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Combined capital under management has grown 206 percent in just five years

Ann Arbor, Mich. – April 12, 2011 – As the state of Michigan—and more generally, the Midwest—continues to transition from its rust belt roots of auto and manufacturing into an innovation economy driven by clean tech, life sciences, and entrepreneurship, the soon-to-be released annual report from the Michigan Venture Capital Association (MVCA) shows that investors are noticing. The report is being released in advance of the 30th annual Michigan Growth Capital Symposium, which showcases the innovation within the state and the surrounding region to highlight the “Best of the Midwest” companies and bring them together with leading regional and national investors.

According to the MVCA annual report, which will be released to the public the week of April 25, the state’s investment landscape has grown dramatically in the past five years and is at a major inflection point. Since 2006, over $735 million has been invested into over 120 deals, representing a 40 percent growth in the number of investments made and capital invested in Michigan over the first half of the decade. Other highlights from the report include:

• A 60 percent growth in the number of venture capital firms operating in the state since 2006, with 24 currently in business;
• Combined capital under management reaching $2.6B—a 206 percent increase since 2006;
• Nearly 80 venture-backed companies are located in Michigan; and,
• A 75 percent growth in the number of venture-backed companies in the state in the past five years.

“It has been a record period of growth for venture capital in Michigan, and better yet, we have abundant success stories to support the numbers, like the notable exits of Esperion, HealthMedia, Arbor Networks, HandyLab and Accuri,” said LeAnn Auer, MVCA executive director. “We’ve worked tirelessly to help Michigan-based venture investors develop and succeed, and the Michigan Growth Capital Symposium has marched in lock-step with us to ensure these firms can connect with the high growth potential startups that will lead to successful exits and a bright economic future for the state.”

Year after year, the Symposium, the state's largest and most highly sought after venture capital event, showcases the most-promising startups emerging from the region and its top-tier research universities. During the past 10 years alone more than 300 companies have presented, including nearly a quarter
that were University-based spinouts representing leading research universities within the state of Michigan and the greater Midwest—with over 70 percent of those drawn from members of the State of Michigan’s University Research Corridor, which have gone one to raise $423 million in funding and experience six had successful exits. Of those 300-plus, 71 percent have raised capital totaling $1.7 billion in investment dollars. Further, 20 percent of the companies funded have gone on to realize successful exits.

“The Symposium represents the many people and organizations that work tirelessly to prove to the world that Michigan has what it takes—the research, the investment power and the talented entrepreneurs, among other things—to develop into an innovation hub that could hold its own with the likes of Silicon Valley and Boston,” said Symposium founder David Brophy. “And this year, I can say with confidence that we’ve arrived on the map. It wouldn’t surprise me if the next Accuri or even the next Google were among the forty presenting companies at this year’s event, and it would be a huge win to have a local firm expose them to the world.”

The Michigan Growth Capital Symposium is taking place May 10-11 at the Marriott Resort in Ypsilanti. It is hosted by the Ross School of Business’ Zell Lurie Institute at the University of Michigan with support from the Michigan Venture Capital Association. Visit www.michigangcs.com to register to attend, and follow conversations about the Symposium by tracking #MGCS on Twitter.

About the Michigan Growth Capital Symposium (MGCS)
MGCS is the original university-based venture fair, which was first held in 1979. This nationally attended two-day event provides an opportunity for financiers to connect with up-and-coming Midwest businesses and learn about emerging technologies. The Symposium offers the opportunity to build relationships with an unparalleled business network of distinguished private equity industry leaders and entrepreneurial business professionals. Entering its 30th year, MGCS continues to draw top investors from coast to coast. MGCS is presented by the Center for Venture Capital & Private Equity Finance at the Ross School of Business at the University of Michigan with support from the Michigan Venture Capital Association.

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