

INTEQ Venture Fund

Seed Capital for Innovation and Technology

Managed by Caribbean
Development Capital Ltd
(DEVCAP) – a successful
Caribbean Fund Manager

What is INTEQ about?

- **INTEQ is about innovation and technology**
- **This new fund is designed for early stage investments in technologically innovative SME**
- **We invest in small ideas that will create fast-growing businesses**
 - **New approaches**
 - **New products**
 - **New processes**

Innovation & entrepreneurship

- **Innovation is the process of taking a new idea or concept and transforming it to work in the real world and realising its commercial value**
- **The importance of entrepreneurship is innovation – new ideas and new ways of doing business.**

We are looking for Ideas and Partnerships

- **Is it an innovation?**
- **What is the Realisable Value (RV)?**
- **Does the proposal meet INTEQ's criteria?**
- **Is there commitment to a Partnership?**

RV is the Present Value of expected future cash flows discounted at 15% to 20% over 5 to 15 years – depending on the economic life of the business.

The RV is determine by –You, us, our technical partners and independent professional firms.

Ideas

Investments will be made in activities and products that will generate additional profitability to cause a business to grow quickly

Commercial sale of a new or improved product

Commercial use of a new method of production

Introduction of a new form of business organization

New uses for existing products

New markets for existing products

New distribution channels

Partnerships

Investments will be made with entrepreneurs who can work with us as Partners to generate additional profitability to cause a business to grow quickly

Process improvements

Product development

Productivity enhancement

Innovative IT applications

Value chain profitability improvements in marketing, packaging and distribution

Application of new business service models in:

- **health**
- **education**
- **professional services**

Size of investments

Initially:
US\$ 5,000 to US\$ 50,000

Follow-on Investment

DEVCAP provides equity investment for expansion for successful early-stage projects

The INTEQ business model

INTEQ makes investments in order to maximise its overall portfolio return so that the Fund can be expanded to generate an adequate return to its investors

Decisions are made by an Investment Committee based on thorough assessments by professional staff and consultants

CRITERIA

1. Realisable value of the innovation
2. Entrepreneurship
3. Sound planning and execution skills
4. Probability of success
5. Expected returns

How it works

- In most cases, INTEQ will have 50/50 *partnerships* but could invest more than 50% of required seed capital - up to a maximum shareholding of US\$ 50,000
- In general, INTEQ will want 15% to 50% ownership for investing 15% to 67% of required seed capital

Growing of a business idea

- **Our technical partners help us evaluate innovation and technology and determine technical feasibility**
- **SME DevNet Ltd will co-ordinate and facilitate Business Development Services and Technical Services through a network of related service providers, resource agencies and private sector business associations to assist in developing and commercialising**

Technical Partners

INTEQ will work closely with technical Partners in enterprise development, Consultants, specialist agencies and private sector associations

- **IICA**
 - **Agro-industry**
- **CDE**
 - **Tourism & Manufacturing**
- **EDF**
 - **Micro-enterprises in the OECS**
- **CARIRI**
- **Other regional and international agencies**

Caribbean SME Development Network Ltd

SME DevNet was established to operate as a small private sector development bank that will provide, co-ordinate and facilitate Business

Development Services and Technical Services through a network of related service providers, resource agencies and private sector business associations

Countries

**Investments will be made in
Southern and Eastern
Caribbean countries**

- **OECS**
- **Guyana**
- **Suriname**
- **Barbados**
- **Trinidad and Tobago**

Fund Information

- Current Fund size: US\$ 500,000
- Maximum investment: US\$ 50,000
- Clientele: Companies with assets less than US\$ 400,000 at inception

Investors

- Caribbean SME Development Network Ltd
 - US\$ 150,000
- Caribbean Development Capital Ltd (DEVCAP)
 - Convertible Debt, Ordinary & Preference Shares
 - US\$ 350,000

Contacting INTEQ

- Personal references must be provided to INTEQ by a licensed financial institution or a professional legal or accounting firm in public practice or from an authorised government agency or official (*This is a legal requirement*)
- A brief outline of your innovation describing how it will be implemented and why it will be profitable – with any information you wish to share
- Do not provide data you regard as proprietary unless you have previously discussed this with INTEQ (*This is to protect the confidentiality of your information*)

Management

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