

TECHNOLOGY





FAST FORWARD LONDON

No longer just the Silicon Roundabout – Britain's technology startup scene has long outgrown Old Street roundabout where it all started. Tech City is now an East London phenomenon with global reach.

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HAVING TO DEAL WITH SO MANY ENTREPRENEURS CAN BE A BIT INSANE ON OCCASION, BUT IT'S MASSIVELY REWARDING

– JON BRADFORD
MD of TechStars London

Ion't call it Silicon Roundabout – Britain's technology startup scene has long since outgrown the Old Street roundabout, where it all started.

Tech City is an East London phenomenon, and the best thing is this: under the hype is the real deal. "We've only just seen the cusp of what is going to happen in the next ten years," says Jon Bradford, Managing Director of TechStars London, the startup accelerator. "We're only standing in the foothills of the potential of what can be achieved."

Bradford's enthusiasm comes across despite his nature of being "hugely cynical", and as one of the most experienced professionals in the scene, his opinion should be one to trust. Before heading up the internationally renowned TechStars, Bradford co-founded Springboard in 2009.

"I think underneath everything there is a huge amount of value being created, and it could profoundly change all of East London."

A whopping 15,720 new businesses were set up in the EC1V postcode in 2013, according to research from the UHY Hacker Young accountancy, with no other area coming even close. Eleven of these companies took to the stage at TechStars' DemoDay, concealing their exhaustion as they presented their ideas in tune to the music; they're fresh from the accelerator's 90-day bootcamp programme, which aims to whip them into shape with a mixture of mentoring from industry experts, a bit of startup cash, and an inspiring environment.

Going through an accelerator programme isn't the only way to make it in East London, but getting good advice is vital: "For startups, time is the most critical thing. Doing a startup is really hard! So how do you create an unfair advantage for yourself?" Access to funding is one factor, says Bradford, but really, it's all about the network. But is there a formula to building a startup?

"The honest answer is that I don't know. To do a successful startup is the exception to the rule. You're constantly in the stage which I call, 'How do you turn a zombie into a real live person?' Of course, there are plenty of ways to support a company to increase its chances: But there's this latent potential you need to be entrepreneurial.. At such an early stage, you're really placing a bet on the team more than anything else."

Technically you can start a tech company in any location, says Bradford, but London would probably be better: "I strongly believe you need critical mass in a single location to make a successful [startup] ecosystem. You need the institutional knowledge of people who've been and done it before."

These factors have traditionally been what gave Silicon Valley such an edge, but as the London tech scene is growing, this is starting to change: "A startup will ordinarily take seven years to go from start to end," says Bradford, excitedly pointing out that London's first seven-year cycle is coming around right now. "This is when life becomes really interesting, because you can encourage those [first founders] to come back and do it again." Or, those first founders may choose to become investment angels: "There are more entrepreneurs now out there writing angel cheques," says Bradford.

Of course, Bradford refuses name favourites from the eleven teams who have just dazzled the DemoDay audience. He will, however, give an example of a company that ticks the boxes that indicate success: ShortCut, whose app enables people to buy food and drinks at sports and music venues without needing to queue.

Bradford lists the factors: the founders have a track record in related industries, and there's the right combination of sales and engineering skills. "Not to mention that when you speak to them they are just genuinely awesome. They are smart enough that if their first idea doesn't work they can pivot into other things inside that market."

Spatch is another startup that tickled the imagination at DemoDay, as the company that wants to revolutionise email by making it a contextualised and intuitive tool for the future. "Spatch is gutsy! Is it a bit insane? Totally!" Bradford laughs. "But Mick [Hagen, co-founder] has as much capacity to do this as anyone I've seen." With such a lofty idea, it helps that they're not 22 and have been around the block. "A less experienced team needs to do something else to prove they have the capacity to deliver, such as having revenues and backing" says Bradford.

It's clear Bradford gets a kick out of what he does, something he readily admits: "My favourite thing about my job is that I get to work with people who are smarter than me!" He laughs "Having to deal with so many entrepreneurs can be a bit insane on occasion, but it's massively rewarding."

Bradford pauses for a moment. "My motivation in everything I do is to help the wider ecosystem. I do TechStars which supports ten teams every nine months, and I have a bunch of people who come and support me supporting the teams. Even though during the programme, I shake my fist and swear at them a lot!" Because of course, part of the point of a startup is to find unpredictable ways of doing things: "You need people who don't follow the normal cycle, who go and break the rules."



WHAT MOTIVATES ME IS GIVING PEOPLE OF ALL AGES ACCESS TO DECENT WORK OPPORTUNITIES

— SINEAD MACMANUS
Co-founder and CEO of Fluency

Fluency an interesting idea – a crowd-work marketplace teaching digital skills to people and pairing them with companies – but it's also a force for social good.

Which of these motivators came first is hard to say for co-founder Sinead MacManus. "What motivates me is giving people of all ages, not just young people, access to decent work opportunities. That's what gets me out of bed in the morning. We want to be a global business that gives work opportunities to people regardless of whether they're from Scotland or Bangladesh."

The other side to Fluency is providing services to the companies that end up hiring these newly trained people. "About three years ago I was working as a freelance coach to small businesses, helping them with digital elements," says MacManus. This included things like how to put together a website, digital marketing and social media. "While lots of clients saw the need for this, they often didn't have the time to execute the work, so I was constantly asked if I could recommend someone."

A good social business, says MacManus, is one

that fills an actual market gap, "rather than trying to shoehorn a social impact into a market that doesn't really work."

Living in East London, MacManus feels a need to make sure the opportunities brought by Tech City also benefit the communities who were in the area before all the excitement. "I wanted to see how we could connect these two elements."

Fluency is MacManus's first business as a co-founder, alongside Ian Anderson. "It's terrifying and exciting! There's something about being in East London right now. It's hard to describe the energy here. There's so much opportunity."

There's also the irony in the fact that MacManus, whose 2012 TEDxSquareMile talk is all about being a digital nomad, is now excitedly talking about moving into a new Shoreditch office: "If you'd asked me three years ago if I'd become a startup CEO with an office, I would have said you were insane," she laughs; MacManus was living in Spain back then, working from her laptop. "I see this, in the medium term, as the role for me. But I have so many ideas about startups that I think can change the world."



OUR VISION IS TO MAKE FASHION PERSONAL AGAIN TO DEMOCRATISE CUSTOMISATION AND MAKE IT ACCESSIBLE TO A WIDER AUDIENCE

— ROBERTA LUCCA
Co-Founder and CEO of WonderLuk

3D printing has a futuristic ring to it, sounding a bit like something you'd find on the Starship Enterprise. But that was before Roberta Lucca, co-founder of WonderLuk, came along: "3D printing is the innovation fuel we use to reinvent how fashion and accessories are made. Some WonderLuk designs could never be manufactured through any other method."

WonderLuk wants to become a destination for 3D-printed jewellery, using this new manufacturing method to bring out bold, fun accessories. "Our vision is to make fashion personal again, to democratise customisation and make it accessible to a wider audience," says Lucca. "The timing is just right. Personalisation, co-creation and sustainability are becoming extremely valuable to consumers."

Jewellery is only the first step for WonderLuk, there are plans to expand into homeware, eyewear and footwear ranges within the next year or so. 3D printing means WonderLuk can create products on demand, so the group can promote independent, non-mainstream designers at minimum risk.

"We have big ambitions," says Lucca, who founded the company with Andre Schober. "We want WonderLuk to be the Net-a-Porter for the

modern fashion consumer; the place where they know there is something unique for them, but more, a place where they can truly co-create with fashion and jewellery designers."

Originally from Brazil, Lucca considers herself a Londoner after seven years in the capital. "The experimental culture is everywhere in East London, from the bars and cafés to the startup hubs and events. It's even in the way people express themselves," says Lucca, whose offices off Hoxton Square include a creative lab. The space is now being transformed into a showroom, so customers can come and try out the pieces.

As WonderLuk collaborates with designers, developers and creatives across Europe to build not only the business, but also a designer collaborative, it helps that this is Lucca's second time on the startup merry-go-round. "Building my second startup has made me feel even more in-tune with what really fulfils me: to create something of value to the world. I've learned two big lessons: hire carefully, and pivot with no fear if what you set out to do isn't working." And above all, asserts Lucca, if you're thinking of setting up your own company, remember what designer Charles Eames said: "Take your pleasure seriously."



THE TECH INDUSTRY HERE IS BOOMING... LONDON HAS SUCH A DIVERSE COMMUNITY, SO IT'S A GREAT PLACE TO TEST A PROJECT

— MICHELLE SONGY
Co-Founder & COO of Spleat

Running a startup means you have terrible work-life balance, says Michelle Songy — but this is no bad thing. The co-founder of Spleat, the mobile payment app that provides a simple way to split a restaurant bill, is having a great time, especially now as she lives within walking distance of her Old Street office.

"It's so nice to be around in the scene! It really feels like you're part of a community. Before I moved here [from West London], work and social were separate, but now it all converges. You meet more people than ever you would just through work. Or you meet someone for work and then go for a drink, and end up going out. It's fun!"

Scouting out the Shoreditch leisure scene is part of the job for Songy, as her company sits at the intersection of leisure and finance. "The tech industry here is booming, and so is the restaurant industry. London is huge and has such a diverse community, so it's a great place to test a project," says Songy, who started the company in February, after coming from a background of corporate finance in the food and beverage industry.

"We have plans for expansion to other cities

in the UK, and then Europe and the US."

The idea for Spleat came over a year ago, when Songy and her co-founder, Charlotte Kohlmann, were working in large corporations in London. Even though they're both Americans, Shoreditch was the obvious place: "We thought long and hard about that. The payment sector in the UK and Europe is less crowded than in the US, but also, the London tech community is great. All the startups are looking to help each other. When we first started talking to people, everybody was brilliant at giving us contacts."

Right now, Spleat operates from a co-working space just off the City Road: "Most of the other companies here are also early tech, so it's like having a big focus group around! For where we're at right now, this is perfect," says Songy, whose motivations include a desire to create a working environment different to what's common in large corporations. "We don't want to have that stress on Sunday about going to work on Monday, like so many people I know. We want to create a really good environment, where people enjoy the work and the work atmosphere."





I THINK THE LONDON START UP ENVIRONMENT IS GETTING A LOT BETTER

— DAMIAN KIMMELMAN
Founder & CEO of DueDil

It's a hectic week for Damian Kimmelman, who's trying to catch up after an even more hectic week just gone. "I have a crazy day today. Last week was the Founders Forum, so I haven't been in the office as much as I would have liked, running on three hours of sleep a night."

But that doesn't mean the founder of DueDil, the public database of private company information, isn't on point. "There's a fundamental need for basic information to be provided on every company," says Kimmelman, emphasising that this is a legal obligation across Europe, where DueDil operates. This is a fact Kimmelman often had to stress in the early days, when some people assumed what the company did was illegal.

DueDil fits into the trend of improving transparency in the financial sector, but Kimmelman is quick to explain that the company had a hand in making this development happen. He tells the story of how ActionAid got in touch shortly after DueDil's 2011 launch, asking for information that ultimately led to Google and Starbucks facing accusations of tax avoidance:

Unusually, Kimmelman is a solo founder,

although DueDil is not his first startup. "I think the London startup environment is getting a lot better. If I was a first-time founder now, the opportunities would be better than when I started out. I think I had a much more belligerent attitude then," he laughs. "But it's still tough!"

Shoreditch lacks some of the "serendipity" created by the sheer size of the Silicon Valley support network, but London has a number of other advantages. "There's a huge groupthink in the Valley, and they can be a bit ignorant about the rest of the world," says Kimmelman. "There's a huge amount of staff poaching over there, whereas one of the greatest things about being in London is all this incredible talent from across the UK and Europe."

As DueDil grow from a scrappy startup to a company with a three-digit employee number, Kimmelman is discovering new challenges: "We have to think about things like career progression, as there are a lot of ambitious people in the company and we need to do right by them." He laughs: "As we're scaling up, I seem to have a new job: HR!"



LONDON IS AT THE FOREFRONT OF INNOVATION AND CREATIVITY

— SARAH WOOD
Co-Founder & COO of Unruly

There is an infectious enthusiasm to Sarah Wood, co-founder of social video marketing platform Unruly. "This time five years ago there were five of us in a leaky office. In five years' time we'd like to be recognised internationally as the global leader for video marketing technology."

This may be well on its way to happening, as Unruly seems to have nailed something most marketers are desperate to do: making content go viral. "We've tracked 430 billion video views, and our data set helps brands crack the code on social video sharing," says Wood. The company has been building its database since 2006, taking into account things like emotional responses and social motivations. The result: Unruly can now predict how shareable a video will be with 80% accuracy.

As she talks about how Unruly wants to #DeliverWow for global brands and agencies and #ShareTheLove, Wood speaks in actual hashtags about having a positive impact on employees, partners, and the local economy in East London. "London is at the forefront of innovation and creativity. It's a city which absorbs newcomers and takes its digital economy seriously," says Wood, pointing to a report by Oxford Economics suggesting there are 34,000 tech outfits in London

right now. While entrepreneurs in London have a good support network of co-working spaces and inspirational startup events, plus backing from the City, Wood thinks the opportunity also represents a challenge. "We don't want a Silicon Bubble to emerge in London, with only a small proportion of the population enjoying the fruits of success. Digital inclusion is the key to sustainable growth."

At Unruly, the temptation may be to watch viral videos all day in the name of research, but Wood, with co-founders Matt Cooke and Scott Button, have clearly been busy building their empire. Unruly now has 12 offices across the world, employing 150 people. "It's been an incredible experience: intense and enormously rewarding. Starting up a company is not dissimilar to setting up home and starting a family; trust is the cornerstone of a strong co-founder relationship."

Wood lives close to the company's offices, just off Brick Lane in a former toy factory. "We still spend a lot of time playing," says Wood, adding how maintaining a strong culture is very important as the company grows. This means making time for things like #PingPongFightClub with their tecchie neighbours, as all the Unrulies still play. "Ping Pong is the skinny jeans of sport!"