



ABOUT NMTC

The New Mexico Technology Council (NMTC) is a professional association for technology-focused organizations and innovators.

Our superpower is convening leaders from public, private, and educational sectors to collaborate on solutions and opportunities that advance the tech industry.



MISSION

Increase the Impact of Technology
in New Mexico

VISION

Creating a Brighter Future for
New Mexicans Through Technology

OUR MEMBERS

With more than 140 member organizations and over 5,000 individual representatives, NMTC represents a diverse and dynamic membership that spans all sectors and industry verticals.

This reach positions NMTC as the central hub for collaboration and resource sharing within the state's tech community.



SECTORS

- Public Offices and Organizations
- National Labs
- Educational Institutions
- Nonprofits

INDUSTRY VERTICALS

- 3D Printing
- Advanced Manufacturing
- Aerospace
- Artificial Intelligence and Data Analytics
- Autonomous Driving Vehicles
- Biotech and Health Tech
- Broadband & Telecommunications
- Cybersecurity
- Education
- IT & Patent Law
- Renewable Energy
- Software Development
- IT & Infrastructure
- Utilities
- Workforce Development & Training

SERVICES



NETWORKING

Signature events, peer groups, and targeted meetups that connect professionals across sectors.



THOUGHT LEADERSHIP

Programs, workshops, and resources to help participants stay ahead of the curve, build skills, and remain informed.



INDUSTRY ADVOCACY

Represent the interests of members and create a business-friendly climate for innovation.



INFLUENCE & RECOGNITION

Showcasing local companies and professionals through awards, media, and strategic partnerships.

VENTURE CAPITAL

A strong technology sector is essential to New Mexico's long-term financial health and economic resilience.

With targeted investment, collaboration, and vision, we believe New Mexico can emerge as a leader in technology-driven economic growth.

Expanding venture capital in New Mexico allows for:

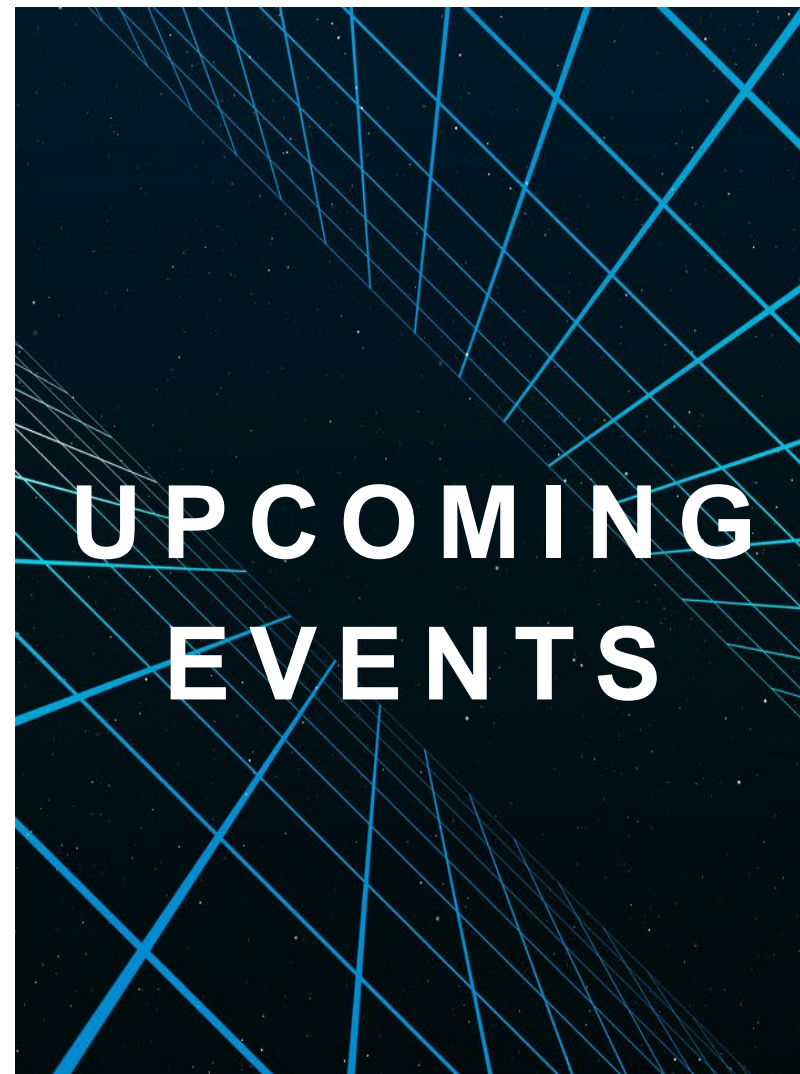
- An increase in start-ups and small businesses
- Acceleration of innovation and a competitive market
- Creation of high-quality jobs and retaining top talent in the state.
- Attraction of entrepreneurs and industry from outside the state.






LOOKING AHEAD

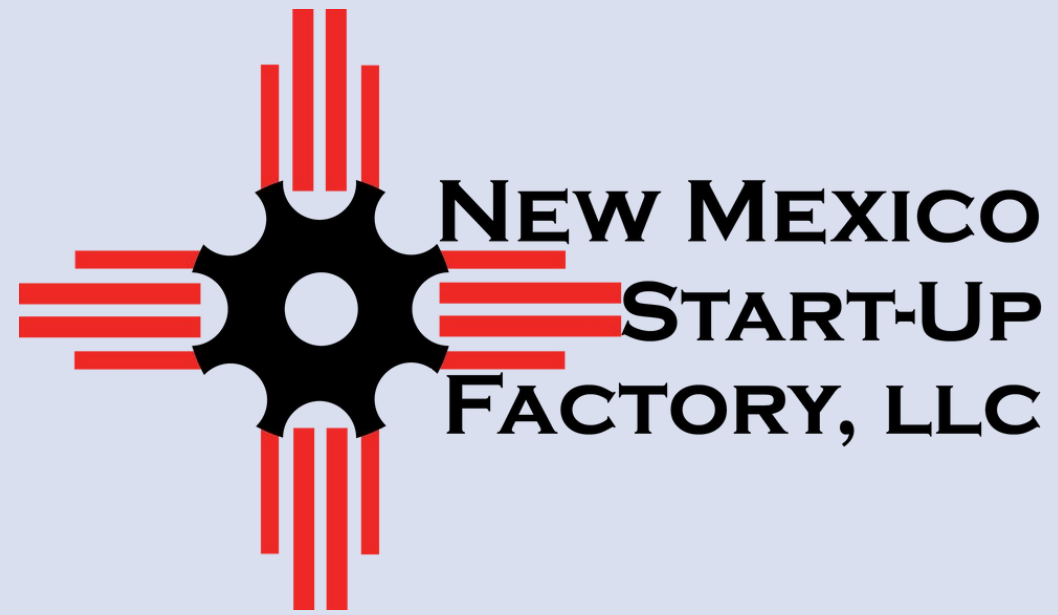
The New Mexico technology and innovation ecosystem is more active than ever, and NMTC stands at the center of that momentum.

We have ambitious plans for 2025 and beyond—from expanding our programming to forging stronger public-private partnerships.



-  **2025 Tech Summit**
New Mexico's leading technology event, attracting over 700 attendees and featuring more than 20 influential speakers.
-  **2026 Tech Day at the Roundhouse**
NMTC members come together at the Capitol during the legislative session to advocate for the vital role of technology in driving New Mexico's growth and prosperity.
-  **2026 Legislative Reception**
Meta will host an evening mixer bringing NMTC members and state legislators together to connect, exchange ideas, and discuss key technology issues shaping New Mexico's future.

2025



Venture Capital



Goals of Presentation



FINANCIAL EDUCATION

- For you – Legislative member
 - Basic understanding of Venture Capital
 - The funding structure of the SIC and NMFA venture capital programs

DEFINITIONS

- Venture Capital: Professionally Managed Risk Capital
- Limited Partner (LP): Investors in VC Fund
- Management Fee: Payment for Investing Services
- Carry Fee: Share of Investing Profits
- Committed Capital: Capital Committed by Investor to VC Firm



DEFINITIONS- Page 2

- Produce Market Fit: {Example}
- Pacing: 5 Years Investing – 5 Year Harvesting
- Standard VC Model:



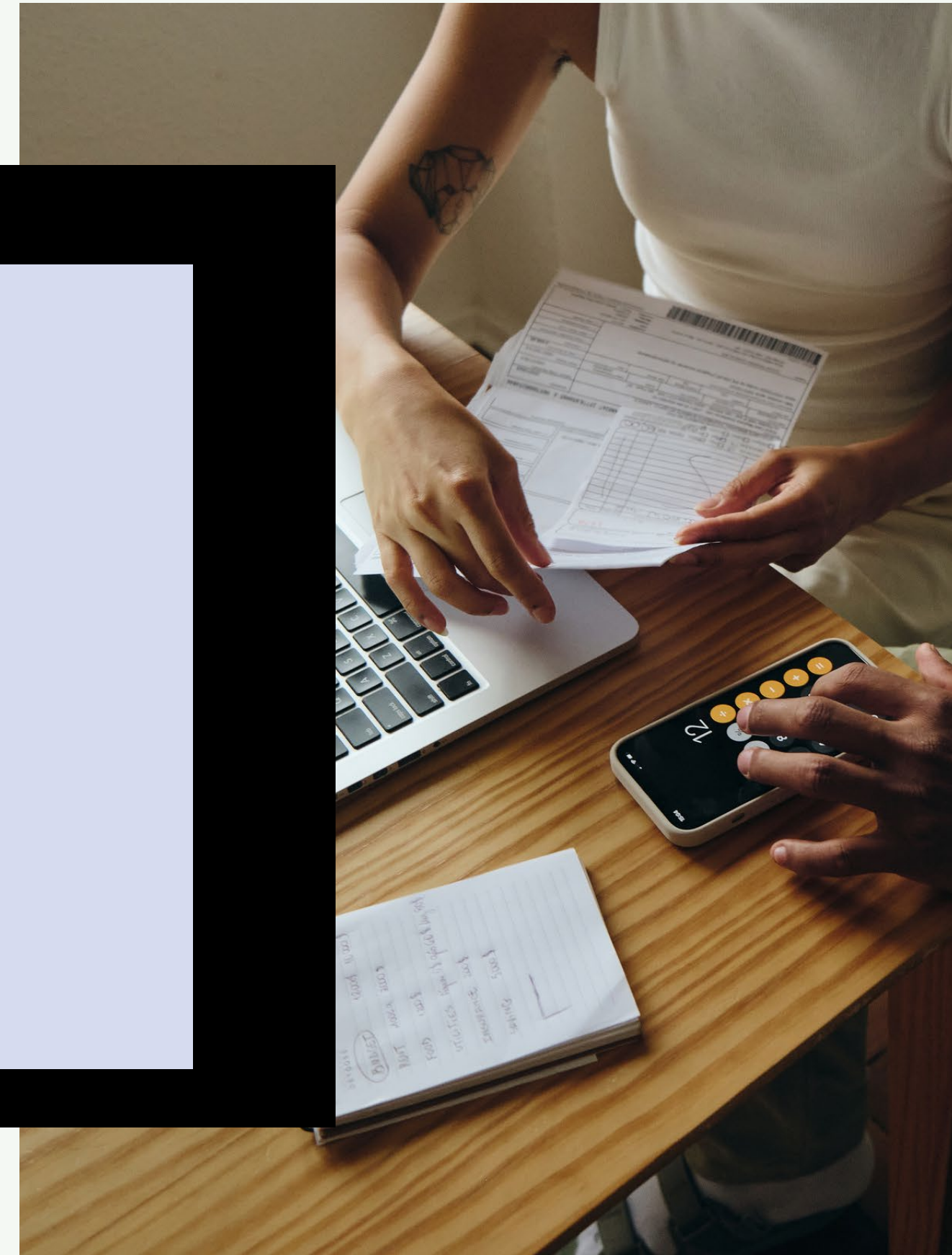


ACCESS TO CAPITAL

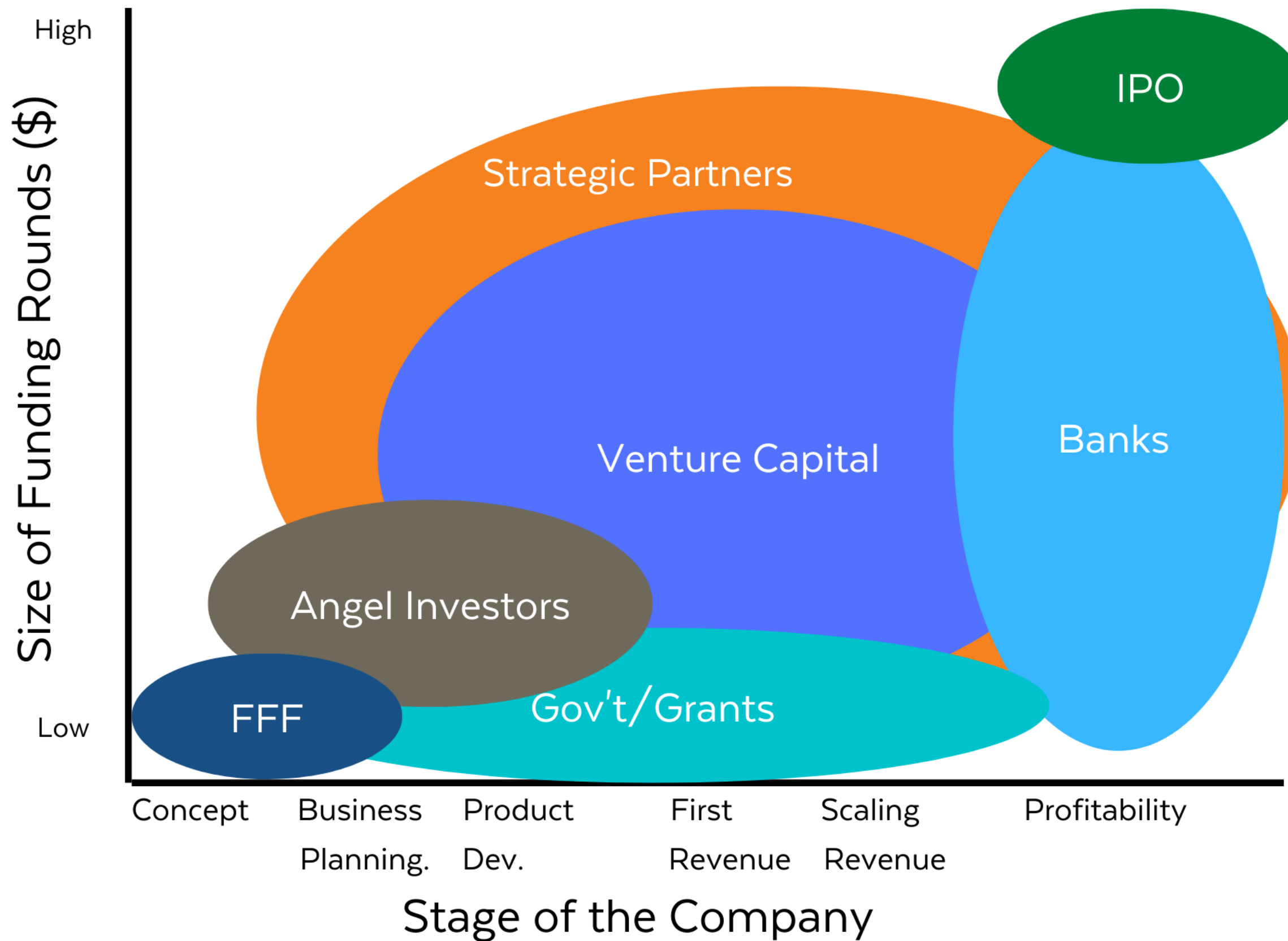
- Sell products or services
- Incur debt
- Receive Equity investment

FINANCING STRATEGY

- What are the needs of my company?
- What are the risks of taking on debt?
- What are the risks of taking on investors?



LANDSCAPE OF CAPITAL SOURCES



What type of Companies get VC \$?

Who fits Typical VC Investment Criteria?

Companies Who...

- Have products that have dynamic, high growth potential
- Have founders who want to grow then sell the business
- Address large markets
- Have Leading Edge Technical Differentiation
- Want involved, hands on, value add investors

There's a VC for most stages

Idea/Seed



Early Stage



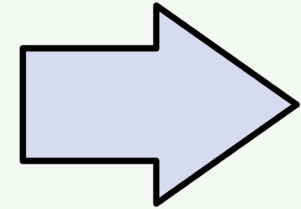
Expansion



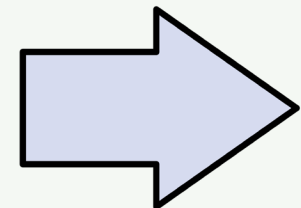
Later Stage



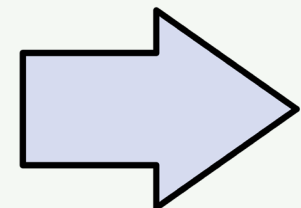
Venture Capitalist Duties



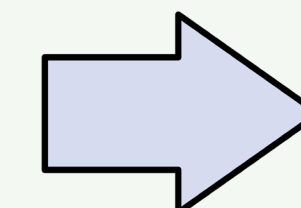
Fund Management: Raise funds and manage venture funds. Financial reporting, accounting, and providing information to limited partners (LPs). Maintain transparency and compliance with all fund-related regulations.



Deal Source: Actively source ventures by participating in local startup events and connecting with other early-stage funds.



Due Diligence: Work closely with start-ups on due diligence and deal selection processes, evaluate venture opportunities, review market analysis, business model validation, and complete a financial assessment to ensure high-quality investment decisions.

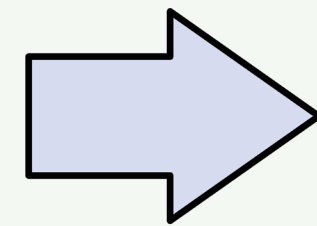


Investment company involvement in board positions, board advisory roles, business consulting and connecting to other investors.

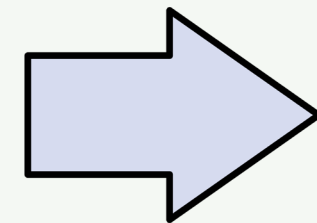
Bit of Perspective...



VCs are investing other people's money

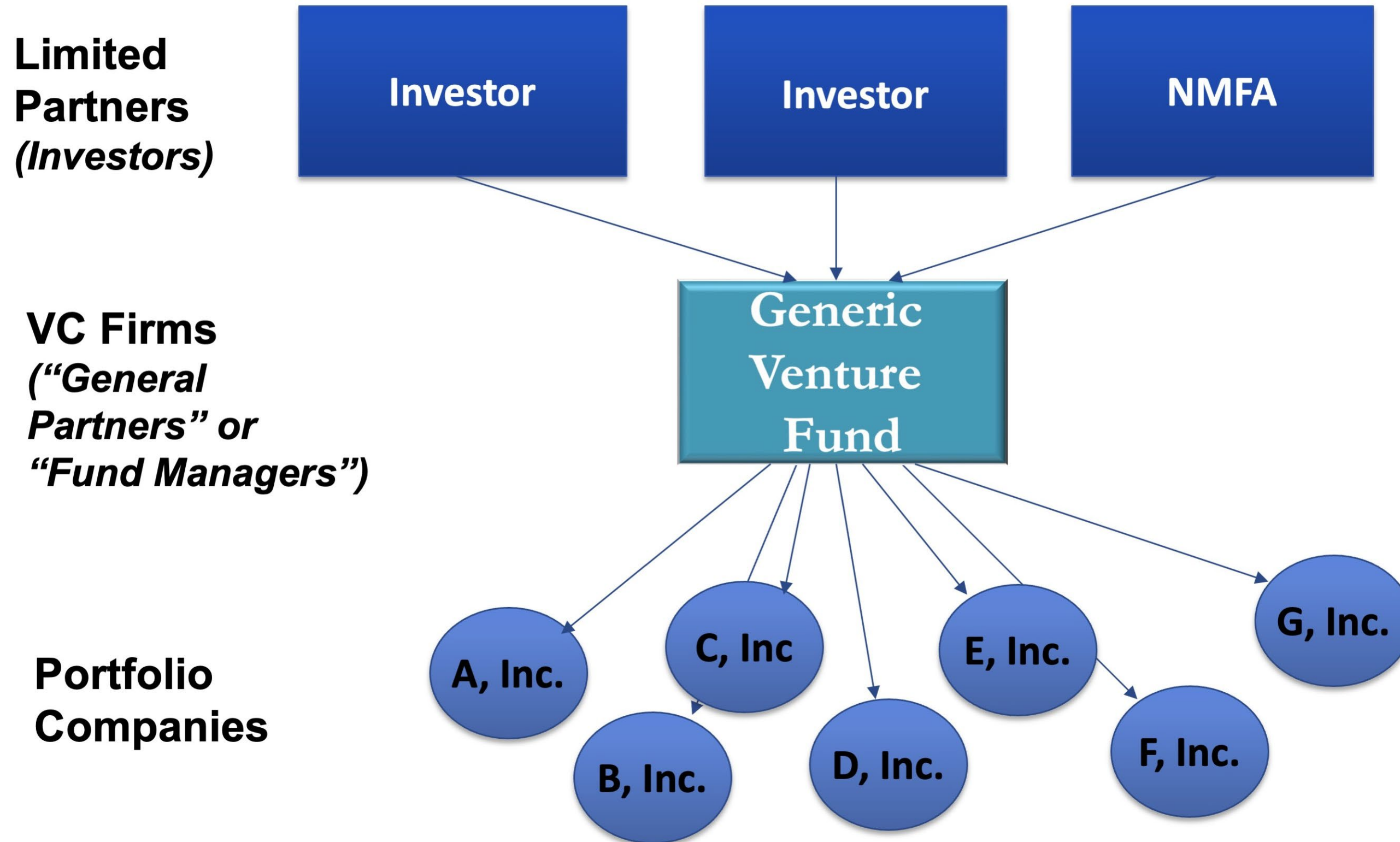


They are accountable for
how they invest that
money.



They have to raise funds just
like entrepreneurs.

Structure of the VC Industry



How VC's Make Money for their Investors

\$60 Million Fund Example

How VCs & LPs make Money

Using the fund example in the previous slide

- Money raised \$60 Million
- Money returned \$140 Million
- Management Fee: \$60 Million at 2% equals **\$1.2 Million per Year (\$12 M Total)**
- Profits: \$140 Million return - \$60 Million Raised = \$80 Million
- Carry Fee is 20% = \$80 Million x 20% Carry = **\$16 Million for venture capitalist**
- Capital returned to LPs = \$80M Profit- \$16 M Carry Fee = **\$64 Million for Limited Partners**

To: Venture Capitalist

To: Limited Partners

New Mexico State Investment

\$475 Million into venture capital funds

EXAMPLE:

FUnd Overview & Investment Mandate

of VC

- \$375M fund targets investments operating in markets with a total addressable market (TAM) in the tens of billions of dollars.
- invests \$2M - \$8M in Seed and Series A rounds, aiming for 20% ownership in their portfolio companies.

MARKET COnsiderations & Scale Potential

- prioritizes industries with multi-billion - dollar market sizes.
- NEEDS long - term revenue opportunity.
- INVESTS IN COMPANIES THAT CONTRIBUTE TO SOLVING VERY SPECIFIC ENVIRONMENTAL CHALLENGES.
- ANY POTENTIAL INVESTMENT MUST DEMONSTRABLY MOVE THE NEEDLE IN MITIGATING CLIMATE OR ENVIRONMENTAL HARM.

Current Goals of NM Program

1. Increase the number of active companies in the portfolio, which will ultimately drive program's job growth figures
2. Increase the number of managers in the program so that local companies have multiple opportunities to raise capital
3. Help foster a more robust local VC community capable of leading funding rounds for companies
4. Earn a positive return on an overall portfolio basis

Why might the current structure meet the goals of the NM Program

- Increased awareness in New Mexico Startups
- Access to VC's by local entrepreneurs
- Increased education to entrepreneurs and startups
- Earn positive return on overall portfolio basis.

Why might the current structure NOT meet the goals of the NM Program

- VC's have no contractual obligation to invest in New Mexico Startups
- Most VCs do not have a local team member in New Mexico
 - When there is a local team members, those team members have no authority
 - There are exceptions, however, they are just that exceptions. Not the Rule
- NM Statutes conflicts with Venture Limited Partner Agreements regarding fiduciary responsibility
- NM Startups are competing with every other startup in the VC pipeline; there is no New Mexico “bump” just because there is a New Mexico Limited Partner.
 - New Mexico Catalyst Program is an Example of Requiring VCs to invest in New Mexico

	Venture Studios, Venture Labs	Traditional Accelerator Programs	Traditional Pre-Seed, Seed Investors	Post Accelerator Programs	Traditional Series A / Multi-Stage Investors
Representative Groups	<ul style="list-style-type: none"> Roadrunner Venture Studios UP.Labs 	<ul style="list-style-type: none"> Antler US 	<ul style="list-style-type: none"> Dangerous J2 Next Frontier Outlander Tk Media & Entertainment Tramway 	<ul style="list-style-type: none"> Antler NM UP.Abundance 	<ul style="list-style-type: none"> Airbus Anzu At One Builders Crosslink DCVC Frontier Fund Khosla Lux Playground Thayer Upfront UP.Partners
Company Stage	<ul style="list-style-type: none"> Create startups from scratch based on a licensed technology or to address a specific perceived market opportunity 	<ul style="list-style-type: none"> Accept applications from existing startups at the earliest stages (typically at least six months or a year after the company was founded) and/or aspiring founders with only an idea 	<ul style="list-style-type: none"> Pre-seed = pre-product, or before a minimum viable product (“MVP”), and sometimes when a founder only has an idea Seed stage = iterate MVP into product-market-fit, look for first customers, some revenue 	<ul style="list-style-type: none"> After accelerator programs and/or pre-seed or seed investment, but pre-Series A Typically seed stage, with startup focused on reaching product-market fit during time in program 	<ul style="list-style-type: none"> Typically achieved product-market fit, ready to scale

Pro Forma VC Exposure – NM Program, NMSIC Strategic VC Program, and National PE Program (as of 9/30/24) ¹

	# of GPs	NAV		Uncalled Commitments		Total Exposure	
		\$ MM	%	\$ MM	%	\$ MM	%
Co-Investment Funds		127.3	29.2%	0.1	0.0%	127.4	11.8%
Catalyst Fund		8.5	2.0%	2.2	0.3%	10.7	1.0%
Recovery Fund		23.0	5.3%	8.8	1.4%	31.8	3.0%
Subtotal -- Sun Mountain	1	158.8	36.5%	10.9	1.7%	169.8	15.8%
Fund Investments 2008 and Before	7	14.5	3.3%	-	0.0%	14.5	1.3%
Fund Investments 2016 and After	7	52.9	12.1%	38.6	6.0%	91.5	8.5%
New Mexico Private Equity Program	15	226.1	51.9%	49.6	7.7%	275.8	25.7%
NMSIC Strategic Venture Capital Program	21	209.2	48.1%	590.1	92.3%	799.3	74.3%
Total NM Investments	36	435.3	100.0%	639.6	100.0%	1,075.0	100.0%
Venture Capital	14	143.6	58.8%	511.5	75.7%	655.1	71.2%
Venture Growth ²	3	100.8	41.2%	164.4	24.3%	265.2	28.8%
National Private Equity Program	17	244.4	100.0%	675.9	100.0%	920.3	100.0%
TOTAL VENTURE CAPITAL	53	679.7		1,315.6 *		1,995.4	

*\$26.3M Management Fee Paid Annually for \$ Not Invested in New Mexico: (\$1,315 M x 2% Management Fee)

New Mexico Venture Capital Program

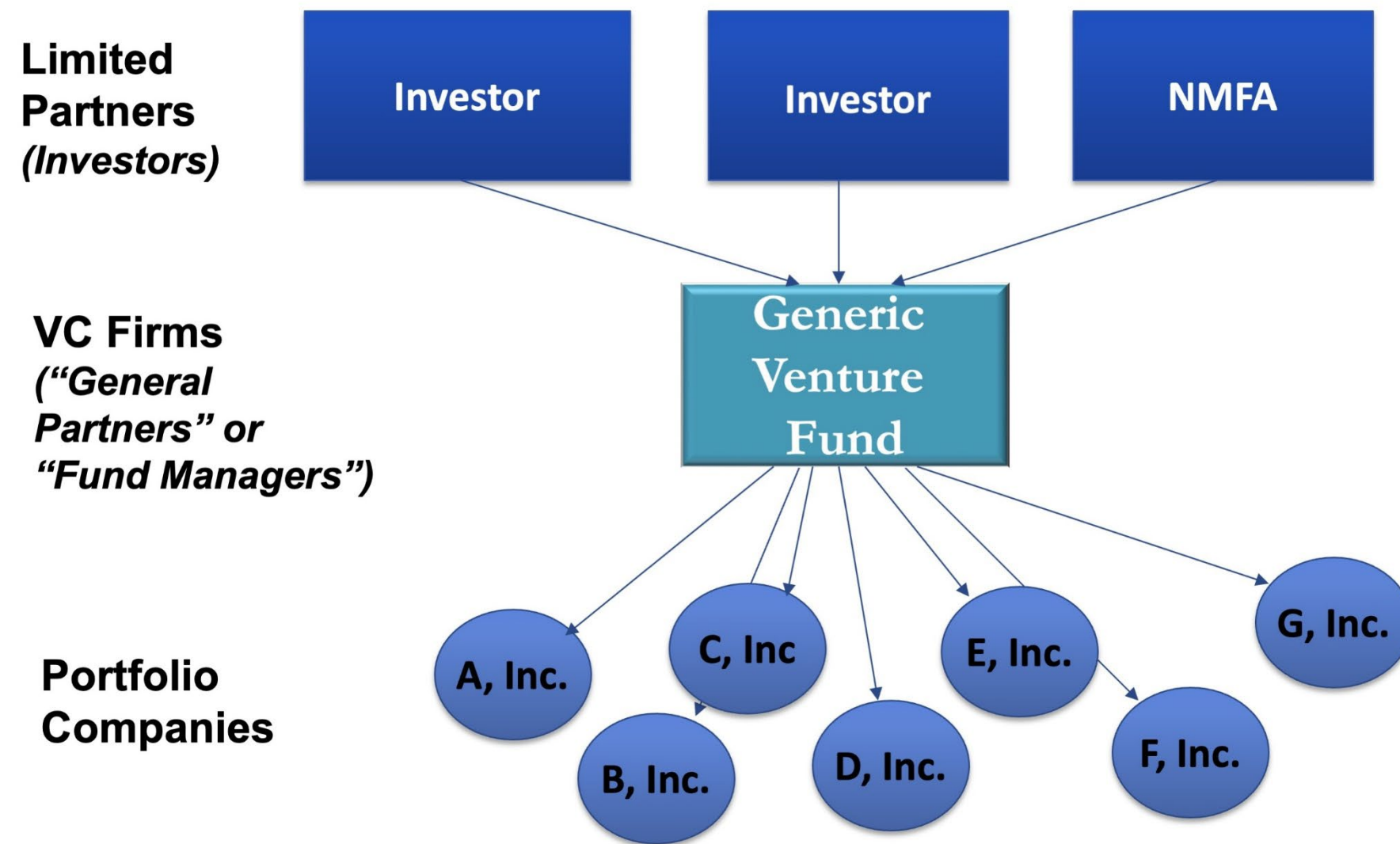
- The Venture Capital Program (VCP) was created by the Legislature in 2022 to promote economic growth through equity investments in New Mexico businesses. The program was initially capitalized with \$35 million, with an additional \$15 million approved in fiscal year 2023. VCP targets established businesses with significant growth potential within the state.
- In fiscal year 2024, VCP invested \$1.5 million into limited partnerships, supporting the expansion of New Mexico's innovation economy. [\\$48.5 million is undeployed](#)

New Mexico Growth Fund Partnership

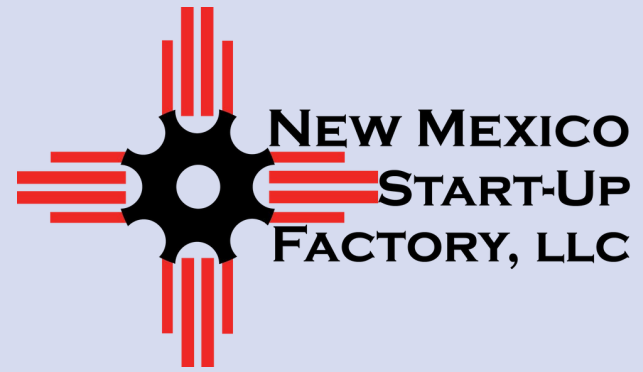
- In June 2023, the New Mexico Growth Fund (NMGF) signed a Memorandum of Agreement with the New Mexico Economic Development Department (NMEDD) to administer the State Small Business Credit Initiative (SSBCI) in New Mexico. SSBCI is a federally funded program designed to expand access to capital for small businesses and entrepreneurs. NMGF offers equity investments to qualified businesses across the state.
- In fiscal year 2024, NMGF invested \$0.4 million into limited partnerships to support small business growth and innovation. [\\$55.6 million is undeployed](#)

Revisit This Slide

Question relevant to NMFA



- What is the Goals and Objectives of your two programs?
- Current Allocations & Product Market Fit
- Does having a Boston-based advisor serve the Program Well?



Financing your Start - Up

QUESTIONS?

