

Press Release

The Capital Fund Leads £1/2 million investment in Deltion Ltd

Deltion, a London based Collaborative Logistics software services company, has secured £250,000 of venture capital investment from The Capital Fund, the Regional Venture Capital Fund for London, in addition to a £228,000 investment by management.

LFM Investment Manager, Mike Kennedy, comments: *"Deltion has developed a unique technology and a strong business model that stands to change how the European logistics industry operates and uses information. With an experienced management team already well known in the industry, Deltion has the capability of becoming a significant player. Our investment will assist CEO Piyush Shah and his team ramp up the sales and marketing efforts as well as continue to tailor their software to their clients requirements."*

Kennedy continues: *"We believe Deltion offers an entirely fresh approach in providing complete real-time visibility across the supply chain for all logistics operators, irrespective of size, fleet or market sector. Deltion solutions cater for the needs of contract distribution companies, 'own account' fleets, general haulage companies, carrier networks and 3PL/4PL operators. It provides online access, via the Web or a corporate intranet, and is available across all operational sites, in all countries."*

Amongst the first customers to implement the Deltion platform is Fortec Pallet Distribution Network, the UK carrier network subsidiary of Geodis, the €3.25bn turnover French multinational transport group. As part of this implementation, over fifty UK transport companies and their customers are using the solution over the internet to book orders, make track and trace enquiries, plan loads, enter Proof of Delivery details online and complete a variety of back office tasks.

At its core, Deltion manages Orders, Customers, Resource Scheduling, Proof of Delivery, Exception Reporting, Messaging, Supplier Management, Track and Trace, Billing, and Trip Optimisation. It can also be easily integrated with a variety of 3rd party systems such as Enterprise Resource Planning (ERP), Warehouse Management Systems (WMS), Vehicle Management, Accounts, Fuel Management and In-Cab Systems. Built on an industrial class Oracle database and application server hosted on IBM servers running Linux, the platform has been designed and independently tested to scale to over 1,500 concurrent users.

Deltion CEO, Piyush Shah comments: *"In the coming months, we will launch new versions of our application services to suit the requirements of transport organisations at different stages of maturity in their IT and information needs. The investment from the Capital Fund will enable us to launch these services earlier than planned and to concentrate on sales and marketing to build our user base more quickly."*

He continued *"Everyone at Deltion is very excited about the future for the company, as we have outstanding, world-leading software expertise in web technologies and a team wholly focused on bringing significant value to our clients in the Logistics sector."*

LFM was advised by Simon Dinning of DLA. Simon Dinning commented *"LFM has developed a very streamlined and effective process for investing and DLA is delighted to be able to work with the LFM team closely to complete transactions quickly and pragmatically."*

Deltion was advised by Rohit Sanghvi of RR Sanghvi & Co and Rob Wirszyycz of Progressive Capital Partners

For further information regarding The Capital Fund, please refer to www.thecapitalfund.co.uk.

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The Capital Fund

The Capital Fund can invest in companies based in the 32 boroughs of London and the City. Initial investments can be up to £250,000 and the fund has the ability to invest a further £250,000 after at least 6 months. Under certain circumstances, the fund can invest up to £5m.

The Capital Fund is a £50m Regional Venture Capital Fund managed by London Fund Managers (LFM). The fund has a mixture of public and private sector investors and is sponsored by the London Development Agency. LFM is investing the fund in high potential London-based SMEs in order to achieve a commercial return for the fund's shareholders. The fund was launched in 2002 and will be invested over a period of six years.

When assessing a company for investment, LFM looks for:

- **strong, balanced management teams**
- **clear customer needs for the product/service offered**
- **convincing sales, marketing and fulfilment strategies**
- **potential for high growth in sales, profits and shareholder value**



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