

Technology Innovation
NJ BioScience Center
In-person Office Hours

Office Hours - Agenda

- ▶ NJEDA Programs Overview
- ▶ Innovation and Technology Programs Overview
- ▶ NJ State M/BWE Certification
- ▶ Commision on Science Innovation Technology Grant and Voucher Programs
- ▶ NJ Department of Labor & Workforce Development Grant Programs
- ▶ Questions & Answers

Technology Innovation Team

- ▶ Cecily Kovatch – Managing Director
- ▶ Clark Smith – Director
- ▶ Monika Athwal – Manager
- ▶ Sara Cadeddu – Senior Officer
- ▶ Christopher Shyers – Senior Officer
- ▶ Fariha Sheikh – Analyst
- ▶ Abdelrhman Seliman – Analyst
- ▶ Syed Fatmi – PT Intern

About the NJEDA

The New Jersey Economic Development Authority (NJEDA) grows the state's economy and increases equitable access to opportunity by supporting:

- ▶ high-quality job creation
- ▶ catalyzing investment
- ▶ fostering vibrant & inclusive community development

What we offer

NJEDA provides a suite of financing and incentive products tailored to support New Jersey's Startups and grow New Jersey's Innovation Economy

Supporting Emerging Companies

Direct Investments

NJ Accelerate

Angel Match Program

NJ Innovation Evergreen Fund

Affiliate Venture Programs

Incentives & Grants

Angel Tax Credit Program

Net Operating Loss (NOL) Program

NJ ESP

CSIT

Ecosystem Resources

NJ Founders and Funders

Strategic Innovation Centers

Office Hours

Products for Technology & Life Sciences Companies

- ▶ **Angel Investor Tax Credit (ATC)** – Refundable tax credit
- ▶ **NJ Entrepreneur Support Program** – Guarantee for investors
- ▶ **NJ Accelerate Program** – Matching loan and rent benefit
- ▶ **Angel Match** – Dilutive direct investment
- ▶ **Technology Business Tax Certificate Transfer (NOL)** – Non-dilutive capital
- ▶ **NJ Founders & Funders** – Warm intros with investors
- ▶ **CSIT** – R&D grants & vouchers

Angel Investor Tax Credit

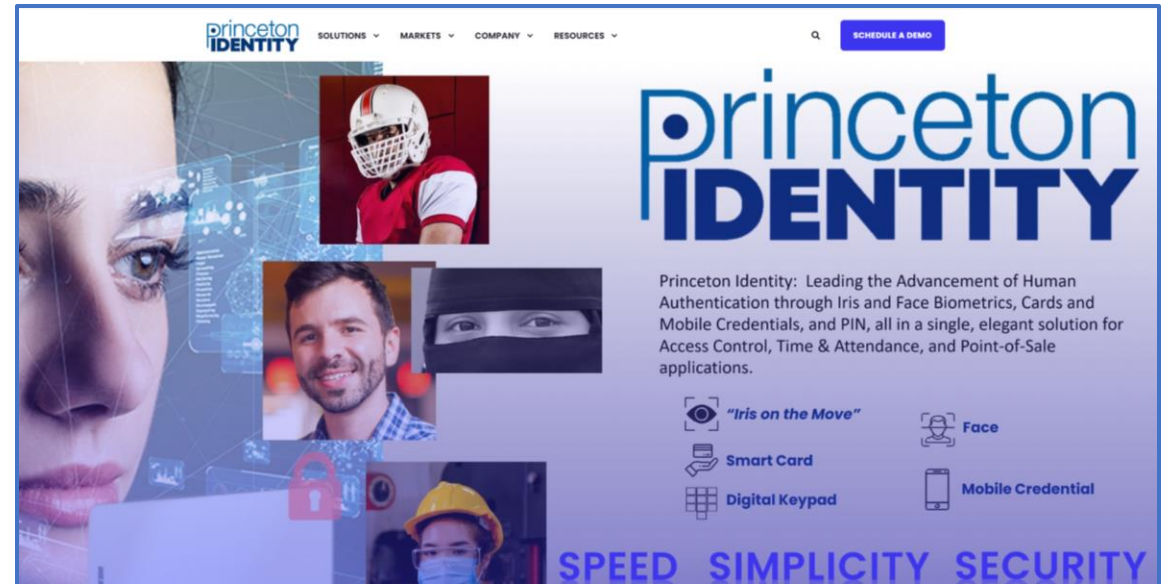
NJEDA provides refundable tax credits to private investors in eligible NJ technology/biotechnology companies.

- ▶ 20% tax credit; 5% bonus based on diversity/location
- ▶ Full-time employees (FTE)
 - ▶ at least 1, no more than 225
 - ▶ 75% of all employees working in New Jersey
- ▶ Must be commercializing an eligible technology
- ▶ Investment must be a non-refundable transfer of cash
- ▶ Fully submitted application within 6 months of investment

Angel Tax Credit Approved Company

Princeton Identity

- ▶ Cybersecurity software company
- ▶ Secured angel funding through participation in Golden Seeds
- ▶ The funding from GS and other investors was matched by the NJEDA's Angel Match Program with a \$500,000 investment
- ▶ The company's investors leveraged Angel Tax Credit as well



NJ Entrepreneur Support Program

Provides a guarantee of up to 80% on private investor loans/convertible notes advanced to eligible NJ Companies for working capital.

► Company

- No Revenue Requirement
- At least 1 C-suite working in NJ
- 50% of employees in NJ supported by docs
- NJ Office(co-working, incubator, leased)

► Note/Loan terms

- Maturity of at least 1 year
- No payments in year 1
- Unsecured

► Guarantee terms

- 80% Note/Loan Amount
- Up to \$400K
- 1 year from date of note

NJESP Approved Companies



NJ Accelerate Approved Accelerators

Morgan Stanley

Inclusive Ventures Lab

New York City, NY

Merck Digital Sciences Studio

Newark, NJ



LearnLaunch Fund + Accelerator

Boston, MA



metaprop accelerator.

New York City, NY

AT  COLUMBIA UNIVERSITY

HAX

Newark, NJ



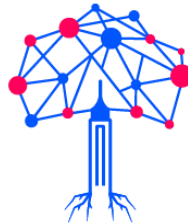
CLEAN TECH OPEN

Boston, MA



ENTREPRENEURS ROUNDTABLE ACCELERATOR

New York City, NY



Lair East Labs

for founders with a global vision

New York City, NY



W25

VENTUREWELL™

years of idea to impact
ASPIRE Program

Hadley, MA

xrc ventures

New York City, NY

NJ Accelerate

Provides support via matching loans and rent grants to graduate companies of Approved Accelerators.

Investment Loan Benefit

- ▶ Working Capital
- ▶ Convertible Note Up to \$250,000 matching \$1:1 investment from Accelerator
- ▶ 10-year maturity, 3% flat, no repayments for 7 years
- ▶ 10-year Warrant equal to 50% of note
- ▶ 5% bonus for NJ-certified MBE/WBE businesses

Rent Support Benefit

- ▶ Up to 6-month grant at an approved NJ Accelerate coworking space, up to \$25,000
- ▶ NJ-certified MBE/WBE businesses may be eligible for a bonus month

Eligibility Requirements

- ▶ 50% FT Workforce & 2 Founders/C-Suite Executive working in NJ
- ▶ Graduate of an Approved Accelerator

Angel Match Program

NJEDA matches preferred equity investment in early-stage, product-based technology companies, with a direct investment up to \$500,000.

- ▶ Note terms
 - ▶ 10-year, 3% interest rate
 - ▶ No payments for first 7 years, no prepayment penalty
 - ▶ 10-year Warrant equal to 50% of note
- ▶ Angels & Funds eligible – min of 2 investors, preferred equity
- ▶ Product based sales revenue – Min \$100K
- ▶ 50% FT Employees & 2 Founders working in NJ
- ▶ NJ Office (co-working, incubator or leased)

Angel Match Approved Companies



Technology Business Tax Certificate Transfer (NOL)

Enables emerging companies running at an operating loss to sell a percentage of accrued losses to unrelated corporations as a tax credit.

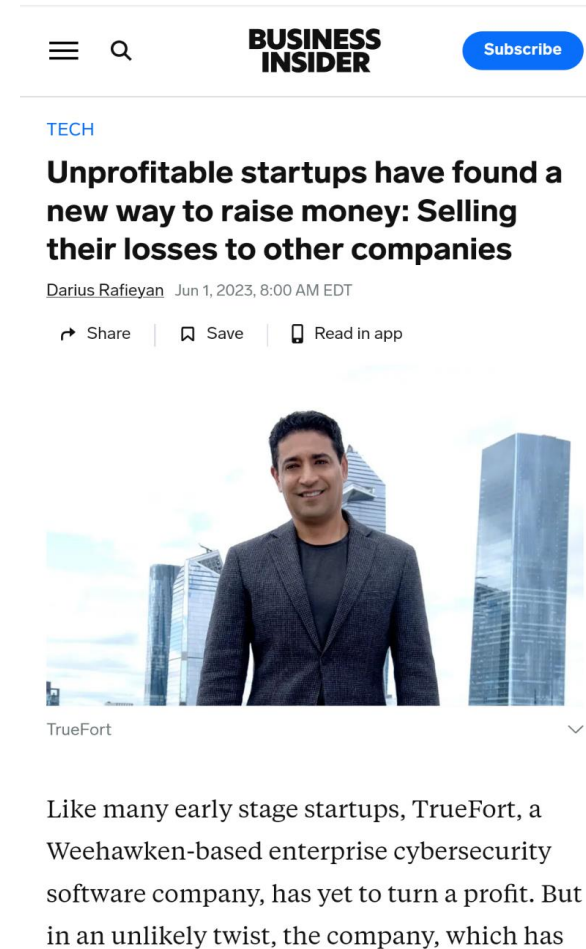
**Applications open annually
May-June**

- ▶ Protected Proprietary Intellectual Property
- ▶ Technology or Biotechnology
- ▶ At least 1/5/10 NJ FTE (but no PA)
- ▶ No more than 224 FTE (in the US)
- ▶ 2 Consecutive years of operating losses
- ▶ Eligibility must be met at time of application and closing

NOL Approved Company

TrueFort, Inc.

- ▶ Cybersecurity software company
- ▶ Headquartered in Weehawken
- ▶ 28 high-skilled & high-paying jobs
- ▶ Sameer Malhotra CEO & Founder *“with tech valuations down and volatile markets, the venture capital industry has seized up...This year, in particular, having access to the program was a fantastic lifeline to us... programs like this are a compelling reason to stay in the Garden State.”*
 - Business Insider, June 2023



The screenshot shows the Business Insider website interface. At the top, there is a navigation bar with a menu icon, a search icon, the Business Insider logo, and a blue 'Subscribe' button. Below the navigation bar, the article is categorized under 'TECH'. The main headline reads: 'Unprofitable startups have found a new way to raise money: Selling their losses to other companies'. The author is identified as 'Darius Rafieyan' and the publication date is 'Jun 1, 2023, 8:00 AM EDT'. Below the headline, there are three interactive options: 'Share', 'Save', and 'Read in app'. The article features a photograph of Sameer Malhotra, CEO and Founder of TrueFort, standing in front of a city skyline. The name 'TrueFort' is visible below the image. The article text begins with: 'Like many early stage startups, TrueFort, a Weehawken-based enterprise cybersecurity software company, has yet to turn a profit. But in an unlikely twist, the company, which has'.

NJ Founders and Funders

NJEDA facilitates warm introductions between companies and investors via an event twice a year

- ▶ Companies can pitch via 10-minute 1-1 meetings during the event
- ▶ Over 90% of those participants secured additional meetings with at least one investor



Curtis Lee

Manager Venture Engagement - Venture Products

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www.njeda.gov/founders-and-funders/



Frances Keel
Program Officer
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CSIT's Mission

CSIT is responsible for strengthening the innovation economy within the State, encouraging **collaboration** and **connectivity** between industry and academia, and the **translation of innovations** into successful high growth businesses



CSIT focuses on early-stage entrepreneurs / academics developing (R&D) innovation-based companies



Commission on Science, Innovation, and Technology

Grant Programs - www.njeda.gov/csit	Eligibility Requirements (Standard)	Timeline (Target)
Catalyst R&D Voucher - \$40K (includes Non-retail food and beverage R&D projects)	<ul style="list-style-type: none"> • < 50 employees • 50% of employees work in NJ • 1-2 Full-time employees • < \$5 million in prior yr. revenue • In good standing to do business in NJ (Tax Clearance) 	Rolling - Open
Catalyst Seed Grant - \$75K - \$150K		Yearly 2 nd Quarter (Est)
Clean Tech R&D Voucher -\$40K		Rolling - Open
Clean Tech Seed Grant -\$75K		Yearly 4th Quarter (Est)
Clean Tech Pilot Demonstration - \$250K		Yearly 2 nd Quarter (Est)
Food / Agriculture Seed Grant - \$75K		Yearly 2 nd Quarter (Est)
Maternal / Infant Health Seed Grant - \$75K		Yearly 2nd Quarter (Est)
SBIR/STTR Matching Grant - \$25K - \$50K		Rolling - Open

Additional Resources - CSIT

- ▶ **Grant submission assistance for Federal SBIR/STTR**

- ▶ Tech Team –

- NJSBDC www.njsbdc.com/techteam/

- ▶ **Information on capabilities at NJ Universities**

- ▶ www.researchwithnj.com

Contact Us



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Visit www.njeda.com/CSIT for more information

NJEDA Diversity and Inclusion Unit

NJEDA Diversity & Inclusion Unit supports the Authority's commitment to growing New Jersey's economy and increasing equitable access to opportunity.

- ▶ NJEDA believes that diversity, equity, and inclusion are inherent to creating a stronger and fairer New Jersey economy and building a diverse workforce increases business performance.
- ▶ NJEDA is guided by the concept of “diversity on purpose,” the idea that diversity at the NJEDA and in the businesses and communities the Authority serves should not only be recognized but intentionally fostered.
- ▶ This principle drives the NJEDA to produce innovative programs and services that best serve New Jersey's diverse residents, communities, and businesses

NJ State Certification

- ▶ What certifications are available?
 - ▶ Minority, Women, Veteran, LGBTQ+, Small Business
- ▶ Why should a company apply?
 - ▶ Certification can assist in qualifying for many opportunities presented to diverse companies (ATC, Accelerate)
- ▶ How to apply for certifications?
 - ▶ www.njportal.com/DOR/SBERegistry/Default/
- ▶ What documents are required to apply?
 - ▶ Articles of formation, business tax returns, resume of principals
- ▶ How long does the process to receive a certification determination?
 - ▶ On average 30-45 days

NJEDA Diversity and Inclusion Unit



Jermaine Pharmes

Director

Business Diversity/Development

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Innovation Office Hours

Opportunity to learn about NJEDA products developed to support tech and biotech startups.

- ▶ Monthly office hours
- ▶ Rotating virtual & in-person (North Brunswick and Newark)
- ▶ Event Agenda: Brief presentation, featured guest speakers, and networking time
- ▶ Next Event: **2025 schedule coming soon**
- ▶ Sign up at: www.njeda.gov/innovation-office-hours/

PRESENTATION TOPIC

February 2024: Introduction to the NJEDA's Innovation Programs & CSIT

March 2024: Introduction to the NJEDA's Innovation Programs & Business Action Center (BAC)

April 2024: Introduction to the NJEDA's Innovation Programs & CSIT

May 2024: Introduction to the NJEDA's Innovation Programs & NOL Program Review

June 2024: Introduction to the NJEDA's Innovation Programs; CSIT & Golden Seeds Program Review

July 2024: Introduction to the NJEDA's Innovation Programs; Founders & Funders SSBCI Life Science/Healthcare Fund

Let's Connect!

Innovation Mailbox

Innovation@njeda.gov



@NewJerseyEDA



Business Services - Business Engagement & Sector Strategies



BUSINESS SERVICES & SUPPORT

We **help** NJ
businesses **grow**

NJDOL Business Services



LABOR MARKET
INFORMATION



TRAINING NEEDS
ASSESSMENT
(SKILLS GAP)



TALENT ACQUISITION
SERVICES



GRANT
OPPORTUNITIES



APPRENTICESHIPS



NJDOL – Business Services

BUSINESS ENGAGEMENT



NJDOL Business Engagement

Job Posting & skill matching to available talent

Job fairs

Training needs assessment

Wage and employment information

Connection to NJDOL funded training
opportunities



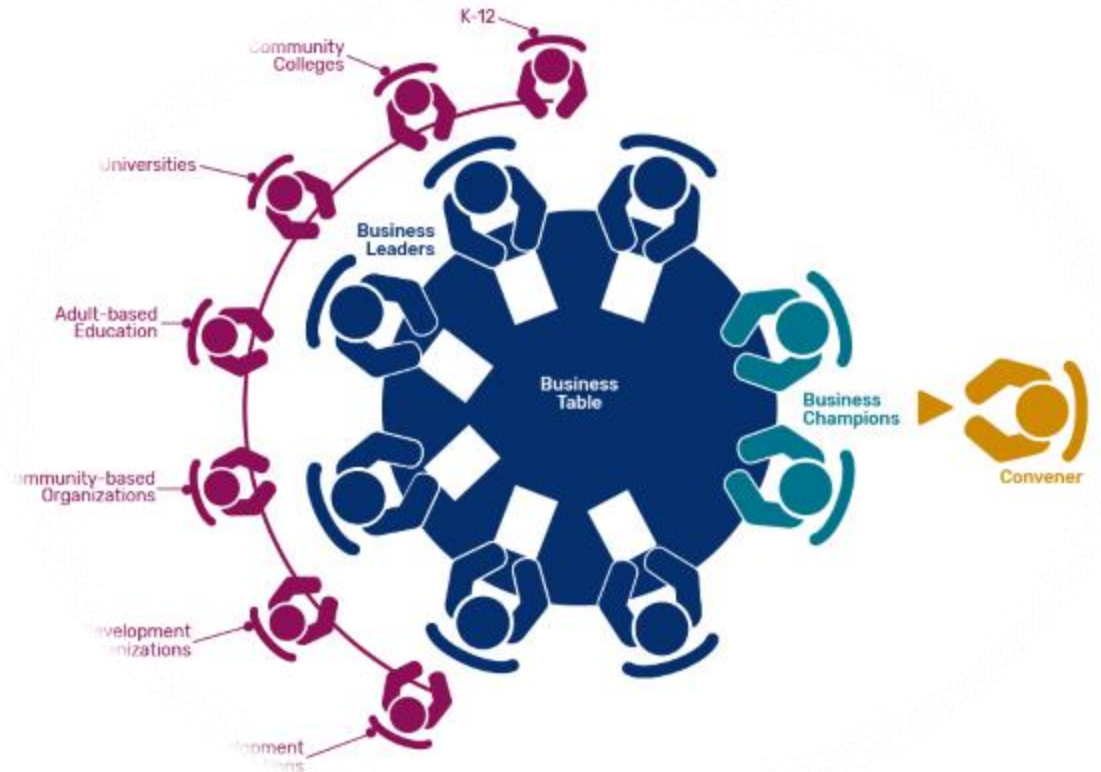
NEW JERSEY INDUSTRY PARTNERSHIPS

NJDOL – Business Services

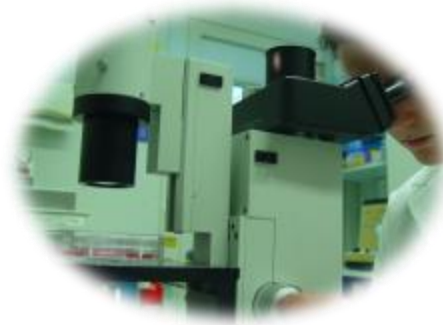
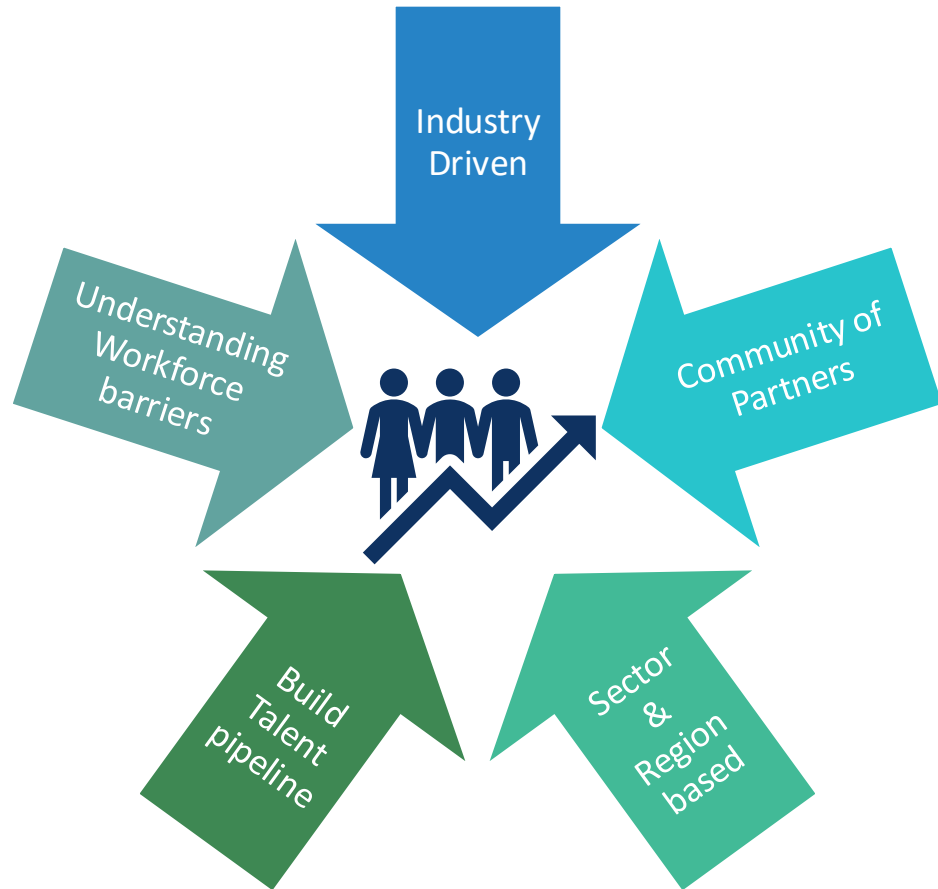
WORKFORCE
SECTOR STRATEGIES

NJDOL Industry Partnerships

Industry Partnerships are a vehicle for mobilizing business leaders from specific regions to collaborate with public partners in resolving workforce, economic and education challenges impacting New Jersey industries.



NextGen Sector Strategies Model



A group of four business professionals are seated around a table in a modern office setting, engaged in a meeting. The scene is brightly lit, likely by natural light from a large window in the background. The individuals are dressed in professional attire. One woman on the right is wearing glasses and has a coffee cup on the table. A laptop is open in front of her. The overall atmosphere is collaborative and professional.

NJDOL – Funding Opportunities & Registered Apprenticeships

Registered Apprenticeship

A Registered Apprenticeship program is approved by USDOL and is an industry-driven structured training program that allows an apprentice to earn while they learn. A minimum of 144 hours of related technical instruction (classroom training) and 2,000 hours of on-the-job (OJT) learning are required for each year of the occupation.

The complexity will dictate the length of the registered apprenticeship program ranging from 1 to 5 years.



Benefits to Registered Apprenticeship



Quality Standards



Reduced Turnover



Increased Worker Productivity



Builds a Company's Skills Base



Pipeline of Skilled Workers/Succession Planning

Financial Incentive Programs

UPSKILL – NJ Incumbent Worker Program

Innovation Research Fellowship Grant

Opportunity Partnership Grant (OPG)

Growing Apprenticeship in Nontraditional Sectors (GAINS)

Pre-Apprenticeship in Career Education (PACE)

On-The-Job Training (OJT)

Grant Programs

UPSKILL – NJ Incumbent Worker Program

This Upskilling/Reskilling training program helps defray the cost of training existing employees. Upskill grant funds are competitively awarded to NJ employers to provide up to 50% cost reimbursement assistance (maximum of \$500,000 per single employer or per consortium applicant) to train current employees to meet current and future occupational skill requirements.

Innovation Research Fellowship Grant

The IRFP grant funds are provided to support technological research and the innovation ecosystem in New Jersey and to encourage Ph.D. candidates and graduates to continue their research in fellowship with New Jersey's science and technology companies. The Fellowship grant is a two-year contract supporting up to \$85,000 in salary in year one and up to \$95,000 in year two. The grantee must pay at least \$25,000 in salary out of their own funds by year two.

Opportunity Partnership Grant

The OPG grant is to assist displaced/dislocated workers in securing employment by providing occupational training in industry sectors recognized and driven by employers' needs. The goal of the OPG training program is to re-connect training participants with gainful employment that offers them a sustainable wage.

Grant Programs

Growing Apprenticeship in Nontraditional Sectors (GAINS)

The purpose of the GAINS program is to promote the expansion and development of United States Department of Labor (USDOL) approved Registered Apprenticeship programs that drive economic development through skills and educational attainment and create pathways to better-paying careers and advanced credentials.

Pre-Apprenticeship in Career Education (PACE)

The purpose of the PACE Program is to prepare individuals to enter different career pathways and succeed in Registered Apprenticeship programs. These pre-apprenticeship programs have a documented partnership with at least one Registered Apprenticeship program sponsor that is committed to hiring from the pre-apprenticeship program within 18 months from the start of the contract period.

On-The-Job Training (OJT)

The OJT program encourages employers to hire new workers by assisting them with the costs of training. Participants get a paid job, training, and an opportunity to learn a new skill, while the employer receives 50% wage reimbursement for up to 26 weeks or \$10,000 based on an approved training program.



We are here to support you!

Howard Miller, Assistant Director

Business Engagement and Sector Strategies

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[Department of Labor and Workforce Development
\(nj.gov\)](http://nj.gov)