

## **RESUME**

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### **Current University Position**

Professor of Finance, Stephen M. Ross School of Business, The University of Michigan

Founder and Director, The Center for Venture Capital and Private Equity Finance, Stephen M. Ross School of Business, The University of Michigan

### **Academic Background**

B. Arts, B. Commerce, St. Francis Xavier University, Nova Scotia, Canada

M.B.A., University of Detroit

Ph.D., The Ohio State University

### **Teaching Areas and Courses Taught Annually**

Venture Capital Finance  
Private Equity Finance  
Global Private Equity  
Financing Research Commercialization  
Entrepreneurial Finance

### **Federal Government Service**

Director of Research, White House Conference on Small Business, 1995

### **Awards**

2019 Governor of Michigan Special Recognition Award for Leadership in Development of Michigan's Venture Capital and Entrepreneurial Financing Investment Legislation and Financing System, 2019

2017 Michigan Venture Capital Association “Above and Beyond” Lifetime Award, February, 2017

2016 University of Michigan, Office of Research Technology Transfer Division Lifetime Leaders and Best Award, May, 2016

2015 Crain’s “100 Most Connected People in Michigan Recognition: Ranked # 22”, July, 2015

2010 Corp! Magazine Business and Technology Award for Contributions to Technological Entrepreneurship, April 20, 2010

2009 Lifetime Achievement Award, Michigan Venture Capital Association, November 9, 2009

1980, 1981 Twice winner of National Association of Small Business Investment Companies annual award for best research on venture capital investment (1980, 1981).

### **Executive Education Activities**

#### **Current:**

Founding Co-Director, The Midwest Venture Showcase, Virtual, April 27, 28, 2021

Founder and Faculty Director, The University of Michigan Growth Capital Symposium (presented annually, 1980-2020)

Founder and Faculty Director, The University of Michigan Private Equity Conference (presented annually, 2004-2020)

Founder and Faculty Director, Catalyzing Operational Excellence, An Executive Education program for operations executives of Riverside Company (private equity investment company) and Riverside’s portfolio companies.

Founder and Faculty Director, Business Owners’ Boot Camp, An Executive Education program for owners of private businesses on corporate growth, associated private equity financing and harvesting options, sponsored by Bank of America and Merrill Lynch.

Faculty Member, “LBO Valuation in Private Equity Transactions”, Executive Training Program in Mergers and Acquisitions, Institute for Mergers, Acquisitions and Alliances, Vienna, Austria

**Past:**

Co-Director, “Software as a Service Workshop for SaaS-Based Companies”, Pacific Crest Securities, Inc., San Francisco, CA

Founding Director, University of Michigan School of Bank Management

Director, University of Michigan Institute for Continuing Legal Education program, "Advanced Financial Management for Law Firms"

Faculty Member, University of Michigan Public Finance Institute

**Current Research and Status**

Evolution of Michigan’s Entrepreneurial Ecosystem, 1974-2021 (Retirement Leave Research Project, 2020-2021, in process

“Spawning New Venture Capital Funds” with Emmanuel Yimfor, Shane Miller (in process)

“Private Fund Duration ... Proposing a New Metric: PFD” with R. Castilla, F. David-Visser

**Books and Monographs:**

“A Study of the Effectiveness of Mentoring in University-Based and Non-University Based Entrepreneurial Accelerator Educational and Accelerator Programs” with Jeffrey Sanchez-Burks and Tom Jensen, Sponsored by The Ewing B. Kauffman Institute for Entrepreneurial Research

Brophy, The Influence of Merit Regulation on the Return Performance of Initial Public Offerings, Chicago, The American Bar Association, May 1990, 182 pp.

Brophy, Finance, Entrepreneurship and Economic Development, Institute of Science and Technology, The University of Michigan, 1975, 1980

Gies, Apilado, Brophy and Jones, Legislating for Economic Expansion, Ann Arbor: Division of Research, The University of Michigan, 1970.

Brophy, Venture Capital Financing: Opportunities and Needs in Southeast Michigan, Detroit, Metropolitan Affairs Corporation, January 1983.

Brophy, Finance, Entrepreneurship and Economic Development, Institute of Science and Technology, The University of Michigan, 1975, 1980.

Gies, Apilado, Brophy and Jones, Legislating for Economic Expansion, Ann Arbor: Division of Research, The University of Michigan, 1970.

## **Published Articles:**

“Fostering Collaborative Research and Innovation Between Surgeons and Engineers”, with Kavitha Chinnaiyan et al., published in The Future of Cardiovascular Imaging Research and Innovation, a dedicated issue of the Journal of Cardiology, (Winter, 2016)

“Hedge Funds: Investors of Last Resort?”, Review of Financial Studies (2009)

Spatial Agglomeration and the Performance of Risk Capital, (with Brian Poi and Adam Wadecki), The Economic Outlook for Michigan, 2007

“Fraud Deterrence in the Private Equity Investment System”, A Business Approach to Fraud Deterrence, New York, (John Wiley & Sons, 2006), pp. 170-195.

“Structuring the Transaction: The Key Elements”, Taking Research to Market: How to Build and Invest In Successful University Spinouts, Tang, et al. London, Euromoney Books, 2004, pp. 153-164

Structuring the Transaction: Term Sheet and Deal Structure”, Taking Research to Market: How to Build and Invest In Successful University Spinouts, Tang, et al., London, Euromoney Books, 2004, pp. 166-180.

“Publicly Traded Venture Capital Funds: Implications for Institutional ‘Fund of Funds’ Investors”, Venture Capital, M. Wright, et al., 2003, pp. 185-205.

“Private Equity in Emerging Markets”, Global Perspectives, (WD Institute), 2003

“Equity Finance and the Economic Transition of Rural America: A New Framework for Private Sector Initiatives and Positive Economic Public Policy”, Equity for Rural America: From Wall Street to Main Street, Kansas City, MO, (Federal Reserve Bank of Kansas City, Summer, 1999), pp.107-164.

“The Financing of Small and Medium-Sized Enterprises: Some Observations on the American Experience”, Le Financement de l’Entreprise, Paris, France (Conseil National du Credit et du Titre, Banque du France, September, 1999), pp. 259-293.

"Evaluating the Venture Capital Investment Fund" Managerial Finance, (Jan-Feb 1994).

"A Finance Theory Perspective on Research in Entrepreneurship", (with J. Shulman), Entrepreneurship: Theory and Practice, 1992, Summer, Vol. 16, No 3.

"How Financial Factors Influence Innovation", (with J. Shulman), Entrepreneurship: Theory and Practice, 1992, Fall, Vol. 16, No. 4.

"Financing the New Venture: A Report on Recent Research", Entrepreneurship in the 1990's, ed. Donald Sexton and John Cascara, Boston (P.W.S. Kent, Inc., January 1992), 475 pp.

"An Application of Seasonal Adjustment Models to the Volatility of Futures Prices," Managerial Finance, (pp. 11-19, July 1990).

"Venture Capital in Michigan," Michigan Bar Journal, January 1990, Vol. 69, No. 1, pp. 16-25.

"International Joint Ventures: Factors in Their Success and Failure," Proceedings of the Fourth International Technical Innovation and Entrepreneurship Symposium, (Fall 1989).

"The Effects of the Threat of Takeover on Corporate Management," The Economic Outlook for the U.S. 1990, Ann Arbor, MI, (The University of Michigan Economics Department, November 1989), pp. 179-193.

"Financing the Women-Owned Enterprise," The Woman Entrepreneur, B. Hagen (ed.), New York, (Praeger Publishers, 1989), pp. 55-76.

"Seasonal and Maturity Effects in Futures Contracts," (with S. Chen and W. Wroblewski), Proceedings of the American Statistical Association, 1988, pp. 36-43.

"The Development of an Integrated North American Venture Capital Market," Conflict and Cooperation in Canadian - United States Economic Relations, New York (Praeger Publishers, 1988), pp. 120-135.

"Characteristics of Publicly Traded Venture Capital Funds: Implications for Institutional "Fund of Funds" Investors," Journal of Business Venturing, Vol. 3, No. 3, Summer 1988, pp. 187-206.

"Analyzing the Volatility of Interest Rate Futures," (with W. Wroblewski and F. Gentner), Proceedings of the American Statistical Association, 1985.

"The Venture Capital Market in the U.S.," Economic Outlook, Ann Arbor (The University of Michigan Department of Economics, January 1985), pp. 41-65.

"Venture Capital Research," Frontiers of Research on Entrepreneurship, Dallas, Texas (Ballinger Press, 1985).

"Equity Participation Agreements and Bank Loans to Small Business," Contemporary Studies in Economic and Financial Analysis, vol. 42, Part B, JAI Press, 1984, pp. 63-90.

"The Treasury Bill Futures Market: A Formulation and Interpretation," Journal of Futures Market, Spring, 1982.

"Pricing and Structuring Venture Capital Investments," Frontiers of Research on Entrepreneurship, Wellesley, MA, Babson College, 1982.

"Analysis of Interest Rates as Nonstationary Time Series," Proceedings, American Statistical Association annual meetings, 1981.

"Research on Venture Capital," The Encyclopedia of Entrepreneurship, New York (Prentice-Hall, 1981), pp. 165-192.

"The Federal Government Guarantee of Small Business Credit: Cost Measurement, Cost Reduction, and Co-Insurance Alternatives," Sponsored Research Report, Washington, DC (Small Business Administration, November 1980).

"The Equivalence and Efficiency of the U.S. Treasury Bill Futures Market," Proceedings, European Finance Association meetings, Graz Austria, September 1980.

"An Analysis of Venture Capital Investment in the U.S., 1977-80," National Venture Capital Association, Occasional Paper, Division of Research, The University of Michigan, March 1980.

"The Cost and Availability of Credit and Venture Capital for New Businesses," Proceedings of the White House Conference on Small Business, January 1980.

"Risk Capital and Economic Development," Economic Outlook Conference, Ann Arbor, Michigan, The University of Michigan, March 1979.

"The U.S. Treasury Bill Futures Market and Hypotheses Regarding the Term Structure of Interest Rates," Financial Review, Fall 1978.

"A Theory of Risk Averse Bank Behavior," Division of Research, Graduate School of Business Administration, The University of Michigan (Working Paper #151), 1977.

"The Effect of Market Structure on Bank Performance," Division of Research, Graduate School of Business Administration, The University of Michigan (Working Paper #152), 1977.

"A Study of Venture Capital: The Financing of New, Technology-Based Firms," Journal of the Midwest Finance Association, 1974, pp. 58-76.

"Financial Requirements of New, Technology-Based Firms," Proceedings of the Financial Management Association, Atlanta, Georgia, October 1973.

"Role of Commercial Banks in Financing New, Technology-Based Firms," Proceedings of the Eastern Finance Association, Hartford, Connecticut, April 1973.

"Restrictions on International Activities of U.S. Banks," Proceedings of the Workshop for International Financial Management, Ann Arbor: Graduate School of Business Administration, The University of Michigan, May 1970, pp. 17-24.

"Equity Participation and Commercial Bank Loans," Proceedings of the Midwest Finance Association, April 1970, 65 pp.

"The Usury Law: A Barrier to Housing Finance," Michigan Business Review, 22 (January 1970), pp. 25-31.

## **Papers Delivered at Professional Meetings**

“A Study of the Effectiveness of Mentoring in University-Based and Non-University Based Entrepreneurial Accelerator Educational and Accelerator Programs: Preliminary Results” with Jeffrey Sanchez-Burks and Tom Jensen, Sponsored by The Ewing B. Kauffman Institute for Entrepreneurial Research (in process). Presented at the annual meeting of VentureWell, Inc., Washington, D.C.

“Re-evaluating the Institutional Investors’ Appetite for Risk: Evidence from the Private Equity Market: 2000-2009”, Foundations and Endowments Summit, New York, March 25, 2010.

“Structural Changes in Global Private Equity Markets”, The Indus Entrepreneurs’ (TiE) Global Conference, Bangalore, India, 2009.

"Applications of Capital Structure Theory in the Emerging Growth Company", paper presented (with J. Shulman) at the Babson Conference on Research in Entrepreneurship held at INSEAD, Fontainebleu, France, June 1992.

"Effect of Venture Capital Backing on Initial Public Offerings," The Institute of Management Science (TIMS) Annual Meeting, Osaka, Japan, July 1989.

Invited Speaker, Annual Symposium on Research in Entrepreneurship, University of Southern California, February 1989.

Program Coordinator, Asia-Pacific Venture Conference, Hong Kong (Hong Kong Venture Capital Association, sponsor), January 1989.

"Financing the Turnaround Company," Turnaround Managers Association Seminar, Washington, DC, September 20, 1988.

Invited Speaker, Annual Symposium on Research in Entrepreneurship, University of Southern California, February 1988.

"Equity Kickers and Bank Loans to Small Firms," Conference on Entrepreneurship, Georgia Tech, April 1984.

"Technological Innovation, Incentives and New Firms," Conference of the American Physical Society, Detroit, Michigan, March 28, 1984.

"Banks and Venture Capital," American Institute of Banking Symposium, Detroit, Michigan, February 9, 1984.

"Futures and Options: Their Role in Financial Management," Annual Financial Executives Conference, Conference Board of Canada, Toronto, Canada, February 2, 1984.

"Megatrends and Management," Credit Unions Executive Program," Mackinac, Michigan, August 5, 1983.

"Sources of Information on Venture Capital," Annual meeting, American Bar Association, Atlanta, Georgia, August 3, 1983.

"Public Sector Venture Capital Investment in New Technology-Based Firms," Annual meeting, American Academy of Science, Detroit, Michigan, June 1983.

"Financial Futures Markets: Implications for Financial Management," Annual Financial Conference, Conference Board of Canada, May 10, 1982.

"Pricing and Structuring of Venture Capital Investments," Conference on Research in Entrepreneurship, Babson College, April 20, 1982.

"A Proposed Course on Venture Capital Investment," Conference on Entrepreneurship, Baylor University, Waco, Texas, June 1981.

"The Flow of Venture Capital in the U.S., 1970-1980," Conference on Entrepreneurship, Baylor University, Wellesley, MA, April 1981.

### **Editorial Activities**

Founding Editorial Board, Journal of Business Venturing

Founding Editorial Board, International Journal of Business Venture Capital Founding Editorial Board, Journal of Private Equity

Reviewer, Journal of Futures Markets Reviewer, Financial Management Reviewer, Journal of Finance

### **Public Service Activity**

Co-founder, Michigan Technology Council

Member, Governor's Commission on Entrepreneurship. Member, Michigan Economic Action Council.

Member, Governor's Task Force on High Technology.

Consultant, Governor's Commission on the Regulation of Financial Institutions. Judge, the Ernst & Young Entrepreneur of the Year Competition



## **University and Business School Committee Activities (Current and Past)**

Advisor to the University of Michigan Vice President of Research on Institutional Initiatives for Funding UM Startup Companies Based on UM Licenses

Advisor to the Director of the UM Office of Technology Transfer Venture Center on Preparing Spin Off Companies to Compete for Venture Capital Finance

Member, Finance Department Committee on Real Estate Curriculum

Member, University Research Policies Committee

Chairman, NCAA Professional Sports Career Counselling Panel

Member, University Board in Control of Intercollegiate Athletics Member, UM Business School Strategic Planning Committee

Member, Executive Committee, UM College of Engineering Financial Engineering Program

Member, Committee on the Economic Status of the Faculty Member, Committee on Technology Transfer

Director, Officer for Research on Independent Business, The University of Michigan. Director, University of Michigan Research Corporation.

Consultant, University of Michigan Investment Office.

## **Business Affiliations**

### **Current:**

Advisor, Compass Technology Fund, Palo Alto and New York (venture capital fund). Advisor, Bio Star Ventures, Petoskey, MI and Irvine, CA (venture capital fund)

### **Past:**

Director, Munder Capital Management, Inc., Birmingham, MI. Director, Nighthawk Radiology Services, Inc., Phoenix, AZ

Director, Riverplace Financial Corporation; Detroit, Michigan (Private banking company) owned by Stroh family and Stroh Brewing Company

Trustee, Renaissance Assets Fund, Detroit, Michigan (Money Market Fund)

Investment Advisor, Boards of Trustees, City of Detroit General Retirement System and Policemen and Firemen's Retirement System

Corporate Finance Staff, Ford Motor Company of Canada, Toronto, Ontario Treasurer's Office Staff, General Motors Corporation, Detroit, MI

Cost Control System Manager, Huntington National Bank, Columbus, Ohio

Founder and Member, Michigan Venture Capital Forum (Association of Venture Capital Investment Firms)

Director, Growth Capital Foundation; Detroit, Michigan

Director, The Chi Group, Inc.; Ann Arbor, Michigan (a health services management firm)

Co-Founder and Director, Vector Research, Inc.; Ann Arbor, Michigan (Operations Research Firm)

Chairman of the Advisory Committee, Michigan Investment Fund; Midland, Michigan (Venture Capital Fund)

Consultant, Merrill Lynch, Pierce, Fenner and Smith; Detroit, Michigan Consultant, National Bank of Detroit

Consultant, National Venture Capital Association; Washington, DC Consultant, Small Business Administration; Washington, DC Consultant, U.S. Treasury, Washington, DC

Director, Stoneridge Resources Corporation (NYSE), Bloomfield Hills, MI Director, Orangeco, (NYSE), Bartow, FL

Consultant, The Stroh Companies; Detroit, Michigan

Consultant, Federal Ministry of Science and Technology; Canberra, Australia Advisor, Doan Resources; Midland, Michigan

(Venture Capital Fund)

### **Litigation Assistance and Expert Testimony**

#### **Representative selected cases:**

- Expert Witness in the Karmanos vs. Compuware Corporation litigation regarding takeover of Compuware by activist investor Elliot Capital Management, Inc. New York.
- Banking Markets Analysis: 30 cases involving analysis and testimony in Federal and State

Courts and administrative hearings before the Comptroller of the Currency, the Federal Reserve Bank of Chicago, and the State of Michigan Commissioner of Financial Institutions on matters of branching, merging and new charters. My position was upheld by the court or administrative decision in each case.

- Venture capital fund performance analysis: litigation support in a case involving the activities of a syndicate of venture capital firms with respect to the intellectual property of an investee firm. Analysis presented, settled out of court.
- Valuation analysis: as part of a divorce proceeding, rendered a valuation analysis of a minority portion of a private, closely held company. Deposition taken, settled out of court.
- Valuation analysis: rendered a valuation opinion on a \$10 million sales company for purposes of ESOP financing and sales negotiation. Company now in the process of being sold.
- Management evaluation: in a "wrongful dismissal" case, review the performance of a CEO over his tenure with a company to render an opinion of the quality of work and decisions made on behalf of the company.
- Certain Owners of the Stony Point Gas Production Plant v. Marathon Oil
- Taubman Realty Corporation, valuation of "B" Preferred Shares in litigation surrounding hostile takeover bid.