



What the PAPERS said in 2006

Midven Supports Software System

Steve Pain
Deputy Business Manager

Birmingham-based venture capital specialist Midven is backing Festival Business Solutions, a recently established Worcestershire company which has developed ClearView, a business software package for the housing association sector.

Droitwich Spa-based, Festival Business Solutions has been set up by managing director Grant Shipley, formerly resources director of the Festival Housing Group.

Mr Shipley originally launched ClearView as an inhouse solution to manage the group's performance in-line with the Governments drive for continuous improvement in the social housing sector.

Having successfully developed the software Mr Shipley also recognised an opportunity to roll out the technology to other associations.

In a joint venture with Festival Housing Group, Mr Shipley established Festival Business Solutions to market ClearView.

As part of the agreement Festival Housing Group, which owns around 7,500 properties in Malvern, Droitwich and the surrounding area, transferred all intellectual property rights to the new company, which is

being backed to the tune of £200,000 by Midven.

Mr Shipley said: "We understand that this is the first joint venture between a housing association, a private company and a venture capital company."

Midven investment manager Surjit Kooner added: "The investment will give Midven a sizeable minority shareholding in Festival Business Solutions."

"We had no hesitation in providing our support because we have immense confidence in the success of the product, which has been designed by a housing association expert for that market."

The software package comprises, a suite of modules, including strategy management, risk management, project management, balanced scorecard and process management.

Together the modules provide a framework for management strategy, monitoring and measuring performance and managing a wide range of regulatory requirements.

Each module can be acquired and used on a standalone basis. However, the benefits will be greatly enhanced when combined with other modules in the suite.

Mr Shipley added: "We also offer significant levels of consultancy to our clients to help them improve performance and become better equipped to meet their aims of providing affordable housing."

The technology has already been sold to 12 housing associations, including Home Group of Newcastle-upon-Tyne which is one of the UK's five largest, Irwell Valley of Manchester, Petersfield-based Drum and Cross Keys Homes of Peterborough.

The Midven investment will enable Festival Business Solutions to further develop and enhance the system and provide finance to market the software within the sector, where some 500 housing associations are being targeted.

"We have a number of other housing associations interested in purchasing the software and with Midven's support we are very confident of rapidly growing within the sector," said Mr Shipley.

Privately owned Midven manages a variety of funds and has invested in various sectors, including software, biotechnology, healthcare, engineering, manufacturing and distribution.



Pictured demonstrating the ClearView software are, (from left back): Guy Weston, Chief Executive, Festival Housing Group; Surjit Kooner, Investment Manager, Midven; (front) Grant Shipley, Managing Director, Festival Business Solutions; Ian Hilton-Turvey, Client Services Director, Festival Business Solutions

The £20 million Advantage Growth Fund was launched in February 2003 by regional development agency Advantage West Midlands to invest venture capital in small and medium-sized companies in the West Midlands. 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.

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The Advantage Growth Fund's investment will enable Festival to further enhance its products and increase the pace of its expansion.

Concurrent Wins Funding for Supercomputing Technology

Supercomputing software business Concurrent Thinking has secured £1.7m in funding thanks to a deal arranged by ICON Corporate Finance. The funds raised from the investment round - which was led by Oxford Capital Partners and also included Forward Group and Midven - will be used to expand the business both internationally and into the broader enterprise computing market.

At the moment, Concurrent

Thinking is focused on integrating high performance computing (HPC) clusters based on the Linux operating system. Clients have included blue chip companies, including Rolls Royce, Corus, Schlumberger, Chevron Texaco, HP, IBM and Sun Microsystems, as well as more than 35 UK universities and research laboratories.

"As cluster architecture and HPC gain more ground in the enterprise computing space, the

challenge will be to deliver and sustain business-critical capabilities while enjoying the benefits of commodity hardware," said Dr John Taylor, chief technology officer of Concurrent's subsidiary Streamline. "The current investment will ensure that the company can meet all of these challenges head on."

Dr Victor Christou, Investment Manager at Oxford Capital Partners, said: "Oxford Capital

Partners is delighted to support Concurrent Thinking at this stage of its growth and to have led this round of funding, which should allow the company to expand more forcefully into the international arena and develop the next generation of tools for the next generation of supercomputers."

Concurrent Thinking was founded by computer scientists from Warwick and Oxford universities in late 2000.

Previous investors include the Mercia Fund, Warwick University, the Advantage Growth Fund and Oxford VCT 3.

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Following the Fund's first investment in 2003, the Company progressed rapidly towards development of its own products enabling a second £1.7m funding round in 2006.



Pictured comparing the prototype flat antenna for mobile broadband use on trains with the conventional forerunner are Richard Mayo, Technical Director of Phasor Solutions, and Midven Investment Manager Nicholas Moate

Phasor Appears on Midven's Radar

Birmingham venture capital specialist Midven has made an investment in a Worcestershire company which is developing a flat antenna for picking up satellite signals on high speed trains, aircraft, cruiseliners and military vehicles.

The "potentially world-beating" technology being developed by Malvern based Phasor Solutions will considerably reduce costs for end users, who will typically be US and UK military operators.

Significant interest is also expected to come from railway, airline, shipping and automotive companies.

Current flat antenna can cost around £500,000, which has been unacceptable to many would be users, but the Phasor version will cut the price by 90 per cent, down to nearly £50,000 without reducing its effectiveness.

Initially, the Phasor flat antenna will be used on high speed trains to provide a broadband connection and data transfer mainly for business passengers. Later, it is hoped, it will be sold to companies operating all types of high speed vehicles.

The system is currently going through the proving process before going onto the market in about 12 months.

Midven has committed £150,000 from the Advantage Growth Fund towards the total £1 million investment, which also involved business angels and an institutional investor specialising in communications technology.

Midven investment manager Nicholas Moate said: "We are excited about the prospects for Phasor, which is developing potentially world-beating technology.

There is a rising demand for high quality satellite connectivity and as the price of antennas comes down, it will help grow the market."

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The sale represents the most successful exit to date for the Advantage Growth Fund.

CDC Snaps up MVI Technology

Birmingham-based software development company MVI Technology has been snapped up by CDC Software, a wholly-owned subsidiary of the US-based CDC Corporation for an undisclosed sum.

Birmingham lawyers BPE advised on the deal.

MVI Technology develops real time performance management (RPM) software for the food and beverage, pharmaceutical and chemicals industries.

Its software allows manufacturers to merge automated shop floor data, quality process control and manufacturing, continuous improvement and quality control strategies.

MVI's chief executive officer Mark Sutcliffe said the synergy of the takeover was compelling.

Joining CDC Software, such a major player in the enterprise software markets, gives us a tremendous opportunity to serve customers worldwide," he said.

"Our team is the best in the industry and I believe we are undisputed thought-leaders in real-time performance, for food producers, offering a real competitive edge through a direct return on investment for our customers.

"I'm confident MVI solutions will continue to create one of the most cost-effective and comprehensive business improvement tools for our target industries."

The sale represents the most successful exit to date for the Advantage Growth Fund, the venture capital fund launched by

Advantage West Midlands to invest in small and medium sized companies in the region.

Led by Midven, which manages the fund, an investment of £250,000 was made in October 2005.

Midven also introduced John Caines, a seasoned enterprise software investor, who invested alongside Midven and joined the MVI board as non executive chairman.

The new capital enabled MVI to build on the success it had already achieved with customers such as Berner Foods and Abbyland Foods.

Highlights this year include several multi-plant sales, including the industry's largest ever single order for RPM package software - a \$1 million-plus (£512,820) software contract from international foods producer, Greencore - as well as an eight-plant sale to the \$1.4billion (£17.9 million) Premier Foods Corporation.

Midven investment director Tony Stott said: "The quality of the opportunity was instrumental in Midven completing the transaction quickly last year, and attracting additional external investment.

"Twelve months on, and MVI has provided the most successful exit to date for the Advantage Growth Fund.

"We are delighted that the price paid by CDC Corporation fully reflects MVI's market leading products and outstanding growth prospects."

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Software is What Doctor Ordered



Pictured (from left) Kelvin Aford, ScriptSwitch, Tony Stott, Midven, Mike Washburn and Andrew Bodsworth, ScriptSwitch

Joanna Greay
Business Staff

A Coventry firm founded by four students has quadrupled its turnover in a year and been nominated for a National Health Service award.

Prescription software firm ScriptSwitch - which estimates it has saved the NHS £3million - is on target to rack up sales of £1.9 million this year, up from £450,000 in 2005/06.

It has also become the first private business to be nominated in the Information Based Decision Making

category of the Health Service Journal awards.

Managing director Mike Washburn said: "We are absolutely delighted to have been nominated for the award, particularly as the first ever private company to be shortlisted in this category.

"It is quite motivating to see that, as a small company in the health care environment, we are being recognised for what we do.

"With the national IT programme under considerable pressure to deliver,

ScriptSwitch provides a real local technology win for the NHS by helping to improve care whilst at the same time saving money which can then be re-invested in improving other services."

ScriptSwitch was founded in 2002 by four University of Warwick students - Anton Sutton, Matthew Berryman, Duncan Greenshields and Andrew Bodsworth.

Working with local pharmacist Kelvin Aford, the team designed and patented a system to help medical staff prescribe drugs.

The software provides a number of details of prescription drugs, including their dosage and cost.

All the founders still work in the firm and Mr Washburn a local entrepreneur who owns a number of businesses, took over as managing director in 2003 to help secure finance with Midven and HSBC.

Based in the University of Warwick Science Park, the business now supplies its software to 62 Primary Care Trusts (PCTs) and is in talks with another 58.

ScriptSwitch - which charges PCTs 37 pence per patient for the system - claims it can save an average of £35,000 a year for every UK medical practice.

This is a total saving of more than £300 million if all PCTs bought the firm's product.

"My experience of getting involved with businesses is that its very rare to get so many referrals without aggressive marketing and follow-up sales, so I'm biting my lip at the moment," Mr Washburn said.

"The response so far has been great. We thought that the reform of the PCTs at the end of September would temporarily dampen interest in the product, but it hasn't been the case.

"We've come through some very hard times and its great that things are now starting to happen."

Mr Washburn said the aim of the business was now to make sure it can.

"At the moment the big challenge is to make sure we can match growth in infrastructure of the business with growth of demand for the product. I'm keen to make sure we continue to recruit good people to support the business," he added.

"Obviously it would be nice to at least double our turnover next year, but we are not aggressively financially targeted."

The awards ceremony will take place at Grosvenor House hotel in London on November 30.

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Scriptswitch continues to go from strength to strength, delivering significant prescribing savings to the NHS.



Pictured (from left) Mark Sutcliffe, MVI Technology, Surjit Kooner, Midven, John Workman, BPE

The £20 million Advantage Growth Fund was launched in 2003 to invest venture capital in small and medium sized companies in the West Midlands. Investors in the Fund include Barclays Bank, the Royal Bank of Scotland, HSBC, The European Investment Fund, local universities, entrepreneurs and the Department of Trade and Industry. It is sponsored by Advantage West Midlands and managed by Midven Limited.

The Fund will invest in companies for the sole purpose of generating a commercial return, and will always take an equity stake in investee companies. The initial investment in any one company can be from £20,000 up to £250,000, with further funding available up to a total investment of £500,000. Most business sectors are suitable for investment by the Fund, and the investee company must be based in one of the following areas:-Herefordshire, Shropshire, Staffordshire, Warwickshire, West Midlands and Worcestershire.

