



**Media Release: 24 July 2014**

## **Angels flying with new fund**

The New Zealand Venture Investment Fund is partnering with a group of experienced NZ and ex-pat angel investors who have formed Flying Kiwi Angels to invest into start-up companies.

Flying Kiwi Angels (FKA) was co-founded by Rudi Bublitz, David Russell, Charles James and James Hoseason, and the first dozen angels have established the new angel fund and further members are being sought. Prior to establishing FKA, many of those involved have been with other angel groups and, over the last five years, collectively invested around \$3.5 million into over 30 technology companies, including GreenButton, eBus and Inro.

FKA director Rudi Bublitz said the partnership will bring more investment into innovative around New Zealand.

“The new investment partnership with NZVIF means that when FKA invests into a new company, NZVIF will match investments dollar-for-dollar up to the cumulative \$4 million limit on what it can invest through any single partnership.

“Our focus is opportunities in IT, life sciences and green tech. Based on our experience to date, we expect to see a healthy deal flow. Our free weekly advice service, which we call [Angelic Drop-In](#), has been well received by start-up entrepreneurs. There are a lot of innovative ideas in the market that are seeking capital, and this partnership will help to provide some of the capital to meet that need.

“Our expectation is that the partnership will run for around four to five years, investing into around 10 to 15 young companies during the first 12 to 18 months. With NZVIF committing on a matching 1:1 basis with Flying Kiwis investors, it doubles the capital available to a company than would be the case if we did not have the partnership.”

This is the fifteenth partnership NZVIF has entered into through its Seed Co-investment Fund and the sixth in Auckland, having previously partnered with groups like Sparkbox Ventures, Ice Angels and Pacific Channel. To date, NZVIF and its angel partners have co-invested around \$85 million into over 100 companies.

NZVIF chief executive Franceska Banga said that the new partnership is needed to keep up the momentum in the angel investment sector.

“The past year, has seen two new angel investment networks established in New Zealand – FKA and Arc Angels. We have seen some established angel groups reducing investment activity, so we need new groups and new capital entering the market, adding to and complementing a range of existing angel networks and funds.



“While Flying Kiwis is an Auckland-based group, the growing syndication of investments between different angel groups means they are likely to invest in opportunities throughout New Zealand.

“Current investment activity is healthy and there is a good pipeline of young technology companies needing investment capital to develop. Last year, over \$50 million was invested through formal angel groups. Since NZVIF began collecting the data in 2006, angel groups have invested over \$300 million into young technology companies.”

### **Background Information**

#### *Flying Angel Kiwis*

FKA started their free advice service (Angelic Drop-In) in June 2013 and have now incorporated as a limited partnership to commence investing in May 2014. With the first dozen angel investors on board, the group is still open for further angel investors to join the partnership. The group philosophy is to leverage the collective experience and connections of active angel investors who are prepared to roll up their sleeves to:

- coach start-up entrepreneurs;
- undertake due diligence pre-investment and
- provide constructive governance post investment.

Flying Kiwis meet regularly to debate new business ideas and models and help to make them happen by working in with compelling founder teams.

#### *NZVIF's Seed Co-investment Fund*

NZVIF is involved with angel investors through its Seed Co-investment Fund (known as SCIF). SCIF was established in 2005 to catalyse the growth of angel investment and has now invested into over 100 companies.

SCIF by the numbers:

- Number of portfolio companies: 115
- NZVIF amount invested: \$29.9 million
- SCIF partner amount invested: \$61.5 million
- Other private investment: \$77.6 million
- Ratio of NZVIF to SCIF partner investment: 1:2
- Ratio of NZVIF to all private investment: 1:4.6
- Cumulative portfolio company revenues: \$100 million
- Average size of NZVIF first commitment: \$170,508
- Percentage of companies exporting: 50%

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