



ANNUAL REPORT 2023





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A MESSAGE FROM

MTI's President



I am delighted to present the annual report of the Maine Technology Institute (MTI), Maine's unique public-private partnership whose core mission is to help diversify and grow Maine's economy by encouraging, promoting, stimulating, and supporting innovation and its transformation into new products, services, and companies.

This past fiscal year was an incredibly active one for MTI as we operated our core funding and assistance program in addition to continued deployment of additional funding from the state and federal government to help businesses recover from the adverse impacts associated with the global pandemic.

On June 30, MTI's fiscal year 2023 (FY23) ended and the preliminary data on our funding and impact was truly astounding. In our core funding program, MTI made 123 awards totaling \$7,778,940. The organizations receiving those awards matched MTI's funding with

\$42,803,897. For some context, in FY22, MTI made 120 awards for \$6.89 million, and in FY21, MTI made 123 awards for \$7.4 million.

In addition to our core funding, MTI was asked to help allocate millions more associated with the Maine Jobs & Recovery Plan (MJRP). The MJRP was funded by the federal American Rescue Plan Act (ARPA) and allocated nearly a billion dollars to support economic development, worker attraction and training, affordable housing, health and human services, and higher education, to name just a few.

Utilizing the MJRP/ARPA funding, in August 2022, we announced 174 awards totaling \$23.3 million in our Pandemic Recovery for and Innovative Maine Economy (PRIME) program. The PRIME program was designed to support innovation and, specifically, to help address revenue losses in Maine small businesses and high growth enterprises.



In December 2022, we announced \$14 million in Forestry Recovery Initiative II (FRI-2) awards to 19 companies. The Forest Recovery Initiative was created to provide funding to support economic recovery and development opportunities in the forest products industry. Phase one (FRI-1) was deployed in FY22, where MTI provided 224 awards totaling \$6.2 million to forest products businesses across Maine that were struggling to remain viable during the pandemic. Phase two (FRI-2) of the program was focused on improving market opportunities for Maine timber and promoting forward looking projects that would help advance the long-term stability of the forestry industry.

Also in December 2022, we announced \$5 million in funding through our PRIME Ecosystem program to 16 Maine entrepreneurial support organizations. The PRIME Ecosystem program was also the result of the MJRP/ARPA programs.

As I noted, FY23 was an extraordinarily busy year for the organization. In total, MTI deployed approximately \$50 million in state and federal funding to more than 330 businesses and organizations throughout Maine. An amazing

amount of output for our small team. Kudos to MTI's staff, contractors, volunteer subject matter experts, and Board of Directors for all their efforts!

I hope you enjoy this annual report detailing all of MTI efforts and associated impacts over the past year. We are incredibly honored to conduct this consequential technology-based economic development work on behalf of the State of Maine and its citizens.

Best,

Brian



Seed Funding

MTAF 2.5, Range 3, and PRIME (\$667,751 total)

54

new employees,
since 2019

900%

increase in monthly
revenue since 2020



MTI understands and supports us in the business ecosystem we function within, from spawn distribution to sourcing sawdust to Swedish autoclaves and HEPA filtration for sterile processes.”

Michael Kersula
Director of Operations,
North Spore LLC

North Spore

GROW FOOD FROM WOOD

Providing the Education and Equipment to Grow Sustainable and Nutritious Mushrooms

North Spore is on a mission to disrupt the food system by empowering people to grow and harvest their own edible and medicinal mushrooms. A year after their founding in 2014, North Spore looked to increase yields and scale its business by switching from a primarily straw-based process of mushroom cultivation to a pellet-based one. North Spore’s co-founder and CEO, Elish Thanhauser, who had heard about MTI in his ScaleUp program, approached MTI for help with its implementation and was successful; a seed funding program grant supported their first hardwood pellet processing equipment.

In March of 2020, the COVID-19 pandemic struck, which decreased fresh mushroom sales by 98 percent. North Spore’s pivot to an e-commerce company was under way, with an MTAf 2.5 grant funding an improved HEPA-filtered laboratory, vacuum-type autoclave, and custom ribbon blenders for enhanced grain processing.

In order to be successful within the growing market for mushroom cultivation, North Spore’s pivot to a 100 percent e-commerce company required a large, multi-year investment in new infrastructure. MTI helped North Spore invest in the infrastructure it needed to make a quick and sustainable pivot to e-commerce, as well as evolve their marketing team and hire a manager to improve the production equipment funded previously in 2015. Beyond monetary grants, MTI has helped North Spore continue to grow by providing mentorship to their leadership team.



3 SBIR Awards

Phase I/II NSF,
Phase I NIH \$1.7M

\$100k

in MTI awards

\$100k

in other awards

\$1.9m

in non-dilutive R&D
federal funding

UNAR Labs

ENABLING INFORMATION ACCESS
FOR EVERYONE

Changing lives of visually-impaired people
by enabling digital information access

UNAR (Universal Accessibility Research) was co-founded in 2017 by Dr. Hari Palani and Dr. Nicholas Giudice. UNAR empowers people with visual impairments by enabling access to digital information beyond sensory boundaries.

The co-founders of UNAR developed Midlinatm, an AI-powered software, to help visually impaired people access digital information. The software translates visual digital information – including images, data charts, and diagrams – into a multi-sensory format, so users can perceive them using audio, speech, touch, and kinesthetic feedback.

UNAR needed to invest in significant Research and Development (R&D) to see Midlinatm enter the market. UNAR collaborated with MTI's TAP (Technical Assistance Program) team to draft a strong proposal for Small Business Innovation Research (SBIR) funding. MTI's TAP team assisted in various ways, including market identification, commercialization plan development, and financial strategy.

With the help of MTI's TAP team, UNAR was awarded Phase I and II from the National Science Foundation (NSF) and a Phase I from the National Institutes of Health - National Eye Institute. This funding has helped UNAR better understand the needs of their market and develop a platform to meet those needs. Currently, UNAR is conducting human testing of the beta product and completing a field test at the end of Fall 2023. By early 2024, UNAR plans to launch a market-ready version of their platform.



The majority of accessibility challenges faced by blind folks are due to information loss, not vision loss" says Giudice, who is himself congenitally blind, "what we are developing at UNAR will go a long way to solving these challenges."

Dr. Nicholas Giudice

Founder and CEO
UNAR Labs



In July 2021, the Maine Legislature enacted the Maine Jobs & Recovery Plan, Governor Mills' proposal for allocating the more than \$1 billion in federal discretionary funding associated with the American Rescue Plan Act of 2021. The new law took effect on October 18, 2021.

The Maine Jobs & Recovery Plan included meaningful allocations to support innovation. It included consequential investments that help address revenue losses in Maine small businesses and high growth enterprises and will position those entities to retain and create jobs, grow revenues, and gain market share. Specifically, the Maine Jobs & Recovery Plan included the following funding related to innovation:



MTI will administer \$39.6M (\$25M in year one, and \$14.6M in year two) for “one-time funding to support and leverage private investments in research, development, and innovation in the state’s technology sectors. These funds, which must be matched by the recipient, will be awarded to Maine

organizations through a competitive process to help them increase revenue, create and preserve jobs, and grow market share.” This funding will be deployed in several phases to provide both direct aid to businesses as well as strategic investments to support economic resiliency.

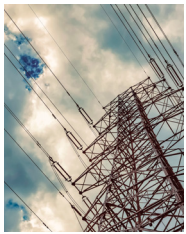
MTI created the Pandemic Recovery for an Innovative Maine Economy (PRIME) Fund, to allocate the \$39.6 million in innovation funding from the Maine Jobs & Recovery Plan. PRIME will meet the state’s mandate of supporting and leveraging private investments in research, development and innovation in the state’s technology sectors. Phase 1 of the PRIME Fund opened in April 2022 and, in August, we announced 174 awards totaling \$23.3 million. In December 2022, MTI announced \$5.6 million in funding through our PRIME Ecosystem program to 16 Maine entrepreneurial support organizations. Those awards supported programs that provide mentoring and support to entrepreneurs and businesses in Maine to help them take their novel ideas from their notebooks, kitchen tables and garages to the global marketplace.

Approximately \$9 million remains available in the PRIME fund and will be deployed in FY24.



MTI will administer \$20 million (\$10M in each of the next two years) for “one-time grant funding for economic recovery and development opportunities in the forest products industry to address reduced demand from economic disruption of the COVID-19 pandemic and other industry effects.” We will work collaboratively with the Maine Department of Agriculture, Conservation and Forestry and Maine Department of Economic & Community Development to develop programming that will help achieve the objectives of the legislation.

In March 2022, MTI announced over \$6 million in grant awards to 224 recipients of Forestry Recovery Initiative Phase 1 funding. Of those companies being awarded grants, 83% had ten employees or fewer, and 80% were located in Aroostook, Penobscot, Somerset, Oxford, or Piscataquis counties. The average award was approximately \$27,000.



MTI, working with the Department of Economic and Community Development (DECD) and the Governor’s Energy Office is making available up to \$6.5 million in grant funding for Maine businesses who need to upgrade the electrical grid capacity to their facilities in order to grow their operations and employment base.

The program will offer competitive grants for grid upgrades, such as polyphase service, with an emphasis on rural communities. Priority will be given to projects where public and private capital are identified that support the achievement of the state’s emission reduction and clean energy requirements. The funding is specifically designed to support improved electricity grid access for economic development projects in heritage industries and other sectors central to Maine’s recovery, such as food systems, seafood harvesting, forestry, manufacturing, and housing.

The program launched in the fall of 2023.

MTI Adopts DEIB & Quality Jobs Commitments

When MTI was asked to develop a competitive innovation funding program as part of the Maine Jobs & Recovery Plan, we were tasked with doing so while also making sure the program embodied the core concepts and priorities outlined in the Maine Economic Development Strategy 2020 – 2029 as well as the subsequent Economic Recovery Committee Recommendations. Both the Economic Development Strategy and the Economic Recovery Committee (ERC) recommendations prioritized a greater focus on diversity, equity, and inclusion. Specifically, the Economic Development Strategy stressed that “we work deliberately with all minority groups to ensure equitability in access and engagement” and further noted that “diversity is critical to growth.” The ERC recommendations specifically emphasized “making Maine more welcoming of immigrants, supportive of the success of entrepreneurs who are people of color, Native Americans, and women, and attractive to remote workers.”

Over the past year, MTI has undertaken a deliberate effort to better understand how to implement diversity, equity, inclusion and belonging (DEIB) practices into its own operations and foster greater DEIB practices within the Maine entrepreneurial ecosystem and, more specifically, in the companies that it funds. MTI is also committed to helping companies create high-quality positions. It is in that vein that the MTI Board recently adopted commitments to diversity, equity, inclusion, and belonging (DEIB) and quality jobs. Both guidelines have been incorporated into the scoring rubric for MTI’s Pandemic Recovery for an Innovative Maine Economy (PRIME) Fund. They will make-up approximately 20% of the total score.

Key Events & Happenings

Twelve Maine Companies Named to Inc. 5000 Fastest-Growing List

Almost Half of Them Are MTI Portfolio Companies



In August 2022, Mainebiz featured a story highlighting the twelve Maine companies that made Inc. Magazine’s 2022 annual list of the 5,000 fastest-growing private companies in the United States. To make the list, businesses must have had revenue of at least \$2 million in the most recent year, and be privately held, independent companies.

Twelve Maine organizations made the prestigious list. Almost half of them—Origin in Farmington; SaviLinx and STARC Systems of Brunswick; and Tilson Technology and Sea Bags of Portland—are MTI portfolio companies. Being a portfolio company signifies that the entity has received some level of funding or assistance from MTI over the course of their business journey.

Maine Science Festival Returns

Sponsored in part by MTI, the Maine Science Festival brings Maine science to the public by showcasing national and world leading science by the Mainers who do it. Each March, the Bangor festival features more than 70 events for all ages.



Biome Student Showcase: Promoting Visionaries

The Bioscience Association of Maine (BioME) offers Maine high school and college students an opportunity to share their life science research. Sponsored in part by MTI, this event is designed to “support innovation and commercialization of student ideas in Maine, as well as connect current students with potential future employers and entrepreneurial resources in the state.” The competition features two categories—one for students in grades 9–12, as well as one for undergraduate and graduate college students.



Maine Start Summit: Lowering Barriers for Aspiring Founders

The Roux Institute presents the Maine Start Summits designed to help startup-curious individuals learn how to build and pitch a successful business. The periodic events consists of four, three-day-long hackathons and kicks-off with a keynote speaker. Participants attend workshops focused on the process of formulating ideas, as well as building and pitching successful businesses. Teams have an opportunity to build out their ideas, develop prototypes and pitch for cash prizes at the conclusion of the summit. MTI is a sponsor of the Start Summits.



MxG: Supporting Maine Innovators

Maine Accelerates Growth (MxG) was founded in 2015 to advance Maine’s entrepreneurial ecosystem through funding, collaboration and networking. It helped fund a number of projects such as the Innovate for Maine Fellows Program, the Top Gun Pitch Competition, and other innovation challenges.



Sponsored by MTI and the Department of Economic and Community Development (DECD), MxG was re-established in 2020 to work in conjunction with the state’s Economic Recovery and 10-Year Development plans. This dynamic network of organizations meets monthly to focus on strategic initiatives. By sharing expertise, amplifying successes, and seeking best practices, MxG aims to address issues, support innovators, and create an inclusive entrepreneurial ecosystem statewide.

Greenlight Maine Season 8: Promoting Maine Innovators

Greenlight Maine is “a series that highlights innovative small business owners in a competitive format.” The show provides a platform for Maine entrepreneurs to pitch their businesses to a panel of judges throughout each season, compete for cash prizes, and



take their products and services to the next level. Greenlight Maine shines a light on Maine’s diverse business community, championing the visionaries who are influencing the state’s economic future.

MTI Senior Investment Officers Bianca Kowal and Tom Kittredge served as contest judges.

Greenlight Maine College Series: A Path to Possibilities

Student entrepreneurs from Maine’s colleges and universities compete for cash prizes in the Greenlight Maine’s College Series. The episodes air on Maine Public. The College Series provides aspiring students a platform to present fresh ideas, start businesses and create jobs in Maine, thereby boosting the state’s innovation economy. Greenlight Maine is a “collaboration of entrepreneurs and corporate leaders, designed to promote and mentor the development and growth of business in our great state.”

In addition to the College Series, it also features a Head-to-Head Series with cutting-edge entrepreneurs as well as the Elevating Voices Series which spotlights racially diverse businesses and the significant role they play in Maine’s business community. MTI is pleased to be an ongoing Greenlight Maine sponsor.

Big Gig Pitch-Off Finale: Boosting Maine Economic Growth

Maine entrepreneurs pitch their innovative, early-stage businesses or business ideas to an audience and a panel of judges for the opportunity to win \$5,000 in the Big Gig Finale. Following each of the four pitches, the audience and judges cast votes to determine which participant will carry off the win and take home the \$5,000 prize. Big Gig is a partnership between municipalities, universities, and organizations in Maine who strive to “create a supportive network and to bring positive change and economic growth to our communities” by collaborating with innovators and entrepreneurs across the state. MTI is proud to be an ongoing Big Gig sponsor.



Top Gun Showcase 2023: Advancing Maine’s Entrepreneurs

Administered by the Maine Center for Entrepreneurs (MCE), the Top Gun accelerator program is “designed specifically for the entrepreneur with a desire to grow his/her business and achieve long-term success through the use of the right tools, resources, and related mentorship.”



MTI has been an ongoing Top Gun supporter since its inception in 2009 and applauds the program for the positive impact it has had on Maine’s innovation economy.

In May 2023, the 2023 Top Gun finalists pitched their businesses to a panel of experts. This event presents an opportunity for all attendees to learn

about innovative technologies and unique products developed in the state, as the five Maine-based entrepreneurs compete for a chance to win the \$25,000 grand prize, courtesy of MTI.

Maine Hosts International Seaweed Conference

On September 7 & 8, Europe’s leading conference for the Seaweed industry hosted its first North American event—in Maine! Seagriculture USA 2023 featured top speakers from across the globe who shared their expertise around various applications of seaweed such as feed, food, offshore cultivation, biorefinery and more. The two-day event also included small group sessions, interactive presentations, trade shows, and debates. 300 registrants from 12 countries and 14 states attended the conference, with delegates traveling from as far away as Australia, New Zealand, Alaska and Hawaii—and over 100 Maine participants. Greater Portland realized nearly \$1M in economic impact during the two-day conference.

BioME Annual Conference 2023

The BioME Annual Conference provided the community with a chance to learn about the life sciences industry in Maine, as well as connected industry professionals, academia, research institutions and government. The theme of this year’s Conference was “State of the Industry.”

This in-person event covered key findings from the BioME Industry Report and focused on the industry’s importance within Maine. In addition to significant networking opportunities, participants also “heard from executives and thought leaders from some of New England’s most innovative organizations and took part in dynamic panel discussions.” MTI’s President, Brian Whitney served as one of the expert panelists.

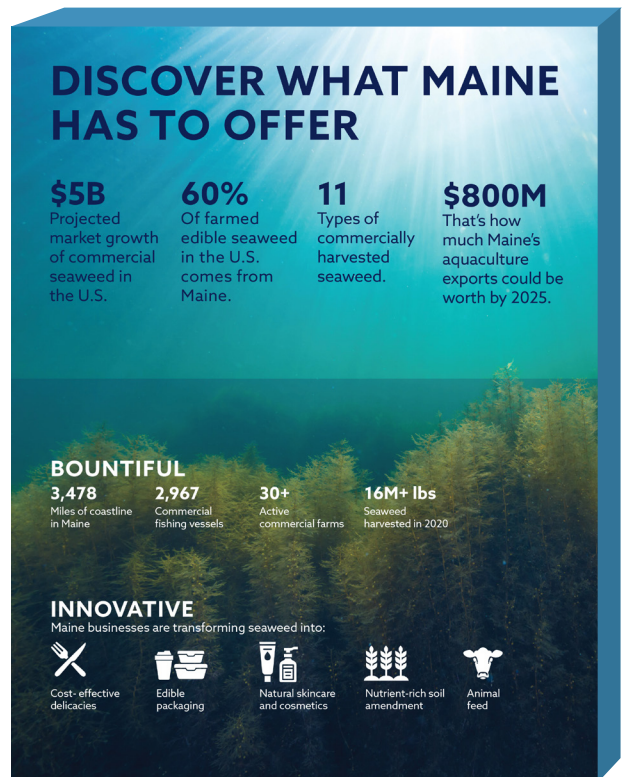
The BioME Annual Conference 2023 was sponsored in part by MTI.

On The Road With MaineBiz Spotlights Business Communities Across Maine

Sponsored by MTI, the ‘On The Road’ reception series provides a platform for business leaders to connect, exchange ideas, and showcase their communities. Hosted by MaineBiz, the series is an excellent conduit for participants to become better acquainted with their region and mingle with other members of the local business community.

MaineBiz

During the year, the On The Road series traveled throughout Maine offering networking and business opportunities in multiple regions across the state. The series made the following stops: Scarborough, Presque Isle, Brewer, Augusta, and Kennebunkport. MTI was proud to sponsor the On The Road events to help spread the word about the services and funding that it makes available to aspiring entrepreneurs and businesses.





500,000

readers served
worldwide

25,000

clubs

90%

organic growth

\$286k

multiple awards

Bookclubs

A BETTER BOOK CLUB EXPERIENCE

Innovative online platform simplifies the book club experience

In the United States, 125 million people read more than 10 books a year and 13 million readers are part of a book club. Although being in a book club has many benefits, it comes with logistical challenges such as the endless chains of emails. Frustrated with her experience of managing a book club with friends, co-founder and CEO Anna Ford created Bookclubs, a free app and website that helps simplify the process of book club management.

Bookclubs brings readers together with useful tools to start, organize, and join a book club. With funding from MTI, Bookclubs was able to invest in redesigning its website and refreshing its creative assets. Additionally, MTI's support enabled Bookclubs' growth through the development of an effective marketing strategy using experimental paid and organic user channels.

In early 2022, the company also rebranded from Bookclubz.com to Bookclubs.com thanks to MTI's investment, which assisted in the domain purchase. This name change increased its annual user growth by two to three times and quadrupled its organic traffic to the website. Bookclubs used some of the funds to build an ad sales platform to partner with authors and publishers, a core component of the company's current revenue model. In addition to financial support, MTI's team also connected Bookclubs to other resources for additional funding, collaborative projects, and learning opportunities. With this connection, Bookclubs found additional investment which helped launch pilot book clubs with Maine-based bookstores, businesses, and libraries.



MTI's support took Bookclubs from a personal passion project to a high-growth consumer SaaS platform with elevated branding and a sophisticated product development and marketing strategy."

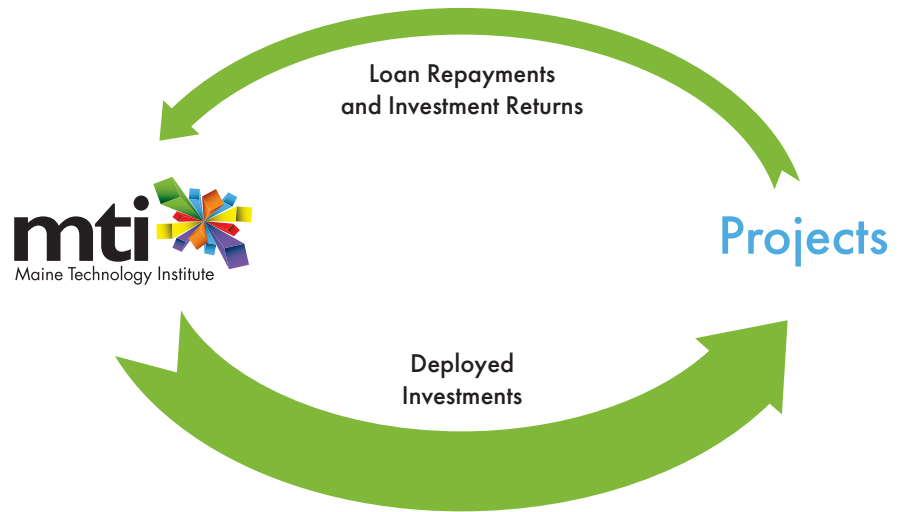
Anna Ford

Co-founder & CEO
Bookclubs

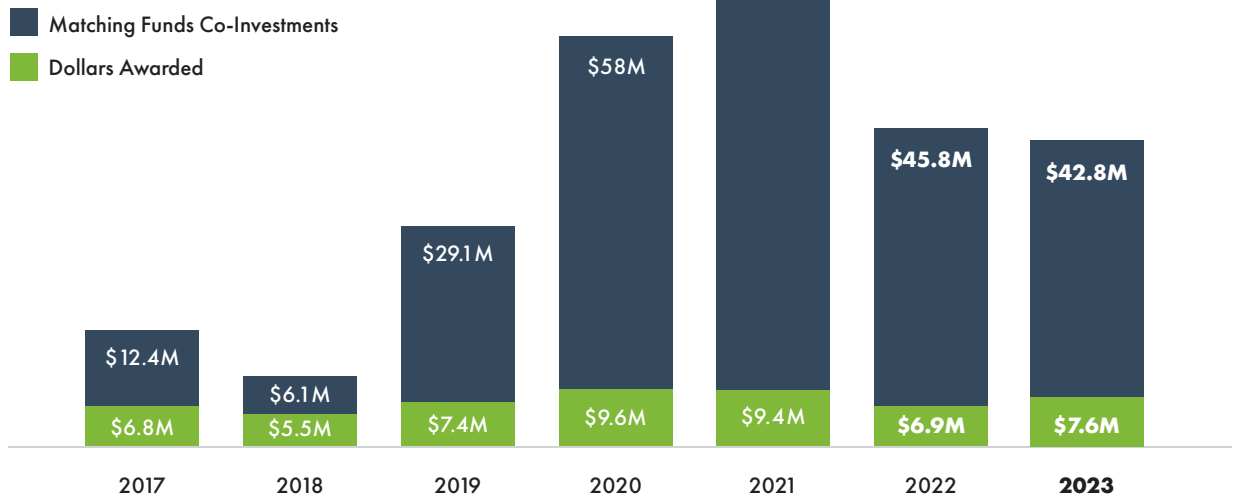
MTI FY23 Funding Report

MTI receives an annual appropriation from the Maine Legislature. For the fifth consecutive year we were able to put additional money to work as a result of loan repayments and sound investment returns.

- \$7.8M**
Deployed
- 123**
Distinct Projects
- \$42.8M**
Private Sector Match



Total Dollars Awarded/Matched by Year



Awards by Technology Sector

The State of Maine has targeted seven technology sectors best suited for investment and other forms of support. These include both mature industries (like forestry and agriculture) as well as emerging ones (such as composite

materials and biotechnology). In FY23, MTI invested in businesses within all seven of these targeted sectors, helping to create a more vibrant and diversified economy.

Sector	No. Awards	Amount
Aquaculture & Marine	30	\$ 1,083,790.00
Biotechnology	19	\$ 1,276,213.00
Composite Materials	8	\$ 452,809.00
Environmental Technology	8	\$ 217,800.00
Forestry & Agricultural	9	\$ 577,720.00
Information Technology	32	\$ 3,617,358.00
Precision Manufacturing	9	\$ 327,000.00
Economic Development	8	\$ 226,250.00
Total	123	\$ 7,778,940.00

Awards by Range

Range	No. Awards	Amount
Range 1	26	\$ 613,858.00
Range 2	22	\$ 747,412.00
Range 3	22	\$ 1,946,180.00
Range 4	13	\$ 3,916,790.00
Special Opportunities	4	\$ 240,000.00
Sponsorships	33	\$ 314,700.00
Total	120	\$ 7,778,940.00

Because MTI invests in businesses of varying maturity, and because we individualize our approach and investment to the clients needs, we distribute our levels of funding across four

ranges. Generally, we fund a greater number of projects at a lower level, then dedicate larger levels of investment to a smaller number of projects that will have a greater impact.

Other Bond Funded Program Activities

On occasion, the Maine Legislature passes research and development bond initiatives that are presented to Maine voters. Once approved by voters, MTI typically administers the funds on behalf of the State. The following bond initiatives are currently under active management by MTI.

Maine Technology Asset Fund 2.0 (MTAF 2.0)

In June 2017, voters approved the second Maine Technology Asset Fund 2.0 (MTAF 2.0) program. The initiative specified that “forty-five million dollars (\$45,000,000) would be distributed by the Maine Technology Institute in the form of grants to support infrastructure, equipment and technology upgrades in the

following targeted technology sectors: biotechnology, aquaculture and marine technology, composite materials technology, environmental technology, advanced technology for forestry and agriculture, information technology, and

precision manufacturing technology. Funds were awarded to public and private entities in Maine through a competitive process, and recipients were required to match these State dollars with an equivalent amount of federal or private funds.”

MTI solicited proposals in the fall of 2017 and received 183 applications seeking, in aggregate, nearly \$400 million. These proposals flowed in from all 16 Maine counties and represented businesses of all levels of maturity from startups to publicly traded companies. MTI conducted extensive due diligence and ultimately made 18 funding awards in early 2019. MTI augmented the \$45 million in bond funds with an additional \$1,063,836 to further maximize the impact of the awards. In total, MTI awarded \$46,063,836 (matched by \$192,536,123). According to an independent economic impact analysis, the awards will result in 5,350 jobs and \$1.4 billion in economic impact over the next 3 years.



Marine Jobs Fund

In 2014, the Legislature authorized, and the voter of the State of Maine approved, (Public Law 2014, Chapter 592) a seven million dollar (\$7,000,000) bond issue to facilitate the growth of marine businesses and commercial enterprises that create jobs and improve the sustainability of the state’s marine economy and related industries through capital investments.

In May 2016, the newly formed Alliance for Maine’s Marine Economy, a consortium of Maine-based marine businesses, research institutions and educational organizations, was selected by the State of Maine as the recipient of the \$7 million in funding and pledged to provide \$9.3 million in matching funds. The Alliance’s plan, spearheaded by the University of Maine, called for immediate infrastructure investments in public and private institutions throughout Maine. The \$7 million award also included \$1.92 million to

fund a competitive Marine Jobs Fund Small Capital Grants Program. MTI was asked to administer this competitive process and issued a request for proposals in July 2017. MTI received 39 letters of intent. The Alliance for Maine’s Marine Economy conducted the review and evaluations of the proposals and made recommendations to the MTI Board of Directors. Ultimately, in FY20, the MTI Board of Directors made 10 awards from the Marine Jobs Fund Small Capital Grants program totaling \$1,924,303 (matched by \$6,507,200).



Maine Cancer and Aging Resource Bond

In 2014, the Legislature authorized (Public Law 2014, Chapter 574), and the voters of the State of Maine approved, \$10 million in bond funds to build a research center, to discover genetic solutions for cancer and the diseases of aging, and to promote job growth and private sector investment in Maine. The funds were awarded through a competitive state process to expand the state's research capabilities in the areas of mammalian genetics and murine biometric analytics, make the state a global resource for precision medicine, improve the state's capacity to attract and retain young professionals, and bring additional grant funding, private sector investment, job growth, and economic activity to the state. In July of 2015 (FY16), the Jackson Laboratory in Bar Harbor was announced as the highest scoring bidder and matched its \$10 million award with more than \$11 million in matching funds. The project remains under active management by MTI.



Maine Biomedical Research Bond

Also in 2014, the Legislature authorized (Public Law 2014, Chapter 568), and the voters of the State of Maine approved, a \$3,000,000 bond issue to modernize and expand infrastructure in a biological laboratory specializing in tissue repair and regeneration located in the state. The funds were awarded through a competitive process to modernize and expand infrastructure in a biological laboratory specializing in tissue repair and regeneration located in the state, in order to increase biotechnology workforce training, retain and recruit to the state multiple biomedical research and development groups and create a drug discovery and development facility that will improve human health and stimulate biotechnology job growth and economic activity. In July of 2015 (FY16), the Mount Desert Island Biological Laboratory was

announced as the highest scoring bidder and matched its \$3 million award with more than \$5.7 million in matching funds.

The project remains under active management by MTI.



Maine Technology Asset Fund (MTAF)

MTI also administers the Maine Technology Asset Fund (MTAF), a competitive bond-funded program providing investments for facilities construction, renovation, and equipment, which advance emerging technologies on the research, development and commercialization path to help Maine companies, university centers and non-profit research institutions secure further investment. MTAF was first approved by the Maine Legislature and the state's voters in 2007 and capitalized with \$50 million in bond funding focused on increasing research and development (R&D) facilities and resources in our

state's seven targeted technology sectors. These monies were mostly disbursed in funding rounds in 2008, 2009 and 2010. The Legislature and voters approved an additional MTAF funding bill in the amount of \$3 million in 2009. MTI received the \$3M in MTAF funds in FY15. Those funds, including approximately \$900,000 not awarded from earlier rounds and augmented by another \$921,871



in MTI funding, were used to issue 8 new MTAF awards totaling approximately \$4.9 million and matched by \$12 million. While the funding awards were made in FY15, the projects are still under active MTI management.



Seed Funding

MTAF 2.5, Range 3, and PRIME (\$667,751 total)

54

new employees,
since 2019

900%

increase in monthly
revenue since 2020

GoodGames

GAME EXPERIENCES THAT IGNITE PRODUCTIVITY

Combatting zoom fatigue one game at a time

GoodGames was founded by Daniel Stephens in the midst of the pandemic, when he was asked by the Red Cross to come up with a solution for a communication problem that they were having. GoodGames helps organizations and their teams enhance communication, creativity, and problem solving remotely. Their products feature remote and hybrid team-oriented games and game-like experiences that are meant to give everyone a voice during meetings and keep everyone engaged.

MTI has been instrumental in GoodGames' success and growth. Not only did MTI provide grants and loans totalling \$210k, but they also supported GoodGames' application for national grants. With coaching from MTI's grant writing team, GoodGames secured an EPA grant for \$100k. MTI grant support has funded early software development and marketing efforts, and the loan has helped GoodGames narrow down on the market fit for their SaaS product.

MTI funding has given GoodGames the time they needed to better identify their product/market fit as well as try out numerous marketing strategies to more effectively target their market. GoodGames has also benefited from the MERC program, which provided grant-writing expertise and C-suite level support. MTI is also in the process of helping GoodGames hire a fractional CFO and a fractional co-CEO to help them grow and achieve their short and long term business and financial goals.



MTI's investment has helped our company to expand our product and feature offerings, increase our revenue, enter new markets and grow our team."

Daniel G. Stephens

CEO/founder
GoodGames

Other Programs

E-Resident Program

MTI employs an E-Resident program to provide portfolio firms with direct access to experienced entrepreneurs who have taken big risks, founded companies, raised capital, and created jobs. One of the most powerful tools to startups or to less experienced teams is access to network contacts and mentorship support from seasoned entrepreneurs. MTI’s E-Resident program is intended, like other MTI programs, to improve the competitive position of Maine’s technology-intensive sectors and ultimately lead to business growth and jobs for Maine people.

The Maine Entrepreneurial Resource Corps (MERC)

The Maine Entrepreneurial Resource Corps (MERC) program provides Maine businesses with funding to complete short-term consulting projects with experts throughout the state. From digital marketing strategy to custom software development, MERC helps eligible businesses access the essential technical assistance they need to elevate their performance. With funding from the Department of Economic and Community Development’s (DECD) Domestic

\$6.8M

in federal awards made to companies receiving TAP assistance

Trade Program, MERC approved 71 awards to businesses across 11 counties in its first year. Thanks to the expertise of MERC’s network of 118 consultants, 97% of awardees reported an increase in their business’s productivity as a direct result of their MERC project.

SBIR/STTR Technical Assistance Program

The federal Small Business Innovation Research and Small Business Technology Transfer (SBIR/STTR) programs provide over \$4B in annual funding for small businesses to conduct research and development of innovative technology leading to the commercialization of new products, processes and services. In accordance with MTI’s statutory mandate, the Technical Assistance Program (TAP) helps Maine small businesses develop competitive SBIR/STTR proposals. The TAP Team offers guidance and strategies for writing proposals, critical technical editing services, government accounting assistance, as well as access to experienced commercialization expertise, market researchers, a biotech consultant, and a technology management professional.

Summary of awards to Maine companies receiving TAP assistance

Company	Agency/Phase	Amount	YEAR
Home Grown Fuels	USDA SBIR Ph I	\$ 175,000	2022
Wicked Wild, LLC	USDA SBIR Ph I	\$ 125,000	2022
GoodGames	EPA SBIR Ph I	\$ 100,000	2022
BluShift Aerospace, Inc.	DOD AF DTPH II	\$ 1,250,000	2023
Atlantic Corporation	USDA AFRI	\$ 500,000	2023
The Boat Yard	NE SARE	\$ 250,000	2023
Prapela, Inc.	NIH Blue Print	\$ 3,500,000	2023
Tardigrade Optics	DOD - BAA Ph 3	\$ 881,561	2023

- MTI is actively working with five FY22 applicants to submit federal grant proposals with a potential award value of \$4.3M
- SBIR Discovery—we’ve also worked with 20 companies that did not advance to Active Management (submitting a proposal)

Active MTI Collaborations, Affiliations and Partnerships



Partnerships To Promote Maine's Innovation Economy

33
sponsorships
awarded worth
\$314K+

In addition to direct support of innovators, MTI also supports programs and infrastructure that encourage innovation. Under its governing statute, MTI is instructed to cooperate with the Maine Department of Economic & Community Development (DECD), Manufacturing Extension Partnership (MEP), University of Maine (UMaine), and others to ensure a complementary system of support services is available to companies and research laboratories.

To foster this complementary system of support services, MTI works collaboratively with organizations across Maine to support programs and initiatives designed to assist entrepreneurs and small businesses and to promote and celebrate Maine's culture of ingenuity and its vibrant startup community.

Here are just some of the programs, events and organizations that have received MTI support:

- University of Maine
- UpStart Maine
- Maine Community Foundation
- Maine Development Foundation
- Maine Discovery Museum
- Manufacturers Association of Maine
- Maine International Trade Center
- Northeast Clean Energy Council Institute
- Bioscience Association of Maine
- Mount Desert Island Biological Laboratory

Looking Ahead to FY24

Review of Maine’s Seven Targeted Technology Sectors to Occur in FY2024

This past legislative session, a proposal was introduced to direct MTI to review the state’s seven targeted technology sectors and industry clusters for relevancy. As drafted, LD1318 instructs MTI to conduct a review of the state’s seven targeted technology sectors, utilizing a public process, and then reporting back to the Joint Standing Committee on Innovation, Development, Economic Advancement and Business (IDEA) in early 2024 with a report detailing findings and recommendations for any legislative changes that ought to be considered. The bill was enacted by both the House and Senate and signed by the Governor. MTI plans to conduct the review in the fall and winter of 2023 to comply with the reporting mandate.

Entrepreneurship for All



Back in August of 2020, MTI engaged in a series of community discussions to get input into its proposed plan to distribute ARPA funding. Several of those sessions were focused on the needs of Black, Indigenous, and People of Color (BIPOC) communities and entrepreneurs. One of the clear takeaways from our conversations with the BIPOC communities was that MTI’s 1:1 matching funds requirement presented an almost insurmountable barrier to accessing funding. Also, deep community connections were necessary to bridge the digital, language, and knowledge divide. To address the financial barrier, we discussed a potential collaboration with philanthropic organizations where they would help seed a fund to provide a matching grant for BIPOC, women, and rural entrepreneurs otherwise eligible to receive ARPA funding. MTI also

examined what other states were doing to help accelerate or restart the economic engines in underserved communities. Our search led us to the successful Entrepreneurship for All (EforAll) program, based in Massachusetts, whose mission is to accelerate economic and social impact in communities nationwide through inclusive entrepreneurship. EforAll serves historically excluded and underserved communities and offers its programming for free to participants. EforAll has demonstrated success driven by deep community engagement and its model is part community economic development and part business accelerator. MTI made a three-year sponsorship commitment to bring the program to Maine. EforAll’s first startup pitch competition took place in October of 2023 and the first cohort of its business accelerator is slated for early 2024.

Maine Hosts International Seaweed Conference

On September 7 & 8, Europe’s leading conference for the Seaweed industry hosted its first North American event -- in Maine! Seagriculture USA 2022 featured top speakers from across the globe who shared their expertise around various applications of seaweed such as feed, food, offshore cultivation, biorefinery and more. The two-day event also included small group sessions, interactive presentations, trade shows, and debates. 300 registrants from 12 countries and 14 states attended the conference, with delegates traveling from as far away as Australia, New Zealand, Alaska and Hawaii—and over 100 Maine participants. Greater Portland realized nearly \$1M in economic impact during the two-day conference.



Grow Maine Program

The Grow Maine Program will provide up to \$62 million of State Small Business Credit Initiative (SSBCI) funding to eligible Maine businesses. Funding will be available through FAME and its intermediary partners via loan guarantees, direct loans, and equity capital. SSBCI is a federal program administered by the U.S. Department of the Treasury that was created to strengthen state programs that support private financing to small businesses. MTI is an approved partner with FAME on the deployment of the SSBCI funds.

Electric Grid Upgrade Program (EGUP)

MTI, working with the Department of Economic and Community Development (DECD) and the Governor's Energy Office is making available up to \$6.5 million in grant funding for Maine businesses who need to upgrade the electrical grid capacity to their facilities in order to grow their operations and employment base.

The program will offer competitive grants for grid upgrades, such as polyphase service, with an emphasis on rural communities. Priority will be given to projects where public and private capital are identified that support the achievement of the state's emission reduction and clean energy requirements. The funding is specifically designed to support improved electricity grid access for economic development projects in heritage industries and other sectors central to Maine's recovery, such as food systems, seafood harvesting, forestry, manufacturing, and housing. The program launched in the fall of 2023.





Organization

MTI leads the development of a strong culture of innovation in the State of Maine and is well-positioned for continued growth and effectiveness. It is organized as a nonprofit corporation, consistent with the provisions of the Federal Internal Revenue Code. By-laws were drafted and corporation documents filed in September of 1999. A Board of Directors consisting of thirteen voting members and two non-voting members governs MTI. The Governor appoints ten directors, eight representing the targeted technologies and two of whom have demonstrated finance, lending, or venture capital experience. The Commissioner of the Maine Department of Economic and Community Development, the Chancellor of the University of Maine System, the President of the Maine Community College System and the Director of the Office

of Innovation Policy & the Future, or their designees, are ex-officio members. The MTI President is a non-voting director. Seven subsidiary boards, each representing a targeted technology sector, were formed to support the MTI Board. Approximately 120 subject matter experts comprise the membership of these Tech Boards.

MTI operates from its office in Brunswick, as well as remotely. The staff is composed of a Director of Finance & Administration, five Senior Investment Officers, one Investment Officer, a Director of Portfolio Advancement, one Lending & Grant Associate, one Coordinator of the Maine Entrepreneurial Resource Corps, and one Media Manager. The MTI President is employed by the Maine Department of Economic & Community Development.

INDEPENDENT AUDITOR'S REPORT



MTI is committed to serving the wide-ranging innovation needs of Maine businesses and entrepreneurs. MTI plans to continue as a leading-edge organization known throughout Maine as the driving force behind our state's thriving private-sector innovation economy. MTI is pleased to play a pivotal role in helping to bolster and support Maine's innovation economy and looks forward to building on past commitments and launching new initiatives to help foster a more robust economic climate across the state of Maine

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