

Submitter: Robert Pease
On Behalf Of:
Committee: Joint Committee On Ways and Means
Measure, Appointment or Topic: HB5006

Thanks to the Members of the Committee for considering my testimony regarding Business Oregon and more specifically the Oregon Growth Board.

My name is Robert Pease and I am the Managing Partner of Cascade Seed Fund. Cascade Seed Fund is a Bend, Oregon based early stage venture capital fund that prioritizes investing in Oregon entrepreneurs building scalable technology businesses in Oregon.

We invest early in a company's lifecycle and believe having risk capital available for founders is essential for a thriving entrepreneurial ecosystem and strong economy in Oregon.

We are fortunate to be able to work with the Oregon Growth Board as an investor in our funds via the Oregon Growth Account and, when we first launched, via the Oregon Growth Fund. This not only supplies needed risk capital for investment but serves as a strong signal to other investors to invest in our funds alongside the State of Oregon. We believe that activating capital is one of our core priorities and being able to put more money to work backing early stage entrepreneurs and their business ventures makes both a short and long term positive impact on the economy. Our partnership with the Oregon Growth Board has made us a better fund and their support has helped us activate an additional \$18,000,000 from other investors across four funds.

Early stage investing involves significant risk and unfortunately many companies don't make it. Regardless of the outcome, these companies create good paying jobs and their employees live and work in our communities renting apartments, buying houses, and going to restaurants. Upwards of 70% of early stage company expenditures are on their people and those funds make their way back into the local economy as part of payroll and benefits. These companies also need lawyers, bankers, accountants and other professional services during their journey ensuring these highly talented people have the opportunity to live and work in Oregon.

There is also the potential for some of these companies to achieve great success delivering financial returns to investors, creating jobs employing Oregonians, and becoming important parts of the communities where they are located for years into the future.

Cascade has cumulatively deployed over \$15,000,000 into over 60 companies.

Those companies have gone on to raise an additional \$150,000,000 in investment capital so far. Over 40% of those companies are led or founded by a female founder and investments reach from Portland to Bend to Eugene to Hood River and beyond.

These are long-term, illiquid investments with many twists and turns along the way with financial returns often being realized eight or more years after the initial investment. That long-term focus is exactly why it is important to continue to provide risk capital to promising entrepreneurs in Oregon who know they can start, build and grow their companies here.

I urge you to continue to support the Oregon Growth Board and their work. It is a unique and meaningful program and Oregon is far ahead of other states with this innovative approach.

Thank you,
Robert Pease
Managing Partner
Cascade Seed Fund