



Venture Capital and Entrepreneurship in Connecticut

2009





Connecticut is currently ranked 22nd for overall venture capital investment.

Venture Capital Investment In Billions
2008 State Ranking

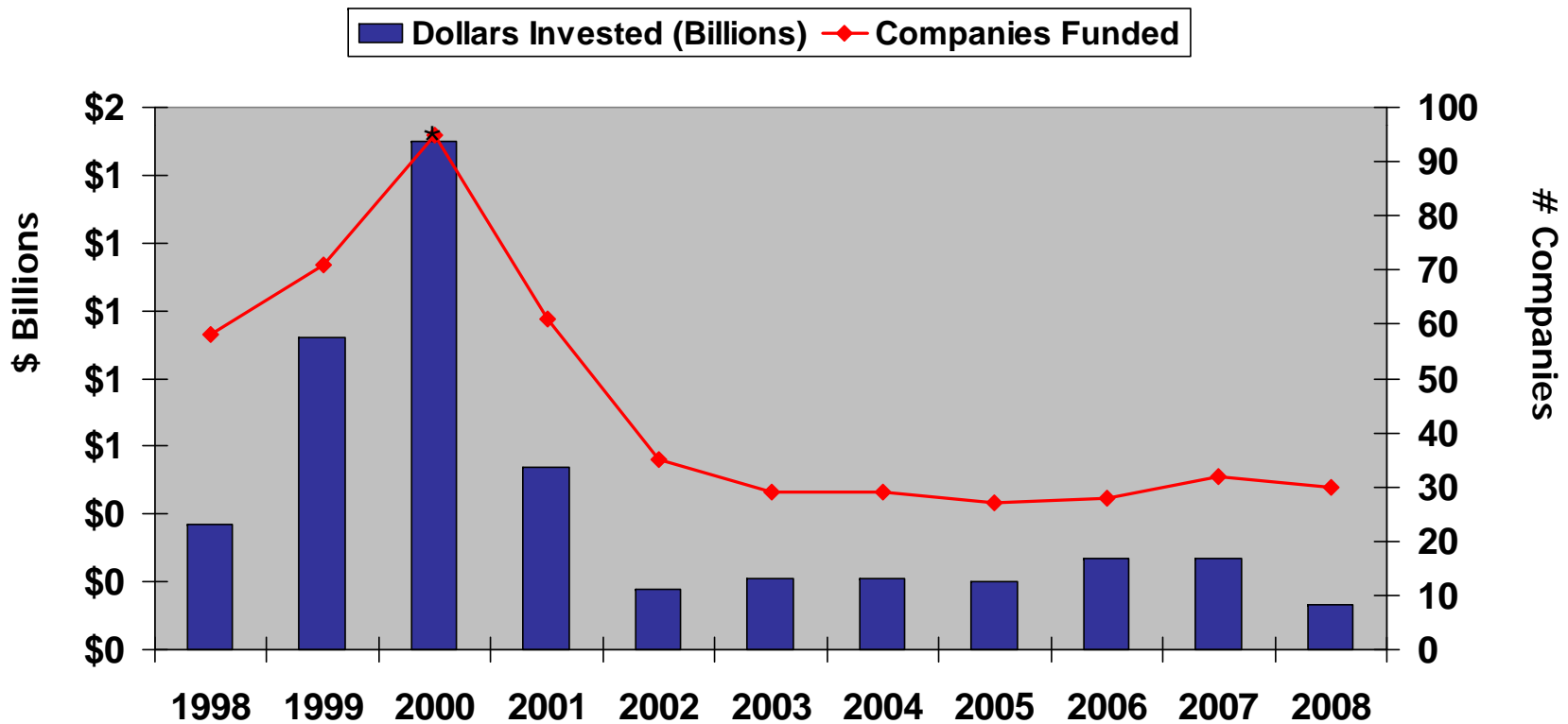
Rank	State	VC \$
1	California	\$14.1
2	Massachusetts	3.0
3	New York	1.3
4	Texas	1.3
5	Washington	.93
6	Colorado	.85
7	New Jersey	.70
8	Pennsylvania	.68
9	Minnesota	.50
10	Virginia	.49
21	Oregon	.17
22	Connecticut	.13
23	Indiana	.13



Venture-backed companies are a critical engine of economic growth for Connecticut.

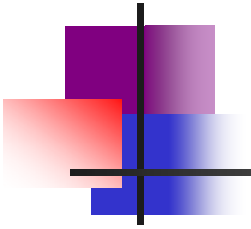
- From 1970 – 2008 venture capitalists invested **\$6.4 billion** in **489 companies** in Connecticut.
- Public companies headquartered in CT that were once venture-backed account for **141,539 jobs** and **\$39.1 billion in revenue**.*
- CT ranks **#15 in jobs and #15 in revenues** at venture-backed companies headquartered in the state.*
- One U.S. job was created for every **\$45,217** of venture capital dollars invested in the state of Connecticut.

Annual average venture capital investment in Connecticut from 2003-2008 was \$215 million.



* 2000 numbers reflect technology bubble

Connecticut venture-backed companies receiving top funding in 2008 represent a broad range of industries.

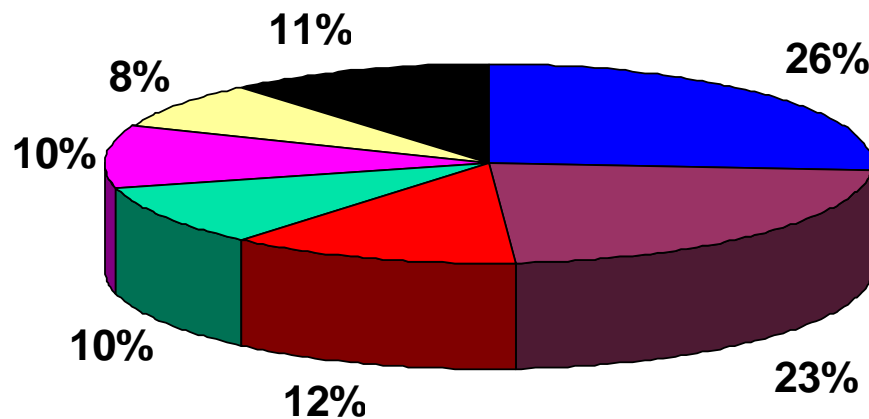


Top venture-funded CT companies - 2008

SurgiQuest, Inc.	Develops medical laparoscopic surgical access based on a No-Seal platform
Optherion, Inc.	Develops diagnostic and therapeutic solutions for macular degeneration
VBrick Systems, Inc.	Develops duplex video networking products
Cara Therapeutics, Inc.	Develops therapeutics to treat human diseases
InstallFree, Inc.	Provides desktop virtualization technology
Affomix Corporation	Develops biomedical technology for screening of antibodies
Health Plan One LLC	Operates as a web based health insurance brokerage
Preferred Brands International	Manufactures specialty foods
Oil Purification Systems, Inc.	Designs and manufactures the OPS-1™, an on-board oil refining system
Indus Power & Infrastructure LLC	Develops hydroelectric projects

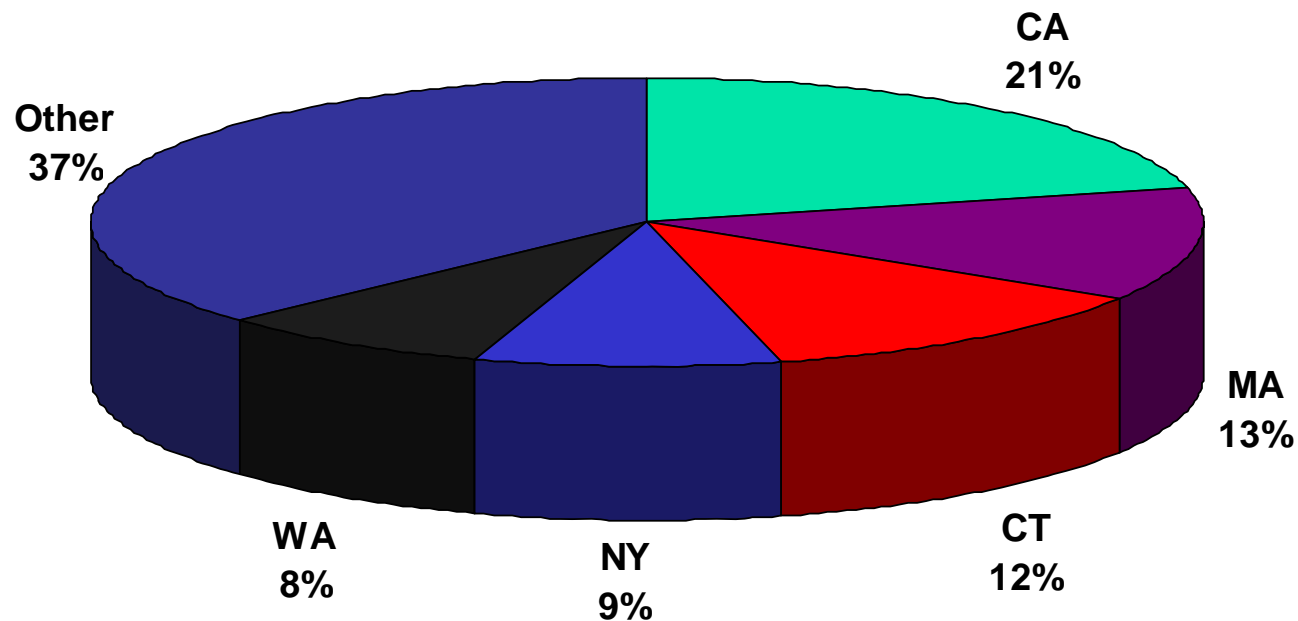
The highest venture funded industries in Connecticut are biotech, financial services, and medical devices.

VC Investment in CT - Industry Breakout - 2008



88% of venture capital investment into CT companies comes from out of state.

In 2008, venture capital dollars invested in CT companies came from venture firms headquartered in:





Federal Life Science Policy Principles

- Strong IP Protections
- Fair and Clear Regulation
 - FDA Approval
 - CMS Coverage
- Federal Support of R&D
 - SBIR Access
 - R&D Tax Credit
- Uninhibited and Encouraged Capital Investment
 - Venture Industry Regulation
 - Capital Gains Tax Status
 - Non-Dilutive Sources of Financing
 - New Small Business Investment Vehicle (Replacing SBIC)
- Workforce
 - Education
 - Skilled Visas