

## **MIDVEN WELCOMES FRESH INVESTMENT IN THE RAINBOW SEED FUND**

**The Rainbow Seed Fund, which is independently managed by Birmingham-based venture capital specialist Midven Ltd, has been boosted by additional funds to turn scientific discoveries into successful businesses.**

**It has been awarded a £1.5 million share of the UK Government's Public Sector Research Exploitation (PSRE) fund to support the very early stages of business formation from ideas emerging out of scientific breakthroughs and research. The successful bid, led by the Science & Technology Facilities Council (STFC), was announced by Science and Innovation Minister Ian Pearson during a stakeholder event at the Natural History Museum in London.**

**The Rainbow Seed Fund is a capital fund dedicated to investing in technologies from the publicly funded research base. It will use the funding to accelerate early stage and high risk ventures through the early introduction of experienced entrepreneurs into spin-out companies in order to shape the business and support small business creation in the UK. Established in 2001, the Rainbow Seed Fund has, to date, invested over £4 million in helping to create 17 spin out companies which, between them, have raised well over £35 million in additional capital, one of the highest leverage multiples in the sector.**

**This £1.5 million award takes the Rainbow Seed Fund's total asset base to £10 million.**

**Bruce Smith, chairman of Rainbow Seed Fund's advisory board, said: "Our progress to date is clear evidence that the science carried out in UK public research institutes has real commercial potential.**

**“The Rainbow Seed Fund works hard to turn ideas into businesses, and this award will allow us to bring together experienced entrepreneurs and first class technology in an even more effective fashion.**

**“We look forward to continuing to play a key role in this value creation.”**

**Andrew Muir, Midven’s investment director for the Rainbow Seed Fund, added: “We are delighted that this additional injection of funds will enable us to further support talented entrepreneurs and promising spin-out companies, enabling today’s discoveries to become tomorrow’s products.”**

**Dr Tim Bestwick, chief executive of CLIK Knowledge Transfer, STFC’s wholly owned technology transfer and**

**commercialisation company, said: “As lead partner in the Rainbow Seed Fund, STFC is delighted that its performance so far has been recognised by the PSRE fund with this award.**

**“Without such backing and support in the early stages, commercial opportunities arising from scientific discoveries and new technologies can easily be lost.”**

**The award is part of the UK Government’s £68 million total award to 33 successful bidders across the UK, announced at the stakeholder event, where Mr Pearson said: “Top quality research is carried out within the public sector to meet the needs of Government departments in many areas. But it’s vital that we also maximise the economic impact of this research to meet the challenges of the 21st century.**

**“That’s why the Public Sector Research Exploitation fund is so important in taking great research and turning it into great business ideas.”**