ORANGE AND PUBLICIS GROUPE ANNOUNCE THE CREATION OF IRISNEXT

One of the biggest multi-corporate venture capital funds in Europe

On the occasion of today’s Franco-German conference on digital at the Elysée Palace, Stéphane Richard (Chairman and CEO of Orange), Maurice Lévy (Chairman and CEO of Publicis Groupe), and Gerhard Cromme (acting in a private capacity), have signed a letter of intent with a view to creating a European multi-corporate venture capital fund on a global scale.

The goal of this new fund, named IrisNext, is to become one of Europe’s leading venture capital funds through funding from major international groups of French, German and international origins, as well as from institutional investors.

IrisNext will mainly invest in European start-ups to help fund their growth, not just in the early stages but all throughout the phases of growth. The fund will focus its investments in entities involved in all aspects of corporate digital transformation. Among the start-ups concerned, IrisNext will be funding pure players, but also new business models built around digital technology, as well as new tools and technologies taking on the challenge of this transformation (e.g. big data, cloud, artificial intelligence, digital innovations, robots, etc.). The fund will be managed by Iris Capital, assisted by German VC fund Capnamic, with an initial closing scheduled in 2016.

To ensure the success of this venture, Publicis Groupe and Orange have committed to provide additional funding of 75M€ each. With the support of Gerhard Cromme, who has joined this project in a personal capacity and will sit on the Supervisory Board of Iris Capital, they will use their networks and influence to convince other German, French and European groups to invest in IrisNext, in order to endow the fund with the required dimension while optimizing opportunities for European start-ups. Institutional investors will also be invited to invest. Furthermore, public bodies in the field of corporate financing in France and Germany will also be solicited for additional funding to ensure the fund reaches the critical mass it needs.

In view of the very active presence of the large Anglo-Saxon and Asian venture capital funds, the parties involved in this agreement consider it indispensable to leverage the Franco-German axis in order to bolster the European venture capital sufficiently for it to support start-ups, particularly in the later stages of growth, and in doing so, to help anchor them in Europe.
The IrisNext project is a follow-up to the Orange Publicis Ventures funds which were launched in 2012 and contributed some 300M€ to the funding of the French and European digital ecosystem. These funds, which are also managed by Iris Capital, have helped promote the emergence of an innovative, multi-corporate investment model that is mutually beneficial to both parties: the start-ups receiving funding and the groups who learn from these innovations. Close to 60 start-ups have received funding from Orange Publicis Ventures, including very promising firms such as Netatmo in the IoT (Internet of Things), Talend (software), Scality (high capacity storage), Adjust (mobile analytics) and Mister Auto (e-commerce).