

Venture Capital Deals

Compiled by Jack Davis from company reports
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In a bid to both help lower the costs of providing its members medical care and make money off the resulting processes, the **California Public Employees' Retirement System** launched a strategic plan Tuesday to invest as much as \$700 million in companies and funds focused on improving the U.S. health care industry.

CalPERS, the largest U.S. public pension fund, is teaming up on the initiative with **Health Evolution Partners**, a newly founded private equity firm headed by David Brailer, former national coordinator for health information technology.

CalPERS will commit \$500 million to the Health Evolution Partners Fund for direct investments, private equity investments and strategic joint ventures, and up to \$200 million for investments in other health care initiatives.

Among the possible investments outlined by CalPERS were urgent care facilities in rural areas to improve access and lower costs; retail or work site clinics staffed to enhance access to care, and provide basic preventive health services; and technology to enable electronic medical record-keeping.

Other potential investment areas included home health services that would allow patients to avoid more acute settings, and technology to improve the management of acute and chronic diseases, including home- and hospital-based heart rate monitoring devices from remote locations.

"This initiative represents a significant opportunity to leverage our twin roles as a leading health benefits purchaser and investor to bolster our market returns while addressing severe inefficiencies in the health care sector," Rob Feckner, CalPERS board president said in a statement. "The need is urgent since the fragmented, inefficient health care market has hit our ... members with double-digit premium increases the past five years."

Other Recent fundings

Talima Therapeutics of Santa Clara raised \$19 million in a what it says was an oversubscribed second funding round. **US Venture Partners** and **Latterell Venture Partners** led the round, with help from Talima's current investors, **De Novo Ventures** and **Palo Alto Healthcare**.

Talima, founded in 2005, has developed a micro-implant technology to enable site-specific drug delivery designed to minimize the side effects of systemic drugs. For example, only about ten percent of psoriasis patients receive certain drugs since their condition must be severe enough to outweigh the risk that the drugs will also suppress the patients immune system.

AOptix Technologies of Campbell raised \$15 million in a financing round led by DAG Ventures, which also included leading venture capital firms **Kleiner Perkins Caufield & Byers**, **Clearstone**, **3i** and **Lehman Brothers**. AOptix develops iris-recognition systems and ultra-high bandwidth laser communication technologies.

ShotSpotter, the Santa Clara firm developing gunshot location technology for use by law enforcement and military personnel, raised \$12 million in a third venture round led by **Levensohn Venture Partners**, with participation from **Labrador Ventures** and existing investors **Claremont Creek Ventures**, **City Light Capital**, which jointly led the company's second funding round, and **Lauder Partners**, which led the company's first round in 2004.

Trulia.com, a San Francisco-based residential real estate search engine, raised \$10 million in a third-round of funding led by **Sequoia Capital**, which also included previous venture investors **Accel Partners** and **Fayez Sarofim & Co**. The round brings Trulia's total funding to \$17.7 million.

Tioga Energy of Sunnyvale received an initial venture funding of more than \$10 million led by **NGEN Partners**, **Draper Fisher Jurvetson**, **Rockport Capital**, **DFJ Frontier** and **Kirlan Ventures**. The company bills itself as a "solar electricity services provider," and plans to help enterprise customers secure solar financing, help arrange for the construction of on-site solar facilities, and make "clean energy as seamless and easy as writing a check for a monthly electricity bill."

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