



Regional Growth Fund case studies: no. 5



Plymouth University and the Western Morning News Growth Fund (PWGF)

Plymouth University and the Western Morning News received a Regional Growth Fund allocation of £1m in August 2011 for a programme driving local growth through grants to small and medium-sized businesses from Truro to Exeter. The programme has made 20 awards at an average of £46,000 and had created 71 jobs by November 2012; at least another 15 jobs are likely to be created by March 2013. The scheme has been a great success, smashing its target of 50 jobs and unlocking an impressive £1.5m of private match-funding from the businesses themselves as well as investors in these small dynamic companies, as diverse as a mineralogical analysis service and leading software development firms.

PWGF is a key component of GAIN, the acclaimed Growth Acceleration and Investment Network set up by Plymouth University, Plymouth City Council and the Tamar Science Park to stimulate business growth and job creation across the South West.

In October 2012 it was announced that the programme had been selected to receive £3.9m of additional RGF funding (subject to due diligence) as part of Round 3. PWGF will build on its achievements and support other firms who can credibly demonstrate that funding will lead to rapid job creation.

Alan Bowes, owner and Managing Director of Advanced Pallet Systems was clear that the £58,000 investment in his business had been instrumental in helping them attract new, larger contracts, "As a result of

RGF in Action

Vince Cable launched the programme in August 2011. He said:

"I applaud this initiative of Plymouth University and Western Morning News. It's a very imaginative scheme to promote small business in the area. The aim of the Regional Growth Fund is to help local people unlock the growth and jobs opportunities in their area, and I'm pleased bids from the first round are starting to make progress towards achieving this."

"Support for small business is vital to help encourage new businesses and entrepreneurs, and the private investment this scheme will bring in will give a real boost to the economy."

Professor Julian Beer, Pro Vice-Chancellor for Regional Enterprise at Plymouth University on hearing that the project had been selected to receive additional funding in Round 3 said:

"This is fantastic news for the region's economy and a huge vote of confidence in what we have already achieved with the first round of RGF investment. This multi-million pound award means we can continue the great work we are doing as a University and through GAIN to create a culture of enterprise in the South West. Ministers have been very impressed with the number of jobs we have created and know that through GAIN and the Western Morning News we have the channels to get to businesses seeking to grow."

this project we have secured the supply to a major South West manufacturer who, in turn, has been able to respond to their customer needs in a more timely manner”.

The grant, matched by £60,000 capital investment from the business, enabled APS to purchase CNC routers and a large beam saw that meant the company were able to, not only ramp up the volume of their current output, but develop new products to more ‘engineered’ tolerances for new markets.

Alan went on to say, *“Currently, the additional jobs total 6, but with our anticipated continued growth it will be more.*

Our prospects as a company are as strong as they ever have been. We have secured new work, we can supply just in time, as manufacturers need today to be competitive. Advanced Pallet Systems has been built on service, and the additional funding has allowed us to move into more specialised work, creating a strong platform to continue to grow the business.”

Justin Sycamore, owner and Managing Director of Alpha Initiatives is equally clear that the PWGF investment has been material to helping his small, successful company rapidly accelerate its growth. Alpha Initiatives have developed and sell Vocab Express, an online vocabulary learning application used extensively by schools and colleges and designed to motivate students into independent learning.

Justin remarked, *“PWGF has enabled us to more than double our staff numbers including 3 new full-time permanent positions. This has meant that we have been able to deliver new key features on Vocab Express in a far shorter time frame than otherwise would have been possible. We are now strongly positioned to continue the development of Vocab Express into a global learning platform.”*

PWGF provided £43,000 to Alpha Initiatives to recruit high quality software development skills to Justin’s team and purchase large volumes of translated materials in a range of languages – the raw material necessary to drive the application.