

MEDIA RELEASE



Thursday, 22 July 2021

SEARCH ON FOR \$120M VICTORIAN STARTUP FUND MANAGER

LaunchVic today released a request for proposal (RFP) for a Fund Manager to run the Victorian Startup Capital Fund (VSCF), a Fund of Funds announced in the Victorian Budget 2020/21.

The VSCF is a \$120 million Fund that will support Victorian early-stage technology-based startups with potential to grow into high-performing businesses.

The Fund Manager is responsible for raising at least \$60 million from the private sector on top of a \$60 million contribution from the Victorian Government.

They are also also charged with developing and implementing the investment strategy, managing due diligence and reporting on investment performance.

Applications are open to both established funds management firms and experienced individuals, and while local and international candidates are encouraged to apply, the Fund Manager must be based in Victoria if successful.

While Victoria's startup ecosystem has tripled in value to AU\$7 billion since 2018, LaunchVic Chair Leigh Jasper said founders are still facing a dearth of early-stage capital.

"Research commissioned by LaunchVic found a \$100 million per annum shortfall in early-stage capital in Victoria, and this gap has widened as a result of the coronavirus (COVID-19) pandemic," he said.

"The Victorian Startup Capital Fund will be a massive boost for the Victorian startup sector, providing much needed capital to our best early-stage startups to grow and create jobs."

Mr Jasper will lead a big name selection panel for the Fund Manager comprising LaunchVic Board Director Aneetha de Silva, Afterpay Chair Elana Rubin, Lighter Capital CEO Melissa Widner and Ovidio Iglesias, Co-Founder and Managing Partner at Continuity Capital Partners.

The VSCF will be independent from Government, with all investing decisions commercially driven by the Fund Manager.

One hundred per cent of the VSCF will go to Victorian VC funds via matched funding, resulting in a total boost of up to \$240 million for Victorian early-stage startups.

Minister for Innovation, Jaala Pulford said the VSCF will be central to Victoria becoming a globally recognised startup ecosystem.

"This Fund is the first of its kind in Australia and will ensure that our founders have access to the early stage funding they need to take their businesses to the next level."

The RFP process closes at 10.00am, Monday 6 September 2021.

For view the RFP visit launchvic.org/fund-of-funds

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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 startups have on the economy through the creation of high value jobs and gross revenue for the State.

Through our work we are driving improvements in the startup investment landscape by developing the angel investor and early-stage venture capital markets in Victoria; supporting programs that build founder, investor, and talent capabilities; and continuing to drive awareness and advocate for startups.

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).