

Independent, Impact focused IP Investment Fund for the North East of England.

Evolving great ideas into
world-changing businesses

NorthEast Capital is a venture capital fund established by MTI, an independent fund manager founded in 1983. MTI has a track-record of creating successful technology start-up companies.

Our mission is to generate financial returns for our investors whilst facilitating the North East's rediscovery of its place as a world class generator and exporter of technology and skills.

'PATIENT CAPITAL' FUND CHARACTERISTICS

Unlike traditional venture capital funds, our £30+million fund has been structured to give our fund managers and investing partners the option to recycle their profits back into the fund. This will help give our fund the 'legs' it needs to support its investee companies as they move through their development stages. Without this capability, investors can lose out on significant financial returns when funds are unable to make 'follow-on' investments resulting in an unnecessarily high company failure rate. NorthEast Capital's early stage investment expertise and experience enables us to deliver an intense programme of commercial support, alongside our pure financial commitment.

This combination of financial and non-financial support results in a fund that is tailored to address, head-on, the rebuilding of the fragmented North East technology investment ecosystem.

OUR COMMITMENT

To re-build the region's investment ecosystem for science and engineering-based start-up companies on an investment by investment basis. Our focus will be to invest in North East of England intellectual property rich opportunities emanating from our region's universities, technical institutes and industry. For more than 20 years, the region has lacked a specialist, private sector IP investment fund, which has led to the collapse of the IP commercialisation eco-system.

FUND MANAGER

Founded in 1983, MTI is an independent investment fund manager that invests in, nurtures and commercialises next generation technologies (Intellectual Property, IP). Investing in, nurturing and commercialising innovation demands specialist IP skills and experience. Our investment & mentoring skills & processes are highly customised for IP spin-outs and licensing and have been described by the European Investment Bank's Investment Fund (EIF) as "the Gold Standard".

DEAL FLOW

According to the highly respected Research Power Index, the North East's universities produce an equivalent quality and quantity of research to Oxford or Cambridge University. What is lacking is a fully functioning IP commercialisation ecosystem. This circular system includes the IP generators, experience, international commercial, financial and technical networks and financial and non-financial support.

INVESTMENT STRATEGY

We will invest in early stage, IP rich opportunities powered by extraordinary people, opportunity and technology. Our investment focus will also be significantly influenced by the availability of strategic development partners in the North East economy and local skills base and will therefore include technology advances in automotive, offshore energy, subsea technologies and the health and life sciences sectors.

Our long-standing global networks enable us to invest in technologies where there exists a defined existing or imminent technology need, aka Market-Pull investing.

Creating and investing in technology companies addressing un-met market needs.

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IMPACT

We will implement a tried and tested programme of events with our local partners that are designed to create an attractive, supportive, motivational environment for IP rich start-ups in the North East. This will have a positive impact on the local economy, not dissimilar to that which we achieved in our previous fund where three of our investees now employ 146 people and have attracted over £200m of investment from domestic & international venture capital and industrial investors.

Our outreach programme will include a range of masterclasses, networking and specific collaborative events and sponsorships; targeting and encouraging our region's technology innovators. To achieve the desired level of impact, we will dedicate in-house resource. Our fund managers are experienced presenters and will take leading roles in the programme.

In the delivery of our outreach programme, we shall work closely with local businesses, business structures and local and national government to maximise the programme's relevance and sustainability.

THE TEAM

TIM MORRIS (CHAIRMAN)

Tim is a former British diplomat with postings in Japan, Western Europe and Africa. He was twice Ambassador. Tim has extensive experience in the promotion of trade and investment and directed the UK's inward investment programme from Japan in 1998-2002, when he worked with the North East.

RICHARD HENDERSON

Prior to his appointment as Managing Partner of MTI in 2008 and immersion into high technology businesses, Richard, a Chartered Accountant, was involved in sectors including off-shore technologies, industrial equipment, and maritime e-procurement.

DAVID LIVESLEY

Industrial chemist with extensive cross-sector experience. Investing venture capital since 1999 following corporate venturing experience with Arthur D. Little. Deals include the first institutional round into Cozart (sold to Concateno for £64 million) and Amino Technologies Mkt. Cap. £94 million). NED on multiple knowledge intensive companies and 4 listed investment trusts.

DR MARK RAHN

Investment manager since 2006, and serial CEO in physical and life sciences companies. As a scientist, prior to his career in VC, Mark contributed significantly to the fields of laser physics, optoelectronic materials & femtosecond spectroscopy.

SIMON ROBESON

Founder, North East Capital. Corporate financier since 1996. Raised £160m for 50 companies including many start-ups. Originated and completed trade sales, acquisitions, licenses, strategic alliances and IPOs. FCA Regulated.

INVESTORS

The North East has a rich history of overseas cooperation and trade. As such we anticipate that our fund will also include international investors wishing to access novel, IP rich technology opportunities. Nevertheless, our credibility as a North East fund demands a proportion of the fund to be raised first from investors in the North East and secondly from the UK government.