



**Development  
Services Agency**

John R. Kasich, Governor

David Goodman, Director



**Third Frontier**  
Innovation Creating Opportunity

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

# Third Frontier Commission Meeting

## June 11, 2015

4656803245  
45670982346  
68092385603  
68230848564  
80692380458  
56234685604  
06135069236  
02394530495  
36823845068  
62308485069  
4526803456  
34685096804  
56234562343  
23656742364  
85748742848  
wdrfopk hyspny  
jchofp spn  
ghkdska ( 0)j (9TY)

hvj dthvojvlvq  
Cv sh  
mv474  
44b  
AWC(a)  
1047707  
5345344

1004770040100  
4410 -432040  
0064 463 550  
664454144443  
064444333  
12785  
450.42.1327007  
voiscjvwudvasd

000 1136

# Agenda

<b>10:00</b>	Call to Order Approval of 04/16/2015 Meeting Minutes <b>(Vote)</b>	David Goodman
<b>10:05</b>	Technology Validation & Start-up Fund <b>(Vote)</b>	Paul Jackson
<b>10:30</b>	Commercial Acceleration Loan Fund <b>(Vote)</b>	Diane Chime
<b>10:45</b>	Entrepreneurial Signature Program: Accelerant	Mihaela Jekic
<b>11:30</b>	Program Updates Norm Chagnon - Pre-Seed Fund Capitalization/ Seed + - Commercial Acceleration Loan Fund - Entrepreneurial Internship Program	
<b>11:55</b>	Other Business	
<b>12:00</b>	Adjourn	

# Technology Validation & Start-up Fund Program

# Technology Validation & Start-up Fund Program

## Purpose

- Support Ohio institutions of higher education and other Ohio not-for-profit research institutions in doing a better job at licensing and monetizing their technological discoveries.
- Create economic growth in Ohio based on start-up companies that license and commercialize technologies developed by Ohio institutions of higher education, other Ohio not-for-profit research institutions and federal labs located in Ohio.

# Technology Validation & Start-up Fund Program

- **Lead Applicants/Phases:**

**Phase 1** – Technologies developed at Ohio research institutions needing additional validation/proof before an Ohio start-up company will license. Up to \$50,000 w/ 1:1 cash cost share.

**Phase 2** – Ohio start-ups and young companies that are a prospective licensee of a technology from an Ohio institution. Up to \$100,000 as initial capitalization w/ no cost share (\$150,000 in areas of Medical Tech or Software Applications)

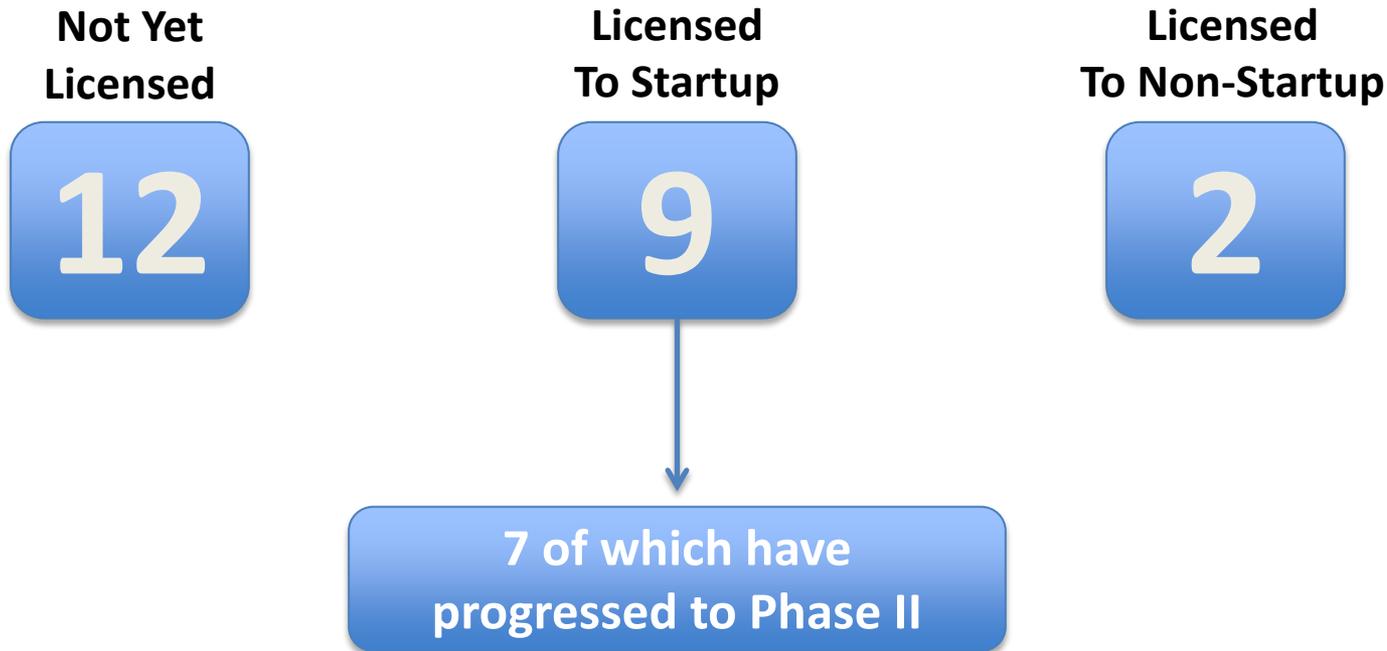
- **External Evaluator:** YourEncore

# Technology Validation & Start-up Fund Program

- **9<sup>th</sup> Cycle of the TVSF program.** To date, including this cycle:
  - Phase 1 proposals - 181      Phase 1 awards - 72
  - Phase 2 proposals - 112      Phase 2 awards - 46
- **Current cycle**
  - 26 proposals w/ 8 recommended for award
  - 11 proposals are re-submits, of which 4 are recommended
- **Activity that should improve Proposal Quality:**
  - FAQ
  - Shift Due Date
  - I-Corps@Ohio

# Technology Validation & Start-up Fund Program

- To date, **23** Phase 1's and **13** Phase 2's are complete.  
Phase 1 progress:



# Technology Validation & Start-up Fund Program

- To date, **23** Phase 1's and **13** Phase 2's are complete.  
Phase 2 progress:

Trials/ R&D

4

Pre Market  
Entry

4

Market Entry

4

5 of which have gotten  
equity investments



*Innovative Results through Proven Expertise*

# Technology Validation and Start Up Fund-Round 9

4350 Glendale-Milford Rd., Suite 110  
Cincinnati, OH 45242  
[www.yourencore.com](http://www.yourencore.com)

P: 513.794.9777  
F: 513.794.9781

# Overview

- 31% of grants submitted this round recommended for approval (8 of 26\*\*). Total grant dollars recommended is \$550,000.

Round	Approval Rate	\$\$ Recommended
1	35%	\$950,000
2	52%	\$900,000
3	44%	\$610,000
4	30%	\$864,000
5*	46%	\$1,462,000
6	39%	\$998,000
7	57%	\$1,100,000
8	37%	\$710,000
9	31%	\$550,000
Overall	40%	\$8,144,000
Average		\$904,889

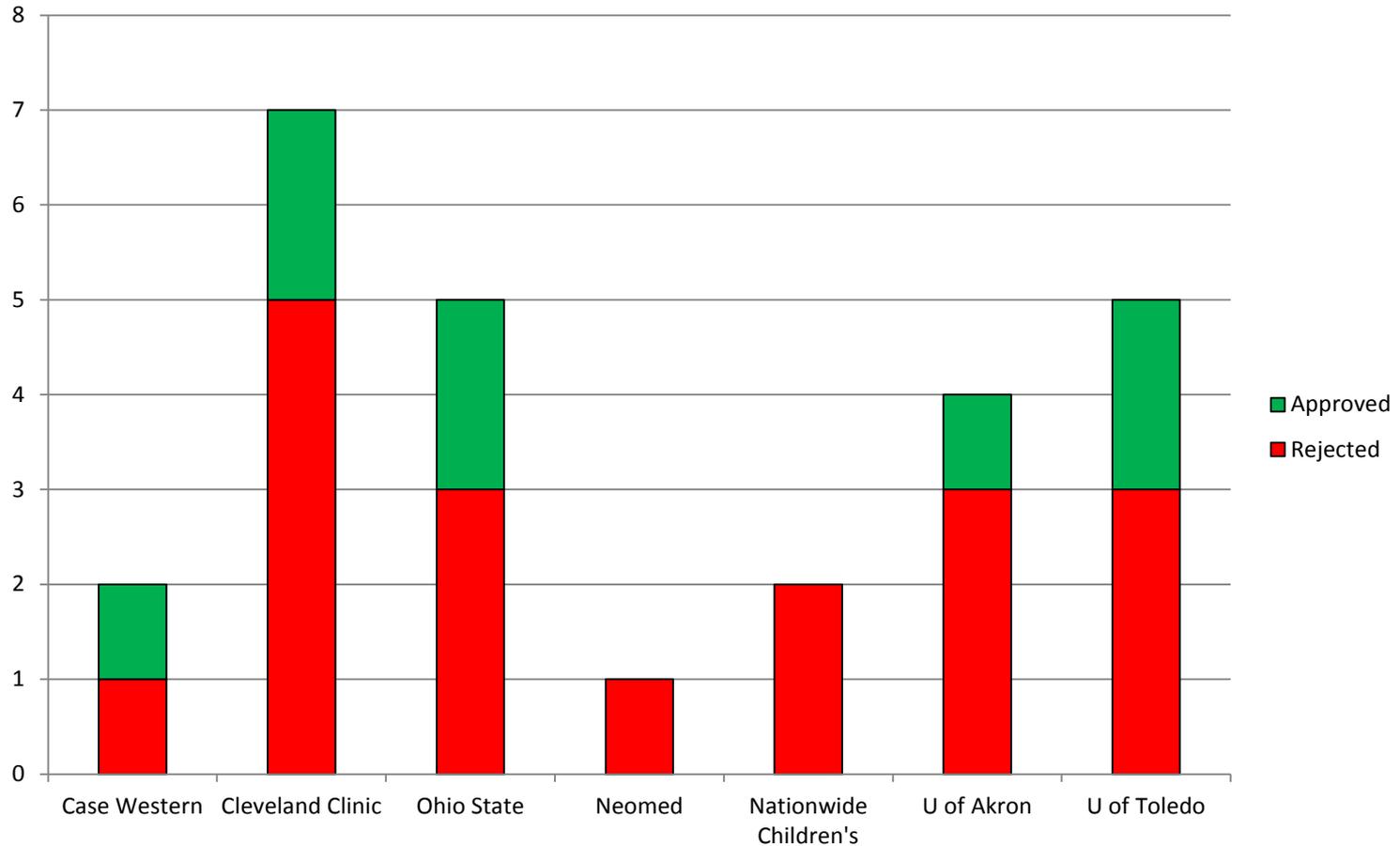
- Proposal quality varied broadly.
  - *However, submissions this round were of lower quality than last few rounds.*
- Continue to encourage potential resubmissions to take advantage of the opportunity to debrief.
  - *It was evident that some benefited highly from the discussion, others disinclined advice given.*
  - *Resubmission success rate was 36% overall.*

\*Note 1: \$100K conditional award for 13-541 in round 5 was superseded by 14-524 in round 7 for the same amount.

\*\*Note 2: One Phase 2 proposal withdrawn by applicant; original total was 27. Statistics all based on 26 submissions.

# Overview

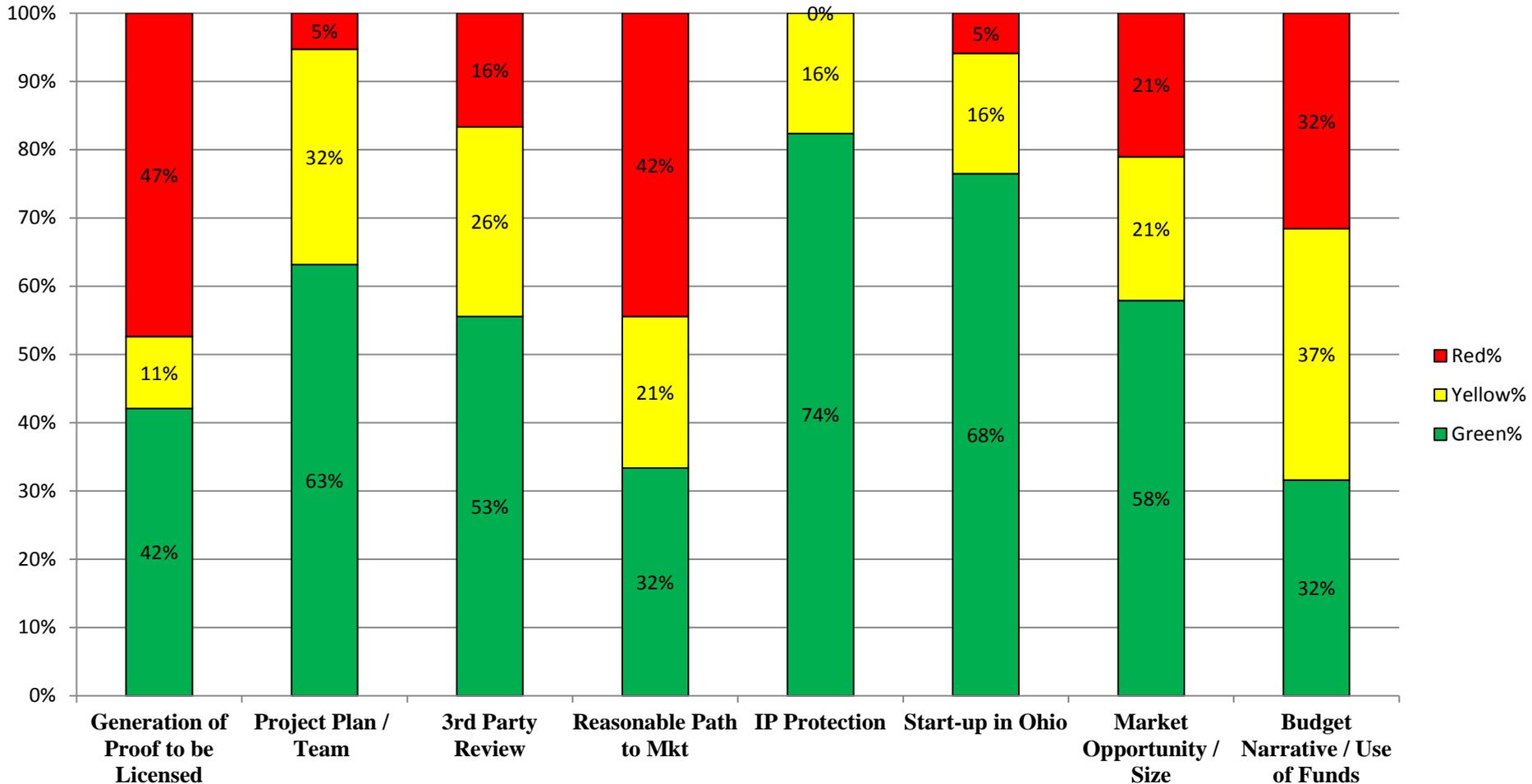
## Round 9 Results: Applications by Institution



# Trends

## Round 9

### Phase 1 Category Ratings



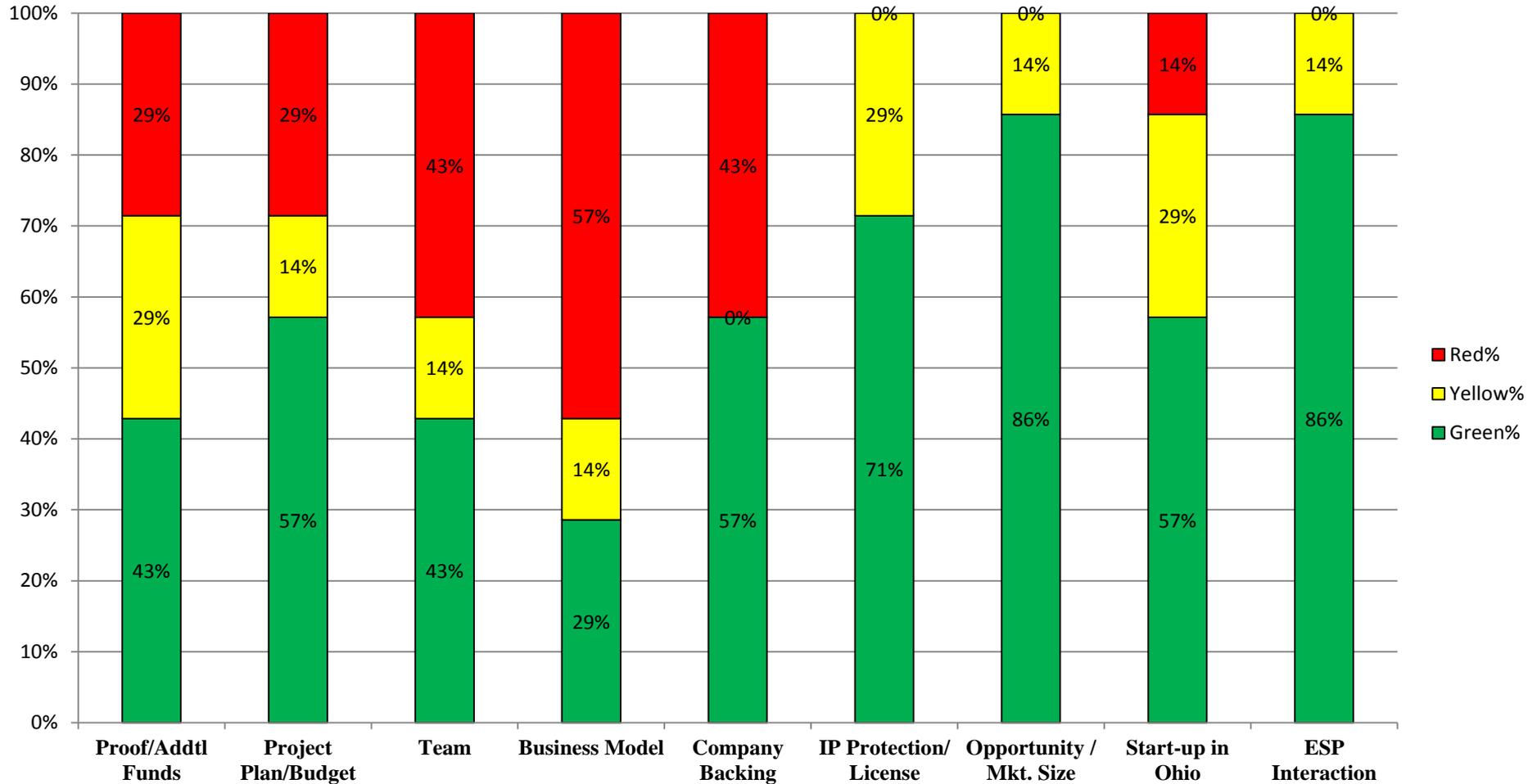
# Phase 1 Proposals Recommended for Funding

Proposal #	Lead Applicant	Title	State Funds Requested	Total Budget	Recommend
15-775	Ohio State University	Vaporizing Foil Actuator Welding	\$50,000	\$100,000	\$50,000
15-779	Cleveland Clinic Foundation	Molecular Imaging of Prostate Cancer	\$50,000	\$100,000	\$50,000
15-781	Cleveland Clinic Foundation	The Urocapsule: A new clinical tool for home bladder monitoring and improved diagnosis of incontinence	\$50,000	\$100,000	\$50,000
15-782	Case Western Reserve University	Injectable Autologous Stem Cell-Based Therapy for the Treatment of Critical-Size Bone Defects	\$50,000	\$100,000	\$50,000
15-785	University of Akron	Artificial Tactile Skins using Hybrid 3D Printing Technologies	\$50,000	\$100,000	\$50,000
15-791	University of Toledo	Additively manufactured patient specific implants	\$50,000	\$100,000	\$50,000

# Trends

## Round 9

### Phase 2 Category Ratings



# Phase 2 Proposals Recommendations for Funding

Proposal #	Licensing Institution	Lead Applicant	Proposal Title	State Funds Requested	Total Project Budget	Recommended
15-795	Ohio State University	Nikola Labs	Wireless Mobile Device RF Harvesting Products	\$100,000	\$100,000	\$100,000
15-798	University of Toledo	Thermomorph LLC	QuickFlow PE	\$150,000	\$150,000	\$150,000

Proposal #	Licensing Institution	Lead Applicant	Capital Raised to Date	Time to Market	Additional Capital to Market
15-795	Ohio State University	Nikola Labs	\$80,000	0.5 Yrs	\$100,000
15-798	University of Toledo	Thermomorph LLC	\$60,000	4 Yrs	\$5MM

# Resubmission and Carry Through

## Round 9

---

### ■ Resubmission

#### — Phase 1

- Eight of Nineteen (42%) Phase 1 proposals are resubmissions
- Two of those eight (25%) are Recommended for Funding

#### — Phase 2

- Three of Seven (43%) Phase 2 proposals are resubmissions
- Two of three (67%) are Recommended for Funding

### ■ Carry Through

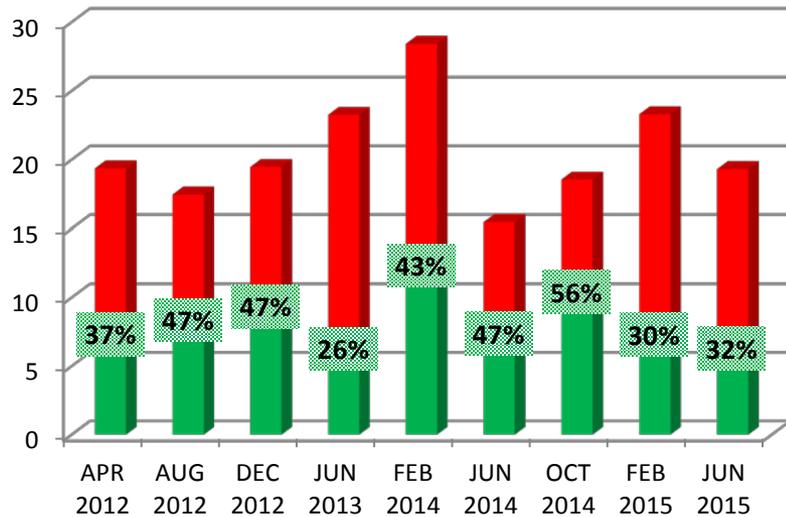
- *One of seven (14%) Phase 2 proposals were previous Phase 1 awardees*
  - It is Recommended (100%) for Funding in this round.

# Trends

## Comparative Results (all rounds to date)

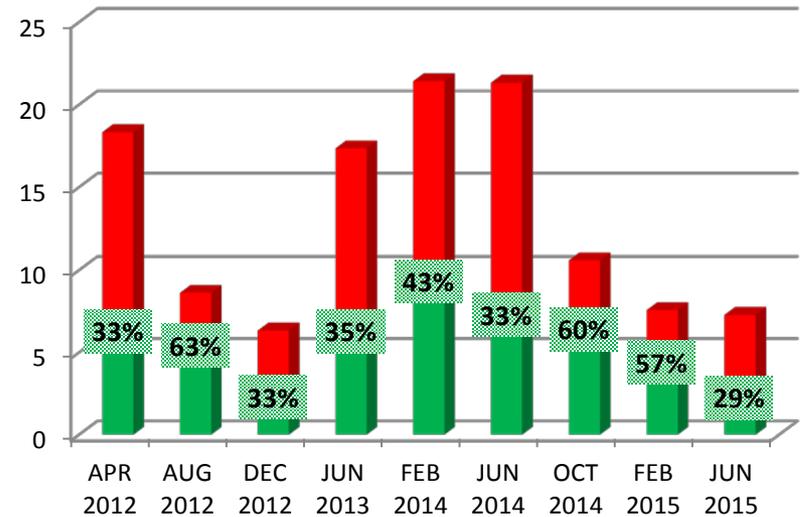
### Rounds 1 – 9 Results

#### Phase 1 Applications



40% Cumulative Approval

#### Phase 2 Applications

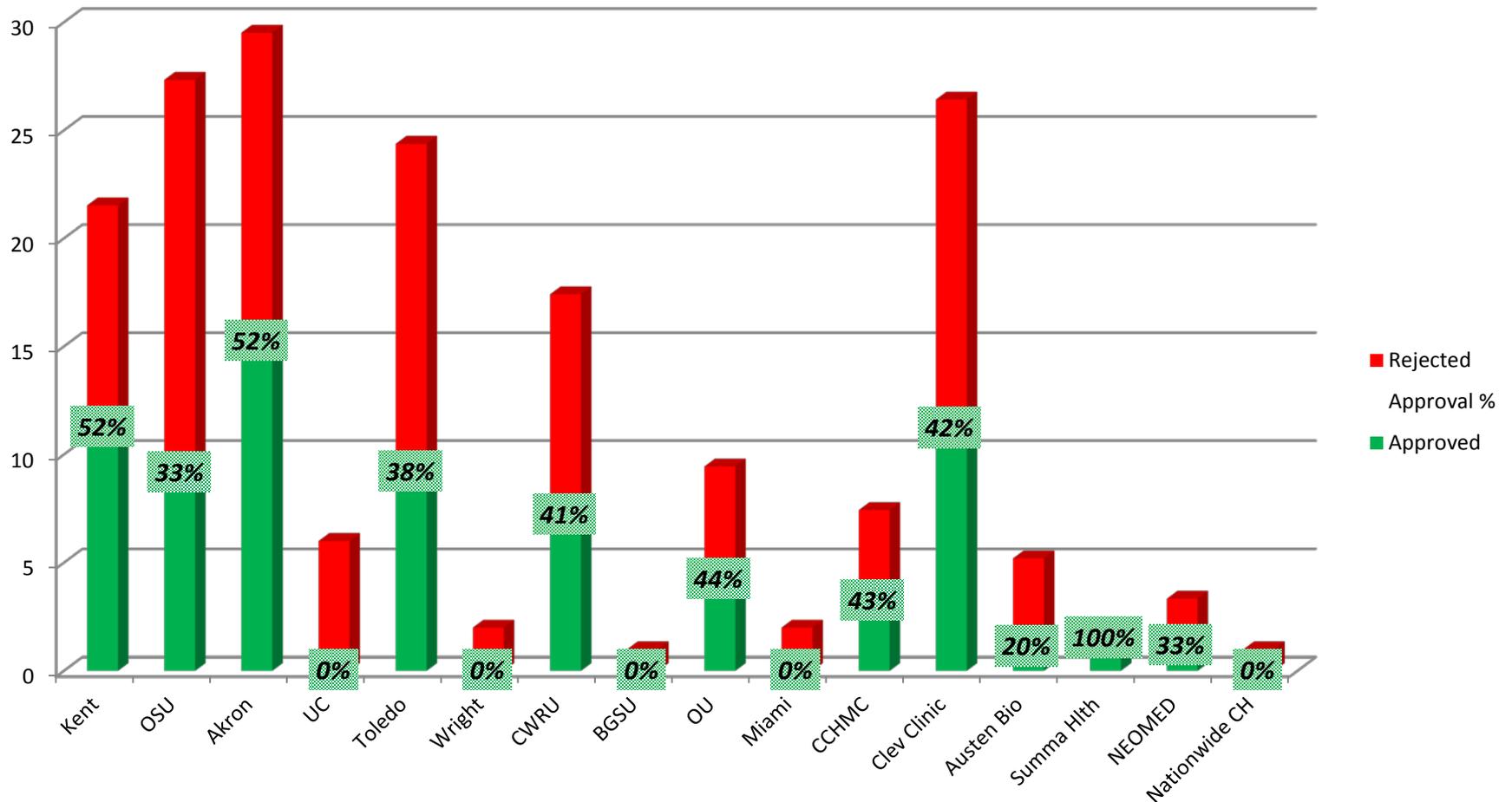


41% Cumulative Approval

# Trends

Cumulative Results – Phase 1 (all rounds to date)

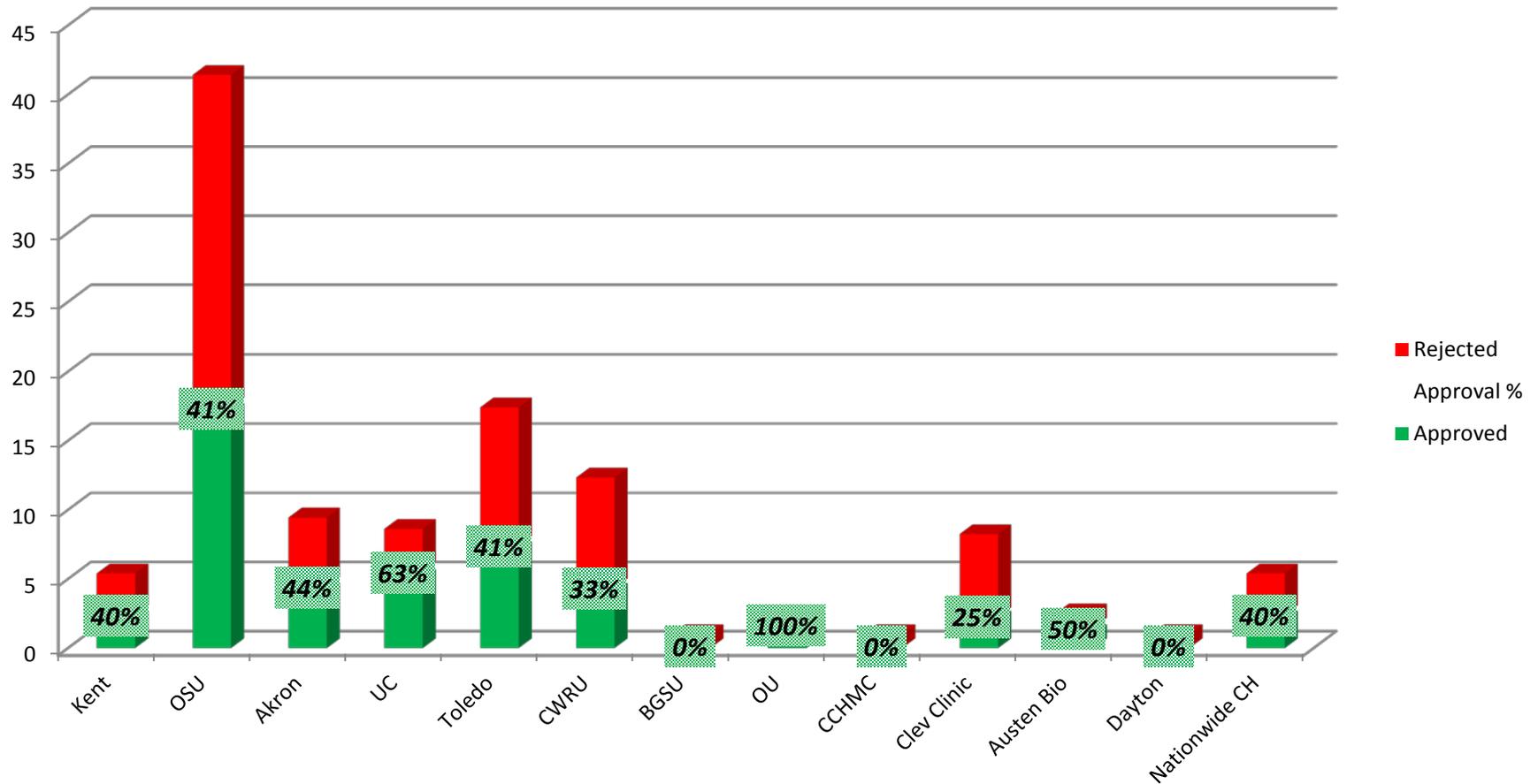
## Phase 1 Approved /Rejected by Institution



# Trends

Cumulative Results – Phase 2 (all rounds to date)

## Phase 2 Approved/Rejected by Institution





Visit our website at: [www.youencore.com](http://www.youencore.com)

# Commercial Acceleration Loan Fund



Development  
Services Agency

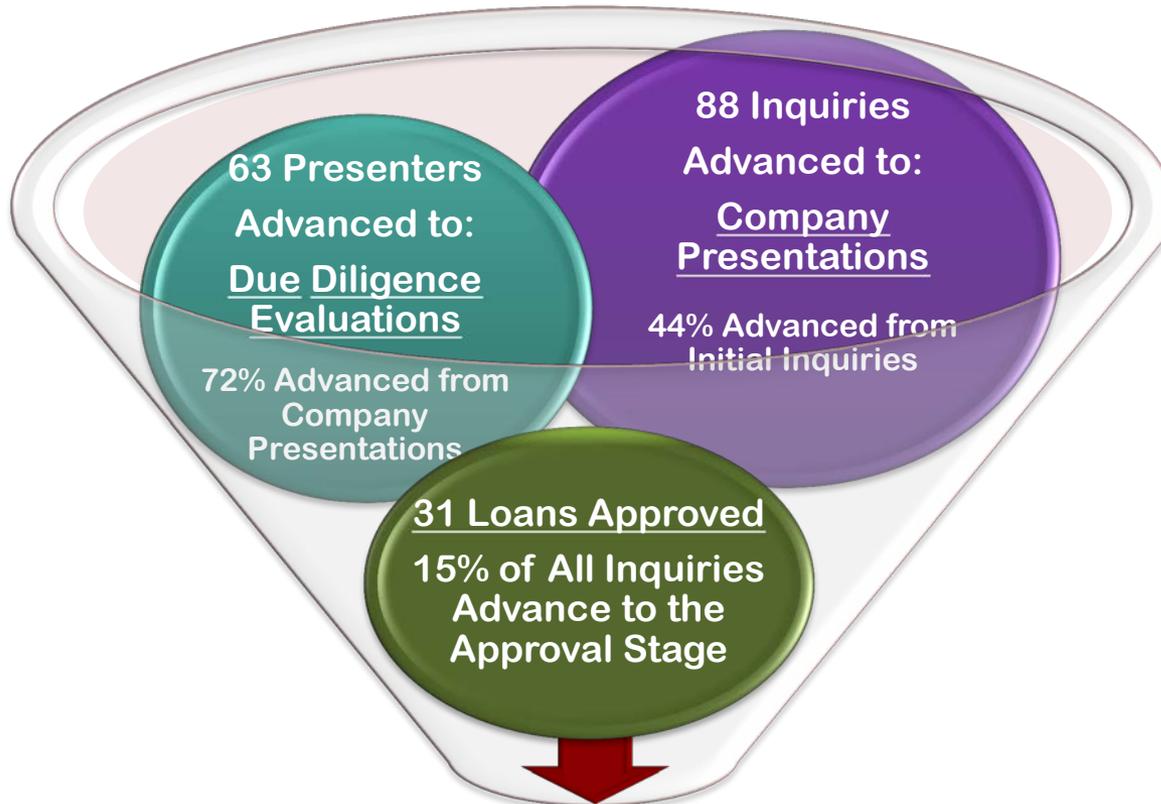


Third Frontier  
Innovation Creating Opportunity

# Early Stage Loans – Historical Pipeline Review (2013-2015)

Ohio Third Frontier - Commercial Acceleration Loan Fund  
Small Business Credit Initiative - Targeted Investment Program

~ 201 Inquiries Submitted to Date ~



**25 of the 31 Approved Loans Closed / Closing\***

**80% of Approved Transactions Close**

# Ohio Third Frontier - Commercial Acceleration Loan Fund

## June 2015 Projects

Company Name	County	Industry	Project Amount	Loan Award	CALF Project Funding Percentage	Total Jobs Committed
Eccrine Systems, Inc.	Hamilton	Sensors	\$1,500,000	\$1,000,000	67%	43

### Evaluator Recommendation Summary SBCi Ltd. (SBCi), Susan Stanton

Market	Technology/ Product	Intellectual Property	Legal	Business Model	Financial Review	Management Team	Evaluator Recommendation

# Entrepreneurial Signature Program: Accelerant

# Program Updates

- Pre-Seed Fund Capitalization/ Seed +
- Commercial Acceleration Loan Fund
- Entrepreneurial Internship Program