

# **MEDIA STATEMENT**

## **CHAIRMAN OF INNOVATION AUSTRALIA**

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5 November 2010

### **NEW VENTURE CAPITAL INVESTMENT A BOOST FOR INNOVATION**

Innovation Australia welcomes the Australian Government's announcement that \$80 million in venture capital will be provided to four new funds under the latest round of the Innovation Investment Fund.

"This investment will help ensure that great Australian ideas, research and innovation are developed for the benefit of the national economy," the chair of Innovation Australia, David Miles, AM, said today.

"It will assist in building innovative new businesses, develop skilled fund managers and further the growth of Australia's venture capital market."

The funding decision was based on Innovation Australia's recommendation following a rigorous assessment process.

The four successful fund managers announced by Innovation Minister Senator Kim Carr are Carnegie Venture Capital, MRCF, Southern Cross Venture Partners and Start-up Australia Ventures.

Each of the four funds will receive Australian Government funding of \$20 million. This will be matched by funding from private investors.

Mr Miles said venture capital investment was generally in companies with high-growth potential at the 'seed' and early stage of their development.

"By providing capital and expertise, venture capital fund managers are able to build and improve companies with the aim of increasing their value and providing returns to investors," Mr Miles said.

"Government programs such as the Innovation Investment Fund have been vital to the establishment and success of a number of funds supporting fledging new companies.

"They have enabled Australia to go from a virtually non-existent venture capital industry two decades ago to one that has several active managers with a proven track record and numerous successes."

Innovation Australia is an independent body made up of experts from across industry and business. It was established to assist with the administration of the Australian Government's innovation and venture capital programs.

It provides advice to Government on strategies to strengthen industry innovation and productivity in Australia.

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