

SOUTHAMPTON MEANS BUSINESS

Enterprise activity is in the University of Southampton's DNA. Not only is it a key strand of the 'triple helix' approach but it's also part of the University's heritage as a Russell Group member with strengths in engineering and the sciences.

"We've always had an entrepreneurial mindset at Southampton, and we've often been a leader in this area," said Di Galpin, Director of Enterprise and Knowledge Exchange. "In the 2000s we were the first to develop a strategic agreement with an investor; in 2013 we were first to change our approach so that founders got two-thirds of spin-out equity, up from one-third."

Southampton remains ahead of the curve. Following an independent government review and consultation with key stakeholders, in May 2024 the University further reduced the amount of equity it takes in spin-out companies from 33.3%, to 10% in Knowledge Intensive Spin-outs, and 5% in Software Spin-outs. This makes University of Southampton Spin-outs a more attractive prospect for potential investors and founders.

Southampton has come out as a leader, too, in the latest Knowledge Exchange Framework (KEF) results, released this September. The University achieved the top rating of 'very high engagement' for Intellectual Property (IP) and commercialisation activities, with Professor Mark Spearing, Vice-President for Research and Enterprise, commenting, "This is testament to the hard work of our diverse community and reflects the relevance of our triple helix strategy, which draws KEE, education and research together."

Investing in enterprise

Di emphasised that commercialisation is about more than spin-outs and licensing. "There's a real breadth of activity – from consultancy to research collaborations and internships." And profit is only one part of the picture. "Commercialisation is the route to bringing new products and services to people; boosting the local economy; creating jobs; solving problems. Ultimately it's about making



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an impact on the world and helping deliver on the government's economic growth mission."

Her own role entails responsibility for most of the Research and Innovation Services (RIS) teams which support Knowledge Exchange and Enterprise (KEE) activities. She is a director of SETSquared (see page 34) and several University companies; she is also business lead on a 2022 5-year strategic plan which lays the foundations for growing and monitoring KEE across the University of Southampton.

The plan entails improving processes, upskilling staff, and focusing on customer needs. It positions KEE as core to the University's overall strategy: "KEE is often under-acknowledged, yet we represent 10% of the University's turnover and half of its research grants and contracts income. So it's important to invest in seeing it thrive and grow, and move it into the digital age."

"The strategy shows that we mean business about making the transformational change that's needed."

Oversight of the plan comes from the Knowledge Exchange and Enterprise Board (formerly the Southampton Enterprise Board), which the University created in 2016. The KEE Board brings together representatives from all the faculties to oversee commercial activity, from allocating internal pump-priming funding to approving the creation of new companies. This forum has brought people together to expand Southampton's tradition of enterprise in new ways.

Enabling innovation

Di's ambition is not just to enable innovation but to ensure it is financially sustainable for the University. "Enterprise should underpin our research and education activities. Ideally we want to be retaining a surplus which we can then re-invest."

Moving beyond purely financial metrics when measuring the value of enterprise activity, however, is also a key challenge. "Enterprise activity is how you demonstrate that we as a University are delivering real impact," said Di. "This activity broadens the skills of our research base and ensures that their work is relevant to today's problems."