



BARCELONA/

CRISIS? WHAT CRISIS? THE SPANISH BANKS MAY BE SHRINKING, BUT INVESTMENT IS POURING IN TO BARCELONA'S TECH SCENE

 **41°23'N 2°11'E / POP. 1,621,537 / SIZE 101km²**
GLOBAL CITIES INDEX RANKING 2010: 24
WORDS BY **MARUXA DEL ÁRBOL** PHOTOGRAPHY **NICK WILSON**

Spain's economic troubles have inevitably caused ripples in the Catalan capital, with funding at a premium and young entrepreneurs wary of committing to new projects in case they fail to attract backing. But the Barcelona city council has been working to change this in recent years with initiatives such as District 22@ – Barcelona's technology business zone, still under construction – and regular Barcelona Tech Bridges to Silicon Valley networking events. Dubbed "el districte de la innovació" in Catalan, District 22@ already hosts some 2,000+ companies that have developed a close relationship with the fertile local academic scene. And fresh, successful ideas continue to flow in the Mediterranean city.

"Despite the terrible news coming out of Spain, the Barcelona startup scene is powering on," says José Luis Morales, CFO at travel-networking company OpenDestination. "And it's the scene with the best lifestyle of any major tech cluster in Europe." Here are ten hot prospects in Spain's most hard-working city.

8 / FUNDING CIRCLE

99 SOUTHWARK STREET, LONDON, SE1 0JF

Its first loan was to a Gloucestershire environmental consultancy in August 2010, and Funding Circle is still lending in the UK. Lenders bid an amount and interest rate in an auction before the money, and the risk, is then spread across multiple businesses. The company, which is backed by Index Ventures, Union Square Ventures and a number of angels, has helped more than 700 businesses borrow £30 million to date. fundingcircle.com

9 / SKIMLINKS

100 CITY ROAD, LONDON EC1Y 2BP

Skimlinks embeds affiliate links into online content: if a user clicks through the link to purchase a product, the original content provider earns a commission – and Skimlinks gets 25 per cent. Co-founders Alicia Navarro and Joe Stepniowski will not disclose if the site is profitable, but after more than £7m in funding, investors including The Accelerator Group clearly believe the open-marketing site is a good bet. skimlinks.com

10 / MOO

32-38 SCRUTTON STREET, LONDON EC2A 4RQ

Eight years after launching, Moo prints millions of business cards a month for hundreds of thousands of customers across 180 countries, and has recently added postcards and minicards. Although it wants to disrupt the £65bn global print industry, there's nothing revolutionary about Moo's core value of good design, insists founder Richard Morross – who warns that the web can reduce the quality as well as the cost of printing. uk.moo.com

1 / REVIEWPRO

CARRER D'ARIBAU 240, 08006

In a world of reviews and sites reviewing reviews, ReviewPro claims to go one better by aggregating, analysing and interpreting millions of reviews from Facebook, Twitter, blogs and travel sites. "Social networking has radically changed the way we choose what we purchase, so comments in Twitter and Facebook are now fundamental when it comes to deciding between one hotel and another," says RJ Friedlander (right), the startup's CEO.

ReviewPro's business model is simple: hotel owners pay one of two monthly rates, depending on what's required and if they are a boutique hotel or a large chain. (Friedlander explains that three-room hostels sit on the site's books alongside giants like Meliá Hotels.) ReviewPro is available in English, Spanish, German, Portuguese and Italian with 3,000 clients



across 70 countries. Founded in 2008, ReviewPro launched in September 2009 and has raised \$2.8 million (£1.8 million) in angel funding from private investors with soft ten-year, zero-interest government loan to help out. The Eurozone crisis has Barcelona's innovators worried such loans are a thing of the past. reviewpro.com

2 /

BMAT

BRUNIQUEUR 49,
08024 BARCELONA

Barcelona Music and Audio Technologies (BMAT) heads a wave of music startups based in the city, including Flumotion, yes.fm and rockola.fm. BMAT is pure B2B – the company has its tech embedded in search engines, Intel chips, Yamaha keyboards and online stores. "Our aim is creating software that can interpret music just like a person can," says Àlex Loscos (above), BMAT's CEO. One product, Skore, evaluates a singer's voice based on vocal range and expression and compares across song, genre, tone or language. Another, Ella, can identify and recommend music from brief statements such as "something like The Smiths" or "danceable". Vericast is a global fingerprint service that monitors radio, TV and online to claim royalty payments. BMAT's clients include a huge number of music-rights bodies from Jamaica to Turkey, including EMI Music Publishing, Grooveshark, Nielsen and Yamaha.

The company is a spin-off of the Music Technology Group (MTG) at the department of information and communication technology at the Universitat Pompeu Fabra and uses MTG's tech under exclusive licence. Founders Loscos, Pedro Cano (CTO) and Salvador Gurrera (COO) are MTG alumni. Launched in 2006 with the assistance of government soft loans and grants, the company says it has not yet taken in any venture capital or other outside investment, and is already in profit. bmat.com



100%

OF HOMES IN BARCELONA
ARE FIBRE-OPTIC INTERNET READY

3 / NUUBO

C. GINESTA, 6 43392 CASTELLVELL DEL CAMP, TARRAGONA

Founded in 2005 by Rodrigo Miranda, Agustin Macia and Luis Sanchez, Nuubo Wearable Medical Technologies has links with the Polytechnic University of Valencia and the Hospital Clinic of Barcelona. Its main product, the nECG Shirt, contains sensors that transmit data to the nECG Suite, which can measure heart-rate, perspiration levels, breathing, body temperature and body position. A Wi-Fi link then uploads data to the wearer's doctor. nuubo.com

4 / ZYNCRO

PASSEIG DE GRÀCIA 120, BARCELONA 08012

Zyncro is a corporate social network that is less about friends and more about the number of files you need to share. It was launched by the Inspirit Group's technology lab in 2008 and spun off by the group's founder, Didac Lee. The company has raised €3 million (£2.4 million) in three rounds of funding – Active Venture Partners invested €1 million alongside previous investors Caixa Capital and Cabiedes & Partners in a €1.6 million series-B round early this year. zyncro.com

5 / SENSOFAR

PARC AUDIOVISUAL DE CATALUNYA, BV-1274, 08225 TERRASSA

Sensofar nanotechnology is an academic spinoff, launched from the Polytechnic University of Catalonia into the highly specialised lens and optics field of 3D optical profilers – microscope-like devices that use light to measure objects on a nanoscale. Ferran Laguarda, the company's CEO and founder, is leading the city's bid to create an optics cluster and attract international funding. The company has arms in the US, Asia-Pacific and Japan. sensofar.com

6 / ORYZON GENOMICS

SANT FERRAN 74, 08940 CORNELLÀ DE LLOBREGAT, BARCELONA

Oryzon Genomics launched in 2001 as a spin-off from the Spanish National Research Council and the University of Barcelona. Since then its been using its expertise in identifying and manipulating biomarkers to diagnose and treat a range of cancers and neurological diseases. A successful round of funding in 2008 gave the company a purse of \$17 million (£10m), and in 2009 it merged with screening company Crystax Biopharmaceuticals. oryzon.com

7 / SCYTL

PL. GAL·LA PLACÍDIA, 08006 BARCELONA

When Scytl Secure Electronic Voting launched in 2001, the US was receiving offers from Cuba to monitor future elections after the Bush/Gore votes controversy. By 2010, Scytl's project with the US state of Virginia to oversee secure online ballot delivery for overseas military voters was branded a success. An academic spinoff from the Universitat Autònoma de Barcelona, Scytl is a portfolio company backed by Nauta Capital, Balderton Capital and Spinnaker. scytl.com

8 / PRIVALIA

CALLE LLULL 113-119, 08005 POBLENOU

The online private-sales club has been expanding – \$95 million from Index Ventures and General Atlantic in 2010 funded a move into Latin America and last year's purchase of German retailer Dress for Less (for between \$150m and \$200m). In March it announced revenues of €320 million for 2011 – 90 per cent up on 2010. Founders Lucas Carné and José Manuel Villanueva are expanding the brand into mobile and a new, full-price range on claireandbruce.com. privalia.com

9 / TROVIT

AVINGUDA DIAGONAL, 579, 08014 BARCELONA

This May, classifieds website Trovit was voted one of Spain's best employers by Great Places To Work. The employees' reward? A personalised cupcake from founders Iñaki Ecenarro, Raúl Puente, Daniel Giménez and Enrique Domínguez for helping them to expand the company into 38 countries. Branching out into job listings, car hire and travel, Trovit is also rolling out a holiday rentals service across Europe. trovit.es

10 / IMM SOUND

DIAGONAL 177, 08018 BARCELONA

Incubated by the Barcelona Media Foundation – backed by the Catalonia regional government and private investors – as well as the EU and the Spanish government's InnoCash programme, imm sound is headed up by Vicente López, professor of computer sciences at Pompeu Fabra university. imm sound has been installed in 14 cinemas in countries including Italy, Japan, the US and South Korea, adding super-immersive audio to films. immsound.com