

Commercialising quantum technologies: opportunity to invest

New quantum technologies could transform products and services in many business sectors including automotive, healthcare, infrastructure, telecommunications, cybersecurity and defence.

Quantum physics is at the heart of the electronics, media, computing and infrastructure systems we use in everyday life.

A second generation of quantum technologies based on new quantum effects could lead to more secure digital communication, improved construction and radical increases in computing power.

The UK government's Industrial Strategy Challenge Fund (ISCF) Commercialising Quantum Technologies Challenge is a £153 million investment in projects that will help the UK to lead the world in development of these new technologies.

Innovate UK, as part of UK Research and Innovation, has up to £12 million from the fund to invest in innovative research and development projects in the field. It is seeking investors willing to partner it by helping to find suitable businesses, managing the grant allocation and investing their own private equity capital.

The aim is to improve access to financial and commercial support for SMEs developing innovative quantum technologies.

Aim is to invest in quantum technologies with clear potential

The aim of the partnership is to invest in quantum technologies that would not otherwise be supported within an investor's risk strategy and to support innovations that have clear potential to be adopted at scale. Innovate UK is seeking investors that:

- demonstrate the interest, capability and capacity needed to invest in early-stage companies, including university spin-outs and businesses looking for their first investment opportunities
- demonstrate the ability to add value beyond their investment
- commit to helping the company grow and scale
- have access to relevant sector and technology-specific expertise

Phase 2 of the competition will see successful investors work with Innovate UKthe ISCF to fund a broad range of SMEs working on promising projects that exploit the new generation of quantum technologies including:

- connectivity: techniques for securing data in storage and in flight
- situational awareness: this includes autonomous systems, sensors and detectors for the built environment, transport and infrastructure, and

imaging and sensing to “see things currently invisible”

- computing: transformational computers for solving currently intractable problems

Funded business projects are expected to range in size between £250,000 and £2 million.

Competition information

- the competition opens on 19 August 2019, and the deadline for registration is at midday on 25 September 2019
- it is open to equity providers holding a full UK registration at Companies House including charities and trusts with the power to make investments
- investors can apply for a grant allocation of between £2 million and £12 million and must demonstrate they can invest at least an equal sum into companies
- a briefing event takes place on 27 August 2019