



Investing in Technology to Build Economy-Sustaining Industries: The Challenge Ahead for Northeast Ohio

Third Frontier Breakfast Briefing

July 20, 2005

Third Frontier Investments Help Fill ~\$300M Gap in Early Stage Capital in Northeast Ohio

Organization	3rd Frontier Investment	Leverage: Additional Funds Invested	Successes to Date and Goals
JumpStart	\$1.6M	\$7.5M in grants for operations and investments \$2.5M follow-on funding for companies	<ul style="list-style-type: none"> Invested \$1.9M in 7 companies; plan to invest in 60 by 2010 Deal flow far exceeding expectations in first 13 month
Case Technology Ventures	\$1M	\$4M from CWRU \$1.1M follow-on investments in companies	<ul style="list-style-type: none"> Invested \$250,000 in 3 companies Follow-up with \$1.1M
CCF Innovations	\$2.1M	\$2.1 M from CCF \$41.2M (follow-on funding for companies)	<ul style="list-style-type: none"> Spun out 13 companies \$7M in philanthropic support to CCF Innovations
Early Stage Partners	\$1M	Largest Ohio-based early-stage capital fund with \$44M under management; \$96M additional follow-on investment to companies	<ul style="list-style-type: none"> Invested \$25M in 17 companies 14 companies in Ohio employing 250 people in the state with average salary >\$50,000
Ohio Innovation Fund	\$1M (for next fund)	The first early stage fund in the region	<ul style="list-style-type: none"> Invested nearly \$12.5 million in Ohio companies
Draper Triangle Ventures	\$1M	Opened office in Cleveland due to Third Frontier and OVCA	<ul style="list-style-type: none"> Bring venture funds from outside Co-invested in three NEO companies

Growing Industries for the 21st Century in NEO

Building on strengths, including manufacturing

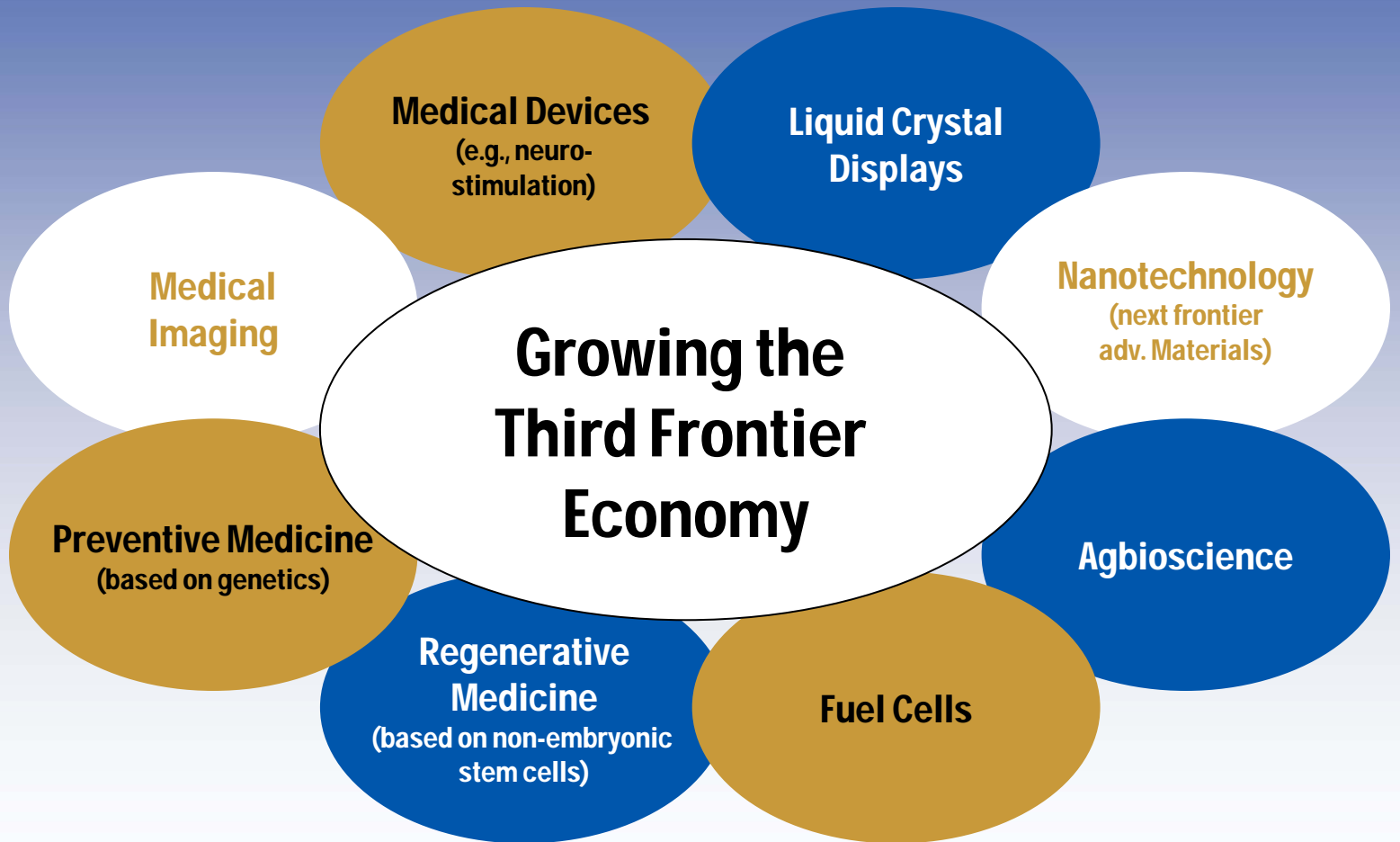
- Truly distinctive talent and assets in all of these technology areas in a region that values technology, innovation and entrepreneurship
- Leadership coordinated, committed and recognized
 - NorTech
 - Greater Akron Chamber
 - Greater Cleveland Partnership
 - Lorain County Chamber
 - Stark Development Board
 - Youngstown/Warren Chamber
- Momentum building with scale and common regional vision
 - Fund for our Economic Future
 - JumpStart, BioEnterprise, Team NEO, the Ohio Polymer Strategy Council, Ohio ICE, Ohio Fuel Cell Coalition, OneCleveland/One NEO, Incubators, Technology Transfer Offices and many others

Growing Industries for the 21st Century in NEO

Next steps: filling common needs

- More research dollars and early-stage capital
- Common/coordinated commercialization infrastructure
- Education/work force training and talent recruitment initiatives
- Common marketing and strategic planning effort
- Company attraction to complement our “grow-your-own” initiatives; “totally outrageous service”

Building Economy Sustaining Industries From World-Class Technologies





Please join us to build this
21st century economy for
Northeast Ohio.

Thank You.

Dorothy Baunach

President and Executive Director, NorTech

216-363-6883

dbaunach@nortech.org