

## **Technology 2020 Receives Grant to Establish Seed Capital Fund Under the U.S. Commerce Department's Regional Innovation Strategies Program**

Oak Ridge, TN – April 1, 2015 -- U.S. Secretary of Commerce Penny Pritzker announced this week that Technology 2020 (Tech2020) is among the first 26 recipients of the 2014 Regional Innovation Strategies program grants. The Regional Innovation Strategies (RIS) program, which is run by the Department's Economic Development Administration's (EDA) Office of Innovation and Entrepreneurship (OIE), is a new initiative designed to advance innovation and capacity-building activities in regions across the country through three different types of grants: i6 Challenge grants, Cluster Grants for Seed Capital Funds, and Science and Research Park Development Grants. Secretary Pritzker announced the recipients of the first two funding opportunities today. Recipients of the third grant will be announced in the coming weeks. Tech2020 led a proposal team that included Memphis Bioworks Foundation, Meritus Ventures, and Innova Memphis. The team proposed to create the "TennesSeed Fund."

"As America's "Innovation Agency," the Commerce Department has a key role to play in supporting the innovators and job creators of tomorrow," said Secretary Pritzker. "We want to ensure that all entrepreneurs have access to the tools they need to move their ideas and inventions from idea to market. The Regional Innovation Strategies Program competition is designed to advance this mission across the United States, strengthening our economy and our global competitiveness."

The TennesSeed Fund team will receive a \$250,000 grant, and it will be supported by Meritus and Innova, to conduct an assessment of best practices, and then organize and launch a new seed fund focused on "proof of concept" financings in Tennessee. The goal of the effort is to establish a permanent source of professionally-managed, seed-stage investment capital focused on the technology-generating institutions, entrepreneurs, and young companies in Tennessee. The initial focus of investments will be intelligent and sustainable transportation and logistics, which is an industry cluster where Tennessee has a competitive advantage bolstered by strong research, development, and commercial activity.

"We are enthusiastic about the opportunity to support the creation of a critical pool of investment capital in this region. Our team combines the entrepreneurial and commercialization experience of Tech2020 and Memphis Bioworks Foundation, with the investment acumen and fund management experience of Grady Vanderhoofven at Meritus and Ken Woody at Innova. Oak Ridge National Laboratory and The University of Tennessee Research Foundation, both in Knoxville and at the Health Science Center in Memphis, were instrumental in catalyzing this endeavor. Launch TN and many members of the regional investment and entrepreneurial community encouraged and supported this effort," said Teri Brahams, chairwoman of the Tech2020 Board of Directors.

Early access to capital is crucial for startups, but can be difficult to obtain outside traditional startup hubs. **Cluster Grants for Seed Capital Funds** provide technical assistance funding to support the feasibility, planning, formation, or launch of cluster-based seed capital funds, which will help improve access to capital for entrepreneurs across the United States. The total amount of funding for the U.S. Cluster Grant for Seed Capital Funds under RIS is nearly \$2 million.

For more information about the Regional Innovation Strategies Program, including a full list of the 2014 grant recipients, please visit: <http://www.eda.gov/oie/2014-risp-competition.htm>.

**Tech2020** ([www.tech2020.org](http://www.tech2020.org)) is a regional venture development organization (VDO) and is a Tennessee non-profit corporation established in 1995. The organization initially was chartered to assist with the creation of small businesses through technology transfer from Department of Energy facilities in Oak Ridge, TN. Among the first VDOs in the nation, Tech 2020 has won national awards from the State Science and Technical Institute (SSTI) and the National Business Incubation Association (NBIA). Tech 2020 has been recognized by the University Business Incubator Index as one of the nation's top four incubators and one of the top six internationally. Tech 2020 provides physical and virtual incubation services, as well as coaching and mentoring, to small businesses.

**About the U.S. Economic Development Administration** ([www.eda.gov](http://www.eda.gov))  
The mission of the U.S. Economic Development Administration (EDA) is to lead the federal economic development agenda by promoting competitiveness and preparing the nation's regions for growth and success in the worldwide economy. An agency within the U.S. Department of Commerce, EDA makes investments in economically distressed communities in order to create jobs for U.S. workers, promote American innovation, and accelerate long-term sustainable economic growth.

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