

# Birmingham: What you need to know about the Midlands' thriving tech cluster

*Building on centuries of industry, technology, and innovation, Birmingham is a fantastic place to launch a business in the UK.*

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22 May 2024

Once known as the 'city of a thousand trades', Birmingham has a rich history of leading the way in terms of industry, manufacturing, and technology. And now, the city that invented the microwave and Dunlop's first pneumatic tires is home to a new generation of innovative digital businesses.

The biggest UK city outside of London, Birmingham sits at the heart of a West Midlands tech cluster which is now valued at £15.3B. The city alone is home to more than 292K businesses, many of which have seen impressive traction and recognition in the past few years.

One recent homegrown success is [Gymshark](#), the sportswear brand built out of founder Ben Francis' parents' garage, now valued at over £1B after General Atlantic purchased a 21% stake in the business. Conigital, the Birmingham-born driverless vehicle startup, became one of the top funded companies in the category after raising a £500M 'Series A+' last year. Other recent successes include sports nutrition brand Grenade, acquired by Mondelez for £200M, and Joblogic, a field service management software platform that raised £60M last year.

The city's reputation for producing global success stories culminated in

the announcement of the Birmingham Knowledge Quarter, a new investment zone and innovation cluster centred around science, technology, and enterprise. Chancellor Jeremy Hunt *hopes* this will fuel £5.5B of growth across the region over the next decade.

For businesses interested in leveraging the opportunities Birmingham provides, here's our essential guide for startups, including where to find funding, talent, and different aspects of support.

## Birmingham's thriving funding landscape

Last year, Birmingham was named among the *best cities for foreign direct investment*, speaking to the quality of the startup funding ecosystem in the Midlands city. Founders looking for investment have plenty to choose from in Birmingham.

For early stage businesses, *Midven* has established itself as one of the most prominent investors in the region over the past few decades. They've invested over £100M, and in 2021, were acquired by Future Planet Capital, a global impact VC. Their portfolio ranges from semiconductors to healthcare management software to clean energy.

Also investing at an early stage is the *UK Innovation Science and Seed Fund*. Backed by multiple UK government departments, the Birmingham-based investor invests in a range of businesses across biotech, defence, and fusion.

*SFC Capital*, the UK's most active seed investor, will be growing its presence in Birmingham, having *announced* an investment partnership with the University of Birmingham's Precision Health Technologies Accelerator (PHTA) in January 2024.

Other prominent investors in the city include *Mercia Ventures* (the

venture arm of Mercia Asset Management), *Million Labs*, an AI-powered venture builder and investor, and the *Midlands Engine Investment Fund*, who offer different forms of financing to early stage business and are backed by the British Business Bank.

## Accessing Birmingham's entrepreneurial talent network

Founders will find many ways to source top talent in Birmingham, particularly from one of its several leading universities. Moreover, a large number of these students are staying on to work in the region—around 55% of graduates.

University of Birmingham, a member of the prestigious Russell Group, is ranked 14th in the UK by the *2024 Complete University Guide*, and is the seventh largest nationally by student population. It is held in high regard academically, and has 10 Nobel Laureates among its staff and alumni, with notable contributions across recent science and technology breakthroughs.

Listed under the '*graduate employment*' category in the 2024 Times Good University Guide, Aston University has a reputation for business, engineering, and applied science, making it an attractive choice for graduates seeking a career in the tech start up sector. Birmingham City University, meanwhile, has a particularly practical focus for its students, with a strong cohort in the creative industries, business, and health.

Birmingham and the Midlands' prominence in numerous industries continues to attract a wealth of talent, which only stands to benefit new startups in the region. In nearby Royal Leamington Spa, you'll find one of the biggest clusters of gaming companies, home to Codemasters, Sega, and Ubisoft, and responsible for 25% of all UK gaming output. Coventry, meanwhile, has decades of manufacturing prowess, home to Jaguar Land

Rover.

Sidetrade, an AI-powered order-to-cash platform that was founded in France, chose Birmingham for its second UK office. CTO Mark Sheldon was drawn to the city's pool of technical talent. "Sidetrade has been very successful in doubling its Birmingham-based technical workforce over the past four years, testament to the local talent and skills available in the region," Mark says.

Hoping to strengthen digital skills at an even earlier stage, they set up the *Sidetrade Coding Academy* in 2018—an apprenticeship style, entry-level coding course for the West Midlands, accepting candidates regardless of tech experience, a selection of whom will be offered full time roles at Sidetrade.

## Support, networking, and community for entrepreneurs

With nearly 45K businesses launching in the West Midlands area last year, and nearly 22K in Birmingham alone, there is a huge demand for community and support mechanisms for founders. Both homegrown entrepreneurs and those moving to establish themselves in the region can tap into the wide range of organisations that exist to support businesses.

*Tech West Midlands* (TechWM), formerly known as Birmingham Tech, is a not-for-profit to help boost the West Midlands tech sector. They organise *Birmingham Tech Week*, the UK's largest regional tech festival and conference, bringing together over 7500 people each year. On top of their flagship event in October, programming takes place year round across the West Midlands.

*West Midlands Growth Company* is the region's official investment

promotion agency and accredited Local Visitor Economy Partnership, looking to attract investment, businesses and visitors to the West Midlands. This includes supporting businesses in sourcing investment, strategic relationship management, marketing, as well as a number of sector specific accelerator programmes.

*Innovation Birmingham* has become a focal point for the city's tech and innovation community. Their hub, next to Birmingham's Knowledge Quarter, gives access to office space, mentorship, and networking opportunities, and is home to more than 120 companies in fintech, cyber security, AR, VR, blockchain, sports tech, edtech, and mobility.

Birmingham's proximity to London (just over an hour by train) has huge strategic benefits for business. But more importantly, Birmingham now proudly stands in its own right as a thriving centre of investment, innovation, and industry—a tantalising opportunity for any founder.

The Commercial Department of the British Embassy in Paris provides support to French companies wishing to set up in the UK. Click [here](#) to find out more.



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