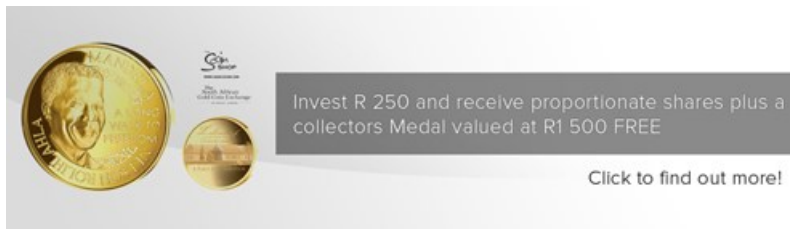


# South Africa's first crowd-sourced investment platform set to change the economic landscape

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[Crowdinvest](#), the country's first ever crowd-sourced investment platform, looks set to revolutionise South Africa's economic landscape by breaking down investment barriers for a broad segment of the population.



The web-based platform, which launched today, plans to stimulate entrepreneurial development and economic growth through its unique crowd-sourced investment model, which affords even those with limited disposable income the opportunity to become investors.

Not only does the platform offer users the chance to directly invest amounts of their choosing into a wide variety of asset classes, but also gives new business owners unprecedented access to necessary capital and intellectual resources.

## Creating investment opportunities

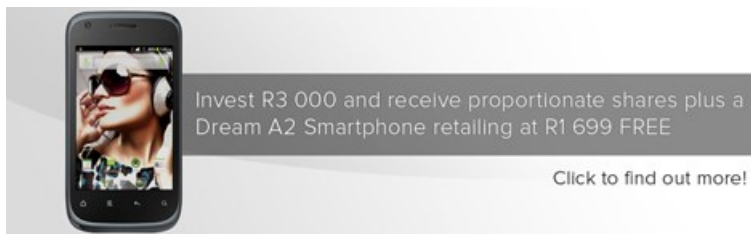


Crowdinvest is the brainchild of Anton Breytenbach, an ambitious Cape Town local, who conceived the project in 2010 in the hopes of creating profitable investment opportunities for the average South African. Concerned that many of his contemporaries had simply accepted the fact that they would never be able to generate the capital required to create an investment portfolio, Breytenbach set about establishing a model that would allow investors to reap returns in spite of financial limitations.

"Many South Africans simply don't consider investment to be an option, as the vast majority of investment classes require at least R500,000 worth of capital," explains Breytenbach. "Investors' co-operations can prove to be an effective solution, but the reality is that few of us have sufficient connections to make these happen. Crowdinvest was devised as a tool to make an investor out of anyone, capitalising on the power of online networks to allow like-minded individuals to effectively collaborate on investment opportunities."

Through Crowdinvest, would-be investors can now invest nominal amounts together in a wide range of investment classes, such as businesses, property and fixed assets, and go on to claim their portion of the returns. As little as R1 is required in order to get started, meaning that even more sceptical users can now explore investments with minimal risk attached.

The platform also provides seasoned investors with an opportunity to diversify their portfolios and further spread their risk, with the large investment communities established around various businesses and ventures lessening the likelihood of significant losses. Crowdinvest also offers these users the chance to build networks with fellow investors using the online channel.



## Empowering entrepreneurs

Making investment a realistic possibility for a large portion of the population has massive implications for the entrepreneurial community. The challenges currently involved in obtaining funds from a dwindling number of venture capitalist firms and angel investors are significant, and have deterred many South Africans from realising their business ambitions.

Crowdfunder's founders are no strangers to these obstacles, having spent the past two years working to acquire the start-up capital necessary for legal and infrastructure development.

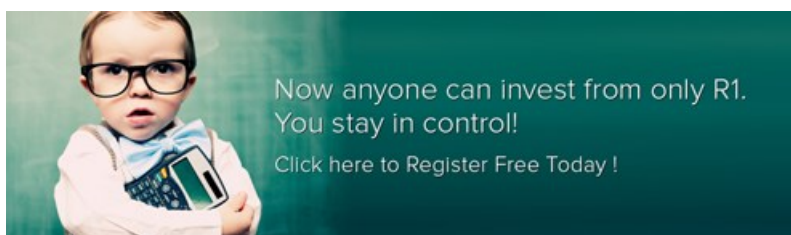
"South African entrepreneurs are very limited when it comes to financing options, and as a result, many great start-ups never make it to fruition," says Breytenbach. "Crowdfunder makes capital far more readily available to a wide range of potential entrepreneurs, and this solution will hopefully empower them to take that next step and convert their concepts into successful enterprises."

## Entrepreneurial education

Another stumbling block for entrepreneurs looking to translate their big ideas into big business is the lack of available information and guidance. Without sound business principles in place, even investors with access to sufficient capital are unlikely to be able to enjoy success in an increasingly competitive market.

As a result, Crowdfunder will also offer budding entrepreneurs access to comprehensive mentorship and incubation programmes, which have been developed in order to equip them with the necessary tools and know-how to effectively translate their ideas into feasible business models.

Crowdfunder's investor community consists of ordinary South Africans, venture capitalists, seasoned investors and large organisations, all of whom will have the option to invest in these businesses, as well as provide mentorship to entrepreneurs within their fields of expertise. Based on ratings and feedback from entrepreneurs, a large mentorship community, offering a wealth of intellectual and other resources, will be established.



## Access to intellectual capital

Unlike other crowd-sourced funding schemes, which offer investors rewards in exchange for capital, all investments on the Crowdfunder platform result in equity, thereby creating a wide network of investors inherently invested in the success of the product or service in question. The result of this is an unparalleled opportunity for entrepreneurs to source knowledge, expertise and assistance over and above necessary financial support.

"What we're aiming to create with Crowdfunder is a community of truly invested investors, who can work together to help ensure a business or venture's success," explains Breytenbach. "Many companies suffer from significant skills shortages, and can help to address these by involving some of their investors in exchange for discounts and rewards. Essentially, the

Crowdinvest platform provides unprecedented access to a wide range of intellectual capital, which could prove instrumental in driving the creation of a thriving enterprise."

## **Redistributing wealth**

The Crowdinvest platform has already garnered significant support, with luminaries such as Helen Zille having acknowledged its important role in facilitating wealth redistribution in the country.

"80% of the country's capital lies in the hands of just 2% of the population, and our primary aim in building this system was to address this critical imbalance," says Breytenbach. "With Crowdinvest, we hope to stimulate economic growth, both by driving entrepreneurial development and by offering a wide range of South Africans a chance to expand upon their earnings, thus distributing wealth more evenly."

[www.crowdinvest.co.za](http://www.crowdinvest.co.za)

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