

**Western New York Economic Development Fund
Recommendation Memo**

Recommended Award: Exhibit "A"

Applicant Name:	Launch NY	REDC Region:	Western New York
Project Type:	Innovation/Entrepreneur Development	County:	Erie & Niagara
Industry:	Several – Health/Life Sciences, high tech industries, Manufacturing, etc.	Locality:	Buffalo
Amount Requested:	\$5,418,000	Start Date:	June 2013
		Finish Date:	May 2014
RECOMMENDED OFFER			
Recommended Total Award:		\$5,418,000	
Total Project Cost:		\$7,693,513	
% of Project Cost Recommended:		69%	
REGIONAL IMPACT MEASUREMENTS			
Number of Jobs Retained:			
Number of Jobs Created:			
Average Salary of Jobs:		TBD	
Indirect Jobs Created		Over 1,000 (from business plan winners)	
Other Impact		1,000 business plan applicants in first year exposed to the Buffalo Niagara region	
PROJECT DESCRIPTION			
<p>Launch NY will create the most ambitious business plan competition (\$5M in awards) in the nation to attract entrepreneurs with new technology and products to locate their start up in the Buffalo Niagara Region. Launch will target life science, advanced manufacturing, high technology and MWBE participation in the plan competition. Launch will facilitate successful growth of new businesses and attraction of entrepreneurs with support of Entrepreneurs in Residence (management talent), incubation space and capital resulting in significant and sustainable job growth as well as an improved entrepreneur climate in the Region. The Business Plan Competition will be marketed broadly outside New York State to garner help in improving Buffalo Niagara’s image as a great place to start a business.</p> <p>Business Plan competitions have a proven track record for assisting new businesses, and re-igniting regions. Two examples of success:</p> <ul style="list-style-type: none"> • The Rice Business Plan Competition: Starting in 2001, and billed as the “richest” with ~\$1million in prizes, the competition is aimed at students and has resulted in 199 business launched (average: half of total competitors, but rising as currently is 77%), 128 business successes (alive today or successful exit). Over \$460M in funding raised (majority in last 3 years). • Start2Grow, Dortmund Germany: a business plan competition that regularly attracts 700+ applicants. The business plan competition commenced in 2000, has over 600 mentors, and has been responsible for over 700 companies and almost 4,000 jobs 			

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OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED FOR THIS PROJECT	
SOURCE	AMOUNT
N/A	N/A
PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED	
SOURCE	AMOUNT
ESD	\$90,000
BASIS FOR RECOMMENDATION	
<p>This proposal has the potential to significantly change the entrepreneurial development environment in the Buffalo Niagara Region, enhance the Region’s image as a place where start-ups can succeed and directly assist 100’s of start-ups that can create upwards of 1,000 jobs. The Buffalo Niagara Region has long lacked meaningful support for entrepreneurs, including early stage financing, business development advisory services and other incubation support. At the same time, the Region has heavily invested in research while seeing little of that research translate into viable commercial enterprises in the Region. There are numerous examples of early stage technology companies that started in Buffalo Niagara, ultimately leaving the region to grow elsewhere where they could secure financing and management talent. The Launch NY organization and business plan project can significantly change that by offering incubation, management talent and advisement and early stage financing to new start-ups. In addition, because the business plan competition will be widely publicized, it is a great opportunity to promote the Region as one, open to and seeking entrepreneurs. The winners of the business plan competition are targeted on the key industries identified in the regional council plan (energy, agriculture, advanced manufacturing, health/life sciences, logistics, and financial services). It will also bring many visitors to the area and expose them to the wonderful attributes in the region as it attracts entrepreneurs to participate in the business plan competition from outside NYS, including Canada.</p>	