

Wednesday, 11 August 2021

NEW PLAN EYES LONG TERM SUCCESS OF STARTUP SECTOR

LaunchVic, Victoria's startup agency, today released its four-year plan outlining how it will take Victoria's \$7billion startup sector to the next level from 2021-2024

LaunchVic CEO Dr Kate Cornick said the agency was focused on driving the long-term success of Victoria's startup sector via new dedicated funding streams and, when appropriate, seeking a return on investment from the private sector

"To date, LaunchVic has activated more than \$129 million in private sector investment, invested in 130 programs and 19 accelerators, supported hundreds of Victorian startups to scale and upskilled more than 9,800 entrepreneurs."

"While this is extremely positive, we also know that startup ecosystems take time to develop and there is still a way to go before we become a self-sustaining startup ecosystem.

"The work we are doing now – particularly with regard to early-stage investment - is foundational and will dramatically alter the startup ecosystem in the next 5 to 10 years."

Priorities for LaunchVic include driving continuous improvements in the startup investment landscape and early-stage venture capital market in Victoria; supporting programs that will grow more scaleups; and awareness and advocacy for Victoria's startup ecosystem.

In what marks a new approach for agency, LaunchVic will invest either through an equity stake in, or by providing a loan to, certain for-profit entities. This investment approach will only apply to organisations that invest in outcomes of their programs, for example Startmate's Accelerator Program. LaunchVic intends to reinvest any returns back into the ecosystem.

LaunchVic Chair Leigh Jasper said the focus for LaunchVic over the next four years is to catalyse the Victorian startup ecosystem to drive greater startup creation, faster company growth and more jobs.

"Startups are proven job multipliers – adding thousands of net new jobs to the economy at faster rates than other sectors. It is critical we harness this as we expect the sector to play a major part in Victoria and Australia's economy.

Key measures underway include the Victorian Startup Capital Fund - a \$60 million Fund that will leverage \$180 million of private sector investment for early-stage startup and the Alice Anderson Fund - a \$10 million fund that will leverage a further \$30m by co-investing in women-led early-stage startups.

LaunchVic will also focus on ensuring more startups scale to become success stories such as Victorian scaleups Marketplacer, Amber Electric and Mr Yum through programs that support, educate and upskill founders, investors and talent.

The Victorian State Budget released in November 2020 allocated a total of \$186.2 million to the continued growth of Victoria's startup ecosystem.

LaunchVic's new strategy can be viewed here.

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About LaunchVic

[LaunchVic](#) is Victoria's startup agency. We were established by the Victorian Government in March 2016 as an independent agency responsible for growing the State's startup ecosystem.

LaunchVic's role is to drive the long-term success of Victoria's startup ecosystem recognising the valuable contribution successful startups have on the economy through the creation of high value jobs and gross revenue for the State.

For a free and dedicated source of real-time data on Victoria's startup founders, investors, corporates and policy makers go to findingstartups.launchvic.org

Victorian Ecosystem Facts

- Victoria is home to more than 2,100 startups – companies that use innovative business models and technology to grow fast and service global markets.
- A total of 40,000 plus jobs have been created by homegrown startups globally.
- As of June 2020, Victoria's startup ecosystem was valued at AU\$7 billion, tripling in value since 2018. This is larger than Victoria's racing industry.
- A report from Deloitte Access Economics in June 2020 found with the right support the Victorian Startup Ecosystem has the potential to add, on average, a further 15,700 FTE's to the economy per annum – that could be more than 150,000 new jobs in ten years or 3.5 times the national workforce of Bunnings (44,000).

For more information on the LaunchVic 2021/24 Strategy, click on the link: <https://launchvic.org/about-launchvic#strategy>