



Office of Performance Management Oversight (OPMO)

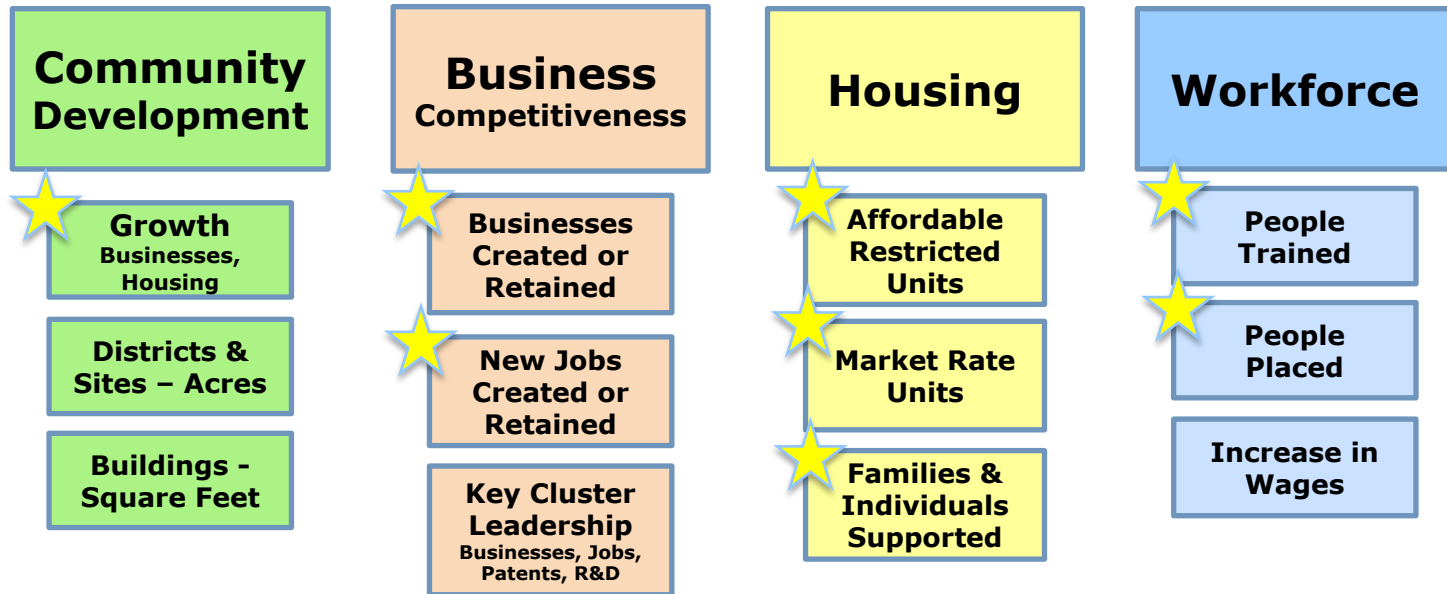
MassVentures
OPMO FY2021 Report



Economic Development Plan

Key Outcome Metrics

Economic Development Plan Pillars & Principals



Investment Leveraged from Other Sources - \$

Engagement & Technical Assistance – Contact with Individuals & Companies



Agency Mission

- **Mission:** The mission of MassVentures is to support the innovation economy and economic growth initiatives of the Commonwealth by transferring research and early stage innovations to viable technology businesses and jobs
- **Contribution to Partnerships for Growth:** Engagement and Technical Assistance. Investment leverage from other sources. Support of key populations and regions. Businesses created and retained. New jobs created and retained. Key cluster leadership. Accessible Government – streamlining processes. Capitalize on the research and innovation occurring at local colleges and universities in order to drive company creation, commercialization, and economic growth.



Agency Goals

- **Agency Goal 1:** Contribute to business creation and expansion through early stage investment and grants and technical assistance.
- **Agency Target for Goal 1:** 10-12 businesses created through venture investment and START grants, and 10-15 business retained through follow-on investment and grants as well as board leadership.
- **Results of Goal 1:** MassVentures helped create/expand 4 businesses through new venture investments. Additionally, MassVentures helped create/expand 18 businesses with START grants. MassVentures took on new board leadership positions at one venture company and 2 START companies.
- **Agency Goal 2:** Contribute to business creation through early stage investment in businesses led by women and entrepreneurs of color.
- **Agency Target for Goal 2:** Raise private funds of \$10-20 million to create in 3-4 new companies per year led by women and entrepreneurs of color.
- **Results of Goal 2:** MassVentures is currently refocusing its efforts to leverage private capital utilizing resources provided by the State Small Business Credit Initiative and/or the Commonwealth Fund IV.



Agency Goals

- **Agency Goal 3:** Contribute to equitable outcomes across gender and race by actively creating funds that invest only in women and founders that identify as black and brown.
- **Agency Target for Goal 3:** Raise \$10 million for Diverse Founder Fund.
- **Results of Goal 3:** Of the 4 new investments in 2021, MassVentures invested in one company led by co-founders who identify as black and Latino, one led by a woman, and one founded by an immigrant. A loan through the EDA was made to a black founder. One investment and one loan were also provided to companies based in Worcester.
- **Agency Goal 4:** Contribute to equitable outcomes by active communication with innovation ecosystems across the Commonwealth to secure applications for the START program and MLSC Seed program.
- **Agency Target for Goal 4:** Maintain average of 50% of START grants outside of Boston/Cambridge. Identify and diligence 3-4 MLSC seed investments in targeted areas.
- **Results of Goal 4:** Applications were up for the START program in FY 2021 due to successful outreach to the tech transfer offices at the 34 research institutions in the Commonwealth. Of the 65 applications, 14 were from Boston or Cambridge. An additional 9 were from Somerville and Newton. 40 were from outside route 128 including areas such as Worcester, Falmouth, Lowell, Dartmouth, Hadley, Sunderland, Littleton, Abington, and Hudson.



Agency Goals

- **Agency Goal 5:** Contribute to the creation of new business and jobs in partnership with the Massachusetts Association of Tech Transfer Officers (MATTO)
- **Agency Target for Goal 5:** 50-60 businesses created through leadership of and partnership with MATTO.
- **Results of Goal 5:** MassVentures actively worked with tech transfer offices around the Commonwealth and helped with creation of approximately 50 businesses including 13 through the Acorn program, 18 through MassCEC Catalyst and Innovate Mass, approximately 10 through START, and others through SBIR guidance and MassVX support.
- **Agency Goal 6:** Contribute to expansion and retention of new jobs through direct investments and grants and securing investment leverage from other sources.
- **Agency Target for Goal 6:** At least 100 new jobs created through investment and START grants. At least 2000 jobs retained through follow-on investment, outside investment, additional grants.
- **Results of Goal 6:** START companies alone added at least 434 (for those reporting as of today) jobs in FY 2021 and retained at least 2271. Active venture companies employ 866 in Massachusetts. At least 100 net new employees were added to venture companies in FY 2021.



Agency Goals

- **Agency Goal 7:** Leadership in key clusters and technologies through investments and grants that focus on advanced materials, artificial intelligence, biotechnology, quantum computing, robotics, photonics, blockchain, electronics, and advanced manufacturing.
- **Agency Target for Goal 7:** 10-12 businesses created in key clusters and technologies through venture investment and START grants, and 10-15 business retained through follow-on investment and grants as well as board leadership.
- **Results of Goal 7:** MassVentures invested in 4 new companies in FY 2021 that are in biotechnology, robotics, and advanced manufacturing/cleantech. An additional 10 companies were created/expanded through START grants that were all in key clusters and technologies. An additional 8 companies were expanded through follow-on grants all in key clusters and technologies.
- **Agency Goal 8:** Grow the MassCEC Catalyst grants, MLSC Seed fund, START, and Traditional Fund as one-stop-shop for entrepreneurs seeking early stage grants and investment capital from the Commonwealth.
- **Agency Target for Goal 8:** 15-20 businesses created or expanded through MassCEC Catalyst grants and MLSC Seed investments.
- **Results of Goal 8:** 13 business were created/expanded through Catalyst grants.



Traditional Investment

- **Program Description:** Traditional Fund seed investment and technical assistance
- **Program Budget:** We expect to invest ~\$1.5 million from the fund.
- **Partnerships for Growth Goal Alignment:** Business. Investment leverage. Technical Assistance. Equity. Regions. R&D.
- **COVID – 19 Response:** N/A
- **Fiscal Year Goal 1:** Contribute to new businesses created, expanded, and retained through seed stage and growth investment
- **Fiscal Year Target 1:** 2 new businesses created and 4-6 companies retained through seed and growth investment
- **Results of Goal 1:** MassVentures helped create or expand 4 companies through seed investment and 2 companies through RLF loans.



START

- **Program Description:** Grant program for SBIR/STTR phase II companies that are transferring research to business and jobs in key sectors and technologies
- **Program Budget:** \$3.225 million
- **Partnerships for Growth Goal Alignment:** Business. Investment leverage. Technical Assistance. Equity. Regions. R&D.
- **COVID – 19 Response:** Many of these companies are in deep tech areas directly responding to the pandemic, i.e. through faster vaccine manufacturing.
- **Fiscal Year Goal 1:** Contribute to businesses created, expanded, and retained in key sectors and technologies through START grants.
- **Fiscal Year Target 1:** 10 new companies created or expanded through initial grants and 7 companies expanded or retained through follow-on grants and technical assistance.
- **Results of Goal 1:** 10 new companies created or expanded through initial grants and 8 companies expanded or retained through follow-on grants. Additional 10 companies expanded or retained through technical assistance



START

- **Fiscal Year Goal 2:** Contribute to equitable outcome through grants to companies based outside of Boston/Cambridge.
- **Fiscal Year Target 2:** Maintain average of 50% of START grants outside of Boston/Cambridge.
- **Results of Goal 2:** 11 of the 18 (61%) START grants went to companies inside Boston/Cambridge in FY 2021.



External Agency Program Support

- **Program Description:** MassVentures is administering the MassCEC Catalyst grant program and the MLSC Seed program by sourcing, diligence, monitoring, and reporting grant and seed investment opportunities. These programs support academic research and deep tech business creation.
- **Program Budget:** \$300,000 (\$150,000 each from MassCEC and MLSC)
- **Partnerships for Growth Goal Alignment:** Business. Investment leverage. Technical Assistance. Equity. Regions. R&D. Accessible Government.
- **COVID – 19 Response:** Many of the MLSC seed companies are providing direct solutions to the virus.



External Agency Program Support

- **Fiscal Year Goal 1:** Contribute to creation and expansion of businesses through management of the MassCEC Catalyst grant program.
- **Fiscal Year Target 1:** Source 60 new catalyst opportunities and fund at least 14 new businesses for creation or expansion.
- **Results of Goal 1:** Sourced 55 new catalyst opportunities and funded 14 new businesses for creation or expansion
- **Fiscal Year Goal 2:** Contribute to equitable outcomes by sourcing and conducting due diligence for the MLSC seed fund.
- **Fiscal Year Target 2:** 3-4 new businesses created or expanded.
- **Results of Goal 2:** The program was ended earlier than expected by MLSC, and so the goal was not met. MassVentures also ran the Acorn Fund for UMass and funded 13 researchers who have or will create new businesses. More than half of the grants went to those affiliated with the Umass system.



Partnership Program

- **Program Description:** MassVentures has established relationships with service providers and tech companies to provide free in-kind services.
- **Program Budget:** \$0
- **Partnerships for Growth Goal Alignment:** Business. Investment leverage. Technical Assistance. Equity. Regions. R&D. Accessible Government.
- **COVID – 19 Response:** N/A
- **Fiscal Year Goal 1:** Support the entrepreneurs involved with Mass Ventures to leverage additional services at a reduce/free rate.
- **Fiscal Year Target 1:** \$2 million of in-kind services utilized/provided to support creation and retention of 15 companies.
- **Results of Goal 1:** \$1 million of in-kind services utilized by 10 companies