

Are you Biz Savvy?

Click here for real-life strategies for building business

This Week



This Week's News

Editorials & Opinions

Biz Savvy

Career Centre*NEW

Find a Job

Post a Job

For the Record

People on the Move

Who's Getting Sued

Judgments

Hats Off

Incorporations

Contracts

Special Publications

Book of Lists

Ottawa Tech Guide

BOMA Space Directory

Ottawa HR

Meeting in the Capital

Special Events

CEO of the Year

Forty Under 40

News Story

Waitman to give insight into VC climate at next OCRI breakfast

By Leo Valiquette, Ottawa Business Journal Staff
Tue, Nov 22, 2005 12:00 PM EST

Venture capitalist Andrew Waitman is enthusiastic about the emerging recovery of the technology sector and sees no reason to be apologetic about it.

The managing partner of Terry Matthews' Celtic House Venture Partners has a sound basis for his optimism. In March, Celtic close its third fund, which ranked as the largest private-independent venture capital fund ever raised in Canada at US\$225 million.

"Your clearly seeing sentiment improving," he told the OBJ last week. "I'm talking people putting money into venture."

Worthy of note was the calibre of the Canadian and international investors that have committed to the fund. Many of the fund's portfolio companies are already generating revenue and connecting with customers. This is in stark contrast to many of the startups that swallowed huge sums of money with little return during the free-spending days of the last boom.

Mr. Waitman will speak about the challenges of raising money internationally and what VCs are looking for in a portfolio company at OCRI's next Technology Executive Breakfast at the Corel Centre on Thursday, Nov. 24. His presentation is titled, Lessons Learned from a Successful Fundraising and Portfolio Investment.

Mr. Waitman said the period during which Celtic's third fund was raised, August 2004 to March 2005, straddled the final days of the slump and the beginning of the recovery. During this period, he noted a significant improvement in optimism among market participants – an improvement that has only continued to build momentum since the spring.

"I think it's kind of 1996 again," he said, adding that, "history doesn't repeat itself, but it does rhyme."

A market recovery all boils down to psychology – how willing people are to part with their money to either invest in, or purchase, new products and technologies. Spending spurs economic activity and once the market is confident enough to open up the purse strings, growth will follow. While he believes Ottawa is about a year behind Silicon Valley in enjoying the benefits of this recovery, it won't be playing catch up for much longer.



GET EMAIL UPDATES

BUSINESS CALENDAR

workopolis.com
CANADA'S BIGGEST JOB SITE

= Total Recruitment Solution

Business Matters



Sarbanes-Oxley is not just for public companies

Sean Caulfeild

Perley-Robertson Hill & McDougall LLP



Walking You Through the Maze of Long-Term Disability Insurance

Najma Rashid

Howard Yegendorf & Associates



The Canadian Employment Embarrassment

Bill Caswell

Career Coaching International



Avoiding the tax and accounting pitfalls

Larry Greer

Ernst & Young LLP



Home Renovation: How to "Make it Right"?

Marcia Green

BrazeauSeller.LLP



"Bundling" Your Company's Cross Border Transactions

Albert Aufleger

KPMG LLP



SCC Rules on the Application of the GAAR

Greg Bell, CA

KPMG LLP

Reader Poll

Where were you (career wise) when the OBJ first hit the streets in September 1995?

In school

Standing in the job fair line for the Palladium (Corel Centre)

Working in the tech sector with dollar signs in my eyes

In much the same place that I am now – what a scary thought!

In much the same place that I am now – how lucky I am!

In a place that seems a world away from where I am now.

185 votes since Nov 21, 09:20 am
Results | Polls

A self-confessed fan of Terry Matthews, Mr. Waitman pointed to the tech magnate as an example of the qualities needed for a company to have not only survived the slump, but to have emerged strong enough to take advantage of new market opportunities and attract fresh investment.

First and foremost he cited Mr. Matthews persistence and constant experimentation, along with his insight into the industries with which he is familiar to anticipate future market demands and develop the right products at the right time. But even for the Terry Matthews of the world, he admitted, there is no small amount of luck involved. In keeping with the season, Mr. Waitman used hockey as an analogy, saying that it is a random game in which the only way to score is to stay on the ice and keep shooting for the goal.

But the big question remains – with such an optimistic outlook, is the market not susceptible to losing its head again?

Mr. Waitman acknowledged that there is always "a risk of people getting silly again," but believes there has been enough shake up in the market to ensure common sense rules the day. He cited the turnover at big U.S. VCs such as Kodiak Venture Partners and the consolidation on this side of the border among labour-sponsored funds. The surviving management in charge of the purse strings, he believes, are a somewhat more conservative group than before. He doubts we will see very many deals of \$100 million or above since the "size of the potential return doesn't warrant it" in the majority of cases.

He does draw the comparison between the 1996 to 1999 period and the remainder of this decade. But where the late 1990s was all about hyping the integration of telecom and Internet, he believes the next few years will be about delivering on that promise.

To learn more about the TEB, please visit www.ocri.ca/events/teb.html

 [Email Story to a Friend](#)

 [Printer Friendly Version](#)

* To print this page, click on the "Printer Friendly Version" link above. When the new window opens, right-click with your mouse in the new window and select "Print".

[Home](#) | [Contact Us](#) | [About Us](#) | [Discussion Boards](#) | [Email News Updates](#) | [Privacy Policy](#)

All reproduction and distribution rights reserved - Web development by Atomic Motion



[Click here for Business Matters archive articles](#)

Special Projects

