



The Lightning Lab

New Zealand's Digital Accelerator

Startup 'acceleration' is where the urgency and energy of *The Amazing Race* meets the structure and rigor of business incubation, condensed into a 12-week timeframe.

At the end of it companies pitch to a room packed with investors and market partners (called Demo Day). Acceleration provides a structure that brings focused support at the right time for the business.

The core purpose of an accelerator is to prepare companies for investors. Its key activities are to identify and select high calibre teams and support them to validate a market opportunity, build a prototype or 'beta' product and win initial customers in order to secure first stage external investment, commonly referred to as angel or 'seed plus' investment.

It is also an internationally proven model for growing a strong entrepreneurial eco-system. It is a structure that enables investors and mentors to participate and grow great companies - but not carry the burden of the startup journey. It enables efficient support for seed stage startups.

Wellington's business incubator Creative HQ set up Lightning Lab in collaboration with a founding group of professional investors because:

- Over 60% of the companies we see are in the digital space and their sustainable success globally relies on swift and efficient execution of go-to-market strategy in the face of competitors with deeper pockets in larger better-connected markets;
- Acceleration provides a structure that keeps companies motivated, moving with pace, aiming high and going for it hammer and tongs!
- There is a need for a more efficient structured model for seed capital to build momentum and support in the early-stage venture space.
- We wanted to inject energy into New Zealand's entrepreneurial eco-system, and where better place to do it than Wellington, the capital of digital entrepreneurship.



Key points:

Seed Fund

- We fund teams not individuals (up to \$18k per team in exchange for 8% equity). In New Zealand most startups 'bootstrap', working part time on their ventures. Lightning Lab requires everyone working on the startup full time; this seed money allows dedicated focus to achieve the audacious goals set within the programme.
- The founding investors are : Phil McCaw, Dave Moskovitz and Stefan Korn, Marcel van den Assum, Trevor Dickinson and Evander Management.

Focus on Team

- We fund the people not the idea. There is a huge difference between that initial germ of an idea and the people that are actually able to take it forward and do something with it.
- We wrap dedicated resource around the teams in the form of technical and business interns who help the companies go even faster.
- Lightning Lab is based in Wellington, but is a national programme open to teams from throughout the country. Over time we will seek to attract international teams for whom being in New Zealand with its concentration of film and digital heavyweights is a major advantage. Overseas experience shows 9/10 expat companies relocate permanently.

Mentor-driven Model

- A pool of over 100 Lightning Lab mentors will wrap a powerful national and international network of expertise, experience and connections around the companies which will also help grow the ecosystem and energy around startups. A set of these will be local day-in day-out mentors, while others will be leading entrepreneurs from NZ and overseas flying in to inject energy and expertise.

Part of the Global Accelerator Network (GAN)

- Lightning Lab is a member of this exclusive network of 51 accelerators across six continents. We are the only New Zealand member and one of four in Australasia. GAN provides Lightning Lab with access to an incredible network of international investors and mentors.

www.globalacceleratornetwork.com

Public/Private Model

- Lightning Lab is investor-led with a founding set of angel investors providing venture backing and supporting funding from the Science and Innovation group within Ministry of Business, Innovation and Employment (MBIE) for the programme.

Timeline 2012-13

19 September	Applications open	4 February	First Day of the programme
1 October	Accelerator Driver announced	28 April	Last Day of the programme
5 December	Applications close 11.59pm	2 May	Lightning Lab Demo Day