

SPARK Pre-Seed Fund Program

2007-2016

The mission of our pre-seed fund program is to support high-tech companies throughout the state at their earliest stages of development and position these high growth companies to be able to raise additional capital and investment. This program was initially capitalized by grants from the State of Michigan (\$26M).

Designed to retain high-tech entrepreneurial companies in our state as they move toward becoming commercially viable. These are high risk investments with a forecast of about 60% projected to reach the next level of funding.

- The pre-seed fund program is an intentional economic development tool that pays itself back, allowing the funds to be redeployed for **reinvestment into more companies**.
- During the time period 2007-2016, **total funding was \$26M**.
- Total additional private capital leveraged through these programs is **\$503M**.

\$6.5M | total returns to date for reinvestment

IMPACT ON THE ECONOMY:

160 unique companies that employ **765** FTEs, with annual sales revenue of **\$77M** that have collectively raised:

\$26M | total funding: **\$609.5M** | total capital leveraged into the Michigan economy

\$503M | private equity
\$73.5M | grants
\$33M | matching funds

COMPANY SPOTLIGHT:
 An Ann Arbor company received an investment of **\$250K** in 2011 and five years later, returned **\$1.1M** to be invested into other companies.

FINANCIAL SUMMARY:

Current value of portfolio of remaining companies: **\$17M**

Reserves to allow for potential losses, based on GAAP*: **\$7.3M**

Net total investment value: **\$9.7M**

*Generally Accepted Accounting Principles