

# S'pore venture capital firm eyes NZ start-ups

By **EDNA KOH**  
FINANCE CORRESPONDENT

THINK New Zealand and images of pastoral land, rolling hills and woolly sheep spring to mind.

For Singapore venture capital company iGlobe Partners, however, it is the fertile hunting ground of another kind: technology start-ups.

It hopes to find privately held Kiwi companies to invest in, nurture and hopefully hit pay-dirt when these companies go public or are acquired at a premium over the original investment.

iGlobe Treasury Fund — a fund it has set up jointly with New Zealand's Treasury Merchant Finance — has NZ\$30 million (S\$30.6 million) in hand so far to start the ball rolling.

The capital, raised at the close of its first fund-raising exercise, came from a number of investors.

A third of it came from the New Zealand government through the Venture Investment Programme, which was started in 2001 to develop the country's venture capital in-

dustry. Other investors include TIF Ventures, a subsidiary of the Economic Development Board (EDB), and GreenDot Capital, a 100-percent unit of the Singapore Technologies Group.

That makes iGlobe Treasury Fund the first venture capital fund to have participation from both the Singapore and New Zealand governments.

The fund's co-managing partners, Mrs Koh Soo Boon and Mr Tony Bishop, hope to double the size of the fund to NZ\$60 million by the close of the second and final fund-raising exercise on Sept 30.

Explaining the choice of New Zealand as a place to groom technology start-ups, Mrs Koh says: "It's not something that's obvious. But if it's obvious, the game's over.

"A lot of people laugh at us, they say: 'Who wants to go to New Zealand, it's got more sheep than people.' Fortunately, EDB sees what we see. China indeed offers a lot of opportunities, but so does New Zealand."

For example, one little-known fact is that the technol-

ogy for home appliances made under the Fisher and Paykel brand is developed in New Zealand.

New Zealand has also developed cutting-edge technology for use in the media world, as seen in the blockbuster film *Lord of The Rings*.

But New Zealand has not made a name in technology, because although it is highly innovative, it lacks commercialisation know-how.

This is where the partnership between a New Zealand and Singapore venture capital company makes sense.

"New Zealand is a net importer of capital and has good ideas. Singapore has capital



*'A lot of people laugh at us, they say: 'Who wants to go to New Zealand, it's got more sheep than people.'...China offers a lot of opportunities, but so does New Zealand.'*

— iGlobe's Mrs Koh

and very good market networks.

"That created an ideal opportunity to use the strength of both countries," said Mr Bishop.

The mandate of the fund is to invest in New Zealand-based companies and help

them regionalise or globalise.

The hand-holding period before exiting the investment is typically five to seven years, and the venture capitalists hope that by then, the global economy would have picked up, and their investments paid off.