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JumpStart Inc.: Economic Impact on and Contribution to Northeast Ohio, 2008

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Prepared for:
JumpStart Inc.

Prepared by:
Ziona Austrian, Ph.D.
Afia Yamoah, Ph.D.

April 2009

JUMPSTART INC.:

**ECONOMIC IMPACT ON
AND CONTRIBUTION TO
NORTHEAST OHIO, 2008**

**CENTER FOR
ECONOMIC
DEVELOPMENT**



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JUMPSTART INC.: ECONOMIC IMPACT ON AND CONTRIBUTION TO NORTHEAST OHIO, 2008

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EXECUTIVE SUMMARY

This report was prepared for JumpStart, Inc. by the Center for Economic Development at Cleveland State University. The report summarizes the economic impact in 2008 resulting from JumpStart investment in start-up companies in Northeast Ohio and its services to assist other entrepreneurs through JumpStart Ventures, JumpStart TechLift Advisors, JumpStart Inclusion Advisors, and IdeaCrossing.

JUMPSTART'S TOTAL ECONOMIC IMPACT ON NORTHEAST OHIO

JumpStart's economic impact in 2008 based on its investments since 2004:

- Output Impact: \$ 75.7 million
- Income Impact: \$ 20.9 million
- Employment Impact: 502 jobs
- Tax Impact: \$8.3 million (\$5 million to the federal government and \$3.3 million to state and local governments)

JUMPSTART'S CONTRIBUTIONS TO NORTHEAST OHIO

Surveys were sent to companies that received assistance from JumpStart's lines of business including JumpStart Ventures, JumpStart TechLift Advisors, JumpStart Inclusion Advisors, and users of IdeaCrossing. A fifth survey was sent to companies that participated in more than one line of business.

JumpStart Ventures Survey

JumpStart Ventures was helpful to several companies in securing investment capital from other sources. Moreover, many respondents found JumpStart's assistance to be very or extremely valuable in helping them think through, evaluate, and improve key aspects of their business; create and deliver a more effective presentation to an investment audience; and become more confident and prepared to seek investment capital from other sources.

JumpStart TechLift Survey

More than 28% of respondents had received investment capital since they began working with JumpStart TechLift Advisors. Forty percent of these reported that TechLift's assistance was critical in their success in raising investment capital. A total of 71 new jobs were added to the Northeast Ohio region by 16 of the responding companies. The majority of respondents placed a positive market value on the assistance received from JumpStart TechLift Advisors.

JumpStart IdeaCrossing Survey

The results showed that although most of the respondents are located in Ohio, many users were from other states. More than 50% of the respondents had set up an active funding profile but only a few had talked to an investor or business mentor. Only a few respondents said the information and services received from IdeaCrossing were very valuable or extremely valuable. Several respondents thought IdeaCrossing was helpful but needed some more work.

JumpStart Combination Survey

Results from the analysis of companies that had received assistance from JumpStart through more than one line of business show that more than two thirds of those who had been able to raise capital said JumpStart's assistance was critical. More than half of all respondents said that the value of JumpStart's assistance in the various services was very valuable or extremely valuable in helping the company think through, evaluate, and improve key aspects of their business plan or helping them create and deliver a more effective presentation to an investment audience. In addition, some companies added jobs.

JumpStart Inclusion Survey

The lone respondent to the inclusion survey had not secured capital to grow their business but reported that JumpStart Inclusion Advisors were extremely valuable to their company. They added two jobs and also placed a positive monetary value on the assistance received from JumpStart.

INTRODUCTION

This report was prepared for JumpStart, Inc. by the Center for Economic Development at Cleveland State University. “JumpStart is a nationally recognized venture development organization that accelerates the progress of high potential, early-stage businesses.”¹ The report summarizes the economic impact in 2008 resulting from JumpStart investment in start-up companies in Northeast Ohio and its services to assist other entrepreneurs through JumpStart Ventures, JumpStart TechLift Advisors, JumpStart Inclusion Advisors, and IdeaCrossing.

The research is based on two sets of activities. The first set of activities was to conduct an economic impact analysis of JumpStart investments on Northeast Ohio. The second set of activities was to assess the contribution of JumpStart services through their three lines of business—JumpStart Ventures, JumpStart TechLift Advisors, and JumpStart Inclusion Advisors—as well as through IdeaCrossing, a free online community for entrepreneurs, accredited investors, business mentors, and service providers.

Economic impact was calculated using an impact model, while other contributions were assessed through surveys of participants in each of JumpStart’s lines of business. For the purposes of this work, Northeast Ohio is defined as a 21-county region consisting of six metropolitan areas (Cleveland-Elyria-Mentor, Akron, Canton-Massillon, Mansfield, Sandusky, and Youngstown-Warren-Boardman) and eight non-metro counties. The Cleveland metro area includes Cuyahoga, Geauga, Lake, Lorain, and Medina Counties; the Akron metro area includes Portage and Summit Counties; the Canton metro area includes Carroll and Stark Counties; the Mansfield metro area consists of Richland County; the Sandusky metro area consists of Erie County; and the Youngstown metro area includes Mahoning and Trumbull Counties. The eight non-metro counties include Ashland, Ashtabula, Columbiana, Crawford, Holmes, Huron, Tuscarawas, and Wayne. This 21-county region corresponds with JumpStart’s service area.

REPORT STRUCTURE

The report is divided into three major sections. Following this introduction and summary, the second section describes the economic impact of JumpStart in Northeast Ohio in 2008. It explains the concept of economic impact, the methodology used in this study, and then presents the estimated economic impacts. The third section summarizes the analysis of surveys that were sent to four different groups that use services provided by JumpStart. It analyzes responses of the companies assisted by JumpStart Ventures, JumpStart TechLift Advisors, JumpStart Inclusion Advisors, and users of IdeaCrossing. The survey instruments are included in Appendix A.

¹ <http://www.jumpstartinc.org/About/WhatWeDo/>

JUMPSTART ECONOMIC IMPACT ON NORTHEAST OHIO

JumpStart creates economic impact primarily by its investments in innovative, early-stage companies that have the potential to generate \$30 million to \$50 million in revenues in 5 to 7 years. These portfolio companies received funding from JumpStart after passing through the JumpStart Ventures' application and due-diligence process. These investments are used by the portfolio companies to complete product prototypes, conduct early marketing campaigns, and add key team members. In addition, JumpStart Ventures provide these companies strategic and operational guidance that enables the entrepreneurs to reach key growth milestones, advance through stages of the business, and attract follow-up funding. One of JumpStart's objectives is to help their companies grow through equity funding from other investors.

WHAT IS ECONOMIC IMPACT?

Economic impact is an analytical approach used to estimate economic benefits from projects, programs, or companies on affected regions. These economic benefits are measured in terms of output (value of goods and services produced in the economy), employment (number of jobs), and labor income (household earnings). Economic impact estimates measure benefits for a specific region and time period.

Economic impact analysis is based on inter-industry relationships within regions, which determine how regions respond to changes in economic activity. Multipliers are calculated from the inter-industry relationship estimating the "ripple effect" throughout the economy.²

METHODOLOGY

Total economic impacts on output, income, and employment are each a summation of three impacts: direct impact, indirect impact, and induced impact. Direct impact refers to the initial value of goods and services, including labor, purchased by an organization within a defined economic region. These purchases are sometimes referred to as the first-round effect. Indirect impact measures the value of labor, capital, and other inputs of production needed to produce the goods and services required by that organization (second-round and additional-round effects). Induced impact measures the change in

² For example, suppose that company ABC reports sales of \$1 million. From the revenues, the company pays its suppliers and workers, covers production costs, and takes a profit. Once the suppliers and employees receive their payments, they will spend a portion of their money in the local economy purchasing goods and services, while another portion of the monies will be spent outside the local economy (leakage). By evaluating the chain of local purchases that result from the initial infusion of \$1 million, it is possible to estimate a regional economic multiplier.

spending by local households due to increased earnings by employees in local industries who produce goods and services for the organization.

As stated earlier, economic impact analysis is based on inter-industry relationships within an economy—that is, the buy-sell relationships among industries. These relationships largely determine how an economy responds to changes in economic activity. Input-output (I-O) models estimate inter-industry relationships in a region by measuring the industrial distribution of inputs purchased and outputs sold by each industry. Thus, by using I-O models, it is possible to estimate how the impact of one dollar or one job ripples through the local economy, creating additional expenditures and jobs. The economic multiplier measures the ripple effect that an initial expenditure has on the local economy. This study utilizes regional I-O multipliers from IMPLAN Professional.³

To estimate the economic impact of JumpStart, we used four types of inputs. The first two were: (1) the number of jobs and operating budgets in 2008 of 34 JumpStart Ventures' portfolio companies with at least one employee and (2) the number of jobs and operating budgets of two companies funded by North Coast Angel Fund (NCAF) companies. The study assumes that these 36 companies would have not existed without JumpStart and NCAF pre-seed funding. The third type of input was JumpStart's operating budget and number of employees to account for the services they provide through their three lines of business in Northeast Ohio and IdeaCrossing. With the significant growth in JumpStart responsibilities and size, it was decided to account for only a part of JumpStart in the impact analysis. Since 52% of JumpStart revenues come from outside Northeast Ohio (through state and federal funding) this ratio was applied to measuring JumpStart's impact from its own operation, assuming that these revenues would not have otherwise come to Northeast Ohio.⁴ Finally, we included growth in the number of jobs in companies assisted by JumpStart TechLift Advisors, JumpStart Ventures (through the Assist⁵ process), JumpStart Inclusion Advisors, and IdeaCrossing **if** the company secured investment capital following its engagement with JumpStart **and** the owner indicated that the process was critical to his/her ability to attract investment. In 2008, five companies assisted by TechLift Advisors met this condition and, for the purposes of this study, were added to the impact analyses along with JumpStart portfolio companies.⁶ Each of these companies and JumpStart are assigned to one of

³ IMPLAN was originally developed by two federal agencies, the Department of Agriculture and the Department of the Interior, to assist in land and resource management planning. The model was later commercialized by the Minnesota IMPLAN Group, Inc.

⁴ This assumption is different from prior impact studies for JumpStart where all of JumpStart's employment was considered.

⁵ The JumpStart Assist process matches entrepreneurs with a JumpStart entrepreneur-in-residence who helps them to prepare a presentation of their business idea to JumpStart's investment panel.

⁶ Information on companies that participated in the three lines of business and IdeaCrossing was gathered via online surveys that were conducted in February 2009. More information about these surveys is provided in the next section of this report, JumpStart Contributions.

the 440 industries included in the IMPLAN model. The IMPLAN model and its data were changed (edited) to provide better estimates for output per employee based on the individual companies included in the analysis.

ECONOMIC IMPACT ESTIMATES

Four measures of impact are summarized: output, income, employment, and tax. This is the first year tax impact is being included.

Output Impact

Output impact provides an estimate of the total change in output produced in Northeast Ohio due to JumpStart's activities. Measured in 2008 dollars, output impact amounted to \$75.7 million (Table 1). Of that, \$49.1 million (65%) is accounted for by direct production of goods and services by JumpStart, its portfolio companies, and some TechLift companies. An additional \$16.2 million (21%) is indirect impact—goods and services produced regionally to support the activities of JumpStart and its portfolio companies. The induced impact of \$10.4 million (14%) measures the value of goods and services produced in the region to satisfy the increased demand by households throughout the economy. Of the output impact of \$75.7 million, JumpStart itself accounts for 6% of the output impact. The remainder is accounted for by JumpStart portfolio and TechLift companies.

Table 1. JumpStart Economic Impact on Northeast Ohio

	Output	Labor Income	Employment
Direct Impact	\$49,109,140	\$12,396,857	292
Indirect Impact	\$16,210,025	\$5,200,262	111
Induced Impact	\$10,423,064	\$3,297,044	98
Total Economic Impact	\$75,742,228	\$20,894,162	502

All numbers have been rounded to the nearest whole number.

Labor Income (Earnings) Impact

Every new job created by JumpStart's portfolio companies, TechLift companies, and by JumpStart itself generated new earnings for local households. Total household earnings in Northeast Ohio increased by \$20.9 million in 2008 due to JumpStart's activities (Table 1). Of this impact, \$12.4 million (59%) resulted from the direct effects of payroll of portfolio and TechLift companies and JumpStart employees; \$5.2 million dollars (25%) of the total income impact resulted from increased earnings in other industries in the region that supply JumpStart and its portfolio companies. The remaining income impact, \$3.3 million (16%), is due to increased household earnings throughout the economy. Of the total income impact of \$20.9 million, 9.1% is accounted for by JumpStart itself. The remainder is a result of the portfolio and TechLift companies.

Employment Impact

The total employment impact in Northeast Ohio because of JumpStart and its portfolio and TechLift companies in 2008 amounted to 502 jobs (Table 1). Of these, 292 (58%) are a direct impact. The direct impact includes 52% of the employees working at JumpStart and all of the employees in its portfolio companies. An additional 111 jobs (22% of total employment impact) were created in industries supporting JumpStart and its portfolio and TechLift companies, and 98 (20%) more jobs were created throughout the economy due to increased employee earnings. Of the total employment impact of 502 jobs, only 7% are a result of JumpStart itself. The remainder employment impact is due to the portfolio and TechLift companies.

Tax Impact

JumpStart investment and services to entrepreneurs also resulted in additional tax revenues to local and state governments as well as the federal government. Reports on JumpStart's economic impacts in 2006 and 2007 did not measure this impact. Beginning with 2008, however, this report will include tax impact.

In 2008, as a result of JumpStart investments and other activities in Northeast Ohio, state and local tax revenues increased by \$3.3 million and federal tax revenues rose by \$5 million.

JumpStart's Economic Impact on Northeast Ohio is Growing

JumpStart's economic impact in 2008 was higher than its impact in 2006 and 2007. Table 2 shows the increase between the last two years.

Table 2. JumpStart's Economic Impact: 2006, 2007, and 2008

Impact	2006*	2007*	2008	2007-2008 Increase
Output	\$ 42.8 million	\$ 58.5 million	\$ 75.7 million	\$17.2 million (29%)
Labor Income	\$ 15.1 million	\$ 19.0 million	\$ 20.9 million	\$1.9 million (10%)
Employment	308 jobs	346 jobs	502 jobs	156 jobs (45%)

* For comparison purposes, JumpStart's 2006 and 2007 output and income impacts were inflated to 2008 dollars.

The increase is due to three factors: (1) in 2008 JumpStart invested in 10 new portfolio companies, (2) some of the companies in which JumpStart invested in previous years raised equity funding and added employees, and (3) services offered by TechLift Advisors were instrumental to the success of five additional Northeast Ohio companies in securing outside investment.

JUMPSTART CONTRIBUTIONS TO NORTHEAST OHIO

JumpStart is contributing to Northeast Ohio in ways that are not measured by the economic impact estimates. This section shares results from four groups of entrepreneurs and companies who are affected by JumpStart. The information reported here is based on responses to surveys sent in February 2009 to JumpStart Assist companies that received services through JumpStart Ventures Advisors; TechLift companies that received assistance through JumpStart TechLift Advisors; companies that received assistance through JumpStart Inclusion Advisors; and entrepreneurs who accessed IdeaCrossing, an Internet site developed by JumpStart for entrepreneurs, investors, mentors, and other resource providers to meet each other.

JUMPSTART VENTURES SURVEY

The JumpStart Ventures survey was sent to 54 companies, 11 of whom responded, resulting in a 20.4% response rate. Of the 11 respondents, six had been able to secure investment capital to grow their business since their meetings/sessions with JumpStart. The sources of investment capital obtained by respondents were mainly debt (five companies) and equity-angel investment (four companies) with total funding ranging from \$200,000 to \$1.2 million for debt financing and \$100,000 to \$500,000 for equity financing. Out of the six companies that got investment capital, four added jobs. Of those that got no investment capital, only one added new jobs.

Perception of JumpStart Assistance

One objective of the survey was to find out how helpful the JumpStart assistance (through their business plan presentation) was in raising investment capital. The results showed that **none of the respondents viewed the assistance as being critical to their success in raising investment capital**. The six respondents who had been able to secure investment funding were evenly split between those who found the assistance helpful but not critical to their ability to raise outside capital and those who said it had no impact.

Five companies (45.5%) added 14 jobs in total over the past year, including two companies that added 4 jobs each and one that added 3. Of the five respondents that added new jobs, four received investment capital.

Respondents were asked to measure how valuable JumpStart's assistance was to them in terms of: (1) key aspects of their business plan, (2) presentation to investment audience, and (3) confidence to seek outside investment. Three respondents reported that the assistance from JumpStart was very valuable or extremely valuable in helping them think through, evaluate, and improve key aspects of their business plan (Table 3). Four responded that the assistance was extremely valuable in helping them create and

deliver a more effective presentation to an investment audience. Similarly, three reported that the assistance was very valuable or extremely valuable in giving them more confidence and making them prepared to seek investment funds from other sources. **The same three companies said JumpStart’s assistance was very valuable or extremely valuable in all three categories. Two of these added 4 jobs each and were able to secure investment capital; however, they reported that JumpStart’s assistance in raising investment capital was helpful but not critical.**

Table 3. Number of Companies by Value Placed on JumpStart’s Assistance

Value of JumpStart services in helping companies:	Total Number of Respondents	Not Valuable	Slightly Valuable	Moderately Valuable	Very Valuable	Extremely Valuable	Not Applicable
Think through, evaluate, and improve key aspects of your business	11	2	2	4	2	1	0
Create and deliver a more effective presentation to an investment audience	11	3	2	2	0	4	0
Become more confident and prepared to seek investment capital from other sources	11	4	0	3	2	1	1

Value of JumpStart Assistance

Eight (out of 10) companies responded that JumpStart’s assistance had monetary value (Table 4). Five companies valued JumpStart’s assistance at more than \$5,000. Of these five, four companies said JumpStart’s assistance was very or extremely valuable.

Table 4. Market Value of Assistance Received From JumpStart

Market Value	Number of Companies
\$0	2
\$1 - \$1,000	1
\$1,001 - \$5,000	2
\$5,001 - \$10,000	1
over \$10,000	4

One respondent skipped this question.

Some companies provided additional comments on the assistance received from JumpStart. One respondent commented that the assistance from JumpStart was

“extremely helpful, on target, very perceptive, and time efficient”. Another said the assistance from JumpStart helped in their presentation to other investors. Both companies received at least \$1 million in investment from other sources. Two companies found the assistance was not useful to them and another reported that it received more assistance in terms of time and dollars from another organization – Pittsburgh Life Science Greenhouse and that venture capital is “severely lacking in Cleveland”.

Company Profile

Companies that responded to the survey were predominantly located in Northeast Ohio (9 companies). One of the nine was located in both Summit County, OH, and Mercer County, NJ. Another was located in Orange County, CA.

Only one company out of the ten who answered this question (10%) reported that more than half of the company was owned by a minority (Latin-American/Hispanic) who was also female.

Prior to meeting with JumpStart, businesses of respondents fell in all categories of business phases provided in the survey – imagining, incubating, demonstrating, market entry, and growth and sustainability. The largest number of companies was in the demonstrating phase. Since their sessions with JumpStart, seven companies advanced to a higher business phase; however, three companies remained in the same business phase.

Respondents were asked for the major industry of the company and to provide brief descriptions of their products and services. The companies were in almost all the different categories of industries provided in the survey.⁷ Three companies were in other industry categories not included on the list in the survey: transportation, communication between teacher and students, and toxic air purification.

The JumpStart Assist companies were all more than 1 year old with 40% being 5 years or older.

Summary

After the JumpStart Assist sessions, several respondents received investment funding from other sources. Although the help from JumpStart was not critical, it was helpful to some companies in their search for investment capital. Two of these companies added 8 jobs. Moreover, most respondents placed a positive monetary value on the services received from JumpStart. Three or four companies found JumpStart’s assistance in

⁷ The industry categories provided in the survey and the number of responses for each category is as follows: Advanced Materials (1), Advanced Machinery Manufacturing (0), Biosciences (2), Information and Communication Technology (1), Instruments-Controls-Electronics (2), Power and Propulsion including Advanced Energy (1), Scientific Research and Development Services (0), and Other (3). One respondent did not provide their industry category.

helping them think through, evaluate, and improve key aspects of their business; create and deliver a more effective presentation to an investment audience; and become more confident and prepared to seek investment capital from other sources to be very valuable or extremely valuable.

TECHLIFT SURVEY

The TechLift survey was sent to 123 companies. Fifty-four responded to the survey, resulting in a 43.9% response rate. The survey was sent electronically on February 19, 2009, to all TechLift companies by JumpStart. The survey was closed about a week later on February 27, 2009.

Securing Investment Capital

Nearly 30% of the companies (15 out of 54) had been able to secure investment capital to start or grow their business since they began working with TechLift. The different sources of funding obtained by respondents include debt, equity-angel investment, equity-venture capital, government grant/contract/SBIR/STTR, and other. The majority of the 15 companies that received funding from other sources obtained equity-angel investment (53%) followed by debt (47%); nine of them added jobs. Investment capital received ranged from \$25,000 to \$3.5 million.

Six of the 15 respondents reported that the assistance provided by TechLift was critical to their success in raising investment capital. (Three of these companies added jobs.) Six other respondents said the assistance was helpful but not critical while three stated that it had no impact on their ability to raise investment capital.

Those who responded to the question on how helpful TechLift was in their pursuit of investment capital were also asked to elaborate on their responses. Several respondents with positive comments said they received critical coaching and grant writing training, good feedback from a dry-run presentation, extensive help, and professional guidance. Other comments were that TechLift did a superb job, were very accessible, and that working with TechLift, a recognized organization, gave the company credibility with investors. A few said that although the assistance was helpful, they would have eventually obtained funding, and another said TechLift helped them secure a grant but not equity capital. One company said the assistance from TechLift was not beneficial to them. **It is important to note that all six companies that said TechLift's assistance was critical received investment capital and half of them added jobs (11 jobs in total).**

Job Gains by TechLift Companies

Of all respondents, 16 added jobs for a total of 71 new jobs. One company added 20 jobs; another added 14 jobs, and the rest added between 1 and 5 jobs each. The two companies that added the most employees did not find the assistance they received from TechLift as critical in raising investment capital.

Perception of Other TechLift Assistance

Respondents were asked to rate how valuable the services they received from TechLift were in terms of the three categories shown in Table 5. Twenty out of 51 (39%) reported that TechLift’s services were very or extremely valuable in helping the company think through, evaluate, and improve key aspects of their business. Similar numbers of companies (19 and 17, respectively) said that the assistance from TechLift helped the company create and deliver a more effective presentation to an investment audience and become more confident and prepared to seek investment capital from other sources. Fourteen respondents selected the option “very valuable” or “extremely valuable” in all three categories; eight of these received investment capital, six added jobs and five said the assistance they received was critical. Five to six respondents did not see these categories as applicable to them. It is recommended that next year’s survey should ask about other categories of assistance.

Table 5. Number of Companies by Value Placed on TechLift's Assistance

Value of TechLift services in helping companies	Total Number of Respondents	Not Valuable	Slightly Valuable	Moderately Valuable	Very Valuable	Extremely Valuable	Not Applicable
Think through, evaluate, and improve key aspects of your business	51	3	11	12	14	6	5
Create and deliver a more effective presentation to an investment audience	51	10	7	9	14	5	6
Become more confident and prepared to seek investment capital from other sources	51	13	6	10	14	3	5

Three respondents did not answer the question.

Value of TechLift Assistance

According to Table 6, 33 companies reported that they believed they would have had to pay for-profit advisors for the services received from TechLift. The two largest groups of companies that received assistance from TechLift assigned either a very high value (over \$10,000) or very low value (\$1-\$1,000) on the assistance received. Twelve others thought the value was more than zero (otherwise they would have selected that option) but could not assess a market value of the assistance received from TechLift. **Four of the six who said TechLift’s assistance was critical in obtaining investment funding valued the assistance at more than \$10,000, with one commenting that it was worth at least \$25,000 to \$50,000.** Three of these four companies added jobs. Of the 16

companies that added jobs, 50% valued TechLift’s services at more than \$5,000 compared to only 28% of the companies that did not add jobs.

Table 6. Market Value of Assistance Received From TechLift

Market Value	Number of Companies
\$0	5
\$1 - \$1,000	12
\$1,001 - \$5,000	3
\$5,001 - \$10,000	8
over \$10,000	10
Don't know	12

Four respondents did not answer the question.

Twenty-five respondents also provided some general comments on their overall experience with TechLift. Some respondents (11 companies) who had a positive experience said TechLift staff (Entrepreneurs-in-Residence – EIRs) were great people with substantial knowledge and lots of experience, and they provided them with good networking or were extremely important. Others said that they received excellent service and helpful advice but one said they still needed concrete assistance on the more technical aspect of their business.

The respondents (8 companies) who thought TechLift was not very helpful said they felt their business was outside the expertise and contacts of the TechLift staff they worked with, the EIRs were too busy and did not provide enough attention to start-ups, or that they only received advice on how to navigate the TechLift process. Another said although they met nice people who provided a lot of advice, they needed someone to help them do the actual work. Still others responded that after meeting with TechLift they decided to seek funding on their own because it was more efficient for them to do so. One respondent was not happy about being asked to respond to the survey since they were not helped by JumpStart and another said they would not have been happy with the results if they had to pay for TechLift services. A few companies (6) said they were at relatively early stages of their business and had not used TechLift for long and so could not give a good assessment of the usefulness of TechLift. Another was busy with other professional demands and hoped to engage TechLift more in the future.

Company Profile

All companies that responded to the survey were located in Northeast Ohio with the majority (62%) located in the Cleveland metro area (Cuyahoga County) and 26% in the Akron metro area (Summit County).

Respondents from six companies reported that at least 51% of their company was owned by a female entrepreneur. Similarly, five were owned by minorities: African American, Native American, Asian-Indian, or Asian-Pacific. Two companies were both female and minority-owned.

There were companies in each of the entrepreneurial phases of development in the survey: imagining, incubating, demonstrating, market entry, and growth and sustainability. Before working with TechLift, respondents were predominantly at the incubating (17 companies) and demonstrating phases (12 companies) of entrepreneurial development. After receiving assistance from TechLift, 25 companies moved on to a higher business phase (including one that sold or transferred the business/product/idea) while 21 others stayed at the same business phase. One company dropped from growth and sustainability to imagining.

The TechLift companies were engaged in businesses in almost all the industries⁸ provided in the survey with the largest number (14) in Information and Communication Technology. Other industries included electric vehicle and online media sharing and distribution.

A majority (79%) of companies were at least 1 year old, with the highest number (26) being between 1 to 5 years old and 11 being more than 5 years old.

Summary

More than a quarter (28%) of respondents had received investment capital since they began working with TechLift. Less than half of these said that TechLift's assistance was critical in their success in raising investment capital. Sixteen companies had added jobs in the past year for a total of 71 new jobs in the NEO region. Ten of these received investment capital and three said TechLift's assistance was critical in getting funding. About 90% of respondents (out of the 50 who answered this question) placed a positive market value on the assistance received from TechLift.

⁸ The industry categories provided in the survey and the number of responses for each category is as follows: Advanced Materials (6), Advanced Machinery Manufacturing (2), Biosciences (9), Information and Communication Technology (14), Instruments-Controls-Electronics (2), Power and Propulsion including Advanced Energy (7), Scientific Research and Development Services (0), and Other (7). Seven respondents did not provide their industry category.

IDEACROSSING SURVEY

The IdeaCrossing survey was sent to 2,818 entrepreneurs, and 167 responses were received for a 5.9% response rate. One survey was discarded because the company is located outside the United States. The survey was sent out in February 2009 through The Bridge email. The survey asks questions about the company's profile and structure, investor connections, and business mentor partnerships.

Company Profile

Survey respondents were located in 31 different states in the United States. Ohio had the highest number of respondents (79, 47.6%) followed by California (19, 11.4%) and Florida (7, 4.2%). Of the 79 companies located in Ohio, 65 were in Northeast Ohio with the largest groups in Cuyahoga County (41) and Summit County (10). The remaining 14 Ohio respondents were located in 6 different counties.⁹

More than a quarter of all respondents (26%) said their company was female-owned. Approximately 21% (35) of all companies were minority-owned with the largest minority group (more than half) being African American (20), followed by Latin-American/Hispanic (7), and Asian-Indian (7). Thirteen companies were owned by African American female entrepreneurs.

The length of time companies had been registered with IdeaCrossing ranged from less than one month, 1 to 3 months, 4 to 6 months, 7 months to 1 year, and more than 1 year. Respondents were spread across all 5 categories with nearly half (49.7%) in the last two categories. More than a quarter of respondents had been registered with IdeaCrossing for less than 4 months. The results therefore suggest that new entrepreneurs continue to register with IdeaCrossing.

Interaction with Investors

Almost two thirds (62.4%) of respondents had created an active funding profile with an interest in finding funding; nearly 14% had been contacted by a potential investor (14 out of the 103 who had an active funding profile). **Nine of these had engaged in conversations with investors and one had been able to secure investment capital in the amount of \$15,000 to start or grow their business as a result of this contact.**

Eleven out of the 14 companies had been contacted by one investor. The company that received funding reported they had been contacted by ten potential investors. None of the companies that had an active funding profile added jobs.

⁹ Respondents from Ohio Counties are as follows: Clermont (2), Cuyahoga (41), Defiance (1), Franklin (2), Geauga (3), Hamilton (6), Knox (1), Lake (4), Lorain (3), Medina (1), Stark (2), Summit (10), Warren (2), and Wayne (1).

Eight of the 14 companies that had been contacted by a potential investor but had not secured investment capital elaborated on the nature of the conversations they had with investors. Four respondents had exchanged some background information with potential investors; two of these had attempted several follow-ups but had not received any feedback from the potential investors. Two other respondents said the investors who contacted them were fake. One respondent discussed funding with the investor but the angel investor did not want to partner with the venture partner. Another was told to find 40 investors to donate \$2,000 each so they could do a Direct Public Offering (DPO) that would enable the investor to secure/attract larger investors.

Interaction with Business Mentors

Less than half of the respondents (69) had created or activated Business Mentor Preferences in order to be matched with Business Mentors through IdeaCrossing. Thirteen percent (9 out of 69) of these had been contacted by a Business Mentor but none of these contacts resulted in a mentoring relationship. Thus none of the IdeaCrossing companies that responded to the survey had an ongoing relationship with a Business Mentor met through the website.

Experience with Resource Center

Most respondents (102) had not used the resource center; of those who had used it, most had used the news (35) and events (28) sections. Between 14 and 19 companies each used the other resource center services: discussion forum, user-submitted articles, service provider directory (e.g. lawyers, accountants, marketing consultants), and syndicated articles.

Respondents had many suggestions regarding other resource center services or components they would like to see. These include: investor profiles and areas they typically fund; timeline for government grants and forums; ideas or information on how to formulate a business plan; case studies or success stories; an “ask an entrepreneur a question” section; and some networking opportunities for entrepreneurs, mentors, and potential investors. A few others also suggested having video or audio clips or blog possibilities, sample business plans, and the need for real investors and mentors for participants. A few had not yet used the resource center and commented that after receiving the survey, they will visit the resource center.

Value of IdeaCrossing

On a 5-point scale, ranging from “not valuable” to “extremely valuable,” respondents were asked to rate the value of IdeaCrossing in terms of providing information and resources to help start or grow their business. Table 7 shows that one fifth of respondents (33 out of 163) said the information and services received were very valuable or extremely valuable to them, over one quarter found the site moderately valuable, and 18% found the site to be not valuable. Thirteen companies responded that this was not applicable to them but did not provide reasons for their answer since

the survey did not ask them to. Subsequent surveys should ask respondents in this category to elaborate on why this is not applicable to their business.

Table 7. Number of Companies by Value Placed on IdeaCrossing

Value of IdeaCrossing in	Total Number of Respondents	Not Valuable	Slightly Valuable	Moderately Valuable	Very Valuable	Extremely Valuable	Not Applicable
Providing companies with information and resources to start or grow business	163	29	45	43	26	7	13

Some respondents provided their overall impressions on their experience with IdeaCrossing. While some thought it was a good idea as it is, others thought it could be improved, but only a few respondents felt it was not beneficial to their business ventures. A few respondents said the site was excellent and needed no further improvement. Several respondents thought IdeaCrossing was a good idea but wondered if the region had enough active investors and mentors to make it work. Other respondents commented that IdeaCrossing was helpful but the application process was long and involved, especially the executive summary part. One respondent reported that he have a good idea and are surprised they still haven't found an investor or business mentor.

Respondents who said IdeaCrossing was not beneficial said that the site was hard to navigate so they lost interest. They also indicated that there seems to be other such services in Cleveland and, rather than duplicate these efforts, JumpStart should seek out these other entrepreneur-oriented groups and sites and partner with them to increase efficiency. Another felt the services provided by IdeaCrossing are already available elsewhere online and that the site does not seem to be geared towards start-ups. A few respondents were discouraged from using the site because they had contacted IdeaCrossing for help with the website but had not received any response. Others said investors who contacted them were not interested in helping but only in getting their business plan. One complained that the potential investor who contacted them knew nothing about them and seemed to be contacting everyone on the site. One gave up on IdeaCrossing because they did not find any new activity or information whenever they visited the website and another respondent said people do not share useful information on the website. Two respondents said they had recently joined IdeaCrossing so it was too early for them to provide a testimonial.

Business Information/Details

Respondents were distributed across all five phases of entrepreneurial development: imagining; incubating; demonstrating; market entry; and growth and sustainability. The largest numbers were in the market entry (40) and demonstrating (39) phases of business. Almost all industries¹⁰ (30 out of 36) listed in the survey were selected by respondents as the industry in which their new or prospective business is engaged. The four industries that were selected the most by respondents were Internet/Web, Media and Entertainment, Business Services, and Retail.

The age of the companies represented in the survey varied from those who were not yet open for business to those who were more than 5 years old. The largest group (41%) had been in business for 1 year to less than 5 years. More than one fifth of all respondents said they were not yet open for business and a similar fraction said they were at least 5 years old.

Nearly three quarters of surveyed companies (113) employed 1 to 10 employees. Slightly less than one quarter said they had no employees; most often these were respondents who had not yet opened for business.

Almost 80% of respondents were small companies with annual revenues of \$0 to \$100,000. Six companies were larger with annual revenues of over \$1 million, one of which reported revenues of more than \$10 million per annum.

Summary

The survey responses show that new people continue to register with IdeaCrossing. Respondents from the survey were predominantly located in Ohio; however, many were from other states. Respondents were mainly small companies with annual revenues of less than \$100,000. More than half of the respondents had set up an active funding profile but only a few had talked to an investor or business mentor. One fifth of respondents said the information and services received from IdeaCrossing were very valuable or extremely valuable. One respondent received investment capital through IdeaCrossing. Several respondents thought the IdeaCrossing concept was good. Some, however, were not sure whether the region had enough investors.

¹⁰ The industries and number of respondents in each industry are as follows: Advanced Display Technology (2), Advanced Materials (2), Aerospace & Defense (3), Agriculture (1), Automotive Manufacturing (2), Advanced Machinery Manufacturing (0), Bioscience (2), Business Services (14), Chemicals (1), Computer Hardware (1), Computer Services (5), Computer Software (4), Construction (4), Education (7), Electronics (3), Energy & Utilities (9), Environmental Services & Equipment (0), Financial Services/Banking (7), Food & Beverage Manufacturing (7), Government (0), Healthcare (8), Insurance (3), Internet/Web (24), Manufacturing (4), Media & Entertainment (15), Medical Devices (5), Metals & Mining (0), Non-Profit (1), Pharmaceuticals (0), Real Estate (3), Restaurant & Accommodations (3), Retail (11), Security Products & Services (2), Telecommunications (3), Transportation Services (2), and Travel & Leisure (0). Eight respondents skipped this question.

COMBINATION SURVEY

The Combination Survey was sent to companies that were served by JumpStart advisors through more than one line of business (JumpStart Ventures, JumpStart Inclusion Advisors, and JumpStart TechLift Advisors). The survey was sent to 27 companies and 13 responded for a response rate of 48%. In this survey, respondents were first asked to select which of JumpStart's lines of business they had participated in. Surveys were sent electronically in February, 2009.

Eight out of 13 companies had engaged in at least two lines of business with the majority assisted by JumpStart Ventures and JumpStart TechLift Advisors. One respondent had engaged in all three JumpStart lines of business. Five companies still selected only one line of business although JumpStart records indicate that they had used more than one.

Securing Investment Capital

Less than one quarter of all respondents (3) had been able to secure investment capital to start or grow their business since working with JumpStart advisors. Investment capital secured by respondents ranged from \$100,000 to \$3 million.

Two of the three respondents who had been able to raise investment capital reported that the assistance received from JumpStart was critical to their success in raising capital. The third respondent said the assistance from JumpStart had no impact on their ability to raise capital. One of these respondents added that the entrepreneurs-in-residence were instrumental in helping them drill down the major points of their business model and forcing them to prove it.

Jobs Gained

Three respondents had been able to add a total of 5 jobs. Two of these had received investment capital and one responded that the JumpStart assistance was critical in funding success.

Perception of Other Assistance

Respondents were asked to rate how valuable the services they received from JumpStart were in terms of the three categories shown in Table 8. **More than half of all respondents said that the value of JumpStart's assistance in the various services was very valuable or extremely valuable in helping the company think through, evaluate, and improve key aspects of their business plan. Similarly 62% of respondents said that services received were very valuable or extremely valuable in helping them create and deliver a more effective presentation to an investment audience.** Fewer respondents (38%) reported that the assistance they received from JumpStart was very

valuable or extremely valuable in helping them become more confident and prepared to seek investment capital from other sources.

Table 8. Number of Companies by Value Placed on Assistance Received

Value of Jumpstart services in helping companies	Total Number of Respondents	Not Valuable	Slightly Valuable	Moderately Valuable	Very Valuable	Extremely Valuable	Not Applicable
Think through, evaluate, and improve key aspects of their business	13	2	1	3	6	1	0
Create and deliver a more effective presentation to an investment audience	13	0	3	2	7	1	0
Become more confident and prepared to seek investment capital from other sources	13	3	1	4	3	2	0

Value of Assistance Received

Respondents were asked to provide an estimate of how much it would cost if they had to pay for the services they received from JumpStart. Table 9 shows that one quarter valued the assistance received at more than \$5,000. One third of respondents reported that they didn’t know the value. **Ten out of 12 respondents who answered this question found the assistance to be valuable.**

Table 9. Market Value of Assistance Received

Market Value	Number of Companies
\$0	2
\$1 - \$1,000	0
\$1,001 - \$5,000	3
\$5,001 - \$10,000	1
over \$10,000	2
Don't know	4

One respondent did not answer the question.

Five respondents provided comments on their overall experience with JumpStart. Three of the 5 commented that JumpStart had very talented and committed staff and did a great job in advising them on their presentation to investors. One of these reported that they worked with another non-JumpStart advisor who charged them \$20,000 but who provided half the level of services and time JumpStart provided. One had just

begun the JumpStart assistance process so could not provide an assessment but was very hopeful that it would be beneficial in future. Only one respondent said the JumpStart process was not well organized and that the process did not help their company.

Company Profile

A majority of respondents (75%) are located in Northeast Ohio, particularly in Cuyahoga County. Three other respondents are located outside Northeast Ohio in Fairfield County, OH; Peoria County, IL; and Weston County, MA.

One company out of 12 was female-owned. Four reported that the company was minority-owned; 3 of these were African American and the other was Asian-Indian. The only female entrepreneur who owned a company was also African American.

Before working with JumpStart 11 out of 12 companies were in the demonstrating phase of entrepreneurial development and one was in the incubating phase. After working with JumpStart, seven were left in the demonstrating phase, four were in the market entry phase, and one was no longer trying to establish a business.

Respondents of the survey were in different industries; industries with the highest numbers were Information and Communication Technology (4) and Biosciences (3).¹¹ The companies in “other categories” were in energy conservation and entertainment industries.

More than two thirds of respondents (67%) had been in business for 1 year to less than 5 years and three were more than 5 years old.

Summary

The combination survey was sent to companies that received assistance from JumpStart through more than one line of business namely; Ventures, Inclusion Advisors, and TechLift Advisors. Most of the companies had been engaged in at least two JumpStart lines of business. Two thirds of those who had been able to raise capital said JumpStart’s assistance was critical. More than half of all respondents said that the value of JumpStart’s assistance in the various services was very valuable or extremely valuable in helping the company think through, evaluate, and improve key aspects of their business plan or helping them create and deliver a more effective presentation to an investment audience. In addition, some companies added jobs.

¹¹ The industry categories provided in the survey and the number of responses for each category is as follows: Advanced Materials (1), Advanced Machinery Manufacturing (1), Biosciences (3), Information and Communication Technology (4), Instruments-Controls-Electronics (0), Power and Propulsion including Advanced Energy (1), Scientific Research and Development Services (0), and Other (2). One respondent did not provide their industry category.

APPENDIX

SURVEY FOR ASSIST COMPANIES

SURVEY FOR TECHLIFT COMPANIES

SURVEY FOR REGISTERED ENTREPRENEURS OF IDEACROSSING

COMBINATION SURVEY – SENT TO COMPANIES WHO HAVE USED A VARIETY OF JUMPSTART SERVICES

SURVEY FOR VENTURES COMPANIES

JumpStart believes it is important to understand growth patterns of early stage companies with which it has been involved. On that note, since your company went through JumpStart's ASSIST process, Cleveland State University would like to gather some information regarding your business growth since that time and your perception of the impact the ASSIST process had on your growth. (To clarify, JumpStart's ASSIST process includes the time spent working with a JumpStart entrepreneur-in-residence to help prepare you for the presentation of your business idea to JumpStart's investment panel.)

Can you please take 5 minutes to complete the brief survey below? The answers will be anonymous and presented to JumpStart in aggregate to be included in an economic impact study that will be conducted by Cleveland State.

Thank you.

1. Have you been able to secure investment capital to start or grow your business since your Assist session with JumpStart?

- % yes
- % no [skip to Q.4]

2. What source(s) of investment capital were you able to secure? For each type secured, please indicate the Source and Amount.

- | | |
|---------------------------------------|-----------------------|
| % Debt | source & amount _____ |
| % Equity: Angel Investment | source & amount _____ |
| % Equity: Venture Capital | source & amount _____ |
| % Government Grant/Contract/SBIR/STTR | source & amount _____ |
| % other _____ | source & amount _____ |

3. The assistance JumpStart provided (the Assist session) to help you prepare your business plan presentation was:

- % critical to your success in raising investment capital
- % helpful but not critical to your raising investment capital
- % had no impact on your ability to raise investment capital

Feel free to elaborate:

4. Have you added employees since your Assist session with JumpStart?

- % yes
- % no [skip to Q.6]

5. How many employees did you add? _____

6. Overall, how valuable were the services you received from JumpStart in terms of helping you to think through, evaluate, and improve key aspects of your business plan?

1 not valuable	2 slightly valuable	3 moderately valuable	4 very valuable	5 extremely valuable	NA
%	%	%	%	%	%

7. Overall, how valuable were the services you received from JumpStart in terms of helping you to create and deliver a more effective presentation to an investment audience?

1 not valuable	2 slightly valuable	3 moderately valuable	4 very valuable	5 extremely valuable	NA
%	%	%	%	%	%

8. To what extent did JumpStart help you to become more confident and prepared to seek investment capital from other sources?

1 not at all	2 slightly beneficial	3 moderately beneficial	4 very beneficial	5 extremely beneficial	NA
%	%	%	%	%	%

9. What do you think is the “market value” of the assistance that JumpStart provided based on what you think you would have had to pay for this level of assistance from for-profit advisors?

- % \$10,000+
- % \$5,001 - \$10,000
- % \$1,001 - \$5,000
- % \$1 - \$1,000
- % \$0
- % Don't know

10. Please provide any comments you may have as it relates to your experience with JumpStart:

11. Where is your business located?

- County [text box]
- State [text box] (please use the state abbreviation)
- Zip code [text box]

12. Is at least 51% of your company owned by entrepreneurs who are female?

- % yes
- % no

13. Is at least 51% of your company owned by a minority entrepreneur? (Minorities include African American, Native American, Latin-American/Hispanic, Asian-Indian, Asian-Pacific, and Pacific Islander)

- % yes
- % no [skip to Q.15]

14. Please identify the race/ethnicity of the entrepreneur.

- African American
- Native American
- Latin-American/Hispanic
- Asian-Indian
- Asian-Pacific
- Pacific Islander

15. Before your Assist session with JumpStart, which term best described your phase of entrepreneurial development?

- Imagining** (Developing your business case. Demonstrating in a lab setting.)
- Incubating** (Business plan and market research. Defining performance specs; validating technological capabilities within the specs.)
- Demonstrating** (Market acceptance data, price, evidence that sales can grow. Technical proof within customer context; working prototypes perform; manufacturability within cost/quality.)
- Market Entry** (Entering market, ongoing business, feedback in terms of sales, revenues, margins and growth. Technology embedded working on improvements.)
- Growth & Sustainability** (Execution; increase in market share; driving business. Product improvements and new product development.)

16. Which phase best describes your business today?

- Imagining
- Incubating
- Demonstrating
- Market Entry
- Growth & Sustainability
- I am no longer trying to establish a business.
- I sold or transferred my business/product/idea

17. In what industry is your business?

- Advanced Materials
- Advanced Machinery Manufacturing
- Biosciences
- Information and Communication Technology
- Instruments-Controls-Electronics
- Power and Propulsion (includes Advanced Energy)
- Scientific Research and Development Services
- Other (please specify) _____

18. Please provide a short description of your products/services:

19. How long have you been in business?

- Less than 6 months
- 6 months to less than 1 year
- 1 year to less than 5 years
- 5 years or more
- No longer in business

SURVEY FOR TECHLIFT COMPANIES

TechLift believes it is important to understand growth patterns of early stage companies with which it has been involved. On that note, Cleveland State University would like to gather some information regarding your business growth since working with TechLift and your perception of the impact that TechLift had on your growth. To clarify, “working with TechLift” includes all the time spent working with a TechLift entrepreneur-in-residence (EIR), including presentation preparation to potential funding sources, participation in grant-writing seminars, JumpStart’s educational programs, or other programs to which your TechLift EIR connected you.

Can you please take 5 minutes to complete the brief survey below? The answers will be anonymous and presented to TechLift and JumpStart in aggregate to help them create a baseline assessment of the value of their assistance, and if warranted, be included in an economic impact study that will be conducted by Cleveland State University.

Thank you.

1. Have you been able to secure investment capital to start or grow your business since you began working with TechLift?

- % yes
- % no [skip to Q.4]

2. What source(s) of investment capital were you able to secure? For each type secured, please indicate the Source and Amount.

- % Debt source & amount

- % Equity: Angel Investment source & amount

- % Equity: Venture Capital source & amount

- % Government Grant/Contract/SBIR/STTR source & amount

- % other _____ source & amount

3. The assistance TechLift provided was:

- % critical to your success in raising investment capital
- % helpful but not critical to your raising investment capital
- % had no impact on your ability to raise investment capital

Feel free to elaborate:

4. Have you added employees since you began working with TechLift?

- % yes
- % no [skip to Q.6]

5. How many employees did you add? _____

6. Overall, how valuable were the services you received from TechLift in terms of helping you to think through, evaluate, and improve key aspects of your business plan?

1 not valuable	2 slightly valuable	3 moderately valuable	4 very valuable	5 extremely valuable	NA
%	%	%	%	%	%

7. Overall, how valuable were the services you received from TechLift in terms of helping you to create and deliver a more effective presentation to an investment audience?

1 not valuable	2 slightly valuable	3 moderately valuable	4 very valuable	5 extremely valuable	NA
%	%	%	%	%	%

8. To what extent did TechLift help you to become more confident and prepared to seek investment capital from other sources?

1 not at all	2 slightly beneficial	3 moderately beneficial	4 very beneficial	5 extremely beneficial	NA
%	%	%	%	%	%

9. What do you think is the “market value” of the assistance that TechLift provided based on what you think you would have had to pay for this level of assistance from for-profit advisors?

- % \$10,000+
- % \$5,001 - \$10,000
- % \$1,001 - \$5,000
- % \$1 - \$1,000
- % \$0
- % Don't know

10. Please provide any comments you may have as it relates to your experience with TechLift:

11. Where is your business located?

County [text box]
 State [text box] (please use the state abbreviation)
 Zip code [text box]

12. Is at least 51% of your company owned by entrepreneurs who are female?

- % yes
- % no

13. Is at least 51% of your company owned by minority entrepreneurs? (Minorities include African American, Native American, Latin-American/Hispanic, Asian-Indian, Asian-Pacific, and Pacific Islander)

- yes
- no [skip to Q.15]

14. Please identify the race/ethnicity of the entrepreneur.

- African American
- Native American
- Latin-American/Hispanic
- Asian-Indian
- Asian-Pacific
- Pacific Islander

15. Before working with TechLift, which term best described your phase of entrepreneurial development?

- Imagining** (Developing your business case. Demonstrating in a lab setting.)
- Incubating** (Business plan and market research. Defining performance specs; validating technological capabilities within the specs.)
- Demonstrating** (Market acceptance data, price, evidence that sales can grow. Technical proof within customer context; working prototypes perform; manufacturability within cost/quality.)
- Market Entry** (Entering market, ongoing business, feedback in terms of sales, revenues, margins and growth. Technology embedded working on improvements.)
- Growth & Sustainability** (Execution; increase in market share; driving business. Product improvements and new product development.)

16. Which phase best describes your business today?

- Imagining
- Incubating
- Demonstrating
- Market Entry
- Growth & Sustainability
- I am no longer trying to establish a business.
- I sold or transferred my business/product/idea

17. In what industry is your business? (*Please only select 'Other' if none of the other choices apply.*)

- Advanced Materials
- Advanced Machinery Manufacturing
- Biosciences
- Information and Communication Technology
- Instruments-Controls-Electronics
- Power and Propulsion (includes Advanced Energy)
- Scientific Research and Development Services
- Other (please specify) _____

18. Please provide a short description of your products/services:

19. How long have you been in business?

- % Less than 6 months
- % 6 months to less than 1 year
- % 1 year to less than 5 years
- % More than 5 years
- % No longer in business

SURVEY FOR REGISTERED ENTREPRENEURS OF IDEACROSSING

The Center for Economic Development at Cleveland State University's Maxine Goodman Levin College of Urban Affairs is working with JumpStart to conduct a study to estimate the contributions and economic impact of IdeaCrossing (a JumpStart initiative) for registered entrepreneurs.

As a registered entrepreneur within IdeaCrossing, we would like to gather your feedback about your experience to date with IdeaCrossing.

The first 100 people who complete this online survey and provide a mailing address will receive a complimentary \$5 Starbucks Card as a token of our appreciation.

Please take 5 minutes to complete the brief survey that follows. The answers will be anonymous and presented to IdeaCrossing in aggregate to help them assess the value of the site.

Thank you!

1. Where is your business currently located?

County [text box]

State [text box] (please use the state abbreviation)

Zip code [text box]

2. Is at least 51% of your company owned by entrepreneurs who are female?

% Yes

% No

3. Is at least 51% of your company owned by a minority entrepreneur? (Minorities include African American, Native American, Latin-American/Hispanic, Asian-Indian, Asian-Pacific, and Pacific Islander)

% Yes

% No [skip to Q.5]

4. Please identify the race/ethnicity of the entrepreneur.

% African American

% Native American

% Latin-American/Hispanic

% Asian-Indian

% Asian-Pacific

% Pacific Islander

5. Approximately how long have you been registered with IdeaCrossing?

- % Less than 1 month
- % 1 to 3 months
- % 4 to 6 months
- % 7 months to 1 year
- % More than 1 year

6. Do you have an active **Funding Profile**, with an interest in finding funding through IdeaCrossing?

- % Yes
- % No [skip to Q.15 – Business Mentor section]

7. Have you been contacted by a potential Investor?

- % Yes
- % No [skip to Q.15 – Business Mentor section]

8. How many Investors have contacted you through IdeaCrossing? [text box]

9. Have you engaged in conversations with any of the Investors who initiated contact?

- % Yes
- % No [skip to Q.15 – Business Mentor section]

10. Did this contact result in you securing capital to start or grow your business?

- % Yes
- % No [skip to Q.14 – Elaborate on conversation]

11. You've indicated that you've secured capital through an IdeaCrossing connection. Please specify the amount as a whole number. [text box]

12. Have any jobs been added to your company as a result?

- % Yes [go to Q.13 - # of jobs]
- % No [skip to Q.15 – Business Mentor section]

13. How many jobs have been added as a result of the investment? [text box]

14. You've indicated that you've been contacted by a potential investor, but have not secured capital. Please elaborate on the nature of the conversation(s) that have taken place. [text box]

15. Have you created and activated **Business Mentor Preferences**, in order to be matched to Business Mentors through IdeaCrossing?

- % Yes
- % No [skip to Q.20 – Resource Center section]

16. Have you been contacted by a potential Business Mentor?

- % Yes

% No [skip to Q.20 – Resource Center section]

17. Has this resulted in a mentoring relationship?

% Yes

% No [skip to Q.20 – Resource Center section]

18. How many Business Mentors have you had an ongoing relationship with through IdeaCrossing? [text box]

19. Overall, please rate the advice or information you have received from your Business Mentor(s):

1 not valuable	2 slightly valuable	3 moderately valuable	4 very valuable	5 extremely valuable	NA
%	%	%	%	%	%

20. Through IdeaCrossing, what **Resource Center** components have you used to help you start or grow your business? (Check all that apply)

% Events

% Discussion Forums

% User-submitted Articles

% Syndicated Articles

% News

% Service Provider Directory (e.g. lawyers, accountants, marketing consultants)

% I have not used the Resource Center

21. Are there other Resource Center components that you would like to see added? If so, please specify.

22. Overall, how would you rate the value of IdeaCrossing in terms of providing information and resources to help you start or grow your business?

1 not valuable	2 slightly valuable	3 moderately valuable	4 very valuable	5 extremely valuable	NA
%	%	%	%	%	%

23. Would you be willing to offer a testimonial about your experience with IdeaCrossing? If yes, please share your experience.

24. Which term best describes your phase of entrepreneurial development?

% **Imagining** (Developing your business case. Demonstrating in a lab setting.)

- % **Incubating** (Business plan and market research. Defining performance specs; validating technological capabilities within the specs.)
- % **Demonstrating** (Market acceptance data, price, evidence that sales can grow. Technical proof within customer context; working prototypes perform; manufacturability within cost/quality.)
- % **Market Entry** (Entering market, ongoing business, feedback in terms of sales, revenues, margins and growth. Technology embedded working on improvements.)
- % **Growth & Sustainability** (Execution; increase in market share; driving business. Product improvements and new product development.)

25. In what industry is your new or prospective business?

- % Advanced Display Technology
- % Advanced Materials
- % Aerospace & Defense
- % Agriculture
- % Automotive Manufacturing
- % Advanced Machinery Manufacturing
- % Bioscience
- % Business Services
- % Chemicals
- % Computer Hardware
- % Computer Services
- % Computer Software
- % Construction
- % Education
- % Electronics
- % Energy & Utilities
- % Environmental Services & Equipment
- % Financial Services/Banking
- % Food & Beverage Manufacturing
- % Government
- % Healthcare
- % Insurance
- % Internet/Web
- % Manufacturing
- % Media & Entertainment
- % Medical Devices
- % Metals & Mining
- % Non-Profit
- % Pharmaceuticals
- % Real Estate
- % Restaurant & Accommodations
- % Retail
- % Security Products & Services
- % Telecommunications
- % Transportation Services
- % Travel & Leisure

26. Please provide a short description of your products/services:

27. How long have you been in business?

- % We are not yet open for business
- % Less than 6 months
- % 6 months to less than 1 year
- % 1 year to less than 5 years
- % 5 years or more

28. How many employees do you have?

- % 1 to 10
- % 11 to 25
- % 26 to 50
- % 51 to 100
- % 100+

29. What were your annual revenues in the most recent fiscal year?

- % \$0 – 100K
- % \$101 – 250K
- % \$251 - \$1.0M
- % \$1.1M - \$10M
- % Over \$10M

30. The first 100 people who complete this survey will be sent a \$5 Starbucks Gift Card. If you are one of those people, in order to receive your gift card, please supply your physical mailing address.

Please note: The personal information supplied will only be used for distribution of the gift card and will not be associated with responses.

- % First & Last Name
- % Company
- % Street Address 1
- % Street Address 2
- % City
- % State
- % Zip

COMBINATION SURVEY – SENT TO COMPANIES WHO HAVE USED A VARIETY OF JUMPSTART SERVICES

JumpStart believes it is important to understand growth patterns of early stage companies with which it has been involved. On that note, since your company has worked with JumpStart (either having gone through the JumpStart ASSIST process, worked with the Inclusion team, or received assistance from TechLift -- now a JumpStart program), Cleveland State University would like to gather some information regarding your business growth since that time and your perception of the impact working with one or more of these programs has had on your growth.

Can you please take 5 minutes to complete the brief survey below? The answers will be anonymous and presented to JumpStart in aggregate to be included in an economic impact study being conducted by Cleveland State.

Thank you!

1. Which JumpStart programs/services have you engaged with? *(please mark all that apply)*
 - % **JumpStart Assist** - includes the time spent working with a JumpStart entrepreneur-in-residence to help prepare you for the presentation of your business idea to JumpStart’s investment panel.
 - % **JumpStart's Inclusion team** - includes the time spent with Darrin Redus or Charlene Jones, connecting you with potential investors, preparing you for an investor presentation, or otherwise.
 - % **TechLift (now a JumpStart program)** - includes all the time spent working with a TechLift entrepreneur-in-residence (EIR), including presentation preparation to potential funding sources, participation in grant-writing seminars, JumpStart’s educational programs, or other programs to which your TechLift EIR connected you.

*****Note: Please answer the remainder of this survey with those programs/services you've indicated in mind.*****

2. Have you been able to secure investment capital to start or grow your business since working with any of the JumpStart programs (Assist, Inclusion or TechLift)?

- % yes
- % no [skip to Q.5]

3. What source(s) of investment capital were you able to secure? For each type secured, please indicate the Source and Amount.

- % Debt source & amount _____
- % Equity: Angel Investment source & amount _____
- % Equity: Venture Capital source & amount _____
- % Government Grant/Contract/SBIR/STTR source & amount _____
- % other _____ source & amount _____

4. The assistance provided through JumpStart’s programs was:
- % critical to your success in raising investment capital
 - % helpful but not critical to your raising investment capital
 - % had no impact on your ability to raise investment capital

Feel free to elaborate:

5. Have you added employees since you began working with JumpStart?
- % yes
 - % no [skip to Q.7]

6. How many employees did you add? _____

7. Overall, how valuable were the services you received from JumpStart in terms of helping you to think through, evaluate, and improve key aspects of your business plan?

1 not valuable	2 slightly valuable	3 moderately valuable	4 very valuable	5 extremely valuable	NA
%	%	%	%	%	%

8. Overall, how valuable were the services you received from JumpStart in terms of helping you to create and deliver a more effective presentation to an investment audience?

1 not valuable	2 slightly valuable	3 moderately valuable	4 very valuable	5 extremely valuable	NA
%	%	%	%	%	%

9. To what extent did JumpStart’s services help you to become more confident and prepared to seek investment capital from other sources?

1 not at all	2 slightly beneficial	3 moderately beneficial	4 very beneficial	5 extremely beneficial	NA
%	%	%	%	%	%

10. What do you think is the “market value” of the assistance that JumpStart provided based on what you think you would have had to pay for this level of assistance from for-profit advisors?

- % \$10,000+
- % \$5,001 - \$10,000
- % \$1,001 - \$5,000
- % \$1 - \$1,000
- % \$0
- % Don’t know

11. Please provide any comments you may have as it relates to your experience with JumpStart:

12. Where is your business located?

County [text box]

State [text box] (please use the state abbreviation)

Zip code [text box]

13. Is at least 51% of your company owned by entrepreneurs who are female?

% yes

% no

14. Is at least 51% of your company owned by a minority entrepreneur? (Minorities include African American, Native American, Latin-American/Hispanic, Asian-Indian, Asian-Pacific, and Pacific Islander)

% yes

% no [skip to Q.16]

15. Please identify the race/ethnicity of the entrepreneur.

% African American

% Native American

% Latin-American/Hispanic

% Asian-Indian

% Asian-Pacific

% Pacific Islander

16. Before working with JumpStart, which term best described your phase of entrepreneurial development?

% **Imagining** (Developing your business case. Demonstrating in a lab setting.)

% **Incubating** (Business plan and market research. Defining performance specs; validating technological capabilities within the specs.)

% **Demonstrating** (Market acceptance data, price, evidence that sales can grow. Technical proof within customer context; working prototypes perform; manufacturability within cost/quality.)

% **Market Entry** (Entering market, ongoing business, feedback in terms of sales, revenues, margins and growth. Technology embedded working on improvements.)

% **Growth & Sustainability** (Execution; increase in market share; driving business. Product improvements and new product development.)

17. Which phase best describes your business today?

% Imagining

% Incubating

% Demonstrating

% Market Entry

% Growth & Sustainability

% I am no longer trying to establish a business.

% I sold or transferred my business/product/idea

18. In what industry is your business? *(Please only select 'Other' if none of the other choices apply.)*

- % Advanced Materials
- % Advanced Machinery Manufacturing
- % Biosciences
- % Information and Communication Technology
- % Instruments-Controls-Electronics
- % Power and Propulsion (includes Advanced Energy)
- % Scientific Research and Development Services
- % Other (please specify) _____

19. Please provide a short description of your products/services:

20. How long have you been in business?

- % Less than 6 months
- % 6 months to less than 1 year
- % 1 year to less than 5 years
- % 5 years or more
- % No longer in business

SURVEY FOR INCLUSION COMPANIES

JumpStart believes it is important to understand growth patterns in early stage companies with which it has been involved. On that note, since you worked with the Inclusion team (Darrin Redus and/or Charlene Jones), Cleveland State University would like to gather some information regarding your business growth since working with them and your perception of the impact it had on your growth. To clarify, this time includes the time spent working with the Inclusion Team (including time spent travelling to and at conferences) to connect you with potential investors, time spent preparing you for that presentation, and any other time you spent with Darrin and/or Charlene.

Can you please take 5 minutes to complete the brief survey below? The answers will be anonymous and presented to JumpStart in aggregate to help create a baseline assessment of the value of the Inclusion Team’s assistance, and if warranted, be included in an economic impact study that will be conducted by Cleveland State University.

Thank you.

1. Have you been able to secure investment capital to start or grow your business since working with the JumpStart Inclusion team?

- % yes
- % no [skip to Q.4]

2. What source(s) of investment capital were you able to secure? For each type secured, please indicate the Source and Amount.

- % Debt source & amount

- % Equity: Angel Investment source & amount

- % Equity: Venture Capital source & amount

- % Government Grant/Contract/SBIR/STTR source & amount

- % other _____ source & amount

3. The assistance JumpStart provided was:

- % critical to your success in raising investment capital
- % helpful but not critical to your raising investment capital
- % had no impact on your ability to raise investment capital

Feel free to elaborate:

4. Have you added employees since working with JumpStart?

- % yes
- % no [skip to Q.6]

5. How many employees did you add? _____

6. Overall, how valuable were the services you received from JumpStart in terms of helping you to think through, evaluate, and improve key aspects of your business plan?

1 not valuable	2 slightly valuable	3 moderately valuable	4 very valuable	5 extremely valuable	NA
%	%	%	%	%	%

7. Overall, how valuable were the services you received from JumpStart in terms of helping you to create and deliver a more effective presentation to an investment audience?

1 not valuable	2 slightly valuable	3 moderately valuable	4 very valuable	5 extremely valuable	NA
%	%	%	%	%	%

8. To what extent did JumpStart help you to become more confident and prepared to seek investment capital from other sources?

1 not at all	2 slightly beneficial	3 moderately beneficial	4 very beneficial	5 extremely beneficial	NA
%	%	%	%	%	%

9. What do you think is the “market value” of the assistance that JumpStart provided based on what you think you would have had to pay for this level of assistance from for-profit advisors?

- % \$10,000+
- % \$5,001 - \$10,000
- % \$1,001 - \$5,000
- % \$1 - \$1,000
- % \$0
- % Don't know

10. Please provide any comments you may have as it relates to your experience with JumpStart:

11. Where is your business located?

County [text box]
 State [text box] (please use the state abbreviation)
 Zip code [text box]

12. Before your time spent with JumpStart, which term best described your phase of entrepreneurial development?

- % **Imagining** (Developing your business case. Demonstrating in a lab setting.)
- % **Incubating** (Business plan and market research. Defining performance specs; validating technological capabilities within the specs.)

- % **Demonstrating** (Market acceptance data, price, evidence that sales can grow. Technical proof within customer context; working prototypes perform; manufacturability within cost/quality.)
- % **Market Entry** (Entering market, ongoing business, feedback in terms of sales, revenues, margins and growth. Technology embedded working on improvements.)
- % **Growth & Sustainability** (Execution; increase in market share; driving business. Product improvements and new product development.)

13. Which phase best describes your business today?

- % Imagining
- % Incubating
- % Demonstrating
- % Market Entry
- % Growth & Sustainability
- % I am no longer trying to establish a business.
- % I sold or transferred my business/product/idea

14. In what industry is your business?

- % Advanced Materials
- % Advanced Machinery Manufacturing
- % Biosciences
- % Information and Communication Technology
- % Instruments-Controls-Electronics
- % Power and Propulsion (includes Advanced Energy)
- % Scientific Research and Development Services
- % Other (please specify) _____

15. Please provide a short description of your products/services:

16. How long have you been in business?

- % Less than 6 months
- % 6 months to less than 1 year
- % 1 year to less than 5 years
- % More than 5 years
- % No longer in business

17. Is at least 51% of your company owned by entrepreneurs who are female?

- % yes
- % no

18. Is at least 51% of your company owned by minority entrepreneurs? (Minorities include African American, Native American, Latin-American/Hispanic, Asian-Indian, Asian-Pacific, and Pacific Islander)

- % yes
- % no [end survey]

19. Please identify the race/ethnicity of the entrepreneur.

- % African American
- % Native American
- % Latin-American/Hispanic
- % Asian-Indian
- % Asian-Pacific
- % Pacific Islander