

# Overseas students are essential for the UK startup ecosystem

Creator Fund has released a report on the student-led tech innovations born in the UK universities' labs and classrooms (rather than its accelerators) and highlights an exciting and diverse pool of talent. The report gives insight into what is happening on campus and the future of business.

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Attracted by the nation's highly reputed universities and their capability to be world-leading startup launchpads, Creator Fund found that six in ten companies started on campus have a non-British founder. This highlights the critical role that these institutions hold in driving the nation's ambition to be a global technology centre, and this includes retaining international student numbers despite the challenges of COVID-19 and Brexit.

To compile this report, the VC examined more than 500 student-led startups it met with in the last eight months. It found that a majority of UK startups have a foreign founder, with China being the leading nationality, and 25% hailing from the EU.

[Download the full report](#)

Creator Fund's report also suggests a link between the above-average rate of BAME student founders and the high number of diverse international founders. Nearly half (43%) of UK student-led startups had a BAME founder and 40% had a female founder. Creator Fund identified that the most diverse startups teams hail from Oxbridge universities, which is potentially driven by the higher number of international students on campus.

*“Our report supports our belief that universities have a key role in building the UK as a global technology centre of excellence. Cov-19 has not slowed student founders down, they have invested their extra free time to work on their ideas. The entrepreneurial ecosystems in universities up and down the country show us the plethora of world-class, international, diverse talent working together to deliver innovation. We need to make student founders have the right access to capital and strategic support, which is what we are doing with Creator Fund.” – Jamie Macfarlane, founder and CEO of Creator Fund*

## UK universities prioritise healthtech

Healthcare seems to be a priority for student founders with 16% of startups being specialised in healthtech and a further 4% operating in biotech. This includes a number of startups who have pivoted their existing models to help tackle COVID.

Another key sector seeing movement is food and agriculture and, despite its

leadership in finance, LSE is the leader in generating FoodTech startups, with Scottish universities also being particularly strong in the area.

## Innovation happening across the country

The report shows how much innovation is happening outside the traditional hotspots in the South East. While 71p of every £1 of venture funding in the UK goes to London, Creator Fund found that 62% of student startups are coming from outside the capital.

*“Universities are key for driving growth beyond the strongly ventured parts of the South-East” – Jamie Macfarlane, founder and CEO of Creator Fund*

## Differences between the US and the UK ecosystems

Creator Fund is based on successful initiatives that have driven university entrepreneurship in the United States. Some of the major differences between the US and UK ecosystems showed that startup activity here is much more focused on Masters and PhD students. Whereas in the US, success stories like Facebook and Snapchat have helped drive much more activity led by undergrads.

## A view from student founders from top UK universities...

Peter Hedley, Imperial, Master's student and Co-Founder of RecyclEye – *“I think being a student is a great perspective jolt. Having worked in the industry and then coming back to student life you have the time to think and breathe which often generates some of the radical ideas and emotional confidence needed to be a founder. Recycleye has been a rollercoaster of ups and downs, but sharing some of the best moments with a close friend from university has been great. Founders need absolute trust in each other and that only comes from working*

*or studying together.”*

Shawn Du, Imperial, Master’s student and Co-Founder of [Refund Giant](#) (Chinese student) – *“I came here to study because I wanted to start a company and thought the UK had the best talent for building my team.”*

Cornelius Palm, Cambridge PhD and Co-Founder of [Happyr Health](#) – *“As student founders in the international environment of Cambridge, we have optimal conditions to test and innovate. Despite our lack of experience and young age, we have access to top experts from around the world and can draw on diverse knowledge from faculties and the experience of brilliant mentors. To compete as students with established entrepreneurs and companies is fun because you are always fighting in the underdog position. Student Entrepreneurs are used to a low-cost lifestyle and we aim to benefit fully from the means at our disposal.”*

Alexander Birks, Herriot-Watt Undergraduate and Founder of [Suji BFR](#) (Scottish student) – *“This report shows 15% of student startups coming from Scottish universities, Scotland is a great place to start and grow a business. Scotland offers access to a large pool of talent and immensely supportive framework set up to encourage the growth of startup companies.”*

*Read also*

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[Creator Fund encourages students to become founders](#)