



## Cleveland reaches out to venture capitalists

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There's more than five times as much venture capital flowing into the Cleveland area than there was five years ago, and Baiju R. Shah says his organization is one of the reasons for it.

Shah's BioEnterprise was formed in 2002 by the Cleveland Clinic, University Hospitals Health System, Case Western Reserve University and Summa Health System. Its mission: Figure out what types of companies venture capitalists want, find them in the area and help groom them to be good financing candidates.

"We want to make it as easy for that investment fund to find their opportunity in Cleveland as possible," said Shah, BioEnterprise's president.

The public-private partnership has worked with more than 60 companies, about 40 of which received funding, Shah said. Young Cleveland-area companies pulled in \$170 million of investments in 2005, up from an average of \$30 million a year from 1996 through 2002.

Obviously, it's not all BioEnterprise. But the organization helps all the area's major institutions and has all of their top executives on its board. It measures its success in one simple way: the area's ability to pull in venture capital funding.

The strategy is clear: Start with what venture capitalists want, and leave out politics and notoriety. Reach out to venture capitalists, too, and include national figures on the board.

"The beauty of the venture world is if you give them a great, noble challenge, they're there," Shah said. "And what could be more challenging than creating a health care hotspot in the middle of the Midwest?"