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## KANSAS CITY BUSINESS JOURNAL

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# MidPoint fund meets Kansas Bioscience Authority requirement to get investment

Kansas City Business Journal - by [Mike Sherry](#) Staff Writer

Nearly six months after the launch of a **Kansas Bioscience Authority** program designed to lure more investments in the state's life sciences industry, one venture capital fund has met a milestone set by the authority.

Indiana-based **MidPoint Food & Ag Fund** — one of eight funds in the program the KBA announced in October — has the required minimum amount of \$25 million in the fund.

The fund actually had \$28 million as of December 2008, said Andrew Ziolkowski, a managing partner of the fund.

He said the additional money from the KBA encouraged more investors to participate, boosting the fund's value to roughly \$35 million. The managers expect to close out the fund-raising effort at that level by the end of the month.

"We are beginning to see investment opportunities (in Kansas)," Ziolkowski said, "and we are working very closely with the KBA team."

The KBA, which derives its financing from increases in state taxes from bioscience companies, committed \$50 million split among the eight funds. In addition to meeting the fund-raising requirement, firms must have a Kansas office to be eligible for the investment.

Representatives of other funds in the KBA program said they could not comment extensively on their fund-raising progress, citing Securities and Exchange Commission regulations against soliciting investments from the general public.

Mike Peck, an Overland Park-based partner with **Open Prairie Equity Partners**, said his fund has \$22 million.

John Rice, a managing partner with Cincinnati-based **Triathlon Medical Ventures**, said the fund's managers are making progress toward their goal of \$150 million.



Tom Thornton

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Raising money in this economy is tough, KBA CEO Tom Thornton said. In general, he said, it can take 18 months to raise the needed capital for a fund.

“Clearly, this is a marathon, not a sprint,” he said.

He said that the authority has worked closely with all the funds in the venture capital program and that representatives from the firms had been to the area several times.

Thornton credited the program with raising the KBA’s profile among other investors and startups from outside the region. The interest has translated into several scheduled meetings at coming biotech gatherings, including this month’s InvestMidwest conference in St. Louis.

#### **VENTURE PARTNERS**

The Kansas Bioscience Authority’s board of directors has agreed to invest \$50 million among the following venture capital firms:

- [Burrill & Co.](#), San Francisco: \$10 million
- [MPM Capital](#), Boston: \$10 million
- IN Partners/MidPoint Food & Ag, Carmel, Ind.: \$5 million
- [Meadowlark Venture Partners](#), Chicago: \$5 million
- [Midwest Venture Partners](#), Chicago: \$5 million
- Open Prairie Ventures, Olathe: \$5 million
- [Prolog Ventures](#), St. Louis: \$5 million
- Triathlon Medical Ventures, Cincinnati: \$5 million

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