

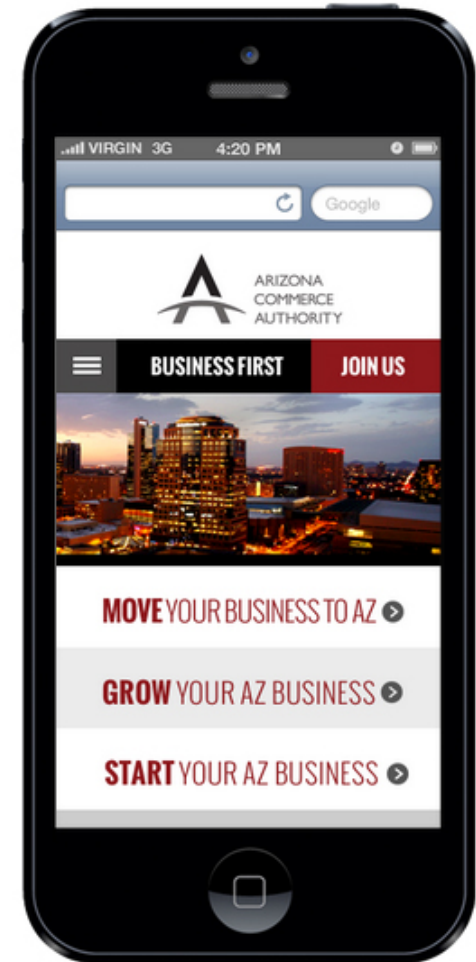
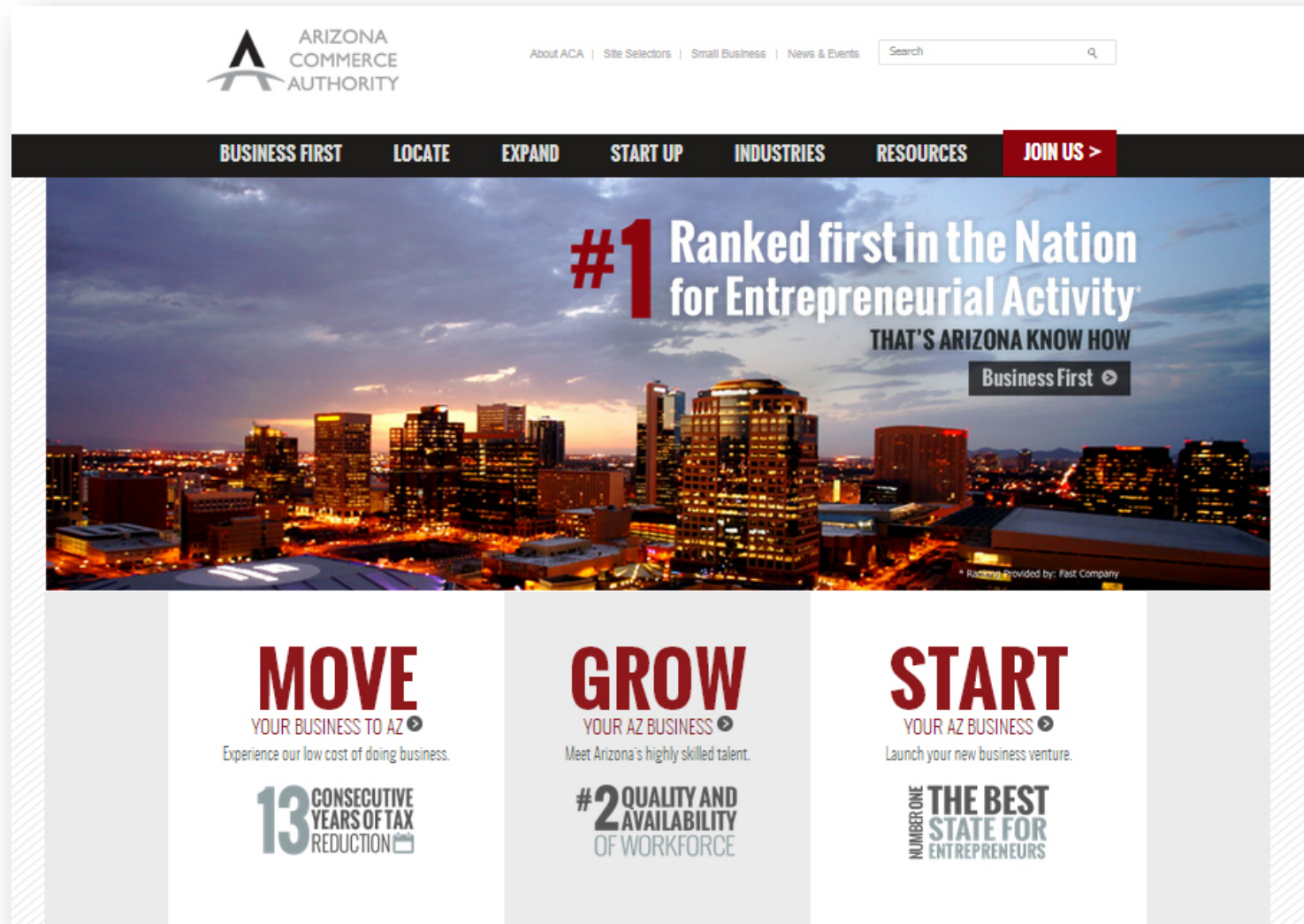


**... WELCOME COMPANIES &
STAKEHOLDERS !!!**

ARIZONA COMMERCE AUTHORITY

Organization and Innovation Programming Overview
Randy Gustafson – Senior Vice President, Innovation

WHAT WE DO



ARIZONA ACCOLADES

- #1 for Entrepreneurial Activity (Fast Company, 2016)
- #2 Fastest Job Growth (Kiplinger, 2016)
- #2 Skilled and Available Work Force (CNBC, 2014)
- #3 Entrepreneurial Business Growth (Kauffman, 2016)
- #3 Tech & Info Jobs (Forbes, 2016, Phx-Mesa-Scottsdale)
- #4 Entrepreneurial Startup Activity (Kauffman, 2017)
- #4 Projected Job Growth (Forbes, 2016)
- #5 Access to Capital (CNBC, 2014)

**... From the “5 C’s” to #9 Best State for Business!!
(Chief Executive Magazine, 2018)**

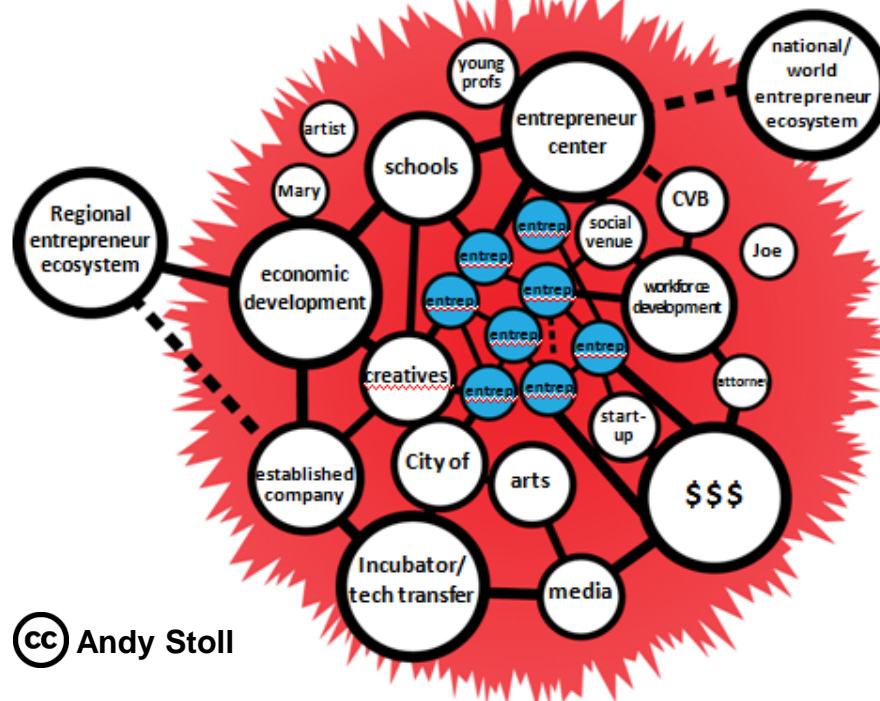
BUILDING CONNECTIVE TISSUE

ENTREPRENEURIAL ECOSYSTEM

The ACA builds “connective tissue” between important stakeholder groups in Arizona’s entrepreneurial ecosystem

(Focus on building the social fabric)

➔ TO BENEFIT
ENTREPRENEURS !



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ACA PARTNERSHIPS

- **Invest Southwest** – “Venture Madness” – new format enabled 26 companies in 4 categories to pitch in front of more than 30 VCs
- **Investors** – Angel and VC investor groups/funds
- **Economic Development Partners** – Regional, Cities and Rural
- **Higher Education** – Universities, Community Colleges, Technical/Trade Schools
- **Flinn Foundation** – Arizona Bioscience Roadmap and more
- **Arizona Tech Council** – premier tech/science trade organization
- **Arizona Bioindustry Association (AZBio)** – all things bio
- **AzBIA** – Coordination, collaboration (40+ members)
- **SciTech Festival** – over 1,200 events annually; focused on STEAM initiatives and entrepreneurship
- *And many, many more*

ACA INNOVATION PROGRAMS

The Angel Tax Credit Program

- Tax credit up to 35% for investors in certified companies who have an AZ tax liability.
- For investments made in 2014 or later, NO Arizona capital gains tax on income from certified companies.

IMPACT

- Since 2006, over 175 certified companies have received over 1,300 investments, totaling more than \$75 Million.
- \$25.0 Million has been awarded in tax credits to-date.
- >\$40 Million in estimated tax revenue generated from credits.
- >\$400 Million early stage capital raised from certified firms.
- Legislation obtained additional funding (\$2.5 Million/Year, 4 years).

ACA INNOVATION PROGRAMS

SBIR Initiatives

- PAST: 2-day, technical assistance workshops to train companies how to write SBIR/STTR grants.
- FUTURE: Develop a program focused on helping Phase I grant winners to commercialize their technology, and improve ability to win Phase II grants. Further education efforts about SBIR into underserved communities. Assistance for companies to attend major SBIR Conferences.
- Created an Arizona SBIR Resource Center.

IMPACT

- Arizona is now a top-tier state for companies receiving SBIR Phase I grants
- 13 workshops held, serving 144 companies
- \$216,000 of delivered value (\$1,500 per participant)
- Additional SBIR events touched 197 companies
- In FY16, five companies won Phase I, \$150,000 grants

ACA INNOVATION PROGRAMS

Arizona Innovation Challenge

- Awards one of highest amounts of money in the country for a technology commercialization challenge – \$3 MM (\$1.5 MM twice per year).
- Grants up to \$150,000 per company, for up to 10 companies, to commercialize or scale their technology within 1 year, via our Venture Ready program.
- 4+ month, 3-phase process – all eligible companies receive feedback!!

IMPACT

- 13 rounds: 2,021 applications from 1,221 unique startups.
 - Last 12 rounds alone (1,092 unique companies): Almost \$1.1 Billion in capital raised by companies; almost \$810 Million in total assets reported; almost 6,100 employees represented.
- 80 winning companies, awarded/being awarded \$18.5+ Million (non-dilutive).
- Spring 2019 Submissions just Closed!! ... Look for Fall 2019 !!!

... THE END



THANK YOU !!