

# Leigh Jasper returns as investor in VendorPanel funding round

## Exclusive

Yolanda Redrup

Leigh Jasper-backed procurement tech company VendorPanel has added a range of big-name backers to its share register in a \$4.5 million round, including Ord Minnett and Andrew Sytkes.

The company, which was founded in 2008 by former BizEd Services partner James Leathem, helps governments and enterprises manage low-value procurement spend, finding savings and managing their vendor relationships.

Having launched just before the start of the global financial crisis, the company is no start-up, but Mr Leathem said the 13-year-old business began to

behave and grow like one in 2018. "The first five or six years was just a slow and steady grind. We've got all the classic 'poor me' stories of running out of money, standing at the ATM emptying it out and handing out the cash and seeing what happened next," he said.

"It was fairly protracted and we were probably too early to market. But from 2018 onwards, it was a very different business. Now, while there are new players coming to market and iterating on simple tech, we have a mature platform having already learned and grown our way through the product [development]."

VendorPanel won its first big deal in 2010, signing up 150 NSW government agencies under one contract.



Leigh Jasper says he particularly likes the potential for US growth at VendorPanel. PHOTO: EAMON GALLAGHER

"We're bringing transparency to the supply chain and how you do procurement at scale," Mr Leathem said.

"The other sweet spot for us is in the government space with this notion of co-operative procurement – central government agencies that set up procurement functions used by dozens of agencies. It involves complex relationships for data control and security ... and we have dominated that."

The company had initially planned to raise \$10 million, but after a "soft launch" into the US proved there was substantial appetite for the platform, VendorPanel scaled back its raising.

Also participating in the round were Five V Capital and Equity Venture Partners, while Mr Jasper bought in for the first time under his own foundation and doubled down on his investment via the Xenoca entity, in which he

invests alongside Rob Phillpot. "I initially invested in VendorPanel because of the strong network effects demonstrated in the business model," he said.

"The team has delivered ever-accelerating growth since then, and I'm doubling down as VendorPanel gains traction in the US, which is a huge opportunity for the company."

Although the company opted to go for a small Series B raise, it plans to complete a much larger funding round in the near future. "In terms of the US we just don't need that much capital to prove what's possible and once it's proven out according to our milestone gates – of which some are already knocked over – we'll look at a more significant raise," Mr Leathem said.