

Midven Invests in Software Developer

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Birmingham-based venture capitalist Midven has invested in Gemba Solutions, a West Midlands developer of real-time performance management software.

Midven has made a £250,000 commitment in equity and loans from the Advantage Growth Fund, taking a sizeable minority shareholding in Wolvey-based Gemba.

Gemba provides production monitoring information as well as lean manufacturing software solutions.

The hope is that customers can reduce their running costs through a process of efficiency improvements.

Gemba has three packages – Lean Impact, OEE Impact Connect and OEE Impact Manual Entry.

Technical Director Richard Stone said the company's name was taken from Gemba Kaizen, a philosophy promoting continual improvement in the workplace.

“Gemba is a Japanese word for “real place” – the place where the action is and where a real difference can be made,” he said. “Kaizen techniques play an important part in any lean manufacturing and production monitoring campaigns.”

Clients, include Estee Lauder, Heinz and Slumberland.

Gemba has also negotiated a re-seller agreement with BP's lubrications division, with the Caterpillar Turner Power Trains site in Wolverhampton first to take advantage of the link.

Gemba will use the Midven investment to assist with the development of its sales and marketing operations, and for working capital.

Midven has also introduced a new non-executive chairman to the company. Geoff Butcher has wide experience in top posts in various IT operations, both corporate and private equity backed.

Based in Leamington Spa, Mr Butcher's previous roles include divisional chief executive and chairman of Protek Network Management.

Midven's investment manager for the Advantage Growth Fund, Surjit Kooner, said: “Gemba was established in May 2002 and has already shown a significant growth.

“We had no hesitation in making the investment because the combination of Gemba's excellent product range, quality management team, the company's directors and high profile customer base provided an exciting opportunity.

“With the addition of Geoff Butcher's in-depth experience and the investment funds, the company now has the resources to unlock its potential.”

Mr Stone added: “Midven’s investment will play a significant part in our future success and we have also been very impressed with the business expertise of its executives.”

The Gemba software will be available at three entry levels, base, intermediate and whole suite.

Midven is a privately-owned company investing in small and medium-sized enterprises in the Midlands. It manages a variety of funds and has injected cash into various sectors, including software, biotechnology, healthcare, engineering, manufacturing and distribution.

The £20 million Advantage Growth Fund was launched in February 2003 by Advantage West Midlands to pump venture capital into SMEs. Managed by Midven, its investors include Barclays Bank, the Royal Bank of Scotland, HSBC, the European Investment Fund, local universities and the Department of Trade and Industry.