

STAFF BLOGS

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Big Bucks, High Tech



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Mary Campbell: Venture Capital pioneer isn't the retiring type

Look for EDF to raise another fund in 2012

Mary Campbell is not the retiring type, despite conclusions that could have been drawn from a recent story in *Crain's* that 2011 likely will be a record year in Michigan for the raising of venture capital.

The previous record of \$277.1 million was set in 2000, according to the **National Venture Capital Association**, and seven firms in Southeast Michigan have either started raising new funds or are about to start, with an aggregate total of at least \$435 million.



Conspicuous by its absence from that list is the state's oldest VC firm, Ann Arbor-based **EDF Ventures**, which was founded in 1987 by Mary Campbell, Hayden Harris and Tom Porter.

So why might one surmise that that absence might mean the end of EDF and the retirement of Campbell?

Well, both Porter and Harris have retired from the firm, Porter now serving as executive-in-residence at the **Zell Lurie Institute for Entrepreneurial Studies** at the **Ross School of Business** at the **University of Michigan**, and Harris probably getting his home-built Pitts Special biplane ready for another season of aerobatic stunt competition.

(Many years ago, when most TVs were black and white and **ABC's** *Wide World of Sports* ruled Saturday afternoons, it began each show with a montage of clips that included a tumbling hydroplane hurtling across the surface of a lake in a horrific crash. The surviving pilot was an engineering student in California named Hayden Harris, who went on to the even riskier world of venture capital.)

Then there's the fact that EDF, which has raised three funds over the years, has enough dry powder in its third fund of \$60 million to support current portfolio companies but probably not enough to fund any startups.

And that a planned fourth fund of about \$100 million was canceled in 2008, even though EDF had got commitments totaling \$15 million from the state's two investment funds, the **Venture Michigan Fund** and the **21st Century Investment Fund**. The plug was pulled on that fund in part because of the economy

and in part because partner Beau Laskey who had been helping raise the new fund, left EDF to join a VC firm in California.

And that Campbell is, as she says, "a woman of a certain age," eligible to collect social security if she chose.

And that she's had enough home runs with her portfolio companies over the years to keep her in the manner to which she has become accustomed. In 2000, her investors got a 40-to-1 return when what had been an obscure Oregon company named **Pixelworks Inc.** went public on the **Nasdaq Stock Exchange**, and more recent happy exits include the initial public offering of **IntraLase Inc.** and the sales of **HandyLab Inc.**, **Sircon Corp.**, **Arbor Networks Inc.** and **Greenplum Inc.**

HandyLab may not have returned 40 for one, but it sold for \$275 million, and Greenplum went for what Campbell describes as "several hundred million."

That's a lot of "ands," but Campbell says they don't add up to retirement.

"I don't ever not want to do this. There's no better work on the planet," she says of the world of venture capital. And, she adds with a laugh, "I get to work where all the people are above average, like Garrison Keillor."

Campbell says she'll likely be back in the marketplace in 2012. But instead of doing the relatively large fund that institutional investors are looking for, she'll be targeting a fund of about \$25 million raised from high-net-worth individuals. That makes a fund easier to raise, obviously, and let's her be more nimble in her approach.

Meantime, there's the various company boards she serves on; UM's **Wolverine Venture Fund** to help advise; and fledgling **Resonant Venture Partners**, one of the new, young VC firms in town, whom she has provided space to in EDF's headquarters on Main Street in downtown Ann Arbor and is mentoring.

Oh, yeah, one other thing. Her running. Campbell has run 18 marathons and did a 20-mile run yesterday in preparation for the Boston Marathon in April. And then she's off to the Prague Marathon.

Nope, not the retiring type.