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Q&A

New CI chairman plots growth strategy

Q&A talks about the future of Connecticut Innovations with the quasi-public venture capital firm's new chairman Michael Cantor.

Q: You've been appointed chairperson of Connecticut Innovations. Explain what the group is and what your role as chairperson involves.

A: Connecticut Innovations is the leading source of financing and ongoing support for Connecticut's innovative, growing companies. To help each business reach its full potential CI — a quasi-public agency — tailors solutions that often combine its funds with resources from other financial institutions to provide four things: 1) venture capital and strategic support for early-stage technology companies; 2) flexible loans for established companies with new innovations; 3) grants that support innovation and collaboration; and 4) connections to its well-established network of partners and professionals.

The role of the CI chairperson is to manage and lead the board, provide advice and counsel to the CEO, and work with the CEO to set the board agenda and priorities.

Q: What has Connecticut Innovations been doing well?

A: CI has been doing a great deal of things extremely well. It has set smart strategic priorities in its merger with the Connecticut Development Authority (CDA) and is working through them to offer a more robust package of products and services. These initiatives will enable CI to help Connecticut's most promising high-tech companies no matter what stage of the business life cycle they're in.

On the equity side, CI has ramped up its investments. In life sciences deals, CI ranked nationally in the top five for deals done over the last two years. CI has also recruited 24 companies to Connecticut — nearly half of those in the last 18 months. It has earned an average gross internal rate of return of 18 percent for Connecticut taxpayers. On the loan side,



CI issued in 2012 \$15 million in loans and bank guarantees to 36 companies in various industries. That leveraged \$25 million from banks and created or retained 1,554 Connecticut jobs.

Meanwhile, CI's Small Business Innovation team serves around 1,000 companies a year, mainly small manufacturers, and provides strategic support such as help with evaluating the commercialization potential of a proposed technology, hiring interns, or winning federal Small Business Innovation Research grants.

Q: What does CI need to improve?

A: A lot of change has already occurred at CI over the past year: merger with CDA, new CEO, and increased investment due to implementation of the 2011 Jobs Bill.

CI is undertaking a major effort to communicate its broader range of products available to companies. It is amazing how many businesses don't know the type of assistance that is available from CI. CI is revamping its website to make it easier for customers to not only find the right product and point of contact, but also to access other important tools to help their business grow, such as how to put together an investment pitch and how to protect ideas.

A major initiative for CI in 2013 and 2014 is the implementation of the Bioscience Innovation Fund. This fund will provide the means to support the translation and commercialization of cutting-edge science in such

sectors as therapeutics, diagnostics, medical devices, bioinformatics and testing. The \$200 million, 10-year fund will make investments in the form of equity, debt and grants.

Q: You have more than 25 years of experience as an intellectual property attorney and are co-managing partner of Cantor & Colburn LLP. How are you going to use your background to help grow Connecticut's economy?

A: As an advisor to global businesses and as a business owner myself, I am quite familiar with what makes businesses grow and thrive. In working with high technology and growth companies of all sizes for 30 years, I have learned how they operate but more importantly I have learned what they need in order to be successful. In addition, I have personally had the experience of growing a business in Hartford: 20 years ago, there were 10 attorneys at this firm, and today Cantor Colburn is one of the largest intellectual property law firms in the country with five offices and more than 100 attorneys.

Q: The Governor said he has a major emphasis on growing Connecticut's economy by seeking companies that are developing high-tech products of tomorrow. What are CT's high-tech products of tomorrow?

A: The collaboration between personalized medicine technology leader Jackson Laboratory, the state, and UConn is a wonderful example of the state investing in local assets to transform the state's future and economy. This brings hundreds of bioscience jobs to the state in the near term, but this will also almost certainly be a magnet in the future for other high-tech companies with skills in diagnostics, medical devices, therapeutics, and platform technologies that support research. Other sectors with a lot of traction and potential include information technology, clean technology and additive manufacturing technology. ■