



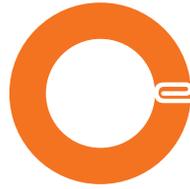
OCTANE

2016 Annual Impact Report



Driving innovation by connecting ideas and people with resources and capital.

From Our CEO



February 1, 2017

The year 2016 was transformational for OCTANe, our affiliated partners, sponsors, and members. We established a plan to create a more action-oriented organization that will lead the OC innovation ecosystem in becoming a nationally recognized center for company formation and growth.

In late 2016, OCTANe merged with OC Tech Alliance to expand our service to the information technology sector. And our 2016 conferences drew record attendance with 73 percent growth compared to 2010. We also partnered with world-renowned surgeons to create Visionary Ventures, our first sector-specific venture fund focused on investments in ophthalmology.

We also added a number of talented people to our team in 2016. Today, the OCTANe team is equipped to support innovative technology companies and entrepreneurs to ensure that they have access to the capital and expertise they need to grow.

This focus on capital and expertise lead to the development of our *Platform for Growth* initiative and *OCTANe Growth Services* which provides a critical portal to connect people and resources. The *OCTANe Growth Services* program and online portal will launch in early 2017. Our *Platform for Growth* initiative is focused on creating 22,000 technology-related jobs in Orange County by 2025.

It is a great time for technology in Orange County and the surrounding region. It is also an exciting time to be part of OCTANe. I urge you to engage and increase your involvement with our team as well as our sponsors, members, and advisors.

Thank you for your continued confidence in OCTANe, support for our organization, and role in growing Orange County's technology ecosystem. My staff and I stand ready to do what it takes to help you and your team innovate and grow.



Bill Carpou
Chief Executive Officer
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OCTANe: Focused On Acceleration

Founded in 2002, OCTANe is Southern California's leading technology innovation accelerator. Our core focus is to accelerate development and growth by connecting high-tech and med-tech entrepreneurs and executives with investors, advisors, resources and strategic partners. This is done through four core OCTANe initiatives.

OCTANe Connect

- Conferences
- Summits/Programs
- Sponsors/Members
- Annual Partners
- Community Engagement

OCTANe LaunchPad

- Predictive Analytics Process
- Industry Panel Evaluations
- Targeted SME Advice
- Capital Strategy Development
- Investor Introductions

OCTANe Growth Services

- Investor HQ
- Resource Center
- Advisor Services
- Executive Roundtables
- M&A Advice

OCTANe Capital

- Visionary Venture Fund™
- Neurovascular
- Cardiovascular
- High Tech
- Other

"The LaunchPad™ process was instrumental in our early funding. Since then we have raised \$89 million and expanded our employee base by 260 professionals. OCTANe has provided invaluable support."

Ray Grainger
CEO, Mavenlink

OCTANe Connect

- Programs and Signature Events that attracted over 10,000 attendees in 2016
- Annual Partnerships with over 50 key technology influencers including: Abbott, Allergan, Chapman University, Edwards Lifesciences, JP Morgan, Medtronic, Microsemi, the University of California, Irvine, and Zeiss

OCTANe LaunchPad

- Nationally recognized technology accelerator focused on early-stage growth and development
- Supported over 40 early-stage companies in 2016

OCTANe Growth Services

- Capital, M&A, and advisory services to help companies grow and scale quickly
- Launched *The Portal by OCTANe* – an online resource center for entrepreneurs, executives, investors, and experts

OCTANe Capital

- Launched *Visionary Ventures* in 2016 – a \$50 million sector-specific fund focused on investments in innovative eye care companies

Launching Success

OCTANe is committed to Orange County's economic success with both a proven track record and aggressive growth goals to support that commitment. Our goal of 22,500 new tech jobs by 2025 is realistic when you consider the success of the OCTANe LaunchPad™ Small Business Development Center (LaunchPad SBDC) over the past decade. This success includes:



- 1,500 entrepreneurs and companies participated in LaunchPad
- 321 companies completed the full LaunchPad process
- 236 of the LaunchPad 'graduates' received funding
- LaunchPad companies have received over \$1.4 billion in capital.

LaunchPad – A Proven Acceleration Agent

The underlying premise of LaunchPad is that a company's investor presentation is a good indicator of the soundness and fundability of the business plan. Multidisciplinary LaunchPad panels, comprised of highly experienced current and former executives evaluate entrepreneur and growth company presentations from the perspective of both an investor and operator. The input is verbal and quantitative.

Quantitative feedback is based on multiple criteria developed by OCTANe and its LaunchPad advisors. This quantitative scoring process uses predictive analysis and is a proven indicator for early-stage company success and their ability to raise capital within 12 months of completing the LaunchPad process.

"LaunchPad encouraged us to develop and refine our strategy and messaging and to think much bigger, making us more appealing to investors."

Jerry Mezger
CEO, Harbor MedTech



A Proven Capital Influence

As December 2016 came to a close, 236 LaunchPad companies had received funding. Funding was initiated by institutional investors, private investors, family foundations, and corporate venture funds. LaunchPad's affiliation with the U.S. Small Business Administration (SBA) and the investors outlined above equip it to be a vital engine in Orange County technology innovation and growth for many years to come.

Accelerating Access To Capital

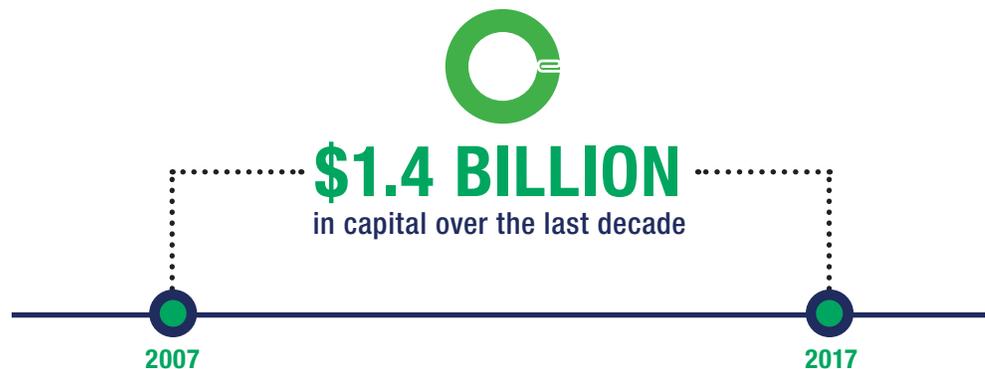
Capital is the lifeblood that turns the entrepreneur's idea into a business and the growth of the company's opportunity into success. One of the greatest challenges that developing high-tech and med-tech companies face is access to capital. OCTANe has historically helped entrepreneurs and companies prepare themselves to get access to capital. Now, we are prepared to play an even more active role in capital connections.

Preparation Is The First Step

Helping entrepreneurs and early stage companies refine their business plans and prepare to tell their story to investors has been a historical strength of OCTANe through our LaunchPad program. This vital step in the capital process has helped Orange County early-stage technology companies raise over \$1.4 billion in capital over the past decade.

"The breadth and expertise of the OCTANe advisors is invaluable in preparing a CEO – especially a first-time CEO – for the arduous task of raising money".

John Hendrick
CEO, Mynosys
A Visionary Fund
Portfolio Company



Expanding The OCTANe Investor Network

Today, OCTANe is expanding our role in providing vital capital connections for investors looking to invest in Orange County's technology companies. And we are also taking a more active role in ensuring that qualified entrepreneurs and growth companies have access to investors. These bold steps include:

- Creating Visionary Ventures, our first sector-specific fund – a \$50M fund making direct investments in promising eye care companies
- Aligning with corporate venture funds to pursue early-stage technology
- Expanding the stable of institutional investors and capital from New York, Boston, Silicon Valley, Chicago, and Detroit
- Creating a new private investor network that can provide both capital and active expertise.

Accelerating Access To Resources & Expertise

If capital is the lifeblood of growth, then expertise is its brain power. OCTANe recognizes that entrepreneurs and early-stage companies need expertise at critical times in their business development and growth process. Often times, this expertise is needed when capital is not in place to pay for it.

Expertise At The Right Time

That is why OCTANe is working to expand access to expertise for technology companies. Access to expertise, as we have seen in the LaunchPad process, is critical to helping entrepreneurs and executives refine their business plans, develop capital strategies, and prepare to launch and grow. Expertise at critical junctures can actually be the difference between success and failure.

Expertise In The Right Place

To address the 'expertise gap', and as part of our *Growth Services* initiative, we are now launching *The Portal by OCTANe*. This one-of-a-kind resource center provides entrepreneurs, executives, investors, and advisors with easy access to Orange County's deep bench of expertise. *The Portal by OCTANe* includes:

- Resource center with rich content such as whitepapers, case studies, and presentations
- Investor headquarters that matches investors with the strong opportunities
- Advisor services to support revenue growth and M&A activity Executive roundtables designed for early-stage executives.

"The new OCTANe Growth Services platform supports company growth, access to capital, and drives vital relationships in the technology community."

Jason Lantgen
Vice President, JLL



THEPORTALbyOCTANe.com

The Measure Of Success

"I've seen how the LaunchPad platform prepares entrepreneurs to think boldly, strategically, and better communicate with investors like me. LaunchPad has introduced us to exciting companies."

Akhil Saklecha
Partner, Artiman Ventures

OCTANe's impact on the Orange County ecosystem has been significant. Now, with our focus on *The Platform for Growth* initiative, we need to make certain that our affiliated partners, members, investors, entrepreneurs, and executives are all aligned in achieving clear success metrics. When we achieve the metrics shown below, the result will be 22,000 new technology-related jobs and \$1.8 billion in new value created in Orange County by 2025.

	Actual 2010-2016	Annual Goal	Forecast 2025
LaunchPad Alumni	321	40	681
Funded Companies	236	30	506
Capital Infusion	\$1.4b	\$250m	\$3.65b
Jobs Created	7,119	1,653	22,000
Payroll	\$519m	–	\$1.6b
Economic Tax Impact	\$48.2m	–	\$150.6m
Commercial Square Feet	1.6m	372k	4.9m
Liquidity Events	No.		
	12	3	39
	Value		
	\$512m	\$140m	\$1.8b

"We dreamed up a concept, created an industry, and got our first pelt on the wall, thanks in large part to the work of LaunchPad. Your team provided insights and discipline that are part of our success."

P.J. Mastracchio
CEO, AtYourGate

The Platform For Innovation & Growth

OCTANe is Orange County's platform for innovation and technology industry acceleration and growth. Our LaunchPad SBDC is the leading Small Business Development Center accelerator in the United States, outperforming all of its peers in job creation and capital infusion.

Building on this legacy of success in creating and growing technology companies, OCTANe's new *Growth Services* platform will add much needed infrastructure and a readily available resource for entrepreneurs, executives, investors, and advisors to connect and grow. OCTANe is ready. Orange County high-tech and med-tech innovators are ready. Come join us to connect, innovate, and grow.

Contact OCTANe



For more information about how you can connect and grow with OCTANe, contact:

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