

Vision 2020 Committee

Wichita Technology Corporation – Innovation Growth Program
Presented by: Trish Brasted, President/CEO
March 5, 2012

About WTC:

Wichita Technology Corporation (WTC) is a 501c (3), private commercialization corporation created in 1994 through a partnership between the Kansas Technology Enterprise Corporation (KTEC), the Wichita State University, and Wichita Area Development. This state-wide network of centers was created to leverage public resources with that of the private sector in order to maintain and facilitate business formation and growth by enhancing research and development capacity, providing business assistance at critical phases of a technology start-up life cycle including education, mentoring and access to capital.

Vision: To promote and expand an innovation network that provides entrepreneurial education and business assistance services, supports technology transfer and commercialization and facilitates access to capital through private sector engagement and collaboration resulting in job and wealth creation.

WTC is governed by a pro-active independent 13 member board of directors that includes participation from business, academia and government leaders who represent each entity in the public-private partnership. This board was created to leverage the expertise of the business community and to ensure accountability through sound business practices. (List of Board members can be found at Appendix A)

WTC is seeking to accelerate the process of turning technologies into viable products in the marketplace by providing services that are vital to the growth and success of start-ups as well as existing businesses in Kansas.

WTC Business Model:

Private sector engagement and collaboration serves as the foundation for the three areas that drive all activity of the WTC team. We believe by focusing our activities in these three areas gives us the best model for achieving our long-term goal of job and wealth creation.

Community Economic Development: WTC collaborates with local partners at the community level to develop entrepreneurial ecosystems that stimulate the development and growth of technology clusters.

- Local: City of Wichita Visioning strategy development, Chamber BOD, Cyber Alliance, WSU/CIEE – Jobs and Innovation Accelerator Challenge

Fostering Technology Advancement, Transfer and Commercialization in Kansas

House Vision 2020
3-5, 2012
Attachment 2

- Statewide: Rural Kansas Angel Initiative – collaboration with NetWork Kansas, KansasBio IAB, Economic Gardening Pilot, MainStreet Financing Initiative
- National: Serve on the National Association of Seed & Venture Fund BOD, National Benchmarking pilot with U.S. Treasury

Business Assistance Services: WTC provides hands-on value added services to assist and enhance company viability through the early-stages as well as new growth stages. Business assistance services include business planning both short-term and long-term, market validation and analysis, market research, sales & marketing development, fund raising and general business management, operations and accounting assistance.

- Consult with an average of 100 prospects annually, 15 new companies served, 25 long-term clients under contract.
- Provide day to day financial bookkeeping and financial services to 5 clients.

Access to Capital: Another very critical component of WTC's services is assisting entrepreneurs and technology companies find and increase their access to capital. Companies in our state are inherently disadvantaged when pursuing venture capital investment due to the scarcity of venture capital funds in our geographic region. Therefore several strategies have been developed over the years to level the playing field so that we can start and grow high potential world-class companies in Kansas.

Wichita Technology Ventures, Quest Ventures in Hutchinson and Milestone Ventures in Pittsburg are three small seed funds created to fund entrepreneurs across Kansas. The three funds managed by WTC have invested approximately \$3.0 million dollars into 40 companies leveraged by over \$100 million from other sources.

In 2004 with the proliferation of angel groups and the growth of the formal angel investing industry, WTC in collaboration with its private sector partners set out to form the first formal angel group in Kansas. In collaboration with the Angel Capital Association and the Kaufman foundation the group set about learning best practices from groups across the U.S.

In 2005 the **Midwest Venture Alliance (MVA)** was founded by three Wichita entrepreneurs. MVA was the first formal angel group in Kansas. Now in its 6th year of operation, MVA members have provided over **\$6M** in financing to nine Kansas high growth companies. These companies have leveraged over **\$50M** of other investment capital.

Regional Angel Collaboration - MVA is now collaborating with other regional angel groups including groups in Oklahoma City, and Tulsa, Omaha and Lincoln Nebraska as well as a group in Santa Barbara California and another in Anchorage Alaska.

- Currently 5 WTC/MVA clients fundraising. These clients are in Wichita, Salina, Lawrence, Kansas City and Cottonwood Falls.

- Nitride Solutions completed \$2.5M dollar round with \$1M from investors outside Kansas.
- Hosts annual Great Plains Capital Conference in Wichita. (8 years running with \$100M raised by presenting companies.

Transition to Department of Commerce:

As our program has transitioned into the Department of Commerce the team at WTC continues to collaborate with our statewide innovation partners such as the Centers of Excellence and the other entrepreneurial centers. WTC now has the added benefit of more closely collaborating with departments within the Department of Commerce and this not only enhances WTC and the reach of our offerings but also gives the DOC another resource to promote, collaborate and add value to their performance measures.

The elements of the Common Scorecard are aligned very similarly to the performance we have been measured against historically. Enhancing business development and the entrepreneurial environment, supporting innovation, wealth creation and job creation continue to be the drivers of our service offerings.

The team at WTC looks forward to more formally bringing the benefit of our knowledge, expertise and public-private partnerships to others around the state.

Appendix A

Wichita Technology Board of Directors

Robert L. Harbison (Chairman)
VP, Business Development
Intrust Bank

Jason Glasrud
Chief of Staff
Kansas Department of Commerce

John T. Mosley (Vice-Chairman)
Retired Entrepreneur/World Traveler

Skip Hidlay
Executive Director, Communications
Via Christi Health

Ted D. Ayres
Vice President & General Counsel
Wichita State University

J. David McDonald
Associate Provost for Research and
Graduate School Dean
Wichita State University

Allen Bell
Director of Urban Development
City of Wichita

Harvey R. Sorensen
Partner
Law Firm of Foulston, Siefkin, LLP

Perry Bemis
Entrepreneur

Buz Lukens
Retired from IMA of Kansas

Larry Carney
President
LD Carney & Associates, Inc.

WTC Performance Indicators

	FY 10	FY 11
Total Survey Count	25	15
New Jobs	63	36
New Contractors	32	11
Total Employees	298	214
Total Contractors	50	24
Total KS Employee Payroll	\$11,778,513	\$9,467,697
Total KS Contractor Payroll	\$1,104,526	\$822,796
Management not full salary	34	21
Jobs Saved	32	33
Saved Avg. Annual Salary	\$45,882	\$54,680
KS Sales	\$30,335,651	\$10,847,192
KS Exports	\$8,661,093	\$12,730,620
Total Revenues	\$38,996,744	\$23,577,812
Total New Capital	\$9,631,261	\$13,296,165