



2023 Nebraska Venture Capital Report

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Introduction

Fellow Nebraskans,

This report highlights the successes and critical impact that venture capital and private investment plays in technology-based economic development by financing early-stage science and technology companies in our state.

When Invest Nebraska issued the first Venture Capital Report in 2022, Nebraska early-stage companies had received over \$1 billion of venture capital investment during the prior decade, mostly from investors outside of the state. This momentum was noteworthy. Tied for last place in 2011 with Puerto Rico, Wyoming, Arkansas, and Alaska for \$0 of total venture capital, Nebraska jumped to #34 among states and territories in 2021. But the momentum continued into 2022, with 53 companies receiving close to \$500 million of venture capital and 30 new venture capital equity investors investing in Nebraska. We are fortunate to live in a state where our community leaders and policymakers understand the importance of supporting and financing entrepreneurs.

The Nebraska Business Innovation Act, passed by the Nebraska Legislature in 2011 and administered by the Nebraska Department of Economic Development, continues to be a catalyst for entrepreneurs across the state. Nebraska's elected leaders and private sector partners had the vision and thoughtful understanding to craft various programs under the Nebraska Business Innovation Act to nurture this next generation of businesses.

Nebraska's science and technology entrepreneurs are vital in a world with rapid technological change. They often see the potential in novel innovations and newly developed intellectual properties. They cultivate ideas that challenge the status quo.

Our entrepreneurial/innovation ecosystem reflects the grit and determination Nebraska's settlers demonstrated as they built the state's economy. This new generation of business leaders in the industries of insurtech, fintech, advanced manufacturing, healthcare, biotech, agtech and robotics is no different. Nebraska's entrepreneurs and innovators are generating excitement in the state. Invest Nebraska continues to believe that the state's future economic growth depends on our entrepreneurs starting and building innovative companies today.

Daniel Hoffman
CEO
Invest Nebraska





About Invest Nebraska and The Business Innovation Act

Invest Nebraska was created to fulfill the aspirations of the Nebraska Venture Capital Forum Act, as introduced in 2001 on behalf of then Governor Mike Johanns and passed by the Nebraska Legislature. The founders were collaborators – representing Nebraska’s private sector, the Nebraska Department of Economic Development, the Nebraska State Chamber of Commerce and the University of Nebraska System.

Leaders in their own right, they envisioned an organization that would assist Nebraska’s diverse entrepreneurs, operate statewide, collaborate with investors, and show flexibility in growing the state’s economy.

In 2010, Invest Nebraska authored a comprehensive report for the Nebraska Legislature’s Innovation and Entrepreneurial Task Force, which reviewed existing state programs, conducted ecosystem surveys, analyzed policies of other states, and made recommendations to improve Nebraska’s entrepreneurial ecosystem.

Many of those recommendations were included in the Business Innovation Act, which was introduced in 2011 on behalf of Governor Dave Heineman and passed unanimously by the Nebraska Legislature.

At the time, Nebraska ranked last in venture capital activity, with zero dollars invested in the state. Today Invest Nebraska has invested over \$35 million in seed capital in Nebraska-based startups, spurring the hundreds of millions of dollars highlighted in this report.

The Business Innovation Act, administered by the Nebraska Department of Economic Development, is the catalyst for critical funding to early-stage businesses. A 2022 Economic Impact Analysis of the BIA, conducted by the University of Nebraska-Lincoln Bureau of Business Research concluded that each \$1 of BIA funding:

- Generated \$10.68 of private investment funding
- Earned \$12.23 of revenue for participating businesses
- Produced an annual economic impact of \$19.09

“... The purpose of the Business Innovation Act is to encourage and support the transfer of Nebraska-based technology and innovation in rural and urban areas ...”

-Nebraska Revised Statute 81-12,154

NEBRASKA

Good Life. Great Opportunity.

DEPT. OF ECONOMIC DEVELOPMENT



About The Data in This Report

This report analyzes the investment of venture capital deployed in Nebraska based companies from January 1, 2012 to December 31, 2022. The source of data for this report includes Pitchbook, CB Insights, Crunchbase, and Regulation D filings from the Securities and Exchange Commission. As defined by the National Venture Capital Association: **VC firms are professional, institutional managers of risk capital that enable and support the most innovative and promising companies.**

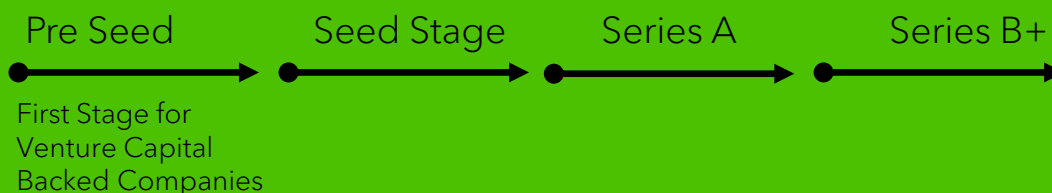
Venture capital supports new ideas that: could not be financed with traditional bank financing; threaten established products and services in a corporation or industry; and typically require five to eight years (or longer) to reach maturity.

Venture capital funds make equity investments in a company whose stock is essentially illiquid and worthless until a company matures years down the road. Follow-on investment provides additional funding as the company grows.



Additional Notes

- The Series classification of a venture round is determined by the respective companies (ie Series Seed vs Series A)
- The earliest stage of funding is known as "pre-seed" funding, this stage typically refers to the period in which a company's founders are first getting their operations off the ground

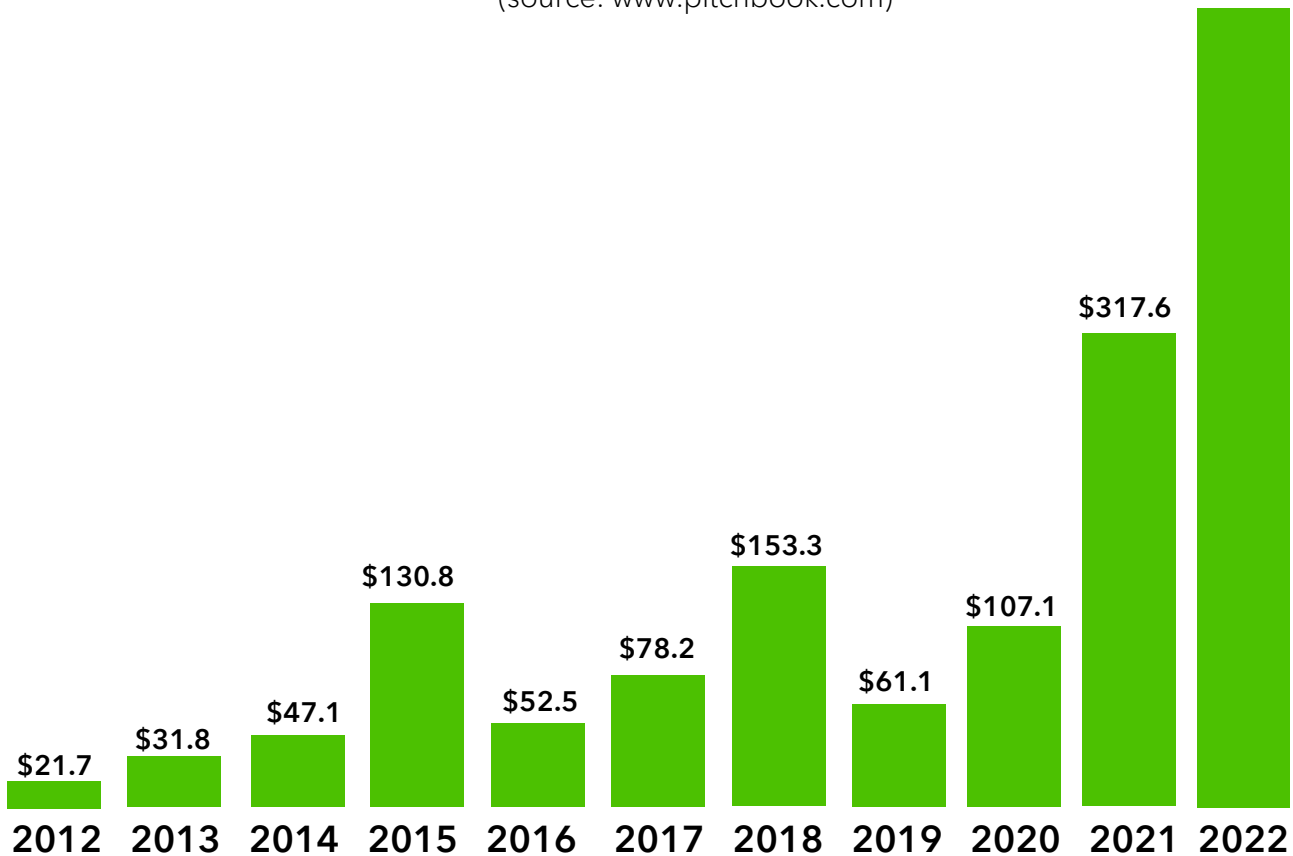


- Investments made by angel investors or angel networks are not included in this venture capital report, rather the definition of venture capital as defined by the NVCA is used.

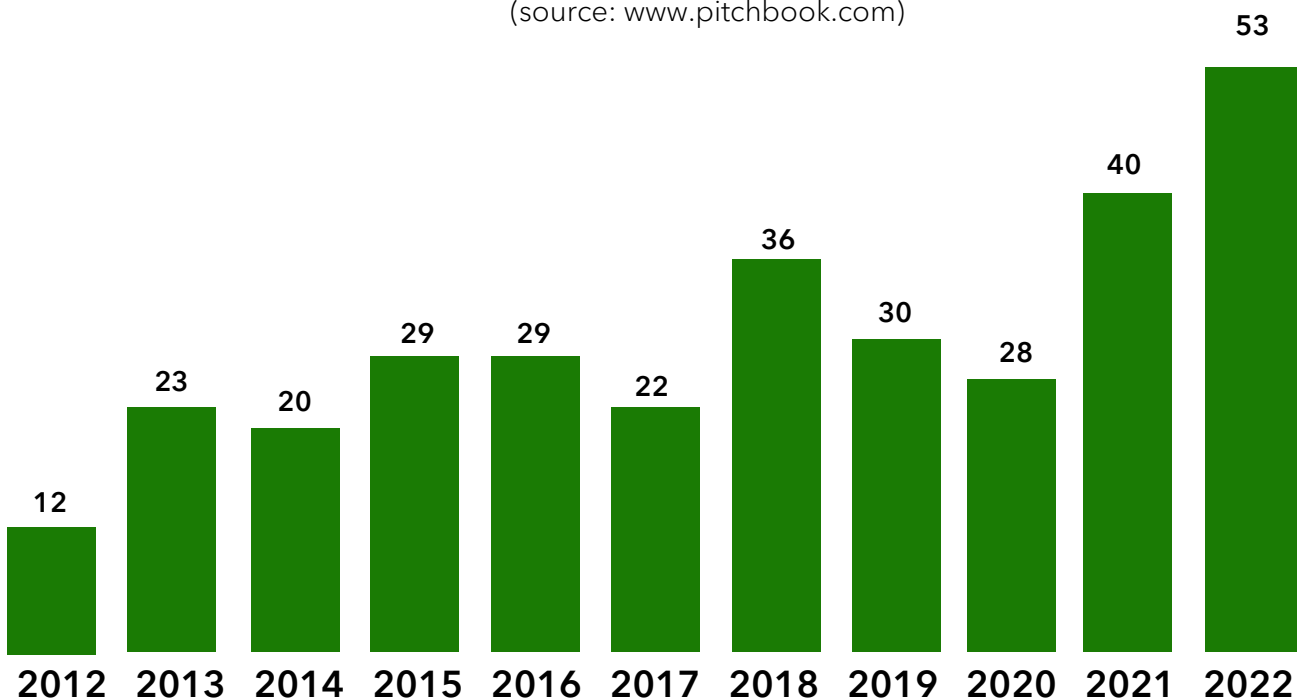


Growth of Nebraska Attracting Venture Capital

Annual Amount of Venture Capital (Millions)
(source: www.pitchbook.com)



Number of Deals in a Calendar Year
(source: www.pitchbook.com)



168 Equity Investors* in Nebraska

Startup Companies

2012-2022

NEBRASKA (18)

Dundee Venture Capital
Invest Nebraska
Grit Road Partners
Husker Venture Fund
Kearney Area Ag Producers Alliance
Linseed Capital
Maverick Venture Fund
McCarthy Capital
Murphy Family Vision Fund
Nebraska Global
Nelnet
PGSA-Black Dog Ventures
Prairie Ventures
Proven Ventures
Router Ventures
Speedway Properties
Treetop Ventures
Werner Enterprises

MIDWEST (18)

Advantage Capital
Ag Ventures Alliance
Arthur Companies
Bluestem Capital Company
BrokerTech Ventures
Comeback Capital
Five Elms Capital
Flyover Capital
Global Insurance Accelerator
Grinnell Mutual Reinsurance
Husch Blackwell
iiM
iSelect Fund
PrairieGold Venture Partners
Sightglass Capital
Management
TechAccel
Voss Distributing

MOUNTAIN (5)

Catalyst Accelerator
FirstMile Ventures
Proteus Capital Solutions
Splash Capital
Techstars

GREAT LAKES (25)

Azimuth Capital Management
Baird Capital
Beringea
Croghan Investments
CSA Partners
Endeavour Vision
First Green Partners
gener8tor
Genesis Innovation Group
Hyde Park Venture Partners
Imperative Ventures
Lightbank
Lofty Ventures
Ludlow Ventures
Michigan Capital Network Ventures
M25
New Stack Ventures
Northwestern Mutual Future Ventures
Open Prairie Ventures
Pearl River Venture Capital
S2G Ventures
Serra Ventures
Spiral Sun Ventures
The Food Foundry Accelerator
Two Bridges Capital Group

MID-ATLANTIC (27)

Allen & Company
American Farm Bureau
Burke Enterprises, Inc
Columbia University Endowment
Cornell Capital
Easton Capital Investment Group
Flying Point Industries
Great Oaks Venture Capital
IFG Asset Management
Insight Partners
Link Ventures
Merck Animal Health Ventures
MetaProp NYC
Middleland Capital
Morningside Venture Partners
Network Ventures
New Science Ventures
Onyx Holdings
Perry Creek Capital
Revolution Ventures
RosePaul Ventures
Route 66 Ventures
SaaS Ventures
Sipadan Capital
SOSV
The Pearl Fund Limited Partnership
Tull Financial Group
Warburg Pincus

WEST COAST (37)

Alchemy Ventures
All Access Fund
Amplify.LA
Autotech Ventures
Biobrit
Blueprint Equity
Breakout Labs
Capricorn Investment Group
Coelius Capital
Clocktower Technology
Ventures
Coinbase Ventures
Emergent Ventures
Fiat Ventures
Foundation Capital
Frontier Ventures
Gilead Sciences
G Ventures (VC)
Greylock Partners
IDEO Futures
JMI Equity
Latterell Venture Partners
LAUNCH Accelerator
Launch Fund
Medical Technology Venture
Partners
North Forty Ventures
Offline Ventures
Pantera Capital
Potrero Medical
Right Side Capital
Rock Health
Silicon Valley Bank
Sure Ventures
TNT Ventures
Tribe Capital
Volt Capital
West Partners
WndrCo
Y Combinator

SOUTH (10)

Barshop Ventures
Bunge
Dallas Venture Partners
Dreamit Ventures
Ehrenberg Chesler Investment
Bankers
Elsewhere Partners
Green Park & Golf Ventures
Mitsubishi Heavy Industries
Scientific Health Development
TPG

SOUTHEAST (5)

Ag Innovation
Development Group
Bluewater Companies
Innova Memphis
NextEra Energy
Rex Health Ventures

NEW ENGLAND (15)

Accomplice VC
Alchemy Capital
AlleyCorp
Anzu Partners
BlackRock
Clear Haven Capital
Management
Community Development VC
Alliance
Decarbonization Partners
Emil Capital Partners
Fontinalis Partners
HighSage Ventures
OpenSea Ventures
Palm Ventures
Philip Morris Equity Partner
Zero Infinity Partners

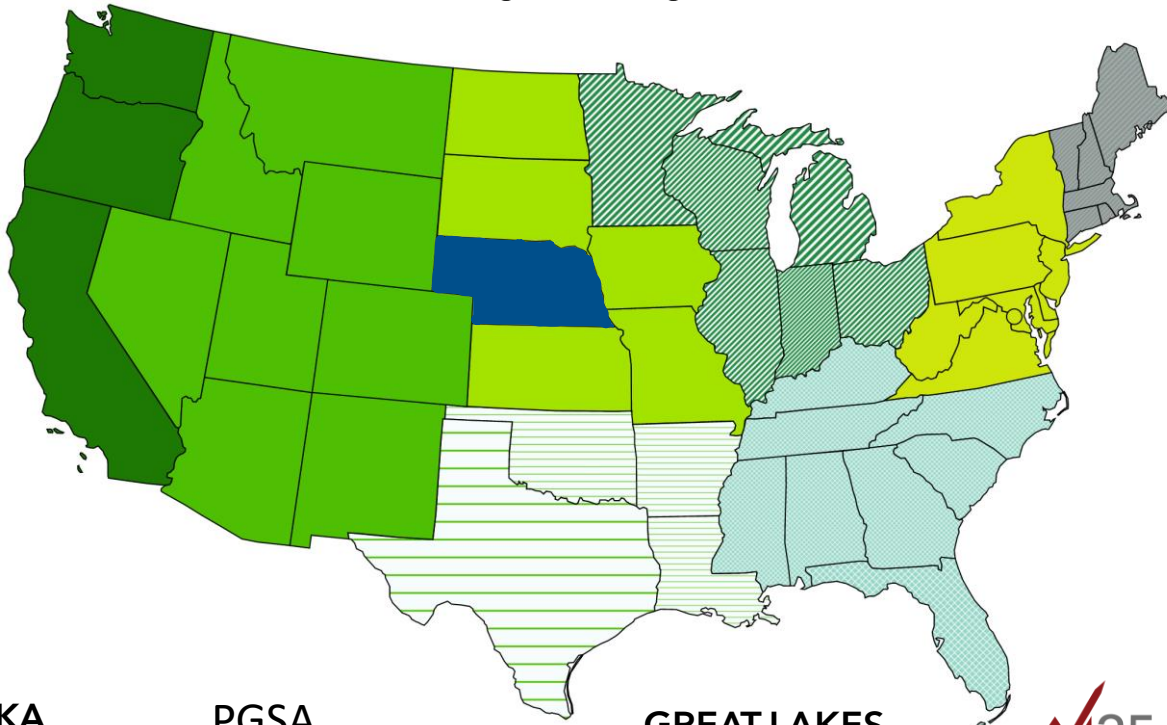
INTERNATIONAL (8)

5y Capital
DSM Venturing
LYFE Capital
Sinopharm Capital
SK Group
Solvay Ventures
Supply Chain Collective
Temasek Holdings

*Bold represents new equity investors in 2022

Example Equity Investors in Nebraska Startup Companies

2012-2022



NEBRASKA

PGSA

PGSA Black Dog Ventures is a multifaceted investment management firm with a venture capital fund that makes seed stage investments. Sentinel Fertigation is a notable Nebraska investment.

MIDWEST



Flyover Capital is a Kansas City based venture fund focused on high growth ventures outside of the traditional tech hubs. Opendorse is a notable Nebraska investment.

MOUNTAIN

FIRSTMILE

First Miles Ventures is Colorado based venture fund. Retail Aware is a notable Nebraska investment.

NEW ENGLAND



Link Ventures is a Boston based venture fund dedicated to scaling early-stage internet companies. Breeze is a notable Nebraska investment.

INTERNATIONAL



Sinopharm Capital is a venture capital arm of Sinopharm Group focusing on medical and health fields. The firm is primarily based in Shanghai, China. Virtual Incision is a notable Nebraska investment.

GREAT LAKES



M25 is an early-stage venture firm based in Chicago, investing solely in companies headquartered in the Midwest. Workshop is a notable Nebraska investment.

SOUTHEAST



Innova's mission is to enable high-growth companies and jobs in the healthcare, technology and AgTech fields by providing seed capital. GrainWeevil is a notable Nebraska investment.

SOUTH



Elsewhere Partner is an Austin based venture fund focused on B2B companies in high-growth stages. OpsCompass is a notable Nebraska investment.

MID-ATLANTIC



SaaS Ventures is a Washington DC based venture fund focused on enterprise tech. BasicBlock is a notable Nebraska investment.

WEST COAST



Greylock Partners is a Silicon Valley based venture fund. Pinata is a notable Nebraska investment.

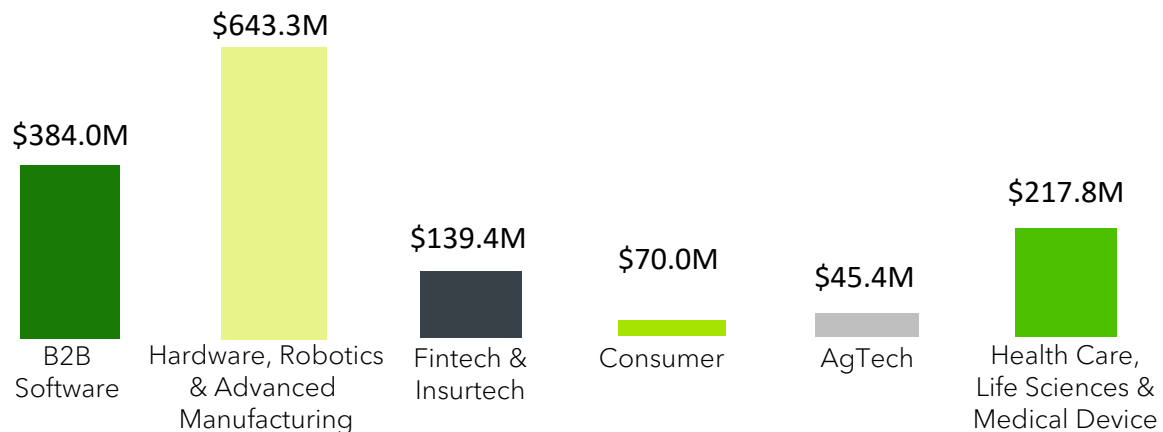


Venture Capital Investment in Nebraska Startups

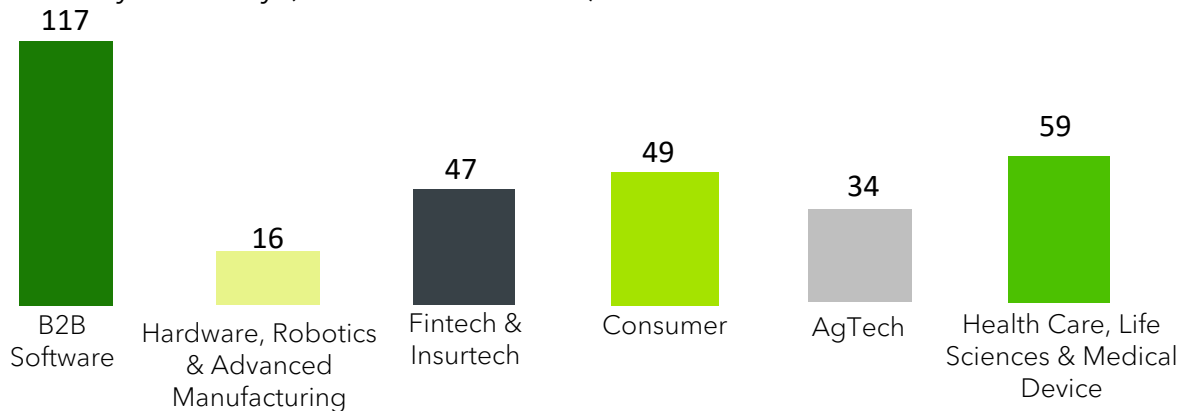
Breakdown By Stage of Investment



Breakdown By Industry (Amount)



Breakdown By Industry (Number of Deals)



Consumer

Direct-to-Consumer business models, products, or consumer facing software



AgTech

Farm-to-Fork technology improving yield, efficiency and profitability



Healthcare, Life Science & Medical Device

Digital health, biotechnology, and novel surgical equipment



Hardware, Robotics & Advanced Manufacturing

Innovations in Internet-of-Things, sensors, wearables and automation



B2B Software and other Services

Cloud-based software and supporting services sold to enterprises



Fintech & Insurtech

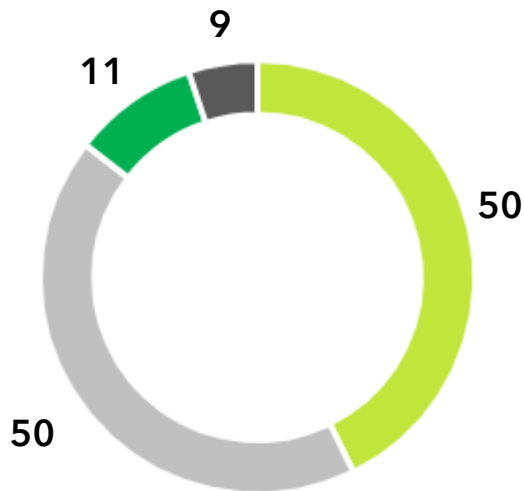
Innovations in banking, payments, crypto-currencies and novel insurance business models



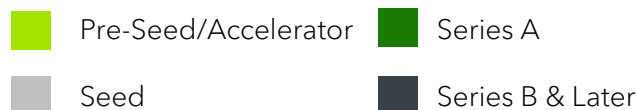
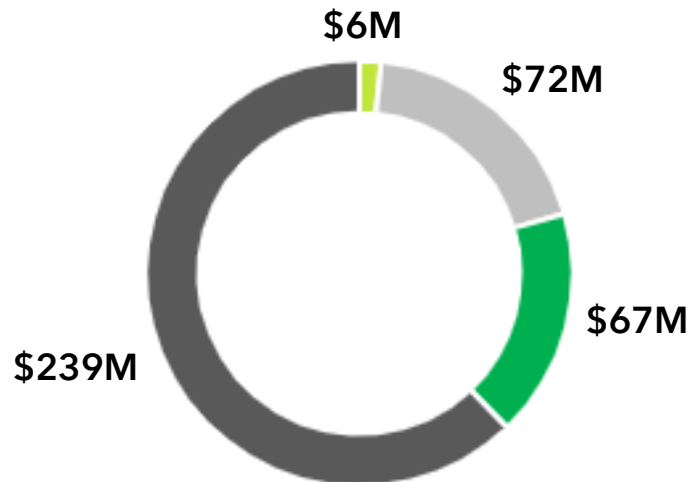
Nebraska B2B Software Deals

Examples of deals in this sector include: Layer, Fast Forward, Hudl, Company Cam, OpsCompass, Workshop, and Travefy.

Breakdown By Stage
(Number of Deals)



Breakdown By Stage
(Amount in Millions)



Spotlight Deal:

Workshop Series A (2022)
Omaha, Nebraska

Led by:



Workshop raised a Series A venture round led by McCarthy Capital in the summer of 2022. The company's internal communications platform provides personalized news feeds, text messaging, internal newsletters, new hire communication, and operational process, enabling businesses to communicate with employees effectively and efficiently.

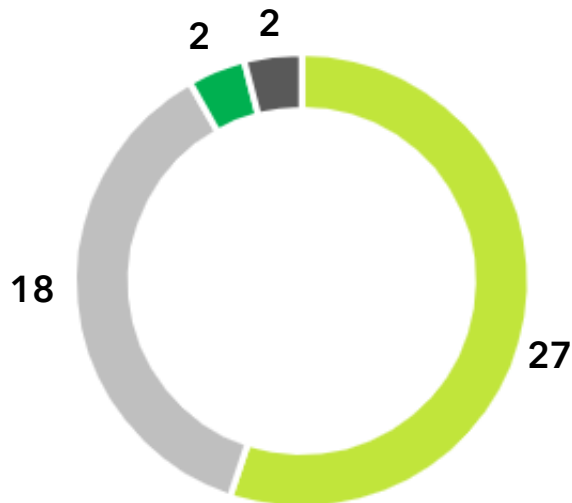




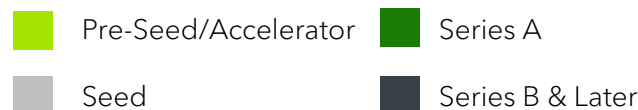
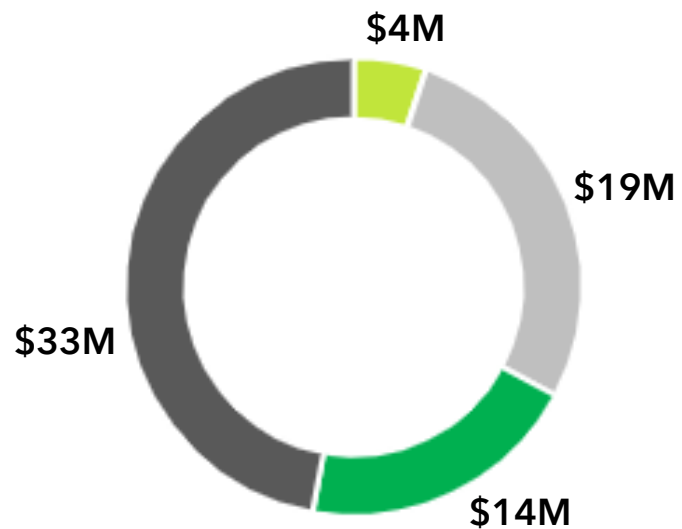
Nebraska Consumer Deals

Examples of deals in this sector include: PetFriendly, Tiiga, Certified Cell, and Alpaca.

Breakdown By Stage
(Number of Deals)



Breakdown By Stage
(Amount in Millions)



Spotlight Deal:

Alpaca Series Seed (2022)
Omaha, Nebraska

Alpaca raised a Series Seed round in the spring of 2022. Alpaca is on a mission to help school leaders support and celebrate their staff year-round, and provide communities an easy way to engage and support their local schools. Parents can “subscribe” to schools and send delightful supplies and letters of appreciation to teachers.

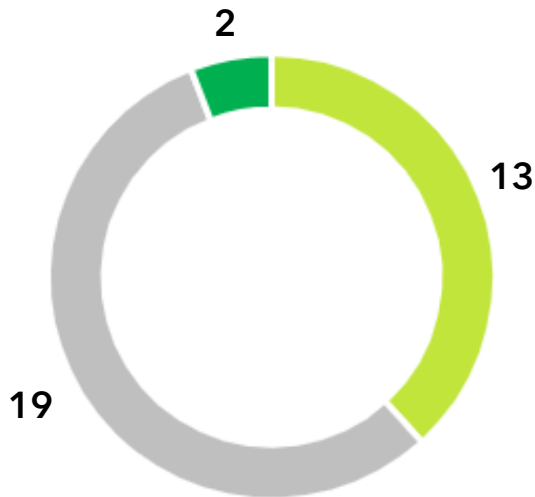




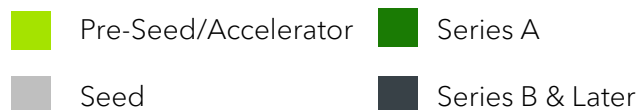
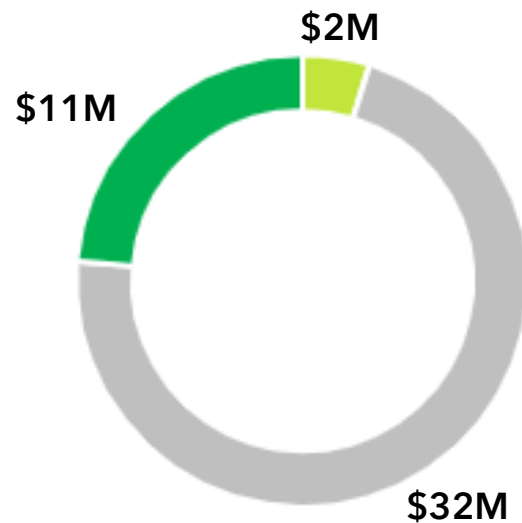
Nebraska AgTech Deals

Examples of deals in this sector include: CropMetrics, Grain Weevil, Birds Eye Robotics, Quantified Ag, and Realm Five.

Breakdown By Stage
(Number of Deals)



Breakdown By Stage
(Amount in Millions)



Spotlight Deal:

Sentinel Fertigation Series Seed (2022)
Lincoln, Nebraska

Sentinel Fertigation raised a Series Seed of funding led by Invest Nebraska with support from Grit Road Partners, Nebraska Angels, Burlington Capital, PGSA-Black Dog Ventures, and other participants in the summer of 2022. Sentinel Fertigation offers real-time, imagery-based fertigation recommendations directly to users throughout the growing season, enabling customers to make confident, efficient management decisions using fertigation systems.

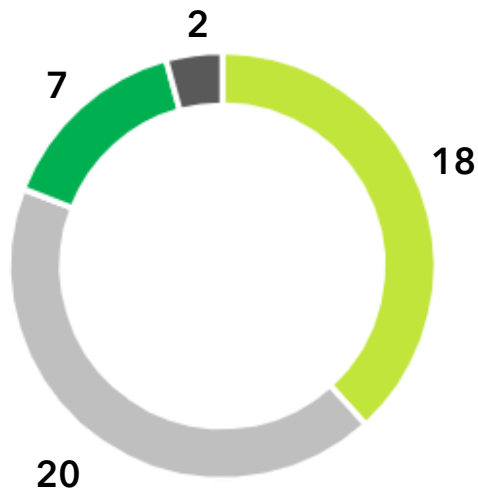




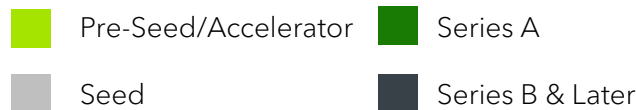
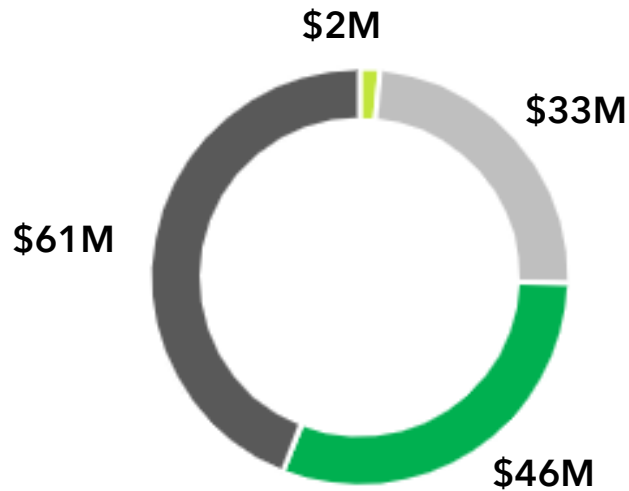
Nebraska Fintech and Insurtech Deals

Examples of deals in this sector include: Breeze, Benefitbay, FTNI and Logica.

Breakdown By Stage
(Number of Deals)



Breakdown By Stage
(Amount in Millions)



Spotlight Deal:

Benefitbay Series Seed (2022)
Omaha, Nebraska

Led by:  COMEBACK CAPITAL

Benefitbay raised a seed round led by Comeback Capital and Right Side Capital in the winter of 2022. The company's platform facilitates employers to easily model, deploy and oversee individual coverage health reimbursement arrangement plans, in full compliance with regulation and with full confidence, enabling employees to have the tools and support to select and enroll in the plan that is right for them.

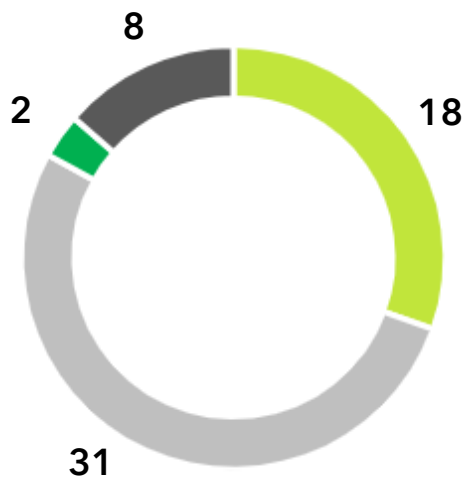




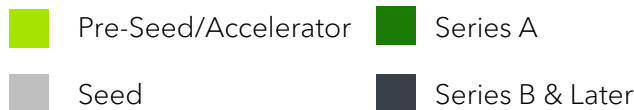
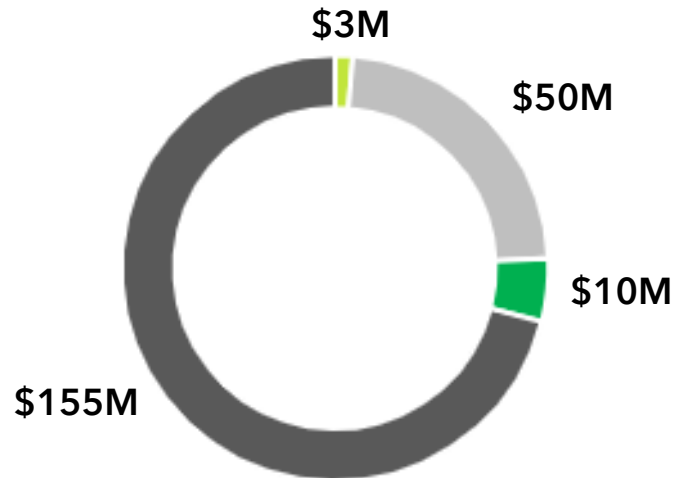
Nebraska Healthcare, Life Sciences and Medical Device Deals

Examples of deals in this sector include: Centese, MyVitalz, Bluestem Biosciences, Neurocarrus, Nobl, Thyreos, and Ocuvera.

Breakdown By Stage
(Number of Deals)



Breakdown By Stage
(Amount in Millions)



Spotlight Deal:

Superb Shifts Series Seed (2022)
Omaha, Nebraska

Superb Shifts raised a Series Seed round of funding from Proven Ventures, Invest Nebraska, Nebraska Angels and other institutional investors in the summer of 2022. Superb's platform gives healthcare workers flexibility in their schedules by allowing them to pick up shifts when and where they want which benefits both the healthcare worker and the facilities, enabling workers to get adequately paid for the shifts that they work for.

Led by:

Proven Ventures
A BURLINGTON CAPITAL FUND

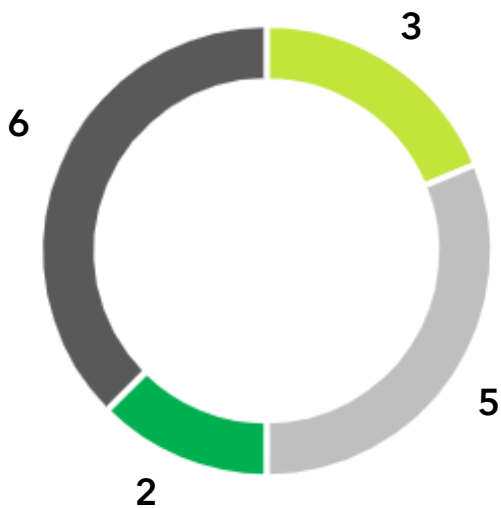




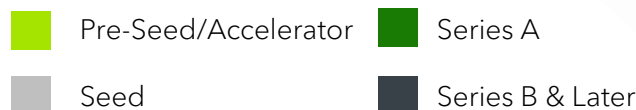
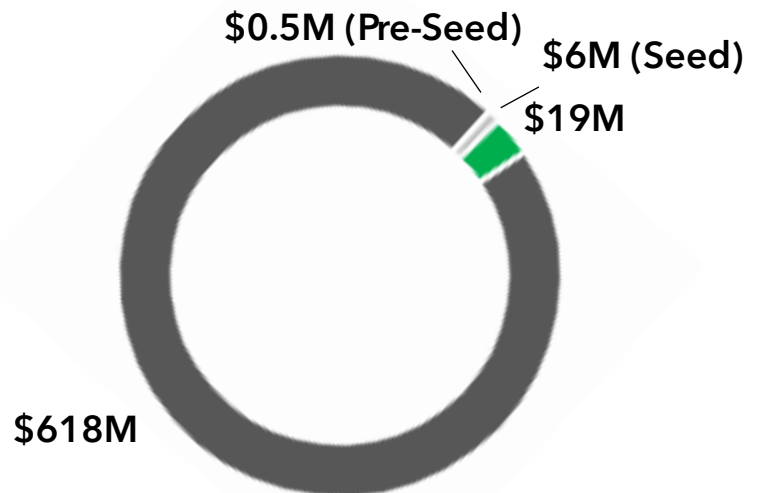
Nebraska Hardware, Robotics and Advanced Manufacturing Deals

Examples of deals in this sector include: Drone Amplified, Capstone Technologies, Marble, and Tethon.

Breakdown By Stage
(Number of Deals)



Breakdown By Stage
(Amount in Millions)



Spotlight Deal:

Marble Series A Round (2022)

Lincoln, Nebraska

Marble Technologies raised a Series A round of funding from Invest Nebraska, . Marble's technology offers advancements in process engineering, automation, robotics, and artificial intelligence to solve challenges in food production, beginning with labor challenges in meat processing, enabling companies to achieve sustainable global food security.



Attracting Out of State Capital for Local Impact

Since its first investment in 2012, Invest Nebraska has partnered with many of the institutional investors listed in this report to co-invest and lead the rounds of funding for Nebraska high growth companies. Invest Nebraska portfolio companies have created 1,000+ high-wage jobs across the state. Some of the most common positions created by these companies include: Software Engineer, Robotics Engineer, Controller, Marketing Manager, Marketing and Growth Specialist, and Front-End Developer.

To explore work opportunities at some of the fastest growing companies in Nebraska visit jobs.investnebraska.com

