

2014/15

Annual Report



June 30, 2015

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Executive Summary

Background

The Institute's mission is economic development through the commercialization of new discoveries generated from publicly funded research. The Institute supports new company formation and growth activities and administers seed funds that result in high-value job creation, increased capital investment, revenue generation and the delivery of products that are improving and saving lives.

Florida universities and research institutions continue to conduct ground-breaking research and discovery that spurs the creation of tomorrow's leading products and companies, and the Institute for the Commercialization of Public Research (the Institute) plays a vital role by supporting them with hands-on services and funding to increase their likelihood of success. Mining a research base of over \$2 billion, the Institute helps to uncover the most commercially-viable opportunities and delivers programs that complement and enhance Florida's entrepreneurship and innovation ecosystem. By uncovering the vast potential that lies within Florida's research institutions, the Institute is identifying new company and product opportunities that are addressing some of today's toughest healthcare, business and societal challenges.

Formed by the Florida Legislature in 2007, the Institute works collaboratively with the technology licensing and commercialization offices across the state. It focuses on creating investable companies that in turn create clean jobs in innovation industries that are driving the global economy, and strengthen Florida's competitive positioning worldwide.

The Institute's proven, two-pronged approach includes both **company building programs** and **seed funds** that help companies bridge the "Valley of Death" and succeed. Throughout FY 2014-15, Institute programs continued to demonstrate a positive return on the state's investment as evidenced by:

- ✓ New company formation;
- ✓ Increased capital investment, grants and contracts awarded to Institute companies;
- ✓ Successful product launch and revenue generation;
- ✓ Direct and indirect job creation; and
- ✓ Global media and conference visibility.

Results

This fiscal year the Institute commissioned The Washington Economics Group to update its first economic impact study that was conducted at the end of 2014. The previous study analyzed results of Institute programs over the four-year period between fiscal years 2011 and 2014, and concluded that Institute-supported companies had created 1,329 jobs, and the Institute had an overall economic impact in the State of Florida of \$210 million.

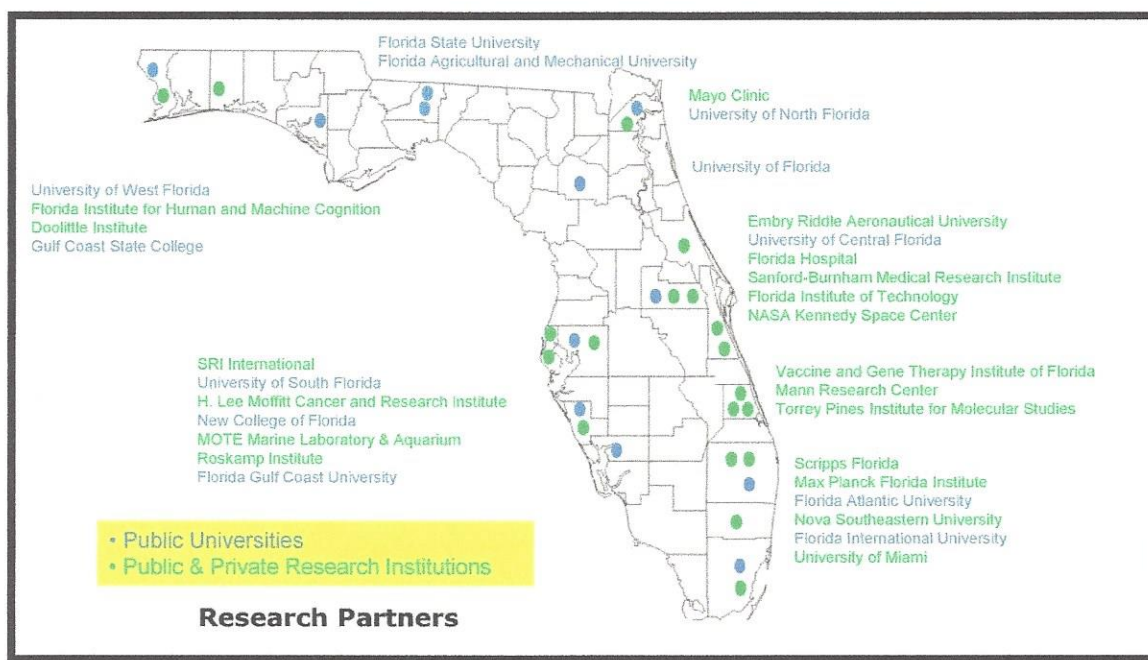
According to the updated study, in FY 2015, Institute-supported companies created 1,144 new jobs, nearly as many in just one year as had been created during the previous four years when the companies were newly-formed and funded. The Institute's overall economic impact in FY 2015 was \$168 million, an increase of ~55% over FY 2014 (\$109 million), and the Institute's overall economic impact from FY 2011 to FY 2015 was \$379 million, an increase of ~ 80% over the previous 4-year total. Institute programs also enabled entrepreneurs to raise in excess of \$28 million this fiscal year, nearly doubling the amount of capital raised over the previous four-year period, and inducing capital into Florida companies that may otherwise have been invested outside

the state. **Overall, the Institute delivered a return on investment to the State of Florida of 14 times.** (See Attachment 1 - WEG Economic Impact Study Executive Summary)

Institute programs generate important economic impacts that support the creation of high-wage employment opportunities (average salary per direct job created ~\$76,000), increased household income for Florida's working families, and other impacts that are essential to the development of an innovation-based, knowledge-intensive economy. Additionally, Institute companies were featured in 3,563 publications that received 72,869 views worldwide, increasing visibility for Florida and Florida-based businesses. Through its company building and funding activities, the Institute continues to play a leadership role in a state-wide collaborative effort to diversify Florida's economy, create and retain jobs in targeted knowledge-based industries, and improve the quality of life for Floridians for generations to come.

Company Creation and Building

The Institute team is comprised of scientists, engineers and entrepreneurs with broad and deep experience starting and growing science and technology-based businesses. Working closely with 31 research partners, they apply their commercial business expertise to help create Florida's next generation of successful companies. This reporting period, the Institute supported the creation of 32 new spinout companies and continued to work with its partners to uncover promising new company opportunities and facilitate technology commercialization. The following map depicts the Institute's public and private research partners:



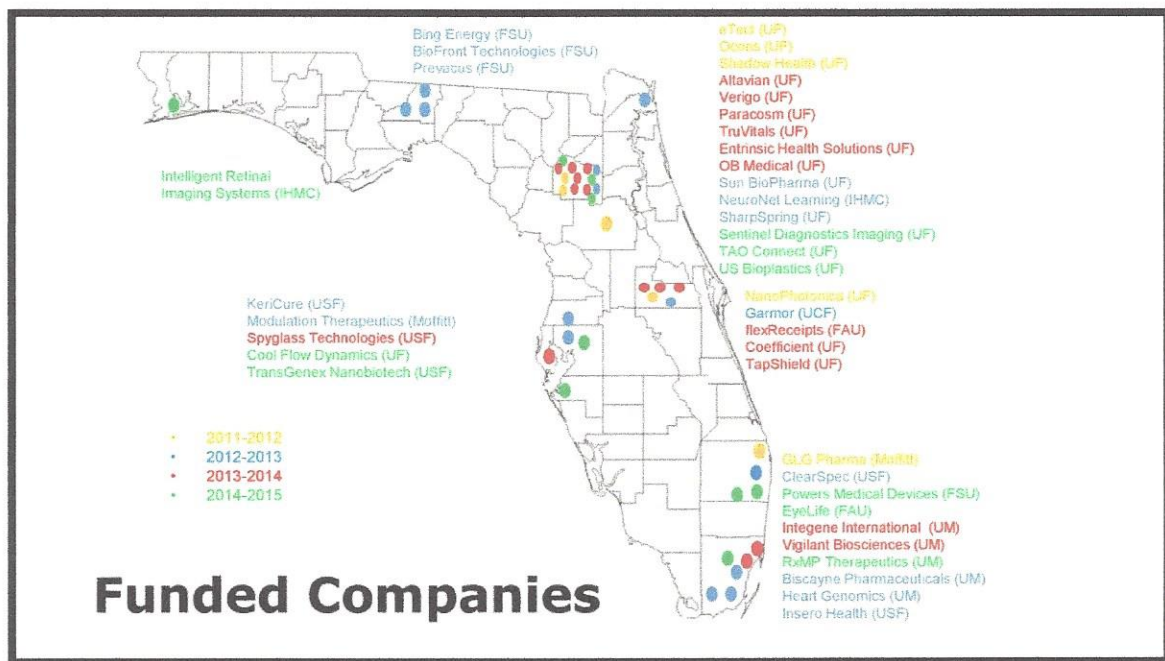
The Institute continues to refine and expand its menu of value-added support services offered to entrepreneurs. Throughout the year it augmented membership in its [Executive Council](#) to link experienced business leadership with less experienced entrepreneurs, and provided talent assessment and coaching services to new company CEOs. The Institute assists companies with the development of business, marketing, strategic and financial plans and models, as well as investor presentations to help them attract talent and capital, reach critical development milestones and grow.

In October of 2014, the Institute engaged with the US Patent and Trademark Office to deliver the national Patent Pro Bono program throughout the state. Florida was the 47th state to begin offering [Patent Pro Bono](#), which matches registered patent agents and attorneys with qualified, under-resourced inventors to help them navigate the intellectual property protection process. The Institute also engaged with the City of Gainesville to provide targeted services to Gainesville-based innovation businesses, and continued to deliver mentor recruitment and community-building services through Startup Quest®, a nationally recognized training program for unemployed and underemployed degree holding professionals, that provides participants with the tools to become successful entrepreneurs.

Capital Attraction and Formation

Seed Capital Accelerator Program and the Florida Technology Seed Capital Fund

Central to the Institute's legislative mandate is its responsibility to use its resources to attract capital investment into startup companies to foster effective management, growth, capitalization, technology protection, and business success. The Institute continued to lead the dialog on the importance of seed funding for early-stage companies to strengthen Florida's positioning in an increasingly competitive economy, and also worked diligently to establish and expand Florida's network of angel investors and investment groups. The Institute deployed all funds available through the **Seed Capital Accelerator Program (SCAP)** which was created in 2011, and continued to deploy funds through the **Florida Technology Seed Capital Fund** which was authorized in 2013. This reporting period, the Institute completed 12 first-round funding transactions and 5 follow-on round funding transactions, and Institute-funded companies attracted over \$28 million dollars in private investment capital. The following map represents companies funded through these two programs:



Development of Angel Networks and Capital Attraction Programs

The Institute has increased efforts to expand angel and seed-stage investment into Florida companies. During this reporting period, the Institute delivered angel investment workshops through a grant provided by the John S. and James L. Knight Foundation, and continued to support the expansion of Florida Angel Nexus (Nexus), a statewide organization based in Orlando focused on streamlining the investment process for individual investors and groups. With Institute support, Nexus is forming new chapters throughout the state, most notably during this reporting period in Tallahassee, and is also raising a dedicated seed fund (FAN Fund) to invest in Florida-based companies.

Members of the Institute team continued to organize and participate in a number of angel and venture capital investment meetings and conferences, helping companies to prepare winning investor presentations and increasing the visibility of Florida companies among potential investors and groups.

Florida Research Commercialization Matching Grant Program (FRCMGP)

The FRCMGP was created during the 2010 Legislative Session, designed to match federal research dollars received by small businesses to fill funding gaps faced by many growing companies. The Institute was responsible for overseeing programmatic policy, designing and overseeing the application process, funding the grant awards, and monitoring company progress. The program launched successfully in early 2011 and nearly \$2.8M was awarded to 13 companies. Having distributed all program funds in 2013, the Institute filed its Final Program Report and continues to monitor company progress. To date, awardees have raised in excess of \$26 million in additional grant funding, have gone on to create 132 knowledge-based jobs in key industry sectors, and are continuing to develop and launch new products.

Institute Performance Measures

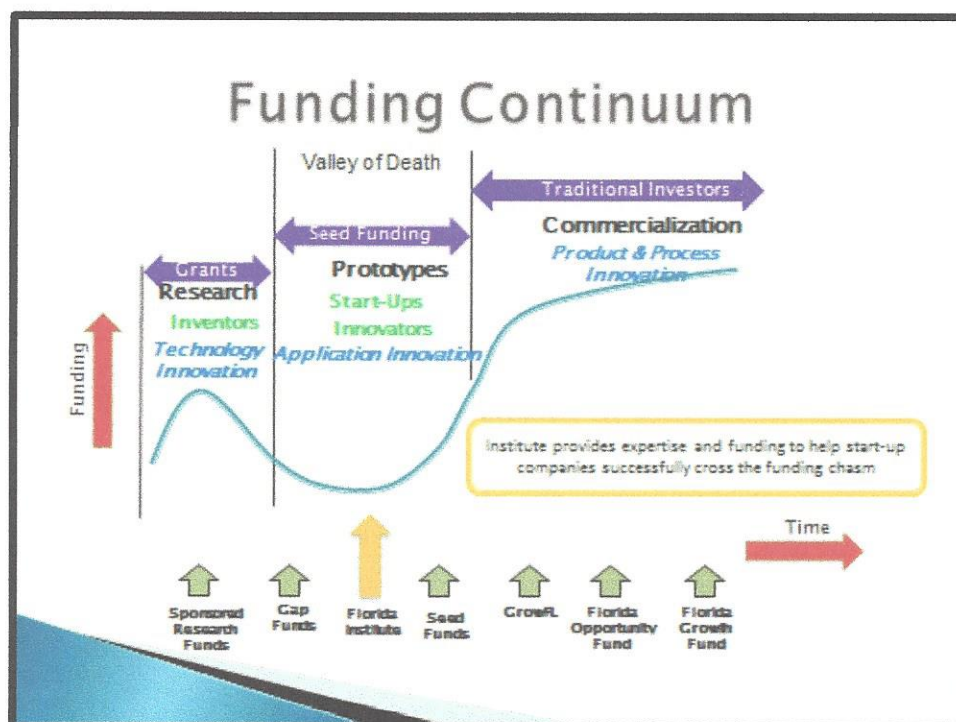
In addition to milestones associated with supporting its research partners, creating new businesses, and increasing capital investment, the Institute also tracks annually the number of strategies it is implementing in the Florida Statewide Strategic Plan for Economic Development. At year-end, through its business assistance, workforce development and capital formation activities, the Institute implemented 20 out of 29 strategies as outlined in the Strategic Plan, and met or exceeded all other contract deliverables. *(See Attachment 2 - Implementing the Statewide Strategic Plan)*

Programs, Goals, Objectives and Results

Since inception, the Institute's mission has been economic development – the creation of companies and high-skill, high-wage jobs in industries designated to be of strategic importance to the state, and that are driving the global economy. Additionally, Institute-supported companies are creating innovative products to improve and change lives – everything from medical devices and new therapeutics to diagnose and treat disease, to advanced materials and clean water and energy sources to improve the environment and our quality of life for generations to come. Institute-supported companies are also developing business process improvement products that enable companies to compete more effectively. During FY 2014-2015, the Institute continued to focus on the following initiatives to ensure fulfillment of its mission:

- Identifying new company opportunities and connecting inventors, entrepreneurs and investors;
- Expanding the Executive Council and Investor Advisory Board for increased company engagement;
- Enhancing value-added services offerings to improve CEO and company performance;
- Managing the Seed Capital Accelerator Program (SCAP) and the Florida Technology Seed Capital Fund (FTSCF);
- Enhancing marketing and operations to effectively support new company creation and funding opportunities while maintaining accountability; and
- Identifying new revenue and grant opportunities to support Institute goals and objectives.

The Institute continues to assist companies at the early stages of product development and launch known as the “Valley of Death”, complementing other state-sponsored programs to ensure a seamless entrepreneurial ecosystem from research and development through early commercialization, manufacturing and distribution, growth and success. Activities encompass specific company development and funding cycles as generally depicted in the following table (timelines may vary depending on the specific industry):



Administration and Operations

This fiscal year the Institute continued to focus on program expansion and execution, and implemented enhanced bookkeeping, accounting and project management practices to reflect organizational growth. The Institute's FY 2013 – 14 audit was completed without findings and distributed to all parties in November 2014 in accordance with contract terms, and the FY 2014-15 audit was also completed without findings and is being distributed to all parties as required.

Institute Board of Directors

The Institute continues to be managed by a 5 member [Board of Directors](#) as outlined in its 2007 enabling legislation: the chair of the Department of Economic Opportunity or a designee; the President of the university where the Institute is located, or a designee; and three directors appointed by the Governor.

During this fiscal year, the Board of Directors was comprised of the following members:

- David Day, Assistant VP for Technology Transfer and Director, Office of Technology Licensing University of Florida
- Manny Fernandez, Managing Director, SI Ventures (appointed April 2015)
- Reneé Finley, Head of GuideWell Innovation, GuideWell (appointed April 2015)
- Hal Valeche, County Commissioner, Palm Beach County, District 1
- Sherrick "Rick" Wassel, Executive Director, Strategy Office, Florida Division of Adventist Health System and Managing Director, IQ Orlando (appointed April 2015).

Institute Board meetings were held on the following dates:

July 25, 2014	November 24, 2014	April 29, 2015
August 22, 2014	December 17, 2014	June 3, 2015
September 29, 2014	January 28, 2015	June 29, 2015
October 30, 2014	February 25, 2015	

Institute Investor Advisory Board

Critical to the success of Institute funding programs is the participation of the Institute's [Investor Advisory Board](#) (IAB) that reviews company presentations and makes funding recommendations. The Institute has assembled a 28 member IAB, primarily comprised of distinguished early-stage venture capital investors from throughout the United States and with an interest in the Florida market. IAB members convened throughout the year to assess companies for funding consideration, and provided general guidance on matters relating to early stage capital and fundraising in today's economy.

Members of the IAB include:

Sean Barkman, Ballast Point Ventures	Mitchel Laskey, FAN Investors Fund, I, LP
Greg Baty, Hamilton Lane	Neil McFarlane, McFarlane BioVentures
Gustavo Cardenas, Hamilton Lane	Richard Molloy, Florida Gulfshore Capital

Timothy Cartwright, Tamiami Angel Fund I	Doug Reed, Hatteras Venture Partners
Robert Chicoski, Saturn Partners	Alan Rossiter, Springboard Capital
Nelson Chu, Kinetic Ventures	Jason Rottenberg, Arsenal Venture Partners
Jonathan Cole, New World Angels	Dan Rua, Inflexion Partners
David Cruikshank, Arch Venture Partners	Randy Scott, HealthQuest Capital
Robert Crutchfield, Harbert Venture Partners	Rich Swier, Startup Florida
Karl Elderkin, Athenian Venture Partners	John Vecchio, Mosley Ventures
Bard Geesaman , MPM Capital	Michael Wasserman, H.I.G. Ventures
Jonathan Kislak, Antares Capital Corporation	Scott Weiner, Pappas Ventures
Garheng Kong, HealthQuest Capital	Luke Widmer, American Management Specialists
Curt Labelle, Tullis Health Investors	Ben Yu, Sierra Ventures

Institute Leadership - Management and Key Staff Profiles

In order to accelerate outreach efforts and fortify constituent relationships, uncover new company formation opportunities, provide hands-on company support, and effectively manage Institute growth, the Institute has put into place an accomplished team of professional management and staff with broad and deep innovation, operational and entrepreneurial experience.

Jamie M. Grooms, Chief Executive Officer

Mr. Grooms joined the Institute in February 2012. He has 20 years of experience as a successful entrepreneur and has founded and led several startup companies from formation through exit, having raised several hundred million dollars and taken two companies public. He has also served as both an advisor and board of directors member for several companies.

Jane E. Teague, Chief Operating Officer

Ms. Teague joined the Institute in February 2012 after having served as its Interim Executive Director. She has over 30 years of experience in software and technology-related fields, and supported the formation and launch of the Institute in 2007 while serving as Executive Director of the Enterprise Development Corporation of South Florida.

Todd Andersen-Davis, Fund Manager

Mr. Andersen-Davis joined the Institute in 2014. He has a background in financial services and manages the Florida Technology Seed Capital Fund, overseeing company funding activity from application to final disposition.

Teri Hart, Business Office Manager

Ms. Hart joined the Institute in 2009. She has a background in contracts and grants management, and is responsible for bookkeeping, administrative, office management and operational support activities.

Entrepreneurs- in- Residence

Four Entrepreneurs-in-Residence work closely with licensing officers at Florida's research universities and institutions to uncover new company creation opportunities and develop and implement commercialization plans. They include:

Keith Lowe, East Central Florida

Mr. Lowe joined the Institute in March 2015. He is an attorney with over 25 years of experience advising and representing Florida companies and their stakeholders in both legal and strategic business matters.

Dr. Joseph Reddy, North Central Florida and Tampa Bay

Dr. Reddy joined the Institute in June 2012. He has a background in microbiology and molecular biology, with over 10 years of experience in research and development, business development and strategic planning.

Alison Tanner, Southeast Florida

Ms. Tanner joined the Institute in March 2012. She has a background in finance and investment, as well as business and corporate development.

Dr. Lawrence Tinker, Northwest Florida

Dr. Tinker joined the Institute in September of 2013. He has a background in theoretical and practical science, intellectual property, and business development.

Advocacy, Outreach and Engagement

The Institute engaged in a number of activities to increase the visibility of spinout companies locally, nationally, and globally. Institute representatives also participated in a number of meetings and conferences, including serving on committees and speaking at state and regional conferences to advance the development of Florida's innovation economy.

Representative Conferences and Meetings

- All-Florida deal flow forums with angel investors and venture capitalists;
- BioFlorida annual and regional meetings;
- Regional and statewide entrepreneurship and economic development forums such as the Florida Chamber Foundation Future of Florida and Six Pillars Caucus, Leadership Florida meetings, and the Sayfie Review Leadership Conference; and
- Multiple research partner-based economic development and entrepreneurship forums.

Marketing Activities

The Institute focused this year on expanding its monthly newsletter and contributed article presence, and continued to issue press releases upon company funding and other newsworthy events. Institute marketing outreach has resulted in the production of monthly newsletters that reach an audience of 6000+ readers, and media coverage in over 40 countries and in over 3,563 publications, with over 72,869 views of Institute-related news.

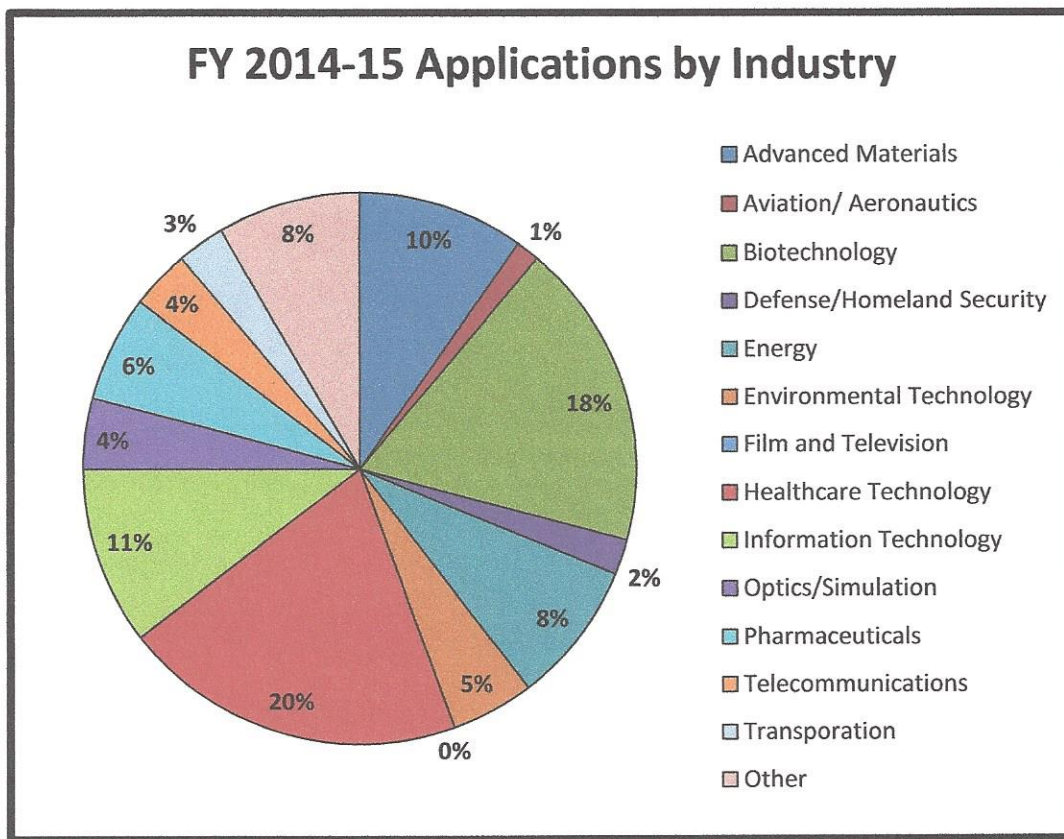
Institute Stakeholder Development

The Institute works collaboratively with 31 research partner organizations, meeting regularly to help determine commercialization priorities and support increased new company creation and development. Below are lists of both public and private research partners:

University Partners	Public and Private Research Partners
Florida Agricultural and Mechanical University	Doolittle Institute
Florida Atlantic University	Embry-Riddle Aeronautical University
Florida Gulf Coast University	Florida Hospital
Florida International University	Florida Institute for Human and Machine Cognition
Florida State University	Florida Institute of Technology
Gulf Coast State College	H. Lee Moffitt Cancer Center and Research Institute
New College of Florida	Mann Research Center
University of Central Florida	Max Planck Florida Institute
University of Florida	Mayo Clinic Florida
University of North Florida	MOTE Marine Laboratory
University of South Florida	NASA Kennedy Space Center
University of West Florida	Nova Southeastern University
	Roskamp Institute
	Sanford-Burnham Medical Research Institute
	Scripps Florida
	SRI International
	Torrey Pines Institute for Molecular Studies
	University of Miami
	Vaccine and Gene Therapy Institute of Florida

Company Creation and Building

The Institute team is comprised of professionals with broad and deep experience starting and growing science and technology-based companies. As a result of meeting regularly with their research partners, the Institute received on average 25 new applications for support each quarter, and the volume of companies being created and funded continues to increase. The following pie chart represents applications by industry sector:



Through enhanced website capabilities, the Institute also promoted technologies available for licensing, as well as companies seeking management, capital, and strategic partnership opportunities.

Statewide Implementation of Startup Quest® Program

The Institute continued to engage with CareerSource North Central Florida to support delivery of the Startup Quest® program statewide. Startup Quest is a nationally recognized entrepreneurship training program for both unemployed and underemployed degree holding professionals that connects teams of qualified participants with successful CEOs and entrepreneurs to learn the steps needed to transform new inventions into products for the marketplace. The 10-session program advances a new model for workforce development by growing self-employment through entrepreneurship, shifting the mindset from “find a job” to “create my job”. The Institute was actively engaged in program delivery throughout the state in 7 participating regions, and was instrumental in facilitating program expansion into the greater Orlando area.

Value-Added Support Services

The Institute continues to refine and expand its menu of value-added support services offered to entrepreneurs in order to optimize their chances for success. Companies receive assistance with all aspects of business growth and development in order to reach critical milestones and grow, and progress is monitored regularly to ensure that goals and objectives are met or modified to reflect changing market conditions. The following table includes Value-Added Support Services offered by the Institute for startup companies:

Value-Added Service	Description
Business and Commercialization Plan Development and Review	PowerPoint Presentation Development and Review
Co-founder and Key Management Identification	Mentoring and Coaching
Strategic Partnering and Collaboration Assistance	Interim CEO, IT & Marketing Support
Investor Introductions	Public Program Navigation

Additionally, the Institute expanded its Executive Council, a group of experienced business leaders who mentor, coach and often join a startup company. At year-end, 68 members had been identified to join the Council and matchmaking was well underway.

Florida Patent Pro Bono

In October of 2014, the Institute engaged with the US Patent and Trademark Office to deliver the national Patent Pro Bono program throughout the state. Florida was the 47th state to begin offering the program, which matches registered patent agents and attorneys with qualified, under-resourced inventors to help them navigate the intellectual property protection process.

Utilizing the services of highly-specialized legal talent with industry-specific expertise can streamline the patent application process greatly. If accepted into the Florida Pro Bono Patent Program, applicants may expect exposure to intellectual property experts, support in certain aspects of the patent application process, and partnership opportunities to enhance business development. Through the end of FY 2015 the Institute had screened 90 applications for support.

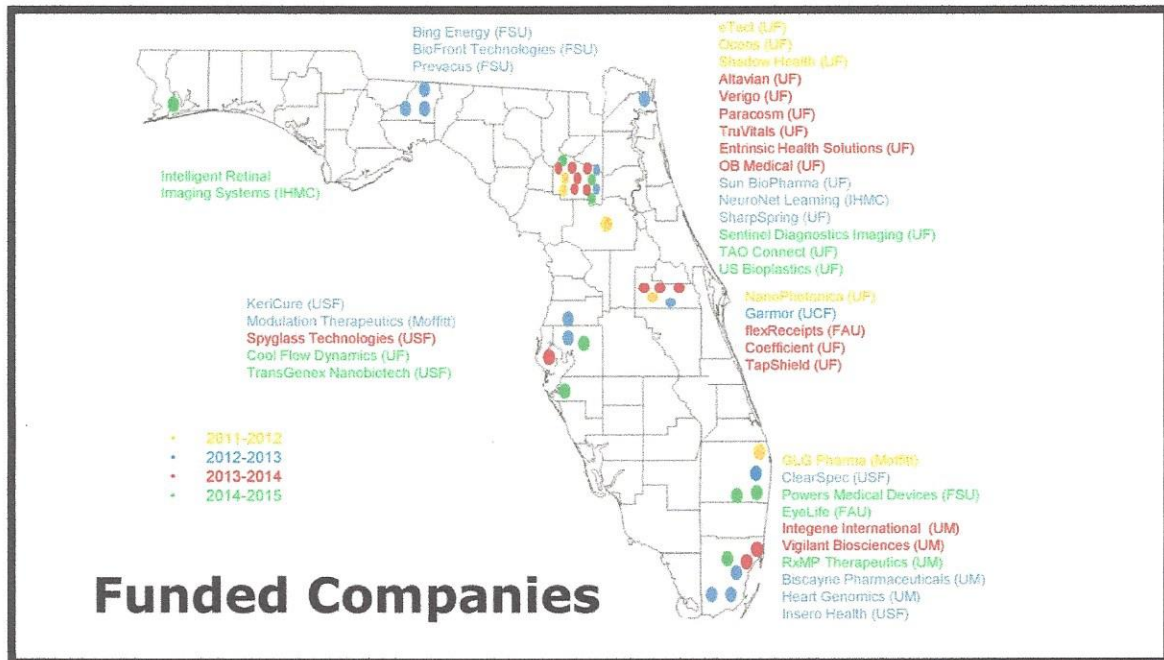
Capital Attraction and Formation

Seed Capital Accelerator Program

In 2011, the Florida Legislature appropriated \$10 million to the Institute for the deployment of a seed capital funding program. The Seed Capital Accelerator Program (SCAP) was established at that time to provide loans ranging from \$50,000 to \$300,000 to qualified companies. During this reporting period, the Institute continued to manage its portfolio of previously-funded companies, evaluated new applications for funding, and provided funding to 4 new companies that met the funding criteria. As of December 2014 all funds available through this program were deployed.

Florida Technology Seed Capital Fund, LLC

In 2013 the Florida Legislature authorized the formation of the Florida Technology Seed Capital Fund, LLC (the Fund) as a subsidiary of the Institute. Consistent with that of the SCAP program, the purpose of the Fund is to provide much needed seed capital to promising, qualified startup companies, and to address gaps in the state's existing venture capital ecosystem. This fiscal year, the Institute continued to make investments through the Fund, providing first-round funding to 5 new companies, and follow-on round funding to 5 companies. At the end of FY 2014-15 39 companies had been funded by the Institute:



Companies received ~\$3,825,000 in Institute funding and raised in excess of ~\$28,000,000 in additional private investment capital.

Applications Received FY 14-15	Funds Deployed FY 14 -15	Private Capital Raised FY 14-15	Total Funds Deployed Since Inception	Private Capital Raised Since Inception	Average Annual Salary per Job
85	~\$3,825,000 (17 Companies)	~\$28,000,000	~\$13,000,000 (39 Companies)	>\$60MM	~\$76,000

Preliminary Criteria for Funding Support

Companies are reviewed for funding consideration by subsets of the Institute's Investor Advisory Board. Decisions are made according to the following guidelines and opportunities are considered within their specific industry contexts. The Institute may decline to accept a technology or company if it determines that the opportunity does not represent sufficient alignment with the Institute's statutorily-defined economic development goals.

The following general conditions must be met in order for a company to be considered for funding:

- Lead product(s) incorporates technology developed at a university, research institution or other publicly supported research organization in the State of Florida;
- Company must be located in Florida with a majority of the current and future employees based in Florida;
- Technology fits into one of Florida's key targeted industry clusters; and
- Commercialization potential - likelihood of success as a company rather than a stand-alone technology or single product.

Additional Criteria for Funding Support

Given that the number of applications exceeds the amount of funding available, the funding process is highly competitive and the following criteria are evaluated in addition to the above conditions, to determine if a company should be considered and reviewed further by the Investor Advisory Board. Meeting the criteria does not automatically guarantee funding approval.

- Projected ability of company to raise the required approved, matching funds;
- Projected ability to raise venture capital funding in the future;
- Large and growing unmet market need;
- Competitive differentiation;
- Strong, experienced management team or one willing to transition out upon funding;
- Reasonable path to revenue;
- High barriers to entry;
- Logical, defensible financial model and projections;
- Market validation;
- Working prototype;
- Job-growth potential in Florida; and
- Current major base of operations in Florida.

The following 4 new companies were funded this fiscal year through the Seed Capital Accelerator Program:



Cool Flow Dynamics is a Sarasota-based company based on technology developed at the University of Florida that produces energy efficient plasma accelerators for aftermarket installation on open refrigeration for reducing airflow into surrounding ambient spaces, which will provide energy efficient solutions for open case refrigeration within the retail food and beverage segment.



Powers Medical Devices is a Delray Beach-based company with technology developed at Florida State University that created the Pacifier activated Lullaby (PAL®), a patented, FDA-approved system that teaches premature infants to suck productively and feed successfully.



TAO Connect is a Gainesville-based company with technology developed at the University of Florida that licenses an integrated software system for providing online mental health treatment. The TAO (Therapist Assisted Online) system allows treatment at half the cost of traditional face-to-face psychotherapy, with no decrease in income for the therapist, resulting in improved patient outcomes.



US BioPlastics is a Winter Park-based startup company with technology developed at the University of Florida that produces a biopolymer extraction from sugarcane bagasse which results in a bio-renewable, water-degradable plastic product for short term uses.

The following 5 new companies received first round funding this fiscal year through the Florida Technology Seed Capital Fund.

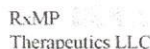


Eye Life is a Boca Raton-based company based on technology developed at Florida Atlantic University that has developed point-of-care wireless, pocket-size and cordless ultrasound devices with touchscreen

monitor user-interface at affordable cost making ultrasound available for all medical physicians regardless of their location.



Intelligent Retinal Imaging Systems (IRIS) is a Pensacola-based company based on technology developed at the Florida Institute for Human and Machine Cognition that addresses the prevention of blindness through early detection and diagnosis of diabetic retinopathy and glaucoma.



RxMP Therapeutics is a Miami-based company based on technology developed at the University of Miami that is an emerging specialty pharmaceutical company focused on developing treatments for the management of excessive bleeding.



Sentinel Diagnostic Imaging/Oculus is a Gainesville-based company based on technology developed at the University of Florida that is developing and commercializing Oculus, an image analysis and telemedical system for the diagnosis of retinal vascular disease and vision loss associated with diabetes.



TransGenex Nanobiotech is a Tampa-based company with technology developed at the University of South Florida that is commercializing its 3D fibrous scaffold (FiSS™) driven cell culture and tumorous technology (TUMOR-ON-A-DISH™). The products are designed for use in 3D cell culture reagents for cancer researchers, 3D drug discovery (3D-DD™) for pharmaceutical companies and individualized cancer treatment (FITx™).

The following 5 companies received follow-on round funding this fiscal year through the Florida Technology Seed Capital Fund:



Biscayne Pharmaceuticals is a Miami-based pharmaceutical startup company with technology developed at the University of Miami that is discovering and developing novel therapies based on growth hormone-releasing hormone (GHRH) analogs. The company's technology stems from the discoveries of Dr. Andrew V. Schally, a Nobel laureate and pioneering endocrine drug developer and initial disease targets include cancer, heart disease and other medical conditions where these therapies may prove effective.



ClearSpec is a Boca Raton-based company with technology developed at the University of South Florida that is developing advanced speculum solutions that enable improved cervical examinations and improve patient outcomes, ultimately resulting in better disease diagnosis and treatment.



Entinsic Health Solutions/Enterade USA is a Newberry-based company based on technology developed at the University of Florida that is a medical drink that is an amino acid-based, non-sugar beverage formulated to prevent and remedy dehydration and related symptoms associated with the treatment of life threatening or chronic illnesses, such as cancer, as well as acute and chronic diseases of the bowel.



flexReceipts is a Windermere-based company based on technology developed at Florida Atlantic University that provides integrated point-of-sale software for merchants to provide enhanced email receipts to customers as well as a complementary mobile-enabled receipt portal application for consumers to manage all of their receipts.



OB Medical is a Gainesville-based company based on technology developed at the University of Florida that has developed LaborView™ an advanced, wireless electronic maternal-fetal monitor sensor system that measures labor contractions as well as maternal and fetal heart rates.

Several companies were funded prior to FY 2014-15 and the Institute continues to collect progress reports and provide support as needed. (See Attachment 3 - Listing of Previously Funded Companies)

Summary

With both **company building** and **seed funding** programs well underway, the Institute continues to play a catalytic role in the development of Florida's innovation strategy and economy. The Institute is integrated with Florida's overall economic development ecosystem, collaborating with Florida's universities and research institutions to leverage a robust research base and build companies that are solving some of today's toughest medical, environmental and societal challenges. Institute programs fill a void in early-stage company development, and are designed to improve, attract and retain talent, position companies for capital investment, and support the launch and commercialization of innovative products that change how we work, fight disease, and protect our environment. Institute-supported companies are truly changing the Florida landscape, creating high wage, high skill jobs and products that will improve and change lives for generations to come.

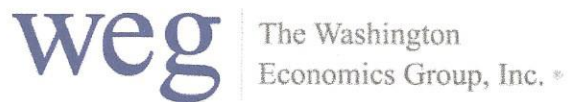
Attachments

Attachment 1 - WEG Economic Impact Study Executive Summary

Attachment 2 - Implementing the Statewide Strategic Plan

Attachment 3 - Listing of Previously Funded Companies

Attachment 1
WEG Economic Impact Study
Executive Summary



**THE COMPREHENSIVE ECONOMIC DEVELOPMENT IMPACTS
OF THE FLORIDA INSTITUTE FOR THE COMMERCIALIZATION OF PUBLIC RESEARCH
WITH PROJECTED ECONOMIC IMPACTS BASED ON DEFINED FUNDING SCENARIOS**

Submitted to:
Ms. Jane Teague, COO



October 16, 2015

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I. Executive Summary

- The Washington Economics Group, Inc. (WEG) was retained by the Florida Institute for the Commercialization of Public Research (“the Institute”) as independent consultants to estimate the comprehensive economic development impacts of the Institute’s activities from FY-2011 through FY-2015 to the State of Florida, and to project economic impacts to the State over time based on specified funding scenarios.
- The Institute is a non-profit organization with an economic development mission that supports new company and job creation, and plays a catalytic and growing role in supporting the economic development strategy of Florida.
- The Institute works collaboratively with universities and other research partners throughout the State to uncover commercially viable technologies and to begin the company-building process. Recognizing that proper planning and execution in the early stages of company development improve the chances for future funding and growth, the Institute delivers value-added support services and seed funds that help minimize risk and position companies for success. The Institute is essential to the State’s economic development and its competitive positioning in the global marketplace as it fulfills a “niche” for early-stage companies where support services and seed capital are not sufficiently available through the private sector.
- In essence, the Institute facilitates the commercialization of new discoveries generated through publicly-funded research by working closely with technology licensing officers across Florida and leveraging a research base of approximately \$2 billion to create and fund new companies. Institute funding programs require that companies raise a 1:1 private investment match, and funded companies through June 30, 2015 have exceeded that requirement, having raised in excess of \$60 million. The program has enabled entrepreneurs to raise \$37 million in matching funds from high net worth individuals and groups within the State of Florida, **inducing capital into Florida companies that may have otherwise been invested outside of the State.** Between FY-2011 and FY-2015, companies funded by the Institute attracted more than \$23 million from capital sources outside of Florida by showcasing investment opportunities that were previously “below the radar.”
- The commercialization of public research is integral to the economic vitality of Florida because it contributes significantly to high-wage job creation in targeted industries, generates tax revenues that support important social and community initiatives, and addresses many 21st century challenges to improve the quality of life of Florida residents and non-residents through innovative breakthroughs in healthcare, clean energy, advanced manufacturing, aviation and aerospace and other emerging sectors.

- The Institute's operations and the companies funded in Florida's targeted industry sectors generate significant economic impacts. Among these are the creation of Employment, Household Income for Florida's working families, Gross Domestic Product (Value-Added) to the State's economy and other positive outcomes that support the development of an innovation and knowledge-intensive economy.
- Table ES-1 below presents the growing and positive economic impacts of Institute operations and the companies funded from FY-2011 through FY-2015.

Table ES-1. Summary of the Total Recurring Economic Impacts on Florida Arising from Institute Operations and the Companies Funded

Impact on:	2011	2012	2013	2014	2015	5-Year Total
Employment (Jobs)	91	211	343	683	1,144	2,473
Labor (Household) Income (\$ Million)	\$5	\$13	\$20	\$41	\$66	\$145
Gross Domestic Product (Value Added-\$ Million)	\$8	\$19	\$30	\$61	\$88	\$206
Federal State & Local Fiscal Revenues (\$ Million)	\$2	\$4	\$6	\$12	\$20	\$43
Total Economic Impact (\$ Million)	\$16	\$33	\$52	\$109	\$168	\$379

Table may not equal sum of all due to rounding. See Detailed Impact Tables in Appendix III.

Source: The Washington Economics Group, Inc. (WEG)

- The jobs supported by the Institute are primarily in sectors targeted for growth by the State's Economic Development Strategy. Over the five-year period (FY-2011 through FY-2015), an estimated 2,473 jobs were supported. The annual number of jobs supported by the Institute and its funded companies grew from 91 in FY-2011 to 1,144 jobs in FY-2015. A significant 80 percent of the five-year total of 2,473 jobs generated are in Knowledge-Based Services industries¹ and in the Manufacturing sectors.
- Furthermore, the ongoing Institute operations and the funded companies are an important generator of Household Income for Florida residents, contributing \$145 million over the past five years and increasing from \$5 million in FY-2011 to more than \$66 million in FY-2015. The average annual earnings per job supported in FY-2015 are \$57,960, however the average earnings per *direct* job are \$76,628, reflecting higher earnings for the high-skill jobs at the funded companies themselves. These jobs support the State's strategy to create a leading 21st century high-wage, high-skill economy.
- GDP impacts have also grown steadily since FY-2011 from \$8 million to \$88 million in FY-2015, contributing a total of \$206 million over the five-year period. The annual

¹Major industries under this category are: Software, Information Technologies, Life Sciences, Professional, Administrative Services and Arts, Entertainment & Recreation, among others.

Total Economic Impact of the Institute and funded companies continued to expand significantly from a \$16 million base in FY-2011 to over \$168 million in FY-2015. **This is a 977 percent increase in five years.²**

- As previously stated, the commercialization of public research positions the State for significant economic growth by supporting high-wage, high-skill jobs. The Institute connects spinout companies based on technologies developed at Florida universities and research institutions to funding, management talent and other resources needed to help bring new products and services to the global marketplace. Table ES-2 below presents the annual **incremental change** in economic impacts each year based on two scenarios, (1) if funding levels remain the same as of FY-2015, and (2) if funding levels increase to 10 times the current level over the FY-2015 to FY-2020 time period.

Table ES-2. The Incremental Growth in Economic Impacts on Florida if Funding Levels Remain the Same and if Funding Increases to 10 Times the Current Levels

Impact on:	Current Funding	10 x Current Funding
Employment (Jobs)	460	4,603
Household Income (\$ Million)	\$26	\$258
Gross Domestic Product (Value Added-\$ Million)	\$27	\$270
Federal State & Local Fiscal Revenues (\$ Million)	\$8	\$78
Total Economic Impact (\$ Million)	\$60	\$598

Source: The Washington Economics Group, Inc. (WEG)

- With the current funding levels, the Institute and the funded companies are expected to create a minimum of 460 new jobs annually and an incremental \$26 million in Household Income each year for Florida residents. In addition, the activities of the Institute and funded companies would continue to add an additional \$60 million in Total Economic Impact each year to the Florida economy (Table ES-2). This is a conservative projection and assumes a steady growth rate.
- **More importantly, if the funding increases to 10 times the current level, the incremental economic impacts grow significantly.** In this scenario, WEG projects growth over a five-year period leading to FY-2020 where 10 times the current funding levels is estimated, taking into consideration the period of time it will take to deploy the funds. By the fifth year, once funding levels reach 10 times the current level, the number of jobs created would increase to a significant 4,603 each year, Household

² Calculated based on the Total Economic Impact percentage change from FY-2015 to FY-2020 prior to rounding. See Detailed Impact Tables in Appendix III.

Income would grow by \$258 million, and create an increase of \$598 million in Total Economic Impact annually as presented in Table ES-2 on the previous page.

- Additionally, based on preliminary estimates, the Economic Return on Investment (ROI) to the State of Florida is expected to increase from an ROI of 14 times with current funding in FY-2015 to a **significant 17 times** in FY-2020 with 10 times the funding. These projections are conservative and based on multiple underlying assumptions that have the potential to result in large changes in the economic ROI (See Section V). With a solid business plan in place and as the portfolio of funded companies grows over time, WEG expects the economic impacts to be larger and therefore the ROI to be much greater.
- Increased funding to the Institute would support the exponential growth of Florida companies and the creation of high-wage, high-skill jobs. This is proven by the growing economic impacts even at current funding levels, given the Institute's proven track record and role as a catalyst for increasing innovation-based economic development activity in the State. The economic development benefits of the Institute extend beyond the quantifiable impacts presented above.
- The benefits also include *externality benefits* (intangible benefits) to Florida residents, and support Florida's economic development strategy. Some of these "externality benefits" to the State include:
 - Development of a globally competitive workforce;
 - Improvement in the business climate; and
 - Attraction and retention of top engineering and management talent.
- In conclusion, the Institute is uncovering the vast potential that lies within Florida's universities and research institutes and is identifying new company opportunities that address some of today's toughest healthcare and societal challenges. Its programs bridge knowledge and funding gaps at the early stages of company development, and incorporate members of the business and investment communities to build the next generation of successful companies and entrepreneurs. Additional funding enables a higher level of Institute operations and provides sufficient resources to support these early stage companies adequately. Continuing to focus on new company creation, capitalization and growth will help build Florida's innovation economy, enhance Florida's ability to compete in an increasing global economy, and yield economic development dividends for generations to come.

Attachment 2
Implementing the
Statewide Strategic Plan

Florida's Economic Vision:

Florida will have the nation's top performing economy and be recognized as the world's best place to live, learn, play, work, and do business.

DIRECTIONS:

1. (Please note that there are four sections to this document)
2. **For Section I**, identify which **Strategy/Strategies** is/are directly addressed (in part or in whole) by your organization's activities.
3. Fill in the **Activities** column with the specific activities between July 1, 2014 and June 30, 2015 for the corresponding strategy. If there are no activities for a strategy, please write "N/A".
4. For **Sections II, III, and IV**, please answer the questions as appropriate.
5. Please complete this form and submit it **along with your fourth quarter report**. Please note that this will assist us in the preparation of DEO's annual report that addresses the Partners' role in Florida's Economic Vision.

Example for Section I: Strategies and Activities:		
Area	Strategy	Activities
<i>This is an example</i>	<p><u>Example from Florida Sports:</u> Strategy #13: Coordinate decision-making and investments for economic development, land use, transportation, infrastructure, housing, water, energy, natural resources, workforce, and community development at the statewide, regional, and local levels.</p>	<p><u>Example of activities by Florida Sports in regards to Strategy #13:</u></p> <ol style="list-style-type: none"> 1. <i>Spring Training Facilities & Certification Bill:</i> <ol style="list-style-type: none"> a. <i>Coordinate and lead meetings regarding State funding options with 6 MLB teams whose leases are coming up.</i> 2. <i>Assist and market the development of professional and amateur sports projects:</i> <ol style="list-style-type: none"> a. <i>Sarasota County's \$5 million world class rowing center in Nathan Benderson Park.</i> b. <i>Central Florida Sports Commission's \$1 million Major League Soccer Spring Training Project.</i> 3. <i>Community/County Facilitate Assessments, proving staff and expertise in assessing facilities for sporting events:</i> <ol style="list-style-type: none"> a. <i>Manatee County, July 2012.</i> b. <i>Polk County, in progress 3rd Quarter.</i> c. <i>Escambia County, August 2012.</i> d. <i>Treasure Coast Sports Commission in progress 3rd Quarter.</i>

Organization: Institute for Commercialization of Public Research; **Reporter:** Jane Teague **Date:** 7/20/15

Section I: Strategies and Activities:		
Area	Strategy	Activities
Cross Cutting Strategies (all Pillars)	1. Strengthen collaboration and alignment among state, regional, and local entities toward the state's economic vision.	<p>By design, the Institute works with Florida's public and private research entities to support new company and job creation.</p> <ul style="list-style-type: none"> • Meetings held with 25+ research entities to uncover new opportunities. • Introduced public and private sector individuals and organizations to promote partnerships and support product commercialization. • Informed companies of state and regional funding and presentation opportunities. • Presented at various regional and state meetings (minimum 1 per month) to promote collaboration and alignment among entities.
	2. Develop and implement a statewide strategy to develop regional talent and innovation clusters using global best practices.	<p>The Institute actively supports the Startup Quest initiative, a collaborative effort between 8 regional workforce boards in Jacksonville, Daytona, Brevard, Ft. Lauderdale, Tampa, St. Petersburg, Gainesville and Tallahassee, to train highly educated, underemployed or unemployed job seekers on new company formation and entrepreneurship. The Orlando region is now implementing the program as well, and throughout the year the Institute supported multiple 10-week sessions in each of 8 regions by securing program mentors and judges. The Institute is also active with workforce programs such as HBOTT, serving on the screening committee to review company applications for workforce development support. Finally, the Institute provides talent development support services to the spinout companies it assists and funds.</p>
	3. Strengthen Florida's economic regions and connect resources across regions to build Florida as a globally competitive megaregion.	<p>The Institute continues to build its database of private sector individuals, investors and companies. It added members to its CEO Council and Investor Advisory Boards, and connected prospective company CEOs and investors statewide with new technologies and companies spinning out of Florida's rich research base. The Institute also referred new company opportunities to local and regional resources such as Chambers of Commerce, workforce boards and economic development organizations to support their growth. The Institute has continued to support Florida Angel Nexus, a statewide network of angel investors, as well as other angel investment groups, to enable Florida to compete in the early-stage capital arena.</p>
	4. Position Florida as a global hub for trade, visitors, talent, innovation, and investment.	<p>The Institute uses its resources to attract potential CEOs and private capital to Florida companies, helping to position the state as a prime destination for innovation and investment. Institute funding programs require a private match, and the Institute helps to market its client companies to position them successfully for investment and growth. Several companies attracted private investment from out of state and even global investment partners, increasing the amount of outside capital coming into the state. The Institute's enhanced outreach and public relations efforts have resulted in significant</p>

Section I: Strategies and Activities:		
Area	Strategy	Activities
		global coverage of Florida and Florida-based companies. Institute press releases have been viewed by thousands of individuals around the globe, and Institute companies have been invited to present at scientific and business conference in part due to this increase in global outreach.
Talent Supply & Education	5. Align education and workforce development programs to foster employment opportunities and develop and retain talented workers with the skills to meet current and future employer needs.	See #2. The Institute, by design, works with institutions of higher education that are preparing students for the jobs of the future in innovation industries. By supporting the Startup Quest initiative, and the new spinout companies that the Institute assists and funds, the Institute is helping to build bridges between universities, research institutes and degreed, underemployed professionals.
	6. Develop an integrated pre-K through career education system to prepare students for becoming successful workers or entrepreneurs.	N/A
	7. Lead the nation in science, technology, engineering and mathematics (STEM) research, education, and market-relevant technical skills.	The Institute supports universities and research institutions that are educating and training the next generation of scientists and engineers, and the professionals who support them. Successful spinout companies, through royalties paid to the host institution, fund research and educational programs and also create high wage jobs that generate tax revenue, which in turn funds education at all levels.
	8. Expand access to education and training programs for talent in distressed markets.	See #2 – The Startup Quest program reaches all corners of Florida, from vast rural areas to large urban districts and encourages entrepreneurship, training individuals how to start and build companies, or pursue employment at entrepreneurial firms rather than solely looking at large companies for job opportunities that attract more applicants than can be hired. Additionally, Institute-supported companies are creating direct and indirect jobs in all corners of the state.
Innovation & Economic Development	9. Strengthen Florida's leadership in expanding and emerging talent and innovation clusters and transitioning established clusters to serve new markets	See #2 The Institute actively supports the Startup Quest initiative, a collaborative effort between 8 regional workforce boards in Jacksonville, Daytona, Brevard, Ft. Lauderdale, Tampa, St. Petersburg, Gainesville and Tallahassee, to train highly educated, underemployed or unemployed job seekers on new company formation and entrepreneurship. The Orlando region is now implementing the program as well, and throughout the year the Institute supported multiple 10-week sessions in each of 8 regions by securing program mentors and judges. The Institute is also active with workforce programs such as HBOTT, serving on the screening committee to review company applications for workforce development support. Finally, the Institute provides talent development support services to the spinout companies it assists and funds.

Section I: Strategies and Activities:

Area	Strategy	Activities
	10. Grow, sustain, and integrate efforts related to research and development, technology	The Institute's mandate is to support universities and research institutions with the commercialization of new discoveries developed through their R&D efforts. It does so by assisting them with new company formation, growth and funding. In addition to providing funds through the Florida Technology Seed Capital Fund, the Institute also assists with identification and response to funding opportunities at the federal and local levels to expand research, development and technology commercialization. The Institute provides letters of support for federal grant applications submitted by its companies, and assists with proposal development as needed to achieve higher likelihoods of success. Several Institute associates are active in the <i>NSF i-Corp</i> program with the companies and institutions they support that are part of the program, and have been invited to speak in Washington, DC and elsewhere on best practices related to R&D programs. The Institute also was selected by the US Patent and Trademark Office to manage the national Patent Pro Bono program for the State of Florida, which helps under-resourced inventors with intellectual property protection. Florida was the 47 th state to offer this program.
	11. Expand the number of Florida businesses selling goods and services internationally and diversify the markets they serve.	Many of the startups supported by the Institute are entering international markets with products in sectors such as clean energy, nanotechnology, pharmaceuticals, medical devices and advanced materials. Examples include Bing Energy, EyeLife, GLG Pharma, NanoPhotonica, Spyglass Technologies, Sun Biopharma, Vigilant Biosciences and many others who have strategic partnerships and investment relationships with organizations in Europe and Asia. Institute public relations efforts are supporting global exposure of Florida and Florida companies, and Institute associates have been active in several Miami-based initiatives as well, such as eMerge Americas, that focus on Latin American markets.
	12. Brand and market Florida as the best state for business.	Members of the Institute team contribute articles to local or national publications and post Institute and company news on the Institute website to showcase the achievements of Florida-based companies. Institute press releases have been viewed by thousands of readers worldwide, and have resulted in the publication of industry-specific articles and conference invitations. The Institute began publishing a monthly newsletter that is distributed to 4,000+ contacts, highlighting Florida successes. This supports Florida's designation as a top destination for technology entrepreneurship as evidenced by recent rankings in several national publications, demonstrating that Florida CEOs and companies are starting and growing new businesses, raising capital, winning awards, and achieving success.

Section I: Strategies and Activities:		
Area	Strategy	Activities
Infrastructure & Growth Leadership	13. Coordinate decision-making and investments for economic development, land use, transportation, infrastructure, housing, water, energy, natural resources, workforce, and community development at the statewide, regional, and local levels.	The Institute participates in several statewide leadership meetings (Florida Chamber Foundation, BioFlorida, Florida Venture Forum, Leadership Florida, Enterprise Florida, etc.), as well as regional initiatives in central, northwest and southeast Florida throughout the year to contribute to the dialogue about investing in economic development, specifically, seed and angel funds for startup companies. The Institute is supporting the development of the Florida Angel Nexus, a statewide network and infrastructure for angel investing to streamline the flow of capital into young companies, recently helped to launch its Tallahassee chapter, and completed delivery of an angel investor education series in Miami sponsored by the John S. and James L. Knight Foundation, with several other seminars and workshops planned throughout the state.
	14. Develop and maintain multimodal, interconnected trade and transportation systems to support a prosperous, globally competitive economy.	N/A
	15. Develop and maintain a cutting-edge telecommunications infrastructure.	N/A
	16. Ensure the future supply and quality of water to meet Florida's economic and quality of life goals.	The Institute is not directly involved in this activity but supports companies that are solving some of these problems. A University of South Florida spinout company, SpyGlass Technologies (USF), offers water monitoring solutions to better manage the health of our water systems. By assisting and funding these types of businesses, the Institute is enabling them to deliver innovative products and services that improve the quality of life not only for Floridians, but globally as well.
	17. Develop and maintain diverse, reliable, and cost effective energy sources and systems to meet Florida's economic and environmental goals.	As noted above, the Institute is not directly involved in this activity but supports companies that are solving some of these problems. One spinout company, SpyGlass Technologies (USF), offers water monitoring solutions to better manage the health of our water systems. Other companies such as Bing Energy and Cool Flow Dynamics (FSU and UF) are addressing issues related to energy production. By assisting and funding these types of businesses, the Institute is enabling them to deliver innovative products and services that improve the quality of life not only for Floridians, but globally as well.
Business Climate & Competitiveness	18. Revise permitting, development, and other regulatory processes to meet changing business needs and provide a predictable legal and regulatory environment.	N/A
	19. Ensure state, regional, and local agencies provide collaborative, seamless, consistent, and timely customer service to businesses and workers.	N/A

Section I: Strategies and Activities:		
Area	Strategy	Activities
	20. Reduce barriers to small/minority business and entrepreneurial growth.	By design, the Institute supports new company creation and growth and therefore is reducing barriers to small business and entrepreneurial growth. All Institute-supported companies are startups, and many are led by minority individuals or the foundational technology was developed by minority individuals who are inventors of the core technologies. Additionally, many of the small business owners of ancillary businesses (restaurants, gas stations, printers, consultants) who are creating indirect jobs as a result of spinout company growth, are owned by or employ minority individuals. Finally, as noted above, the Institute was selected by the US Patent and Trademark Office to manage the national Patent Pro Bono program for the State of Florida, which helps under-resourced inventors, many of whom are minorities, with intellectual property protection. Florida was the 47th state to offer this program.
	21. Expand opportunities for access to capital for businesses throughout their life-cycle.	The Institute coaches companies on how to be more attractive to capital sources, and provided seed funding this year through the Seed Capital Accelerator Program (until all funds were deployed in December) and the Florida Technology Seed Capital Fund. Institute funds must be matched by qualified private investment capital, thus encouraging companies to raise outside funding. Companies practice their investor presentations and are coached until ready to present to investors. The Institute also engages with the venture capital community for later stage investment opportunities through its 27-member Investor Advisory Board. Several meetings are held with members of this board, who advise and coach Institute companies. The grant from the John S. and James L. Knight Foundation educates high net worth individuals about investment opportunities with university startups, as does the Florida Angel Nexus initiative. The Institute also hosts small investor meetings throughout the year as requested, to showcase Institute-supported companies to private investors.
	22. Work with industry to ensure property and health insurance rates are competitive with other large states.	N/A
	23. Develop a government revenue structure that encourages business growth and development.	The Institute contributes to enriching Florida's tax base by helping companies attract capital that is then deployed in Florida to create high-wage, high skill jobs in industries that are driving the global economy. Many Institute companies have leveraged our seed funding to attract 4-5X the amount in private investment capital provided by the Institute, enabling them to grow, create jobs, and increase revenues back to the state. Additionally, Institute-supported companies engage consultants within the State of Florida, and from outside of Florida who then come to Florida to conduct business, and stay on to visit thus contributing to the tax base. Finally, many companies are recruiting talent from outside of Florida to build their businesses here.

Implementing the Statewide Strategic Plan for Economic Development

Economic Development Implementation Template

Section I: Strategies and Activities:		
Area	Strategy	Activities
Civic & Governance Systems	24. Support and sustain statewide and regional partnerships to accomplish Florida's economic and quality of life goals.	See activities mentioned in # 2 and #13, #16 and #17. As a statewide entity, the Institute regularly engages with local, regional and statewide partners to support new company formation and growth for robust economic development and improved quality of life and opportunities for Florida residents. Through these partnerships, Institute companies are further supported and are commercializing products that improve our quality of life.
	25. Improve the efficiency and effectiveness of government agencies at all levels.	N/A
	26. Invest in strategic statewide and regional economic development priorities.	The Institute is well-aligned with statewide and regional economic development priorities. It invests in new companies and job creation in innovation industries that are driving the global economy. Supporting and funding new companies creates jobs for Floridians and also results in the creation of new products that are improving and saving lives.
Quality of Life & Quality Places	27. Create and sustain vibrant, healthy communities that attract workers, businesses, residents, and visitors.	As it relates to economic development and creation of high wage, high skill jobs, the Institute is creating new companies in innovation industries that are attracting CEOs and other professionals to Florida who wish to become involved in these types of companies. The Institute website, which is continuously updated, and increased outreach efforts through press releases and monthly newsletters are attracting interest from professionals throughout the United States and even globally who are interested in Florida-based companies and activity. Activity in Miami in particular has attracted talent and investment capital as well as other entrepreneurial programs, including award-winning incubators and accelerators, to the region.
	28. Ensure Florida's environment and quality of life are sustained and enhanced by future growth plans and development decisions.	N/A
	29. Promote, develop, protect, and leverage Florida's natural, art, and cultural assets in a sustainable manner.	N/A

Section II: Impact Summary Section
<p>Review the activities in Section I, which activity (or activities) had the greatest impact in furthering Florida's Economic Vision? Were there any important improvements or challenges experience by your organization?</p> <p>The Institute engages in several activities that support company creation and growth, including attraction of investment capital and formation of global partnerships, and the creation of direct and indirect jobs in all regions of the state, all of which result in the delivery of products and services that improve and save lives. Activity #4 encompasses most of these activities and demonstrates how the Institute is having a positive and enduring impact in furthering Florida's Economic Vision. The Institute uses its resources to position the state as a prime destination for innovation and investment, which ultimately attracts potential CEOs, private capital, and other talent to Florida companies. Institute funding programs require a private match, and the Institute markets its research partner institutions and client companies to position them successfully for investment and growth. Institute companies have leveraged Seed Funding to raise several million dollars in investment and grant funding from global partners, and have developed</p>

Section II: Impact Summary Section

strategic partnerships to advance the development and distribution of their products, which in most cases, improve and save lives and help to improve and preserve the environment. Our public relations outreach efforts have resulted in heightened interest in Florida and Florida companies, as is evidenced by the number of page views and articles that have resulted from our media outreach. All of these efforts serve to position Florida as a global hub for trade, visitors, talent, innovation, and investment, resulting in an improved quality of life for Floridians. Regarding challenges and improvements, while attraction of early-stage capital for Florida businesses remains a challenge as compared to other states and regions, the Institute continues to expand and leverage its network of investment and business contacts to increase the amount of capital being invested into Florida companies. It has also increased its focus on investor preparation with its companies, educating them on the importance of good governance and discipline to improve their chances of securing financing. For the quarter that ended June 30th, Florida companies overall received nearly double the amount of venture capital investment than they did for the quarter that ended April 30th.

Section III: Key Accomplishments

Please note any success stories or key accomplishments and/ or best practices that you would like to have shared with the State Plan Leadership Team. The Institute has modeled the Florida Technology Seed Capital Fund after investment industry best practices, including incorporation of a thorough review and due diligence process that involves professional venture capital investors, the requirement to match Institute Seed Funding with qualified private sector investment, as well as extensive company coaching and guidance through CEO Council members and Institute associates on corporate structure, capital raising, governance, strategic partnering, market strategy and other issues that are critical for innovation-based businesses to succeed. Secondly the Institute engages with other organizations on a selective basis to offer important programs that complement those of the Institute, helping to position Florida as a leader in innovation and entrepreneurship. These include programs such as Startup Quest which is a highly creative workforce development program that started in Gainesville, expanded throughout Florida, and will soon be rolled out nationally, and the US Patent and Trademark Office's Patent Pro Bono Program which helps support qualified, under-resourced inventors. The Institute posts many company success stories on its website, and distributes them through its quarterly newsletter and social media, including awards won, funding raised, grants awarded, and overall achievement of milestones as articulated in our quarterly reports. There are many examples, but perhaps the most significant is how Institute companies have leveraged Institute support to raise millions of dollars in private investment and have formed strategic partnerships with global corporations, enabling them to hire employees and use the services of local contractors, services providers and consultants, and to bring to market new products to diagnose and treat diseases, improve the environment, and enable businesses to operate more profitably.

Section IV: Comments and Recommendations:

Please include any additional comments and/or photographs you would like to share with DEO and the State Plan Leadership. The Institute, through its associates, brings decades of private sector new business creation and investment experience to this effort, and appreciates the opportunity to partner with the Department of Economic Opportunity to help fulfill Florida's Economic Vision, grow and diversify Florida's innovation economy, and foster the availability of entrepreneurial opportunities for all Floridians. A number of newsletters, photos and news items were included in our quarterly report, and these and several others may be found at www.florida-institute.com under "News".

Attachment 3
Listing of Previously
Funded Companies

The following companies were funded prior to FY 2014-15 and the Institute continues to collect progress reports and provide support as needed:

Altavian is a Gainesville-based company based on technology developed at the University of Florida that has unique payload packages designed for unmanned aerial vehicles for accurate geographic mapping, agricultural surveys, civil surveys for government agencies and prime contractors.

Bing Energy is a Tallahassee-based company with technology developed at Florida State University that is creating a more commercially viable fuel cell which incorporates a thin membrane composed of carbon nanotubes, reducing the need for expensive platinum that, until now, has made fuel cells too expensive to be widely marketed.

BioFront Technologies is a Tallahassee-based company with technology developed at Florida State University that produces diagnostic kits and reagents that detect viral and allergenic proteins for food safety and infectious disease markets.

Biscayne Pharmaceuticals is a Miami-based company with technology developed by Dr. Andrew V. Schally, a Nobel laureate and pioneering endocrine drug developer, that is commercializing novel therapies based on growth hormone-releasing hormone (GHRH) analogs for treatment of cancer, heart disease and other medical conditions. At the end of June 2015, Biscayne merged with Insero Health, see below.

ClearSpec is a Boca Raton-based company with technology developed at the University of South Florida that is developing advanced speculum solutions that enable improved cervical examinations and improve patient outcomes, ultimately resulting in better disease diagnosis and treatment.

Coefficient is an Orlando-based company with technology developed at the University of Florida which conducts market research that turns static consumer segmentation and shopper marketing studies into a web application that continuously tracks changes in consumer segments including in-store consumer location.

Comm-N-Sense/Verigo is a Gainesville-based company based on technology developed at the University of Florida that provides monitoring and tracking solutions through Bluetooth-enabled wireless sensor tags and seamless communication software to improve the operations of businesses that rely on perishable supply chains.

Enterade USA is a Newberry-based company based on technology developed at the University of Florida that is developing a medical drink that is formulated to prevent and remedy dehydration and related symptoms associated with the treatment of life threatening or chronic illnesses, such as cancer, as well as acute and chronic diseases of the bowel.

eTect is a Newberry-based company with technology developed at the University of Florida that focuses on innovative sensor and communications solutions. The eTect platform uses ultra-low power circuits, energy harvesting self-power and unique sensor materials for use in ingestible or implantable in vivo medical applications or in health care, commercial and industrial applications requiring indefinite shelf life.

flexReceipts is a Windermere-based company based on technology developed at Florida Atlantic University that provides integrated point-of-sale software for merchants to provide enhanced email receipts to customers as well as a complementary mobile-enabled receipt portal application for consumers to manage all of their receipts.

Garmor is an Orlando-based company with technology developed at the University of Central Florida that is leveraging new manufacturing methodologies and developing low-cost, low-weight, high-strength and high-quality graphene materials without sacrificing critical features such as product durability, efficiency and performance.

GLG Pharma is a Jupiter-based biotechnology company based on technology developed at Moffitt Cancer Center that is developing a series of inhibitors of Signal Transducer and Activators of Transcription 3 (STAT3) proteins, a new generation of targeted therapies that are intended to treat a wide variety of cancers and address unmet needs in the multi-billion dollar anti-cancer market with potentially greater efficacy and fewer side effects than existing therapies.

Heart Genomics is a Miami-based company with technology developed at the University of Miami focused on providing non-invasive, genomic-based, clinical diagnostic tests for patients with heart failure, providing personalized and individualized information to each patient and their physician and enabling substantially improved and clear treatment decisions.

Insero Health is a Miami-based clinical stage company with technology developed at the University of South Florida that discovers and develops therapies derived from natural products to address significant unmet needs in epilepsy and related neurological diseases. At the end of June 2015, Insero Health merged with Biscayne Pharmaceuticals, see above.

Integene International Holdings is a Miami-based company with technology developed at the University of Miami. The company is capitalizing on patented biotechnology designed to optimize stem cell treatments for cardiovascular disease. The company's founder, Dr. Keith Webster and his team have developed procedures for regulating human growth factors within stem cells or host tissues, and bio-engineering stem cells to provide an optimized therapy for ischemia related disease.

KeriCure is a Tampa-based company with technology developed at the University of South Florida that is commercializing advanced platform polymer technology for wound care. The technology delivers a water-based solution, ultimately providing hydration, cooling, and natural debridement to the wound bed while maintaining a moist wound environment, and has applications for both veterinary and human markets.

Modulation Therapeutics is a Tampa-based company with technology licensed at the Moffitt Cancer Center that is dedicated to the development of novel treatments for multiple myeloma. The company is developing MTI-101, a drug with a novel, first in class mechanism of action for myeloma, an incurable blood cancer.

NanoPhotonica is an Orlando-based company with technology developed at the University of Florida with breakthrough nanomaterial, production techniques and associated products that enable market-altering improvements to optoelectronic devices. NanoPhotonica has developed a number of innovations that transform both flat panel display and solar panel/green energy sectors, as well as niche markets that utilize advanced materials.

NeuroNet Learning is a Gainesville-based company with technology developed at the Institute for Human and Machine Cognition that provides a learning enrichment program designed to help children improve motor skills, language, and information processing. Recent empirical data from schools implementing NeuroNet indicates that the program leads to significant improvements in reading and math scores on standardized tests.

OB Medical is a Gainesville-based company with technology developed at the University of Florida that has developed LaborView™ an advanced, wireless electronic maternal-fetal monitor sensor system that measures labor contractions as well as maternal and fetal heart rates for better patient outcomes.

Ocoos/Adv Travl is an Ocala-based company with technology developed at the University of Florida that features a specialized Internet platform technology that creates a seamless, information rich connection between consumers, service providers, and subject matter experts in a structured, relevant, and trusted manner.

Paracosm is a Gainesville-based company with technology developed at the University of Florida is converting consumer off-the-shelf depth cameras into powerful 3D mapping systems. Their software allows users to scan a space using commercially available cameras, upload their data to Paracosm's cloud infrastructure, which converts the raw scan to a CAD file and downloads their model for use in the consumer's 3D CAD/Modeling tool of choice.

Prevacus is a Tallahassee-based company with technology developed at Florida State University that addresses the mild traumatic brain injury (mTBI) market. Prevacus is formulating therapeutics for nasal delivery to ease use in the field and to maximize delivery to the brain. The active ingredient simultaneously reduces edema, inflammation and oxidative stress.

Shadow Health is a Gainesville-based company with technology developed at the University of Florida that is commercializing a platform for medical, nursing and allied health students to engage in standardized simulated clinical experiences where the students use their computers to orally and physically examine a patient. These clinical simulations provide opportunities to develop better bedside manner, improve physical examination procedures and take better patient histories.

SharpSpring is a Gainesville-based company with technology developed at the University of Florida that provides comprehensive sales and marketing management systems that allow businesses to track and optimize every aspect of the sales cycle from lead to close, and is specifically designed for the Small - Medium Business (SMB) market. The company was acquired by SMTP (NASDAQ: SMTP) in August of 2014 and has repaid its loan, but continues to grow and create jobs in the Gainesville area.

Spyglass Technologies is a St. Petersburg-based company with technology developed at the University of South Florida that is commercializing a platform for water analysis which provides real-time physical, chemical and biological characteristics of water resources to major companies in industries such as oil and gas.

Sun BioPharma is a Gainesville-based company with technology developed at the University of Florida developing a novel drug compound targeting pancreatic cancer. The new drug candidate targets DNA replication in the acinar/ductal cells of the pancreas from which cancerous tumors typically emerge.

TAO Connect is a Gainesville-based company with technology developed at the University of Florida that licenses an integrated software system for providing online mental health treatment. The TAO (Therapist Assisted Online) system allows treatment at half the cost of traditional face-to-face psychotherapy, with no decrease in income for the therapist, resulting in improved patient outcomes.

TapShield is an Orlando-based startup company with technology developed at the University of Florida that provides a combined mobile app for students, faculty, staff and visitors and software-as-a-service method for immediate notification of emergency services on university and company campuses.

TruVitals is a Gainesville-based startup company with technology developed at the University of Florida that offers a non-contact, continuous vital signs monitoring device for equine heartbeat, respiration and temperature that will eliminate dangerous stress caused by intrusive contact monitoring, reduce response time for animals in distress, provide better tracking systems and lower the cost of animal care.

Vigilant Biosciences is a Miami-based company with technology developed at the University of Miami that offers an effective, non-invasive and low-cost point-of-care oral rinse test strip to be used as an adjunctive early screening test for oral cancer (i.e. head and neck squamous cell carcinoma - HNSCC) prior to observation of visual symptoms.