Capital + Expertise + Networks = Startup Growth

At Innovation Works (IW), our goal is to help our companies form the building blocks of growth. It takes more than just investment. Startups need advice, connections and critical experiences to survive their earliest stages. Alongside our seed investment, we connect companies with an Executive in Residence to provide them with guidance, help them identify opportunities and support them as they pursue their entrepreneurial dreams. Since its launch in 1999, IW has invested more than $73 million in 335 companies. Those companies have gone on to raise more than $1.9 billion of follow-on investment from several hundred investors.

IW programs help commercialize university technology, support early-stage companies through its seed fund and top-ranked accelerator programs, catalyze increased growth with its follow-on fund, and much more. Startable continued to make entrepreneurship more accessible to young people who may never have thought of starting a business - teaching maker skills, entrepreneurship skills and life skills to young adults from diverse backgrounds. Also in 2016, IW turned its attention to the eight counties outside of Allegheny County, helping link rural manufacturers to startups across all of southwestern Pennsylvania. IW also prioritized HR and Inclusion initiatives, an Intern Program, and educational sessions through the Caffeinated Innovation Series.
Riverfront Ventures is a $24 million venture fund that invests primarily in Pittsburgh-area technology companies. Many of Riverfront’s investments help IW portfolio companies catalyze and close investment rounds led by other venture capital firms. This infusion of capital helps companies scale up and fuels growth.

AlphaLab Gear supports the growth of early-stage hardware, robotics and other physical-products companies. Along with providing resources in areas critical to prototyping, manufacturing & distribution, startups have access to the AlphaLab Gear network to help grow & strengthen their startup. AlphaLab Gear also hosts the Hardware Cup, an international pitch competition for early-stage physical product companies. AlphaLab Gear’s success is due in large part to its corporate sponsors.

Consistently ranked as a top U.S. accelerator, AlphaLab’s proven, customer-focused approach helps entrepreneurs quickly determine the best way to build and grow their companies. The accelerator program encourages startups to engage with customers early and often in order to find true product-market fit. AlphaLab provides connections to top mentors, experts and other critical resources. AlphaLab’s success is due in large part to its corporate network.
[The following figures represent financial resources and/or business assistance provided by IW in 2016.]

- **$5.9 million** invested in tech companies
- **3rd most active seed-stage investor in the U.S.*
  *per national PitchBook rankings
- **25 companies** raised $1 million or more
- **1,500 companies** received funding
- **150 million** raised in follow-on funding
- **82 funds**
**COMPANY IMPACTS**

The following figures represent financial resources and/or business assistance provided by IW in 2016:

- **59,955** companies received business assistance and/or financial resources.
- **197** companies received business assistance and/or financial resources.
- **52%** companies receiving investment in the past 5 years had a female and/or minority founder.
- **$73.9 million** million invested since 1999.
- **335** companies have received investment.
- **$1.9 billion** raised in follow-on funding.
- **60 million** investment for IW accelerator companies.

Accelerator and seed fund companies have received funding since 1999.
ANGLR Tracker & Logbook unveiled the world’s first rod-mounted fishing trip tracking tech at I-CAST and is now available nationwide at Dick’s, Cabela’s and local tackle shops.

Astrobotic Technology secured 10 deals from governments, companies, universities, nonprofits and individuals as they competed to become the first privately funded rover to land on the moon.

Circadiance launched the first pediatric soft cloth CPAP mask, designed specifically to provide a comfortable & quick sealing interface for CPAP and noninvasive ventilation patients.

Cognition Therapeutics, Inc. announced the initiation of U.S. clinical testing of its proprietary first-in-class, orally available small molecule therapeutic being developed for the treatment of Alzheimer’s disease.

ContainerShip raised a $2.41 million seed round led by Pittsburgh-based Draper Triangle Ventures, Birchmere Ventures and Riverfront Ventures.

Conversant Labs along with launching the hands free cooking app Yes Chef, Conversant Labs took first-place in UpPrize, a $1 million Social Innovation Challenge.

Diamond Kinetics introduced two of the most prestigious collegiate baseball programs in the US, University of Louisville and Vanderbilt University, as their initial ‘Premier Collegiate Partners’ for the 2017 season.

Encentiv Energy raised $2.44 million in an investment and venture debt round led by Birchmere Ventures.

Forest Devices won first place in the McGinnis Venture Competition, hosted by Tepper School of Business at Carnegie Mellon University.

HiberSense selected as one of the “Best University Startups 2016” at University Startup Demo Day in Washington, D.C.
Identified Technologies was named one of Entrepreneur Magazine’s “Brilliant 100 Companies” and one of the publication’s “Top 10 Tech Companies to Watch in 2016.”

Interphase Materials’ founders were named to Forbes’ 30-Under-30 in Manufacturing and Industry list.

JazzHR was named to Inc. Magazine’s 2016, 5000 List of Fastest Growing U.S. Companies.

Kaarta’s Real Earth won first place in Microsoft’s Indoor Localization Competition.

Knopp Biosciences raised $12.5 million from investors to advance clinical & preclinical programs.

Maven Machines launched the Co-Pilot, a new smart headset designed to alert truck drivers in real time for any change in behavior that indicates fatigue.

NoWait announced a $40 million acquisition from Yelp in 2017.

PECA Labs was awarded the European CE mark certification for an innovative conduit called exGraft for use in children’s heart surgery.

RE2 Robotics’ President, CEO and Founder was selected as the recipient of the Carnegie Science Award in the Start-up Entrepreneur category.

Rorus won 1st place at the SXSW Accelerator competition as well as the Trend of the Event award for civic engagement.

Simcoach Games was recognized by the city of Pittsburgh for its innovation with “Harness Hero Day.”

Thar Pharmaceuticals received FDA approval for phase III clinical trials of its core product, dubbed T-121, which will be used to treat severe, persistent pain.

Thread and Timberland announced a partnership for Thread to provide upcycled materials for use in Timberland footwear.
Innovation Works is Southwestern Pennsylvania’s Ben Franklin Technology Partner, an initiative of the PA Department of Community and Economic Development, and is overseen by the Ben Franklin Technology Development Authority. We thank the Commonwealth for its ongoing financial support, as well as the U.S. Department of Commerce’s Economic Development Administration, the U.S. Department of Defense, U.S. Small Business Administration, U.S. Department of the Treasury, the Appalachian Regional Commission and the Urban Redevelopment Authority of Pittsburgh. Innovation Works also thanks the Benter Foundation, BNY Mellon Foundation, Claude Worthington Benedum Foundation, Grable Foundation, The Heinz Endowments, Hillman Foundation, McCune Foundation, The Pittsburgh Foundation, PNC Charitable Trusts, R.K. Mellon Foundation and the Sprout Fund. Innovation Works would like to thank Ansys, Arrow Electronics, Bosch, Cohen & Grigsby, Philips Respironics, Sisterson & Co., Solidworks and StartBot for support. Finally, the success of Innovation Works and our companies relies on the contributions from many individuals, corporations and organizations who invest their time, expertise and capital in the region’s startup technology companies. Innovation Works relies on company-reported data, third-party resources and internal information for the figures used throughout this report.