SCOTLAND, UNITED KINGDOM:
REGION AT A GLANCE
- Part of the United Kingdom
- Population of 5.4 million people
- 70% of people live in urban lowlands
- 99 inhabited islands along the coast, plus the Hebrides and the Orkney Islands
- Well-educated, diverse workforce
- Strong STEM base
- Entrepreneurship-friendly government initiatives
- Tax benefits for entrepreneurial ventures
- Popular tourist destination

Part of the United Kingdom, Scotland is home to 5.4 million people (as of 2015). The Northern European country has a strong culture, a rich history, and a number of world-renowned universities. They see their commitment to innovation, particularly at the university level, as one of the region’s strengths.

CHALLENGE AND OPPORTUNITY
Historically, Scotland has been a community of small and medium-sized enterprises (SMEs) with relatively low research and development investment. The issue facing the region was not lack of startups and entrepreneurial spirit, but lack of growth over the last thirty years when compared to other innovative regions. The region has many potential advantages for entrepreneurship, including government initiatives, tax benefits, well-educated and diverse workforce, a strong science and engineering base, simple ways to start a business, and a commitment to developing a sustainable ecosystem. Fifteen percent of the government budget is spent on education, in a country justly proud of its universities. Scotland’s universities are centers of innovation, but the challenge lies in converting that innovation into businesses, which can compete on a global level.

Thanks to its diverse roster of industries, Scotland is well positioned for economic growth. With the right support, entrepreneurs can find opportunities in energy, digital and creative industries, life sciences, financial services, tourism, and food and beverage industries.

STRATEGY AND ACTION
Scotland’s initial REAP team included six representatives, two of whom represented the government and economic development sector. The team also included entrepreneurial and corporate perspectives, risk capital, and education. Each person had a public commitment to accelerating the country’s ecosystem and framework.

Scotland’s strategic initiative was to ensure the REAP strategy had buy-in from key stakeholders all the way through to the action and implementation stage across the ecosystem. With this choice, Scotland recognized the importance of a mutually developed strategy and action plan, and the importance of the stakeholders in the success of the collective action approach.

The Scotland REAP team’s first order of business was to identify regional programs that are not currently contributing to the creation of an innovation driven entrepreneurship (IDE) ecosystem. A thorough analysis revealed patterns and potential opportunities, which became a foundation for the team’s
action plan. In addition, the team revitalized the Scottish Edge, a competition designed to support early-stage companies and entrepreneurs with the potential to scale.

**PROGRESS AND SUSTAINABILITY**

Based on the MIT REAP analysis, the team has restructured and launched a three-year Entrepreneurship Support Program. Together, Highlands & Islands Enterprise and Scottish Enterprise—the two major economic development agencies in the region—have invested several million pounds into enabling entrepreneurs in Scotland to think more globally and work more effectively through networking and education.

As a result of team Scotland’s participation in MIT REAP, the Scotland CAN DO SCALE program was established to support innovation-driven entrepreneurship. The program, hosted by Highlands & Islands Enterprise, was created as a response to a lack of support for those seeking to scale an early stage business into a globally sustainable organization.

CAN DO SCALE focuses on developing entrepreneurial skills among local Scottish entrepreneurs by surrounding them with mentors, networking linkages and extensive educational opportunities. In addition to these key aspects of the program, the team has also worked to connect the region’s innovation capacity and entrepreneurship capacity by leveraging local universities, private industry and the local government to work together to support entrepreneurship through this public-private partnership.

Another annual competition catalyzed by REAP—Scottish EDGE—is aimed at identifying and supporting Scotland’s up-and-coming, innovative, high-growth potential entrepreneurial talent. A winning business can get up to £150k in funding. By 2016, Scottish EDGE has had 2,000 applicants and had awarded £7M to local entrepreneurs, supported 205 businesses, created 641 new jobs, generated £31.8M and spurred £28.36M in additional investment in start-ups.

Collaboration between REAP teams is another benefit of the program. Together with team Andalusia, Team Scotland has created the PTS Accelerator to help entrepreneurs in both regions make connections in the corporate world.

“I **would recommend REAP to any region or nation serious about investing in their entrepreneurial ecosystem. There is no better place in the world to do that, it has to be MIT.**”

—Donna Chisholm,
REAP Scotland Team Champion,
Head of Business Innovation and Growth Sectors,
Highlands & Islands Enterprise

**CONTACT US**

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