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MPM Capital venture capital firm acquires home away from home in Kansas City, Kan.

KCK office shows action isn't only on coasts

Kansas City Business Journal - by [Mike Sherry](#) Staff Writer

A leading international life sciences venture capital firm has made Kansas City, Kan., its first domestic base of operations outside the biotech hotbeds on the East and West coasts.

MPM Capital, which has offices in Boston and San Francisco, is renovating a roughly 6,500-square-foot building just south of **The University of Kansas Hospital**.

MPM bought the vacant property at 1901 Olathe Blvd. in February for roughly \$600,000, said Dr. Steven St. Peter, a managing director for the firm.

The three-story, 1920s-era colonial home is a former Ronald McDonald House, which served families in town for children's medical care. The charity now has two homes located near the Hospital Hill campus of Children's Mercy Hospitals and Clinics.

MPM's renovations should be finished by the summer, St. Peter said.

The space is large enough to provide offices for life sciences startups, and St. Peter said the location is desirable because of its proximity to the **University of Kansas Medical Center** and other research centers.

With more than \$2 billion under management, MPM's core markets are human biopharmaceuticals and medical devices. MPM has a track record in Kansas City, having last year led a \$38 million investment in **Proteon Therapeutics Inc.**, a biopharmaceutical company that was founded locally and now is based outside Boston.

"We have been paying attention to a lot of the innovation that is taking place off the coasts," St. Peter said, "whether it's Wisconsin, Kansas or Michigan."

It makes sense to be in Kansas City, St. Peter said, because MPM sees a lot of opportunities in the region to expand its portfolio into animal health, crop science and — to a lesser extent — bioenergy.

It works out well geographically for St. Peter, too.

His brother, Dr. Robert St. Peter — who is married to Anne St. Peter, former chairwoman of the Greater Kansas City Chamber of Commerce and co-founder of marketing firm Global Prairie — is CEO of the **Kansas Health Policy Institute** in Topeka.

MPM's decision to open an office in the region might encourage migration from other funds, said Tom Thornton, CEO of the **Kansas Bioscience Authority**.

“They will be asking Steve and his partners: ‘What are we missing? What’s going on in Kansas?’” Thornton said.

In fact, representatives of other out-of-state venture capital funds are looking at establishing local presences.

Andrew Ziolkowski of Indiana-based **MidPoint Food & Ag Fund** said fund officials have looked for office space throughout the region. He expected to be back in the area for a couple of days the week of March 15.

Like MPM, MidPoint is among eight venture capital firms the KBA tapped last year to be part of a \$50 million program designed to bring more life sciences investment capital into the region.

The program is intended to spur additional investment in the participating funds, which must establish a Kansas office to be eligible for the KBA financing.

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