



CSG ENTREPRENEURSHIP DAYS IN THE CAPITOL



April 2, 2014
Nebraska State Capitol

Ewing Marion
KAUFFMAN
Foundation



Invest Nebraska is a private, non-profit venture development organization focused on high-growth companies in Nebraska and growing the state's entrepreneurial economy. We are partially funded by the Nebraska Department of Economic Development through the Talent and Innovation Initiative.

- ❖ Nebraska Innovation Seed Fund
- ❖ Invest Nebraska Angel Sidecar Fund

Double Bottom Line: market rate of return and economic development



Fragmented Approach - History of Entrepreneurship/Innovation Policies in Nebraska

1980s

- 1986 – Nebraska Research & Development Authority Act

1990s

- 1993 – Microenterprise Development Act

2000s

- 2001 – Nebraska Venture Capital Forum Act
- 2005 – Nebraska Advantage Microenterprise Tax Credit
- 2006 – Ag Opportunities and Value-Added Ag Program
- 2006 – BECA
- 2007 – Nebraska Operational Assistance Act

Coordinated Approach – History of Entrepreneurship/Innovation Policies in Nebraska

2010

- Nebraska Department of Economic Development – Nebraska Department of Labor - Battelle Technology Partnership Practice Study
- Legislature’s Innovation & Entrepreneurship Task Force

2011

- Business Innovation Act
 - Nebraska Innovation Fund
 - Prototype Grants
 - Seed/Commercialization Investment
 - SBIR Grants
 - Phases 0, 1, & 2
 - R & D Grants
 - Phases 1 & 2
 - Microenterprise TA and Lending
 - Value-Added Ag Fund
 - Prototype Grants
 - R & D Grants
- Angel Investment Tax Credit
- Nebraska Internship Program

Business Innovation Act: Nebraska Innovation Fund

9/1/2011 - 12/31/2013

Nebraska Innovation Fund

Prototype Grant

Applications Received: 117
of Awards Granted: 51
Funds Allocated: \$ 2,383,442

Commercialization

Applications Received: 39
of Companies Funded: 6
Funds Allocated: \$ 3,000,000

Small Business Innovation Research Grants- Phases 0, 1, & 2

Phase 0

Applications received: 19
Approved: 13
Funds allocated: \$ 64,200

Phase 1

Applications received: 5
Approved: 5
Funds allocated: \$487,191

Phase 2

Applications funded: 4
Approved: 4
Funds allocated: \$400,000

Research & Development Grants

Phase 1

Applications Received: 15
Approved: 14
Funds Allocated: \$ 1,344,950

Phase 2

Applications Received: 2
Approved: 2
Funds Allocated: \$ 800,000

Microenterprise Technical Assistance

Applications received: 1 – statewide organization
Approved: 1
Funds allocated: \$ 600,000

Microenterprise Micro-Lending

Applications received: 5
Approved: 4
Funds allocated: \$1,400,000

Value Added Ag Fund

of Prototype Awards: 7
Prototype Grant Funding: \$ 325,785
#of Academic R&D Awards: 1
Academic R&D Funding: \$ 400,000

Angel Investment Tax Credit

2011

Proposed Investment:	\$15,056,737	Qualified Investor Applications	
Amount of Credits Requested:	\$4,898,000	Received:	74
Amount of Credits Approved:	\$3,078,000	Qualified Investor Applications	
Total Qualified Investments:	\$7,401,624	Approved:	71
Actual Credits Issued:	\$2,319,424	Total Number of Businesses	
Amount of Credits Pending:	\$0	Receiving Investments:	20
Unallocated Tax Credits:	\$560,575	Distressed Area:	19
Credits Not Used (Failure to Invest):	\$638,575	Non-Distressed Area:	1

2012

Proposed Investment:	\$10,177,693	Qualified Investor Applications	
Amount of Credits Requested:	\$4,032,313	Received:	134
Amount of Credits Approved:	\$3,661,215	Qualified Investor Applications	
Total Qualified Investments:	\$7,190,471	Approved:	127
Actual Credits Issued:	\$2,837,424	Total Number of Businesses	
Amount of Credits Pending:	\$210,297	Receiving Investments:	22
Unallocated Tax Credits:	\$23,607	Distressed Area:	20
Credits Not Used (Failure to Invest):	\$684,822	Non-Distressed Area:	2

2013

Proposed Investment:	\$9,155,948	Qualified Investor Applications	
Amount of Credits Requested:	\$3,676,129	Received:	98
Amount of Credits Approved:	\$3,446,000	Qualified Investor Applications	
Total Qualified Investments:	\$7,530,946	Approved:	86
Actual Credits Issued:	\$3,000,000	Total Number of Businesses	
Amount of Credits Pending:	\$230,129	Receiving Investments:	31
Available Funds:	\$0	Distressed Area:	30
Credits Not Used (Failure to Invest):	\$446,000	Non-Distressed Area:	1



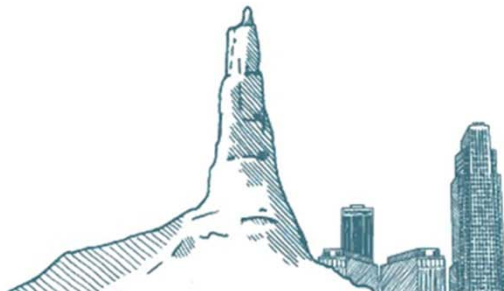
9/1/2012 – 12/31/2013



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	Investment Amount	Match Investment	Total New Positions	Avg annual salary of new positions	Follow-on Capital (Grant, Loan, Equity)
Total	\$ 3,000,000	\$ 6,227,000	35	\$ 60,429	\$ 5,336,069



Developing Nebraska's Entrepreneurial Ecosystem



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Published Monday February 10, 2014

Nebraska startups attract attention, cash from investors outside state

By [Cole Epley](#) / World-Herald staff writer

Nebraska startups attracted as many deals in 2013 as there were in the previous five years combined, and local companies are increasingly capturing the attention and investments of investors in startup hubs like Silicon Valley and New York City.

Securities and Exchange Commission filings and data from New York-based venture capital database CB Insights show at least 23 Nebraska-based startups attracted around \$43 million in investments last year.

Published Friday February 21, 2014

World-Herald editorial: Venture capital breakthrough

Nebraska has moved ahead on the venture capital scene thanks to hard work on several fronts:

>> **Entrepreneurs:** These days Nebraska can boast of respected companies and entrepreneurs in such areas as innovative software and medical technology, and that has gotten notice from out-of-state investors.

>> **Investors:** Nebraska now has an impressive, growing set of in-state investors, acting as individuals or jointly. Firms such as Dundee Venture Capital and Treetop Ventures are among the key figures on this front.

>> **State investment strategy:** In 2011, state leaders created the Nebraska Innovation Fund, strengthened Invest Nebraska and adopted an improved overall strategy for helping startups.

>> **University vision:** The University of Nebraska and Creighton University are doing forward-looking work in converting their scientific research into marketable services and products.

NU campuses are installing entrepreneurs in residence to help faculty understand the commercialization process. At UNMC, entrepreneur Gary Madsen worked with nanotechnology scientist Vinod Labhasetwar to develop the startup ProTransit Nanotherapy. At UNL, entrepreneur Brian Ardinger spearheaded creation of NMotion, a mentoring/financing program to aid Nebraska startups.