

## Spinouts from Oxford and Cambridge university secure more capital than peer institutes, research finds

Highlighting the "Oxbridge Premium", a UK based study on life science spinout organisations reveals a gap in equity funding across UK universities.

CAMBRIDGE, CAMBRIDGESHIRE, UNITED KINGDOM, December 8, 2023 /EINPresswire.com/ -- Highlighting the "Oxbridge Premium", a UK based study on life science spinout organisations has revealed that spinouts from the University of Cambridge secure 133% more equity funding than peer institutes.



University of Cambridge

The study by accounting firm <u>Price Bailey</u>, goes on to reveal that spinouts from the University of Oxford receive the largest share of equity investment among all UK spinouts and rank on top for spinout creation.



There is work to be done, to ensure a more equal spread of commercial success for spinouts from institutes throughout the country, regardless of prestige, funding and geography."

Chand Chudasama, Partner at Price Bailey

However, individual businesses established at the University of Cambridge attract the highest median average amount of equity in each funding round. They also offer greater long-term business success rates.

The study investigated data on 584 university spinout companies who received equity funding between years 2012 - 2022, in the Life Sciences, MedTech, Artificial Intelligence (AI) and Genomics sectors.

The number of UK spinouts has experienced a 79% decline

since 2020, but the overall number has doubled in the last decade, the study reveals.

Chand Chudasama, <u>Partner at Price</u> <u>Bailey</u>, comments:

"Our study shows the significance of cultivating spinout organisations; on a per company basis, non-university spinout companies receive 61% less in equity capital than their university counterparts.

"University spinouts are also 57% more likely to achieve a 'good' exit, offering a beneficial entry route for entrepreneurs.

"Our findings highlight an impressive £12.65m economic impact for every £1m of publicly funded research income that the University of Cambridge generates. This reflects the "multiplier effect" of university based research investment on economic growth, job creation and innovation."

## Chudasama continues:

"A final point to note, is the strong reliance on leading institutes such as Oxford and Cambridge to drive the



University of Oxford graduates in traditional robes



Chand Chudasama, Partner at Price Bailey

commercial success of UK based spinout organisations. Our study shows that spinouts that form at alternative institutes struggle to access comparable opportunities.

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Find out more in <u>UK Life Sciences & AI university spinout landscape report</u> by Price Bailey.

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