



Office of Performance Management Oversight (OPMO)

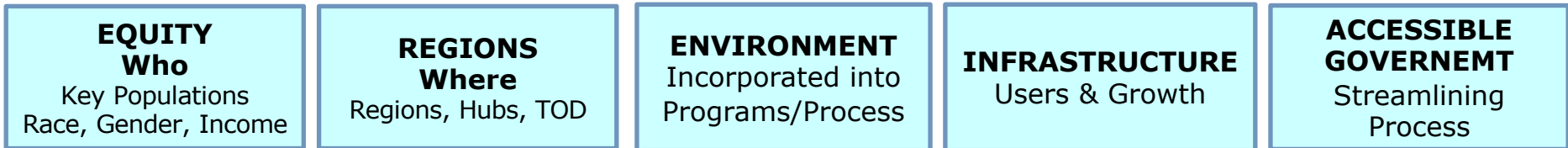
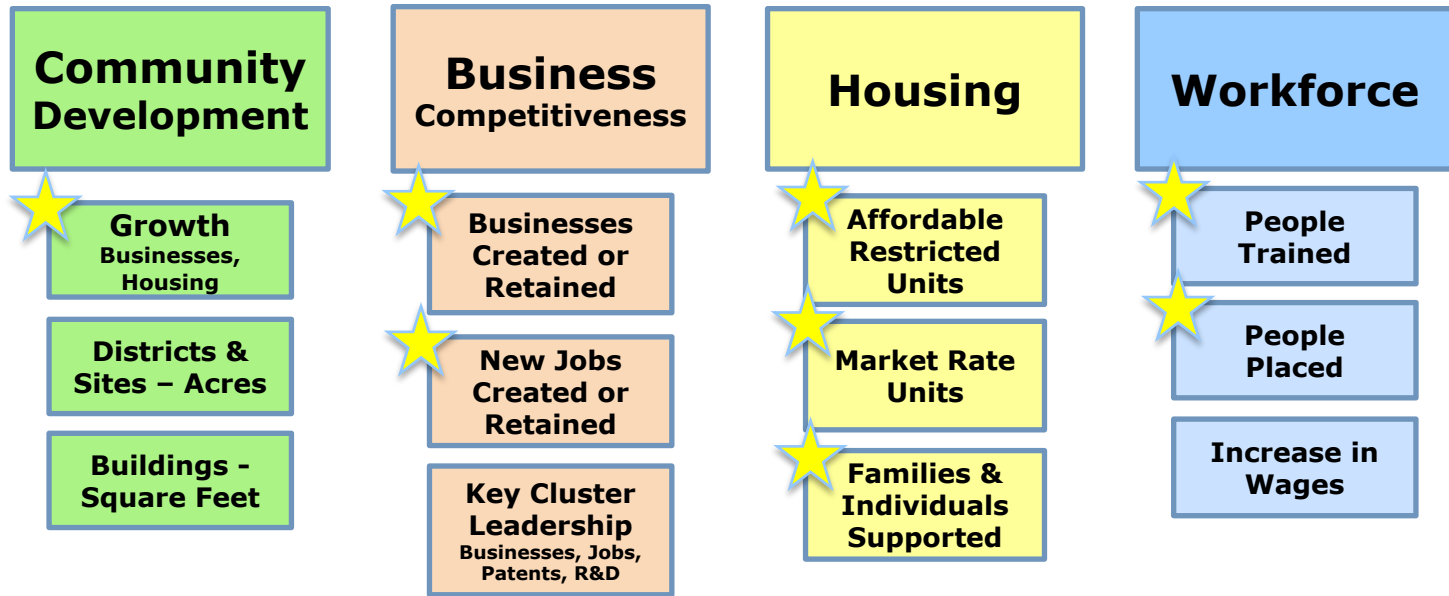
**MassVentures
FY2022 Report**



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 invested in 7 new companies and provided loans to 2 additional companies totaling \$2.55 million. Additionally, MassVentures provided follow-on investment to three companies totaling \$915k. MassVentures provided \$1 million in new grants to 10 START companies and \$2 million in follow on grants to 7 START companies. Overall, MassVentures helped create 17 new companies and helped retain an additional 12 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 additional funds of up to \$60 million to create 3-4 new companies per year led by women and entrepreneurs of color. Funds expected to come from SSBCI v2.0.
- **Results of Goal 2:** MassVentures is expected to receive approximately \$30 million from the SSBCI program in FY 23. MassVentures has developed a strong pipeline of businesses led by women and entrepreneurs of color and will close 4 of these transactions upon receipt of the SSBCI funds



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:** Create a Diverse Founder Fund from SSBCI proceeds.
- **Results of Goal 3:** MassVentures, in conjunction with MassDev, has created Commonwealth Fund 4 in August 2022 with capital commitments of \$5.1M that will co-invest with the SSBCI funds. These funds have a purpose to achieve SEDI objectives outlined by SSBCI.
- **Agency Goal 4:** Contribute to equitable outcomes by active communication with innovation ecosystems across the Commonwealth to secure applications for the START program.
- **Agency Target for Goal 4:** Maintain an average of 50% of START grants outside of Boston/Cambridge.
- **Results of Goal 4:** 10 of the 17 grantees were based outside of Boston and Cambridge.



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:** 10-15 businesses created through leadership of and partnership with MATTO.
- **Results of Goal 5:** MassVentures provided grants to 12 research institutions to help commercialize research. Half of these awards went to University of Massachusetts affiliated researchers.
- **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 direct investment and START grants. At least 2,000 jobs retained through follow-on investment, outside investment, additional grants.
- **Results of Goal 6:** MassVentures invested in 7 new companies and provided grants to 10 new START companies. Each of these companies created 1-15 new jobs in the fiscal year for a total of 92 jobs. Additionally, MassVentures provided follow-on capital to 3 companies that each created over 20 new jobs along with 7 follow-on START grants that created an additional 30 jobs. MassVentures portfolio companies employ approximately 1,500 people in the Commonwealth while START companies (excluding those that are also portfolio companies) employ an additional 2,000.



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, Catalyst, Acorn and START grants, and 10-15 business retained through follow-on investment and grants as well as board leadership.
- **Results of Goal 7:** Awarded 47 grants totaling \$4.365 million across the START, Catalyst, and Acorn programs. All grantees represent key clusters and technologies including clean tech. 37 of these grants helped create companies while 10 helped retain companies. 7 new companies were created through new investment. All 7 represent key clusters and technologies including Fintech. 5 companies were retained through follow-on investment or loans. All 5 represent key clusters and technologies.



Traditional Investment

- **Program Description:** Traditional Fund seed investment and technical assistance
- **Program Budget:** \$0 (note: we expect to invest circa \$1.5 million but that comes from the fund)
- **Partnerships for Growth Goal Alignment:** Business. Investment leverage. Technical Assistance. Equity. Regions. R&D.
- **COVID – 19 Response:** Partnerships for Recovery
- **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:** 7 new businesses were created and 5 businesses retained.



Traditional Investment

- **Fiscal Year Goal 2:** Contribute to new businesses created, expanded, and retained through management of private capital
- **Fiscal Year Target 2:** Leverage SSBCI funding to create an additional 3-4 new companies
- **Results of Goal 2:** SSBCI funds are expected to be received in FY 23. However, some of the companies created in FY22 were the direct result of trying to close deals with expected SSBCI funds...these new investments were just via the Traditional Fund instead.



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 through faster vaccine manufacturing for example
- **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 were created or expanded through initial grants and 7 companies expanded or retained through follow-on grants and 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:** 10 of 17 grantees were based outside of Boston and Cambridge.



External Agency Program Support

- **Program Description:** MassVentures is administering the MassCEC Catalyst grant program and Innovate Mass by sourcing, diligence, monitoring, and reporting grant and seed investment opportunities. These programs support academic research and deep tech business creation.
- **Program Budget:** \$275,000 to administer these programs.
- **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:** Contribute to businesses created, expanded, and retained in key sectors and technologies through Catalyst Grants and Innovate Mass technical assistance.
- **Fiscal Year Target 1:** 13 new companies created or expanded through initial grants and 4 companies expanded or retained through technical assistance.
- **Results of Goal 1:** 10 new companies were created or expanded through initial grants and 8 companies expanded or retained through technical assistance.



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:** Provide technical assistance to 20 companies through the Partnership Program.
- **Results of Goal 1:** At least 20 companies were supported through the Partnership Program.