

ENTREPRENEUR IN RESIDENCE



WHAT YOU NEED TO KNOW

PROGRAM

The MVCA is very proud to introduce the Entrepreneur in Residence (EIR) Program to Venture Funds within the state of Michigan. The EIR Program is designed to improve the number and quality of entrepreneurial C-level talent in Michigan-based portfolio companies. The Program's success relies upon the merging of capital and talent with business ideas poised to succeed. The implementation of the EIR Program should result in several new venture-backed companies, each with an experienced entrepreneur as the CEO.

Program Description

Any Michigan based venture firm may apply to the MVCA Entrepreneur In Residence program to receive a loan award for assistance in placing an EIR into their venture firm. The EIR is expected to become a part of the Michigan venture firm's team, where access to its operations and deal flow will be present in order to identify emerging market segments and business opportunities. Together, the full-time EIR and the venture firm would be committed to finding a new deal for the venture firm to invest in and for the EIR to lead.

Eligibility

Michigan-based venture firms and their EIR are to apply as a team and must be committed to the success of the program.

The following must be present for Venture Firm applicants:

- Office located in Michigan with a full time investment professional
- History of seed and early-stage investing
- Known for providing active assistance to their portfolio companies
- High quality portfolio investments and returns

The following must be present for EIR applicants:

- A full-time commitment to the venture firm
- Demonstrates a strong capability in leading and managing a venture-backed company
- Has an outstanding track record as a venture-backable executive, or in clear preparation in becoming one
- Strong business knowledge and industry experience
- Meets characteristics of an entrepreneur
- Participates in program as an interim step to their next venture.

Award Selection

All application submissions will be prescreened to ensure applicants meet the initial program criteria. Applicants passing the prescreening round will be required to meet in front of the program selection committee. All program applicants will be screened against certain predetermined criteria, as well as their program strategy prior to being awarded a loan award.

Loan Award Guidelines

All awardees of the EIR program will receive a negotiated loan award from the MVCA in an amount not to exceed \$200,000.

- The MVCA will disburse the loan award to the fund on a quarterly basis based on milestone achievements.
- The venture firm is required to match the EIR's salary. The matching contribution ranges from \$25,000 to \$50,000 based on the venture firm's size in assets under management.
- The newco is required to payback 1/2 of the loan award over a four year period.

Application Submission

Applications for the EIR Program will be accepted on an ongoing basis until all EIR program funds are fully utilized. To apply, please submit your materials to the following email address: lauer@michiganvca.org.

The VC/EIR team's submission package must include a document summarizing the following:

- Description of the venture firm and its history of successes within Michigan and elsewhere.
- Description of the strategic plan for finding a business in which the venture firm will invest and the EIR will lead.
- A statement regarding the EIR's salary requirements.
- Resumes or biographies of all applicable venture investment professionals within your firm and of your EIR.

