



STATE OF MICHIGAN  
OFFICE OF THE GOVERNOR  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

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LT. GOVERNOR

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## **21<sup>st</sup> Century Investment Fund to Increase Capital Investment in Michigan**

*\$109 million gives Michigan one of the largest pools of capital in  
the country for economic diversification and job creation*

LANSING – Governor Jennifer M. Granholm today announced that the Michigan 21<sup>st</sup> Century Investment Fund (21<sup>st</sup> Century Investment Fund) is poised to invest \$109 million to create and retain Michigan jobs. Private equity investment, mezzanine and venture capital funds that have a focus on Michigan companies are encouraged to apply.

“Michigan has the most aggressive economic plan in the country, and through the 21<sup>st</sup> Century Jobs Fund, we are transforming our economy and creating new high-tech companies and high-paying jobs,” Governor Granholm said.

The 21<sup>st</sup> Century Investment Fund is a major component of Governor Granholm’s 21<sup>st</sup> Century Jobs Fund, a \$2 billion, 10-year initiative to diversify the state’s economy, funded through the securitization of a portion of the tobacco settlement.

“We are executing on the 21<sup>st</sup> Century plan, and I am proud that Michigan is positioned to invest \$109 million in private equity, mezzanine and venture capital funds, and they, in turn, will finance companies that are diversifying our economy,” said James Epolito, president and CEO of the Michigan Economic Development Corporation and chair of the Michigan Strategic Fund Board.

Credit Suisse will manage the state’s 21<sup>st</sup> Century Investment Fund under the direction of the Michigan Strategic Fund Board, an 11-member board that promotes economic development. Credit Suisse will oversee the program’s requests-for-proposal (RFP) to solicit funds, evaluate and recommend funds for investment, and monitor fund performance. The Michigan Strategic Fund Board has engaged the Michigan Economic Development Corporation (MEDC) to provide administrative services to the 21<sup>st</sup> Century Investment Fund.

“The combined investment in venture capital from the 21<sup>st</sup> Century Investment Fund and the Venture Michigan Fund puts Michigan ahead of the curve in getting capital into the hands of emerging entrepreneurs,” said Kelly Williams, managing director and co-head of Credit Suisse’s

(more)

Customized Fund Investment Group. “This is a significant commitment from the state of Michigan and a creative way to provide dollars for economic diversification and job creation.”

“We are fortunate to have an outstanding fund manager in Credit Suisse. They have given us their attention and guidance to cure this economic dilemma – a private equity shortage in Michigan,” said Charles Rothstein, board member of the Michigan Strategic Fund and founder/senior managing director of Beringea, a venture capital firm.

Credit Suisse, which also manages the Venture Michigan Fund, has opened an office in Michigan led by Bob Payne, a respected veteran of the private equity investment management industry. Fund managers will be selected to receive capital through a competitive process. Interested private equity, mezzanine and venture capital managers can access the application from the 21<sup>st</sup> Century Investment Fund website at [www.michigan21stcenturyinvestmentfund.com](http://www.michigan21stcenturyinvestmentfund.com).

Responses to the RFP are due by November 17, 2006. Information about the other parts of the 21<sup>st</sup> Century Jobs Fund, as well as other economic initiatives within the state, can be found by visiting [www.michigan.org/investors](http://www.michigan.org/investors). Credit Suisse anticipates making the first 21<sup>st</sup> Century Investment Fund commitments later this year.

The 21<sup>st</sup> Century Investment Fund seeks to strengthen and diversify Michigan’s economic base by fostering the creation and growth of new jobs, new businesses, and new industries within the state through investments in private equity, venture capital and mezzanine funds, as well as potential co-investments in individual companies alongside these funds.

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