

WDB, Grovest buy stakes in Seed Engine

WDB Investment Holdings (WDB) and venture capital company Grovest have taken 30% and 27,5% stakes respectively in ICT accelerator Seed Engine (incorporating Seed Academy) to develop entrepreneurial businesses.



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Faith Khanyile, CEO of WDB, says its investment brings together a common concern that these organisations are working to address, the transformation of South Africa's economy by developing sustainable entrepreneurial businesses.

"We needed a strategic partner that would instantly allow us to scale up our efforts around entrepreneurship in SA, especially amongst women. Seed Engine was one of the first ICT accelerators in this country, and this dynamic for-profit social enterprise is now supporting the entire entrepreneurial ecosystem from startup through to supplier."

Investing in the future

Donna Rachelson, CEO of Seed Engine and Seed Academy, says entrepreneurs are the job creators of the future and these investments have created strategic partnerships that will amplify their training, support and funding mechanisms at every stage of the entrepreneurial lifecycle. "It will help unlock well-known barriers the small business sector faces, like access to markets and access to funding.

She continued: "Incubation is not producing the results SA needs and entrepreneurs are battling to build and scale their

businesses and create jobs. We take a fresh look at our entrepreneurial system and make quick, sustainable changes that result in jobs, wealth and certainty. Through the WDB and Grovest we will be able to tap into corporate and government relationships and networks that will help Seed Engine reach deeper into the communities and sectors that need the most urgent support.”

“The BEE deals of the past are no longer relevant. We want to create genuine mechanisms to expand SA’s ‘missing middle’. There is no doubt, that the investment by a black-owned entity focused on impact investments will cement Seed Academy’s position in enterprise and supplier development in South Africa.”

Female entrepreneurship

Khanyile says that the WDB’s 25-year track record is aligned with the future vision of Seed Engine. “Our investment is likely to increase to 51% and as a women’s company, we have an appropriate bias towards empowering female entrepreneurs and being a meaningful active investor. The partnership serves both the business and social agenda of WDB.”

“Many people in South Africa were not raised in an entrepreneurial environment in which they were encouraged to take an idea and grow a business,” says Khanyile. “More than ever before, there is an urgency for young South Africans and female entrepreneurs in particular to be assisted in taking their ideas forward and build businesses. Our young people need jobs, and we need to help them create jobs for themselves, their families, and their communities.”

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