Four VentureLab Companies Receive Funding

Four start-up companies formed in Georgia Tech’s VentureLab and based on Georgia Tech innovations recently announced venture capital funding totaling more than $6 million.

Investors in Atlanta, Silicon Valley, New York and Washington, D.C. participated in the funding. The innovations came from Georgia Tech’s School of Electrical and Computer Engineering, School of Physics, Microsystems Packaging Research Center and Wallace Coulter Department of Biomedical Engineering.

In July, GTronix announced a funding commitment from Silicon Valley-based Menlo Ventures. The start-up produces analog chips that can be used wherever analog signals are converted for use with traditional digital signal processors.

Also in July, Jacket Micro Devices closed its first round of financing from Noro-Moseley Partners, Sevin Rosen Funds, Imlay Investments, the ATDC Seed Capital Fund and Atlanta Technology Angels. The company is commercializing integration technology for radio-frequency (RF) passive components.

In June, Stheno Corporation, which is commercializing instrumentation technology for pharmaceutical development and manufacturing, closed a round of financing from New England Partners of Boston, Healthcare Capital Partners of Atlanta, and Acorn LLC of Cabin John, MD.

In April, Orthonic, Inc., received initial funding from New York’s Viscogliosi Brothers, LLC to support development of biomaterials for spinal disc repair. That funding matched a grant from the Georgia Research Alliance VentureLab Seed Grant program.

Jacket Micro Devices and Stheno have already been admitted to the ATDC, Georgia Tech’s science and technology incubator.

www.edtv.gatech.edu/articles/articlesans.cfm?ID=188

Jacket Micro Devices produces standard and custom RF passive components used in wireless communications.

Catching the Competition

In mid-May, some 80 people participated in a one-day symposium, “Competing with Low-Cost Countries,” at Technology Square in Midtown Atlanta. Sponsored by Georgia Tech and the U.S. Manufacturing Extension Partnership, the event featured a briefing on world markets and the competitive situation, an examination of strategies and a roundtable discussion of the future of manufacturing. The keynote speaker was Gus Whalen.

Gus Whalen, CEO of Warren Featherbone Co. in Gainesville and an authority on industrial partnerships. Attendees included manufacturers and economic developers from across the state.

Two-Wheel Triumph

The recent Dodge Tour de Georgia bicycle race had a multimillion-dollar impact on the state’s economy, according to an EDI analysis of the April event for the Georgia Department of Economic Development. The race, covering 653 miles through 23 cities, attracted more than 745,000 people, according to sponsors.

EDI surveyed spectators in Alpharetta, Brasstown Bald Mountain, Dahlonega, Dalton and Macon to gather data on hometown location, expenditures and length of stay, among other things. The study found that 31 percent of respondents came from outside Georgia and 58 percent booked at least one overnight stay in a Georgia community. Documented impacts totaled at least $15.6 million, and estimated impacts could run as high as $70.5 million.

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Lance Armstrong (L) and Mario Cipollini approach the finish line of the Dodge Tour de Georgia race.

Gary Meek

Michael Pugh

INPACT

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Time for a Tune-up?
From recent research in 34 east Georgia counties examining what types of technologies local economic developers need to become more effective and efficient, EDI has developed a new service called Tech Tune-up. The service, which involves auditing usage of such things as computers, the Internet, geographic information systems, PowerPoint, large-format printers and digital cameras, helps economic development organizations get maximum impact from their information technology. A half day of such analysis typically is followed by a half day of staff training.

Following a Tech Tune-up pilot project in Conyers-Rockdale County, the local economic development organization purchased new computers, upgraded software, improved its server, established a technology team and began re-examining its Web site to better suit a modified mission. www.ceds.gatech.edu

Gung Ho for Saving Energy
Last year, a dozen staff from EDI and the Georgia Tech Research Institute visited several U.S. Marine Corps bases as part of a federal energy reduction program designed to cut energy demand by 20 percent. The Georgia Tech team analyzed seven bases in California and found 75 energy conservation opportunities offering annual savings of $1.85 million. As a result, Georgia Tech has submitted a proposal to the Federal Energy Management Program to conduct similar audits closer to home, namely Warner Robins Air Logistics Center and the Albany Marine Corps Logistics Base.

Paving the Way for Automotive Jobs
At the request of the OneGeorgia Authority, EDI conducted a state-level fiscal impact analysis that was one of the ingredients in approving a grant request of $650,000 from the Joint Development Authority of Franklin, Hart and Stephens counties to assist with industrial park infrastructure costs.

TI Automotive, a Michigan-based auto parts manufacturer, is the first tenant recruited for the Gateway Industrial Park, a 150-acre facility established by the JDA in northeast Georgia. The company expects to create 100 new jobs and the analysis determined that net benefits to the state from the firm’s location would exceed $1.8 million over a 20-year span.

In 1998, EDI conducted a study demonstrating the feasibility of a jointly owned park and highlighting the competitive advantages for specific locations along I-85. The Gateway Park subsequently was situated on one of the sites EDI recommended. www.ceds.gatech.edu

Kudos
In June, Georgia Tech’s Advanced Technology Development Center was recognized by the U.S. Commerce Department as the winner of the 2004 Technology-led Excellence in Economic Development Award, saluting ATDC’s commitment to “sound, research-based, market-driven economic development in helping grow the local economy.”

A New Look: Watch for a new look in the next issue of this newsletter.

Around the State
- When a Wilkinson County ceramics manufacturer wanted to expand, community leaders and state officials asked EDI to conduct a local impact (LOCI™) analysis to help them develop a suitable incentives package. Subsequently, CARBO Ceramics announced construction of a new facility in the community, with an initial investment of $62 million and an additional workforce of up to 50 people.
- After a Thomaston manufacturer of industrial mop hardware lost its biggest customer to outsourcing, EDI specialists in import competition assisted the firm with diversifying its product line. Woodbury Box began making decorative garden accessories, resulting in five jobs created/saved. The new product produced $100,000 in sales in its first year, a figure that could eventually top $2 million.
- Over recent years, EDI procurement specialists have helped AFR & Associates, Inc., an Atlanta small, disadvantaged business, with securing a federal supply schedule contract, obtaining HUBZone certification and developing budgets and pricing that positioned the firm to win a big contract. AFR recently received a $17 million award from HUD for management and marketing that will create 45 jobs and retain 18.

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