

Women's fund backs firms: State-backed VC Ceres makes its first two

Francine Knowles

A few months after its formation, the only women-owned venture capital fund in the state has made its first investments -- one in a Chicago-based company and the other a Colorado business that will be setting up operations in Illinois.

The Ceres Venture Fund, which received a \$700,000 investment from the Illinois Department of Commerce and Economic Opportunity, made an undisclosed investment in Chicago-based Zorch International Inc., a rapidly growing brand management and promotional product management services company.

The Evanston-based fund also made an undisclosed investment in Solidware Technologies Inc., an early stage Colorado-based company that's developing tools to improve the quality of software.

The investments will be announced by Gov. Blagojevich today.

Ceres is focused on providing early-stage financing for high-growth businesses in the Midwest. It is targeting the information technology, health care and business services industries, and women-led business will be a priority. The fund's principals believe women-led and owned businesses represent an attractive and under-served pool of investment opportunities.

Ceres is owned and managed by Director Sona Wang, who raised money for two Chicago-based venture capital funds -- Inroads Capital Partners and Batterson, Johnson & Wang -- totaling more than \$80 million under management.

Other principals include Donna C. E. Williamson, who most recently served as managing director in ABN Amro's Private Equity Group, where she was responsible for leading equity investments in health care growth companies; and Laura Pearl, a former partner with Frontenac Co. Pearl and her former partners at Frontenac raised more than \$1 billion for several funds.

In investing in women-owned and led Zorch International, the fund has selected a company that has been experiencing 400 percent annual growth and that's part of an \$18 billion market, Pearl said. Zorch has developed a more streamlined and customer-friendly model to manage the promotional products and branded merchandise used by major corporations for their employees, customers and outreach programs. The company will use the venture funds to help finance the expansion of existing contractors and service international programs.

Solidware Technologies will use the funding to help establish a product development operating center in Champaign, where it will hire two to four people, said Chief Executive Officer Susan

Kunz. The company recently licensed software testing technology from the University of Illinois at Urbana-Champaign

Solidware is developing software to help find defects in software.

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