

# Driving Innovation & Entrepreneurship

Creating the New Virginia Economy

**Center for Innovative Technology**

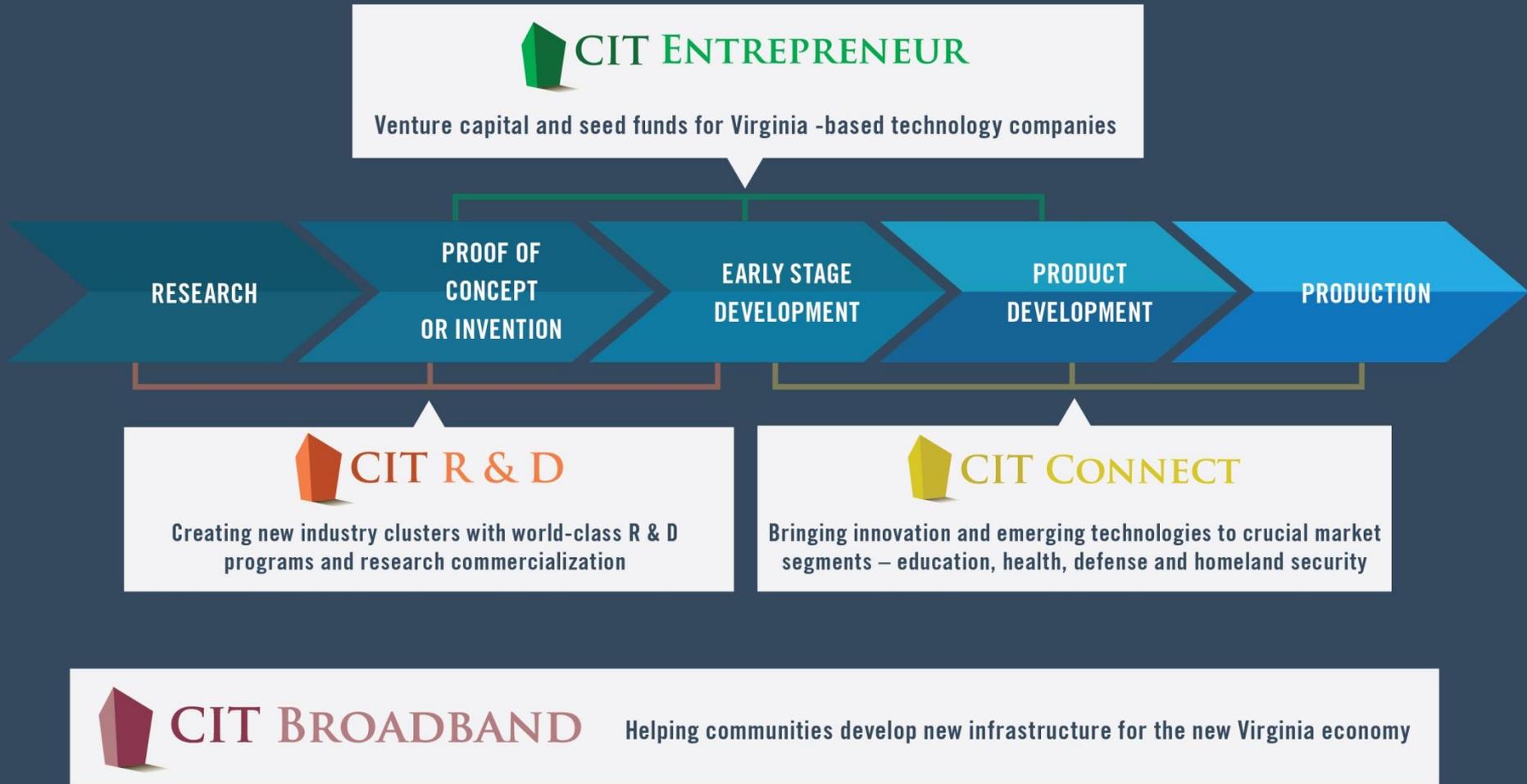
2014 ANNUAL REPORT

**Pete Jobse**

JCOTS  
10/22/2014

# Growing Virginia's New High-Tech, High-Growth Companies

## CIT PLUGS THE EARLY STAGE GAPS ALONG THE INNOVATION CONTINUUM



# Driving Research and Research Commercialization



## RESEARCH & TECHNOLOGY STRATEGIC ROADMAP



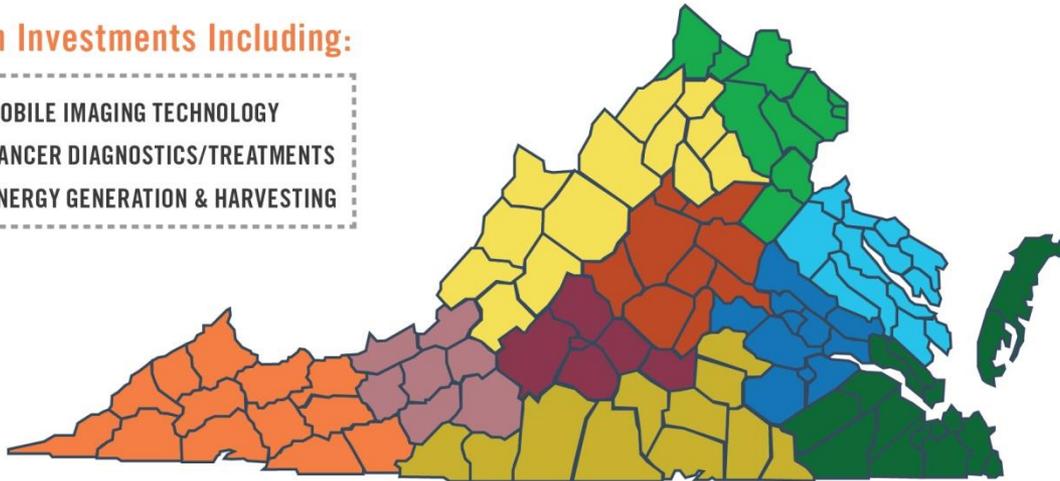
### Developing Portfolio with Investments Including:

DIABETIC THERAPIES  
CYBERSECURITY  
INFRASTRUCTURE SECURITY

MOBILE IMAGING TECHNOLOGY  
CANCER DIAGNOSTICS/TREATMENTS  
ENERGY GENERATION & HARVESTING

### Planting Seeds for the New Virginia Economy:

50 PATENTS FILED  
22 PATENTS/LICENSES  
4 NEW COMPANIES  
1 COMPANY EXPANSION  
1 COMPANY RELOCATION TO VA  
2 NEW PRODUCTS/SERVICES  
\$30M PRIVATE INVESTMENTS



### Roadmap Industry Clusters

- ADVANCED MANUFACTURING
- AEROSPACE
- COMMUNICATIONS
- CYBER SECURITY
- ENERGY
- ENVIRONMENT
- INFORMATION TECHNOLOGY
- LIFE SCIENCES
- MODELING & SIMULATION
- NUCLEAR PHYSICS
- TRANSPORTATION

### SUPPORTING COMMERCIALIZATION IN THE COMMONWEALTH



# Driving Seed Investments & Funding

## CIT GAP FUNDS PIPELINE & METRICS:

3,000+ Applications received from entrepreneurs for seed investments over 10 years.



### INVESTMENTS

	QUANTITY 7/1/13-6/30-14	AMOUNT 7/1/13-6/30-14
First-time Investments Closed - <b>GAP</b>	24	\$2,099,617
First-time Investments Closed - <b>MACH37</b>	10	\$250,000
Second-round Investments Closed - <b>GAP</b>	15	\$1,122,459
Second-round Investments Closed - <b>MACH37</b>	8	\$200,000
	57	\$3,672,076

### VALUE

GAP Fund companies have grown in value from \$1M to \$310M in 8 years



## GENERATING \$248 MILLION IN SEED CAPITAL



**\$233 MILLION**  
OF PRIVATE FUNDING WITH 16.2 LEVERAGE

Since 2005, GAP Funds have invested  
**\$15** million in 114 companies that attracted  
**\$233** million in private investment.

**16.2**  
LEVERAGE

# CIT CONNECT:

## Driving Innovative Solutions for Better Performance

### VIRGINIA LONGITUDINAL DATA SYSTEM (VLDS)



VLDS is designed to provide Virginia citizens, researchers, and policymakers with a single point of access to educational and workforce training data from multiple, independent sources.

ENABLING EDUCATIONAL IMPROVEMENTS FOR

**1,273,210**  
VIRGINIA STUDENTS

### DIVERSIFIED CONSULTING PORTFOLIO



**\$7 MILLION**  
IN TOTAL REVENUE

# Driving Strategic Deployment of Infrastructure for the New Virginia Economy

EXPANDING BROADBAND TO GROW E-HEALTH AND E-COMMERCE IN ALL CORNERS OF VIRGINIA



## HONEST BROKER PROVIDERS & CUSTOMERS

Bridging the gap between providers and public sector clients



## TRUSTED RESOURCE FOR LOCALITIES

Providing guidance on resources for public sector clients



## MARKET ANALYST

Analyzing market trends & forecasting



## ADVOCATES

Communicating the value of broadband



**82** COMMUNITIES ASSISTED



VIRGINIA HOUSEHOLDS INSUFFICIENT ACCESS



TELEHEALTH SERVICES

**58.6% HOSPITALS**



**21.3% PHYSICIANS**



# Innovation and Entrepreneurship Measurement System

## STRENGTHS



Fastest Growing Firms



Number of Scientists & Engineers



Number of High Tech Jobs



Workforce Education



New Economy Ranking

## INNOVATION & ENTREPRENEURSHIP MEASUREMENT SYSTEM (IEMS)



STEM Degrees



Federal R&D



Public Sector Investment



University Licensing



Startups

## CHALLENGES



Venture Capital



Industry Research & Development



IPOs



Entrepreneurial Activity

METRICS TO GUIDE THE TRANSFORMATION FROM CHALLENGES TO STRENGTHS



# MACH37™

*Fall 2014*

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# Summary

Within 12 months, MACH37™ has made considerable progress in building a sustainable accelerator.

- Launched 17 cybersecurity start-ups
- Established an expanding (STARS) mentor network of >100 leading cybersecurity executives
- Built a pipeline of high-potential entrepreneurs, particularly from the technology-rich security researcher community
- Established thought leadership in cybersecurity innovation, entrepreneurship and investing

We have more work to do.



# Stars Mentor Network 100+ and Growing

We have built a network of mentors that is rich with current and former industry executives supporting MACH37™ companies.

Mentors support our companies in the following ways:

- Concept validation
- Advisory board participation
- Operational roles
- Angel investment
- Strategic partnerships
- Channel relationships

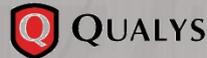


# Ecosystem to Support Company Growth

Since its launch, MACH37™ has built a network of 100+ STARS mentors and program contributors, representing many leading organizations, including the following:



Booz | Allen | Hamilton

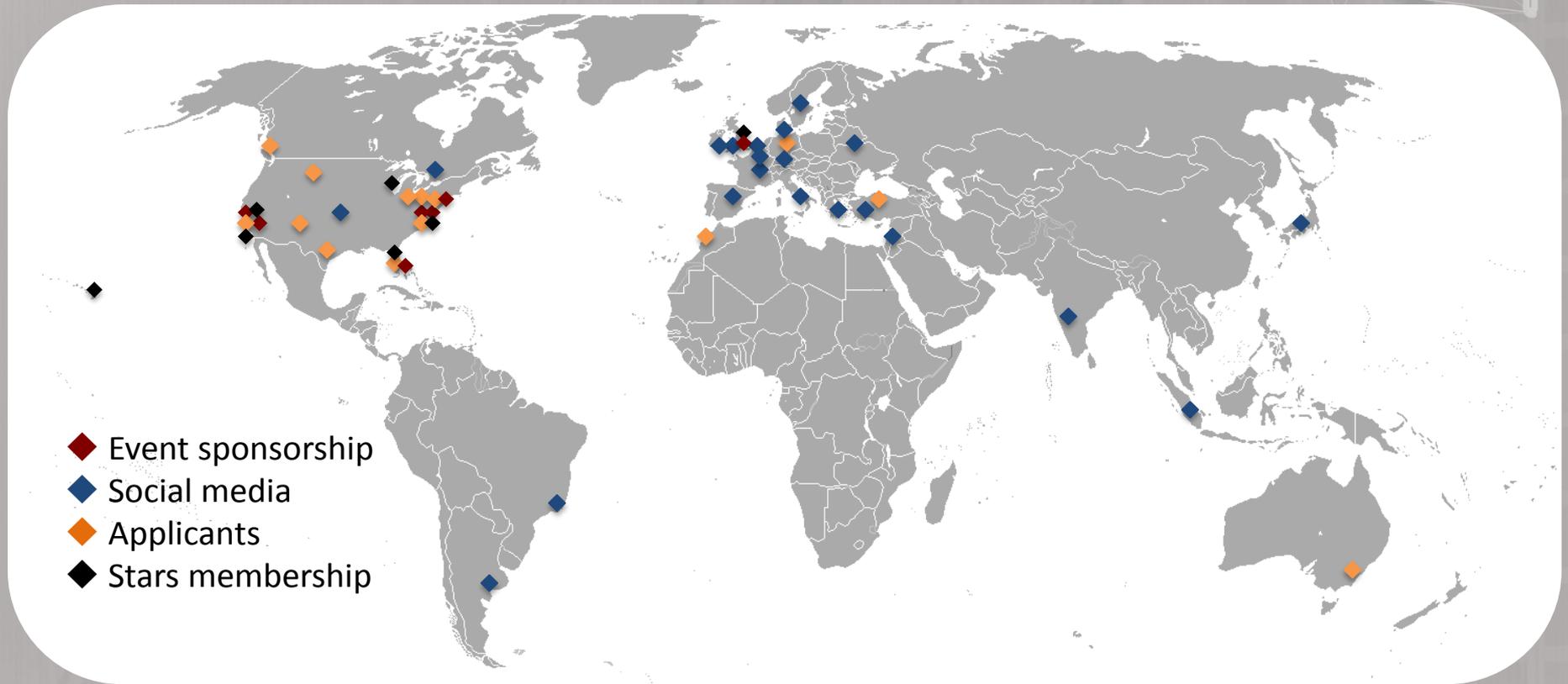


MACH37 2214 Rock Hill Road, Suite 270  
Herndon, VA 20170

[www.mach37.com](http://www.mach37.com)

# Growing Global Awareness

Within 12 months of operations, MACH37™ has demonstrated increased global reach through event sponsorship, social media activity, applicants and STARS Network membership.



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# Support the Portfolio

While they continue to progress, most companies require support well beyond the initial 14 week period.

