

VC Funds – A new generation is coming

New and larger venture capital funds from Swiss-based managers have been a rare sight for many years. But now several managers have launched new funds or announced plans for imminent fundraising – and among them are new offers.

Now they are here: new and larger managed funds from Switzerland that have started their investment activities over the last two years. These include Lakestar Advisors with € 350m, Endeavour Vision (€ 250m), BioMedPartners (final closing between CHF 120m and CHF 150m) and Redalpine Venture Partners (about CHF 100m). Other fund closings include btov Partners, MTIP MedTech Innovation Partners, Nextech Invest and Polytech Ecosystem Ventures. The teams at Bellevue Asset Management and Creathor Ventures are also fundraising, while Aravis and Swisscom Ventures have made their intentions known.

These activities are a very welcome development for the continued growth of the Swiss ecosystem, and for the investor they signal widening opportunities in the investment universe.

The Swiss venture capital (VC) market has gained in size in terms of invested capital and in terms of sector diversity in recent years. In addition to life sciences with its long-standing tradition, the ICT sector and new business models in the field of fintech are also becoming a driving force.

Investing after the exit

And a variety of corporate sales have taken place in recent years: successful entrepreneurs have continued to establish new start-ups or have become active on the investment side.

New fund managers are maturing and the funds of existing managers growing in size. The fund closings confirm this trend, in particular with established fund managers with a proven track record and with new teams of experienced professionals on the corporate or investment side. Just as start-ups do not thrive overnight, development of fund managers takes time too.

The VC market went through a wave of disillusionment in the first decade of the new millennium and a consolidation among managers took place. Now a network of experienced investment specialists is developing, favoured by the market situation.

This pleasing situation has not gone unnoticed abroad. The quality of Swiss start-ups and the maturing ecosystem as a whole has lured foreign VC managers such as Versant Ventures and Bay City Capital from the US to Basel, and last year UK-based Rewired moved to Lausanne.

Rewired is focusing its activities on a new generation of smart robotics and has announced the launch of a \$ 100m fund.

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