

Early-stage transactions include start-up/seed and early-stage equity investments. Start-up/seed financing is provided to companies for use in product development and initial marketing. Companies may be in the process of being set up or may have been in business for a short time, but have not sold their product commercially. Early-stage financing allows companies which have completed the product development stage and require further funds to initiate commercial manufacturing and sales. They may not yet be generating any revenues.

ElectroPS receives backing from 360° Capital

Investors

Venture house 360° Capital Partners has agreed to provide total funding of up to €5m to energy sector business Electro Power Systems (Electro PS) in return for a minority stake. The current plan is to provide the capital in two stages; the first instalment will be of €2m and a further round, forecast to close in a year's time, will total €2.5m. Around €500,000 of the second instalment should be syndicated with another backer, yet to be announced.

The business opportunity was sourced directly via the contact of the venture house team with entrepreneur Adriano Marconetto, founder of Electro PS. Marconetto had previously successfully established online music business Vitaminic and renewable energy player Pianeta and was looking for extra backing for yet another investment. The 360° team had been following his activities and approached him as a financial partner.

It was said that the deal took around eight weeks to complete, in which a thorough due diligence process had to be undertaken, given the number of companies that failed to introduce financially viable power generation systems in the past. According to the investors, cost effectiveness was the main attraction of the company's products, as well as the expertise of its managers. The business plan for this stage of ElectroPS' development will involve the improvement of its commercial and exporting capabilities. The company is aiming to prepare its first IPO within two to three years.

Company

Electro PS was founded at Turin-based incubator I3P in 2005. Nowadays, as an independent company, it employs around 30 in the project and manufacturing of power generators using fuel cell technology. These products are environment-friendly, silent and cost-effective, providing a scalable use of energy to applications in a number of sectors. The company has provided samples of its equipment to telecom corporations in Italy and across Europe and should kickstart its operations by closing large contracts in due course. In 2005, Electro PS has won the Italian Innovation Prize of the most innovative company out of 800 participants. The company's turnover is currently less than €1m.

People

Diana Saraceni led the investment for 360° Capital Partners.

ITALY

EARLY-STAGE

Electro Power Systems

Location	Turin
Sector	Electrical components & equipment
Founded	2005
Turnover	<€1m
Staff	c30

SPAIN