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The Honorable John Cranley  
Mayor, City of Cincinnati  
801 Plum Street, Suite 150  
Cincinnati, Ohio 45202

Dear Mayor Cranley:

On behalf of CincyTech, its investors, clients, portfolio companies, and employees, we thank you for being our partner in the economic growth of the startup community for the past four years and request that the City continue its \$250,000 investment with CincyTech in the FY 2020 Operating Budget.

Since 2007 CincyTech has monitored and reported progress and outcomes based on clear performance metrics. The data tell a story of growth-- in jobs, companies and revenues; and in capital imported into the City and region. To date CincyTech's investment in local startups has created more than \$1.5 billion in regional economic impact. Our results are also tangible. CincyTech companies dot the landscape of the City, their employees live and thrive here. Each week visitors from around the country make their first visit to Cincinnati to meet a CincyTech company. They discover a city that is alive with entrepreneurial spirit, where innovators are building smart and novel solutions for healthcare, consumers, and enterprise ranging from local to global.

**Our metrics tell a story of growth and progress.** Since 2007, CincyTech has invested \$55 million in 80 startups across Southwest Ohio. These companies have raised an additional \$902 million from 90+ venture capital funds, as well as other investors, on track to reach the \$1 billion dollar mark in 2019. We know from our data that roughly *75% of this is capital imported from outside the region*. These co-investment dollars are largely spent locally, on everything from salaries to office space and supplies, to services from local vendors. 1050 people go to work at a CincyTech portfolio company every day, at an average annual salary of \$87,000. As of 3/31/19, CincyTech has invested roughly \$20 million in startups located in the City. These companies have raised \$120 million in co-investment. CincyTech portfolio companies in Cincinnati employ 225 people and in 2018 generated \$450,000 in city income tax.

**CincyTech's work and investment is changing our City.** Our globally relevant companies bring customers and investors to the City regularly, often for the first time. In the last two years Indiana-based Thor Industries and Mountain View, California-based Quotient purchased CincyTech portfolio companies. Rather than scale down their Cincinnati operations, they are scaling up, recognizing the opportunity for businesses to thrive here. For the same reason, Alexandria,

Virginia-based Amify recently chose the City of Cincinnati as the place to open their HQ2 office. The Amify team learned of Cincinnati from one of our venture co-investors who has first hand knowledge of what the region has to offer.


**Our move to the Uptown Innovation Corridor underscores our commitment to one of Cincinnati's most important assets.** Since 2007, we have witnessed the transformation of downtown, OTR, the Banks, and adjacent areas of the urban core. These changes have made the City much more attractive to the technology professionals our companies need to succeed. In 2019 CincyTech moved to the University of Cincinnati's 1819 Innovation Hub. With more than 40,000 people, UC represents an underleveraged source of talent, innovation, and energy. We are embedding our work in UC, working with students, faculty, and innovation leaders to build a unique investment platform designed for scale.

Our move Uptown moves the startup economy beyond the urban core to areas of the community still on the edge of change. We are more accessible to UC and CPS students and teachers, and are already planning engagement to build connections to these sources of talent and creativity. And while 26% of our companies have diverse founders or leaders, our industry is still far behind on diversity and inclusion. We are working hard to expand our access to diverse deal flow to ensure we meet and exceed our past performance. Between 2017 and 2018 we more than doubled the number of diverse and inclusive companies in our pipeline. As an investor, we are implementing policies and requirements to ensure D&I is top of mind and measured in each portfolio company.

**The City's support each year is a cornerstone of our local grant budget, and is matched dollar-for-dollar by the Ohio Third Frontier program.** Local grants are the essential catalyst that drives our regional impact. In addition, the City's support is an important signal to other grantors of the importance of our mission to our shared economic future.

To continue our work transforming great ideas into high potential technology companies, CincyTech respectfully requests the City maintain its \$250,000 investment in CincyTech through the FY 2020 Operating Budget.

Sincerely,



Mike Venerable  
President & CEO

cc: Jill Meyer  
Board Chair, CincyTech

Cc: City Manager Duhaney, Vice Mayor Smitherman, President Pro Tem Dennard, Councilmembers Landsman, Mann, Murray, Pastor, Seelbach, Sittenfeld, and Young

Communication

Council member Sittenfeld

Calendar

Budget & Finance

CLC (Chris Patton)