

2010
cleveland plus
venture capital
report

In 2010,

96 Northeast Ohio companies

raised \$237 million in venture

and angel investments. \$121 million

was invested in growth stage companies.

28 regional companies attracted capital from

42 investors headquartered outside of

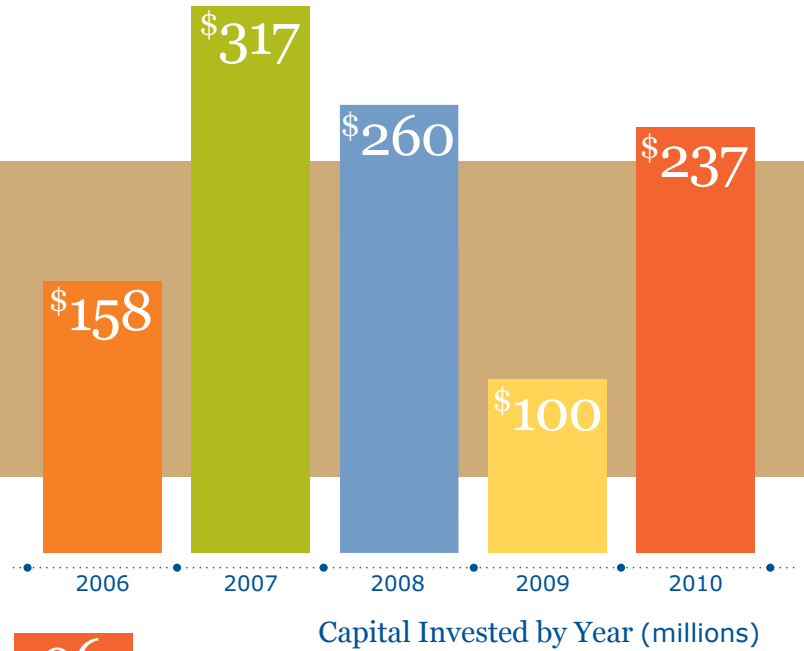
Northeast Ohio. There were 9 exits of

regional venture- and angel-backed companies.

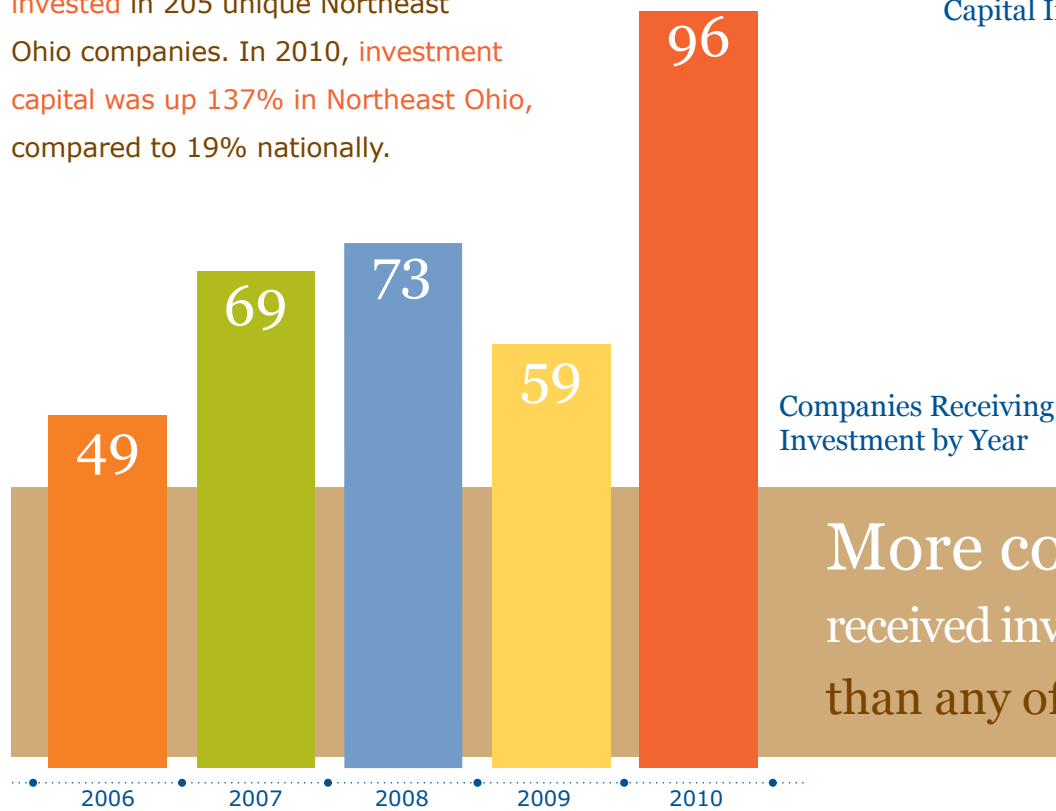
Northeast Ohio is a top region in the

Midwest for deal activity and investment levels.

Capital invested in Northeast Ohio companies more than doubled in 2010.



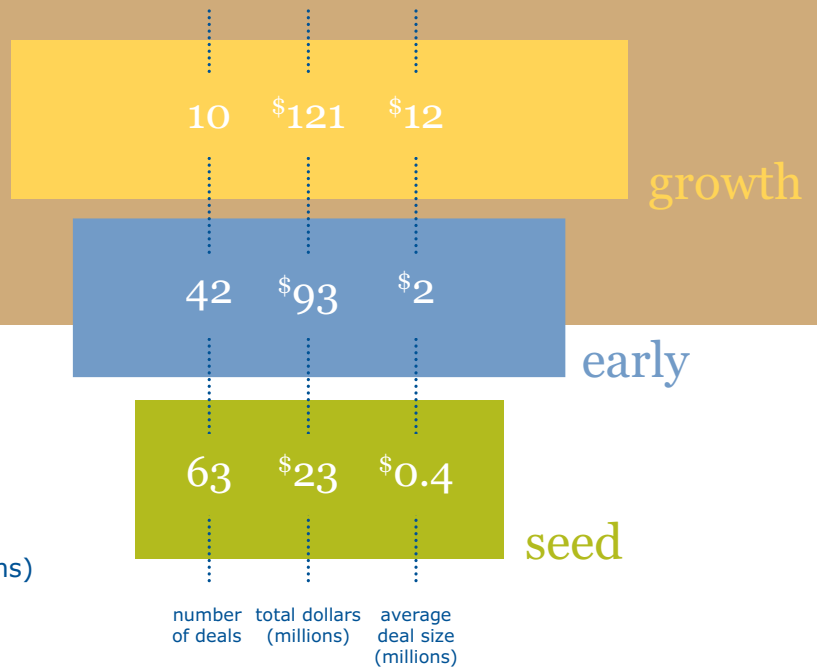
Since 2006, over \$1 billion has been invested in 205 unique Northeast Ohio companies. In 2010, investment capital was up 137% in Northeast Ohio, compared to 19% nationally.



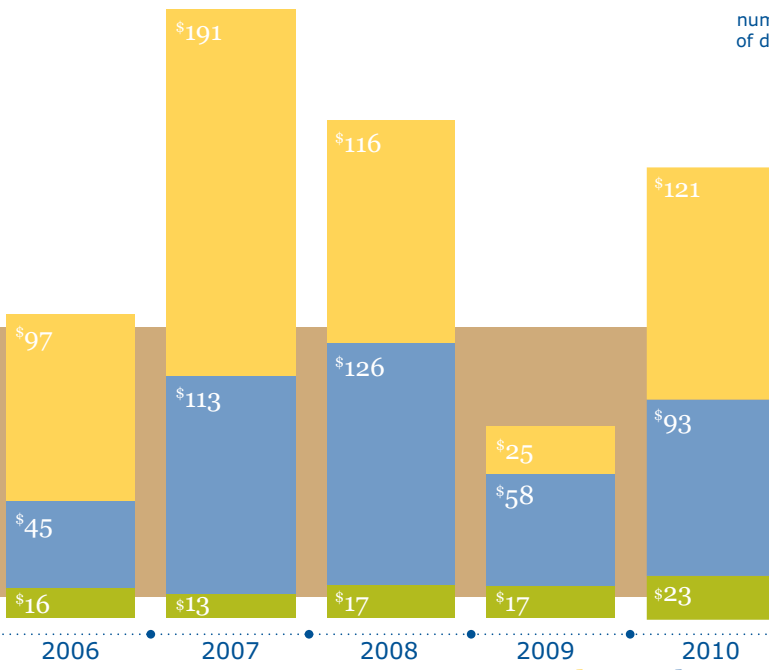
More companies received investments in 2010 than any of the last 5 years.

2010 Investments by Stage

Total 2010 equity investments in growth stage companies was **5X** more than 2009.

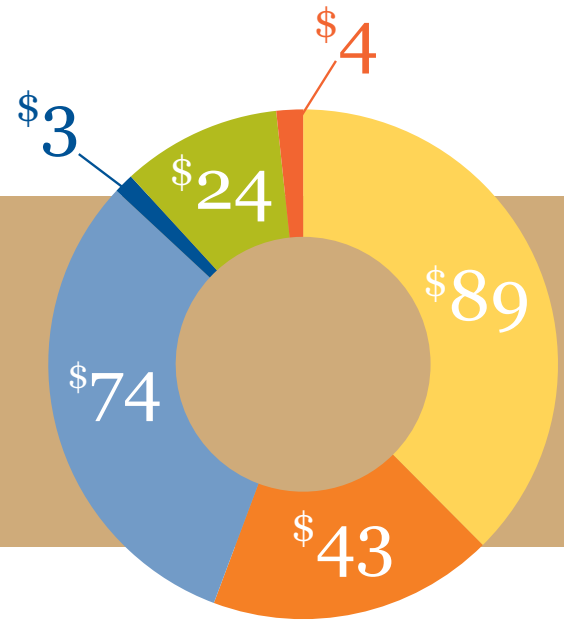


Capital Invested by Stage of Financing (millions)

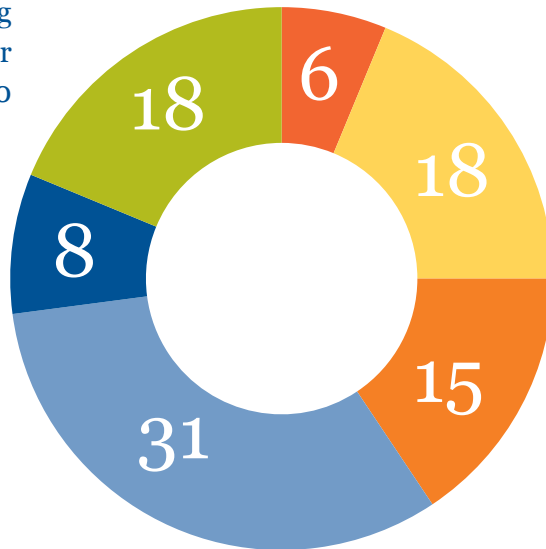


Over the last 5 years, Northeast Ohio growth stage companies have raised **\$550 million**.

Northeast Ohio's diverse companies attracted \$237 million in 2010.



Companies Receiving Investment by Sector in 2010



Capital Invested by Sector in 2010 (millions)

In 2010, 58% of the total capital invested was in the Healthcare sector, while 31% went to Information Technology and 10% to Cleantech.

healthcare {

- Biopharmaceuticals
- Healthcare Services, Medical Information Systems, and Other
- Medical Devices and Equipment

- Information Technology
- Consumer and Business Products and Services
- Cleantech

105 equity investors in Northeast Ohio Companies from 2006-2010

In 2010, 28 Northeast Ohio companies received investments from 42 investors headquartered outside of the region.

* = New Investor to Northeast Ohio in 2010

** = Also has a Northeast Ohio office

Outside the United States

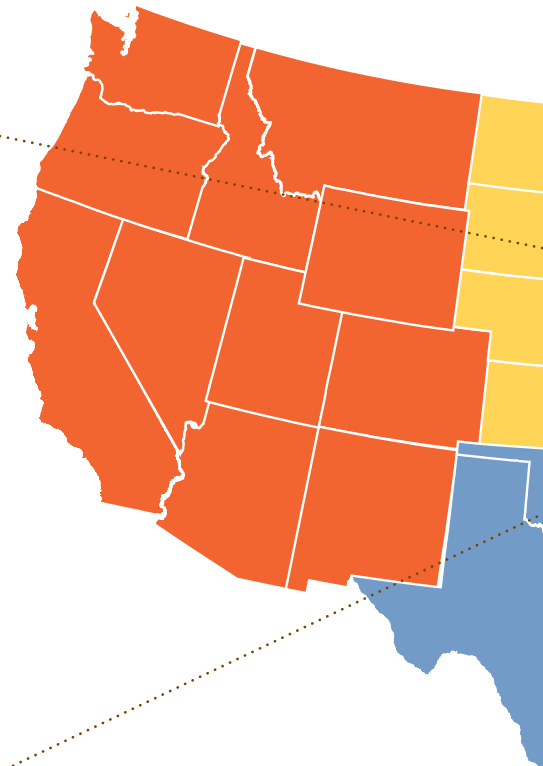
Aberne Limited	Investor Growth Capital*
Castlerigg Master Investments	MA Solar*
CompuGroup	Siemens Venture Capital*
DSM Venturing	Z2 Capital
DVx Inc.*	

West Coast

Angiotech Advance
Chevron Technology Ventures
Compass Group
DW Healthcare Partners
FTV Capital*
Hambrecht & Quist
Hawaii Hydrogen Fund
Intel Capital
JDA Investments, LLC*
Kearny Venture Partners
Morgenthaler Ventures
Palo Alto Investors
Panorama Capital
Roberts Communications Network
Sierra Ventures
SV Life Sciences
Vivo Ventures

South

Abakan Inc.	Frontier Capital*
Advantage Capital Partners	Maverick Capital Funds*
Anderson Growth Partners	MB Venture Partners
BDK Receivables*	Orix Capital
Chrysalis Ventures**	Pappas Ventures
Cordova Ventures	Santé Ventures*
ExOxEmis	Symark LLC**



Ohio

Blue Chip Venture Company

Case Technology Ventures

Catholic Healthcare Partners*

Charter Life Sciences*
CID Capital

Cleveland Clinic Innovations

Early Stage Partners

Everett Partners Ltd.

Glengary LLC

JumpStart Inc.

Kadima Partners

Luxemburg Capital

Medical Growth Fund

Mutual Capital Partners

NCT Ventures

NDI Healthcare Fund

North Coast Angel Fund

Ohio TechAngel Fund

Portal Capital LLC

Primus Capital Funds

Queen City Angels

Reservoir Venture Partners

River Cities Capital Funds

RMS Investment Corporation

Rocket Ventures*

Roulston Investment Partners

Second Generation LTD

Sunbridge Partners

Triathlon Medical Ventures

Xgen Ltd

Zapis Capital Group LLC

New York/East Coast

Accipiter Capital Management LLC

Aisling Capital

Amphion Innovations

CMG Capital

Columbia Capital

Cowen Healthcare

Greatbatch

Greycroft Partners LLC

Harris & Harris Group*

Life Sciences Capital

LSKW Investments

Midsummer Capital

mTerra Ventures LLC

Oak Investment Partners

OrbiMed Advisors

Psilos Group

Radius Ventures, LLC**

RLS Investments, Inc.

StarVest Partners

Toucan Capital Corp.

Boston

Ampersand Ventures

Boston Scientific Corporation

Capital Resource Partners

Fidelity Biosciences

Fletcher Spaght Ventures

M/C Venture Partners

MPM BioEquities

Norwich Ventures

Polaris Ventures

RA Capital Management

Venzyme Venture Catalyst*

Midwest (Outside Ohio)

Allos Ventures**

Apex Ventures

Arboretum Ventures**

Biomet*

Capital Midwest Fund*

Draper Triangle Ventures**

Hopen Therapeutics

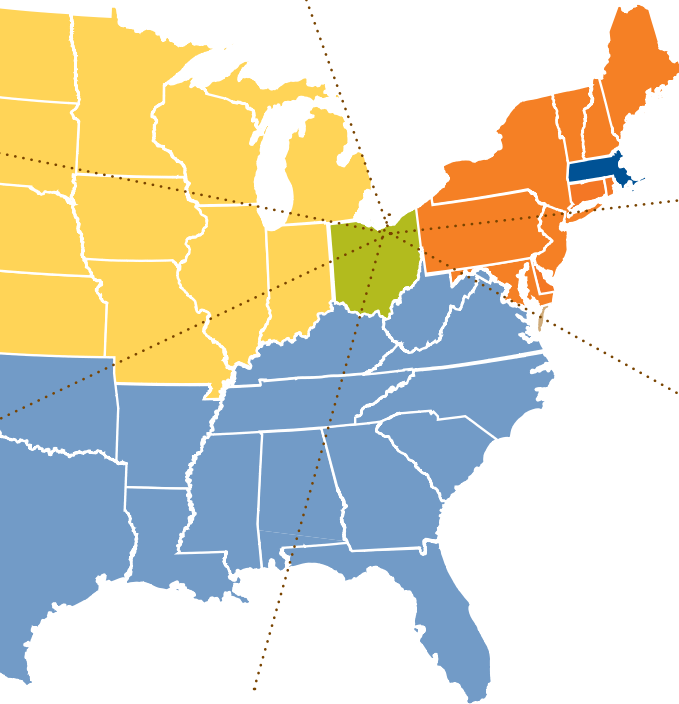
Hopewell Ventures

Lightbank LLC*

Medtronic

Southwest Michigan First Life Science Fund

Thomas, McNerney & Partners



featured companies



wireless environment

\$245,000 raised to finance product development

Wireless Environment LLC, based 20 miles east of Cleveland, is a seed stage company specializing in the development of technology to enable light-emitting diode (LED) lighting to operate effectively off the grid. Led by President David Levine, who has launched 21 consumer products, and by Chief Technology Officer Michael Recker, who brings 15 years of experience in designing wireless technology, the company raised \$245,000 from angel investors in 2010 to expand its patent portfolio and accelerate its market penetration. Since its founding in 2006, Wireless Environment has successfully launched two product lines of energy-saving lighting products.

stage

seed

stage

early



blue spark

\$7.5 million Series B round raised to accelerate market penetration

Cleveland-based Blue Spark Technologies Inc. is the world's leading designer and manufacturer of thin, flexible, disposable printed batteries. Launched in 2003 as Thin Batteries Technologies and the global exclusive licensee of Eveready Battery, the early stage company has delivered more than 300,000 portable and convenient proprietary power source solutions to interactive packaging, RFID, and transdermal delivery patch customers. Blue Spark Technologies' \$7.5 million Series B financing round, completed in 2010, included Early Stage Partners, SunBridge Partners, and private investors. The funds will support the ramp-up of manufacturing and the marketing and sales of the printed batteries for new applications.



VIEWRAY

MRI-Guided RT

\$20 million secured to support market entry

ViewRay Inc. is a medical device company that moved to Northeast Ohio from Florida in 2008 to take advantage of the region's robust, world-renowned healthcare resources. The growth stage firm is developing a MRI-guided radiotherapy technology designed to provide continuous soft tissue imaging during treatment, enabling clinicians to see where radiation doses are being delivered in order to improve cancer treatment

accuracy. The 2010 financing round was led by Siemens Venture Capital, a division of parent company Siemens AG of Germany, and included Aisling Capital of New York, Fidelity Biosciences of Cambridge, Kearny Venture Partners of San Francisco, and OrbiMed Advisors of New York. ViewRay will use the funds to transition its technology from late stage development to commercialization.

growth

stage

exit

SageQuest

Merger
positions
business
to grow
its global
market
share

In 2010, Cleveland-based SageQuest LLC announced the completion of a merger agreement with FleetMatics Ltd. of Dublin, Ireland. SageQuest raised \$2.5 million from Hopewell Ventures, a venture capital firm based in Chicago, Illinois, in 2005 and \$3.7 million in a 2008 financing round led by Hopewell Ventures. The company, which was founded in 2003, provides GPS vehicle management solutions that improve the efficiency and productivity of mobile workers for utility, cable, and broadband companies. SageQuest will not only retain its name, but also its management team and staff in the region. The acquisition of SageQuest will enable Fleetmatics, a leading global software-as-a-service (SaaS) provider of vehicle management solutions, to extend its ability to deliver best-in-class products and services and expand its reach into the commercial fleet market.

“Northeast Ohio’s deal flow includes highly competitive investment opportunities in companies with transformative technologies and quality management teams. I believe Northeast Ohio’s competitive advantage is the quality of its entrepreneurs implementing plans to move innovations from product development to commercialization.”

- Joe Cunningham, MD | Managing Director of Santé Ventures

The Venture Capital Advisory Task Force, which publishes this report, is comprised of Cleveland Plus venture community members dedicated to further increasing regional entrepreneurial investment and success. From 2002 through 2004, the group worked to pass legislation, resulting in the creation of the \$150 million Ohio Capital Fund, which actively invests in regional venture funds around the state. Kevin McGinty, Managing Director of Peppertree Capital, chairs the group, and partner organizations NorTech, JumpStart Inc., BioEnterprise, and the Fund for Our Economic Future support ongoing reporting and educational efforts.

Members:

Akron ARCHAngels	LP Emerging Market Venture Partners	JumpStart Ventures	Peppertree Capital Management, Inc.
Arboretum Ventures	Everett Partners, LTD.	JWH Group, Inc.	Primus Capital Funds
BioEnterprise	Fairport Asset Management, LLC	Morgenthaler Ventures	Portal Capital LLC
Bridge Investment Fund	Fort Washington Capital Partners	Mutual Capital Partners	Radius Ventures, LLC
Case Western Reserve University	Frantz Medical Ventures	MWV Pinnacle Capital Fund, LP	RiverVest Ventures
Chrysalis Ventures	Glengary Ventures	NorTech	Roulston Ventures
Cleveland Clinic Innovations	GLIDE	North Coast Angel Fund	
Consumer Innovation Partners	Lorain County Community College Fund	Ohio Innovation Fund	
Draper Triangle Ventures	iNetworks LLC	Ohio-Midwest Fund	
Early Stage Partners		One Earth Capital	

