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Defining fast tech growth
2014

www.fast50.co.uk

#ukfast50

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Introduction

The entrepreneurial mood in Britain is running high. Last year, more than half a million new businesses were registered in the UK for the first time in the history of Companies House.^{1,2}

1.8 million British residents expect to be their own boss before 2018.^{3,4} Digital technology has significantly lowered the barriers to starting and growing a business.⁵ In the process it has blurred the vertical separation of industries giving rise to “fin-tech”, “ad-tech” and even “fash-tech”. Despite all of this enthusiasm for entrepreneurship, it is worth remembering that as many as 80 per cent of new ventures fail within the first three years. Only a small minority not only survive these early years, but actually thrive.^{6,7}

For 17 years, the Deloitte UK Technology Fast 50 programme has been dedicated to recognising those businesses that have defied the odds and entered a phase of vigorous and sustained growth. The programme captures the fastest growing technology companies in the UK based on five-year revenue growth rates. Participants enter themselves and include some of the most disruptive players in all areas of technology (see page 2 for the 2014 UK Fast 50 ranking). Cumulatively the 2014 Fast 50 winners generated over £963 million in annual revenues in the year 2013/14, provide jobs for nearly 8,500 people and recorded an average five-year growth rate of 1,695 per cent.

This report is a companion to the UK Fast 50 programme, highlighting all the 2014 winners and entrants, profiling the top achievers from each region and offering our own perspective on this year’s cohort. Our analysis is based on information submitted by the 159 entrants and a survey of 68 CEOs from these companies. Deloitte has the privilege of working with these organisations, enabling us to share our own views on the industry. This report offers a snapshot of an exciting and non-typical group of fast growing technology firms. It is not, nor does it seek to be, representative of the technology industry or all small and medium sized businesses.

Throughout the report we explore the strength and shape of growth within the Fast 50 community of winners and entrants; look inside these organisations to determine their defining characteristics; and observe the future through the eyes of organisations that have ably navigated the challenges of the last five years.

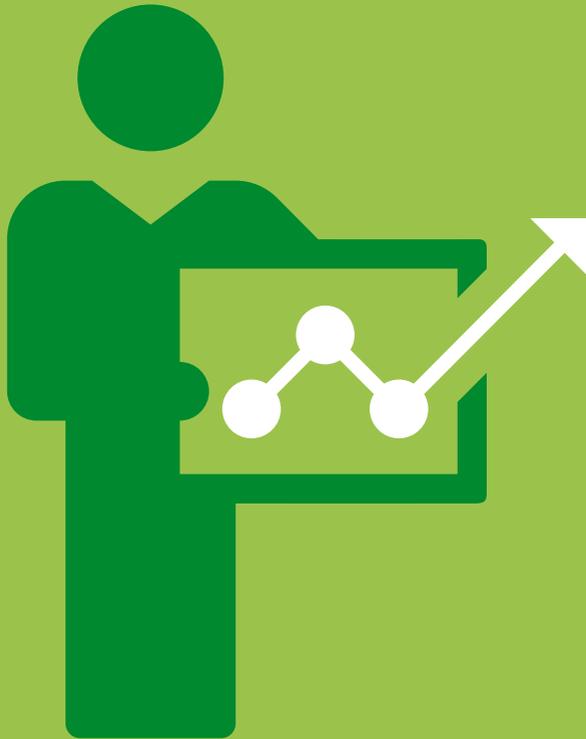
Deloitte 2014 UK Technology Fast 50 winners

Ranking	Company	Growth	Region	Sector
1	Switch Concepts Ltd An innovator in the global online advertising space	10477%	South East	Internet
2	Equal Experts UK Ltd Software developer using open source technology	4429%	London	Software
3	Mubaloo Mobile consultants and app developers	4404%	South West	Software
4	Avecto Security software specialist	3892%	North West	Software
5	Briefyourmarket A multi-channel marketing platform building and automating campaigns	3821%	Midlands	Software
6	ElasticHosts Ltd Cloud computing and cloud infrastructure (IaaS) provider	3787%	London	Internet
7	Agenor Technology IT services provider with in-house software	3582%	Scotland	Software
8	Peerius A personalisation software provider	3067%	London	Internet
9	Lovestruck.com Online dating service using unique matching technology	3035%	London	Internet
10	Cambionix Ltd USB charging and data transfer solutions provider for mobiles and devices	2989%	Cambridgeshire & East	Electronics
11	Monitise Plc Technology and services provider enabling mobile banking and purchases	2639%	London	Software
12	Active Securities Finance business providing commercial and consumer credit	2613%	London	Internet
13	AlertMe A leader in Connected Home technology	2583%	Cambridgeshire & East	Internet
14	translate plus Provider of language services and technology	1644%	London	Software
15	MedicAnimal.com Online pet healthcare retailer	1592%	London	Internet
16	Infectious Media Programmatic advertising company delivering customised campaigns for advertisers	1583%	London	Media & Entertainment
17	Majestic Web index creator evaluating the influence of websites	1571%	Midlands	Internet
18	FreeAgent Central Ltd Cloud accounting system provider	1274%	Scotland	Software

Ranking	Company	Growth	Region	Sector
19	Glow Software developer for social advertising	1193%	London	Software
20	Brandwatch Social analytics and intelligence company	1072%	South East	Software
21	Silixa Ltd Distributed fiber optic sensing solutions provider	1068%	South East	Electronics
22	Maxymiser Cloud-based testing, personalisation and solutions provider	1043%	London	Software
23	TestPlant International software business	1010%	London	Software
24	QubeGB Telecoms services organisation	977%	Scotland	Telecommunications
25	notonthehighstreet.com A unique online department store for creative SMEs	970%	London	Internet
26	Test and Verification Solutions Test and verification services and products provider	963%	South West	Software
27	The Exchange Lab Digital media company specialising in programmatic marketing	956%	London	Internet
28	Virtual1 Ltd Wholesale network services operator	929%	London	Telecommunications
29	Vegware Ltd Developer and manufacturer of eco-friendly food packaging	919%	Scotland	GreenTech
30	JUST EAT Plc An online and mobile marketplace for restaurant delivery	906%	London	Internet
31	LDeX Group Premium data centres provider	897%	London	Internet
32	skyscanner Global travel search site	877%	Scotland	Internet
33	True Potential LLP Financial services group providing technology and business support services	837%	North East	Internet
34	ticketscript Ltd Self-service digital ticketing company	821%	London	Software
35	Nostrum Group Automated loan management software provider	812%	North East	Software
36	Oriium Consulting Data storage, management and protection IT services provider	796%	North East	Telecommunications

Ranking	Company	Growth	Region	Sector
37	Instil Software Software development consultancy	714%	Northern Ireland	Software
38	sales-i Sales and customer intelligence service provider	712%	Midlands	Software
39	Fairsail Global human resource management system provider	703%	South East	Software
40	Simplify Digital Ltd An independent Switch Service software provider	697%	London	Software
41	Conversion Factory Web conversion optimisation agency	689%	London	Internet
42	Sixteen South Creator and producer of children's television	639%	Northern Ireland	Media & Entertainment
43	ServiceTick Software company monitoring customer feedback and online behaviour	600%	Cambridgeshire & East	Software
44	Academia Ltd Software, IT hardware, training and service solutions provider	583%	London	Software
45	Inoapps Software provider for Oracle applications	582%	Scotland	Software
46	Peach Technologies Telecoms and IT equipment services provider	580%	South East	Telecommunications
47	Advanced Computer Software Group Plc Software and IT services provider	573%	London	Software
48	The Test People A testing solutions and consulting company	558%	North East	Software
49	Click Travel A travel management company	551%	Midlands	Software
50	HighQ Secure file sharing, social collaboration and publishing software provider	535%	London	Software

A return to hyper-growth



The eye-watering growth rates of the Fast 50 winners are always impressive, but this year marks a particularly strong performance with increases in every key indicator we measure compared to 2013's cohort. The winners of 2014 are strongest in software and Internet technologies and are based in every corner of the UK.

This year is also the first since 2009 in which both the first place company and average winner growth rates have increased year-on-year. *Switch Concepts* posted the winning growth rate of 10,477 per cent, and the average growth rate of the Fast 50 winners was 1,695 per cent. The top 50 companies recorded cumulative revenues of £963 million and employed 8,500 people in the year 2013/14, up 43 and 58 per cent from last year respectively (see Figure 1).

Figure 1. UK Fast 50 winners headline stats



The strength of these numbers reflects the vision and hard work of the winning CEOs and their colleagues, as well as several positive economic changes over the last 12 months. Firstly, the UK economy has continued to recover more strongly than expected, with five successive quarterly increased growth updates.⁸ This growth is beginning to decelerate to a steadier rate, but at three per cent, 2014 is likely to be the UK's strongest year of growth since 2006.⁹ Secondly, the UK continues to be a good place to do business, moving one notch up in the global country league tables to eighth place, driven by company registration reforms and an increase in the ease of cross-border trading.¹⁰ Thirdly, the environment is now more benign to small tech companies with improved availability of finance and a number of recent government and private sector initiatives, such as the SME R&D tax credit scheme and Seed Enterprise Investment Scheme (SEIS), picking up steam.¹¹ This year saw a 73 per cent year-on-year increase in start-ups applying to the SEIS alone.¹²

Despite benefitting from a general improvement in the economy, it is important to appreciate the stark differences between the Fast 50 community and some of the UK's larger companies that are more closely tied to the economic cycle.

“The fast growing tech companies I speak to don't spend much time thinking about the macro-economic environment, and with good reason. Unlike larger companies, which are looking for growth in established markets, the tech companies exemplified by the Fast 50 are creating entirely new markets and new products. These businesses have seized the opportunities and handled the challenges of rapid growth.”

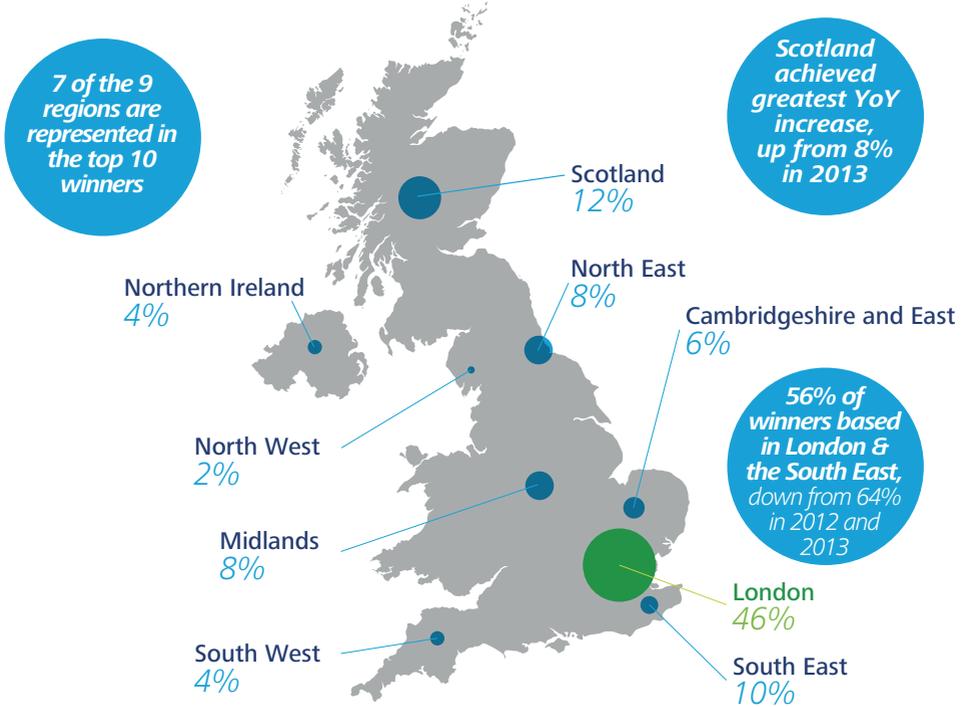
Ian Stewart, Chief Economist, Deloitte

The Fast 50 winners and entrants include organisations from diverse sectors of the technology industry, from software to electronics, and Internet to telecommunications. Software and Internet firms have always featured heavily within the winners list due to the inherent scalability of their business models, but this year saw a significant increase in their dominance; representing 82 per cent of winners compared with 56 per cent each year from 2009-2013. This bias is even stronger at the top of the league table, making the success of electronics company *Cambrionix* even more notable. The Cambridge and East winner has scaled rapidly by focusing on the design of USB charging and data transfer solutions and finding UK-based supply chain partners for manufacture; demonstrating that traditional commercial skills remain a powerful differentiator in the digital age (read more on *Cambrionix* on page 33).

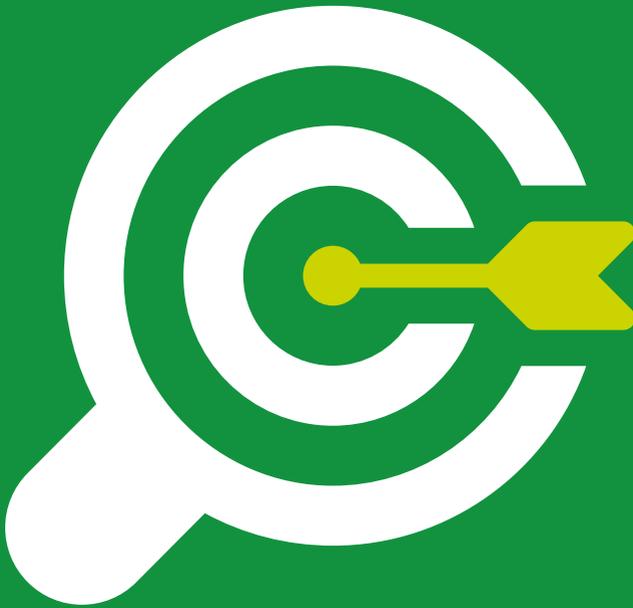
Looking regionally, the majority (56 per cent) of our winners are still based in London and the South East (see Figure 2). However this has fallen since last year (64 per cent) with greater representation across the other regions of the UK. The top five winners are each from a different region of the UK and seven of the nine regions are represented in the top ten.

Scotland achieved the greatest regional year-on-year gains as home to six of this year's winners. Only London can boast a greater share of the top 50 (23), providing extra momentum to recent efforts promoting the Scottish tech sector. Earlier this year the Scottish Government announced £6.6 million of funding for the digital sector to support a programme designed to teach digital skills to young people, and increase their participation in industries with digital skills shortages.¹³ *CodeBase*, Scotland's largest digital incubator company, was officially opened this year and two Fast 50 companies, *FreeAgent* and *skyscanner*, offered support to *TechCube*, Scotland's first privately funded technology incubator.¹⁴

Figure 2. UK Fast 50 winners by region, 2014



Defining characteristics of a Fast 50 company



Large and small companies alike envy the success of the Fast 50 winners and entrants, but understanding what has driven this success provides an opportunity for others to learn. Each of the Fast 50 has been able to spot a commercial opportunity and manage the resources necessary to effectively exploit it. Through our assessment of the companies and discussion with their leaders over several years, we believe there are some defining characteristics common to all the Fast 50 community: *A Bold and Flexible Strategy; Talented People that Enable Growth; and Suitable Sources of Finance.*

A Bold and Flexible Strategy

In the eyes of the leaders who built these organisations, a sound business strategy was the primary factor in determining their success; selected by 60 per cent of respondents to our CEO entrants survey and up from 50 per cent last year. Although in keeping with the prevailing management wisdom, this finding gives little insight into what action or decisions were taken.

At the highest level, corporate strategy can be simplified into two distinct but related questions: “where to play?” and “how to win?”¹⁵ Our observation is that the Fast 50 winners have excelled in their response to one or both of these questions by creating new markets to play in, spotting ones ripe for disruption and competing in a unique way. Whilst these strategies are bold, the high level of uncertainty in early stage companies also requires strategic flexibility to adapt to a changing environment.

“What differentiates the success stories from the failures is that the successful entrepreneurs had the foresight, the ability, and the tools to discover which parts of their plans were working brilliantly and which were misguided, and adapt their strategies accordingly.”¹⁶

Eric Ries, *The Lean Startup – How Today’s Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses*

Most of the Fast 50 community set out with a strong idea of *where to play*: the problem they were solving with their technology, the likely customer base and a geographic focus on the UK. As they have grown, these organisations have successfully balanced the lure of new opportunities with focusing efforts where they are best equipped to win. CEOs put their success in deciding where to play down to a combination of foresight, stubbornness in following their intuition and a healthy degree of good fortune.

Switch Concepts demonstrates the most radical answer to *where to play*, competing in real-time bidding for online advertising before the Real-Time Bidding market even existed. Taking inspiration from automation in the financial services markets, they developed ad technology that is able to match supply and demand of online advertising impressions in less than 500 milliseconds. Co-founder, Tom Barnett explains, “As pioneers of the industry, *Switch Concepts* has capitalised on the growth of the UK and global markets, and now manages over 30 billion global ad impressions a month, and represents a reach of over 80%, of the total UK online population” (read more on *Switch Concepts* on page 22).

Choosing which markets to operate in is just the first step for most companies, and achieving Fast 50 levels of growth requires a differentiated idea of *how to win*. Winning can, and has, been achieved in multiple ways by the Fast 50 companies; through unique business models, propositions or service.

Avecto, winners in the North West region, initially excelled in the *Windows Privilege Management* market; developing a unique software product that offers privilege management at the application, rather than user level. More recently *Avecto* observed that businesses were also facing a growing threat from advanced malware and targeted attacks that could not be effectively mitigated with antivirus software. In response, the company has evolved its proposition, looking to differentiate themselves further by building on their existing solution and adding functionality to create a suite of three complementary modules: Privilege Management, Application Control and Sandboxing (read more on *Avecto* on page 28).

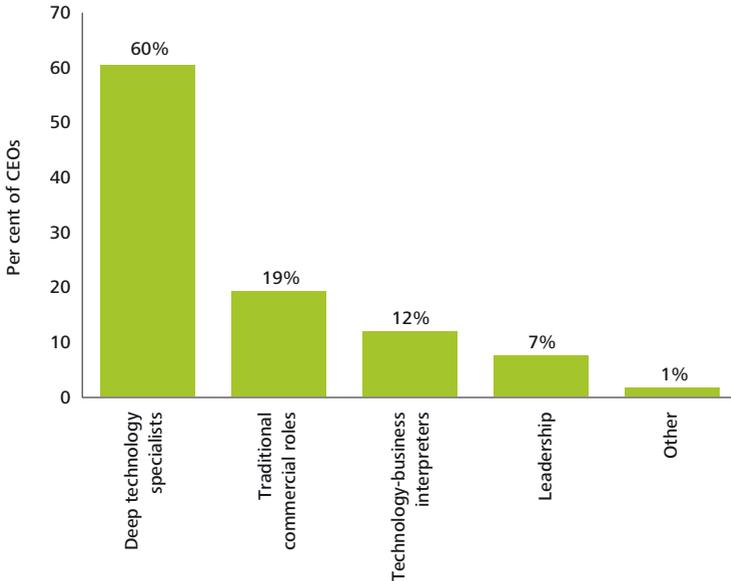
Talented People that Enable Growth

If a clear direction is set by the CEO, acquiring and managing the people to help execute the strategy is the next most important challenge. Between a quarter and two fifths of Fast 50 community CEOs identified employee talent (41 per cent), a culture of innovation (41 per cent) and strong leadership (26 per cent) as the key factors of their success. Finding the right people is a challenge made more difficult by the scale and pace of recruitment that is often required, with doubling of employees in a year far from unusual. As a result, these companies spend significant amounts of time and effort recruiting and retraining individuals that enable, or even lead, growth in the company.

The CEOs we spoke to are typically looking for a combination of skills and experience alongside a passion for the company and ability to function and prosper in a rapidly changing environment. Some of the key skills can be quite specialist and technical, but many companies are also challenged to fill traditional commercial roles and find people who can translate the worlds of business and technology (see Figure 3).

Figure 3. CEOs views on challenging roles to hire for and retain

Question: “Which roles does your company find most difficult to hire for and retain?”



Source: Deloitte UK Fast 50 CEO Survey, October 2014. Sample: all respondents (68)

Part of the solution to solving the talent problem is raising awareness amongst potential candidates. While large technology companies are increasingly seen as some of the most desirable companies to work for, the reality for small and medium sized tech firms in the UK can be quite different.^{17,18} The *UK Digital Skills Taskforce* found that only 19 per cent of students actively look at SMEs and start-ups when applying for post-graduation jobs.¹⁹

At a macro-level this points to a market failure in matching the supply of skilled graduates to demand within SMEs, and suggests the need for closer collaboration between education institutions, the Government and companies to provide sufficient information. Individually, our Fast 50 community are raising awareness amongst graduates and school leavers. Many have associated themselves with Universities and schools taking part in work experience schemes or having an on-site presence through delivering lectures and events. Last year *True Potential* North East winners, took this a step further by launching *The True Potential Centre for the Public Understanding of Finance (PUFin)*, an educational institution in partnership with *The Open University Business School*. With close to 15,000 individuals signing up and 10,000 completing the free learning modules, it has significantly raised its profile whilst fulfilling its aim to improve public understanding of personal finance and help individuals make sound business decisions (read more on *True Potential* on page 35).²⁰

Traditional levers of competitive pay and benefits will always help attract employees but Tara Simpson, CEO of *Instil Software*, Northern Ireland winners, uses two additional techniques. He offers a share-earning scheme that allows enrolled employees to benefit from the success of the company. Traditionally *Instil Software* has also grown by leveraging the business and personal networks of existing employees to add known individuals to the core team (read more on *Instil Software* on page 37).

Where there is a genuine skills gap, the solution is more complex than simply raising awareness. Some estimates indicate that an additional 750,000 digitally skilled workers are needed to meet rising demand over the next five years.²¹ An expected rise in overall wages during this period is only likely to intensify the issue of acquiring such talent. In the short-term, discussion has centred on relaxing visa requirements for those with desired technical skills.²²

Longer-term steps to build home grown talent are also being put in place. Computer programming became part of the national curriculum this September and initiatives such as *iDEA* are committed to providing one million young people with support and skills around digital entrepreneurship.^{23,24}

Switch Concepts has taken an alternative approach to satisfying its employee needs through substantial training efforts. Initially this approach was driven by necessity. Due to the newness of the real-time bidding market for advertisements, *Switch Concepts* couldn't find people with the appropriate experience. So they looked for people with the right attitude and technical or sales foundations and trained them. Co-founder, Tom Barnett explains, "Together with the culture of innovation, integrity and creativity we have built, this approach has enabled us to nurture and engage our teams. For our company to continue to grow we think it is essential to provide our people with challenging and inspiring projects, and offer them the right levels of support and training."

Suitable Sources of Finance

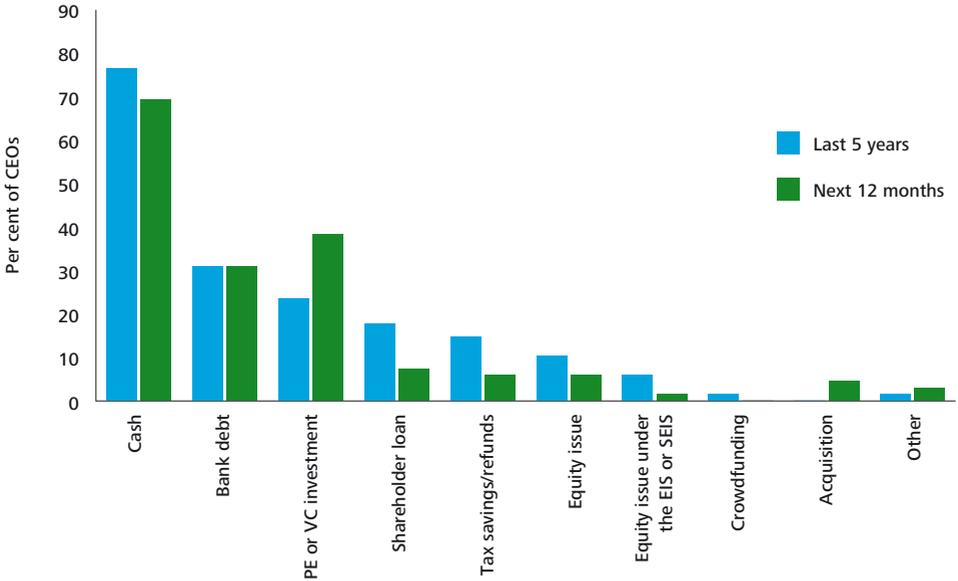
Various sources of financing have been used by the Fast 50 community to fund their rapid expansion (see Figure 4), and whilst there is no one-size-fits-all model, each have a clear understanding of the financing options that exist and how they could help ensure cash flow and continued revenue growth, their two most pressing financial challenges.

The most common sources of funding are cash generated by the business and bank debts. This is particularly true of the top performers, in which eight of the top ten would classify themselves as owner funded. For some this was a conscious decision to bootstrap the company, for others a necessity during the financial crisis, when funding was difficult to secure.

Nearly a quarter (24 per cent) of the Fast 50 entrants have received investment from venture capital or private equity firms over the last five years and there is evidence that companies are increasingly looking to this source of funding. Forty per cent of Fast 50 entrant CEOs are expecting to access venture capital or private equity funding in the next 12 months, and London tech firms attracted more than £600 million of venture capital investment in the first three quarters of 2014, already surpassing last year's overall total by more than 30 per cent.²⁵

Figure 4. How CEOs are financing their companies

Questions: “Over the last five years, how have you typically financed your company?” and “Which best describes the most likely source of funding for your company in the next 12 months?”



Source: Deloitte UK Fast 50 CEO survey, October 2014. Sample: all respondents (68)

Note: Tax savings/refunds are likely to represent R&D payable credit claims, grants and incentives.

Business leaders aren’t just looking towards private equity or venture capital funding either. 82 per cent of the surveyed CEOs were either strongly or somewhat focused on becoming a listed company in the next 12 months.

Only ten per cent of CEOs surveyed in 2013 said that becoming a listed company was the ambition for their business, with this change in ambition likely to be buoyed by two major UK technology listings this year. *Zoopla*, the property portal, floated at £900 million in June, and *JUST EAT Plc*, the online take-away service and 30th place in this year’s rankings, had its IPO on the London Stock Exchange (LSE) in April this year. The flotation valued the company at close to £1.5 billion, making it the biggest UK technology IPO in the last eight years and the first to list on the LSE’s high-growth segment.²⁶

Fast 50 perspectives of the future: much more to come



As proven leaders in their respective industries, Fast 50 community CEOs are influential individuals and their perspective on the future provides an indication of what these and similar companies are looking to achieve in the next few years. Although noting some barriers, they are generally optimistic of the outlook for the UK technology sector and are even more bullish about their own fortunes.

Only 13 per cent of the entrants' CEOs feel the economic climate is a threat to the growth of the UK technology sector in the next 12 months, and this proportion falls when considering a five to ten years' time horizon. Fast growing tech companies also see fewer risks to their business from external threats such as weakness in the Eurozone, the general election in 2015, and a potential referendum on European Union (EU) membership, than the largest UK companies Deloitte surveys in the quarterly Deloitte CFO Survey.²⁷

The CEOs identify a lack of new talent with relevant skills as the greatest threat to growth over the short and longer term (29 per cent in the next 12 months, 24 per cent in five to ten years' time). In addition, the threat of increased competition from emerging countries is expected to become increasingly relevant, with one fifth of CEOs identifying it as the primary threat in the next five to ten years. As a result, leaders identify training and education, and lower corporate and individual taxes as the greatest potential stimulants of the sector (38 per cent and 28 per cent in the next five to ten years respectively); plugging the immediate skills gap and ensuring the UK remains an attractive home for technology companies and their employees.

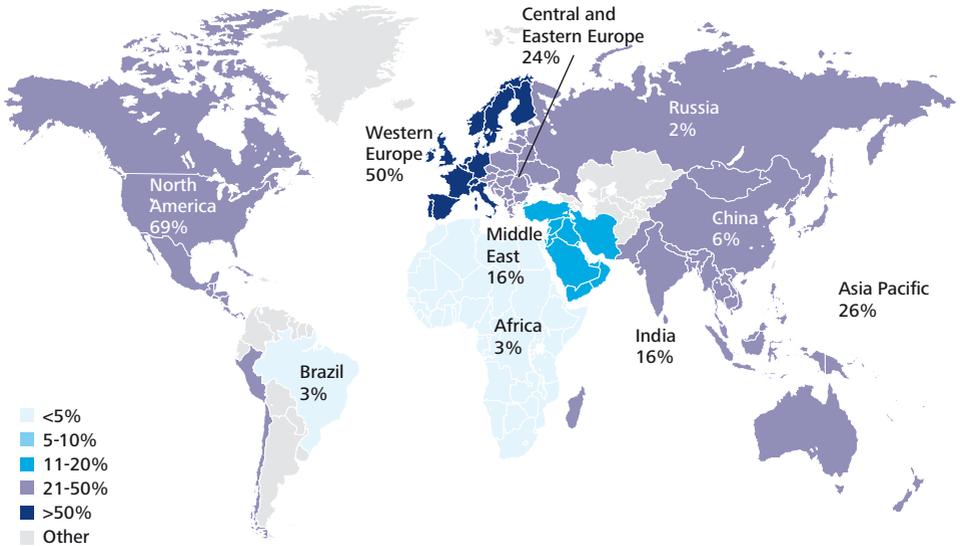
When focusing on the fortunes of their own businesses, four in five leaders believe that their growth rates over the coming year will in fact be greater than what they have experienced in the last 12 months. They believe this can be achieved by pursuing strategies that focus on selling new products and services or entering new markets.

Although they lead relatively immature organisations, Fast 50 entrant CEOs already operate across multiple geographies. Only 18 per cent of companies relied on revenues solely from the UK, whilst 69 per cent generated some revenue from the Eurozone and 51 per cent had some US business. Whilst more firms had a low-level presence in Europe, half of those exposed to the US generated more than 20 per cent of their revenues there.

Geographic expansion decisions will be based on an array of factors from market similarities, customer footprint, shared cultural or language and geographic proximity. However, the likely destinations for Fast 50 expansion reflect current economic sentiment (see Figure 5), with North America perceived as offering better prospects than Western Europe (69 per cent vs. 50 per cent), and considerably lower enthusiasm for emerging markets (for example China six per cent, Brazil three per cent and Russia two per cent).

Figure 5. CEOs views on geographical markets for international expansion over the next three years

Question: "Which of the following geographical markets outside of the UK represents the best opportunity for significant growth for your company over the next three years?"



Source: Deloitte UK Fast 50 CEO survey, October 2014. Sample: all respondents (68)
 Note: Not considering international markets: 13%; Other 3%



Conclusions

This year's Fast 50 companies have not only had huge success individually, but together have laid down the benchmark for future entrants in what could be a pivotal year for the competition. Amongst their ranks are some of the UK's most exciting companies that are making strong contributions to the economic recovery through their ability to innovate and generate value.

“It's been very encouraging to see the strength and diversity in this year's Fast 50 entrants and winners. And as companies that have excelled in creating winning strategies and nurturing the people who can drive commercial success, I expect we will be hearing much more from them in the future.”

David Halstead, Lead Partner, UK Fast 50 & EMEA Fast 500 programmes

There is a lot that can be learnt from the way these pioneers seek out growth opportunities and use their most valuable assets of people and finance to capitalise on them. Start-ups should seek to emulate the Fast 50 companies' distinguishing characteristics, taking advantage of direct and indirect interactions through informal networks and the plethora of business incubator schemes and investment funds that have been drawn to the UK.^{28,29} Established companies are acutely aware of these nimble businesses' ability to innovate and accelerate the speed to market of great ideas. We encourage them and companies such as our Fast 50 to find new ways to work with each other to generate shared value, or use their collective strengths to address common problems.



“The UK is renowned as a nation of innovation. To compete globally, we must continue to innovate differently. Bold ideas do not become leading edge reality by themselves, it takes a national culture of ingenuity and an infrastructure in which innovators can take brave risks and experiment freely. We have recognised that in order for us to help our own customers solve their business problems, we must help them to innovate differently. That’s why programmes such as our Cisco British Innovation Gateway appeal to start-ups and our customers alike. This programme aims to inspire a new generation of businesses and offers practical help, mentoring and advice, with the specific goal of accelerating innovation and growth.”

Phil Smith, CEO, Cisco UK & Ireland

Our Fast 50 community paints a bright picture of the future, and we should share their optimism whilst heeding their long-term concerns over talent and increased competition from emerging countries. These are threats that take years or even decades to respond to, and it will require coordination of various stakeholders in the UK to maintain an environment that can sustain the ambitions of our current and past Fast 50 companies, and maximise the chances for cohorts in years to come.

Fast 50 top winners case studies

Switch Concepts

10,477%

Overall winner

South East regional winner

Internet sector winner



In less than four years, the advent of real-time bidding (RTB) has transformed the world of online advertising. Where big brand names and other advertisers once purchased Internet banner space in bulk, RTB allows them to connect their brands with more relevant audiences by bidding instantly for a single ad. At the same time, it is also maximising revenues for online publishers.

Founded in 2008, Switch Concepts is among the small group of specialists that have pioneered decision-engine technology for RTB worldwide. The Southampton-headquartered business traces its humble roots back to a shed in a farm in Romsey. Today, with offices in Southampton and London and approximately 160 staff, Co-founder, Tom Barnett explains how "Switch Concepts now manages over 30 billion ad impressions each month and represents over 80% of the UK's total online population."

Inspired by high-frequency trading technology that had taken hold in the financial services industry some years earlier, the company's founders – Tom Barnett, Joanne Spector and Julian Spector, understood that the power of the Internet could be harnessed in a similar way for advertising. They set out to develop a system that could bring brands and consumers together more effectively and handle as many transactions as possible.

The software system they developed analyses data to gather insights into the needs of audiences, publishers and advertisers. It is then able to automatically match available online advertising space to different variables and to the highest bidder in less than 500 milliseconds.

"We faced some initial resistance to the concept in the early days," explains Barnett. "But over time, publishers and big brand names have come to accept the advantages of RTB and the market has grown exponentially. It's important to note that we only take a commission on what is traded, which is a model that publishers like, because it aligns us with them in partnership."

In July this year, Switch Concepts acquired longstanding ad sales house Unanimis, which has enabled it to significantly extend its publisher and advertiser relationships and spur its growth plans. Together, Switch and Unanimis claim to deliver the UK's only full service advertising trading platform.

"I think it is quite hard to do what we do and anyone who enters the market at this stage has a lot to learn about how to do it. It is an extremely innovative environment and a relatively unique industry," says Barnett.

For Switch Concepts, managing growth has been about creating an effective organisational culture. Alongside growth, new layers of management have been introduced and recruitment has become more challenging. Barnett has sought to address this by hiring people with strong backgrounds in engineering, technology and sales, and then allowing them to develop knowledge within the company. They have also hired several people from Southampton University, an institution they have forged close links with.

“We basically have a closely knit team, that works in close cooperation,” explains Barnett.

“Our view is that if you have a good idea, then you should run with it as fast as you can. We pride ourselves in not being scared of trying new things – we didn’t get to where we are by copying what others have done before.”

Innovation is a topic close to the company’s heart and Barnett sees opportunities to create a more innovative environment across the country that can be commercially rewarding.

“We think more can be done to stimulate a kind of space for genuine innovation to take place. There is an amazing initiative that’s being pioneered at Southampton University that does just that,” says Barnett.

“Innovation isn’t just about having brainstorming – it’s about having a professional approach with systems and processes for developing ideas. I would encourage big companies to really embrace the smaller ones that are doing innovation and work with them in an open way.”

Looking ahead, Barnett believes online advertising still has a long way to go, with many opportunities to offer within the UK.

“The advent of new technologies promises to revolutionize the way we interact with the Web in the years ahead and you have things like wearable technology or computers in your fridge,” he says.

“A hyper-connected reality like this is going to have a big impact on where we focus our efforts, so we could really go anywhere from here.”

Equal Experts

4,429% growth

Second place

London regional winner

Software sector winner



After a 12-year career at various IT consultancies in the United States and Europe, Thomas Granier founded Equal Experts in 2007 to pioneer a 'hybrid' consultancy model. The approach aims to combine technical excellence with business pragmatism to deliver simple tailored solutions to big business challenges. Equal Experts primarily relies on its network of trusted senior independent associates, which allows it to keep overheads low and concentrate on more talent and less waste within the business.

Equal Experts caters mainly to the digital departments of large corporations that want to increase their digital capabilities either in relation to new product offerings or simply because they want to improve the overall digital experience for their customers. Increasingly, it also supports the digital strategies of government departments where there are similar trends taking place and a growth in digital initiatives in service delivery or transformation.

"Our consultants are all senior people, with at least eight years' experience in highly complex environments. They are either partners of the business or associates from our network of like-minded professionals," says Granier. "We offer them an environment with no politics and more freedom. This means we attract outstanding, empowered people who can stand on their own two feet and provide better value for our customers by making meaningful decisions on their own."

Equal Experts develops large-scale bespoke solutions that usually comprise complex omni-channel platforms with websites, apps, the integration of legacy systems and customer data management. Equal Experts often work onsite and in close collaboration with customer teams.

"We don't do architecture in isolation from writing the code or use monolithic enterprise software products," says Granier. "What we do instead is make use of open source software and follow very disciplined Agile software practices. We adopt rapid feedback cycles and look to improve our customers' capabilities one day at a time."

More recently, the company has begun to diversify its offering with a Product Development Division. Its first product is a customer-facing loyalty app for mobile devices that is the result of a joint venture relationship. It is also leverages another joint venture – Equal Experts Devices – with a long-term Canadian partner company specialising in mobile applications.

Looking ahead, Equal Experts will continue to grow its business organically, while looking to expand geographically beyond London-based customers. It expects to take on more partners in the years ahead while also increasing support staff in operations, recruitment, account management, and sales. In keeping with its flat structure model, it will be mindful not to create middle management layers in the business.

“We want to keep on growing while staying true to our model, so we can be a disruptive force in software,” says Granier. “Our challenge is to have enough bandwidth to manage this growth while servicing our existing clients and developing new offerings. One way to achieve this is through joint venture partnerships with like-minded businesses that have complementary skills that could be technical in nature or involve route-to-market expertise. At the same time, we will continue investing to develop our IP and on creating new sourcing capabilities outside of the UK.”

Mubaloo

4,404% growth

Third place

South West regional winner



With its award-winning team of mobile consultants and app development experts, Mubaloo helps businesses to plan, define and manage their mobile ecosystem, by providing inspiration and building intelligent business solutions for iPhone, iPad, Android, Blackberry, Windows Phone and HTML5.

The Bristol-based company was founded in 2009 by Mark Mason, who after selling a business in the B2B digital marketing space he had run for 11 years, decided to start up the new business alongside developer Ben Trewhella. The business began by developing an app of its own; a fuel prices app, before switching its focus to develop apps for clients. Today, its in-house team of planners, project managers, developers, designers and testers have delivered over 200 mobile apps for a range of clients across a number of sectors.

“Our apps aim to embrace the full power of mobile,” Mason explains. “This market used to be about the excitement of being able to produce an app for whatever reason. Things have moved on since then and the way companies use them has changed. They don’t just say ‘we want an app’. They say ‘can you enable us to become a mobile technology-first business?’ That is where we come in as consultants and enablers of disruption in their industries.”

While some sectors, such as gambling, were early adopters of app technology to drive new growth, more companies today are looking for consultants to re-engineer their business proposals for mobile technology.

“The usability and user interface aspects of apps have become of primary importance,” says Mason. “If you get that right, then the adoption that changes one process for another is easier. What we find is that our competitors offer a lower-end service compared to our work, which is done in-house in Bristol and is part of a totally professional service. That is what clients are looking for – a very swift and clean process.”

Almost every app developed by Mubaloo is integrated with the client’s back-end system. To manage this complexity and business growth, Mubaloo has worked to bring about improvements in its processes and by growing the number of in-house experts in terms of consultants and project managers.

“We don’t really have sales people as such – our work comes mainly through recommendations. We also do a lot of workshops and roundtables that help to raise our profile.” says Mason.

The company aims to remain agile and responsive to changes in the market, working with technology in different ways. A recent example of this is Mubaloo's launch of MiBeacons, a division created through internal R&D, to enable businesses to deliver contextually relevant information at the right place at the right time. Beacons are battery powered Bluetooth Low Energy (BLE) modules that emit a broadcast signal to trigger actions in apps. These interactions can be logged and recorded to provide businesses with a wealth of hyperlocal, real-world analytics. Essentially, beacons bring the principles of online analytics to real world objects and are a key connecting technology for the Internet of Things.

Over the years, Mubaloo has seen an increase in people with more mature development expertise across the UK, which the company has sought to retain.

"We're looking for people who have been round the block a bit. We aim to hold onto those people, which is why we have such a low churn on them," says Mason. "We try to mix them around to get the right balance of skills for each client, especially in highly complex projects that involve very rigorous process."

Avecto

3,892% growth

Fourth place

North West regional winner

Avecto

A runner up in last year's Fast 50 ranking, Manchester-headquartered Avecto has continued to grow its award-winning Windows Privilege Management technology. In 2014, it launched Defendpoint, a major new product comprising three next-generation strategies that offer organisations unprecedented levels of management, freedom and endpoint security for their Windows users.

The product is the successor to Privilege Guard, Avecto's original flagship product that allowed customers to assign privileges directly to the applications required by individual users. Defendpoint builds on its Privilege Management solution and adds two more modules: an Application Control function that can block unauthorised applications and help protect against targeted attacks; and Sandboxing, which enables users to safely browse the web and open untrusted documents within an isolated environment.

"Defendpoint is an integrated solution that provides protection against advanced cyber attacks, while empowering users to be productive," says CEO Mark Austin. "We continue to lead in the privilege management space, as we have the most capable solution in the market, and the new suite will open up new opportunities for Avecto."

The advent of Defendpoint also reflects a gradual shift in the market. Whereas compliance was once the principle growth driver for Avecto's business, rising concerns over targeted attacks on Government and private sector systems have become a major preoccupation. Recent studies estimate that the vast majority of attacks can be prevented by implementing application control and minimising user privileges, along with effective patch management. In Australia, the Government has already mandated its agencies to deploy these measures.

"Customer interest is certainly going beyond compliance, especially when there is customer data at risk," says Austin. "With increases in targeted attacks, we're seeing companies and organisations paying much more attention to endpoint security. Traditional anti-virus software can stop less than 50% of malware threats, as it is limited to dealing with the known threats, whereas Defendpoint helps to address the large void that remains by proactively dealing with the unknown threats."

Avecto's success has continued to strengthen its global presence, with half its revenues coming from the US market alone last year, and a growing customer base in Australia and parts of Asia. In the years ahead, it will continue to build its distribution channels and put people on the ground in new regions such as Northern Europe, with an initial focus on Germany and Scandinavia.

BriefYourMarket.com

3,821% growth

Fifth place

Midlands regional winner



A six year old business based three miles from the city of Derby, BriefYourMarket.com is an all-in-one marketing platform that is being used by industries as diverse as estate agency in the UK to recruitment in Hong Kong.

BriefYourMarket.com's platform enables businesses to create and send marketing messages all from one platform. The features include 'intelligent' newsletters, emails, automated customer journeys, direct mail, SMS messages, customer surveys and more.

Founded by CEO Rick Palmer and CIO Damon Bullimore, the company offers customers the ability to control, automate and send their marketing messages (including unlimited emails) without the need for a particular expertise in content, design or marketing.

"The vision of BriefYourMarket.com was to make sure marketing was relevant and targeted to reach the right people. By making it simple, BriefYourMarket.com receives much higher response rates than conventional mailers." explains Palmer. "Most conventional mailers will send the same information out to everybody, but with BriefYourMarket.com, customers can profile their own requirements and ensure they receive the information they need from an organisation and also you can use customer data to segment it in a much more targeted way; such as through variables like gender and age. Our customers can do all this through a single platform, allowing them to tailor and create the right content and send it through the right media."

Prior to founding the company, Palmer and Bullimore operated their own real estate business. They soon realised the massive potential to create a product to enable businesses to talk to their customers in a more relevant way. After writing a rudimentary version of the product in 2008, they launched the business from Palmer's kitchen, which was entirely self-funded.

"We started our growth journey in a fairly typical way, with a website and a business plan," says Palmer. "Our revenues started off very small but always had a clear view about where we were headed. We decided to focus on sectors we knew well; estate agencies, the leisure industry, insurance companies and hospitality. We quickly realised there were lots of other channels that customers wanted to use as well, such as direct mail and SMS, so we integrated these quickly."

BriefYourMarket.com aims to profile customer organisations to understand the types of audiences and markets they are interested in. They create customer databases that are ring-fenced for each individual customer. By not providing one-size-fits-all business solutions, they enable their customers to talk to different clients, at different times, and with different messages.

“We are primarily UK-focused, but we’re gradually increasing our number of overseas customers in countries such as South Africa, Hong Kong and Dubai,” says Palmer. “We’re also taking steps to address and manage growth internally in terms of our culture and leadership. We’ve seen how businesses can reach a certain size and then stagnate, so we’re looking at various initiatives to sustain our growth whilst maintaining our culture of creativity and fun.”

The company has focused on staying close to its customers and making its platform more customer-centric. It uses net promoter scores, and regularly adapts the platform and features based on customer feedback. BriefYourMarket.com also integrates with many proprietary and sector CRM systems, working closely with these partners results in customer focussed product development.

“We’ve built a platform that is fully scalable,” says Palmer. “The development team we have built up are very proficient at innovative development, so new versions of the product are released every two or three weeks with many regular improvements. At the same time, we’ve looked closely at key account management, which requires a different skill set in order to ensure our customers always feel they are number one.”

Looking ahead, BriefYourMarket.com plans to move into more diverse sectors and grow in key markets such as the United States.

Agenor Technology

3,582% growth

Seventh place

Scotland regional winner



Launched in 2007, Edinburgh-based Agenor Technology helps organisations implement complex technological and business changes in high-pressured environments. The company was originally founded to service the financial services sector, but has grown steadily to become a leading IT provider in transformation programmes across a range of industries.

Today Agenor employs 80 full-time consultants and operates an associate network of over 200 high quality practitioners, which it deploys across a variety of disciplines in project management, technical and testing services and implementation. In addition to its offices in Edinburgh and Scottish Borders, it has staff based in London and more recently, Amsterdam. 2015 will see a significant presence established in Dubai where it is also looking for solutions providers and partners.

“We made life challenging for ourselves as we launched right at the start of the financial crisis with a very specific strategy in terms of the quality of our people,” says Managing Director and Co-founder Andy Smith. “We were determined to recruit only the best professionals in their field, and it took time to put this quality team together, but the rewards became apparent from 2010 when our growth accelerated and the Agenor brand was strongly associated with getting the toughest jobs successfully delivered.”

In 2014, Agenor began to diversify significantly away from UK financial services, and looked across new sectors and clients, such as the NHS in Scotland and new markets in the Middle East and Europe. This growth will translate into around 25 new consultants each year.

“Every time we work with a company our reputation grows, and it’s a source of great personal satisfaction when I hear about our clients expressing their complete confidence in our people and our delivery capability” says Smith. “It underlines that we got it right with our early decisions on the direction of the company and that is now further confirmed with us breaking into new sectors and becoming a valued partner with a range of new clients.”

Throughout this time, Agenor were also investing heavily in the development of ICEflo, its flagship software product, and doing so entirely out of its own operating profits.

“ICEflo was created in response to the specific implementation challenges I encountered while working across a number of sectors, including financial services. We quickly found that the solution resonated with not just IT directors but also business leaders who quickly saw the crucial role ICEflo played in safely delivering complex change,” says Smith.

The ICEflo cloud platform enables clients to build and run complex Service Transition Plans, commonly referred to as 'Runbooks' or 'Schedule of Events'. Since its commercial launch in 2010, it has been a key Agenor differentiator and is now the number one cloud platform for planning and deploying complex, business critical technology changes, while actively managing key risks to customer-facing services and market reputation.

"ICEflo is a proven, mature solution in its third major release, and we've come to realise that it has unconstrained, global growth potential," says Smith. "We have ambitious plans for the next three to five years for customer acquisition across the globe, which is hugely exciting."

Cambrionix

2,989% growth

Tenth place

Cambridgeshire & East regional winner

Electronics sector winner



Cambridge-based Cambrionix designs and manufactures innovative USB-charging and data transfer solutions for mobile and electronic devices, such as tablets and smartphones, cameras and headsets. Its range of products and components enable organisations to provide unique multiple high-speed charging and syncing facilities to their users. The company offers patented charging products, as well as charge and sync components, which are pre-built modules ready to slot into customers' own manufactured equipment.

Cambrionix was founded in 2007 by Steven and Victoria Tyson who first saw an opportunity to offer sophisticated home and office charging stations, prior to the widespread adoption of tablets. In 2012, they engaged CEO Kevin O'Hara to manage and drive the company's growth, which was rapidly accelerating, most notably, in US and European markets.

The company's 14 staff are mainly responsible for product design and software development. They provide designs and specifications to select UK-based manufacturers who deliver high quality finished products.

"We rely heavily on our partners in the supply chain and we're very close to them," explains O'Hara. "They also play an important role, not just in terms of our quality, but also in helping us to drive innovation. Their knowledge helps us to stay ahead of the curve because they're aware of things that are coming up."

On the customer side, Cambrionix have been careful to build a highly committed account management team that is always on hand to support customers with hardware and software problems or queries. They are in regular contact with customers every month via newsletters, weekly blogs and direct contact.

"Whenever there are issues anywhere in the world, one of our engineers will jump on them and will log onto the network to sort out the problem," says O'Hara. "It's an old fashioned approach to customer management that means we're supporting them and standing by our products at all times."

Finding the right people to grow this model has not been easy, but O'Hara describes the St Johns Innovation Centre where they are based, as an ideal environment for a small fast-growing company like theirs, with its good infrastructure and range of useful services at their doorstep.

In the years ahead, Cambrionix is looking to expand into new sectors and markets globally, including the UK. Having started with a strong focus on education and retail, they see more and more industries finding new ways to use mobile devices in the management of their businesses. Cambrionix have sought to raise their profile in these sectors through activities such as sponsoring and attending industry exhibitions and conferences.

“Education and retail are still a massive part of our business, but we expect opportunities to emerge elsewhere in the years ahead,” says O’Hara. “Wherever we go next we’re sure to become deeply involved in that sector, offering innovative and relevant products.”

True Potential LLP

837% growth

33rd place

North East regional winner



Based in Newcastle upon Tyne, True Potential is one of the UK's fastest growing and most innovative financial services groups, currently working with over 22% of UK financial advisers.

The True Potential Wealth Platform offers clients a holistic view of their investments, including up-to-the-minute valuations and financial reports, on their own personal client site. It is a 24/7 multi-platform service available online and via tablet and smartphone apps for iOS and Android.

The Wealth Platform is not only helping to create value for clients, it is helping revolutionise the way in which wealth management is delivered. Amongst the range of investment options it makes available to meet clients' needs are innovative risk-based strategies from leading investment managers. In addition, the Platform gives advisers access to more than 9,700 mutual funds, 1,200 Exchange Traded Funds, and 5,500 equities to create bespoke plans for their clients.

True Potential was launched in 2007, by David Harrison, Mark Henderson, Earl Glasgow, Daniel Harrison and Neil Johnson, who had previously built and sold a successful financial advisory company and were looking for a new business model that would win out in the future. The key premise of the new business was to use technology to offer more and better information to clients to help them understand their financial situation.

"At a basic level, we want to revolutionise the way people save", explains senior partner Neil Johnson. "We want to take out complexity and make it easier for clients to reach their financial goals. Central to this philosophy is impulseSave®, a world's first for True Potential, which allows clients to top-up their investments at the click of a button from anywhere in the world. Through our technology, we empower people to track everything that's going on within their accounts and also keep advisors firmly in the loop."

Last year the business launched the 'True Potential Centre for the Public Understanding of Finance', an educational initiative in partnership with the Open University Business School that supports various courses aimed at improving the public's financial literacy. In May 2014, over 15,000 people signed up for its first free personal finance course, 'Managing my Money', with many more students registering throughout the year.

“There is a huge savings gap in the UK, and we believe that a part of that is down to education and misunderstanding. We’ve conducted research to find out why that is happening and what the size of that gap is,” says Johnson. “An estimated 38% of working adults have saved nothing in the past year towards their pension, and less than 40% of people are confident that they will have enough in their pension pots to have a comfortable life in retirement. Huge amounts of people don’t appreciate how they are going to save for their retirement.”

Looking ahead, True Potential has a multi-year programme in place and is continuing to invest heavily in its technology and build for the future market, and the development of more accessible information.

Instil Software

714% growth

37th place

Northern Ireland regional winner



Belfast-based Instil Software develops bespoke solutions for mobile, desktop, web and back-end systems across a range of sectors, including the medical and telecom industries. The company was founded nearly ten years ago by CEO Tara Simpson as a freelance business, but it's only in the last three years that the company has seen its strongest growth.

"We didn't actually set out to grow a large business, we simply wanted to develop software – in essence, to do good and interesting things. But our reputation for quality and professionalism grew and we found ourselves hiring to meet the demand," Simpson explains. "Our emphasis on quality still underpins everything we do, but we are now a proper business with serious ambitions."

In addition to software development, Instil also provides consultancy and training services, in many cases to other software firms. Training has not only been popular with clients, it has also proven to be a great way to share knowledge between Instil employees and the wider development community.

"Our emphasis on quality and learning creates a virtuous circle that pervades every aspect of the business," says Simpson. "Our workshops are typically delivered by our developers and are based on their experiences of using a specific technology or framework. We share our knowledge with other companies and in turn this generates more follow-on development work."

Although it has never undertaken any overt marketing efforts to grow the business, Instil does host regular developer events for the local development community. Their Bash event attracts hundreds of developers to free talks and workshops on emerging technologies, all presented by local and internationally recognised experts alike. More recently, Instil has started organising a conference called React, which is a two-day, single track conference about building high performance, reactive systems. In terms of raising their brand awareness and creating new relationships, both events have been a real success.

Over the years, Instil has relied on its network of tried and tested consultants to grow its permanent team of 21. Simpson is now taking a close look at how to manage organisational growth, and meet the company's recruitment challenge. There is a share-earning scheme in place for employees as they become more vital to the business. The company prides itself in offering competitive pay levels and strong benefits.

"We're at a point now where we are having to look at how to structure things differently. That means lifting me away from the delivery side of things, while still keeping relationships at a personal level," he says. "I've tended to accept some positive organisational chaos in our growth, but we'll inevitably need more structures in place to manage it in the future."

Looking ahead, Simpson's focus will be on hiring and nurturing talent, whilst maintaining their values as a company.

"Somebody who's prepared to work for a small business is going to be responsible for a lot of different decisions, and has to make sure we continue doing good things for our clients," he says. "What I want to ensure, beyond growing the three strands of the business, is that we maintain our culture of quality and continue to be a great place to work."

About the research

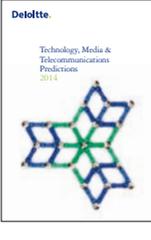
Deloitte produced this research as a companion to the Deloitte UK Technology Fast 50 programme. Deloitte's roles and responsibilities have entailed the research, writing and publishing of the report.

The research approach for this report has been a blend of five sources of commentary and data on the UK technology SME market:

- Discussions with senior executives from the top Fast 50 winning companies, held between October and November 2014.
- Inputs from an online survey of 68 CEOs from 2014 Fast 50 entrants or winning companies. Fieldwork took place during September and October 2014.
- Inputs from an online survey of 78 CEOs from 2013 Fast 50 entrants or winning companies. Fieldwork took place during September and October 2013.
- Inputs from the entrants' data submitted by 159 companies that self-nominated into the Deloitte UK Technology Fast 50 programme between June and September 2014.
- Selected inputs from Deloitte's other programmes of quantitative research, such as the Deloitte CFO Survey Q3 2014.



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 <p>Deloitte. Q3 2014 The Deloitte CFO Survey Risk appetite at new high</p>	<p>Deloitte CFO Survey: Q3 2014 www.deloitte.co.uk/CFOsurvey</p>	 <p>Deloitte. Technology, Media & Telecommunications Predictions 2014</p>	<p>TMT Predictions 2014 www.deloitte.co.uk/tmtpredictions</p>

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Notes

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Designed and produced by The Creative Studio at Deloitte, London. 39730A