

Maddymoney and cautious optimism for startups born in lean times

Maddyness has partnered with Focal, the platform that is reinventing the fundraising model for startups to bring investor sentiment to this week's Maddymoney.

Total

£666.58M

Number of deals

9

Focal is looking forward to 2024 with cautious optimism. The slowdown in inflation over the past couple of months should boost venture capital's relative attractiveness as an asset class whilst starting to alleviate the cost-of-living squeeze, which has a direct or indirect impact on the vast majority of startups.

These green economic shoots, combined with a more frugal mindset from both

founders and investors, should yield a healthy cohort of startups in Europe in the next few years. Indeed, the companies arriving at pre-seed, seed or, even, Series A now, were born in a leaner funding environment and have been built differently from their predecessors. Whilst many are still achieving strong growth, this new generation of startups are scrappy and hungry.

Throw into the mix the rapid development and commercialisation of technologies like generative AI, quantum computing and carbon capture, and 2024 should be a fascinating year for the European startup ecosystem. *Focal* aims to be at the heart of the action, providing an efficient and accessible fundraising hub for founders and investors. We'll talk more about our plans for 2024 in next week's Maddymoney.

Maddyness brings you the latest investment news from the UK startup ecosystem. Here's a recap of this week's investments.

Bed bug detection tech company Spotta secures £3M funding to supercharge its growth

Spotta, the smart pest detection tech company, has raised a £3M growth investment round led by *The Yield Lab*, *STIHL Ventures*, and *ACF Investors*. The latest investment will be used to drive the global growth of Spotta's products, in particular the breakout success of the Bed Pod detectors for bed bugs.

Founded in 2018, Spotta's ultra-low-power insect monitoring sensors track pests continuously so customers can detect infestations early. The sensors detect insects in real time using machine learning/AI and can be installed wherever insect pests might be discovered- from hotel rooms to forests.

Spotta's platform technology shows exactly when, where and what types of insects are active. This allows the right intervention, in the right place and at the right time, massively reducing the damage pests can do. Its Bed Pods fit seamlessly under mattresses in hotel rooms and provide real-time data via automated alerts which inform the hotels of the location of the pests, complete with the room number, time data and photo tracking.

"Spotta changes this. The timing of our investment

round coincided with the recent Paris bed bug infestation, which only reinforced the need for safe, effective and cost-efficient preventative measures like Spotta. This capital injection will be used to fuel our growth across the globe and to continue our expansion into new and exciting markets.” says Robert Fryers, CEO and co-founder of Spotta

Altimapa Capital helps lendtech raise £20M for expansion

Sandfield Capital – a lendtech company that provides loans to individuals pursuing legal claims – has secured a £20M credit facility via Ampla Finance to enable it to significantly expand its operations. The funding is the first tranche of a £100M fundraise being led by private debt finance specialist Altimapa Capital, which is transforming the way SMEs secure funding by engaging directly with a network of over 600 institutional investors.

Sandfield works with a panel of specialist law firms and funds cases in specific legal areas including housing disrepair claims against landlords, claims against companies for loss or breach of customers’ personal data, mortgage interest miscalculation, and claims against finance brokers for failing to disclose commission earned on loans or mortgages. All Sandfield’s loans are fully insured so in the event that the claim is unsuccessful, the individual has nothing to pay.

Sandfield, which has offices in London and Liverpool, was founded in 2020 by Steve D’Ambrosio, who had previously held senior roles at Close Brothers Group, and with backing from a private investor. The company’s fully automated and scalable platform enables real-time exchange of data with law firms, investors and insurers, and enables the company to write and process thousands of loans per month without the need for manual intervention, including all servicing and repayment.

Elbow Beach Capital invests further £1M into Munro Vehicles and remains its largest single investor

Elbow Beach Capital, the decarbonisation, sustainability and social impact investor, announces a £1M follow-on investment in Munro Vehicles, a manufacturer of allelectric 4×4 vehicles and Scotland's only volume production car company. This investment takes Elbow Beach's commitment to Munro to £1.7M+ and it remains Munro's largest single investor.

Munro Vehicles has recently completed its first production model, the Series-M 4×4 Utility, just 12 months after the company unveiled its first prototype model. Munro has secured a £68M+ customer pipeline and has received vehicle orders from Jakob Mining Vehicles, one of the largest distributors of specialist vehicles for the mining sector, and Morgan Sindall Infrastructure, one of the UK's leading civil engineering contractors.

Munro's forthcoming production model debut marks the return of light vehicle production to Scotland for the first time since the closure of the Linwood car plant in 1981, marking a significant moment in Scotland's automotive history.

“Elbow Beach is committed to supporting businesses that revolutionise industries and Munro is an excellent example of our thesis. We are looking forward to seeing the first production model roll off the production line in Scotland in the new year and look forward to continuing to support Munro over the next stages of their growth.” says Jon Polloc, CEO of Elbow Beach Capital

Orbex awarded £3.3M as part of European Space Agency's 'Boost!' initiative

UK-based orbital launch services company, *Orbex*, has been awarded £3.3M in funding from the *UK Space Agency* as part of the *European Space Agency's (ESA's) "Boost!" initiative*. The initiative, which is part of ESA's Commercial Space Transportation Services and Support programme, is designed to further the development of world-leading space launch technologies.

Founded in 2015, Orbex is Europe's leading orbital launch services company, serving the needs of the small satellite industry

Orbex will use the funding to undertake activities to build the Ultra-Green Launch Complex at Sutherland Spaceport, located on the north coast of Scotland. The spaceport is being designed with sustainability in mind, and is intended to be the first spaceport globally to be carbon-neutral in its construction and operation. The site will see the launch of up to 12 orbital rockets per year, with several commercial launch contracts with satellite manufacturers already secured.

"Today's funding will not only help grow our domestic launch capability but also catalyse investment across the supply chain, creating highly skilled jobs and local opportunities right across the UK." says Andrew Griffith MP, Department for Science, Innovation and Technology.

£625M investment to accelerate Octopus Energy's global clean energy growth

Octopus Energy Group, the UK's largest power supplier* and the owner of the Kraken technology platform, announces £625M additional investment from its existing shareholders. This new investment values the private company at

£6.2B, a 60% increase since its previous investment round in December 2021. Australian and Japanese giants Origin Energy and Tokyo Gas, one of the world's largest pension funds, Canada Pension Plan Investment Board (CPP Investments), and sustainability-focused investors, Generation Investment Management are all participating in this round.

Octopus's investment in smart technology has enabled over a million UK customers to save money during the energy crisis, and is delivering better value by helping people benefit from cheap power when renewables are abundant. In the last year alone, almost £10m has been returned to customers through Octopus's Saving Sessions, helping reduce demand on the grid at peak times.

Octopus Energy Group's Kraken technology platform has seen astounding success, from 17 million accounts two years ago, to over 52 million today. In UK energy retail, Kraken supports E.On, EDF and Good Energy in the UK as well as clients in Europe, Japan and Australia. Kraken is also licensed to water companies, electricity networks, renewable generators and large scale battery operators across the world.

“The success of Octopus since our initial investment in May 2020 has exceeded all expectations and cemented our belief in its unique capabilities and strong platform for future growth.” says Frank Calabria, CEO of Origin Energy

Fieldwork Robotics wins Government Grant to Accelerate harvest-as-a-service model

Fieldwork Robotics has been awarded a £515k grant from the Department of Food and Rural Affairs (DEFRA) and UK Research and Innovation (UKRI) to accelerate its £1.1M BerryBot Project. Fieldwork will lead the project working alongside Performance Projects Ltd., leaders in agricultural robotics

manufacturing and the Hall Hunter Partnership, one of the UK's largest berry growers. The project is focused on increasing the performance and robustness of Fieldwork Robotics' raspberry harvesting robot, Alpha, which will allow Fieldwork to offer an operational and profitable robotics harvesting service to UK raspberry growers by 2025.

This grant award follows a recent £3M+ funding round, which included a £1.5M investment from Elbow Beach Capital and a £1.5M+ Seedrs crowd fundraise.

“We are delighted to have been awarded this Innovate UK grant and I am thrilled that we will be working with Performance Projects and the Hall Hunter Partnership, two leading organisations in the robotics and engineering and raspberry market sectors. We look forward to leading the team as we progress our technology to tackle significant issues in the UK agriculture sector: labour shortages and food waste.” David Fulton, Fieldwork Robotics CEO

Maven VCTs lead £3.7M funding round for Metrion Biosciences

Metrion provides a highly specialised service that is required by pharma and biotech companies developing new therapeutics that act on an important group of protein structures called ion-channels which are widespread within the body. The company helps its clients explore how their drug candidates modulate a target ion-channel to treat various conditions.

The Maven VCTs have invested £2.5M alongside commitments from existing investors, including £1M from Gresham House Ventures and further commitments from o2h Ventures and management.

The current funding round will provide capital for further expansion of Metrion's UK laboratories, additional automated electrophysiology equipment, investment in new assay services and enhanced international marketing and business development.

"We welcome Maven as a new investor in Metrion and thank Gresham House for their continued support. Maven has a successful track record of supporting the growth of revenue generating health technology businesses and I look forward to David's contribution as a Metrion board director as we scale our company into a leading specialist pharmaceutical CRO." Andy Southan, CEO at Metrion Biosciences

Fiat Republic, the BaaS platform raises £5.53M in seed extension

Fiat Republic has raised £5.53M in a seed extension round from Kraken Ventures, Fabric Ventures, Arca, and Inovo.vc, existing investors Speedinvest, Credo Ventures and Seedcamp,

This capital injection will fuel sustained growth and expansion, with the funds earmarked for key initiatives including strategic hires, strengthening banking partnerships, as well as expanding to new territories.

Fiat Republic's platform simplifies the difficult process of crypto platforms connecting with global and local bank transfer networks. By offering a single API integration coupled with a single compliance touchpoint, it embodies a unique blend of tradFi security and fiat payment automation delivered via embedded banking. Beyond tech and compliance solutions, Fiat Republic is dedicated to reshaping the dialogue between crypto platforms, traditional

banks and regulators by forming a coalition of crypto platforms to transform the perception of cryptocurrencies in traditional financial circles and focusing them on seeking partnership rather than conflict.

The company has also been granted a full electronic money institution (EMI) licence by De Nederlandsche Bank (DNB), enabling it to provide regulated financial services across the European Economic Area. This comes in addition to their established EMI licence in the UK where they have been operational for over a year. This Dutch licence enables the Fiat Republic platform to provide payment services and issue e-money to EEA crypto platforms, via its purpose-built, developer-friendly API.

“This investment shows the confidence our investors have in Fiat Republic’s vision and the future trajectory of the company as a market leader in the web 2.5 space. With our newly acquired Dutch EMI licence, Fiat Republic will now operate across the entire European Union directly, providing e-money and payment services.” Notes Adam Bialy, CEO and cofounder of Fiat Republic.

#OTHER

Spotta

£3M

The Yield Lab, STIHL Ventures & ACF Investors

#FINTECH

Sandfield Capital

£20M

Ampla Finance & Altimapa Capital

#DEEPTECH

Arcane

£3.95M

Accel, Cocoa, Firstminute Capital, Kima Ventures, Seedcamp & Angels

#MOBILITY

Munro

£1M

Elbow Beach Capital

#SPACETECH

Orbex

£3.3M

ESA

#ENERGY

Octopus Energy

£625M

Origin Energy, Tokyo Gas, Canada Pension Plan Investment Board (CPP Investments) & Generation Investment Management

#ROBOTICS

Fieldwork Robotics

£515K

DEFRA & UKRI's Transforming Food Production Challenge

#BIOTECH

Metrion Biosciences

£3.7M

Maven Capital Partners, Gresham House Ventures & o2h Ventures

#FINTECH

Fiat Republic

£5.53M

Kraken Ventures, Fabric Ventures, Arca, Inovo.vc, Speedinvest, Credo Ventures & Seedcamp

In other investment news

The Players Fund announces trailblazing female athletes to champion diversity in venture

The Players Fund, the athlete-led venture capital firm, today announced the addition of a cohort of trailblazing female athletes as new partners. [Dame Jessica Ennis-Hill](#), [Eni Aluko](#), [Allyson Felix](#), [Nikita Parris](#) and [Danielle Carter](#) join The Players Fund's existing group of athlete investors and will play an integral role in the firm's mission of empowering athletes on and off the field.

The Players Fund seeks to empower athletes to thrive in all aspects of their lives, ensuring they fulfil their potential both on and off the field and after their careers conclude.

These barrier-breaking women represent the pinnacle of achievement in their sports, from representing their country at World Cups to winning Olympic Gold medals and more. Their unprecedented success and thought leadership as entrepreneurs will bring new perspectives to The Players Fund as it backs exceptional founders across sectors.

Read also

[A fund founded by athletes, a profile of The Players Fund](#)

In other international investment news

Kosmik, the collaborative visual canvas raises \$3.7M to redesign the traditional

desktop

Kosmik, the collaborative visual canvas for capturing, connecting and sharing information, has raised \$3.7M in seed funding led by Creandum, the European early backer of Spotify and Klarna, with additional participation from existing investors Alven, Kima Ventures, and angels.

Kosmik is redesigning the one piece of software that was never put in the cloud: the desktop. Despite aiming to be the digital counterpart to our physical desks, the desktop environment has remained largely unchanged since it was first created and hasn't kept up with the way we gather, link, and share information today. Our desktops are still confined to our individual computers and organized into a strict hierarchy of files and folders – a set up that creates constraints for anyone dealing with information on a daily basis.

“With traditional desktops, a file can only live in one folder at a time, even if it might be related to others. If you pull it out, you break its ties. As a result, we lose the full context, can't easily find what we need, and end up wondering: “why did I save this?” Kosmik was created out of the desire to arrange our knowledge in a way that's personal, intuitive, and spacial,” says Paul Rony, Kosmik Founder.

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