

## Scaling up for entrepreneurial women

PUBLISHED: 03 Jul 2013 PRINT EDITION: 04 Jul 2013

Gift Article:  100



After building up a chain of women's gyms, Diana Williams is now getting in behind women-only investment. **Photo: Josh Robenstone**

### Jessica Gardner

Diana Williams surprised the local fitness industry in 1989 by establishing a chain of gyms just for women. Now the Fernwood Fitness founder and managing director is applying her women-only philosophy to investing.

Ms Williams has signed up as a member of Scale Investors, a network which encourages women to invest in early-stage companies. The organisation will be part educational, warning potential angel investors of the dangers of the sometimes-risky assets, and part investor syndicate, facilitating introductions to start-up companies looking for capital to grow.

As well as encouraging experienced businesswomen like Ms Williams to invest, Scale will focus on companies with female founders or female management, the group's chief executive officer Laura McKenzie said.

Ms Williams said although she has investments in shares and property, it had never occurred to her to spread her wealth into angel investments. "But I love the idea that it's put together by women for women," she said.

"When I heard about Scale, I was quite impressed with the opportunity not just as an investor, but the opportunity that it will offer up-and-coming entrepreneurial women. I wish it had been around when I was starting up Fernwood all those years ago."

The organisation has received \$600,000 from the Victorian government to cover running costs for the first three years. It has been set up by prominent business women including Ernst & Young Melbourne managing partner Annette Kimmitt, Stockland director Carol Schwartz, former Transurban director Susan Oliver and Ms McKenzie, a former partner at fund Starfish Ventures. This line-up will be crucial when it comes to tapping the pockets of wealthy networks.

Ms Schwartz she had been reading "about the greater success that entrepreneurial teams led by women are having in raising capital. I think the role that women as investors are having is crucial to this".

Ms McKenzie said women were under-represented in investing and capital markets. "Even though women start more than 50 per cent of companies, they receive less than 10 per cent of venture or angel funding," she said. "Part of the

reason is that women seek investment from other women.”

Ms Williams is the first of 20 members that Ms McKenzie hopes to have signed up by September. Investors must have more than \$1 million in assets other than their house and earn more than \$250,000.

Scale will not invest in companies directly, but Ms McKenzie said she hoped the new network would lead to the establishment of a female-focused fund.

“We certainly intend to have a [fund] of minimum \$20 million up and running within two years,” she said. “We’re getting a lot of encouragement to do it more quickly.”

The Australian Financial Review



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