

Jordan and US link up to spur technology entrepreneurs

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Venture capitalists in Jordan have joined forces with the US government to launch a new seed-capital fund to spur development among the country's technology entrepreneurs. Dubbed the Oasis 500, the scheme has been set up to help establish at least 500 internet businesses over the next five years, said Usama Fayyad, the fund's executive chairman and a former Yahoo chief data officer.

"We need to start changing the culture so we get a lot more start-ups," Mr Fayyad said. "We need to create an environment that allows these start-ups to get funded and prosper and change the culture by doing something dramatic ? for a country like Jordan, this is huge." The Oasis 500 fund will be the regional partner of the Global Technology and Innovation Fund, an initiative led by the US President Barack Obama that aims to forge entrepreneurial exchanges with Muslim nations to improve ties with the US.

"Since innovation is central to entrepreneurship, we are creating new exchanges for science teachers, we are forging new partnerships in which high-tech leaders from Silicon Valley will share their expertise," Mr Obama said in a keynote speech at the presidential summit on entrepreneurship in Washington last month. Mr Fayyad said the fund was a result of the acquisition of Maktoob, the Dubai-based online portal, by Yahoo for \$164 million (Dh602.3m) last year, as it inspired regional entrepreneurs to look further afield than property or oil sectors.

He said the fund had about \$5m that was invested by King Abdullah of Jordan, and several local corporations. It has plans to grow to at least \$50m. It will also receive backing from the US government fund, which has an initial investment base of \$50m. The fund will contribute about \$50,000 in an angel investment to a new start-up business following a "boot camp" seminar, where entrepreneurs will learn how to write a business plan and pitch to investors. Also being planned is an angel network aimed at connecting Arab investors with local start-up businesses.

"This is the way to influence the region in a very positive sense," Mr Fayyad said. "If we could change the culture and psyche of both the investors and entrepreneurs of how failure is dealt with and change it into an opportunity to learn." Emile Cubeisy, the managing director of IV Holdings and a board director at the Oasis 500, said the goal was to have businesses emerge from the fund's boot camp with a working prototype after just three months.

"With the venture capital industry growth, the ability to get more entrepreneurs into an investment cycle becomes more critical," Mr Cubeisy said. "But there is a gap in providing the initial funding to get entrepreneurs up and running where they can be in a position where they can test their ideas and convert into a business." dgeorgecosh@thenational.ae