

News from



## **Midwest Health Care Startups Raise \$572 Million Through Q3 2010**

*Illinois and Ohio Lead States;  
Chicago, Pittsburgh, Cleveland, and Minneapolis Lead Regions*

**CLEVELAND, October 28, 2010** – Midwest health care startups reported \$572 million in total investments across 111 companies through the first three quarters of 2010, according to the [BioEnterprise Midwest Health Care Venture Investment Report](#). Similar to last year, while the total dollar levels are lower than the pre-recession years, the number of companies financed remains the same.

“Funding for health care is reduced due to the recession and concerns surrounding the impact of health care reform on innovation,” said Baiju R. Shah, President & CEO of BioEnterprise. “Given the broader environment, it is encouraging to see so many Midwest health care companies attracting capital.”

Illinois and Ohio lead the way in dollars of financings with companies in those states attracting \$148 million and \$89 million. Minnesota, Michigan, and Wisconsin followed those states. The report aggregates venture investment in 9 Midwest states and Western Pennsylvania.

By sector, the equity funding was as follows:

- Biopharmaceutical companies: \$345 million
- Medical device companies: \$190 million
- Health care software and service companies: \$37 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	Thru Q3 2010		Thru Q3 2009		Thru Q3 2008		Thru Q3 2007	
	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.
Illinois	147.7	8	38.8	5	78.2	7	100.5	4
Indiana	23.2	13	73.9	11	69.1	5	129.3	8
Iowa	-	-	14.3	3	4.0	1	-	-
Kansas	18.9	4	3.0	4	15.4	5	-	-
Kentucky	10.5	2	1.9	2	17.9	4	31.6	4
Michigan	62.3	7	88.7	11	90.0	10	64.9	5
Minnesota	78.5	10	134.0	16	289.9	20	212.7	17
Missouri	11.7	3	65.2	6	25.8	6	69.6	7
Ohio*	89.2	38	136.7	45	178.0	37	261.2	35
Western Pennsylvania	79.7	19	28.9	21	101.1	12	91.2	15
Wisconsin	50.1	7	9.9	7	27.5	6	39.7	9
<b>Total</b>	<b>571.7</b>	<b>111</b>	<b>593.0</b>	<b>140</b>	<b>896.7</b>	<b>113</b>	<b>1,000.4</b>	<b>104</b>

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

Region	Thru Q3 2010		Thru Q3 2009		Thru Q3 2008		Thru Q3 2007	
	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.	\$ Millions	# of Cos.
Chicago	147.7	8	38.8	5	78.2	7	100.5	4
Indianapolis	15.8	7	39.2	6	69.1	5	107.3	6
West Lafayette	5.2	3	34.7	3	-	-	22.0	2
Louisville	10.5	2	1.9	2	13.4	3	5.7	2
Detroit-Ann Arbor	34.7	5	70.8	8	74.0	8	64.9	5
Minneapolis	78.5	10	133.3	15	289.9	20	212.7	17
St. Louis	11.7	3	25.1	4	25.8	6	57.6	7
Kansas City*	18.9	4	41.0	5	15.4	5	12.0	1
Cincinnati*	7.5	3	69.4	7	19.2	2	61.0	7
Cleveland	77.6	25	55.3	22	152.4	26	212.0	22
Columbus	3.1	5	11.7	12	6.4	9	13.2	7
Pittsburgh	79.7	19	28.9	21	101.1	12	91.2	15
Wisconsin	50.1	7	9.9	7	27.5	6	39.7	9

\* 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](http://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 Austen 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 95 companies in eight years.

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