

Grindstone backs 40 SA startups with new programme

Grindstone and Usaid Southern Africa Mobilizing Investment (Usaid Mobilizing Investment) have partnered and have launched a bespoke two-year programme to assist startup scale-up in South Africa.



Source: [Unsplash](#)

Grindstone Boost will support 40 startups annually, recruiting from Grindstone alums and other startups and scaleups in the entrepreneurial ecosystem.

The first cohort will begin in July 2024, receiving mentorship and expert coaching combined with back-office services that startups often overlook. These include finance, marketing and branding, operations, legal and technology.

An innovative programme approach

One of the core requirements of Usaid Mobilizing Investment was the long-term sustainability of the startups or scale-ups who will benefit from the project – and how the back-office support system can strengthen the overall investment environment in Southern Africa.

Grindstone Boost will help startups elevate their operations, strengthen their financial foundation, work on their brand presence, and harness the power of technology to scale efficiently.

Grindstone's team will match each startup with industry experts in these fields who will work with the company individually to address any gaps in a structured manner.

Startups and scaleups will receive unparalleled guidance and support for specific problems and can apply practical solutions to their businesses.

Objectives of the programme

This collaboration seeks to provide the follow-on support often needed to improve startup growth across South Africa's entrepreneurial landscape.

Accelerator programmes often act as pipeline feeders for VC funds in the ecosystem, and help support robust business fundamentals, with short-term access to mentorship, community and networks.

However, the support can be broad, and startups often need access to robust back-office support and expert knowledge to grow.

This programme will expand on the diagnostics conducted for each selected company and target specific gaps they face to qualify for future funding opportunities. In addition, we will unlock networks for corporate partnerships and customer acquisition and prepare startups for investment or exit.

Timeline and application details

The partnership agreement between Grindstone's managing partner Catherine Young and chief of party of the Usaid Southern Africa Mobilizing Investment Project, Robin Padberg, was officially signed on Thursday, 15 February 2024.

Grindstone managing partner Catherine Young presented Grindstone's solution, objectives, and strategy, as well as areas of potential collaboration with the other twelve USAID grantees for a more connected ecosystem across Southern Africa.

Keeping up the momentum, the groundbreaking solution for startups was launched to the ecosystem at the Hotel Sky in Johannesburg on Thursday, 18th April. The Cape Town launch event followed on 25 April.

The launch event brought together stakeholders, including startups, scaleups, investors, venture capitalists, and other industry players to celebrate this innovative solution.

Young added: "We want to solve capacity issues by launching a back-office system for startups with solutions across the five areas - finance, marketing and sales, tech, operations, and legal."

Co-founder of Grindstone and Partner at Knife Capital, Keet van Zyl said, "Companies can only truly scale and reach their full potential from a base of solid fundamentals.

"Accurate financial reporting and forecasting is a sign that these fundamentals are in place. Grindstone Boost will greatly enhance the quality of robust financial records and modelling, which in return will enable improved investment decisions for both us as VCs and the potential investee companies."

The planning and development of the Grindstone Boost back-office services will continue through to the application and recruitment phase over May and June 2024, where Grindstone will recruit the first cohort of startups across alumni, other accelerators, and funds in South Africa.

A rolling intake of cohorts will continue over the next two years, ensuring maximum impact for each cohort of selected companies.

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