

Funding Options for Start-up Small Businesses

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Science, Technology, & Innovation Priorities for the 2015 Federal Budget

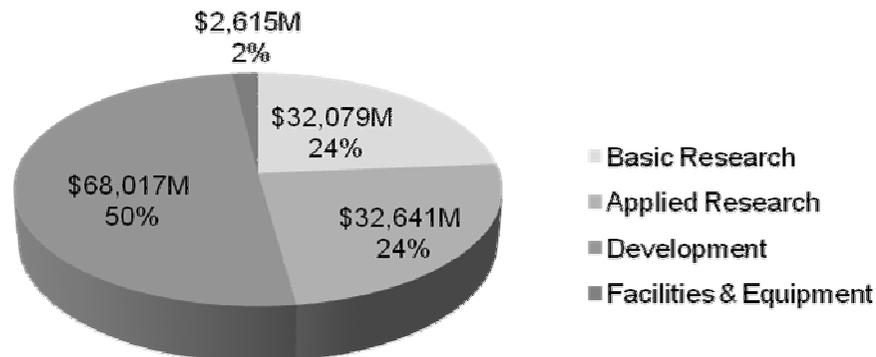
- Manufacturing
- Energy
- Climate
- Health
- Environment
- National Security

Key Topical Areas of Interest

“We can win the future—by unleashing the talent and ingenuity of businesses and workers in every corner of this country...”

“...That's how America will win the future - by out-innovating, out-educating, and out-building our competitors.”
– President Barack Obama

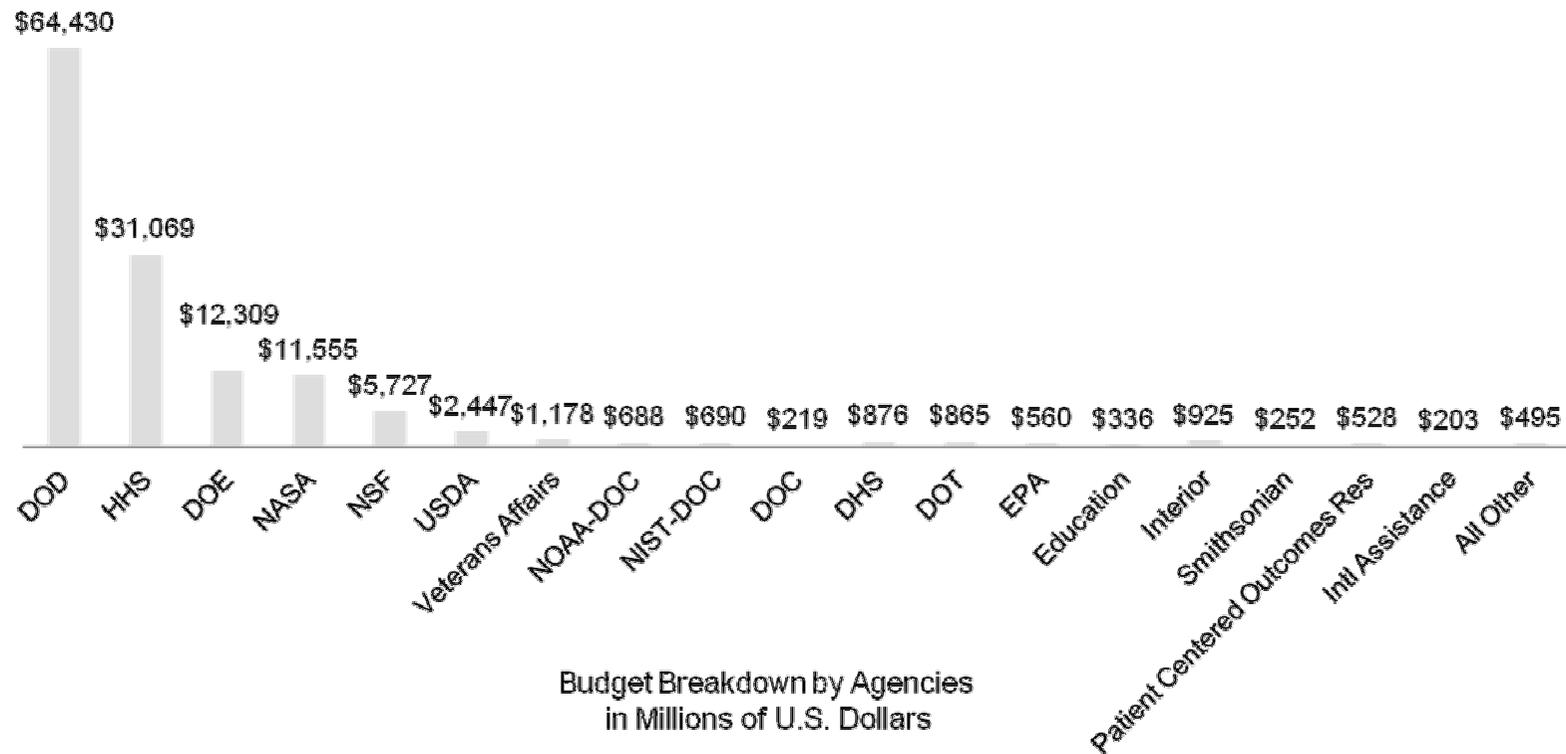
\$135.4 Billion Dollar Budget for Federal R&D = Renewed Commitment to STEM Enterprises in America



- US Global Change Research Program
- Networking & Information Technology R&D
- National Nanotechnology Initiative

Multi-agency Initiatives

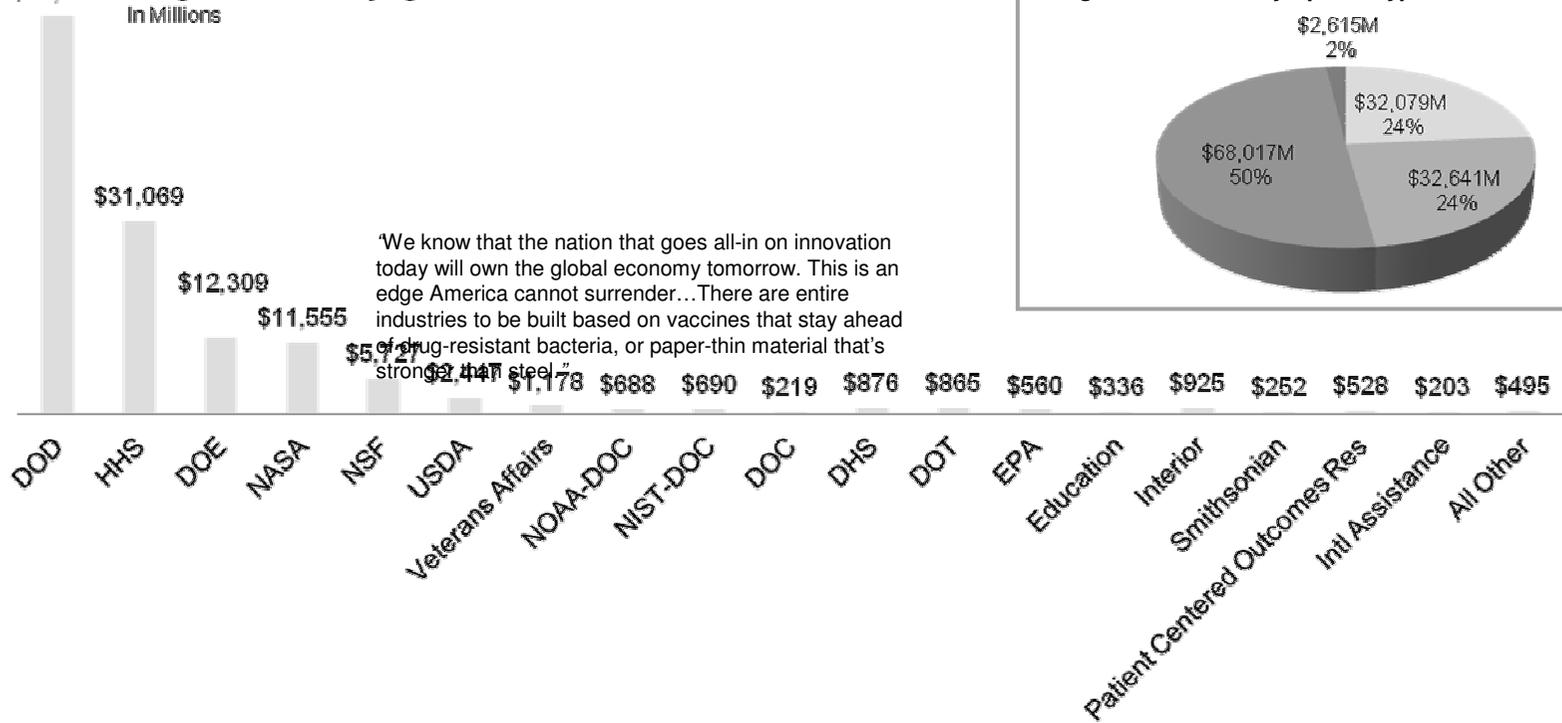
Science, Technology, & Innovation Priorities for the 2015 Federal Budget



These critical investments will not only spur technological innovation but will help develop a 21st Century STEM workforce here in America that can maintain leadership and growth in critical areas of strategic economic and national security interest.

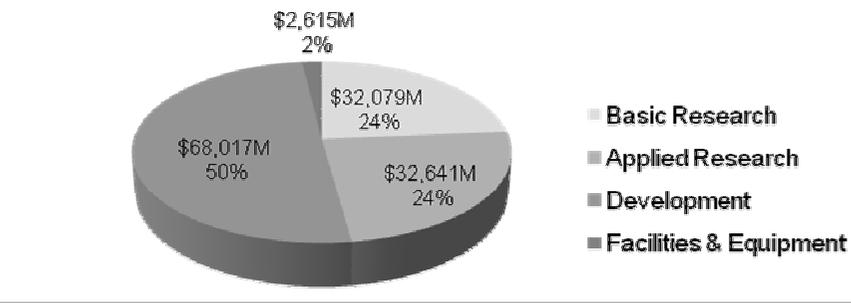
The \$135 Billion R&D Budget of the United States – FY'15

Budget Breakdown by Agencies
In Millions



'We know that the nation that goes all-in on innovation today will own the global economy tomorrow. This is an edge America cannot surrender...There are entire industries to be built based on vaccines that stay ahead of drug-resistant bacteria, or paper-thin material that's stronger than steel.'

Budget Breakdown by Spend Type



- | | |
|--|--|
| <p>The budget...</p> <ul style="list-style-type: none"> •Sustains a World Leading Science and Research Enterprise •Spurs Innovation •Makes America a leader in Advanced Manufacturing •Advances Cleaner, American Energy •Improves Health for All Americans •Prepares Americans with STEM Skills •Expands Business R&D Investments (R&E Tax Credit) | <p>Interagency Science & Tech Initiatives...</p> <ul style="list-style-type: none"> •National Nanotechnology Initiative •Networking and Information Technology R&D (e.g., big data) •US. Global Change Research Program |
|--|--|



Innovation Programs

OII's Innovation Initiatives support high-growth entrepreneurs and ecosystems

- **Accelerators** | Work with programs that provide mentorship, access to capital, and co-working space to new businesses in exchange for equity - pilot capital \$2.5m - key activities include:
 - Demo Day | Hosting demo day for accelerators, provide funding and enhance the channel
 - Startup U | Fostering startup ecosystems for universities
 - Network/ Educate Accelerators | “train the trainers” and increase quality of startups via best practice sharing
- **Crowdfunding** | Leadership role on crafting proposed regulations and their impact to stake holders along with educating the small business community on the new platforms
- **Small Business Tax Reform** | Working on proposed regulation, their impact on high-growth businesses along with educating the small business community on its implementation

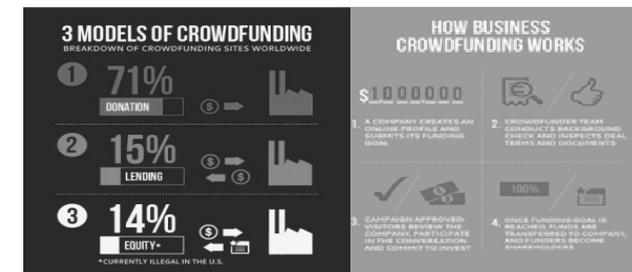
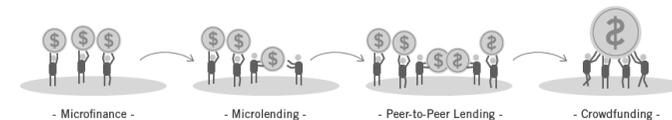


Linking Innovation Industry and Commercialization (LINC)

Butler Venture Accelerator Program

RampCorp

The concept of crowdfunding isn't entirely new. It's come about thanks to a progression of other funding ideologies.



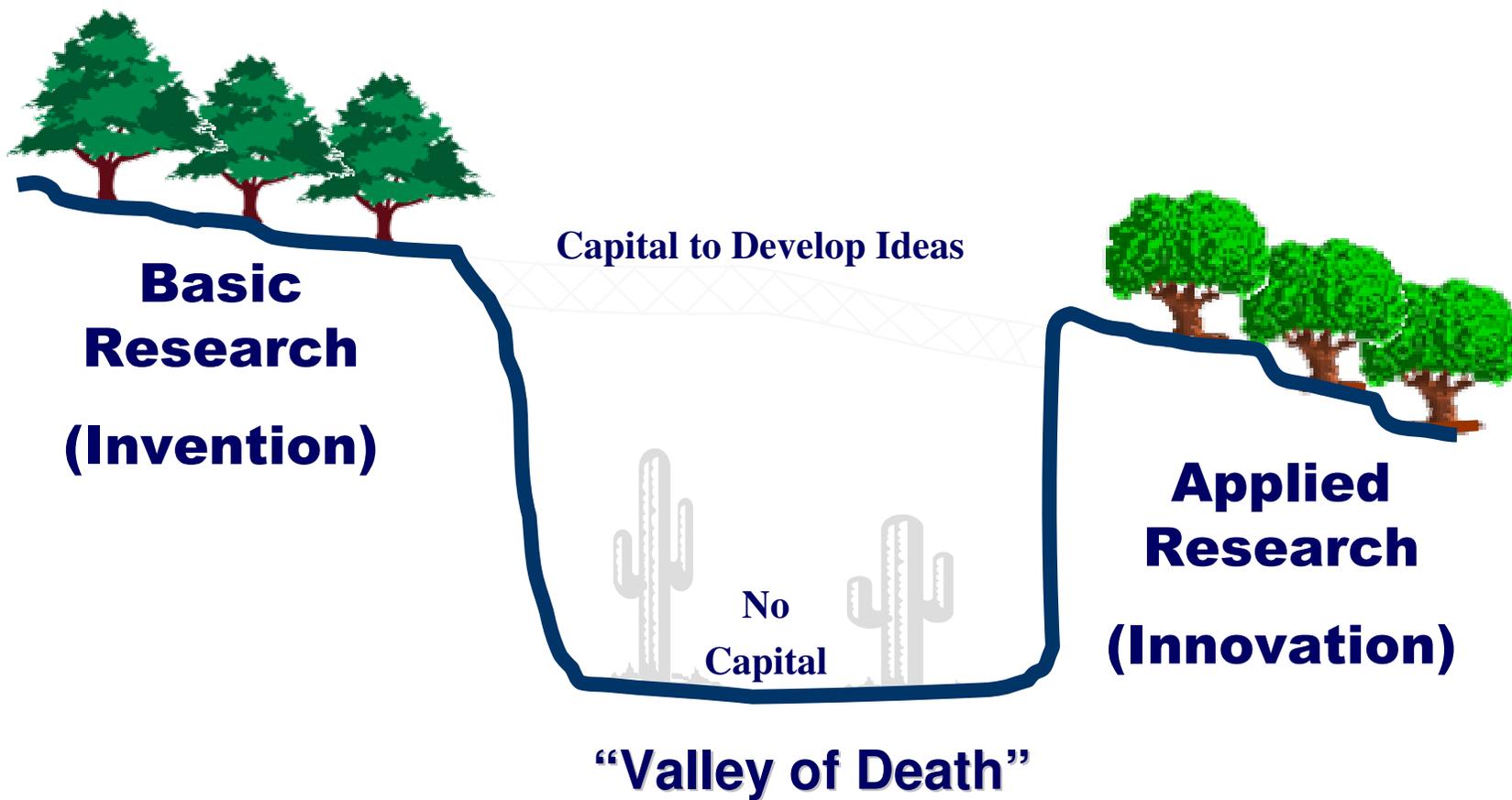
Infographic Source: crowdfunder.com; prafulla.net/infographics/crowdsourcing-and-crowd-funding-infographic

Growth Accelerator Fund: What is an accelerator ?

We expect that applicants will have most if not all of the following characteristics:

- ▶ Selective process to choose participating startups
- ▶ Regular networking opportunities offered to startups
- ▶ Introductions to customers, partners, suppliers, advisory boards and other players
- ▶ High-growth and tech-driven startup mentorship and commercialization assistance
- ▶ Shared working environments focused on building a strong startup community
- ▶ Resource sharing and co-working arrangements for startups
- ▶ Opportunities to pitch ideas and startups to investors
- ▶ Small amounts of angel money, seed capital or structured loans to startups

Providing a bridge from invention to innovation



Congressman Vernon J. Ehlers

Sources of Capital to Consider

- Friends & Family
- US Government Funding Opportunities
 - Grants.gov
 - SBIR.gov
 - SBA Loan Program (<http://www.sba.gov/content/what-sba-offers-help-small-businesses-grow>)
- Crowdfunding Platforms
- Angel Investors
- Foundations (B&MGF, Skoll, Lemelson, AHA, etc...)
- International Development Orgs (World Bank, IADB, UN, etc...)
- Family Offices (Small Mom & Pop Driven)
- Corporate Venture Capital (IBM, DuPont, GE, etc...)
- Venture Capital (FF, Breakout Labs, Formation 8, Kleiner-Perkins, VenRock, etc.)
- International Venture Capital (BRICS-origin)

THE ELEVATOR PITCH

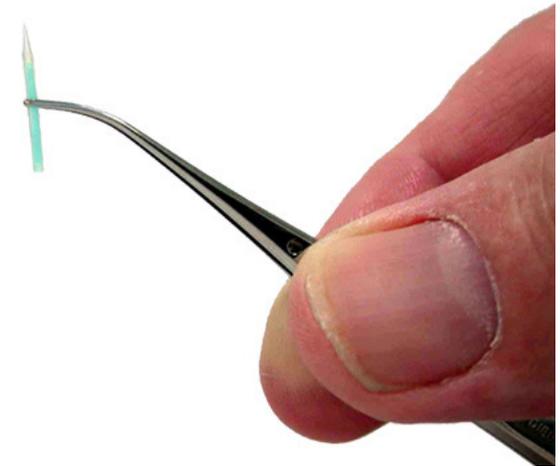
LAUNCH is a global initiative established to: (1) identify and support innovations poised to contribute to a sustainable future and (2) accelerate solutions to meet urgent challenges facing our society.

+ (1) We live on a finite planet. Long-term comfort and a high standard of living for all 7.2 Billion of our fellow human beings means finding technologies that replenish, rather than diminish the Earth's ability to support our civilization.

+ (2) Many of the predicted problems facing humanity are happening right now. Whether it is disease, access to energy, clean water or merely what to do with mountains of waste, we urgently need to get new solutions to work at a scale that can make a substantive impact.



WHY LAUNCH MATTERS



PICTURE: Bioneedle - a revolutionary new way of increasing the safety and comfort of injections.

COLLECTIVE GENIUS = ACCELERATING WORLD CLASS
INNOVATION IN A WAY THAT MAKES SUBSTANTIVE IMPACT:

So far, Launch innovators have attracted \$40m in private capital, helped bring clean water to 4.5m Kenyans and renewable power to 3,000 people in India.

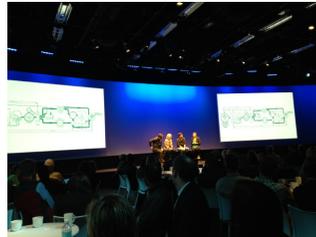
THE LAUNCH PROCESS:

(3) THE ANATOMY OF A LAUNCH CYCLE



WHAT HAPPENS
+ Domain specialists are gathered together to gain an initial understanding of the opportunity area.

KEY OUTCOMES
+ Emerging trends and early partner opportunities are surfaced as well as a draft CHALLENGE STATEMENT.



WHAT HAPPENS
+ The year's Challenge is Launched at a high-profile event.

KEY OUTCOMES
+ The call goes out for world-class innovators and potential LAUNCH COUNCIL participants.



WHAT HAPPENS
+ Innovators upload their entry to this year's cycle to the Launch Submission Portal. A short-list is put to public vote and a final selection by the Launch team.

KEY OUTCOMES
+ A final shortlist of 10 LAUNCH INNOVATORS.



WHAT HAPPENS
+ Innovators and Launch Council members spend 3 days together at a NASA location, evaluating and evolving via IMPACT ROTATIONS.

KEY OUTCOMES
+ Commitments from participants to continue the good work.



WHAT HAPPENS
+ A support infrastructure is put in place around Innovators for the next 6 months

KEY OUTCOMES
+ New approaches, opportunities and partnerships identified at the FORUM are put into practice.