

Cardiff: What founders need to know about the Welsh capital

Wales' star is rising in the world of technology, with Cardiff driving much of its momentum. Here's the lowdown on what Cardiff has to offer entrepreneurs

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As its largest city and seat of government, Cardiff has always been at the centre of the Welsh economy. And now, as Wales seeks to strengthen its reputation for attracting technology startups and multinationals, Cardiff has an exciting role to play.

Cardiff attracted £125M worth of venture capital investment in 2023, the lion's share of the £157M invested across Wales. Over 10K new businesses were launched in Cardiff in 2023, nearly a third of all of Wales' new businesses.

Cardiff, and Wales more generally, has sought to position itself as a centre for climate action and sustainability. It was one of the first countries in the world to have sustainability written in its government legislation, making it an ideal location for climate and sustainability focused businesses.

Fintech and insurtech have formed a large part of Cardiff's startup activity. Both Monzo and Starling Bank have set up large offices there in recent years, while the city is also home to insurer Admiral Group and its car insurance website Confused.com. Other fintech successes include Target Group, who were acquired in 2016 for £112M, Sonovate, an innovative business lending platform who have lent over £3.5B to date,

and Delio, who raised a £6M Series A led by Octopus Ventures in 2022.

Cybersecurity is emerging as another key focus for Cardiff. The city is seeing a growing cluster of activity focused around the Airbus Centre of Excellence in Cyber Security Analytics, a leading UK research unit. Cardiff's cyber sector has seen the emergence of businesses like PureCyber and Awen Collective. Data analytics, medtech, and agritech remain other key focuses for Cardiff's technology community.

South Wales, with Cardiff at its heart, has recently gained renown for housing the world's first compound semiconductor cluster, servicing a potentially £230B industry. This is a combination of research and innovation organisations, companies like IQE, Rockley Photonics and SPTS Technologies, as well as strong links to some of the region's top universities.



If you're interested in launching your startup in Cardiff, here's everything you need to know about raising money, hiring talent, and getting the right support and resources you need.

Cardiff's blossoming community of investors

Founders setting up business in Cardiff have an opportunity to tap into a rich funding networking interested in fuelling locally based ventures.

A number of public funding initiatives are catalysing investment in the region. The *Development Bank of Wales* is one of the top funders in Wales, having invested £528M into more than 350 businesses over the past decade. They offer a range of equity investment between £50K and £10M, as well as smaller business loans. On top of this, they provide support and advice to businesses at various stages. The *Innovation Investment Capital*, meanwhile, is a £50M equity fund set up as part of the Cardiff Capital Region initiative, investing between £2M-£7M in high growth businesses.

There are a number of more typical VC firms. *Mayfair Ventures* invests specifically in cyber businesses, working with large enterprise clients in banking, security, telecoms, and military to identify strategic opportunities for investment. Sunnybarn Investments is a family office-turned-equity investor, and invests largely in hardware businesses in energy, logistics, and climate tech. It's also worth checking out *Waterspring Ventures*, who invest between £100K-£500K in post-revenue EIS eligible ventures, with their portfolio mostly focused around SaaS businesses.

For those looking for small ticket investments, *Angels Invest Wales* is renowned as one of Wales' best angel syndicates, connecting Welsh businesses with experienced private investors.

Cardiff's thriving hub of academia and talent

Cardiff has always had a huge draw to domestic and international students on account of its three renowned universities, making it a real melting pot of talent.

Cardiff University, part of the prestigious Russell Group of universities, is Wales' top ranked university, according to the Times Good University Guide. The university has nearly 34K students from 138 countries, coming to study a vast range of courses from humanities to sciences to engineering. Entrepreneurial-minded students would be interested to know that Cardiff is a member of the SETSquared partnership, linking six UK universities through enterprise and startup incubation.

University of South Wales is the second largest university in Wales, after Cardiff, and has a highly practical approach to its degree programmes. Apprenticeships, job placements, and skills training focus heavily in many of the degrees. They host numerous classes and workshops for their student body on entrepreneurship, such as the *Developing Entrepreneurial Women* programme.

Cardiff Metropolitan University, as well as offering a wide range of degree courses to choose from, is particularly renowned for its research and innovation in education. A review by the Research Excellence Framework found that 80% of Cardiff Met's research impact was 'internationally excellent or world leading'.

Whisper, a sports broadcasting company based in London, chose to set up operations in Cardiff for its exciting talent pool. "Wales offers a rich source of creative talent which we wanted to tap into, and it's been great to help grow and to celebrate creative talent in Wales," explains Carys Owens, Whisper Cymru Managing Director.

To create new opportunities and widen access to the broadcasting industry, they recently launched Whisper Academy, offering intense training on a 12-month placement on live productions.



Places and communities to get you started in Cardiff

Given the growing volume of startup activity that's taking place in Cardiff, you'll have no shortage of communities to set you up for success.

Tramshed Tech has quickly established itself as one of the most eminent voices in Welsh tech. It has four locations across Wales, offering not just office space but wide ranging support to help founders get off the ground and start scaling quickly. They categorise programmes for companies at different stages—pre-start, pre-seed, and scaling—with a variety of accelerators, workshops, and training sessions to meet various needs.

Their *Soft Landing Programme*, funded by the Welsh Government, is aimed at helping international businesses relocate and get set up in Wales, offering a combination of business support and office space. Recently, Tramshed collaborated with UKTN to publish *Tech Report: Wales*, a dive into the region's startup ecosystem.

Fintech Wales is another prominent body in the Welsh tech landscape. Based in Cardiff, they are an independent membership association of fintech and financial services businesses to advocate for the industry and help businesses accelerate towards success. Members include startups (Wealthify, Yoello, Mazuma), scaleups (Confused.com, Admiral), and multinationals like PwC and EY.

Catering to the burgeoning cyber industry, the *Cyber Innovation Hub* is an 'innovation cluster' to support and grow cyber businesses. It is closely linked to Cardiff University and is backed by the Welsh Government and Cardiff Capital Region initiative. As well as setting open innovation challenges, they have a venture building programme to help entrepreneurs turn ideas into businesses in just 12 months.

Thales Ebbw Vale sits on the outskirts of Cardiff, and in recent years has become a strategic centre of innovation and technological experimentation. The large complex includes ResilientWorks, a project focused on innovation around energy and transport, and the OTCC, a leading R&D institute with key focuses on cyber.

Cardiff sits strategically close to several large UK cities. It's just 2 hours from London and Birmingham, while it's less than an hour from Bristol. For companies looking to network between these cities, this is hugely valuable. Looking further afield, Wales has retained a strong relationship with Europe, particularly France, which remains the region's second largest export destination.

The speed at which Cardiff has established itself as a leading light for fintech, cyber, data analytics, among other high tech industries, demonstrates the city's enthusiasm for innovation and entrepreneurship. For businesses looking to set up and scale quickly, Cardiff is a highly attractive option.

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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Daniel Sawko, the founder of Welsh tech company shipshape.vc, helping founders globally find relevant investors for free



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