Impact Investing Opportunity - Closed

UpTech Fund I Class II

The Opportunity
UpTech aims to create an informatics industry cluster in Northern Kentucky providing high quality, well-paying jobs and local economic development as well as national recognition for Northern Kentucky University’s (NKU) College of Informatics. By providing capital and program support to seed-stage companies in the region, it strives to create sustainable entrepreneurial ecosystem in the region to grow the local economy.

Social Return
UpTech’s goal is to create informatics-based start-up companies in the region to produce high-quality and well-paying jobs. UpTech is contributing to the growing entrepreneurial ecosystem developing in the Greater Cincinnati region. The ultimate objective is to attract and retain talented would-be entrepreneurs and have them reach their goals locally without having to relocate to other parts of the country to be successful entrepreneurs. UpTech complements the work of the Brandery, CincyTech, and Cintrifuse.

Intermediary & Fund Manager
Founded in 2011, UpTech is a Northern Kentucky business accelerator providing seed funding for start-up enterprises in partnership with NKU. It targets informatics industry companies, developing proprietary intellectual property with NKU’s College of Informatics. Focus areas include health care, cyber security and assurance, media and data visualization, cloud computing and virtualization, and business intelligence. UpTech Fund I was a $700,000 fund raised in 2012 that invested in eight Class I companies. UpTech Fund I is raising $800,000 to invest in and accelerate eight start-ups with up to $100,000 each. It provides six months of business accelerator support, office services, and executive mentorship for two years.

Strategy
Through its partnership with NKU, UpTech has extensive resources to source and support its companies and position them for growth in the local community as well as nationally. Over 100 NKU student workers were assigned to projects for UpTech Fund I Class I companies in the first year via UpTech Innovations labs at NKU.

Financial Return
UpTech Fund I has a target return of 20%. It carries a 10-year term plus up to two 1-year extensions. It is a long-term equity investment with no guarantee of a return of principal to investors. UpTech has no management fee, as operating expenses are covered by grant capital.

Investment Opportunity
The Greater Cincinnati Foundation will invest either $200,000 or $250,000 in UpTech I Class II. Donor advised funds will be invited to participate in $25,000 increments, such as $25,000, $50,000, etc. This investment will close on February 15, 2014.