West Midlands tech companies see big leap in investor interest as funding reaches £390m

- Tech companies in the West Midlands raised three times more in 2020 than 2019's £132m
- The figures were boosted by Gymshark, which became one of the UK's unicorns, after raising £200m
- From fintech to gaming, the region's tech industry covers many sectors with specialist clusters providing exciting opportunities for skilled workers
- Tech vacancies now make up 14% of all open roles in Birmingham, the city's fastest-growing sector

Birmingham, 27th January: Tech startups and scaleups in the West Midlands raised a record £390 million in funding in 2020, almost three times more than 2019's previous record of £132m according to new data by Tech Nation, the growth platform for tech companies and leaders, and job search engine [Adzuna](#).

The West Midlands tech success story in 2020 was Gymshark, the Solihull-based fitness e-commerce platform which raised £200m in growth equity funding to become the region's second-ever unicorn, a private company valued at $1 billion or more. However, Gymshark isn't the only tech company making waves from the region. Other startups and fast growing tech businesses are raising larger rounds too including MitrAssist, a biotech firm that has created a minimally invasive way to treat heart valve disease, which raised £51m in Series B funding in December. Nourished, a 3D-printed vitamin startup, raised a £2.1m seed round earlier in the year, one of the largest seed rounds raised by a woman founder in the UK.

Across the region, tech companies are showing positive signs of recovery from the coronavirus pandemic. In Birmingham, there are 10,948 open job roles, of which 1,519 are in tech companies, making up 14% of all open vacancies in the city. Overall, there are 5,099 open tech roles in the West Midlands, at companies including BT, Premier IT, Balfour Beatty and Aldi. Specialist tech workers such as network engineers and solutions architects are in high demand in Birmingham in particular, resulting in high salaries. The average advertised salary for a network engineer has increased by 60% over the last 12 months, to £73,246, whilst for a solutions architect the average salary is £72,854, an increase of nearly 24%. Tech workers in the city can command an average advertised salary of £50,126, compared to £46,305 for the wider region.

The figures on the growth of the West Midlands' tech industry are published as the Government's Digital Economy Council and Tech Nation hosts a digital roundtable on 27 January to discuss the challenges facing the tech sector as it works to create jobs and help the region recover from the impact of the coronavirus on jobs.

Fintech and gaming strengths

The region benefits from having a varied and widespread tech industry. Though many see London as the UK's fintech hub, the West Midlands is home to one of the largest regional fintech clusters in the UK, with around 122 fintech-related firms across Birmingham, Solihull, Warwick and Leamington Spa. Gaming is another key area the West Midlands excels in, with around 130 companies across the region, including the likes of Ubisoft, Codemasters and Playground Games calling the area home. It helps that there are 10 universities in the region, providing a regular stream of skilled graduates, eager to take up jobs at exciting and dynamic companies.

This week's virtual roundtable is one of a series being held with tech executives, investors and entrepreneurs across the country. Local companies, investors, university representatives and other ecosystem participants will be brought together to learn, share and collaborate on the challenges posed by the pandemic. The learnings will be fed back to the DCMS (Department for Digital, Culture, Media and Sport).

Minister for Digital Caroline Dinenage said: "It is fantastic to see these new figures showing the strength and depth of the West Midlands tech sector. The region is home to stellar British tech firms such as Gymshark and Ubisoft alongside thousands of exciting startups and scaleups. We are committed to creating the right business environment and are investing in skills and research and development so the region remains a hotbed of investment, innovation and talent."

Dr George Windsor, Head of Insights at Tech Nation said: "From fintech to gaming, the West Midlands has a widespread and varied tech ecosystem. With companies in the region starting to raise big later stage rounds, it demonstrates the maturity of the industry, so it's certainly an interesting time to be meeting with founders and ecosystem partners to discuss the challenges they're navigating in 2021."

Andrew Hunter, co-founder at Adzuna said: "Whether it's an established tech company like BT or a smaller startup, competition is high for skilled staff in the West Midlands which is why we've seen salaries for roles like network engineers and solutions architects jump so much in the past 12 months. Ensuring there is enough specialist talent to go around is key for companies of all sizes in the region."

Sonu Bubna, co-founder and CEO, Shopper.com said: "I chose Birmingham to launch Shopper.com because it is one of the most connected cities with a thriving startup ecosystem. Birmingham is an exciting city to start a business that offers numerous benefits including great connectivity to London, access to tech talent and a lower cost of operations. We have big plans for 2021, including expanding our platform with some of the most requested features from our community, doubling the current team size and investing into marketing and global expansion."

Melissa Snover, founder and CEO at Nourished, said: "As an American, I often get asked why I decided to build my business in the West Midlands. It's simple – Birmingham's just been crowned the UK's start-up capital for the seventh year running, has a thriving community of

entrepreneurs and tech innovators, and is home to fantastic universities and specialist talent. Nourished is expanding, with a US launch and third Birmingham-based facility in the works, and as a rapidly growing tech business I'm incredibly proud to be able to bring job opportunities to the West Midlands."

About Tech Nation:
Tech Nation is the growth platform for tech companies and leaders. Tech Nation fuels the growth of game-changing founders, leaders, and scaling companies so they can positively transform societies and economies. We provide them with the coaching, content, and community they need for their journey in designing the future. Tech Nation has years of experience facilitating and helping UK tech companies scale, both at home and abroad. Over 20 cohorts and 600 companies have successfully graduated from Tech Nation's growth programmes. Alumni include Skyscanner, Darktrace, and Monzo.

About Adzuna:
Adzuna is a smarter, more transparent job search engine used by tens of millions of visitors per month. We love using the awesome power of technology to bring together every job in one place, help match people to better, more fulfilling jobs and keep Britain working.

Adzuna supply real-time data to the Number 10 Dashboard, the cabinet office and Office for National Statistics labour market indices. In 2018, Adzuna won the contract to run Find a job, one of the British government's most used online services.

Adzuna.co.uk was founded in 2011 by Andrew Hunter and Doug Monro, formerly of eBay, Gumtree, Qype and Zoopla and is backed by leading Venture Capital firms Passion Capital, LocalGlobe, Index Ventures and Smedvig Capital.

We've spent a decade developing smarter, more transparent job search so jobseekers worldwide (we're in 16 countries) can zero in on the right role faster.