



**Testimony by Thomas Rainey
Executive Director, Maine Center for Entrepreneurial Development**

In Support of L.D. 390

An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2018 and June 30, 2019

**Joint Standing Committee on Appropriations and Financial Affairs
Joint Standing Committee on Labor, Commerce, Research & Economic Development**

March 1, 2017

Senators Hamper and Volk, Representatives Gattine and Fecteau, and Distinguished Members of the Joint Standing Committees on Appropriations and Financial Affairs and Labor, Commerce, Research & Economic Development:

My name is Thomas Rainey. I am the Executive Director of the Maine Center for Entrepreneurial Development (MCED). I live in Portland and am submitting this testimonial in support of the Governor's proposed \$500,000 in new, ongoing funding for the Maine Venture Fund (MVF). This proposed funding is found on page A- 248 in your printed materials.

The MCED is a public-private partnership with a mission to promote entrepreneurship and to provide intensive training and mentoring to new startup companies to increase their chances of survival during their formative years. MCED collaborates closely with MVF and other private sector partners to bring together the expertise and financial resources our client businesses need to scale up in Maine. MVF is an important financial resource to our client companies.

Over the past twenty years, MVF has relied on general obligation bond funding to execute its mission. The Fund has invested over \$16 million in sixty Maine companies, has a current portfolio of twenty-five companies, and has had a number of profitable exits, including three so this fiscal year. In addition to the critical funding provided, MVF also provides important business mentoring and one-on-one counseling with portfolio clients to ensure their success and help them avoid common pitfalls.

MVF plays a critical role in Maine's entrepreneurial ecosystem and provides an impressive return on the State's investment. It invests exclusively in Maine businesses that have the potential to grow and succeed, and has professional due diligence process that has yielded many success stories. For these reasons I encourage you to approve an annual appropriation to support MVF's mission in making much needed early-stage capital available to scalable Maine companies. Thank you.