

GEIF VENTURES LAUNCHES £2.5 MILLION INVESTMENT FUND

New fund boosts Business Angel investing power

A new investment fund, whose primary role is to match the investments made by Business Angels into early-stage companies, has been launched by Cambridge based company, GEIF Ventures (part of the NW Brown Group).

The £2.5 million fund, created with investment by the Small Business Service, will be able to mirror investments made by Business Angels into promising early stage businesses, up to a ceiling of £200,000, helping bridge the 'equity gap' faced by many young companies.

Although separate, the fund will operate alongside the Great Eastern Investment Forum, one of the country's foremost early-stage investment networks. Early-stage companies from England that both present to Forum members and attract investment will be considered for mirror funding from GEIF Ventures.

"This is a major step forward for the early-stage investment community," says Nigel Brown, Chairman of NW Brown Group, who adds: "In the current economic climate, Business Angels are playing a crucially important role in supporting entrepreneurship. However the present 'matchmaking' model, adopted by most UK Business Angel networks, does not mobilise the full power of angel investing.*"

"If investing through business angel networks is to thrive they must add more value to the investment process. Co-investing, as demonstrated by many American business angel groups, is by far and away the most powerful way to deliver this."

The new funding vehicle gives SMEs an additional injection of early-stage capital, ensuring that businesses have the cash to grow. Investors themselves will feel a greater level of security as their risk is shared and their investment power is increased, allowing them to spread their capital and add management skills to a larger portfolio of companies.

As access to the fund is achieved exclusively through the Great Eastern Investment Forum, new investors are welcome to join and access the GEIF dealflow, as well as to introduce investment opportunities of their own. Companies seeking early stage capital are also encouraged to apply for an introduction to GEIF investors and GEIF Ventures.

ENDS

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* American Business Angels invest between £15-25bn into early stage companies per annum, whereas their UK counterparts provide between £0.5 and £1bn out of which less than £50m is sourced through business angel networks. (Source: "Benchmarking business angels", report by EC, 2003)

Notes to editors:

For more information on GEIF Ventures, please contact Max Bautin at GEIF Ventures 01223 357131

To apply for membership or presentation at GEIF, please contact Marie-France Vincent, GEIF, 01223 467 296

For media enquiries, please contact Steve Greenhalgh at Profile Communications 01 223 236736.

Great Eastern Investment Forum www.geif.co.uk

GEIF is a leading UK business angels network strategically based in Cambridge. It is the fundamental link between early stage companies and business angels seeking quality investment opportunities. GEIF introductions, through regular company presentations and breakfast meetings, provide a secure and confidential business environment. GEIF website brings members all the latest investment opportunities and other relevant news.

Since GEIF was launched in 1995, its members have helped over 150 early stage companies to raise in excess of £20 million of investment and to strengthen their teams with invaluable management skills. Membership of GEIF includes private investors, corporate investors, venture capitalists and corporate advisers.

NW Brown Group www.nwbrown.co.uk

NW Brown Group was founded in Cambridge in 1974. It offers a comprehensive range of financial services to private and corporate clients throughout the eastern region and beyond. NW Brown Group services include:

- Investment Management
- Stockbroking
- Personal Financial Planning
- Corporate Pensions
- Employee Benefits
- Private and Commercial Insurance
- Venture Capital (First Cambridge Gateway Fund)
- Corporate Finance
- Great Eastern Investment Forum and GEIF Ventures

Small Business Service www.sbs.gov.uk

The Small Business Service (SBS) is an agency of the Department of Trade and Industry (DTI). It is dedicated to championing the interests of small business, with our work extending across Government. The SBS's purpose is to build an enterprise society in which all small businesses thrive and achieve their potential. The SBS vision is that, by 2005, the UK should be the best place in the world to set up and run a business and our aims are to:

- help all small businesses realise their potential, especially by minimising the burden of regulation;
- promote world class business support services to enhance the performance of small businesses;
- promote enterprise across society and particularly in under-represented and disadvantaged groups; and
- achieve the highest standards of service delivery and provide value for money.