

Investing in New Mexico through the Strategic Venture Capital Program

Largest targeted deep tech venture program in the U.S.

New Mexico has a rich history of **innovation**, world-class **research institutions**, and **talented professionals across industries**, but these factors have not translated to the startup ecosystem we all know New Mexico is uniquely equipped to support. The **State Investment Council (NMSIC)**, which **oversees \$67 billion** in permanent and endowment funds for New Mexicans, is leveraging a key opportunity to invest resources in areas where New Mexico has a right to lead — and win.

Over the past 2.5 years, the NMSIC has committed

\$1.7B

to top-tier venture capital firms with an interest in expanding to New Mexico.

Our approach

The Strategic Venture Capital Program (SVCP) is the SIC's market rate venture capital program in which it partners with world-class investors to produce a **Double Bottom Line**:



Financial returns that grow New Mexico's sovereign wealth fund and the benefits it delivers.



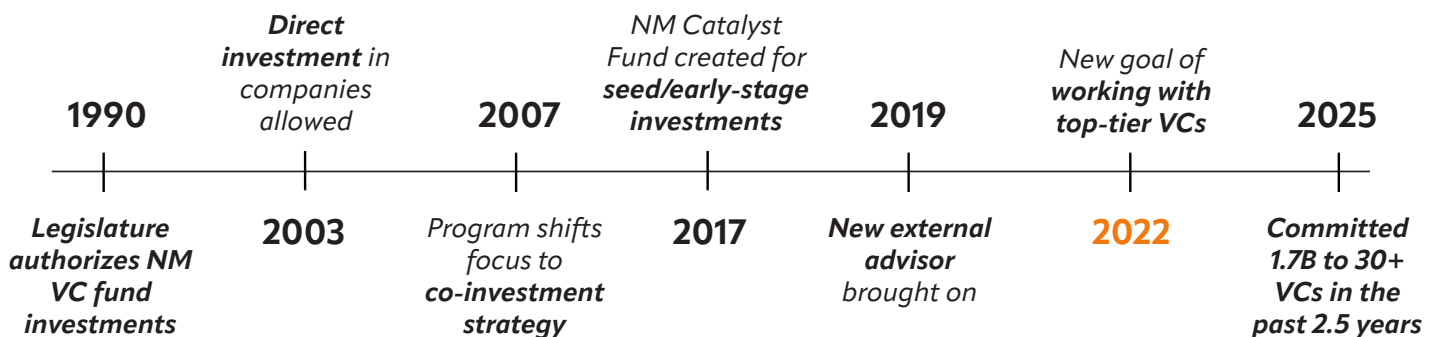
An economic environment where homegrown, national & international companies can thrive.

30+ firms have received commitments since 2022

\$44M average commitment size

\$2B+ economic impact from just two companies our partners invested in

Program evolution



NMSIC's re-imagined venture capital program has seen a net gain of

\$32.7M

in just the past 6 years.

In 2022, we changed our strategy. Today's market-rate program only **commits New Mexico's dollars to top VCs** with **proven track records** and **large well-diversified portfolios** of around 500 startups — many of which include New Mexico companies. This exposure to more potential "home run" opportunities or future industry giants, will help **grow the state's sovereign wealth fund, and the benefits it delivers to New Mexicans.**

Partnering with Silicon Valley

- The NMSIC commits permanent funds to a top-tier well-diversified fund manager.
- The manager uses a pool of funds, together with those from NMSIC, to invest in a large portfolio of companies, including New Mexico companies, over 2-4 years.
- Venture capital follows a *power law distribution* meaning a small number of “home runs” offset high loss ratios expected for startups.

Three-pronged strategy

1 Deliberate sector focus. The NMSIC should be a world-class investor in New Mexico's strengths: deep tech, climate tech, and aerospace/defense.

2 Company creation engines. In partnership with managers, support creation and development of venture studios, venture labs, & accelerators

3 Scaling industry. In partnership with managers, invest in SMAs to support companies scaling operations in New Mexico.

Program staff



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Key areas of focus

ADVANCED ENERGY

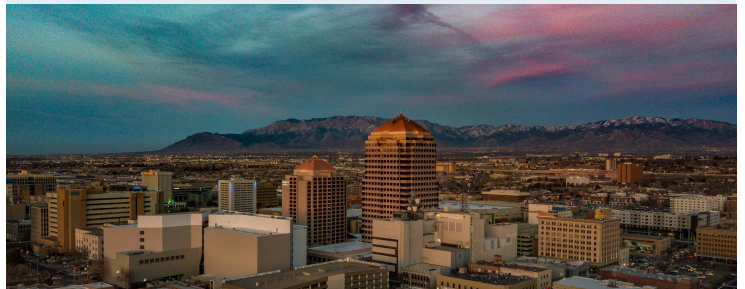
Technology that is clean, safe, secure, and efficient, like geothermal, fusion, and advancements in solar, wind, and battery storage.

AEROSPACE & DEFENSE

Design, manufacturing, and maintenance of aircraft, spacecraft, and defense systems.

DEEP TECH

AI, quantum computing, biotechnology, and advanced materials with potential for global impact and market disruption.



Expansion to New Mexico



HQ: Jackson WY, \$2B AUM

One of several key partners invested in CA company **Pacific Fusion**, expanding to NM and expected to bring \$1B in economic impact.



HQ: Washington, D.C., \$1B AUM

Investor in CA-based company **XGS Energy** which announced a \$1B partnership with Meta to provide geothermal energy for its NM data center.



HQ: Menlo Park, CA, \$25B AUM

Has invested in California-based defense manufacturing company **Castelion**, expected to expand to Rio Rancho.