INVEST EDINBURGH

WILL YOU BE NEXT TO LAND IN EDINBURGH?

NEW INVESTORS TOUCH DOWN

1999
Royal Yacht Britannia arrives

2000
Restaurant Martin Wishart receives Edinburgh’s first Michelin star

2004
Edinburgh named first UNESCO City of Literature

2007
The UK’s most powerful supercomputer is established in Edinburgh

2009
Touch Bionics releases first bionic finger

2011
Giant pandas arrive

2013
Grand Theft Auto V record launch

2014
Tram launches

ALSO INSIDE ISSUE 50 » SCOTTISH FILM STUDIO » 10 QUESTIONS FOR AVALOQ INNOVATION » MALLZEE PREPARES FOR SERIES A ROUND » GAME MASTERS COMES TO TOWN » ZOMATO ARRIVES
THE FIRST WORD

Hello and welcome to the 50th edition of Invest Edinburgh. The years since this magazine was first launched have seen countless positive stories for Edinburgh, including radical enhancements to the city’s connectivity such as the tram line and the expansion of Edinburgh Airport, the booming popularity of Edinburgh as a visitor destination, and the rapid expansion of innovative firms like Skyscanner, Genius Foods, Indiegogo, and many more. Edinburgh’s economy proved resilient throughout the economic downturn and is well positioned to play a major role in the future of the global economy.

This issue’s Capital Focus looks at plans for a film studio complex on the outskirts of Edinburgh. Already a hugely popular destination for location filming, thanks to its iconic scenery and architecture, the project has the potential to transform Scotland’s film industry.

One to Watch looks at shopping app developer Mallzee, which is preparing for a Series A funding round next year, while Made in Edinburgh looks at indies, software developed by Heriot-Watt University that can predict when sportspeople are at risk of injuries. Meanwhile, Indian digital restaurant guide Zomato is the subject of New Arrivals.

Swiss financial software firm Avaloq is among the blue chip businesses to have invested in Edinburgh in recent years. We talk to UK managing director Chris Zwicker in this issue’s 10 Questions.

In our cover feature, we reflect on some of the landmark investments Edinburgh has secured over the past 12 years and the assistance that have kept Edinburgh a great place to invest over 50 issues.

Thank you for reading.

COUNCILLOR FRANK ROSS, Convenor of the Economy Committee The City of Edinburgh Council editor@investedinburgh.com

To find out more about how we can help you, please contact the Investor Support team at investedinburgh-inspiringcapital.com or call +44 (0)131 529 6600.

SNAPSHOTS
An update on what’s happening in Edinburgh

NEW ARRIVALS
Digital restaurant guide Zomato get a taste for city

CHRISTOPH ZWICKER, managing director of Avaloq

INVESTEDINBURGH
SUBSCRIBE TO INVEST EDINBURGH
For a free quarterly subscription to Invest Edinburgh, or to obtain additional copies, please contact editor@investedinburgh.com

Follow Invest Edinburgh on Twitter www.twitter.com/investedinburgh
Follow Invest Edinburgh on Facebook www.facebook.com/investedinburgh

THE STATISTICS
The latest key indicators for the Edinburgh economy

INVESTEDINBURGH
INVESTEDINBURGH
INVESTEDINBURGH

SNAPSHOTS
An update on what’s happening in Edinburgh

NEW ARRIVALS
Digital restaurant guide Zomato get a taste for city

CHRISTOPH ZWICKER, managing director of Avaloq

INVESTEDINBURGH
SUBSCRIBE TO INVEST EDINBURGH
For a free quarterly subscription to Invest Edinburgh, or to obtain additional copies, please contact editor@investedinburgh.com

Follow Invest Edinburgh on Twitter www.twitter.com/investedinburgh
Follow Invest Edinburgh on Facebook www.facebook.com/investedinburgh

THE STATISTICS
The latest key indicators for the Edinburgh economy

INVESTEDINBURGH
INVESTEDINBURGH
INVESTEDINBURGH

SNAPSHOTS
An update on what’s happening in Edinburgh

NEW ARRIVALS
Digital restaurant guide Zomato get a taste for city

CHRISTOPH ZWICKER, managing director of Avaloq

INVESTEDINBURGH
SUBSCRIBE TO INVEST EDINBURGH
For a free quarterly subscription to Invest Edinburgh, or to obtain additional copies, please contact editor@investedinburgh.com

Follow Invest Edinburgh on Twitter www.twitter.com/investedinburgh
Follow Invest Edinburgh on Facebook www.facebook.com/investedinburgh

THE STATISTICS
The latest key indicators for the Edinburgh economy

INVESTEDINBURGH
INVESTEDINBURGH
INVESTEDINBURGH

SNAPSHOTS
An update on what’s happening in Edinburgh

NEW ARRIVALS
Digital restaurant guide Zomato get a taste for city

CHRISTOPH ZWICKER, managing director of Avaloq

INVESTEDINBURGH
SUBSCRIBE TO INVEST EDINBURGH
For a free quarterly subscription to Invest Edinburgh, or to obtain additional copies, please contact editor@investedinburgh.com

Follow Invest Edinburgh on Twitter www.twitter.com/investedinburgh
Follow Invest Edinburgh on Facebook www.facebook.com/investedinburgh

THE STATISTICS
The latest key indicators for the Edinburgh economy

INVESTEDINBURGH
INVESTEDINBURGH
INVESTEDINBURGH

SNAPSHOTS
An update on what’s happening in Edinburgh

NEW ARRIVALS
Digital restaurant guide Zomato get a taste for city

CHRISTOPH ZWICKER, managing director of Avaloq

INVESTEDINBURGH
SUBSCRIBE TO INVEST EDINBURGH
For a free quarterly subscription to Invest Edinburgh, or to obtain additional copies, please contact editor@investedinburgh.com

Follow Invest Edinburgh on Twitter www.twitter.com/investedinburgh
Follow Invest Edinburgh on Facebook www.facebook.com/investedinburgh

THE STATISTICS
The latest key indicators for the Edinburgh economy

INVESTEDINBURGH
INVESTEDINBURGH
INVESTEDINBURGH

SNAPSHOTS
An update on what’s happening in Edinburgh

NEW ARRIVALS
Digital restaurant guide Zomato get a taste for city

CHRISTOPH ZWICKER, managing director of Avaloq

INVESTEDINBURGH
SUBSCRIBE TO INVEST EDINBURGH
For a free quarterly subscription to Invest Edinburgh, or to obtain additional copies, please contact editor@investedinburgh.com

Follow Invest Edinburgh on Twitter www.twitter.com/investedinburgh
Follow Invest Edinburgh on Facebook www.facebook.com/investedinburgh

THE STATISTICS
The latest key indicators for the Edinburgh economy

INVESTEDINBURGH
INVESTEDINBURGH
INVESTEDINBURGH

THE FIRST WORD

Hello and welcome to the 50th edition of Invest Edinburgh. The years since this magazine was first launched have seen countless positive stories for Edinburgh, including radical enhancements to the city’s connectivity such as the tram line and the expansion of Edinburgh Airport, the booming popularity of Edinburgh as a visitor destination, and the rapid expansion of innovative firms like Skyscanner, Genius Foods, Indiegogo, and many more. Edinburgh’s economy proved resilient throughout the economic downturn and is well positioned to play a major role in the future of the global economy.

This issue’s Capital Focus looks at plans for a film studio complex on the outskirts of Edinburgh. Already a hugely popular destination for location filming, thanks to its iconic scenery and architecture, the project has the potential to transform Scotland’s film industry.

One to Watch looks at shopping app developer Mallzee, which is preparing for a Series A funding round next year, while Made in Edinburgh looks at indies, software developed by Heriot-Watt University that can predict when sportspeople are at risk of injuries. Meanwhile, Indian digital restaurant guide Zomato is the subject of New Arrivals.

Swiss financial software firm Avaloq is among the blue chip businesses to have invested in Edinburgh in recent years. We talk to UK managing director Chris Zwicker in this issue’s 10 Questions.

In our cover feature, we reflect on some of the landmark investments Edinburgh has secured over the past 12 years and the assistance that have kept Edinburgh a great place to invest over 50 issues.

Thank you for reading.

COUNCILLOR FRANK ROSS, Convenor of the Economy Committee The City of Edinburgh Council editor@investedinburgh.com

To find out more about how we can help you, please contact the Investor Support team at investedinburgh-inspiringcapital.com or call +44 (0)131 529 6600.
Registers Lane

Work is underway on a project to transform little-used backstreets into a vibrant new district in the heart of Edinburgh city centre. The Registers Lane project is a collaboration between the City of Edinburgh, the Scottish Government, the Royal Bank of Scotland, TIAA Henderson Real Estate and the Chris Stewart Group that aims to unlock the potential of the block of buildings bounded by Princes Street, Multrees Walk, St Andrew Square and James Craig Walk. Despite occupying a strategic location in the heart of Edinburgh, this area of the city is characterised by dead ends, unappealing frontages and inaccessible private gardens, with limited footfall as a result.

The project aims to unlock the potential of this area through the creation of new active frontages and civic spaces. The refurbishment of vacant and underused buildings will deliver significant new leisure space, while the redevelopment of a former bank at 42 St Andrew Square and a neighbouring property on West Register Street will deliver new prime office space, along with leisure and hospitality uses. A distinctive lighting scheme will help shape a bold new identity for the area.

It is anticipated that construction work on the Registers Lane project could begin next year for completion in 2019, complementing the adjacent Edinburgh St James development.

> Find out more: e: invest@edinburgh.gov.uk

\[Image of Registers Lane project\]

New ABU DHABI Link

Etihad Airways is launching new daily flights between Edinburgh and Abu Dhabi in June 2015, with the journey taking around seven and a half hours.

"Scotland has been on our radar for some time," said James Hogan, president of Etihad Airways. "We are delighted that the first direct connection between its capital, Edinburgh, and the capital of the UAE, Abu Dhabi, will be operational from next year.

"The two cities share strong tourism links and the UAE is Scotland’s primary trade partner in the Gulf region, which will fuel strong demand among business and leisure travellers on our non-stop service."

> Find out more: www.edinburghairport.com

\[Image of Etihad Airways flight\]
LATEST LUXURY HOTEL DROPS ANCHOR

The latest boutique hotel announced for Edinburgh will open in an unlikely location – the Port of Leith on the River Forth.

Uniquely, it is to be a floating hotel – ‘boatel’ operated by the Royal Yacht Britannia Trust. The RYB Trust has purchased the 73 metre long MV Windsor Castle and is to convert her into a luxury hotel with 25 bedrooms. The ship has been moved to the Port of Leith, where she will undergo a £1m transformation before opening to visitors in spring 2016.

Launched in August 1963 under the name MV Fregal, MV Windsor Castle was the final ship to be manufactured by the Blythswood Shipbuilding Company on the River Clyde. She was used by the Northern Lighthouse Board to maintain buoys working out of Oban and six out of Orkney. Retired in 2000 and renamed MV Windsor Castle, the ship was laid up in Falmouth until being purchased by RYB Trust.

Once the refit is complete, the MV Windsor Castle will be moored alongside the Royal Yacht Britannia, which was named the UK’s best tourist attraction in the latest TripAdvisor Travellers’ Choice Awards. The Trust’s commitment to offering a quality visitor experience will underpin the new hotel. Bob Downie, Britannia’s chief executive, said: “After many years of searching for the right ship, we are delighted that we have been able to acquire this iconic vessel and look forward to opening Scotland’s first ‘boatique’ hotel.”

> Find out more: www.royalyachtbritannia.co.uk

NEW ARRIVALS

ZOMATO

WHO IS MOVING TO EDINBURGH?

Dining app giant Zomato has expanded its UK presence by opening an office in Edinburgh. The company plans to invest a further £600,000 in expanding its operations in Scotland, creating up to 30 new jobs in Edinburgh and Glasgow in the coming year.

WHAT DO THEY DO?

Founded in New Delhi in 2008 by a pair of Indian Institute of Technology graduates, Zomato is now the world’s fastest-growing online restaurant guide. Its continually-updated directory now covers over a quarter-of-a-million restaurants and cafés across cities in 15 countries, including London, Mumbai, Rio de Janeiro, and Edinburgh. Zomato’s website receives 23 million hits every month, while its app – which lets users find new places to eat in their city, browse menus, share photos, and read and post reviews – has been downloaded over five million times.

Recent deals struck with OpenTable, Bookatable and ResDiary mean UK users can now also make reservations.

WHY HAVE THEY CHOSEN EDINBURGH?

Zomato first entered the UK market in January 2013, and expanded its guide to include Edinburgh last November. The firm settled on the city for its first office outside of London after deciding that its numerous independent eateries and food-loving, tech-savvy population meant there was a strong latent demand for Zomato’s product.

“Edinburgh and Glasgow were the obvious choices for expansion in the UK after London, because there is such a diverse and independent food culture here,” said Tony Marsden, the head of Zomato for Scotland. “The abundance of local talent has helped us ramp up the team on-ground in a relatively short time span with the right skills, knowledge and attitude. We’ve also found the Scottish food and drink industry incredibly welcoming, from restaurants to well-informed consumers, and we look forward to building on this exciting start.”

> Find out more: www.zomato.com

INDICIO

Angel Di Maria has just achieved pole position for his transfer to Manchester United: a cool £59.7m, pushing the squad’s combined value to £401.2m. With players worth such large sums, their fitness is crucial to the financial health of their clubs. In the English Premier League alone, the cost of wages paid to injured players was in excess of £100m during the 2013-14 season.

Now, a team of researchers from Heriot-Watt University is piloting software that can accurately forecast when star sportspeople at an elevated risk of injury. Called indicio, the injury analytics software takes data from many athletes already record daily – such as body composition, exercise intensity, health issues and fatigue levels – before applying a sophisticated algorithm that indicates when an athlete needs to ease off their full training programme to reduce the likelihood of injury. The greatest cause of injury is not the intensity but the duration of exercise, therefore the data will be able to indicate when a lower volume of training may be more suitable,” said Neil Gibson, one of the sports scientists working on indicio.

Athletes already record lots of data, but it tends to be quite fragmented which makes it difficult to analyse to make training decisions. Indicio collates all the data in one place so at risk players can be easily identified during training. In this way, indicio allows clubs to take measures to protect their most valuable players to ensure they remain available for selection throughout the season.

> “THE GREATEST CAUSE OF INJURY IS NOT THE INTENSITY BUT THE DURATION OF EXERCISE, THEREFORE THE DATA WILL BE ABLE TO INDICATE WHEN A LOWER VOLUME OF TRAINING MAY BE MORE SUITABLE.”

Neil, fellow sports scientist David Jukes, and Professor David Corne in Heriot-Watt University’s Department of Computer Science have jointly led the project, and are now working with Ian Hope, an entrepreneur in the sports software sector. They expect to release the first commercial version of the software later this year via spin-out High Performance Sport Innovation. The first version of indicio is tailored specifically for association football and Heart of Midlothian Football Club is piloting the software. However, the underlying technology is applicable to any sport. With the new £1.6m National Performance Centre for Sport due to open on Heriot-Watt University’s Riccarton campus in 2016, the software could be adopted by numerous national teams and clubs alike.

> Find out more: www.sportinnovation.co.uk

FIRSTS FOR LIFE SCIENCE RESEARCHERS

Researchers in Edinburgh have succeeded in growing a complex, fully functional organ from scratch in a living animal for the first time. The breakthrough is a major milestone towards growing replacement organs for humans in the lab.

Scientists at the MRC Centre for Regenerative Medicine at the University of Edinburgh took fibroblasts – specialised cells – from a mouse embryo and converted them into thymus cells using a technique called ‘reprogramming’. When mixed with other thymus cells and transplanted into mice, these cells formed a replacement organ with the same structure and function as a healthy native adult thymus.

“Growing replacement parts for damaged tissue could remove the need to transplant whole organs from one person to another,” said Dr Rob Buckle, head of regenerative medicine at the MRC. “This research is an exciting early step towards that goal, and a convincing demonstration of the potential power of direct reprogramming technology.”

The MRC Centre for Regenerative Medicine is a world-leading research centre studying stem cells, disease and tissue repair to advance human health.

Its research focuses on developing new treatments for diseases such as cancer, diabetes, heart disease, liver failure, and degenerative diseases such as multiple sclerosis and Parkinson’s disease.

In another world first, researchers from The Roslin Institute at the University of Edinburgh and Edinburgh Genomics have teamed up with the porcine biotechnology firm Genus PIC to carry out the first exome sequencing in pigs.

Exome sequencing is already used in humans to diagnose genetic disorders resulting from the mutations of individual genes, and this can now be applied to pigs.

Professor David Hume, director of The Roslin Institute and a co-author of the study said: “We see many applications of this platform in biomedical research as well as in applied applications in animal breeding.”

> Find out more: www.crm.ed.ac.uk www.roslin.ac.uk
Avaloq offers financial services companies integrated, comprehensive banking solutions

IE> What would you say was Avaloq’s USP in the marketplace?

CZ> Avaloq is the only independent provider of standard software and business process outsourcing (BPO) services. This provides leverage by offering an integrated solution that includes off-the-shelf processes for commodity services, while providing the ability to completely customize or fine-tune key processes.

Based on the Avaloq Banking Suite, financial services companies can jointly innovate in commodity areas (benefiting from the strength of the Avaloq Community) while concentrating their individual innovation capacity in areas that serve as their main differentiators.

Avaloq goes one step further by offering standardised services that are based on the Avaloq Banking Suite running in BPO centres. This allows our customers to greatly reduce their operating costs in commodity areas.

“EDINBURGH FEATURES
A RENOWNED TECHNICAL UNIVERSITY AND A WELL-CONNECTED AIRPORT
CLOSE TO THE CITY CENTRE.”

IE> How does Avaloq benefit from having Edinburgh as a second development centre, alongside Zurich?

CZ> Often the traditional benefits of co-location are offset by the increased costs due to communication failure – things just get ‘lost in translation’. The reason we’ve managed to successfully establish a second site is that we were rather aggressive or ambitious in shifting competencies and responsibilities. Our teams in Edinburgh are responsible for their products as much as any team based in Switzerland.

This way, while active communication is still required, many decisions can be taken locally and most training can take place within the teams. And obviously with modern methods such as video conferencing and instant messaging, communication is a lot easier and quicker.

IE> What does the Edinburgh development centre bring to Avaloq’s global operations?

CZ> Our main challenge at Avaloq lies with what is commonly called the ‘war for talent’. At our headquarters in Zurich, we profit from the excellent education ETH offers. The same applies here in Edinburgh, where world class universities turn out some of the best talent available in the market. Additionally, integrating colleagues from other parts of the world is greatly facilitated by English being the native language here.

IE> How has the Edinburgh office enabled Avaloq to tap into the UK market?

CZ> There are two sides to this question. In terms of selling our solution to the UK market, our Edinburgh presence has not had a significant impact because we already had a sales office in London, specifically to address customers such as Courts, Barclays and Canaccord.

Our focus in Edinburgh is mainly on tapping into the UK labour market – right now we are aiming at more than doubling our workforce from 60 to 130 employees.

IE> How do you ensure recruits are well prepared?

CZ> When new recruits join us they are enrolled in a certification programme run by the Avaloq Academy. This four-week course provides in-depth knowledge of the Avaloq Banking Suite, its functionality and customisation options, and also its business applications. Successfully completing our training and graduating as an Avaloq Certified Professional is a rite of passage for everyone on their way to joining teams.

In addition, we also put a lot of effort into training and knowledge transfer, both initially and ongoing. We have regular sessions such as tech talks, reading circles and a session we call ‘Micro Content Fix’. These are weekly 15 minute opportunities to share some innovation or interesting solution with colleagues.

IE> What are the main skills you are looking for at Avaloq?

CZ> Here in Edinburgh, we have three main profiles working hand-in-hand to make sure our software remains the leader in banking: software engineers, business analysts and technical authors. For all of them, we are looking for very analytical people who can successfully handle great complexity. On the soft skills side, we value people who start with initiative, have a great learning capacity and demonstrate flexibility and readiness in approach to challenges.
THE TELEGRAPH MEDIA GROUP HAS OPENED A NEWS BUREAU IN CRICHTON HOUSE.

WILL YOU BE NEXT TO LAND IN EDINBURGH?

For 50 issues, Invest Edinburgh has been charting the strengths and opportunities that make Edinburgh such an attractive place in which to live, work and invest.

Edinburgh’s rich talent pool helps explain why more than 20 foreign companies expanded into the city in the past year alone, joining Toshiba and scores of others who have arrived and thrived since the turn of the millennium.

More than 40% of those living in the city and of working age hold university degrees, and Edinburgh is a location of choice for research and development and other knowledge-intensive activities. The world-renowned University of Edinburgh – ranked 17th best in the world – and five other universities and colleges produce a steady flow of graduates, intellectual property and spin-out companies.

The success of Voxar in catching an investor’s eye has been echoed by many others: between 2000 and 2010, the University of Edinburgh alone created 244 spin-out and start-up companies, (75% more than its closest competitor in the UK, the University of Cambridge).

BioQuarter offers the ideal environment for spin-out companies, entrepreneurs, start-up firms and new ventures by established pharmaceutical companies. It combines some of the best medical research in the world with two major hospitals, dedicated bio-incubator facilities and an outstanding team of business development personnel. Its world-class research capabilities have attracted companies including GSK, Galapagos, Johnson & Johnson and Eli Lilly, all of which have all signed collaborative partnerships with Edinburgh BioQuarter to discover and develop new medicines.

“Mölnlycke came to Edinburgh in 2012, having licensed a technology that was developed at the University of Edinburgh using funding from Scottish Enterprise,” explains Russell McCraith, managing director of Mölnlycke Health Care Scotland.

“We incorporated in August 2012 and opened an office here at the BioQuarter just a month later. We currently employ 11 staff, the majority are scientists, and that is
The city is home to > 89,000 university and college students.

Voted the best place to live in the UK (YouGov)

Edinburgh is recognised as the world’s festival city

It was ranked ‘the happiest city in the UK’ in 2013 (ONS)

Four Edinburgh restaurants received Michelin stars this year.

TOKYO, JAPAN-BASED FIRM MIKED ASSSET MANAGEMENT - A DAIS’ INVEST EDITION GROUP - HAS ESTABLISHED AN OFFICE IN EDINBURGH’S FOUNTAINBRIDGE DISTRICT.

SEVEN SCIENCE PARKS LIE WITHIN 30 MINUTES OF EDINBURGH’S CITY CENTRE, HOUSING MORE THAN 3,000 WORLD-CLASS RESEARCHERS AND OVER 100 MARKET-LEADING COMPANIES INCLUDING I2ZYE DIAGNOSTICS, XILINX, INDIGOVISION AND HELICA INSTRUMENTS.

double the number we envisaged at start-up. I have plans for further recruitment and there’s no doubt that Edinburgh is a city with strong appeal, which helps when it comes to attracting the people with the specialist skill set we need.

The campus is a perfect hub for life science, encouraging collaboration between the hospital, the university and commercial companies. That is a very positive reason to be here.”

Over the next five years, the research community at the site is set to expand further with the opening of the new Royal Hospital for Sick Children and Department of Clinical Neurosciences in 2017.

Edinburgh city region is home to the UK’s second largest concentration of researchers rated internationally excellent and is ranked first in the UK for veterinary medicine, hospital-based clinical research, animal biology and clinical medicine. In fact, more than half of all Scotland’s research activity is undertaken in the region, with key R&D specialisms in biotechnology, microelectronics, informatics, genomics, optoelectronics and renewable energy.

Sector developments in the latter include the wave power generator used in the world’s first commercial wave farm, the world’s first silent building-mountable wind turbine and world’s largest operational hydroelectric wave energy converter. These have helped attract a number of renewable energy companies to the city in recent years, amongst them Repower, Areva, EDP Renewable, Repsol and Eneco.

“Edinburgh is already recognised as a hub in the renewables industry, with a number of large international clients and project developers already based here,” says William O’Donnell, sales manager of Eneco UK. “After two years of rapid growth, our original office space in Edinburgh has already more than doubled in size, to cover sales, project management, electrical engineering, grid integration, legal and administrative departments.”

Other blue-chip companies with established R&D centres in Edinburgh include Amazon (e-commerce software), Avasyn (poultry genetics), Reishane (metrology), Selex Galileo (aviation) and STM32electronics (semiconductors). One sector where the roots of innovation date back to the nineteenth century is financial services. The global investment trust industry owes its existence to the Scottish American Investment Trust, founded here in 1873.

Today, Edinburgh’s fund managers look after more than £50bn in assets.

The sector is extremely diverse and the city has critical mass in banking, life insurance and pensions, asset servicing and fund management. This has attracted a large number of foreign-owned companies in recent years, including Blackrock, Deutsche Bank, Société Générale, Espirito Santo Investment Bank, Handelsbanken, and Triodos Bank.

Another investor has been Avalon, which offers integrated banking software solutions (see p.8). “There’s no doubt the city appeals to and attracts many talented people,” says Christopher Zwickler, newly appointed head of Avalon Innovation. “Initially, some come to study, but are then keen to stay. We are aiming to double our staff numbers here in the next year.”

A key part of the appeal for companies across every sector is Edinburgh’s connectivity to key global markets.

The city’s airport now offers direct flights to 130 destinations, including the international hubs of London, Amsterdam, New York, Istanbul and Dubai.

Last year, the airport handled more than nine million passengers and over 10,000 tonnes of cargo.

The city’s excellent transport links have seen many of the world’s biggest businesses choose Edinburgh as their base for global expansion. “We knew that our free state-based lawyer and accountant, and are now seeking a higher-visibility location in the city.”
Since 2000, Edinburgh has attracted more than 100 overseas companies to the city. What lies behind its appeal?

**THE CITY IS A FANTASTIC DRAW, WHICH HELPS WITH BOTH STAFF RETENTION AND RECRUITMENT.**

---

**Mark Logan, Chief Operating Officer, SkyScanner**

At SkyScanner we have seen significant change in the tech sector over the past ten years in terms of the engineering talent within Edinburgh. We are fortunate to be located near to one of the most powerful computer science departments in the world, but we’ve also seen other tech businesses establish offices here, which means there is a vibrant tech start-up scene.

At SkyScanner we have over 35 different nationalities working within our offices, and many of these people have relocated to Edinburgh to join the team. We find that it’s a combination of the opportunity to work on intellectually challenging problems on a global basis which is attractive, as well as the prospect of living in a multi-cultural and vibrant city.

---

**Paul Curran, Managing Director, Quartermile**

Edinburgh has top universities and leading companies, but currently there is a shortage of new Grade A office space. Were about to embark on one of the largest speculative office funding deals to have ever been undertaken in Scotland, with an £80m funding deal to develop the two remaining office buildings in our overall plan for Quartermile, a multi-use development on the site of the old Edinburgh Royal Infirmary (see back cover). Commercial interests already on-site include Skyscanner, Mercer, Investec, and an IBM start-up.

Work on the new seven-storey Quartermile 4 building began in July. It will comprise 12,100m² of office space and 1,200m² of retail space, ready for 2016.

The level of investment is testimony to the city’s continued momentum. This development integrates eighteenth century buildings with new build additions and, upon completion in 2018, there will be 900 apartments, 10,000m² of office accommodation and 1,200m² of leisure and retail space.

The City of Edinburgh Council engages with developers and the public looking for other opportunities in the city.

---

**Gordon Drummond, Director, Harvey`s**

Edinburgh is a highly walkable city, which makes it ideal for managing offices to pack in compact areas of multi retailers, which appeal to a diversity of customers. The uniqueness of many of the independent shops provides an attractive, not seldom seen in any capital city high street or shopping mall.

The backdrop of Edinburgh Castle, the proximity of museums and galleries, the myriad of restaurants and coffee shops, together with excellent transport links prove a great environment for shopping. With the trade and highest average earnings per resident in the UK and with a healthy tourist market, retailers are well placed to take advantage of over 20 million shoppers and tourists.

Properties with character are plentiful in Edinburgh and necessitate creative thinking with both cultural and innovative designs. This produces diversity in the offering and marks Edinburgh as an attractive, interesting and unique proposition for retailers.

---

**Consul General Xinchun Pan, Chinese Consulate in Scotland**

*“AS SCOTLAND’S CAPITAL AND MOST SIGNIFICANT CITY, EDINBURGH IS AT THE FOREFRONT OF THE CHINESE GOVERNMENT’S STRATEGY”*

IE> Edinburgh has close ties with a number of cities in China. How have networks between the city and China developed over the years? Edinburgh would bring me joy.

Under the Chinese government’s strategy, the relationship between Scotland and China is strengthening and matures and the pandas are good ambassadors to enhance our friendship.

IE> Important are knowledge exchange and collaboration to the ties between China and Edinburgh specifically.

CGP> Historically China and Scotland have both been great contributors to civilisation and human progress. China was the source for the four great historic discoveries of the world. These examples: Beijing People’s Art Theatre have performed here; all warmly welcomed. Edinburgh has close ties with a number of cities in China. How have networks between the city and China developed over the years? Edinburgh would bring me joy.

China’s rise over the past two decades has been phenomenal and it is a significant change in the world order. China is no longer a fledgling power on the global stage and has become a global economic superpower. China, which was the world’s second largest economy, has become the world’s largest economy, having surpassed Japan. China is now the world’s largest trading nation, with services, technology, and manufacturing sectors experiencing rapid growth.

China’s domestic market is vast and the country has a rapidly growing middle class. This has fueled a rise in consumer spending and a demand for high-quality and innovative products. China is a major investor abroad, with its government and private companies engaging in cross-border investments and acquisitions. China’s relationship with other countries, particularly those in the Asia-Pacific region, has become increasingly important. China is a key player in global trade, and has been a driving force in promoting multilateral trade agreements.

China has also been active in global governance, with its participation in a number of international organizations and initiatives. The country is committed to promoting sustainable development and has played a significant role in the Paris Agreement and other initiatives aimed at combating climate change. China is an important player in global politics, with its influence growing in various regions.

China’s rapid economic growth has led to significant changes in the country’s social, economic, and political landscape. The Chinese government has implemented a series of policies aimed at promoting economic development, improving living standards, and addressing social issues. However, the country faces challenges in areas such as environmental sustainability, income inequality, and regional development.

China remains an important partner for countries around the world, and its relationship with other nations continues to evolve. China’s rise has raised questions about the future of international relations and the balance of power in global affairs.

---

**Xinchun Pan, Chinese Consulate in Scotland**

Once the decision is made to locate in Edinburgh, I am able to help Swiss companies. I helped Avaloq and Edelweiss with introductions and advice to make their expansions here successful. There are 26 Swiss companies now operating in Scotland, employing more than 2,000 people. Edinburgh is even more appealing in Edinburgh itself. Whether it is an international business such as Avaloq, or a smaller Swiss business, such as one bakery currently looking to open in Scotland, I look for a win-win that helps the Scottish economy and the Swiss business.

“Our decision to expand into Edinburgh was influenced by a number of factors. First, we were attracted by the city’s strong reputation as a center of excellence in technology and innovation. Edinburgh is known for its clusters of companies in sectors such as biotechnology, life sciences, and digital health. Additionally, the city offers a high-quality workforce, a supportive business environment, and a thriving community of entrepreneurs.

In the past, we had established partnerships with local universities and research institutions and had positive experiences with their support and collaboration. We also considered the city’s excellent infrastructure and connectivity, which facilitate communication and collaboration with other parts of the world. Furthermore, Edinburgh’s cultural and lifestyle offerings were appealing, with attractions such as Edinburgh Castle, the Royal Mile, and the Festivals, which attract visitors and tourists.

3. Market Accessibility: Edinburgh is well-connected to other European cities and international markets, which helps us in accessing new markets and expanding our customer base. We also benefit from the presence of a number of embassies and consulates, which facilitates our global operations and allows for easier interaction with international partners.

4. Talent Pool: Edinburgh has a robust talent pool in the technology and digital sectors. We find it easy to recruit and retain skilled professionals, which is essential for our rapid growth and expansion.

5. Government Support: The Scottish government and local authorities provide strong support to our business. They offer various incentives and assistance programs, such as tax breaks and grants, which help us in managing our costs and increasing our profitability.

6. Quality of Life: Edinburgh offers a high quality of life for our employees. They can enjoy the city’s vibrant cultural scene, outdoor activities, and friendly community. This positively impacts their productivity and job satisfaction.

7. Sustainability: Edinburgh is committed to sustainability and has implemented various initiatives to reduce its environmental impact. We support these efforts and believe in aligning with the city’s priorities.

---

**Peter Muller-McDougall, Honorary Consul General, Consulate General of Switzerland**

The City of Edinburgh Council engages with developers and the public looking for other opportunities in the city.

In Edinburgh, I am able to help Swiss companies. I helped Avaloq and Edelweiss with introductions and advice to make their expansions here successful. The Economic Development service at the City of Edinburgh Council is very helpful and we have an excellent relationship.

The Edelweiss route from Edinburgh to Zurich has been very successful, with the top 500 companies in Switzerland by turnover, 126 are based in the Canton of Zurich. This has also helped build turnover numbers by 20% in the last three years.
A number of ambitious projects underway in Edinburgh are improving the attractiveness and vibrancy of the city’s streets and public spaces.

A series of improvements have been delivered to George Street, Edinburgh’s premier destination for upmarket shopping and recreation. Traffic has been restricted to one side of the street, unlocking new public space that will provide a venue for outdoor art exhibitions and alfresco dining. Cyclists will benefit from a new cycle lane linked to the National Cycle Network. The squares at either end of George Street are also to be upgraded, with public realm enhancements for both St Andrew Square and Charlotte Square. In the Old Town, work is underway to widen pavements on Market Street and Waverley Bridge, complementing improvements at Edinburgh Waverley rail station and the Princes Mall. Meanwhile, Leith Walk and Constitution Street are benefiting from the widening and to widen pavements on Market Street and Waverley Bridge, complementing improvements at Edinburgh Waverley rail station and the Princes Mall. Meanwhile, Leith Walk and Constitution Street are benefiting from the widening and

SWEETENING THE ENVIRONMENT

MAJOR DEVELOPMENTS... ARE DELIVERING ATTRACTIVE NEW PUBLIC SPACES.

£150m New Waverley development in Edinburgh’s Old Town by Artisan, which will be centred on a civic square with a viewing platform, creating an oasis away from the bustle of the Royal Mile and letting residents and visitors enjoy northward views to Calton Hill. Meanwhile, TH Real Estate’s £850m regeneration of Edinburgh St James will deliver new public spaces, open up currently little used and create a new active frontage on to Leith Walk. Ongoing investment in the city by the University of Edinburgh has transformed Sugarhouse Close via a 300 bed student housing development, while Bristo Square is to be revamped to complement a restoration of McEwan Hall, the university’s historical graduation hall.

In spring of this year, the Edinburgh and Lothians Greenspace Trust planted an incredible 3,500 new trees along paths without obscuring sunlight or sightlines. Meanwhile, the Royal Botanic Garden has begun planting rare trees in over 100 public parks across Edinburgh, beginning with Serbian spruce trees in Princess Street Gardens last December. In addition to letting members of the public experience rare trees from around the world, the project will help preserve numerous endangered tree species. The city’s natural beauty was recognised in August 2014 when Edinburgh was chosen to represent the UK in Entente Floral, a pan-European contest recognising the towns and villages where horticulture makes the biggest contribution to quality of life. Finally, following a successful pilot, the Council is to invest up to £35m in overhauling the city’s streetlights with LED lamps. In addition to lasting much longer and using less energy, the LED lamps will produce a white light that is considerably clearer and brighter than the yellow light produced by traditional sodium lamps.

Investments such as these will ensure Edinburgh continues to deliver a top quality experience for residents and visitors alike.

EXPLORE THE GENESIS OF GAMING

The National Museum of Scotland, Edinburgh, will be the only European venue for Game Masters, a touring exhibition dedicated to iconic videogame designers and curated by the Australian Center for the Moving Image.

Edinburgh is an ideal location for the exhibition as the city has a thriving and dynamic gaming scene. There are many successful global companies headquartered in the city, among them Rockstar North, makers of Grand Theft Auto V, which has sold over 34 million copies. Other firms based in the city include FanDuel, the fantasy sports developer and Injerto, a children’s educational games developer. There are also numerous small developers in Edinburgh such as Noesis and Injerto Games, both of which produce a range of extremely popular mobile games. The exhibition features over 125 playable games to celebrate the work of the world’s most innovative and influential videogame designers, including Peter Molynux (Populous), Warren Spector (Deus Ex) and Tim Schafer (Monkey Island).

“We’re delighted to be the only European venue for this major exhibition, which promises to be both hugely entertaining, as well as giving context to the evolution of the design and creativity behind some of the world’s favourite games,” said Cherie McNair, head of exhibitions and design at National Museums Scotland.

The exhibition showcases the work of over 30 videogame designers, working across arcades, consoles, PC and mobile platforms, from Nintendo’s iconic character-led worlds featuring Mario and Link, to the deeply immersive stealth combat of Konami’s Metal Gear Solid and the atmospheric, emotional narratives of Flower and Journey by thatgamecompany. Other designers featured include Yuji Naka (Sonic), Tomohiro Nishikado (Space Invaders), Ed Logg (Atarioids), and Toru Iwatan (Namco). The role played by smaller indie developers is also explored, with sections dedicated to Halfbrick (Fruit Ninja), Markus Persson (Minecraft), Rovio (Angry Birds) and others.

Featuring rare concept artwork, revealing interviews and large-scale interactive displays, Game Masters showcases the radically varied approach each of these designers brings to the creation of videogames. It also offers the rare opportunity to play Yu Suzuki’s 1980s arcade games, Hang-On and Out Run.

As well as a prolific gaming workforce, Edinburgh attracts gaming students and helps hone the next generation of games developers through the Games Training Lab at Edinburgh Napier University’s School of Computing. The Game Technology Group at Edinburgh Napier University carries out cutting-edge research with graduate students and industry leaders in videogame technology. Game Masters will run in the National Museum of Scotland from 5 December 2014 to 20 April 2015.

The exhibition runs from 5 December 2014 to 20 April 2015.

INVEST EDINBURGH    17

<MAKINGITHAPPEN>

<ADDEDEXTRAS>
MARKET OVERVIEW

JOBS IN EDINBURGH BY INDUSTRY (2013)

- Real estate (4,900)
- Other services (8,300)
- Manufacturing (5,200)
- Construction (9,000)
- Arts, entertainment and recreation (10,000)
- Transportation and storage (16,400)
- Information and communication (14,400)
- Public administration and defence (11,500)
- Administrative and support services (21,300)
- Accommodation and food services (23,400)

POPULATION OF EDINBURGH BY AGE BRACKET (2012)

- 0-4: 27,057
- 5-15: 46,164
- 16-24: 70,447
- 25-34: 67,072
- 35-44: 63,688
- 45-54: 50,482
- 55-64: 36,069
- 65-74: 24,693
- 75-84: 10,136
- 85+: 1,786

Key Data

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Number</th>
<th>Date</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>482,640</td>
<td>2012</td>
<td>General Register Office for Scotland</td>
</tr>
<tr>
<td>Households</td>
<td>224,322</td>
<td>2012</td>
<td>General Register Office for Scotland</td>
</tr>
<tr>
<td>Working age population</td>
<td>338,331</td>
<td>2012</td>
<td>General Register Office for Scotland</td>
</tr>
<tr>
<td>Average annual wage of workers</td>
<td>£24,700</td>
<td>2012</td>
<td>Office for National Statistics</td>
</tr>
<tr>
<td>Average annual disposable income</td>
<td>£24,600</td>
<td>2012</td>
<td>Office for National Statistics</td>
</tr>
<tr>
<td>Annual output per worker</td>
<td>£57,900</td>
<td>2011</td>
<td>Office for National Statistics</td>
</tr>
<tr>
<td>Average annual office rent</td>
<td>£290 per m²</td>
<td>2012</td>
<td>Ryden</td>
</tr>
<tr>
<td>Average residential property selling price</td>
<td>£177,000</td>
<td>2012</td>
<td>Registers of Scotland</td>
</tr>
<tr>
<td>Annual airport passengers</td>
<td>9.2 million</td>
<td>2012</td>
<td>Civil Aviation Authority</td>
</tr>
<tr>
<td>Annual rail passengers</td>
<td>26.6 million</td>
<td>2012</td>
<td>Office of Rail Regulation</td>
</tr>
<tr>
<td>Annual tourist visits</td>
<td>3.73 million</td>
<td>2012</td>
<td>VisitScotland</td>
</tr>
<tr>
<td>Annual tourist expenditure</td>
<td>£1.27 billion</td>
<td>2012</td>
<td>VisitScotland</td>
</tr>
</tbody>
</table>

HBOS PLC                                      Banking | £2,994.0  
Standard Life PLC                              Insurance and pensions | £801.0 |
Scottish Widows PLC                            Insurance and pensions | £667.0  
The Miller Group Limited                       Property development | £188.8  
Tesco Personal Finance PLC                     Banking | £152.6  
Diageo Scotland Limited                       Distilling | £109.0  
Scottish Equitable PLC                         Insurance and pensions | £96.0  
Walter Scott & Partners Limited                Fund management | £93.1* |
Wood Mackenzie Limited                         Consultancy | £78.6* |
TSB Bank PLC                                  Banking | £75.0 |
Sainsbury’s Bank PLC                           Banking | £55.0 |
BlackRock International Limited                Fund management | £53.9 |
John Menzies PLC                              Logistics | £42.1 |
Scottish Water Business Stream Limited         Water and sewage | £38.3 |
Noble Grossart Holdings Limited                Banking | £29.9 |
Petroleum Experts Limited                      Software development | £29.1 |
Artemis Asset Management Limited               Fund management | £23.2 |
Edinburgh Partners Limited                    Fund management | £22.9 |
SkyScanner Limited                            Software development | £22.0 |
Heineken UK Limited                           Brewing | £20.2* |
Scottish Widows Bank PLC                       Banking | £17.3 |
Adam & Company Group Public Limited Company    Banking | £16.7 |
Forth Ports Limited                           Port operation | £15.7* |
The Glencroan Marine Company Limited           Distilling | £15.4 |
Kames Capital PLC                             Fund management | £15.2 |

EDINBURGH’S TOP COMPANIES BY PRE-TAX PROFITS (2013)*

Company                                | Sector                        | Pre-tax profits (£million) |
HBOS PLC                                | Banking                       | 2,994.0  
Standard Life PLC                       | Insurance and pensions        | 801.0   |
Scottish Widows PLC                     | Insurance and pensions        | 667.0 |
The Miller Group Limited                | Property development          | 188.8   |
Tesco Personal Finance PLC              | Banking                       | 152.6   |
Diageo Scotland Limited                 | Distilling                    | 109.0   |
Scottish Equitable PLC                  | Insurance and pensions        | 96.0   |
Walter Scott & Partners Limited         | Fund management               | 93.1*   |
Wood Mackenzie Limited                  | Consultancy                   | 78.6*   |
TSB Bank PLC                            | Banking                       | 75.0   |
Sainsbury’s Bank PLC                    | Banking                       | 55.0   |
BlackRock International Limited         | Fund management               | 53.9   |
John Menzies PLC                        | Logistics                     | 42.1   |
Scottish Water Business Stream Limited  | Water and sewage              | 38.3   |
Noble Grossart Holdings Limited         | Banking                       | 29.9   |
Petroleum Experts Limited               | Software development          | 29.1   |
Artemis Asset Management Limited        | Fund management               | 23.2   |
Edinburgh Partners Limited             | Fund management               | 22.9   |
SkyScanner Limited                      | Software development          | 22.0   |
Heineken UK Limited                     | Brewing                       | 20.2*   |
Scottish Widows Bank PLC                | Banking                       | 17.3   |
Adam & Company Group Public Limited Company | Banking                     | 16.7   |
Forth Ports Limited                     | Port operation                | 15.7*   |
The Glencroan Marine Company Limited    | Distilling                    | 15.4   |
Kames Capital PLC                       | Fund management               | 15.2   |

* Year ending December 2012; † Year ending February 2013

STANDARD LIFE PLC

Standard Life Investments – the fund management arm of savings and investment giant Standard Life – has bought Ignis Asset Management. The £390m acquisition increases total funds under management at the company to approximately £250bn. Standard Life Investments has also opened an office in Stockholm to help grow its business in the Nordic countries.

FIND OUT MORE: www.standardlife.com

THE MILLER GROUP LIMITED

Residential property developer the Miller Group has seen a rise in profits following a shift in focus to higher priced suburban homes. The company, which has planning consent for close to 9,000 plots, has set an annual sales target of 2,750 units. Having divested its loss-making construction division earlier this year, Miller is understood to now be contemplating an initial public offering.

FIND OUT MORE: www.miller.co.uk

HEINEKEN UK LIMITED

Europe’s largest brewer, Heineken, has welcomed a rise in UK sales over the first half of 2014. The Dutch multinational – which has its UK head office in Edinburgh – attributed the rise in sales to the success of new premium products such as Strongbow Dark Fruit and Old Mount Cider, coupled with warm weather and the World Cup. The company has announced plans to boost levels of innovation and to invest in its production sites in Manchester and Hereford.

FIND OUT MORE: www.heineken.co.uk
In one of Edinburgh's largest ever speculative office builds, the M&G Real Estate is investing £80 million in delivering two further office blocks at Quartermile, the deluxe mixed-use development in Edinburgh city centre.

Due for completion in early 2016, the 12,062m² (129,830sq ft) Quartermile 4 will deliver grade ‘A’ office space and include 1,161m² (12,500 sq ft) of retail space. Work will then begin on Quartermile 3, which will provide a further 6,781m² (73,000 sq ft) of grade ‘A’ office space.

• Just minutes away from the Exchange, Edinburgh’s financial district, and a short walk from Edinburgh Waverley rail station and Princes Street.
• Grade ‘A’ office space now available to let.
• A rich variety of shops, cafés, restaurants and leisure facilities including both national brands and independents retailers.
• Existing occupiers include Skyscanner, Investec, Mercer, IBM, Morton Fraser and Maclay Murray & Spens.
• A prime location adjacent to the main campus of the University of Edinburgh and The Meadows, one of Edinburgh’s most popular parks.

FIND OUT MORE:

Mike Irvine
Montagu Evans
T: +44 (0)131 229 3800
E: Mike.Irvine@montagu-evans.co.uk

Stewart Taylor
CBRE
T: +44 (0)131 469 7666
E: Stewart.Taylor@cbre.com

Quatermile
www.qmile.com