

Testimony by Max Meade

In Support of L.D. 691

An Act to Authorize a General Fund Bond Issue for Further Investment in Maine-based Businesses

April 9, 2025

Joint Standing Committee on Appropriations and Financial Affairs

Senator Rotundo, Representative Gattine, and Distinguished Members of the Joint Standing Committee on Appropriations and Financial Affairs:

My name is Max Meade. I am the CEO of Alivo, Inc., a South Portland-based company. I am testifying in support of L.D. 691, An Act to Authorize a General Fund Bond Issue for Further Investment in Maine-based Businesses. I want to thank Senator Pierce for sponsoring this bill, and Senators Curry and Daughtry and Representatives Fecteau and Sargent for their support as co-sponsors.

In my experience, Maine Venture Fund (MVF) has been instrumental in supporting the growth of Maine-based startups. I witnessed its impact firsthand during my time at Kinotek, a Portland-based software startup, and now as CEO of Alivo, which I founded shortly after leaving Kinotek. MVF's willingness to invest not only provides critical funding but also signals to other sophisticated institutional and angel investors, both within and outside the state, that the opportunity is sound. Indeed, for Alivo, MVF's participation in our recent priced equity funding round catalyzed a wave of additional investor interest, creating significant momentum and enabling us to raise the capital we needed.

This support will allow us to make several key hires—largely in-person roles that directly contribute to the economic vitality of South Portland and Maine as a whole. The development and expansion of companies like Alivo and Kinotek underscore how MVF's involvement, coupled with private and federal support, positions Maine's startups for faster, more sustainable growth.

Maine Venture Fund (MVF) has been investing in small businesses in Maine for the past 27 years and today remains the only venture fund that is focused 100% on Maine-based businesses. As Senator Pierce described, MVF was formed to identify the highest potential early-stage companies in the state and help them

secure funding. Often these companies are too risky for traditional forms of capital like bank debt, which is when MVF typically steps in not only to fund the company but, more importantly, to catalyze other sophisticated investors to do the same, leveraging each MVF dollar roughly 7 to 1 historically. Indeed, Maine Venture Fund has earned a reputation as a trusted source to which investors can turn for guidance regarding investments into our state.

Maine is at an inflection point. In recent years, we've seen an influx in population due to migration patterns influenced by COVID-19 and climate change, and the nascent startup ecosystem in the state has been bolstered by several institutions launching new entrepreneurship programs. This said, startups in Maine still face an outsized hurdle in finding growth capital relative to their peers in more urban hubs. We felt the effects of this firsthand, with significant pressure from institutional investors to relocate to larger startup ecosystems. The support from Maine based institutions like MVF and MTI outweigh these pressures and keep startups like Alivo operating in Maine.

To address this gap more robustly and best support this new wave of companies, the Maine Venture Fund Board approved a 10-year strategic plan in May of last year with the goal of accelerating MVF's pace and volume of investments. This bill is the foundation of that strategy. The MVF team is also working simultaneously to pursue supporting capital from the private sector, has applied for multiple federal grants, and is exploring programs through Maine's Congressional delegations.

In summary, LD 691 would right-size the important work that MVF is doing to a scale that better fits the needs of the growing startup sector today. Alivo—and I personally—have benefited tremendously from MVF's involvement, and I wholeheartedly urge your support. Thank you for your consideration of this bill, and I hope you will vote to approve it.