
rev1ventures
2014 Annual Report

2014 WAS AN AMAZING YEAR

for Rev1 Ventures and an exciting time to be part of the Central Ohio entrepreneurial community.

The year was about connectivity and collaboration. One of our portfolio clients said it best, "If it takes a village to raise a child, it certainly takes a community to start a business."

Rev1 Ventures has been a catalyst, connecting entrepreneurs to the expertise and capital that they need to succeed. In 2014, we completed the build-out of our team. We announced a rebrand that reflects our dedication, as a fast-paced venture development organization, to a laser-like focus on startup success. We launched a series of new investment funds totaling $22MM.

From the Ohio Third Frontier, to the outstanding corporations and service providers headquartered here, to our remarkable research institutions, this region has rallied around entrepreneurs in uniquely meaningful ways. It's unprecedented in the region and even in the country, and so unique that we've coined a special name. We call it the "backyard effect."

Thanks to Central Ohio for creating this backyard effect between corporations, service professionals, and research institutions, and the outstanding entrepreneurs of this region as together we build successful new companies.

This annual report reflects the accomplishments, not of a single organization, but of a community that is dedicated to accelerating innovative new businesses.



TOM WALKER
President & CEO



HARRY HALLOWELL
SVP, Chief Investment Officer
Nationwide Insurance
Chairman of the Board, Rev1 Ventures



Our Mission: Helping entrepreneurs build great companies

2014 Startup Impact

$187 MILLION CAPITAL
ATTRACTED TO THE REGION
191% increase over 2013

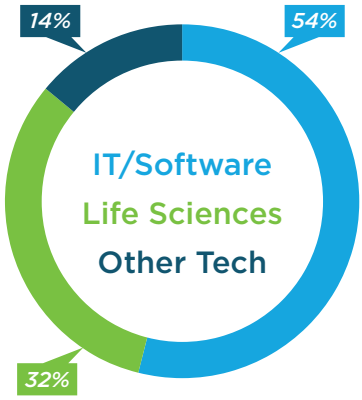
$156 MILLION REVENUE
GENERATED BY PORTFOLIO COMPANIES
33% increase over 2013

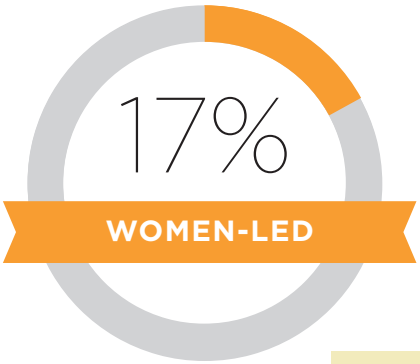
$109 MILLION FOLLOW-ON
FUNDING SECURED BY PORTFOLIO COMPANIES
157% increase over 2013

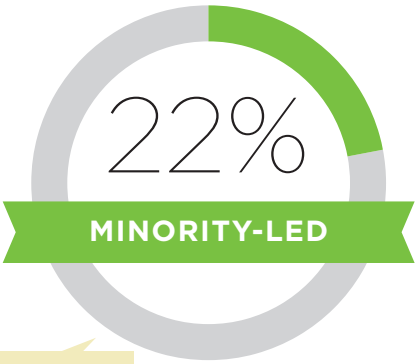
169 COMPANIES ASSISTED WITH FUNDING OR BUSINESS SERVICES

1,004 JOBS CREATED AND RETAINED WITH REV1 ASSISTANCE

Innovation Mix







4X the national average



Building great companies starts with **products people want.**

Traditional wisdom says: Entrepreneurship begins with a great idea, and funding leads to customers. We say it's the opposite—customers come first. That's why our process starts with an approach that requires validating markets before anything else.

CONCEPT ACADEMY

Startup success begins here. Launched in mid-2014, Concept Academy is an intensive, three-day program that provides simple and powerful tools to interact with customers and achieve market validation.

More at bit.ly/rev1ca

PROFESSIONAL ADVISORS

Startups who achieve success in Concept Academy are paired with a Rev1 Advisor on our team—all of whom have built, sold, or invested in high-growth firms—to work hand-in-hand to build working prototypes and secure first customers.

Concept Academy Year 1 Results

146
COMPANIES GUIDED THROUGH
PRODUCT VALIDATION

30%
BECAME REV1
STARTUP CLIENTS

$4.8 MILLION
RAISED
BY CONCEPT ACADEMY
GRADUATES







What if...

real estate agents could leverage Facebook to better promote their listings?

SocialMLS

Real estate agents can promote their listings on Facebook a thousand different ways. **SocialMLS** completely automates the listing process and connects the home seller's Facebook network to drive neighbors, friends, and family (and their networks) to the agent's listings online.

Founder Chris Sauerzopf had already taken a run at launching SocialMLS when he signed up for Concept Academy. He had correctly identified his target market and their problems, but his plan wasn't fully aligned with the needs of the customers he hoped to serve.

"As an entrepreneur, it becomes easy to operate inside a vacuum. To have Concept Academy help me create solutions for my potential target users—for them and not for me—was incredibly beneficial. With Concept Academy, I saved time and energy identifying what my audience was really looking for instead of developing concepts for me and not for my client."

CHRIS SAUERZOPF
Founder, SocialMLS



REV1 LABS

There's no better place than our internationally ranked facility to fuel early success. This unique space gives our more than 40 startups daily access to venture advisors and professional industry experts. Being a resident speeds both product iteration and time to funding. In 2014, residents raised $1.07MM on average, 2.7 times that of non-resident firms.

REV1 LABS RANKED #3 IN THE WORLD

More at bit.ly/rev1labs

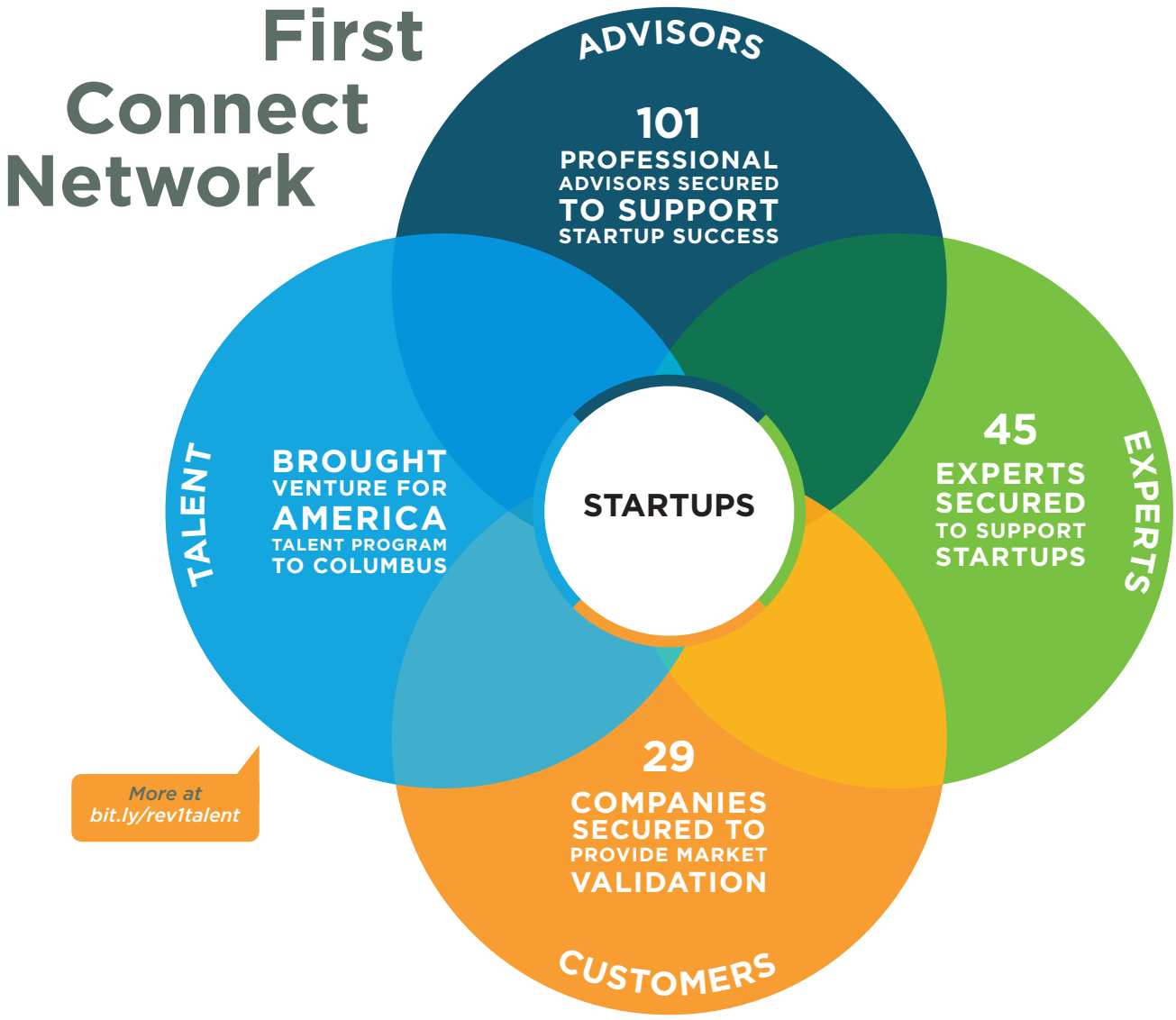


"We are working with entrepreneurs who are so effective at market validation that customers have signed up and written checks before the prototype is built."

WAYNE EMBREE
EVP, Investments & Venture Acceleration
Rev1 Ventures

The **right connections at the right time** solve critical startup challenges.

That's why in 2014 we launched a powerful program to harness the assets in our own backyard. We call it First Connect and it helps startups secure expertise in these four critical areas: strategic advisors, industry experts, customers, and talent acquisition. In 2014, we rolled out Advisors, Experts, and Customers, and designed Talent to be rolled out in 2015. Seventy-five percent of our startup clients leveraged the network in its first year.



ADVISORS

Startups with strategic advisors are more successful. We've gathered more than 100 of the most experienced advisors who worked directly with Rev1 startup clients to provide more than 520 hours of service.

CUSTOMERS

Startups need customers to succeed. Through First Connect we secured access to these world-class companies—eight of which became customers to Rev1 clients in 2014.

AT&T
AWH
Battelle
BioOhio
Cardinal Health
CareWorks
Central Ohio Primary Care
City of Westerville
Clutch Interactive
Columbus Metropolitan Library
Donatos
Grange Insurance
GSW/inVentiv Health
Lawrence Evans and Associates
M/I Homes
MindsOn
Motorists Insurance
Mt. Carmel
St. Anne's Hospital
Nationwide Children's
Nationwide Insurance
NCT Ventures
OhioHealth
Orthopedic One
OSU James
OSU Wexner
Safelite
State Auto
Worthington Industries

EXPERTS

Hand-picked industry experts provided our clients with more than $775,000 in services in 2014, helping them tackle their needs in legal, accounting, HR, and more.

Advisory and Consulting Services
AWH
Bailey Cavalieri
Barnes & Thornburg
Base Two
BDO
Blue Sky
Brand Stamp
Bricker & Eckler
Buckeye Interactive
Calfee, Halter & Griswold
Carlile Patchen and Murphy
Chepri
Dickinson Wright
GBQ
Hennis, Rothstein & Ellis
Highbar Agency
HW&Co
Ice Miller
John Gerlach & Company
Kegler Brown Hill & Ritter
Paytime
Porter Wright Morris & Arthur
Prototype1
QStart Labs
Rave
Redwood Innovation Partners
Schiffman | Grow & Co.
Sequent
Sway the Crowd
Taft Stettinius & Hollister
Taivara
TestDouble
The Floriss Group
Thompson Hine
UpSourced Accounting
VisionSpark
We Create Goodness
ZoCo Design

What if...

TV advertisers could use data to know exactly where to advertise on television?

Clarivoy

As a part of our First Connect program, **Clarivoy** was introduced to M/I Homes, a national leader in the new home building industry. After Clarivoy helped optimize their TV advertising, M/I Homes saw a 189 percent increase in website visits attributable to TV.

"The access that Rev1 was able to provide was huge. They had already built this network of people that they knew they could call on. Now we can get to work and focus on growing the business."

STEVE WHITE
Founder & CEO, Clarivoy

More at bit.ly/rev1clarivoy



Rev1 Ventures became one of the **most active seed funds** in the Midwest.

In 2014, Rev1 invested in 18 companies, making our seed fund one of the most active in the Midwest. With $44MM under management, we offer startups a continuum of capital.

18 COMPANIES RECEIVED A COMBINED **$4 MILLION** IN INVESTMENTS FROM REV1

$109 MILLION IN FOLLOW-ON FUNDING SECURED BY PORTFOLIO COMPANIES

20 COMPANIES RAISED MORE THAN **$1 MILLION** IN FUNDING

Here are some of the companies that received investment from Rev1 in 2014.

Ambassador Software Works

Aware Ability — For the self powered future

CAPTURE EDUCATION

clarivoy

CoupSmart — Promotions. Data. Loyalty.

EduSourced

global trade matrix

milo BIOTECHNOLOGY

prevedére

Print Syndicate

ProteoSense

SafeWHITE — BRIGHTER SMILES. NATURALLY.

Simple-Fill

TicketFire

T-Pro Solutions — Optimizing Promotion Return

What if...

a company based on self-expression, art, and pop culture could attract $4.25MM in venture capital?

Print Syndicate

Print Syndicate is a Columbus-based design, marketing, and technology company that offers consumers unique, well-designed products based on the latest topics and trends. Think cool t-shirts with a heavy dose of humor.

From 2012 to 2014, Print Syndicate had to bootstrap operations. Three years, 100 employees, and $12MM in revenue later, the company closed a $4.25MM Series A round led by Data Point Capital in Boston. We co-invested in that round with others, including investors from DC and Las Vegas with connections to ecommerce stars Zappos and Groupon.

In 2015, Print Syndicate was named to Forbes list of America's Most Promising Companies, which features one-hundred privately held, high-growth US firms. The company also won our inaugural 2014 VentureNEXT Startup Award.

TANISHA ROBINSON
Co-Owner
Print Syndicate



The Power of Angels

Angel investors are North America's most prolific early stage investment class. They support up to 90 percent of outside equity raised by startups. And here at Rev1, we can connect our startups with more than 200 angel investors, through our affiliation with **Ohio TechAngels** and **X Squared Angels.**

More at bit.ly/rev1angels

Last year Rev1 sponsored the Angel Capital Association's annual leadership workshop drawing 200+ angel leaders to Columbus.



Funding spinout technologies from our **world-class innovation partners.**

Our innovation partnerships are unique and positively impacting commercialization in the region.

We work directly, day-to-day with our partners' technology transfer and commercialization teams. Together we identify innovative technologies, validate potential markets and customers, and form and fund viable spinout companies. In 2014, we announced a landmark $8MM of investment funds to fuel these spinouts and made three investments: Simple-Fill and ProteoSense—both from The Ohio State University, and Milo Biotechnology—from Nationwide Children's.

THE OHIO STATE UNIVERSITY

NATIONWIDE CHILDREN'S

OhioHealth

3 POWERFUL PARTNERS

$8 MILLION DEDICATED INVESTMENT FUNDS

25 POTENTIAL SPINOUTS CREATED FOR REVIEW IN 2015

What if...

there was a gene therapy that produced the first-ever treatment for an incurable disease?

Milo Biotechnology

A spinout of NATIONWIDE CHILDREN'S



There's no known cure for muscular dystrophy, but now with the help of **Milo Biotechnology** there is new hope for treatment.

Milo Biotechnology is delivering a promising new gene-based therapy treatment for muscular dystrophy and various other muscular disorders. After a Phase I/II clinical study was completed to establish the safety and effectiveness for the therapy, we joined forces with Nationwide Children's to help propel Milo Biotechnology into the next phase of testing.



What if...

you could harness a fuel that takes you farther for less?

Simple-Fill

A spinout of

The Ohio State University

Simple-Fill is developing a new technology that reliably and affordably compresses natural gas to fuel cars and trucks. The outcome may be a fuel that costs less than $2.00 per gallon.

In 2014, the company achieved several critical milestones. The most significant was successfully building and testing a full-scale gas compressor with a relatively modest increase in gas temperature. With this milestone, the company is moving into pilot testing with customers.

Simple-Fill received the first investment from the $1MM Technology Concept Fund, LLC, a fund made possible through joint investment by Ohio State and Ohio Third Frontier and managed by Rev1 Ventures.

Rev1 and Ohio State's Technology Commercialization Office are working proactively to identify additional investment opportunities from market-shifting companies like Simple-Fill.

"If it takes a village to raise a child, it certainly takes a community to start a business."

ROB UNDERHILL
CEO, Simple-Fill

ROB UNDERHILL
CEO, Simple-Fill



Connecting the broad **entrepreneurial community.**

In November we launched VentureNEXT, an annual event that gathers the region's top entrepreneurs, investors, economic developers, and community leaders together for a lively evening of connection and recognition.

VentureNEXT

Presented by Nationwide®

VentureNEXT celebrated the innovation ecosystem through successes of startups and partners. We also awarded scholarships to four students. Here are two of their stories.

Damian Beauchamp, an Ohio native, chooses chemistry, attends in-state schools, attracts early stage non-dilutive capital, and co-founds KAir Battery with Dr. Yiying Wu, revolutionizing energy technology. Damian was recognized with the 2014 VentureNEXT College Student Award.

Mariah Cox, a junior at Zane Trace High School in Chillicothe, OH, was also a winner of the 2014 VentureNEXT Student Award. This summer she'll be going to Hyderabad, India on the prestigious Borlaug-Ruan International Internship to work at The World Vegetable Center and conduct research.

These success stories highlight the amazing research, thinking, and vision that students across Ohio are already displaying—stories that we'd like to see happen over and over again.















SPEAKER SERIES

Connecting with Internationally Recognized Angel Investors and Entrepreneurs

Rev1 Ventures is a catalyst for connecting local entrepreneurs with several of the most recognized names in angel investing and entrepreneurship.

The Speaker Series is one more example of Rev1 making the right connections at the right time.

In 2014, our roster included:

BILL PAYNE

Angel investor, mentor, advisor, instructor, former CEO many times over, and recipient of the prestigious Hans Severiens Award, the highest honor in angel investing.

BILL BOTTS

Angel investor; president, CEO, director, and/or chair of more than 45 public and private companies, turnaround expert, advisor to startups and early stage companies.

BARRY MOLTZ

Angel investor, entrepreneur, author, and advisor to entrepreneurs, especially when they're stuck.



We couldn't have done it without the support of our **funding partners, board, and team.**



Funding Partners

AEP

Ashland

AT&T

AWH

Battelle

Bricker & Eckler

Calfee, Halter & Griswold

Cardinal Health

Central Ohio Technical College

City of Columbus

City of Dublin

City of Grove City

City of New Albany

City of Upper Arlington

City of Westerville

Columbus 2020

Columbus Partnership

Columbus State Community College

Delaware County Bank

Diamond Hill

Fifth Third Bank

Franklin County

Huntington Bank

Ice Miller

Information Control Corporation

JP Morgan Chase

Kegler Brown Hill & Ritter

L Brands

Motorists Insurance

Nationwide Insurance

Nationwide Children's Research Institute

Ohio Third Frontier

OhioHealth

Otterbein University

Porter Wright Morris & Arthur

Safelite

Sophisticated Systems, Inc.

Stonehenge Partners

The Columbus Foundation

The Dispatch Media Group

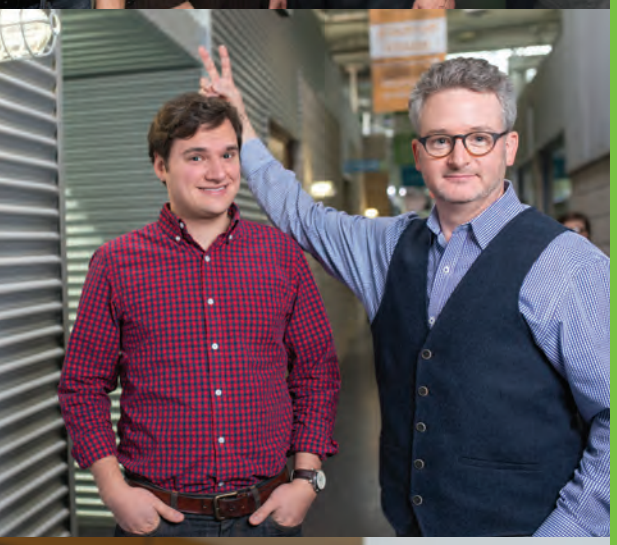
The Ohio State University

Thompson Hine

Tim Hortons

Vorys, Sater, Seymour & Pease









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The Ohio State University
SVP, CFO

Jon Eesley
Windsor Advisory Group
Principal

Harry Hallowell – Chairman of the Board
Nationwide Insurance
SVP, Chief Investment Officer

David Meuse
Stonehenge Partners
Principal

Susan Rector
Ice Miller
Partner

Timothy Robinson
Nationwide Children's Hospital
EVP, Chief Financial
& Administrative Officer

Andy Rose
Worthington Industries
Executive Vice President & CFO

Mark Shary – Treasurer
Updox
Entrepreneur

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Pam Springer
SpringerNav
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Venture Analyst

Tom Walker
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Rev1 Ventures helps entrepreneurs build great companies. With the capital of a VC and the connections of an accelerator, Rev1 supports startups through the first phases of growth to increase their probability of success. Rev1 manages a continuum of investment funds made possible by the participation of Ohio Third Frontier and other strategic partners. Rev1 collects data based on industry best practices which involves portfolio company reported data twice per year, third-party resources and internal information for the figures used throughout this report. For more information, visit rev1ventures.com.

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Innovation Creating Opportunity