



Investment Connection

COMMUNITY DEVELOPMENT INVESTMENT PARTNERSHIP

Federal Reserve Bank of St. Louis Investment Connection Proposal

Proposal title	Springfield Innovation Inc. - efactory Accelerator
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Organization name	Missouri Technology Corporation
Mission statement	Facilitate the successful growth and development of startup and emerging businesses, creating high-wage jobs for the local economy.
Overview of organization	<p>Springfield Innovation Inc. facilitates and supports the commercialization of research and shortens the time to market for new products while providing technical and entrepreneurial support. The board of the Springfield Innovation Inc. provides vision and overall director for Missouri State University's Jordan Valley Innovation Center and the efactory. Springfield Innovation, Inc. has a Master Operating Agreement with Missouri State University to provide staff and operational support.</p> <p>Springfield Innovation Inc. works with efactory staff to carry out the accelerator program while providing guidance and mentorship.</p> <p>The efactory is an entrepreneurship center designed to assist startup and growth in new small businesses and continuing education and training in mature organizations. The efactory is proud to be part of IDEA Commons, Missouri State University's vision and commitment to create an urban innovation park.</p> <p>Serving as a one-stop shop for startups and small businesses, efactory resources also include university-related programs such as the Small Business and Technology Development Center, Management Development Institute, Jordan Valley Innovation Center and numerous community partners. Services include business consulting, training and leadership development, incubator office space, coworking, an accelerator program, mentorship and corporate innovation.</p> <p>Since opening in 2013, the efactory has:</p>

	<p>a) Served over 700 business clients</p> <p>b) Created over 1,000 jobs</p> <p>c) Helped clients secure more than \$48 million in capital and equity</p> <p>d) Helped clients secure more than \$7 million in research and grant support</p> <p>e) Graduated nine companies from the accelerator program</p> <p>f) Maintained a full occupancy rate with more than 45 client companies and 140 employees</p> <p>The efactory is located at 405 N. Jefferson Ave., inside the Robert W. Plaster Free Enterprise Center.</p>
Website	http://efactory.missouristate.edu/
Social media link(s)	http://efactory.missouristate.edu/
Location of project/activity	Springfield, MO (MSA) Greene
Geographic Impact	<p>Citywide</p> <p>Countywide</p> <p>Multicounty</p> <p>Multistate</p> <p>Regional</p> <p>Statewide</p>
Support request	Investment/Grant
Requested amount	150000
Proposal narrative	<p>After identifying many technology startups in our community were unable to receive traditional funding options (e.g. bank loans), Springfield Innovation Inc. raised a seed capital fund to launch an accelerator program to be able to invest and mentor startup companies. Springfield Innovation Inc. has currently raised \$725,000 with investments from the Missouri State University Foundation, Missouri Technology Corporation, RMI and the Springfield Business Development Corporation.</p> <p>With an economic and workforce development mission, the efactory launched its first accelerator cohort in August 2016 and has had nine companies complete the program from two cohorts. We invest \$30,000 into each company in exchange for 8% equity to help "accelerate" their business. In addition to the investment, companies have access to office space, business consulting, a mentor network, discounts to services and customized presentations and training from industry professionals throughout the program.</p>
Issues addressed	<p>Economic/Workforce Development</p> <p>Financial Access, Capability and Empowerment</p> <p>Small Business Development/Technical Assistance</p>
Target population/geography	Early-stage startup companies in Springfield, MO area
Population served including income	Open to everyone to apply for the program

Anticipated outcomes/impact	<ul style="list-style-type: none"> - Give the opportunity for innovative new businesses to get started/grow that wouldn't otherwise have the opportunity - Economic Development impact - new jobs created, higher wage paying jobs, etc. - Talent attraction and retention
Evaluation methods used to measure success	<p>In just two short years, we've already seen the launch and growth of successful companies who wouldn't exist without the accelerator program. Our portfolio companies are creating jobs, bringing innovations to market, have taken on follow on investment and are creating an economic impact in the Springfield region. Prior to the efactory accelerator, companies had to go outside Springfield, MO to find investment and mentorship. We're proud to help play a part in keeping talented, smart individuals and companies in Springfield.</p> <p>We keep track of metrics including: follow on investment, companies still in business, jobs created, women and minority owned businesses, etc.</p> <p>Companies are paired with a lead mentor to help ensure success. We also continue to meet regularly with companies after they complete the program.</p>
Project time frame	<p>Existing Program Ongoing Program</p>
Other significant partners in the proposal	<p>Missouri Technology Corporation Technical Assistance/Expertise https://www.missouritechnology.com/</p> <p>Springfield Area Chamber of Commerce and Small Business Development Corporation Funding http://sbdcinvestors.com/</p> <p>City of Springfield Technical Assistance/Expertise https://www.springfieldmo.gov</p>
Audit Report	<p>M:\Dept\ComAff\Investment Connection\Springfield Innovation Inc Financials Final.xlsx</p>
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