

NZVIF's second fund with Sparkbox brings new hope for Kiwi start-ups

The New Zealand Venture Investment Fund has renewed its investment partnership with national angel group Sparkbox Ventures which should see them combining to invest around \$10 million in start-up companies over the next five years.

NZVIF chief executive Franceska Banga said Sparkbox is a very active private early stage investment group, helping to fund the growth of promising young technology companies like Mesynthes, BigLittleBang and Booktrack.

“Through our initial investment partnership, NZVIF committed to co-invest \$4 million with Sparkbox. That has so far seen us combining to invest nearly \$7 million into over a dozen companies, but is now almost fully committed.

“In order to maintain the momentum of investment into start-up companies, NZVIF is committing to invest a further \$4 million with Sparkbox. When that is combined with the private angel investment, we can expect that the renewed partnership should see around \$10 million of investment into start-ups over the next four to five years.”

Sparkbox's Andrew Duff welcomed the partnership renewal, saying Sparkbox's focus is on early stage investment in sectors including Information and communications technology, material science, cleantech, and medical and diagnostic technology.

“We are seeing a lot of promising start-up opportunities needing investment to research, design and develop technology based products and solutions with the aim of taking them to international markets. We are committed to a strategy of specialising on pre-seed and seed investment where we see attractive investment opportunities.”

Franceska Banga said Sparkbox is a successful angel investor.

“Sparkbox is a very active private group which has been investing for over a decade. They are clearly committed to continuing to be an active part of the seed and early stage venture investment market in New Zealand.

“The seed and angel investment sector has grown steadily over the last five years. There are now around 15 active angel investment groups in NZ. NZVIF's Seed Co-Investment Fund has partnered with 14 angel groups to date, and between \$40 million and \$50 million of NZVIF and private sector investment is being invested annually.”

About Sparkbox Venture Group:

Sparkbox Venture Group is New Zealand’s leading early stage investor and has been investing in New Zealand innovation companies since 2001. Our sector preference is Information technology, Mobile, Material science, Cleantech, Communications, Medical and diagnostic technology, Internet and the Cloud. Sparkbox Venture Group provides advisory services to help maximise value from New Zealand innovation. Follow us on www.sparkboxventures.com

About NZVIF’s Seed Co-investment Fund (Seed Fund)

NZVIF invests directly into companies alongside pre-qualified private investment partners known as ‘angel’ investor groups. (Angel investors are typically wealthy individuals who invest their own capital into entrepreneurial firms). Angel investors assess investment proposals and decide whether or not to invest with a company. Following that decision, NZVIF, through the Seed Fund, is able to match the private capital invested on a 1:1 basis, up to \$750,000 per company.

