


MICHIGAN STATE
UNIVERSITY

November 30, 2011

MEMORANDUM

To: Trustee Finance Committee
From: Fred L. Poston 
Subject: New Investment Manager - Lightspeed Venture Partners

RECOMMENDATION

BE IT RESOLVED that the Trustee Finance Committee recommends that the Board of Trustees select Lightspeed Venture Partners as an investment manager.

BACKGROUND

Lightspeed Venture Partners (Lightspeed) is seeking \$675 million for its ninth fund, Lightspeed Venture Partners IX, L.P. (Fund). The Fund will primarily make early stage equity investments in high-growth technology companies with additional investments in expansion and late stage opportunities.

Lightspeed generally serves as the lead investor in companies that are managed by entrepreneurs committed to building large, sustainable enterprises. Sector focuses include enterprise infrastructure, consumer internet, software, and cleantech. Geographically, 75-80% of the Fund is expected to be invested in the U.S. with the remainder invested in India, Israel, and China.

Cambridge Associates advises, and the Investment Advisory Subcommittee and Administration concur, that Lightspeed Venture Partners represents an opportunity to diversify MSU's venture portfolio by investing with an experienced firm whose strategy is complementary to existing managers. The Administration plans to invest up to \$10 million in the Fund.

cc: N. Carter, M. Haas, G. Klein, K. Lindahl



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