



InvestAmerica



Invest Northwest, LP

INVEST NORTHWEST, LP

A LATER STAGE VENTURE CAPITAL MISSION INVESTING MODEL



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WHY LATER STAGE INVESTING?

Answer: Lower Risk

INVESTMENT CONTINUUM



RISK CONTINUUM





WHY LATER STAGE INVESTING?

Answer: **Recapitalization** can produce positive mission and financial results

Recap Additions

- ▶ New Management
- ▶ New Board/Governance
- ▶ New Urgency
- ▶ New Goals
- ▶ New Capital

Recap Results

- ▶ Revenue Growth
- ▶ Profit Growth
- ▶ Job Retention & Growth



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INVEST NORTHWEST, LP

- ▶ Northwest Area Foundation—Founding Investor
- ▶ First Closing August 2004
- ▶ \$15,000,000 Total Committed Capital
- ▶ Follow-on Co-Investors
 - Annie E. Casey Foundation
 - Wells Fargo CDC
 - RAIN Source Capital



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INVEST NORTHWEST – GOALS

- ▶ Invest in NWA's Eight State Region
- ▶ Significant Social Returns and a 15% IRR
- ▶ Living Wage Job Retention and Creation
- ▶ Health and Retirement Benefits
- ▶ Opportunities for Upward Mobility
- ▶ Invest in manufacturing, service, distribution and technology businesses with sales from \$10 –\$50 million



Early Financial Performance

- ▶ **\$11,012,153 drawn, \$982,744 returned through July 31, 2010**
- ▶ **Co-Investors in INW's portfolio companies:**
 - **Have invested \$85,000,000**
 - **\$43,000,000 of the equity invested in INW's portfolio came from outside of NWA's targeted 8 states**



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MISSION PERFORMANCE

(Pacific Community Ventures – Community Outcomes Evaluation, Initial Presentation 7/21/10)

▶ Employment

- 12 active companies currently employ 1,230 workers
- 8 of 12 companies (67%) increased employment from investment to 2010
- Aggregate employment increased 10% since date of investment
- Employment over the same period *decreased* 7% in the US and region.*

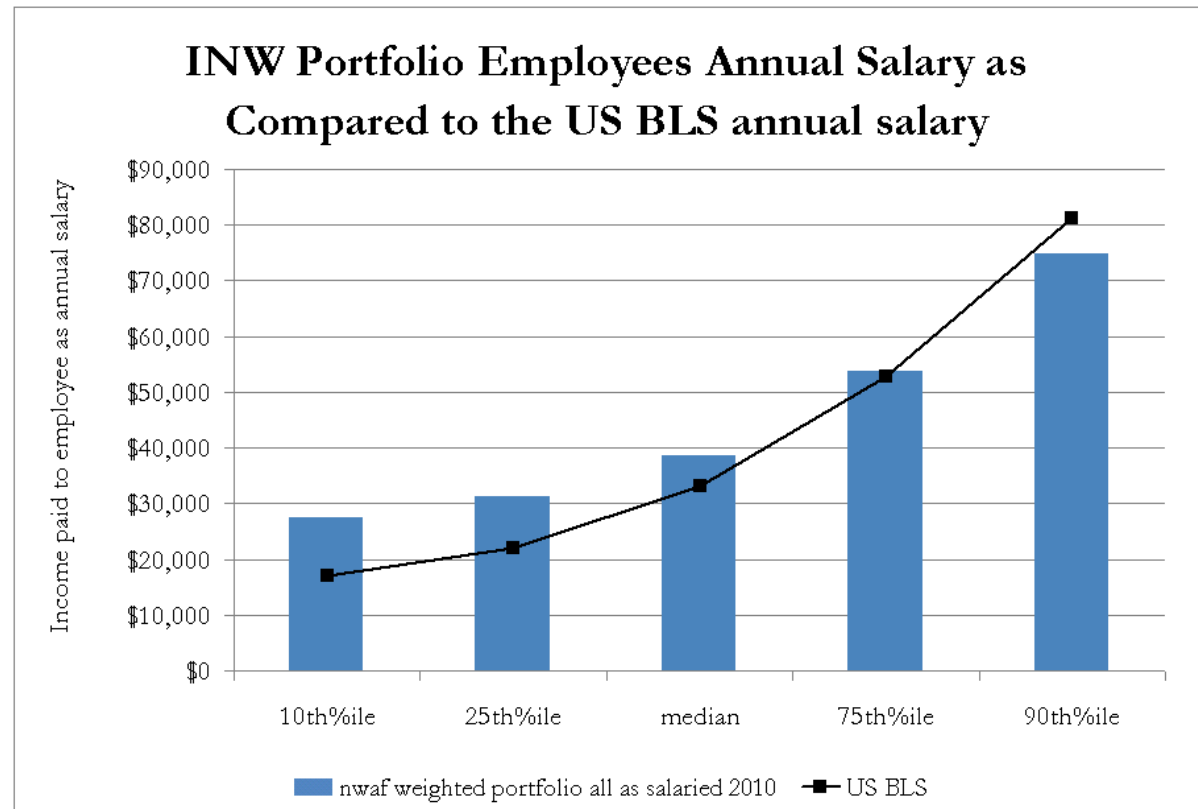
*Data from US Bureau of Labor Statistics
(change measured from 12/07 – 3/10)



MISSION PERFORMANCE

(Pacific Community Ventures – Community Outcomes Evaluation, Initial Presentation 7/21/10)

▶ Wages





MISSION PERFORMANCE

(Pacific Community Ventures – Community Outcomes Evaluation, Initial Presentation 7/21/10)

▶ Job Quality– Health Benefits

Higher percentage of employees eligible for and enrolled in health insurance than at private companies in the US*

	Salaried/non-salaried	US/US 25 th -50 th percentile*
Eligible	88%/59%	71%/38%
Enrolled	85%/43%	52%/22%



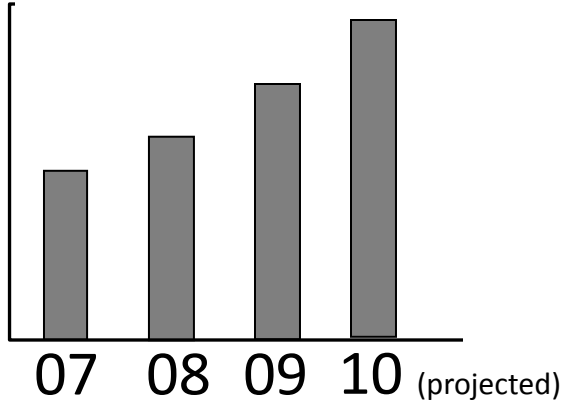
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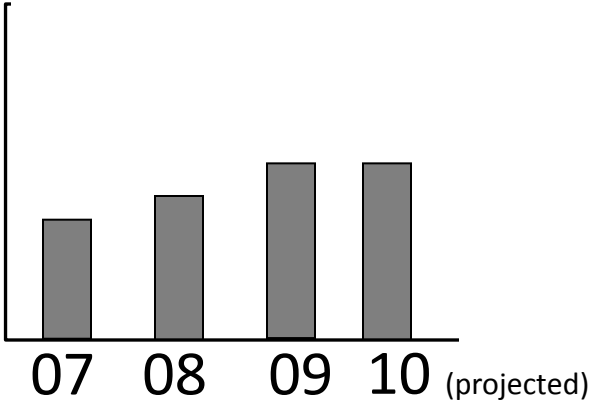
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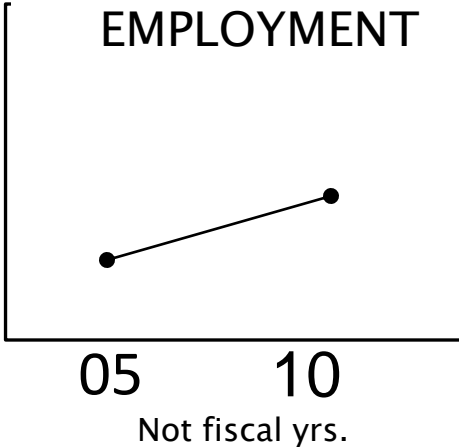
SALES



EBITDA



FULL TIME EMPLOYMENT





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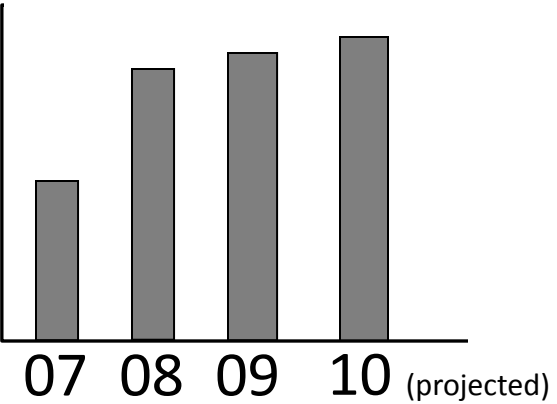


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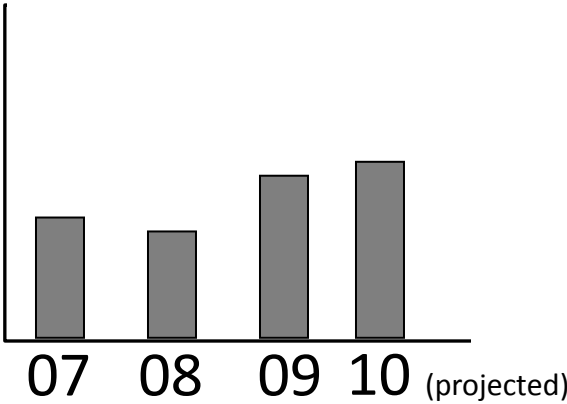
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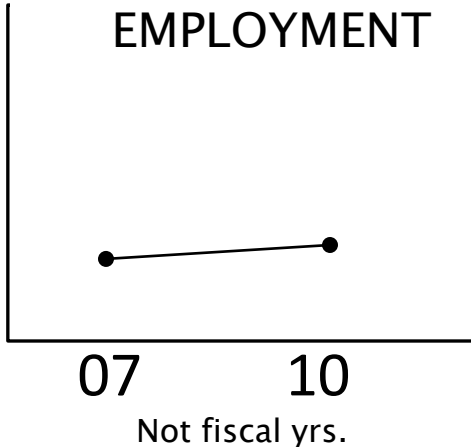
SALES



EBITDA



FULL TIME EMPLOYMENT

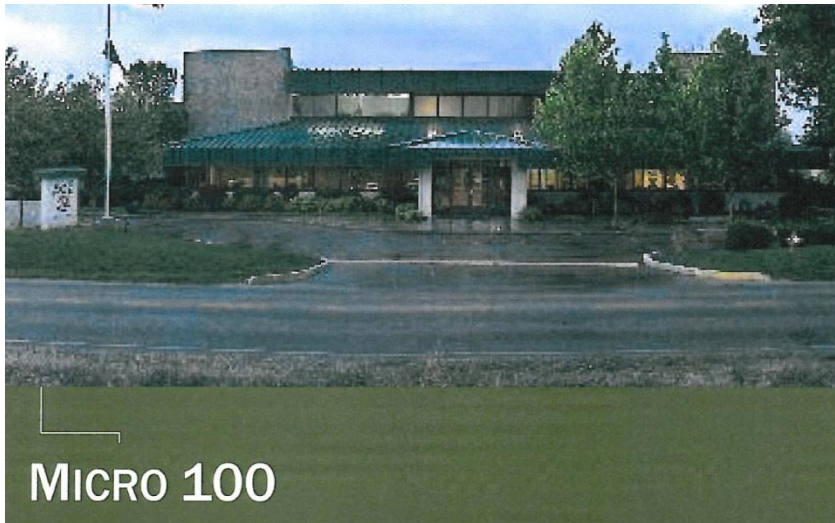




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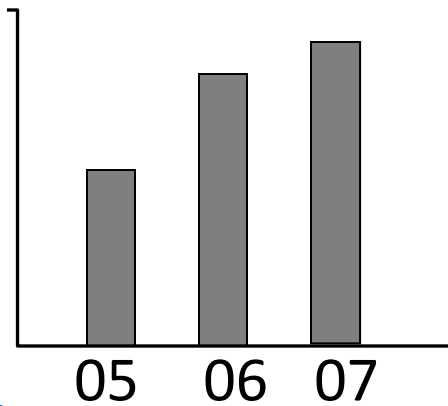


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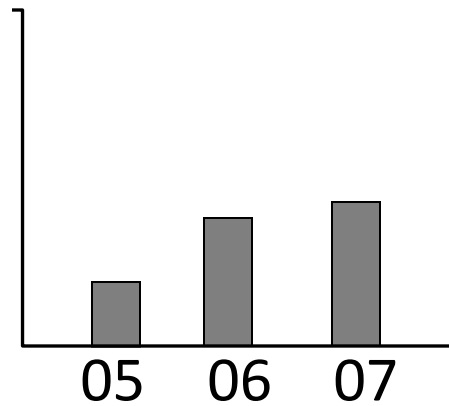


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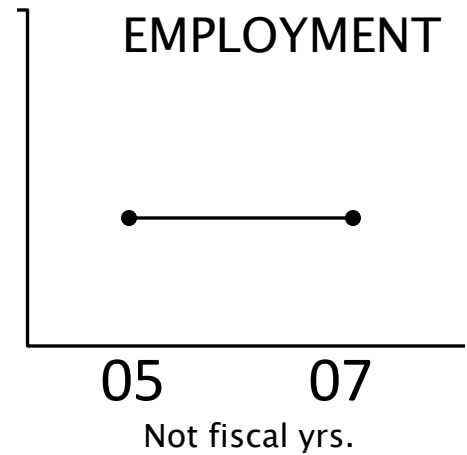
SALES



EBITDA



FULL TIME EMPLOYMENT





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SUMMARY

1. **Consider later stage investing in your investment mix.**
 - Lower risk
 - Can produce mission results
2. **INW & InvestAmerica offer a real-time model for later stage mission investing.**



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Addendum



Invest Northwest, LP

DAVID SCHRODER

- ▶ 1961–1973 – Georgetown, USN, University of Wisconsin, UW Extension
- ▶ 1973–1983 – Impact–7, Kentucky Highlands Investment Company
- ▶ 1984–Present – InvestAmerica Investment Advisors, Inc.

David Schroder
President
InvestAmerica
Investment Advisors, Inc.
(319) 363–8249
david@investam.com



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Addendum



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INVESTAMERICA INVESTMENT ADVISORS, INC.

- ▶ Established in 1985
- ▶ Manage Five Later Stage Funds
 - MACC Private Equities Inc.
 - North Dakota Small Business Investment Company, LP
 - Lewis & Clark Private Equities, LP
 - Invest Northwest, LP
 - L&C Private Equities II, LP



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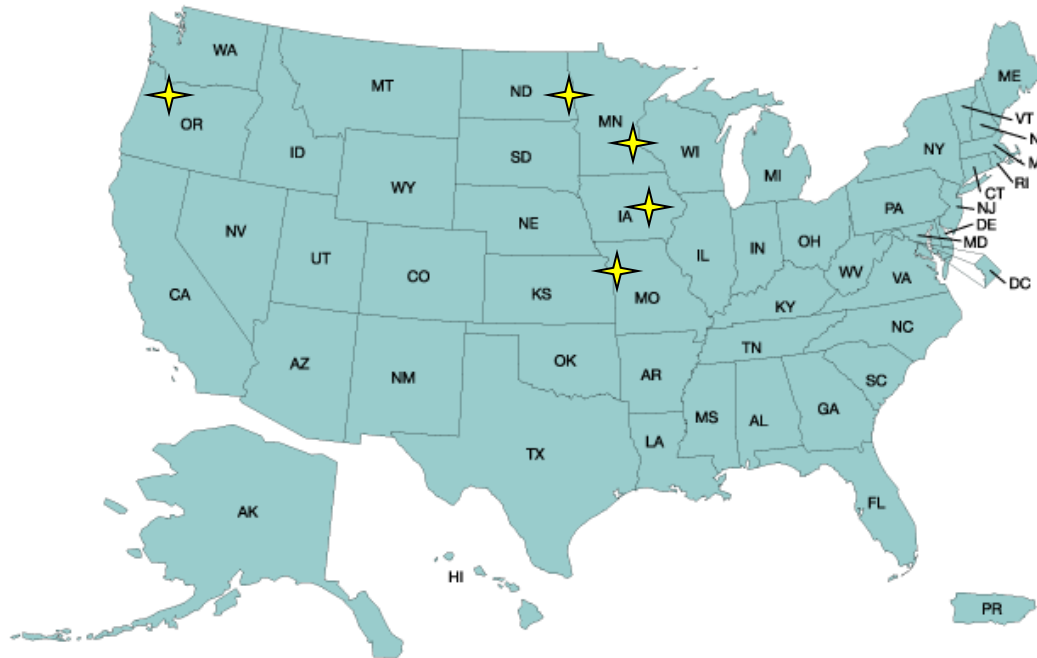
Addendum



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INW INVESTMENT LOCATIONS

★ InvestAmerica Locations



INW Portfolio Companies Locations:

- Portland, OR
- Redmond, OR
- Meridian, ID
- Stevensville, MT
- Fargo, ND
- Bismarck, SD
- Elk Point, SD
- Chanhausen, MN
- Eden Prairie, MN
- Kasota, MN
- Minneapolis, MN
- Minnetonka, MN
- St. Louis Park, MN
- St. Paul, MN
- Winona, MN
- Wood Lake, MN
- Dubuque, IA
- Lebanon, MO



Addendum



MISSION PERFORMANCE

(Pacific Community Ventures – Community Outcomes Evaluation, Initial Presentation 7/21/10)

► Job Quality– Retirement

Higher percentage of employees eligible for and enrolled in retirement plans than at private companies in the US*

	Salaried/Non-salaried	US/US 25 th -50 th percentile*
Eligible	86%/55%	67%/69%
Enrolled	80%/29%	51%/50%