

NaturalMotion acquired for \$527m

Early in 2014, US social games company Zynga acquired Isis Innovation spin-out NaturalMotion for more than US\$527m, one of the largest exits ever for a UK University spin-out. NaturalMotion was established in 2001, based on the work of Oxford Zoology DPhil student Torsten Reil.

Isis Innovation worked with Reil to protect his intellectual property, develop a business plan and introduce first-round investors.

As a neural researcher, Reil's computer simulations of the nervous system were based on genetic algorithms. He used natural selection to evolve the characters own means of locomotion, allowing more realistic animations of human and animal movement.

The company developed software for the film and gaming industry, and later launched its own range of extremely successful iPhone games including CSR Racing and Clumsy Ninja.

Oxford University, as a NaturalMotion shareholder, received over £30m from the deal. Some of the funds have been used to refresh the University's seed funds, including the OIF.



Andrea joined Isis in August 2008 as Seed Investment Manager to help the University of Oxford invest at proof-of-concept level and raise finance for progressing technology spin-outs. An electronics engineer by background, Andrea gained an MSc in Strasbourg (France-1994) in the field of Technology Transfer and an MBA in Rome (Italy-1995) focusing on finance. His professional experience spans 15 years in financing technology. Andrea is a qualified Securities & Financial Derivatives Representative.

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Zoë joined Isis in July 2014 in the role of Seed Investment Co-ordinator. On a day to day basis Zoë assists with applications to the Seed Funds, running the Isis Angels Network, and the management of the Isis portfolio. Zoë graduated from the University of Cambridge with an MPhil in Atmospheric Modelling. Following university Zoë worked as a management consultant in the Financial Management department of KPMG.

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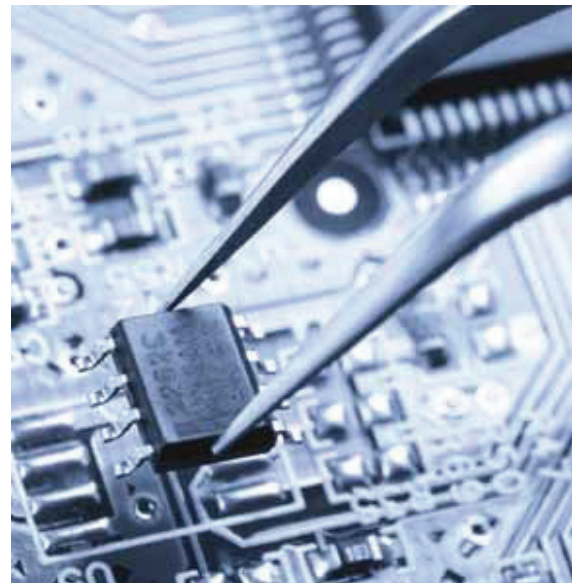
Donations

Oxford welcomes benefactors and anticipates that their involvement in the Oxford Invention Fund will lead to a lasting relationship with the University, the entrepreneurial companies launched by the Invention Fund and also with like-minded supporters, alumni and the University's dedicated researchers.

This fund is an essential constituent part of the Oxford Thinking Campaign to ensure the continued success of Isis Innovation in delivering commercial and societal benefit from University research. Please consider joining the visionary benefactors who are already taking part in this unprecedented philanthropic effort.

For more information, please visit: www.campaign.ox.ac.uk/oxford_invention_fund

An online donation facility to the Invention Fund is available at: www.giving.ox.ac.uk/oxford_invention_fund



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Oxford Invention Fund

Report and Update 2014



Bridging the funding gap

The Oxford Invention Fund provides an opportunity for donors to the University to support new ideas, innovation and enterprise in Oxford, and to see a return to the University from successful new business ventures.

The Oxford Invention Fund bridges the gap between current funding support for research in the University and investment from industry and the finance sector. The Fund is one of very few sources of financing available to researchers looking to achieve proof of concept. It is therefore a key vehicle for ensuring that the most exciting innovations from all departments in Oxford progress from behind the University walls out into market.

The Fund was launched in June 2010 and is managed on behalf of the University by its wholly owned technology transfer company, Isis Innovation. The total number of awards granted since the start of the fund now stands at twenty seven – over £1.5m in critical proof of concept funding.

Intelligent tissue expansion

Oxtex Ltd is an early-stage medical device company that has developed a novel self-inflating tissue expander. A tissue expander enables additional skin to be created in a wide variety of anatomical locations through a controlled stretching process.

The expander has applications in many areas of reconstructive surgery including burns, scar revision, breast reconstruction, cleft palates and crossbite, as well as the veterinary market (tumour removal).

Spun out in May 2011, Oxtex Ltd has raised £1.5m in start-up funding. The Company is making rapid progress towards the commercial launch of its veterinary product and is in the process of concluding all necessary pre-clinical testing required for clinical trials in man.

An impressive year

Total Fund Value	£2.53m
Return from sale of shares	£1.04m (sale of NaturalMotion)
Awards (to date)	27
Value of private companies (4 companies - July '14)	£222,000
Funds available	£950,000

The 2013/2014 investment period has been an impressive one for the Oxford Invention Fund with a record of thirteen proposals submitted to the Fund. Ten of these proposals were successful in securing awards amounting to £650,000 in proof of concept funding. The continued high number of applications and awards from the Oxford Invention Fund is evidence of its crucial role in helping to translate innovative research into commercial opportunities.

The value of this translation is seen in the cases of **NaturalMotion** (see story on the back page) and **Oxtex Ltd**. The sale of Oxford game maker NaturalMotion to Zynga in February 2014 for \$527m demonstrates the potential commercial value of Oxford research (£1,040,000 was returned to the OIF). Whilst the social value is shown in the development of companies such as medical device spin-out Oxtex Ltd, focused on improving the lives of patients requiring reconstructive surgery.

If you would like to support the Oxford Invention Fund, information on how to donate can be found on the back of this brochure.



Projects supported by the Fund



Designer Carbon Materials – OIF 525

A patented process for the production of endohedral fullerenes and higher fullerenes (C76, C78, C84 etc) at quantities and qualities unmatched by any other technology and sufficient for commercial sale.

A novel vaccine for broad protection against meningococcal disease – OIF 526

A single dose of this novel vaccine induces a remarkably rapid, strong, long-lasting and more importantly, functional antibody response, far exceeding the one elicited by current protein-based vaccines.

FLOvane – OIF 527

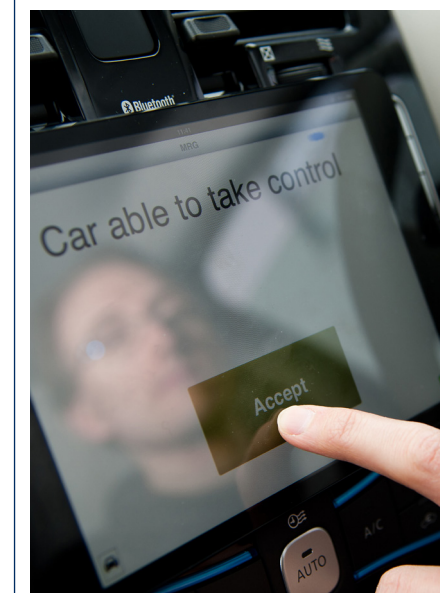
A new approach to the design of turbine vanes for application in industrial, marine and aerospace turbines.

Are you awake? A method for measuring consciousness and depth of anaesthesia – OIF 528

The researchers have identified an EEG signature that has great potential for use as a personalised marker of perception loss and a depth of anaesthesia monitoring, minimising the risks associated with over and under-dosing during surgery.

Oxbotica – OIF 530

Software and devices for infrastructure-free navigation mapping and scene understanding for mobile platforms. Robotics applications in warehousing, personal transport and surveying.



STX140 modified release formulation – OIF 532

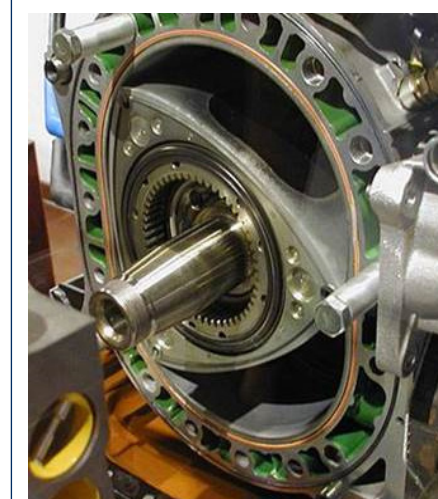
STX140 is an orally active small molecule anti-cancer candidate against solid tumours. STX140 is designed to address the global oncology market in breast, prostate, ovarian cancers and other solid tumours.

Diadem – OIF 533

A highly scalable technology for the fully automatic exploration and classification of websites leading to the extraction of complex objects including cleaning and integration of those objects into a database covering all objects in any source website.

Rotary Engine Seals – OIF 534

An advanced leaf seal for rotary engines for improved performance, efficiency and life.



MapCraft – OIF 535

MapCraft have developed a novel indoor positioning system for smart devices that has zero deployment and maintenance cost, and is robust to variability in user, environment, device type and device attachment (hand-held, trouser pocket, shirt pocket, in bag etc).

The Global Health Network – OIF 536

A well-developed online resource with a substantial scientific database comprising registered member areas, information on specialist topics and research tools.