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WISCONSIN PORTFOLIO

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Welcome to the 2024 Wisconsin Portfolio, an annual publication of the Wisconsin Technology Council through its Tech Council Investor Networks and its partner, the Wisconsin Economic Development Corporation.



INTRODUCTION

Dear Readers –

The Wisconsin Tech Council and the Tech Council Investor Networks are proud to present the 2024 Wisconsin Portfolio, the state's premier early stage investing report. It contains the most complete compilation and analysis of entrepreneurial investment activity in Wisconsin. This year's publication marks the 16th anniversary of the Portfolio and the Tech Council's tracking of Wisconsin investment data.

Calendar 2023 was a strong year for early stage investing, with a total of 107 companies raising \$490 million. While this is less than the previous two years, it is Wisconsin's third-highest amount of investments recorded. A similar trend is playing out throughout the United States, with fewer early stage investments made in 2023 than in prior years. As the initial public offering market recovers, and interest rates subside, investment totals may return to past levels.

As part of our analysis of the data, we review the funding gap, a funding dead-spot where few or no investment rounds are secured. In 2023, the funding gap was between \$5 million and \$9 million, with only four companies being financed in this range, while 57 companies raised less than \$1 million; 36 companies secured funding between \$1 million and \$4 million; and 10 companies secured \$10 million or more.

The funding gap highlights the importance of Wisconsin's May 29, 2024, announcement of a \$100-million fund-of-funds with a focus on investment funds that participate in rounds between \$5 million and \$10 million. Five funds have so far been selected to take part in this public-private fund.

The Tech Council and its Investor Networks will continue to work with the governor and Legislature to advance early stage investment public policy, including creative ways to enhance venture capital formation.

This publication also features:

- An executive summary of data highlighting annual trends
- A primer on the venture economy
- Listing of 2023 individual investment rounds
- Updated charts and graphs on investment trends
- Regional investment trends
- Public policy highlights
- A profile on Andy Nunemaker, the 2023 inductee into our George Mosher Memorial Investor Hall of Fame
- An investor resource guide along with other features

As can be evidenced by the growth of entrepreneurial programs across the state, the entrepreneurial spirit continues to expand throughout Wisconsin. With the support of an ever-growing early stage investment community, currently more than 50 funds and groups based in Wisconsin, entrepreneurial activity continues to increase. The Tech Council's Investor Networks will help spread the successful news of Wisconsin's entrepreneurs and its investors while staying focused on its mission to *Fuel the growth of investment capital in Wisconsin*.

We thank you for your support and hope you enjoy this year's Wisconsin Portfolio!

All the best,



Joe Kremer, director
Tech Council Investor Networks
A Program of the Wisconsin
Technology Council



Tech Council Investor Networks: For more information on the state's angel and venture capital funds, visit wisconsintechcouncil.com/investors or contact Joe Kremer at 608-442-7557 or joe@wisconsintechcouncil.com.



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EXECUTIVE SUMMARY

In 2023, Wisconsin’s entrepreneurs raised at least* \$490 million in 107 investment deals across the state. Calendar year 2023 ranks the third-highest in investments secured since data has been recorded. Larger deals drove the total investment numbers, resulting in an average round size of \$4.6 million. The median deal size was \$750,000 indicating smaller deals were successfully raising funding.

Many industries and sectors were represented in the totals with healthcare accounting for 35 percent of the deals and 50 percent of the dollars secured. Information technology secured the next highest amount of deals, 27 percent, and 13 percent of the total funding. The “other” category had 11 percent of the deals and 22 percent of the total funding and included two fusion startups that together secured nearly \$100 million in 2023. See page 28 for more on Wisconsin’s developing fusion industry.

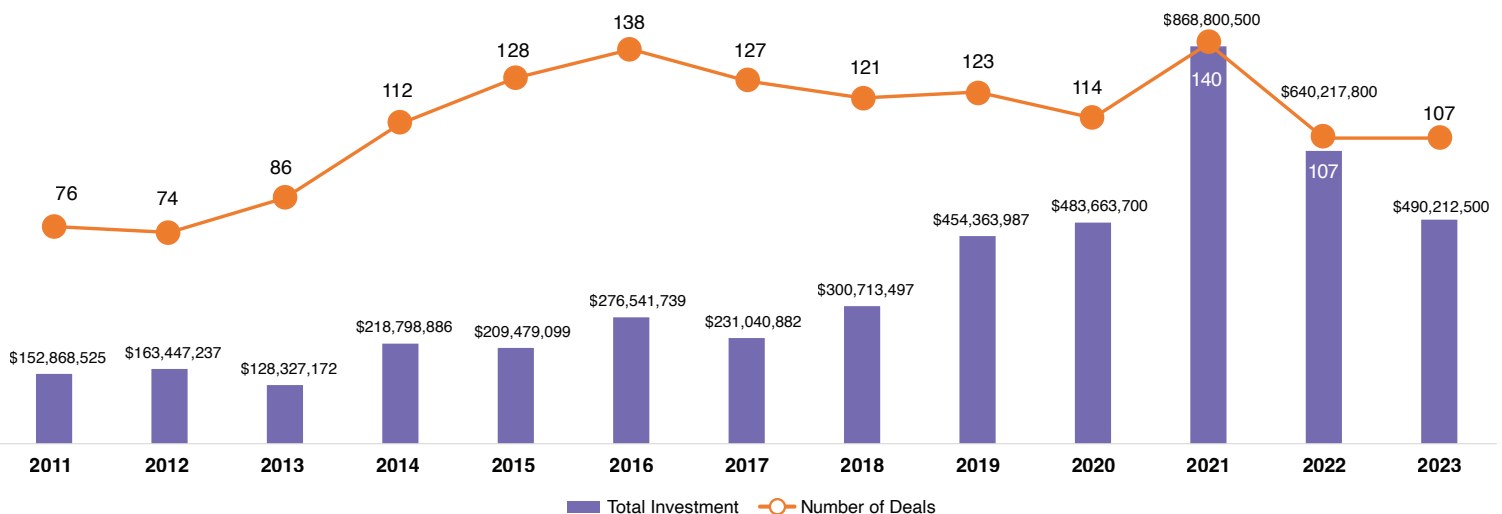
Regionally the Madison-area secured the greatest number of deals (54) and Southeast Wisconsin (greater Milwaukee) attracted the most investment dollars (\$236 million).

Ninety-eight unique investment groups/funds** were involved in the funding rounds.

Each year data is collected from public reports, databases, filings, press releases, company websites, and investor surveys. When information is incomplete or contradictory, entrepreneurs and investors are contacted to clarify. By cross-checking the data from these sources, the Tech Council Investor Networks creates the most comprehensive list of early stage investing in Wisconsin.

*Though even with best efforts, not all private investment deals are captured in this report.

ANNUAL TRENDS



One hundred and seven (107) of Wisconsin's early stage companies raised at least \$490,212,500 in 2023, the third-highest dollar level recorded in the Wisconsin Portfolio since it began in 2008 (see pages 16-17 for individual deal reporting and analysis). 47 percent of companies raised \$1 million or more in 2023. In 2022 and 2021, 50 percent and 48 percent (respectively) raised \$1 million or more, in 2020; 50 percent, in 2019; 43 percent did so; and in 2018, 38 percent.

The top 10 deals accounted for 75 percent of the total dollars invested, with VBA Software of Germantown, which offers comprehensive software solutions for healthcare, securing the largest investment, \$156 million in growth capital from private equity investors. Large investment rounds greatly impact the average round size, which in 2023 was \$4.6 million. This signifies Wisconsin startups are gaining traction and the necessary larger rounds of funding to boost sales. On the other hand, median deal size was \$750,000 in 2023, which means 50 percent of the deals were lower than \$750,000 while the other half were greater. The median deal value gives insight into the fundraising by newer startups, which are vital to maintaining a healthy funnel of investment opportunities that grow into larger funding rounds.

Out-of-state investors are continuing to play a significant role in the Wisconsin entrepreneurial ecosystem, with 73 out-of-state unique investment groups participating in 27 rounds of funding in 2023. Wisconsin investors continue to develop connections with other investors and invite them into funding rounds.

The 27 funding rounds with out-of-state investors participating alongside Wisconsin investors secured \$385 million 2023. Read more on page 32.

Of the 107 deals tracked in 2023, 54 (51 percent) occurred in the greater Madison-area, 37 (35 percent) were in Southeast Wisconsin, six in the Northeast, four in the South Central, and two in the Southwest, Northwest and Central parts of the state. More details on pages 22-23

Of the 107 investment rounds, 18 percent were with female founders or CEOs and secured \$47 million, 10 percent of the total funding. Nationally, 2 percent of startup investments are secured by women. While Wisconsin is doing better than national figures, there is still much progress to be made to achieve more parity between men and women in the early stage market.

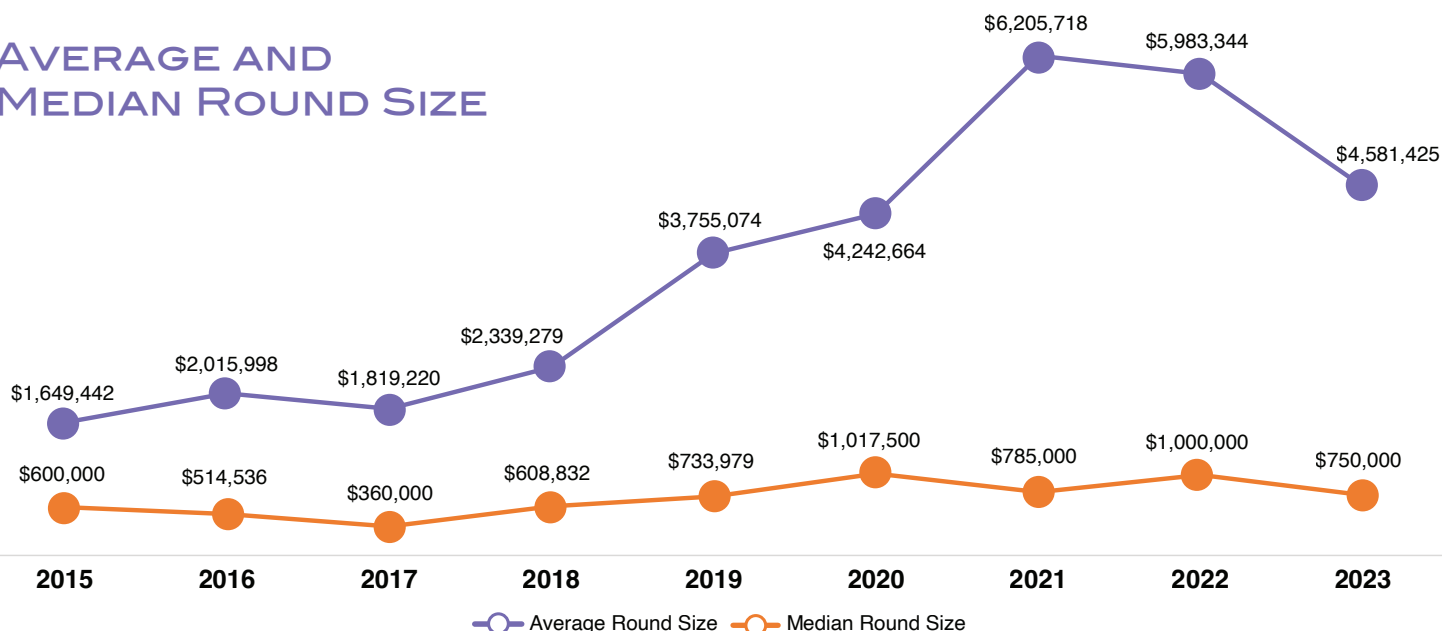
Wisconsin continues to build its risk capital investment market, making great gains in the last 20 years but more still needs to be done to bring us closer to neighboring states. The Wisconsin Technology Council and its Investor Networks will continue to promote early stage investing in Wisconsin and the necessary public policy to support the continued growth of this important economic sector.

** While the data collected is the most comprehensive list available, not all deals are captured in public or private reporting.*

*** This number does not include individual investors, only funds, angel networks and accelerators.*

**** It is worth noting investor names were captured in 49 of the 107 deals, leaving 58 deals with unknown investors. Most likely there are more out-of-state investors than known participating in Wisconsin deals.*

AVERAGE AND MEDIAN ROUND SIZE



ANNUAL COMPARISON - LARGEST DEALS

2021		2022		2023	
Fetch	210,700,000	Fetch	240,000,000	VBA	156,000,000
SHINE Technologies	150,000,000	SHINE Technologies	79,400,000	SHINE Technologies	68,440,000
Redox	45,000,000	Elephas Biosciences	41,500,000	Bend Health	31,160,000
Veda Data Solutions	45,000,000	Moxe Health	30,000,000	Type One Energy	29,000,000
Leo Cancer Care	25,300,000	EnsoData	20,000,000	Forj	15,000,000
DataChat	25,000,000	Polco	14,000,000	Understory	13,130,000
Rentable (Abodo)	22,500,000	Frontdesk	13,000,000	Advanced Ionics	12,500,000
FlexCompute	22,480,000	Synthetica	13,000,000	SpotHopper	12,000,000
Elephas Biosciences	21,000,000	Understory	12,040,000	Huupe	10,900,000
Sellars Absorbent Materi	20,500,000	Leo Cancer Care	10,000,000	C-Motive Technologies	10,702,000
	\$587,480,000		\$472,940,000		\$358,832,000

The top 10 deals accounted for 75 percent of the total dollars invested, with VBA Software of Germantown, which offers comprehensive software solutions for healthcare, securing the largest investment, \$156 million in growth capital from private equity investors. Large investment rounds greatly impact the average round size, which in 2023 was \$4.6 million.



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Wisconsin Economic Development Corporation believes in the brilliance of Wisconsin's innovators and entrepreneurs. The connections, access to funding sources and technical resources offered through our Entrepreneurship and Innovation Division help to propel startups from idea to commercialization.



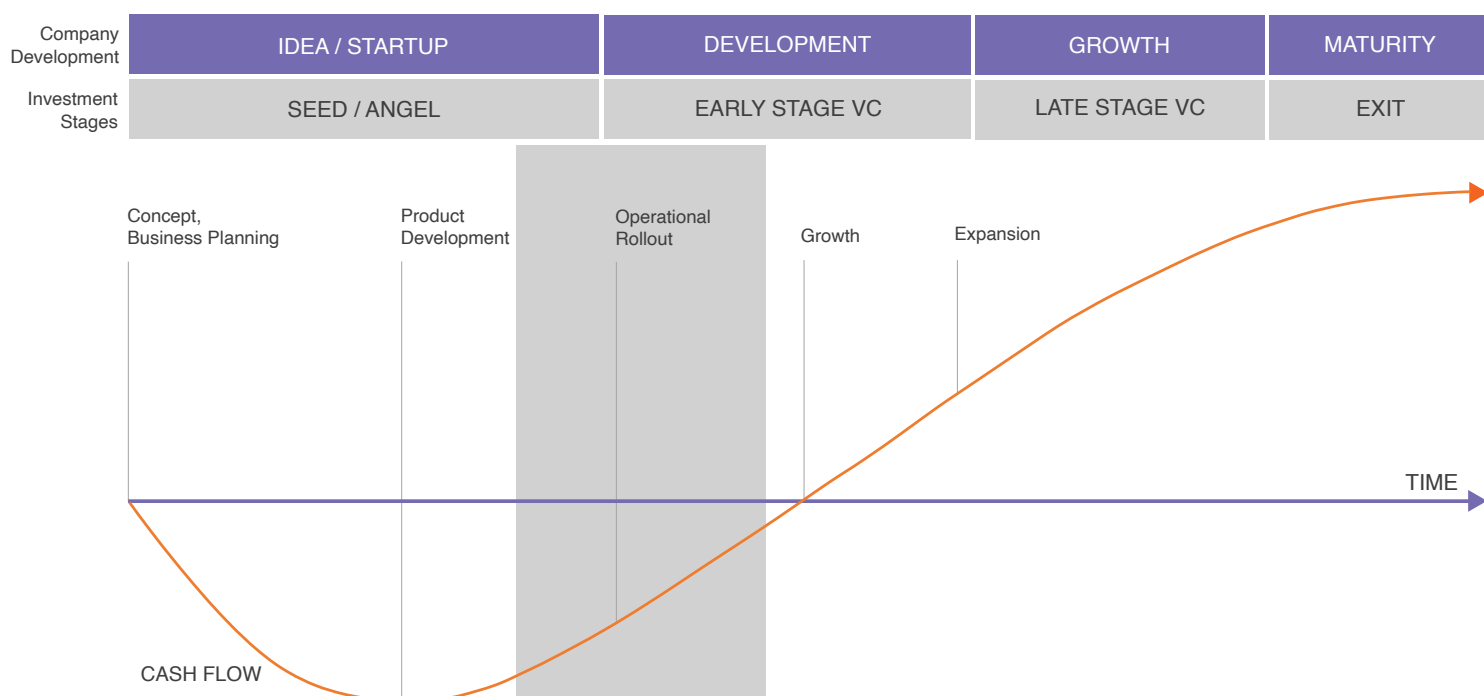
LOOK FORWARD >

Learn more about how WEDC and its E&I Division fuel business innovation in Wisconsin at wedc.org/entrepreneurs.

THE VENTURE ECONOMY: A PRIMER

In their initial stages, most businesses are funded by founders, their friends and family, as well as through grants and sometimes loans. However, such funds can usually sustain a new venture only so far. As startups create new products or services and prepare to go to market, they often require additional investment. Costs such as obtaining patent protection, constructing initial technology prototypes, and recruiting personnel for business development and management create a need for additional funding.

FINANCING CONTINUUM



Gompers, Paul A. and Gornall, Will and Kaplan, Steven N. and Strebulaev, Ilya A., How Do Venture Capitalists Make Decisions? (August 1, 2016). Stanford University Graduate School of Business Research Paper No. 16-33; European Corporate Governance Institute (ECGI) - Finance Working Paper No. 477/2016. Available at SSRN: <https://ssrn.com/abstract=2801385> – Modified by the Tech Council Investor Networks

This additional funding typically comes from the early stage capital market, which plays an essential role in the development of entrepreneurial ventures. Early stage capital is comprised of individual investors, angel groups, and early stage funds. Funding from these groups can range from \$50,000 to sometimes as much as \$10 million. Should a startup continue to succeed and enter into a period of rapid growth or, in the case of life sciences, progress sufficiently in the regulatory process, the venture capital (VC) market steps in.

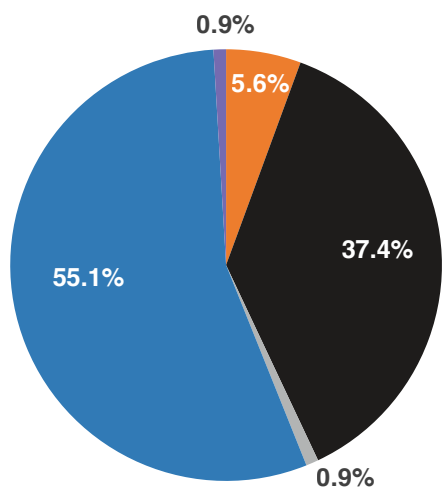
This transfer of funding roles from angels to venture capitalists establishes a crucial partnership. Angels and individual investors, typically the earliest backers, depend on subsequent, larger-scale investors to continue supporting successful startups. The infusion of venture capital can lead to a significant increase in a company's valuation, setting the stage for an eventual exit through an Initial Public Offering (IPO) or a sale to a strategic buyer. Because early stage investing is extremely risky, upwards to 80 percent of venture investments fail or do not provide a return, VCs drive their companies to maximize their value at exit. Successful exits not only provide substantial returns on investment for all investors, including founders and angels, but also keep investors active in the early stage market.

Opposite is a graphic entitled "The Financing Continuum," which illustrates the phases of business development alongside which investors typically are active at various stages of development. Near the middle is a rectangle highlighting the "funding gap," a challenging period based on the amount of funding a company is seeking. In 2023, the funding gap fell between \$5 million and \$9 million out of 107 deals, with only four securing this amount of funding. This highlights the need for Wisconsin to incentivize the creation of more early stage funds that invest in this range.

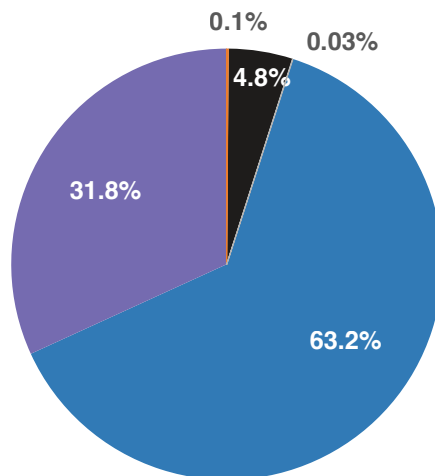
Despite the difficult funding market, numerous entrepreneurs in Wisconsin have found the necessary investors to help them bridge the gap and secure larger investment rounds.

Venture capital invested in the most startups, 59 out of 107, and invested the most money, \$310 million. Angels invested \$24 million in 40 startups. Private equity, often the final stop in the financing continuum before an exit, accounted for 32 percent of last year's funding in one deal, VBA Software.

DEALS PER INVESTOR TYPE



DOLLARS PER INVESTOR TYPE



- Accelerator
- Angel
- Crowdfunding
- Venture Capital
- Private Equity

NEW WISCONSIN INVESTMENT FUND GETTING NOTICED BEYOND STATE BORDERS

By Tom Still

Among the first news outlets to pick up on the May 29 unveiling of the \$100 million Wisconsin Investment Fund were two outside the state – the Seattle Post-Intelligencer in Washington and U.S. News & World Report. Both took note within hours; dozens more outside Wisconsin followed.

As I mentioned to those who gathered at Madison’s Forward BIOLABS for the announcement by Gov. Tony Evers and others, that’s a big reason why the public-private fund is not an end in the state’s journey to build a more vibrant technology economy, but a new and significant beginning.

Like 49 other states, Wisconsin received money through the U.S. Treasury’s State Small Business Credit Initiative, which was authorized by the American Rescue Plan Act. Each state was free to tailor its program to a large degree, and Wisconsin chose to put nearly two-thirds of its allotment into a fund that would require private venture-capital firms to match the SSBCI money, dollar-for-dollar.

The result is the biggest single public-private venture capital initiative in Wisconsin’s history, and a breakthrough that builds on what came before it.

Thirty-one venture firms bid with the Wisconsin Economic Development Corp. to be a part of the program and five have been selected so far; a sixth private fund participant is pending. The first five, with a total of \$45 million in state commitments, are:

- HealthX Ventures, Madison, \$15 million. HealthX invests largely in the digital health sector but also in other health-care innovations.
- Venture Investors LLC, Madison, \$12 million. Venture Investors invests primarily in health care innovation, such as therapeutics, medical devices, health IT and diagnostics.
- Serra Ventures, Champaign, Ill., \$7 million. Serra Ventures invests nationally, especially in the agriculture and food technology space. Some past Serra investments have been in Wisconsin companies.
- NVNG, Madison, \$6 million. NVNG (short for “nothing ventured, nothing gained”) invests broadly in Wisconsin tech sectors including health.
- Idea Fund of La Crosse, \$5 million. Part of the Badger Fund of Funds network, the Idea Fund of La Crosse invests broadly in the Upper Midwest in sectors such as information technology, health IT, data analytics, supply chain, agriculture, manufacturing and financial services.

The mix reflects the overall goal of the fund, which is to build on existing and emerging technology startups, but also to move beyond the traditional research hubs to find companies and entrepreneurs in underserved places.

That’s one reason why Serra Ventures is in the mix, because it’s familiar with spotting strong deals in the agriculture and food-tech space (24 current portfolio companies) and has plenty of sales or other “exits” to demonstrate market knowledge.

Another focus will be bio-health, which has long been a Wisconsin tech strength in regions such as Madison and Milwaukee, but increasingly in cities such as Eau Claire. Last year, the U.S. Economic Development Agency recognized Wisconsin as a “regional technology hub” for personalized medicine and related technologies. That could make the state eligible for up to \$75 million in federal funding to accelerate growth.

While the announcement was made by Democrat Evers, it’s worth noting that Wisconsin’s efforts to build a stronger tech-based economy have been bipartisan for decades.

The enactment of investor tax credits in 2005 was led by the late state Sen. Ted Kanavas, R-Brookfield, and then-Commerce Secretary Cory Nettles, an appointee of Democratic Gov. Jim Doyle. The creation of the Badger Fund of Funds in 2013 came during the tenure of then-Gov. Scott Walker with help from both sides of the aisle in the Legislature. Changes to both the investor tax credit program (Qualified New Business Venture credits, also administered through WEDC) and the Badger fund in recent years have also required bipartisan agreement.

Within the Legislature itself, the bipartisan and informal Tech Caucus has both Republican and Democratic leaders and members, further demonstrating that economic growth need not be a partisan squabble.

The \$100-million Wisconsin Investment Fund comes with no guarantees, as most young companies fail in time. Those that succeed, however, often do so on a scale that spreads prosperity well beyond company walls. Investors outside Wisconsin will notice this initiative – and perhaps bring their own expertise and money to bear.


Still is president of the Wisconsin Technology Council.



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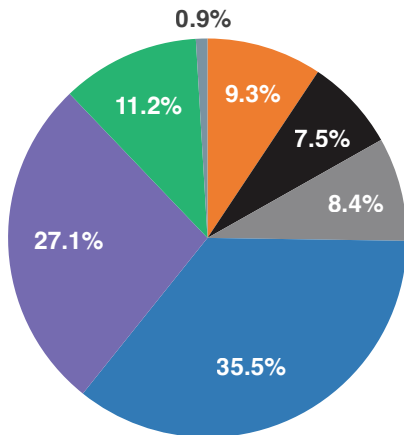
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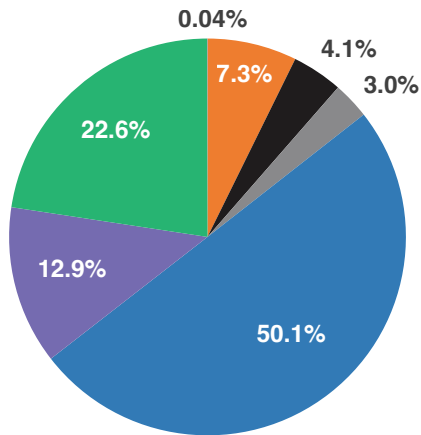
ventureinvestors.com

CHARTS AND GRAPHS

2023 DEALS BY INDUSTRY



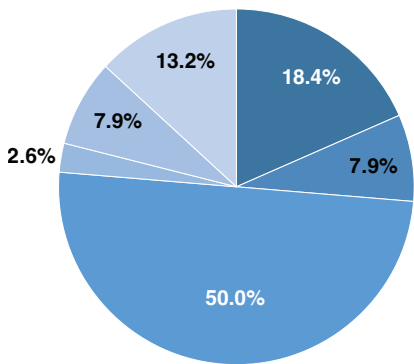
2023 CAPITAL BY INDUSTRY



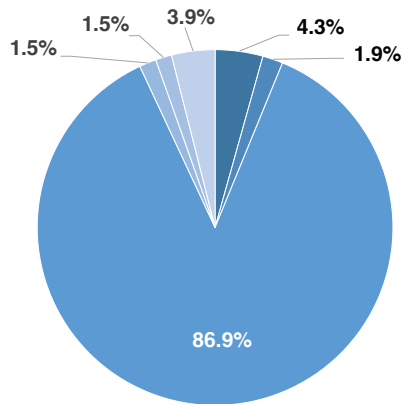
- Adv. Materials and Mfr.
- Agriculture
- Bus/Cons. Products
- Healthcare
- Information Technology
- Other
- Water

Healthcare and Information Technology were the leading sectors, totaling two-thirds of all deals in 2023. See pages 18 – 19 for more discussion on these areas.

HEALTHCARE DEALS BY SECTOR



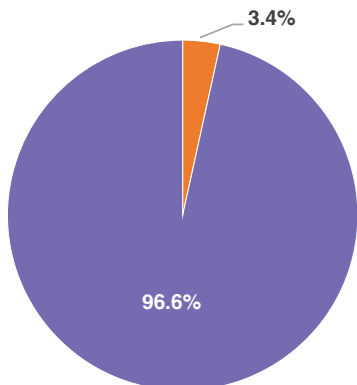
HEALTHCARE CAPITAL BY SECTOR



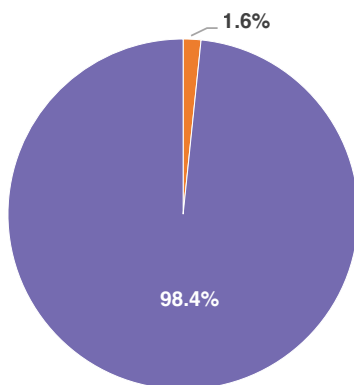
- HC - Devices
- HC - Diagnostics
- HC - IT
- HC - Pharmaceuticals
- HC - Services
- HC - Therapeutic

Healthcare was the dominant sector in 2023, with 38 companies securing half of all funding, \$245 million. Within Healthcare, Information Technology startups were the main driver, accounting for 86 percent of Healthcare funding.

IT DEALS BY SECTOR



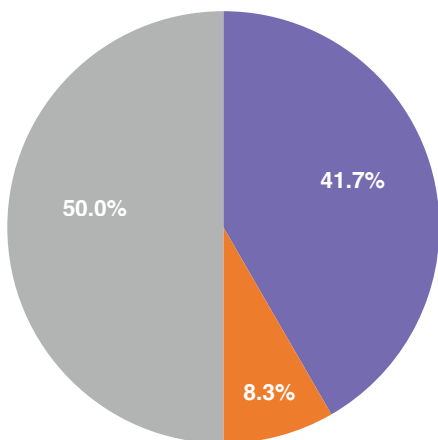
IT CAPITAL BY SECTOR



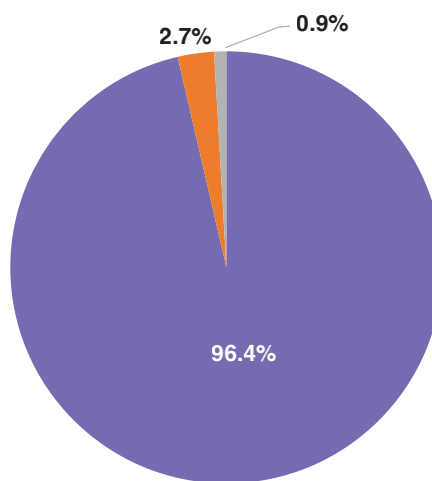
- IT Services
- IT Software

IT Software overwhelmingly leads the category with 96 percent of startups and 98 percent of funding (\$62M).

OTHER SECTOR BY DEALS



OTHER SECTOR BY DOLLARS



- Energy
- Media
- Other

Energy stands out in the “Other” category, with 41 percent of startups and a dominant 96 percent of the funding (\$106M) received by three fusion energy startups. See page 28 for more on the fusion industry in Wisconsin.

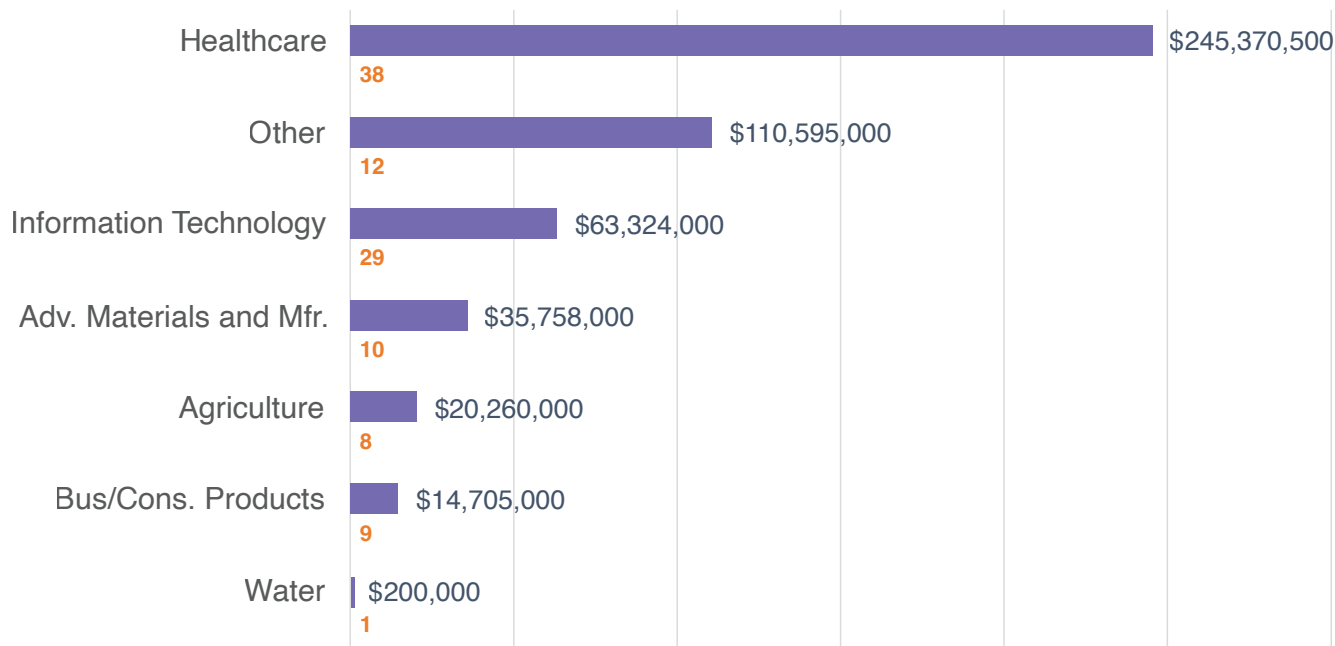
Healthcare is driving force, others gain ground

Of all early stage industry sectors, Healthcare stands out as a driving force in Wisconsin. In the Healthcare sector, IT dominates with 50 percent of startups and 87 percent of Healthcare funding (\$213M). Devices follow, representing 18 percent of startups and 4 percent of funding (\$10M). Therapeutics accounted for 13 percent of the startups and 4 percent of the funding (\$9.7M).

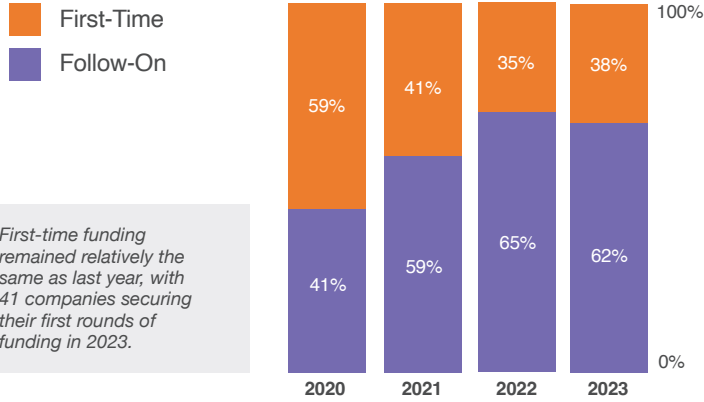
Diagnostics, Pharmaceuticals, and Services categories are smaller, collectively receiving 5 percent of the sector’s funding.

Worth noting are year-over-year gains in the Advanced Materials and Manufacturing and the Agriculture sectors, two staples of Wisconsin. Together they represent 17 percent of the deals and 11 percent of the funding. In 2022 it was 11 percent and 3 percent, respectively.

INDUSTRY TOTALS

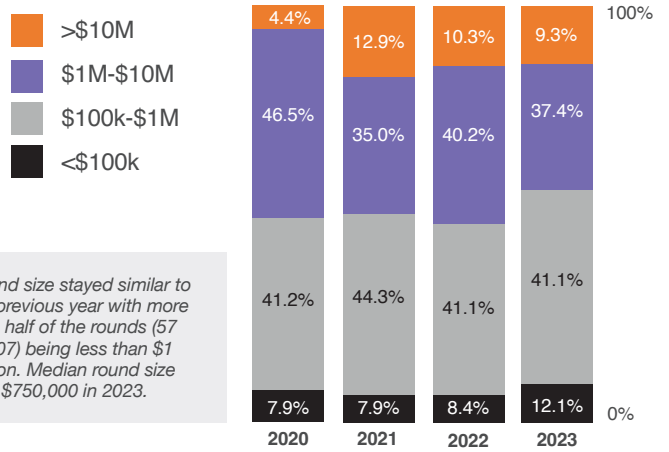


FIRST-TIME VS FOLLOW-ON



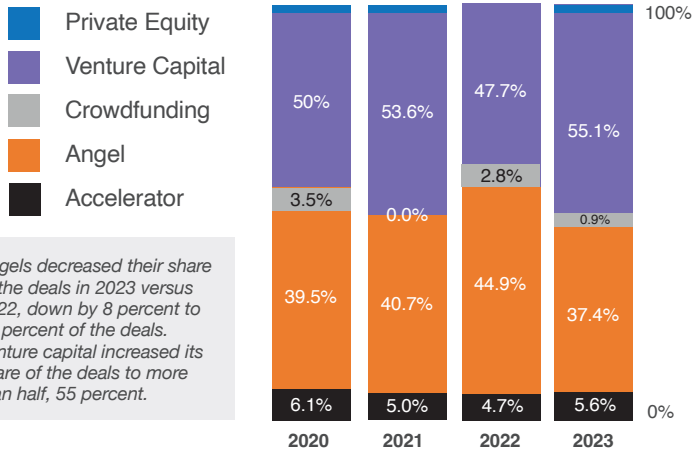
First-time funding remained relatively the same as last year, with 41 companies securing their first rounds of funding in 2023.

FUNDING ROUND SIZE



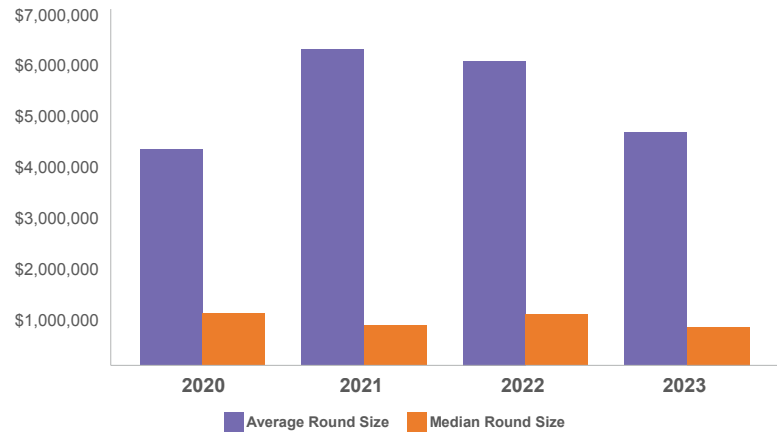
Round size stayed similar to the previous year with more than half of the rounds (57 of 107) being less than \$1 million. Median round size was \$750,000 in 2023.

INVESTORS

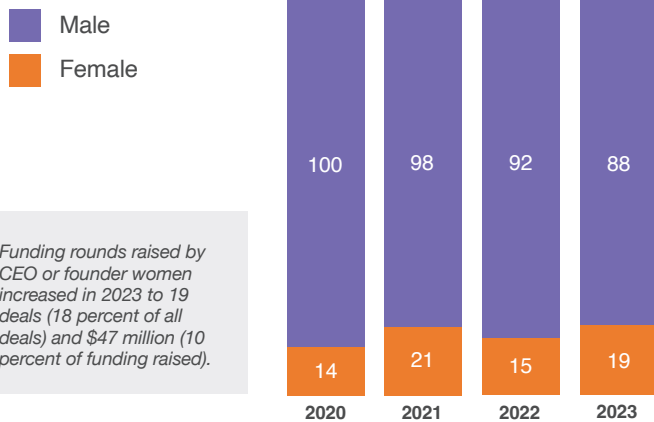


Angels decreased their share of the deals in 2023 versus 2022, down by 8 percent to 37 percent of the deals. Venture capital increased its share of the deals to more than half, 55 percent.

AVERAGE AND MEDIAN ROUND SIZE

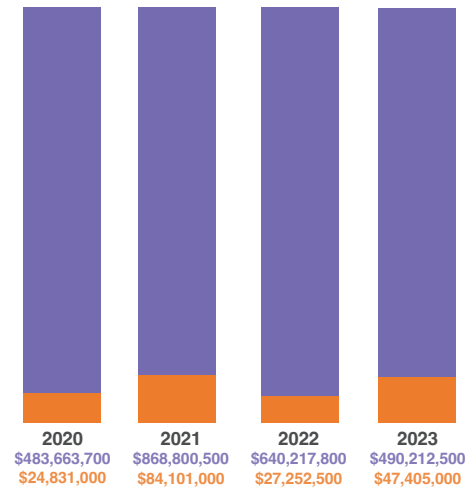


MALE AND FEMALE DEALS SECURED



Funding rounds raised by CEO or founder women increased in 2023 to 19 deals (18 percent of all deals) and \$47 million (10 percent of funding raised).

MALE AND FEMALE FUNDING SECURED



INVESTMENT IN ‘THERANOSTICS’ COULD REDEFINE CANCER RESEARCH

By Tom Still

If you’ve lived in Wisconsin long enough, you’ve likely heard the complaint. “Sure, the University of Wisconsin does some gee-whiz research, but unless you’re an endangered snake in South America or a bleached coral reef in the South Pacific, how does it bring jobs, wealth and a better life back home to people in the Badger state?”

With all due respect to those who study snakes and coral reefs, answers to that perennial question are in the making. One such example is the promising work of WARF Therapeutics, which is taking a unique-to-Wisconsin approach to anchoring an emerging medical industry within a 100-mile radius of the State Capitol.

The benefits to Wisconsin and patients, here and elsewhere, are potentially immense. Plus, it is an opportunity worth watching by investors in Wisconsin and beyond.

WARF Therapeutics’ portfolio includes innovations tied to “theranostics,” a term for delivery of radioactive drugs that can be diagnostic and therapeutic in the same dose. In short, it’s about pinpoint targeting of potentially malignant cells for both diagnosis with one drug and destruction with another.

WARF Therapeutics was launched in early 2019 with a \$50-million investment by the Wisconsin Alumni Research Foundation, a private non-profit group organized nearly a century ago to help UW professors patent and license their most marketable discoveries.

The latest phase came when chief executive officer Erik Iverson and the WARF board opted to establish a lean but market-tested group to do three things: (1) Build a portfolio of the best “disease biology” ideas on campus; (2) Test possible drug compounds rigorously with help from other experts, and: (3) Prepare the best of those compounds for serious private investment, full-bore clinical testing, specialized production and structured delivery to patients – all close to home.

That soup-to-nuts approach requires an aggressive approach to spotting and developing the most promising compounds, navigating the regulatory and clinical channels that make them attractive to development partners, and building a production infrastructure to support it.

It began with the hiring of Jon Young, a “drug hunter” with 25 years of experience in the pharmaceutical industry. He was drawn to WARF by the chance to quickly bridge the gap between campus research and results that add to human health as well as the bottom line.

Young set about building an advisory board which also knew how to get things done in the sometimes-sluggish pharma world, including leaders with deep experience at Celgene, Merck, Third Rock Ventures, Regulus, Eli Lilly, AstraZeneca and LifeMine Therapeutics.

The process also involves working with world-class clinical testing facilities on drug safety and efficacy. It was announced May 15 that WARF, UW Health and the UW School of Medicine have created the Initiative for Theranostics and Particle Therapy, which will advance treatment of patients at the Carbone Cancer Center. It should lead to more clinical trials taking place in Wisconsin.

Related is the work of SHINE Technologies and NorthStar Radioisotopes, both in Rock County, and GE Healthcare in Waukesha, which have the capabilities to produce the kind of radioactive “carriers” to get such drugs to patients quickly, safely and in personalized amounts.

Also related is the July 1 announcement that a second cyclotron, nearly twice as powerful as an existing particle accelerator on the UW-Madison campus, will be constructed to help facilitate development of theranostic compounds.

A leading candidate in the WARF Therapeutics portfolio is called WT-7695, which mouse models indicate can deliver eight times more radiation to live tumors with greater efficacy and retention than current drugs. It is drawing industry and investor attention.

Such work is a big part of why Wisconsin has won a medical “tech hub” designation by the federal government, which will put more resources into play. Wisconsin has all the world-class ingredients to build such a hub – and to answer the question sometimes asked on Main Street or inside the State Capitol: “What’s all that research doing for us?”

Still is president of the Wisconsin Technology Council.



2023 DEAL LIST

WISCONSIN COMPANY	\$ RAISED	INVESTORS
7Rivers	2,955,000	Undisclosed Investor(s)
Advanced Ionics	12,500,000	bp ventures, Mitsubishi Heavy Industries, Clean Energy Ventures, GVP Climate
Advanced Ionics	525,000	Undisclosed Investor(s)
Advantigen Biosciences	125,000	Undisclosed Investor(s)
Agricycle	100,000	gener8tor
AirDeck	750,000	Individual Investor(s)
AppEase	60,000	Prosper Healthtech Accelerator
Appion Solutions	745,000	Undisclosed Investor(s)
Arbre Technologies	90,000	Undisclosed Investor(s)
Ascent Engine Technologies	500,000	Undisclosed Investor(s)
Asto CT	380,000	Bascom Ventures, Undisclosed Investor(s)
Beloit Kombucha	800,000	Battle Born Venture, gener8tor, Grey Collar Ventures, Right Side Capital Management
Bend Health	31,160,000	Maveron, SteelSky Ventures, WVV Capita
Benny	1,960,000	Alumni Ventures, ff Venture Capital, Madworks Accelerator
BevNomad	350,000	Raptor Group, Undisclosed Investor(s)
Brandbumps Marketing Group	25,000	Undisclosed Investor(s)
Carebot Health	1,525,000	Undisclosed Investor(s)
CareDirect	730,000	Nameless Ventures, Undisclosed Investor(s)
Cellular Logistics	50,000	Undisclosed Investor(s)
ChemDirect (Fortem Invenio)	125,000	Individual Investor(s)
Child Health Imprints	2,460,000	BrightStar Wisconsin, Tundra Angels, UCeed
ChloBis	200,000	Impact Science Ventures, Collaborative Fund
Chocolate Rescue for Dogs	155,000	Undisclosed Investor(s)
Clandestine Materials Detection	300,000	Undisclosed Investor(s)
C-Motive	10,702,000	Clean Energy Venture Group, For Good Ventures, Paeonia Group, Prime Impact Fund, Rockwell Automation, Sona BLW Precision Forgings, Starlight Ventures
CODAworx	110,000	Individual Investor(s)
Cold Water Technologies	500,000	Winnow Fund
ConsortiEX	360,000	Undisclosed Investor(s)
Distribution Depot	954,000	Idea Fund of La Crosse, Rock River Capital Partners
Distribution Depot	280,000	Idea Fund of La Crosse, Rock River Capital Partners
DropCap	65,000	Idea Fund of La Crosse, Wisconsin Investment Partners
eCourtReporters	100,000	gener8tor
EmOpti	1,000,000	Undisclosed Investor(s)
energybank	50,000	Undisclosed Investor(s)
Even Labs	2,300,000	CSA Partners, VC 414, gener8tor, gANGELS
Forj	15,000,000	Plymouth Growth, Baird Capital, Gary Comer Inc.
Forward Health Group	2,950,000	Undisclosed Investor(s)
Forward Move	60,000	Undisclosed Investor(s)
Frontdesk	4,900,000	Akuna Capital, Wisconsin Investment Partners
Geno.Me	720,000	Undisclosed Investor(s)
Glazd	75,000	Undisclosed Investor(s)
GlobalaseReach	215,000	Undisclosed Investor(s)
Golgix	600,000	Gateway Capital, Idea Fund of La Crosse
Graceful Management Systems	255,000	Undisclosed Investor(s)
Gregor Diagnostics	4,400,000	Undisclosed Investor(s)
Huupe	10,900,000	Marvan Ventures, Protagonist VC, TRI Investments, Kawn VC, Genesis Ventures, Kayan VC, Reform Ventures
Imbed Biosciences	3,500,000	Undisclosed Investor(s)
Imbed Biosciences	2,500,000	Undisclosed Investor(s)
Intuitive Biosciences	18,500	Undisclosed Investor(s)
Isomark Health	100,000	Undisclosed Investor(s)
IVO Systems	1,500,000	Green Bay Ventures, TitledownTech
Jangobio	2,085,000	Undisclosed Investor(s)
Joystik Life	200,000	Inflect Health
Kul Mocks	250,000	Chippewa Valley Angel Investors Network
Lake Louie Brewing	1,070,000	Undisclosed Investor(s)
MERIT	1,080,000	Undisclosed Investor(s)

Wisconsin tech sectors that attracted 2023 investors

WISCONSIN COMPANY	\$ RAISED	INVESTORS
Metify	1,500,000	Titletown Tech
Mezlight	100,000	Undisclosed Investor(s)
Midwest Games	3,000,000	Titletown Tech, Tundra Angels, Brightstar Wisconsin, Wisconsin Investment Partners, Individual Investor(s)
Motivo	390,000	Undisclosed Investor(s)
NurseDisrupted	1,010,000	HealthX Ventures, Tundra Angels
OnLume	2,780,000	Undisclosed Investor(s)
OvalInnovations (Anada)	2,735,000	Undisclosed Investor(s)
OvalInnovations (Anada)	2,225,000	Undisclosed Investor(s)
Pivotal Health	1,500,000	Skypoint Ventures, Tundra Angels, Symphony Alpha Ventures
Playback Rewards	2,000,000	Undisclosed Investor(s)
Polco (Policy Confluence)	3,690,000	Undisclosed Investor(s)
Pyran	375,000	Individual investor
Pyran	1,460,500	Tundra Angels, Wisconsin Investment Partners, Undisclosed Investor(s)
Pyran	5,010,500	WARF Ventures, Undisclosed Investor(s)
Radom Corp	4,385,000	Undisclosed Investor(s)
RadUnity	500,000	Individual investor(s)
Reachworks	400,000	Idea Fund of La Crosse
RealityBlu	570,000	Capital Midwest Fund
Realta Fusion	9,000,000	Khosla Ventures, WARF Ventures
RedFoxAI	25,000	Undisclosed Investor(s)
Regenerative Medical Solutions	5,000,000	Undisclosed Investor(s)
Rehab Path	750,000	Undisclosed Investor(s)
Reint	100,000	gener8tor
Renaissant	1,500,000	Venture 53, TitletownTech, Camden, Arenberg Holdings, NFI Ventures
Rivermark Medical	2,150,000	Anduril Investors, Cadence Healthcare Ventures, View Ventures
RoddyMedical	50,000	Undisclosed Investor(s)
Safepro Technologies	45,000	Undisclosed Investor(s)
SAFIO Solutions	390,000	Undisclosed Investor(s)
Sativa Building Systems	400,000	gener8tor, Undisclosed Investor(s)
Secchi	1,000,000	Undisclosed Investor(s)
Shine Technologies	68,440,000	Baillie Gifford, Fidelity Management & Research Company, Bascom Ventures, Undisclosed Investor(s)
Sift Healthcare	6,750,000	Allos Ventures, First Trust Capital Partners, Gaingels, HealthCap, IKS Health, Plug and Play Tech Center
Slot Check	500,000	Individual Investor
Slot Check	650,000	Undisclosed Investor(s)
Socialeads	70,000	Undisclosed Investor(s)
SpotHopper	12,000,000	TVC Capital, Undisclosed Investor(s)
Spotz	730,000	BrightStar Wisconsin, Individual Investor
System Seltzer	130,000	Individual Investor(s)
Tascet	1,035,000	Undisclosed Investor(s)
Terra Bioforge	100,000	gener8tor
The Grand World	4,700,000	Seven Seven Six, Flybridge Capital Partners
The Pink Bakery	400,000	Undisclosed Investor(s)
Type One Energy	29,000,000	Breakthrough Energy Ventures, Doral Energy-Tech Ventures, TDK Ventures, Darco Capital, MILFAM, Neglected Climate Opportunities, Orbia Ventures, SeaX Ventures, Shorewind Capital, Strong Atomics, Trirec, VAHOCA
Understory	13,130,000	Undisclosed Investor(s)
Understory	1,500,000	Undisclosed Investor(s)
Upwardli	2,000,000	Dundee Venture Capital, Techstars, J4 Ventures, Cascade Seed Fund, Avesta Fund, Temerity Capital Partners, Service Provider Capital, Tundra Angels
VBA Software	156,000,000	Spectrum Equity, Arthur Ventures
Voximetry	4,605,000	Undisclosed Investor(s)
Wellacy Health	120,000	TechStars
zizzl	3,162,000	CSA Partners, Undisclosed Investor(s)
Zurex Pharma	3,780,000	Undisclosed Investor(s)

A FOCUS ON INFORMATION TECHNOLOGY STARTUPS

By Joe Kremer

Information Technology is pervasive in all aspects of life and innovation, from smart phone apps to business intelligence to web-marketplaces and beyond. Wisconsin is home to many startups in this space and has strong infrastructure to support them. One such home-grown startup, Fetch, is a “unicorn” (a startup worth more than \$1 billion) and continues to secure large rounds of funding.

Information Technology, general category

Within the general Information Technology category, IT Software is the driver with 28 (one in IT Services) investment rounds totaling \$62 million. Following is a subcategory breakdown:

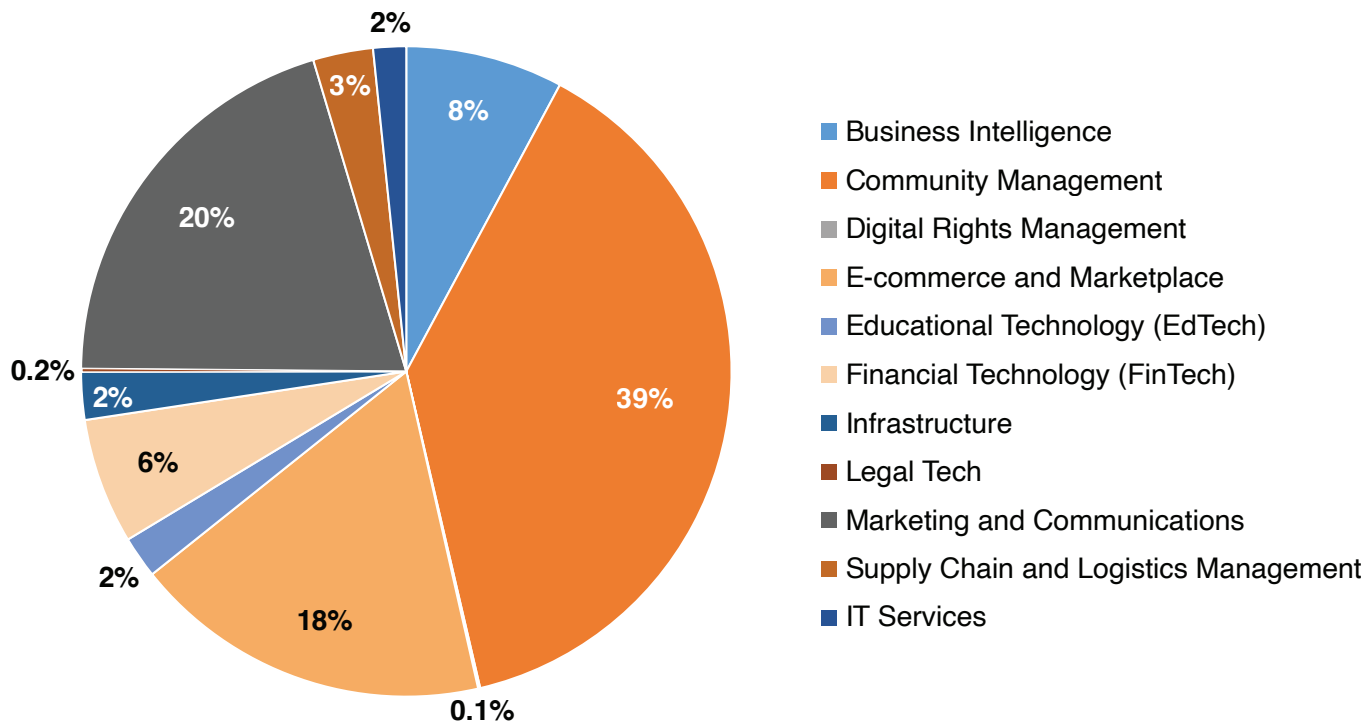
	DEALS	FUNDING
Business Intelligence	5	\$ 4,960,000
Community Management	4	\$ 24,390,000
Digital Rights Management	1	\$ 65,000
E-commerce and Marketplace	7	\$ 11,289,000
Educational Technology (EdTech)	2	\$ 1,315,000
Financial Technology (FinTech)	2	\$ 3,960,000
Infrastructure	1	\$ 1,500,000
Legal Tech	1	\$ 100,000
Marketing and Communications	3	\$ 12,820,000
Supply Chain and Logistics Management	2	\$ 1,890,000
IT Services	1	\$ 1,035,000
	29	\$ 63,324,000

Community management technologies attracted the most investment dollars, totaling \$24 million in four deals, with Forj securing the largest share at \$15 million. In the marketing and communications subcategory, SpotHopper raised \$12 million, the second highest amount in the overall IT

software category. Startups in eight other IT subcategories raised funding in 2023. This diversity in IT technologies and solutions demonstrates the robustness of Wisconsin’s innovative information technology ecosystem.

BREAKDOWN OF DEALS IN EACH SUBCATEGORY

Percentage of Deals



Healthcare IT

The healthcare IT landscape in Wisconsin is rich and diverse, encompassing a range of companies that specialize in various aspects of healthcare technology and innovation. Because of the prevalence of health care startups in the information technology space in Wisconsin, the healthcare information technology sector is broken out from overall IT.

The sector accounted for 18 percent of the deals and 43 percent of all funding received by Wisconsin startups in 2023.

Some examples:

- Forward Health Group, based in Wisconsin, leverages data management and analytics to enhance patient outcomes and operational efficiency in healthcare settings.
- EmOpti focuses on emergency department optimizations, providing technologies that reduce wait times and improve patient throughput, crucial for high-demand healthcare environments.

- On the rehabilitation front, Joystik Life integrates gaming technologies with physical rehabilitation tools, creating engaging and effective recovery options.
- ConsortiEX develops pharmaceutical supply chain management technology, addressing the critical needs of healthcare logistics and safety.

Wisconsin healthcare IT companies specialize in a comprehensive array of solutions, including benefits administration software, mental health platforms, radiology and genomics integration, telehealth services and advanced radiation therapy planning, as well as innovations in pharmaceutical supply chain management, rehabilitation gaming technologies, and AI-driven diagnostics, collectively enhancing every facet of patient care and healthcare operational efficiency.

INVESTOR SPOTLIGHT

2023 INVESTOR HALL OF FAME INDUCTEE: ANDY NUNEMAKER

Andy Nunemaker, who has been an active member of Milwaukee’s Golden Angels Investors for more than 20 years, who built and led companies and created a legacy of community service, was inducted into the Wisconsin Technology Council’s “George Mosher Memorial Investor Hall of Fame” during the November 2023 Wisconsin Early Stage Symposium.

The next inductee will also be featured in the 2024 Wisconsin Early Stage Symposium, which will be held Nov. 13-14 at Madison’s Monona Terrace Convention Center.

Nunemaker is currently CEO of Groupware Technologies, a healthcare software company in the care management market. He has led or co-founded companies such as Dynamis Software, EMSystems and EmOpti, and served on boards at Sprecher Brewing, Northwestern Mutual and ConsortiEx. He also held executive roles with GE Healthcare, including CEO of GE Healthcare for Australia, New Zealand and Southeast Asia.

He was honored at a dinner with fellow investors from across Wisconsin, the Upper Midwest and beyond. The dinner is sponsored by Baird Capital and Customers Bank.

The “Investor Hall of Fame” was established by the Tech Council to highlight the importance of angel and venture investors to the early stage economy. It was renamed in 2019 in honor of the late George Mosher, one of the first inductees and a prolific angel investor.

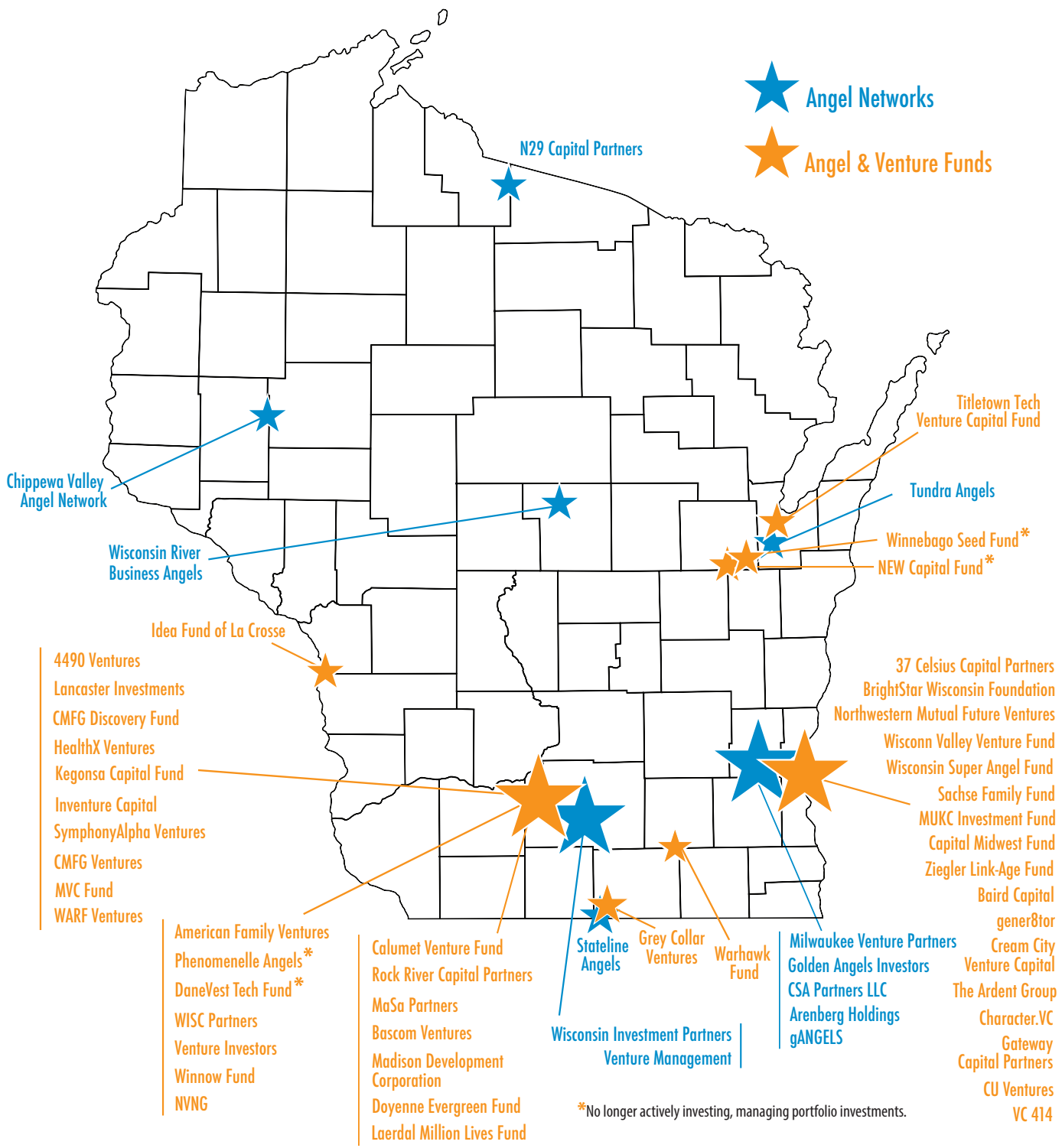
“Andy Nunemaker is a very successful investor but he’s also an entrepreneur and someone whose contributions to the state and the community are legion,” said Tom Still, president of the Tech Council. “Nunemaker has consistently stepped forward to invest in and otherwise help young companies and entrepreneurs.”

He joins past Hall of Fame inductees **Dick Leazer**, Wisconsin Investment Partners; the late **George Mosher**; the late **Roger Ganser**, Venture Investors; **Jeff Rusinow**, Silicon Pastures; the late **Carl Gulbrandsen**, Wisconsin Alumni Research Foundation; **Tom Shannon**, BrightStar Wisconsin Foundation; **John Neis**, Venture Investors; **Jan Eddy**, Phenomenelle Angels, **Tim Keane**, Golden Angels Investors; **Bob Wood**, Wisconsin Investment Partners; and **Joe Hildebrandt** of Phenomenelle Angel Fund and the DaneVest Tech Fund.



Andy Nunemaker

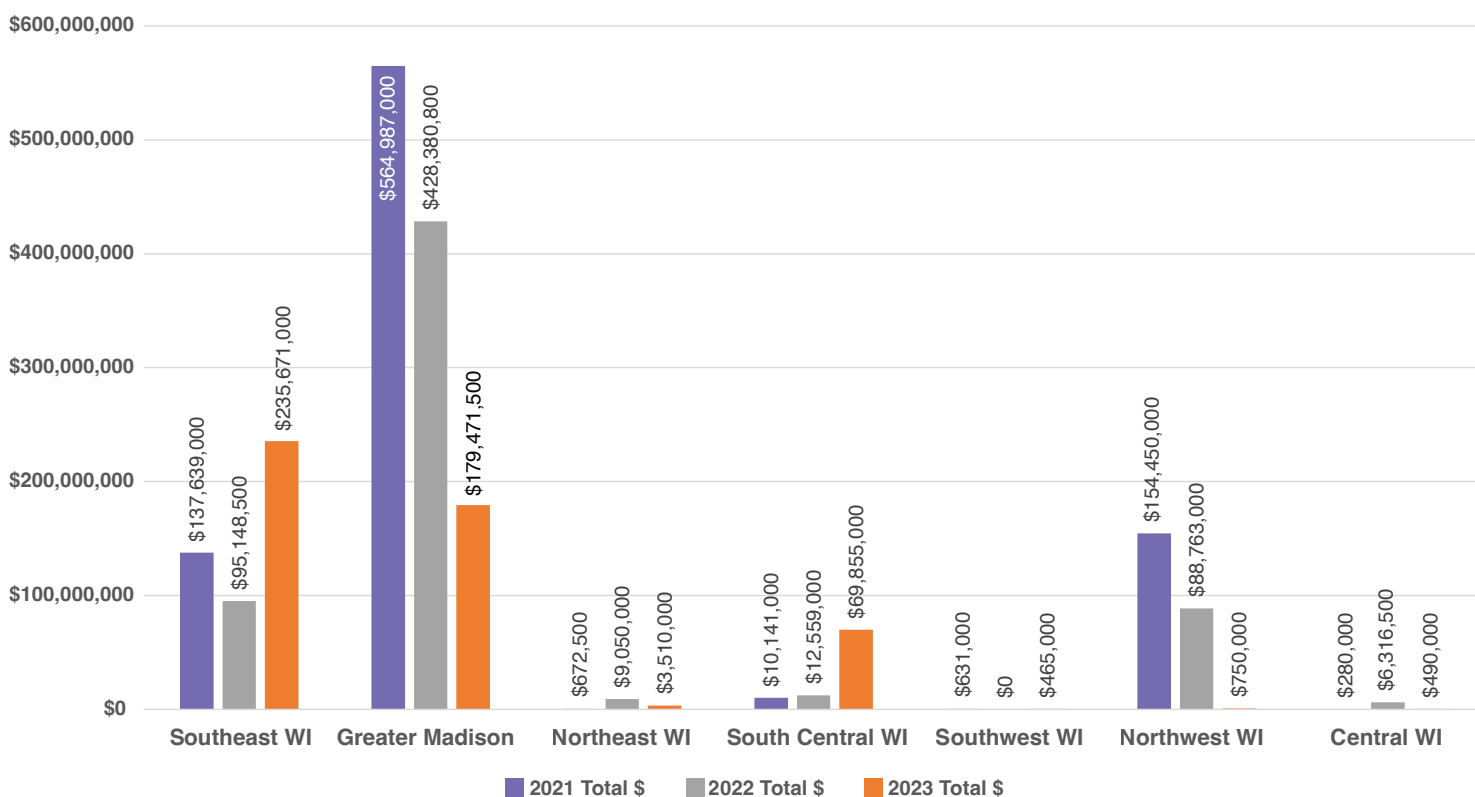
TECH COUNCIL INVESTOR NETWORKS



REGIONAL SPOTLIGHT

Calendar year 2023 saw a change in the region that attracted the most early stage capital in dollar totals. In previous years Greater Madison led the pack, but last year Southeast Wisconsin attracted the most funding in the state. Another significant change was South Central Wisconsin increasing its funding seven times versus the prior year, attracting nearly \$70 million.

Funding Distribution

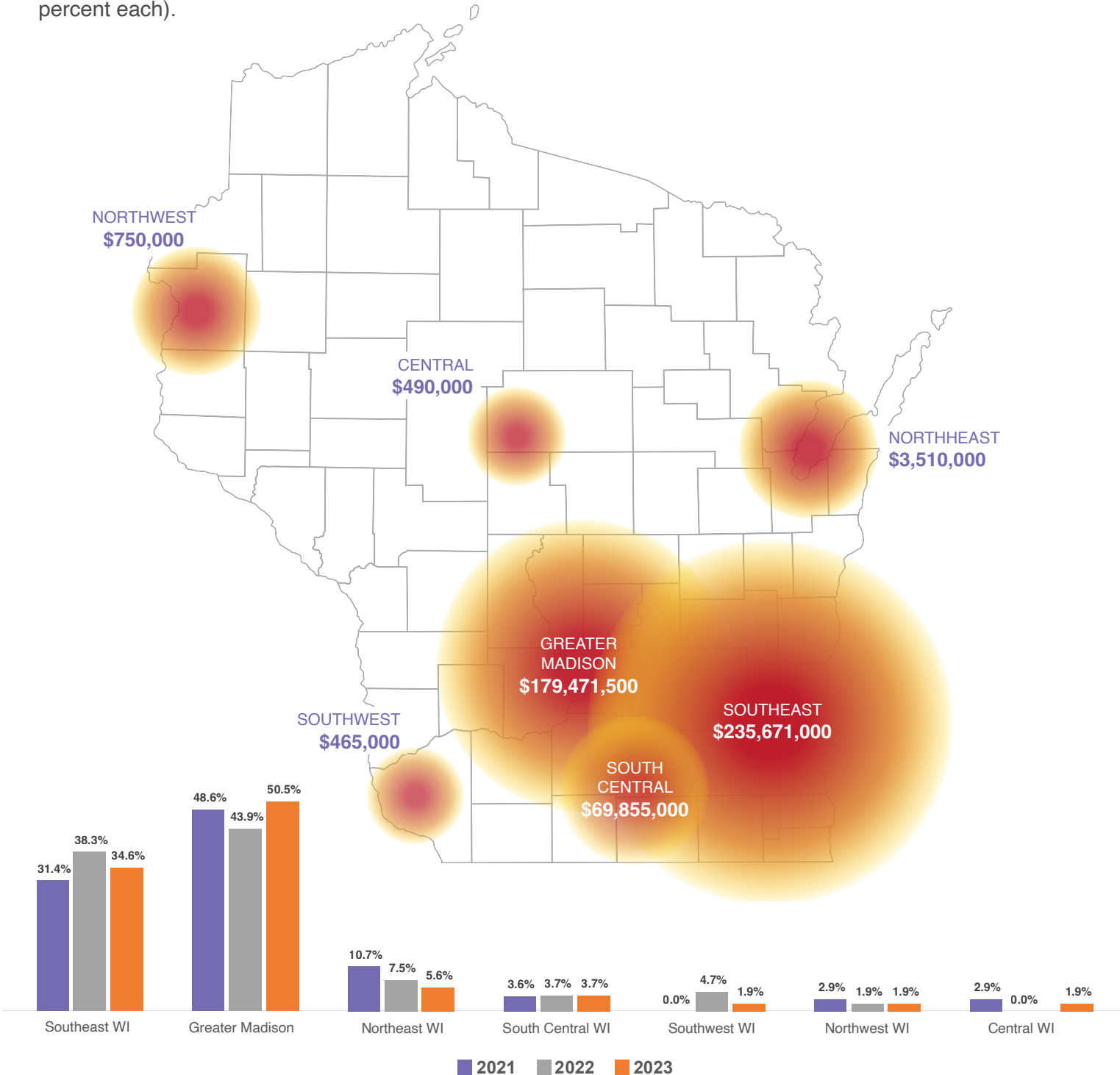


In 2023, Southeast Wisconsin emerged as the leading region for startup funding as measured by dollar invested, significantly surpassing Greater Madison. The Southeast accounted for nearly half of the total funding, \$235 million – due in large part to one major deal. Greater Madison startups raised \$179 million, accounting for 37 percent of the total funding.

Combined, these two regions account for 85 percent of the total funding raised in Wisconsin. South Central Wisconsin startups raised \$69 million, which is 14 percent of the total. While the other four regions, Northeast, Southwest, Northwest, and Central Wisconsin together account for about 1 percent of the total funding.

STARTUPS FUNDED

In 2023, Greater Madison funded slightly more than half of all startups (54), maintaining its lead in startup creation from other areas of the state. Southeast WI accounted for 35 percent of the funding rounds. These two regions accounted for 85 percent of the deals. The Northeast accounted for 5.6 percent and the South Central 3.7 percent. Southwest, Northwest and Central Wisconsin each have two funded startups (about 2 percent each).



LEGISLATIVE UPDATE

The Tech Council plays an important policy role in Wisconsin and has done so since its formation in 2001. Specifically, it engages on issues of broad interest to those who make up the tech-based economy, often providing recommendations, testimony and other information to members of the Legislature and the executive branch.

The latest session of the Legislature witnessed passage of some important bills, including:

- Approval of a 395,000-square-foot building for the UW-Madison College of Engineering and other campus projects throughout the state.
- Altering regulations to allow gas stations and other retailers to sell electric vehicle charging time, which was a change needed to free up \$80m in federal dollars
- Creating a sales and use tax exemption for equipment used at a qualified data center, as certified by WEDC .
- Continued investment in the Wisconsin “Fund of Funds” program, known as the Badger Fund of Funds.
- A state matching grant (\$7.5 million) for the EDA’s “tech hub” health-tech grant in Wisconsin.
- Elimination of the personal property tax (the phaseout began in 2023) including some telephone tangible equipment.
- Allowing the transfer of angel investment tax credits, similar to what has been available on the venture capital side.

Some items were not adopted or, in some cases, opposed by the Tech Council.

- A data sharing bill (AB 824) - *Did not move this session*
- Video gaming income tax credit - *Deferred until next session*
- Psilocybin clinical trials pilot @ UW-Madison (SB-727/AB 753) - *No committee action*
- Apprenticeships and tech college “tools” (AB 779/SB 747) - *Passed by Assembly; died in Senate.*
- “Gain of function” debate (SB-401/AB 413) - *Tech Council registered as opposed in January 2024 hearings.*
- UW-La Crosse Prairie Springs Health Science Hall no pending bill - *Met with UW-La Crosse leaders to reinforce interest.*
- Bayh-Dole Act challenges - *Letter opposing the Biden administration proposal was sent to the full Wisconsin congressional delegation.*

Other examples of policy initiatives:

- The Tech Council is part of two successful NSF Regional Innovation Engine Type 1 proposals – one led by Water Council, the other by WiSys. Full proposals are expected to be delivered by the fall of 2024. The Tech Council is helping by facilitating collaboration, making investor contacts and assisting with customer identification, such as in the food industry, paper industry and forest products. Only 44 Type 1 awards were made nationally; only 10 states received two or more.
- The Tech Caucus is an informal group of legislators and staff interested in tech-based issues and was created in 2022 to provide a bipartisan foundation for policy decisions. It has also organized “field trips” of leading Wisconsin tech companies. The most recent Tech Caucus tour was at Epic on Feb. 5, 2024 with 50-plus people attending. Members of the Tech Caucus are: Rep. Shannon Zimmerman, R-River Falls, is Assembly GOP co-chair of Tech Caucus. Sen. Dan Feyen, R-Fond du Lac, is the Senate GOP co-chair. Sen. Diane Hesselbein, D-Middleton, is the Senate Democratic co-chair. Rep. Tip McGuire, D-Kenosha, another JFC member, is the Assembly Democratic co-chair.

Other Senate members are Cowles, Cabral Guevera, Pfaff, Roys and Smith. Other Assembly members are Dallman, Mursau, Tittl, Schraa, Armstrong, Callahan, Wittke, O’Connor, Drake, Shelton, Shankland, Baldeh, Conley, Emerson, Stubbs and Jacobson. We expect some turnover in membership following the 2024 elections.

'TECH CAUCUS' PROMOTES DISCUSSION OF TECH, INVESTING ISSUES

The Wisconsin Technology Council encouraged creation of an informal "Tech Caucus" within the state Legislature in 2021 to spur informed discussion about tech-related issues. Its mission is to work along bipartisan lines to bring ideas, policy proposals, carefully vetted data and science-driven information to state legislators and their staffs, the governor, state agencies, thought leaders and the public.

The Tech Caucus will hold periodic informational sessions on issues facing the state economy, such as improving access to venture capital, upskilling employees for emerging technology jobs, cybersecurity, data privacy and broadband. It has also organized tours of two Wisconsin tech companies, Epic and Promega, with more planned in the future.

With more than two-dozen members, its co-chairs are Sen. Dan Feyen, R-Fond du Lac; Sen. Dianne Hesselbein, D-Middleton; Rep. Shannon Zimmerman, R-River Falls; and Rep. "Tip" McGuire, D-Kenosha.



CONTACTING THE LEGISLATURE

The Wisconsin Legislature typically operates on a two-year cycle that begins in January the odd-numbered year following elections for seats on the state Senate and Assembly. The next cycle will begin in January 2025, following the fall elections, with the first six months devoted mostly on the shaping and passage of the state's biennial budget. The budget cycle runs from July 1, 2025, to June 30, 2027.

Once the budget work is completed, remaining floor periods for the 2025-2027 cycle will likely be held in the fall of 2025 and the spring of 2026, with a goal of sending all bills to the governor later in the spring of 2026.

Want to contact your legislator? Search <https://maps.legis.wisconsin.gov> to find who represents you in the state Senate and Assembly. You may live in a different district than in the past, due to reapportionment and a significant difference in district maps.

Start by clicking on the rough geographic area that aligns with where you live. A screen with an Assembly member and a Senate member will pop up. If you don't believe the location is precisely correct, go to "For more information click here" at the bottom of that screen and type in your home address. Another way is to use the left-hand toolbar, where the "Find my location" icon is the fourth one down. Again, type in your home address.

Visit legis.wisconsin.gov for information on laws proposed and passed during the session, a citizens' guide to the Legislature, how a bill becomes a law and a detailed explanation of the budget-making process.

Also, legis.wisconsin.gov is where you can find biographies on current lawmakers. There are 33 senators and 99 Assembly members. This is another way to find the interactive map to find your state Senate and Assembly districts.

Visit legis.wisconsin.gov/lfb to read bill analyses and background papers by the Legislative Fiscal Bureau, which works with both parties in the Legislature to estimate the fiscal effect of various bills.

LEGISLATIVE UPDATE CONT.

PAST ACCOMPLISHMENTS

Formed as an independent, non-profit organization in 2001, the Tech Council has served as a policy advisor to the governor, the Legislature and related state agencies for 20 years. Its recommendations have helped lead to initiatives such as:

- Wisconsin’s landmark investor tax credits program (2005), which has been emulated nationwide;
- Passage of 2013 Act 41, which led to creation of the Badger Fund of Funds, which is actively investing in young companies across Wisconsin;
- Language making it clear that insurance company investments in Qualified New Business Ventures are eligible for tax credits against gross premium tax payments;
- Raising the lifetime ceiling on possible QNVB credits for any one company from \$8 million to \$12 million;
- Elimination of a unique, longstanding fee on angel and venture capital investments – or “paid-in capital” – into certain foreign C Corporations that meet Act 255 standards;
- Revision of the investor tax credit law to allow Wisconsin-based companies a formal grace period when an out-of-state acquisition temporarily puts the Wisconsin company out of sync with state employment thresholds;
- Repeal of the shareholder wage lien law, which discouraged investment in Wisconsin startup companies;
- Improvements in laws governing entrepreneurial activity by University of Wisconsin faculty; in recent years, this involved passage of the “Mark Cook” bill regarding faculty conflict-of-interest reviews by the Board of Regents;
- Improvements in processes and regulations vital to expanding broadband availability, especially in rural Wisconsin;
- Extension of the “single-sales factor” sales apportionment for corporate income to technology and service firms in Wisconsin;
- Passage of legislation that allows the UW System to pursue classified research projects through a mechanism that allows for faculty governance with regular reporting to the Legislature;
- Extension of funding for the WiSys Technology Foundation, which assists many UW System campuses in transferring technology to the marketplace;
- Streamlining regulations that allow for broader deployment of 5k digital access networks;
- Creation of the Tech Council Investor Networks, which expanded from a half-dozen networks and funds in 2004-2005 to about 45 early stage investor groups today;
- Expansion of the scope of allowable bonding projects for the Wisconsin Health and Educational Facility, creating more leeway for research-based projects;
- Enactment of an Education Tax Credit to assist employers in hiring and training workers;
- Support for the “Emerging Technology Centers” concept within the UW System, which was first envisioned as Centers of Excellence in the Tech Council’s Vision 2020 report;
- Support for an Interdisciplinary Research Center, also through Vision 2020, which materialized in the form of the Wisconsin Institutes for Discovery and the Morgridge Institute for Research;
- Broader recognition of the economic value of academic research and development in Wisconsin, which attracted about \$1.6 billion in sponsored research in the latest year;
- Creation of the I-Q Corridor branding concept and support for multi-state partnerships;
- Recent enhancement to Wisconsin’s investor tax credit program. See page 28 for details on AB 759, which took effect April 10, 2022.

TECH COUNCIL'S NATIONAL AFFILIATIONS AND PRIORITIES

The Tech Council is a member of the Tech Councils of North America and the Angel Capital Association.

TECNA includes organizations much like the Wisconsin Technology Council in most of the 50 states and all Canadian provinces. It regularly engages on issues that come before Congress and federal agencies, providing a valuable industry perspective.

Some examples of recent TECNA positions on Capitol Hill are:

- Encouraging Congress to take immediate action to reverse the amortization of research and development expenses, which are essential to manufacturing and small businesses.
- Urging Congress to rethink support for certain anti-trust legislation that contains language to limit merger and acquisition activity for startups. In many cases, these restrictions will reduce incentives for entrepreneurs and investors of startups, making it harder for companies to be acquired.
- Encouraging consideration of proposals to streamline H-1B rules and to allow highly skilled visa holders and applicants to remain in the United States.

The Tech Council often takes part in “fly-ins” organized by TECNA to stay in touch with Wisconsin’s members of Congress and other policymakers. It regularly engages on issues related to cybersecurity, workforce policy, investment policy, trade, immigration and more.

One of TECNA’s long-standing priorities is the “CHANCE in Tech Act,” S. 2227, which aims to streamline the tech apprenticeship process for companies by allowing for state “intermediaries” that can work with the U.S. Department of Labor, businesses, schools and others.

Most recently, the Tech Council and TECNA have been involved in advocating for passage of plans to better invest in the nation’s research and development structure.

The Tech Council hosted the 25th annual summer conference of TECNA in July 2019 at Epic’s headquarters in Verona, Wis.



ANGEL CAPITAL ASSOCIATION

FUSION ENERGY IS A NASCENT ‘HOT SPOT’ FOR WISCONSIN ECONOMY

By Tom Still

Even a casual observer of the Wisconsin economy can name some nationally prominent sectors, such as manufacturing, agriculture and tourism. Others can go deeper and list medical and scientific instruments, health information software, paper, plastics and parts produced for the automotive industry.

Not many would mention a budding, longer-range contender for that list: fusion energy and its supply chain.

Still years if not decades away from powering a cleaner economy, fusion is a nuclear reaction that occurs when two or more small atomic nuclei (think hydrogen and helium) join to form a larger nucleus. This energy-releasing process occurs naturally in the sun and other stars.

Scientists have theorized how to harness fusion for nearly 100 years and made steady progress since, but the first controlled experiment to create more energy than it used didn't occur until December 2022.

That “breakeven” experiment, which in how scientists refer to energy input versus output, more than broke even. It was a sizable, short-lived energy gain led by U.S. scientists that proved hot fusion plasma – which is partially ionized gas – can be confined to create fusion conditions.

Now, the race is on. There are 43 known fusion companies worldwide and 25 in the United States, with three in Wisconsin: Realta Fusion, Type One Energy and SHINE Technologies, each in different stages of development. Worldwide, about \$6 billion in private investment has gone into 30 fusion startups in the past five years, not to mention major public investments in many countries.

One significant Wisconsin advantage is the brainpower it has produced over time in fusion research, which helps to explain why three of those 25 U.S. startups are in the state and why others could emerge or be attracted here.

The UW-Madison's Fusion Technology Institute lists 167 Ph.D. graduates and is the largest program in the United States for advanced degrees in fusion engineering. Since 1965, the university has produced more than 400 graduates overall in fields such as plasma experimental, plasma theory and fusion technology.

“I came to Madison because of its nuclear energy programs,” said Oliver Schmitz, a Germany native who is the associate dean of research innovation in the UW-Madison College of Engineering. “Whenever I travel to fusion events elsewhere, it seems like 80% of the participants are UW-Madison graduates.”

Schmitz spoke in April 2024 to the Wisconsin Technology Council, not to predict commercial fusion is just around the corner, but to emphasize the state has competitive advantages that should be levered soon to build a more robust industry. He listed:

- Building on existing strengths in manufacturing, as most fusion generators are massive machines;
- Tapping into the state's world-class expertise in advanced data controls;
- Repurposing current electric generation sites such as coal plants to take advantage of existing transmission grid infrastructure;
- Gearing up education programs in technical colleges, four-year colleges and other trade schools for jobs that will be created.

Another prime area is materials development, as the fusion generators of the future must withstand constant neutron bombardment from within to hold up over time. Again, that's an area where existing Wisconsin firms and researchers can contribute.

Estimates of the size of the nuclear fusion market vary, but most analysts predict steady if not sharp growth as the world searches for clean energy options. For example, it was announced in June that Realta was selected along with two other fusion companies to take part in a \$46 million U.S. Department of Energy program.

Private investment in the fusion market may not pour into commercial facilities right away because they're too many years away. But dollars may be attracted to “supply chain” investments and other staged commercial investments, which has been the approach followed thus far by SHINE Technologies in Janesville.

Can Wisconsin make a modest investment in an industry that already has a foothold and a history in the state? Patience will be required, but the payoff could be enormous.

Still is president of the Wisconsin Technology Council.



HUSCH BLACKWELL

Trailblazing Legal Leadership

Husch Blackwell provides uncommon legal solutions for our clients' most complex challenges. When entrepreneurs and established companies partner with our experienced attorneys, they get more than just legal advice—they get proactive collaborators who understand the complexities of emerging technologies and who are deeply invested in their success. We are proud to work alongside Wisconsin businesses as they launch, grow, and innovate.

Serving clients nationwide, with offices in 20+ cities, including Milwaukee, Madison, and Chicago

*511 North Broadway, Suite 1100
Milwaukee, WI 53202*

*33 East Main Street, Suite 300
Madison, WI 53703*

huschblackwell.com

QUALIFIED NEW BUSINESS VENTURE (QNBV) PROGRAMS

TWENTY-FIVE PERCENT EARLY STAGE INVESTMENT TAX CREDIT

The **Qualified New Business Venture (QNBV) Program** in Wisconsin is a successful initiative aimed at encouraging investment in early stage Wisconsin businesses. It does so by providing investors with a 25 percent tax credit on the amount they invest in a QNBV-certified startup. By incentivizing early stage investors, more startups are able to secure funding, which fosters innovation, economic growth, and job creation.

The Wisconsin Economic Development Corporation (WEDC) administers the program and certifies what companies are eligible for tax credits.

Wisconsin as a Model for Other States

Wisconsin's QNBV Program has served as a model for similar programs in other states due to its success in promoting early stage investment. The foundation established by Wisconsin's QNBV Program has proven influential in encouraging startup investment and has helped create a blueprint for similar programs across the United States.

Eligibility Criteria for QNBV Program

To be eligible for the QNBV Program, businesses must meet certain criteria, including:

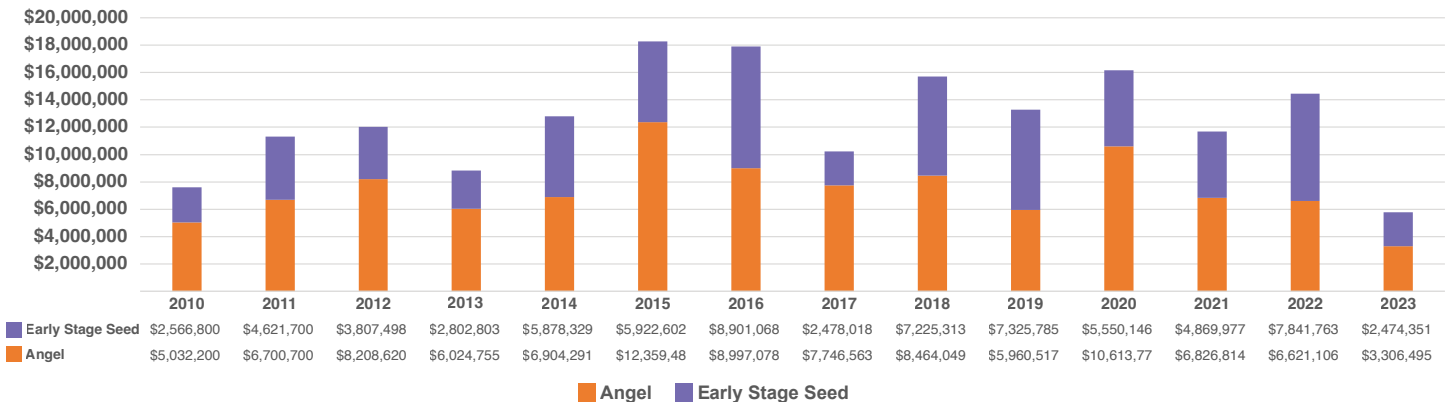
- Be headquartered in Wisconsin
- At least 51% of employees must be employed in Wisconsin
- Have the potential of increasing jobs or capital investment in Wisconsin
- Have fewer than 100 employees
- Have been in operation in Wisconsin for 10 or fewer consecutive years



ACT 255 OVER THE YEARS

Total early stage tax credits claimed in 2023 were the lowest in recent memory, totaling \$5.7 million and representing \$23 million in investments. From the Tech Council Investor Networks' private meetings with angel investors, it appears one reason for the lower credit totals was high valuations that discouraged investment.

Investment Tax Credits Used



INVESTOR RESOURCE GUIDE

WISCONSIN TECHNOLOGY COUNCIL

The Tech Council is the science and technology advisor to Wisconsin's governor and Legislature. It is an independent, non-profit and non-partisan board with members from tech companies, venture capital firms, public and private education, research institutions, government and law. The Tech Council Investor Networks (see below) is among its programs.

Tom Still, president
(608) 442-7557 | Tstill@wisconsintechcouncil.com | wisconsintechcouncil.com

TECH COUNCIL INVESTOR NETWORKS (TCIN)

A program of the Wisconsin Technology Council, the mission of the TCIN is to fuel the growth of entrepreneurial, early stage financing throughout Wisconsin. TCIN produces and provides resources to the early stage investing community. Those resources include assisting with angel network and early stage fund formation; facilitating investor collaboration, investor education events, communications, and other resources designed to help entrepreneurs seeking capital.

Joe Kremer, director
(608) 442-7557 | joe@wisconsintechcouncil.com

STATE OF WISCONSIN INVESTMENT BOARD (SWIB)

SWIB is the state agency that invests the assets of the Wisconsin Retirement System, the State Investment Fund and other state trust funds. As of December 31, 2017 SWIB managed about \$117 billion in assets.

Chris Prestigiaco, portfolio manager, private markets group
(608) 266-6723 | Chris.Prestigiaco@swib.state.wi.us | swib.state.wi.us

WISCONSIN ALUMNI RESEARCH FOUNDATION (WARF)

WARF is a non-profit organization that supports research, transfers technology and ensures that the inventions and discoveries of UW-Madison benefit humankind. The UW-Madison is a premier research institution with world-class faculty and staff who attract more than \$1 billion in sponsored research each year. WARF receives about 350 disclosures per year and has taken an equity share in 38 active companies.

Erik Iverson, CEO
(608) 263-9396 | eiverson@warf.org | warf.org

WISCONSIN SYSTEM TECHNOLOGY FOUNDATION (WISYS)

WiSys is a non-profit WARF subsidiary established to identify innovative technologies developed beyond the UW-Madison campus, primarily within 11 other UW System campuses and the UW Extension. It helps to bring those technologies to the marketplace for the benefit of the inventors, their universities, Wisconsin's economy and society.

Arjun Sanga, executive director
(608) 316-4015 | ASanga@wisys.org | wisys.org

UWM RESEARCH FOUNDATION

UWM Research Foundation's (UWMRF) mission is to foster industry research collaborations, ignite startups, and leverage intellectual property expertise at the UW-Milwaukee, where research expenditures average about \$60 million. The UWMRF manages a growing portfolio of patents, with nearly 150 issued patents and 75 patents pending. The UWMRF Catalyst grant program has provided nearly \$5.6 million to seed projects with strong commercial potential, and new programs such as ENGAGE mentors and the Bridge Grant are helping strengthen UWM startups.

Jessica Silvaggi, President
(414) 906-4654 | jessica@uwmrf.org | uwmfdn.org

WISCONSIN DEPARTMENT OF FINANCIAL INSTITUTIONS (DFI)

DFI's mission is to ensure the safety and soundness of Wisconsin's financial institutions, to protect the consumers of financial services and to facilitate economic growth. The agency regulates and licenses financial service providers who do business in Wisconsin.

Cheryll Olson - Collins, secretary
(608) 264-7800 | dfisecretary@wisconsin.gov | wdfi.org

WISCONSIN ECONOMIC DEVELOPMENT CORP. (WEDC)

This agency offers technology loans and grants to qualified companies, assists in site and location matters, and manages the Qualified New Business Venture (QNVB) program for investor tax credits, among other programs.

Missy Hughes, chief executive officer and secretary
(608) 210-6701 | maiya.weber@wedc.org
FOR SPECIFIC QNVB INFORMATION CONTACT: Chris Schiffner
(608) 210-6826 | chris.schiffner@wedc.org | inwisconsin.com

MEDICAL COLLEGE OF WISCONSIN OFFICE OF TECHNOLOGY DEVELOPMENT

The MCW Office of Technology Development is responsible for managing the discoveries, inventions and other intellectual property assets of the Medical College of Wisconsin and advancing these discoveries. The MCW conducts about \$140 million in sponsored research each year.

Kevin Boggs, director
(414) 955-4381 | kpboggs@mcw.edu
mcw.edu/departments/technology-development

WISCONSIN MANUFACTURING EXTENSION PARTNERSHIP (WCMP) Center for Manufacturing and Productivity

The WCMP is part of a 59-center national network set up by the Department of Commerce to help small and medium manufacturers stay competitive. It is a true public-private partnership that delivers exceptional results for its clients. WCMP manufacturing specialists have created more than \$3.5 billion of impact for our clients.

Buckley Brinkman, chief executive officer/executive director
(608) 729-4160 | brinkman@wicmp.org | wicmp.org

GENER8TOR

gener8tor is a Wisconsin-based accelerator that invests its community, capital, expertise, mentorship and network in capable, early stage entrepreneurs with innovative business models. gener8tor works with the startups in its portfolio to create successful, scalable companies. Sponsored by American Family Insurance, gener8tor seeks to invest in technology-enabled businesses. Accepted companies receive \$70,000 and 12-weeks of mentorship-driven programming.

Troy Vosseller, co-founder; Joe Kirgues, co-founder
(414) 502-8880 | troy@gener8tor.co | joe@gener8tor.com | gener8tor.com

ANGEL CAPITAL ASSOCIATION (ACA)

ACA is a collective of accredited investors that supports the success of angel and private investors in high-growth, early stage ventures. The organization is the source for critical information and data that aligns the needs of angels, entrepreneurs, and the startup support community. Among its members are more than 240 angel groups and platforms and more than 13,000 individual accredited investors.

Sarah Dickey, ACA membership director
(913) 894-4700 | sdickey@angelcapitalassociation.org | angelcapitalassociation.org

TITLETOWNTECH

Formed out of a partnership between The Green Bay Packers and Microsoft, TitletownTech seeks to build, enable and invest in early stage and existing businesses through its Innovation Lab, Venture Studio and Venture Fund. Located in Titletown, west of Lambeau Field, it is uniquely situated at the heart of a transformative project that is receiving national attention.

Craig Dickman, managing director
(920) 217-1218 | dickmanc@titletowntech.com | titletowntech.com

MARQUETTE UNIVERSITY OFFICE OF UNIVERSITY RELATIONS

Partnering for impact through Corporate Engagement and Technology Transfer, our office fosters enduring relationships, solves challenges, and delivers innovation. We bring value to corporate partners through agile programs designed to meet their R&D, talent, and upskilling needs.

Kalpa Vithalani, Executive Director of Technology Transfer
(414) 288-0668 | kalpa.vithalani@marquette.edu | marquette.edu

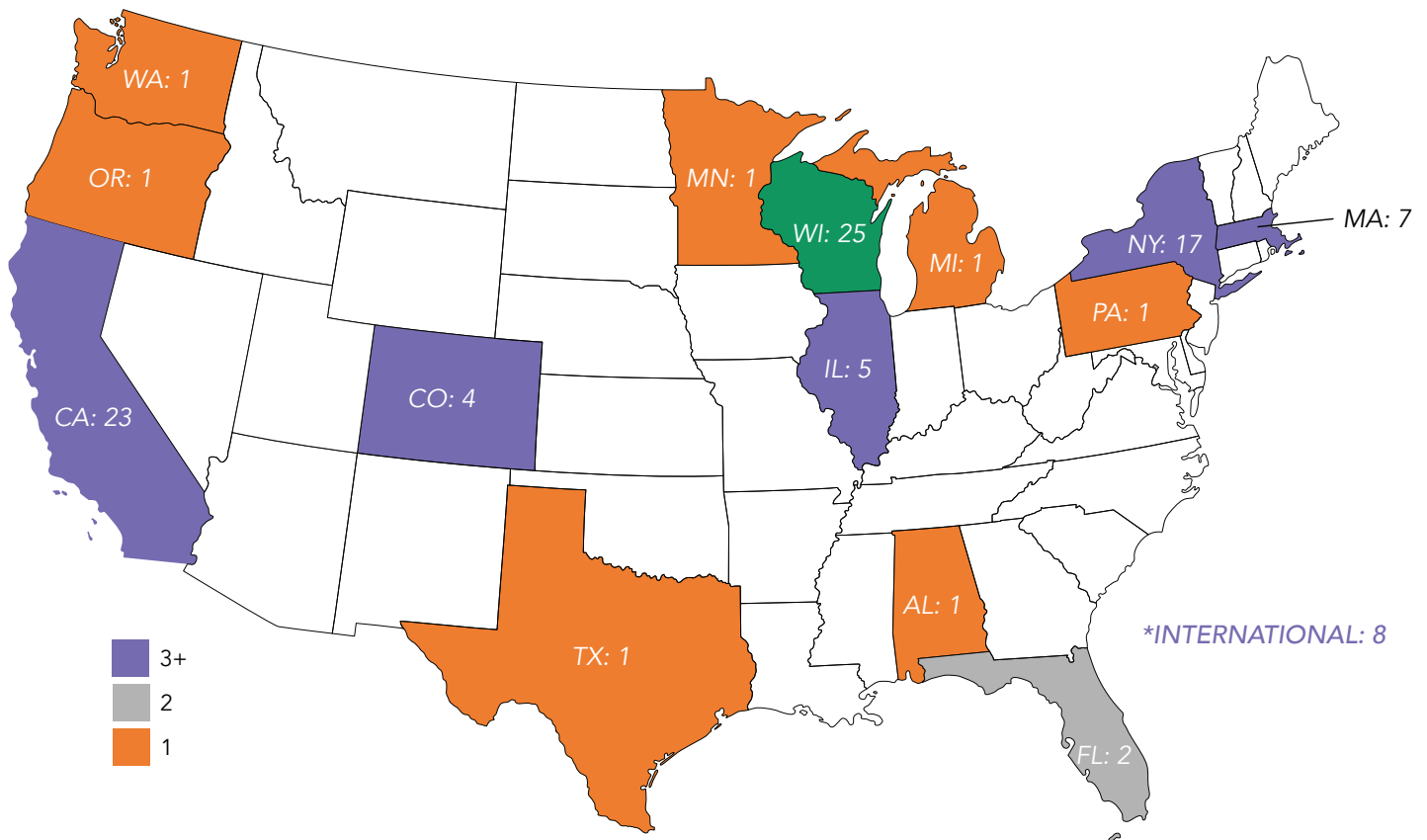
ATTRACTING NEW OUT-OF-STATE INVESTORS

Out-of-state investors are continuing to play a significant role in the Wisconsin entrepreneurial ecosystem, with 73 unique investment groups participating in 27 rounds of funding in 2023. Wisconsin investors continue to develop connections with other investors and invite them into funding rounds.

The 27 funding rounds with out-of-state investors participating alongside Wisconsin investors secured \$385 million 2023.

The states with the highest participation rate were California (23 deals) and New York (17 deals). International investors are continuing to contribute to investment rounds with eight deals in 2023

WHERE INVESTORS CAME FROM



SAVE THE DATE

Wisconsin Early Stage Symposium | #ESSWI

NOV
13-14
2024

The **Wisconsin Early Stage Symposium**, produced by the Wisconsin Technology Council, is designed to unlock Wisconsin's entrepreneurial potential by providing the right combination of ideas, innovation, intellectual property and investment – as well as hands-on instruction and advice targeted to early stage companies ready to make the leap.

Conference highlights include:

- Presentations by more than two dozen companies in the Tech Council Investor Networks' Track.
- Investors from across Wisconsin and beyond will attend.
- The 20th annual Elevator Pitch Olympics, which provide 90-second presentation opportunities for approximately 15 companies. A panel of experienced investors will judge the pitches and offer immediate feedback.
- The 10th annual "Excellence in Entrepreneurial Education" award presentation.
- More than a dozen panel discussions and seminars featuring successful entrepreneurs, seasoned investors and others with industry and expert ties to the tech sector.
- "Office hours," offering the opportunity to meet with subject matter specialists on a variety of topics in small discussion groups.
- Exhibit hall showcasing more than 30 Wisconsin companies.
- Two receptions, two breakfasts, two luncheons and other networking opportunities, including an investors-only dinner.



INVESTOR INTROS



Susie & Matt Younkle
TRIPLE E 2023 AWARD WINNERS

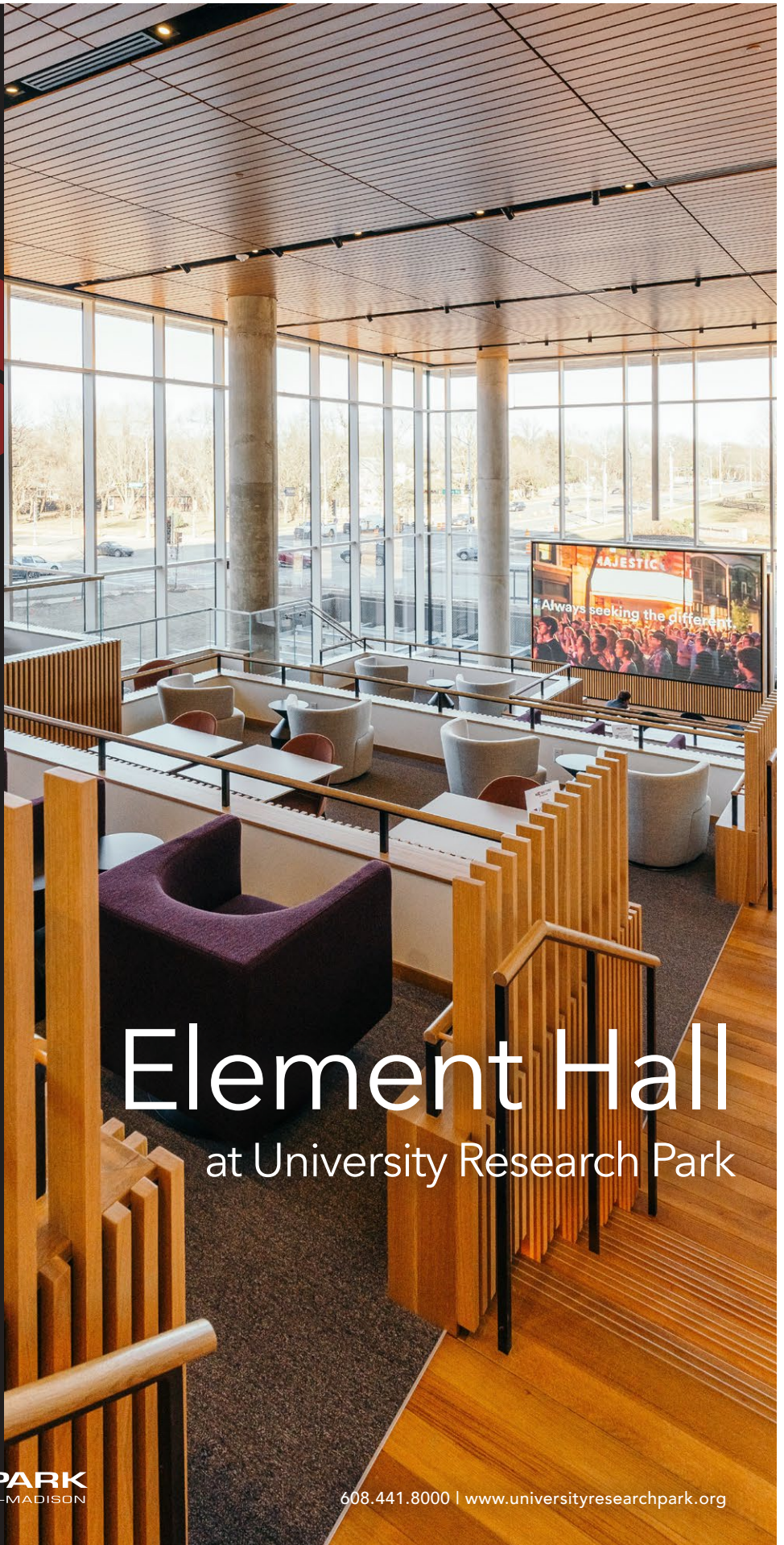
The 2023 in-person conference drew more than 400 people, including entrepreneurs at all stages, venture and angels investors, service providers, economic development partners, mentors, academic researchers and more.

Watch for more details on the 2024 Wisconsin Early Stage Symposium coming soon at wiseearlystage.com and through social media channels.

40 YEARS

UNIVERSITY RESEARCH PARK

Celebrating 40 years of providing an atmosphere custom designed to nurture a world-class combination of community, economic and technological developments.



Element Hall

at University Research Park