
Illinois Venture Capital Association Quarterly Private Equity Monitor

Q1 2009



Section I: Taxonomy

Section II: Venture Capital Investment Statistics

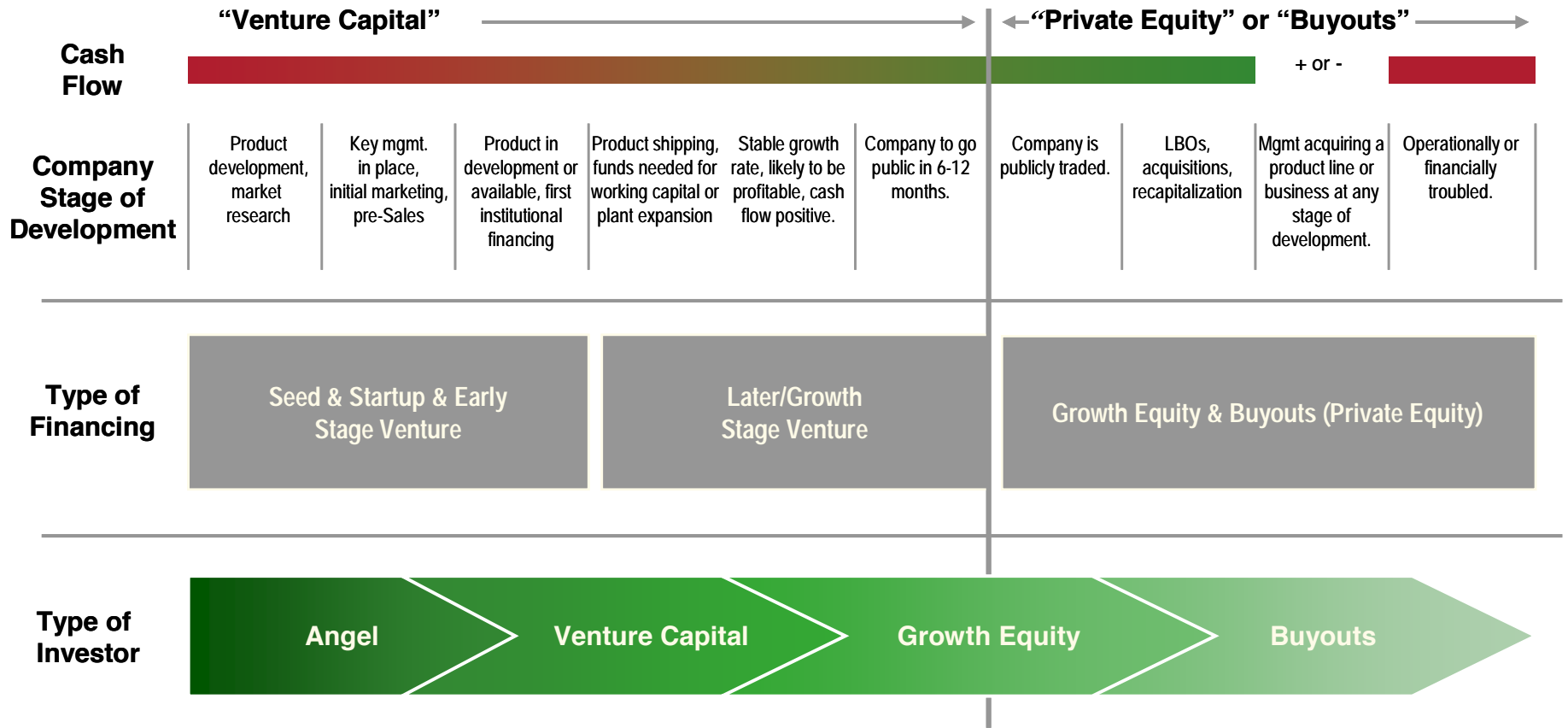
Section III: Buyout Related Capital Investment Statistics

Section IV: Venture and Buyout Related Capital Investment Statistics

Data pulled: 04/29/2009. Source is Thomson Reuters VentureXpert unless otherwise noted.

Section I: Taxonomy

Diagram 1: Taxonomy of Private Equity



Section II: Venture Capital Investment Statistics

Table 1

	Venture Capital – Nation		Venture Capital – Illinois	
	Number of Companies	Total Capital (USD Mil)	Number of Companies	Total Capital (USD Mil)
Total '04-Q1'09	23,804	\$230,998.7	416	\$2,769.3
Qtr Avg	1,134	\$10,999.9	20	\$131.9
Quarterly				
1Q '08	1,352	\$11,280.0	17	\$78.7
2Q '08	1,447	\$27,182.4	20	\$139.7
3Q'08	1,370	\$12,891.8	30	\$223.6
4Q'08	1,212	\$12,040.1	22	\$122.9
1Q'09	833	\$6,192.9	12	\$40.5
Yearly				
2004	3,804	\$32,203.0	63	\$481.8
2005	3,945	\$34,076.3	72	\$481.0
2006	4,599	\$41,540.6	76	\$439.8
2007	5,242	\$53,591.7	104	\$761.2
2008	5,381	\$63,394.2	89	\$565.0
2009 YTD	833	\$6,192.9	12	\$40.5

Note: Company totals may not match other tables in this report because quarterly data may include deals with multiple rounds of financing. Yearly totals in the table above are calculated from quarterly data.

Section II: Venture Capital Investment Statistics

Table 2

State Rankings – Q1 '09			
Venture Capital Investments			
Rank	Fund Location	Number of Companies	Investments (USD Mil)
1	California	321	\$2,404.1
2	Ohio	9	\$586.4
3	Massachusetts	97	\$477.1
4	Texas	36	\$245.0
5	New York	55	\$239.1
6	New Jersey	32	\$149.0
7	Washington	34	\$105.9
8	Colorado	26	\$104.3
9	Georgia	16	\$73.4
10	Minnesota	11	\$66.5
14	Illinois	12	\$40.5

Table 3

Geographic Sources of Funding For Illinois Companies Q1 '09					
Venture Capital					
Rank	Fund Location	Number of Companies	Amount Invested (USD Mil)	% of Total Investment	% of All Companies
1	Undisclosed	3	\$10.2	25%	13%
2	Virginia	1	\$9.0	22%	4%
3	Kentucky	1	\$4.8	12%	4%
4	Washington	1	\$3.0	7%	4%
5	Connecticut	2	\$2.3	6%	8%
6	Minnesota	2	\$2.2	5%	8%
7	California	2	\$2.1	5%	8%
8	Florida	1	\$1.5	4%	4%
9	Illinois	3	\$1.3	3%	13%
10	Non-US	3	\$1.3	3%	13%
	Other	5	\$2.8	7%	21%
	TOTAL	24	\$40.5	100%	100%

Note: Company total may be higher than in other tables because each state reports transactions separately, so double-counting of companies is possible (e.g. the same company may have received funding from Texas and Illinois).

Section II: Venture Capital Investment Statistics

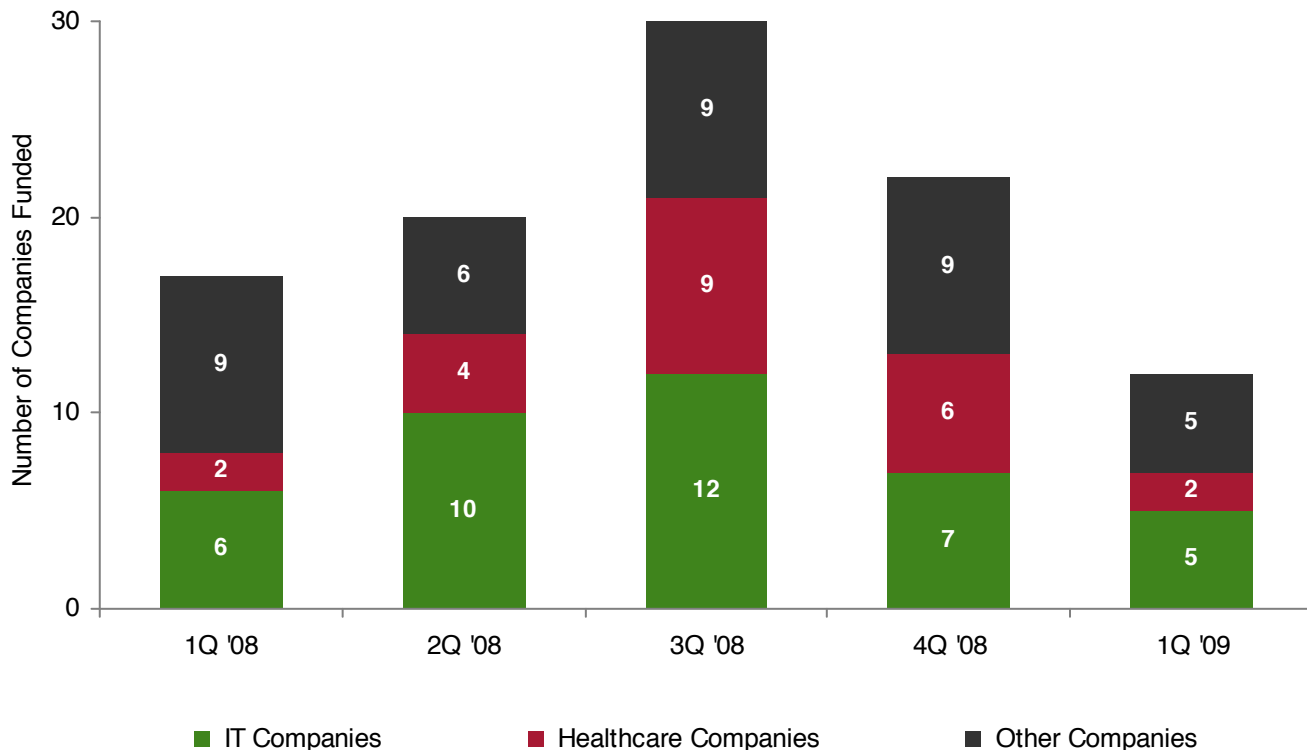
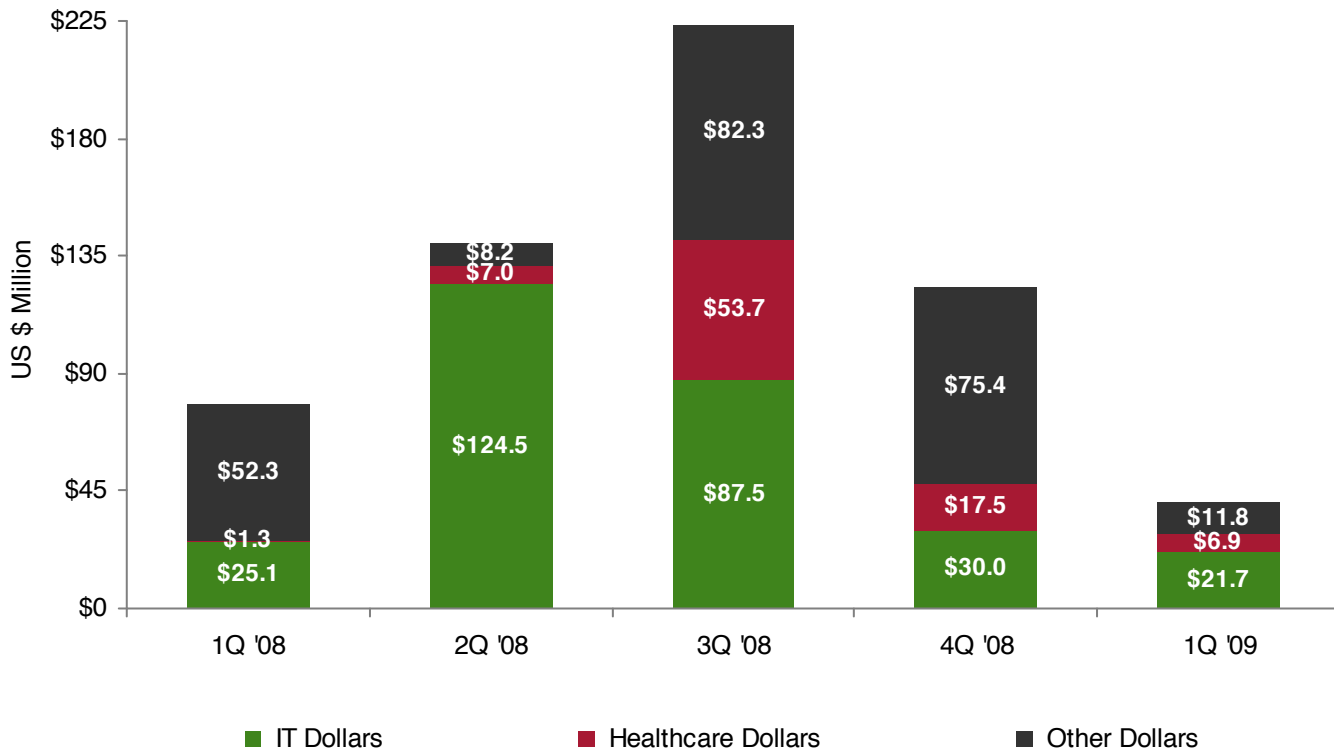
Table 4a

Venture Capital Invested in Illinois by Industry						
	IT		Healthcare		Other	
	Number of Companies	Capital Invested (USD Mil)	Number of Companies	Capital Invested (USD Mil)	Number of Companies	Capital Invested (USD Mil)
Total '04-Q1'09	192	\$1,140.2	95	\$603.7	129	\$1,025.3
Qtr Avg	9	\$54.3	5	\$30.2	6	\$48.8
Quarterly						
1Q '08	6	\$25.1	2	\$1.3	9	\$52.3
2Q '08	10	\$124.5	4	\$7.0	6	\$8.2
3Q '08	12	\$87.5	9	\$53.7	9	\$82.3
4Q '08	7	\$30.0	6	\$17.5	9	\$75.4
1Q '09	5	\$21.7	2	\$6.9	5	\$11.8
Yearly						
2004	36	\$244.8	16	\$46.0	11	\$190.9
2005	45	\$251.8	12	\$66.9	15	\$162.3
2006	35	\$135.6	19	\$145.9	22	\$158.4
2007	36	\$219.0	25	\$258.5	43	\$283.7
2008	35	\$267.2	21	\$79.4	33	\$218.3
2009 YTD	5	\$21.7	2	\$6.9	5	\$11.8

*Note: **IT (Information Technology)** industries include the following: communications equipment, computer hardware and software, internet, computers and semiconductor companies. **Healthcare** industries include the following: biotechnology, medical diagnostics, therapeutics, medical products, medical and health services and pharmaceuticals. **“Other”** industries include the following: consumer related, industrial/energy, transportation, financial services, manufacturing, agricultures, forestry, fishing, construction, utilities and others..*

Chart 1

Venture Capital Invested in Illinois
by Industry



Section II: Venture Capital Investment Statistics

Table 4b

"Green" Venture Capital Investments				
	Illinois "Green" Companies receiving Venture Capital Investments	Illinois Firms Making "Green" Venture Capital Investments	Investment in Illinois "Green" Companies (USD Mil)	Illinois Firms' Investment in U.S. "Green" Companies (USD Mil)
Total '04 - Q1'09	16	138	\$115.5	\$614.4
Quarterly				
1Q '08	1	15	\$19.5	\$136.8
2Q '08	1	16	\$14.8	\$97.9
3Q '08	0	6	\$0.0	\$46.2
4Q '08	2	7	\$46.3	\$41.3
1Q '09	1	0	–	–
Yearly				
2004	1	15	\$4.0	\$36.0
2005	3	8	\$2.0	\$10.1
2006	4	41	\$21.0	\$179.7
2007	3	30	\$7.9	\$66.3
2008	4	44	\$80.6	\$322.2
2009 YTD	1	0	–	–

Note: Results in the table may be either higher or lower than totals in prior IVCA Monitors because of reclassification of results in the Thomson-Reuter Venture Expert database. Green company investments include, but are not limited to, investments in companies involved in the following industries: batteries, power supplies, alternative energy sources, coal, energy conservation, pollution and recycling, biotech processes for pollution, toxic waste control and oil recovery.

Table 4b1

VC Investments in Illinois "Green" Companies – Q1 '09		
Company Name	Investment (USD Mil)	Investor Firms
Northbrook Energy LLC	–	EIF Group (FKA: Energy Investors Management Co.)

Table 4b2

Illinois Firms Making VC Investments in "Green" Companies – Q1 '09		
Company Name	Investment (USD Mil)	Investor Firms
TOTAL	\$0.0	0

Note: Investor firms listed are only those located in Illinois. Deals may have included other investor firms outside of Illinois and therefore may not match other tables.

Table 5

Venture Capital Investments by Illinois Firms in Illinois Companies – Q1 '09			
	Company Name	Firm Name	Sum Inv. (USD Mil)
1	Aleri Group, Inc.	Allegra Partners (FKA: Lawrence, Smith & Horey), Early Stage Enterprises, L.P., Gold-Zack AG, St. Paul Venture Capital, Inc.	\$4.2
2	Butler Point, Inc.	United States Department of The Treasury	\$0.6
3	Clarus Therapeutics, Inc.	H.I.G. Capital, LLC (AKA: H.I.G. Ventures), Thomas, Mc Nerney & Partners LLC; Undisclosed Venture Firm	\$5.1
4	CoolEdge Lighting	ARCH Venture Partners	–
5	GrubHub, Inc.	Amicus Capital, L.P.; Origin Ventures; Leo Capital Holdings, LLC	\$2.0
6	Harris Preferred Capital Corp.	Harris Capital Holdings Inc.	\$80.0
7	HUB International, Ltd.	Apax Partners Worldwide, Morgan Stanley Private Equity	–
8	Invenergy Wind LLC	Leaf Clean Energy Company (AIM:LEAF)	\$30.0
9	Manifest Digital, Inc.	BIA Digital Partners LP	\$9.0
10	Midland States Bancorp, Inc.	United States Department of The Treasury	\$10.2
11	Northbrook Energy LLC	EIF Group (FKA: Energy Investors Management Co.)	–
12	Open Kernel Labs, Inc.	Chrysalis Ventures, Inc.; Citrix Systems, Inc. (NasdaqGS:CTXS); Neo Technology Ventures	\$6.6
13	PGB Holdings, Inc.	United States Department of The Treasury	\$3.0
14	Potbelly Corporation (FKA: Potbelly Sandwich Works, Inc.)	Benchmark Capital, Maveron LLC, Oak Investment Partners, Undisclosed Firm, Undisclosed Venture Firm	\$11.8
15	Sittercity, Inc.	Apex Venture Partners; Point Judith Capital	\$7.5
16	Southern Illinois Bancorp, Inc.	United States Department of The Treasury	\$5.0
17	Undisclosed Company	CHL Medical Partners (AKA: Collinson, Howe & Lennox, LLC), Highland Capital Partners LLC	\$1.8
18	Waer Systems, Inc.	LogiSpring Management Company S.a.r.l.	\$0.4

Note: Unlike the rest of the data in the Monitor, this table and table 9 are derived from two sources, Thomson Reuters Financial and Capital IQ. The IVCA Monitor accepts the categories (venture or buyout) provided by Thomson & Capital IQ. Table totals may differ from other tables in this report because private equity reporting is continuous and therefore changes from day to day for all data sources. Also, some companies may appear in both Venture Capital and Buyout lists because both the type of financing round and the investing firm are considered when compiling the list. For example, if a buyout fund made an investment in a venture capital round of financing it would be considered under both Venture Capital and Buyout lists.

Section III: Buyout Related Capital Investment Statistics

Table 6

	Buyout Investments – Nation		Buyout Investments – Illinois	
	Number of Companies	Investment (USD Mil)	Number of Companies	Investment (USD Mil)
Total '04-Q1'09	9,594	\$230,678.9	330	\$4,497.2
Qtr Avg	457	\$10,984.7	16	\$214.2
Quarterly				
1Q '08	662	\$10,915.5	24	\$112.3
2Q '08	595	\$12,693.7	21	\$161.4
3Q '08	588	\$17,378.3	15	\$479.4
4Q '08	448	\$6,480.4	12	\$72.9
1Q '09	304	\$4,236.4	12	\$14.1
Yearly				
2004	1,172	\$33,366.8	35	\$1,193.3
2005	1,412	\$32,867.8	43	\$710.3
2006	1,817	\$47,211.4	72	\$898.2
2007	2,596	\$65,528.6	96	\$855.5
2008	2,293	\$47,467.9	72	\$825.9
2009 YTD	304	\$4,236.4	12	\$14.1

Note: Company totals may not match other tables in this report because quarterly data may include deals with multiple rounds of financing. Yearly totals in the table above are calculated from quarterly data.

Section III: Buyout Related Capital Investment Statistics

Table 7

State Rankings – Q1 '09			
Buyout Related Investments			
Rank	Fund Location	Number of Companies	Investments (USD Mil)
1	California	80	\$2,112.9
2	New York	19	\$282.4
3	Massachusetts	22	\$221.5
4	Georgia	14	\$198.9
5	Washington	5	\$149.4
6	New Jersey	12	\$120.1
7	Texas	18	\$100.4
8	Colorado	11	\$100.3
9	Oklahoma	3	\$78.7
10	Arizona	3	\$61.5
23	Illinois	12	\$10.5

Table 8

Geographic Sources of Funding For Illinois Companies Q1 '09					
Buyout Related Capital					
Rank	Fund Location	Number of Companies	Amount Invested (USD Mil)	% of Total Investment	% of All Companies
1	Virginia	1	\$9.0	86%	8%
2	Florida	2	\$1.5	14%	15%
3	Illinois	1	–	–	8%
4	Massachusetts	1	–	–	8%
5	Non-US	1	–	–	8%
6	New York	1	–	–	8%
7	Ontario,(CA)	1	–	–	8%
8	Texas	1	–	–	8%
9	Undisclosed	1	–	–	8%
10	D. of Columbia	1	–	–	8%
	Other	2	–	–	15%
	TOTAL	13	\$10.5	100%	100%

Note: Company totals may be higher than in other tables because each state reports transactions separately, so double-counting of companies is possible (e.g. the same company may have received funding from Texas and Illinois).

Section III: Buyout Related Capital Investment Statistics

Table 9

Buyout Capital Investments by Illinois Firms in Illinois Companies – Q1 '09			
	Company Name	Firm Name	Sum Inv. (USD Mil)
1	Accelerated Rehabilitation Centers, Ltd.	Gryphon Investors, Inc.	–
2	Acesso Software, Inc.	Thoma Bravo LLC, Undisclosed Venture Firm	–
3	Block Shield Corp., EMC Products Division	–	–
4	Clarus Therapeutics, Inc.	H.I.G. Capital, LLC (AKA: H.I.G. Ventures), Thomas, McNerney & Partners LLC, Undisclosed Venture Firm	\$5.1
5	CoAMS, Inc.	NSI Marketing Services	–
6	FCA Packaging Products, Inc.	Ancor Capital Partners	–
7	Federal Warehouse Company	–	–
8	HUB International, Ltd.	Apax Partners Worldwide, Morgan Stanley Private Equity	–
9	Johnson Products Co., Inc.	St. Cloud Capital, LLC; Rustic Canyon/Fontis Partners	–
10	Manifest Digital, Inc.	BIA Digital Partners, L.P.	\$9.0
11	Northbrook Energy LLC	EIF Group (FKA: Energy Investors Management Co.)	–
12	Physicians Interactive LLC	Perseus LLC	–
13	Polymer Plainfield Companies, Inc.	Kensington Capital Partners, Undisclosed Firm	–
14	Scrubs AC, Inc. (DBA: AllHeart.com)	Blackstreet Capital Management (FKA: MMP Capital Advisors)	–
15	Vita Food Products Inc.	–	\$3.3

Note: Unlike the rest of the data in the Monitor, this table and table 5 are derived from two sources, Thomson Reuters Financial and Capital IQ. The IVCA Monitor accepts the categories (venture or buyout) provided by Thomson & Capital IQ. Table totals may differ from other tables in this report because private equity reporting is continuous and therefore changes from day to day for all data sources. Also, some companies may appear in both Venture Capital and Buyout lists because both the type of financing round and the investing firm are considered when compiling the list. For example, if a buyout fund made an investment in a venture capital round of financing it would be considered under both Venture Capital and Buyout lists.

Table 10

Venture and Buyout Investments in Illinois Companies Funded by U.S. and Illinois Funds						
	IL Companies Funded by IL Funds	IL Companies Funded by U.S. Funds	Capital Investment in IL Companies by IL Funds	Capital Investment in IL Companies by U.S. Funds	% of All IL Companies Receiving Capital Funded by IL Firms	% of All Capital Invested in IL Companies by IL Firms
Last Five Quarters						
1Q '08	14	34	\$13.7	\$156.5	41%	9%
2Q '08	17	36	\$189.0	\$281.9	47%	67%
3Q '08	19	39	\$313.8	\$625.9	49%	50%
4Q '08	13	29	\$63.2	\$122.9	45%	51%
1Q '09	3	19	\$2.0	\$41.1	16%	5%
Yearly						
2004	31	82	\$81.4	\$1,388.6	38%	6%
2005	40	103	\$315.0	\$1,112.3	39%	28%
2006	50	132	\$373.1	\$1,263.2	38%	30%
2007	60	165	\$530.1	\$1,228.0	36%	43%
2008	63	138	\$579.7	\$1,187.2	46%	49%
2009 YTD	3	19	\$2.0	\$41.1	16%	5%

Chart 2

Source of Venture and Buyout Investments for Illinois Companies
Q1 '09 (USD Mil)

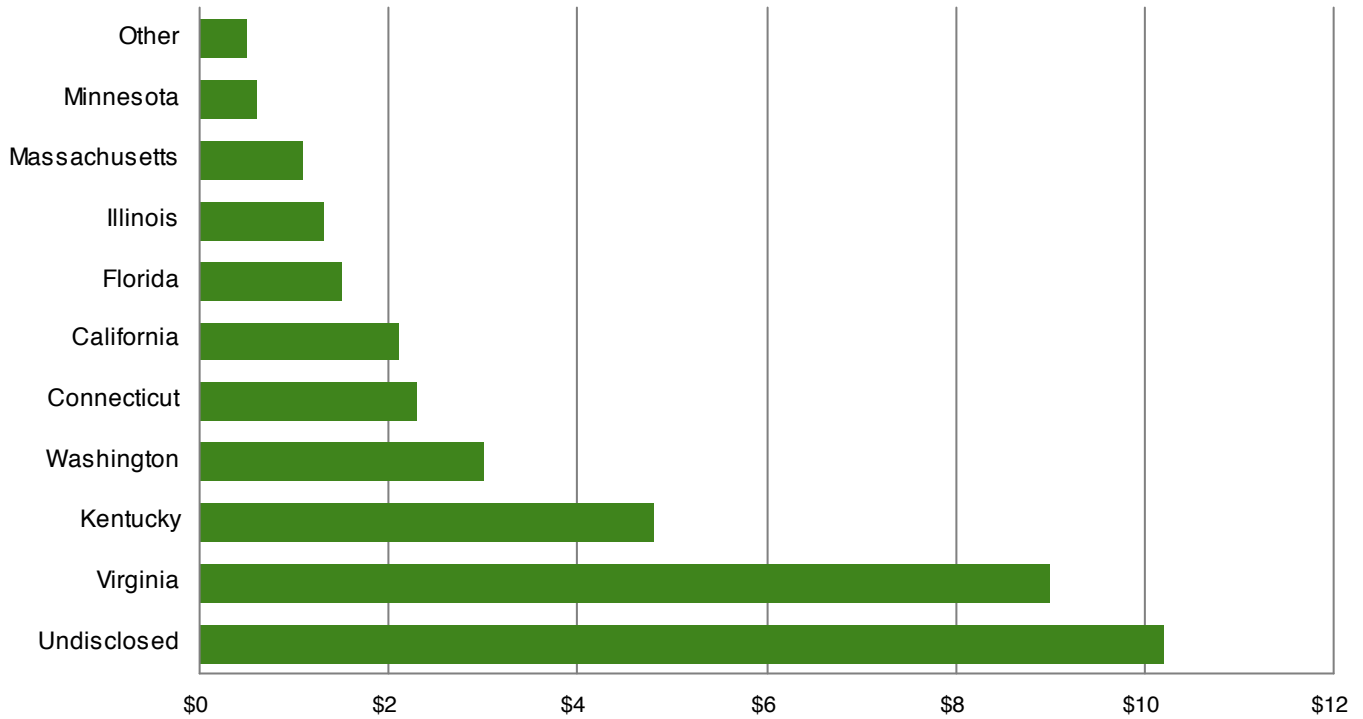


Chart 3

States Receiving Funds from Illinois Venture and Buyout Firms
Q1 '09 (USD Mil)

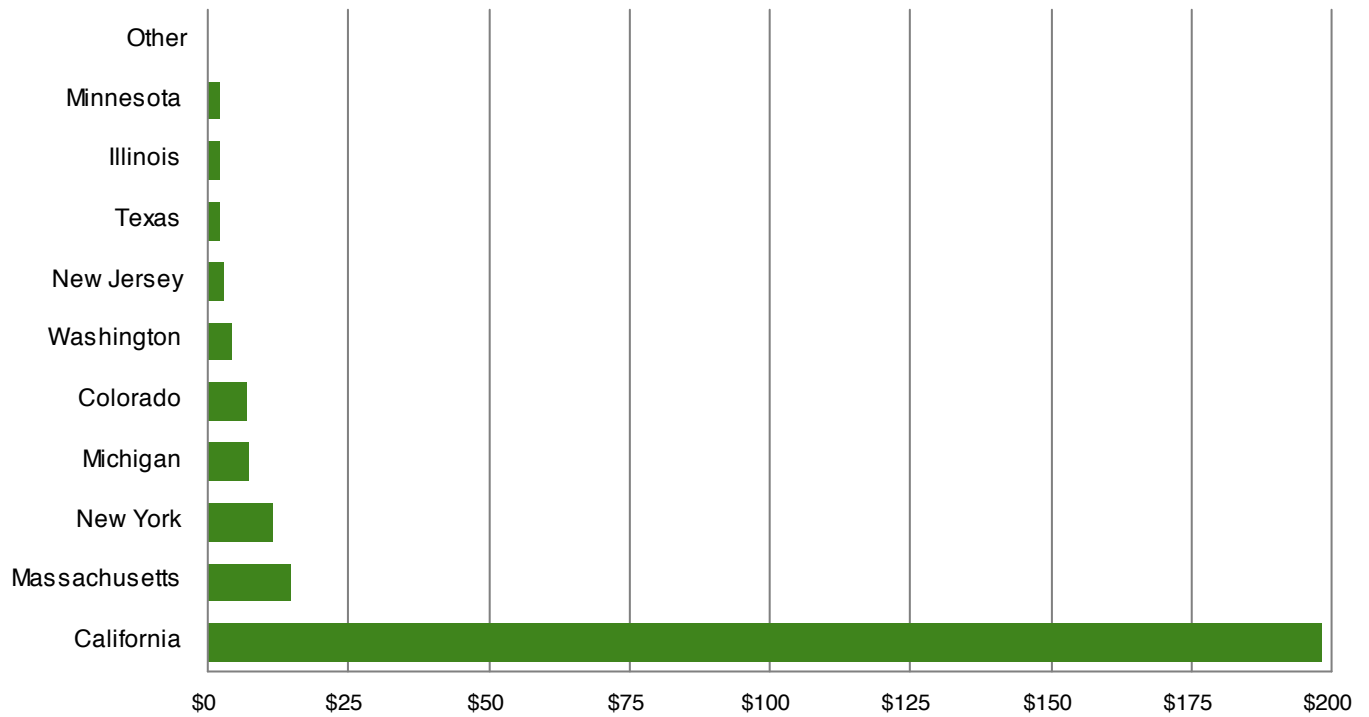


Chart 4

Money Raised by Venture and Buyout Funds
Top States Q1 '09 (\$36.4 billion)

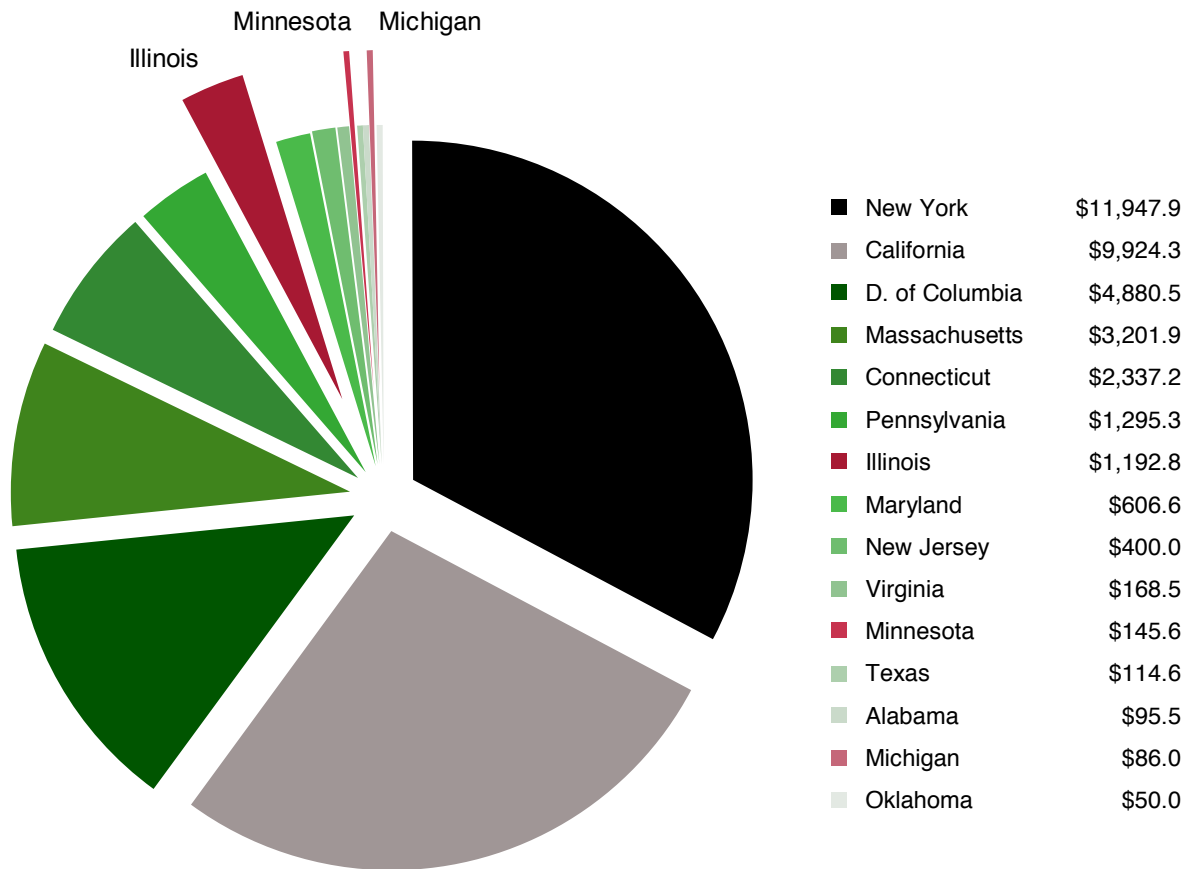


Chart 5

Venture and Buyout Assets Under Management
Top States Q1 '09 (\$13.5 billion)

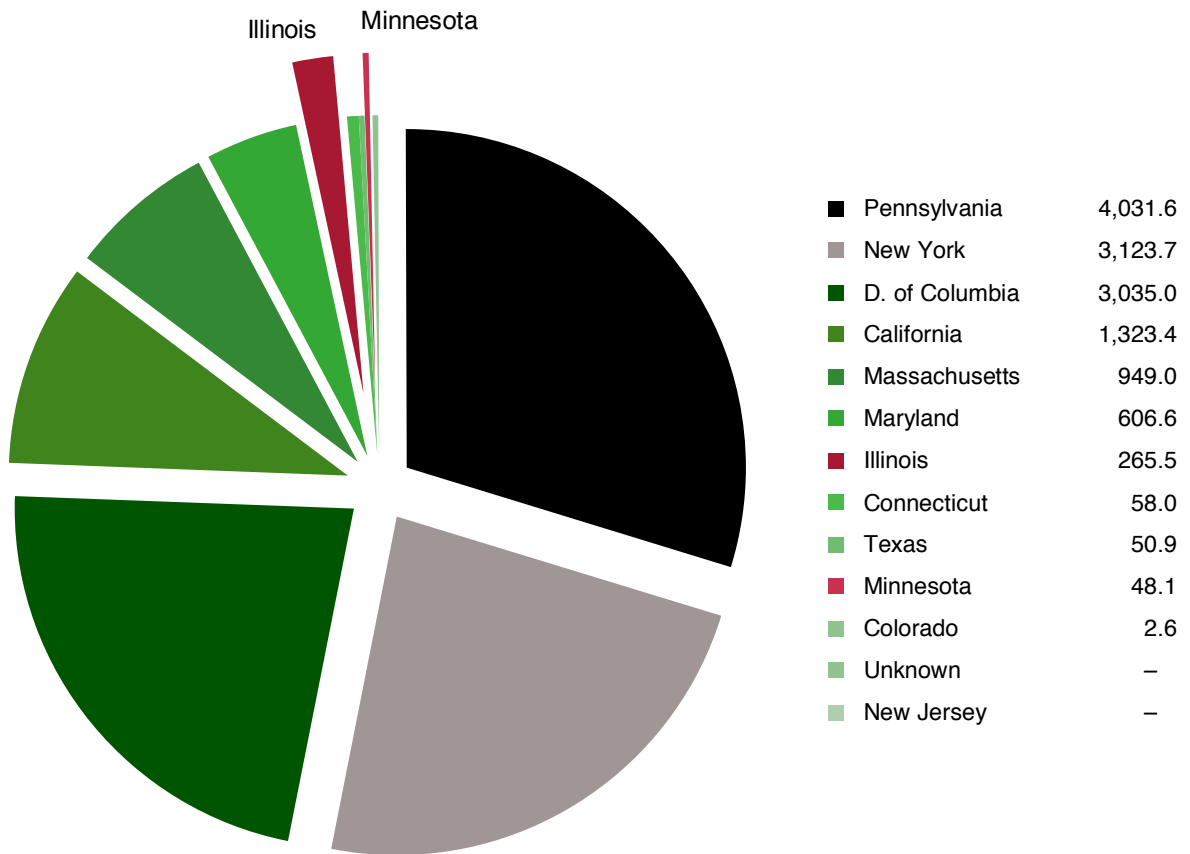


Table 11

State Rank – Number of IPOs – YTD					
Fund Location	Rank	Num of IPOs	Pct of IPOs	Offer Amt (USD Mil)	Post Offer Value* (USD Mil)
No venture-backed IPOs recorded by Thomson Reuters in the first quarter					

Note: The post offer value represents the value of all shares outstanding (primary share, management shares, etc.) at the offer date.

Table 12

Illinois IPOs – YTD			
Company Name	Offer Amt (USD Mil)	Post Offer Value * (USD Mil)	Age at IPO (yrs)
No venture-backed IPOs recorded by Thomson Reuters in the first quarter			

Note: The post offer value represents the value of all shares outstanding (primary share, management shares, etc.) at the offer date.

Section IV: Venture and Buyout Related Capital Investment Statistics

Table 13

Stages of Venture Capital Investment – Illinois						
	Early Stage VC		Later Stage VC		Buyout	
	Number of Companies	Total Capital (USD Mil)	Number of Companies	Total Capital (USD Mil)	Number of Companies	Total Capital (USD Mil)
Total '04-Q1'09	118	\$447.4	192	\$1,446.1	326	\$4,103.5
Qtr Avg	6	\$21.3	9	\$68.9	16	\$205.2
Quarterly						
1Q '08	7	\$30.7	5	\$43.2	23	\$86.8
2Q '08	4	\$5.7	13	\$133.8	19	\$142.3
3Q '08	8	\$9.0	15	\$136.5	16	\$480.5
4Q '08	5	\$11.0	9	\$72.0	15	\$39.9
1Q '09	0	\$0.0	8	\$40.5	11	–
Yearly						
2004	21	\$50.2	30	\$160.2	34	\$1,178.2
2005	19	\$64.8	37	\$208.7	42	\$704.2
2006	19	\$102.1	38	\$253.2	71	\$813.4
2007	35	\$173.9	37	\$398.0	95	\$658.2
2008	24	\$56.3	42	\$385.5	73	\$749.6
2009 YTD	0	\$0.0	8	\$40.5	11	–