

Youngstown Business Journal
\$50M OPERS Private Equity Fund to Focus on Midwest

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COLUMBUS, Ohio -- A new regional investment program launched yesterday by the Ohio Public Employees Retirement System will focus on superior returns but also will help to energize and grow Ohio's economy. Acting as a "fund of funds," the Ohio PERS/CSFB Ohio-Midwest Fund LP, will be managed by Credit Suisse First Boston, a global investment bank.

Last Wednesday, Credit Suisse First Boston issued questionnaires to fund managers from venture capital and private equity firms interested in the \$50 million fund. The tailor-made fund will invest primarily in high-quality private equity funds that focus on making investments in Ohio and the Midwest region, officials said.

Ohio will join several other states that have created similar funds managed by Credit Suisse First Boston's Customized Fund Investment Group including Indiana, Oregon, Michigan and New York. CSFB intends to open an office in Columbus and will hire a professional to support its efforts in the state.

"First and foremost, the fund will focus on strong returns for the beneficiaries of OPERS," said Mike Arpey, managing director for Credit Suisse First Boston. "Our focus on strong returns will help to attract a wide variety of private equity managers and the presence of this capital should draw portfolio companies to Ohio. Also, by focusing on producing the best returns possible, the fund's underlying fund managers will be encouraged to back strong, sustainable businesses that should produce economic benefits for years to come. Ultimately, entrepreneurs and many of Ohio's innovative companies will get a needed financial boost."

CFIG will invest capital in the fund over a period of 18 to 36 months. The fund's assets will be diversified across different stages of private equity including venture capital, growth capital, mezzanine and buyout funds. The portfolio will further be diversified by investments across different industry sectors including Ohio's "clusters of innovation;" aerospace and defense, advanced electronics, information technology, biosciences and advanced materials, Arpey said.