



PRESS RELEASE

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ArcAngels and NZVIF to invest in women-led startups

ArcAngels – the women-led angel investment group focused on women entrepreneurs- and the New Zealand Venture Investment Fund are partnering to invest into women-led start-up companies.

The Auckland-based angel investor group was formed in 2014 and now has 25 members, most of whom are experienced business leaders, investors or have been involved in establishing businesses previously. Its members includes Fletcher Building director Cecilia Tarrant, Alex Mercer from Xero, entrepreneur Kate O’Leary, Madison Group’s Wynniss Armour, and private equity fund manager and Reserve Bank director Bridget Coates.

ArcAngels chair Cecilia Tarrant said the group hopes to replicate the success of the New York-based, women-led angel group, Golden Seeds, one of the leading success stories in angel investment in the US. Since 2005, Golden Seeds has invested over US\$80 million in more than 76 women-led companies.

“A Silicon Valley venture capital firm First Round Capital analysed 300 of its portfolio companies and almost 600 founders, and found that the teams with at least one female founder did 63 percent better than the all-male founder teams. The 2015 Global Startup Ecosystem Report said that the trend for female entrepreneurs is significantly up, with the number of female founders in the global startup ecosystem growing by 80 percent over the preceding three years.

“Our principal aim is to make successful investments. But we also want to empower more women entrepreneurs, strengthen their competitiveness and maximise the success of New Zealand’s small business engine for greater economic growth in the long term.

“Many of our members are experienced angel investors with the capacity and capability to be able to provide mentoring and ongoing support to the female-led ventures the group invests into. We want to leverage the expertise and experience of other active angel groups in order to increase deal flow and investment opportunities.”

This is the seventeenth partnership NZVIF has entered into through its Seed Co-Investment Fund. To date, NZVIF and its angel partners have co-invested around \$142 million into over 150 companies.

NZVIF investment director Bridget Unsworth said that under the co-investment arrangements, when ArcAngels invests into a new company, NZVIF will match the investments dollar-for-dollar, giving both investors and entrepreneurs confidence that the investment round will be successfully completed.

“The partnership is expected to invest into around 10 to 15 young companies during the first 12 to 18 months. With NZVIF committing on a matching 1:1 basis, it doubles the capital available to a company than would be the case if we did not have the partnership.

“The past year has seen continued healthy investment activity across New Zealand with over \$60 million invested by angel funds and groups. There is a healthy level of syndication of investments between different angel groups meaning they are likely to invest in opportunities throughout New Zealand. Early stage investing is a high risk investment class and so diversification is important.”

BACKGROUND INFORMATION

[ArcAngels](#)

ArcAngels was established in 2014 and is based in Auckland. It invests only in companies with a woman founder or with a woman in senior management. It currently has 25 members but aims to double its size over the next 12 months. Membership is open to all qualified investors, both women and men. It has made seven investments including companies like Pictor, Fuel 50, Acuite and Engender.

[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 160 start-up companies. Its portfolio includes companies like StretchSense, Hydroworks, Engender, Vesper Marine and Rokit Apples.

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