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2010 ANNUAL REPORT :: A DECADE OF INFLUENCE

IVCA
ILLINOIS VENTURE CAPITAL ASSOCIATION
Serving The Private
Equity Community



INTRODUCTION

IT BEGAN DURING THE FIRST INTERNET BOOM AS THE GERM OF AN IDEA BY A LEGISLATIVE AIDE¹ TO AN ILLINOIS STATE LAWMAKER: Why not launch an organization to serve as the voice of private equity and venture capital in Illinois and Chicago, America's crossroads? Championed by a private-equity legend in Chicago,² the group originally focused on legislative issues critical to venture capital and private equity investing and on building its membership during an increasingly troubled tech economy.

Now, on its 10th anniversary, the organization – the Illinois Venture Capital Association – prevails as the most influential advocate for Illinois' venture and private equity investing. It delivers superbly on the three elements of its mission: **Invest** in Illinois; **Advocate** for venture capital and private equity; **Serve** its membership. In the process, it has become a determined activist for advancing Illinois as an Innovation Economy.

Indeed, except for the National Venture Capital Association on the countrywide stage, the IVCA has forged the most distinctive and influential voice for venture capital and private equity investors of any state or regional organization. The IVCA's executive director, its board members and others active in the association increasingly are sought after by legislators, entrepreneurs, business development officials and the media for their counsel on issues important to the industry.

Today, the IVCA's mission and activities are more high profile and intensified than at any time during the last decade because of venture and private equity investing's huge and positive impact on the state's economy. The economic benefits flow immediately. A study by Wind Point Partners, a Chicago private equity investment firm, finds that for every \$10 million commitment to an Illinois firm, an estimated 2 percent flows directly into the local economy, through the management fee, salaries, rents, taxes and the hiring of local service providers. Another study finds that for every job created by a venture capital-backed firm, 2.2 jobs are generated through its chain of customers and suppliers.

While much has been accomplished during the IVCA's first decade, the next promises even more achievements. "The breadth and depth of the private equity and venture capital community in Chicago is quite remarkable for its participation in everything from early stage investing to buyouts," says 2010 IVCA Chairman Jim TenBroek, "We're just scratching the surface in the role the IVCA can play in magnifying our impact."

¹ James Downing, who also was the first IVCA executive director.

² Carl Thoma, who provided funds and a home for the IVCA at the outset.



THE FIRST DECADE

By IVCA Executive Director Maura O'Hara

To understand how the IVCA's impact has developed and grown during its first decade, consider how my job has evolved since joining the association in April 2003. I began as two-day-a-week membership director (who became executive director six months later). Today, my duties serve as the full-time hub coordinating and staffing the activities of our dedicated volunteer board and committee members.

My burgeoning Outlook Contacts file illustrates the varied nature of what the association does today as we communicate with an ever-widening array of stakeholders. They comprise our 127 investor and service provider members, both first-time and successful serial entrepreneurs, state legislators, allies from related groups in Illinois and elsewhere, students interested in venture capital or private equity investing, and the media.

Glance at our biweekly e-newsletter over the past several years and you will see how our agenda and activities have expanded to best serve our simple mission: **Invest** in Illinois; **Advocate** for venture capital and private equity; **Serve** our membership.

WOULD WE SURVIVE?

When I joined, we really worried whether the IVCA would survive. That wasn't the case when the IVCA's Founding Executive Director James Downing; founding member and association backer Carl Thoma; and other local venture capitalists got it started in 2000 during the tech and venture capital and private equity investing heyday. At its inaugural event, 500 people showed up at the Art Institute of Chicago; membership flourished.

But then came the tech sector collapse and by early 2003, 75 percent of our receivables – annual fees primarily from fund members, 65 percent of which were first-time funds – were more than six months overdue. We did survive, of course, thanks to that core group of founding members committed to its success. (See list of founding members on page 13.)

Most of the IVCA's early activities focused on legislative issues, primarily those of interest to venture capital firms more than private equity investors. Initially, most IVCA members were VC funds. But when you looked at the Chicago investment community then, private equity firms in Chicago and the state outnumbered VC firms. We actively began to seek out and welcome private equity firms to the fold.

But our name, the Illinois Venture Capital Association didn't exactly help matters. We considered a name change but found that the term "venture capital" really resonated with legislative folks in Springfield. So we decided to emphasize our acronym, IVCA, and phase out the bigger name. That was in 2005 and since, we've been known as the association representing all firms that invest money in private companies.

We also had to smooth relations with service provider members to the investment community that were IVCA members and who were dropping their membership in droves. They had been miffed since our first awards dinner in December 2002, when the venue could only handle 175 people. The event became vastly over-subscribed and the decision was made to only allow investor members to attend. Since then, we've made it clear that all members are important and that includes service providers and university-related members. And our December gala is now held at the Four Seasons, which can handle hundreds of attendees.

OUR LEGISLATIVE TRACK RECORD

From the outset, the IVCA and its members have lobbied actively on behalf of state legislation that helps the venture capital and private equity community and against measures that hurt it. Members and staff meet with legislators or participate in hearings. An important part of our mission is getting legislators and staff to understand the role that venture capital and private equity plays in nurturing Illinois' job-creating businesses, which contribute to the state's tax base and create attractive high-wage positions.

In 2002 and 2003, we actively supported passage of Technology Development Account I, sponsored by then-Illinois State Sen. Barack Obama and authorized in 2003 by the legislature. It provided much needed venture capital to the state's high-tech sector by allowing up to 1 percent of the Illinois Treasurer's investment

FOR EVERY

\$10 MILLION

COMMITMENT TO AN ILLINOIS FIRM, AN ESTIMATED 2% FLOWS DIRECTLY INTO THE LOCAL ECONOMY IMMEDIATELY.

MAURA O'HARA, IVCA EXECUTIVE DIRECTOR

"We are working with other groups to lobby against the trend of over-regulation, including some other regional venture capital associations, angel investor associations and entrepreneurial groups."





“Since 2005, IVCA has been known as the association representing all firms that invest money in private companies.

- MAURA O'HARA,
IVCA EXECUTIVE DIRECTOR

portfolio to be invested in venture capital funds. It also established a new public/private partnership, with capital from private institutional investors being invested side by side with the Treasurer's capital with professional, third-party managers.

Today, with all of TDA I's \$75 million in funds committed, the IVCA actively lobbied for TDA II which allows up to 2 percent of the Treasurer's investment portfolio to be invested in VC funds. TDA II passed the Illinois Senate and House, and was signed into law by Governor Quinn on July 25, 2011.

We are emphasizing the huge positive impact of TDA I, which as of Sept. 30, 2010, had deployed \$31 million to 17 Illinois-based funds. Those funds deployed \$115 million in additional investment and their direct investment attracted an additional \$450 million from other local and out-of-state funds. As a result, more than \$565 million has helped 37 Illinois companies create more than 2,664 new jobs in Illinois, an impressive contribution to the state's economic foundation.

In 2005, IVCA members successfully persuaded the General Assembly to adopt a measure that protects the commercially sensitive information of companies that receive private equity funding from public pension funds.

Today, we're growing increasingly worried about government regulations affecting our industry and adding unnecessary cost and bureaucracy to members. Costs of doing business are so much higher than just three years ago, and this trend offers us a communications opportunity with our case studies approach to focus on the start ups and the established private companies being helped by the venture capital and private equity community. Since most of these problems come at the federal level, we are working with other groups to lobby against the trend of over-regulation, including some other regional venture capital associations, angel investor associations and entrepreneurial groups. We're also being asked to help develop indexes or metrics that would interest our members, and we may contribute to the World Business Chicago's efforts to track an Illinois Innovation Index.

We're also continuing to offer opportunities for our members to gain knowledge and content of interest to them, including our Toolkit series and our annual CFO seminar.

For the most part, we're able to expand our activities on all fronts with the three core staff members we've had since 2004, including our legislative affairs liaison, Penny Cate; association coordinator Kathy Pyne and me. We have added resources to write our biweekly online newsletter, which has been issued since February 2004; to manage our database and website, which had a major overhaul in July 2006 and a redesign in 2008; and to assist with our bookkeeping. Like our members, we run a lean ship.

We look forward to the next decade and the opportunities those years bring.



LOOKING AHEAD

By James TenBroek
2011 IVCA Chairman

At 10 years old, the IVCA faces an important question: Now what? Looking forward, we intend to continue to focus on making a significant, positive impact on behalf of the private equity sector. We'll do that by concentrating on our simple, yet powerful, mission – to promote investment in Illinois, to advocate for the Illinois venture capital and private equity community and to serve our membership. At the board level, that mission translates into a full agenda of activities for our major committees, involving research, legislative, institutional investors, marketing & PR and membership. And in everything we do, we'll try to make it fun.

Of course, promoting our private equity and venture capital community and helping it thrive are central to our organization. A stronger community directly helps Chicagoland and Illinois drive growth through the inevitable local investment in local companies and via the jobs created by the firms directly and the multitude of service providers that we engage.

One important IVCA goal is to bring successful firms better recognition within our industry. We plan to recognize again this year our Portfolio Company of the Year and Hall of Fame companies at the annual December gala, following our successful inaugural class in 2010. Relatively few people even locally are aware of these companies. The heightened awareness that results from the awards helps build the impression that Illinois firms are successful investors and homegrown companies make great potential investments.

The IVCA is not the only organization in Illinois promoting these various causes. As a result, we've also begun to join forces and partner with allied organizations to advocate on behalf of the investment community. Early in 2011, the IVCA joined with several other leading industry groups to create the Illinois Technology Alliance, a coalition focused on ensuring innovation and economic growth in the state. Our Director Maura O'Hara is our representative to the Alliance, and also is a member of a task force planning a new technology center for the city. The initial returns from these partnerships have been good, and will continue.

The breadth and depth of the private equity community in Chicago is surprising even to me. And when you look at the many billions of dollars under its management, it comprises an incredibly powerful collection of firms with an equally powerful lobbying strength. We will continue with one of our most important and successful activities, lobbying for the Illinois business community generally and for the entrepreneurial environment that our members embody and contribute to. Through our activities with lawmakers, we impact legislation that directly impacts our members, Illinois companies, and the jobs and economic development they create and support.

Our efforts to support the recent passage of SB 107 and the creation of the state's second Technology Development Account – more than \$50 million designated for investment in Illinois funds and Illinois companies – is a shining example.

Look for us to become more relevant as well to early stage firms, angel investors and to family offices. The thriving seed and early stage ecosystem in Illinois needs nurturing from all sides, and the IVCA can play important roles supporting and promoting their activities. We are working to better serve this community, and we plan to grow our membership on those fronts. We're just scratching the surface today.

Last year and 2011, to date, proved a very busy time for the IVCA. Thanks to all of our member firms – our private equity members and our service provider members – for participating and supporting the association with your dues, the IVCA PAC with your donations and, importantly, our various activities through your sponsorships and attendance. Thanks to the members of our executive committee and our other committees for all the time they invest with IVCA meetings and initiatives. Thanks, too, to our service providers who advise and help us on everything from accounting and legal matters to marketing and public relations issues, and who sponsor many of our luncheons and other events.

Special appreciation and thanks goes to our premier staff – our tireless leader Maura O'Hara, legislative affairs liaison Penny Cate, and association coordinator Kathy Pyne. And we can't forget those intrepid members who conceived of the IVCA a decade ago, nurtured it from its inception, and revved it up in recent years into the impactful organization that we are today.

It's been a great first 10 years – and the second 10 promises to be even greater!



JIM TENBROEK, IVCA CHAIRMAN

“The breadth and depth of the private equity and venture capital community in Chicago is quite remarkable... We're just scratching the surface in the role the IVCA can play facilitating that community.”



HOW IVCA MEMBERS VIEW THE PAST, THE FUTURE

Several IVCA members recently offered their views about the IVCA, its first 10 years and what its future portends.

THE DIFFERENCE THE IVCA MAKES:

J.B. PRITZKER, CO-LEADER, THE PRITZKER GROUP AND FOUNDER OF NEW WORLD VENTURES: “The IVCA brought the venture capital community together and gave it a strong voice. Before its launch, a lot of small- to mid-size firms were doing their own things, but there was no sense of community. The IVCA changed all that. Now we have a real community – which helps create a climate to attract both personnel and capital, and is good for every firm in Illinois.”

JACK S. LEVIN, PARTNER AT KIRKLAND & ELLIS LLP: “The IVCA turns out to have been a spectacularly good idea. It succeeded beyond our fondest expectations in bringing the Illinois PE/VC community together.”

JIM MACDONALD, MANAGING DIRECTOR AT FIRST ANALYSIS VENTURE CAPITAL: “Its biggest impact is bringing together the private equity participants in Illinois, creating a real community of investors and service providers. Through the IVCA, it’s good to step back and think about the bigger issues, like creating jobs for Illinois, with the rest of the venture community.”

CHRISTOPHER GIRGENTI, MANAGING PARTNER OF NEW WORLD VENTURES: “The IVCA has been immensely valuable in catalyzing the community, representing our interests in government and bringing together thought leaders on timely issues and through education.”

DARREN SNYDER, PARTNER IN PRAIRIE CAPITAL: “Based on its broad and active membership, the IVCA has been able to act as the only organization with the ability to speak on behalf of the full industry. By having this level of representation, it has been highly effective in communicating our industry’s issues, concerns and needs with Illinois lawmakers.”

PAUL CARBONE, DIRECTOR OF ROBERT W. BAIRD & CO.’S PRIVATE EQUITY GROUP: “Our industry is not an easy one to understand. The IVCA has helped not only our member funds but equally has helped constituents outside the industry understand and more importantly appreciate the contribution this industry makes to a growing and healthy economy. At our annual IVCA awards dinner, when I look out at a ballroom filled with my peers, I’m proud that Baird Venture Partners helped in its own modest way launch what has become a leading industry organization in the Midwest.”

SOME SPECIFIC NOTEWORTHY ACHIEVEMENTS:

Snyder: The establishment and success of the IVCA Political Action Committee. By participating in fundraising events, at even modest dollar amounts, our members and IVCA leaders interact with legislators more frequently, developing relationships that matter when we are looking for someone who will understand and be willing to help address our issues. Also the IVCA Scholar program that provides meaningful opportunities for highly qualified undergraduate minorities, giving them an opportunity to develop relationships in the industry early.

Pritzker: A series of legislative accomplishments, in particular, the passage of TDA and TDA II, which helped infuse capital into the system, and the passing of Freedom of Information Act legislation that has protected venture and PE funds from having to disclose private information about portfolio companies.

SUGGESTIONS FOR HELPING ATTRACT MORE INVESTMENT FUNDS INTO ILLINOIS:

Girgenti: Get the state to work with the IVCA to find ways to encourage new engineering talent to stay in Illinois or attract outside talent to come here. Think individual tax breaks.

Snyder: Continue to highlight the successes of Illinois funds is the best means to attract capital to Illinois. The availability of capital is what will matter most to new funds coming into the state.

DESIRES FOR THE DECADE AHEAD:

Carbone: For the IVCA to play a leadership role in the region, not just in the state. Our local PE/VC industry can be stronger if we help our regional peers get stronger and not by trying to limit their success.

Girgenti: I'd like to see the IVCA focus more externally. For the first time in my 15 years of venture investing, I feel like the ecosystem needed to succeed long term is finally coming together. We can now truly begin to focus on being an alternative to either coast in attracting and retaining opportunities. Also, by its 20th anniversary, I hope the IVCA has helped establish Innovation as the quintessentially understood mechanism for creating long-term job growth.

Macdonald: More emphasis on improving the entrepreneurial culture and more opportunities for early-stage investing in Illinois. In 10 years, I would like to see Illinois viewed as among the best places to start a new business – with a strong group of small companies, deep pool of executive and technical talent and strong sources of funding.

Pritzker: I'd like the IVCA to continue its advocacy of pension fund investments into regional and local venture capital funds.

Snyder: Continue to represent the full extent of the industry, from large established funds to the newest spin-outs and start ups. Also, continue work to broaden our base of quality professionals by attracting more women and minorities.

A FINAL WORD:

Carbone: Just as a strong, effective organization is more than the sum of its parts, it also in many ways is a reflection of its leader. Maura (O'Hara) has been the heart and soul of the IVCA. Her passion, dedication and commitment have helped build the IVCA into the organization it is today. We owe her our thanks and look forward to her continued leadership as we move into our second decade of service and advocacy.

IVCA HONORS ITS FIRST 'PORTFOLIO COMPANY OF THE YEAR' RECIPIENTS

The IVCA inaugurated its Portfolio Company Hall of Fame in 2010, honoring an exceptionally successful company from both venture capital and private equity.

Ovation Pharmaceuticals, Inc. (private equity), and Initiate Systems, Inc. (venture capital) were the annual award's first recipients. Each provided a great return on investment for investors within the last three years through an initial public offering or a sale. Here are brief histories of them:

OVATION PHARMACEUTICALS

The Danish pharmaceutical company H. Lundbeck A/S acquired Ovation in March 2009 for about \$900 million in cash. The purchase ended the biopharmaceutical firm's nine years as a fast-growing, profitable private company. Based in

Deerfield, Ill., at the time, it's now known as Lundbeck, Inc.

From 2000, when CEO Jeffrey S. Aronin founded the company, until its sale, Ovation compiled a broad portfolio of medicines, both approved and in development, that primarily treat central nervous system disorders.

Ovation owed much of its rapid expansion to its Chicago-based private equity partner GTCR Golder Rauner, which committed \$150 million to it in 2002. When sold, Ovation employed 283 people.

INITIATE SYSTEMS

IBM Corp. snagged Chicago-based Initiate Systems for an undisclosed price in March 2010.

At the time, the fast-growing private company held an estimated 80 percent share of the software market that links individual patient records across various health-care databases. Its 350 employees are now part of IBM's Information Management business.

Father-son team Ron and Jeff Galowich founded the company in 1994, but former IBMer Bill Conroy had been CEO since July 2002. Initiate owed much to a wide array of venture capital firms and other investors. They included Apex Venture Partners, Blue Cross Blue Shield Venture Partners L.P., Sigma Partners, William Harris Investors, First Analysis, MK Capital and In-Q-Tel, a private venture group established by the Central Intelligence Agency. Also, Paladin Capital Group, Dunrath Capital, EMC Corp. and Informatica Corp.

IVCA INDUCTS 5 COMPANIES INTO PORTFOLIO COMPANY HALL OF FAME

Five companies in 2010 became the first inductees into the IVCA Portfolio Company Hall of Fame. They each provided great returns to their investors when sold or went public, and they continue to provide significant economic benefits to Illinois.

Inductees were Archipelago Holdings, Inc.; Bakery Chef, Inc.; CCC Information Services, Inc.; DeVry, Inc.; and Levy Restaurants. Here are capsule histories of each:

ARCHIPELAGO HOLDINGS

The Archipelago Exchange was the country's first open all-electronic stock exchange. Co-founders Gerald Putnam and Stuart Townsend began the company in 1996 in Chicago and raised their first outside capital three years later from their trading-firm customers. Archipelago went public in 2004. NYSE Euronext acquired it in February 2006, and today, known as NYSE Arca, it employs about 150 people at its Chicago headquarters. **Private Equity Backers: Goldman Sachs, J.P. Morgan & Co., American Century, among others**

BAKERY CHEF

Founded in 1981 and based now in Downers Grove, Ill., Bakery Chef LLC has been a subsidiary of Ralcorp Holdings Inc. since December 2003 when it was acquired for \$287.5 million. Bakery Chef then had annual revenues of \$165 million, an EBITDA of \$39 million, five factories and 800 employees. Previously, it had been a portfolio company of Wind Point Partners since December 1998. **Private Equity Backer: Wind Point Partners**

CCC INFORMATION SERVICES

CCC Information Services Inc., a unit of Investcorp since early 2006 after its acquisition for about \$496 million, was an early pioneer in the now-huge field of information services to help auto-claims processing. Chicago attorney Howard Tullman founded it in 1980 with a \$300,000 investment. It continues to assist thousands of insurers, auto-repair facilities and independent appraisers and employs about 900 people, most in Illinois. **Private Equity Backer: Investcorp**

DEVRY

In 1931, engineer Herman DeVry established a Chicago school specializing in several technical fields and today, DeVry Inc. ranks among the nation's largest systems of proprietary post-secondary education; fiscal 2010 revenues were \$1.92 billion. In 1966, Bell & Howell Education Group bought DeVry and, in 1987, when annual sales were \$185 million, Dennis Keller and Ronald Taylor partnered with Frontenac Company to buy it. DeVry went public four years later. It now employs more than 10,000 people in the U.S. and Canada. **Private Equity Backer: Frontenac Company**

LEVY RESTAURANTS

Brothers Larry and Mark Levy, their mother and a deli effectively created Levy Restaurants in 1978. Twelve years later, Frontenac Company made an initial investment in it, and Compass Group PLC bought that a decade later when Levy's revenues had climbed ten-fold to about \$450 million. It's now part of Compass Group North America of Charlotte, a food-management company. Levy employs more than 15,000, many in Illinois. **Private Equity Backer: Frontenac Company**



IVCA NEWS & EVENTS

“ Illinois ranked 6th among the states in venture capital investments in 2010, with \$574.4 million of investments from 59 deals.

- MONEYTREE REPORT,
JULY 2011

JAN. 19, 2011: The IVCA and several other leading Illinois industry groups created the Illinois Technology Alliance (ILTA), a coalition to ensure innovation and economic growth in the state by coordinating and, therefore, leveraging the existing individual government affairs efforts of its members. Other members include the Illinois Science & Technology Coalition (ISTC), Illinois Biotech Industry Organization (iBIO) and TechAmerica.

DEC. 6, 2010: The 9th annual IVCA Awards Dinner, sponsored by Kirkland & Ellis LLP, inducted five Illinois companies into the IVCA Portfolio Company Hall of Fame. Archipelago Holdings, Inc., Bakery Chef, Inc., CCC Information Services Inc., DeVry Inc., and Levy Restaurants were honored for providing great returns to their investors when they sold or went public and for continuing to provide significant economic benefits to Illinois.

Initiate Systems, now an IBM company, received the IVCA Venture-backed Portfolio Company of the Year award, and Ovation Pharmaceuticals, now Lundbeck Inc., received the IVCA Private Equity-backed Portfolio Company of the Year award.

Robert L. Fealy, president of the Duchossois Group and founder of Duchossois Technology Partners, received the Richard J. Daley Award; Lester B. Knight, a founding partner of RoundTable Healthcare Partners, received the Stanley C. Golder Medal; Mark Glennon, managing director of Ninth Street Advisors, received the Fellows Award.

OCT. 21, 2010: At the 10th Annual CFO Summit, chief financial officers discussed many of the difficult issues facing the venture capital & private equity industry and agreed that sharing best practices and information on enabling technologies are keys to success in the next year. Among other highlights, Presenting Sponsor Silicon Valley Bank presented an economic outlook for venture and private equity investors and a panel discussed how to establish a process for SEC registration. **Content Sponsors: Ernst & Young LLP and Kirkland & Ellis LLP**

SEPT. 14, 2010: A panel of experts from Winston & Strawn, RCP Advisors, and Bank of America Corp. explored at an IVCA Toolkit Luncheon what private equity and venture capital firms need to know about the Dodd-Frank Reform Bill and the new Private Fund Investment Advisers Act of 2010 passed on July 21. **Sponsor: Winston & Strawn LLP**

SEPT. 1, 2010: The IVCA-PAC launched its 2010 fundraising campaign to replenish its funds for supporting political candidates, on a bipartisan basis, who have shown interest and support of the venture capital and private equity industry. During the 2009 PAC fundraising season, which began in September 2009 and continued through spring 2010, more than two-thirds of investor members contributed a total of \$75,200, just exceeding the \$75,000 fundraising goal.

JUNE 24, 2010: An IVCA breakfast event served up federal and state tax changes as Mark J. Blumenthal, a partner at Blackman Kallick LLP spoke about the evolution of tax rates and legislation as it related to venture capital and private equity investing in particular. **Sponsor: Blackman Kallick LLP**

IVCA NEWS & EVENTS, CONTD.

MAY 19, 2010: Steve Kaplan, professor of Entrepreneurship and Finance at the University of Chicago Booth School of Business, spoke on “Venture Capital and Private Equity: Where Have They Been, Where are They Going,” at the annual IVCA/NVCA luncheon at the Chicago Club. Among other things, he noted that only one-sixth of one percent of companies begun each year get venture capital backing, but that 60 percent of initial public offerings are venture-backed. “In other words, a VC-backed initiative is 360 times more likely to go public,” he said.

At the luncheon, NVCA membership vice president Janice Mawson talked about the NVCA's efforts to work with national legislators and IVCA Chairperson Ellen Carnahan updated attendees about IVCA matters. In attendance were Illinois State Sen. Kwame Raoul and State Rep. David Miller. Sponsors: Baker Tilly and Ropes & Gray LLP

APRIL 20, 2010: Chicago online companies proved an engaging subject at an IVCA education luncheon and panelists included both investors and entrepreneurs. Panelists were Brent Hill, head of Financial Services for Google in the Midwest; Matt Moog, founder and CEO of Viewpoints Network; Matt McCall, partner at New World Ventures and Portage Venture Partners; Eric Lefkofsky, president of Blue Media LLC; and panel moderator was Michael Gray, partner at Neal Gerber & Eisenberg. Also speaking was Lon Chow of Apex Venture Partners, who suggested the topic and assembled the panelists, and who offered, “There are a lot of pockets of good here (in Chicago), and online is one of those pockets. What we have here are great people.” Sponsor: Neal Gerber & Eisenberg

MARCH 23, 2010: Attendees at an IVCA Toolkit Series program learned the differences between a portfolio board of directors that has a high impact and one that performs poorly. Panelists were Harry Kraemer, executive partner of Madison Dearborn Partners, and Rick Crandall, founder of Comshare Inc. and Arbor Partners, and moderator Thom Ferguson, of Kelley Drye & Warren LLP. Sponsor: Kelley Drye & Warren LLP

FEB. 4, 2010: Several IVCA members participated in a hearing hosted by Illinois Sen. Dan Kotowski, chair of the Commerce Committee, on venture capital and private equity investing in Illinois. IVCA's primary message, from 2010 Chairperson Ellen Carnahan, and Executive Director Maura O'Hara, communicated that while Illinois has great strength in capital to grow later-stage companies via private equity, there's limited available capital from venture capital to support early-stage companies. They urged Illinois-based pension funds and other limited partners to invest in venture funds with Illinois-based operations.

JAN. 18, 2010: An IVCA membership event at the Civic Opera House Tower Club celebrated the launch of *The Masters of Private Equity and Venture Capital* by Robert A. Finkel, Managing Partner of Prism Capital, and David Greising, of the Chicago News Cooperative. A panel featured three such “masters” – John A. Canning, Jr. of Madison Dearborn Partners, Patricia Cloherty of Delta Private Equity Partners and Carl Thoma of Thoma Bravo LLC – and it was moderated by Greising. Proceeds from book sales go to the IVCA Scholar Program. Sponsors: J.P. Morgan, Ernst & Young LLP and Mayer Brown LLP

“**Illinois ranked 20th on the 2010 Milken State Science & Technology Index, up from 21st in 2008.**”

- MONEYTREE REPORT, JULY 2011



GOVERNANCE

2010-2011 EXECUTIVE COMMITTEE

Ellen Carnahan	IVCA-PAC Chairperson	Darren Snyder	IVCA Vice Chairman, Chairman – Legislative
Robert Fealy	Treasurer – IVCA-PAC	Jim TenBroek	IVCA Chairman, Co-Chairman – Institutional Investors, Chairman – Executive Committee
Mark Glennon	IVCA Treasurer, Co-Chairman – Research	Steve Vivian	Co-Chairman – Institutional Investors
John Hoesley	Co-Chairman – Research	Jeff Zilka	Chairman – Marketing & PR
Jim Macdonald	Chairman – Events	Maura O'Hara	IVCA Executive Director
Laura Pearl	Chairperson – Membership		

2010-2011 STAFF



Maura O'Hara

Maura has been Executive Director of IVCA since 2003. She oversees all aspects of the Association and represents IVCA in the community.



Kathy Pyne

Kathy is the IVCA's Association Coordinator and is responsible for events, member communications and database management. Kathy joined IVCA in 2005.



Penny Cate

Penny is IVCA's Government Affairs representative. Since 2004, Penny has led IVCA's legislative efforts and develops strategies for IVCA's Legislative Committee and IVCA-PAC.

2010-2011 OFFICERS COMMITTEE



James TenBroek

Chairman: 2010-2011
Vice Chairman: 2009-2010
Secretary: 2008-2009
Wind Point Partners



Ellen Carnahan

IVCA-PAC Chairman: 2010-2011
Chairman: 2009-2010
Vice Chairman: 2008-2009
Machrie Enterprises



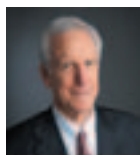
Darren Snyder

Vice Chairman: 2010-2011
Secretary: 2009-2010
Treasurer: 2008-2009
Prairie Capital



Mark Glennon

Treasurer: 2009-2011
Ninth Street Advisors



Lee M. Mitchell

Secretary: 2010-2011
Thoma Bravo, LLC

MEMBER LIST

Adams Street Partners, LLC	Financial Investments Corporation	Mayer Brown LLP	Sikich Investment Banking
Andersen Pacific Corporation	First Analysis	McDermott, Will & Emery	Silicon Valley Bank
Apex Venture Partners	Foley & Lardner LLP	McGladrey	SNR Denton
ARCH Venture Partners	Freeborn & Peters	McGuireWoods LLP	Spencer Stuart
Baird Private Equity	Frontenac Company	Mesirow Financial Private Equity	Square 1 Bank
Baker Tilly Virchow Krause, LLP	Golder Investment Management, LLC	Mid Oaks Investment LLC	State Universities Retirement System
Barnes & Thornburg LLP	GTCR LLC	MK Capital	Sterling Partners, LLC
BDO Seidman, LLP	Heizer Center, Northwestern University, Kellogg School of Management	Motorola Solutions Venture Capital	Stern Cassello & Associates
Beecken Petty O'Keefe & Co.	Horwood, Marcus & Berk Chtd.	MVC Capital	Svoboda Capital Partners LLC
* Bessemer Trust Co.	* Houlihan Lokey	Neal, Gerber & Eisenberg, LLP	Teachers' Retirement System of Illinois
Blackman Kallick LLP	Illinois Municipal Retirement Fund	New World Ventures	Thoma Bravo, LLC
Burke Warren	Illinois State Treasurer	Ninth Street Advisors	Thompson Flanagan & Co.
CapX Partners	IllinoisVENTURES, LLC	Northern Trust Global Advisors	Tribune Company
* CB Richard Ellis	JK&B Capital	Northwestern University - The Larry and Carol Levy Institute for Entrepreneurial Practice	Ungaretti & Harris
Cendrowski Corporate Advisors	JP Morgan	OCA Venture Partners	University of Chicago Booth School of Business
Ceres Venture Fund	K&L Gates	Origin Ventures	University of Illinois
Certare Ventures, LLP	Katten Muchin Rosenman LLP	Paradigm Capital, Ltd.	University Park at IIT and The Knapp Center
Charter One Bank	Kaye Scholer LLC	* Patriot Capital	Vedder Price P.C.
Chicago Growth Partners	KB Partners	PPM America Capital Partners	Water Street Healthcare Partners
Chicagoland Entrepreneurial Center	Kelley, Drye & Warren LLP	Prairie Capital	Wildman, Harrold, Allen & Dixon LLP
Chrysalis Ventures	Kirkland & Ellis LLP	PricewaterhouseCoopers	Willis Stein & Partners
* CHS Capital	KPMG LLP	Prism Capital	Wind Point Partners
Conversus Asset Management	Kutchins, Robbins & Diamond, Ltd.	Quarles & Brady LLP	Winona Capital Management
Cressey & Company, L.P.	LaSalle Capital Group	RCP Advisors	Winston & Strawn LLP
Deloitte & Touche	Lazard Middle Markets	Reed Smith LLP	WP Global Partners
* DFJ Mercury	Linden LLC	River Cities Capital Funds	WTAS LLC
* DLA Piper, LLP (US)	Machrie Enterprises	Ropes & Gray LLP	Wynnchurch Capital, Ltd.
Duchossois Technology Partners	Madison Dearborn Partners	RoundTable Healthcare Partners	Zebra Technologies Inc.
Dunrath Capital	Martin Partners	* RPM Ventures	
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The Edgewater Funds		Seneca Partners, Inc.	
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