

# NJ CoVest Fund

## Program Overview

Designed to help emerging technology companies bridge the funding gap between product development and commercialization



Investments of \$100,000-\$250,000 in the form of Convertible Notes with Warrants



3% interest and 10 year maturity



Stimulate and support growth in business operations, product development, and sales revenue



With the support of the NJEDA, we are expanding our partnerships with additional health systems and health plans to help them utilize the power of peer mentoring to improve population health.

Ashwin Patel, MD PhD  
Co-Founder and CEO of InquisitHealth



## Target Applicants

Early Stage in technology or life sciences company

Structured as a C-Corporation or a LLC with unit structure

Maintains a Board of Directors/Advisors

Located in physical commercial office, co-working or incubator space in NJ

50% of full time employees spending at least 80% of their time in NJ

A minimum of 2 full-time founders that have made a financial investment in the company

# NJ Ignite: Incubator & Collaborative Workspace Rent Initiative

## Program Overview

Supports entrepreneurs by providing rent support grants to early stage technology and life sciences companies in NJ collaborative workspaces.

2, 4 or 6 +

months of rent support available

Start-up company must commit to continuing to work from collaborative workspace

16 +

approved collaborative spaces

Collaborative workspace must match NJEDA's grant to tenant company 1:2 basis.



The NJEDA will provide an additional month of support if the workspace is located in an Opportunity Zone, affiliated with hospital system or New Jersey university, or is recently established.

“

Collaborative workspaces are the wave of the future for startups that don't want to commit to long-term leases

Avi Orlansky  
Primework  
Founder and CEO

## NJ Accelerate

### Program Overview

A two-pronged program to grow early-stage businesses in the Garden State with the engagement of best in class accelerators that provide the tools and investment to support entrepreneurs in the NJ Innovation Economy.

### Accelerator Operators

- Accelerators nation-wide can pre-qualify as an “Approved Accelerator”

### Benefits

**Promote** Approved Accelerator program opportunities to the NJ innovation ecosystem

**Cost-Sharing** sponsorship to host programmatic events in NJ



- 1:1 matching sponsorship
- Up to **\$25,000**/ event
- \$100,000** cap for each Approved Accelerator



- BONUS** for programs that meet Diversity and Inclusion qualifications.

### Early Stage Businesses

- Businesses that graduate from an “Approved Accelerator” may be eligible for financial assistance in NJ

### Benefits

#### Direct Funding



- 1:1 matching low cost convertible note
- Up to **\$250,000**
- 5% bonus for NJ-certified MBE/WBE businesses

#### Rent Support



- Up to **6 month** grant at an approved NJ Ignite space
- NJ-certified MBE/WBE businesses may be eligible for a bonus month of rent support



NJ Accelerate is designed to mitigate the many obstacles that early-stage entrepreneurs often face when starting their businesses, ranging from limited business expertise to lack of funding

THM SULLIVAN  
CEO, NJEDA

## NJ Founders and Funders

### Program Overview:

Organized by the NJEDA Technology & Life Sciences (TLS) team to facilitate warm introductions between emerging NJ TLS companies and sophisticated angel & institutional investors.

### Hosted twice a year (Spring and Fall)



Companies are matched with investors for 10-minute 1-on-1 sessions



“Speed dating” between NJ based companies and investors

### Program Requirements:

- Must be registered to do business in NJ
- Must be pre-registered
- Must provide a 2 page-Executive Summary



70+ investors and 250+ companies have attended and curated over 1,400+ introductions



10% of participating companies have raised capital following attendance



## Research with NJ

### Program Overview

A FREE dynamic community of collaborative networks and news about NJ's unique culture of innovation.

Online gateway that lets NJ's entrepreneurs and commercial enterprises identify experts, facilities, publications, intellectual property, news, and events in five Doctoral Universities- Public & Private.



**+3,900**  
Profiles\*



**+229,000**  
Research  
Outputs\*



**+33,500**  
Press/Media  
impressions\*

2018  
New Jersey  
Tech Council  
Award for  
Collaborator  
of the Year

### Partner Universities:



\*data as of 9/1/19

More information available at <https://www.researchwithnj.com/>

## Angel Tax Credit

### Program Overview:

Investors in a qualifying NJ emerging technology or life science business may benefit from a 10% investment tax credit. Increase to 20%-25% in 2020.

### 2018

**\$197 M**

Investment Amount

**\$10.6 M**

Tax credits

**46**

Unique companies

**244**

Applications

### 2019

**\$33.1 M**

Investment Amount

**\$3.3 M**

Tax credits

**32**

Unique companies

**161**

Applications



**\$549 Million<sup>1</sup>**  
total investment  
leveraged



**1,322<sup>1</sup>**  
Angel  
investments

### Program requirements

- Must be an emerging technology or life science business with a physical presence in NJ
- Must employ <225 employees, where 75% work in NJ

1. Angel Tax credit activity numbers are from inception through December 31, 2020

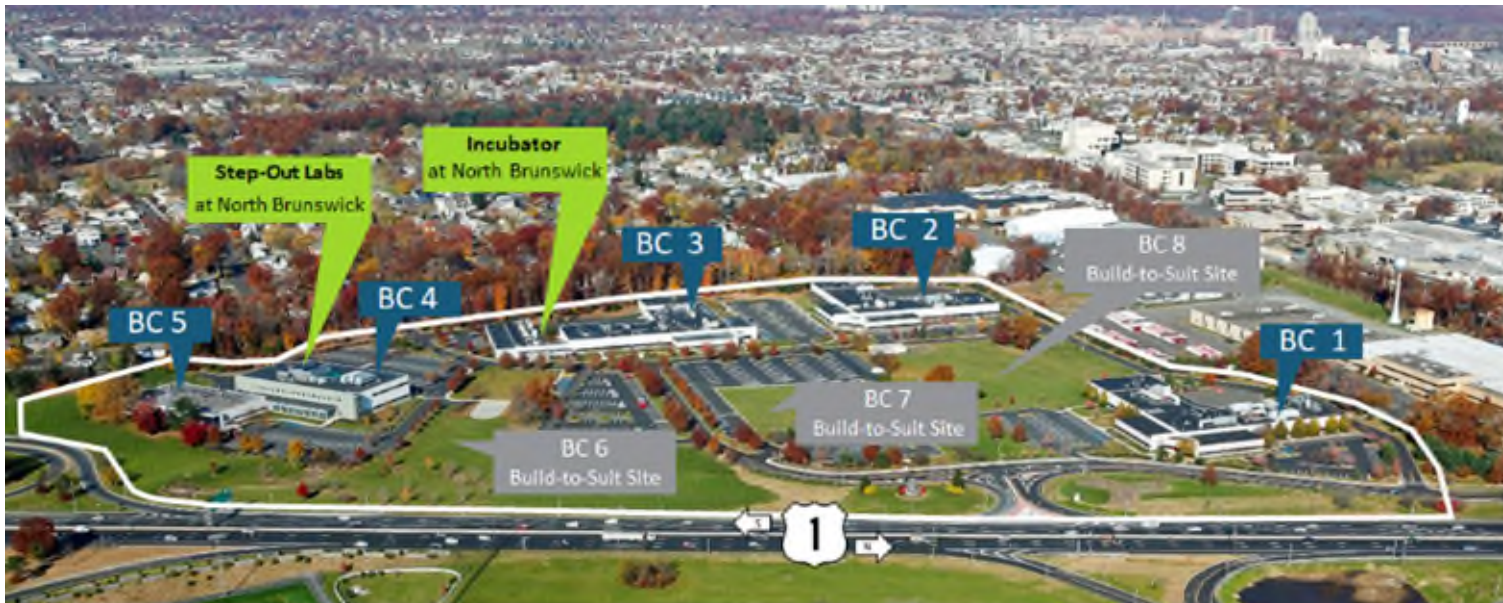


# NJ BioScience Center

## Program Overview:

Developed to meet the research, manufacturing and office needs of entrepreneurial startups, emerging research companies, large established corporations in bioscience and pharmaceutical industries.

## 50 Acres, 5 Buildings, 3 Redevelopment sites



Prestigious  
tenants include:



Located in the heart of NJ's  
Research Corridor



+\$70 million invested



Incubator, post-incubator, independent  
R&D, and build to suit sites available



# Edison Innovation Fund

## Program Overview:

Created to enhance support of early-stage businesses that have attracted funds through venture capital investors, the Fund helps companies directly finance uses such as hiring key staff, product marketing, and sales by providing up to \$1 million in subordinated convertible debt financing.

### Angel Growth Fund

Angel supported NJ technology companies with minimum trailing 12 month commercial revenues of \$250,000, may be eligible for up to **\$250,000** in growth capital.

### Venture Capital (VC) Growth Fund

Venture capital (VC) supported NJ technology companies with minimum trailing 12 month commercial revenues of \$500,000, may be eligible for up to **\$1,000,000** in growth capital.

### Growth Starts Fund

Angel and/or VC supported NJ technology companies with minimum trailing 12 month commercial revenues of \$2,000,000 that has previously received assistance under the Edison Innovation Fund, may be eligible for up to **\$500,000** in follow-on funding.

The Edison Innovation Fund leverages institutional Venture backed investments and/or private angel investments in a less dilutive manner than equity.



# The Technology Business Tax Certificate Transfer (NOL) Program

## Program Overview:

Enables qualified, unprofitable NJ-based technology or biotechnology companies with fewer than 225 US employees (including parent company and all subsidiaries) to sell a percentage of net operating losses (NOL) and research and development (R&D) tax credits to unrelated profitable corporations.



Designed for tech or biotech companies with IP and...

- At least 1 FTE working in NJ if incorporated/formed < 3 years ago
- 5 FTEs if incorporated/formed between 3 and 5 years ago
- 10 FTEs if incorporated/formed > 5 years ago



Net operating losses and R&D tax credits may be sold for at least 80% of their value, up to a maximum lifetime benefit of \$15 million per business



- **\$60m** allocated annually, **\$1b+** since program start
- **\$1.1m** avg. company allocation
- **90%** applicant approval rate
- Time to funding average: **6 months**



## REAL-LIFE IMPACT

A key component of our funding strategy as we develop work toward improving results for recipients of orthopedic implants.  
– David Washburn  
Principal, Acuitive Technologies

The support we are receiving from the NOL program will help us deliver products to market faster, enabling us to safeguard the health of more patients, sooner.  
– Andy Astor,  
CFO, Nephros

## Venture Fund Program

### Program Overview:

NJEDA forms collaborative partnerships with venture capital fund managers active in New Jersey's technology and life science community. Our venture partners leverage NJEDA investment to increase funds available for emerging technology & life sciences companies to grow and create jobs in the State.

### Current and past venture fund partners include:

