



21st Century Jobs Fund Program

Year-End Report to the Legislature for Fiscal Year 2008
(As required by MCL 125.2088n)

**MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
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21st Century Jobs Fund Program Legislative Report
Grants and Loans Determined by Commercialization Board
For the Period October 1, 2007 to September 30, 2008

Entities Receiving Funding	Original Award Amount	Type of Funding	Award Date	Rescinded or withdrawn awards	Projected New Job Growth	Initial Funds Leveraged	New Funds Leveraged	Money, Revenue, or Property Returned	Number of New Patents, Copyrights, &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 Jobs	Number of New Licensing Agreements			Products Commercialized
													Total In [1]	Total Out [2]	With Michigan-based organizations	
AAPharmaSyn LLC	\$ 750,000	Loan	9/6/06		20	\$ 2,387,475						9.0				
Accuri Instruments, Inc.	\$ 2,000,000	Loan	9/6/06		4	\$ 3,076,460	\$ 7,000,000		13		1	4.3				1
Adaptive Materials, Inc.	\$ 6,271,190	Loan	9/6/06		14	\$ 5,321,600			4			22.0				
Advanced Resource Recovery	\$ 1,912,000	Withdrawn	10/16/06	(\$1,912,000)	12	\$ 1,978,000										
Afid Therapeutics Inc.	\$ 1,665,725	Loan	9/6/06		0	\$ 384,235	\$ 338,383		2	4		5.3	1		1	58
Ann Arbor SPARK	\$ 8,000,000	Grant	10/16/06		390	\$ 6,600,000	\$ 9,785,383		49	26		151.0	8	6	3	12
Avidimer Therapeutics, Inc.	\$ 2,250,000	Loan	9/6/06		13	\$ 5,440,372	\$ 1,605,000					1.4	1		1	
AVL North America, INC.	\$ 1,514,311	Withdrawn	9/6/06	\$ (1,514,311)	15	\$ 1,724,000										
Battle Creek Unlimited	\$ 430,000	Grant	10/16/06		1	\$ 332,120	\$ 155,000		2	2		9.0				1
Biodiscovery-LLC	\$ 2,194,675	Loan	9/6/06		10	\$ 623,675	\$ 190,000		3	1		6.3	1		1	4
Biotechnology Business Consultants	\$ 426,804	Grant	9/6/06		50	\$ 237,612	\$ 26,783,822		17	5		48.6				14
Center for Automotive Research	\$ 3,149,755	Grant	9/6/06		1	\$ 3,808,350						5.3				
Clifford Group	\$ 3,511,000	Loan	9/6/06		54	\$ 3,150,000	\$ 3,025,000			1		3.0				1
Compendia Bioscience, Inc.	\$ 1,238,212	Loan	9/6/06		64	\$ 1,338,737	\$ 1,020,000					15.0				3
Core Technology Alliance	\$ 3,020,000	Grant	9/6/06		15	\$ 4,714,466	\$ 1,450,000					3.5				
Diversified Natural Products, Inc.	\$ 1,994,578	Withdrawn	9/6/06	\$ (1,994,578)	14	\$ 4,665,300										
ElectroJet Incorporated	\$ 962,600	Loan	10/16/06		3	\$ 215,000	\$ 92,750		10	3		4.0				
Evgia Systems, Inc.	\$ 1,736,300	Loan	10/16/06		5	\$ 6,330,899	\$ 2,279,682		4			3.9	2			14
Fraunhofer USA	\$ 823,557	Grant	10/16/06		1	\$ 397,471						2.4				
Fraunhofer USA Inc.	\$ 322,904	Grant	9/6/06		0	\$ 174,229	\$ 80,000		3		1	0.9		1		
Fraunhofer USA, Ctr for Laser Tech	\$ 1,094,084	Grant	9/6/06		12	\$ 444,387	\$ 130,000		2		1	4.9				1
Genetics Squared Inc	\$ 1,569,999	Loan	9/6/06		10	\$ 382,998	\$ 440,000					0.9				
Great Lakes Entrepreneur's Quest	\$ 600,000	Grant	10/16/06		1	\$ -	\$ 12,500				18	2.0				
IA, Inc./ ThreeFold Sensors	\$ 2,600,657	Loan	9/6/06		4	\$ 43,700			1			6.0				
Integrated Sensing Systems, Inc.	\$ 974,999	Loan	9/6/06		738	\$ 975,000	\$ 3,000,000		8	7		3.7				1
Karmanos Cancer Institute	\$ 1,596,728	Grant	9/6/06		4	\$ 990,806					1	12.2				
Karmanos Cancer Institute	\$ 2,606,786	Grant	9/6/06		25	\$ 6,707,784						15.5				
KTM Industries, Inc.	\$ 2,011,185	Loan	9/6/06		66	\$ 3,649,600			1	1		4.0		2		
Lake Superior State University	\$ 350,250	Grant	10/16/06		2	\$ 231,550	\$ 70,000					2.0				
Lawrence Technological Univ.	\$ 899,996	Grant	9/6/06		7	\$ 603,500						1.1				
Meditrina Pharmaceuticals, Inc.	\$ 3,829,733	Loan	10/16/06		18	\$ 1,094,334	\$ 1,371,459		13			4.5	3		1	
Michigan Research Institute	\$ 2,199,940	Grant	9/6/06		100	\$ 3,054,500										
Michigan State University	\$ 1,443,689	Grant	9/6/06		2	\$ 1,753,900						11.7				
Michigan State University	\$ 2,077,191	Grant	9/6/06		24	\$ 796,025	\$ 901,489		3		1	7.2				
Michigan State University	\$ 2,425,851	Grant	9/6/06		50	\$ 1,600,931						18.7				
Michigan State University	\$ 329,725	Grant	9/6/06		2	\$ 165,516						0.5				
Michigan State University	\$ 884,637	Grant	9/6/06		5	\$ 196,088						6.5				
Michigan State University	\$ 1,050,781	Grant	10/16/06		1	\$ 124,252	\$ 8,106,890		25	15		46.7	4	6	5	32
Michigan State University	\$ 661,511	Grant	9/6/06		3	\$ 139,219						3.5				
Michigan State University	\$ 659,677	Grant	9/6/06		4	\$ 186,351	\$ 45,000					5.4				
Michigan State University	\$ 966,608	Grant	9/6/06		2	\$ 328,115			1			2.6				
Michigan State University	\$ 1,401,865	Grant	9/6/06		21	\$ 414,750	\$ 108,995			1		4.3				1
Michigan State University	\$ 250,000	Grant	10/16/06		1	\$ 405,801			1	5		2.0				
Michigan State University	\$ 914,492	Grant	9/6/06		2	\$ 107,250						1.4				
Michigan State University	\$ 1,380,990	Grant	9/6/06		4	\$ 3,185,167	\$ 605,255		4	2		5.0				1
Michigan Technological Univ.	\$ 808,832	Grant	10/16/06		5	\$ 247,395	\$ 32,000					4.1				
Michigan Venture Capital Assoc.	\$ 2,100,000	Grant	9/6/06		600	\$ 1,334,000						1.0				
MI-SBTDC-Grand Valley State Univ.	\$ 2,000,000	Grant	10/16/06		8	\$ 3,000,000	\$ 48,194,059		119	30		273.5				81
Molecular Imaging Research, Inc.	\$ 1,233,374	Loan	9/6/06		6	\$ 1,269,465						5.5				9
NanoBio Corporation	\$ 2,377,526	Loan	9/6/06		2	\$ 5,194,828	\$ 20,000,000					3.1				
NextEnergy Center	\$ 2,923,165	Grant	10/16/06		1	\$ 1,714,391	\$ 13,493,768		8	9	6	121.3				16
NexusTech Ventures	\$ 3,063,000	Withdrawn	9/6/06	\$ (3,063,000)	125	\$ 6,344,200										
Polytorx	\$ 1,500,000	Loan	9/6/06		125	\$ 2,189,000						20.0				

21st Century Jobs Fund Program Legislative Report
Grants and Loans Determined by Commercialization Board
For the Period October 1, 2007 to September 30, 2008

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													Total In [1]	Total Out [2]	With Michigan-based organizations	
ProNAi Therapeutics Inc.	\$ 3,297,826	Loan	9/6/06		20	\$ 6,464,090	\$ 7,610,100		6	2		0.5		1		
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			2			1.9				1
Sonetics Ultrasound, Inc.	\$ 1,214,682	Loan	9/6/06		1	\$ 667,789			2			5.2				
Southwest Michigan Innovation Ctr.	\$ 500,000	Grant	10/16/06		8	\$ 1,123,911						1.5				
Southwest Michigan Innovation Ctr.	\$ 525,000	Grant	10/16/06		8	\$ 1,804,611						0.8				
T/J Technologies, Inc.	\$ 952,665	Withdrawn	9/6/06	\$ (952,665)	1	\$ 844,294										
TechTown	\$ 776,676	Grant	9/6/06		400	\$ 5,770,000	\$ 10,148,500		2			43.5	1			4
Tellurex Corporation	\$ 1,263,950	Loan	9/6/06		20	\$ -	\$ 2,484,224		1			13.5				1
Translume, Inc.	\$ 1,650,510	Loan	9/6/06		38	\$ 499,100			2	1		1.3				2
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						1.0				
University of Michigan	\$ 895,000	Grant	9/6/06		30	\$ 847,500						5.7				
University of Michigan	\$ 899,713	Grant	10/16/06		3	\$ 258,581			1			7.7				
University of Michigan	\$ 1,670,811	Grant	9/6/06		2	\$ 1,401,395						2.6				
University of Michigan	\$ 285,100	Grant	9/6/06		4	\$ 133,496						1.5				
University of Michigan	\$ 1,248,904	Grant	9/6/06		3	\$ 973,200						6.6				
University of Michigan	\$ 4,724,999	Grant	9/6/06		0	\$ 214,066	\$ 7,475,405		11					7		7
University of Michigan	\$ 1,228,172	Grant	9/6/06		200	\$ 379,872			2	1		3.0				
Van Andel Research Institute	\$ 1,513,830	Grant	9/6/06		3	\$ 981,449			1	1		19.0		2		
Velcura Therapeutics, Inc.	\$ 2,000,000	Loan	10/16/06		8	\$ 6,932,381						2.5				
Wayne State University	\$ 700,841	Grant	9/6/06		4	\$ 188,620			1			1.9				
Wayne State University	\$ 302,761	Grant	9/6/06		12	\$ 161,906						1.7				
Wayne State University	\$ 2,030,156	Grant	9/6/06		10	\$ 1,325,247						4.9				2
Wayne State University	\$ 830,277	Grant	10/16/06		4	\$ 344,127	\$ 3,069,585					8.9				
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						6.8				
Western Michigan University	\$ 2,000,000	Withdrawn	9/6/06	\$ (2,000,000)	150	\$ 6,000,000										
XB TransMed Solutions, LLC	\$ 508,263	Loan	9/6/06		4	\$ 594,744	\$ 248,390		1					3		
Zeeland Farm Services Inc.	\$ 1,011,593	Loan	10/16/06		10	\$ 699,490			3	1		3.2				1
TOTAL	137,108,149			(17,827,405)	3,815	\$ 229,576,859	\$ 181,352,639	\$ -	328	118	29	1,040.6	21	28	19	261

[1] **Licensing Agreements In:** Licensing agreements for the project/company to acquire technology *from* a 3rd party.

[2] **Licensing Agreements Out:** Licensing agreements generated by intellectual property *from* the project/company *to* a 3rd party.

NOTE:

68 invention disclosures have been made since September 2006.

\$30 million of 2008 appropriations were awarded through the 2008 Commercialization Business Plan Competition in October 2008.

21st Century Jobs Fund Program Legislative Report

Retention of Pfizer Assets

For the Period October 1, 2007 to September 30, 2008

Research and Development Facility - Lakeshore Advantage Corporation (Holland)	\$ 3,423,339
Michigan Innovation Equipment Depot	\$ 550,000
Life Sciences Drug Discovery Laboratory and Animal Testing Facility (Plymouth Township)	\$ 1,500,000
Company Formation and Growth Fund (CFGF)	\$ 8,026,661

Entities Receiving CFGF Funding	Type of Funding	Award Date	Award Amount
ADMETRx Inc	Loan	6/27/2007	\$ 250,000
Armune BioScience Inc	Loan	6/27/2007	\$ 100,000
Aursos Inc.	Loan	6/27/2007	\$ 100,000
Emiliem Inc	Loan	6/27/2007	\$ 250,000
GeneVivo	Loan	6/27/2007	\$ 200,000
Integrated Nonclinical Development Solutions Inc	Loan	6/27/2007	\$ 50,000
International Discovery Sourcing Consultants	Loan	6/27/2007	\$ 100,000
Jiva Pharma	Loan	6/27/2007	\$ 250,000
Kalexsyn Inc	Loan	6/27/2007	\$ 350,000
Lycera Corp	Loan	6/27/2007	\$ 400,000
Meditrina Pharmaceuticals Inc	Loan	6/27/2007	\$ 200,000
Metabalog	Loan	6/27/2007	\$ 100,000
Michigan Technology and Research	Loan	6/27/2007	\$ 200,000
MuciMed Inc	Loan	6/27/2007	\$ 50,000
NanoMed Pharmaceuticals Inc	Loan	6/27/2007	\$ 250,000
PharmOptima LLC	Loan	6/27/2007	\$ 400,000
Phios Analytical Laboratories	Loan	6/27/2007	\$ 150,000
Phrixus Pharmaceuticals Inc	Loan	6/27/2007	\$ 350,000
ProNAi Therapeutics Inc	Loan	6/27/2007	\$ 400,000
Proteos Inc	Loan	6/27/2007	\$ 250,000
SensiGen LLC	Loan	6/27/2007	\$ 300,000
Threefold Sensors/IA	Loan	6/27/2007	\$ 400,000
TransPharm Preclinical Solutions LLC	Loan	6/27/2007	\$ 400,000
Velesco Pharma Services	Loan	6/27/2007	\$ 450,000
Zoltan Laboratories	Loan	6/27/2007	\$ 200,000
CFGF Funds Awarded to Date			\$ 6,150,000
Remaining CFGF Funds to be Awarded			\$ 1,876,661

Total Appropriation for the Retention of Pfizer Assets

\$ 13,500,000

21st Century Jobs Fund Program Legislative Report
Centers of Energy Excellence
For the Period October 1, 2007 to September 30, 2008

Program	Entities Receiving Funding	Award Amount	Type of Funding	Award Date	Projected Direct New Jobs	Projected Total New Jobs	Eligible Match	Total Investment Leveraged
<u>Centers of Energy Excellence</u>	Sakti3	\$ 3,000,000	Grant	9/24/2008	125	476	\$ -	\$ 60,500,000
	Mascoma Corporation	\$ 20,000,000	Grant	9/24/2008	50	500	\$ 27,500,000	\$ 342,300,000
	Swedish Biogas International	\$ 4,000,000	Grant	9/24/2008	40	152	\$ 5,000,000	\$ 10,000,000
TOTAL		\$ 27,000,000			215	1,129	\$ 32,500,000	\$ 412,800,000

**21st Century Jobs Fund Program Legislative Report
Investment Fund**
For the Period October 1, 2007 to September 30, 2008

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	\$ 10,000,000	\$ 1,942,826	Private Equity Investment				
	Relativity I	\$ 10,000,000	\$ 1,987,512	Private Equity Investment				
	Subtotal Private Equity Program	\$ 20,000,000	\$ 3,930,338					
<u>Mezzanine Investment Program</u>								
	Maranon Mezzanine	\$ 7,500,000	\$ 1,004,354	Mezzanine Investment				
	Midwest Mezzanine	\$ 10,000,000	\$ 5,380,282	Mezzanine Investment	\$ 4,000,000	[1]	\$ 153,054	[1]
	Subtotal Mezzanine Investment Program	\$ 17,500,000	\$ 6,384,636		\$ 4,000,000		\$ 153,054	
<u>Venture Capital Program</u>								
	Arboretum II	\$ 7,500,000	\$ 980,718	Venture Capital Investment	\$ 8,844,000	-	\$ 1,089,339	-
	Nth Power IV	\$ 10,000,000	\$ 1,710,000	Venture Capital Investment	\$ 4,722,425	-	\$ 279,273	-
	RPM Ventures	\$ 3,800,000	\$ 445,312	Venture Capital Investment	\$ 2,320,695	[1]	\$ 334,217	[1]
	Venture Investors IV	\$ 10,000,000	\$ 1,448,750	Venture Capital Investment	\$ 3,869,998	-	\$ 328,938	-
	Subtotal Venture Capital Program	\$ 31,300,000	\$ 4,584,780		\$ 19,757,118		\$ 2,031,767	[2]

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

[2] 9.72 to 1 leverage ratio

21st Century Jobs Fund Program Legislative Report
Jobs for Michigan Investment Fund - Permanent Fund
For the Period October 1, 2007 to September 30, 2008

Beginning Balance, as of 10/1/07		\$ 7,135,866
Returns to the fund:		
Life Sciences Corridor, Technology Tri Corridor, and Biosciences Research and Commercialization Center returns from award agreements	1,625,625	
Other revenues	177,698	
Property	<u> -</u>	\$ 1,803,323
Commitments from the fund:		\$ -
 Ending Balance, as of 9/30/2008		<u><u>\$ 8,939,189</u></u> *

* Legislature has appropriated \$5.7 million for Michigan Promotion Fund from these funds in fiscal year 2008 and \$1.25 for Business Incubator Program for fiscal year 2009

21st Century Jobs Fund Program Legislative Report

Loan Enhancement Program

For the Period October 1, 2007 to September 30, 2008

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				<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: auto;"> There were no loans made under the Choose Michigan Fund during the 2008 fiscal year. </div>			
Total Loan Enhancement Program							

21st Century Jobs Fund Program Legislative Report
Small Business Capital Access Program (CAP)
For the Period October 1, 2007 to September 30, 2008

Participating Bank	Balance in Reserve Fund at 9/30/08
Ann Arbor Commerce	\$ 24,554.75
Bank of Auburn Hills	\$ 17,469.63
Brighton Commerce Bank	\$ 14,312.71
Byron Bank	\$ 97,270.28
Capitol National Bank	\$ 70,098.92
Century Bank & Trust	\$ 67,891.88
Chelsea State Bank	\$ 176,914.72
Chemical Bank	\$ 299,176.72
ChoiceOne	\$ 10,379.66
Christian Financial Credit Union	\$ 3,084.87
Citizens Bank (formerly Republic Bank)	\$ 59,706.48
Citizens Bank	\$ 430,633.10
Comerica Bank	\$ 469,973.30
Commercial Bank	\$ 257,266.68
Fifth Third Bank - Eastern	\$ 105,103.02
Fifth Third Bank - Lansing	\$ 425,477.58
Fifth Third Bank - Northern	\$ (10.41)
Fifth Third Bank - Western	\$ 326,904.02
First Federal Bank	\$ 1,624.08
Grand Haven Bank	\$ 293.43
Greenville Community Bank	\$ 21,247.97
Hillsdale County National Bank	\$ 117,064.13
Huntington National Bank	\$ 505,392.99
Huntington National Bank(formerly Sky)	\$ 272,610.90
Independent Bank - Bay City	\$ 89,672.57
Independent Bank - Gaylord	\$ 14,754.01
Irwin Union Bank	\$ 48,626.85
Isabella Bank & Trust	\$ 362,104.19
Kent Commerce Bank	\$ 854.64
Keystone Community Bank	\$ 61,269.10
Lake-Osceola State Bank	\$ 158,265.71
Lapeer County Bank & Trust	\$ 16,136.26
LaSalle Bank	\$ 20,100.32
Macatawa Bank	\$ 114,289.66
Mercantile Bank of Michigan	\$ 45,058.55
Muskegon Commerce Bank	\$ 46,322.59
National City	\$ 331,665.84
NuUnion Credit Union	\$ 5,455.39
Oakland Commerce Bank	\$ 33,030.27
Option 1 Credit Union	\$ 18,027.10
Portage Commerce Bank	\$ 87,218.80
Southern Michigan Bank & Trust	\$ 26,648.73
Sturgis Bank & Trust	\$ 23,518.30
The Dart Bank	\$ 32,272.58
United Bank & Trust - Tecumseh	\$ 104,640.42
United Bank & Trust - Washtenaw	\$ 43,630.00
Upper Peninsula State Bank	\$ 73,888.93
Wells Fargo Bank - Iron Mountain	\$ 386,937.12
West Michigan Community Bank	\$ 12,522.60
West Shore Bank	\$ 10,362.08
TOTAL	\$ 5,941,714.02

Loans Enrolled	1,015
Jobs Created	2,222
Jobs Retained	6,463
MSF Investment	\$ 2,253,781
Funds Leveraged	\$ 63,514,565

Data From 10/1/05 - 9/30/08

[1] Includes balances transferred from legacy program, 21st Century Jobs Fund contributions, and the matching contributions of participating lenders and small business borrowers.