

Case study

Conceiving a university spin-out

Monica Healthcare

Helping save the lives of unborn babies with wireless monitoring



Background

Monica Healthcare is a spin-out company from the University of Nottingham. Monica Healthcare has developed a technology, based on 15 years of research, which can successfully monitor the heart rate of an unborn baby for long periods at a time. The technology is wireless and allows the mother to move around as normal, something which is not possible with other techniques.

Investment history

Catapult Venture Managers Ltd (Catapult) completed its initial investment in Monica Healthcare in May 2005 as the company was spun out of the University Nottingham. The initial investment was made alongside The Lachesis Fund, a regional seedcorn fund.

Two further funding rounds have subsequently taken place. Following a successful development phase, a further £1m was raised in July 2007 from the existing investors and a private investor to finalise regulatory approvals in Europe and begin commercialisation. In April 2009 a further £1.1m funding round was completed, with PUK Ventures becoming a new investor. The last round of funding was for expansion activities in the USA and other international markets. Catapult's cumulative investment in Monica Healthcare totals £1m and the business remains in the portfolio.

Investment Rationale

- Potentially disruptive technology.
- Clear medical benefits which could help save the lives of unborn babies.
- Well defined exit routes.
- Well rounded management team assembled, with track record in medical device development and commercialisation.

Key successes

- Completion of development programme on time and within budget.
- Achievement of regulatory approvals for the device in Europe, following successful clinical trials.
- Initial commercialisation phase of the product achieved, with product sales taking place throughout Europe.
- Ongoing product development into new applications and additional functionality.
- Continued development of the senior management team including Paul Harper, a former director of R&D for Johnson and Johnson, in the role of non-executive Chairman.
- The company now has 10 employees, having been a start up at the time of initial investment.

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Investor:	Catapult Venture Managers
Location:	East Midlands
Sector:	Health Care
Stage:	Start-up
Exit:	Still in portfolio
Company Website:	www.monicahealthcare.com
Investor Website:	www.catapult-vm.co.uk

“Catapult have proven to be a supportive, enthusiastic and flexible investor throughout the early stages of our development and in getting our first product onto the Market”

Carl Barratt, CEO

