

IS NOW A GOOD TIME TO RAISE?

Overall, [Crunchbase](#) is showing 521 recorded raises in Q2 for UK-based startups at pre-seed to Series A, with total investment of over £1B. Compared to the same period in 2019 (which was a record-breaking one), that's a volume drop of 69%, but that doesn't mean there isn't money out there - many startups will have voluntarily decided to delay starting a round due to the pandemic, which will contribute to the lower numbers. Across Europe, the first half of 2020 still beat the same period in 2018 by more than a billion dollars and investments into the UK market were still more than double that of Germany, the next highest European market.

There's also been a focus on follow-on investing, with investors supporting existing startups to weather the storm, rather than quite as many new rounds as we'd normally see.

Angels – When it comes to Angel investment, there is definitely still money out there – our clients are certainly still bringing money in via this means – and interestingly, the [Angel Investment Network](#) are reporting [increased focus from Angels on sustainable investment](#) since COVID struck.

Venture Capital – VCs have money now that has been committed to funds and they are required to invest it; longer term we might see less money coming into VCs as institutions tighten their belts, which means you're better off raising sooner rather than later, while the money is available (providing, of course, that your startup is actually 'investor ready' and at the right point in its trajectory to raise).

In the crowdfunding world, [Crowdcube](#) are reporting really positive results for Q2, with 59 businesses funded (9% up on Q1, and importantly, a 16% increase on the same period in 2019). They also saw the amount invested increase by 25% versus Q1 2020. These results were across a mix of raises from startup to later stage, with 7 companies raising over £1million. Raises also covered everything from financial service products to new TV channels and sporting goods.

With a pretty bullish investment market (considering the circumstances), using the summer to prep for an autumn raise makes a lot of sense – if you get your preparation right, you can run a smooth raise and ensure you have required funds in the bank before conversations turn to Christmas dinner.