

# **FAIR EXCHANGE**

**New York State's Small Business  
Technology Investment Fund  
And  
Other State Opportunities**

**(A Personal Perspective)**

**Van Wie Group, LLC 10/05**

# SBTIF MISSION & INTEREST

- SBTIF makes early stage equity and debt investments in NYS high technology based companies.
- Companies must have innovative products that materially advance technology, and provide NYS and Local Communities with an economic benefit.

# SBTIF HISTORY

- Established 1981 with Federal and State Funds, Total Capitalization FY 1981-1995: \$15.3 million
- Over 130 investments approved, 110 closed, 38 Active
- Over \$40 million invested, creating more than 2,500 jobs averaging \$60,000
- June 2005 Portfolio valued at over \$30 million
- Achieved evergreen status in 1995, with all expenses being paid by the Fund since 1990
- The Fund operates at no expense to NYS taxpayers

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# NY STATE OPPORTUNITIES

- 72 Empire Zones
- Relocation Incentives & Market Access
- Technology Transfer Related to State Funded Research & Development (i.e., 64 SUNY Campuses, 13 CAT's, etc.)
- Jobs Now Program
- New Economic Development Initiatives

# Other State & Federal Examples

- Connecticut Innovations
- KTEC, KS, a public/private partnership
- Ben Franklin Fund, Pennsylvania
- Insurance Based Capital Companies (“CAPCO’s”), various States
- U.S. Government Funded R&D Initiatives (SBIR, ATP, STTR, Set Asides etc.)
- Lots of other opportunities if we only look!
- Council on Competitiveness (an opportunity)

# CONCLUDING PERSPECTIVE

- Some say the impact of growing outsourcing by global for profit corporations while mining and harvesting U.S. Markets and Communities is a serious threat to U.S. citizens, quality of life as we have known it and the economy as a whole!
- Local, State and Federal incentive programs must be amended to include Fair Exchange benefits if the U.S. is to maintain some level of balance and sustain the strength of our society, otherwise shame on us. To do so requires prompt implementation by responsible leaders.
- **POWER AND GREED ARE THE ADVERSARY!**