

Israel's Spetz to raise \$4m in pre-IPO funding to match tradies, specialists to users



Spetz's Israel-based CEO and founder Yossi Nevo.

- VALERINA CHANGARATHIL

Israeli-origin digital matchmaker Spetz, which offers an Uber-style service to match users to tradies and other specialists “in about 30 seconds”, is raising up to \$4m ahead of plans to list on the Australian share market later this year.

While the overseas business is finding its feet here, Spetz founder Yossi Nevo has roped in new corporate advisory firm Golden Venture Capital to find local backers to raise \$2m-\$4m in pre-IPO funding.

Golden Venture Capital, which set up an office in Victoria in 2020, recently helped ASX-listed Stemcell United in a \$3.8m capital raising by facilitating the introduction to lead manager Sanlam Private Wealth.

Mr Nevo said Spetz is a highly-scalable app that connects customers to their best-matched service providers in about 30 seconds.

Spetz identifies the user's location, matches them with the top-rated available service provider in their area quickly and then quotes the price to satisfy the service request.

While free for customers, tradies and service providers pay a fee for each service call and are subsequently rated for their services.

“There are big advantages to Spetz here, where we now have more than 500 service providers, mostly in Sydney and Melbourne, offering up to 400 services, right from gardening to plumbing to electrical work,” he said.

“It provides an e-commerce solution to better connect with customers, which is even more important after COVID-19.

“We see Australia as the important stepping stone to getting established in Asia,” said Mr Nevo said.

However, a month into its operations, Spetz is facing some criticism – like other gig economy platforms – for leaving the due diligence on service providers to customers.

Spetz is also entering a crowded market with recently-listed Airtasker and Oneflare among a host of community marketplaces that offer similar services.

“I think Australia is a big market and the recent successful listing of Airtasker shows there is enough room for everyone,” Mr Nevo said.

“The plan for Spetz to list on the ASX is also very important to our company.

“We see that Australia is a strong early adopter to new technology and a sophisticated investment marketplace that will understand how we are proposing to disrupt the directory sector with our global expansion plans,” he said.

Spetz launched in UK last year, and is planning a US market entry next year.

Golden Venture Capital consultant Dan Corsello said there has been some interest in the pre-IPO raise for Spetz.

“We will be assisting Spetz with introductions to various brokers and lead managers in the Australian market,” Mr Corsello said.

“We anticipate the brokers that support Spetz with their capital raising activity will be tapping into their networks of high net worth investors, strategic investors, and potentially private equity firms.

“Spetz does plan to list on ASX in Q4 2021 so the investors targeted would be those seeking to support the company to move towards a listing in the near term future.”

The entry of Spetz comes in the midst of exponential growth of the local gig economy, which grew nine-fold between 2015-2019 to \$6.3bn, a gain of 32 per cent in 2019, Sydney-based Actuaries Institute said in a research paper released in December last year.

The report focused on the growth of on-demand transport and meal delivery services.

The gig economy is defined as on-demand services mediated by digital platforms where workers are classified as independent contractors.

Last month’s [Airtasker public listing was one of the biggest ASX tech IPOs](#) of the year, valued at around \$255m.

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