

# SEED FUNDING

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## Alliance Group



**Contact:**

Mike Pitino  
502.253.6881  
3006 Eastpoint Pkwy.  
Louisville, KY 40223  
[www.alliancegrponline.com](http://www.alliancegrponline.com)

**Background:** Alliance Group is a private equity investment firm that makes financial investments into middle market companies worldwide. Alliance Group also serves as a business brokerage, helping sellers identify private investors to purchase their companies. Alliance's team of trusted advisors has forged strong relationships with the largest and highest class investor groups in the world.

**Number of Investments per Year:** Not listed.

**Target Industries:** North American privately held middle market manufacturing and service businesses.

**Out of Bounds:** None listed.

**Revenue Requirement:** Post-revenue.

**Investment Conditions:** Ownership of company.

**Investment Size:** \$100,000 to \$5 million

**Stage of Development:** Early-stage.

**Target Return:** Not listed.

# Bluegrass Angels



**Contact:**

Dean Harvey  
859.257.1930  
330 East Main St., Ste. 210  
Lexington, KY 40507  
[www.bluegrassangels.com](http://www.bluegrassangels.com)

**Background:** Bluegrass Angels is an organization of local investors interested in fostering the growth of start-up businesses in Kentucky, and accelerating the commercialization of research at Kentucky universities, by providing early-stage seed financing and mentoring support.

**Number of Investments per Year:** 4-6

**Target Industries:** Various; any scalable business.

**Out of Bounds:** Real estate and retail.

**Revenue Requirement:** Not listed.

**Investment Conditions:** Typically convertible preferred stock, and a board seat.

**Investment Size:** \$50,000 to \$750,000.

**Stage of Development:** Early-stage.

**Target Return:** 2-5 years.

## Cardinal Venture Fund



**Contact:**

Prof. Van Clous  
502.852.4782

Suzanne Bergmeister  
502.396.3519

University of Louisville  
College of Business  
Louisville, KY 40292

[http://business.louisville.edu/  
content/view/450/625/](http://business.louisville.edu/content/view/450/625/)

**Background:** The Cardinal Venture Fund is a \$250,000 endowment created by Ann and Stewart Cobb as a part of their Cobb Family Professor of Entrepreneurship gift.

**Number of Investments per Year:** Varies.

**Target Industries:** Not listed.

**Out of Bounds:** Not listed.

**Revenue Requirement:** Typically pre-revenue.

**Investment Conditions:** Candidate companies must be started by a student, alum or faculty member of U of L; investment must be made in a syndicate investment. Terms of the deal are set by another member of the syndicate.

**Investment Size:** Up to \$50,000.

**Stage of Development:** Typically seed-stage.

**Target Return:** Dependent on the investment.

## C-Cap / Queen City Angels



**Contact:**

Jim Cunningham  
513.618.6440  
11427 Reed Hartman Hwy.  
Cincinnati, OH 45241  
[www.c-cap.net](http://www.c-cap.net)

**Background:** The group was founded in 2001 by six retired entrepreneurs & executives. It has since grown to more than 25 members with diverse backgrounds in technology and senior management. Previous investments have been made in fields such as information technology, biotechnology, nanotechnology, electronics and consumer products.

**Number of Investments per Year:** 4-12.

**Target Industries:** Various.

**Out of Bounds:** Real estate development, most retail.

**Revenue Requirement:** Not listed.

**Investment Conditions:** Many of C-Cap's angels members are interested in actively mentoring the companies in which they invest.

**Investment Size:** \$50,000 to \$750,000.

**Stage of Development:** Seed-stage.

**Target Return:** The typical member is seeking a return on investment comparable to that obtained by venture capital firms.

## Commonwealth Seed Capital

**Contact:**

Deborah Clayton, President  
502.564.7670  
300 West Broadway, Old  
Capitol Annex  
Frankfort, KY 40601

Tom McMahon, Fund  
Manager  
c/o Growth Services, LLC  
502.561.1240 x101  
207 West Market St., 3<sup>rd</sup> Floor  
Louisville, Kentucky 40202  
[www.GrowthServicesLLC.com](http://www.GrowthServicesLLC.com)

**Background:** CSC is dedicated to creating high-technology jobs by providing needed seed capital for high growth potential, high-tech companies that are based on innovation, have a meaningful Kentucky presence, and are expected to generate significant profits for investors.

**Number of Investments per Year:** Varies.

**Target Industries:** Various; any business with a technology-oriented component.

**Out of Bounds:** Not listed.

**Revenue Requirement:** Not listed.

**Investment Conditions:** Company must have the majority of its assets in Kentucky. Prefer observer seat on the board.

**Investment Size:** Up to \$250,000 per round assuming a pre-money valuation of less than \$3 million.

**Stage of Development:** CSC primarily participates in seed stage investment rounds alongside other angels, seed and venture capital investors.

**Target Return:** CSC has similar ROI expectations as other seed stage investors.

# Draper Triangle Ventures



Draper Triangle Ventures

**Contact:**

Mark Richey  
513.297.3420  
30 W. Third St., 6<sup>th</sup> Floor  
Cincinnati, OH 45202  
[www.drapertriangle.com](http://www.drapertriangle.com)

**Background:** Draper Triangle Ventures is the Midwestern-based fund of Draper Fisher Jurvetson (DFJ), the leader in seed and early-stage venture capital. Draper Triangle is a premier source of funding for high-technology start-up companies in the Pennsylvania, Ohio and Midwest region. By pursuing a people-focused approach to investing, Draper Triangle funds entrepreneurs with the energy, vision, experience and desire to build great companies.

**Number of Investments per Year:** Varies.

**Target Industries:** Medical technologies, advanced software, advanced materials, technology integration, and communications.

**Out of Bounds:** Not listed.

**Revenue Requirement:** The company must have the potential to achieve strong profitability and sales of up to \$50 million within three to five years.

**Investment Conditions:** The ideal company would consist of a complete and experienced management team, and a proprietary product line in a growing market.

**Investment Size:** \$250,000 to \$2 million.

**Stage of Development:** Seed to early-stage.

**Target Return:** Not listed.

## GLI's Enterprise Angels

**Contact:**

Wes Cobb  
502.625.0171  
123 East Main St. Ste. 203  
Louisville, KY 40202  
[www.enterpriseangels.net](http://www.enterpriseangels.net)

**Background:** New angel group launched in 2008 as an initiative of the Enterprise Corp.

**Number of Investments per Year:** Varies.

**Target Industries:** Not listed.

**Out of Bounds:** None.

**Revenue Requirement:** Generally pre-revenue.

**Investment Conditions:** Various.

**Investment Size:** \$50,000 - \$250,000.

**Stage of Development:** Seed-stage.

**Target Return:** Not listed.

## Evermore Investments, LLC



**Contact:**

Dean Holland  
502.292.2393  
11405 Park Rd., Ste. 180  
Anchorage, KY 40223  
[www.evermoreinvestments.com](http://www.evermoreinvestments.com)

**Background:** Founded in 2000, Evermore has raised three funds and invested over \$5 million in companies, ranging from seed stage to buyouts.

**Number of Investments per Year:** 2 or 3.

**Target Industries:** Health care, information technology, and manufacturing.

**Out of Bounds:** Financial, restaurants, and franchises

**Revenue Requirement:** No minimum, but company must be post-revenue and generating positive earnings.

**Investment Conditions:** Various.

**Investment Size:** \$250,000 to \$500,000

**Stage of Development:** Minimum 3 years operating history.

**Target Return:** Minimum 30% IRR.

## **Futurity Investment Group**

**Contact:**

Rod McNerney  
502.583.3038  
900 Baxter Ave.  
Louisville, KY 40204

**Background:** Formed in 2002 and managed by Nolan Allen and Rod McNerney, Futurity classifies itself as opportunistic and flexible, employing an "open-ended investment" philosophy.

**Number of Investments per Year:** 2 or 3.

**Target Industries:** Various; little specialization, very flexible.

**Out of Bounds:** Information technology.

**Revenue Requirement:** Firms must be post-revenue, preferably at or near a break-even point on cash flow.

**Investment Conditions:** Varies by company with no specific requirements; in some cases Futurity requires control of the company; in other cases, just a participatory role.

**Investment Size:** \$250,000 to \$3 million.

**Stage of Development:** Mostly buyouts, some earlier stage investment.

**Target Return:** 5-10 years.

# Kentucky Highlands Investment Corporation / Mountain Ventures



**Contact:**

Elmer Parlier  
606.864.5175  
362 Old Whitley Rd.  
London, KY 40743-1738

**Background:** Kentucky Highlands has been doing venture investing in rural Kentucky since 1968; Mountain Ventures since 1980. Both are geographically focused on 22 counties surrounding Laurel County in southeastern Kentucky. KHIC/MV specialize in both equity and debt investing.

**Number of Investments per Year:** 2.

**Target Industries:** Various; lean towards manufacturing and services.

**Out of Bounds:** Little experience in technology but these deals will be considered.

**Revenue Requirement:** Post-revenue.

**Investment Conditions:** Seat on the board.

**Investment Size:** \$250,000, with a possible \$250,000 follow-on.

**Stage of Development:** Any stage.

**Target Return:** 25% IRR, five years.

## Kentucky Seed Capital Fund



**Contact:**

George Emont & Steve Gailar  
502.569.1590  
201 E. Jefferson St. Ste. 315A  
Louisville, KY 40202  
[www.kyseed.com](http://www.kyseed.com)

**Background:** Founded in 2005 by investors with investing and career experience in health care.

**Number of Investments per Year:** 2-4

**Target Industries:** Medical devices, biotechnology, pharmaceuticals, health care information technology, and health care services.

**Out of Bounds:** Everything else.

**Revenue Requirement:** Pre-revenue.

**Investment Conditions:** KSCF looks for companies with proprietary medical technology and/or a unique product or service.

**Investment Size:** \$50,000 to \$250,000 initial investment.

**Stage of Development:** Seed-stage.

**Target Return:** Not listed.

# Lunsford Capital

## LUNSFORD CAPITAL

**Contact:**

Karen Sensenbrenner  
502.357.7012  
4360 Brownsboro Rd. Ste. #305  
Louisville, KY 40207

**Background:** Private equity investment firm founded by Bruce Lunsford in 2003.

**Number of Investments per Year:** Varies.

**Target Industries:** Various.

**Out of Bounds:** Not listed.

**Revenue Requirement:** Not listed.

**Investment Conditions:** No universal requirements; varies by company.

**Investment Size:** \$100,000 to \$1.5 million.

**Stage of Development:** Early stage.

**Target Return:** Long term.

## Meritus Ventures



### Contact:

Ray Moncrief  
606.864.5175  
PO Box 1738  
London KY, 40743

### Background:

Meritus Ventures is a Rural Business Investment Company (RBIC), formed in response to the creation of the Rural Business Investment Program (RBIP) by the U.S. Department of Agriculture in 2002. The RBIP was created to promote the establishment of professionally-managed venture capital funds in regions of the country that are not traditionally targeted by venture capital funds.

### Number of Investments per Year:

Not listed.

**Target Industries:** The fund has a broad industry focus that includes, but is not limited to: manufacturing, technology, and software.

**Out of Bounds:** Any company not located in an area eligible for RBIP funding.

**Revenue Requirement:**  
Not listed.

**Investment Conditions:**  
Must be in area approved by RBIP.

**Investment Size:** \$250,000 to \$2,500,000.

**Stage of Development:**  
Expansion-stage.

**Target Return:** 3-5 years.

## OPM Services, Inc.



### Contact:

Chuck Woods  
502.499.1126  
10350 Bunsen Way  
Louisville, KY 40299  
[www.opmservices.net](http://www.opmservices.net)

**Background:** Founded in 1992, OPM became the largest leaser and manufacturer in its industry. An Inc. 500 company with strong financial and entrepreneurial capabilities, OPM has since has made numerous venture investments in a variety of industries ranging from manufacturing to rail to telecom.

**Number of Investments per Year:** 1 or 2.

**Target Industries:** Various; current focus on packaging, financial services and marketing.

**Out of Bounds:** Pre-revenue bio-tech and hard science-based companies.

**Revenue Requirement:** Often pre-revenue or early revenue. OPM does not pursue later stage investments.

**Investment Conditions:** OPM requires a scalable business model, proven sales and a strong entrepreneurial leader. OPM prefers to be actively engaged with the company.

**Investment Size:** \$50,000 to \$1 million.

**Stage of Development:** Seed stage.

**Target Return:** Typically eight times invested capital.

## Triathlon Medical Ventures



**Contact:**

George Emont  
502.569.1590  
201 E. Jefferson St. Ste. 315A  
Louisville KY, 40202  
[www.tmvp.com](http://www.tmvp.com)

**Background:** Founded in 2004 by investors with investing and career experience in the life sciences.

**Number of Investment per Year:** Not listed.

**Target Industries:** Life sciences and biomedical.

**Out of Bounds:** Everything else.

**Revenue Requirement:** Generally pre-revenue.

**Investment Conditions:** Triathlon Medical Ventures looks for companies with proprietary medical technology and/or a unique product.

**Investment Size:** \$500,000 to \$3 million initial.

**Stage of Development:** Early and expansion-stage.

**Target Return:** Not listed.

## The Vogt Awards

Wes Cobb  
Phone: 502.625.0171  
Fax: 502.625.0061  
123 East Main St. Ste. 203  
Louisville, KY 40202  
[info@vogtawards.com](mailto:info@vogtawards.com)  
[www.vogtawards.com](http://www.vogtawards.com)



**The Vogt Invention and Innovation Award** is a \$5 million endowment left by Henry Vogt Heuser to help inventors and innovators develop their products and ideas. Up to \$250,000 is awarded each year. The primary purpose of the program is to memorialize the Vogt tradition of innovation in Louisville and to give selected recipients the recognition and financial support they need to commercialize their product.

**The Vogt Development Awards**, launched in 2006, provide a 2:1 matching grant up to \$10,000 to local entrepreneurs and inventors to assist them in achieving a milestone early in the development stage.

### Selection Criteria:

- Innovative content
- Technical excellence
- Strategic business planning
- Potential for improving competitiveness
- Potential market value
- Capacity to generate employment by opening new markets or starting new enterprises
- Anticipated social or environmental benefits
- Willingness to locate all or part of operations in the Greater Louisville area
- Demonstrated need or start-up status

**Who May Apply:** Anyone with an innovative invention or a new and better way to do things, including engineers, students, scientists, technicians, creative people, entrepreneurs, individuals, fledgling companies, inventors, tinkerers, etc.

**Funding Details:** Up to \$250,000 per year is available from the \$5 million endowment. A specially appointed Vogt Award Selection Committee may elect to award the full amount for the year to one applicant, divide it among several worthy projects, or choose to award a smaller amount each year. This does NOT mean that each awardee will receive \$250,000. Funded projects must be commercialized within two years of the initiation of the Vogt Award, unless otherwise approved by The Vogt Award Selection Committee. Payments are contingent on successful attainment of specific milestones negotiated by the applicant and The Vogt Award Selection Committee prior to the initial distribution of award funds.

## The Yearling Fund

**Contact:**

Dale Boden  
502.587.1860  
Preston Pointe  
333 E. Main St. Ste. 310  
Louisville, KY 40202

**Background:** Yearling Fund is an early stage fund with a regional focus. Founded in 2004 by Dale Boden, Ty Wilburn and Bill Lomicka, the Yearling Fund has invested in approximately 10 Kentucky-based early-stage companies.

**Number of Investments per Year:** 3 or 4.

**Target Industries:** Healthcare, biotech, internet media.

**Out of Bounds:** None.

**Revenue Requirement:** Varies.

**Investment Conditions:** Seat on the board or observation rights.

**Investment Size:** \$250,000 to \$500,000.

**Stage of Development:** Post-revenue.

**Target Return:** Not listed.

# VENTURE CAPITAL FUNDS

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## Blue Chip Ventures



**Contact:**

John McIlwraith  
513.723.2300  
1100 Chiquita Center  
250 E. Fifth St.  
Cincinnati, OH 45202  
[www.bcvc.com](http://www.bcvc.com)

**Background:** Founded in 1991 and based in Cincinnati, Blue Chip manages over \$600 million of capital and has invested in over 100 companies.

**Number of Investments per Year:** Not listed.

**Target Industries:** Various; Blue Chip concentrates on healthcare, marketing and media services, enterprise

software, and technology infrastructure.

**Out of Bounds:** Not listed.

**Revenue Requirement:** At least \$2 million in annual revenue with operating profitability attained or projected within 12 to 18 months.

**Investment Conditions:** Not listed.

**Investment Size:** \$3 million to \$10 million.

**Stage of Development:** Various; self-described "sweet spot" is early-stage.

**Target Return:** At least 5 times the invested capital.

## Blue Equity, LLC



**Contact:**

Jonathan S. Blue  
502.589.8181  
Preston Pointe  
333 E. Main St. Ste. #200  
Louisville KY 40202  
[www.blueequity.com](http://www.blueequity.com)

**Background:** Blue Equity, LLC is an independent, private-equity firm committed to actively investing both growth capital and business expertise in enterprises with solid development potential.

**Number of Investments per Year:** Not listed.

**Target Industries:** Media, sports & entertainment, financial services, and real estate.

**Out of Bounds:** Information technology.

**Revenue Requirement:** None, but there needs to be a clear, quick path to achievable revenue.

**Investment Conditions:** Blue Equity requires no less than minimal operating control in all investment scenarios, while working actively with existing senior management to boost performance returns and superior results.

**Investment Size:** Not listed.

**Stage of Development:** Early to middle-stage.

**Target Return:** Depends on the investment.

## Chrysalis Ventures



**Contact:**

Bob Saunders  
502.583.7644  
101 S. Fifth St. Ste. 1650  
Louisville, KY 40202  
[www.chrysalisventures.com](http://www.chrysalisventures.com)

**Background:** Founded in 1993 and based in Louisville, Kentucky, Chrysalis has more than \$300 million of funds under management and has made investments in over 50 companies.

**Number of Investments per Year:** 5-6.

**Target Industries:** Health care, media and communications, and business services.

**Out of Bounds:** Life sciences.

**Revenue Requirement:** Over \$500,000 in annual revenue.

**Investment Conditions:**

Chrysalis Ventures frequently acts as lead investor and activist partner in their portfolio companies. As lead investor, they perform not only the traditional lead investor role of forming a syndicate, but also actively help management draft business plans, define strategy, plan tactics, consummate mergers and strategic partnerships, and attract key talent. Even if Chrysalis does not invest, they are happy to speak with entrepreneurs – please don't be shy!

**Investment Size:** Up to \$2 million initially.

**Stage of Development:** Early and expansion stage.

**Target Return:** Five years.

**CID Capital**



**Contact:**

Debbie Morgan  
317.269.2350  
201 West 103rd St., Ste. 200  
Indianapolis, IN 46280  
[www.cidcap.com](http://www.cidcap.com)

**Background:** Founded in 1981, CID Capital has invested in over 100 companies through both venture capital and private equity capital.

**Number of Investments per Year:** Not listed.

**Target Industries:** Life sciences, information technology, manufacturing technology, and business services.

**Out of Bounds:** Not listed.

**Revenue Requirement:** Near profitability.

**Investment Conditions:**

**Investment Size:** \$1 Million to \$3 million.

**Stage of Development:** Expansion-stage.

**Target Return:** Not listed.

Clean Wave Ventures



**Contact:**

Rick Kieser  
513.719.6010  
403 Vine Street, 3rd Floor  
Cincinnati, OH 45202  
[www.cleanwavevc.com](http://www.cleanwavevc.com)

**Background:** Clean Wave Ventures invests in and provides assistance to early and expansion-stage Clean Technology companies with superior growth potential. We target investments primarily within the Midwest that combine experienced management with innovative technology and serve large, unmet market needs. Our team represents experienced investment professionals and successful business operators who have an established record of identifying, financing, and nurturing early and expansion-stage companies that have had significant realizations.

**Number of Investments per Year:** Not listed.

**Target Industries:** Any clean technology industry, including energy, transportation, water/environment, and advanced materials.

**Out of Bounds:** Everything else.

**Revenue Requirement:** Anywhere under \$20 million in annual revenue.

**Investment Conditions:** Active lead investor with board representation. Co-investments may be done with trusted venture partners.

**Investment Size:** \$2 to \$7 million.

**Stage of Development:** Early and expansion-stage.

**Target Return:** At least 5 times invested capital.

## Heron Capital



**Contact:**

Shannon Rothschild  
317.686.1950  
1 Indiana Square Ste. 2250  
Indianapolis IN, 46204  
[www.heroncap.com](http://www.heroncap.com)

**Background:** Heron Capital is a venture capital fund dedicated to investing in companies focused on the life sciences.

**Number of Investments per Year:** 3-4

**Target Industries:** Medical devices, diagnostics, tools, etc.

**Out of Bounds:** Industries unrelated to life sciences.

**Revenue Requirement:** Not listed.

**Investment Conditions:** Board representation.

**Investment Size:** Up to \$2.5 million.

**Pattco Ventures**



**Contact:**

Tom Dieruf  
502.245.6623  
10000 Shelbyville Road  
Louisville KY, 40223

**Background:** Founded in 1975, Pattco has made many investments across the United States.

**Number of Investment per Year:** 2.

**Target Industries:** Various.

**Out of Bounds:** None.

**Revenue Requirement:** Post-revenue.

**Investment Conditions:** Close involvement (weekly contact).

**Investment Size:** Under \$10 million.

**Stage of Development:** Expansion-stage.

**Target Return:** Not listed.



**Contact:**

Ted Robinson  
513.621.9700  
221 E. 4th St., Ste. 2400  
Cincinnati OH, 45202-4151  
[www.rccf.com](http://www.rccf.com)

**Background:** River Cities traces its roots back to the corporate finance advisory firm of Mayfield & Robinson Inc., founded in Cincinnati in 1978. In 1994, the firm shifted to venture management.

**Number of Investments per Year:** 4-6.

**Target Industries:** Information technology and healthcare.

**Out of Bounds:** Seed-stage.

**Revenue Requirement:** Generally around \$3 million in annual revenue.

**Investment Conditions:** Seat on the board, preferred stock in a "C" corporation, standard warranties, etc.

**Investment Size:** Initially \$3 million, with a maximum of up to \$10 million.

**Stage of Development:** Expansion stage.

**Target Return:** Five years.

# STATE AND FEDERAL FUNDING

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## Kentucky Cabinet for Economic Development

### Department for Commercialization and Innovation (DCI)

#### **Contact:**

Deborah Clayton, Commissioner KCED DCI

502.564.7670

300 West Broadway, Old Capitol Annex

Frankfort, KY 40601

[www.thinkkentucky.com/dci/](http://www.thinkkentucky.com/dci/)

Vik Chadha

502.625.0152

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Louisville, KY 40202

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**Background:** Authorized by the Kentucky Innovation Act, the Cabinet for Economic Development's Department of Commercialization and Innovation (DCI) has been charged with leading the state's new economy efforts. By building and promoting technology-driven and research-intensive industries, the Cabinet works through DCI to create high-tech job opportunities and develop clusters of innovation throughout the state.

### DCI's Programs:

- **Small Business Innovation Research (SBIR) incentive program** encourages small businesses to explore their technological potential and maximize profit from commercialization. DCI will match all Phase 1 Federal awards received by Kentucky businesses after January 1, 2006 and all Phase 2 federal awards received after January 1, 2007. This includes matching awards of up to \$100,000 for Phase I grants and up to \$750,000 for Phase II.
- **Business Plan Competition and Award** encourages entrepreneurship and develop new high-growth ventures in the Commonwealth. The winner(s) receives a cash award of up to \$100,000.
- **High-Tech Construction and Investment Pools:**
  - The High-Tech Construction Pool is used for projects with special emphasis on the creation of high-tech jobs and knowledge-based companies. The commissioner recommends funding of companies to KEDFA for approval
  - The High-Tech Investment Pool is used to build and promote technology-driven industries and research-intensive industries with the goal of creating clusters of innovation-driven industries in Kentucky. The commissioner recommends funds to be used to support loans and grants, or secure an equity or related position to KEDFA for approval.

### Kentucky Science and Technology Corporation

#### Contact:

Matt McGarvey  
859.255.3310 x240  
200 W. Vine St. Ste. 420  
Lexington, KY 40507  
[www.startupkentucky.com](http://www.startupkentucky.com)

Vik Chadha  
502.625.0152  
123 E. Main St. Ste. 203  
Louisville, KY 40202  
[vchadha@greaterlouisville.com](mailto:vchadha@greaterlouisville.com)

**Background:** The Kentucky Enterprise Fund encourages the enhancement of technology-based economic development by leveraging resources throughout the Commonwealth to create jobs and wealth for the citizens of Kentucky and enhance the state's image as an attractive and successful location in which to live, learn, and grow. We work with early stage business and technology development activities including business plan creation, early seed capital funding, team creation, technology planning, and proof of concept development.

**KSTC's Programs:**

- **ICC Concept Pool Fund** – This grant provides up to \$25,000 for early-stage companies to develop their proof of concept or prototype. To be eligible, companies must have less than 150 employees and be an ICC client; companies are required to match Concept Pool funding 1:1.
- **Rural Innovation Fund**
  - **Level 1** – This grant serves a similar purpose as the ICC Concept Pool fund, but is targeted to small (no more than 50 employees) Kentucky-based companies located outside of Jefferson and Fayette counties. Up to \$25,000 is available, and all funds must be spent with an independent, third party contractor.
  - **Level 2** – The Level 2 fund is an investment that expands upon the Level 1 grant, providing up to \$100,000 (over 2 years) for the company to develop a proof of concept or prototype. Payback of Level 2

funds is required via convertible note; or the investment made be made as part of a qualified round of financing.

- **\$200,000 R&D Voucher Fund** – This grant is available to all Kentucky-based companies with no more than 150 employees and provides up to \$200,000 (over 2 years) for technology-based product development. Companies must contact with an accredited postsecondary institution in Kentucky for at least 51% of the funds, and must match the investment funding 1:1. Payback of R&D Voucher funds is required via convertible note; or the investment made be made as part of a qualified round of financing.
- **Gap Fund** – The Gap Fund is available to any previous recipient of a Kentucky Enterprise Fund award and provides up to \$400,000 (of a minimum \$1 million round of qualified financing) for business development. Companies must raise at least \$600,000 from private, accredited investors as part of the \$1 million round.

### **Kentucky Science and Engineering Foundation**

**Contact:**

Mahendra K. Jain, Executive Director  
859.255.3613 x230  
<http://ksef.kstc.com>

Vik Chadha  
502.625.0152  
123 E. Main St. Ste. 203  
Louisville, KY 40202  
[vchadha@greaterlouisville.com](mailto:vchadha@greaterlouisville.com)

**Background:** The Kentucky Science & Engineering Foundation (KSEF) was created to invest in research and development activity to promote innovation and build a pipeline of new ideas and technologies that could add value to the scientific

and economic growth in the Commonwealth. Created under the Kentucky Innovation Act of 2000, the mission of the Kentucky Science & Engineering Foundation is to build science and engineering capacity and excellence by investing in exploratory advanced research, purpose-driven research, research in emerging technologies and ideas, human resource development and technological innovations in Kentucky.

**KSTC's Programs:**

- **Kentucky SBIR/STTR Phase Zero and Double Zero Grant Program** – These funds are earmarked for the development of Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) proposals. The goal of these grants is to assist Kentucky's entrepreneurs with the preparation of high-quality, competitive Phase I and Phase II proposals (respectively) for submission to participating Federal SBIR and STTR programs

## U.S. Small Business Administration

**Contact:**

SBA Answer Desk

800.827.5722

[www.sba.gov](http://www.sba.gov)

[answerdesk@sba.gov](mailto:answerdesk@sba.gov)

Kathleen Hoye, Center Director

Kentucky Small Business Development Center

502.625/0123

123 E. Main St. Ste. 203

Louisville, KY 40202-1341

[www.louisvillesmallbiz.org](http://www.louisvillesmallbiz.org)

**Background:** The U.S. Small Business Administration (SBA) was created in 1953 as an independent agency of the federal government to aid, counsel, assist and protect the interests of small business concerns, to preserve free competitive enterprise and to maintain and strengthen the overall economy of our nation. The SBA helps Americans start, build and grow businesses through an extensive network of field offices and partnerships with public and private organizations.

**SBA's Programs:** The SBA offers a wide variety of services designed to help entrepreneur's start and grow their businesses, including training and counseling, contracting assistance, and financial assistance, including the SBA loan program. For more information on these programs, visit the SBA website, or contact the Louisville Small Business Development Center.