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## **Technium Case Studies**

Appendix 1 to Evaluation of the Technium  
Programme Stage 1: Final Report



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## 1. Introduction

This appendix presents a short case-study on each Technium. The purpose of the case study is to provide an overview of

- the background and rationale behind the establishment of each Technium,
- how each Technium is funded
- the management and ownership arrangements of each Technium
- how companies can enter each Technium
- the business and academic support available to Technium companies, both in terms of expertise and facilities
- how and when company's exit each Technium; and
- the targets set for each Technium and the extent to which these have been met.

The table below summarises the development of the Technium network.

Year	Technium	Location	Sector	Region	
2001	Technium 1	SA1 Waterfront, Swansea	No sectoral focus	South Wales	West
2003	Digital	Swansea University Campus	Digital & Software Technologies	South Wales	West
2004	Technium 2	Adjacent to Swansea 1, SA1 Waterfront, Swansea	No sectoral focus	South Wales	West
2004	OpTIC	St Asaph Business Park, Denbighshire	Opto-electronic sector	North Wales	
2004	Aberystwyth	Aberystwyth Marina, Ceredigion	Focused towards companies operating in biological and environmental sciences, computer sciences and digital technology/new media. Tends to aid pre-start and very early stage technology and knowledge based businesses	Mid Wales	
2005	Digital@Sony	Sony Site, Pencoed near Bridgend	Technology based incubation. Satellite to the Digital Technium in Swansea	South East Wales	
2005	Sustainable Technologies	Baglan Energy Park, Neath Port Talbot	Sustainable Technologies and Low Carbon	South Wales	West
2005	CAST	Bangor, Gwynedd	Advanced software such as visualisation and communication technologies	North Wales	
2007	Performance Engineering	Llanelli Gate, Carmarthenshire	Performance engineering technologies in the automotive, motorsport, aerospace and marine industry	South Wales	West
2007	Pembrokeshire	Pembroke Dock, Pembrokeshire	Renewable and sustainable energy resources	South Wales	West

The case studies have been produced using information and data provided by each Technium Manager, on Objective 1 funding documentation and from the Technium website ([www.technium.co.uk](http://www.technium.co.uk)).



Each case study, with the exception of the OpTIC case study, has been reviewed by the relevant Technium Manager (or delegated team member) to ensure its factual accuracy. Several requests have been made to the Technium OpTIC management team asking for comment on the OpTIC Case Study however we have not received any response.



## 2. Technium Swansea

### 2.1 Introduction

Technium Swansea was the first Technium to be established<sup>1</sup>. Technium 1 opened in 2001 with the aim of helping to create a successful, sustainable Welsh economy by providing an environment which would help nurture and support the accelerated growth and development of technology and knowledge based businesses.

Objective 2 funding was secured which allowed the first dedicated Technium facility to be built on the old Swansea docks site, now known as SA1 Swansea Waterfront.

A second Technium (Technium 2) was built on the SA1 site in 2004. Technium 2 was designed to provide grow on space for clients from Technium 1. Neither Technium 1 nor Technium 2 has a sectoral focus.

Technium 1 is a 1,950 sq m (21,000 sq ft) facility which can accommodate up to 13 businesses. Technium 2 is 3,623 sq m (39,000 sq ft) and can accommodate up to 16 businesses. In addition to the incubator units, 10 desk spaces are available in a shared office for companies who do not need a whole incubator unit.

Technium 1 and Technium 2 are now known as Technium Swansea.

### 2.2 Rationale and Objectives

The concept of Technium was instigated in 1999 by Steve Davies at the WDA and Marc Clement from Swansea Institute of Higher Education (SIHE) and latterly, Swansea University, with the intention of creating the environment to create and retain high value jobs in South West Wales.

The Technium 1 project had four primary aims:

- To create a Business Innovation Centre
- To support the growth of existing knowledge driven SMEs
- To support the creation of new knowledge driven SMEs
- To create a one-stop shop capable of providing a seamless support mechanism for mobile R&D investment projects

The Technium aimed to bridge the gap between advanced academic research and commercial exploitation and create high value jobs to increase the retention of graduates in the local area. Initiatives already in place in South West Wales to support innovation such as the Swansea Innovation Centre were oversubscribed. Work by Swansea University had identified that graduates were leaving Wales due to a lack of opportunity; in addition work by the Welsh Development Agency had identified some pent up demand for better business support for knowledge based businesses.

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<sup>1</sup> More detailed information on the background and rationale behind the first Technium can be found in the main report (sections 2 & 3).

At the same time as this development work was being carried out in Swansea a number of policy and strategy documents were highlighting the need for increased levels of innovation and high value jobs in the Welsh economy. This included the Regional Technology Plan and the Swansea Bay Economic Strategy.

There had been other funding applications for a business incubator which provided both business and technical advice, but these had been unsuccessful for a number of reasons. The Technium bid was able to draw on the strengths of the previous bids, address the weaknesses and combine these with a strong partnership of applicants (WDA, UWS, SIHE, City and County of Swansea, West Wales TEC and Business Connect<sup>2</sup>) in order to take advantage of funding through the Objective 1 programme.

A detailed Operational Strategy was produced for Technium 1<sup>3</sup>. This document also proposed there should be two further phases of development on the Swansea Docks site although these phases had not been planned in the same detail as Technium 1. Phase 1 (Technium 1) would provide incubator space and support for start-up and early growth stages of development, Phase 2 would provide move-on accommodation and Phase 3 was for dedicated units for further larger scale move-on space. Technium 2 was the second phase of this strategy and was intended to support companies that emerge from Technium 1 as they mature and become free-standing entities. Objective 1 funding was sought for Technium 2 with the application form stating the following rationale:

*“The Technium 1 project is well on the way to achieving its aims and deliverables. The building is fully occupied with a healthy cross section of companies, all in the knowledge economy and satisfying the original objectives of the project. Technium 1 was envisaged as the first phase of a clearly defined strategy. It facilitated a high quality environment to assist its tenant companies in the early days of their development. Tenants are allowed a maximum of two years tenancy in Technium 1. At the end of that period, a Technium 2 was envisaged in which the expanding companies could secure a medium term location”.*

The Technium 2 application puts forward the following evidence of demand for the second Technium:

- *“Technium I is already full. All tenants have an 18 month tenancy agreement and are fully aware that they will be expected to move to a similar environment in the Port Tawe Innovation Village<sup>4</sup>.*
- *Early stage incubators at UWS already have ten start-up companies who are expressing a wish to enter Technium 1 and the current tenants vacate. In other words the pipeline envisaged is beginning to work. Failing to realise Technium II will stifle this strategy.*

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<sup>2</sup> The role and function of the WDA has been absorbed into the Welsh Assembly Government, University of Wales Swansea is now known as Swansea University, Swansea Institute of Higher Education is now known as Swansea Metropolitan University

<sup>3</sup> DTZ Piedad Consulting (2000) A New Business Innovation Centre for Swansea and South West Wales

<sup>4</sup> Originally plans for the Swansea Docks site were to create an ‘innovation village’ (known as Port Tawe Innovation Village). The site would provide residential and employment sites so that people involved in innovative activity could live and work in one location. The plans for the innovation village were overtaken by general regeneration objectives which resulted in the innovation focus being lost to a more general mixed used development (SA1 Swansea Waterfront)

- *The WDA and UWS recently undertook a joint inward investment visit to the US specifically targeting potential semi-conductor companies wishing to locate European design centres in Wales. This was an attempt to repeat the Agilent experience. An on-going dialogue with a number of these companies is proving promising and could realise a further demand for space in Technium 1, which could only be achieved with the realisation of the Technium 2 project*
- *Other partner organisations in Technium 1 have their own emerging demand for space and business support. This includes SIHE’s initiative with Bertrand (UK) Limited – a division of Porsche – to relocate an R&D team in the region and other similar initiatives from Business Connect.*
- *The WDA has decided to brand Technium and proactively market the vision and concept internationally. There is a constant ebb and flow of visitors from Europe, US and the Far East. The creation of Technium 2 is absolutely crucial in further developing this embryonic knowledge driven cluster in the region*
- *The private sector is taking an active interest in Technium. This includes blue chip organisations such as PriceWaterhouseCoopers, Morgan Cole and Urquhart-Dykes and Lord, all of whom are prepared to invest in the future of the project. Again, the realisation of Technium 2 is crucial in satisfying the new thirst for private/public sector co-operation in regional economic regeneration*
- *The region has suffered due to lack of venture capital presence. A major fund, Celtic House, has now placed its first investment in a Technium 1 start up. Again, this activity could develop and illustrates the need for this project to succeed and evolve.”*

Technium 1 supports companies while they incubate their concepts, eventually leading to a more developed business plan. Technium 1 houses early stage start up companies. The space in Technium 1 is divided into relatively small units and facilities such as meeting rooms and conferencing facilities are provided centrally reflecting the early stage of development of its clients and consequently their space requirements. Technium 2 offers larger office space to house more mature companies, still in early stages of development but employing larger numbers of people. The original concept was for Technium 2 to provide larger space for tenants from Technium 1 that had outgrown the facilities there. Whilst most clients enter Technium 2 from Technium 1, some applicants are of a size, scale and maturity where it is most suitable for their growth prospects to enter immediately into Technium 2.

A third Technium building for larger grow on space has not been built by the public sector, however, a private sector partnership developed the Ethos building next to the two Swansea Techniums. The Ethos building took over four years to come to fruition after the initial idea for a private sector development. Ethos opened in May 2008 and a number of graduated Technium clients have taken space in the building. Ethos is connected to the Technium IT and telephony networks.

## 2.3 Ownership and Management

Both Technium 1 and Technium 2 are owned and managed by the Welsh Assembly Government.

The Technium is managed by a Technium Manager who is supported by three other staff on site.



## 2.4 Funding

Technium 1 cost (capital and revenue) £3.2m whilst Technium 2 cost £7.9m. Funding for the Technium buildings are set out below

**Table 2.1: Technium 1 Funding Sources**

Source	Technium 1
Objective 2	£1,448,000
Welsh Development Agency/Welsh Assembly Government	£1,325,000
Swansea University	£464,000
Private Sector	£18,000
<b>Total Funding Received</b>	<b>£3,255,000</b>

Source: Davies, S (2008) "Proposal for Maximising the Economic Impact of Technium"

**Table 2.2 – Technium 2 Funding Sources**

Source	Approved Amount (July 02)	Approved Amount (last reprofiling letter)	Actual Funding Amount (March 06)
Objective 1	£3,252,257	£3,252,257	£3,244,097
Welsh Assembly Government – Pathways 2 Prosperity		£2,505,420	£2,493,800
Welsh Development Agency/Welsh Assembly Government	£2,505,420	£219,500	£1,759,461
Swansea University		£376,300	£349,215
Morgan Cole		£108,000	£0
PriceWaterhouseCoopers		£108,000	£0
Urquhart-Dykes & Lord		£60,000	£9,180
Private Sector	£652,300	£18,000	£0
<b>Total Funding Received</b>	<b>£6,409,977</b>	<b>£6,629,477</b>	<b>£7,855,753</b>

Source: WEFO Approval Letters (dated July 02) and Final WEFO Claim Form and Progress Report (position at end of funding period 31 March 2006)

Technium 2 originally planned to have substantial investment from the private sector. Specifically there was the intention for PriceWaterhouseCoopers, Morgan Cole and Urquhart-Dykes and Lord to provide weekly surgery sessions in the Technium for Technium clients. The time that they provided was to be considered an 'in-kind' contribution to the costs of the Technium. However, in practice it was found that the surgery sessions were not being utilised by the Technium clients – either because they had their own providers of these services or because after the initial meeting they tended to arrange meetings directly with the service provider and not use the surgery sessions. Consequently there was a shortfall in private sector contributions to the costs of the Technium. The shortfall was filled through funding from the Welsh Assembly Government.

Following the end of Objective 1 and 2 funding the Technium has been funded through Welsh Assembly Government core budgets. Convergence Funding is being sought to cover some of the revenue costs of Technium Swansea going forward.



## 2.5 Support and Facilities

Technium Swansea provides clients with high quality office space, high bandwidth internet connectivity and telephony and meeting and board rooms. There is no sectoral specific specialist equipment on site.

Clients of Technium Swansea can access business and technical support through the Technium manager who can signpost them to the most appropriate Welsh Assembly Government programme or service provider. Although the Surgery Sessions described above did not work in practice, the idea was developed into the Professional Service Provider group. These providers specialise in services such as Finance; Management, Admin, Marketing & IT; Product and Process Development and Legal Issues and HR. Technium Clients can access a minimum of two hours free advice from providers on the panel. If the Client needs support over and above the free advice offered, the Welsh Assembly Government can cover up to half the cost through their Flexible Support for Business initiative.

The Welsh Assembly Government Innovation manager for the South West region is based at Technium Swansea. The Innovation Manager has worked in the private sector and has significant experience relevant to innovation and intellectual property. The manager can provide advice and support on a range of innovation issues including where to access funding for intellectual property (IP) and new product development and how to find partners throughout the UK and Europe to exploit and licence new technologies.

Although the service provided by the innovation manager is available to any business in Wales, Technium Swansea clients can benefit from the South West Innovation Manager being located within Technium Swansea. This means that the Innovation Manager is much more accessible to them. The innovation manager has a very good understanding of all of the Technium Swansea clients.

## 2.6 Linkages with Private Sector & Academia

The South West Academia For Business (A4B) Project Development Manager is also based at Technium Swansea. The A4B officer can help businesses to collaborate and work with higher and further education institutions. The A4B Project Development Manager formerly ran industrial research programs in a multinational private sector company. He has significant connections in academia and experience in accessing research and development funding. The Officer will help a Technium client to find the most suitable HEI (within Wales, the UK, or further afield) to support the business' needs. As with the Innovation Manager (described above) the services provided through the A4B officer are available to any business in Wales, however, as the South West Officer is located within the Technium Swansea he is more readily available and accessible to Technium Swansea clients.

There are linkages between Technium Swansea and Swansea University and Swansea Metropolitan University. These Universities offer Technium clients technical advice and support and access to equipment, for which they may have to pay a fee and/or enter into a contractual agreement.



## 2.7 Entering Technium

In order to enter Technium Swansea, companies must meet the standard Technium entry criteria (see Appendix 1). The process that companies go through is designed to ensure that the 'right' companies are selected as Technium companies. The process is set out below:

- Company visits the Technium and **discusses their requirements** with the Technium Manager to establish whether Technium can meet their needs. The Technium Manager gives them all of the information that they need
- Company **registers their interest** in becoming a Technium client by submitting a form. This requires them to set out why they want to come to Technium. This stage is a filtration method to separate out those with good ideas from those with a strong business.
- If the company is seen to be a 'Technium Business' they are then required to submit an **Application Form and detailed business plan** in which they have to justify: why they are a Technium company; how do they meet the criteria; why do they need support and so on.
- A **Selection Panel** made up of representatives from Sustainable Technologies, Performance Engineering, Digital and Swansea Techniums along with other key individuals from the Welsh Assembly Government and other stakeholders meets to assess the application form and business plan. There has to be a minimum of three Panel members present for the meeting to go ahead. The Panel ensure that the applicant has met the eligibility criteria and are credible. The panel uses their experience to identify whether the company is credible and high growth or just good at filling in forms.
- If the Selection Panel approves the company for entry to the Technium the company has to undergo **Financial Due Diligence** which is undertaken by the Welsh Assembly Government.
- If successful the company is then able to **sign the lease**

Technium clients need to demonstrate, through a business plan, that they have the basis of a knowledge enterprise capable of growth.

The application process is designed to be consistent and transparent across the South West Wales Techniums. It should be noted that applicants do not have to completely meet all the criteria listed to be able to enter the Technium, the panel use their experience and judgement to determine the extent to which the criteria are met. For example, a company may not be engaged in R&D at the time of application, however, they may have plans for R&D later in their business plan.

Units are rented out at £10.50 per sq ft plus a service charge of £5.00. Desk space users pay £200 per month.

## 2.8 Exiting Technium

Companies are expected to move on from Technium Swansea after five years, however there is currently a network-wide review of exit criteria underway to see if there can be a way of allowing companies to stay longer than five years if there is space in the building and it will not affect pipeline. The Technium Manager will discuss with the client their exit plans and work with the client in order to ensure that the exit from Technium is managed and goes as smoothly as possible. This will include helping the client to find suitable grow on space and bringing in the appropriate Welsh Assembly Government Relationship Manager who will

support the business once they have left Technium. Technium graduates remain part of the Technium network through the Technium Associate Member programme. As Associate Members graduates can still access support and advice from the Technium and use any specialist facilities.

Recently four Technium Swansea graduates worked together to obtain Objective 1 funding in order to build grow on space in Swansea. The Ethos building offers 32,000sq ft of office accommodation, in addition 7,000sq ft of conference and communal facilities to encourage collaboration and networking initiatives between companies.

## 2.9 Targets

Technium 1 targets and are set out below. These were achieved in the funding period 1999 – December 2001.

**Table 2.3: Technium 1 Targets and Outputs**

<b>Indicator</b>	<b>Target (1999)</b>	<b>Output (2001)</b>
R&D centre created	1	4
Direct jobs created	6	6
No of SMEs contacted	600	450
New products and processes adopted	30	32
New products and processes developed	60	32
Jobs created within expanding SMEs	60	54
New linkages	90	102
% increase in turnover of assisted SMEs	15%	23%

*Source: Technium 2 Objective 1 Application Form*

Technium 2 targets and outputs are set out below. The table also records the results of the last re-profiling exercise which adjusted the targets set out when the project was originally approved. These targets were to be achieved in the time period January 2002 – March 2006.

**Table 2.4: Technium 2 Targets and Outputs**

	Original Target (July 02)	Reprofiled Target (last reprofiling letter)	Actual Achievement (March 06)
<b>Activities</b>			
Companies receiving advice in innovation and R&D	300	300	470
Collaborative projects between companies and research institutions	50	50	92
New Incubator	1	1	1
Floorspace in incubator and R&D facilities (m <sup>2</sup> )	3,639	3,639	3,639
Projects transferring environmental technologies to the business sector	1	1	0
<b>Results</b>			
Increase in turnover in supported companies	£50,000,000	£50,000,000	£0
Gross new companies in high tech sectors	50	50	12
Gross jobs safeguarded	500	500	130
Gross new jobs in high tech sectors	150	150	110
Number of new patents and trademarks	15	15	24

Source: WEFO Approval Letters (dated July 02) and Final WEFO Claim Form and Progress Report (position at end of funding period 31 March 2006)

## 2.9.1 Clients

The number of clients for Technium Swansea 1 and 2 for the period from 2001 – April 2009 as reported by the Technium manager are:

**Table 2.5: Technium 1 and 2 Clients**

	Number
Total Number of Clients Since Opening	24
Current Number of Incubator Clients	11
Current Number of Desk Space Users	2
Number of Clients Exited Technium	11
<i>Number of Successfully Graduated Clients</i> <sup>5</sup>	8
<i>Number of Failed Clients</i> <sup>6</sup>	3
Total Number of Associate Members	5

Source: Swansea Technium Manager – situation as at 27<sup>th</sup> April 2009

Of the three companies that have failed, one company failed whilst they were a Technium client, one company went through a managed close down and one company failed after they left Technium Swansea.

<sup>5</sup> Clients that have moved on to larger premises, or have sold the business on

<sup>6</sup> Clients that have closed down, moved into smaller premises, or have become dormant



## 3. Technium Digital

### 3.1 Introduction

Technium Digital opened in 2004 in a building on the Swansea University campus on Swansea seafront. This Technium helps science and technology businesses to exploit digital and software technologies. Technium Digital is a three storey, 3,500 sq m (37,675 sq ft) facility. Incubator companies occupy one floor of the building in 15 office units, whilst the other two floors are used by Swansea University's Institute of Advanced Telecommunications (IAT). In addition to the incubator units five hot desk spaces are available.

### 3.2 Rationale and Objectives

The application form submitted to WEFO stated that the Technium Digital will form an *"integral part of the emerging network of Techniums across the South West Wales region"* and will be active exclusively in digital technology. The application stated that the key aims of the bid were:

- To manage the design of Technium Digital to ensure that it matched the needs of companies operating in the digital economy
- To project manage the construction of Technium Digital and implementation of specialist features such as IT, necessary for companies in this sector of the economy.
- To plan and implement the support infrastructure necessary for incubating companies to benefit to the maximum extent from their tenancy at Technium Digital
- To plan and facilitate the collocation in Technium Digital of relevant Centres of Excellence and SME R&D activities
- To ensure that Technium Digital was fully integrated into the Technium Network thereby making its full contribution to the growth of the knowledge economy in Wales.

The objective of the Technium Digital project was to *"help satisfy the demand created by the successful Technium 1 project"*. The application stated that the experience of Technium 1 demonstrated the need for further sector specific Techniums in the region. The application stated that *"Technium 1 was envisaged as the first phase of a clearly defined strategy. As part of that strategy a network of sector specific Techniums are to be developed. The Digital Technium will be one of those."*

The application put forward the following evidence of demand for the Technium Digital project:

- Technium 1 was already full.
- Digital companies such as Agilent Technology, Pure Wafer and International Rectifier invested in excess of £50m into the local area because of the research activities at Swansea University, who were a key partner in the Technium Digital project and who manage Technium Digital
- The private sector were prepared to invest heavily in the project (see Table 3.1) which was seen as clear evidence of demand.
- Early stage incubators at Swansea University already had ten start-up companies that were expressing a wish to enter Technium 1 as the current tenants vacated. In other

- words the pipeline envisaged was beginning to work. It was felt that failing to realise Technium Digital would stifle this strategy.
- The WDA and Swansea University had undertaken a joint inward investment visit to the US specifically targeting potential semi-conductor companies wishing to locate European design centres in Wales. This was an attempt to repeat the Agilent experience. On-going dialogue with a number of these companies looked promising and was hoped could realise further demand for space in Technium Digital.
  - Other partner organisations in Technium 1 had their own emerging demand for space and business support. This included Swansea Metropolitan University's initiative with Bertrand (UK) Limited – a division of Porsche – to relocate an R&D team in the region and other similar initiatives from Business Connect.
  - The WDA had decided to brand Technium and proactively market the vision and concept internationally. There was a constant ebb and flow of visitors from Europe, US and the Far East. The creation of Technium Digital was seen as absolutely crucial in further developing this embryonic knowledge driven cluster in the region
  - The private sector was taking an active interest in Technium. This included blue chip organisations such as PriceWaterhouseCoopers, Morgan Cole and Urquhart-Dykes and Lord, all of whom were prepared to invest in the future of the project. Again, the realisation of Technium Digital was seen as crucial in satisfying the new thirst for private/public sector co-operation in regional economic regeneration
  - The region had suffered due to lack of venture capital presence. A major fund, Celtic House, had placed its first investment in a Technium 1 start up. It was seen that this activity could develop and illustrated the need for this project to succeed and evolve.

### 3.3 Ownership and Management

Swansea University was the lead partner in the development of Technium Digital and made the application for Objective 1 funding. Other partners included the City and County of Swansea, the WDA and Agenda Ltd. At the time of the Objective 1 application Agilent Technologies and CISCO were named as key project sponsors.

The Technium building is owned by Swansea University. A third of the building is leased to the Welsh Assembly Government for 125 years from 2003 to be used in the Technium Programme. Technium clients contract directly with the Welsh Assembly Government. Swansea University manage the Technium on behalf of the Welsh Assembly Government by delivering a range of Management Services covered in an Agreement between the WDA and the University.

A Technium Manager is employed by the University, he is supported by a Commercial Manager, Project Manager and a receptionist.

### 3.4 Funding

The total project cost of Technium Digital was £9.6m, this covered both capital and revenue costs. Capital costs represented 81% of the total costs of the project.

**Table 3.1 – Technium Digital Funding Sources**

Source	Approved	Approved	Actual Funding
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	Amount (July 02)	Amount (September 04)	Amount (September 05)
Objective 1	£4,436,955	£4,436,995	£4,394,540
Welsh Development Agency / Welsh Assembly Government	£1,294,400	£1,169,370	£1,169,370
Swansea University	£2,806,145	£2,484,039	£2,219,516
Agenda	£1,529,200		
Cisco	£450,000		
Agilent	£250,000	£1,350,136	£1,423,403
IBM		£263,200	£250,000
<b>Total Funding</b>	<b>£10,766,700</b>	<b>£9,703,740</b>	<b>£9,456,829</b>

Source: WEFO Approval Letters (dated July 2002) and Final WEFO Claim Form and Progress Report (position at end of funding period 30 September 2005)

Since the end of revenue funding through Objective 1, a third of the building costs (utilities, maintenance and reception costs etc) are charged to the Welsh Assembly Government on an annual basis. Swansea University covers the remaining costs including the costs of business support provision carried out by the commercial manager and project manager.

### 3.5 Support and Facilities

Technium Digital has a range of specialist equipment to support Technium Digital clients in their work. This includes a Virtual Reality Studio which allows interactive, real-time data analysis in a visually immersive environment. It also enables product prototyping to take place in a fraction of the time required by conventional prototyping.

The Virtual Reality Studio is available by agreement, fully supported, for commercial use by both companies located in and external to Technium, as well as for University research projects from the School of Engineering, the Clinical School, School of Biological Sciences and the Computer Science department.

The Agilent Laboratory (housed within the Institute of Advanced Telecommunications) is available to Technium clients. The Laboratory is equipped with sophisticated communication testing equipment traditionally the domain of large companies. The laboratory focuses on the design and testing of high-performance electronic communication systems.

In addition to the technical facilities available, Technium residents can have access to a range of business support through:

- The Technium Professional Service Providers which provides access to about 30 business support providers in a range of different areas e.g. IP, legal, marketing. Businesses access a minimum of two hours of free support before incurring charges. If more support is needed, businesses can access support from the Welsh Assembly Government towards the cost of the consultancy.
- The Technium Manager is able to offer advice and support and signpost firms to other areas as necessary





### **3.6 Linkages with Private Sector & Academia**

As Technium Digital is located on the Swansea University campus there are links between the University and Technium clients. Key university departments such as the Institute of Advanced Telecommunications and the Research and Innovation Office are co-located in the Technium building or nearby ensuring that relevant academic R&D expertise is readily available to Technium clients. Swansea Metropolitan University's Faculty of Applied Design & Engineering has also worked with Technium clients.

### **3.7 Entering Technium**

In order to enter Technium Digital, companies must meet the standard Technium entry criteria (see Appendix 1).

The maximum tenancy agreement is three years with three months written notice. Extensions are permitted but at a higher rental level. Rent is charged at £10.50 per sq ft plus a service charge of £5.00 per sq ft. If companies are not ready to take a full incubator unit, hot desk spaces are available at a charge of £200 per month.

In addition to becoming a Technium resident company, companies can alternatively take out Associate Membership. Technium associate membership is a virtual residency scheme which is designed for individuals and local, UK-based science and technology businesses looking to access the benefits of Technium without renting a unit.

### **3.8 Exiting Technium**

The standard Technium lease is used, which is a three year arrangement. After three years the client may negotiate to stay in Technium Digital for longer, however they will incur higher rental fees. Generally Technium clients are encouraged to move on after the three year period.

Clients graduating from Technium Digital are encouraged to locate in grow on space at other Techniums with larger units, or locally available commercial premises. Graduates become Technium Associate members.

### **3.9 Targets and Outputs**

As a recipient of European funding, Technium Digital was set a number of targets to achieve over the funding period (August 2002 – September 2005), the original targets are set out in the table below along with the level of achievement that was achieved by the end of the funding period.

**Table 3.2: Technium Digital Targets and Outputs**

	Original Target (July 02)	Actual Achievement (September 05)
<b>Activities</b>		
Companies receiving advice in innovation and R&D	200	215
Collaborative projects between companies and research institutions	36	39
New Incubator	1	1
Floorspace in incubator and R&D facilities (m <sup>2</sup> )	3,500	3,500
Projects transferring environmental technologies to the business sector	5	n/a
<b>Results</b>		
Increase in turnover in supported companies	£40,000,000	£5,000,000
Gross new companies in high tech sectors	25	12
Gross jobs safeguarded	200	46
Gross new jobs	150	130
Gross new jobs in high tech sectors	150	113

Source: WEFO Approval Letters (dated July 2002) and Final WEFO Claim Form and Progress Report (position at end of funding period 30 September 2005)

### 3.9.1 Clients

Information received from the Technium manager regarding the number of clients supported at Technium Digital between July 2002 and April 2009 are reported below:

**Table 3.3: Technium Digital Clients**

	Number
Total Number of Clients since Opening	12
Current Number of Incubator Clients	8
Number of Desk Space Users	3
Number of Clients Exited Technium	1
<i>Number of Successfully Graduated Clients</i> <sup>7</sup>	0
<i>Number of Failed Clients</i> <sup>8</sup>	1
Total Number of Associate Members	3

Source: Technium Manager – situation as at 28<sup>th</sup> November 2008

<sup>7</sup> Clients that have moved on to larger premises, or have sold the business on

<sup>8</sup> Clients that have closed down, moved into smaller premises, or have become dormant













































































































