

From the Puget Sound Business Journal:

<http://www.bizjournals.com/seattle/blog/techflash/2016/10/fund-local-voyager-capital-investment-scores-wins.html>

Seattle TechFlash

Fund local? Voyager Capital Investment scores wins wherever it can

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Oct 28, 2016, 2:00am PDT

Voyager Capital’s investment philosophy is to go where the money goes.

The Seattle-based venture firm has offices in Seattle, Portland and Silicon Valley. While some in the Puget Sound technology community argue local firms should invest time and money in growing local companies, Voyager’s leaders believe the firm can be most useful to the region by scoring wins wherever they are.

“The world is flat,” Voyager co-founder Erik Benson said, “and the money will flow where the entrepreneurs are.”

Founded 18 years ago, Voyager has more than \$420 million under management and is one of the region’s top venture firms. Voyager is the most active venture investor in Portland, where the firm has closed 10 deals in the past decade.

A recent Puget Sound Business Journal cover story [explored whether local companies suffer when Seattle-based venture firms invest less locally.](#)

The region’s most active firm – Madrona Venture Group – invested in 35 companies last year, including 30 in the Seattle area. [Ignition Partners](#), the largest venture firm in the area, closed 21 deals, including six in the region. Ignition said its investments are typically split evenly between Seattle and Silicon Valley.

Voyager in the past year invested in three Seattle companies and one Portland company. Benson said his firm’s philosophy is to invest in early-stage companies, typically in big data or cloud computing and always in enterprise, in the first round of institutional capital.

A Voyager partner is generally among the first people on a portfolio company’s board and, most often, the board is formed around a Voyager investment. The firm plays an active role in growing the young companies by forming leadership teams and helping those teams find investors for later funding rounds.



VOYAGER CAPITAL

Erik Benson is a partner at Seattle-based Voyager Capital.

While other firms across the country might take a “spray and pray” approach to investing, Benson said Voyager’s philosophy means it can only make a few deals a year. The firm looks for the best opportunities wherever they are, even if it means investing time outside the region.

“None of our investors invest in us for economic return,” Benson said. “We are in the business of making money for our investors and our clients. They want us to find the best investments in the region and we do.”

As Ignition Partners managing partner [John Connors](#) recently argued, Benson said a Seattle firm’s investments are good for Seattle no matter where they land. Successful deals allow Voyager to raise future funds and convince out-of-state investors to take a stake in the region.

Voyager’s recent investments include Seattle’s Zipwhip, Shiftboard, Turbo Patent, Portland’s Sheer ID and Silicon Valley’s Kaggle. The firm has funded as many as eight entrepreneurs more than once, including Shiftboard CEO [Sterling Wilson](#) and Patent Navigation CEO [James Billmaier](#). [Voyager led the \\$4 million funding round](#) for Shiftboard earlier this year after funding Wilson’s previous data analytics company, Zettics.

Voyager was an early investor in Blue Box, the 12-year-old Seattle-based private cloud company that IBM acquired in June 2015, and Portland-based Elemental Technologies, which [Amazon Web Services](#) bought in September 2015 for between \$300 and \$500 million.

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