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OION at Venturefest 2011: A pictorial review

Over 7,300 investor, innovators and entrepreneurs attended this year’s Venturefest at the Said Business School in Oxford .



The OION investment meeting attracted a large number of attendees and there were plenty of opportunities to

network with the presenting companies at their stand in the Foyer.



Our keynote speaker, Ken Cooper from Capital for Enterprise (CfE) was talking about the role of CfE in the innovation funding space and particularly the new Angel Co-investment Fund which will be launching in the Autumn.



Historic Futures closes over-subscribed round which includes OION members



HISTORIC FUTURES
the future is history

Historic Futures Limited (HF) are recognised experts in supply-chain traceability with world leading technologies and consulting expertise. They make it possible for brands and retailers to visualise their entire supply-chain, from finished product to primary production and to communicate good practice to their customers. HF developed String, a secure, online subscription service allowing batch-level product information to be shared easily throughout the supply-chain. Visibility through the supply chain enables customers to make considerable cost savings as well as measuring their Sustainability performance.

They have so far raised £880k at second interim closing against initial target of £750k and are still open for further investment until the end of August (up to a limit of £1.25m)

Next Pulse device planned for Isle of Skye waters



PulseTidal
POWERED BY NATURE

Pulse Tidal is at the forefront of developing ways of generating electricity from tides and is working on developing the world's first commercial shallow water tidal energy system close to the shore at Kyle Rhea, the narrow, fast-flowing straits between the Isle of Skye and the Scottish Mainland. Having already demonstrated that its system works in the Humber, it says a single Pulse device – which sits below the waves – could generate 1.2MW at Kyle Rhea and an array of devices would have the potential to generate 20MW.

Pulse Tidal first presented at OION in 2009 and raised part of its funding through OION investors. It came back last October, after hitting all of their milestones, opening a new round for £2m to include new investor equity of up to £500,000 alongside existing corporate investors. Again it raised part of this funding through OION.



Neotherix has applied for NIHR i4i funding (for its RegeniTherix scaffold-POCT development opportunity) and has been accepted for the Expression of Interest stage: They have also made full application submission for the Technology Strategy Board Developing RegenMed Therapeutics call and should have news by September



The latter is to take its EktoTherix tissue repair scaffold into the clinic for a first in man study in Q3 2012 and to gather the data needed to reach the value point of submitting a CE Mark application.

The company has secured funding from the Science Bridges China programme and is hoping to start work on a follow-on project to further develop its PhotoTherix antimicrobial-loaded scaffold technology for oral surgery and wound care applications in September.

Orbital Power have a number of Venture Capital & Corporate Finance agents interested. They have presented to The London Technology Fund and they have said they are interested in investing up to £750K with matching funds from other co-investors.

They have had a significant meeting with the largest engineering consultancy to the Automotive Industry in Europe who are interested in their engine technology. Major OEMs are looking for a generic mid-term Electric vehicle solution which is significantly more efficient and more eco-friendly than what is currently on offer.



ORBITALPOWER¹™

On the Technical front the Engine Testing Programme is going well. The ASTM Board (American Society of Testing & Materials International) has categorised the engine as a 'Reciprocating Engine' and testing to the highest possible standard in that category which is a 'Manned Aircraft' engine. The Testing Programme certifies our product warrantee that the engine will run for 500 hours before any preventative maintenance needs to take place.

Avoco Medical presented at the May event, held at Conference Centre Oxford. They have had follow up meeting with interested parties. Early days but MHRA clearance is now complete and injection moulding of some of part of the ceramic device is developing well.



Hallmarq, another company that presented at Venturfest this year have received funds and commitments of approx £0.7m out of the £1.1m target.

Hallmarq designs, manufactures and supplies MRI systems to the global veterinary industry on a pay-per-scan basis.



Live Talkback, one of the companies that presented at Venturefest has recently confirmed the contract with the new XFactor programme, with several more live programmes under negotiations.



Live Talkback

Live Talkback allows live audience interaction for events, conferences, meetings, TV and radio broadcast by enabling audiences vote for free throughout an event by providing a complete solution to Vote from mobile phones or PCs, Display live results on screens at the event and create polls instantly.

If you have interest in any of these opportunities then please contact Eileen Modral direct

New Opportunities

Telemarco is a Mobile Marketing Agency who delivers innovative text and voice based mobile communications. Significant investment in both technology and building partnerships has allowed joint ventures with major media partners in India, Spain and the USA. What sets us apart from other Mobile marketing agencies is the breadth of offering that allows highly integrated and targeted delivery. Revenue generating already, the company is seeking investment of £300k to capitalise on this growth market, with projected turnover of £43 million in year 3 with a net profit of £4.1 million.

Micrima, a spin-out from Bristol University, has developed a system that utilises harmless radio waves to locate breast tumours. A high-res, 3D image is obtained via a compact, low cost, portable, screening system, requiring no breast compression to achieve its images, the patented and clinical system has been used on over 300 women with results at the top end of expectations. On the strength of the latest results, the company is in dialogue with leading global breast imaging companies and seeks to raise up to £750k, £300k of which is identified.

Enal is a Company specialised in materials recovery from difficult-to-recycle waste streams, seeking funding of £1.2M to support construction of the first commercial scale plant of award-winning technology for recycling plastic and aluminium laminated packaging. The Company, formerly a spin-out from Cambridge University, is already backed by several members of Cambridge Angels and Cambridge Capital Group with pledges of £420k from Angels. In addition pledges of £300k of non-equity sponsorship for the plant from two multinationals to package their products with potential for a further £450k from several other similar parties.



Current Opportunities

Company A is a franchised energy saving solution for businesses, that floods a building with online smart meters and then remotely analyses the data using sophisticated server based software. Two international franchise areas have been already sold and customers include IBM, Honda and many schools and universities. £400k is being sought for working capital and to expand the franchise network. (£400k)

Company B has created a prototype social alarm which renders obsolete the “red button” neck pendant speaker-box alarms. The patented “intelligent-wearable” has speech, falls temperature and video functionality for the frail and elderly. The technology can provide a wireless alternative to Ultrasound, ECG, respitrace and lab-blased blood analysis using micro-accelerometer. (£600k)

Company C has developed an innovative road-mounted instrument housing sensors, electronics and communication software. The system can determine tyre pressure, load distribution, vehicle weight and speed without any equipment on the vehicle. Investment is required to fund customer trials and accelerated testing. (£250k)

Company D is an innovative and commercial life science company specialising in the development of prescription pharmaceuticals, OTC products and functional ingredients, derived from plants. The company is in negotiations with a number of global healthcare, food and personal care companies. £1m of acceleration capital is sought to commercialise its portfolio (£1m)

Company E is a startup focused on making TV better by connecting audiences to each other and TV makers with audiences. By engaging audiences with TV shows the product adds value to TV show producers by providing a more engaged audience with the show and can increase revenue. Customers include ITV, Sky, and Liverpool FC

Company F has a very experienced team and designs, manufactures and supplies MRI systems to the global veterinary industry on a pay-per-scan basis. The Company's initial product is focused on the equine industry. The company is now seeking to leverage its technical skill and market knowledge by entering the much larger companion animal MRI market. (£1.1m)

Company G formulate solutions for industrial customers who need nanomaterials to optimise the performance of their products. Applications in the development include solar cells, polymer composites, display screens and fuel cells. The company is revenue generating with a significant pipeline of future customers. £400k is sought to increase commercial operations and drive sales. (£400k)

Company H's system is a disruptive IP protected technology for measuring the level of potentially lethal carcinogenic toxins in food. As a platform technology, further applications can be developed in other food safety sectors as well for medical, pharmaceutical and environmental uses. (£3.5m)

Company I is a Beta phase start up mobile application creating a complete one stop viral network between individuals, commerce, groups, companies and associations. They are developing a global address book to replace the static contacts in every mobile phone. Full commercial launch is targeted for early 2012 (£300k)

Company J makes it possible for retailers to visualise their supply chain, from finished product to primary production, using a secure online subscription service allowing batch-level product information to be shared easily. The company is raising £750k to scale up engineering and operations to support the first of many global contracts just won with major clients including M& S and Speedo. (£750k)



Crescent Diagnostics Secures Euro 1.5 Million (\$2.2 million) for its Predictive test for Osteoporotic Fracture

Crescent Diagnostics

Crescent Diagnostics Ltd, (“Crescent”) a developer of novel tests for predicting osteoporotic fracture risk, announced that it has raised Euro 1.5 million (\$2.2 million) in Series A funding to support the development of BQT®, a predictive test for the disease. The company presented at OION in January 2011 and previously at OEI in 2008.

Crescent's novel test will enable physicians to diagnose the risk of osteoporosis-related fracture both quickly and easily, using a small nail clipping. The funding round was a syndicated deal between AIB Seed Capital Fund managed by Enterprise Equity Venture Capital, Bank of Ireland Seed Fund managed by Kernel Capital, and existing venture investor Seroba BioVentures.



Europe: eBay is liable for counterfeits sold on its site

The European Court of Justice today struck a blow to eBay in its fight against L'Oréal and other brand owners over liability for counterfeit goods sold on its website. The Court today ruled that eBay and other online marketplaces cannot claim exemption from liability for these infringements, if they are aware of the illegal nature of the sales their sites facilitate.



Today's ruling means that, in the future, brand owners will be able to initiate legal proceedings against online marketplaces if they allow counterfeit goods to be sold through their site.

Today's long-awaited ruling gives definitive answers to questions referred to the European Court of Justice in August 2009 by the High Court of Justice for England and Wales. The ruling from the European Court of Justice hands the advantage to L'Oréal and other big brands.

Daniel Talbot-Ponsonby, Partner at Marks & Clerk, comments:

"Brand owners like L'Oréal will be jubilant at today's ruling. Brands have increasingly been concerned that the internet has facilitated the trade of counterfeit goods. L'Oréal and other brand owners will be hoping that online marketplaces like eBay will now pay attention to the sales of counterfeit items which pass through their sites.

"Trade mark owners are no longer

alone in their fight for online brand protection. Instead, as is the case on the High Street, companies which facilitate sales can be held accountable for the goods which pass through their hands."

"We have seen over the past years different national courts finding in favour of opposing parties in similar cases. Inconsistency in the area of the online counterfeiting trade will be reduced following this ruling. Brand owners will now be working with a legal system which protects one of their key assets – their brand identity."

For more information, contact Daniel Talbot-Ponsonby at

dtalbot-ponsonby@marks-clerk.com.

Marks&Clerk LLP
Patent and Trade Mark Attorneys

Changes to EIS Relief

The rules on Enterprise Investment Scheme relief are being changed to increase its availability and encourage investment in start up companies.

Under existing rules, only companies with no more than 50 employees and who have gross assets of less than £7m can qualify for EIS.



From April 2012, the limits will be increased so that companies can have up to 250 employees and gross assets of £15m and still qualify for EIS. In addition, companies will be permitted to take up to £10m investment each year, as opposed to the £2m they were previously limited to.

In order to encourage investors to take advantage of the scheme, for EIS investments made on or after 6 April 2011, income tax relief has been increased from 20 per cent to 30 per cent. Further, from April 2012, the annual amount that an investor can invest under the EIS will be doubled from £500,000 to £1m.

However, not all companies and investors are eligible for EIS - there are still a number of other conditions that must be met to qualify for the scheme.

If you would like any further information on the EIS scheme and whether you can take advantage of it please contact Justin Crewe at Laytons (justin.crewe@laytons.com / +44(0)20 7842 8000).



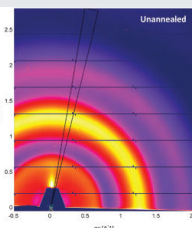
'Cling-film' solar cells promise a bright future

Researchers using Diamond and ISIS have highlighted new manufacturing techniques that could lead to a revolution in renewable energy. A new study published in the Journal Advanced Energy Materials this week (Monday 4 July) shows how an efficient solar cell structure spontaneously forms using very simple and inexpensive manufacturing methods similar to flexible layers of material being deposited over large areas like cling-film.

Scientists from the Universities of Sheffield and Cambridge used the ISIS Neutron Source and the Diamond Light Source to carry out the research, which paves the way for



new photovoltaic polymer structures that are much cheaper to produce than conventional silicon cells. They showed that when a particular complex mixture of molecules in solution are spread onto a surface, the different molecules separate to the top and bottom of the layer in a way that maximises the efficiency of the resulting solar cell.



After the space visit this month it will be interesting to see what research

will emerge, particularly with the European Space Agency investment forum on 2 November. OION is working with Harwell Oxford on the event so further detail on this will be available soon.

For more news on activities at Harwell Oxford, please visit

<http://www.myharwell.com/record/page/news>



Dates for your diary

Investment Meeting

Tue, 20 Sept 2011
Said Business School, Oxford

Investment Meeting

Tue, 18 Oct 2011
Said Business School, Oxford

ESA Investment Forum

Wed, 2 Nov 2011
Harwell Oxford

Investment Meeting

Wed, 30 Nov 2011
Said Business School, Oxford



Network Manager's Update

With all that is going on in the news recently I thought it would be a good reminder that the Bribery Act introduces four new offences:

- offering a bribe (active bribery)
- receiving a bribe (passive bribery)
- bribing a foreign public official; and
- failure by commercial organisations to prevent bribery – the "Corporate offence"

Quite apart from Press, Police and Politicians delving into the murky depths of data protection, I wonder where the 'failure by commercial organisations to prevent bribery' has the ability to impact. Perhaps such DD matters as transparent and ethical accounting practices; off balance sheet issues; sums paid to third party agents properly accounted for in the books of a company. Perhaps an area to explore in the next series of Investor Workshops. Thoughts please ...

On another topic related to government, and complimentary to the EIS update from Laytons, HM

Treasury recently published a consultation on proposals to encourage investment in small and start-up businesses.

The Telegraph reported on 7 July: The proposed 'Business Angel Seed Investment Scheme' (Basis), would be an investment vehicle with a similar tax treatment as the existing Enterprise Investment Scheme (EIS), which offers substantial income and capital gains tax relief to investors in small businesses. Access would be restricted to a "narrower category of investor and a narrower range of company" than the current EIS but it could have added flexibility, such as the ability to use "debt instruments".

Under the new proposed seed investment scheme, the Government would need an agreed definition of 'Business Angel' that was effective in practice and included all those investors who could provide benefit to start-up companies. The Treasury is also consulting on removing restrictions which prevent EIS investors taking preference shares – which business angels say can leave them disadvantaged in subsequent investment rounds when larger

backers provide capital on a non-EIS basis – and on the size of investment and stake angels can secure through the scheme.



The consultation is due to review responses from early October, so we will keep you informed as and when we hear anything. For now I wish you all a restful summer. I am looking to put on an investor workshop late August, so if you have any suggestions for the topic please let me know. See you in the Autumn.

Eileen

Sponsors

OION would like to acknowledge and thank:



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