

Backing the North of England's most impressive and impactful startups and scaleups, a profile of Par Equity

With #QVCS, Maddyness profiles different funds to give founders and entrepreneurs the information they need to choose the right investor. Today we interview Andrew Noble, Partner at Par Equity.

We're a leading venture capital firm based in Edinburgh, investing in innovative technology companies with high growth potential in the North of the UK. Since launching in 2008, we've invested around £160M into 77 early-stage technology companies and continue to back innovative, high-growth tech companies in this region through their Seed to Series A investment rounds and beyond.

A highlight of Par Equity's approach is our hybrid investment model, combining our discretionary managed funds with the skills, expertise and contacts of the Par Investor Network – a large and engaged pool of investors and mentors with a track record of founding, growing and selling companies, who can add value throughout the investment life cycle. This investment strategy, fusing the experience of angel investors with the professionalism and rigour of an experienced venture capital fund manager, is a force multiplier for Par Equity, delivering better outcomes for the investors and the entrepreneurs.

What makes Par Equity different?

Having long been the champion of the North's most impressive and impactful startups, we bring a unique perspective to the investment landscape, which is largely overlooked by the majority of venture capital firms.

The North of the UK is the equivalent of the 8th largest country in Europe, and the 20th largest in the world. It has sectoral clusters and academic institutions to drive innovation and build world class companies. There are 1.5x more identifiable scale-ups in this region than in London.

Venture Capital is a network driven industry and it helps to be in the market. Through our operations across the North of the UK, we aim to build connections with the right people, identify the rising stars, track their progress and ultimately build incredible companies here servicing a global market.

Can you talk about your current portfolio?

We have a current portfolio of 47 businesses, ranging across a variety of sectors from energy and resources, healthcare and medical to industrial and space. We have a strong focus on IP rich companies, such as Advanced Electric Machines, Novosound, Integrated Graphene, SamsonVT, Re:Course AI and Nova Pangaea Technologies.

Advanced Electric Machines, for example, designs and manufactures the most sustainable electric powertrain technology in the world with market-leading performance and efficiency, without using any rare earth metals.

Integrated Graphene, by contrast, has invented a completely new, cost-effective, patented way of making 3D graphene which removes all barriers that have stood in place to commercialising graphene-enhanced products. It can grow high purity, 3D foam on any surface at room temperature in seconds, opening on new markets in biosensors and smart labelling.

An excellent example of our work can be seen through our investment in Current Health – a remote patient-monitoring technology providing healthcare at home through the use of a single, flexible solution. Par Equity invested in 2016 and played an important role in its growth leading to Best Buy's £303M acquisition of Current Health in 2021, which was Europe's second-largest digital health exit at that time.

What do you look for in founders?

Par Equity is always looking to identify the North of England's most impressive and impactful startups and scaleups. At Par Equity, we like management teams who can inspire us, who complement one another and have high-energy, collaborative mindsets.

At the stage at which we invest, we do not expect the management team to know everything or be the complete package. There will be gaps in experience and skill sets, so it's more important to display a growth mindset and a willingness to listen. However, being a startup and scale-up CEO is like walking a tightrope. These characteristics need to be carefully balanced alongside visionary leadership and decisive, action-oriented management styles. Given nothing ever goes to plan in the work of early-stage tech, they also need to demonstrate strong problem solving skills.

How did the COVID-19 pandemic change the way you invest?

Clearly, the pandemic has increased the demand for technology to tackle the productivity crisis and employee wellbeing issues. The rapid move to working from home has propelled remote working and cyber security solutions to prominence.

Like most organisations, it's changed the way we interact and collaborate as a team, and for the most part, it's improved our communication and workflows when working on deals or with management teams.

Our investment strategy remains largely unchanged, however. The pandemic hasn't suddenly altered our outlook or approach. We are still very much excited by the quality of the B2B IP rich opportunities that we're seeing across the north of the UK and in many ways, their prospects are even stronger now than they were pre-pandemic.

What does the future look like?

We're in growth mode at Par Equity as we are out hiring for 3 new investment team members. We have also recently announced our strategic expansion into Yorkshire, opening offices across Leeds and Sheffield. The Yorkshire hub will act as a second base for Par Equity, supporting our increasing activity across the North of England.

Looking across the portfolio, there's a constant flow of good news and the opportunity for us and the respective management teams is to turn those good news stories into successful outcomes and returns, which keep the VC flywheel turning.

Which industries are you working in?

Par Equity focuses on B2B IP rich companies across the North of the UK that are leveraging innovative, proprietary technology across several verticals, notably Health tech, Climate tech and Industrial tech. In 2022, Par Equity deployed £38M across these key thematics.

What one piece of advice would you give founders?

Starting and scaling a tech company is not for the faint-hearted. You are challenging conventional wisdom and reshaping industries. Embrace any setback as an opportunity to learn and grow. Keep moving forward with unwavering determination.

Andrew Noble is a Partner at *[Par Equity](#)*.

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