

**Conduit –QinetiQ
Carbon Trust Incubator**



**Strategies and Opportunities to
Invest in Low Carbon Automotive
incubating emerging companies**



Objectives

Some context

Carbon Trust Incubator

What's the Offer

How it Works

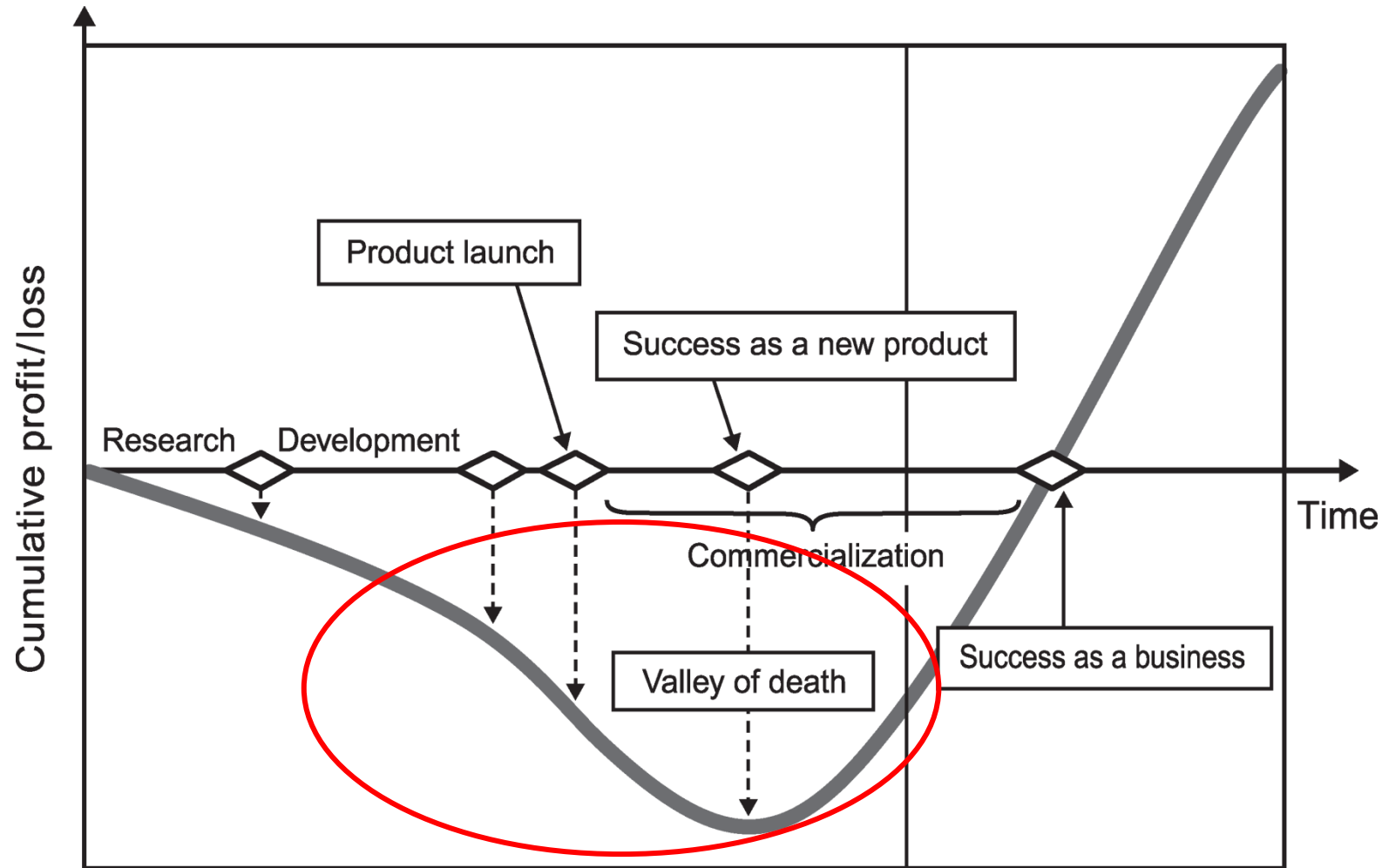
Members

The Benefits

Predicting the future is an inexact science



Navigating the Valley of Death is tricky...at best



...and its getting wider



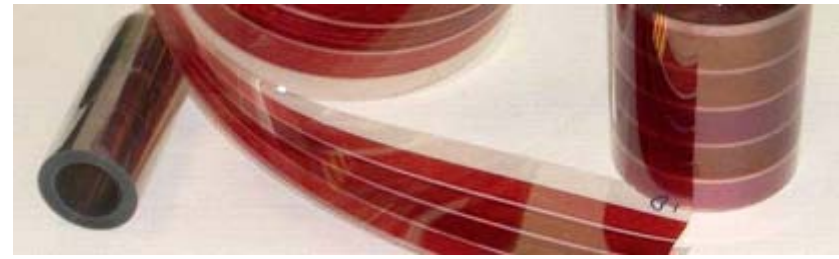
QinetiQ

**CARBON
TRUST**

CONDUIT
partners

The role of the Carbon Trust Incubator

Accelerate the growth of UK based companies, developing clever technology that helps reduce CO₂ - UK and Globally



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partners

Offer

Marketing and Commercialisation

Market Due Diligence

Strategy and Business Plan Development
Business Model Development
Intellectual Property Strategy and Protection
Market Research
Market Entry Strategies
Disruptive Technology Marketing
Sales and Marketing
Licensing Models and Strategies

Human Resource and Capability Development

Team Profiling and Building
Business Mentors
Presentation training

Technology Consulting

Technical Due Diligence

Product Development and Engineering
Product Testing Verification and Certification
Project Management
Environmental Auditing

Financing

Financial Advisory and Company Structuring
Investment Strategy
Investment Pitch Development
Defence Off-set Financing

ENTRY IS VERY COMPETITIVE

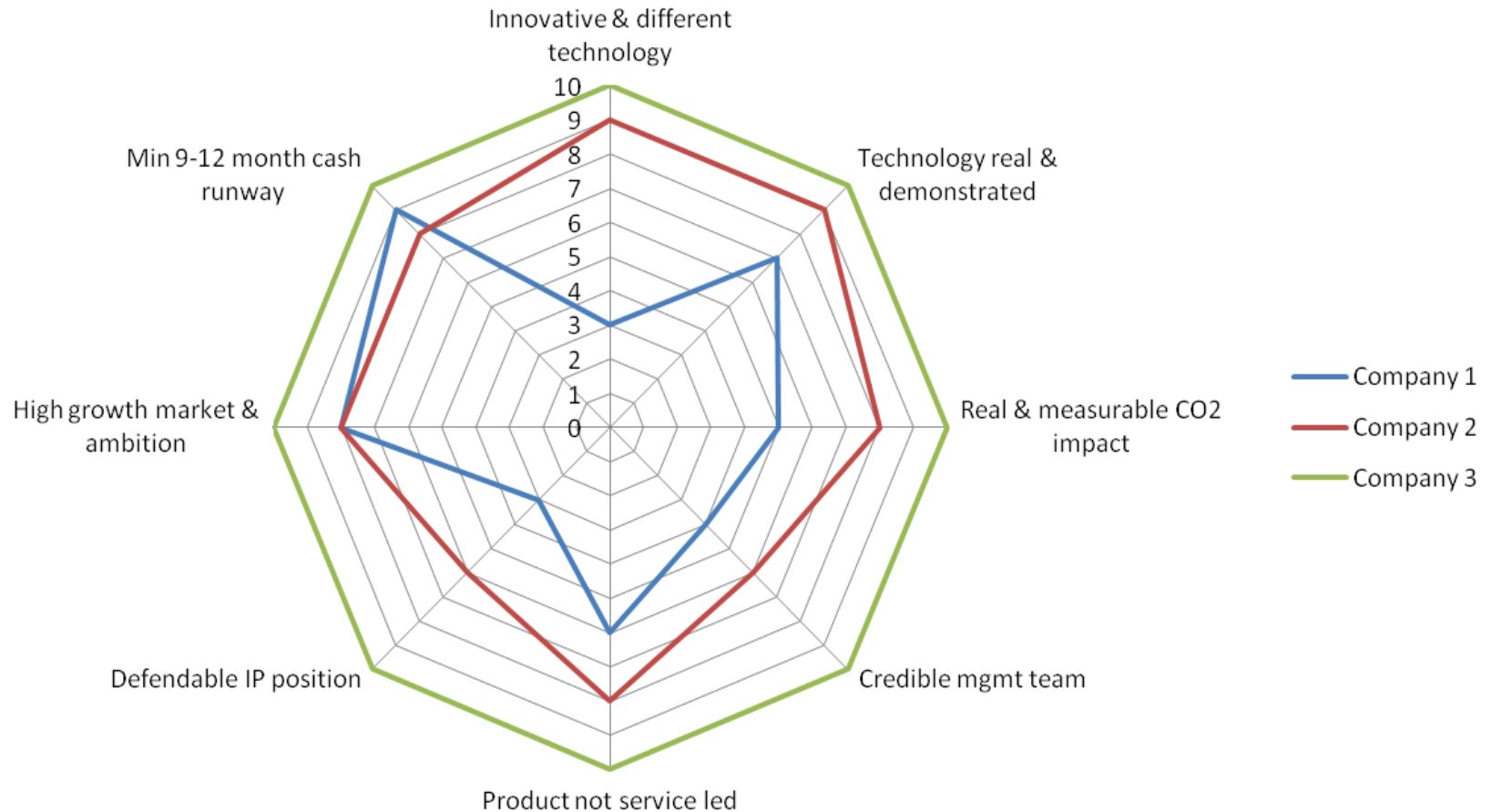
Conduit's Commercialisation Framework



1. Customer needs and expectations
2. Target segmentation values, data and trends
3. Points of pain and market needs
4. Market sectors, channels & RTM
5. Products, core methods systems and infrastructure
6. Services, added value and support methods
7. The 'Big Idea', the value proposition offers
8. Decision Quality, prioritisation and reduction of risk
9. Organisation and culture environment and capability
10. Integrated tactical execution & communication strategy
11. Business objectives goals and imperatives

Entry qualification alignment and needs analysis

Ideal Incubator Candidate



Work Programme

Marketing and Commercialisation

Initial Market Due Diligence
Strategy and Business Plan Development
Business Model Development
Intellectual Property Strategy and Protection
Market Research
Market Entry Strategies
Disruptive Technology Marketing
Sales and Marketing
Licensing Models and Strategies

Human Resource and Capability Development

Team Profiling and Building
Mentoring
Presentation training

Technology Consulting

Technical Due Diligence
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Connected Community of Support



Technology Strategy Board
Driving Innovation



- **Focus: accelerate carbon reductions**
- Integrated support for innovation across journey from early stage R&D to large-scale market adoption
- Distinctive strength: commercialisation and company development

- **Focus: drive UK wealth creation**
- Networks and expertise from activities across the full breadth of UK innovation
- Distinctive strength: supply chain collaboration and knowledge transfer

- **Focus: develop new energy technologies**
- Unique scale, capacity and expertise from industrial members (BP, Shell, Rolls Royce, Caterpillar, EDF, E.On)
- Distinctive strength: building new engineering capability

- **Focus: low carbon vehicles and fuels**
- Uniquely focused with access to sector expertise supported by partner networks
- Distinctive strength: sector focus with strong industry partnerships



Incubator Companies and Pipeline

Company

Aeristech

Axon Automotive

Connaught Engineering

Controlled Power Technologies (CPT)

EVO Electric

HiMag Solutions

ITM Power

Nexxt Drive

Oxy Gen Combustion

Product Technology

Hybrid Turbocharger technologies

Carbon fibre/ plug-in hybrids

Hybrid+/ KERS for LCVs

Turbo/ Superchargers and ISGs

Electric machines and hybrid drive trains

Very low weight, high efficiency transformers

PEM FC/ high temp membranes/ Electrolyers

Infinitely Variable Transmissions

HCCI



Benefits of Incubation

>100 Companies supported via the Incubator scheme

£86M GBP private capital raised to-date

- Competitive and rigorous entry
- Clear goal and objectives
- Rich networked environment
- Access to very specialist expertise and competence
- Support driven by commercial need

Better chances of success

Accelerated growth curve

De-risked investment

According to the Small Business Administration, Coopers and Lybrand, and the National Business Incubation Association, the majority of new businesses fail within the first five years, but companies starting in incubators have up to an 80% survival rate beyond the 5-year milestone.

and finally...

