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McRock Launches \$100 Million Industrial IoT VC Fund with Global Investors



Toronto, Ontario--(September 9, 2019) - McRock Capital has held an initial closing on its second venture capital fund, McRock Fund II LP, dedicated to investing in the global trend around the Industrial Internet of Things (IoT). The new fund has reached over 80% of its targeted \$100 million. Investors include Cisco Investments, Shell and other significant corporate and institutional investors including BDC Capital, Export Development Canada, Alberta Enterprise Corporation (AEC), and HarbourVest.

McRock is a thought leader in the Industrial IoT sector and has emerged as one of the most experienced investors financing innovative private companies driving the digital transformation. The new fund will invest in high-growth companies across Canada, the US, and Europe that are combining next generation data analytics through artificial intelligence (AI) with the growing data from field devices, machines and equipment in industrial and urban environments.

“We are at the beginning of the digital transformation in every industrial sector and urban environment around the globe,” said Scott MacDonald, Co-founder and Managing Partner of McRock Capital. “McRock Fund II provides us with significant investment capital and strategic corporate relationships to help build the next generation of high-growth tech companies.”

“Our leadership position continues to be advanced by the caliber of the corporations and institutional investors we have attracted to McRock and Canada,” said Whitney Rockley, Co-founder and Managing Partner of McRock Capital. “We also credit our diversity & inclusion initiatives within our own venture capital firm, and the portfolio of companies we finance, for our strong financial performance.”

“Digitalisation is transforming Shell and we are looking at a range of options to drive future growth in our marketing businesses,” said Saskia Mureau, Chief Digital Officer, Shell Global Commercial. “In partnership with McRock Capital, we are seeking out new business models and technologies that have strong disruptive qualities and that can improve the experience of industrial customers.”

“In addition to offering a dedicated IoT and digital transformation solutions portfolio, Cisco actively deploys capital and collaborates with organizations to drive IoT innovation globally. We have been working closely with McRock since 2014 and are thrilled to continue this strategic relationship,” stated Amit Chaturvedy, Head of IoT and Enterprise Networking at Cisco Investments.

“McRock Fund II is building off the success of McRock’s inaugural fund, which is highly differentiated and supports an emerging cluster of technology strength in Canada,” stated Alison Nankivell, VP of Funds and Global Scaling at BDC Capital. “We are proud to be a returning institutional investor given their impressive leadership position not only in their sector but in backing equally diverse and inclusive companies. We look forward to finding more opportunities to coinvest with the McRock team in diversity focused Canadian Industrial IoT businesses”.

“Industrial IoT companies command a global stage, which makes our partnership with McRock a great opportunity to help Canadian exporters succeed internationally,” said Dan Mancuso, SVP Financing & Investments at EDC. “McRock is also a leader and champion for diversity and inclusion, which aligns well with the objectives of EDC’s Women-in-Trade Program.

“The McRock team has significant Industrial IoT expertise and a track record of building successful high-growth companies, specifically in Canada,” said Kristina Williams, CEO of Alberta Enterprise Corporation. “We see this as a strategic investment for AEC that will facilitate the growth of successful Industrial IoT companies in the province of Alberta, both to strengthen our foundational industries of agriculture, oil and gas, and also taking advantage of Alberta’s strength in machine learning and artificial intelligence.”

“The Industrial IoT sector has great potential for growth as machine learning and AI enter the next phase of implementation,” said Senia Rapisarda, Managing Director, HarbourVest Partners. “The Fourth Industrial Revolution is already underway as everyone from corporations to municipalities look to improve connectivity and efficiency, and McRock’s track record in this space made Fund II an attractive investment opportunity.”

About Shell

Shell is an international energy company with expertise in the exploration, production, refining and marketing of oil and natural gas, and the manufacturing and marketing of chemicals. For more information, visit www.shell.com

About BDC Capital

BDC Capital is the investment arm of BDC—Canada’s only bank devoted exclusively to entrepreneurs. With over \$3 billion under management, BDC Capital serves as a strategic partner to the country’s most innovative firms. It offers a full spectrum of risk capital, from seed investments to transition capital, supporting Canadian entrepreneurs who wish to scale their businesses into global champions. For more information, visit bdc.ca/capital

About EDC

Export Development Canada (EDC) is a financial Crown corporation dedicated to helping Canadian companies of all sizes succeed on the world stage. As international risk experts, we equip Canadian companies with the tools they need – the trade knowledge, financing solutions, equity, insurance, and connections – to grow their business with confidence. Underlying all our support is a commitment to sustainable and responsible business. For more information, visit www.edc.ca

About Alberta Enterprise Corporation

Alberta Enterprise Corporation promotes the development of Alberta's venture capital industry by investing in venture capital funds that finance early-stage technology companies. Since our inception we have committed \$183 million for investment to 17 VC funds, covering a diverse range of forward-looking industries including information technology, industrial technology, and life sciences. Our funds and their partners have invested more than \$496 million into Alberta technology companies. For more information, visit www.alberta-enterprise.ca

About HarbourVest Partners

HarbourVest is an independent, global private markets investment specialist with 36 years of experience and more than \$64 billion in assets under management, as of June 30, 2019. The Firm's powerful global platform offers clients investment opportunities through primary fund investments, secondary investments, and direct co-investments in commingled funds or separately managed accounts. HarbourVest has more than 500 employees, including more than 125 investment professionals across Asia, Europe, and the Americas. This global team has committed more than \$37 billion to newly-formed funds, completed over \$21 billion in secondary purchases, and invested over \$11 billion directly in operating companies. Partnering with HarbourVest, clients have access to customized solutions, longstanding relationships, actionable insights, and proven results. For more information, visit www.harbourvest.com

About McRock Capital

McRock is an investment firm co-founded by venture capital veterans Scott MacDonald and Whitney Rockley and invests exclusively in Industrial IoT companies across Canada, the US, and Europe. The Industrial IoT is about the intersection of sensors and software in large industrial markets. For more information, visit www.mcrockcapital.com. Follow McRock Capital on Twitter [@McRockCapital](https://twitter.com/McRockCapital)

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