

SCOTTISH TECH SECTOR BOOMS ON BACK OF TALENT AND SKILLS BASE

- **Scotland's digital tech jobs surge 8% to 48,448**
- **Scotland's tech sector is worth £3.9bn to the Scottish economy**
- **Edinburgh, Dundee and Glasgow all see sharp increase in business births**

Edinburgh, 21st June 2018 - Scotland's tech sector is booming, according to new data from Tech Nation. The number of jobs in digital tech in Scotland hit 48,448 in 2017, up 8 per cent on 2016's total.

Three Scottish tech hubs are singled out in the latest Tech Nation report: Edinburgh, Glasgow and Dundee. Together they contribute £2.4bn or three-fifths of Scotland's total tech turnover.

The tech sector in Scotland is worth £3.9bn with digital tech turnover per employee hitting £80,000. There is a drive to establish Edinburgh as the data capital of Europe and Prime Minister Theresa May last week announced that the Scottish capital would be the location for Scotland's first AI and blockchain accelerator, run by Wayra UK and supported by Scottish Enterprise.

Edinburgh

Scotland's capital is home to two of the UK's best known unicorns Skyscanner, bought by Ctrip of China in 2016 and gaming company, Fanduel. In the last year, Edinburgh has seen business births accelerating, with some 195 new tech businesses being formed in 2016. CodeBase, the UK's largest tech incubator, has breathed new life into a rundown city office block near Edinburgh castle, and has been significant in providing a focal-point for the capital's tech community. It is also home to CivTech, the Scotland-wide initiative, helping startups engage with, and solve, public sector challenges. Acquisitions have been a noticeable feature of Edinburgh's tech sector in the last year, with Aquila Insight being bought by Merkle, Converse.AI by Smartsheet and Cloudgine by Epic.

Glasgow

Glasgow's lower living costs are attracting a new generation of tech startups and workers, with a strong focus on data science. The Data Lab Scotland is funding university places for students in this field and the city hosted DataFest18, a celebration of data-driven innovation. Glasgow also has a growing space industry and in the last two years Glasgow has built more satellites than any other city in Europe. Glasgow's Clyde Space was bought by Swedish firm AAC Microtech during the year.

Dundee

Dundee continues to be dominated by the gaming industry, with the city's talent stemming from renowned computer science and gaming courses at the University of Dundee and Abertay University. Graduates from these courses have one on to work for Sony, Microsoft, Electronic Arts and Rockstar North. Dundee is also home to four projects funded by the Scottish Cities Alliance, which is investing to accelerate the delivery of services. Dundee has pilot projects in Smart Mobility, Smart Public Safety, Smart Waste and Open Data.

Gerard Grech, chief executive at Tech Nation, said: "Scotland is one of the jewels in the crown in the UK's tech sector as seen in the success of its very own \$1bn unicorns, FanDuel and Skyscanner. Data from our latest Tech Nation 2018 report shows that Scottish companies have continued to add jobs and are actively meeting up and collaborating across the sector. It is great to see that Scotland's strengths in Artificial Intelligence and in data science are helping to bring forward many new startups."

Sandy McKinnon, a partner at Pentech Ventures, one of Scotland's leading investors, said: "Scotland's technology sector is maturing fast and is vibrant, with some great companies based up here that have a lot to offer. As investors we think the talent here measures up to that which we are seeing throughout Europe. Scottish companies have entrepreneurialism in their veins, they rightly need to look outwards and think beyond these islands."

Cally Russell, CEO and founder of Mallzee, the UK's leading multi-retailer shopping app and retail insights business, said: "These are exciting times to work for a tech start-up in Scotland. There's a real community spirit and a strong start up ecosystem here in Edinburgh which really spurs you on to succeed. We are lucky to have lots of very talented people in Edinburgh thanks to the great universities and the appeal of the city itself as a beautiful place to live and work, with a strong heritage in technology and business, it really is a fabulous place to start a business."

Michael Hayes, CEO at RookieOven, the Glasgow co-working space, said: "Glasgow is a student city with three universities, that is home to thousands of talent individuals from around the world and since it is such a great place to live it's easy to retain that talent. We have the potential to grow into a world leading centre for tech but the types of companies and how we scale them is going to be in our own mould, with our identity."

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