

Wisconsin healthcare VC grows, but is still dwarfed by neighbors

WTN News

July 21, 2008

Wisconsin healthcare firms gathered more venture capital in the first half of 2008 than the first half of last year, but Wisconsin still fared poorly compared to other Midwest states, the latest survey by [BioEnterprise](#) has shows.

Total Midwest equity funding in the industry was \$443 million, as measured by the survey, broken down by these sectors:

- Biopharmaceutical companies: \$169 million
- Medical device companies: \$197 million
- Health care software and service companies: \$74 million

Wisconsin captured \$27 million of that total, which went to five companies — a rise from last year's \$16 million, which went to six companies. However, Wisconsin was sixth overall and significantly behind the leaders, as nine Minnesota firms grabbed \$106 million, and 20 Ohio firms raised \$84 million.

BioEnterprise, which is a business formation and acceleration initiative in Cleveland, Ohio, released the findings in its [Midwest Health Care Venture Investment Report](#).

The results do show improvement for Wisconsin, as its increase in total deal size comes amid a dramatic fall in Midwest healthcare investments overall — from last year's \$742 million to this year's \$443 million. Ohio, Indiana and Western Pennsylvania in particular showed large year-on-year declines. As always, the caveat applies that since venture activity consists of small numbers of large deals that take time to arrange, year-on-year numbers do not tell the whole story.