



# ICT Cape

Shining the spotlight on  
the evolving technology powerhouse



utilised and is no longer considering investment proposals. The six companies accepted into the initiative continue to be guided and managed by Upstarts and this will remain the case until such time as they reach maturity. Additionally, satellite offices at the University of Cape Town, University of Stellenbosch and University of Witwatersrand will also remain in operation. The continued link with universities underscores the *raison d'être* of the Upstarts programme – the forming of a bridge between places of innovation and the venture capital community.

### Knowing for growing

In addressing skills development and fostering an entrepreneurial culture throughout the region, projects such as the City of Cape Town's Kulisa ('to grow') project will see 130 previously-disadvantaged young people given theoretical and practical training in ICT skills. The training takes place over 12 months and is geared towards preparing young people for entry into the ICT market.

The tertiary education sector is also involved in driving the skills and culture necessary to maintain a thriving ICT hub in the Western Cape. The University of the Western Cape's 'Lifelong Learning' division offers prospective students a flexible learning environment in which they can undertake smaller periods of study and return at different stages of their careers while still gaining full accreditation for all units passed. This system allows students to sidestep the pressures (financial and otherwise) of full time study without having to completely abandon the opportunity to receive a useful education. The division offers ICT-related courses that can bolster non-technical students' skills: computer literacy, Web design and Java programming for non-programmers, among others.

On the other side of the city, the University of Cape Town's Centre for Innovation and Entrepreneurship offers academic and practical expertise through a variety of ICT

## Becoming a successful 'inventpreneur'

Julia Long – CEO:  
HBD Venture Capital



Most of us harbour daydreams of a nation of innovators just waiting to be let loose on the world. But it is very hard indeed for an inventor to become a successful entrepreneur – or the other way around. Yet still we cling to the notion that many of these people exist, easy to find, and easy to tap into. I call these elusive beings 'inventpreneurs'.

One of the biggest misconceptions that exist when it comes to innovation, creativity and entrepreneurship, is that it's strictly a matter of individuality. It's not – it's about teamwork. We South Africans are independent and strong-minded, but smart teamwork is the quickest, surest way to innovation.

The notion of a venture begins with an idea, imagined by an inventor, who believes that this idea will change the world. Off they go to a venture capitalist, to try and convince them to support their idea financially. Of course, being a creative inventor, they take with them copious notes and drawings to show the venture capitalist what it's all about. They ask for a significant amount of money, and offer an insignificant amount of equity in their fledgling, unproven business in return. But the fact is, their innovative idea is not enough. It needs a carefully

thought out budget, a sound business plan, and a team.

Of course, this all assumes that the inventor actually meets the venture capitalist in the first place. Unfortunately, what usually happens is that the inventor bounces their idea off people they know and trust, and whose opinions they value. And these people respond by asking them what on earth they are thinking wasting time on an idea that has 'probably already been done'. "Don't give up your reliable day job!" they cry.

So how are these obstacles overcome? How can you ensure that your idea gets the attention it deserves? There are some simple suggestions that, although difficult to implement, can go a long way towards helping inventors achieve their burning ambitions.

- **Irrational belief:** I should always follow the advice of my friends.

**Sensible approach:** Ask yourself if your friends are appropriate advisors. Do they represent the target market for your product or services? If not, accept that their advice and opinions are not necessarily relevant.

- **Irrational belief:** If I fail trying to start my own business, I'm a failure.

*One of the biggest misconceptions about innovation, creativity and entrepreneurship is that it's a matter of individuality*

**Sensible approach:** On the contrary, rather accept that you have learnt invaluable lessons which will give you an advantage in your next venture.

- **Irrational belief:** Someone will steal my idea.

**Sensible approach:** This does happen, but how good is your barrier to entry if your idea is so easy to steal? Rather than keeping secrets, focus on creating competitive advantages.

- **Irrational belief:** I must do this on my own.

**Sensible approach:** Venture capitalists invest in teams, not ideas. Leverage your networks to help you build the right team, with skills that complement your own.

- **Irrational belief:** 100% of the pie is first prize.

**Sensible approach:** If your idea is scalable, a smaller slice of a bigger pie often makes sense. Go for 'smart money', investors who, through their networks and expertise, can help you increase the value of your business exponentially.

And don't forget, a lifelong dream is achieved one day at a time...