

Foreword

The Northern Powerhouse Investment Fund (NPIF), supported by the European Regional Development Fund, has achieved a number of significant milestones over the last three months, owing to the strong momentum generated across the region. Having been a part of its development from the beginning, it has been exciting to see NPIF being effectively utilised to make a real difference to businesses in the North.

The achievements we've witnessed so far are testament to the entrepreneurial spirit found in the North. Our fund managers continue to witness high numbers of enquiries from SMEs seeking finance, demonstrating the unwavering demand from Northern businesses to pursue growth. As a result of this, NPIF is now investing actively in all 10 LEP areas across the Northern Powerhouse region.

Across the business community, it has been pleasing to see corporate finance advisors, the Growth Hubs, banks and accountants, all referring clients to the fund managers.

Recently NPIF hit yet another milestone as it reached its 100th deal. I'd like to thank all the fund managers and everyone involved in the participating LEPs for their collaborative effort in ensuring vital funds are efficiently invested in high growth businesses. I would also like to express my gratitude to the project team at British Business Bank, who continue to work behind the scenes to deliver what is proving to be a hugely impactful Fund

While NPIF has taken great strides in supporting growing businesses in the region, by working together with our fund managers and other partners we can do even more for the regional economy.



We look forward to seeing what further opportunities NPIF can bring for other businesses in the North as we continue our quest to unlock the potential of the region and create a stronger Northern Powerhouse.

**Grant Pegg, Director
at British Business Bank**

NPIF approaches £20 million mark



The £400m Northern Powerhouse Investment Fund is set to celebrate another milestone after investing almost £20million in high-growth businesses across the Northern Powerhouse region.

The significant achievement follows the £10m milestone achieved in September, which was announced by British Business Bank CEO Keith Morgan as he spoke to an audience of several hundred entrepreneurs,

investors and local businesses at Venturefest Manchester.

Mayor of Greater Manchester Andy Burnham, who welcomed delegates at the event, later commended NPIF, saying: "As we look to rebalance our country's economy, this fund's approach can show the benefits that investment in the North has locally and across the UK."

Since NPIF's launch in February, appointed fund managers have provided funding and support to over 100 businesses across a wide range of industries, including technology, advanced manufacturing and renewable energy. The additional finance has enabled these businesses to take the next step on their growth journey, whether that be through the launch of a new product, expansion into a new market or investment in new facilities.

One of the latest investments to edge the Northern Powerhouse Investment Fund towards this significant milestone was a £500,000 funding round into

Huddersfield-based software company Adventoris, which includes investment from NPIF - Mercia Equity Finance.

Roger Marsh OBE, Chairman of the NPIF SOB and Chair of the Leeds City Region Enterprise Partnership (LEP), said: "I am delighted that we have hit this investment milestone and that Adventoris, as well as other businesses across the region, are benefiting from this support. NPIF is allowing businesses to flourish and that is very pleasing to see."

According to James Clarkson, CEO of Adventoris, the investment will be used to scale up the company's sales operations as it seeks to significantly expand its sales force. He also added: "While there is a large range of funding options available for SMEs in the region, we found working with NPIF to be the right option for our circumstances and needs."

Since this milestone was announced, the ongoing momentum and appetite for funding has resulted in NPIF now being at nearly £20 million invested.



Deal Roundup

The appetite for funding remains strong across all LEP areas. This has enabled NPIF to secure a strong pipeline of deals in a wide range of businesses. A combined total of almost £1 million has been invested into the following six businesses through the NPIF appointed fund managers:

Revolution Waves

York-based Revolution Waves Ltd, a low-calorie soft drinks business in its first year of trading. The company has achieved excellent sales in Tesco and Co-Op, and also donates 5p from every bottle sold to NHS charities. The loan will help the business achieve continued growth through the creation of nine new jobs.

NC Training

Cumbria-based NC Training, a training and apprenticeship services provider which delivers training across a variety of topics, from IT and management to health and social care. The funds will be used to recruit additional staff and IT equipment required to support the growth in demand of its services.

Nicola Cassley, Director of NC Training, said:

"I can't recommend the Northern Powerhouse Investment Fund enough. Mark at BFS guided me through the process every step of the way which made it extremely straightforward. The funds, which became available within 48 hours, have already enabled the purchase of new ICT equipment and the recruitment of two additional staff. The extra funds will also allow us to upskill our workforce and expand our business capabilities as we take on new contracts."

Omega Product Services

Blackpool-based Omega Product Services, an LED lighting specialist which supplies to the electrical wholesale market. The loan will allow the company to take on new sales staff and diversify its product range to offer customers a more extensive line of products.

CEMOS Solutions Limited

Liverpool-based CEMOS Solutions Limited, a cloud-based digital platform developer which creates mobile applications that are tailored for health, fitness and wellbeing. The investment will allow the company to diversify its first digital product, Get Event Fit, whilst also developing new health and wellbeing products.

Ash TV

Award-winning Hull-based video advertising start-up, which has developed a novel in-browser video advertising platform for mobile devices. The company recently expanded into mainland Europe and will hire additional staff using the funding to support its ambitious growth plans.

Cress Systems

Tees Valley-based CRESS Systems, an energy storage provider for industrial energy efficiency which has developed a product for the container ports market. The funds will be used to take the product into production.

Deal in Focus: Televideo

NPIF provided £150,000 worth of debt funding to the Sheffield-based outside broadcasting company, which is one of the UK's leading suppliers of sports programming.

Established over 40 years ago, Televideo produces hundreds of hours of original content each year for broadcasters including the BBC, Channel 4, Sky Sports, BT Sport and Premier Sports. It also acts as host broadcaster on a range of major stand-alone events such as the European Aquatic Championships, the Rugby League World Cup and the ICC Women's World Cup.

The investment, completed by NPIF - Mercia Debt Finance, will be used to fund new equipment and upgrade an additional outside broadcast unit to 4K or Ultra HD - the new high definition TV technology. In addition, the company, which employs 59 staff, plans to create a further five jobs over the next 12 months.

**Peter Sorsby,
Investment Manager
at Mercia Fund
Managers, said:**

"Televideo is one of the UK's largest and longest established outside broadcasters and is highly respected in its field. With technology continually changing in the TV and entertainment sector, it needs to invest in regular equipment upgrades to maintain its position as an industry leader. This funding will allow the company to meet the growing demand for outside broadcasts using the very latest high-definition technology."



NPIF is now investing in all 10 LEP areas and is already starting to have a positive impact on businesses in the region



Microfinance

£25k - £100k

www.npif.co.uk/microfinance



Debt Finance

£100k - £750k

www.npif.co.uk/debt-finance



Equity Finance

£50k - £2m

www.npif.co.uk/equity-finance

Q&A: Meet the Fund Manager



Name: Ryan Bevington

Company: Maven Capital Partners

Job title: Investment Director

NPIF area: North West

Describe a typical day as a fund manager.

The great thing about my job is that no two days are the same. Most days will start early in the office but I could be out meeting businesses, at networking events or in board meetings of portfolio companies. I get to meet some great people and see many interesting investment opportunities, although at the end of the

day, there will always be lots of calls and emails to return which can mean some fairly busy days!

What is it like working with SMEs across the North?

The North is a dynamic region which has developed hugely since I started working in Manchester and Leeds 20 years ago. I think each city and region in the North has a slightly different feel to it but they all have a vibrant SME community underpinning the local economy. We enjoy working with these businesses to help them achieve their ambitions and meeting new businesses is the part of the job we enjoy most.

What characteristics do you look for in a new deal?

The main thing is a strong management team, who have the experience, entrepreneurial drive and talent to build a successful business. We are sector agnostic and believe there are good businesses in every sector, and we understand the growing pains faced by most small businesses. We also like to think we provide more than just the capital to help a business grow, and try to lend our experience and network to support the businesses in different ways.

Which sectors should we keep an eye on in the North at the moment? Niche manufacturing is a strong sector in the North and we hope to invest in a number of these businesses for the Northern Powerhouse Investment Fund. However, it is clear that the North has a burgeoning technology sector, and many tech entrepreneurs are choosing the North as a base to grow their businesses due to the infrastructure and skills available.

Proudest career achievement to date.

Building the team and business we have now got in the North at Maven. When I started here around 11 years ago, there were two of us in the office with one portfolio company. We now have a team of 12 people (and still growing), opened a new office in Preston and built a portfolio of over 30 companies in the North, with a good number of successful exits behind us.

What do you do in your spare time?

I don't have much of it due to three children aged five and under including a nine-week old! However, I do still play competitive lacrosse at the weekend. I also try to get out now and then to play golf and go to the odd Man City game, though I can't remember the last time I did either!

LEP Perspective: Humber Business Growth Hub



Never has the time been better to invest in the Humber. That's the message being communicated to inward investors and local companies as the area rides on the back of significant investments made to benefit its key sectors.

The Humber is in the midst of an economic resurgence, with the estuary very much a key asset in driving that growth. Key sectors in energy and offshore wind have resulted in the region being recognised at the forefront of worldwide wind energy development,

an enviable position worthy of the UK's 'Energy Estuary' tagline.

With the estuary at the heart of our region's growing reputation, major businesses and partners in key sectors have continued to invest in the Humber, resulting in more jobs and greater opportunities for start-ups and SMEs to invest in the area.

Hull's year as the UK's City of Culture has also played a key role in attracting investment in our region, with major developments adding to the city's pull for new business. Hull is just one example of the support and ambition being given to the local economy, with the area scooping the top prize at the Enterprising Britain Awards.

The partnership with the Northern Powerhouse Investment Fund (NPIF) is vital in unleashing local investment, productivity and job creation for the area. The fund managers have a wealth of knowledge and experience and are able to work with our local companies to provide the right finance and equity solutions to meet their growth plans.

NPIF has got off to a great start in the Humber with almost £1m of lending and investment since its launch at the beginning of the year. NPIF can make a real difference to a company's future as it can provide the funds, often alongside traditional lenders, to bring forward projects and expansions.

The types of businesses and organisations coming forward for investment cover a variety of sectors and stages of growth. The funding has not only supported cutting-edge tech companies such as Ash TV and Electric String, but also engineering, manufacturing and service sector firms, with further investments in the pipeline.

Working alongside our Humber Growth Hub and the Growth Hub advisors, the NPIF fund managers have been able to establish relationships with businesses in the Humber who need financial support to facilitate growth projects and expansions.

Phil Glover, Growth Hub Programme Manager