the online side of the business whilst high street retail is at a low ebb.

The re-launched website has strong "GD" branding and is getting universal positive reviews even though it has yet to be finished. The identification of a full-service PR agency in early September is already producing great coverage and opening up exciting opportunities. One of these is a front-cover soap bar offer which will involve 500,000 units and which will produce a good return for GD. The effect of all of this is to significantly reduce the upfront capital requirement to £50k, half of which has been committed by existing connections.

www.CultGD.com.



Red Redemption (TVIN Jan 2010) have announced the launch date for their global warming strategy game, "Fate of the World" as the 29th October.

See www.red-redemption.com for more info.



It's been 14 months since **GenDrive** raised funding from TVIN members and since then it has completed the development of its innovative inverter for Wind Turbines and secured its first sale with a strategic installer. Demand for commercial scale turbines is growing rapidly as the market for small-scale renewable energy generation in the UK benefits from the recently introduced government Feed-in-Tariff (FiT).

The company secured further investment of £250,000 at the beginning of summer and are looking to raise another £100,000, on the same terms, before December, to fund further sales growth and the development of a second product variant.

For further information, please contact the Network Manager, Leo Dunne.



The Business Voice, who presented at TVIN in May 2009, are fast building an impressive online library of inspirational advice from amongst our foremost business leaders.

The latest addition to the list is Jacqueline Gold, CEO of Ann Summers, voted the most inspirational business woman of the year by Barclays Bank and credited by OK Magazine as "the woman responsible for bringing sex to the high-street and liberating thousands of women between the sheets". As CEO of Ann Summers, she has built a £150m+ business. To see the full interview and read her top ten tips for business, visit <http://bvo.com>.



News has reached us that **Baobab Expeditions**, which

presented at TVIN way back in June 2008, were nominated in two categories for the prestigious British Travel Awards 2009 and were awarded Best Adventure Travel Company 2009 by the editors of National Geographic Adventure Magazine. The business, which offers one-off and exclusive travel tours around the world has recently added a 10 day tour to one of the best known Orang-Utan sanctuaries in the World to its portfolio. Run in conjunction with the Orangutan Appeal, the tour also gives the traveller an opportunity to see the hatching sites of sea turtles on Selingan. www.baobabexpeditions.com.



Sports International raised money from TVIN investors and others in September 2009 to launch their Sportpost website.

Across a 30 day period in late summer they received over 1 million visitors to the site. Version 2.0 of the site is due for release in October and will have about 40 new video channel partners, 15 more athlete blogs and numerous new features designed to take Sportpost to the next level.

www.sportpost.com



Julian Ranger reports that **DAD Solutions** (TVIN April 2010) did raise £650k, with several high profile investors joining them. DAD has now been completed

(see www.dadapp.com) with a full press launch scheduled for the 14th October. The business will be seeking to raise a further £350k before Christmas to get to the £1m level wanted to give them the maximum runway. Anyone interested, please contact Leo Dunne, TVIN Network Manager.

BBAA Winter Workshop and Networking Dinner 26th January 2011

The BBAA Winter Workshop and Annual Networking dinner will take place on the 26th January 2011 in London. Further information www.bbaa.org.uk

The Oxfordshire Clean & Green Network Meeting Wednesday, 3rd November 2010 5.00pm – 7.00pm, at Infineum UK

This jargon-busting seminar is designed to provide an introduction to climate and energy-related legislation. Caroline Benham will discuss climate change legislation, including the Carbon Reduction Commitment and the Climate Change Levy. Emma Davies will provide an overview of other initiatives which particularly affect property - including Energy Performance Certificates, Building Regulations, the Code for Sustainable Homes and water efficiency measures. Emma and Caroline are both associates at Manches and members of their sustainability team. Booking is essential as places are limited. Please register by emailing placi.espejo@innovationgrowth.co.uk at the Oxfordshire Innovation Growth Team or by calling 01235 433 530.

TVIN Dry Run Venues

TVIN is continually looking for Thames Valley based organisations to host and participate in the dry run sessions attended by companies due to present at TVIN Investment Meetings. At each dry run session, between 4 and 8 companies deliver their 10 minute presentation to an invited panel of between five and seven members. The panel is generally formed from TVIN sponsors, guests, investor members and the Network Manager. Anybody interested or aware of an organisation that may be interested, please make contact for further details.

Dry Run Panels

TVIN members who would like to form part of the dry run panel that provides help and guidance to companies on the style, format and content of presentations before Investment Meetings are invited to contact the Network Manager for more details.

Newsletter Contributions

TVIN is happy to include any items of business or personal news in this section from any of its members or Newsletter readers. Please contact Heni or Leo for further details.

Innovate 10 - Connect for Growth Exhibition 12th October 2010, 8:30am - 6:00pm Business Design Centre, London

A networking, conference and exhibition event for businesses to meet other businesses, government and academia with the aim of making innovation happen - creating opportunity and growth for the future. Hosted by the Technology Strategy Board, Innovate 10 will address all aspects of technology innovation, with a special focus on the commercial exploitation of the digital economy, healthcare markets of the future, energy generation and supply and the sustainability economy. 029 2069 4949 or email info@innovate10.co.uk

InvesTechMK Thursday 14th October 2010

Ramada Hotel, The Hub, Milton Keynes
InvesTech is for founders, mentors and investors, web/tech entrepreneurs and seed/angel funders in and around Milton Keynes. It is a free, high quality monthly meet up for those in the tech industry in Milton Keynes. You can reserve your tickets via <http://investtechmk.eventbrite.com> Further enquiries please contact paul@investtechmk.com.

Baby Boom



Congratulations to **William Robins**, Partner at TVIN sponsors **Keystone Law** and his wife Katie, on the birth of their daughter **Annabelle**, born in August.

Our congratulation also go out to **Eileen Modral**, OION & OEI Manager, on the birth of her two grandsons - **Leon & Elliot**, making her a proud grandmother of a total of four grandchildren.

TVIN Sponsors

TVIN Gratefully acknowledges the support of its sponsors.

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TVIN is managed by Oxford Innovation Ltd, the UK's leading operator of innovation centre premises for start-up companies

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