

MEDIA RELEASE

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LAUNCHVIC MOVES TO TERMINATE 500 STARTUP PARTNERSHIP

LaunchVic has today announced the termination of its partnership with 500 Startups following the resignation of 500 Melbourne lead Rachael Neumann.

LaunchVic CEO Dr Kate Cornick said without trusted local leadership, we don't believe that 500 Startups will be able to build a strong and inclusive culture and the social capital it needs to be able to successfully roll out its accelerator program in Victoria.

Last month, LaunchVic put 500 Startups on notice, requiring 500 Startups to develop a remedial plan, that was to include addressing sexual harassment and lack of diversity in the startup ecosystem. The successful implementation of the remedial plan was required before LaunchVic would give the company the green light to roll out its accelerator in Melbourne.

Dr Cornick said: "While I am deeply disappointed at how this has ended, I feel confident in LaunchVic's strong course of action over the past month to give 500 Startups an opportunity to show leadership to improve culture in the startup sector and fix the issues at hand.

"Unfortunately, as we've expressed to 500 Startups, that without Rachael Neumann at the helm we don't believe it will work," Dr Cornick said.

Growing talent and expertise is a core part of LaunchVic's strategy and something that will be essential going forward to achieve Victoria's potential to be a leading startup destination.

Due to the contractual arrangements in place, LaunchVic retains the funds reserved for 500 Startups. No public funds have been placed at risk.

LaunchVic CEO Dr Kate Cornick said LaunchVic would reinvest 500 Startups' funding in a world-class accelerator program to build capability and expertise in our local ecosystem.

"Of the grant funding we have allocated to date, 70 per cent has been invested in local home-grown programs and we will continue to invest at a local and a global level to drive outcomes that will position Victoria's startup ecosystem as a leader," Dr Cornick said.

"I'd like to thank the Australian startup ecosystem – many of who have publicly advocated for us and given us the space required to make the right decision."

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