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DISRUPTIVE INNOVATION INCUBATOR FUND LAUNCHED TO ENHANCE SINGAPORE'S ENTREPRENEURIAL ECOSYSTEM

- *New incubator fund for early-stage startup companies that have high potential for disrupting existing markets and creating new ones*
- *This fund leverages the research of Professor Clayton Christensen, a widely-recognised authority on disruptive innovations*

1. Innosight Ventures Pte. Ltd. (Innosight Ventures), a Singapore-based venture capital firm and the National Research Foundation (NRF) announced the launch of a new incubator fund for early-stage startup companies that have high potential for disrupting existing markets and creating new ones. Called the IDEAS (Incubator for Disruptive Enterprise And Start-ups) Fund, this fund leverages the research of Professor Clayton Christensen, a widely-recognised authority on the topic of disruptive innovation. Professor Christensen will be the chairman of the Fund's investment committee.

2. Professor Christensen commented on the newly established IDEAS Fund: "We can learn much from the patterns of disruptive innovations that have redefined industries and created new ones. The IDEAS Fund incubator will apply the theories of innovation that we have developed through decades of research, to identify high potential startup companies and help nurture them to success. We are very pleased to be collaborating with the Singapore government to create this disruptive innovation incubator, which will strengthen the local entrepreneurial ecosystem and further enhance Singapore's impressive economic growth."

3. The research of Professor Christensen, as published in *The Innovators Dilemma* and other books, has shown that startups have a significantly higher chance of success when they follow strategies that are consistent with "disruptive innovation". The IDEAS Fund will screen startups according to their disruptive innovation potential, and will

leverage the disruptive innovation framework to guide companies through their early stages. IDEAS Fund plans to incubate 25 startup companies over the next 3 years.

4. “We are pleased to be working with Singapore’s National Research Foundation, as well as the institutes of higher learning such as National University of Singapore, Nanyang Technological University, and the polytechnics, to establish this unique disruptive innovation incubator,” said Mr. Pete Bonee, Partner at Innosight Ventures. “The IDEAS Fund is the first early-stage venture fund in the world to focus exclusively on Disruptive Innovation principles as the core of its investment thesis. Our goal is to demonstrate that this approach leads to successful companies and superior financial returns. We believe that among the early-stage Singaporean companies that we incubate, some of tomorrow’s industry leaders will emerge.”

5. Dr Francis Yeoh, Chief Executive Officer of NRF, said: “To develop a dynamic economy with a vibrant entrepreneurial sector, we need to make innovation a pervasive culture. The IDEAS Fund aims to do just that by giving early-stage start-up companies that have high potential for disrupting existing markets and creating new ones a head-start in the competitive R&D environment. We are pleased to be able to work with Prof Christensen, the chief proponent of disruptive innovation, through this fund.”

6. IDEAS Fund is an initiative under the National Framework for Innovation and Enterprise (NFIE) ¹, announced by Singapore’s Prime Minister in March 2008, to spur the formation of start-up companies. IDEAS Fund started operations in February 2009 and has already made its first investment in a Singapore-based company called Versonic, which is developing a line of audio mixing products with unique capabilities. The IDEAS Fund is managed by Innosight Ventures and receives financial backing from the NRF.

7. Singapore-based startup companies interested in learning more about IDEAS Fund can contact Mr Pete Bonee, Partner at Innosight Ventures, at www.innosightventures.com.

¹ The National Framework for Innovation and Enterprise (NFIE) builds on the strong R&D foundation established through earlier investments in R&D to develop innovation and enterprise in Singapore. A key focus of the framework is on developing academic entrepreneurship in the institutes of higher learning (universities and polytechnics). A sum of S\$360 million over five years (2008 – 2012) has been allocated to fund the initiatives under the NFIE.

For more information on the NFIE, refer to:

[http://www.nrf.gov.sg/nrf/uploadedFiles/News_and_Events/RIEC%20Press%20Release%20%20\(FINAL\).pdf](http://www.nrf.gov.sg/nrf/uploadedFiles/News_and_Events/RIEC%20Press%20Release%20%20(FINAL).pdf)

About Innosight Ventures

Innosight Ventures Pte. Ltd. is a Singapore based venture capital firm that leverages the principles of Disruptive Innovation to create, fund and shape ventures that have the potential to change industries and become tomorrow's leading companies. The firm's work is inspired by the research of Professor Clayton Christensen, a world renowned authority on the subject of innovation. Innosight Ventures has offices in Singapore, India, and United States. For more information please visit www.innosightventures.com.

About the National Research Foundation (NRF)

The National Research Foundation (NRF), set up on 1 January 2006, is a department under the Prime Minister's Office.

The NRF sets the national direction for research and development (R&D) by developing policies, plans and strategies for research, innovation and enterprise, funds strategic initiatives, builds up R&D capabilities and capacities through nurturing indigenous talent and attracting foreign talent, and coordinates the research agenda of different agencies to transform Singapore into a knowledge-intensive, innovative and entrepreneurial economy. It provides secretariat support to the Research, Innovation and Enterprise Council (RIEC), chaired by the Prime Minister. A five-year budget of S\$5 billion has been allocated to the NRF in 2006 to achieve this mission.

The NRF aims to:

- Transform Singapore into a vibrant R&D hub that contributes towards a knowledge-intensive, innovative and entrepreneurial economy; and
- Make Singapore a talent magnet for scientific and innovation excellence.

For more information, please visit www.nrf.gov.sg.
