

Investors say: “Good teams never become out of date...”

It is commonly thought that in the Balkan region future entrepreneurs do not lack of ideas but of funds...

In fact, several Accelerators have funds to invest in the region, also almost every country in this area has an Angel Network and a couple of Venture Capital Funds also are active in the Balkans. At a closer look we can notice that the region does not lack of funds, should we think the opposite also for the idea part of the statement?

In less than 8 months, a Venture Fund comes in Albania twice, [this time to invest](#). During the Global Entrepreneurship Week in November, a week full of activities to support the entrepreneurship ecosystem all over the globe, and Tirana as well, for two days you could have met them at Oficina. The team of three, led by Mrs. Tatiana Zbasu, the Managing Partner of South Central Ventures, supported also by Swiss EP, met with several actors and listened the pitches of 11+ startups. During one of the breaks, Mrs. Zbasu was very kind to give an interview.

▪ Can you describe South Central Ventures in 50 or less words?

SCV is a team of professionals managing the largest early stage fund in the Balkans, Enterprise Innovation Fund. The fund has been operating since early September 2015, and is focusing on tech companies with high growth potential, coming from the Balkans. We are a team of 9, operating from their offices in Zagreb, Belgrade and Skopje. The core team has been active in VC investing for more than 10 years, and during this time we gained valuable experience and knowledge of the start-up ecosystems in the region.

▪ How can Albanian Entrepreneurs benefit from SCV Fund?

Albania is one of the seven countries SCV focuses on, and although we do not have an office here, we are trying to do our best to screen the Albanian start-ups and promote the fund among them. We are primarily looking for early and early growths stage investment opportunities, but also have an allocation for seed investments. There is no specific procedure for raising funds from SCV; start-ups

just need to get in touch with us and present what they are doing. If we find a business interesting, we'll definitely get back to them and discuss the opportunity further. For a start-up, getting an investment should bring more than just money - access to our network of investors, entrepreneurs, potential partners... We can in some cases "open the door" to larger established companies, and help young teams with our experience and knowledge.

- **What kind of Startups is SCV looking to invest in?**

We are focused on tech companies, in its widest definition. Nowadays, most of the industries are changing due to new technologies, and we are looking for companies that know how to apply novelties in a variety of areas - from agriculture to medical products. What we need to see is the potential to grow, thus we are seeking teams with global aspirations, the ones that look beyond the borders of their country and its immediate neighbors. We want to help start-ups to expand in new markets and grow, so what we are looking for are interesting, scalable products/services developed by good teams, which are operating in growing, potentially large markets. We look for teams that can "make it big".

- **What does it take for a Startup Team to impress you? What are the things you do look in these teams?**

Well, first they need to convince us that they know what they are doing and why they are doing it. Solving a big pain of a group of people, or creating an opportunity to improve the way things are done or general well-being of people. They need to present the opportunity for growth and explain why they are the ones who will seize it and win the market. We need to see the determination, passion and persistence, as we all know a life of an entrepreneur is often times not easy, and there are ups and downs to be persevered. Without passion and persistence, that is very hard. Plus of course experience, domain knowledge...

- **Except of the financial part, what other perks can a startup team get from an investment of SCV?**

For one thing, raising an investment means you've managed to convince a group of people that there is potential and that you are the ones taking advantage of this potential. This may help you with building trust with your partners, clients, people you'd like to see on your team... It sorts of contributes to your credibility. It gives you access to a wider network - of investors, potential customers, maybe an

investor can help you get a meeting with a large company you otherwise wouldn't have the access to. Through the network, also the pool of knowledge you can tap into is much larger, which can be really important and beneficiary in any stage, but particularly in the early stage, when most likely your team is not complete and there are "holes" you need to fill. Also, sometimes it may be just good to have someone monitoring your startup more objectively; as your business is "your baby" you tend to see things differently than someone who looks at it with less emotion. Not to mention that when deciding between different options, you can discuss possibilities with someone who has probably seen companies in a situation similar to yours and may be able to give you a good advice.

- **Comparing the two concepts that often are misunderstood in our region, Idea/Product and Team, which one is the most important based on an investor point of view?**

They are both important, although I'd say we pay a bit more attention to the team. A great team can always improve the product or pivot it or adapt to the changes in the market. Every product needs to be sold at some point if you want to make a good business, and even if the product is not perfect, a good team will be able to get some value from it. In the contrary, you may have a perfect product, but if you are not addressing the right customer segment in a right way, or if you have no one to sell it, it will be difficult to win. Plus, the product if not developed further and tailored to market needs may become obsolete. Good teams never become obsolete...

- **What advice would you give to a first-time entrepreneur or a young startup?**

Once you define what and why you want to achieve, get the market feedback as soon as possible. Adjust based on that feedback and then work hard to "make it happen". It sounds very simple, but we all know it is not.

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