

News from



Midwest Health Care Startups Raise \$412 Million in First Half of 2010

Illinois, Wisconsin, and Ohio Lead States

CLEVELAND, July 26, 2010 – Midwest health care startups reported \$412 million in total investments across 75 companies in the first half of 2010, according to the [BioEnterprise Midwest Health Care Venture Investment Report](#).

“As compared to prior years, the dollars invested are up slightly compared to the same period in 2009 but below the pre-recession levels seen in 2007; however, the number of companies attracting financing remains higher,” said Baiju R. Shah, President & CEO of BioEnterprise. “This is primarily due to increasing seed and angel-stage activity across the Midwest.”

Illinois led the way in financings attracting \$123 million across six health care ventures. Wisconsin and Ohio followed with ventures in those regions attracting \$50 million and \$47 million respectively. The Western Pennsylvania region attracted \$60 million in investments.

Biotechnology deals accounted for nearly fifty percent of the deals but over seventy percent of the total dollars invested in the Midwest. By sector, the equity funding was as follows:

- Biopharmaceutical companies: \$289 million
- Medical device companies: \$96 million
- Health care software and service companies: \$26 million

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 <http://www.bioenterprise.com/Reports/>.

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Table: Midwest Health Care Venture Investment (By State)

State	First Half 2010		First Half 2009		First Half 2008		First Half 2007	
	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.
Illinois	123.4	6	42.6	4	34.2	4	42.5	2
Indiana	18.4	10	8.9	4	41.3	2	117.8	5
Iowa	-	-	3.0	1	4.0	1	-	-
Kansas	18.9	4	0.2	1	8.0	1	-	-
Kentucky	10.5	2	0.0	0	13.4	3	5.0	1
Michigan	35.8	5	64.7	5	73.5	8	63.4	3
Minnesota	42.8	7	117.6	12	106.4	9	126.0	9
Missouri	5.7	2	51.0	3	25.8	6	41.6	4
Ohio*	47.3	27	86.9	33	84.0	20	244.3	26
Western Pennsylvania	59.6	7	18.6	12	25.1	6	85.4	8
Wisconsin	50.0	5	9.0	5	27.0	5	16.1	6
Total	412.3	75	402.5	81	442.6	65	742.1	64

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

Region	First Half 2010		First Half 2009		First Half 2008		First Half 2007	
	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.
Chicago	123.4	6	42.6	4	34.2	4	42.5	2
Indianapolis	14.8	6	6.9	3	41.3	2	102.8	4
West Lafayette	2.8	2	2.0	1	-	-	15.0	1
Louisville	10.5	2	-	-	13.4	3	5.0	1
Detroit-Ann Arbor	31.7	4	47.5	3	61.0	5	63.4	3
Minneapolis	42.8	7	116.9	11	106.4	9	126.0	9
St. Louis	5.7	2	13.0	2	25.8	6	41.6	4
Kansas City*	18.9	4	38.2	2	8.0	1	-	-
Cincinnati*	7.0	2	46.6	4	19.2	2	33.8	4
Cleveland	36.7	17	30.5	17	59.9	10	199.1	16
Columbus	2.6	4	9.6	11	5.0	8	11.5	6
Pittsburgh	59.6	7	18.6	12	25.1	6	85.4	8
Wisconsin	50.0	5	9.0	5	27.0	5	16.1	6

* 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, 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 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 80 companies in seven years.

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