

THIS YEAR, BEN FRANKLIN TECHNOLOGY PARTNERS IS CELEBRATING 30 YEARS of service to the Commonwealth of Pennsylvania. As part of its anniversary celebration, BFTP commissioned an independent evaluation of the statewide program's impact for the period from 2007–2011, conducted by the Pennsylvania Economy League and KLIOS Consulting. The full report, which can be viewed at *www.benfranklin.org*, showed that during this time frame, the Ben Franklin network boosted the Pennsylvania economy by \$6.6 billion, helped generate \$502 million in additional state revenue, and added 7,485 additional jobs through its client firms.

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BEN FRANKLIN
TECHNOLOGY
PARTNERS OF CENTRAL
& NORTHERN PA





The Ben Franklin Technology Partners is an initiative of the Pennsylvania Department of Community and Economic Development and is funded by the Ben Franklin Technology Development Authority.

BEN FRANKLIN TECHNOLOGY PARTNERS OF CENTRAL & NORTHERN PA

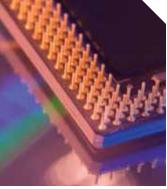
PROGRAM OVERVIEW 2012/2013

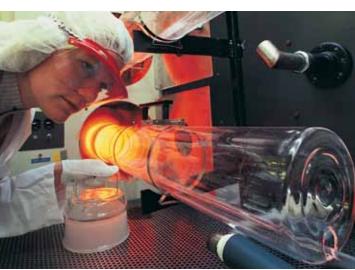
# Regional focus. Statewide strength. Global impact.

For 30 years, as part of a statewide network, Ben Franklin Technology
Partners of Central & Northern PA has provided capital, business training services and entrepreneurial support programs to emerging technology startups and small manufacturers in our 32-county footprint.









Funding from Ben Franklin Technology Partners of Central and Northern PA (CNP) is used to help develop new technology products and processes and to support initiatives that encourage the further development of an entrepreneurial pipeline in our region.

With these goals in mind, CNP has consistently and strategically invested in the establishment of:

- >> Training programs targeted specifically to budding entrepreneurs
- >> A commercialization center that focuses on the shale gas industry
- >>> Best-in-class business support services and training
- >> University-based technology transfer programs
- >> Follow-on funding opportunities
- >> A partnership with a county-based authority to create a local investment fund
- >> Business plan competitions

Impact 2012 Investing in innovation is at the core of the Ben Franklin mission. Our model — one of the first public/private partnerships in the country dedicated to technology commercialization — continues to work as well now as it did when it was inaugurated in 1983 by Governor Thornburgh and Representatives Geist and Murphy.

In 2012-2013, Ben Franklin Technology Partners of Central & Northern PA invested nearly \$6 million dollars in technology-based startups, small manufacturers and entrepreneurial support initiatives, all of which will ultimately create more highpaying job opportunities in central and northern Pennsylvania.

A total of 329 companies came to CNP for assistance, either for direct funding or for business mentoring. With our investment and business support services, these technology companies were able to develop 30 new products and implement 18 new processes.

Even more importantly, these companies retained the employment of 101 people, and created 222 new jobs that didn't exist in 2011.

# Programs and Services

### BF Tech*Celerator* Programs

With locations in Carlisle, State College and most recently Hershey, the Ben Franklin TechCelerators provide the "Next Generation of Entrepreneurial Support & Business Incubation Services."

By forming partnerships with other regional/local economic development initiatives, the BF Tech Celerators provide entrepreneurs, university students and faculty members, and small business owners with designated office space, loan and investment programs, business support and mentoring services, and entrepreneurial training — all housed in a one-stop-shop.

In addition, the business mentoring and entrepreneurial training "boot camps" offered at each location enable potential business owners to gather the information and advice they need to make informed go/no-go decisions about launching a new company.



### BF TechCelerator@Carlisle

techcarlisle.com Since its inception, the BF TechCelerator@Carlisle has graduated 40 participants from its eight-week sessions and created ten startups using an approach called "Entrepreneurial Boot Camps." The program is a partnership with the Harrisburg Regional Chamber and the economic development arm of the Chamber (CREDC).



are CEOs of two of the resident companies in the BF TechCelerator@Carlisle.

## BF TechCelerator@StateCollege

techceleratorstatecollege.org The success at Carlisle was repeated in State College, targeting researchers, faculty and students interested in commercializing Penn State's intellectual property. BF Tech*Celerator*@ StateCollege co-located with several economic development partners at 200 Innovation Boulevard to create a process for prospective clients. To date, 12 new companies employing 26 people have been formed.

### BF TechCelerator@Hershey

### techcelerator-hershey.com

In 2013, the BF Tech Celerator model was introduced to the College of Medicine/Milton S. Hershey Hospital to support technology transfer and startup opportunities for medical-based products. May 15, 2013, marked the end of the program's first eight-week session for a group of five companies. Each company, competing for a chance at funding to seed the business, made a final presentation to a panel of local judges. Microsurgery Simulation Software and its founder, Dr. Joseph Sassani, won first place.

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# Programs and Services

# **Shale Gas Innovation & Commercialization Center**

sgicc.org

Since 2011, SGICC has been focused on identifying, supporting and commercializing technologies and early-stage businesses that enhance responsible stewardship of the environment while properly utilizing this transformative energy asset. This year's Innovation Contest attracted more than 70 applicants who competed for three prizes of \$25,000 each. Twelve finalists made their presentations at an event on May 7, 2013 in Pittsburgh, which attracted nearly 200 attendees.

INNOVATION CONTEST WINNERS
Atlantis Technologies: Developed the
Radial Deionization System, which is
ten times the speed, fifteen times the
range, and less than half the price of
previous technologies.

Pyrochem Catalyst: Developed a catalyst technology for converting natural gas to synthesis gas that has higher activity, longer life and the ability to operate under conditions that save capital and operating cost.

**REV LNG**: The company has contracts to source and transport liquid natural gas (LNG) via special tankers which become a virtual pipeline to end-customers.

### **Executive-in-Residence Program**

Many early-stage companies have strong skillsets in the technology they have developed, but are in need of experienced management leadership. To address this talent gap, CNP initiated an Executive-in-Residence (EIR) program for our growing portfolio companies. While the Ben Franklin Transformation Business Services Network continues to provide basic one-on-one business assistance to our clients on topics related to



William Hall, Executive Director, addresses the audience at the opening of the Shale Gas innovation & Commercialization Center.

market strategy, financial management, accounting, and human resource practices at no charge, the EIR program provides expert leadership support on specific topics to a limited number of companies.

### **Venture Investment Forum**

venture-forum.org

The Venture Investment Forum, the training arm of CNP, offers its services to coach later-stage, growthoriented start-ups how to access angel and venture capital. Not only does VIF help entrepreneurs access outside investment opportunities, it also provides essential management training, assists angel investment groups in organizing, and provides links between investors and promising early-stage companies. The eMarketing Learning Center (emarketinglearningcenter.org), a relatively new initiative of VIF, provides training to start-ups on topics related to digital marketing and social media, including search engine optimization, pay-for-click advertising, Google Analytics and more.

### **Innovation Transfer Network**

innovationtransfernetwork.org
A pioneering regional collaborative,
ITN has created the opportunity for
technology transfer among more
than a dozen small colleges and

universities and the business community located in south central Pennsylvania. This unique concept was the brainchild of several private and public partnerships, including CNP.

### **Penn Venture Partners**

pennventures.com

CNP helps financially support this venture capital fund that provides follow-on investments to growth-oriented companies located in the central portion of the state. Several of CNP's alumni companies have received an investment from PVP, including NanoHorizons, Probity, CyberPatrol and Thermacore.

### **Erie Innovation Fund**

CNP partnered with the Erie County Gaming Revenue Authority (ECGRA) to provide another source of capital to emerging technology start-ups and small manufacturers in Erie County. To date, nearly \$840,000 of ECGRA's funding has been deployed in 12 projects. With CNP matching each investment dollar for dollar, these companies have in turn leveraged an additional \$2.2 million (cash) and \$1.7 million (in-kind) in followon funding.

# **BIG IDEA Business Plan Competition**

In February 2013, CNP kicked off a \$35,000 Business Plan Competition that targeted the seven counties located in northwestern
Pennsylvania. By the time the application deadline arrived, nearly 2,500 people had visited the contest landing page, and more than 80 potential entrepreneurs had requested an application. Of those applicants, CNP chose six finalists, which were announced in May. The winner of the contest will be announced in July 2013.

# Client Company Highlights 2012/2013

Ben Franklin's charter mission is to support and invest in innovators. The CNP portfolio consists of entrepreneurs, emerging start-up companies and small manufacturers that need to develop new products or processes to become or remain competitive.

Ben Franklin investments — which are, in fact, an investment in the Commonwealth's economic health — help share the risks associated with bringing new innovations to market. With 30 years of experience in funding technology start-ups and small manufacturers, CNP is proud of the accomplishments of all our portfolio companies. Below is a snapshot of just a few of the very successful companies we are honored to have supported as they either launched their businesses or jumped into a new market.



### **MissionCriticalPartners**

### **Mission Critical Partners**

mcp911.com

With a professional staff of 61 employees, Mission Critical Partners provides innovative consulting to clients who have mission-critical and life-safety communications systems, such as 911 call centers. In May 2013, the company officially dedicated its 10,000-sq.-ft. corporate headquarters at its new location in Port Matilda. Mission Critical Partners has experienced rapid growth since opening its doors in 2008, and the new facility represents their intention to create a physical footprint that corresponds to their current and future growth.



### **Videon Central**

videon-central.com

Founded in 1997 and located in State College, Videon and its 74 employees develop software that runs in consumer goods worldwide. Through relationships with companies like Intel, the company



"In 2008, Ben Franklin provided the financial support necessary for us to start a three-person company called Mission Critical Partners. That dream has grown to a company of 61 employees working across three offices in Pennsylvania (State College, Pittsburgh, and Harrisburg); an office in Southlake, Texas; and a new location in Raleigh, North Carolina. In May 2013, we opened our brand new Pennsylvania corporate headquarters building in Port Matilda. We couldn't have done it without Ben Franklin."

**–KEVIN MURRAY**, CEO, Mission Critical Partners

has created technologies for millions of products including Blu-ray Disc players. End users may not always recognize the Videon name, but most people use the products that the company helps create every day. One longstanding example of Videon's design expertise is in providing entertainment solutions for private in-flight applications.

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### TM Filtration/Fluid Engineering

fluideng.com

Located in Erie, TM Filtration/ Fluid Engineering has been selling filtration products and systems locally, nationally and internationally for more than 35 years. With 38 employees, the company recently introduced new equipment for the shale gas industry that efficiently and cost-effectively removes solid particles and condensed liquids from shale oil at the production site. This technology has been proven in markets outside of the U.S.



### **MacuLogix**

maculogix.com Age-related macular degeneration (AMD) is the leading cause of adult blindness, affecting an estimated 13 million in the U.S. and 30 million worldwide. Located in Hummelstown, MacuLogix's pioneering development called AdaptDx<sup>™</sup> has the potential to be the first practical diagnostic for AMD. Based on significant advances in measurement of dark adaptation, AdaptDx will provide doctors with an easy-to-use, functional diagnostic tool similar to the routine testing for glaucoma done in the physician's office.



### **Drucker Company/QBC Diagnostics**

druckercompany.com With locations in Port Matilda and Philipsburg, Drucker/QBC is

one of CNP's earliest portfolio companies. A leading manufacturer of affordable, reliable laboratory centrifuges, Drucker also purchased the hematology business from a leading multinational diagnostic equipment company and formed QBC Diagnostics. The core patented technology enables physicians to quickly and easily perform a Complete Blood Count (CBC) during routine office visits. QBC Diagnostics also expanded its line to include products that can detect infectious diseases. With more than 100 employees, this year the company was recognized as the Technology Leader of the Year by the Technology Council of Central Pennsylvania.

# LINEAR ACOUSTIC

### **Linear Acoustic**

capability.

linearacoustic.com Located in Lancaster, Linear Acoustic developed a solution that allows TV and radio broadcasters to continually monitor their audio levels. Delivering audio to television viewers that satisfies loudness regulations (and loudness meters) is not a difficult task, but doing so without permanently impacting audio quality presented a much larger challenge. The company has forged partnerships with some of the biggest names in broadcasting, engineered the surround-sound for the world's most respected sports and entertainment events, and won an Emmy Award for Outstanding Achievement in Engineering/ Technical Development. This year, the editorial staff of Pro Audio Review and Pro Sound News presented their "Best of Show Award" to Linear Acoustic for their patented Intelligent Dynamics™ hybrid metadata processing

### 2012/2013 Client Investments

**COUNTY** 

Erie

**COMPANY** 

@Home FMS

TM Filtration

USIC

**Advanced Insurance Products** 

& Services Erie **AgIntegrated** Centre **Alpine Sales & Rental Corporation** Centre **Anderal Technologies** Mercer **Ascent Bio-Nano Technologies** Centre **BRL Solutions** McKean **CE Convergence** Erie Chromatan Centre **Conduit Technology** Erie CrimeWatch Dauphin Dataforma York **ECKey Corporation** Lancaster Eduplanet Cumberland **Ernst Biomass** Crawford Flashpoint Informatics Centre **Hot Mix Mobile** Lebanon Lasers for **Innovative Solutions** Centre **Lewis Designs** Erie Lignolink Centre **Next Generation Filtration Systems** Crawford **Quantum-Vortex** Centre Rev H2O Potter Salimetrics Centre **Strategic Polymers Sciences** Centre **Super Abrasive Machining** Innovation Centre **Surge Business Development** (Rattle the Box) Centre

Erie

York

# Board of Directors



Board members are listed in order of their appearance above

**Angela Singer Keating** Reclamere. Inc.

Steven M. Wand CEO Alcoil, Inc.

Ronald J. Huss Associate VP Research/ **Director Technology Transfer** The Pennsylvania State University

Kenneth J. Moscone, Sr. President, Drucker Company/ **QBC** Diagnostics **Board Chairperson** 

Dr. Edgar Harrell **Managing Partner** Harrell Partners, LLC Advisor to the Board

**Todd Erdley** Founder, President, CEO Videon Central, Inc.

John E. Werner **Board Member/Consultant** ABEC Inc.

Melanie L. Hatch Chancellor **Penn State DuBois** 

**Charles J. Peters Managing Member** Altair Holdings, LLC

Henry C. "Hank" Foley Vice President for Research Dean of the **Graduate School** The Pennsylvania State University

David E. Branigan **Executive Director** The Pennsylvania State University Office of Investment Management

Stephen P. Brawley **President & CEO** BFTP/CNP, Inc. Ex-Officio Member (not pictured)



