



BSAC INTERVIEW SERIES

INTERVIEW WITH ROBIN KLEIN

The BSAC Interview Series continued on 7 October 2014 when Robin Klein, Partner, Index Ventures was interviewed by Ajay Chowdhury, CEO, Seatwave & Deputy Chairman, BSAC.

The BSAC Interview is a private event held on a broadly Chatham House basis.

This report summarises the topics that were discussed.

The event was sponsored by RBS.

Robin discussed the nature of the ‘Silicon Valley’ mentality and the merit of trying to instil that in the UK and Europe. The ‘Silicon Valley’ mentality represented less fear of failure. He stressed that in the same way Silicon Valley was not representative of the wider US, London was not representative of wider Europe and also that the perceived ‘fear of failure’ amongst UK entrepreneurs was reducing.

He believed that the UK would not be the same as ‘Silicon Valley’, but that we have advantages that they do not. He spoke positively about the talent pool in the UK and the ease of access to international talent, with particular emphasis on drawing from the new EU member States, which is not there in Silicon Valley. The global perspective in London was a particular advantage over Silicon Valley.

On the nature of venture capitalism, he advised the audience of what he looks for in an investment. When investing, Robin looks at the person heading the project as they are as important as the venture itself, and one should expect to lose half of the companies invested in. He also expressed his preference to have a tech entrepreneur on the board of his companies, as so many boards do not understand the technology that their company is responsible for. Index Ventures look for long term investments rather than quick turnarounds. They accept that there will be failures in their investments and as a result are not afraid of risks, however they look for quality investments rather than taking a quantitative approach.

Robin discussed the role of Government in the tech start-up sector. He spoke positively of the Government’s initiative Tech City UK, despite early apprehension and also of the

UK immigration laws surrounding highly-skilled workers. Particularly on the subject of immigration, he felt that the UK was considerably ahead of the US. The Government was also doing a good job with the superfast broadband rollout and he praised their target for having 95% of UK users with superfast broadband by 2017. Despite this he believed that, ultimately, the role of the government in helping tech start-ups was to avoid getting in the way.

The UK has an advantage in the size of its online market place and the fact that, of all G20 nations, the UK population has the highest propensity to buy online.

Robin emphasised that tech had huge potential to disrupt established businesses, revolutionise people's lives and contribute to economic growth. The revolutionary effects of tech would be particularly significant in health, financial services and education.

Overall, Robin portrayed a very optimistic outlook on the UK's tech scene and future entrepreneurial opportunity.

Fiona Clarke-Hackston, Chief Executive, BSAC, thanked Robin Klein and Ajay Chowdhury for their fascinating discussion, and John Dixon and the Royal Bank of Scotland for their sponsorship of this event.

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