University of Michigan Wolverine Venture Fund Celebrates Fourth Portfolio Company Exit

Acquisition of Mobius Microsystems Continues Positive Momentum for Country’s First Student-Led Venture Fund


The WVF provided a seed investment to Mobius Microsystems in April 2004, joining principal co-investors Waypoint Ventures and angel investors. This exit follows the fall’s high profile exit by HandyLab which was acquired by Becton, Dickinson and Co. and returned $2 million to the WVF.

The Zell Lurie Institute oversees WVF, which teaches MBA students the intricacies of the venture capital business by allowing them to make actual investments in early-stage companies under faculty and advisor supervision. The Fund has successfully earned venture rates of return. Emerging high-potential companies, such as HandyLab, receive investment dollars from the WVF at critical times during their seed and early-stage phases. In addition, students provide input by developing and revising business plans, conducting market and product research and writing case studies.

“The Wolverine Venture Fund was created over a decade ago to provide our students with real-world, hands-on investment experience,” said Thomas C. Kinnear, executive director of the Zell Lurie Institute and Wolverine Venture Fund Director. “Since its inception, the Fund has become a model for other student-led venture funds and we continue to innovate. With this recent acquisition, we celebrate the success of the students involved in the initial deal and congratulate the management team at Mobius Microsystems who are now poised to march toward commercialization of its technology.”

Additional exits include the IPO of IntraLase, an ophthalmic medical-device company, which became the first firm in the fund’s portfolio to go public in 2004. The WVF sold its shares in the initial offering, returning over $1 million in proceeds and effectively expanding the overall size of the fund to $3.5 million. Prior to that, WVF achieved their first investment milestone when portfolio company Versity.com was acquired in 1999.

Over its 11-year history, WVF has invested in more than 18 companies across a wide range of innovative industries, and currently manages an active portfolio of thirteen companies.

About the Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies / Center for Venture Capital & Private Equity Finance

The Institute and its Center for Venture Capital and Private Equity Finance bring together a potent mix of knowledge, experience and opportunities from the front lines of entrepreneurship and alternative investments. The student learning experience is further enhanced through internships, entrepreneurial clubs and organization and events that serve to provide viable networks and engage the business community. The School’s two student-led investment funds, with over $3M in management, immerse students in the business assessment and investment process. Members of the Advisory Board include Samuel Zell, Chairman of Equity Group Investments; Michael Hallman, former COO of Microsoft Corporation; and Eugene Applebaum, Founder of Arbor Drugs, Inc. For more information, visit the Institute at www.zli.bus.umich.edu.

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