

SR155, As Adopted by Senate, April 25, 2018

Senator Kowall offered the following resolution:

Senate Resolution No. 155.

A resolution to recognize April 22-28, 2018, as Michigan Venture Capital and Angel Investment week.

Whereas, The Michigan Venture Capital Association (MVCA), the nonprofit trade association founded in 2002 to increase the amount of capital and talent for Michigan's entrepreneurial and investment community, released its 2018 MVCA Research Report; and

Whereas, The study collects data from all 29 Michigan venture capital firms, and reports information from 11 angel investor groups, which are funding Michigan's most innovative entrepreneurs and working closely with them to transform breakthrough ideas into new companies and industries that drive Michigan job creation and economic growth; and

Whereas, Michigan investors are trailblazers who are vital to building Michigan's entrepreneurial community. Local investors are often the first to identify innovative companies emerging in the state and have the networks necessary to support their growth through deal-leadership and connections to potential out-of-state syndicate partners to help companies stay in Michigan rather than relocate to other areas where they may find greater funding sources; and

Whereas, Every \$1 invested in a Michigan startup by a Michigan-based venture capital firm attracts \$3.83 of investment from outside of Michigan; and

Whereas, Entrepreneurs, powered by the capital, networks, and support of Michigan investors, move Michigan forward by building high-growth, high-potential businesses; and

Whereas, There are currently 134 venture-backed startups in Michigan. To ensure the state's economic health in the long run, increasing capital availability for Michigan entrepreneurs remains a top priority; and

Whereas, MVCA members are working hard to attract more capital to empower entrepreneurs; and

Whereas, According to the 2018 MVCA Research Report, approximately \$627 million of additional venture capital will be required in the next two years to adequately fund the growth of Michigan's 134 venture-backed startups. However, only \$403 million of venture capital is available for existing portfolio companies backed by Michigan venture capitalists, highlighting a significant funding gap that is beginning to impact Michigan startups; and

Whereas, In order to support the demand for capital from high-tech, high growth companies launching in Michigan, local venture firms are targeting to raise \$657 million in 2018; and

Whereas, The challenge ahead is to make sure we can meet these growing demands. Together with our partners in state government, economic development organizations, higher education institutions, and institutional investors we are ready to continue our commitment to funding the brilliance and talent that resides in Michigan entrepreneurs and making Michigan the state where companies come to grow; now, therefore, be it

Resolved by the Senate, That this legislative body recognize April 22-28, 2018, as Michigan Venture Capital and Angel Investment week.