



Ben Franklin
Technology PARTners

Central and Northern Pennsylvania

www.cnp.BenFranklin.org

2016

PROGRAM OVERVIEW

For nearly 35 years, Ben Franklin Technology PARTners/CNP has provided investment capital and business support services to tech-based startups and small manufacturers located in our 32-county footprint in Pennsylvania.

>> We Inve\$t in Innovation

With four locations throughout Pennsylvania, Ben Franklin Technology Partners has been providing investment capital and business support services to tech startups and small manufacturers for nearly 35 years. Often referred to as the Gold Standard in tech-based economic development, the program has boosted the state's economy by more than \$25 million and helped to create nearly 140,000 jobs. The United States Economic Development Administration (EDA), in its November 2015 national newsletter, called Ben Franklin Technology Partners "one of the most successful projects" the EDA has ever supported.

In 2015/2016, Ben Franklin Technology Partners of Central & Northern PA, a long-standing partnership between the Commonwealth, Penn State University, and the private sector, invested in 31 company projects, assisted 419 companies, helped develop 52 products or processes, created/retained 230 jobs and generated more than \$36 million in follow-on funding.

Ben Franklin makes investments not only in the innovations developed by emerging startups and small manufacturers in our service area - but also in business mentoring and support programs including:

- **The BF TechCelerators**, located in State College and Harrisburg/Carlisle, offered business training Boot Camps that resulted in more than 70 new startups and created 130 jobs.
- **The BF Transformation Business Services Network**, a team of seasoned business professionals, spent more than 11,000 hours a year assisting BF clients.
- **The BF Shale Gas Innovation & Commercialization Center** advanced 11 new shale gas-related projects this year alone.
- **The BF Venture Investment Forum & eMarketing Learning Center** provided targeted, expert business training to more than 200 attendees.
- **The Innovation Partnership (IPART)** sponsored 12 events and trained 150 people on accessing Federal grant opportunities.
- **Penn Venture Partners**, a BF-created venture fund, made several new investments in high-growth companies in our service footprint.

In 2015 / 2016, the Center invested in the 31 companies listed below:

Company	County
AcousticSheep, LLC	Erie
Adiaon, LLC	Blair
AgeCheq Inc.	York
Airnest, LTD	Huntingdon
ApexDrop Influence Marketing	Erie
ArgentumCidalElectrics, Inc.	Centre
Better Bowls, LLC	Dauphin
BioMagnetic Solutions, LLC	Centre
Code Kit PRO	Erie
Conduit Technology	Erie
Data Inventions, Inc.	Erie
Direct Allergy LLC	Erie
Ecolislands LLC	Blair
eLoop, LLC	Centre
H&W Global Industries, Inc.	Indiana
HalenHardy, LLC	Blair
Hatchback, Inc.	Dauphin
Impulse Technology, LLC	Centre
InnovaTel Telepsychiatry	Erie
KCF Technologies, Inc.	Centre
Kress Technology	Somerset
MedStatix	Lancaster
Nolinio, LLC	Lancaster
PledgePlatform, LLC	Dauphin
RendrFX, Inc.	Erie
Return Logic, Inc.	Cumberland
Rivendell Technologies, LLC	Blair
Sensor Networks, Inc.	Centre
TechHiring, Inc.	Blair
TM Filtration	Erie
VideoMining Corporation	Centre

Company Spotlight

Like the demographic makeup of our 32-county footprint, Ben Franklin's investment portfolio is diverse and comprised of tech-companies and small manufacturers that represent a wide range of sectors. Below are just a few of this year's innovators who received Ben Franklin funding.

ACOUSTICSHEEPTM

Not getting enough quality sleep can lead to diabetes, heart disease, high blood pressure, breast cancer, and even becoming overweight. To address this problem, a growing company located in Erie, PA, AcousticSheep, developed SleepPhones, the first and most comfortable headphones designed to be used in bed. Last year's winner of Ben Franklin's BIG IDEA Contest and named the 2015 Small Business of the Year by the Consumer Technology Association, the company's SleepPhones are made with thin flat speakers housed in a stretchy, washable headband. These innovative headphones allow users to comfortably listen to soothing audio at bedtime, ensuring a good night's slumber without the use of medication. The company also offers an athletic line of headphones called RunPhones that are perfect for someone looking for a comfortable listening solution while exercising. Recently, the company's CEO, Dr. Wei-Shin Lai, was named the SBA 2016 Pennsylvania Small Business Person of the Year. For more information, visit acousticsheep.com.



airnest

Located in State College, PA, and a graduate of the BF TechCelerator@State College, Airnest's mission is to simplify the use of drones. While many industries

have a need for drone technology, the problem is that these devices are extremely difficult to use and integrate within commercial markets. Through the use of a combination of mobile software and cloud solutions, the company enables software companies to easily and efficiently build software for drones across multiple manufacturers. Because of Airnest's innovation, the users experience is now easier, safer, and just more fun. For more information, visit airnest.com.



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www.EcoIslandsLLC.com

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Our health, environment, and economy are all negatively impacted by a lack of clean water. Acidified mine water drainage (AMD), flowing from strip and sub-surface mining of coal, dissolves metals from the surrounding earth and releases them into our common rivers and streams - the sources of our drinking, agricultural, and industrial water. Increasingly stringent government regulated pollution effluent

limits make systems, that were once adequate, no longer in compliance. Located in Altoona, EcoIslands' patent-pending bioremediation technologies have unique capabilities for treating AMD in a miniaturized, cost effective, synthetic wetland. The products and services offered by the company are smaller, cheaper to maintain and operate, and offer a higher return on investment than traditional technologies. For more information, visit ecoislandsllc.com.

Company Spotlight



Located in Lancaster, MedStatix is a rapidly growing patient experience platform designed to enhance the quality of the relationship between doctor and patient. The MedStatix tools help providers identify and improve the delivery of care, while engaging patients in meaningful dialogue with doctors when outside of the office. MedStatix helps make doctors better caregivers and assists patients in becoming better healthcare consumers through data collection, advanced analytics, and patient engagement tools. The MedStatix cloud-based SaaS patient experience platform plugs directly into the point of care to capture data about patients and their visit to solicit feedback about the experience they received. As health care organizations are faced with patient loyalty issues in this new consumer driven market, MedStatix is a necessary tool to monitor and measure the patient experience. For more information visit medstatix.com.



Today, there are more than one million amateur sports teams in the United States including NCAA institutions, high schools, and youth leagues. Located in Harrisburg, PLEDGE IT by PledgePlatform, LLC is a fundraising app allowing teams and athletes to raise money for a charity or a specific cause based on their performance. Fans can pledge any amount for every touchdown, home run, or goal scored. PLEDGE IT is a do-it-yourself fundraising website allowing



Devon and Leah Still

teams and athletes to create powerful campaigns in minutes. Other online fundraising tools are cumbersome to manage for most volunteer-driven organizations. As a result, these organizations typically resort to sales of candy, magazine subscriptions or other seasonal products. Net profits from these programs typically result in a mere 30 - 50% to support the organization. PLEDGE IT campaigns are more effective than the leading crowdfunding sites based on system-wide data, creating value for the fundraiser and the beneficiary. PLEDGE IT is also unique among other peer-to-peer fundraising platforms in its appeal to corporate brands as a sports-specific sponsorship asset. For more information, visit pledgeit.org.



patented technology platform is used by a majority of the top 50 CPGs and retailers for optimizing their marketing and merchandising strategies. The company's current technology enables unobtrusive measurement of actual shopper behaviors and automatic conversion of video data into meaningful analytics at the store and aisle levels. This innovative approach has many advantages over traditional methodologies, like surveys and manual observation, in that it provides insights based on real shopper behavior in actual retail settings. Retailers and CPGs utilize these insights to make better informed decisions in areas ranging from store design and display planning to promotions optimization and package design. For more information visit videomining.com.

VideoMining Corporation is the leader in in-store shopper behavior analytics for consumer packaged goods (CPG) manufacturers and retailers. VideoMining's



Alumni Company Spotlight

Ben Franklin's investment portfolio is comprised of companies that are in varying stages of business development - many of which have been part of the "family" for more than 20 years or grew to the point they were acquired by recognized industry leaders.



Schoolwires

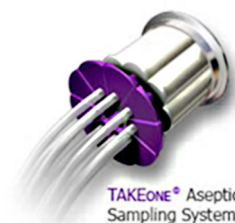
Ben Franklin made its first of three investments in Schoolwires, a company

that was developing an innovative ecommerce business that provided dedicated Internet services to primary and secondary schools. By bringing the student, teacher, and parent together online, their model made it easy for schools to create sites that helped parents become more involved in their children's academic progress and extracurricular activities. Today, nearly 1,700 districts and more than 11 million users in the United States and China rely on their content management system, mobile solutions, and safe/collaborative learning communities. In early 2015, Blackboard Inc., the world's leading education technology company, announced its intention to buy Schoolwires, and the acquisition was finalized in March of 2015.



AllPure Technologies

In 2007, Ben Franklin was introduced to AllPure Technologies, a company that designs, manufactures, and markets cutting-edge products for biopharmaceutical and pharmaceutical drug developers. Companies involved in the manufacture of drug products are required by the FDA to ensure the quality, strength, and purity of their products. Operating in a state-of-the-art facility in New Oxford, Pennsylvania, AllPure's single-use products, which include the TAKEONE® aseptic sampling system and QUICKSEAL® aseptic tube sealing system, provide quick, reliable, and safe testing solutions for their customers. In 2014, AllPure formed a joint-venture with a German-based bioprocess equipment manufacturer, Sartorius-Stedim Biotech, and the company, which is still located in central Pennsylvania, today has 48 employees.



Turtle Beach Systems

A small company in York, PA, called Turtle Beach Systems came to Ben Franklin to help bring a digital audio recording system to market. Turtle Beach's innovation gave personal computers the ability to record and play back high-quality sound. Their 56K Digital Recording System allowed recording studios, radio stations, and film producers to record and edit CD quality sound. The company soon

attracted a buyer, Integrated Circuit Systems (ICS), and the original founders, Roy Smith and Robert Hoke left the company. ICS ended up selling Turtle Beach to Voyetra Technologies that subsequently sold millions of sound cards to Dell Computer under the Turtle Beach brand. In later years, Turtle Beach diversified its product line to include USB audio devices, video-capture products and a wide variety of headphones. Roy Smith, now a serial entrepreneur commented, "Sometimes I can't believe the company that was literally started on my kitchen table, Turtle Beach, is now publically traded on NASDAQ".



Entrepreneurial Support Programs

To augment the financial investments Ben Franklin makes in its portfolio companies, the program also provides additional resources that help early-stage startups grow to the next level.

Ben Franklin's Transformation Business Services Network

A new startup needs more than just money. Our team of seasoned business professionals offers valuable hands-on assistance to entrepreneurs on topics such as strategic planning, marketing research, financial management, accounting and office setup practices, human resource planning, and advertising to name just a few. This type of mentoring, which is underwritten by Ben Franklin, is typically not affordable to emerging business owners who need it the most.



John Vidmar, Director, BF Transformations and Tom Hay, WavesinSolids



The BF **TechCelerator @ State College** is a partnership among several economic development service providers including Penn State's Small



Don McCandless, Director, TechCelerator@State College

Business Development Center, the Chamber of Business & Industry of Centre County, and Penn State's Office of Technology Management. A full menu of services have been designed to support researchers and students from Penn State University as well as local entrepreneurs. As of May 2016, the Program has offered nine sessions which, in turn, have graduated 52 teams. Many of the startups, 28 of which are based on Penn State technology, have already received national attention for their innovations and ten have received a Ben Franklin investment. techceleratorstatecollege.org

The BF **TechCelerator@Carlisle by CREDC**, a partnership with the Harrisburg Regional Chamber and its economic development arm, CREDC, offers potential entrepreneurs pre-launch market research, training, and business mentoring. Cohorts of six or seven participants receive hands-on help with developing a solid, focused customer-centric business plan. As of April 2016, a total of 106 entrepreneurs have gone through the TechCelerator Boot Camps. To date 53 companies have been formed - three of which have received a Ben Franklin investment. techcarlisle.com



April 2016 Cohort with Ross Gibson-Delasin/Assistant Director



The Ben Franklin Venture Investment Forum (VIF)

The training arm of the Ben Franklin program, VIF assists entrepreneurs in their preparations to seek private equity by maintaining contacts with angel investors who have an interest in supporting growth companies and providing training on topics such as Term Sheets and Valuation, Elevator Pitches, Angel Investing 101, and Presentation Skills.

VIF is also home to the services provided by the **eMarketing Learning Center**. Housed in Erie, PA, the program offers "how-to sessions" on all



Cathy von Birgelen, Executive Director/eMLC

aspects of digital sales and marketing including: How to Implement a Successful eMarketing Campaign; Creating an eCommerce Site; Search Engine Optimization (SEO); How to Use Social Networking Sites to Promote Your Business; Introduction to Blogging; Mobile Marketing and an annual eCommerce Day Forum that typically attracts more than 150 attendees who want to hear from well-known industry experts.

emarketinglearningcenter.org



Nearly 6,000 people visited the landing page for this year's BIG IDEA Contest to check out the rules and the prize package. These popular competitions are an easy, fun way for an entrepreneur to dip his/her toe in the startup world. The 2015/2016 competition, which targeted the eight

counties located in South Central Pennsylvania, awarded two prize packages, each valued at \$150,000 at an event held in April 2016. The winners, which were chosen from a group of eleven finalists were FORAC LLC and MathEdge Fantasy Sports.



Dennis Diaz, FORAC and Jill Edwards, Executive Director of BFVIF



Dave Kennedy and Ben Galluzzo, MathEdge and Jill Edwards, Executive Director of BFVIF

Penn Venture Partners – Venture Capital Fund



Penn Venture Partners makes venture capital investments in the high growth-potential companies located in the Center's central and northern footprint. PVP has a diverse portfolio consisting of companies in varied industries, some of which are also Ben Franklin companies. As a limited partner in PVP, the Center can make introductions to the fund managers for portfolio companies who are ready to access to this valuable follow-on funding opportunity.

pennventures.com



Shale Gas Innovation & Commercialization Center

SGICC identifies, supports, and helps commercialize technologies that enhance responsible stewardship of the environment while properly utilizing the shale gas energy asset in Pennsylvania. The Center's annual innovation competition, which is co-sponsored and judged by industry leaders, typically attracts participants from all over Pennsylvania and West Virginia. In May 2016, finalists competed for the opportunity to present their energy-related innovations to potential customers as well as share in the \$80,000 prize package.



Bill Hall, SGICC Director, and Sheri Collins, Deputy Secretary Office of Technology & Innovation, DCED

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Stephen P. Brawley
President & CEO
(Ex-Officio Member)
BFTP/CNP, Inc.

Office Locations & Contact Information

Northwest Office

Clarion	Mercer	Brian Slawin
Crawford	Venango	5340 Fryling Road, Suite 202
Erie	Warren	Erie, PA 16510
Forest		814.898.6650

North Central Office

Cameron	Jefferson	John Johnston
Centre	Juniata	200 Innovation Blvd., Suite 150
Clearfield	Mckean	State College, PA 16803
Clinton	Mifflin	814.863.4558
Elk	Potter	

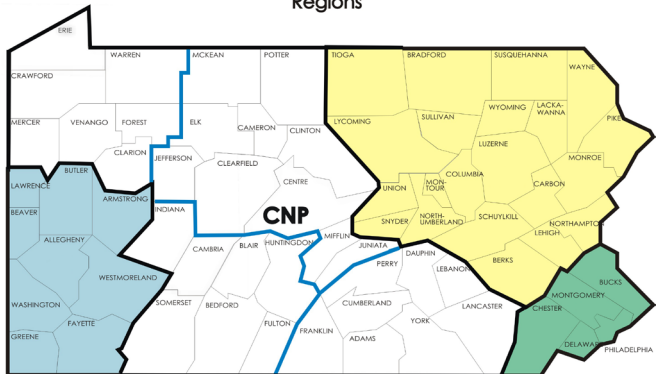
Southern Alleghenies Office

Bedford	Huntingdon	Brian Krier
Blair	Indiana	3900 Industrial Park Dr., Suite 6
Cambria	Somerset	Altoona, PA 16602
Fulton		814.569.1116

South Central Office

Adams	Lancaster	Richard Heddleson
Cumberland	Lebanon	Ross Gibson
Dauphin	Perry	1010 N. Seventh Street, Suite 304
Franklin	York	Harrisburg, PA 17102
		717.948.6339

Ben Franklin Technology Partners
Regions



Ben Franklin Technology Partners CNP, an initiative of the Pennsylvania Department of Community and Economic Development and funded by the Ben Franklin Technology Development Authority, provides investment capital and business support services to emerging tech-based companies and small manufacturers for the purpose of creating and retaining jobs in Pennsylvania. Contact the Central office of Ben Franklin in University Park at (814) 863-4558 or see our website at: www.cnp.benfranklin.org