



February 15, 2019

Senator James Manning Jr., Co-Chair
Representative David Gomberg, Co-Chair
Joint Committee on Ways and Means Subcommittee on Transportation and Economic
Development
900 Court St. NE
Salem, OR 97301

RE: Support for the Oregon Growth Fund: Senate Bill 5524

Dear Co-Chairs Manning and Gomberg and Members of the Committee,

I am writing in support of the Oregon Growth Fund (OGF) administered by the Innovation & Entrepreneurship (I&E) division of the Oregon Business Development Department. As a business grows, it needs to access larger sums of capital that come with specific expertise or mentoring. The OGF is the provider of this next step capital via funding through entities like angel funds, equity investments serving under-represented entrepreneurs and sectors, and nontraditional lenders serving rural and minority-led businesses. Seed and early-stage capital can be particularly difficult to access for some communities and industries, particularly traditionally underserved populations. The OGF is a critical funding tool to help fill existing Oregon capital gaps for growing businesses.

Through its Angel Oregon conference, Oregon Entrepreneurs Network (OEN) launched the first fund of its kind—not just in Oregon, but anywhere. It also catalyzed several other funds: Oregon Angel Fund (now Oregon Venture Fund), the Bend Venture Conference (BVC), the Willamette Angel Conference (WAC) and other angel conferences throughout the State of Oregon. Over time, these regional conferences have grown and in some cases spun off other conferences, all of which provide critical startup capital to scaling businesses. Funding from OGB was critical to launch these funds—once OGB showed its support by investing, other investors followed suit, and the fund averaged about \$250,000 investments each year.

Since 2005, over 700 companies have applied to compete at Angel Oregon, and more than 100 were selected to present. Approximately \$3.5 million has been directly invested through OEN's Angel Oregon LLC investment award, and that does not include sidecar investments. Since 2005, four of our winning Angel Oregon companies have exited. Others have received additional significant investment. OEN's angel conferences have played a key role in providing access to capital for early-stage companies, helping them to grow and create new jobs, and in creating a new pool of angel investors. As of 2014, the winning companies have created 740 jobs. None of this would have been possible without support from OGB.



Creating a stable funding source for the Oregon Growth Fund will ensure that private dollars continue to be leveraged, along with expertise provided, to serve Oregon's entrepreneurs. With the recent increase in later stage investors statewide, it is critical that early-stage funding options exist to fill investment pipelines, keeping growing businesses in Oregon, and employing Oregonians. We are solid supporters of the Oregon Growth Board, and urge the Legislature to continue funding the Oregon Growth Fund.

Sincerely,

A handwritten signature in blue ink that reads "Maggie Finnerty". The signature is written in a cursive, flowing style.

Maggie Finnerty
President and Executive Director
Oregon Entrepreneurs Network



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Representative John Lively, Chair
House Committee on Economic Development
900 Court St. NE
Salem, OR 97301

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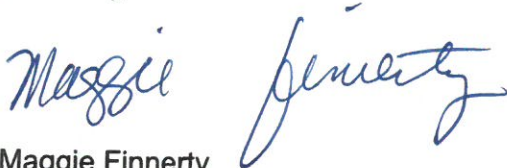
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