

## Venture capital firms triple investment in local bioscience industry

Posted by [Mary Vanac](#) January 21, 2008 13:28PM

Categories: [Impact](#), [Medical](#)

Health care startups in Northeast Ohio raised nearly three times as much money from venture capitalists last year as they did in 2006, according to a [report](#) by [BioEnterprise](#), the region's bioscience company developer.

Companies in Greater Cleveland raised \$241.8 million in venture capital last year compared with \$87.9 million in the prior year.

- PD graphic: [Venture capital in Northeast Ohio](#)
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A few large deals, such as the \$65 million reverse initial public offering by Cleveland biopharmaceutical company Athersys Inc., went a long way to pump up the region's 2007 total. But the number of deals also went up in 2007 - to 28 from 23 in 2006.

Health care companies in the 11 Midwestern states and one region that BioEnterprise tracks with its quarterly and annual surveys attracted a record \$1.2 billion from venture capital firms last year. That was up 55 percent from 2006, surpassing a respectable 25 percent increase in the previous year, according to BioEnterprise.

Among the states and region, Minnesota and Ohio tied for first place by attracting \$296 million apiece last year. Next was Indiana with \$135.6 million, Illinois with \$125.5 million, and Western Pennsylvania with \$101.4 million.

In terms of metropolitan areas, Minneapolis continued its leadership with \$296.1 million, followed by Cleveland. Chicago companies raised \$125.5 million, Indianapolis companies, \$113.6 million; and Pittsburgh companies, \$101.4 million.

### Top cities for health care investment

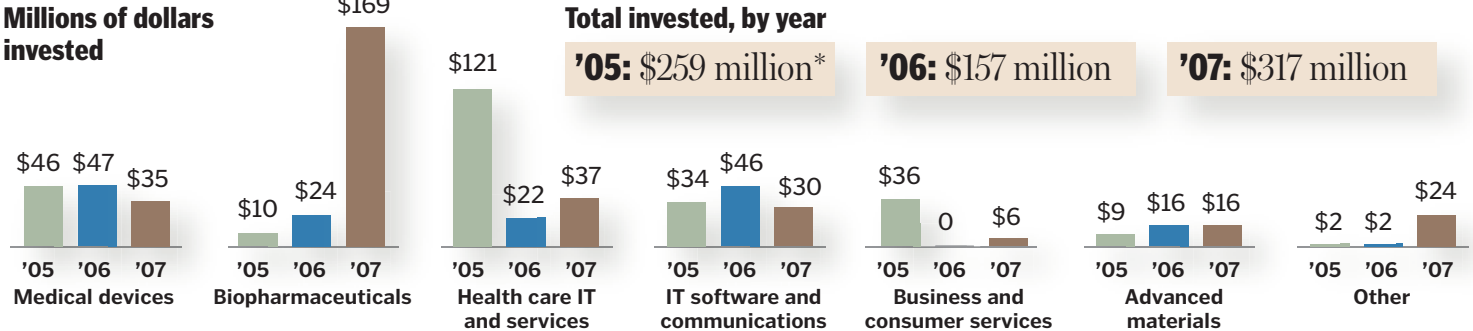
These cities got the largest share of venture capital in the Midwest in 2007.



SOURCE: BioEnterprise  
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# Venture capital in Northeast Ohio

Venture capitalists invested twice as much money in Northeast Ohio companies in 2007 as they did in 2006. The largest dollar jump, by sector, is in biopharmaceuticals, which includes companies that are developing stem cell therapies.



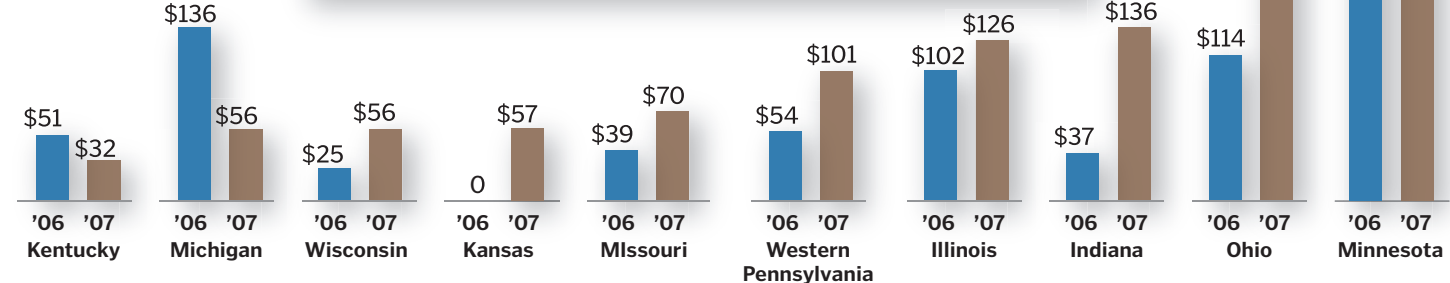
\* Due to rounding, this number does not equal the sum of the line.  
 SOURCES: NorTech Venture Capital Advisory Task Force; JumpStart Inc.

# Life science venture capital in the Midwest

The National Venture Capital Association says that about \$9.5 billion was invested in life sciences in the United States in 2007. Life sciences include biotechnology and medical devices and equipment.

Millions of dollars invested

Cleveland accounted for \$241.8 million of Ohio's total investment.  
All of Minnesota's \$296.1 million in investments were in Minneapolis.



SOURCES: BioEnterprise; National Venture Capital Association

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