

Launch Of Lanka Angel Network



As all entrepreneurs know, the capital input and mentorship of an angel investor can mean the difference between success and failure in today's competitive marketplace of ideas. The pooling together of the resources and experiences of these angel investors into cohesive networks has been seen over the past few years around the world. And now, Sri Lanka too has its very own Lanka Angel Network (LAN).

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The Lanka Angel Network was launched to fill a gap in our business community. “We are seeing the dynamic rise of companies and entrepreneurs in Sri Lanka, with over 600 new companies a month,” said Mafaz Ishaq, Director, Calamander Capital and a member of the LAN Core Team. “From the end of the war you are seeing people coming forward with new ideas, following their dreams to start a new company. And we're here to help,” he added.

“Sri Lanka has been lacking an entrepreneurship ecosystem, especially in the

areas of capital sourcing and angel investing, which were hard to come by,” said Prajeeth Balasubramaniam, Managing Director of Blue Ocean Ventures who is leading the LAN initiative. “LAN aims to solve that problem and to take the Sri Lankan business environment to the next level” he said.

The Lanka Angel Network was born out of Venture Engine 2012, a project that aimed at creating opportunities for Sri Lankan entrepreneurs. Conceptualised by Blue Ocean Ventures and the Indian Angel Network, the project created a platform for entrepreneurs to pitch directly to potential investors while also providing comprehensive mentoring for the selected businesses. LAN takes forward this pioneering effort of Venture Engine, creating an ongoing platform.

Many entrepreneurs with great ideas lack the guidance and know-how on how to get going with their start-up. “If you read about start-ups, you will see that a lot of the success has been from mentorship. Mentors can tell you what are the pitfalls going forward, and you can learn from people who have had experience in this area,” said Ishaq. Angel investors are also, importantly, a source of financing to young start-ups. As the LAN team pointed out, there is a process of funding requirements, a complete financing life cycle from the discovery of an idea up to manufacturing and delivery. And many entrepreneurs stumble at this point, due to lack of adequate financing and lack of access to sources of credit. This is where LAN steps in - they have identified key challenges that entrepreneurs face at each stage of their business life cycle, and LAN aims to assist them in overcoming those obstacles and accelerate their business to the next level via access to potential investors and mentors in various disciplines.

The Lanka Angel Network comprises of individual investors, venture capital funds and corporate sponsorship representatives. “We are a group of individual investors who are passionate, able and willing to mentor entrepreneurs,” said Ishaq. The processes and procedures set out in LAN will facilitate the investors to act together as a group, lowering risk and providing an easy exit as the company matures. The network will also set ethical practices, which will govern investor behaviour and protect the entrepreneur.

LAN has already begun the process of mentoring and investing in entrepreneurs, and their initial venture has spawned nine super entrepreneurs in various fields who have already started their companies or are in the process of doing so. “We

have given them mentoring sessions over a period of time, had one-on-one discussions and we also continue to support them as they navigate the process of setting up their companies,” said Balasubramaniam.

