

## **Louisiana -**

### **ADVANTAGE CAPITAL DRIVES MORE THAN \$40 MILLION OF NEW MARKETS PROGRAM INVESTMENTS INTO LOUISIANA DURING 2009**

*Firm continues commitment to growing businesses and stimulating the economy in Louisiana*

NEW ORLEANS, January 28, 2010 - Advantage Capital Partners and its small business lending division BizCapital provided \$41 million of New Markets program financing throughout the state of Louisiana during 2009. The significant amount of investments, all made in connection with the federal New Markets Tax Credit program and Louisiana New Markets Development program, represent the firm's commitment to supporting small business growth and the revitalization of low-income communities across the state.

"Advantage Capital is dedicated to supporting the needs of Louisiana entrepreneurs and the communities in which they live and work," said Michael T. Johnson, managing director at Advantage Capital. "The New Markets program is a critical tool that allows us to make investments at every level of a company's capital structure and design a financing package that works best for each company. This gives us the flexibility to help technology companies like Turbosquid in New Orleans, which need equity capital, as well as more traditional businesses like Morehouse Hospital in Bastrop that needed lower-priced debt capital to help bring expanded and updated medical services to its community. "

The firm's \$41 million of investments supported the growth and development of 15 Louisiana businesses, which collectively employ over 600 Louisianans. Among the investments, the New Markets financing supported a digital media technology business in New Orleans, a rural hospital in Bastrop, an oil and gas heavy metal manufacturing company in Franklin, a specialty packaging manufacturer in New Orleans, and many more.

"I'm pleased to see this continued commitment to investing in our state," said Louisiana State Rep. Cedric Richmond, D-New Orleans. "In these difficult economic times, keeping the small business outlook strong and growing jobs are keys to our region's success. Innovative public-partnerships like the Louisiana New Markets program foster economic development and drive much-needed investment dollars into the communities that need it the most."

"The federal New Markets program has an exceptional track record of helping to revitalize countless communities across the country," said Senate President Joel Chaisson II, D-Destrehan. "With the Louisiana New Markets program in place, we have more leverage and power to draw in outside investors and help support the growth of disadvantaged areas in our state. These investments from Advantage Capital are a perfect example of the kinds of effects the state program can have on local economies."

In total, since 2003 Advantage Capital has invested more than \$134 million in Louisiana small businesses in connection with the state and federal New Markets program. These investments represent a variety of industries including manufacturing, healthcare, cleantech, information technology and more. As a result of this funding, the newly financed companies have created or retained nearly 2,000

jobs, and follow-on capital flowing into these Louisiana companies from other sources exceeds \$96 million.

**About Advantage Capital Partners**

Advantage Capital Partners is a venture capital and small business finance firm focused on investing in promising companies located in areas underserved by traditional venture capital. With offices and partners in New Orleans, St. Louis, Austin, Washington, D.C., and other U.S. cities, Advantage Capital has raised more than \$1.3 billion in capital since 1992.

**About the Louisiana New Markets Development program**

The Louisiana New Markets Development program encourages investment in promising small businesses located in distressed communities throughout the state and particularly those communities in the GO Zone still recovering from the devastation of the hurricanes of 2005. The program enables up to \$400 million of capital investment in Louisiana's small businesses. The state program attracts investment in low-income communities through a state tax credit modeled after the highly successful federal New Markets Tax Credit.

**About the federal New Markets Tax Credit program**

The federal New Markets Tax Credit program, administered by the U.S. Department of the Treasury, encourages private-sector investment in economically distressed communities through tax incentives. In a highly competitive allocation procedure, the Treasury Department awards the tax credits based on applications submitted for each tax year. Advantage Capital has participated in the New Markets program since 2003, raising private capital for investment in low-income communities. These investments have spurred economic growth through innovative business ventures and job creation across the United States.

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