

Media release

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Australia's first neighbourhood social network launches with \$2.25m investment

Australia's first neighbourhood social network will launch on 1 December, having secured \$2.25 million in funding by investors, including Reinventure Group and Seven West Media.

Called Nabo (nabo.com.au) and founded by Adam Rigby – co-founder of JumpOnIt and former CEO of LivingSocial – the new network is a free social media platform that enables individuals and community organisations to instantly and directly connect online with others in their suburb.

"Nabo is not just another online community but a community online that corresponds to the suburb you live in," Rigby says. "It's a safe environment because individuals connect with residents in their area only, via hyperlocal private websites. The benefits are enormous in terms of building better and healthier communities, reducing crime and connecting people."

A similar social network in the US has so far engaged 45,000 US neighbourhoods and partnered with local police, reducing crime by 10 per cent in a major city according to police¹.

"Nabo is modelled on the highly successful Nextdoor, founded in 2010 and attracting around \$US90 million in funding – effectively valuing the company at around \$US500 million before it has developed a revenue model," Rigby says.

Over the past two months, an initial roll-out of Nabo pilot schemes in 19 suburbs across Sydney, Melbourne, Brisbane and Newcastle has seen neighbours connect and help one another on a range of issues including a fruit and vegetable co-op, garage sales, and a local street clean up.

Nabo will now extend to all communities across Australia, with the aim of reaching a million users by the end of 2015 as well as have 60 councils and around 6000 local community groups. "We are working with local councils and community groups to enable them to use the platform to communicate with their communities. We currently have councils in Brisbane and Sydney piloting the program before we launch nationally."

Simon Cant, Co-Founder of Reinventure Group, says Nabo is a great addition to the portfolio. "Nabo fits perfectly with our investment strategy – we've invested right from startup in a proven model led by a proven entrepreneur that's a great fit with Westpac's focus on supporting local communities. We are confident that the partnership between Nabo and Westpac will help build a significant new part of the digital landscape in Australia," he says.

Gary Thursby, Chief Financial Officer of Westpac's Australian Financial Services division, says, "We are proud to be associated with Nabo, not only through the investment by the Reinventure Fund but also through the efforts of Westpac staff around Australia. Nabo's plans to connect communities across the country is a great fit with our Westpac Local initiatives that are aimed to help Australians in their daily lives and support the areas in which they live. We look forward to working closely with Nabo now and into the future."

¹ <http://sacramento.cbslocal.com/2014/06/26/sacramento-police-credit-nextdoor-com-partnership-for-significant-drop-in-crime/>

Kurt Burnette, Chief Revenue Officer of Seven West Media adds, “Nabo reflects our strategy of investment in businesses where we can leverage the power of our assets to help them grow. We particularly liked Nabo as an investment opportunity as it is strategically aligned with our interests as an enabler in connecting audiences through both social and local media while also providing material benefits to communities. This partnership with Nabo, Reinventure, Westpac and Seven West Media is an exciting one, which we believe has a lot of potential.”

No stranger to creating successful internet businesses, Rigby co-founded Australian group-buying website JumpOnIt, which was subsequently sold to LivingSocial in 2011, after which he was appointed CEO of LivingSocial Australia and New Zealand. Rigby has a successful history of creating start-ups that go onto tremendous success in the online sector, including co-founding digital agency X/M Harrow, later acquired by WPP company George Patterson Bates and co-founding Smarter Retail Solutions, a venture capital-funded online marketing solutions company.

To join Nabo, individuals sign up under their street address and real name, and can explore the site for 30 days during which time Nabo verifies their address. Community groups can use Nabo to connect people with events and local services and to share news, and any resident can create their own community group to find like-minded people who live close by.

Findings from a November 2014 survey commissioned by Nabo²:

- More than half (58%) of Australians never connect with their neighbours beyond a chat over the fence – this is higher among renters (67%) and frequent social media users (65%).
- 1 in 4 Australians (25%) would not expect their neighbours to call police or to inspect their property if they heard a break-and-enter – this is higher among renters (32%).
- 4 in 5 Australians (81%) know of no community initiatives that could connect them with others in their suburb, and 1 in 2 Australians (51%) believe no adequate initiatives exist.
- The more frequent our social media use, the more difficult it is to approach our neighbours, with 1 in 2 (48%) who use social media 10+ hours a week admitting it would be difficult to approach neighbours they don't yet know. 65% of these would like to know more of their neighbours.
- There is a consistent growth between age and knowing one's neighbours: 1 in 2 (52%) adults under 44 know two neighbours or less, compared with 1 in 5 (22%) of over-65s. Similarly, 16% of adults under 44 know five or more neighbours, compared with 1 in 2 (47%) of over-65s.

Visit www.nabo.com.au for more details.

For interviews and more information, please contact:

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² An online survey of an independent panel of 1000 Australians, with nationally representative quotas for age, gender and location, conducted by Pure Profile.