MOVING TOWARD 80|80

We love Hawaii. And like many of you, we at HTDC are passionate about improving the quality of life for those who live, work and play in our state. In this annual report, our team has mapped out the programs and progress on our way to a significant positive change for the state: the increase in our technology and innovation economy through creating 80,000 new jobs earning $80,000 or more by 2030.

The team at HTDC is working hard every day, motivated and driven by their goal to bring our talented kama'aina home for a career in the tech industry.

On behalf of the Board of Directors, I would like to thank the many partners and team members who share in our effort to diversify our economy through innovation, and whom we work alongside in the effort to achieve this much-needed new direction for Hawaii.

Race Randle Chair, HTDC Board of Directors

It has been a year since HTDC launched its 80|80 Initiative. We have received an overwhelming amount of support from both public officials and the private sector for our three new funding programs; a new neighbor island business mentor program and a new innovation manager. We are seeing the momentum build, and we look forward to achieving even more in 2016.

This past year we planted the seeds for our future through new partnerships, and supported events that strengthened our community and raised the bar on talent. It is an exciting time for the technology industry and for our innovation economy and rewarding for us at HTDC to let kama'aina know they can find good jobs here at home.

Robbie Melton Executive Director & CEO

POWERING THE INNOVATION ECONOMY

80,000 NEW TECH AND INNOVATION JOBS EARNING $80,000 OR MORE BY 2030

Supporting these core components will fuel our momentum toward reaching 80|80 by 2030.
HTDC is focused on driving momentum in building the base on which a thriving innovation economy will stand through development of new infrastructure projects.

**INFRASTRUCTURE**

**ENTREPRENEUR SANDBOX**
With the Environmental Impact Study complete, the Sandbox is the first innovation community center where people can learn tech and creative skills, and start innovative companies.

**BROADBAND**
Governor Ige signs Act 143 (S.B. 892) providing $25 million in funding to DBEDT to develop broadband cable landing site.

**RENEWABLE ENERGY**
HTDC Hawaii Center for Advanced Transportation Technologies (HCATT) received $20 million in federal funding to support hydrogen and 100% renewable energy micro grid projects.

**GERIATRIC RESEARCH TECH PARK**
The Pacific Technology Institute for Aging business study process began December 1, 2015. This facility will house companies developing new products to help our aging population.
In 2015, HTDC received funding to support three new programs that will provide capital to Hawaii companies that will advance their products into the market faster and create high-paying jobs.

**HSBIR**
*Hawaii Small Business Innovation Research*
50% UP TO $500K
For companies with phase II & III federal Small Business Innovation Research Grants

**HONR**
*Hawaii Office of Naval Research Alternative Energy*
50% UP TO $500K
For companies contracted with the U.S. Office of Naval Research for alternative energy projects

**MAP**
*Manufacturing Assistance Program*
20% UP TO $100K
For manufacturers to purchase equipment, train employees, become more energy efficient
TALENT

The INNOVATE Hawaii program works with UH Community Colleges and other organizations to develop relevant training programs for manufacturers to compete globally. HTDC drives professional development for the technology industry by hosting and supporting programs and events. These events bring people together to create new products and empower talent to pursue STEM careers.

INNOVATION MANAGER
HTDC hired an Innovation Manager to boost the growth and success rate of its incubator clients who will graduate and make a contribution to the economy.

ADVANCED MANUFACTURING CONFERENCE
Hosted the first Advanced Manufacturing Conference, with national speakers from Boeing, Rockwell International, Stratasys, Oakridge National Labs, and more.

FASHION
INNOVATE Hawaii partnered with DBEDT to create the Creative Labs Fashion Immersive Program and participated in Honolulu Fashion Week.

HOLIDAY TECH JOB FAIR
Hosted the Holiday Tech Job Fair. 30 companies exhibited with 60-70 tech jobs openings. Residents and those who are home for the holidays find opportunities.

WETWARE WEDNESDAY (WWW)
In its fourth anniversary, hosted 12 networking events with 2,000 attendees. This connects innovators, entrepreneurs, and employers to create new opportunities.

SPONSORED
Reboot the Commute Traffic Hackathon, DevLeague Uber Hackathon, and 3 Startup Weekends.
INNOVATION PROGRAMS

HTDC programs provide innovators with support they need at each stage of early development, moving them forward in the journey toward success.

**HTDC**

- **26 INCUBATOR TENANTS**
- **23 VIRTUAL CLIENTS**
- **8 GRADUATES**

HTDC provides low-cost facilities, mentoring and entrepreneurial education to technology startups.

**mic mrtc**

**hawaii sbir**

- **14 AWARDS**
- **$520,000 MATCHING FUNDS**
- **$1.3 MILLION**

HSBIR program provides matching funds to companies that receive federal Small Business Innovation Research Grants phase 1 awards.

**innovate hawaii**

- **38 MANUFACTURING CLIENTS**
- **$156,000**
  - Technical assistance projects
- **$110,000**
  - Generated in program revenue

This national program helps Hawaii manufacturers with technical assistance, manufacturing operations and product expansion.

**hcatt**

- **$20 MILLION**
  - In Air Force Research Lab funding to support hydrogen fuel technology projects
- **100%**
  - Renewable energy micro grid demonstration project

In federal SBIR phase I awards

**MATCHING FUNDS**
### 2015 Progress

<table>
<thead>
<tr>
<th>Capital</th>
<th>$21 Million in Federal SBIR Funding</th>
<th>$16.5 Million in Investment</th>
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<tbody>
<tr>
<td>Infrastructure</td>
<td>$20 Million</td>
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**2 Incubators**

- 46 Companies
- 14 New Tenants
- 9 New Virtual
- 8 Companies Graduated

**Return on Investment**

For every state dollar invested, HTDC generates an additional $8 in funding.

### Accelerating Success

**Sponsored Events**

- **21 Events**
- **50,965 Attendees**

**Program Success (2014)**

- **$124.3M Total Revenue (2014)**
- **$213.7M Total Economic Impact**
- **$66.8M Income Generated**
- **$11.1M State Taxes Generated**
- **832 Employees**

**Innovate Hawaii**

- **25 Clients**
- **$8.8M Internal Investment**
- **$22M Revenue**
- **38 New Employees**
- **52 Jobs Saved**

**HTDC Clients**

- 93
- 832 Employees

**Sponsored Events By HTDC**

- **21 Events**
- **50,965 Attendees**
MAKING HEADWAY

HAWAII SBIR MATCHING GRANT PROGRAM
10 COMPANIES (14 projects) received matching grants
$1.3 MILLION total federal SBIR awards
4 NEW COMPANIES
3 SBIR WORKSHOPS (2 Honolulu, 1 Kona)
Hosted 14th biennium Hawaii SBIR Conference, 8 SBIR Managers,
125 attendees

MANUFACTURING ASSISTANCE PROGRAM
This new matching grant program for manufacturing was passed into
law July 1, 2015. As of this publication, HTDC just received approval
to hold the public hearing before the rules can be approved by the
governor. The public hearing is scheduled for January 5, 2016. There
are no metrics to report at this time.

HAWAII SOFTWARE SERVICE CENTER
Hawaii Software Service Center ceased operations due to budget cuts,
therefore there is no report.

HTDC is an attached agency of the Department of Business, Economic
Development & Tourism.

These reports were prepared in accordance with Hawaii 206M 3.5HRS and
206M 3.5HRS Act 215 (2015), SB1001, SD2, HD1, CD1.
The annual report required by each of these statutes have been combined
into this single, comprehensive report.

The 80/80 initiative allows us to build a strong foundation for tech and innovation in our economy, which is critical to boost Hawaii’s reputation as a place to do business.

Luis P. Salaveria, Director
State of Hawaii, Department of Business, Economic Development & Tourism

I had the opportunity to work anywhere, but I chose to stay here with a startup and be a part of building a tech community.

Edward Kim
Senior Software Engineer, Slickage Studios

I am ecstatic to be advancing the frontiers of Artificial Intelligence with a brilliant team at home in Hawaii.

Jeffrey Watumull
Senior Scientist, PhD Oceanit Labs
BOARD OF DIRECTORS

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Director, Development
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(term expired 6/30/15)

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Luis P. Salaveria
Ex-Officio
Director
Department of Business Economic Development & Tourism

Wesley K. Machida
Ex-Officio
Director
Department of Budget & Finance

STAFF

EXECUTIVE DIRECTOR'S OFFICE
Robbie Melton
Executive Director & CEO

Yvonne Harue
Executive Secretary

TECH BASED ECONOMIC DEVELOPMENT
Len Higashi
Senior Economic Development Manager

Thelma Alane
Innovation Program Manager

Cindy Matsuki
Economic Development Specialist

HAWAII CENTER FOR ADVANCED TRANSPORTATION TECHNOLOGIES
Stan Osserman
Director

Rachel James
Project Manager

Kristy Carpio
Contracts Administrator

Christine Tanuvasa
Secretary

INNOVATE HAWAII
Wayne Inouye
MEP Center Director

Mark Ausbeck
Senior Project Manager

Wayne Layugan
Project Engineer

Sandy Park
Program Specialist/SBIR

Erin Furuichi
Program Coordinator

ADMINISTRATION & OPERATION
Steve Sakuda
Controller

Sandi Kanemori
Contracts & Grants Manager

Kevin Chak
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