

Tech City must take a lead in race for Olympics legacy



The London scene is thriving but Britain needs more world-beating firms, says Hiscox's Steve Langan

AFTER the most glorious summer of British sporting success, attention turns naturally to the legacy of the Olympic and Paralympic Games.

The next generation of athletes may be inspired to make the most of their abilities, but will the government's vision of

a vibrant "Tech City" for east London inspire a new generation of technology entrepreneurs?

In an interview with Fast Track, Rohan Silva, a special adviser to David Cameron and a driving force behind the government's efforts to promote east

London as a global technology hub, said the political commitment for the project came right from the top. "One of the easiest things to get into the prime minister's diary is something to do with Tech City," he said.

Silva cited as an example the fact that venture capitalist Saul

Klein of Index Ventures, which has backed five companies in this year's Sunday Times Hiscox Tech Track 100, sat down with the prime minister last month to discuss ways to open the London stock market to more technology company listings.

Silva said that by revising the listing and liquidity rules, more investors could be tempted to back fast-growing British technology companies. "I hope we can take action on that in the autumn," he said.

Also encouraging is research released last week showing

that venture investment in young technology companies had hit a 10-year high in the first half of 2012.

The biggest deal so far this year was the £40m invested in Just-Eat, an online take-away business at No 31 in this year's Tech Track 100.

Silva said awareness among overseas venture capitalists of the potential within London's technology scene had increased enormously in the two years since Cameron began shining a spotlight on the area.

"There is not a serious tech person in America and Europe

who is unaware of Tech City," he said. "We are at an exciting point: we have this platform; now can planning policies, transport and infrastructure take it to the next level?"

While the drive from No 10 is promising, in my mind the government needs to get behind this sector in a more intelligent and practical way. No more grandstanding by politicians for photo opportunities. No more hiding behind reasons why they can't act. They can, if they really want to enhance the prosperity of future generations in this country. They

should make the investment available, encourage outside capital, and then get out of the way.

My personal wish for the tech industry is that it learns to dream bigger dreams. Just as on the sporting stage, Britain's tech industry has an equal right to win when competing with the likes of America and the new powerhouses of the emerging economies. We must seize the opportunity to create enterprises with world-beating potential.

Having done that, we need more companies to make the

move from having world-beating potential to being world class. Too often British businesses sell out before their time has really come. Look at Microsoft, Apple, Google and Facebook. They didn't sell out early and now dominate the world stage. More British technology companies should do the same.

We at Hiscox are world leaders in providing intelligent insurance solutions for the tech industry, and we will be there for every step of the journey.

■ Steve Langan is managing director Hiscox UK and Ireland