



---

**News Media Contact:**

Ashley White  
Senior Manager, Communications and Media Relations  
713-844-3640  
awhite@houston.org

---

**For Immediate Release: (Tuesday, Oct 24)**

---

## Houston Launches its First Venture Capital Fund of Funds

HX Venture Fund will target investments from business community,  
promote strong collaboration among corporations, startups and innovators

HOUSTON, TX— Houston Exponential today announced the launch of the Houston region’s first venture capital fund of funds, the HX Venture Fund. The fund of funds aims to achieve an attractive return for investors, appeal to leading venture capital firms to offer their expertise and risk capital to the region, and create a pathway for innovation and information to flow among corporations, startups and innovators.

An investment committee and fund manager are in place to evaluate venture firms for placement of the funds. Guillermo Borda, a seasoned fund of funds manager, will serve as fund manager. Borda has held a variety of venture capital and private equity roles, including managing capital via large fund-of-funds for four of the largest public pension funds in the U.S.

“Houston is an innovative city, and the launch of the fund of funds will take it to the next level in terms of competing with other cities globally for startups and talent,” said Borda. “I look forward to taking on this exciting new role, and helping to further bolster Houston’s innovation economy.”

Insperty, the Lead Sponsor for the fund of funds, contributed the necessary runway capital to launch and support the daily operations of the fund through the formation period.

We are proud to take part in this effort to increase venture capital investment in our area, helping to support the strong entrepreneurial spirit that exists in Houston and providing a necessary boost for startups to thrive,” said Paul J. Sarvadi, Insperty co-founder, chairman and chief executive officer. “Insperty’s commitment to help businesses run better, grow faster and make more money dovetails perfectly with the goals of the HX Venture Fund, and we are proud to play a role in launching this initiative for the greater Houston area.”



Blair Garrou, co-founder and Managing Director of Houston-based venture capital firm Mercury Fund, and Board Member of Houston Exponential, will Chair the HX Venture Fund’s Advisory Board.

“The HX Venture Fund will invest in venture capital funds outside of Houston – generating investment and interest in the region while increasing the investable capital available to Houston-based startups,” said Garrou. “The HX Venture Fund is built upon a proven model that provides multiple benefits to its investors.”

The HX Venture Fund is being launched on a best practices model originated by Chris Rizik, CEO and Fund Manager for the Renaissance Venture Capital Fund in Michigan. Financial returns for Renaissance over nine years have outperformed national benchmarks for rate of return and rate of profit distributions. The fund ranks in the top quartile for venture capital fund of funds and is now rated “investment grade,” which means pension funds, endowments and foundations may invest in Renaissance on a returns basis alone. Rizik has been advising the Partnership and the Mayor’s Task Force on the creation of the HX Venture Fund, and will serve on the fund of funds’ investment committee.

“I’ve spoken to many cities about Renaissance’s fund of funds model and the impact it has had on Michigan,” said Rizik. “What I see happening in Houston – the momentum of Houston Exponential and the city’s growing innovation ecosystem – is exciting. Houston has all the ingredients for a successful fund of funds, especially with the strength of its corporate base and research institutions.”

Houston is the fourth largest city in the U.S., but is not currently ranked among the top 20 startup communities across the country by several measures including venture capital investment and number of startups. Based on the Kaufmann Foundation’s 2013 study of metros measuring high-tech startup density, Houston was the only U.S. city to drop out of the rankings altogether.

The Greater Houston Partnership convened the Innovation Roundtable in 2016 to help drive Houston’s innovation ecosystem forward. As part of this effort, Accenture conducted an in-depth study of Houston’s innovation ecosystem and those of peer cities across the country. The Innovation Roundtable took the recommendations of the Accenture study, along with recommendations from the Mayor’s Technology and Innovation Task Force, to establish the structure and strategy of Houston Exponential. Accenture then developed the playbook for Houston Exponential following best practices models and tailoring them to the unique characteristics of Houston.

For more information and additional resources, visit [houstonexponential.org](http://houstonexponential.org).

Follow along on social media using #HoustonExponential

###



## **ABOUT INSPERITY**

Insperty, a trusted advisor to America's best businesses for more than 31 years, provides an array of human resources and business solutions designed to help improve business performance. With 2016 revenues of \$2.9 billion, Insperty operates in 61 offices throughout the United States. For more information, call [800-465-3800](tel:800-465-3800) or visit <http://www.insperity.com>.