



Emerald
Pre-Commercial Fund

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What is Emerald ?

Pre-Commercial Seed Fund:

- Identify IP in partner universities
- Proof of Concept
- Explore Commercial prospects

Post Research BUT Pre Commercial

De-Risk future investment

Origin, Funding and Rationale

Phase 1: - Commenced April 2005

Funding:

- London Development Agency (£800K)
- 8 University Partners (£160K)
- Lead: London Metropolitan University

Partners:

- Less research intensive
- No previous access to PC funds
- Strong in Design and Creative Industries
- 26% & 37% London's academics/students



Structure & Management

Technology Transfer Offices

Fund Management Board

Fund Coordinator (E-Synergy Ltd)

Independent Assessment Panel

industrialists, financiers, regional

Links to other London agencies

LTN, LKTN, Capital Creative Fund

Types of Grant

University MUST control IP

Mini Award (to £10K)

Standard Award (to £40K)

12 months maximum

Quarterly reports

Support from TTO and Fund Coordinator

Outputs and Targets

Phase 1: (March 2005 to March 2007)

Outputs:	90 Apps and 31 Awards (£600K) 1 licence, 3 new businesses, 9 new jobs
Target:	50 Awards (£800K) 13 licences, 7 businesses, 28 jobs

Phase 2: (to March 2009; **proposal with LDA - £1.98M**)

Forecast:	110 Awards (£1.9M) 46 new businesses 151 new jobs (25% in BME population) 95 formal collaboration agreements
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Good Practice Elements:

Effective way for universities to work together

Produces Critical Mass of ideas

Enable potential of innovations to be explored

Learn and develop together

Provide academics with training and mentoring

Generate income for universities

Related Elements

Develop processes for “softer” IP

Build links with businesses through licenses

Create new businesses and job opportunities

Beneficiaries

Partner Universities:

- identify, exploit IP & income generation
- staff development and student employment

Industry:

- new products and processes
- increased innovation and competitiveness
- investment opportunities

Region:

- businesses and jobs in target groups and sectors
- increased GDP and inward investment

University-Industry Collaboration

University:

8 Like-minded universities working together

- Cash plus “in-kind” (£530K/a)
- New structure and processes
- Learning experience

Industry:

Fund Manager – E-Synergy (established Investor)

Businesses – Licences, collaboration agreements

New Start Up companies

Business Angel and VC community

Banks

Regional Impact

London: World's Knowledge Capital

Responds to London's ED/Innovation Strategies

- Potential of less-Research intensive universities
- Increased Innovation by Business
- Creation of new start-ups and jobs
- Improve Skills of London's workforce

Addresses Priority Groups and Sectors:

- BME
- Creative, Production & Environmental Industries

Innovative Character

Innovative in London Region:

Pre-Commercial Funds for Partner universities

First time partners collaborating together

Raised profile of IP and Commercialisation

**Strong emphasis on IP and commercialisation in
“Creative” industries**

Increased Entrepreneurial awareness and activity

Transferability

Consider to be transferable:

- other regions in UK (already in operation)
- other regions in Europe (pan-Europe?)

Requires:

- cohort of knowledge based organisations
- willingness to collaborate
- regional, national (or EU) funding

Sustainability

Short Term - further LDA/partner support
- build track record

Medium to Long Term (some options)

- **Emerald Early Growth Fund:**
from “exit” funds, AIM float, Investors
- **PARK model:**
from 10% of net gains to max of 20x
- **Link with Venture Capital Co:**
eg The IP Group



**James Barnham, Emerald Award Winner,
“IN” the Dragons’ Den
(BBC2 - 3rd August 2006)**

