

## Illinois' Entrepreneurial Ecosystem Gets the Job Done

### THE STORY

Cartavi was founded in 2008 by University of Illinois alum Glenn Shimkus and Southern Illinois University alum Paul Koziarz. The company was created to provide a cloud-based document sharing platform that allows everyone involved in a real estate transaction to securely manage and share documents from any computer, tablet, or smartphone.

Shimkus and Koziarz self-funded or “bootstrapped” the company until 2012 when they sought venture capital funding to accelerate their market growth. Eleven Chicago-based investors; including IVCA members OCA Venture Partners and Pritzker Group Venture Capital, plus two investors from out-of-state, participated in a small \$1.25 million-dollar investment round.

After proving their products decisively solved a problem for the real estate industry, Cartavi's success in selling their products attracted the attention of other companies trying to attack the ESignature marketplace, and in May 2013, Cartavi was sold to DocuSign. Most Cartavi investors accepted DocuSign stock in addition to a small amount of cash because they continued to believe that the real estate vertical was ripe for technical disruption. Nearly five years after the closing of the Cartavi acquisition, in April 27, 2018, DocuSign went public (NASDAQ: DOCU).

Separately, Chicago's Second Century Ventures, an arm of the National Association of Realtors, led by IVCA member Constance Freedman (founder at Moderne Ventures) invested in DocuSign's fifth round (Series B1) of funding in 2009 and continued to invest in the several subsequent rounds of funding.

Technology Development Account I (“TDA I”) was established in 2005 to allow the Illinois State Treasurer's Office to invest state dollars – that would otherwise be invested in low-yield asset classes – in venture capital and growth equity funds that invest in private technology companies. Not only does this earn a greater return for the people of Illinois, but it spurs economic development and bolsters the technology startup and venture capital community in Illinois.

In 2008, TDA I invested \$5 Million in OCA Venture Partners II. In 2012, OCA Venture Partners invested in Cartavi. In 2013, Cartavi was sold to DocuSign in exchange for cash and stock in DocuSign (“DOCU”). Technology Development Account II, also known as the Illinois Growth and Innovation Fund (“ILGIF”) was established in early 2016 to provide additional capital to the technology and entrepreneurial sector to continue to invest in funds with a focus on Illinois.

## ILGIF Projected Economic Impact



Invest  
**\$222M+**  
State Funds



Attract  
**\$400M+**  
Private Investment



Create  
**18,800+**  
Jobs

## THE WINNERS

- **The State of Illinois**
  - The Treasurer's TDA I program, as an indirect investor in DocuSign via OCA Venture Partners, will earn an estimated 15 times the original investment it made on this one deal.
  - DocuSign currently has 50 employees in Illinois and expects to double that number in the near future. All these employees pay Illinois taxes.
  - Illinois investors will pay significant income taxes to the state and are likely to reinvest their net gains in companies that might be the next DocuSign.
  - Since ILGIF's inception, the program has made indirect investments in notable startups such as SpotHero, Uptake, Tempus and ShopRunner, continuing its goal to provide capital for technology startups with a significant presence in the State.
- **Cartavi Investors and Management**
  - The original Cartavi investors and the management team earned between 15-18 times their original investment as of the May 8, 2018, stock price.
- **Second City Ventures**
  - Second City Ventures' investments in DocuSign is valued at over \$200 million at the May 8, 2018, stock price or 20 times the original investment.

## ILGIF Portfolio Companies

