



htdc

INNOVATION STARTS HERE

MOVING TOWARD 80|80

CREATING 80,000 TECH & INNOVATION JOBS EARNING \$80,000 BY 2030



2015
ANNUAL REPORT

HIGH TECHNOLOGY DEVELOPMENT CORP

“THE STATE’S
80|80
INITIATIVE
LED BY HTDC
WILL HELP TO
DIVERSIFY
OUR LOCAL ECONOMY
AND CREATE HIGH QUALITY JOB
OPPORTUNITIES FOR
HAWAII
RESIDENTS”

David Y. Ige
GOVERNOR OF HAWAII

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.



INFRASTRUCTURE

HTDC is focused on driving momentum in building the base on which a thriving innovation economy will stand through development of new infrastructure projects.



BROADBAND

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



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.



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.

INFRASTRUCTURE



CAPITAL

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

CAPITAL



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.

TALENT

INNOVATION PROGRAMS

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

mic **mrtec**

26 INCUBATOR TENANTS
23 VIRTUAL CLIENTS
8 GRADUATES

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

hcatt

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

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.

hawaii sbir

14 AWARDS
\$520,000 MATCHING FUNDS
\$1.3 MILLION
In federal SBIR phase I awards

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



HIGH TECHNOLOGY
DEVELOPMENT CORP

2015 PROGRESS

RETURN ON INVESTMENT

8x

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

2 INCUBATORS

46

COMPANIES

14 NEW TENANTS

9 NEW VIRTUAL

8 COMPANIES GRADUATED

CAPITAL

\$21 MILLION

IN FEDERAL SBIR FUNDING

\$16.5 MILLION

IN INVESTMENT

INFRASTRUCTURE

\$20 MILLION

HCATT 6 YEAR AIR FORCE RESEARCH LABORATORY CONTRACT

ACCELERATING SUCCESS

SPONSORED EVENTS

21 EVENTS

SPONSORED BY HTDC

50,965

ATTENDEES

PROGRAM SUCCESS (2014)

93

HTDC CLIENTS

\$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

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
The Howard Hughes Corporation

Craig I. Nakanishi, Esq.

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(term expired 6/30/15)

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TECH BASED ECONOMIC DEVELOPMENT

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Thelma Alane

Innovation Program Manager

Cindy Matsuki

Economic Development Specialist

HAWAII CENTER FOR ADVANCED TRANSPORTATION TECHNOLOGIES

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Gail Yamasaki

Account Clerk



High Technology Development Corporation

Manoa Innovation Center 2800 Woodlawn Drive, Suite 100 Honolulu, Hawaii 96822

Telephone: (808) 539-3806 • Fax: (808) 539-3795 • info@htdc.org • www.htdc.org