



**EDTECH: LONDON
CAPITAL FOR
LEARNING
TECHNOLOGY**



LONDON
& PARTNERS



EdtechUK



MAYOR OF LONDON

About London & Partners

London & Partners is the official promotional company for London. We promote London and attract businesses, events, congresses, students and visitors to the capital. We are the experts on doing business in London; helping overseas businesses to set up, and grow.

Contact us to connect with our team and find out how our experts can help you:

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- » Recruit the best people
- » Create the perfect office
- » Build a network of partners
- » Enjoy London life

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About Edtech UK

Edtech UK is a strategic body, established by the Education Foundation, to help accelerate the growth of the UK's education technology sector in Britain and globally.

It is a "front door" for industry, investors, government and educators and a convening voice for all of the education and learning technology sector. It offers membership and services to leading edtech startups, companies and organisations who wish to drive forward their growth in London and across the UK.

Edtech UK can help you:

- » Navigate the education and learning technology sector in London and across the UK
- » Join a dynamic partnership of startups, companies and investors in the edtech sector
- » Kick start partnerships, ventures and collaborations
- » Grow and scale your edtech business and provide access to education institutions and the market
- » Make the most of the vibrant edtech ecosystem

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Introduction

London, like other great cities, is being revolutionised through technology. Technology is disrupting the way traditional industries operate and provide services to their customers. Nowhere is the potential of technology more profound than in the education sector. In the global competition for skills, the demand for sophisticated, interactive learning platforms and aids is enormous. The burgeoning edtech industry can provide the solutions to meet the demands of 21st century education as well as developing the skills required by business, government and academia, which in a growing city like London are the challenges of today and tomorrow.

As the Mayor of London's official promotional company, we support companies like yours realise their global ambitions. London continues to be the most attractive European city for investment according to EY, and in 2016 our startups received more venture capital than any other city in Europe. In this guide, you'll find out why London is one of the world's top destinations for education and learning technology, get an overview of the edtech community, and read insights from those who have made it in London.

We look forward to welcoming you to this remarkable city.

#LondonIsOpen

DAVID SLATER
Director of International
Trade and Investment
London & Partners



The education and learning technology ecosystem has rapidly grown in the past few years across Britain, and London is leading the way in its development. The Government's Digital Strategy, published in Feb 2017, recognised the benefits of education technology and acknowledged the economic advantages of the growing edtech sector to the UK economy.

Edtech UK's strategic policy work, community events and networks help to accelerate the growth of the edtech start up and scale up landscape. We were delighted to support the development of the Mayor of London's Digital Talent Programme with our research and insights. Investment is growing at a rapid rate into fast-growing scale up businesses – from FutureLearn to Kano; Satchel (Show My Homework) to Firefly and Technology Will Save Us to Proversity.

The introduction of the computing curriculum into every state school in England has accelerated the growth of interest in new approaches to technology from schools. London's education system is also performing well and London has fifty further education colleges and six of the world's top universities, along with a vibrant digital and tech economy providing access to talent.

London is a fantastic base for your company. Edtech has come of age. Our Edtech UK Vision 2020 is looking to support the growth of the sector, to make London and Britain a major education technology hub for the world.

TY GODDARD
CEO
Edtech UK



Why base your edtech company in London?

“Education technology (edtech) is one of the fastest growing sectors in the UK, accounting for 4% of all digital companies, and UK businesses have become world leaders in developing innovative new technologies for schools. The potential benefits when implemented correctly are considerable, both in teaching and in school administration. We want to make sure our pupils, their parents and teachers are able to make use of these opportunities.”

The Digital Strategy, Feb 2017

01

Edtech hub

Edtech is one of the fastest growing tech sectors in London; over 200 edtech startups and SMEs are based in the city, with 1000 across the UK¹

04

Scaling up

London is Europe's leading city for scale-ups with an entrepreneurial culture and unmatched access to capital and skills⁴

05

Startup ecosystem

London is the leading European city in the Startup Genome Global Startup Ecosystem ranking⁵



02

Spending on technology

UK schools spend over £900m a year on education technology²



03

Talent and expertise

London is home to four of the world's top 50 universities and to leading further education colleges³



06

City of opportunity

London is the world's leading city for economic clout, technology readiness and reputation as a global centre for business⁶

07

Global HQ

London is the world's number one for international headquarters. Major edtech companies based here include Pearson, Knewton and Kaplan

08

Most attractive place to do business in the EU

EY ranks London as Europe's most attractive city for investment⁷

Education technology refers to the “effective use of technological tools for learning” and as a sector incorporates a range of areas including: E-learning, Infrastructure, Devices, Apps, Curriculum platforms, E-assessment, Mobile learning, Digital Skills, MOOCs, Collaboration tools, Classroom management, Digital learning, Student monitoring systems, Digital making and badging, Professional learning, Adult Basic education, Exam preparation, Career planning, Coaching, Tutoring, Games for learning, Informal learning, Corporate learning and much more...

1. Edtech UK Startup Index, Education Foundation 2015
2. Gartner, 2015

3. Times Higher Education World University Rankings, 2017

4. Nesta, 2016
5. Startup Genome, 2017 (www.startupgenome.com)

6. Ahead of New York, Singapore, Toronto and San Francisco according to the PWC's City of Opportunity Index 2017
7. EY Attractiveness Survey, May 2017

WHY LONDON?

A large and profitable market

London is a major European edtech hub and is breaking new ground in Massive Open Online Courses (MOOCs), corporate and e-learning, augmented reality and digital making.

Britain is recognised globally as a pioneer in education technology. With the introduction of the computing curriculum into every school in England, the UK has positioned itself at the forefront of developments in the creation and use of education and learning technology.

Recent successes include edtech companies **Satchel** (Show My Homework), **Proversity** and **Firefly** securing large scale funding; recent acquisitions, the global success of **Futurelearn**, the leading MOOC platform developed by the Open University; and the international expansion of **Kano**, **Technology Will Save Us** in the arenas of DIY computers, digital making kits and homework platforms for teachers.

UK education export market

The UK education exports industry is worth £17.5bn a year and the government is looking to increase this to £30bn by 2020. The Department for Business, Energy and Industrial Strategy had previously estimated that overseas students studying in higher education in the UK pay £3.9bn in tuition fees and £6.3bn in living expenses each year and there is a growing UK education technology as well as education, vocational and training sector that has secured over £1.5bn of new business overseas.⁹

- » **Steep growth.** The edtech sector is one of the fastest growing in the UK, accounting for 4% of all digital companies (the same as fintech).⁸
- » **Education technology spending.** UK schools spend over £900m each year on education technology.
- » **Digital colleges.** London's further education colleges are leading the way in digital technology and learning, including the Digital Colleges programme, the creation of a National Digital College and new institutions such as the Makers Academy.
- » **Major events.** London is home to some of the largest education technology conferences in the world, including Edtech Europe, the annual BETT Conference – the latter attracting in excess of 35,000 global visitors each year. Edtech UK host and curate the influential Edtech Global Summit in November in London.
- » **Flexible procurement.** The increased autonomy of schools (academies and free schools), colleges and universities allows for greater flexibility in procurement of technology from new suppliers.

A magnet for talent and collaboration

As a leading city for developers, education institutions and technology, London offers a powerful mix of workforce, innovative start-ups and established global players.

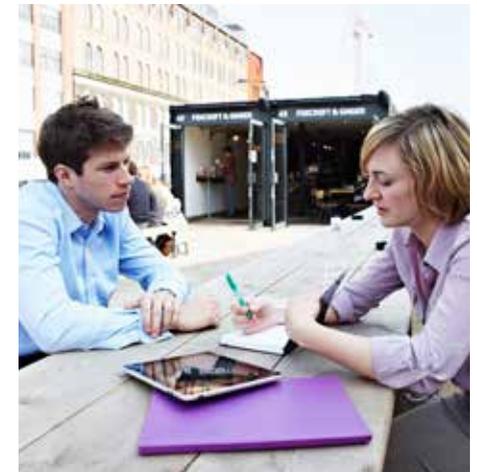
Everything an international edtech company needs to grow is here: talent, venture capital, co-working space, government support, seed funding and events.

Flexible employment laws mean companies can scale up or down quickly, and a thriving community of freelancers provides quick access to niche skills.

Education and learning technology companies can access all the partners they need in one city, forging relationships with government departments, the Greater London Authority, Edtech UK and London & Partners teams, universities, colleges, academies and free schools, university technical colleges, studio schools, technology, finance and legal experts.

This unique ecosystem is enabling edtech companies to innovate and break ground in areas such as e-learning, corporate training, digital assessment, technology and infrastructure and digital making.

Meanwhile, London's international population – 37% of the city's workforce were born abroad¹⁰ – makes it a top choice for expanding companies keen to explore and conquer new markets.



- » **Talent and employment hub.** 240,000 are in digital employment across London, with employment growing 46% from 2010 to 2016.¹¹
- » **Developer base.** London – home to over 70,000 professional developers, more than any other European city.¹²
- » **Top universities.** London is home to 4 of the top 50 universities according to the Times Higher Education World University Rankings.
- » **Investment.** The UK's technology sector drew more investment than that of any other European country in 2016.¹³

8. The Digital Strategy, 2017

9. UK Government International Education Strategy, 2013

10. ONS Census, 2011

11. Oxford Economics, 2016

12. Stack Overflow, 2015

13. Gartner, 2013

WHY LONDON?



Best for business

The UK Government is firmly behind the education and learning technology sector and Edtech UK's aims. There is significant opportunity in the sector with Global education technology sector spending at \$67.8bn in 2015¹³ and a global "e-learning" market worth \$165bn, which is poised to reach \$243.8bn by 2022.¹⁴

“The work of Edtech UK is important in supporting this growing sector. London and the UK lead the world in edtech. Jisc is directly investing and supporting edtech firms and the edtech community to encourage a vital and exciting market for innovative solutions for UK Universities and Colleges.”

Paul Feldman, CEO, Jisc

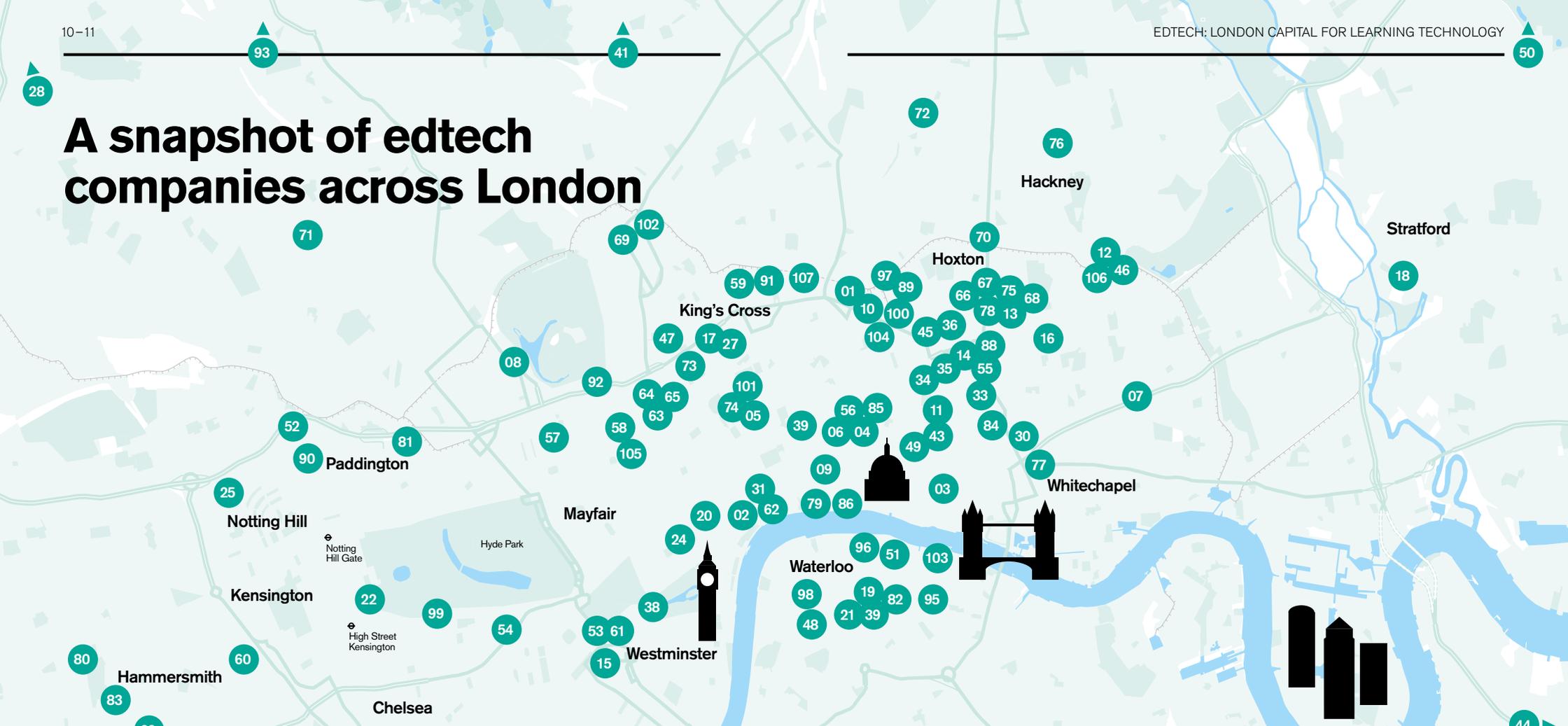
In addition, with the government's expansion of new schools, the new computing curriculum, and the digital and e-learning agenda being embraced by colleges and universities, vocational and training providers and the corporate sector, there has never been a better time to start an edtech business.

Companies in London enjoy the lowest tax rate in the G20, and entrepreneurs can benefit from capital gains tax breaks on their first £10m, together with start-up loan schemes and tax favourable share options for employees.

For early-stage companies, the Government's Seed Enterprise Investment Scheme (SEIS) provides 50% tax relief of the cost of the shares, on a maximum annual investment of £100,000.

- » **Lower taxes.** UK corporation tax, 19% in 2017, is the joint lowest rate in the G20 and is set to become even more competitive, falling to 17% in April 2020.
- » **Patent Box.** This government scheme lowers corporation tax to 10% on profits from the development and exploitation of patents and certain other intellectual property.
- » **R&D tax credits.** Companies with fewer than 500 employees benefit from a 230% rate.
- » **Entrepreneur relief.** This cuts capital gains tax on the disposal of qualifying business assets.

A snapshot of edtech companies across London



- 01 The Education Foundation
- 02 Pearson (UK)
- 03 Kaplan
- 04 City & Guilds
- 05 TES Global
- 06 City & Guilds Kineo
- 07 Kano
- 08 MarkIt
- 09 Digital Assess
- 10 EdTech UK
- 11 Fluency
- 12 Technology Will Save Us
- 13 Hubbbub
- 14 Optimity
- 15 Gojimo
- 16 Code Club
- 17 Founders 4 Schools
- 18 Satchel

- 19 Dendrite
- 20 Proversity
- 21 Times Tables Rock Stars
- 22 Dream Learners
- 23 Teach Pitch
- 24 Teachers Media
- 25 Third Space Learning
- 26 Digital Awareness UK
- 27 Webanywhere
- 28 Handsam
- 29 Little Bridge
- 30 Makers Academy
- 31 Free Formers
- 32 Teen Tech
- 33 Knewton
- 34 Mendeley
- 35 Moshi Monsters (Mind Candy)
- 36 La Salle Education

- 37 HegartyMaths
- 38 Macat
- 39 SAM Learning
- 40 Oddizzi
- 41 IT IS 3D
- 42 Quizalize
- 43 bo
- 44 Skoolbo
- 45 Busuu
- 46 Memrise
- 47 Mangahigh
- 48 Ai-Media
- 49 Questionmark
- 50 Groupcall
- 51 EdPlace
- 52 Arbor Education
- 53 Bright Young Things
- 54 Enjoy Education

- 55 Bigfoot Tutors
- 56 Tutorfair
- 57 TutorMe
- 58 MyTutorWeb
- 59 Maths Doctor
- 60 Keystone Tutors
- 61 TutorCruncher
- 62 Lessonate
- 63 Century Tech
- 64 I Can Make
- 65 State of Ambition
- 66 ET Discovery
- 67 Game Plan
- 68 Edurio
- 69 Learn Cube
- 70 Primo
- 71 NurseryBook
- 72 Biblio

- 73 Lexicum
- 74 Student Funder
- 75 Ocean Browser
- 76 A Tale Unfolds
- 77 Pi-Top
- 78 EdSpace
- 79 Blue Sauce Media
- 80 Curiscope
- 81 D2L
- 82 DebateMate
- 83 Firefly
- 84 Full Fabric
- 85 Gamar
- 86 Hodder Education
- 87 Hotcourses
- 88 Kahoot
- 89 Lean
- 90 Loopd

- 91 MacMillan Publishers
- 92 McGraw-Hill Education
- 93 Mibaco
- 94 Prospela
- 95 Proversity
- 96 RM Education
- 97 Teacher Dashboard
- 98 The Career Portal
- 99 Turing Lab
- 100 Workfinder
- 101 Zaprendo
- 102 FutureLearn
- 103 Blippar
- 104 Blackbullion
- 105 Blackboard
- 106 SAM Labs
- 107 RocketSpace

LONDON'S EDTECH CHAMPIONS

FutureLearn

“It’s our aim to pioneer the best social learning experiences for everyone, anywhere. Learning should be as social and enjoyable as spending time on Facebook”

Simon Nelson, CEO, FutureLearn



Who?

The leading social learning platform, enabling online learning through conversation.

Where?

Camden.

Success in London

From its home just behind Camden Town tube station, FutureLearn delivers an array of free and paid for online courses and degrees from world-leading UK and international universities as well as courses from companies, centres of research excellence and specialist education providers.

FutureLearn partners with over a quarter of the world's top universities as well as organisations such as Accenture, the British Council, European Space Agency, Houses of Parliament, Raspberry Pi and Cancer Research UK. FutureLearn were a founding member of Edtech UK in 2015.

Milestones

- » December 2016: FutureLearn partners with Deakin University in Australia to offer the first range of degrees delivered entirely on a MOOC platform.
- » May 2017: FutureLearn is the largest MOOC provider in Europe with over 1,000 scheduled course runs for 2017 being delivered to over 6 million people from over 230 countries around the world.

Satchel

“We’re proud to be part of the incredible London tech scene – it hosts a wealth of opportunity and talent but there are a lot of people you can give back to as well”

Naimish Gohil, CEO, Satchel

Who?

The brand behind the award winning software Show My Homework. Satchel offer schools everything they need on their journey through education including homework, seating, content and praise apps.

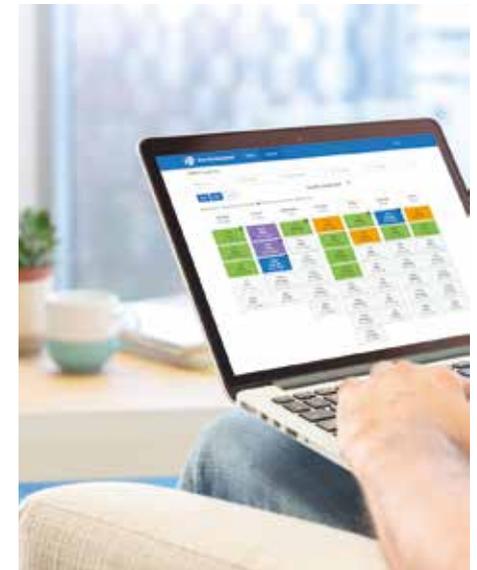
Where?

The heart of East London.

Success in London

Born in an inner-city London classroom in 2011, by former Assistant Headteacher Naimish Gohil, Satchel's flagship software Show My Homework, is currently used by over 1500 schools in 23 countries. Since their inception 6 years ago, they've become more than just homework software and have developed bolt-on apps for seating, praise and content, providing schools with a truly holistic learning experience.

This year not only saw the company undergo a rebrand to Satchel, but also the introduction of their new service, Satchel Tutoring, which provides flexible, affordable tutoring without the constraint of postcodes provided by real curriculum teachers. In addition, they were named The Assignment Report's Education Company of the Year, winners of The Techies Award for Ultimate App or Website and the ERAs for Secondary Resource including ICT. Satchel were also a founding member of Edtech UK in 2015.



Milestones

- » January 2017: Underwent rebrand to Satchel to allow expansion of products and services.
- » January 2017: Announced £2.4 million in funding from VC investors LocalGlobe.
- » March 2017: Named winners of the ERAs Secondary Resource including ICT award.

What next for London?

The education technology industry is one of the UK's most cutting edge and fastest growing sectors. It is capable of supporting world class education and learning opportunities across a multitude of arenas that are scalable internationally – from tutoring to apps, from digital making kits to MOOCs and from devices in schools to distance learning for adults.

There are considerable areas of promise across our schools, Colleges and Universities.

London is already one of Europe's most important edtech clusters and is home to some of the world's leading education and learning technology companies.

Some of the world's biggest publishers and training providers have their HQs in London, such as Pearson and Kaplan. Global technology companies such as Blippar, Knewton and Mendeley also have their European HQs in the city. In addition, major tech companies with education, training and digital skills programmes, such as Google, Facebook, Microsoft, Fujitsu, Apple, Accenture and Sony Computer Entertainment, have key offices in London.

There is a vibrant and growing edtech eco-system in London, with companies such as Satchel, Firefly, Blippar, Teachboost, Blackbullion, EdPeer, Eschools, Nightzookeeper, Memrise, Education Appstore, TutorFair, Dreamlearners, TeachPitch, MediaCore, Third Space Learning, Quipper and Dendrite all based across the city. Edtech UK develops strategic policy, runs regular networking events and meetups in London and across Britain's edtech clusters to connect educators, startups and investors. There is an education / tech co-working space, called EdSpace and the newly opened tech campus, RocketSpace near The Angel.

New opportunities

- » **Steep growth.** Over \$4 trillion is spent on education globally and the global e-learning market is predicted to grow from \$165bn billion and reach \$243.8 billion by 2022.¹⁵
- » **New technologies.** Top British tech company Blippar is developing a whole range of education products related to Augmented Reality and visual browsing, that is set to revolutionise the education and learning sector in the coming years.
- » **A nation of digital makers.** The BBC launched a major national programme called "Make it Digital" to equip young people with the digital tools they need to create technology and become a nation of digital makers. This includes the creation of a new programmeable "Micro-Bit" that builds on the world-leading British Raspberry Pi.
- » **Edtech UK.** Edtech UK's policy work will sharpen the strategic approach to edtech, they will take Edtech companies on missions around the world, be a Launchpad for international business across the UK and connect people at their Edtech Global Summit each year in London.

London's edtech investment and funding infrastructure is becoming more advanced, with angels, venture capitalists and other social investors becoming increasingly interested in the edtech sector. There are two edtech accelerators – the Edtech Incubator and Emerge programmes – as well as tech accelerators and incubators with high levels of education technology companies in their cohorts, including Wayra, Wayra Unltd, Bethnal Green Ventures, Big Venture Challenge and Founders Factory. EdtechUK is also a partner in EDUCATE with University College London, NESTA and F6S which aims to put research at the heart of edtech product development.

Organisations and Government bodies such as JISC, Ufi, Innovate UK and Tech City UK are also lending their support to the growth of the edtech sector – with Tech City UK's Digital Business Academy programme offering a wide range of free high quality learning opportunities.

Edtech is a vibrant sector now coming together to innovate, thrive and grow. Edtech UK and London and Partners look forward to working with you to make your business grow and thrive in Britain.



“ With 4x growth in educator community in less than a year, Blippar continues to enable content creators and educators to teach through augmented reality tools. EdTech UK has played an important part in our growth story by helping us create partnerships and scale our products to a wider audience. ”

Tushar Sharma, Director of Education, Blippar

“ Firefly is a simple and effective online tool used to support homework, resource sharing, progress tracking and engaging parents. As a result, teachers have more time to teach and students can learn in ways that work best for them. Firefly started as a student project and has since setup offices in nearby Hammersmith. Growth has been rapid, with the Firefly team expanding to Sydney and Singapore, and with users now in 35 countries. In November 2016 Firefly secured the largest Series A fundraising in UK EdTech. This investment will be used to grow the company, doubling from our base of 60 people and adding more schools to the hundreds that already use Firefly. We're excited to be working again with Edtech UK, leaning on their expertise and advice as Firefly embarks on this exciting new chapter and heads into new markets. ”

Dr Simon Hay, Founding Partner, Firefly

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