



Quarterly Report - 1Q16

April, 2016

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Executive Summary

The first quarter of 2016 saw the Volusia County UCFBIP program expanding by bringing on new clients, launching another startup, mentoring graduates into positions of recognition, and attracting investment along with other progress as a result of the Incubators local leadership.

Expansion of Programs Offered:

The Incubator launched new and unique programs that have created added exposure above and beyond its core start up support. On January 22, 2016 we unveiled the Volusia Tech Hub website. The Volusia Tech Hub initiative is designed to grow talent in our local community. In addition, it promotes the incubator's clients and services.

New Official Business Launch:

On January 15 2016, IQ Onsite CEO, James Beckmann, launched his company to introduce its services to the community. IQ Onsite has been a client since April 2015 and through our assistance and support he was able to meet his objective in 2015 to secure pilot programs from clients wanting their products and services by way of smartphone apps for safety and other product lines.

As part of our initiative to keep business local, the incubator recommended programmers in the Daytona Beach area for IQ Onsite to work with. These recommendations added over \$40,000 in payroll that IQ spent on software development that did not go to Orlando or out of state. Those funds were spent with local companies, one of which is another incubator client, GoLevel.

With the assistance of the Incubator, IQ was also selected to present at the upcoming NBIA Conference in Orlando with the purpose of exposing the business to potential investment in the future.

Recent Success Story:

Details Flowers won first place honors in the Rollins Crummer 2016 Venture Plan Competition. The company was awarded with \$50,000 for their innovative business. The recognition and award was the result of several years of education, input, and mentoring from many on the UCFBIP team to assist company ownership to making the transition from innovation to realization to commercialization. The company is set to reach the next level of development. Details Flowers received a good amount of media coverage which included print and the local Fox television affiliate.

This company is a great example of turning around a challenging business model and thought process over time to one that is poised for future success. We wish them well.

UCF Business Incubator at Daytona Beach International Airport

Innovation Challenge:

The Third Annual Innovation Challenge, in partnership with the Cairns Foundation, brought 18 applications from our local universities with bright start up concepts to present to local judges (UCFBIP was part of the judging.) The purpose of the Innovation Challenge is to spotlight technologies created by students from our local colleges and universities.

It was a fun and exciting event that brought much energy to the entrepreneurial community that we are leading with-in the county. The winner was a business formed by Daytona State Students called Sun & Sol Shades LLC. This concept involves a unique umbrella apparatus that is portable and light that can help deflect UVA Rays from the sun. As part of the \$10,000 cash prize, the Incubator is contributing one year of office and resource space to assist this new business to further develop

Thermohack, an ERAU business startup won a \$5,000 from another foundation. The incubator is again stepping up to provide mentoring and resource services to aid this business to the next step.

Recent Companies accepted to the Incubator

Myers Medical Devices, a graduate of the EIE class in Orlando has developed an innovative device that allows hospitals to have a better procedure with suction related devices to help keep a sterile environment and reduce the risk for infection that addresses a problem in hospitals and clinics nationwide. This new client is already working on its patents application, obtaining quotes from fabricators and other resources from marketing to start presenting and testing the product in select healthcare settings.

The owner is a Registered Nurse and while she has space available at the incubator, she acts as a virtual client to make use of the resources on a flexible time basis.

Maple Box Dolls: a subscription business model founded by a female entrepreneur Shauma Altes. The Daytona Beach founded company was featured in the Miami Herald.

Organizations & Networking:

The Incubator leadership is constantly marketing its programs to local new and developing leadership groups for start-ups. This includes participation at 1 Million Cup events in Daytona and a leadership role with the Rainforest Group that has leaders from the Florida High Tech Corridor focusing on new Business in the Daytona / Volusia County Area.

Additionally, incubator leadership attended, among other events, the Daytona Beach area Chamber Annual event and networking with business owners while being introduced to new members that need to know about the incubator.

Leadership is also proactively involved with all area colleges and universities including offering start up clients to speak even at local High Schools where students are interested in local business.

In the future, the incubator plans to target additional segments of the area such as retired Military that are interested in being business owners and to let them know what the incubator does and how it can help them.

The above examples are among the outreach the incubator must take in order to tell its story while attracting the right new business start-ups that can make a positive difference to the county and its stakeholders.

Volusia Tech Hub Programs:

As part of the Hub, there are two exciting programs that include classes for computer web development programming (Coding) and Rapid Prototyping classes. We are proud to say that 15 people graduated in the first class with professional skills sufficient to compete for jobs. One graduate, Sean Spade is now switching his career to web development. The Rapid Prototyping Classes was designed to equip people with skills in 3D printing. It had 8 graduates in its first class and now this group can compete in a new profession previously unavailable. Financing for the program was identified and secured through Career Source Flagler/Volusia. The Hub will be launching a second round of new student recruitment to continue classes in the second quarter.

In addition to the graduates, this also becomes an added part of the incubator story that can further appeal to clients that may not be starting companies but can benefit when seeking to improve their skills via programs taught by experts. As part of this initiative, the incubator hosts Friday “Meet Ups” that are informal in nature providing interested persons tours of the venue to learn ways they can get involved.

Co-Working Space for Developers and Coders

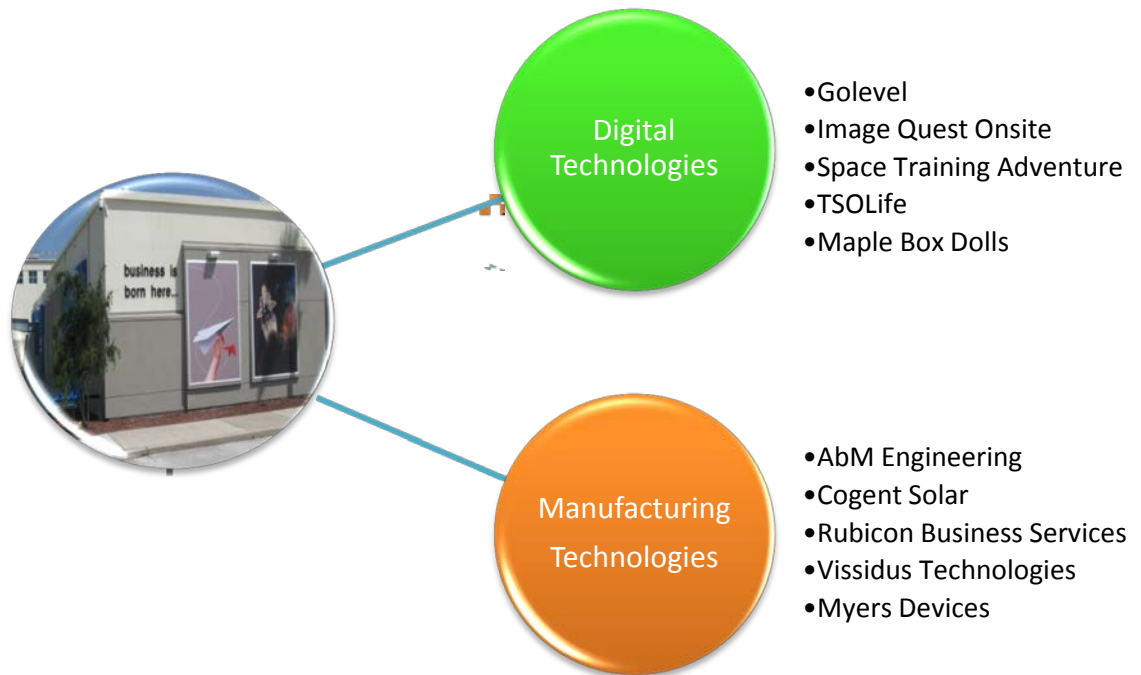
- 15 total graduate students
- CSS, HTML, Wordpress, and Bootstrap was taught
- Git was taught as the software tracking
- Professional development work flow was taught in order to increase efficiency of development
- Server creation was taught as a means of hosting websites

Prototype MakerLab

- 8 students in total graduated from the program.
- Tinkercad and principles of digital design were taught.
- Students were taught how to program Arduino chips.
- Students learned how to solder chips via soldering stations.
- Students created their own functional mini lamp.

Incubator Metrics by Quarter:

Total number of companies = 10. All of them are technology companies.



Incubator Metrics – Clients’ Websites and Number of Prospects

| Company Name | Status | Company Website |
|-----------------------------------|-----------------|--|
| 1. AbM Engineering, LLC | On-Site Client | http://www.abmengr.com |
| 2. Cogent Solar, LLC | On-Site Client | www.cogent.solar.com |
| 3. Image Quest Onsite Inc. | On-Site Client | www.iqww.com |
| 4. Rubicon Business Services, LLC | On-Site Client | http://rubiconservices.net |
| 5. Space Training Adventure Inc. | On-Site Client | www.spacetrainingadventure.com |
| 6. TSOLife, LLC | On-Site Client | www.tsolife.com |
| 7. VisSidus Technologies, Inc. | On-Site Client | www.vissidus.com |
| 8. Golevel LLC | On-Site Client | http://golevel.com/ |
| 9. Maple Box Dolls | On-Site Client | TBA |
| 10. Myers Devices | Off-Site Client | TBA |

Number of Prospects / Pre-Incubation Companies:

Pre-Incubation companies are prospective businesses that are preparing to become incubator clients. The pre-incubation process includes the development of the Business Model Canvas, which is a rigorous testing of business model assumptions. In addition, we assist the companies with the refinement of the documents to be attached to the incubator application.

| | |
|---|--------------------------------|
| 1 | Casey McCarthy – Energy Drinks |
| 2 | Bobby Johnson – Co-Working |

UCF Business Incubator at Daytona Beach International Airport

Incubator Metrics – Companies’ Stage, Number of Jobs, Visitors and Training Events:

| Metrics | 4Q14 | 1Q15 | 2Q15 | 3Q15 | 4Q15 | 1Q16 |
|---|------------|------------|------------|------------|------------|------------|
| Pre- Incubation | | | 4 | 4 | 3 | 2 |
| # of Stage One Companies | 12 | 11 | 12 | 12 | 10 | 10 |
| # of Stage Two Companies | 2 | 2 | 1 | 1 | 0 | 0 |
| Total Number of Incubator Companies | 14 | 13 | 13 | 13 | 10 | 10 |
| Pre-Incubation and Co-Working Jobs | | | 4 | 4 | 3 | 3 |
| # of Jobs Stage One Companies (2-9 employees) | 65 | 33 | 40 | 43 | 35 | 33 |
| # of Jobs Stage Two Companies (10-99 Employees) | 100 | 102 | 68 | 70 | 0 | 0 |
| # of Jobs Graduate Companies | 40 | 42 | 69 | 72 | 145 | 147 |
| # of Temporary Jobs | 5 | 5 | 5 | 6 | 3 | 2 |
| Total # of Jobs | 210 | 182 | 182 | 195 | 187 | 185 |
| # of Interviewed Prospects | 21 | 35 | 16 | 17 | 7 | 18 |
| # of Companies Applied | 2 | 10 | 7 | 5 | 3 | 3 |
| # of Companies Accepted | 2 | 2 | 3 | 1 | 0 | 2 |
| # of Pre-Incubation Companies | 3 | 5 | 4 | 4 | 4 | 2 |
| Graduate Companies | 5 | 0 | 1 | 1 | 2 | 0 |
| *Exited Companies | 2 | 2 | 2 | 0 | 1 | 2 |

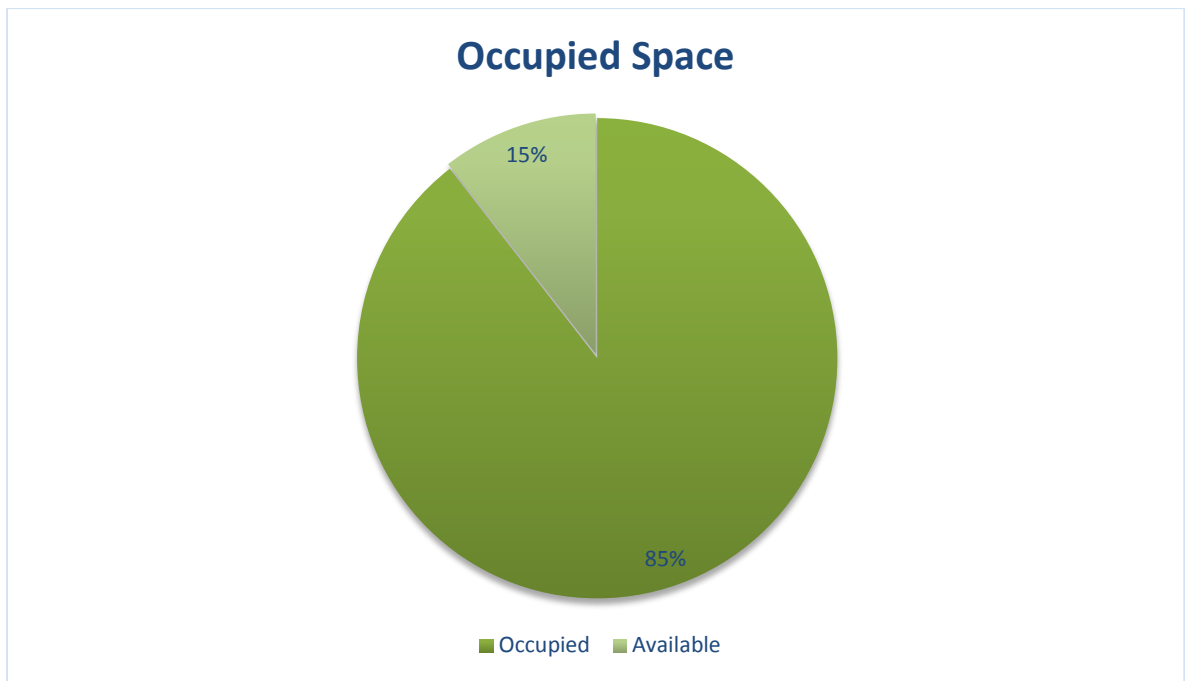
*Exited companies: Details Flowers and Aqua Instruments

Training and Conference Room Use:

| | |
|--------------------------------|----------------------------------|
| # Incubator Training Workshops | Incubator Hosted: 19 |
| | Outside Organizations: 37 |
| # SCORE Workshops | 15 |
| # Training Attendees | 68 |
| # People Counseled | 30 |
| # of Visitors | 308 |

Occupied Space

Occupied Space is 85% as of March, 2016:



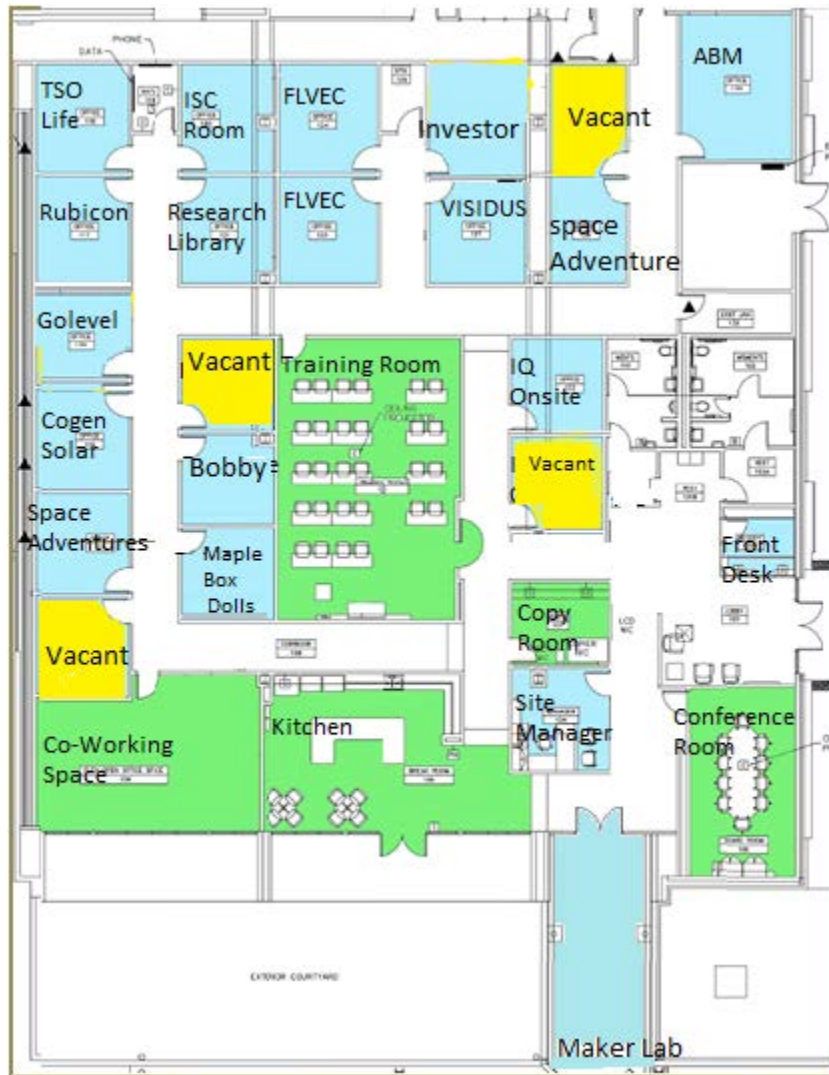
Anchor Tenants:

Company Name

- Florida Virtual Entrepreneur Center
- NextGen

UCF Business Incubator at Daytona Beach International Airport

UCF Business Incubator – Daytona Beach International Airport’s Floor Plan



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