



National Venture Capital Association

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NATIONAL VENTURE CAPITAL ASSOCIATION CAUTIONS OHIO BUREAU OF WORKERS ON RELEASING SENSITIVE INFORMATION

2005 Private Equity Valuation Report Containing Confidential Information on Emerging Start-ups Must Remain Undisclosed

December 19, 2005, Washington DC – The National Venture Capital Association (NVCA) today urged the Ohio Bureau of Worker’s Compensation (OBWC) to refrain from publicly releasing data from a November 2005 Private Equity Valuation Report which contains highly sensitive and competitive information about start-up companies. The public dissemination of such materials would be harmful to the companies, the venture capital firms, and the Ohio pensioners.

“The OBWC’s impending release of its report will be extremely damaging to the venture capital and entrepreneur communities,” said Mark Heesen, president of the NVCA. “It is inappropriate and irresponsible to publicly release confidential information associated with portfolio companies. These companies depend upon the privacy of their data to remain competitive in the market. The release of the information will likely compel many venture capital firms to think twice before accepting OBWC money going forward, limiting the organization’s options for alternative, high performing investments. At the end of the day, it will be the pension holders who will be hurt the most.”

Many states agree that portfolio company data should remain confidential. States including Texas, California, Michigan, Virginia have all enacted statutes recently ensuring the confidentiality of this competitive information.

About NVCA

The National Venture Capital Association (NVCA) represents more than 450 venture capital and private equity firms. NVCA's mission is to foster greater understanding of the importance of venture capital to the U.S. economy, and support entrepreneurial activity and innovation. According to a 2004 Global Insight study, venture-backed companies accounted for 10.1 million jobs and \$1.8 trillion in revenue in the U.S. in 2003. The NVCA represents the public policy interests of the venture capital community, strives to maintain high professional standards, provides reliable industry data, sponsors professional development, and facilitates interaction among its members. For more information about the NVCA, please visit www.nvca.org