

GENDER AND UNIVERSITY SPINOUTS IN THE UK

Geography, Governance and Growth

Context

This summary offers an overview of the university spinouts landscape in the UK and where women feature in the geography, governance and growth of these companies.

The results are part of a wider project, funded by the EPSRC's *Inclusion Matters* programme, looking at the participation of women scientists, engineers and mathematicians in spinouts.

This analysis is based on 789 active spinouts* in the UK originating from 82 academic institutions.

**This excludes spinouts categorised as 'exited', 'zombie' or 'dead' by Beahurst in the original sample of 1080 companies. The data used for this analysis was provided by Beahurst on the 28th January 2019.*

What is a 'spinout'?

A university spinout is a company created using university-based research. The institution often provides the initial capital investment through equity shares. It will typically have board representation from the beginning.

The institution may also provide access to incubators and facilities, such as laboratory space, where the spinout can operate.

A spinout differs from a start-up because the higher education institution retains ownership over the intellectual property.

Why research spinouts with a focus on gender?

Commercialising research through spinouts is increasingly recognised as a key area of impact and **knowledge exchange** within higher education

Encouraging women's engagement with spinouts supports the UK's **Industrial Strategy** to increase investment in research and innovation, and to support new business and growth

Fostering a supportive and inclusive ecosystem for spinouts could contribute to the long-term **prosperity** of the academic institution

Improving diversity and inclusion in university enterprise, particularly in STEM, is a **moral imperative** to ensure equal opportunities are available to all

KEY FINDINGS

1 GEOGRAPHY

A polarised ecosystem for spinouts across the UK

82
institutions in the UK have at least one active spinout

Scotland and the 'golden triangle'^{**} have the highest volume of spinouts

Few institutions have high spinout activity

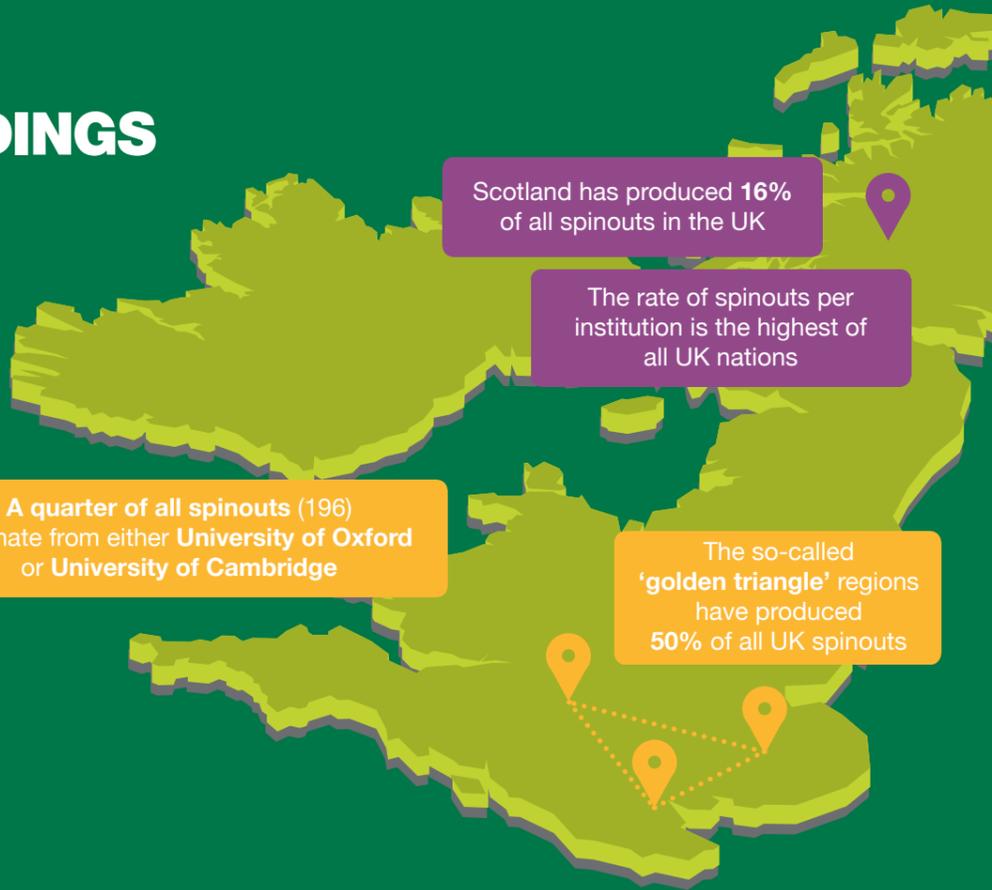
Russell Group institutions dominate spinout creation

47
institutions have less than five spinouts

70% of spinouts originate from a Russell Group institution



- 23 of 24 Russell Group institutions have at least one spinout



^{**}In our research, 'golden triangle' refers to Oxford, Cambridge and London (predominantly Imperial and University College London)

2 GOVERNANCE

An underrepresentation of women as founders and decision makers

Women founders and executives are a minority

- Only 13% of spinouts have one or more women founders
- Most spinouts (91%) have fewer than 50% women listed in their C-suite[‡]
- 59% spinouts have no women C-Suite members listed at all

Institutions with the most spinouts also have a greater proportion of women founders

Percentage of spinouts with at least one woman founder

-  The University of Cambridge 17%
-  The University of Oxford 18%
-  Imperial College London 22%
-  The Royal College of Art has the highest proportion of women spinout founders: 43% of their 28 spinouts



Russell Group institutions lack representation of women founders

- Seven Russell Group institutions (30%) have no women spinout founders
- These seven institutions produced 10% of all spinouts in the UK

[‡]C-Suite: the company's most senior level executives, so-called because their positions often have the word 'chief' in the title.

3 GROWTH

The involvement of women in spinouts is associated with lower growth and investment

Women are mostly in charge of small companies

- Only three SME spinouts have one woman founder or co-founder

Small spinouts most likely to have **50%** or more women in C-suite

Spinouts founded by women are less likely to receive innovation grants and fundraising

Spinouts with women founders receive less investment

- Companies with more women founders receive lower amounts through fundraising and tend to receive lower company valuations than those with more men founders

Unequal access to funding and large grants

- Spinouts founded or co-founded by women are less likely to have received a large innovation grant
- Spinouts from Welsh institutions are less likely to receive equity funding
- Spinouts from Russell Group institutions are more likely to receive investment through grant funding and higher company valuations



HOW CAN INSTITUTIONS MAKE SETTING UP A SPINOUT MORE GENDER INCLUSIVE?

Promote a culture that supports the commercialisation of research

Develop commercialisation policies and initiatives that are inclusive of women and recognise women entrepreneurs as the minority

Ensure women receive equal access to funding and growth opportunities when they found or govern spinouts

How can you help make setting up a spinout more gender inclusive?

-  Share these findings with your colleagues and senior leaders
-  Consider how you could make your institution's commercialisation policies and initiatives more inclusive of women
-  Engage with our project and team to learn more about creating an inclusive environment for women in spinouts



For more information, read the wider report titled 'Gender and University Spinouts in the UK: Geography, Governance and Growth' available at bit.ly/WomenSpinouts.

For further details contact the Centre for Diversity Policy Research and Practice on cdprp@brookes.ac.uk or follow us on Twitter @WomenSpinouts.