



## **21st Century Jobs Fund Program**

Year-End Report to the Legislature for Fiscal Year 2007  
(As required by MCL 125.2088n)

**MICHIGAN ECONOMIC DEVELOPMENT CORPORATION  
300 N. WASHINGTON SQ.  
LANSING, MI 48913**

**CUSTOMER ASSISTANCE  
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**[WWW.MICHIGAN.ORG](http://WWW.MICHIGAN.ORG)**

**21st Century Program Legislative Report**  
**Grants and Loans Determined by Commercialization Board**  
 For the Period October 1, 2006 to September 30, 2007

Entities Receiving Funding	Original Award Amount	Type of Funding	Award Date	Rescinded or withdrawn awards	Projected New Job Growth	Initial Funds Leveraged	New Funds Leveraged	Money, Revenue, or Property Returned	Number of New Patents, Copyrights, & Trademarks Applied For	Number of New Patents, Copyrights, & Trademarks Issued	Number of New Start-up Companies	Number of New Licensing Agreements		Number of New Jobs	Products Commercialized
												Total In	With Michigan based organizations		
AAPharmaSyn LLC [1]	\$ 750,000	Loan	9/6/06		20	\$ 2,387,475								6.0	
Accuri Instruments, Inc. [1]	\$ 2,000,000	Loan	9/6/06		4	\$ 3,076,460	\$ 7,000,000		13					0.1	
Adaptive Materials, Inc. [1]	\$ 6,271,190	Loan	9/6/06		14	\$ 5,321,600									
Advanced Resource Recovery [1]	\$ 1,912,000	Loan	10/16/06		12	\$ 1,978,000									
Afid Therapeutics Inc. [1]	\$ 1,665,725	Loan	9/6/06		0	\$ 384,235	\$ 323,383		2	1				3.1	
Ann Arbor SPARK [3]	\$ 8,000,000	Grant	10/16/06		390	\$ 6,600,000	\$ 2,351,434							55.0	24
Avidimer Therapeutics, Inc. [1]	\$ 2,250,000	Loan	9/6/06		13	\$ 5,440,372									
AVL North America, INC. [3]	\$ 1,514,311	Withdrawn	9/6/06	\$ (1,514,311)	15	\$ 1,724,000									
Battle Creek Unlimited [3]	\$ 430,000	Grant	10/16/06		1	\$ 332,120								1.0	
Biodiscovery-LLC [1]	\$ 2,194,675	Loan	9/6/06		10	\$ 623,325	\$ 190,000		1					2.9	1
Biotechnology Business Consultants [1]	\$ 426,804	Grant	9/6/06		50	\$ 237,612									
Center for Automotive Research [3]	\$ 3,149,755	Grant	9/6/06		1	\$ 3,808,350								4.4	
Clifford Group [1]	\$ 3,511,000	Loan	9/6/06		54	\$ 3,150,000									
Compendia Bioscience, Inc. [1]	\$ 1,238,212	Loan	9/6/06		64	\$ 1,338,737	\$ 520,000							7.0	2
Core Technology Alliance [3]	\$ 3,020,000	Grant	9/6/06		15	\$ 4,714,466								2.0	
Diversified Natural Products, Inc. [1]	\$ 1,994,578	Withdrawn	9/6/06	\$ (1,994,578)	14	\$ 4,665,300									
ElectroJet Incorporated [1]	\$ 962,600	Loan	10/16/06		3	\$ 215,000	\$ 92,750		3	3				2.5	
Evigia Systems, Inc. [1]	\$ 1,736,300	Loan	10/16/06		5	\$ 6,330,899	\$ 1,499,890							3.9	1
Fraunhofer USA [1]	\$ 823,557	Grant	10/16/06		1	\$ 397,471								1.0	
Fraunhofer USA, Inc. [3]	\$ 322,904	Grant	9/6/06		0	\$ 174,229			1	1				0.4	
Fraunhofer USA, Ctr for Laser Tech [1]	\$ 1,569,999	Grant	9/6/06		12	\$ 444,387									
Genetics Squared Inc [1]	\$ 1,094,084	Grant	9/6/06		10	\$ 382,998	\$ 432,500								
Great Lakes Entrepreneur's Quest [1]	\$ 600,000	Grant	10/16/06		1	\$ -	\$ 12,500							1.0	
IA, Inc./ ThreeFold Sensors [1]	\$ 2,600,657	Loan	9/6/06		4	\$ 43,700			1	18				1.0	
Integrated Sensing Systems, Inc. [1]	\$ 974,999	Loan	9/6/06		738	\$ 975,000			4	2				0.9	
Karmanos Cancer Institute [1]	\$ 1,596,728	Grant	9/6/06		4	\$ 990,806								6.5	
Karmanos Cancer Institute [1]	\$ 2,606,786	Grant	9/6/06		25	\$ 6,707,784								7.0	
KTM Industries, Inc. [1]	\$ 2,011,185	Loan	9/6/06		66	\$ 3,649,600								0.9	
Lake Superior State University [1]	\$ 330,250	Grant	10/16/06		2	\$ 231,550								0.7	
Lawrence Technological Univ. [3]	\$ 899,996	Grant	9/6/06		7	\$ 603,500								1.5	1
Medtrina Pharmaceuticals, Inc. [1]	\$ 3,829,733	Loan	10/16/06		18	\$ 1,094,334			6						
Michigan Research Institute [1]	\$ 2,199,940	Grant	9/6/06		100	\$ 3,034,500									
Michigan State University [1]	\$ 1,443,689	Grant	9/6/06		2	\$ 1,753,900									
Michigan State University [3]	\$ 2,077,191	Grant	9/6/06		24	\$ 796,025	\$ 839,499		3	1				3.7	
Michigan State University [1]	\$ 2,423,851	Grant	9/6/06		50	\$ 1,600,931								5.7	
Michigan State University [1]	\$ 329,725	Grant	9/6/06		2	\$ 165,516								8.5	
Michigan State University [3]	\$ 884,637	Grant	9/6/06		5	\$ 196,088								1.5	
Michigan State University [1]	\$ 1,050,781	Grant	10/16/06		1	\$ 124,252								4.0	
Michigan State University [2]	\$ 659,677	Grant	9/6/06		3	\$ 139,219								3.5	
Michigan State University [1]	\$ 1,401,865	Grant	9/6/06		4	\$ 186,351	\$ 45,000							5.2	
Michigan State University [1]	\$ 966,608	Grant	9/6/06		2	\$ 328,115			1					2.2	
Michigan State University [1]	\$ 250,000	Grant	10/16/06		21	\$ 414,750								1.5	
Michigan State University [3]	\$ 914,492	Grant	9/6/06		2	\$ 107,250								2.2	
Michigan State University [1]	\$ 808,832	Grant	9/6/06		4	\$ 3,185,167								4.3	
Michigan Venture Capital Assoc. [1]	\$ 2,100,000	Grant	9/6/06		5	\$ 247,395									
MI-SBIDC-Grand Valley State Univ. [3]	\$ 2,000,000	Grant	10/16/06		600	\$ 1,334,000								172.0	
Molecular Imaging Research, Inc. [1]	\$ 1,233,374	Loan	9/6/06		8	\$ 3,000,000								1.0	7
NanoBio Corporation [1]	\$ 2,377,526	Loan	9/6/06		6	\$ 1,269,465								1.8	
NextEnergy Center [1]	\$ 2,923,165	Grant	10/16/06		2	\$ 5,194,828	\$ 10,000,000							5.4	
NexusTech Ventures [1]	\$ 3,063,000	Loan	9/6/06		1	\$ 1,714,391	\$ 13,213,768		7	9				6	7
Polytorx [1]	\$ 1,500,000	Loan	9/6/06		125	\$ 2,189,000									
ProNAI Therapeutics Inc. [1]	\$ 3,297,826	Loan	9/6/06		20	\$ 6,464,090	\$ 6,070,100		7	1				0.5	

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 For the Period October 1, 2006 to September 30, 2007

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													Total In	Total Out	With Michigan based organizations		
Realscape Corporation	\$ 449,356	Withdrawn	10/16/06	\$ (449,356)	7	\$ -	\$ -										
Sentelligence, Inc.	\$ 1,500,000	Withdrawn	10/16/06	\$ (1,500,000)	35	\$ 1,091,500											
Solidica, Inc.	\$ 1,295,259	Loan	9/6/06		20	\$ 2,449,605											
Sonetics Ultrasound, Inc.	\$ 1,214,682	Loan	9/6/06		1	\$ 667,789						1.5					
Southwest Michigan Innovation Ctr.	\$ 500,000	Grant	10/16/06		8	\$ 1,123,911			2			2.7					
Southwest Michigan Innovation Ctr.	\$ 525,000	Grant	10/16/06		8	\$ 1,804,611											
T/IJ Technologies, Inc.	\$ 952,665	Withdrawn	9/6/06	\$ (952,665)	1	\$ 844,294											
TeachTown	\$ 776,676	Grant	9/6/06		400	\$ 5,770,000	\$ 2,372,000				1	1.7					
Tellurex Corporation	\$ 1,263,950	Loan	9/6/06		20	\$ -	\$ 1,695,224		1			11.5					
Translume, Inc.	\$ 1,650,510	Loan	9/6/06		38	\$ 499,100			2			1.0					
Truck Emission Control Technologies	\$ 1,500,000	Rescinded	10/16/06	\$ (1,500,000)	120	\$ 84,492,860											
TSRL, Inc.	\$ 968,715	Loan	10/16/06		2	\$ 160,375						0.4					
University of Michigan	\$ 493,999	Grant	9/6/06		1	\$ 176,000						2.0					
University of Michigan	\$ 895,000	Grant	9/6/06		30	\$ 847,500						3.6					
University of Michigan	\$ 899,713	Grant	10/16/06		3	\$ 258,581			1			6.0					
University of Michigan	\$ 1,670,811	Grant	9/6/06		2	\$ 1,401,395						1.1					
University of Michigan	\$ 285,100	Grant	9/6/06		4	\$ 133,496						1.1					
University of Michigan	\$ 1,248,904	Grant	9/6/06		3	\$ 973,200						1.0					
University of Michigan	\$ 4,724,999	Grant	9/6/06		0	\$ 214,066						2.0					
University of Michigan	\$ 1,228,172	Grant	9/6/06		200	\$ 379,872			1			2.7					
Van Andel Research Institute	\$ 1,513,830	Grant	9/6/06		3	\$ 981,449			2			1.9					
Velcura Therapeutics, Inc.	\$ 2,000,000	Loan	10/16/06		8	\$ 6,932,381						4.1					
Wayne State University	\$ 700,841	Grant	9/6/06		4	\$ 188,620			1			6.8					
Wayne State University	\$ 302,761	Grant	9/6/06		12	\$ 161,906						5.8					
Wayne State University	\$ 2,030,156	Grant	9/6/06		10	\$ 1,325,247						0.2					
Wayne State University	\$ 830,277	Grant	10/16/06		4	\$ 344,127	\$ 2,741,563					0.2					
WCare LLC	\$ 2,941,495	Withdrawn	9/6/06	\$ (2,941,495)	19	\$ -											
Western Michigan University	\$ 966,714	Grant	9/6/06		3	\$ 822,196						16					
Western Michigan University	\$ 2,000,000	Grant	9/6/06		150	\$ 6,000,000						31					
XB TransMed Solutions, LLC	\$ 508,263	Loan	9/6/06		4	\$ 594,744	\$ 248,390					0.2					
Zeeland Farm Services Inc.	\$ 1,011,593	Loan	10/16/06		10	\$ 699,490			3			0.2					
<b>TOTAL</b>	<b>\$137,108,149</b>			<b>\$ (10,852,405)</b>	<b>3,815</b>	<b>\$ 229,576,859</b>	<b>\$ 49,648,001</b>	<b>\$ -</b>	<b>63</b>	<b>16</b>	<b>31</b>	<b>388.5</b>	<b>4</b>	<b>2</b>	<b>3</b>	<b>45</b>	

Licensing Agreements Out: Licensing agreements generated by intellectual property from the project/company to a 3rd party.  
 Licensing Agreements In: Licensing agreements for the project/company to acquire technology from a 3rd party.

- [1] Data is reflected through the progress reporting period ending 10/31/07
- [2] Data is reflected through the progress reporting period ending 11/30/07
- [3] Data is reflected through the progress reporting period ending 12/31/07

**21st Century Program Legislative Report  
Investment Fund**

For the Period October 1, 2006 to September 30, 2007

Program	Entities Receiving Funding	Amount Committed	Capital Called	Type of Funding	Amount of qualified investments under management in the State		Value of the State's investments in qualified businesses	
					Total Amount	Year-to-Year Growth	Value	Year-to-Year Growth
<u>Private Equity Program</u>	Quad Partners II Relativity I	\$ 10,000,000 \$ 10,000,000	- -	Private Equity Investment Private Equity Investment				
<b>Subtotal Private Equity Program</b>		<b>\$ 20,000,000</b>	<b>\$ -</b>					
<u>Mezzanine Investment Program</u>								
<b>Subtotal Mezzanine Investment Program</b>								
<u>Venture Capital Program</u>	Arboretum II Nth Power IV Venture Investors IV	\$ 7,500,000 \$ 10,000,000 \$ 10,000,000	\$ 401,771 \$ 1,504,254 \$ 1,365,559	Venture Capital Investment Venture Capital Investment Venture Capital Investment	\$ 2,000,000 \$ 2,835,000 \$ 749,999	[1] [1] [1]	[2] \$ 184,275 \$ 63,750	[1] [1] [1]
<b>Subtotal Venture Capital Program</b>		<b>\$ 27,500,000</b>	<b>\$ 3,271,583</b>		<b>\$ 5,584,999</b>	<b>[3]</b>		

As of 9/30/07 these funds have not engaged in investment activity.

MSF Fund Manager, Credit Suisse, continues due diligence on mezzanine firms. No commitments have been made as of 9/30/07.

[1] Year-to-Year Growth cannot be determined as investments were made during this reporting period.

[2] Fund has not had final close; therefore, the value of the State's investment cannot be determined as of 9/30/07.

[3] These funds have leveraged additional investment of \$11,015,001.

**21st Century Program Legislative Report**  
**Jobs for Michigan Investment Fund - Permanent Fund**  
For the Period October 1, 2006 to September 30, 2007

<b>Beginning Balance, as of 10/1/06</b>		\$ 5,679,759
Returns to the fund:		
Life Sciences Corridor, Technology Tri Corridor, and Biosciences Research and Commercialization Center returns from award agreements	994,537	
Other revenues	461,570	
Property	-	
	<hr/>	\$ 1,456,107
Commitments from the fund:		\$ -
<b>Ending Balance, as of 9/30/2007</b>		<u><u>\$ 7,135,866</u></u> *

\* Legislature has appropriated \$5.7 million for Michigan Promotion Fund from these funds in fiscal year 2008.

**21st Century Program Legislative Report**  
**Loan Enhancement Program**  
 For the Period October 1, 2006 to September 30, 2007

Program	Entities Receiving Funding	Amount	Type of Funding	Amount of qualified investments under management in the State		Value of investments in qualified businesses	
				Total Amount	Year-to-Year Growth	Value	Year-to-Year Growth
<u>Loan Enhancement Program</u>							
Choose Michigan Fund							
<b>Total Loan Enhancement Program</b>							

The MSF Board approved this program; however, it was not implemented as the funding went to meet a \$30 million budget reduction.

**21st Century Program Legislative Report**  
**Small Business Capital Access Program (CAP)**  
For the Period October 1, 2006 to September 30, 2007

Participating Bank	Balance in Reserve Fund at 9/30/07
Ann Arbor Commerce	\$ 21,381.58
Bank of Auburn Hills	9,240.00
Bank of Lenawee	1,283.64
Brighton Commerce Bank	15,008.13
Byron Bank	52,197.67
Capitol National Bank	115,735.72
Century Bank & Trust	61,452.37
Chelsea State Bank	133,168.38
Chemical Bank	207,180.60
ChoiceOne	4,920.00
Christian Financial Credit Union	3,039.14
Citizens Bank	427,401.64
Comerica Bank	437,697.32
Commercial Bank	121,798.22
Fifth Third Bank - Eastern	87,169.69
Fifth Third Bank - Lansing	418,756.24
Fifth Third Bank - Northern	-
Fifth Third Bank - Western	192,040.67
Grand Haven Bank	293.43
Greenville Community Bank	21,247.97
Hillsdale County National Bank	128,725.63
Huntington National Bank	402,572.02
Independent Bank - Bay City	82,772.83
Independent Bank - Gaylord	14,571.33
Irwin Union Bank	48,290.39
Isabella Bank & Trust	316,328.32
Kent Commerce Bank	41,338.06
Keystone Community Bank	31,232.87
Lake-Osceola State Bank	102,814.67
Lapeer County Bank & Trust	16,145.26
LaSalle Bank	524,973.26
Macatawa Bank	124,315.37
Mercantile Bank of Michigan	82,520.22
Muskegon Commerce Bank	7,284.59
National City	325,009.84
NuUnion Credit Union	5,429.49
Oakland Commerce Bank	32,104.35
Option 1 Credit Union	12,866.75
Portage Commerce Bank	46,152.86
Republic Bank, formerly Citizens Bank	58,793.30
Sky Bank	268,151.67
Southern Michigan Bank & Trust	20,501.15
Sturgis Bank & Trust	17,140.78
The Dart Bank	23,382.71
United Bank & Trust - Tecumseh	124,064.58
United Bank & Trust - Washtenaw	33,680.00
Upper Peninsula State Bank	73,219.07
Wells Fargo Bank - Iron Mountain	385,586.68
West Michigan Community Bank	12,438.98
West Shore Bank	10,223.32
	<u>\$ 5,703,642.76 *</u>

\* This amount includes balances transferred from legacy program, 21st Century Jobs Fund contributions, and the matching contributions of participating lenders and small business borrowers.