

April 2011

INNOVATE VMS

Annual Update 2010:

The innovative ventures working with Innovate Venture Mentoring Service continue to grow and raise funds, despite a tough economy and continued tight financial markets in 2010.

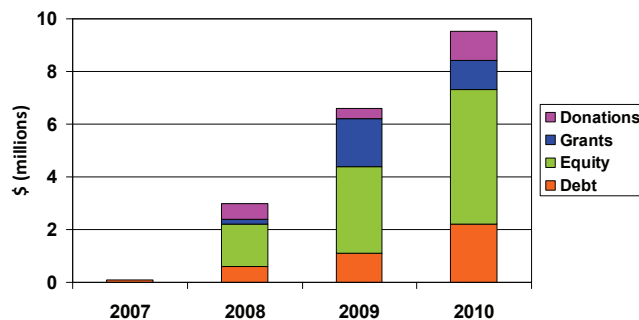
Revenue increased by 60% from 2009.

Debt acquired doubled to \$2.2 million.

Equity investment rose 55% to \$5.1 million.

Employment grew 40% to 440 positions.

Funds Raised by IVMS Ventures



Making a difference...

ECONOMIC IMPACT

134
STARTUP COMPANIES
ASSISTED

440
JOBS CREATED BY
ASSISTED COMPANIES

\$19.0
MILLION
FUNDS RAISED BY
ASSISTED COMPANIES

\$13.2
MILLION
REVENUES GENERATED BY
ASSISTED COMPANIES

82%
ANNUAL SURVIVAL RATE OF
ASSISTED COMPANIES

57%
IVMS VENTURES FOUNDED BY
WOMEN AND/OR MINORITIES

Innovate Venture Mentoring Service creates teams of volunteer mentors - experienced business people and entrepreneurs - to advise early-stage entrepreneurs. The mentors often serve as the first advisors to creative entrepreneurs taking the plunge to start a new company. We fill the void between "I have a great idea" and having access to the counsel that comes when a company is large enough to attract Angel and Venture Capital investment. InnovateVMS strives to:

Identify innovative start-up companies that can benefit from the advice of a team of experienced mentors.

Connect St. Louis entrepreneurs to universities, businesses, professional organizations, and other programs focused on developing emerging companies.

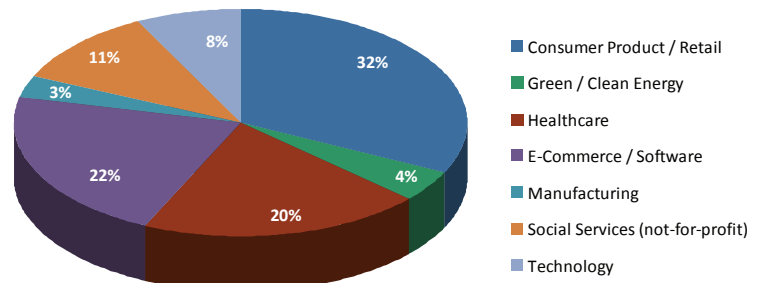
Encourage networking among mentors and ventures; ideas contacts and creativity that are shared in a confidential, trusting environment can result in new concepts and strong companies.

Prepare early stage companies to seek investors.

Assist social venture not-for-profits with their revenue generating components, in conjunction with the YouthBridge Community Foundation.

Ventures by Industry

INNOVATEVMS mentors startups across 7 industry segments.



Impact from May 2007 – December, 2010

...one entrepreneur at a time.

Making an Impact

The mentors of InnovateVMS donated over 15,200 hours to coach and advise 200+ St. Louis area entrepreneurs that have joined the program since May 2007. These services, valued at over \$4 million, are provided with the goal of creating jobs and growing the entrepreneurship ecosystem in the St. Louis region. Partnerships with Brown Smith Wallace LLC and YouthBridge Community Foundation provide additional resources to support the needs of innovative startups in Missouri and Illinois.

The results are evidenced in the great leaps in market penetration made by ventures this year, as well as in the steps forward in research, fundraising, and marketing made by so many of the entrepreneurs to grow their companies. These steps all create lasting impact on our region.

Local companies you should know:

Around The Table Games
 BusyEvent
 Chaheati
 ClaroConnect
 Eleven
 Freiezo
 Goodeye PhotoShare
 Haven House
 HomeNav
 Lone Oak Produce
 Memory Care Home Solutions
 MidAmerica Solar
 MindFull Games
 Mortgage Returns
 MySelf Belts
 Nawgan
 OffCampus Media
 Shearwater Education
 Foundation
 The Mission Center L3C
 TitaNova
 Virtual Nerd
 Yurbuds

Venture Data (\$ millions)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Total</u>
				<small>90% reporting</small>	
Commercial Stage		36%	60%	47%	
Debt raised	\$ 0.1	\$0.6	\$1.1	\$2.2	\$ 4.0
Equity raised	\$ 0	\$1.6	\$3.3	\$5.1	\$10.0
Grants	\$ 0	\$0.2	\$1.8	\$1.1	\$ 3.1
Donations (NFPs)	\$ 0	\$0.6	\$0.4	\$1.1	\$ 2.1
All Funds Raised	\$ 0.1	\$2.9	\$6.5	\$9.5	\$19.0
Sales	\$ 0.1	\$1.1	\$4.6	\$7.4	\$13.2
Employees/Contractors	50	86	314	440	
Annual Payroll	-	\$3.4	\$5.7	\$5.6	\$14.7

INNOVATEVMS VentureBounce Winners

In 2010, our entrepreneurs had two opportunities to show their best 2-minute Elevator Pitch before audiences of entrepreneurs, mentors, investors and business professionals.

Anthony Harris, MD, PhD of EternoGen, LLC won the competition in April at the Edward Jones Headquarters, topping 15 fellow entrepreneurs.

Lucy Cong Li of Human Canvas won the October competition. Her pitch, along with a dozen more, was video streamed from the Wells Fargo Learning Center in Downtown St. Louis.

Congratulations to Anthony and Lucy!

The mission of *INNOVATEVMS* is to provide team-based business mentoring to innovative start-up companies in the St. Louis metropolitan area. Mentoring is provided at no cost by experienced entrepreneurs and business people interested in developing a strong entrepreneurship ecosystem for our community.

INNOVATEVMS, a program of Innovate St. Louis, a 501(c)(3) not-for-profit, is grateful for all funding support provided to Innovate St. Louis.

We appreciate the generous donations designated specifically to *INNOVATEVMS* that make our program available to the entrepreneurs of St. Louis

Ameren CDC	Anonymous donor
AT&T Foundation	Ewing Marion Kauffman Foundation
<i>INNOVATEVMS</i> Mentors	Southern Illinois University – Edwardsville
University of Missouri – St. Louis	Washington University in St. Louis
YouthBridge Community Foundation	

We also receive in-kind support from:

Reliance Bank	Peoples National Bank
Edward Jones	ITenterprises
Washington University in St. Louis	Webster University

**We appreciate the time and dedication of our 110+ Mentors.
Their passion about the companies they mentor is contagious!**

Staff

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