



PRESS RELEASE

25 October 2016

## Canterbury Angels flying with new partnership

The New Zealand Venture Investment Fund is partnering with the newly formed Canterbury Angels to invest into start-up companies.

The Christchurch-based angel investor group was formed in 2015 and now has 35 members, most of whom are experienced investors or have been involved in establishing businesses previously. Its leadership includes chair Ben Reid, who chaired the Canterbury Software Cluster, Shane Wakelin, Joan McSweeney, Ria Chapman, Mark Cathro, Raphael Nolden, Ian Douthwaite, and SLI Systems co-founder Geoff Brash.

Canterbury Angels chair Ben Reid said the partnership will bring more investment into innovative companies in the Canterbury region and around New Zealand.

“The new investment partnership with NZVIF means that when Canterbury Angels invests into a new company, NZVIF will match investments dollar-for-dollar giving both investors and entrepreneurs confidence that the investment round will be successfully completed.

“Our focus will be on new companies emerging in Christchurch and nearby. But our members will also invest in syndicated opportunities throughout New Zealand to ensure we have a broad portfolio of companies.

“Based on our experience to date, we expect to see a healthy deal flow. There are a lot of innovative ideas in Christchurch that are seeking capital. We have two universities which produce high quality research. We work closely with other parts of the innovation ecosystem in Christchurch, such as EPIC, Lightning Lab, Greenhouse and the newly-opened Vodafone Xone. As new startups emerge from the ecosystem, this partnership will help to provide some of the early stage capital to meet their needs.

“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 Canterbury Angels investors, it doubles the capital available to a company than would be the case if we did not have the partnership.”

This is the sixteenth partnership NZVIF has entered into through its Seed Co-Investment Fund and the second in Christchurch, having previously partnered with Powerhouse Ventures. To date, NZVIF and its angel partners have co-invested around \$142 million into over 150 companies.

NZVIF investment director Bridget Unsworth said that the new partnership is needed to keep up the momentum in the angel investment sector.

“The past year has seen continued healthy investment activity across New Zealand with over \$60 million invested by angel funds and groups. Christchurch sees around 10 percent of angel investment activity. With Canterbury Angels now actively investing alongside other early stage investors, it provides another source of capital for entrepreneurs in Canterbury.

“There is a healthy level of syndication of investments between different angel groups meaning they are likely to invest in opportunities throughout New Zealand. This allows groups like Canterbury Angels to diversify their portfolios beyond just the local opportunities. Early stage investing is a high risk investment class and so diversification is important.

“Current investment activity is healthy and there is a good pipeline of young technology companies needing investment capital to develop. Since NZVIF began collecting the data in 2006, angel groups have invested over \$400 million into young technology companies.”

## **BACKGROUND INFORMATION**

### **[Canterbury Angels](#)**

Canterbury Angels is a new angel network and was established in 2015. It aims to be a broad-based network drawing in investors from throughout Canterbury. It currently has 35 members and has made four investments in its first year.

### **[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 150 companies. Its portfolio includes Christchurch companies like Hydroworks, Crop Logic and Invert Robotics.

#### **Media contacts:**

NZVIF:	David Lewis	021-976-119	<a href="mailto:david.lewis@nzvif.co.nz">david.lewis@nzvif.co.nz</a>
Canterbury Angels:	Gabby Addington		<a href="mailto:gabby.addington@canterburyangels.nz">gabby.addington@canterburyangels.nz</a>