

manchester

TECH CLIMBERS GREATER MANCHESTER 2024 ENTRIES REPORT

POWERING A EUROPEAN HUB OF LEADING INNOVATION

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WHAT IS TECH CLIMBERS?

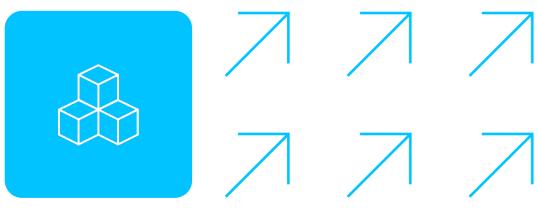
Tech Climbers is a regional list that showcases the top-performing, product-led technology businesses in growth regions across the UK.

Published with BusinessCloud and TechBlast, our mission is to shine a light on scaling tech businesses across the UK.

Through our list and events, we offer a platform for startups and scaleups to raise their profile, while putting them in front of the right people who can support their growth journey.

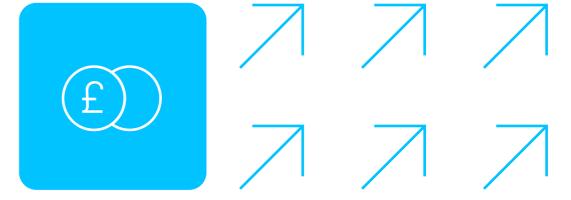


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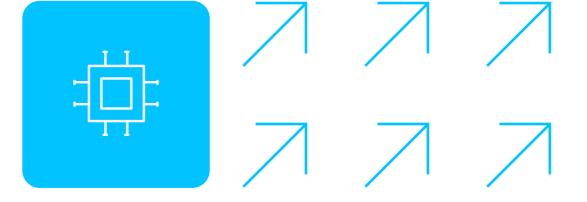
INNOVATION

Is the company developing cutting-edge technology or making groundbreaking digital advancements?



IMPACT

Is the company solving world problems, generating economic growth, and creating positive environmental or social outcomes?



INVESTMENT

Is the technology and commercial model scalable? To date, does the company have an impressive growth record that would attract investors?

THE LIST INCLUDES



THE MAIN LIST

Celebrates the leading lights in the region, making Manchester an exciting tech destination in the UK.



ONES TO WATCH

Shines a light on the up-and-coming businesses with bags of potential, which are on track for future success.

ENTRIES SOUGHT FROM ACROSS THE REGION

- → BOLTON
- ✓ BURY
- MANCHESTER
- ✓ OLDHAM
- ✓ ROCHDALE
- ✓ SALFORD
- ✓ STOCKPORT
- ✓ TRAFFORD
- → WIGAN



THE 2024 LIST

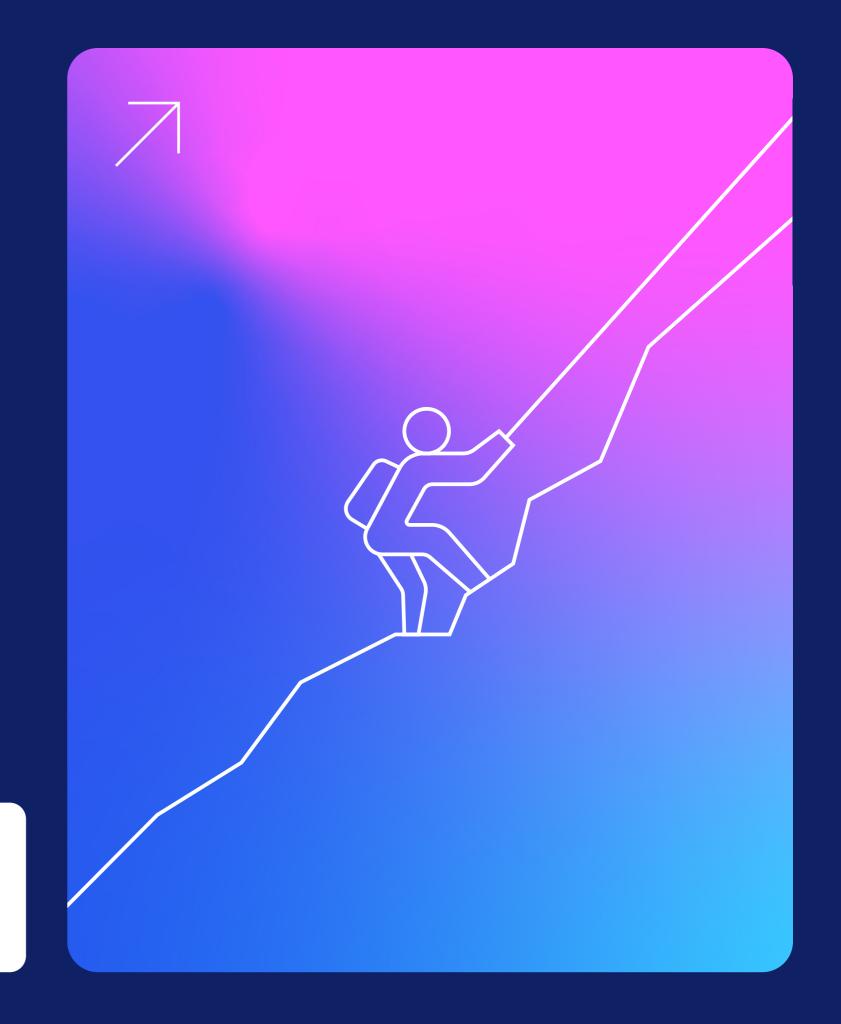
THE CLIMBERS

These tech businesses have seen significant growth, moving from a previous One To Watch list onto the Main list.









THE RETURNING TRAILBLAZERS

The tech businesses that have continued to grow, maintaining their place on the list.

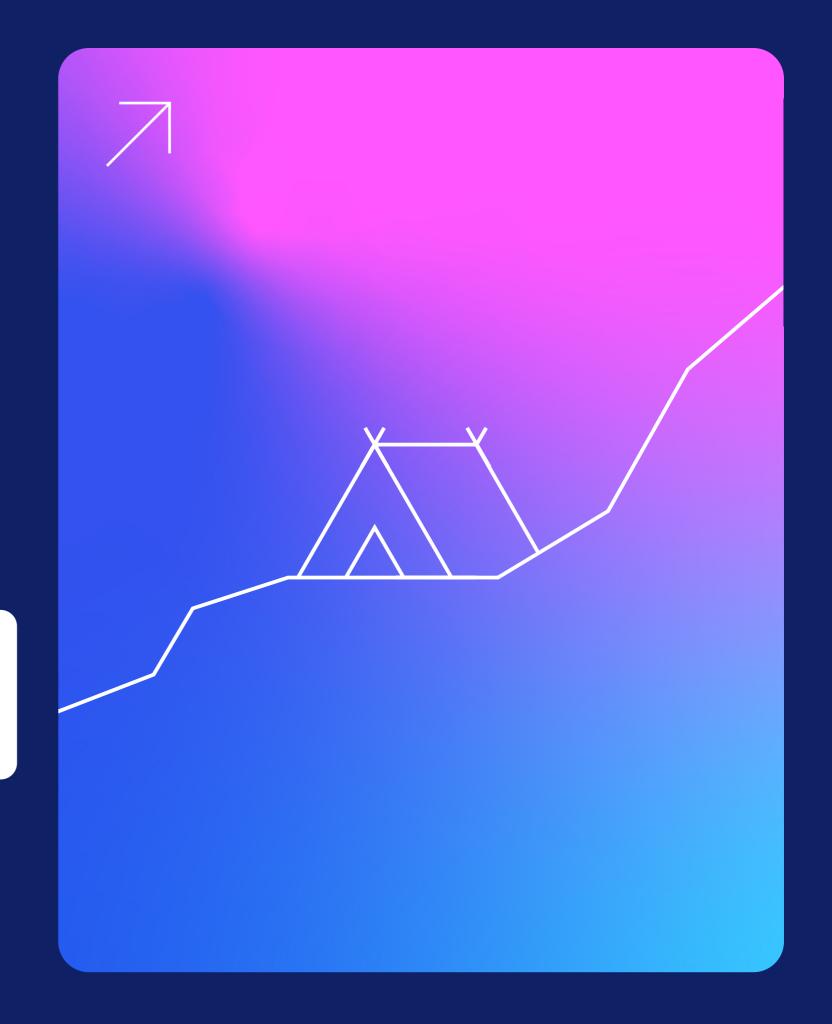




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NEW TO THE LIST

The fast-growing tech businesses that are new to this year's Greater Manchester list.









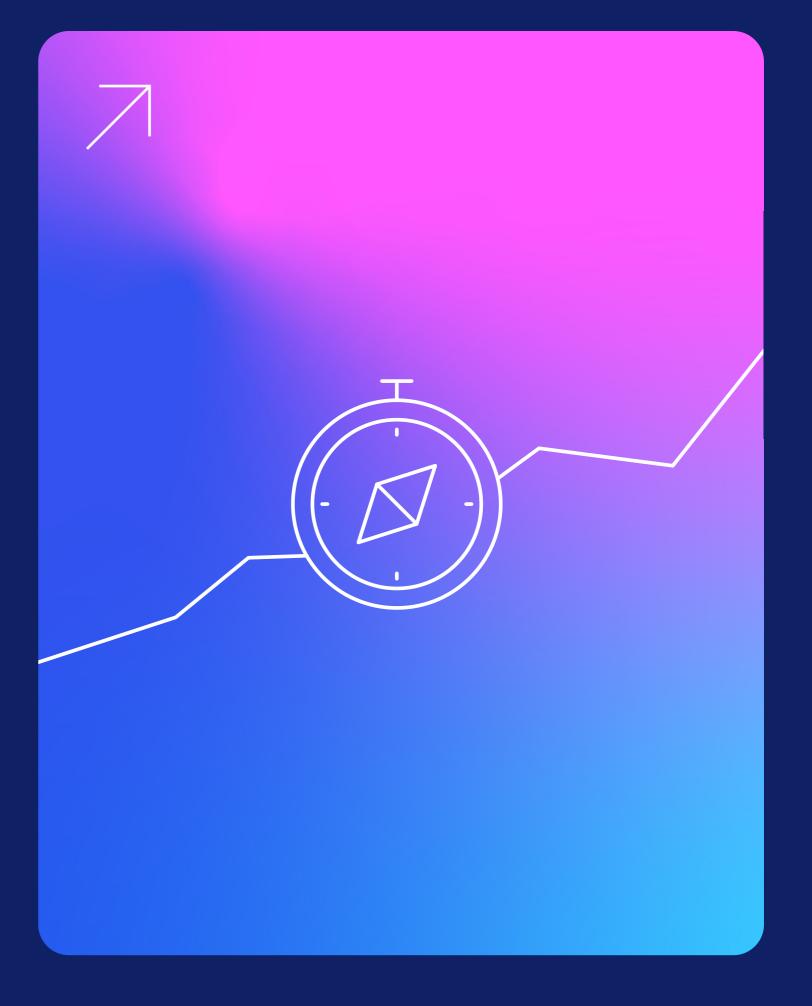




RiskSmart







THE FULL LIST

The complete list of fast-growing product-led tech businesses that are leading innovation across Greater Manchester.











































ONES TO WATCH

Early-stage startups that are packed with potential and set for growth in 2025.



















03

THE NUMBERS

BUILDING VIBRANT TECH CLUSTERS

First, a quick look at regional growth trends

7 7

DATA OF THE LARGEST ECOSYSTEMS BASED ON NUMBER OF COMPANIES

Data sourced from The Data City

DIGITAL CREATIVE

Companies:

854

Growing at:

8.9%

NET ZERO

Companies:

696

Growing at:

6.2%

7

AGENCY MARKET

Companies:

631

Growing at:

9.6%

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Greater Manchester has developed a variety of vibrant, supportive tech ecosystems that are home to over 10,000 tech businesses and employ 88,000 people.

Recent investments including Stockport's £350m new data centre and Sister, Manchester's £1.7bn innovation district, are catalysts for further investment and growth in the data infrastructure and science and technology clusters. The region offers an array of strengths including its thriving creative media, ecommerce and healthtech clusters, plus, it is also home to the UK's largest regional FinTech ecosystem, and has become a leading cyber security hub.

With recognition from the UK Government, we only expect more clusters to emerge from the landscape, as 10 projects across the city region benefit from £100m in R&D funding to accelerate innovation. One of those key areas of innovation is Al, which has already had a significant influence on this year's list, with over half of this year's entries submitted by Al businesses.



MATT ROBINSON
Head of Nations and Regions, techUK

"Greater Manchester again shows that it is one of the most vibrant tech ecosystems in the UK. techUK's Local Digital Index highlights the huge number of STEM jobs advertised in Greater Manchester, 'Innovation Intensity' scores of 30% in Trafford, 27% in Salford and 23% in Manchester, over 852 businesses in Greater Manchester receiving InnovateUK funding since 2004, and a strong bedrock of digital connectivity across the region.

Supporting high growth and scaling businesses from Greater Manchester to grow, recruit, expand and collaborate is exactly why techUK continues to support Tech Climbers and help grow the UK's tech sector."

PATIENCE TUCKER CEO, wi-Q Technologies

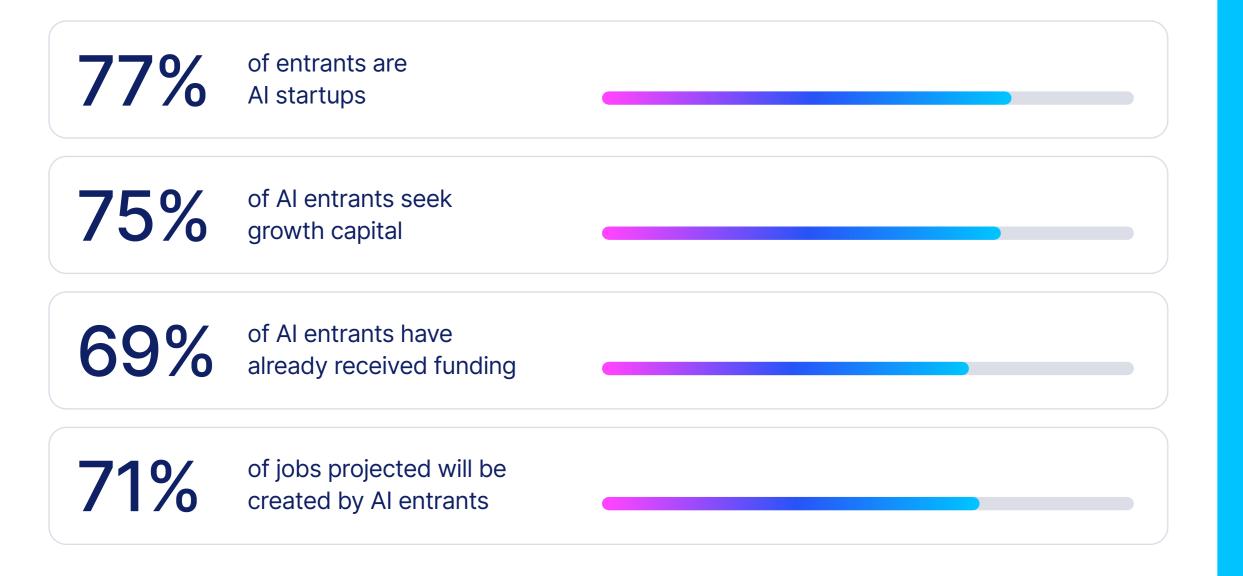


MANCHESTER THROUGH THE LENS OF TECH CLIMBERS

"Manchester is an excellent place to create and grow a business. It offers a strong talent pool, excellent transport links, and access to diverse markets, with convenient flights to the Middle East, where our largest market sits, enhancing global connectivity.

Additionally, Manchester has a thriving ecosystem with a variety of office spaces, robust founder networks, and local funding opportunities, specifically tailored for startups. This combination of resources and support fosters innovation and growth, making it an ideal environment for businesses to flourish."

THE RISE OF GREATER MANCHESTER'S AI ECOSYSTEM

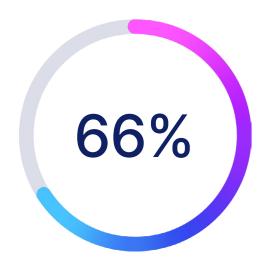




LIZ SCOTTExecutive Director,
Turing Innovation Catalyst

"It's a pivotal time for Greater Manchester's Al ecosystem. This year's stats reflect the significant shift in attitudes and innovation as the region's industry leaders look to responsibly leverage artificial intelligence capabilities to create or upgrade their solution. They now need the support and investment to ensure they're able to scale and maximise their impact across sectors and regions – and it's encouraging to see that their appetite and opportunity is being recognised by investors, with 69% of Al entrants already receiving funding."

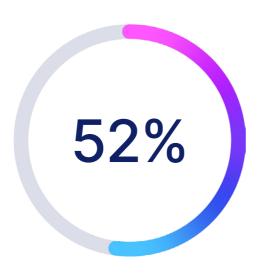
ALL SET TO SCALE



of entrants have already received funding, collectively contributing to the £73.4m* that has been raised by the region's tech businesses in 2024.



of entrants that have raised funding have an IP strategy.



of entrants said 'access to finance' was the biggest barrier to growth.

According to techUK's Local Digital Index, 563 Greater Manchester businesses have already accessed private investment, while 852 have received Innovate UK funding between 2023 and 2024, highlighting the significant investment and catalytic support the initiative is offering Greater Manchester's tech ecosystem. This has created a startupfriendly environment that's continuing to nurture existing startups, attract further investment to the North, and increase the rate of innovation through the creation of new businesses.

THE HUNT FOR **GROWTH CAPITAL**

77.4% of entrants are looking for funding to grow (+1.8% YoY)

OUT OF THESE

79%

are looking to raise seed funding (+11% YoY)

13.2%

are looking for series A funding (-7.6% YoY)

71.1%

are 'very confident' they'll secure the investment needed for growth (-20%YoY)

The region's YoY drop in confidence stats are a direct reflection of the tough year that founders have been relentlessly navigating. Yet, despite this, the vast majority have still maintained their ambitious, optimistic mindset as we head into 2025. Meanwhile, the percentage change of startups looking to seed and series A funds highlights a youthful wave of businesses that are set for a fantastic year of growth.

DANIEL HAYHURSTPartner and Head of Private Equity and Venture Capital, Brabners



"National statistics show that the last 12 months have created a tough market for founders looking to raise funding, particularly for those raising their first round, as the VC market responded to a contraction in money flowing into funds from their own investors.

The economic environment appears to now be moving back in favour of investment flowing into VC funds and we expect that this in turn will lead to an increase in new investments. There is therefore reason for founders with solid business propositions to be optimistic, with the Al and CleanTech sectors appearing particularly strong."

LEADERS CALL FOR FURTHER INVESTMENT IN GREATER MANCHESTER

"In the last 2 years, there has been a tangible increase in the support available to tech start-ups, in the form of accelerators, mentorship and networking events in the region. However, to solidify GM's position as the Silicon Valley of the North, it is important to support these initiatives with funding. Mentorship alone, albeit important, will not help small businesses grow - this needs to be fully supported with more funding."

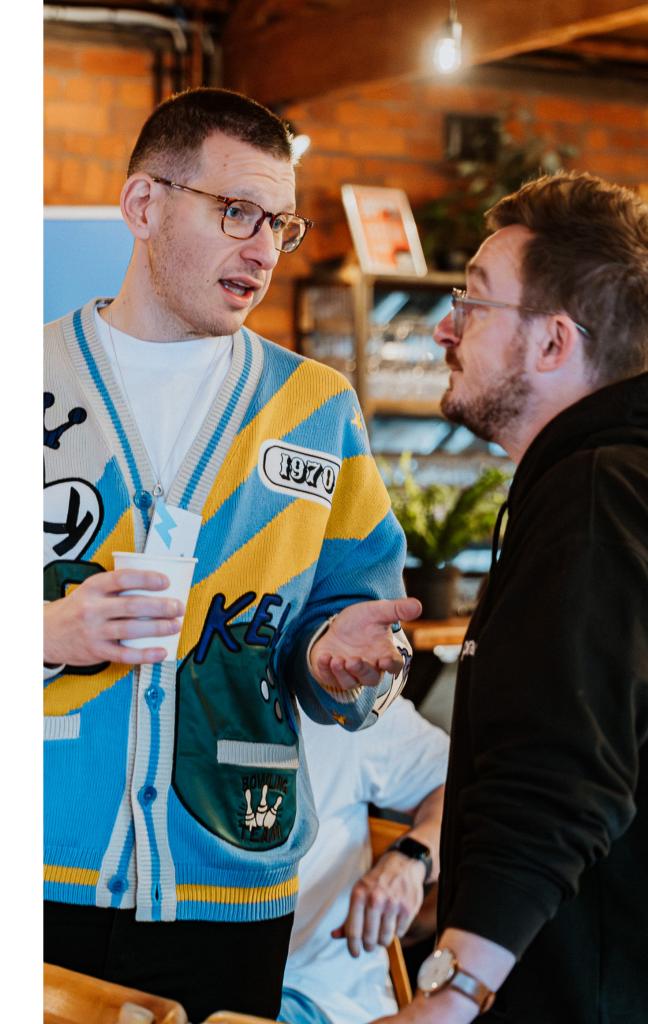
"Investment would enable us to expand our intellectual property (IP), enhance our carbon marketplace, and scale our environmental and social impact across a broader demographic. With additional resources, we can accelerate product development, onboard more businesses, and amplify our ESG solutions. Ultimately, the funding will position Carma as a key player in the growing voluntary carbon market, further contributing to global sustainability goals."



MARKELLA MIKKELSEN
Founder, Molmart Ltd



IAIN GURNEY
Co-founder, Carma



NURTURING A NEW GENERATION OF STARTUPS



NEW TRADERS

1 in 3

new entrants are in their first year of trading

27%

of all entrants are in their first year of trading



FUNDING

36%

of entrants (under a year) have already received funding

100%

of entrants (under a year) are still looking for funding to grow Greater Manchester's youthful startups are hungry for growth. With a collective of support initiatives such as <u>Turing Innovation</u>

<u>Catalyst</u>, <u>Capital Enterprise</u> and <u>Manchester</u>

<u>Growth Hub</u>, supporting the skill development and collaboration of the sector, the region's early-stage businesses have either already successfully secured funding, or are primed, eagerly waiting for investment.

THE BATTLE FOR TOP TALENT

81.3%

of entrants currently employ between 1-10 people within their company 17%

drop in entrants saying 'access to talent' is a significant barrier to growth

100%

of entrants have or are working on a diversity and inclusion strategy

48%

of entrants set aside a learning and development budget 215+

jobs projected to be created over the next year, adding to 88,000 employees in the region's tech and digital sector.

(-55% YoY)



A struggle for funding has caused a shift in priorities, with half of entrants stating that they're looking to recruit 3-5 new employees over the next 12 months, lowering the annual job projection. This could be the result of founders having their heads down in the business and unable to look to high levels of employment growth. Meanwhile, the drop in concern for access to talent is testament to the regional efforts to develop workforce skills in areas like AI.

MAT KNUTTON
Associate Director,
Robert Walters



"The ability to attract and retain top talent remains a defining challenge and opportunity for the region's tech startups.

The projected creation of 215 new jobs from a group of businesses who (for the most part) are currently sub 10 employees is not insignificant, and whilst slightly lower than last year, still shows a good appetite for growth. Less businesses now view access to talent as their biggest challenge, a reflection that they perceive a flat employment market as an indicator that more talent is available in the market, as well as other obstacles, such as access to funding, becoming more challenging. Encouragingly, 100% of entrants are actively pursuing diversity and inclusion strategies, which are essential for fostering innovation and resilience in an evolving talent landscape."

ANNA HEYES
Founder of Tech Climbers
& CEO of Active Profile





A FINAL WORD FROM OUR FOUNDER, ANNA

"Despite a turbulent year surrounded with policy change and political uncertainty, Greater Manchester's tech landscape remains optimistic and relentless as it leads the northern innovation agenda and establishes its position as one of the leading tech hubs in Europe.

This year's report showcases a variety of positive stories emerging from Greater Manchester. While it's no surprise to see an influx of AI businesses on the list, they've arrived in force and with investment, which is testament to the support, network and culture that are already in place in the region. We're also seeing a new wave of youthful startups join the vibrant ecosystem, highlighting the successful, collaborative action the city region has taken over the past few years to establish Greater Manchester as the home of innovation.

On the flip side, we've also seen global names such as IBM and Virgin O2 commit to expanding their northern footprint with a base in Greater Manchester, joining major players such as, BT, ITV, Microsoft, Deloitte and KPMG. Alongside the success of Greater Manchester's universities, Greater Manchester has cultivated a thriving, diversified innovation hub that's attracting ambitious investment such as Sister, Greater Manchester's £1.7bn Innovation Zone. And as we look to 2025, we only expect growth to continue as businesses benefit from this regional investment."

OUR PARTNERS

HEADLINE PARTNERS

Brabners

Brabners' mission to make a difference guides everything they do, pushing them to go the extra mile for clients and empowering their people to do what they do best.

Specialising in enabling public and third sector organisations and private individuals to achieve their goals, they provide a full-service legal offering to large and mid-sized businesses, SMEs, public sector bodies, charities, business owners, entrepreneurs and high-net worth individuals.



Marks & Clerk set up its first office in the UK in 1887. Today, they are a leading global intellectual property firm, working in partnership with businesses of all shapes and sizes all over the world. Providing them with people whose legal, technical and commercial expertise exactly meets their needs. Protecting, enforcing and maximising the value of their intellectual property to support them in achieving their business ambitions.

Robert— -Walters

Robert Walters delivers recruitment, recruitment outsourcing and talent advisory services to organisations of all shapes and sizes, opening doors for people with diverse skills, ambitions, and backgrounds.

Serving the UK since 1985, with offices in London, Birmingham, Bracknell, Liverpool, Manchester and Milton Keynes, the team deliver the talent solutions organisations need to reach their goals.

RATHBONES

Incorporating Investec Wealth & Investment (UK)

In 2023, Investec Group and
Rathbones Group joined forces to
become the UK's leading discretionary
wealth manager. Together, they have
one of the largest regional office
footprints, at 23 locations in the UK
and Channel Islands, combining the
best of two trusted and prestigous UK
wealth manegement businesses with
£100bn in funds under management
to support investment activities.





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