CUMULATIVE RESULTS

21,645 JOBS RETAINED
15,820 JOBS CREATED
1,578 COMPANIES ASSISTED
1,189 COMPANIES STARTED
442 COMPANIES STARTED

1,189 PRODUCTS & PROCESSES DEVELOPED
15,820 JOBS CREATED

INSPIRING INNOVATION

See our Statewide results page 15 | See more Northeast results page 20

BEN FRANKLIN TECHNOLOGY PARTNERS of NORTHEASTERN PENNSYLVANIA

ANNUAL REPORT 2013
SELECTING, NURTURING, AND SUPPORTING TECHNOLOGY-BASED COMPANIES IS NOT A PRACTICE THAT IS EASILY MASTERED. Since the Ben Franklin Technology Partners (BFTP) began 30 years ago, our team has built and developed its knowledge base, relationships, and networks. This deep experience allows us to effectively fund and support entrepreneurs and established manufacturers. Each client and industry is different. We’ve developed and fine-tuned networks and approaches that combine to support our clients on an individualized, enterprise-wide basis.

Taken together, our investments and efforts create and retain highly paid, sustainable jobs in northeastern Pennsylvania. The Ben Franklin Technology Partners is a proven and internationally recognized model of ultra-successful technology-based economic development. Due to the budget pressures caused by the recession, Ben Franklin funding has been reduced more than 50% since fiscal year 2007-2008. Because our operating budget is primarily dependent on state funding, these blows to our resources dramatically curtailed our ability to fund companies appropriately. In addition to substantially cutting our staffing and expenses, we were forced to reduce funding to clients. We have been unable to invest in deserving companies that may have created the jobs that our economy needs, and we had to seriously short-fund many companies in which we did invest. Our region has missed out on real opportunities for substantial job creation and retention.

We are tremendously grateful for the Innovate in PA legislation that was passed in July 2013 by the Pennsylvania General Assembly and signed into law by Gov. Corbett. This three-year influx of funds will be put to work in investing in deserving companies. As we have done so effectively in the past, Ben Franklin will strategically invest in and support regional companies. We will leverage the Innovate in PA funding as a path to creating additional state tax revenue and economic prosperity. The skills and networks needed to create sustained technology-based economic development are developed over time. Even after 30 years, we continue to learn, collaborate, adapt, and improve. Ben Franklin is a well-oiled job creation machine. We are extremely fortunate that our clients, communities, and elected officials recognize our contributions and capabilities. Thanks to your support, we will continue to help northeastern Pennsylvania companies develop technologies that create and retain jobs, position our regional economy for growth, and improve the human condition.
BEN FRANKLIN TECHNOLOGY PARTNERS OF NORTHEASTERN PENNSYLVANIA (BFTP/NEP) is part of a four-center, state-funded economic development initiative that began operations in 1983. The northeastern center is headquartered at Ben Franklin TechVentures®, a technology incubator/post-incubator facility on the Mountaintop Campus of Lehigh University in Bethlehem. Regional offices are located in Bloomsburg, Reading, and Scranton.

Amidst the ever-changing landscape of business and technology, BFTP/NEP’s mission is to promote, sustain, and invest in the development of our regional economy through innovation and partnering. Our strategy encompasses three key areas:

1. Developing early-stage, technology-based companies
2. Helping established manufacturers creatively apply new technology to achieve industry leadership and compete effectively in a global market
3. Promoting innovative community-wide initiatives that foster a supportive business environment for high-growth companies

As hundreds of companies have experienced, Ben Franklin delivers hands-on support, connections to critical resources, and investment funds at companies’ most vulnerable times. Ben Franklin Technology Partners helps clients to achieve and sustain market success and competitive advantage. We are evaluated on the basis of the commercial accomplishments of our clients that are achieved as a result of our assistance.

We also support established manufacturers by providing investments in innovation and access to our network of university and industry experts and facilities. Work is usually technology development or application-driven and is accomplished with a college or university partner.

BUSINESS AND TECHNICAL EXPERTISE – Each company in the Ben Franklin portfolio benefits from the collective experience of seasoned professionals who focus on turning high-potential ideas into high-growth businesses. In-house expertise is complemented by the Ben Franklin Solutions Network of advisors, service providers, and investors, creating a powerful and comprehensive support program for clients.

COLLEGE AND UNIVERSITY RESOURCES – We tap into the strength of Pennsylvania’s colleges and universities, whose faculty and students work directly with many of our clients. Ben Franklin provides a crucial link between client companies and the wealth of knowledge, facilities, and human resources in the Commonwealth’s higher education institutions.

INFRASTRUCTURE – BFTP staff apply years of business incubation expertise in support of the 10-member Ben Franklin Business Incubator Network. This collaboration is among the largest incubator networks in the nation.

Statewide, the Ben Franklin Technology Partners has returned $3.60 to the Pennsylvania state treasury for every $1.00 invested in the program.

Prospective Ben Franklin clients must offer significant potential for job creation and retention and future growth through innovation. Ben Franklin works with the most promising ventures on an enterprise-wide basis to enhance their entire way of doing business.

Visit [www.nep.benfranklin.org](http://www.nep.benfranklin.org) for additional information.
INVESTMENTS

IN ORDER TO BUILD THE REGIONAL TECHNOLOGY ECONOMY, the Ben Franklin Technology Partners of Northwestern Pennsylvania allocates a portion of its resources to client investments and business and technical assistance through the Challenge Grant provided by Pennsylvania’s Ben Franklin Technology Development Authority. This year, through the Pennsylvania-funded Alternative Energy Development Program, Ben Franklin also invested substantially in companies that are either developing new energy-related technologies or are seeking to employ energy-conservation processes. All clients were competitively selected as having the greatest potential for creating or retaining highly paid, sustainable jobs, introducing novel products or processes, and filling a promising market niche.

CHALLENGE GRANT INVESTMENTS

A SOUND STRATEGY, INC.
Stroudsburg, Monroe County
Build the infrastructure to roll out a national sales effort to promote A Sound Strategy’s (ASSi) Software-as-a-Service (SaaS) products that help customers utilize web-based platforms to increase sales and enhance efficiency. Small- and medium-sized businesses sometimes underestimate online tools because of the cost and difficulty in implementing and maintaining them. ASSi’s siteMaster® platform helps companies manage their web content, memberships, events, and e-commerce. The company’s newest product, touch-Folio™, allows client companies to develop and manage a mobile application on touchscreen mobile phones and tablets. Clients use the app as a sales tool to showcase products and services easily and at a lower cost, allowing them to compete with larger enterprises.
BFTP Investment: $30,000 | Total Project Budget: $220,000

BISON ANALYTICS, LLC
Lehigh, Union County
Continuing developing business intelligence software for small businesses that use QuickBooks™ accounting software. Bison Analytics’ product allows clients to easily utilize QuickBooks data for comprehensive financial analysis and management. Bison Analytics will implement software enhancements, develop a sales strategy for the company’s cloud-based product, and analyze follow-on funding tactics.
BFTP Investment: $35,000 | Total Project Budget: $126,700

BOSCH Rexroth Corporation
Bethlehem, Northampton County
University Partner: Lehigh University
Complete manufacturing process analysis in order to increase the capacity of the hydraulic cylinder manufacturing system at this manufacturer of control equipment, including hydraulic and pneumatic components. Lehigh’s Enterprise Systems Center team will analyze and evaluate current work processes, then utilize simulations to test alternative system configurations and scheduling methods.
BFTP Investment: $25,000 | Total Project Budget: $145,119

CERORA, INC.
Bensalem, Pennsylvania
University Partner: Lehigh University
Re-engineer software and hardware, and commercialize the Cerora brainwave sensor. This medical-grade, portable sensor is an electro-encephalogram (EEG) that measures and records the electrical activity of the brain. Rapid diagnosis of brain disease and injuries can lead to early and effective intervention with improved clinical outcomes and cost savings for patients with concussions, Alzheimer’s disease, and other neurologic and neuropsychiatric conditions. There are currently no portable and accurate neuro-diagnostic available to physicians, first responders, and certified athletic trainers.
BFTP Investment: $50,000 | Total Project Budget: $233,300

CONSOLIDATED STORAGE COMPANIES, INC.
Tatamy, Northampton County
University Partner: Lehigh University
Complete a plant-wide production analysis at this manufacturer of storage systems and tool chests in order to optimize manufacturing processes. Consolidated Storage’s Equipto division will work with Lehigh’s Enterprise Systems Center to optimize facilities and productivity, identify costs and benefits of various improvements, and develop a plan for future growth.
BFTP Investment: $25,000 | Total Project Budget: $157,442

CRISPIN VALVE
Berwick, Columbia County
University Partner: Bloomsburg University
Install and implement an Enterprise Resource Planning system at this manufacturer of butterfly valves for the municipal water industry. This software package will increase internal process efficiencies through the production and collection of accurate data metrics. Once implemented, the company will better understand and control shop operations and turnaround times to compete even more effectively.
BFTP Investment: $18,302 | Total Project Budget: $105,142

CROSZIP VALVE
Berwick, Columbia County
University Partner: Bloomsburg University
Install and implement an Enterprise Resource Planning system at this manufacturer of butterfly valves for the municipal water industry. This software package will increase internal process efficiencies through the production and collection of accurate data metrics. Once implemented, the company will better understand and control shop operations and turnaround times to compete even more effectively.
BFTP Investment: $18,302 | Total Project Budget: $105,142

“An investment in knowledge pays the best interest.”
—BEN FRANKLIN
solution that requires only a single entry to update a client’s website and other marketing functions, broadcasting the information immediately to 19 types of media, including social media such as the company website and Twitter, Facebook, and LinkedIn; email; local media; and publications. Such tools are needed by small- to medium-sized retailers, restaurants, and other companies to promote themselves more effectively and profitably.

**BFTP Investment:** $48,000 | **Total Project Budget:** $192,600

**ELECTRO CHEMICAL ENGINEERING & MANUFACTURING CO.**
Emmaus, Lehigh County

University Partner: Lehigh University

Develop an adhesive that will allow lined vessels used in production to be implemented in applications requiring a greater range of temperature and pressure conditions than the company’s current product line. Electro Chemical Engineering & Manufacturing Company produces thermoplastic- and fluoropolymer-lined steel vessels used to manufacture, distribute, and store corrosive chemicals. The company will work with the Lehigh team to characterize the properties of existing adhesives against the required criteria of the new applications. Once the new adhesive is optimized and tested, the company will transfer the new adhesive to production.

**BFTP Investment:** $148,000 | **Total Project Budget:** $20,145

**GIVEGAB**
Dunmore, Lackawanna County

Implement a sales and marketing strategy to begin commercializing premium features of GiveGab’s proprietary web-based software platform. GiveGab.com is a social network of volunteers, nonprofits, schools, and businesses. It is available for free, and premium features will be offered for a subscription fee. GiveGab’s proprietary tool allows volunteers and nonprofits to connect, manage communications, and record and promote achievements using a single network solution rather than multiple, separate networks.

**BFTP Investment:** $35,000 | **Total Project Budget:** $105,000

According to a recent independent study by the Pennsylvania Economy League, jobs created by Ben Franklin clients statewide are in industries that pay 30% (36% more, to be exact!) more than the average private sector salary in Pennsylvania.
application for this developer of audio streaming and distribution products. Modern performances in theaters and houses of worship require a variety of approaches to provide performers the ability to hear their own performances as well as cues. Wired systems currently in use require extensive cabling, limiting performers’ movements, and have limited audio source reception. Pivitec uses wireless mobile devices as interactive controllers for its network devices to address problems in live professional audio products.

BFTP Investment: $40,000 | Total Project Budget: $354,733

PRECISE GRAPHIX
Emmaus, Lehigh County
University Partner: Lehigh University
Improve the production layout and optimize the job cost analysis process at this designer, fabricator, and installer of interior décor, signage, and store fixtures. This will lead to more effective scheduling, utilization, and increased profitability, as well as an improved layout of the manufacturing operations to streamline process flow. Precise Graphix performs short production runs primarily for retail clients.

BFTP Investment: $13,200 | Total Project Budget: $39,700

OPTIMO INFORMATION TECHNOLOGY, LLC
Bloomsburg Regional Technology Center
Bloomsburg, Columbia County
Establish and expand OPTIMO’s digital forensics suite of information technology products and services through the addition of business development and sales resources and implementation of a new marketing strategy. OPTIMO delivers enterprise-level information technology products and services to federal government and commercial clients. Products include software related to the digital forensics, e-discovery, and litigation support industries.

BFTP Investment: $25,000 | Total Project Budget: $105,000

OPTIMO SYSTEMS
Carbondale, Lackawanna County
Support the launch and commercial development of PROVA™ Systems’ new Fleet Genius™ Pro SaaS application for fleet management. PROVA manufactures a diagnostic device that links with its cloud-based software to collect, monitor, and analyze the performance of every vehicle and every driver in a vehicle fleet. The system works for small and medium enterprise (SME), larger enterprise, and local government fleets using PROVA's plug-and-play Fleet Manager-in-a-box™. This device allows proactive management of vehicles using data derived from their usage patterns and collected from onboard computers, thereby increasing efficiency. PROVA’s data can also be shared with third-party fleet management systems. The system can reduce fleet operations costs by more than 60% versus current technology and in many instances pays for itself in less than a year.

BFTP Investment: $50,000 | Total Project Budget: $126,000

LONGO’S BAKERY, INC.
Hazleton, Luzerne County
University Partner: Lehigh University
Establish and implement an Enterprise Resource Planning system at this producer and distributor of whole pizzas, pizza shells, pizza kits, tomato sauce, and doughballs throughout several states. This software package will establish an information technology infrastructure that is necessary for the company to continue its growth. The system will help Longo’s to enhance manufacturing control and improve profitability.

BFTP Investment: $25,000 | Total Project Budget: $157,075

PIVITEC, LLC
Ben Franklin Technologies, Bethlehem, Northampton County
Complete design and begin commercialization of five hardware products and one software control system.
BIO-ENERGY HOLDINGS, INC.
Greentown, Pike County
Continue commercializing the patented A-Ceptor, a unit that separates oils and grease from “gray” restaurant sink effluent before it goes into underground traps or wastewater treatment systems. Trap buildup can cause odor, bacteria, and drain back-ups inside the restaurant, and sewer blockages and discharge issues outside. The end-product from the A-Ceptor is recycled for bio-diesel energy production.

BFTP Investment: $65,000 | Total Project Budget: $222,800

WALTON MOTIVATION, INC.
Allentown, Lehigh County
Support sales and marketing efforts at this producer of a cloud-based employee recognition and reward system. Walton provides a web-based application, Recognition PRO, which allows company managers to more systematically and cost-effectively reward employees in ways that are most meaningful and motivating to them, thereby improving employee morale. The application is built on and incorporates the exclusively licensed content of Dr. Bob Nelson, NY Times best-selling author of 1001 Ways to Reward Employees.

BFTP Investment: $20,000 | Total Project Budget: $336,244

HYDRO RECOVERY LP
Blossburg, Tioga County
Investigate the economic extraction of useful materials from residual “frac” water, used in the development of natural gas wells. Hydro Recovery is located in Tioga County, a central location in the Marcellus Shale drilling region. The company’s process converts the used water to a Hydraulic Stimulation Fluid (HSF™) that can subsequently be reused to extract

BFTP Investment: $10,000 | Total Project Budget: $521,773

SUCCESSTRM LLC
East Stroudsburg, Monroe County
Commercialize a proprietary new disaster recovery management software tool, called Maggie Bare Server Restore (MBSR), and establish procedures that will be used to implement a repeatable sales process. This software application supports Tivoli Storage Manager, IBM’s widely used enterprise-wide network storage management solution. The MBSR process requires only a 15-minute downtime following a disaster or test, versus the current industry standard of at least four hours.

BFTP Investment: $85,000 | Total Project Budget: $345,075

VIRTUAL CELEBRATION, LLC
Allentown, Lehigh County
Support the development of a “back-end” transaction automation system and analytics for growing a network of virtual event planners. Virtual Celebration is a proprietary virtual platform in which hosts and guests privately gather to connect, play, share, give, and gift with provided celebration tools and content. This on-line celebration can either supplement a live celebration or stand alone, and can be used by individual or small businesses. Online, more guests are able to participate and, as a result, create an enduring virtual scrapbook and experience that can be enjoyed by all. With the Ben Franklin investment, Virtual Celebration will be able to utilize online tools to recruit and train five thousand event planners.

BFTP Investment: $65,000 | Total Project Budget: $222,800

GEORGE FISCHER HARVEL
Easton, Northampton County
University Partner: Lehigh University
Complete a sustainability analysis to reduce energy consumption by more than 20%. Georg Fischer Harvel is an international leader in thermoplastic extrusion, primarily manufacturing PVC and CPVC piping for a diverse set of customers. Energy costs are a top manufacturing expense, so savings in this area will yield a significant competitive advantage.

BFTP Investment: $50,000 | Total Project Budget: $521,773

ALTERNATIVE ENERGY DEVELOPMENT PROGRAM INVESTMENTS

The 30 manufacturing clients that have retained the most employees as a result of their work with BFTP/NEP average 40.2% jobs retained each.

INVESTMENTS
more natural gas. This process will eliminate the need to transport wastewater over long distances. Further, recycling frac water into a reusable product will reduce the environmental impact of gas extraction by saving millions of gallons of freshwater each year. Hydro Recovery recycles 100% of recovered waters used in the treatment process, thereby eliminating discharge of treated water into Pennsylvania watersheds.

BFTP Investment: $50,000 | Total Project Budget: $200,000

MEDICO INDUSTRIES, INC.
Wilkes-Barre, Luzerne County
University Partner: Northampton Community College
Assess current energy usage procedures at this manufacturer of machined metal components for the automotive, energy, and defense industries. Identify the amount of potential energy savings in energy usage, use of equipment, and improved efficiency of energy resources. Further, identify other opportunities to improve productivity, reduce waste, and increase processes to strengthen Medico’s competitiveness in the market.

BFTP Investment: $26,500 | Total Project Budget: $79,500

VITRUS TECHNOLOGIES, LLC
Williamsport, Lycoming County
Develop and commercialize new window products that combine three proprietary new innovations specific to materials and glazing. These integrated composite windows actually produce heat and power as well as greatly increase energy efficiency. Vitrius’ products are longer lasting and more economical, and provide a superior renewable energy profile to the architectural and industrial window market when compared with competitors’ products.

BFTP Investment: $120,000 | Total Project Budget: $575,500

SUNSTREAM EARTH
Allentown, Lehigh County
Provide QuickBooks support to this manufacturer of a new type of solar-powered thermal generator for use in producing electricity.

TAB INDUSTRIES
Reading, Berks County
Provide operational process improvements to this contract manufacturer and distributor of the TAB Wrapper Tornado, an orbital industrial-strength packaging machine.
Originally charted on Dec. 6, 1982, by then-Governor Dick Thornburgh, Pennsylvania’s Ben Franklin program began operations in 1983. Both the Pennsylvania House and Senate passed resolutions recognizing the 30th anniversary of the creation of Ben Franklin Technology Partners that designated June 3, 2013, as “Ben Franklin Technology Partners Day” in Pennsylvania. In celebration, on June 3 the statewide program announced the tremendously positive results of an independent study on Ben Franklin’s economic impact throughout the Commonwealth.

BEN FRANKLIN TECHNOLOGY PARTNERS COMMISSIONED AN INDEPENDENT, THIRD-PARTY EVALUATION of its impact on the state’s economy. Conducted by the Pennsylvania Economy League and KLIOS Consulting, the report covers the five-year timeframe from 2007 through 2011. The report found:

STATEWIDE IMPACT STUDY RESULTS

- From 2007 through 2011, the Commonwealth received $358 million in additional state tax receipts as a direct result of BFTP investments in client firms. Another $144 million in state tax receipts flowed from related BFTP client services, for a total increase of $502 million in state revenue due to BFTP.

- BFTP produced a total of 20,200 jobs in the Commonwealth between 2007 and 2011 that otherwise would not have existed.

- BFTP boosted the Pennsylvania economy (Gross State Product) by $6.6 billion from 2007 through 2011.

- Since 1989, BFTP has generated 89,000 additional jobs as a result of increased purchasing and investment by client firms, yielding a total of 140,000 new jobs attributable to BFTP’s work.

- Since 1989, BFTP has boosted the state’s economy by more than $23.5 billion.

- New state tax revenue generated because of BFTP represents a 3.6 to 1 payback to the Commonwealth on its $137.7 million investment during that period.

- Client revenues, purchasing, and investments rippled throughout the Pennsylvania economy, giving rise to higher employment across the state.

- From 2007 through 2011, BFTP generated an additional 12,715 jobs beyond those in client firms.

- From 2007 through 2011, the Commonwealth received $158 million in additional state tax receipts as a direct result of BFTP investments in client firms. Another $144 million in state tax receipts flowed from related BFTP client services, for a total increase of $502 million in state revenue due to BFTP.
DEPUTY SECRETARY CAROLYN BOSER NEWHOUSE commented, “Thirty years ago, Pennsylvania Governor Dick Thornburgh and the Pennsylvania Legislature launched an exciting, innovative, and game-changing initiative that continues to evolve and have a tremendous economic impact in the Commonwealth. The Department of Community and Economic Development will continue to collaborate with the Ben Franklin Partners to make Pennsylvania a top U.S. location for entrepreneurs to start here, grow here, and thrive here.”

Opening remarks about the impressive results of the evaluation, as well as the Ben Franklin program’s 30-year anniversary celebration, were delivered in Harrisburg on the morning of June 3 by Carolyn Boser Newhouse, Deputy Secretary of the Pennsylvania Department of Community and Economic Development.

KEVIN HARTER, President and CEO of Saladax Biomedical, Bethlehem, described his company’s experience with the Ben Franklin Technology Partners of Northeastern Pennsylvania. “Saladax would not exist in Pennsylvania, if at all, without nurturing and financial support from Ben Franklin. Saladax’s founders originally planned to launch in New Jersey, but Ben Franklin invested seed capital and offered far more comprehensive support, as well as hard-to-find wet lab space in its Ben Franklin TechVentures technology business incubator.” Saladax, which produces tests that allow oncologists to more accurately administer chemotherapy, started with two original founders and now employs 44.

RICH STEIN of KLIOS Inc. noted, “These results are impressive. This report clearly shows that in a time of severe economic strain, BFTP consistently added jobs and tax revenue to the Pennsylvania economy. I think this performance illustrates Ben Franklin’s deep institutional knowledge in action.”

STEVE WRAY, Managing Director of the Pennsylvania Economy League, commented, “The Pennsylvania Economy League was glad to partner with Ben Franklin for the second time on an economic impact report. We believe it is valuable for the Pennsylvania taxpayers to have the economic development organizations they support undertake this type of analysis. Ben Franklin is to be credited for the special rigor and objectivity of this report.”

“Ben Franklin Technology Partners’ 30th anniversary event highlights Pennsylvania’s pre-eminence in technology-based economic development. We understand that investment in innovation grows Pennsylvania’s economy and global competitiveness. That’s why I was proud to support the Innovate in PA legislation that delivers much-needed investment funds and expert services to deserving Pennsylvania technology companies.”

—REPRESENTATIVE JOHN EDERER
GOVERNORS’ PANEL

Gov. Tom Corbett delivered opening remarks for the June 3 afternoon celebration of Ben Franklin Technology Partners Day. He introduced a Pennsylvania governors’ panel that also consisted of former governors Dick Thornburgh and Tom Ridge. The topic was the importance of Ben Franklin Technology Partners in the state’s technology economy.

Corbett said, “The Ben Franklin Technology Partners continue to be a national model, powering the next generation of entrepreneurs and helping to transfer new technologies into the marketplace. My administration will continue to support Ben Franklin to help create the innovative, high-tech, knowledge-based economy and leverage the research and high-wage jobs that emerge from the work of the Partners. Congratulations on celebrating 30 years of success and enabling Pennsylvania to remain the state of innovation.”

“While it is hard to believe it has been 30 years since the founding of Ben Franklin Technology Partners, I am gratified by the positive impact it has had on Pennsylvania’s economy. We knew back in 1982 that Pennsylvania had to diversify toward a stage technology-based firms that are growing and economic growth,” noted Atkinson. “Over its 30-year history, Ben Franklin has been a major catalyst in the development of next-generation technologies, businesses, and industries.”

“Ben Franklin Technology Partners is a leading example of the benefits of technology-based economic development, illuminating the positive impact government investment in innovation can have on entrepreneurship and economic growth,” noted Akesson. “Over its 30-year history, Ben Franklin has been a major catalyst in the development of the modern high-tech economy, and I am confident they will continue to play a major role in the development of next-generation technologies, businesses, and industries.”

Investment capital providers for Pennsylvania’s technology entrepreneurs applauded Gov. Corbett’s July 11, 2013 signing of legislation creating the Innovate in PA tax credit program. It is a significant advance in improving the environment for innovative companies to start and grow in the Commonwealth. The revenue from the sale of the credits will be invested through the Ben Franklin Technology Development Authority, which, in turn, will invest these funds in the Ben Franklin Technology Partners, Pennsylvania’s Venture Investment Program, and the Life Sciences Greenhouses. These proceeds will help address the seed capital needs of startup and early-stage technology-based firms that are growing and expanding in Pennsylvania. The investments will facilitate job growth, new products and services, and increased tax revenues for the Commonwealth.

“On behalf of our clients, the Ben Franklin Technology Partners is grateful to Gov. Corbett and the Innovate in PA champions in the legislature. Their advocacy and support directly benefit the companies that are Pennsylvania’s most powerful job creators,” said Chad Paul, President and CEO of BFTP/NEP. “With the revenue from the sale of the credits, the Ben Franklin Technology Partners will help ensure that impact continues.”

GOVERNOR’S IMPACT AWARDS

TEN CLIENTS AND ALUMNI of the Ben Franklin Technology Partners of Northeastern Pennsylvania were recognized by Gov. Corbett as Pennsylvania companies and entrepreneurs that are creating high-wage, sustainable jobs and making positive contributions to the state’s economy. Nearly 700 attended the inaugural Governor’s Impact Award luncheon on May 29, 2013, at which the companies were honored.

BEN FRANKLIN CLIENT AND ALUMNI WINNERS:
ABEI, Inc., Bethlehem – Export Impact Award
Beach Packaging Corporation, Bethlehem – Jobs First Award
Cornell Iron Works, Inc., Mountain Top – Export Impact Award
Custom Processing Services, Inc., Reading – Small Business Impact Award
EcoTech Marine LLC, Allentown – Entrepreneur Impact Award
Effort Foundry, Inc., Bath – Community Impact Award
Insypos, LLC – Entrepreneur Impact Award
Puritan Products, Inc., Bethlehem – Small Business Impact Award
Vigor International, East Stroudsburg – Small Business Impact Award
BEN FRANKLIN CLIENT AND ALUMNI FINALISTS:
ABEI, Inc., Bethlehem – Jobs First Award
Achelone, Bath – Entrepreneur Impact Award
Antronics, Allentown – Small Business Impact Award
Bosch Rexroth Corporation, Bethlehem – Jobs First Award
Discovery Machine Inc., Bath – Jobs First Award
Fireeye, Bath – Entrepreneur Impact Award
SWIF, Scranton – Community Impact Award
Swiftwater, Swiftwater – Community Impact Award
SunQuest, Williamsport – Small Business Impact Award
Vigor International, East Stroudsburg – Small Business Impact Award

INNOVATE IN PA

GOVERNOR’S IMPACT AWARDS

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The addition has a photovoltaic solar array on its rooftop and the latest energy-management and light-harvesting technologies from Coopersburg, Pa.-based Lutron Electronics integrated throughout the building.

The Ben Franklin TechVentures expansion allows Ben Franklin to accommodate start-up companies that create more highly paid, sustainable technology jobs in the region. Thirty early-stage firms, employing 2122 people, are currently located in Ben Franklin TechVentures. Since 1983, the Ben Franklin Business Incubator and TechVentures have graduated 55 successful companies, together grossing more than $984 million in annual revenue and creating more than 5,400 jobs.

Since its grand opening in October 2011, the expansion has won an abundance of recognitions. The National Business Incubation Association (NBIA) selected Ben Franklin TechVentures as the 2012 National Incubator of the Year, a remarkable repeat of Ben Franklin’s 2001 honor. The State Science and Technology Institute named TechVentures the winner of its Building Entrepreneurial Capacity 2012 national award. Ben Franklin TechVentures won the Pennsylvania Economic Development Association Project of the Year Award in 2011 and received first-place national honors in the U.S. Environmental Protection Agency’s 2011 ENERGY STAR Challenge Contest. The facility also won the American Institute of Architects Eastern Pennsylvania Award of Merit and two Mid Atlantic Real Estate Journal awards. In October 2013, the TechVentures expansion won a Lehigh Valley Sustainability Award from the Delaware Valley Green Building Council.

Ben Franklin TechVentures helped address the region’s increasing incubator and wet lab space needs by more than doubling the available wet lab space and more than tripling the office and dry laboratory space available at the original facility. Staff projected that the 35,000 square feet of notable space would meet the region’s requirements for about five years. Just 18 months after the grand opening, however, TechVentures was filled to near capacity.

Ben Franklin TechVentures, opened in October 2011, is a 47,000-square-foot addition to the original facility that increases the facility’s size to 109,000 square feet. The architect was Spillman Farmer Architects, and the construction manager was Allied Building Corporation.

Since 1983, the Ben Franklin incubator program has graduated 55 successful companies, together grossing more than $984 million in annual revenue and creating more than 5,400 jobs.
Ben Franklin TechVentures brings together entrepreneurs, Ben Franklin staff, and Lehigh faculty and students to accelerate the growth of the region’s technology economy. The facility’s Innovation Institute meeting, learning, and conference facilities serve clients and local partners. Ben Franklin TechVentures provides an entrepreneurial culture that supports early-stage firms at their most vulnerable times, fueling innovation and creating the jobs of the future.

The purpose of the Pennsylvania House Manufacturing Caucus is to encourage manufacturing in the Commonwealth in a bipartisan effort through a variety of methods, including providing an opportunity for visits and tours of manufacturing facilities across the Commonwealth.

“Manufacturing is key to creating and maintaining high-paying, sustainable jobs in Pennsylvania and is a fundamental element of Ben Franklin’s mission,” said Chad Paul, President and CEO of BFTP/NEP. “We support innovation in established manufacturers, and we develop tech-based early-stage firms that become Pennsylvania’s future manufacturers. The jobs that our clients create typically pay 30% more than the Commonwealth’s average.”

SUPPORTING REGIONAL ENTREPRENEURSHIP
In support of regional entrepreneurship, Ben Franklin TechVentures partnered with Lehigh Valley Tech on a number of initiatives. Founded in March 2011, Lehigh Valley Tech is a group of designers, developers, engineers, entrepreneurs, investors, technologists, and enthusiasts dedicated to promoting technology and entrepreneurship in the Lehigh Valley. Through its grassroot efforts, Lehigh Valley Tech aims to help transform the regional economy into a vibrant, self-sustaining entrepreneurial ecosystem that creates jobs for the Lehigh Valley and surrounding regions.

The organization holds its monthly Tech Meetups at Ben Franklin TechVentures. Ben Franklin TechVentures’ Innovation Institute was the venue for Lehigh Valley StartUp Weekend in 2012 and 2013. StartUp Weekend is a 54-hour, hands-on experience in which entrepreneurs gather and review business ideas to determine if they are viable. The Lehigh Valley events both spanned a weekend and attracted more than 100 participants, coaches, and organizers. The Lehigh Valley’s premier hackathon, called Lehigh Valley HACK 2012, was also presented by Lehigh Valley Tech at Ben Franklin TechVentures. The event was a weekend-long session of technology brainstorming, hackathons are held regularly throughout the world, particularly in the technologically dense Silicon Valley, Calif. More than 70 people attended the hackathon at TechVentures.
ON TUESDAY, MAY 7, 2013, Ben Franklin hosted its annual iXchange at the Zoellner Arts Center on the campus of Lehigh University in Bethlehem. More than 500 technology entrepreneurs, businesspeople, venture capitalists, economic developers, political leaders, and regional influencers from Ben Franklin’s 24-county service area attended.

The iXchange combined the presentation of Ben Franklin’s 19th annual Innovation Awards and executive networking sessions with a keynote address by Todd Buchholz. In this presentation, “Competing in a Chaotic Economy,” Buchholz addressed why we need competition to keep us going and going strong. Weaving from everything from neuroeconomics to evolutionary biology to renaissance art to General Motors, Buchholz said that the race to compete has not only made us stronger and smarter, it’s what we love and need. He explained why laid-back firms get entangled in their own red tape and why contented CEOs end up driving their companies to bankruptcy court. He argued that the race to compete has not only made us smarter and stronger, it’s also made us more creative and competitive. Buchholz is an international economist, former White House senior economic advisor, Tiger Hedge Fund manager, former Harvard lecturer, and frequent TV and radio commentator. He has written several best-selling books on the economy, including New Ideas from Dead Economists, New Ideas from Dead CEOs, and Market Shock. The 2013 Ben Franklin Technology Partners of Northeastern Pennsylvania Innovation Awards were presented.

ENTREPRENEURIAL ACHIEVEMENT

The company that best exemplifies the quintessential entrepreneurial spirit: a combination of ingenuity, hard work, and innovation that has resulted in the creation of a successful and growing business venture.

CyOptics, Inc.
Ed J. Coringrato, Jr., Chief Executive Officer

The early- to mid-2000s were filled with uncertainty in the telecom optoelectronics sector. CyOptics not only survived this difficult time; it thrived by building intellectual property and market share. In addition to developing its own technology and products, the company made key acquisitions that helped it to become a global leader in its sector. CyOptics manufactures indium phosphide-based optical components that enable applications in the fiber, cable, data center, and long haul/metro networking segments of the communications network, as well as in defense and aerospace, high-performance computing, and security sectors. CyOptics is one of the few companies in the optoelectronics component industry with vertically integrated technology and manufacturing platforms that span from device fabrication to proprietary, highly automated assembly and test facilities.

Thanks to astute leadership and outstanding execution, CyOptics has grown rapidly and expanded its client base to more than 180 customers worldwide, including many of the nation’s largest fiber optic-based bandwidth carriers. Despite a recessionary economy, the company achieved a compound annual sales growth rate of 34% from 2005 to 2012. In early 2005, 86 people worked at CyOptics in the Lehigh Valley. Today, the company employs more than 330 regionally and 837 worldwide.

In 2005 to 2012. In early 2005, 86 people worked at CyOptics in the Lehigh Valley. Today, the company employs more than 330 regionally and 837 worldwide.

Industry leader Avago Technologies (NASDAQ: AVGO), a leading analog semiconductor manufacturer with $2.4 billion in sales, purchased CyOptics for $400 million in July 2013. This sale was the largest acquisition in the optical components industry since 2001 and represents great opportunities for the local operations.

INCUBATOR GRADUATE

The company that has best demonstrated successful Ben Franklin business incubation. The business has been opened successfully and confidently, meeting all challenges from the development of the product concept, execution of the business and technical plan, successful start-up and operation, to graduation from the incubator.

Computer Aid, Inc.
Anthony J. Salvaggio, President

From its start in the early 1980s, Computer Aid, Inc. (CAI) has focused on building a business that provides dramatically improved productivity for the information technology software sector. For most of its life, CAI has been a worldwide leader in IT metrics, processes, and productivity. That capability typically provides CAI’s clients with a 30% cost reduction and improved quality and capability.

CAI now manages active engagements with Fortune 1000 companies and is a trusted partner of these clients. In addition to its U.S. headquarters, CAI also has offices in the Philippines, India, Australia, England, and Brazil. Starting with just two employees at its inception, Computer Aid today has more than 4,000 full-time associates.
PRODUCT INNOVATION

The company that best demonstrates the commercialization of a unique, innovative product that creatively and effectively meets a market need.

Micro Interventional Devices, graduate of Ben Franklin TechVentures, now headquartered in Langhorne, Michael Whitman, President and Chief Executive Officer

Beginning at Ben Franklin TechVentures in 2010, Micro Interventional Devices has developed a new, minimally invasive product for surgeons and cardiologists to use in life-saving and life-extending structural heart valve repair and replacement procedures. The company’s Permaseal™ closure device is a disruptive technology that will enable crucial procedures to be conducted through a small incision between the ribs as opposed to open heart surgery. Before the product, only 10% of patients in need of aortic valve repair were considered candidates for the high-risk procedure. Permaseal will reduce operating room time, abate blood loss, and simplify complex structural heart repair procedures, addressing critical unmet needs in structural heart repair.

Permaseal is particularly appropriate for the increasingly popular Transcatheter Aortic Valve Implantation (TAVI) procedure. Company leaders have attracted substantial follow-on funding that complements Ben Franklin’s $450,000 investment. Micro Interventional expanded to its own manufacturing facility in Langhorne in early 2013 and will continue its clinical trials in Europe. It is estimated that the global trans-septal closure device market will exceed $400 million by 2015.

MANUFACTURING ACHIEVEMENT

The company that best exemplifies achievement in the manufacturing arena, showing a proven track record of success and an unbending commitment to achieving and maintaining excellence in manufacturing.

East Penn Manufacturing Co., Lyon Station, Robert P. Flicker, Executive Vice President and Chief Operating Officer

East Penn Manufacturing has been producing and recycling lead-acid batteries for a wide variety of markets for more than 67 years. The company is a very significant regional employer that has worked with Ben Franklin repeatedly since 1987, partnering with Lehigh University and the Enterprise Systems Partners, the Penn College of Technology’s Plastics Innovation and Resource Center, and Northampton Community College’s Emerging Technology Applications Center. These connections assisted East Penn in implementing innovations that increase efficiencies, reduce costs, and enhance profitability. East Penn’s most recent work focused on developing a special process for the company’s new UltraBattery®. This advanced battery is being used in Smart Grid projects with or without renewable energy, such as wind turbines and solar power, as well as in hybrid electric vehicles, thereby enabling these alternative energy solutions. East Penn recently increased battery manufacturing capacity and created jobs with an expansion of its Lyon Station-based manufacturing campus. East Penn currently employs more than 6,500 people in the Greater Reading area, and its growth has consistently exceeded average industry norms.

PARTNERSHIP

An individual whose strong vision, dedication, and commitment have helped the Ben Franklin Technology Partners accomplish its goals. This support demonstrates a sincere desire to see the region thrive.

Edward Thompson, CPA

Consultant, Clarks Summit

As a seasoned finance and accounting advisor to a number of Ben Franklin’s early-stage clients, Ed Thompson is enormously helpful, supportive, and proficient. Many start-ups experience the exhaustion of their initial capital investments, revenues that are not ramping up as quickly as planned, and panic setting in. Thompson enters with analysis and advice, helping young firms successfully navigate their typically difficult cash flow challenges.

Thompson rapidly and effectively collects data, enhances financial reporting structures, and analyzes a client’s fiscal position. Then he presents the facts, along with short- and long-term solutions, in a clear manner without alienating the company’s management team. Addressing crucial activities from managing cash flow, to restructuring debt, to serving as part-time CFO, Thompson rolls up his sleeves to help companies at their most vulnerable times. His consulting work has saved companies that, together, have created numerous sustainable technology-based jobs throughout the region.

I XCHANGE

30-year-old BFTP/NEP alumnus Computer Aid employs more than 4,000. Among the first clients in BFTP/NEP’s original business incubator, Computer Aid today is a global IT services firm that is managing active engagements with more than 100 Fortune 1000 companies and government agencies around the world.
BEN FRANKLIN VENTURE IDOL


It was like a cross between Shark Tank® and American Idol®, but with entrepreneurs and investors instead of vocalists and celebrities. Ben Franklin Venture Idol 2013 was the first “in-person” crowdfunding event ever to be presented in northeastern Pennsylvania.

Approximately 225 guests attended the sold-out event, which was held on Thursday, Nov. 21 at the Innovation Institute in Ben Franklin TechVentures. Ten company candidates were identified as Ben Franklin Venture Idol competitors, including Bisan Analytics, LLC; Cerona Inc.; Vender Check; ProMix; Impact! Mag Decisions, LLC; Otsdewer Sourcing LLC; Pivitec, LLC.; PROWA Systems and Technologies, Inc.; and Staff, LLC.

After an executive networking session, the evening event began with a keynote address on crowdfunding by Brian Meece, CEO of RocketHub.com. Three company finalists pitched their ventures to investors and the audience: Cerona, Inc.; Vender Check; and Pivitec, LLC.

Following short critiques from a panel of investors, the audience members “funded” the companies, crowdfunding style. With $100 of “Ben Bucks,” each guest distributed his or her “investment dollars” in whole or part among the three finalists. Ben Franklin awarded $15,000 in real dollars to the companies based on the “crowdfunded” audience vote.

Pivitec, LLC, Bethlehem, won the largest investment at Ben Franklin Venture Idol. Pivitec develops and markets leading-edge, networked audio streaming and distribution products. Wired systems currently in use require extensive cabling, limiting performers’ movements, and have limited audio source reception. Pivitec uses wireless mobile devices as interactive controllers for its network devices to address problems in live professional audio productions. Pivitec is a resident company in Ben Franklin TechVentures.

Ben Franklin Venture Idol demonstrates a significant way in which early-stage entrepreneurs seek and obtain seed capital. The evening’s investor panelists were Glen Bressner, Originate Ventures; Paul Martino, Bullpen Capital; and Brett Topchi, MentorTech Ventures. Chad Paul, Ben Franklin Technology Partners President and CEO, hosted and Fred Beste, CEO of the General Partners, Mid-Atlantic Venture Funds and Ben Franklin Technology Partners Board Chairman, was the emcee.

The Ben Franklin Technology Partners of Northeastern Pennsylvania survey its client companies on the economic impacts that are accomplished as a direct result of its investments. These figures are reported to the Pennsylvania Department of Community and Economic Development and are used to evaluate Ben Franklin’s effectiveness. BFTP NEP has achieved the following results:

RESULTS/FINANCIALS

BEN FRANKLIN NE PA ECONOMIC IMPACT

Financial Information

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<th>Fiscal Year</th>
<th>Cumulative</th>
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<td>2012</td>
<td>341</td>
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<tr>
<td>2013</td>
<td>186</td>
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<td>2014</td>
<td>13</td>
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<tr>
<td>2015</td>
<td>62</td>
</tr>
<tr>
<td>2016</td>
<td>282</td>
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New jobs created

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<thead>
<tr>
<th>Fiscal Year</th>
<th>Cumulative</th>
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<td>2012</td>
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<tr>
<td>2013</td>
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</tr>
<tr>
<td>2014</td>
<td>1,189</td>
</tr>
<tr>
<td>2015</td>
<td>1,578</td>
</tr>
</tbody>
</table>

New companies started

2012: 341
2013: 186
2014: 13
2015: 62
2016: 282

New products and processes developed

2012: 15,820
2013: 21,645
2014: 1,189
2015: 1,578

Companies assisted

2012: 341
2013: 186
2014: 13
2015: 62
2016: 282

Since 2007

$0.2 Million
$0.2 Million
$0.2 Million
$0.2 Million
$0.2 Million

$5.4 Million Total Sources

$1.7 Million AEDP Grant

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