



**Joint Standing Committee on Innovation, Development,
Economic Advancement and Business (IDEA)
130th Maine Legislature**

Small Enterprise Growth Fund
d/b/a Maine Venture Fund

John Burns, CFA, MBA & Joe Powers, MBA
Maine Venture Fund

Agenda



- Maine Venture Fund introductions and overview
- Need for Risk Capital
- Maine Innovation Support Ecosystem
- Example Investment: Atlantic Sea Farms
- MVF's Impact Beyond Funding
- MVF's Strong 23-year Record

Maine Venture Fund



- John Burns, Managing Director
- Joe Powers, Principal
- Board Chair: John Murray
- Board Vice Chair: Tom Dunne

Our Mission

We invest in dynamic businesses that have the potential for significant growth and impact **in Maine.**

MVF 101



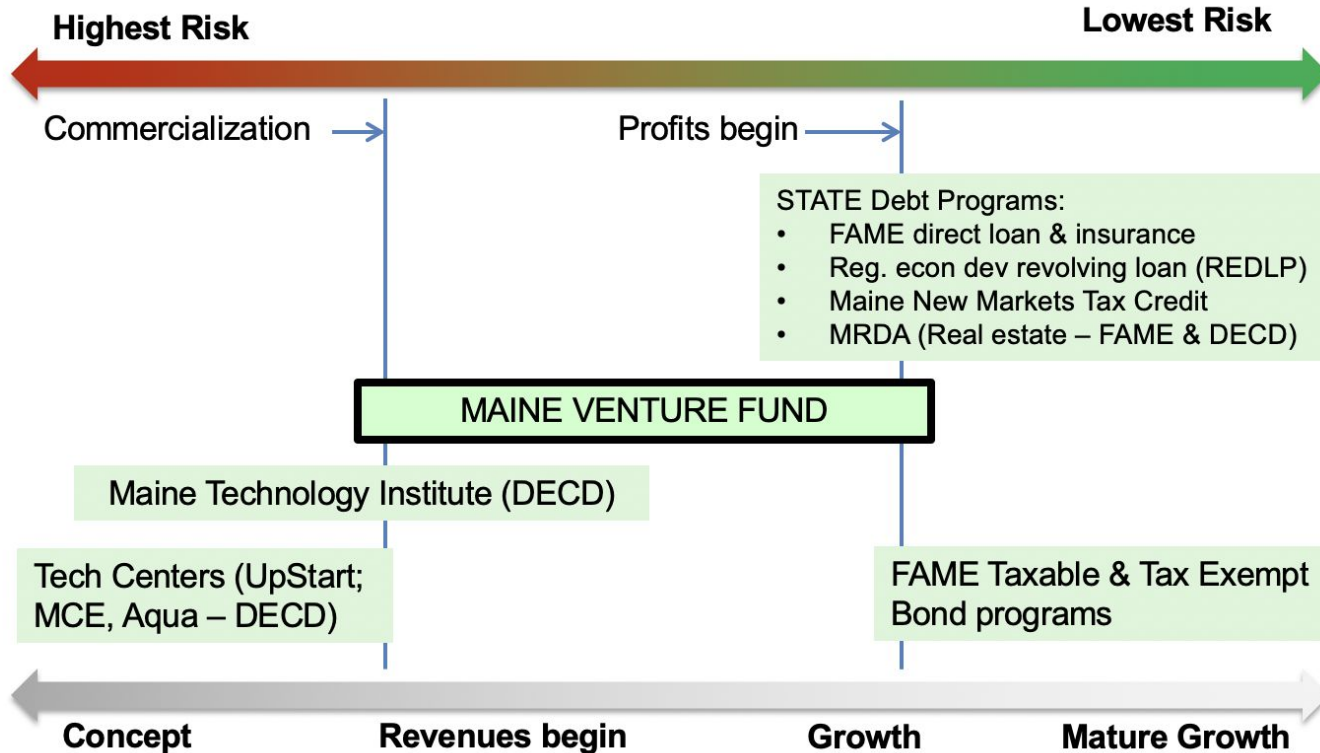
- Created by the 117th Maine Legislature in 1995-6
- \$20 million - revolving, “evergreen” fund
- Equity and near equity investments - Returns reinvested
- Publicly funded, experienced, professional Board & management
- Competitive process
- Equity and near equity investments

Need for Risk Capital



- Innovation generates >80% of economic growth, but a **paucity of risk capital for Maine based companies**
- 74% of venture capital to CA, NY, MA
- Venture backed companies spend more on R&D
- **Maine ranks 46th of 50 states in R&D spending (0.8% of GDP vs 2.8% US average)**
- Some R&D grants (SBIR, MTI awards), but also need Equity (Venture Capital)

Maine Innovation Support Ecosystem



Example



[Video Link](#)

MVF is More Than \$\$\$



- MVF's management team includes experienced professionals that mentor and add value beyond the initial investment
- Private *volunteer* board of directors with broad range of industry experience and expertise; minimizes program cost
- Strong focus on building effective private company boards of directors, corporate governance and best practices
- Collaborative mentality with Maine's public and private resources
- Actively reach outside of Maine to attract capital, talent and know-how

Strong Track Record of Maine Impact



- \$19.5 MM in state funding has provided 24 years of fund operations and \$25.3MM invested in Maine companies
- Attracted \$4.5 million in federal funding
- \$1 in MVF capital has leveraged \$8 in private capital
- Demonstrated ability to return capital back to the fund – success stories
- Current portfolio of 28 companies, directly employing over 500 Maine residents at above average salaries



Thank you

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