

## NEWS RELEASE

### **East Midlands Early Growth Fund announces “Open Pitch Days” for companies seeking investment**

A regional venture capital fund for East Midlands businesses has announced that it will be holding two “Open Pitch Days” in Nottingham on 19<sup>th</sup> August and 2<sup>nd</sup> September.

We’re looking for exciting companies in which we can invest says Nick Wright, Fund Manager for East Midlands Early Growth Fund (EMEGF). Companies across the East Midlands with sound business propositions are invited to submit their business plans in confidence and those that look most interesting will be invited to pitch to the Fund’s investment panel.

Business plans must be submitted at least one week before the pitch date and all companies must take part in a telephone interview before being given a slot to pitch.

The East Midlands Early Growth Fund (EMEGF) is a ten year fund set up in September 2006 by East Midlands Development Agency (*emda*) to invest in start-up and early-stage businesses based in the region. The venture capital fund is managed by London and Nottingham-based E-Synergy Ltd, one of the most experienced and successful investment teams specialising in early stage businesses in the UK. The Fund remains open to new investments until 8 September 2011.

Despite the economic gloom, several of the Fund’s portfolio companies have excelled, across a range of sectors and regions. Northampton-based Blackstar Amps is a company backed by EMEGF. Blackstar has gone on to gain a global presence with its acclaimed guitar amplifiers, which have proved to be instant hits and are being used by many well-known bands and recognised musicians around

the world. The company recently won a Queen's Award for Export and two portfolio awards by the British Venture Capital Association. Meanwhile Rutland-based Babybond Ltd, another portfolio company, has more than doubled the number of its scanning centres to 45 and is the largest employer of sonographers outside of the NHS. It has recently launched Ultrasound Direct to expand its ultrasound scanning beyond antenatal services to include general health scanning for both men and women. Other portfolio companies doing extremely well include Nottingham-based Critical Pharmaceuticals, which was the Fund's first investment in late 2006, Leicester-based dating site Lovestruck.com and Mansfield-based medical gas safety designer BPR Medical, which now supplies hospitals around the globe.

Mike Carr, *emda's* Executive Director of Business Services, said: "Many of the companies that have received investment from EMEGF to date are becoming significant businesses in their sectors. They have also been able to use the funding to leverage additional investment.

"However, the Fund is now coming to the end of its first five years. At this point, it cannot make investments into new companies. It is therefore vitally important that companies, who are presently considering raising investment, act now. There is currently no replacement for this Fund on the horizon."

### **About the Open Pitch Days**

- Open to small and medium sized companies based in, or relocating to, the East Midlands region.
- Companies must be seeking between £40,000 and £1m in equity investment, of which half can come from the East Midlands Early Growth Fund.
- Companies must submit their business plans, via email address: [pitchday@earlygrowthfund.com](mailto:pitchday@earlygrowthfund.com) at least one week before the date they wish to pitch (19<sup>th</sup> August or 2<sup>nd</sup> September), and include their full contact details.

- Companies will only be invited to pitch after a telephone interview by an investment executive, which will cover key aspects of the business plan.

For further information, please email: [pitchday@earlygrowthfund.com](mailto:pitchday@earlygrowthfund.com)

### **About the East Midlands Early Growth Fund**

The Fund looks for companies with some element of innovation and clear growth potential, across all sectors. It is usually the first institutional investor in a company after friends and family funding, and can invest from £20,000 up to £500,000 alongside other private sector investors. The Fund will be open to new investments until 8 September 2011.

The Fund provides 'matching' finance. Every £1 that is invested must be matched or exceeded by investment from the private sector, such as a business angel or another early stage venture capital firm. Fresh investment from the founders can also be included as matching funds. On average, businesses obtain a further £2.50 of other investment monies for every £1 of Fund investment.

The fund's portfolio includes companies in a range of sectors from biotechnology and engineering to software and retail. However, it only invests in companies and business models that can demonstrate real growth potential and where the Fund's executives can add real value. To date, 90% of its portfolio companies have recorded significant revenue increases since investment and many are now trading profitably.

For further details about the East Midlands Early Growth Fund, visit [www.earlygrowthfund.com](http://www.earlygrowthfund.com)

### **ENDS**

For more information about this press release, please contact Nick Wright at E-Synergy on 07949 525 753 or 0115 701 0077.

### **About *emda***

East Midlands Development Agency (*emda*) is one of nine Regional Development Agencies (RDAs) in England, set up in 1999 to bring a regional focus to economic development.

Independent evaluation shows that *emda* has:

- Had a significant impact on the region's economy
- Generated economic benefits that substantially outweigh its overall costs
- Put back over £9 of economic output (or GVA) into the regional economy for every £1 it spends
- Produced more than £1 billion in economic benefits per year
- A wider impact on people, places and businesses in the East Midlands that cannot be captured by figures alone.

The Coalition Government announced in June 2010 that RDAs will cease to exist beyond March 2012 and that economic development and regeneration will be led by Local Enterprise Partnerships (LEPs), where locally-elected leaders will work with businesses.

*emda* is working closely with Government and partners in the region to manage the transition of its responsibilities and ensure that business has a voice in new arrangements as they develop. During this transition period, our main task remains to support economic recovery and future growth in the East Midlands.

For more details visit [www.emda.org.uk](http://www.emda.org.uk)