The Invest Illinois Venture Fund (IIVF) is a venture capital program seeking to support young, innovative companies, and start-ups that show a high potential for future growth resulting in the creation of high-paying professional Illinois jobs.
IIVF Goals

• Accelerate the commercialization and growth of start-up companies
• Increase the number of investment-grade companies
• Catalyze private capital investment
• Create sustainable high-paying jobs
• Generate return and drive portfolio growth
IIVF Status

- Launched Oct 2011
- 55+ presentations and webinar sessions
- 44 applicants seeking $30M
- 5 deals as of Feb 2012, placed $1.7M
- Sectors include Digital tech & Life Science
- 27,000 visitors to the web site

[www.ildceo.net/AdvantageIllinois](http://www.ildceo.net/AdvantageIllinois)
Status Report

Lending
• 28 lenders have submitted enrollment documents
• 45 projects seeking $15M
• 3 lending incentive letters

Venture Capital
• 44 venture capital applicants seeking $30M
• 5 IIVF deals as of Jan 2012, placed $1.7M in digital tech/Bio sectors
IIVF Deal
Summary

13% approval rate
State as a Partner?

- Risk capital - Up to 25% or $1M of the round
- Institutional support
- Stronger support to connect-the-dots
- Aim to execute intent within 30 days
- Cash flow (30 days from execution)
- Representation and warranties
How to sell the fund?

- Participate in convertible note or preferred
- Cash flow (state secures but does not cash out immediately)
- Reps and warranty provisions specific to the state
- Board observer preference
- Aim at high growth companies with demonstrated potential for large market share.
- Requires an actual or conditional, market-based third-party lead investment commitment;