

**REPORT TO
THE CONGRESS OF THE UNITED STATES**

**2015 GROWTH ACCELERATOR COMPETITION
QUARTERLY METRICS AND RESULTS AS OF DECEMBER 31, 2015**

**PREPARED BY
SBA'S OFFICE OF INVESTMENT AND INNOVATION
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Table of Contents

I.	Executive Summary.....	pg. 4-5
II.	Legislative Background	pg. 6
III.	Introduction to First Quarterly Reported Results.....	pg. 7
IV.	Geographic Profile of the Winners	pg. 7
V.	Appendix	pg. 8-11
	a. List of Winners	pg. 8-11

Executive Summary - Overview

In FY 2015, the U.S. Small Business Administration (SBA) held the second Growth Accelerator¹ Fund competition.

The goal of the competition was to get an extra infusion of capital to qualified accelerators and the burgeoning ecosystem in which they play, which, in turn, provides resources to boost the startup and entrepreneurship communities around them. Through the widespread outreach of the challenge, the SBA was able to reach entrepreneurial ecosystems in 50 states (including DC and Puerto Rico) and provide 88, \$50,000 prizes across 39 states, Washington, DC and Puerto Rico. Importantly, the SBA was also able to reach some of the most overlooked areas for startups given there was an explicit focus on giving prizes to accelerators that support: the underserved racial groups, women, the maker community and geographic regions which traditionally have limited access to capital. The report presents self-reported metrics, measures and answers to qualitative questions that were collected from the 88 winners for the first quarter of FY 2016². For purposes of that first round of data collection, one of the key tenets was to establish a baseline. As you will read in the following pages, this competition effectively and successfully achieved the stated goals and intended results, some of which are summarized in the tables on the next page.

¹For purposes of this competition, SBA defines accelerators as organizations that provide: networking, mentorship, physical or virtual shared space and sometimes funding to startups for a pre-defined period of time. Startups participate in accelerator programs in order to move quickly through the earliest stages of development and grow their teams, by being a part of a supportive environment.

²It is important to note that this data was self-reported by the accelerator winners. For this first report of the year, accelerators were asked to report the numbers since the inception of their accelerator model. We will receive 3 more reports from them over the remaining quarters of this year.

Executive Summary - Metrics

THE CONTESTANT FUNNEL

Contestants	421
Finalists	160
Winners	88
Yield	1 in 5

WINNERS STATS

Women	44%
Underserved	41%
Rural	16%
New Winners	86%

INDUSTRY FOCUS*

General / All	54%
Tech/Science	18%
Healthcare / Medical	7%
Manufacturing	3%
Education	N/A
Agricultural	N/A
Food, Beverage, Hospitality	5%
Biotech	3%
Energy	5%
Tourism	N/A
Other	5%

COLLECTIVE BASELINE**

Median & Average Inception Year for Winners	2013
Total Accelerator Competition Prize	\$4,400,000
External capital raised by accelerators collectively	\$231,922,623
Median external capital per accelerator	\$202,500
Average external capital per accelerator	\$2,635,484
Ratio of external capital to prizes	53 to 1
Professional investor funded	14%
Corporations funded	53%
Family/Friends/Angels & Other funded	61%
Fed/State/City Government collectively funded	58%
Fed / State / City Individually funded	27% / 34% / 30%
Startups launched	2,506
Startups currently housed	1,066
Total Startups	3,572
Total Applications	12,348
Yield	1 in 4
Capital Invested into Startups by Accelerators	\$42,489,713
Capital Invested into Startups by any other source	\$812,748,800
Average capital into each startup by all sources	\$239,428
Total jobs created and/or sustained by startups	14,449.25
Average jobs per startup	4.0
Average investment per job (imputed)	\$59,857
Jobs created by accelerators themselves	442.25
Average jobs per accelerator	5.0

*Some accelerators have more than one focus

**100% response rate

Legislative Background

Public Law 113-235, the Consolidated and Further Continuing Appropriations Act, 2015, enacted \$4 million to the U.S. Small Business Administration (SBA) for the purpose of funding a growth accelerators initiative. Because, in the Agency's judgment, this initiative was not a good fit for implementation under any existing SBA grant authority, the Agency elected instead to put Congress's directive into effect via means of the government-wide authority to hold competitions and award prizes established under the America Competes Act. 15 U.S.C. § 3719. Toward that end, SBA announced the kickoff of the Growth Accelerator Fund Competition on April 10th, 2015. 80 Fed. Reg. 19391.

Introduction to First Quarterly Reported Results

The Growth Accelerator Fund competition launched for the second time in 2015. With \$4.4 million³ in appropriated funds, we provided 88, \$50,000 prizes with an emphasis on giving funds to underserved groups, geographic areas with less access to capital and organizations focused on supporting manufacturing and making. We accepted contestants from both existing and new launching accelerator models. America Competes Act authority was used to run the competition and disburse the prizes.

In running this competition, the first part of our thesis was that in supporting accelerators, the SBA would be able to access and support startups all over the country which were not yet familiar with the SBA's services and which were not being fully serviced by the traditional venture capital or angel capital community. The second part of our thesis was that in providing this support, we would be supporting job creation and helping struggling communities grow.

As of December 31, 2015 we have received one set of quarterly reports for FY 2016, the first, from our 88 accelerator winners. For the numbers included in this report, accelerators were asked to include numbers as of their respective inception dates. The reasoning behind this was to a) draw a baseline and b) to track the delta from that point forward. For a frame of reference, there were 88 respondents (100% of winners) and both their average and median inception date is 2013. In other words, on average, each accelerator has been around for 3 years.

Geographic Profile of the Winners

Growth Accelerator Fund prizes were given to accelerators in 39 states, Washington, DC and Puerto Rico. Most of these are in areas of the country that typically have little access to venture capital. According to the National Venture Capital Association, the areas receiving the most venture capital funding have been consistent for the past 5 years. They are San Francisco, San Jose, New York, Boston and Los Angeles.³ Equally concentrated is where the venture capital money is managed. CA, MA, NY, and TX represented 74% of venture capital investment and those same states' companies receive a disproportionate amount of venture capital investment.

Go to: <https://www.sba.gov/accelerators-map> and you will see, a significant majority of the 88 winners are located in regions removed from these "high use" areas.

Please visit the SBA website subdirectory: <http://www.sba.gov/accelerators>. The information therein lays out the list of winners, videos, general construct of the

³\$4 million was appropriated for Growth Accelerators in 2015. The additional \$400k was funded from the Native American Outreach funding.

⁴<http://nvca.org/pressreleases/u-s-venture-capital-investment-spanned-160-cities-2014/>

competition, the flowing infographic below, the winners mapped and other key information.

Appendix

The following pages contain the list of Growth Accelerator Winners.

List of Winners

Class of 2015

Organization	City	State	Video
Launch : Alaska	Anchorage	AK	https://vimeo.com/133196273
Alaska Small Business Incubator, LLC	Homer	AK	https://vimeo.com/132994270
Velocity	Birmingham	AL	https://vimeo.com/133197464
Startup Junkie Consulting	Fayetteville	AR	https://vimeo.com/133102776
CPLC Pickle House	Phoenix	AZ	https://vimeo.com/132990783
SEED SPOT	Phoenix	AZ	https://vimeo.com/133013206 (pass: sba2015)
mystartupXX, University of California San Diego	La Jolla	CA	https://vimeo.com/133186262
LACI (Los Angeles Cleantech Incubator)	Los Angeles	CA	https://vimeo.com/133169667
Impact Hub Oakland	Oakland	CA	https://vimeo.com/133200938
Hera Labs	San Diego	CA	https://vimeo.com/133203055
Manos Accelerator	san jose	CA	https://vimeo.com/133182210 (pass: Coolhouse)
San Luis Valley Local Foods Coalition	Alamosa	CO	https://vimeo.com/133152241
MergeLane	Boulder	CO	https://vimeo.com/132458067
Unreasonable Institute	Boulder	CO	https://vimeo.com/133197285
The Warehouse Business Accelerator	Loveland	CO	https://vimeo.com/132982622
LaunchPad for Impact	Hartford	CT	https://vimeo.com/133502585
Halcyon Incubator	Washington	DC	https://vimeo.com/133043872
Launch Pad	Washington	DC	https://vimeo.com/133144614
Mess Hall	Washington	DC	https://vimeo.com/133165935
Pioneer Business Incubator	Fort Pierce	FL	https://vimeo.com/133085003 (pass: RedSky2015)
VentureScaleUp	Orlando	FL	https://vimeo.com/133188025

Organization	City	State	Video
FirstWaVE Accelerator	Tampa	FL	https://vimeo.com/132969837
FOCUS Incubator	Atlanta	GA	https://vimeo.com/113966729 (pass: GTA2015!)
Makervillage	Rome	GA	https://vimeo.com/133198440
XLR8UH	Honolulu	HI	https://vimeo.com/133201649
Maui Food Innovation Center - Maui Accelerator Program	Kahului	HI	https://vimeo.com/133098034
GVS Transmedia Accelerator	Kailua-Kona	HI	https://vimeo.com/133101745
Entrepreneurial Development Center, Inc.	Cedar Rapids	IA	https://vimeo.com/133155031
Iowa Startup Accelerator	Cedar Rapids	IA	https://vimeo.com/133116748
I-Start (EnterpriseWorks at the UIUC Research Park)	Champaign	IL	https://vimeo.com/133167847
Fulton-Carroll Center	Chicago	IL	https://vimeo.com/133160828 (pass: growth)
Impact Engine	Chicago	IL	https://vimeo.com/133082552 (pass: TheN3xtB3stPI@ce (link sends e-mail))
SouthWorks MakerLab in Park Forest	Park Forest	IL	https://vimeo.com/133167709
Flagship Accelerator Program	Anderson	IN	Video Not Available
LVL1 Inc.	Louisville	KY	https://vimeo.com/133199170
XLerateHealth	Louisville	KY	https://vimeo.com/132980348
Idea Village	New Orleans	LA	https://vimeo.com/133084326
PowerMoves.NOLA	New Orleans	LA	https://vimeo.com...
Propeller: A Force for Social Innovation	New Orleans	LA	https://vimeo.com/133182833
Fraunhofer TechBridge	Boston	MA	https://vimeo.com/133054061
InciteHealth	Boston	MA	https://vimeo.com/132931028
Greentown Labs	Somerville	MA	https://vimeo.com/133155448
Relevant Health	Rockville	MD	https://vimeo.com/133159992
E2Tech - Environmental & Energy Technology Council of Maine	Portland	ME	https://vimeo.com/133176320
Maine Center for Entrepreneurial Development (MCED)	Portland	ME	https://vimeo.com/132986514
Inge's Place	Battle Creek	MI	https://vimeo.com/133154470
NextEnergy	Detroit	MI	https://vimeo.com/133064716
Prosper Startup Accelerator	St. Louis	MO	https://vimeo.com/133079679

Organization	City	State	Video
406 Labs	Bozeman	MT	https://vimeo.com/133155287
RevTech Labs & QC FinTech	Charlotte	NC	https://vimeo.com/133141101
First Flight Venture Center	Research Triangle Park	NC	https://vimeo.com/133182407
Year of the Startup	Omaha	NE	https://vimeo.com/133160787
Hannah Grimes Center	Keene	NH	https://vimeo.com/133110410
Great Turning Advisors Social Business Accelerator	Ironia	NJ	https://vimeo.com/132993481
Creative Startups Accelerator	Albuquerque	NM	https://vimeo.com/133194957
Native Entrepreneur in Residence Program	Albuquerque	NM	https://vimeo.com/132935017
Manufacture New York	Brooklyn	NY	https://vimeo.com/133201128
Passenger to Pilot: Empowering Women Entrepreneurs	Ithaca	NY	https://vimeo.com/133096626
Coalition for Queens (C4Q)	Long Island City	NY	https://vimeo.com/133345114
KiiLN – Keystone for Incubating Innovation in Life Sciences Network	New York	NY	https://vimeo.com/133200423 (pass: kiilnsba)
Minority Venture Partners (MVP) Accelerator	New York	NY	https://vimeo.com/133156091
First Batch	Cincinnati	OH	https://vimeo.com/133204068
VictoryStart	Cleveland	OH	https://vimeo.com/133089164
Sustainable Valley Technology Group	Medford	OR	https://vimeo.com/132887732
ONABEN	Portland	OR	https://vimeo.com/133055962
Oregon BEST StartSpace	Portland	OR	https://vimeo.com/133196138
University City Science Center Digital Health Accelerator	Philadelphia	PA	https://vimeo.com/133182807
IDEA Food Accelerator	Reading	PA	https://vimeo.com/132948499
Codetrotters Academy / Accelerator	San Juan	PR	https://vimeo.com/133154527 (pass: Lifepath)
EnterPRize Accelerator	San Juan	PR	https://vimeo.com/133095021
Social Enterprise Greenhouse Accelerator	Providence	RI	https://vimeo.com/133146936
Local Works	Charleston	SC	https://vimeo.com/133155257
Greenville Chamber Minority Business Accelerator Program	Greenville	SC	https://vimeo.com/133176034
Fresh Future Farm Inc.	North Charleston	SC	https://vimeo.com/133184236 (pass: nmbc)

Organization	City	State	Video
CO.LAB (The Company Lab)	Chattanooga	TN	https://vimeo.com/133192730
Start Co. Integration Accelerator	Memphis	TN	https://vimeo.com/133065688
ZeroTo510	Memphis	TN	https://vimeo.com/132976620
EMERGE powered by Tech Wildcatters	Dallas	TX	https://vimeo.com/133165507
RedSky	El Paso	TX	https://vimeo.com...
Live Work Unit Accelerator	San Antonio	TX	https://vimeo.com/133111552
Sustainable Startups	Salt Lake City	UT	https://vimeo.com/133161170
Eastern Foundry	Arlington	VA	https://vimeo.com/133152888
Peninsula Technology Incubator	Hampton	VA	https://vimeo.com/133148962
Lighthouse	Richmond	VA	https://vimeo.com/133141414
Equita	vienna	VA	https://vimeo.com/133160695
Ignite Northwest	Spokane	WA	https://vimeo.com/133089500
WERCBench Labs	Milwaukee	WI	https://vimeo.com...
West Virginia Hive	Beckley	WV	https://vimeo.com/133176714