

# TECH TRACK 100



September 19, 2010

Cloud computing and home entertainment are two of the most prominent sectors in this year's tenth anniversary league table, says Catherine Wheatley

It is 10 years since the first Sunday Times Tech Track 100 revealed Britain's fastest-growing private technology, telecoms and digital media companies. Since then, successive annual league tables have uncovered several firms that have gone on to become well-known brands and stock-market stars. The tables have also charted changing trends in the knowledge economy as broadband and 3G transform the way companies operate and consumers spend their time and money.

The financial website MoneySupermarket.com, semiconductor business Wolfson Microelectronics and online grocer Ocado are among 23 firms that have floated since appearing in the Tech Track 100. A further 139 have released wealth for their founders and backers through trade sales. For example, the online map provider Multimap was acquired by Microsoft for £24m in 2007; the anti-virus software group MessageLabs was snapped up by Symantec for £400m the following year; and the fashion retailer Net-a-Porter.com

**FAST TRACK**

The Tech Track 100 league table and networking events programme is produced by Fast Track, the leading networking company that focuses on Britain's top-performing private companies and entrepreneurs.

Fast Track researches and publishes seven different annual league tables with The Sunday Times, ranking the fastest-growing to the biggest private companies, and runs invitation-only dinners for entrepreneurs to network and meet our sponsors.

was acquired by the Swiss luxury-goods company Richemont for £350m in April.

Over the years, several sectors have stepped into the limelight thanks to technological breakthroughs and market trends. The inaugural Tech Track 100, originally slated for 2000, was postponed for 12 months after the dotcom bubble burst, wiping out thousands of start-ups. But in the following year, dotcoms were eclipsed by telecoms companies, thanks to the effects of deregulation in the 1990s. Since then, the emergence of internet shopping, online gaming, price-comparison websites and, this year, cloud computing, have all been reflected in the rankings.

Many of these companies have become household names. Bet365, at No31 in the league table, is appearing for the fourth time, as is the DVD rental service Lovefilm (No51). Charity fundraising website Just Giving (No82) is listed for the second year running, while the price comparison website Cheapflights Media (No100) is listed for a record seventh consecutive year.

Many more on the tenth anniversary rankings are emerging brands that are transforming our everyday consumer experience. Shazam (No36) allows people to identify tunes by using their mobile phone to capture the sound. The business is also driving traffic to online music stores, such as iTunes and Amazon, where it claims 8% of users go to download the song that has been identified.

Meanwhile, skyscanner.net (No21), one of several price-comparison websites in this year's league table, is helping cost-conscious holidaymakers find flights, hotels and car hire. Opta Sports Data (No85) collates and distributes results and other statistics from 30 sports in 70 countries for media outlets, including the BBC and News International, owner of The Sunday Times.

Entrepreneurs at the helm of this year's Tech Track 100 companies are creating greater wealth and more jobs in the knowledge economy than at almost any other time in the past decade. Their success is a testament, perhaps, to Britain's world-leading technology and design skills. Together, the 100 companies have combined sales of £2.8 billion, against £292m in 2001, although the league table criteria

**TENTH ANNIVERSARY EDITION**

## Britain's fastest growing private technology companies

In association with

have changed slightly. As many larger businesses continue to shed jobs, the 2010 league table firms have added 10,564 in the past three years — some the result of acquisitions — bringing their combined workforce to 17,265 staff, compared with 5,270 ten years ago.

Tech Track 100 firms are not required to be in profit as many are backed by venture capital and business angels, but a full four-fifths of this year's ventures have reported pre-tax profits in their latest accounts. Of the 10 most profitable firms, three are in the online gaming sector, including Bet365, which recorded the largest profits, at £101m. The healthcare software business Datix (No86) had the biggest profit margins, at 54%.

This year's No1 company, PKR, is another web-based betting business, reflecting consumers' growing appetite for home entertainment. The company, which operates a 3D poker table allowing players to create their own avatars, was launched six years ago by Jez San, who also founded the games developer Argonaut at the age of 16. Some 100,000 people a month

in Europe, Canada and Australia are said to be signing up to the site, powering sales growth of 356% a year from £347,000 in 2006 to £33m in 2009, with good profits.

But perhaps the most notable trend to emerge this year is a sharp rise in the number of companies that provide outsourced computer services, including

cloud computing and managed hosting. Sixteen firms cite this as their main activity, with a further five offering it alongside their main products and services. After businesses slashed their IT budgets during the downturn, many are now opting to outsource server capacity and share IT infrastructure. For example,

DediPower (No41) provides Virgin and Sony with hosting services, while 850 firms have turned to Adapt (No42) for computer services. Microsoft's Scott Dodds assesses the rise of cloud computing on page 3. Internet and network service providers account for a further 15 firms.

A broad category of digital media and

entertainment companies — including online gaming firms — have also performed strongly this year, with 14 slots on the league table. For example, Monumental Games (No6) develops games that can be played online by thousands of participants at the same time. BDO's Julian Frost looks at how technology is shaping consumer behaviour on page 6.

Venture-capital, business-angel or private-equity investors have backed 37 of this year's companies. Encouragingly, six firms raised funding in the 12 months to July, double the number that secured backing in last year's table. These include Cybit (No94), a GPS tracking business that was taken private by the American private equity house Francisco Partners in January. On page 4, Sean Duffy of Barclays Corporate evaluates the prospects of bank funding for high-growth firms.

Over the past decade, the Tech Track 100 has showcased the strength and depth of Britain's knowledge economy. The quality of this year's fast-growing technology, telecoms and media firms bodes well for Britain's future.

**WHAT HAPPENED TO THE TECH TRACK 100 NO1 COMPANIES OF THE PAST DECADE**

Year	Rank 2010	Company	Activity	Comment
2010	1	PKR	Poker website operator	Adding 100,000 players a month
2009	4	The Hut Group	E-commerce website operator	Raised £14m of mezzanine funding
2008	63	Mobile Interactive Group	Mobile services provider	Expanded into America and Australia
2007		Holiday Rooms Direct	Online hotel agency	Was forced to restructure
2006	54	Gamesys	Gaming website operator	Profits exceeded £16m in 2009
2005		Daisy Group	Telecoms service provider	Reversed into Freedom4 in 2009
2004	59	Cambridge Broadband	Wireless technology developer	Raised £45m from private equity
2003		Optos	Retinal scanning developer	Floated in 2006 and now worth £58m
2002		IXEurope	Data centre provider	Sold to Equinix in 2007 for £250m
2001		RAW Communications	Video streaming provider	Sold to Thomson Financial in 2004

# The 100 fastest-growing technology companies

Rank 2010	Rank 2009	Name	Activity	Location of HQ	Financial year end	% annual sales growth	2008-10 sales, £000s	2006-7 sales, £000s	In profit 2008-10?	Staff	Founded	Comment	Page
1		PKR	Poker website operator	Alderney	Dec 09	356.44%	33,031	347	Yes	98	2004	Founder was first person to receive OBE for services to computer gaming industry	3
2		Mimecast	Email management services provider	Central London	Mar 10	173.14%	13,334	654	No	158	2003	Has offices in South Africa, Dubai and America	3
3		Quickstart Global	IT services provider	Central London	Dec 09	167.89%	17,369	383	No	657	2006	One of the founders set up and sold four other technology companies	3
4	1	The Hut Group	E-commerce website operator	Cheshire	Dec 09	161.92%	153,604	2,983	Yes	220	2004	Raised £14m from investors earlier this year	3
5		Adconion	Internet advertising publisher	Central London	Dec 09	149.65%	190,561	5,821	No	266	2005	Founder established an American technology company that was bought by Vivendi	3
6		Monumental Games	Computer games developer	Nottingham	Dec 09	146.31%	5,165	*346	No	97	2005	Develops the MotoGP motorcycle racing game	3
7		Shebang	Point-of-sale software developer	Daventry	Dec 09	136.58%	159,989	4,530	Yes	244	2000	Recently won a deal to supply Asda's mobile-phone outlets	3
8	12	Forward Internet Group	Online marketer	Central London	Dec 09	120.04%	*50,808	4,769	Yes	146	2004	Company generates 25% of its revenue in America	3
9		GPEG	LCD display developer	South London	Feb 10	119.92%	16,289	991	Yes	11	2005	Its waterproof electronic displays can be found in the bathrooms of luxury hotels	3
10		Sciencius	Risk-analysis software developer	Central London	Mar 09	118.49%	6,032	579	Yes	9	2002	Its technology helps house insurers calculate the risk of flooding and high winds	3
11		Datameer	Data management software developer	Cambridge	Dec 09	114.59%	5,178	524	Yes	42	2001	Says it won 40 of its 160 customers in the past 12 months	4
12	6	Moneybookers	Online payment provider	Central London	Dec 09	108.18%	43,021	4,768	Yes	317	2001	Its technology can process payments in 40 different currencies	4
13		Contact	Managed services provider	Central London	Dec 09	105.78%	15,120	*588	Yes	35	2005	Founder remortgaged his flat and sold his car to raise funds to start the business	4
14		Media Ingenuity	Online lead generator	Central London	Dec 09	99.92%	16,571	822	Yes	26	2006	Plans to launch a range of financial products under its Fluid.co.uk brand	4
15		365 ITtechnology	IT services provider	Basingstoke	Dec 09	96.22%	7,979	1,056	No	53	2002	Has made four acquisitions since 2007	4
16	13	Fourth Hospitality	Hospitality software provider	Central London	Aug 09	96.09%	8,438	1,119	Yes	118	1999	Acquired recipe and menu management software company Star Logic this year	4
17	24	Endava	IT services provider	Central London	Jun 09	95.29%	20,433	*2,743	Yes	520	2000	Says its customers include five of the world's ten largest banks	4
18		Kaspersky Lab	Anti-virus software developer	Oxfordshire	Dec 09	93.39%	210,466	29,097	Yes	1,216	1997	Sponsored the Commonwealth Antarctic Expedition that ended in January	4
19		Reach-Data	SMS services provider	North London	Dec 09	89.14%	9,932	1,468	Yes	6	2002	Claims it partners with most of the leading British mobile-phone operators	4
20		Content and Code	Software consultancy	Central London	Dec 09	88.97%	6,433	953	Yes	82	2001	Says it gained nearly a third of its 300-strong customer base in the past year	4
21		Skyscamer.net	Cheap flights search engine	Edinburgh	May 10	86.61%	18,806	1,355	Yes	77	2001	Claims 10m people visit its website every week	4
22		Perform	Sports media provider	South London	Dec 09	85.63%	148,354	7,560	Yes	317	2000	Claims it broadcasts more than 17,000 live sporting events online each year	4
23		Prism Power	Power systems maker	Walford	Dec 09	85.34%	116,031	*2,518	Yes	42	2005	Chairman Keith Hall spent 26 weeks building switchgear before founding the firm	4
24	14	Greenlight	Digital marketing agency	Central London	Aug 09	79.77%	15,702	2,703	Yes	64	2001	Claims to have more than 100 blue-chip clients in Britain, including Interflora	4
25		Wireless Logic	Connectivity platform developer	Marlow	Apr 10	77.61%	18,162	1,457	Yes	16	1999	Says it opens 200 new customer accounts a month	4
26		Comet Solutions	IT consultancy	Bristol	Mar 10	71.56%	16,810	1,349	Yes	20	2006	Its software is used by BSkyB and Vodafone to improve their customer service	4
27		Clintec International	Clinical researcher	Glasgow	Dec 09	70.14%	11,379	2,310	Yes	119	1997	Has offices in 40 countries, including in India, Dubai and Poland	4
28		Qicom	Telecom services provider	Middlesex	Sep 09	63.65%	69,075	*15,760	Yes	56	2005	Operates in Britain, Hong Kong, the Philippines and Sri Lanka	4
29		TouchLocal	Online marketer	Central London	Dec 09	62.59%	19,727	2,263	No	135	1994	Claims 4m people visit its website every month	4
30		Traffic Junction	Online and affiliate marketer	Hertfordshire	Mar 09	62.49%	10,218	2,382	Yes	40	2001	Has benefited from growth in the use of search engines such as Google	4
31	35	Bet 365	Online bookmaker	Stoke-on-Trent	Mar 10	62.20%	1417,678	97,874	Yes	1,836	1974	Company's website is available in 17 languages, including Hungarian and Slovakian	4
32		Academia	Software integrator	Enfield	Jun 09	61.76%	5,444	1,286	Yes	21	2003	Claims it supplies software to students at up to an 80% discount	5
33	4	Molica	Mobile phone application designer	Cheshire	Dec 09	61.08%	8,271	2,145	Yes	55	2003	Plans to expand into America in the near future	5
34		The Foundry	Visual-effects software developer	Central London	Dec 09	60.81%	6,608	*1,637	Yes	54	1996	Software was used to create digital-effect sequences on Avatar	5
35		Jellyfish	Paid search agency	Reigate	Dec 09	60.60%	16,917	4,084	Yes	55	1999	Recently won a contract with Skype	5
36		Shazam	Music recognition services provider	Central London	Jun 09	60.37%	7,336	*1,779	No	53	2000	Funded by the early backers of Amazon and Google	5
37	94	Epsilon	Telecom services provider	Central London	Dec 09	59.83%	*11,097	2,718	Yes	40	2003	Claims that more than 24 languages are spoken by its employees	5
38		Innocore Gaming	Computer hardware developer	Newcastle on Tyne	Dec 09	59.52%	5,318	*1,310	Yes	16	2006	Develops hardware and software for slot machines in Las Vegas casinos	5
39	54	ROC	SAP-based software developer	Weybridge	Sep 09	58.10%	13,403	3,392	No	103	1998	Has subsidiaries on the Continent and in America	5
40		Celerity	IT services provider	Lancashire	Dec 09	57.90%	25,054	6,364	Yes	22	2002	Completed a £2m contract with a central government department this year	5
41		DediPower	Managed hosting provider	Reading	Sep 09	57.73%	15,487	1,398	Yes	44	1998	Clients include Virgin, Sony and ITV	5
42	31	Adapt	Managed services provider	Central London	Jun 09	57.55%	31,008	7,929	Yes	86	2001	Claims it helps its clients make IT cost savings of more than 25%	5
43		SSL	Electronics and software developer	Bristol	Mar 10	57.32%	120,440	5,240	Yes	130	1979	Recently won a contract with TFL to implement a digital CCTV system	5
44		S3 Interactive	Technology repairer	Glasgow	Mar 09	56.97%	15,972	1,774	Yes	78	2000	Claims it repairs and resales more than 50,000 mobile phones a month	5
45		Nod4	Communications services provider	Derby	Mar 10	56.50%	17,251	1,892	Yes	31	2004	Is currently constructing a 42,000 sq ft data centre	5
46	3	Wewillbuyyourcar.com	Online car dealer	Yorkshire	Mar 10	56.21%	21,491	5,638	Yes	9	2005	Says it buys 25 used cars a day for an average price of £7,500	5
47		Iris Software	Business software developer	Berkshire	Apr 09	54.94%	119,204	32,051	No	1,330	1978	Claims that its software generates 2m pay slips a year for Britain's workers	5
48		The Bunker	Managed services provider	Kent	Dec 09	53.50%	5,243	1,449	Yes	54	2004	Its three data centres are housed in old military bunkers	5
49	38	UKFast	Internet hosting provider	Manchester	Dec 09	53.10%	19,099	2,536	Yes	110	1999	Is due to launch a hosting service called UKFast Blue later this year	5
50	36	ContractCircle	IT services provider	Central London	Sep 09	52.53%	9,115	2,568	Yes	63	2001	Secured £5m growth capital from Scottish Equity Partners in February	6
51	9	Lovefilm.com	Online DVD rental provider	West London	Dec 09	52.11%	197,170	*27,612	No	427	2002	Claims to be the third-largest subscription entertainment business in Britain	6
52	26	Neoss	Dental implants developer	Harrgate	Nov 09	51.33%	14,552	4,199	No	108	2000	Its dental implant system uses less than 100 components while others use 2,000	6
53		Kelway	IT services provider	Central London	Mar 10	50.59%	1178,091	52,152	Yes	350	1990	Chief executive Phil Doye founded the company at the age of 21	6
54	32	Gamesys	Gaming website operator	Central London	Mar 09	50.54%	58,998	17,294	Yes	251	2001	Launched Caesarsbingo.co.uk and Heartgames.co.uk this year	6
55		Micro Nav	Simulation systems provider	Bournemouth	Dec 09	50.39%	15,777	1,698	Yes	46	1988	Founders are qualified air-traffic controllers and pilots	6
56	39	Intellifin	Financial software developer	Kingston	Dec 09	50.16%	5,928	1,751	Yes	57	2004	Says it has a total customer base of 6,500 users from 850 firms	6
57		Wateworks	E-commerce software developer	Wigan	Dec 09	49.87%	15,972	1,774	Yes	78	2000	Claims it delivers total savings for its clients of more than £200m a year	6
58	23	Timico	Converged communications provider	Nottinghamshire	Dec 09	49.01%	21,904	6,621	Yes	133	2004	Clients include BP, Honda and the Stroke Association	6
59	21	Orange Broadband Networks	Wireless technology developer	Cambridge	Dec 09	48.95%	122,007	6,659	No	60	2000	Has raised £45m from investors to date	6
60	86	CramInfo Information Systems	IT consultancy	Central London	Mar 10	48.18%	115,521	4,771	Yes	48	2004	Has launched a division that focuses on consultancy services for its blue-chip clients	6
61	62	Probrand	IT reseller	Birmingham	Dec 09	45.87%	57,595	18,557	Yes	69	1992	Launched a security division to help public-sector clients avoid fines for loss of data	6
62		Hostelbookers.com	Online accommodation booking agency	London	Dec 09	45.76%	8,268	2,670	Yes	77	2003	Travellers in Stockholm can use its website to book a stay in a Boeing 747 cockpit	6
63		Essence	Digital marketing agency	Central London	Mar 10	45.74%	118,445	5,959	Yes	51	2005	Clients include Google, Cancer Research and eBay	6
64		Mobile Interactive Group	Mobile phone services provider	Central London	Apr 09	45.69%	67,952	21,972	Yes	92	2004	Claims to have built the first iPad app for The Sun newspaper	6
65	75	Acturis	Software services provider	Central London	Sep 09	45.21%	14,083	4,600	Yes	110	2000	Currently looking to expand into mainland Europe	6
66		Activinstinct	Affiliate marketer	Northwest London	Aug 09	44.48%	5,447	1,806	Yes	36	1987	Has diversified from selling cricket bats and exercise bikes to web marketing	6
67	76	Xbride	Online insurance broker	Central London	Dec 09	44.10%	12,493	4,175	No	135	2000	The company's chief executive was previously managing director of Match.com	6
68		Nexus Oncology	Clinical researcher	Edinburgh	Apr 09	43.71%	7,165	2,414	No	96	1999	Looking to expand into Russia and Spain	6
69		Technoshell	Web application software developer	Sheffield	Dec 09	43.38%	5,081	1,728	Yes	71	1994	Currently planning to open an office in London	6
70	47	King.com	Gaming website operator	Central London	Dec 09	43.09%	38,154	13,022	Yes	85	2003	Claims its gaming websites are available in ten languages and six currencies	7
71	58	Exponential-e	Network services provider	Central London	Jan 10	42.96%	19,952	6,828	Yes	105	2002	Clients include Sony BMG and Bet365	7
72	96	Adaptia	Managed services provider	Reading	Dec 09	42.91%	20,546	7,040	Yes	116	1996	Recently expanded into mainland Europe and Asia	7
73		Defacto Media	Financial software developer	North London	Mar 09	42.15%	8,298	*2,889	No	117	2006	Claims to have 30,000 financial products on its database	7
74		Elite Telecom	Telecom services provider	Lancashire	Jul 09	42.07%	14,612	5,095	Yes	167	2000	Uses its own video conferencing services to minimise travel to meetings	7
75	59	Focus 4 U	Telecom services provider	Hove	May 10	42.05%	16,900	3,105	Yes	33	2003	Is Telecoms partner for Twenty20 champions, Sussex County Cricket Club	7
76	70	Griffin Internet	Internet service provider	Derby	Dec 09	42.03%	16,910	5,902	Yes	71	1993	Recently launched a series of cloud computing, hosting and virtualisation services	7
77	98	ITRS Group	Financial software developer	Central London	Mar 10	41.78%	117,093	5,998	Yes	70	1997	Claims that many of the world's leading financial institutions use its software	7
78	19	Tomorrow Communications	IT network provider	Central London	Jul 09	41.60%	8,850	3,117	Yes	69	2003	Company's three directors met while working at an IT services company	7
79	84	Listening Company	Call-centre software provider	West London	Oct 09	41.46%	73,659	26,020	Yes	2,621	1998	Planning to double in size over the next three years	7
80		Redweb	Digital agency	Dorset	Dec 09	41.33%	5,070	1,796	Yes	96	1997	Customers include the Electoral Commission, HM Treasury and Eon	7
81	72	Thamesonline Online Benefits	Employee benefits software developer	Central London	Dec 09	40.75%	116,319	5,852	Yes	132	2000	Recently won a large contract with Glee Smith Kline	7
82	94	Just Giving	Fundraising website	Central London	Dec 09	40.70%	111,116	3,951	Yes	66	2001	St Steve Redgrave has raised £1.8m for his charity through its website	7
83	87	OB10	E-invoicing system provider	Central London	Apr 10	40.66%	113,104	4,709	No	178	2000	Says it signed up 14 new global customers in 2009	7
84	65	Worldwide Group	Telecom services provider	Peterborough	Dec 09	40.48%	127,720	9,999	Yes	55	2001	Claims to route more than 100m minutes of calls every month	7
85		Quto Sports Data	Sports information provider	Central London	Jun 09	40.45%	6,497	2,345	No	116	1996	Its database helps football clubs to identify and recruit new players	7
86		Datix	Healthcare software developer	Southwest London	Apr 10	39.95%	18,105	2,957	Yes	36	1986	Says that more than 60m patients are protected by its healthcare software	7
87	67	Bluesource	IT consultancy	Central London	Sep 09	39.38%	16,820	2,519	Yes	70	2007	Conducted an upgrade of the Conservative party's email system to improve security	7
88	88	Rise Financial	Business and IT consultancy	Central London	Dec 09	38.91%	27,340	10,200	Yes	209	1997	Has offices in Barcelona, New York and Lodz in Poland	7
89	61	Enanet International	Communications provider	Telford	Nov 09	37.97%	27,215	10,362	Yes	75	1996	Company operates from a Chinese style purpose-built pagoda	7
90		Neural Technologies	AI software developer	Hampshire	Mar 10	37.71%	110,832	4,148	Yes	95	1990	Has offices in America, Brazil, Chile, Malaysia and Hong Kong	8
91	10	The Cloud	Wireless broadband service provider	St Albans	Dec 09	37.51%	17,575	6,759	No	59	2003	Provides wireless broadband wifi services to 12 European countries	8
92	60	Topfable.com	Restaurant reservation website	Central London	Jun 09	36.30%	6,631	2,619	Yes	62	1999	Claims its website contains details of 5,000 eateries worldwide	8
93		2m	Data centre designer	Nottingham	Jan 09	35.76%	17,975	3,167	Yes	18	2002	Sponsors European Tour golfer Graeme Storm	8
94		Cybit	Telemedicine software developer	Central London	Dec 09	35.70%	25,482	1,961	Yes	136	1998	Delisted from the LSE with backing from Francisco Partners in January	8
95		Solarcentury	Solar technology developer	Central London	Mar 10	35.55%	24,518	13,858	No	113	1999	Claims to have created the first British street-powered energy by solar panels	8
96	28	Neverfall Group	Business software developer	Berkshire	Mar 10	35.40%	111,921	4,802	No	140	1993	Says that 3,000 companies worldwide use its software	8
97	48	Excilian	IT consultancy	Central London	Dec 09	35.20%	113,318	5,38					



# PKR plays a winning hand with its poker avatars

<b>1</b>	<b>PKR</b>
3 poker website operator	356.44%

THE 3D poker-playing avatars created by PKR have featured in an advertising campaign that may be familiar to television viewers. The company operates a 3D poker website that is designed to give the feeling that the player is sat at a real poker table. Players can create their own avatars, dress them, add bling and even make the most of seasonal costumes on occasions such as Christmas and Halloween. They can also create the perfect poker face by tweaking features and facial movements, set their mood to let the table know if they are confident, nervous, aggressive or happy, as well as adjust their attitude and body language. The company is the brainchild of Jez San, who founded the games developer Argonaut at the age of 16 and was responsible for Star Glider, one of the first 3D computer games on the market. In the early 1990s Argonaut developed the world's first 3D graphics accelerator chip, which was sold to Nintendo. After a number of other projects for the likes of Philips and Apple, Argonaut then invested in developing its own

microprocessor chip called ARC, which was spun out into a separate company. ARC and Argonaut floated in 2000 and two years later San was one of the first people to receive an OBE for services to the computer gaming industry.

The PKR website tries to create a community feel. It allows players to contact each other through a forum and pick who they play against so that they get to know their opponents. Players can also sign up to receive the company's free poker magazine and watch other people's avatars playing poker on PKR TV.

The company claims that some 4m people across Europe, Canada and Australia are signed to the site and that 400,000 play monthly, of which 80,000 play for money. Revenue is generated by charging fees per hand — known as the rake — and entry fees to tournaments. As well as poker, customers can play other casino games against the house, including roulette, Deal or No Deal, blackjack and Casino Hold'em.

The company was founded in 2004 and today has a team of 45 developers who create new casino and poker games. In the next year it plans to launch 3D blackjack, 3D Casino Hold'em and 3D Caribbean stud as well as slot machines. It is also looking

to expand further on the Continent.

PKR is backed by a consortium of private investors and although the founders are still actively involved in the business, they appointed former managing director of The Ritz Club London Online, Malcolm Graham, as chief executive and Jean-Pierre Houareau as chief financial officer in 2006.

The company claims it is adding

100,000 new players a month, something that is bound to bolster its already impressive growth rate of 356% a year from £347,000 in 2006 to £33m in 2009. Revenue represents the net income from bets placed and games played rather than amounts wagered by customers. The company is regulated by the Alderney Gambling Control Commission and has an office in central London.



Game changer: players take the table on a gambling website run by PKR, whose chief executive Malcolm Graham is depicted above as an avatar



<b>2</b>	<b>MIMECAST</b>
Email services provider	173.14%

MIMECAST's software enables its customers, which include Knight Frank, Eversheds and the Salvation Army, to improve their email availability, storage and security. About 50% of the company's turnover is generated in Britain, but it also has offices in America, Dubai and South Africa. In 2009 Dawn Capital and Nickel Ventures invested £2m in the company. Chief executive Peter Bauer and chief technology officer Neil Murray founded Mimecast in 2003 and have overseen sales growth of 173% a year from £64,000 in 2007 to £13.3m in 2010, when the company made a significant loss.

<b>3</b>	<b>QUICKSTART GLOBAL</b>
IT services provider	167.89%

QUICKSTART GLOBAL helps companies looking to set up offshore teams. It finds office space, recruits the staff and installs the infrastructure needed to get the teams up and running in the desired location. Quickstart Global is based in London and has 40 customers, including Hitachi and Play.com. It was founded in 2006 by chairman Kausl Chokshi and chief executive Neal Gandhi, who oversaw sales growth of 168% a year from £383,000 in 2006 to £7.4m in 2009.

<b>4</b>	<b>THE HUT GROUP</b>
E-commerce operator	161.92%

THE Hut Group builds, runs and maintains e-commerce websites for the likes of Asda, Tesco and Argos. It also sells electrical goods, fashion and

home-entertainment products through its own websites, which include Giffed.com and Mybag.co.uk. The Cheshire company bought Zavvi's brand and online database from Virgin in 2009, and in August this year acquired the online retailer Iwantoneofthose.com. The company has raised £14m from a consortium of investors, including

Balderton Capital, Artemis and Angus Munro, the former chief executive of Matalan. Chief executive Matthew Moulding and chief operating officer John Gallemore founded the group in 2004 and are reportedly gearing it up for a stock-market flotation. Sales grew 162% a year from £3m in 2006 to £53.6m in 2009.



Player: Rik Alexander of Monumental Games develops computer games

<b>5</b>	<b>ADCONION</b>
Internet advertiser	149.65%

THIS company provides its clients with a variety of internet advertising services, from banner ads to streamed videos. Adconion claims it works with more than 2,000 publishers, who supply the advertising space, and suggests that its online network can put its 500 clients in touch with 400m consumers. The company was established in 2005 by Tyler Moebius, who previously founded an American technology company that was sold to Vivendi for an undisclosed sum. Adconion has expanded rapidly and now has 16 offices in seven countries employing 266 staff. In 2008 a private equity consortium led by Index Ventures invested £41m in exchange for a 31% stake in the company. Sales grew 150% a year from £5.8m in 2006 to £90.6m in 2009, when the company reported a loss.

<b>6</b>	<b>MONUMENTAL GAMES</b>
Computer games developer	146.31%

THIS company develops video games that can be played online by thousands of players at the same time. They are sold to game publishers, and Monumental Games receives royalties based on how well they sell to the public. The Nottingham company has also helped to develop racing games for the Xbox 360 and the PlayStation 3. One of the most popular is the MotoGP motorcycle game. Chief executive Rik Alexander and chief technology officer Rocco Loscalzo founded the firm in 2005 and last December Maven Capital Partners injected £2m in exchange for a 20% stake. Sales grew 146% a year from an annualised £346,000 in 2006 to £5.2m in 2009.

<b>7</b>	<b>SHEBANG</b>
Software developer	136.58%

SHEBANG's Sellfone 3G point-of-sale software is used by mobile-phone retailers when signing up customers to contracts. The company collects commission from network operators such as Orange and Vodafone each time its software is used, and provides mobile phones and accessories. It also runs its own websites, which sell phones. This year Shebang won a big contract with Asda to supply its upcoming mobile-phone outlets, after walking away from a £20m deal with Tesco. The Daventry company was founded in 2000 by Iain Humphrey and Joe Berry, who oversaw sales growth of 137% a year from £4.5m in 2006 to £60m in 2009.

<b>8</b>	<b>FORWARD INTERNET GROUP</b>
Online marketer	120.04%

WHEN someone types a query into an online search engine, Forward Internet's software looks at it for key words and positions a relevant advertisement for one of its clients in the search results. Staff company then receives a fee when the internet user buys something from the client's website. Founded in 2004 by managing director Neil Hutchinson, Forward Internet Group now counts leading companies such as Amazon, O2 and Dell among its clients. The London firm operates on the Continent, in America and Asia Pacific, which it sees as its biggest area for growth. Last year it won a large contract with Hilton International and acquired uSwitch, an energy price-comparison site. Sales grew 120% a year from £4.8m in 2006 to an annualised £50.8m in 2009.

<b>9</b>	<b>GPEG</b>
LCD display developer	119.92%

GPEG designs and manufactures electronic displays that can be found on games consoles in betting shops, in the bathrooms of luxury hotels and on bluetooth headsets. It says it spends 15% of its annual budget on research and development and is currently looking into combining its waterproof LED touch screen with technology that gives the impression that the screen is touching you back. Growth has come as the company has responded to an increase in demand for things such as interactive advertising displays. Nick How co-founded the London business in 2005 and has overseen sales growth of 120% a year from £591,000 in 2007 to £6.3m in 2010.

<b>10</b>	<b>SCIEMUS</b>
Software developer	118.48%

SCIEMUS has developed risk analysis software that has been used to insure more than 130 space satellites. The company was set up in 2002 when its founders, Andre Finn and Neil Fleming, saw a gap in the market for technology that can help to calculate insurance for highly complex industries. Working with the defence technology group QinetiQ, the company has gone on to produce software for the power and property markets, including software for assessing the risk associated with renewable-energy sources. It is now looking at the internet and marine sectors. The Farnborough business achieved sales growth of 118% a year from £579,000 in 2006 to £6m in 2009. The company has a profit margin of 38%, the second highest in the league table.

## Time to get your head in the cloud



Microsoft's Scott Dodds explains why advances in outsourced computing offer a great opportunity for technology firms and their clients

When the intellectual-property firm Rouse wanted to improve communication between staff at its 17 international locations, it sought guidance from Content and Code, an information technology consultancy.

The company, at No20 in this year's Tech Track 100, suggested that Rouse should move its systems to the cloud. By outsourcing internet applications and server capacity to another company, Rouse could get access to powerful business software that would boost efficiency and also save money.

Over the following months, Content and Code, a Microsoft gold partner, connected Rouse to our cloud-based Business Productivity Online Suite (BPOS), a set of hosted and collaboration solutions delivered to the customer as a subscription. This suite of services enables organisations of all sizes to improve their business productivity without the need to maintain complex IT infrastructure of their own. The new arrangement also enables Rouse to expand its IT systems quickly as the business grows.

Both the flexibility and the cost savings delivered by the cloud are compelling, according to Jonathan Bruce, Rouse's global head of IT. Over its first 12 months, Rouse cut its IT

spending by £300,000 and after three years the savings reached £600,000.

Microsoft believes that cloud computing is a leap forward in technology that offers a tremendous opportunity for both the IT industry and its customers. British firms are expected to double spending on cloud services to £1.2 billion by 2012, according to the research company Tech Market View. Over the same period, the research group Gartner forecasts that a fifth of all the Fortune 1,000 companies will have scrapped their own IT equipment entirely — and by 2014 the cloud computing sector will be worth several billion pounds.

With our network of certified partners, Microsoft is a leader in the field and is bringing the cloud's financial and operational benefits to the global marketplace. During this year we expect to invest a significant part of our \$9.5 billion research and development budget in cloud services.

Cloud computing is usually taken to mean outsourcing hardware — such as servers and data storage facilities — and web applications, including email. Applications are moved to another company, which pipes them back into the customer's offices through the internet. Customers like Rouse subscribe to the service and pay per unit instead of spending on

building and maintaining their own facilities.

Typically, customers can use the cloud in three ways. First, they can outsource services completely. For small and medium-sized enterprises, moving to the cloud can transform the way they do business because they gain the capacity and applications to match much bigger companies without a large investment in hardware.

Alternatively, they can use the cloud to augment existing services when additional capacity is required for new projects or a sudden rise in demand. For larger companies that have already made substantial investments in systems for managing customers,

the supply chain and internal information, this is probably more efficient than moving their entire set-up to the cloud.

Finally, the cloud can help companies such as Rouse improve their productivity by hosting applications or sharing data with others. Staff and customers can connect and pool information to improve communication and productivity.

Content and Code is one of a growing number of Microsoft-certified partners that are embracing the cloud and helping Microsoft to bring its benefits to companies of all sizes. Of our 30,000 UK partners, several thousand — including some of the 18 gold partners in the Tech Track 100 — are already helping clients move to the cloud through BPOS.

Indeed, for the first time, cloud computing and managed hosting firms feature strongly in the Tech Track 100, accounting for 16 places. It is interesting to see that a further five ventures offer cloud services alongside their main products, and many more have said they will consider expanding into the sector.

Some of our partners, including Content and Code, are advising clients on how to use the cloud to update their infrastructure and maximise the benefits of their existing software. Our unique hybrid model enables companies to blend seamlessly their in-house Microsoft products with our cloud-based services.

Others are providing infrastructure and network capacity for hosting SharePoint and Exchange, for example. Adapt, a Microsoft partner at No42 in the league table, provides network services and outsourced managed hosting to about 850

**BRITISH FIRMS WILL DOUBLE SPENDING ON CLOUD SERVICES TO £1.2 BILLION BY 2012**



On cloud nine: clients can get all the computing power they need without having to buy and maintain the hardware

customers, including the RAC and EMI. The firm recently provided another Tech Track 100 company, Cheapflights Media (No100), with extra bandwidth and capacity through a secure managed data hosting service.

Today, Adapt holds the UK infrastructure and central systems for the fast-growing firm, which has helped to ease the strain on Cheapflights' IT team.

Several of our Tech Track 100 partners are using our new platform to create new

services and applications. For example, Kaspersky Lab, at No18 in the league table, develops in-the-cloud anti-virus software that protects hosted email. It also offers other security products.

Indeed, we understand why companies might be concerned about the security of data stored in the cloud. Microsoft and our certified partners such as Kaspersky use powerful anti-virus and anti-spam software for cloud security, based on our

Forefront range of products, so customers can be assured they are protected.

We also invest to ensure the physical security of our data centres. Another of our gold partners, The Bunker (No48), owns data centres that are housed in former military bunkers. Meanwhile, Content and Code's customers benefit from Microsoft's data centres in Dublin and the Netherlands. Microsoft is committed to working in partnership with

innovative businesses like those in the Tech Track 100 as they take advantage of the huge opportunities that cloud computing offers. That is why we continue to invest in innovations that improve our cloud technology. We look forward to helping more ambitious companies as they broaden their horizons and look to the cloud.

■ Scott Dodds, general manager, business strategy and marketing at Microsoft UK, was talking to Catherine Wheatley.



**11 DATANOMIC**  
Software developer 114.50%

THE software made by Datanomic helps businesses save money, streamline their processes, reduce waste and remain compliant with legislation. Most of its 160 customers are in the financial services, telecoms, retail and utilities sectors and include Barclays, Vodafone, Royal Mail and Lloyd's of London. Sales growth at the Cambridge firm is partly attributed to overseas expansion — offices in New York and Singapore were opened recently. The company was founded in 2001 by Richard Marsh and is led by chief executive Jonathan Pell. Sales rose 115% a year from £524,000 in 2006 to £5.2m in 2009.

**12 MONEYBOOKERS**  
Online payment provider 108.18%

MONEYBOOKERS has developed technology that enables any business or consumer with an email address to send and receive payments online securely and cost-effectively. The London firm claims that 14m people use its service and that 60,000 internet merchants, including eBay and Skype, offer it as a payment option. The private equity house Investcorp took a 51% stake in 2007 when it backed a €105m buyout led by joint chief executives Martin Ott and Nikolai Riesenknapp. Sales grew 108% a year from £4.8m in 2006 to £43m in 2009.

**13 CONTACT**  
Managed services provider 105.78%

THE likes of Swift Cover, Royal Bank of Scotland and the retailer SpaceNK turn to Contact for managed IT and telecommunications services such as hosted applications and disaster recovery. The company was founded in 2005 and is based in London. It also has offices in Stoke-on-Trent and Weybridge and is looking to expand into the Midlands, northern England and overseas. Under Dominic List, founder and chief executive, sales rose 106% a year from an annualised £588,000 in 2006 to £5.1m in 2009.

**14 MEDIA INGENUITY**  
Online lead generator 99.92%

MEDIA INGENUITY is an online marketing and technology company that connects financial institutions with a large number of customers. Its technology generates leads for mortgages, credit cards, insurance and other financial products. Founded in 2006 by directors Will Becker and Jonathan Hassel, the London company also owns TotallyMoney.com, a price-comparison website that it claims is used by 1m people a month. Sales grew 100% a year from £822,000 in 2006 to £6.6m in 2009.

**15 365 TECHNOLOGY**  
IT services provider 96.22%

THIS company provides a range of services to commercial and government clients in Britain. It can, for example, supply data backup and security and can develop IT infrastructure. The Hampshire company was founded in 2002 with an undisclosed amount of start-up capital from the Southeast Growth Fund and since 2007 has expanded by making four acquisitions. It has some 1,500 customers, including Jimmy Choo and Jolo Maman Bebe, and says that many of these were won as a result of referrals from its main vendors, the technology giants IBM and Cisco. Sales grew 96% a year from £1.1m in 2006 to £8m in 2009.

**16 FOURTH HOSPITALITY**  
Hospitality software provider 96.09%

CLIENTS including Carluccio's, Wagamama, Fuller's, Marston's and Jamie's Italian use Fourth Hospitality's web-based software to manage inventory, purchasing, stock control, menus, human resources and payroll. The business has spent the past 12 months expanding in Britain as well as overseas, most notably in Spain and America. Earlier this year it also acquired a company that develops menu planning and nutritional management software. Fourth Hospitality was founded by husband and wife Derek and Edwina Lilley. Its sales grew 96% a year from £1.1m in 2006 to £8.4m in 2009.

**18 KASPERSKY LAB**  
Software developer 93.39%

KASPERSKY LAB is best known for its anti-virus products, but the company also offers anti-spam, mobile security and hosted email protection software. Only a small proportion of its products are sold direct to customers — the vast majority of its revenue is generated by licensing its technology to vendors. Software developer Eugene Kaspersky founded the Moscow company in 1997 and decided to register it in Britain, and base it near Oxford, as a springboard to America. Sales increased 93% a year from £29m in 2006 to £210.5m in 2009. The company has the second-highest profits in the league table, at £62.6m.

**20 CONTENT AND CODE**  
Software consultancy 88.97%

THIS London company designs websites and intranets and advises its clients on how to get the most from their Microsoft software. Its recent projects have included designing a content management system for Wembley stadium staff, who use it to organise events at the venue. The company also helped to improve the accessibility of the Royal National Institute for the Blind's intranet and e-commerce website. Content and Code was founded in 2001 by chief executive officer Tim Wallis and chief operating officer Craig Beard. Its sales have risen 89% a year from £953,000 in 2006 to £6.4m in 2009.

**23 PRISM POWER**  
Power systems maker 85.34%

PRISM POWER prevents the lights from going out by providing its customers with uninterrupted power supplies and back-up generators. Its 20 clients operate mainly in the telecoms, data centre and financial sectors, and include the New York Stock Exchange, T-Mobile and TST, the Caribbean telecoms group. Chairman and managing director Keith Hall founded the company in 2005 and overseas sales growth of 85% a year from £2.5m in 2006 to £16m in 2009.

**24 GREENLIGHT**  
Digital marketing agency 79.77%

GREENLIGHT develops search-engine queries to the websites of its clients, including Santander, Vodafone, New Look and Interflora. The fast-growing online advertising market has boosted growth at the London company, which has expanded to operate in 20 languages, including Mandarin, Japanese, Urdu and Arabic. Founded by chief executive Warren Cowan in 2001, Greenlight is now focusing on ways of helping its clients exploit social media sites such as Twitter and Facebook. Sales grew 80% a year from £2.7m in 2006 to £15.7m in 2009.

**25 WIRELESS LOGIC**  
Connectivity developer 77.61%

VEHICLE fleet managers and motorway-sign manufacturers are among those who use the connectivity platform developed by this Buckinghamshire company. It allows machines to communicate with each other through SIM cards similar to those found in mobile phones. Managing director Oliver Tucker and sales director Phil Cole founded the company in 1999 when a group of business angels provided some start-up funding. The company was then backed by Peter Jones of Dragons' Den fame and was part of his Phones International Group between 2003 and 2009 before it became a separate entity. Sales have grown 78% a year from £1.5m in 2007 to £8.2m in 2010.

**26 COMET SOLUTIONS**  
IT consultancy 71.56%

THIS consultancy advises large businesses on software services that help them to make better decisions and improve their marketing. Managing director Ian Hopkinson founded the company in 2006 and initially sold software services produced by Chordiant, a California developer. The company has since diversified to cover products from software developers Unica and SAS. It has no headquarters in Britain, but its 40 consultants work onsite for its clients, which include BSkyB, Orange and Vodafone. Sales at the company have grown 72% a year from £1.3m in 2007 to £6.8m in 2010.

**27 CLINTEC INTERNATIONAL**  
Clinical researcher 70.14%

CLINTEC does clinical research for pharmaceutical and biotech companies, including Pfizer and GlaxoSmithKline.

**28 QICOMM**  
Telecoms services provider 63.65%

THIS firm provides infrastructure and systems integration for telecoms and internet companies. Its customers include BT, the Ministry of Defence and various overseas telecoms providers such as Globacom in Nigeria. Qicomm's future plans include establishing a data centre in London's Docklands to serve internet and telecoms providers; becoming a virtual mobile network operator; and further expanding its business into Africa. The Middlesex company was founded with business-angel investment in 2005 and has since expanded organically. Its sales increased 64% a year from an annualised £15.8m in 2006 to £69m in 2009.

**29 TOUCH LOCAL**  
Online marketer 62.59%

TOUCH LOCAL sells internet advertising services to businesses such as AOL and Ask.com. The London company offers free listings, but customers can pay an annual subscription for priority spaces. It recently added video advertising to its website, allowing companies to demonstrate their products and services. Touch Local was founded in 1994 and is run by chief executive Mark Livingstone, who joined in 2006, having previously co-founded Lovelife.com (No 5 in this league table). Balderton Capital invested £7m of growth capital in 2006. Sales grew 63% a year from £2.3m in 2006 to £9.7m in 2009, when the company made a significant loss.

**30 TRAFFIC JUNCTION**  
Online marketer 62.49%

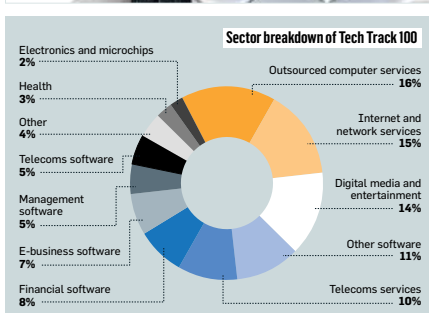
THIS company claims that many global brands turn to it to direct internet searches towards their websites. Traffic Junction has developed software that sifts through the millions of search engines such as Google, Yahoo and Bing. If a customer it directs to a website completes a sale, it takes a percentage of the revenue. Managing director Michael Edwards and chief executive Ben Flux founded the Hertford company in 2001 and now have 40 staff. Sales rose 63% a year from £2.4m in 2006 to £10.2m in 2009.

**31 BET 365**  
Online bookmaker 62.20%

FOUNDED in 1974 as a high-street bookmaker, Bet 365 has operated exclusively online since 2005. Owned and run by the Coates family, it has developed its own betting software. It operates in 17 languages and 28 currencies. Sports bets can be placed before a match starts or even during play. Customers can also bet on movements in the financial markets and play poker, bingo and roulette. The company is based in Stoke-on-Trent and also owns Stoke City Football Club. Sales of the combined organisation have grown 62% a year from £37.9m in 2007 to £181m in 2010. Bet 365 has the biggest profits in the league table at £101m.



Producing software that helps companies become more efficient: Datanomic's Jonathan Pell, Ian Clubb and Steve Tuck



**17 ENDAVA**  
IT services provider 95.29%

THIS IT services provider has recently expanded its digital media division, which now accounts for 25% of turnover. Endava is involved in the design, creation and management of IT infrastructure. The company recently helped Manchester United to rebuild its website, which it claims is one of the world's most visited football club websites. Endava was founded in 2000 and is based in London, with offices in Romania and New York. It is led by chief executive John Cotterell. Sales rose 95% a year from an annualised £2.7m in 2006 to £20.4m in 2009.

**19 REACH-DATA**  
SMS services provider 89.14%

WHEN a bank wants to send text messages to customers to alert them to any unusual activity in their accounts, it may contact Reach-Data first. The London company provides mobile messaging and wireless technology services by teaming up with British mobile-phone operators. It collects a fee for each message and has seen sales grow after a recent surge in demand for bulk messaging services. Reach-Data was founded in 2002 by chief executive Grant Romain. Its sales grew 89% a year from £1.5m in 2006 to £9.9m in 2009.

**21 SKYSCANNER.NET**  
Cheap flights search engine 86.61%

SKYSCANNER.NET operates a cheap-flights search engine that, it claims, compares prices on 670,000 routes flown by more than 600 airlines. It also offers price-comparison services for car hire, hotels and holidays. The Edinburgh company says that 10m people visit its website every month to look for deals. Its clients include British Airways, Air France, Lufthansa and EasyJet. Gareth Williams, Barry Smith and Bonamy Grimes founded the business in 2001. Scottish Equity Partners, a venture-capital firm, invested £2.5m of growth capital in 2007. Sales at Skyscanner.net have risen 87% a year from £1.4m in 2007 to £8.8m in 2010.

**22 PERFORM**  
Sports media provider 85.63%

THIS London company claims it broadcasts and distributes more than 17,000 live sports events online each year. Perform was founded in 2000 as Premium TV, the sports subsidiary of NTL, which is now owned by Virgin Media. In 2007 the Russian billionaire Len Blavatnik acquired Premium TV for £25m and merged it with Informa, a digital sports rights agency, to create Perform. Its clients include the Barclays Premier

# Charity website ricks up pace to defy downturn

Strong cashflow, solid growth and good management are the key to securing bank finance, says **Sean Duffy of Barclays Corporate**

**T**his year, more than £21m of the £50.6m raised by participants in the Virgin London Marathon was donated through Just Giving, the fast-growing fundraising website. It is replacing paper forms as a way to pledge money to thousands of good causes, ranging from Red Nose Day to the recent disasters in Haiti and Pakistan. The company's software not only helps users to build a personal fundraising page, it also recruits Gift Aid from the government on behalf of charities. In the nine years since its launch, the company, at No 82 in this year's Tech Track 100, says it has helped 12m people give £820m to more than 12,000 good causes.

Some banks were wary of Just Giving's social business model and took an inflexible approach to lending, according to Neil Bannister, its chief financial officer. The company's goal — to help fund-raisers charities bring in cash rather than to make money for investors — means that profits are re-invested in the business. However, last month Barclays Corporate was pleased to agree a £2.5m loan to support the firm's expansion plans. Sam Kemp, relationship director on the TMT team at Barclays Corporate, has developed a deep understanding of the business during his five-year relationship with Just Giving, allowing us to understand its processes and look beyond the company's unusual ethos to find a firm with a strong management team, a robust cash flow and excellent growth prospects.

As the brand has become established, turnover has grown 41% a year from £4m in 2006 to £11.1m in 2009. Last year, profits before tax were £2.3m, all of which will be reinvested in the business. Our relationship with Just Giving dates from 2005 when the firm's innovative approach began to win acceptance among charities that were using the internet to raise money. At this time the volume of transactions and settlement risk was disproportionately high for a business of its size, so an understanding of its processes was critical in developing the early relationship between bank and client. This, combined with a consistent record of performance and a frequent flow of information, has cemented a strong partnership. Just Giving is one of many

expanding technology businesses that Barclays Corporate is backing. We are prepared to consider a loan against cashflow, instead of securing the deal against property or other assets, when companies have a proven track record, a healthy order book and a strong market position. Just Giving's revenue comes from charging charities a 5% fee on donations that are made through the site. The entire

donation goes straight to the charities within days of being made, bringing them huge cashflow benefits. Just Giving then reclaims Gift Aid on behalf of each charity and deducts its fees from the sum. So, for every £10 taxpayers donate through the website, charities receive £11.92 after adding Gift Aid and deducting all fees, charges and Vat. As a result, Just Giving has to bear considerable negative

cashflows because it has to pay for credit-card transactions before it receives the Gift Aid from which fees are taken. By 2005 it was clear that the huge volume of transactions taking place at the time of the London marathon — now one of the world's largest annual fundraising events — was putting a strain on cashflow. Just Giving's original bank was unable to provide working capital because it would only

**Good run: 42% of the £50.6m raised by this year's London marathon was donated through the Just Giving website**

strong relationship with the company, which has a diverse range of charity clients and a high volume of transactions flowing through a secure and user-friendly website. The firm's operational systems are robust and scalable, and its bespoke software and established market position create high barriers for potential competitors. We have been impressed with the management, led by co-founder Zarinne Kharas, and with her plans to take the business to new territories.

Looking ahead, Just Giving will consolidate its recent expansion after securing fresh growth capital. Earlier this year the company moved to larger offices in London to accommodate a workforce that has grown from 42 to 60 over the past nine months.

The expanding technology team is developing new products, including an improved website, Facebook and iPhone apps for fund-raisers, and online facilities that will enable smaller charities to receive regular income.

In April the company signed a licensing deal with Japanese firm, and later this year it expects to add outposts in Denmark, the Netherlands and Canada. There is already a First Giving operation in America. Barclays Corporate has always taken a prudent approach to lending. But with a visible income stream and a proven model, it is happy to fund companies such as Just Giving and others in the Tech Track 100 can still find the funds they need to grow. *Sean Duffy, head of technology media and telecoms at Barclays Corporate Bank, and Neil Bannister, chief financial officer at Just Giving, spoke to Catherine Whately.*





32

ACADEMIA

Software integrator	61.76%
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ACADEMIA supplies software, hardware and integration services to students, academic institutions and charities. The north London company counts Oxford and Cambridge universities among its customers and recently launched Studentsuperstore.com, a website aimed at students. It also works with a further-education procurement agent and the Office of Government Commerce. Under managing director Mike Bacon, who founded the business in 2003, sales grew 62% a year from £1.3m in 2006 to £5.4m in 2009.

33

MOBICA

Mobile phone apps designer	61.06%
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MOBICA creates and develops software for most of the main mobile-phone platforms, including iPhone, BlackBerry, Symbian and Android. It also develops blogging and social networking products for handset manufacturers. In March the Cheshire company announced a joint project with Blinkx, the video search engine, to deliver news and entertainment through video clips to mobile phones. Technology entrepreneurs Nick Stammers and Jon Clayton founded the company in 2004 and appointed Mike Gibbons as managing director in 2006. Sales grew 61% a year from £1.6m in 2006 to £6.7m in 2009.

34

THE FOUNDRY

Visual effects developer	60.81%
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THIS company develops visual-effects and image-processing software. The Foundry has licensed its software to production studios including Warner Brothers, Disney and Sony Image Works, and it has been used to create sequences for Hollywood blockbusters such as Harry Potter, Clash of the Titans and Avatar. Chief technology officer Bruno Nicoletti and chief scientist Simon Robinson founded the London company in 1996, and Advent Venture Partners backed a management buyout in June 2009. Sales rose 61% a year from an annualised £1.6m in 2006 to £6.8m in 2009.

35

JELLYFISH

Paid search agency	60.80%
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PUBLISHERS such as Haymarket and Znap employ this London company to conduct online paid-search campaigns. Its proprietary technology, the Jellyfish Unified Marketing Platform, allows the company to assess if key words are generating a return, and change a marketing campaign accordingly. It recently won a contract with Skype and has offices in London and New York. Overseen by technical director Paul Walsh and managing director Rob Pierre, sales grew 61% a year from £4.1m in 2006 to £16.9m in 2009.

36

SHAZAM

Music software provider	60.37%
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SHAZAM has developed technology that allows people to identify music by holding their mobile phone up to a speaker from which the music is being played. Users are then able to download the song from iTunes, Amazon and other online music stores. The company was founded in 2000 by a group of Stanford University entrepreneurs with £1m funding from a London consortium of investors. The founders exited in 2004 when a new management team led by chief executive Andrew Fisher was



What's that song? Shazam, led by Andrew Fisher, can tell you with its technology, which has funding from the American investors who backed Google

appointed and the funding consortium was bought out. In 2009 the company received an undisclosed amount from Kleiner Perkins Caufield & Byers, which also backs Google and Amazon. Shazam claims that 75m people in almost every country in the world use its products and that one billion songs have been identified through its technology. Sales grew 60% a year from an annualised £1.8m in 2006 to £7.3m in 2009.

Singapore. Under chief executive Andreas Hipp, sales grew 60% a year from £2.7m in 2006 to an annualised £11.1m in 2009. The company is majority-owned by an investment vehicle for the Kuok family based in Singapore.

38

INNOCORE GAMING

Hardware developer	59.52%
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SOME of the slot machines found in Las Vegas casinos rely on circuit boards and software developed by Innocore Gaming. The company, which is based at North Shields in Tyne and Wear, generates 35% of its revenue in America and has offices there, as well as in the Netherlands and Taiwan. It was established as part of Densitron Technologies, and in 2006 started trading as a limited company before NEL Fund Management invested £400,000 in a 2007 management buyout led by Edward Price, the managing director. Innocore's sales rose 60% a year from an annualised £1.3m in 2006 to £5.3m in 2009.



Beast from the film District 9: visual effects made possible by The Foundry

39

ROC

SAP software developer	58.10%
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ROC has developed products based on the software of SAP, the large German technology group. They are designed to help clients manage human-resources matters such as recruitment, staff retention and payroll. The Weybridge company also provides SAP's software on a pay-as-you-go basis. Its customers are mostly large companies such as Premier Foods, but also include Sussex Police and Southwark County Council. ROC was founded in 1998 by a team of five, which oversaw sales growth of 58% a year from £3.4m in 2006 to £13.4m in 2009.

40

CELERITY

IT services provider	57.90%
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THE Lancashire-based IT consultancy Celerity designs and builds systems to support servers and data storage. The company links up with IT giants, including IBM, Cisco and Microsoft, to provide services such as server installation, remote network access and managed data storage. Founded in 2002 by managing director Chris Roche and technical director Chris Hall, the company has boosted its sales 58% a year from £6.4m in 2006 to £25.1m in 2009.

41

DEDIPOWER

Managed hosting provider	57.73%
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DEDIPOWER provides network hosting and data-centre services that help to keep websites running for the likes of Virgin, Sony and ITV. The company claims it has secured 150 new customers in the past year and now has some 800 in total. Sales have been driven by expanding its client support services, as well as by a £1.4m

capital investment in its data centres. Founded in 1998 by chief executive Craig Martin, the Reading business has grown its sales 58% a year from £1.4m in 2006 to £5.5m in 2009.

42

ADAPT

Managed services provider	57.55%
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ADAPT provides co-location, network services and fully outsourced managed hosting to about 850 customers. The business was bought by chief executive Peter Knight from its parent company in 2006, with £7.5m in backing from a private equity consortium including Alcuin Capital. It has since made two significant acquisitions. It doubled its revenue when it acquired the corporate network provider Centric Telecom in 2007, and later the same year bought Centrecore, the managed services division of News International, the newspaper group that owns The Sunday Times. Sales at the London company grew 58% a year from £7.9m in 2006 to £31m in 2009.

43

SSL

Software developer	57.32%
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THIS Bristol company provides the technology and services for the electronic motorway signs that are so familiar to British drivers. These are supplied to the Highways Agency, Transport for London and Transport Scotland, alongside other products such as traffic control systems and CCTV cameras. In the past year the company has won a contract with Transport for London to implement a new digital CCTV system, which requires no cabling, only a network connection. SSL was founded in 1979. In 1998 managing director Louis Thompson bought it for an undisclosed sum. Sales have grown 57% a year from £5.2m in 2007 to £20.4m in 2010.

44

S3 INTERACTIVE

Technology repairer	56.81%
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THIS company develops software that it uses to repair mobile phones and other devices, including GPS systems, PDAs and iPods. The Glasgow company was founded in 2003 by managing director Philip Johnston after he noticed that the large network operators were holding huge numbers of broken and damaged phones. Its customers include LG, Orange and Vodafone, and a recent move into the Netherlands has already generated sales of €5m. The company grew its total sales 57% a year from £2.1m in 2006 to £8.3m in 2009.

45

NODE4

Communications provider	56.50%
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NODE4 provides co-location, connectivity and managed hosting services from data centres at its headquarters in Derby, as well as from a second site in Wakefield. It is constructing a data centre in Northampton that will treble the server capacity it can offer its 650 customers, which include companies in the construction and finance industries. Node4 was founded in 2004 by managing director Andrew Gilbert, who has overseen sales growth of 57% a year from £1.9m in 2007 to £7.3m in 2010.

46

WEWILLBUYYOURCAR.COM

Online car dealer	56.21%
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THE software developed by this Yorkshire company gives car owners a free quotation on the value of their vehicle, as long as it is under six years old and has less than 80,000 miles on the clock. If the car is in the condition stated by the owner, the company will buy it and sell it on to the motor trade. In the past year its software has gone live in Holland. The firm was founded by chief executive Noel Parkinson in 2005, and its sales have grown 56% a year from £5.6m in 2007 to £21.5m in 2010. These figures include the total value of the cars sold.

47

IRIS SOFTWARE

Business software developer	54.94%
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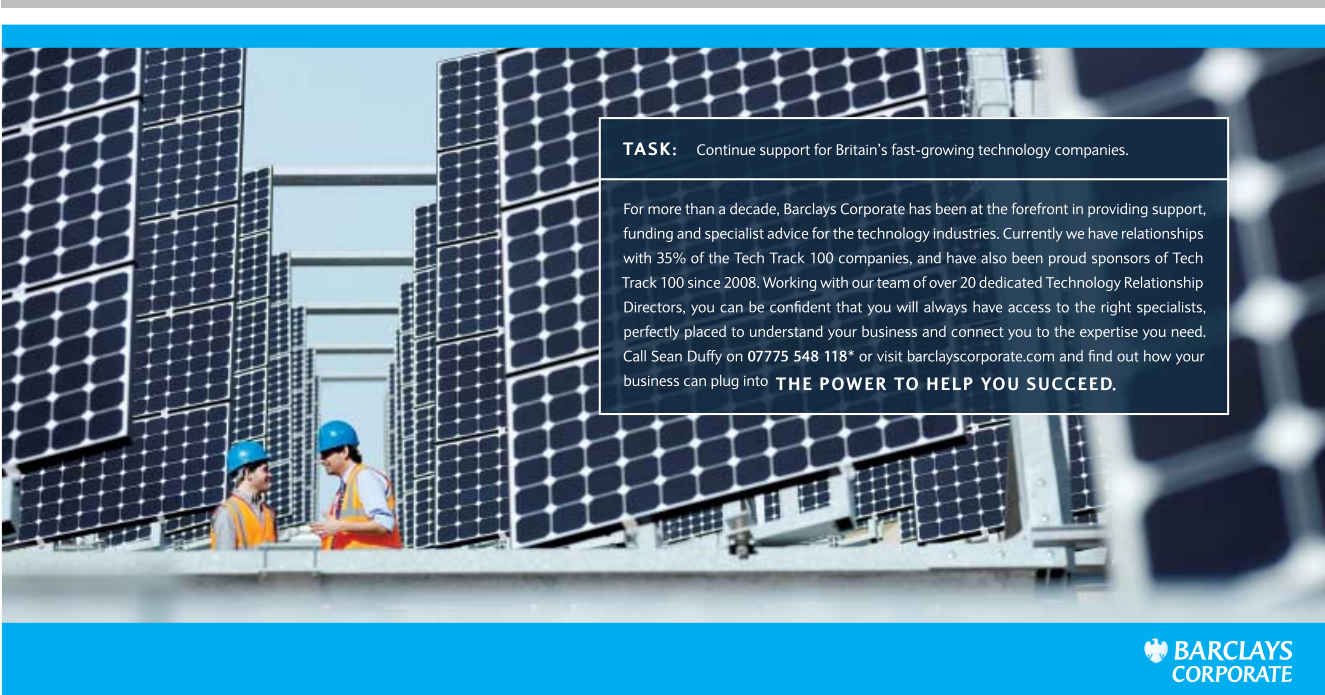
IRIS SOFTWARE develops business management software for accountants, lawyers, charities and other organisations. The company, which is based in Berkshire, has launched a range of web-based products in the past year, as well as a web portal that allows its customers to share tips and ideas with each other. Hellman & Friedman backed the company's £500m merger with reseller Computer Software Group in 2007 and took more than 50% of the equity. Chief executive Martin Lewis oversaw sales growth of 55% a year from £32.1m in 2006 to £119.2m in 2009, although the company is making a significant pre-tax loss on ebida of £41m.

48

THE BUNKER


Managed services provider	53.50%
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AS its name suggests, The Bunker is all about security, specifically data security. It owns and operates data centres as well as building and managing IT systems for organisations that require their data to be well protected, such as financial companies. As a result its data centres are housed in former military bunkers and all staff are thoroughly vetted. Joint chairmen Peregrine Newton and Steven Joseph founded the Kent company in 2004, and in 2006 raised £1m from Foresight Venture Partners. Sales rose 54% a year from £1.5m in 2006 to £5.2m in 2009.



**TASK:** Continue support for Britain's fast-growing technology companies.

For more than a decade, Barclays Corporate has been at the forefront in providing support, funding and specialist advice for the technology industries. Currently we have relationships with 35% of the Tech Track 100 companies, and have also been proud sponsors of Tech Track 100 since 2008. Working with our team of over 20 dedicated Technology Relationship Directors, you can be confident that you will always have access to the right specialists, perfectly placed to understand your business and connect you to the expertise you need. Call Sean Duffy on 07775 548 118\* or visit [barclayscorporate.com](http://barclayscorporate.com) and find out how your business can plug into **THE POWER TO HELP YOU SUCCEED.**

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#### 49 UKFAST

**Internet hosting provider** 53.10%

THIS Manchester internet hosting provider claims to have 10 of the companies in the FTSE 100 among its clients, and is looking to attract more global brands, with Microsoft and Ikea among those it signed up last year. A premium hosting service called UKFast Blue, aimed at blue-chip companies, is due to be launched soon and the company is also branching out into recruitment and IT security. Under managing director Lawrence Jones, sales rose 53% a year from £2.5m in 2006 to £9.1m in 2009.

#### 50 CONTROL CIRCLE

**IT services provider** 52.53%

THIS company designs, implements and manages IT infrastructure that supports large transactional websites for the likes of Betfair, KPMG and Rightmove. The company has access to 94 data centres worldwide and owns an ethernet network in London to provide high-speed internet connection. In February it secured £6m of growth capital from Scottish Equity Partners. Founded in 2001 by chief executive Damien Milkins and chief financial officer Simon Hancock, the London company grew its sales 53% a year from £2.6m in 2006 to £9.1m in 2009.

#### 51 LOVEFILM.COM

**Online DVD rental** 52.11%

A TELEVISION advertising campaign featuring clips from well-known films should mean that most people will be aware of this London company. Lovefilm.com provides online DVD rental and movie downloads to subscribers in Britain and on the Continent. It has recently developed a digital on-demand service to integrate with internet-enabled Sony television sets. The company was founded in 2003 and is led by chief executive Simon Calver, with backing from a private equity consortium that includes Index Ventures and DFJ Esprit. Sales grew 52% a year from an annualised £27.6m in 2006 to £97.2m in 2009.

#### 52 NEOSS

**Dental implants developer** 51.33%

NEOSS has developed a dental implant system that uses titanium rods placed in the jawbone to support an artificial tooth that should last a lifetime. The company claims that it supplies thousands of clinics and hospitals, mainly overseas. Backed by MMC Ventures, Delta Partners and Medtronic, it has had more than £20m in investment since it was launched in 2000. The Harrogate company, led by chairman Mike Dorrner and chief executive Neil Meredith, saw sales grow 51% a year from £4.2m in 2006 to £14.6m in 2009 when it made a significant loss.

#### 53 KELWAY

**IT services provider** 50.59%

LONDON-BASED Kelway sells software and hardware, as well as offering services such as data-centre setup, network design, consultancy and training. It has 2,000 clients and most of its revenue comes from large projects when clients update their IT infrastructure. Kelway was founded in 1990 by chief executive Phil Doye. In 2006, Core Capital, a private equity house, invested £5m, which has been used to make three acquisitions. Sales at the company have grown 51% a year from £52.2m in 2007 to £178.1m in 2010.



Joining the high-flyers: Micro Nav provides simulators for training military and civilian air traffic controllers

#### 54 GAMESYS

**Gaming website operator** 50.54%

GAMESYS runs the Jackpotjoy.com gaming website, as well as white-label versions of Jackpotjoy for Ryanair, Orange and Talk Talk. The London firm also operates The Sun newspaper's bingo website and in the past year has launched two new bingo sites in conjunction with other groups, Caesarsbingo.co.uk and Heartgames.co.uk. Gamesys was founded in 2001 and is led by chief executive Noel Hayden, who oversaw sales growth of 51% a year from £17.3m in 2006 to £59m in 2009. The company has the third-highest profits in the league table, at £16.3m.

#### 55 MICRO NAV

**Simulation systems provider** 50.39%

MICRO NAV makes air traffic control simulation systems for civil and military authorities in Britain and overseas. The company developed the simulator that helped to bring Heathrow's new control tower and Terminal 5 into operation. Some 95% of Micro Nav's sales come from abroad, from countries such as Poland, Turkey and Malaysia. Chief executive Mike Male and head of systems Fred Johnson founded the Bournemouth business in 1988, and overseas sales growth of 50% a year from £1.7m in 2006 to £5.8m in 2009.

#### 56 INTELLIFLO

**Financial software developer** 50.16%

INTELLIFLO develops web-based software used by the likes of Axa and Nationwide to manage portfolio valuations, mortgage applications, commissions and compliance. Chief executive Nick Eatock founded the business in 2004 when he led a management buyout from Inter-Alliance, an investment advisory service provider. The Surrey company

claims that its user base has increased from 26 in 2004 to 6,500 in 2010, and that the rise in the popularity of cloud computing helped sales to grow 50% a year from £1.8m in 2006 to £5.9m in 2009.

#### 57 VALUEWORKS

**Software developer** 49.87%

BASED in Wigan, Valueworks provides e-commerce software services so that its customers can reduce their procurement costs and manage their spending more efficiently. It focuses mostly on the social care and construction sectors, and sees potential in the healthcare sector. Chief executive Jeff Dandridge and commercial director Iain Walsh, who met at the French food giant Danone, founded the company in 2001. Its sales grew 50% a year from £1.8m in 2006 to £6m in 2009.

#### 58 TIMICO

**Communications provider** 49.01%

TIMICO provides the likes of BP and Honda with integrated telecoms that include fixed line, mobile, internet and Voip services. It links up with the likes of Nortel, BT and Vodafone, and charges clients for each person that uses the system. The Nottinghamshire business was founded in 2004 by chairman Tim Radford, who puts much of its growth down to word-of-mouth recommendations from its clients. The company has raised £10m in equity from business angels and has used some of these funds to make acquisitions. Sales grew 49% a year from £6.6m in 2006 to £21.9m in 2009.

#### 59 CAMBRIDGE BROADBAND

**Wireless developer** 48.95%

THIS company provides wireless communications equipment to telecoms companies. The equipment is hardy

enough to be installed outside and so is suitable for use in developing countries. As a result, Cambridge Broadband Networks has made sales to the African telecoms companies MTN Group and Gateway Communications, for which it is creating a mobile broadband network in Nigeria. Ten engineers from Cambridge University founded the group in 2000. It has raised £45m in backing from a private equity consortium that includes Amadeus Capital. Chief executive Graham Peel oversaw sales growth of 49% a year from £6.7m in 2006 to £22m in 2009.

#### 60 ORANGE IS

**IT consultancy** 48.18%

THIS company provides IT consultancy and support to about 300 clients, including small to medium-sized businesses, big law firms and transport groups. Orange Information Systems claims it has strong relationships with



Simon Calver, chief executive of the DVD rental company Lovefilm.com

many large technology groups, including Hitachi and HP. It was founded by managing director Alan Edwards in 2004 and is based in London's Canary Wharf but also has an office in Birmingham. Sales have grown 48% a year from £4.8m in 2007 to £13.4m in 2010. The company is currently planning to expand overseas.

#### 61 PROBRAND

**IT reseller** 48.87%

PROBRAND claims that its e-procurement system helps customers to save time and money. It compares prices on 110,000 IT products, ranging from memory sticks to fully implemented networks. The Birmingham company says it has about 2,000 customers, mostly in the public sector, and has launched a security division to help its public-sector clients avoid fines for losing data. Managing director Peter Robbins and finance director Chris Griesbach, who were childhood friends, founded the company in 1992. Sales rose 46% a year from £18.6m in 2006 to £57.6m in 2009.

#### 62 HOSTELBOOKERS.COM

**Accommodation agency** 47.76%

FOUNDED in 2003, Hostelbookers.com allows travellers to compare prices and book rooms in more than 30,000 hostels, guest houses and campsites in 3,000 cities worldwide. Accommodation providers pay a fee when a booking is made through the company's website, but the service is free for travellers. This has contributed to growth as Hostelbookers.com claims it is able to offer beds at nearly 9% less than its main competitor. Under chief operating officer David Smith, sales at the London company grew 46% a year from £7.2m in 2006 to £8.3m in 2009.

#### 63 ESSENCE

**Digital marketing agency** 47.74%

INTERNET GIANTS such as Google, eBay and YouTube turn to this London company for digital marketing and advertising, search-engine optimisation and website design and construction. The company has also recently developed an advertising management system for Facebook. Essence was founded in 2005 by Matt Isaacs, Andy Bonsall and Andrew Shebbear. It claims that its multi-lingual workforce has helped it to win business on the Continent, which in turn has helped the company's sales to grow 46% a year from £6m in 2007 to £18.4m in 2010.

#### 64 MOBILE INTERACTIVE GROUP

**Phone services provider** 45.69%

LONDON-BASED Mobile Interactive Group provides mobile billing and digital interactive services for the likes of Vodafone, O2, ITV and Sky. The company has built smartphone apps for the television show Britain's Got Talent, as well as for other clients, including Walkers, The Sun and O2. It has also designed mobile phone e-commerce sites for the likes of Marks & Spencer. The company was formed in 2004 and has recently expanded into America, Australia and South Africa. Under chief executive Barry Houllinan, sales grew 46% a year from £22m in 2006 to £88m in 2009.

#### 65 ACTURIS

**Software services provider** 45.21%

ACTURIS provides a software service that automates administrative tasks and trading for the insurance industry. Its clients include the insurance giants Aviva and Allianz as well as brokers and banks. Sales growth last year was driven by a rise in electronic trading of commercial insurance. The London company was founded in 2000 and is led by joint chief executives David McDonald and Theo Duchon, who are looking to expand into mainland Europe. Sales grew 45% a year from £4.6m in 2006 to £14.1m in 2009. The company has a profit margin of 37%, the third highest in the league table.

#### 66 ACTIVINSTINCT

**Affiliate marketer** 44.48%

ACTIVINSTINCT's founder Simon Millet began his retail career in the late 1980s when he opened a sports equipment store in northwest London. In 2000 the company launched an online operation and, to optimise online sales, developed customer behaviour profiling technologies and email marketing strategies. It now develops and runs online sports stores for its clients and conducts affiliate marketing to drive traffic to their websites. Under chief executive Mike Thornhill, sales at the company have grown 44% a year from £1.8m in 2006 to £5.4m in 2009.

#### 67 XBRIDGE

**Online insurance broker** 44.10%

LONDON-BASED Xbridge is an online insurance broker that helps small businesses to compare insurance and lending quotes on its website, Simpybusiness.co.uk. It was founded in 2000 by non-executive director Brad Liebmann. Brit Insurance bought a 38% stake for £7m in 2008 and, last May, new chief executive Jason Stockwood joined from Match.com. Sales grew 44% a year from £4.2m in 2006 to £12.5m in 2009, when the company made a significant loss.

#### 68 NEXUS ONCOLOGY

**Clinical researcher** 43.71%

THIS Edinburgh company runs international drug trials to test new therapies. It has about 25 customers, mostly small biotech companies based in North America, although it opened offices in Germany and Belgium this year. Sales growth has been boosted by an increase in consultancy work and the company's growing ability to support larger trials. Chief executive Clare Wareing founded the firm in 1999 with a redundancy payment of £10,000. Sales grew 43% a year from £2.4m in 2006 to £7.2m in 2009.

## Technology disruptors seize their chance



Come fly with me: Gareth Williams's Skyscanner.net finds cheap holiday flights

Innovative firms are pouncing on the opportunities presented by changes in consumers' behaviour, writes BDO's Julian Frost



For innovative technology firms, the recession and its aftermath are a chance to build new markets by responding to changes in consumer behaviour. Fast-expanding companies, like those in the Tech Track 100, are boosting sales by developing disruptive technology that offers businesses and households a leaner, more intelligent approach to buying and selling, according to a forthcoming report by BDO.

Over the coming months we expect consumer demand to swing further away from big brands and conspicuous consumption and towards products that offer value and longevity. Part of this is because households expect to have lower disposable incomes and part because of long-term environmental concerns. Indeed, more than half of the 12,000 consumers from 14 countries polled recently by Boston Consulting Group said that the financial crisis had deepened their distrust of big business.

Despite the downturn, we believe that households still want to have fun, although more people are opting for

stay-at-home entertainment. Our forthcoming research, Transitions to a New Consumer, shows how technology developed by ventures like those in this year's league table is helping retailers get to grips with change in buying behaviour. In the internet age, even companies with big brands can no longer expect well-informed, value-conscious shoppers to purchase without question. Instead, big businesses are using online technology to tailor their products to the needs of individual consumers.

Take Shazam, the mobile application that allows people to identify tunes by using their phone to capture the sound. The company, at No 36 in the league table, says it is attracting 1m new users every week and many of them go on to download the songs from online music stores such as iTunes and Amazon.

With Shazam's technology, which is available as a smartphone app, music-industry giants are reaching out to consumers that prefer the convenience of downloading single tracks to browsing through record stores for entire albums. Shazam's sales have grown on

average 60% a year from an annualised £1.8m in 2006 to £7.3m in 2009.

Big brands are also using technology to attract cost-conscious shoppers. Skyscanner.net, at No 21 in the Tech Track 100, raised its sales 87% a year from £1.4m in 2007 to £8.8m in 2010. This was done by working with airlines and other travel companies to help holidaymakers find low-cost flights, hotels and car hire.

Skyscanner.net is one of several price comparison websites

in the league table that are empowering consumers by giving them a huge range of information. Last year about 88m people visited the website of Cheapflights Media (No 10), while Hostelbookers.com (No 62) offers travellers the opportunity to check prices and book rooms in more than 20,000 guest houses and campsites all over the world.

Other league table companies are helping businesses reach out to customers through websites that collect prices and information about an entire sector. For example, 14m restaurant diners now read reviews, check availability and book tables at 5,000 eateries worldwide through the website of Toptable.com, at No 92. Meanwhile, listings website Touch Local (No 29) helps about 4m people each month to find local tradesmen and other service providers.

Several Tech Track 100 companies are responding as consumers switch to home entertainment instead of costly nights out. Although our focus has changed, our appetite for fun shows no sign of waning during these hard times. Indeed, during the six recessions since 1970, the UK's tobacco and casino shares have, on average, returned 11% against a 1.5% loss for the S&P 500, according to research by Merrill Lynch.

This year's No 1 company, PKR, has taken online gaming to the next level with a poker website designed to replicate the look and feel of a casino

table. Each month 100,000 people in Europe, Canada and Australia are said to be signing up to the site. Sales have grown 356% a year from £347,000 in 2006 to £33m in 2009.

PKR is joining in this year's league table by several other online gaming groups, including Bet365 (No 31), bingo group Gamesys (No 54) and King.com (No 70), where users can play Scrabble and Uno. Interestingly, these three companies have some of the biggest profits in the league table.

Other forms of home entertainment are also capturing the imagination of value-conscious consumers. Lovefilm (No 51), the online DVD rental company, appears in the league table for the fourth consecutive year and is now thought to be the third-largest subscription entertainment business in Britain – only Sky and Virgin Media are bigger.

Media and telecoms companies seem determined to widen their choice of viewing.

Over the coming years, Britain will look to young, vibrant companies to generate economic growth. We at BDO are encouraged that the recession and its aftermath are prompting a new flow of ideas, sales and employment from companies to generate economic growth. We are helping many of the biggest private technology companies to revise their business strategies and position themselves for the future. In a changing world, standing still is not an option.

Julian Frost, head of technology, media and telecoms at BDO, spoke to Catherine Wheatley.

**FIRMS ARE USING THE INTERNET TO TAILOR THEIR PRODUCTS TO THE NEEDS OF INDIVIDUALS**



**69 TECHNOPHOBIA**  
Web software developer 43.36%

THIS company develops software that makes websites as user-friendly as possible, and helps them to keep up with changing technology. Technophobia's biggest customer is the Technology Strategy Board, a government body that supports research into new technologies. The company is based in Sheffield and was founded by husband and wife Pip and Amelia Thorne. Its sales grew 43% a year from £1.7m in 2006 to £5.1m in 2009.

**70 KING.COM**  
Gaming website operator 43.09%

SCRABBLE enthusiasts can play the game online thanks to King.com, which claims that some 25m people a month visit its website to play games and do puzzles. These include television spin-offs such as Deal or No Deal and American Idol, as well as Uno and Bejeweled. Some games offer cash prizes and players pay a 25% commission to King.com. Most people play for free. Chief executive Riccardo Zacconi and Toby Rowland founded the company in 2003, and in 2005 Apax Partners invested £25m for a minority stake. Sales rose 43% a year from £13m in 2006 to £38.2m in 2009.

**71 EXPONENTIAL-E**  
Network services provider 42.96%

EXPONENTIAL-E designs, builds and manages next-generation networks that allow users to transmit voice, data and video through a single circuit. The London company has also recently launched a cloud service, enabling its clients to manage their business applications over the internet. Its clients include Macmillan Cancer Support, Sony BMG and Bet365, and the company claims to have acquired 200 new customers during the past year. Exponential-e was founded in 2002 by managing director Lee Wade, who oversaw sales growth of 43% a year from £6.8m in 2007 to £20m in 2010.

**72 ADEPTRA**  
Managed services provider 42.91%

ADEPTRA's software flags up suspected credit-card fraud, and sends a text message or calls the card holder to verify the transaction. It can also issue routine reminders to people whose payments are overdue. The company was founded in 1996 and in 1999 raised \$7.2m from a private equity consortium that included ACT Ventures and Advent Venture Partners. In 2000 \$40m was raised from a consortium led by Deutsche Bank and a further \$5m was raised in 2007. Under the leadership of chief executive Lou Venezia, sales at the Reading company grew 43% a year from £7m in 2006 to £20.5m in 2009.

**73 DEFAQTO MEDIA**  
Financial software developer 42.15%

DEFAQTO MEDIA develops software tools for the financial sector, including an online database that is used by insurance companies and banks to compare credit cards, current accounts and loans. The company was established in 2006 when the price-comparison firm Find Portal acquired the Independent Research Group, which owned Defaqto. That deal received backing from F&B Private Equity. Acuity VCT then invested £1m in the business in 2008. The firm is led by chief executive Kenn Jorgensen, who raised sales 42% a year from an annualised £2.9m in 2006 to £8.3m in 2009.

**74 ELITE TELECOM**  
Telecom services provider 42.07%

IF you call a business that has installed an intelligent call-queuing system from Elite Telecom, you will be advised on how long you can expect to wait and be invited to call back if the time is too long. The system then memorises your number and places you at the front of the queue when you do call back. Elite Telecom was founded in 2000 by managing director Matt Newing to address the problems faced by call centres. Sales grew 42% a year from £5.1m in 2006 to £14.6m in 2009.

**75 FOCUS 4 U**  
Telecom services provider 42.05%

FOUNDED by Ralph Gilbert, Chris Goodman and Paul Tollhurst, this Sussex company provides telecom services, typically to small and medium businesses with about 30 employees. Focus 4 U was set up in 2003 and has achieved sales growth of 42% a year from £3.1m in 2007 to £8.9m in 2010, helped by the launch of its mobile division in 2007.

**76 GRIFFIN INTERNET**  
Internet service provider 42.03%

BY combining capacity bought from large internet service providers such as Tiscali and BT, Griffin Internet provides a white-label, wholesale internet service. This is used by smaller internet service providers that cannot afford their own infrastructure, or by other telecom businesses that resell it. The company was founded in 1993 and claims it was behind the first Premier League football commentary on the internet. In 2009 it

launched a series of cloud computing, virtualisation and hosting services. Overseen by managing director John Dawson, sales grew 42% a year from £5.9m in 2006 to £16.9m in 2009.

**77 ITRS GROUP**  
Financial software developer 41.78%

GENEOS, the software that warns of technical problems, was developed by this London company and can be installed within the software of financial institutions to safeguard hedging and trading activities. ITRS Group claims that it has more than 80% of the world's most prestigious financial institutions as its clients. It has recently started to export its software to America and the Far East and is looking to develop similar software for the betting and energy markets. The company was founded in 1997 by Misha Kipnis and Stephen Bates, who have overseen sales growth of 42% a year from £6m in 2007 to £17.1m in 2010.

**78 TOMORROW COMMS**  
IT network provider 41.60%

IN the past 12 months this London company has launched a managed networks support service and has signed up clients that include the British Standards Institution and the airline Easyjet. Tomorrow Communications was founded in 2005 by Tommy Maguire to design and implement IT networks. The company is led by the founder, as well as by directors Malcolm Wylie and Frank O'Brien. Contracts with large companies such as Sony and Sky have helped sales at Tomorrow Communications to grow 42% a year from £3.1m in 2006 to £8.9m in 2009.



Neville Upton of Listening Company, which provides call-centre services



Andrew Henning's Redweb maintains the Scottish Parliament's website

**79 LISTENING COMPANY**  
Call centre software provider 41.46%

THE Listening Company offers telemarketing, telesales and customer relationship management services from eight multi-media call centres in Britain. It can manage customer interactions by email, phone and internet simultaneously using its proprietary platform, Epicentre. The latest version of this can even be integrated with social networking websites such as Twitter. Founded in 1999 by chief executive Neville Upton and chief operating officer Adrian Ingham, the Surrey business has employed former England rugby captain Lawrence Dallaglio as sales director. Its sales grew 41% a year from £26m in 2006 to £73.7m in 2009.

**80 REDWEB**  
Digital agency 41.33%

THE digital agency Redweb provides a range of internet-based services, including website design and marketing. The agency built the Electoral Commission's website, and also worked with it on its Facebook profile to encourage younger people to vote. Other customers include Axa, HM Treasury and the Scottish Parliament, which last year awarded the company a three-year contract to redesign and maintain its website. Chief executive Andrew Henning founded the Dorset company in 1997 and oversaw sales growth of 41% a year from £1.8m in 2006 to £5.1m in 2009.

**81 THOMSONS ONLINE BENEFITS**  
Benefits software developer 40.75%

COMPANIES such as Belfair, Royal Bank of Scotland and Cisco use the online employee benefits management system developed by this London business to administer reward schemes for their staff. In the past 18 months, Thomsons Online Benefits has rebranded, moved to bigger headquarters, relaunched its website and opened an office in New York. It has also made more than 400 enhancements to its software and has created a single platform that can be used worldwide. Chief executive Michael Whitfield and managing director Chris Bruce founded the company in 2000. In December 2004 PI Capital, the investor network, bought a 48% stake for a reported £5m. Sales grew 41% a year from £5.9m in 2006 to £16.3m in 2009.

**82 JUST GIVING**  
Fundraising website 40.70%

JUST GIVING runs a website that enables charities and individuals to raise money online. The company generates its revenue by collecting commission on Gift Aid reclaimed from the government. It claims that 11m people have used its website so far, helping to raise £700m for good causes such as Sir Steve Redgrave's charitable trust and the Yorkshire Air Ambulance. The London company was founded by former City lawyer Zarine Kharras in 2001. In the past year it has expanded into Japan and launched Facebook and iPhone apps. Sales at Just Giving rose 41% a year from £4m in 2006 to £11.1m in 2009.

**83 OBIO**  
E-invoicing system provider 40.66%

OBIO claims that its software saves its customers time and money, as well as reducing their effect on the environment. The company's invoice delivery system allows purchase orders to be sent electronically, and lets suppliers quickly check the status of an order. About two-thirds of turnover originates in Europe and one-third in America. The company is based in London but has offices in Germany, Bulgaria, Malaysia and America. Customers include Hertz, Lufthansa and Tesco. OBIO was founded in 2000 by four former Visa employees and has raised £41m from a number of investors, including F&B. Sales grew 41% a year from £4.7m in 2007 to £13.1m in 2010, when the company made a significant loss.

**84 WORLDWIDE GROUP**  
Telecom services provider 40.48%

WORLDWIDE GROUP provides telecoms services ranging from line rental to broadband. The 1,200 customers of the Peterborough company are in industries such as conferencing, finance and healthcare. The company links up with the likes of BT and Verizon to provide its services and claims that sales growth has been driven by demand for audio conferencing, as well as for services that reduce costs. Husband and wife Paul and Selena Bailey established the company in 2001 and appointed Mark Duckmanton as managing director and Lydia Ross as finance director. Sales rose 40% a year from £10m in 2006 to £27.7m in 2009.

**85 OPTA SPORTS DATA**  
Sports information provider 40.45%

OPTA SPORTS DATA has developed a database of sporting statistics that is used by the media, sports teams, betting companies and football scouts. Its platform collects and distributes information on about 60,000 fixtures a year, covering 30 different sports in 70 countries. Customers include News International, Yahoo and Chelsea and Arsenal football clubs. The London company was bought from Sky by the current management team in 2003, and in 2008 the private equity house Albion Ventures invested £1.5m. Under chief executive Aidan Cooney, sales grew 40% a year from £2.3m in 2006 to £6.5m in 2009.

**86 DATIX**  
Health software developer 39.95%

HOSPITALS use Datix's software to analyse patient safety, trends and assess risks. This helps them to improve safety and get a better understanding when things go wrong. Most of its revenue comes from licensing fees, but about 12% is derived from consultancy services. Its clients include private healthcare groups, NHS trusts and the US Department of Defense. The business was founded in 1986 and is run by chief executive Jonathan Hazan. In March 2008 the private equity group Bowman bought a majority stake. Sales have grown 40% a year from £3m in 2007 to £8.1m in 2010. The company has a profit margin of 54%, the highest in the league table.

**87 BLUESOURCE**  
IT consultancy 39.38%

THIS London IT consultancy was recently appointed by the WWF (World Wildlife Fund) to install a range of Microsoft and Symantec technology to cut costs, give better information and support the organisation's green ethics. As well as implementation services, Bluesource offers managed services, consultancy and support. The business was founded in 2000 by Andy Ward and Andrew McKeever, who oversaw sales growth of 39% a year from £2.5m in 2006 to £6.8m in 2009. They are now looking to open an office in Singapore.

**88 RULE FINANCIAL**  
Business and IT consultancy 38.9%

RULE FINANCIAL advises banks and hedge funds on how to cut costs, manage risk, improve productivity and extract the maximum value from their IT. The London company has offices in Barcelona and New York, and acquired a Polish software consultancy at the end of 2008. Marcus Rule founded the company in 1997 and became chairman in March this year after appointing Chris Potts as chief executive. Sales grew 39% a year from £10.2m in 2006 to £27.3m in 2009.

**89 ENTANET INTERNATIONAL**  
Communications provider 37.97%

ENTANET provides voice and data services, including a high-speed broadband service, to small businesses as well as big ones. The company works in partnership with the likes of BT, Global Crossing and Virgin Media, and claims it is the only non-BT company to have fully adopted BT's high-speed communications network, 21CN. The firm was founded in 1996 by chief executive and chairman Jason Tsai and is based in Telford. Sales grew 38% a year from £10.4m in 2006 to £27.2m in 2009.

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90 NEURAL TECHNOLOGIES

Software developer 37.71%

THIS company has developed pattern-recognition software that helps the likes of Orange, T-Mobile and GE Money to manage customer credit risk and detect fraud. Last year the Hampshire company bought a telecom analytics tool and two data centres from Fair Issac, an American business analyst, for \$6m. The company has offices all over the world and is led by chief executive John Gavan. Sales have grown 38% a year from £4.1m in 2007 to £10.8m in 2010.

91 THE CLOUD

Broadband service provider 37.51%

THE growing demand for mobile access to the internet has given a boost to growth at The Cloud. The St Albans group provides public-access wifi services in Britain and across Europe with 7,500 locations in operation, of which 1,500 are in Germany and 1,000 in Scandinavia. Its clients include O2, McDonald's, Pret a Manger and Wetherspoons. Niall Murphy, a non-executive director, and George Polk founded the company in 2003. Sales grew 38% a year from £6.8m in 2006 to £17.6m in 2009, when the company made a significant loss.

92 TOPTABLE.COM

Restaurant reservation site 36.30%

DINEERS can book tables at more than 5,000 restaurants worldwide using Topatable.com's iPhone app and its mobile-friendly website. The London company claims it has 1.4m registered users, who can review their dining experiences at venues ranging from the Ritz in London to the Spice Pavilion in Edinburgh. By booking online, they can

earn points that can be claimed against the cost of the meal. Chief executive Karen Hanton founded the company in 1999 and oversaw sales growth of 36% a year, from £2.6m in 2006 to £6.6m in 2009. Last Wednesday the company was acquired for \$55m (£35m) by Open Table, the American restaurant reservations website operator.

93 2BM

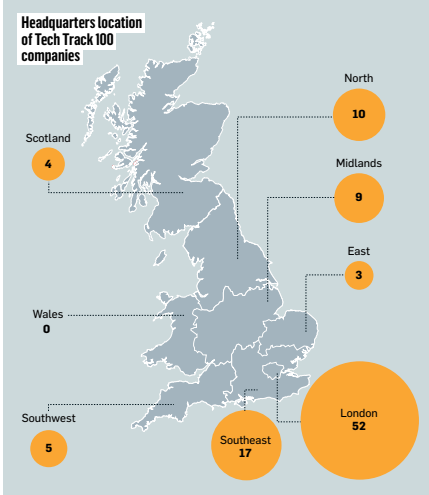
Data centre designer 35.78%

2BM designs, builds and fits out data centres and also provides IT services. Its customers include IBM, Cargemini and Cable & Wireless. Over the past year the Nottingham firm has secured contracts with Birkbeck College (University of London) and the Ministry of Defence. Joint managing directors Mark King and Jason Preston founded the company in 2002 and have seen sales grow 36% a year from £3.2m in 2007 to £8m in 2010.

94 CYBIT

Telematics developer 35.73%

THIS Cambridgeshire company designs GPS tracking software and provides consultancy services for businesses that want to improve their efficiency. Cybit's systems can track the vehicles in a company's fleet and give reports on their progress. Its main clients include Kwik Fit, Carlsberg, Fujitsu and Volvo Construction Equipment. Cybit has grown internationally and has customers in more than 20 countries. In January, the company was delisted from the London Stock Exchange with an undisclosed amount of backing from the American private equity house Francisco Partners, which hired chief executive officer Bill Henry from Tom Tom, the satnav maker. Sales grew 36% a year from £10.2m in 2006 to £25.5m in 2009.



95 SOLARCENTURY

Solar technology developer 35.55%

SOLARCENTURY claims to be Britain's largest independent solar-energy company. It designs and manufactures solar panels, installs them and provides advisory services. The company has been awarded contracts ranging from the

Eden Project and the National Trust headquarters to the Big Brother House. Sales in continental Europe account for 35% of overall revenue. The London company, which was founded by executive chairman Jeremy Leggett, raised £13.5m in 2007 from a consortium of investors. Sales have grown 36% a year from £13.9m in 2007 to £34.5m in 2010, when the company made a loss.

96 NEVERFAIL GROUP

Business software developer 35.40%

THE dependence of businesses on computers and mobile phones has made disaster recovery software popular in recent years. Neverfail says it has gone one step further and developed software that can detect when an application is about to fail, and switch to another server. Its customers include the mobile-phone companies Vodafone and O2, which sell its software to BlackBerry users to protect their email. The Berkshire firm was founded in 1993 and is led by chief executive Peter Parker. Sales have grown 35% a year from £4.8m in 2007 to £11.9m in 2010, when the company made a significant loss.

97 EXCELIAN

IT consultancy 35.20%

EXCELIAN was founded in 2001 as an IT consultancy focusing on the capital-markets divisions of big banks. It implements platforms that improve trading and risk management, and has customers including JP Morgan Chase, Barclays Capital and Egg. The London company has also expanded into technical and commodities consulting. Growth has come through offices being opened in New York, Sydney and Johannesburg. Joint chief executive officer Adrian Marshall and chairman Stephen Grant founded the company in 2001 and oversaw sales growth of 35% a year from £5.4m in 2006 to £13.3m in 2009.

98 THUNDERHEAD

Software developer 35.07%

BASED in London, Thunderhead provides software to the likes of Saga, Barclays and American Express so they can personalise

their communications with customers and send them more relevant information. The company offers a single program to manage communications in any medium, such as print, email and messages sent to smartphones. It claims this can free up to 70% of IT resources and increase customer loyalty. Founded in 2001 by chief executive Glen Manchester, Thunderhead has boosted its sales 35% a year from £7.4m in 2006 to £18.3m in 2009.

99 MEETING ZONE

Conference call provider 34.78%

MEETING ZONE claims that its sales flourished during the recession as companies tried to cut travel costs. Its 10,000 customers, which include National Grid and House of Fraser, have access to its telephone and web conferencing services 24 hours a day, seven days a week. The company was founded in 2001 and in May 2002 raised £2.1m from Nova Capital Management and business angels. It has offices in Berlin, Toronto and Boston. Chief executive Tim Duffy and operations director Steve Gandy oversaw sales growth of 35% a year from £4m in 2007 to £9.9m in 2009.

100 CHEAPFLIGHTS MEDIA

Price comparison website 34.73%

THIS is the parent company of Cheapflights, originally launched in 1996 to compare flight deals online. In the past year it has launched Zugu, which compares flight prices for people with less flexible travel itineraries. Cheapflights' eight websites serve ten countries while Zugu has sites in Britain, Germany and America. The company claims to have had 88m visits to its websites last year. Chief executive Chris Cuddy oversaw sales growth of 35% a year from £12.3m in 2006 to £30.2m in 2009.

THE SUNDAY TIMES MICROSOFT TECH TRACK 100

THE 10th annual Tech Track 100 league table is produced by Fast Track Britain's leading networking events company that focuses on top-performing private companies and entrepreneurs. Fast Track researches and publishes seven different annual league tables with The Sunday Times, ranking the fastest-growing to the biggest private companies, and holds events for entrepreneurs to network and meet our sponsors.

It is run by Dr Harmish Stevenson, who holds an associate fellowship at Green Templeton College, Oxford University. He is also personally involved in helping to raise funds for the Our Team 2012 Programme, which supports British athletes. The Tech Track 100 research was managed by Naomi Colegate. Fast Track's sole source of revenue is from sponsors. We would like to thank Microsoft for its

title sponsorship for the seventh year, as well as our main sponsors Barclays Corporate and BDO for a third year. Nominations for next year's table can be made at [fasttrack.co.uk](http://fasttrack.co.uk), or sent to Angel Court, 81 St Clements Oxford OX4 1AW Phone 01865 297100 Fax 01865 297001 Email [info@fasttrack.co.uk](mailto:info@fasttrack.co.uk)

JOIN THE OUR TEAM 2012 PROGRAMME

OUR TEAM 2012, launched by Hugh Robertson, minister for sport and olympics, and with Dragons' Den star Duncan Bannatyne as its ambassador, is the first programme of its kind to provide small and medium sized companies with the opportunity to join Britain's athletes on their journey to success in 2012. For £9,900 a year, a business can become an official "follower" of Our Team 2012, receiving an exclusive logo and the chance to take staff and clients to a host of sport, networking and hospitality events where they may meet the athletes. This support will raise vital funds to help athletes realise their dreams. To play your part in making history, go to [team-2012.com/sme](http://team-2012.com/sme).



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