

Verge Adds David Franklin As EIR While Raising Second Fund
By Scott Denne 10/22/2010

Seed-stage venture firm Verge Fund has added David Franklin as an entrepreneur in residence as it hunts for its second fund.

Franklin was a co-founder of Strategic Analytics Inc., a provider of analytical software for retail lenders that was acquired by Verisk Analytics Inc. earlier this year.

Albuquerque, N.M.-based Verge Fund has a focus on providing operational expertise to the companies it helps start, said Tom Stephenson, a managing general partner with the firm.

The firm raised its first fund, a \$20 million vehicle, in 2005. It is now investing out of its second fund, which held a first close in December 2009, Stephenson said. He declined to give more specifics on the new fund.

Verge Fund looks to invest in companies that can reach break-even quickly and is the primary source of funding for a majority of its deals. "If we can build them up to operating success quickly, we can be more patient about the exit," Stephenson said.

The firm invests primarily in New Mexico in clean technology, software-as-a-service, electronics, and instrumentation and life sciences technologies that don't require regulatory approval.

Its first fund invested in 16 companies, 13 of which are still in business, Stephenson said.

Verge Funds has six partners and now has two EIRs.

<http://www.vergefund.com>