

BGV

2012 - 2017

Learning and Impact Report

Looking back on five years
investing in tech for good

 Bethnal
Green
Ventures

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“It’s amazing to look back on going from 8,000 to 25,000 users during BGV.”

Dr John Hammersley, founder & CEO of Overleaf (now 2,000,000 users worldwide)



Message from our Chair

As Bethnal Green Ventures recently celebrated the fifth birthday of its accelerator programme I was asked to reflect on why I joined as Chair three years ago.

I’d been involved in commercial businesses all my career, launching a number of startups and growing a couple into quite large companies. But I was starting to wonder if there was a different way of doing business.

I wanted to test whether you could grow companies centred around a social mission, to see if impact driven businesses could be just as successful as other businesses I’d launched.

As I dug into this I saw that BGV had done the most work in this area. I wanted to get involved because I was really excited by the progress they were making in testing this hypothesis.

It’s still early days at BGV but the data is looking good. We’ve made some small but significant steps towards proving our model, and now we want to focus on scaling it. The first five years of the accelerator were all about demonstrating that you can make investments that generate both positive social impact and great financial returns. They are not mutually exclusive. The impact of this could be huge, I think it really can change the world. And given all that’s happening in the world at the moment I think we can all agree that the stakes are very high.

The next five years and beyond will be about doing that at scale. We want to invest in more and more businesses, while also helping those in our portfolio that are making the most progress by following on our investments – scaling the sector as we help to build a global tech for good movement.

Giles Andrews



Message from our CEO

Our story begins back in 2008, when we held our first Social Innovation Camp bringing together people who were at the sharp end of problems in healthcare, education and sustainability with developers, designers and others who wanted to make a difference.

A hundred people showed up for the weekend to work on the six projects we'd chosen, including some of the most talented software engineers and designers in the UK. They came from banks, advertising agencies and big tech companies to work on something that they cared about.

The event was such a success that we ran five more in the UK and helped people run similar events in 25 other countries. We'd accidentally created an incredible community of people interested in tech for good. But there was always a question at the end of the weekend: "How do I quit my job and turn this into a startup?".

At the same time we were learning about the (then tiny) phenomenon of accelerator programmes in the US for a report that became *The Startup Factories*. We learned how, with intensive support, unlikely founders could turn ideas into products and then into companies that were ready for investment and rapid growth. We learned that a little bit of money goes a long way when you're hungry to build something meaningful, and that one of the most powerful tools for a new founder is a network of peers.

We put two and two together - the Social Innovation Camp community and what we learned about the accelerator model - and created Europe's first 'tech for good' accelerator programme. We put all of the small amount of money we'd made from running the events into this new idea and we named it after the place we were based at the time - Bethnal Green.



Pictured above: the BGV team in 2017

In 2012 we turned the prototype into a full programme and incorporated as Bethnal Green Ventures LLP with investment from Nesta and Google who lent us a floor of the newly opened Campus in Shoreditch. We invested in six social ventures, three of which (Fairphone, DrDoctor and Mastodon C) have gone on to be thriving, scaling, impactful businesses with revenues and numbers of beneficiaries in the millions. Then in 2013 the UK Government created the Social Incubator Fund and, applying in partnership with Nesta and Nominet Trust, we were one of the first programmes to be awarded funding. During the last year we're delighted that Big Society Capital have joined Nesta and Nominet Trust to back us to grow beyond the accelerator programme to offer advice, support and further investment to alumni teams.

We now know vastly more about supporting and investing in tech for good ventures than we did when we started Bethnal Green Ventures, but we still have lots to learn. We believe that there is huge potential for technology to have a positive impact on the world and that we can build a fantastic investment firm to back ventures that will deliver on that potential.

We're very proud of what we've achieved so far but we're even more excited about what we will do over the coming decades.

Paul Miller

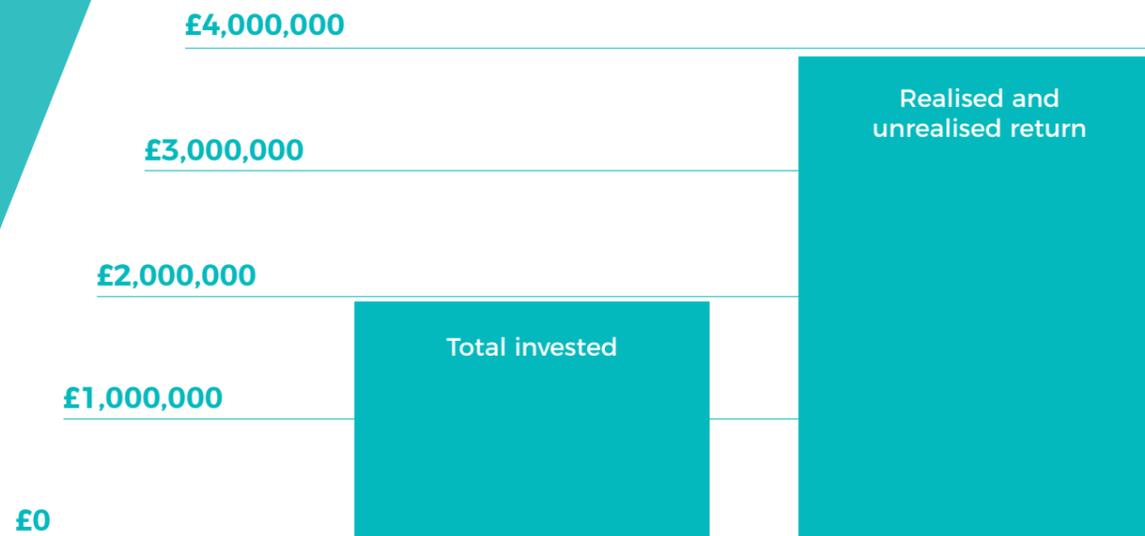
Highlights:

June 2012 - June 2017

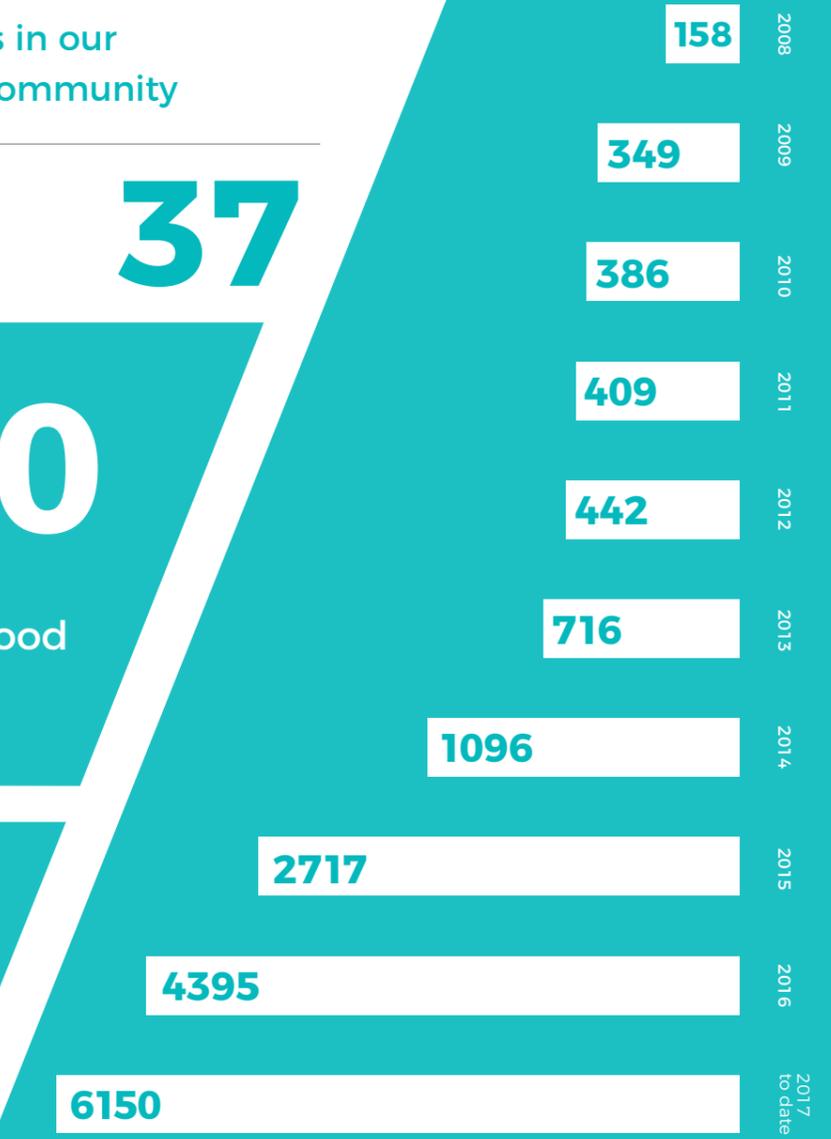
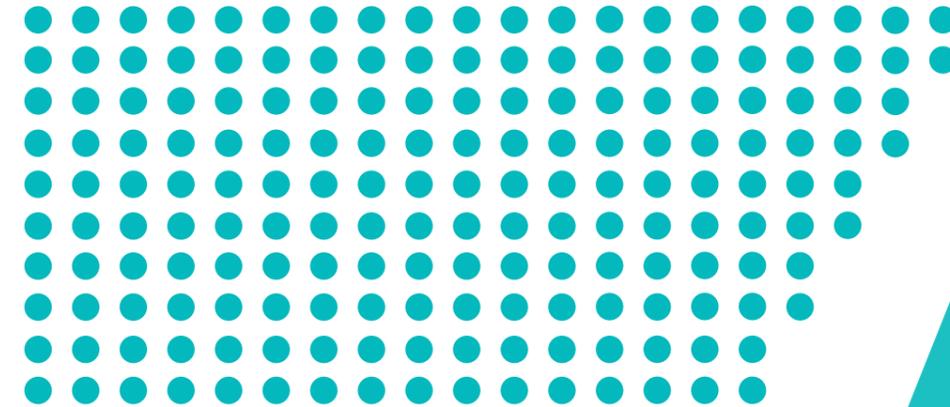
BGV at a glance



BGV funds invested vs return¹



Growth in our community

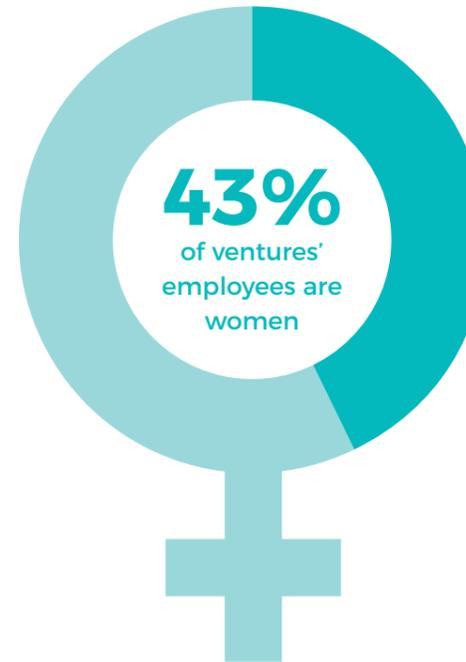
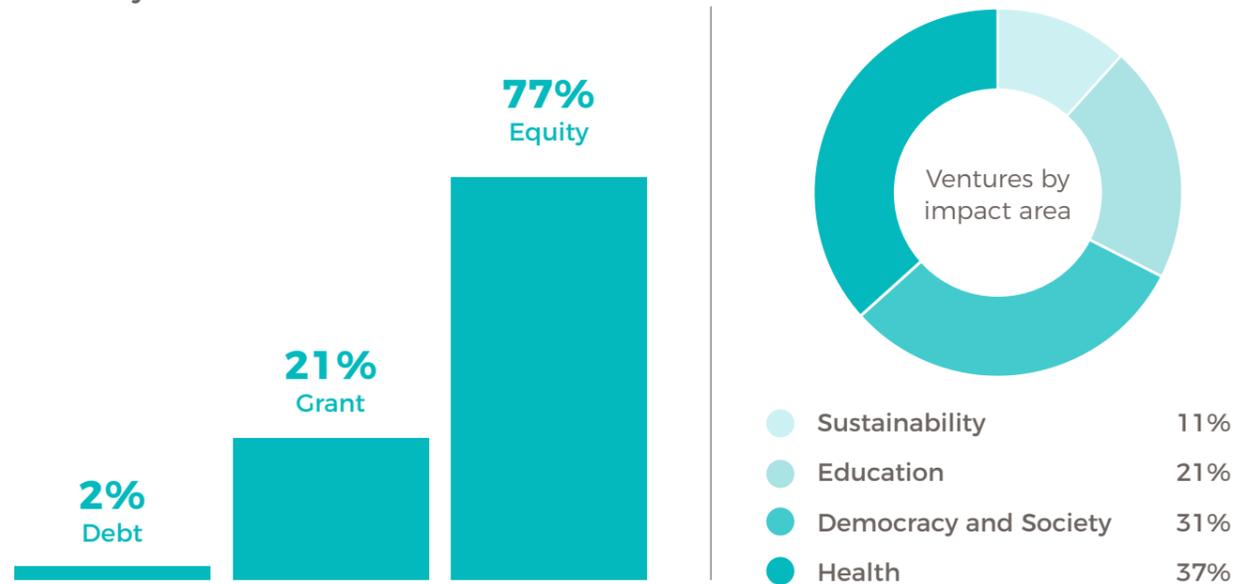


Growth in London Tech for Good meetup members

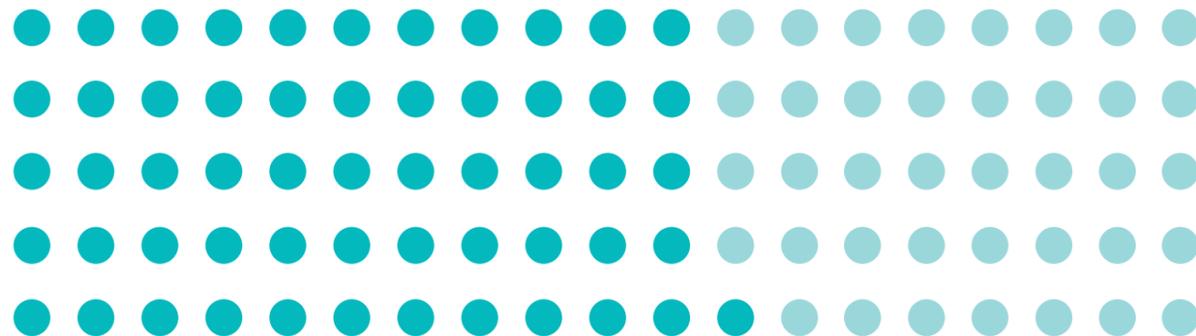
Our ventures³



Types of further investment raised by ventures⁴



56 Active ventures



Footnotes

¹ Unrealised return based upon valuation of investments in accordance with IPEV guidelines

² Data from [meetup.com/techforgood](https://www.meetup.com/techforgood)

³ Venture data as reported to BGV as at 30th June 2017

⁴ Estimate based on venture data as at 30th June 2017

How do we achieve impact?

By investing in tech for good ventures we:

/ 1

Provide the support that ventures need to succeed

/ 2

Scale ventures that significantly improve people's lives

/ 3

Deliver returns to investors

What we do

- Twice a year we select ~10 ventures, and provide investment and support through our intensive 12 week accelerator programme.
- We make follow-on investments at pre-seed and seed stages into ~10 ventures every year.
- We connect our portfolio to further investment opportunities.
- We provide ongoing support to our portfolio of ventures from our team, alumni and mentor networks.

How we've done

We've supported 95 ventures spread across our target sectors, 56 are actively trading.

Our portfolio had a combined positive impact on 18m beneficiaries, with a typical venture showing a 10X increase in beneficiaries every 18 months.

We've invested £1.9m at 30th June 2017 and the realised and unrealised valuation of those investments is £3.8m, 2 times their cost.

£29m of third party capital has been invested in our portfolio.

What this tells us

We're able to identify a wide range of ventures with potential for positive effects in each of our target sectors.

Our successful ventures are on track to meet & exceed our goal of impacting millions of people's lives.

Although it's very early days, with most of our portfolio less than 2.5 years old, we're on track to deliver a positive return to our investors.

Tech for good ventures are attracting investors.

By building the tech for good community we:

/ 1

Create connections and build a movement

/ 2

Increase the number and diversity of people in tech for good

/ 3

Increase the amount of funding and support available

What we do

- We host Tech for Good meetups, co-organised in London with CAST.
- We support the media platform techforgood, global and the Tech For Good podcast.
- We grow and support our mentor and alumni networks to provide advice to tech for good ventures.
- We partner with organisations who want to explore and highlight the opportunities to use technology for impact in their field of expertise.

How we've done

Membership of the London Tech For Good meetup grew to over 6000 people, a 60% CAGR⁵ over five years, with 3900 signups to 37 events.

Applications for our accelerator programme have had a 50% CAGR over five years. Over 50% of startups that applied for our latest programme have female founders in the team.

We have 90 active mentors and 180 founders in our alumni community.

We've partnered with four charities and a FTSE 100 company to support tech for good ventures in their sector.

What this tells us

We are getting more people to engage with the need and opportunity for Tech For Good.

We are seeing more people wanting to start tech for good ventures. There are good levels of diversity in the founders we attract, 2.9X the average for the sector.⁶

We've built a strong community that is actively providing peer-to-peer support.

By partnering with organisations with particular expertise we can find and support tech for good ventures in targeted sectors.

⁵ Compound annual growth rate

⁶ Crunchbase global study of startups found only 17% of startups have a female founder <https://news.crunchbase.com/news/2017-17-startups-female-founder/>

Building a movement



The Tech for Good Meetup is a regular public event we run

in London in partnership with the Centre for Accelerating Social Technology (CAST). With over 6000 people signed up to our events, they play an important role in helping to build a

3900 signups at 37 events

movement around tech for good.

We use the events to showcase innovative uses of technology around particular challenges.

We've run 37 events so far, and recent highlights include our events on housing and

homelessness, modern slavery, biodiversity and the justice system. In recent years we've seen

6150 London Tech for Good Meetup Members

the movement grow, with other organisations starting similar events in Manchester, Sheffield, Cambridge, Bristol, Bath and Dublin.

To complement this activity we're supporting the relaunch of techforgood.global, a media brand for the sector which features stories, videos and podcasts that demonstrate the potential of tech for good.

Becoming a B Corp

In 2015 Bethnal Green Ventures became a founding member of the UK B Corp movement. As a B Corp we are certified by B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency.

Becoming a B Corp shows we are doing our best to improve the social and environmental impact of our

work and our organisation. This year we were recognised on the 2017 Best for the World List, and we managed to increase our B Score from 92.5 to 95 - well above the average of 55, but still behind Fairphone at 107. We're working on catching up!



Our approach to diversity

We believe that, for societal, economic, or personal reasons, diverse teams are more resilient, adapt to change better, perform better economically, and are generally stronger.

But diversity is not just about better performance. We are trying to leverage technology to address some of our toughest social challenges, and we know that without a diversity of founders we can't hope to access most of those problems or the ingenuity and understanding needed to tackle them.

Our commitment to diversity:

We lead by example.

We value diversity in the BGV team, our anonymised recruitment process is designed to remove unconscious biases.

We take positive action in our communications.

We aim for a representative mix of speakers at our events. We actively promote and encourage applications from founders from under-represented groups.

We think about the diversity of the people involved in investment decisions.

We ensure diversity in our selection panels for our accelerator programme.



We encourage our ventures to bake in diversity and inclusion into their organisation from the start.

Our accelerator programme includes training around diversity, culture, inclusion and accessibility.

We encourage diversity reporting.

We require our portfolio ventures to report on the proportion of women they employ. We know diversity is not just about gender, but it's a good place to start.

Venture stories

Fairphone

BGV Cohort: Summer 2012
Impact Area: Sustainability

The idea for Fairphone came from a campaign for fairer electronics. Everyone said it was impossible to create a smart phone with ethical materials, but the team joined the BGV accelerator in 2012 and made huge progress. Their first phone (Fairphone 1) landed in December 2013 and focused on ethically sourced minerals and fairer labour practices for factory workers. The second phone (Fairphone 2) came out two years later and introduced an ethical and repairable design through bespoke modularity. Fairphone has sold over 135,000 phones - making a positive impact across the value chain in mining, design, manufacturing and life cycle, while expanding the market for products that put ethical values first.

135,000
Fairphones sold



Open Utility

BGV cohort: Summer 2013
Impact area: Sustainability

James Johnston was researching the future of energy when he came to a realisation, that in order to move to a renewable economy we need complete systems change in the electricity industry. Putting his research into action in 2013 he co-founded Open Utility alongside Andy Kilner and Alice Tyler and they joined BGV. Their vision is a democratised energy market where it is easier and cheaper to buy energy sourced from your neighbour's solar panels rather than from centralised and polluting power stations.

Since BGV they have secured £2m of funding and launched Piclo, the UK's first peer-to-peer energy matching platform. In 2016 they partnered with Good Energy to provide their business customers with choice and visibility over the source of their renewable energy. In 2017 they expanded Piclo to Italy and Netherlands and secured funding from the UK Government to add local flexibility trading functionality to the platform.

“Piclo has enabled the National Trust to offer it's renewable energy to a range of consumers, and access information through a user-friendly site that helped us understand the demand for our energy”.

Commercial Manager, **National Trust**

Bright Little Labs

BGV cohort: Winter 2016
Impact area: Education

Detective Dot is nine years old, a coder and a member of a secret network of young spies, out to solve the mysteries of how things are made and where they come from. Dot is the main character for Bright Little Labs, a children's media company on a mission to teach kids how to code while promoting diversity, equality and environmental sustainability. Founder Sophie Deen launched the idea on Kickstarter in December 2015 and joined BGV shortly afterwards. Since then they've produced the first book, which sold over 4000 copies and developed teaching materials which will be launching in 22,000 schools in 2018 in partnership with EDF. They're building an online community (known as the Children's Intelligence Agency) where kids can carry out personalised activities on and offline, and they're working on more books, games and cartoons to expand Dot's World.

**Distribution to
22,000 schools**

Overleaf

BGV cohort: Summer 2013
Impact area: Education

Overleaf was founded by two mathematicians who were inspired by their own experiences in academia to create a better solution for collaborative scientific writing. Overleaf is a collaborative writing and publishing system that makes the whole process of producing academic papers much quicker for both authors and publishers. During the BGV programme they grew from 8,000 users to over 25,000 a few months later, and lined up their first investment round with Digital Science, a strategic investor in the research space. Overleaf has grown rapidly since its launch in 2012, and today serves a community of over two million users from over 180 countries worldwide who've created over 10 million research projects using the system.

10,000,000
projects created using Overleaf

2,000,000
users worldwide

Our Path

BGV cohort: Winter 2015
Impact area: Health

One in three people in the UK have pre-diabetes, and 70% will go on to develop type 2 diabetes if nothing changes. Founders Chris and Mike joined BGV in 2015 on a mission to change this. Working with dietitians and behaviour science experts they developed an online health programme that helps people make small lifestyle changes that lead to big results. The six week OurPath programme combines smart scales and a wearable activity tracker with meal plans, mentoring and peer-to-peer support, delivered through their app. Their peer-reviewed trial showed an average sustained weight loss of over 8% per user - an approximate reduction in type-2 diabetes risk of over 50%. OurPath is starting to deliver pilots with the NHS, where GPs will prescribe OurPath to at-risk patients, working with nearly 200 patients in London, with the aim of expanding this rapidly over the next 12 months.

**50% reduction
in type-2
diabetes risk**

DrDoctor

BGV cohort: Summer 2012
Impact area: Health

DrDoctor is a digital health company transforming the way hospitals and patients communicate, by using pragmatic, common-sense technology to tackle the financial strain on the NHS - one hospital at a time. Their first product improves appointment scheduling, increasing clinic efficiency by reducing the number of 'do not attends' and filling empty slots. Patients can view, change and schedule outpatient appointments themselves - online, on a smartphone or by conversational SMS. Since joining the BGV accelerator in 2012 DrDoctor has been used in 22 major hospitals and by over 5 million patients, and has been proven to reduce the number of 'do not attends' by 30 per cent.

**£8m per year
saved by hospitals
using DrDoctor**

**5m patients
have used
DrDoctor**

Birdsong

BGV cohort: Winter 2015

Impact area: Democracy and Society

Sophie and Sarah founded Birdsong in response to funding cuts to women's services. They saw that vital women's services were closing, but at the same time they noticed that some of these charities were producing high-quality clothing and jewellery with no outlet for selling them. Their solution was Birdsong, an online ethical fashion brand which sources products from women's organisations, helping these charities fund themselves using skills they already have. Birdsong joined the BGV accelerator in 2015, working with three women's maker groups to launch their first products online that year. They now work with 15 women's maker groups and have sold 1,800 items online, bringing in £70,000 revenue to date, and generating £40,000 for the women's services they work with.

£40,000

generated for women's services

Commonplace

BGV cohort: Summer 2013

Impact area: Democracy and Society

Commonplace is a consultation tool that helps real estate developers, councils, city managers and their communities to understand each others' needs, in order to create better places to live. Developers and councils use Commonplace to reveal issues and suggest solutions, as well as for statutory consultation and formal planning applications. The tool makes local participation easy, encouraging open collaboration between councils, communities and developers. The team joined the BGV accelerator in 2013 to deliver a vision of deep and comprehensive public engagement about places, using digital tools. Since then Commonplace has been used by 84 local authority, developer and infrastructure customers to engage 231,000 people on 177 projects in the UK and US, which together impact several million people.

“Commonplace has enabled us to interact effectively with the public, given us deep insight into local views and preferences and helped build confidence in our work due to the transparency of the Commonplace tools.”

Phil Wright, **Bristol City Council**

Programme partnerships

One of the ways we help to support the development of tech for good is by partnering with corporates, foundations and charities around particular social and environmental challenges. Here are some of our partners, and the problems we've worked together on:

Water, sanitation, health and access to electricity in South Asia and Sub-Saharan Africa

/ Bespoke programme /



Improving prospects for low wage workers

/ Accelerator programme partnership /



Digital health and wellbeing

/ Accelerator programme partnership /



Improving outcomes for vulnerable young people

/ Accelerator programme partnership /



Supporting vulnerable consumers

/ Partnership with London Tech for Good Meetup /



"We know there is huge potential to use technology to improve the lives of vulnerable young people. The Children's Society is extremely pleased to partner with Bethnal Green Ventures to fund and support tech startup teams with early ideas, to have a greater impact on the lives of young people facing many serious problems."

Kirsten Naudé, Head of Investment and Partnerships,
The Children's Society

Our investors

Founding partners



"Bethnal Green Ventures are a key part of the infrastructure supporting the emerging Tech for Good sector in the UK. Big Society Capital were excited to support BGV's growth with our investment in 2017.

The capital and high-touch support BGV provides is helping a growing number of ambitious social ventures develop and scale ideas that help solve challenges in key areas such as health, education and sustainability."

Camilla Parke, Big Society Capital

"It's been fascinating to watch Bethnal Green Ventures steadily grow in both confidence and impact, until it's now seen as a trailblazer both for the UK and globally, showing how to harness the creativity and drive of start-ups to do good in the world."

Geoff Mulgan, CEO, Nesta

"As the UK's leading funder of social tech, Nominet Trust was an early backer of Bethnal Green Ventures, becoming a founding partner in 2012. We've continued to provide investment and support ever since and are proud to be able bring people together to achieve social impact in this way. By working collaboratively with BGV in this thriving space, we're developing a broadening community to nurture the growth of inspirational ventures that are transforming lives with tech."

Vicki Hearn, Director, Nominet Trust

Our principles

Be early

We're always ready to be imaginative and see the potential in emerging technologies and interesting or unusual solutions.

Understand the problem

We actively seek to understand what challenges people and society are facing. We encourage our community to start with user needs and identify what that means for the design of solutions.

Don't ponder, do

We're not afraid to get things wrong. We try to test hypotheses as soon as possible and learn from both our successes and our failures.

Be part of something bigger

We're proud to be part of the tech for good community and we'll do what we can to support and grow the movement.

Be generous

We actively look for ways to help others where possible. It strengthens our community and creates a supportive culture.

Champion diversity

We celebrate the radical approaches generated by diversity. The more diverse we are, the more we are able to understand the issues we're tackling.

Be responsible

We aim to always act with integrity, fairness, and respect. We try to understand our impact and any unintended consequences.

Take the long view

We understand that there are no quick fixes for changing difficult real world problems; but we're optimistic, patient and here for the long haul.

Be open: it makes things better

We want to share what we're doing whenever we can. With colleagues, with our peers, with the world. We share successes, ideas, intentions, and failures. We seek feedback and learn from each other.

Bethnal Green Ventures

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