

VC injection for media, mobile, ICT innovators

A new R350-million venture capital fund, called Hasso Plattner Ventures Africa, launched last week to give innovators in South Africa a leg up into the global technology arena. Areas of investment include media, telecommunications, mobile applications, and software.

Hasso Plattner Ventures Africa aims to invest in and manage a portfolio of investments that have a unique innovative offering, either based on the business model, product offering or underlying technology. Technology investments will not be limited to but in majority will have an emphasis on telecommunications mobile applications, media and software, as well as clean technology investments such as renewable energy, energy-saving concepts and similar business segments in early stages of their development, with the focus of their activities predominantly in South Africa and other emerging markets.

The fund was officially launched in Cape Town on Friday, 15 February 2008, by Prof Hasso Plattner, the co-founder, chairman and chief software advisor for global ERP software giant SAP, which is used by most of the larger corporations in South Africa and the rest of the world. He is also well-known in SA as the owner of Fancourt in George and a past winner of the Cape-to-Rio yacht race.

Major boost

Co-funded by German MAN Ferrostaal, a global provider of industrial services, the fund is intended to be a major boost to SA's entrepreneurial climate and a vote of confidence in SA's ability to produce innovation to an international standard.

It comes in the wake of Plattner's three-year-old venture capital company, Hasso Plattner Ventures, in Europe, headed by Eran Davidson, which has already established a track record as the most active early stage VC investor in Germany. The fund has made its first 12 investments and first developments were sufficiently encouraging to approve the set up of a second fund.

The fund in South Africa will be headed by Andrea Böhmert, who for the past three years' has helped prepare early stage technology companies for external investments.

Identify potential to succeed

She says Hasso Plattner Ventures Africa aims to identify companies that have the potential to successfully succeed on an international level and will provide access to an international network of leading companies, venture capital firms and institutions in the technology arena.

“In the past SA technology companies have found it almost impossible to get funding from international groups outside of South Africa. And all startup businesses know, it's extremely important not only to get investment funding but also assistance in accessing global markets.

“Hasso Plattner Ventures Africa has an edge over other venture capital funders as it gives our portfolio companies access to our investors' commercial and political networks in all significant markets around the world.

“Prof Plattner and MAN Ferrostaal will be able to ‘open doors’ for them that would never be accessible otherwise across the IT industry as well as in industrial solutions– from heavy engineering to automotive to green technology– through MAN Ferrostaal which is key player in the field of alternative energy.”

Böhmert says the support will be two-fold – the portfolio companies will get local management support through HP Ventures Africa, which will have its office based at TechnoPark in Stellenbosch, and a constant exchange of information with its European partner Hasso Plattner Ventures Europe, which could also follow up funding across Europe through the German fund.

Close relationships with international VC industry

In addition, the funds have close relationships with the international venture capital industry and will provide unparalleled support in each continent for accelerating international exposure and growth for its portfolio companies.

She says Hasso Plattner Ventures Africa has strict investment requirements and will favour the best-managed early stage South African companies that embrace, create and use leading global technology trends.

“It is our goal to build world-class international companies which have the potential to be able to actively compete on the international market.

For more information, contact .

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