

News from



## **Midwest Health Care Startups Raise \$740 Million in 2010** *Illinois, Ohio, and Minnesota Leading States*

**Cleveland, OH, January 18, 2011** – Midwest health care startups attracted \$740 Million in new investments across 161 companies in 2010 according to the [BioEnterprise Midwest Health Care Venture Investment Report](#). The total number of investments are comparable to 2008 and 2009, however the total dollars invested are down slightly (5 percent) from the prior year. Illinois (\$161 million), Ohio (\$147 million), and Minnesota (\$139 million) led Midwestern states in attracting investment dollars. Chicago, Minneapolis, and Cleveland were the leaders among Midwest regions.

“Overall, the past year was a difficult one for emerging health care ventures in the Midwest and nationally, though investment activity picked up towards the end of 2010,” said Baiju R. Shah, President & CEO of BioEnterprise, the Cleveland-based biomedical venture developer. “Surprisingly, the number of companies receiving investments has remained consistently high through the recession. This is likely due to both the growth of Midwest-based funding sources as well as growing interest nationally in investing in the Midwest.”

By sector, the 2010 equity funding was allocated as follows:

- Medical device companies: \$278 million (38%)
- Biopharmaceutical companies: \$358 million (49%)
- Health care software and service companies: \$100 million (14%)

The Midwest Health Care Venture Investment Report includes all reported numbers and regionally collected data. For complete state and region results across the Midwest, see the attached table. To view additional data about Midwest health care business activity visit [www.bioenterprise.com/Reports/](http://www.bioenterprise.com/Reports/).

**Table: Midwest Health Care Venture Investment (By State)**

State	2010		2009		2008		2007		2006	
	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.
Illinois	160.9	11	38.9	8	97.3	13	125.5	7	101.6	12
Indiana	25.05	16	76.3	14	75.4	7	135.6	10	37.2	8
Iowa	7.3	1	36.8	3	4.0	1	-	-	-	-
Kansas	14.5	13	4.3	5	16.9	9	56.6	6	-	-
Kentucky	11.4	4	97.3	7	19.2	6	32.0	4	51.4	4
Michigan	76.3	12	102.2	14	105.0	12	56.2	5	135.5	11
Minnesota	138.7	20	199.0	23	318.9	22	296.1	25	233.9	22
Missouri	19.9	9	65.8	8	50.2	11	69.6	7	39.2	10
Ohio	147.2	47	105.4	40	189.1	43	295.5	44	113.9	39
Western Pennsylvania	86.2	20	37.8	24	126.2	33	101.4	17	54.4	22
Wisconsin	51.3	9	16.2	10	48.5	8	56.2	12	25.2	7
<b>Total</b>	<b>738.9</b>	<b>161</b>	<b>780.0</b>	<b>156</b>	<b>1,050.5</b>	<b>165</b>	<b>1,224.7</b>	<b>137</b>	<b>792.3</b>	<b>135</b>

**Table: Midwest Health Care Venture Investment (By Region)\*\***

Region	2010		2009		2008		2007	
	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.
Chicago	160.9	11	38.9	8	97.3	13	125.5	7
Indianapolis	18.5	9	41.2	9	73.0	6	113.6	8
West Lafayette	2.8	3	28.2	3	2.5	1	22.0	2
Louisville	11.4	4	2.5	4	13.4	3	6.2	2
Detroit-Ann Arbor	46.5	8	68.8	7	89.0	8	56.2	5
SW Michigan	29.8	4	14.5	5	16.0	2	-	-
Minneapolis	138.7	20	199.0	23	318.9	22	296.1	25
St. Louis	18.9	9	27.8	7	47.2	10	57.6	6
Kansas City*	15.4	13	42.3	6	19.9	10	68.6	7
Cincinnati*	8.5	4	121.2	8	19.2	2	64.6	10
Cleveland	135.1	33	66.3	21	163.5	31	241.8	28
Columbus	3.1	5	12.4	13	6.4	10	14.2	7
Pittsburgh	86.2	20	37.8	24	126.2	33	101.4	17
Wisconsin	51.3	9	16.2	10	48.5	8	56.2	12

\* Border MSAs such as Kansas City and Cincinnati include deals from both states in those geographies; deals are aggregated into state totals based on the MSA's principal state

\*\*Regions' totals do not equal states as not all areas are included in list of regions

Sources: Compiled by BioEnterprise team from Venture Wire, Private Equity Week, Wall Street Journal, Venture Source, SEC Filings, company press releases, [www.biospace.com](http://www.biospace.com), and Midwest bioscience organizations and institutions.

## **About BioEnterprise**

[BioEnterprise](#) is a business formation, recruitment, and acceleration effort designed to support the growth of bioscience companies. Located in Cleveland, BioEnterprise provides management counsel and support services to health care companies. BioEnterprise partners are Case Western Reserve University, Cleveland Clinic, University Hospitals, Summa Health System, and the Austen BioInnovation Institute in Akron. Additional technology partners include the NASA Glenn Research Center, Cleveland State University, NorTech, and BioOhio.

The initiative comprises the collective activities of BioEnterprise and its partners' commercialization offices: the Case Office of Technology Transfer, Cleveland Clinic Innovations, University Hospitals Case Medical Center - Center for Clinical Research and Summa Enterprise Group. The combined efforts of these groups has created, recruited, and accelerated more than 100 companies in eight years.

# # #

### *Contact Information:*

Annette Ballou

216.658.4525 (office)

[aballou@bioenterprise.com](mailto:aballou@bioenterprise.com)

[www.bioenterprise.com](http://www.bioenterprise.com)