

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the Regents
July 17, 2014

REQUEST FOR ACTION

Subject: Alternative Asset Commitment

Action Requested: Approval of BlueRun Ventures V, L.P.

Background and Summary: We recommend a commitment of \$10 million from the Long Term Portfolio to BlueRun Ventures V, L.P., a Menlo Park based venture capital fund, which will invest in early stage technology companies in the mobile sector.

BlueRun Ventures, a firm which in various incarnations has been active in information technology investing on a global basis since 1999, has narrowed its investment scope for Fund V and will focus on investing in domestic early stage companies in the mobile technology, service, and commerce sectors. BlueRun has been intently focused on mobile software and services in its prior investment activity and will bring that specialized approach to Fund V.

The investment team has identified particular themes within the mobile sector which it anticipates will provide attractive investment opportunities, including real-time data computing to take advantage of the convergence of mobile and social data, mobile applications related to healthcare and educational services, and consumer and retail software services facilitating payment solutions for mobile devices as well as software supporting location-based advertising.

Blue Run will seek to be the first institutional investor in its target companies, and the team members will take active roles as early investors, serving on company boards and offering operational support to portfolio companies.

This commitment offers the Long Term Portfolio the opportunity to invest alongside an experienced venture capital team with significant domain expertise and a successful track record of backing founders of innovative companies with disruptive technologies.

Respectfully submitted,



Douglas Strong
Interim Executive Vice President and
Chief Financial Officer

July 2014