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Boeing puts \$10M in venture fund

(Reuters) — Boeing Co. said it invested \$10 million into TechnoCap Inc., a Canadian venture capital fund, aiming for access to venture-backed Canadian companies, in particular those developing computer technology.

Chicago-based Boeing, the biggest U.S. aerospace company, said the investment through its Phantom Works research and development arm is the first of its kind in Canada.

TechnoCap, which has some \$250 million under management, has invested in companies including YottaYotta, Hyperchip and BigBangwidth, all Canada-based software companies.

Miller Adams, director of technology planning and acquisition for Phantom Works, said one aim is for Boeing to access Canadian advances in "massive parallel" computer technology, which could allow it to use its global network of computers more efficiently.

Adams said he expects Boeing to boost its venture capital investments to \$300 million within the year, bucking a trend in which many large technology corporations have been cutting back or abandoning "corporate venturing" units following the technology-stock meltdown.

Unlike other large companies, Boeing plans to invest in venture capital funds rather than make direct investments in companies. Direct investments have caused many writedowns and much corporate pain in recent years. Boeing has made some 30 investments into venture funds, Adams said in an interview.