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Eight VC firms split \$23M

Pittsburgh Business Times - 3:34 PM EDT Tuesday by [Patty Tascarella](#)

Pennsylvania Gov. Ed. Rendell announced that the commonwealth is investing \$23.1 million in eight venture capital firms that will use the money to help Pennsylvania-related companies specializing in nanotechnology, life sciences and information management.

Boston-based venture capitalist Oxford BioScience received \$5 million in capital commitments for its fund, **Oxford Bioscience Partners V**. Oxford, which will handle its Pennsylvania investments from Pittsburgh, will invest in companies of all stages in breakthrough life science technology in the commonwealth. Partners of Oxford BioScience were not immediately available for comment.

Other recipients and the counties where their operations will be centered are:

Psilos Group Partners, Erie County, received \$5 million to invest in early, mid-stage and later-stage healthcare companies.

Brook Ventures, Lackawanna County, received \$5 million to invest in expansion stage information technology and medical technology industries focusing in the Scranton area, as well as throughout the commonwealth.

Innovation Ventures LP, Lancaster County, received \$2.1 million to invest in early and emerging stage companies with a focus on the Mid-Atlantic region. Innovation Ventures will target chemicals, electronic materials, information technology, nanotechnology software, biotechnology and business information services.

Three venture capitalists, each receiving \$3 million, center operations in Philadelphia. They are:

- [Edison Venture Fund](#), which will make late stage venture investments with a focus on the Mid-Atlantic region;
- [MentorTech Management LLC](#), which will invest in early stage technology companies founded or led by current and former faculty members and alumni of the University of Pennsylvania's Wharton School;
- New Spring Ventures, which invest in growth and expansion stage business services and information technology companies in the Mid-Atlantic region.

Additionally, University Science Center, Philadelphia received \$3 million in capital commitments for Science I, a fund that will invest in early stage life sciences companies.

The money is part of the New PA Venture Capital Investment Program, a key component of Rendell's economic stimulus package, designed to encourage investments in young companies. It provides \$60 million in loans to venture capital managers, which leverages another \$180 million in private equity, for a total investment of \$240 million.

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"This program is making sure that young companies get the financing they need and are not forced to look to other states for help," Rendell said in a statement. "The program is working not only in our established technology hubs of Pittsburgh and Philadelphia, but in other parts of the state as well, where early stage capital can be hard to find."

During the next several years, nearly \$1 billion in venture capital funding will be available to Pennsylvania's companies as a direct result of public/private partnerships, which enable the commonwealth to continue attracting and retaining high-growth firms.

ptascarella@bizjournals.com | (412) 481-6397 x226

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