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## **WisBusiness: State start-ups to get tips from venture capital pros**

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By Brian E. Clark  
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Chicagoans Matt McCue and Craig Overmyer will be fishing in Wisconsin this week. But they won't be angling for walleyes or muskies.

Instead, the pair, who work for Hopewell Ventures, will be attending the Early Stage Symposium -- trolling for possible deals with fledgling Badger State companies.

The event will be held Wednesday and Thursday at the Monona Terrace Convention Center. It evolved out of the Life Sciences & Venture Conference and is sponsored by the Wisconsin Technology Council.

According to WTC President Tom Still, the main goal of the gathering is to better prepare participating companies to compete for regional and national capital.

Still said Hopewell is one of the funds participating in the meeting's "Elevator Pitch Olympics," in which companies make brief speeches to a panel of investors.

"It's as in 'going up in the elevator,' and will give an indication if the investors would take a meeting or get beyond the first paragraphs of a business plan," he said.

Still said selected early-stage companies also will be professionally "coached" by venture and service professionals, as well as veteran company executives with stories to tell.

Overmyer, a partner with Hopewell, said his Midwest-based fund is looking for "world-class" opportunities in Wisconsin.

"We think there are tremendous possibilities up there," said McCue.

"We just have to find them," he said. "We will look at anything that is 12 to 18 months from profitability to the point of change of control on the late side."

Overmyer said his company takes a "generalist approach" to investing in early stage companies that range from traditional manufacturers to state-of-the-art technology and life science ventures.

He said angel networks and other organizations often provide the initial funding for newly launched enterprises in the range of \$50,000 to \$500,000.

On the other end, bigger companies like Mason Wells or major Chicago funds will invest \$10 to \$20 million.

"We are in between," he said, noting that Hopewell's typical initial investments range from \$1 million to \$5 million.

"We see a gap in the marketplace for entrepreneurs who are starting to have traction, but need funding to move into the marketplace," he said.

McCue praised the symposium for helping educate business people who are new to seeking capital.

"Events like this provide much needed visibility between entrepreneurs and funds," he said. "Not everyone understands how private equity firms become partners in an enterprise.

"Too often, entrepreneurs go to friends, family or the bank to get going and then try to 'bootstrap' it when their money runs out," he said.

Through gatherings like the one in Madison this coming week, he said company founders can become more "sophisticated."

"They can come to understand that by partnering with a company like ours, we bring in a solid financial partner, a good Rolodex and a board that can help them grow to the next stage -- for a minority position."

Overmyer said he believes the venture capital spigots are beginning to open up again, but that money is not being deployed in the Midwest.

"As a region, we are way behind in attracting investments," he said. "And if you are an early stage company, you might have very few options."

Even if no deals are hatched during the meetings, McCue said he and Overmyer aim to get themselves known to Wisconsin entrepreneurs.

"We want to be on their radar screens as their companies grow," he said.

"We are in this for the long run," he said. "We must start the process somewhere. We need let early stage companies what are investment criteria are."

The meeting will also include:

- Venture Readiness workshop led by Courtney Price and Mack Davis of VentureQuest Ltd.
- Kauffman Foundation "Power of Angel Investing" seminar, as produced by the Wisconsin Angel Network.
- Technology showcase by leading research institutions
- SBIR-STTR workshops and recognition dinner
- Nationally renowned speakers

For more information on the Early Stage Symposium, email the WTC's Sally Muller at [sallym@wisconsintechcouncil.com](mailto:sallym@wisconsintechcouncil.com) or call her at (608) 442.7557 X- 22 or 888-443-5285.

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