

HG Ventures FAQs

What is HG Ventures?

HG Ventures is the corporate venture arm of The Heritage Group. HG Ventures will make early stage and growth stage investments in companies in the U.S. and around the world to support innovation and new business creation. Although not structured as a venture fund of specific size, the magnitude of investment activity for HG Ventures is expected to reach \$50 million per year.

What is The Heritage Group?

The Heritage Group is a privately held portfolio of companies focused on creating long-term value by building world-class businesses. Since 1930, it has managed a diverse set of business units involved in construction and materials, environmental services, specialty chemicals, and energy and refining. With operations in North America, Europe and Asia, and a client network that spans the globe, The Heritage Group's focus is on innovation, quality and service. At the core of this focus is the Heritage Research Group, the world-class research and development facility operating at the cutting edge of new technology to provide new products, processes, and training aimed at improving the way Heritage Group companies serve their clients.

Does HG Ventures operate like most corporate venture arms?

HG Ventures operates more like a traditional venture capital partnership, but with more agility and flexibility. We have a small group of investment professionals that come from the venture industry with extensive experience investing and partnering with early stage companies. Investment decisions are made quickly by a small investment committee. At the same time, we leverage the world class expertise of The Heritage Group operating companies and research center to offer a unique value proposition to our portfolio company partners.

Will HG Ventures lead my deal?

Yes, the HG Ventures team prefers to structure and lead investments, but will be open to following or co-leading.

Where does HG Ventures capital come from?

HG Ventures' capital comes from The Heritage Group, a holding group of 31 portfolio companies with 6,000 global employees

How does HG Ventures identify potential investments?

Entrepreneurs find us, or we find them. We are focused on early and growth stage opportunities but have the flexibility to invest at any stage across the venture capital spectrum.

How early is too early?

We are open to pre-revenue and pre-product companies, but we want to see a coherent strategy and the beginnings of a full-time, dedicated executive team.

How much does HG Ventures typically invest?

Generally, HG Ventures will invest up to \$20 million in each portfolio company, but will retain flexibility depending on the opportunity.

What is your geographic focus?

The geographic focus will be in the U.S. and opportunistic in other geographies.

What other services does HG Venture offer?

In addition to providing funding, HG Ventures will be actively involved with portfolio companies, providing guidance, industry knowledge, contacts and partnership opportunities during the launch phases of their businesses.

What is HG Ventures investment focus?

While we are open to all opportunities, HG Ventures will focus on investing in companies where The Heritage Group can drive growth, while adding value based on its research acumen, customer relationships and market insight. Naturally, this includes companies that currently operate in transportation infrastructure, environmental services, specialty chemical, and energy production.

What are your investment return expectations?

We expect our investments to generate returns that are competitive within the venture capital industry and commensurate with investment risk. We have no fixed expectations for time to liquidity. We are focused on long term value creation.

What is your privacy policy?

All information shared with HG Ventures will be maintained in strict confidence within only the venture arm, unless authorized by the company to be shared more broadly across The Heritage Group.

What is your process?

Our process is similar to a traditional venture fund. After an initial review for fit, we go through a short screening process and then a detailed due diligence process. We move as quickly as possible and we strive to provide feedback regardless of outcome.

Is HG Ventures actively seeking new investment opportunities?

We are continuously interested in meeting with companies and entrepreneurs. If you are fit with our investment focus, we invite you to contact us.