



Declaration of Cooperation

RAIN (Regional Accelerator Innovation Network)

Introduction

RAIN is the product of a collaborative Regional Solutions process initiated by the Governor that brought industry, government, and education leaders together to address an important gap in the innovation economy in Oregon. For new technologies to spur job growth and launch new industries—the kind of industries and jobs that will keep Oregon globally competitive—they must first surmount several key hurdles. First, concepts must make it out of the lab and be proven commercially viable. Through Gap Funds, such as those established by the Signature Research Centers, and the University Venture Development Fund, universities and the state have been able to support the very earliest stages of entrepreneurial activities. The next hurdle is taking that innovation to market and scaling up new ventures. That requires access to capital, infrastructure, and business resources. RAIN addresses this need, while capitalizing on the synergies between Oregon’s major research universities and leveraging state investments.

Background

The University of Oregon and Oregon State University are both tier one research universities. In 2012 the UO and OSU collectively brought in nearly \$400 million in research dollars that resulted in discovery, innovation and economic activity for Oregonians. Faculty at Oregon’s research universities excel in converting research activity into real world outcomes – solutions, products, new businesses, and jobs.

Oregon’s research universities are a critical driver of ideas and know how, which collectively moves the economic development agenda forward. RAIN has the potential to propel Oregon’s innovation enterprise and knowledge economy to the next level.

RAIN links the University of Oregon, Oregon State University, and the cities of Eugene-Springfield, Albany, and Corvallis as well as adjacent areas including Lincoln County to incubate and grow new technology based businesses.

RAIN Project Collaborators

Conveners:

- Mayor Kitty Piercy, City of Eugene
- Mayor Julie Manning, City of Corvallis

Project Sponsors:

- Business Oregon
- University of Oregon
- Oregon State University
- City of Eugene
- City of Corvallis

Additional Project Team Members:

- Eugene Area Chamber of Commerce
- Corvallis/Benton County Area Economic Development Department
- Sabrina Parsons, Chair, CEO Palo Alto Software
- Karla Chambers, Stahlbush Island Farms
- Paul Anthony, CEO, Rumblefish
- Dana Siebert, President and COO, Chambers Communications
- Dan Whitaker, Business Strategy, Funding, Marketing Consultant

Oregon Solutions Project Manager:

- Jamie Damon, South Willamette Valley Regional Solutions Coordinator
- Jim Coonan, Interim Executive Director, RAIN

RAIN is the support network providing office space, labs and specialized equipment for emerging companies. RAIN provides an “innovation network” that links business and legal advice; entrepreneurs-in-residence, and investor access to technology entrepreneurs. RAIN is focused on companies beyond proof-of-concept stage that are ready to build and test prototypes, build scalable businesses and find investors. Most importantly, RAIN is a regional collaboration that will help build and optimize the region’s assets to support the entrepreneurial ecosystem.

Working through the Regional Solutions process, a Core Team was established in March of 2013 to develop the RAIN business concept and engage regional stakeholders around the idea of a collaborative network. The Core Team consists of the Vice Presidents of research from Oregon State University and the University of Oregon and the Mayors of Eugene and Springfield. This Core Team met several times a month throughout 2013 and into early 2014 to develop cooperative agreements between the universities, business and agency leaders and the communities in the south Willamette Valley around governance, vision, goals and objectives outlined in this document

The RAIN Governing Board and Community Partners commit to the implementation of RAIN and agree to the Vision, Goals, Outcomes, Governance and Resources outlined as follows.

Vision

RAIN serves ***technology entrepreneurs*** in the South Willamette Valley by connecting them with the resources that can help them turn ideas into high impact, innovative, traded-sector companies that can grow and thrive in the region.

RAIN builds and connects resident talent, capital and infrastructure including the resources of the two research universities into an innovation network that is easy for entrepreneurs to access and navigate.

The services and connectivity RAIN provides creates a vibrant environment for entrepreneurs and this hub of economic activity creates jobs, wealth and vibrant communities.

Goals

RAIN is based on two goals:

- I. For ***entrepreneurs***: RAIN connects resources and expertise to create high impact businesses and accelerate growth. RAIN’s purpose is to assist technology-based start-up businesses, and create a robust entrepreneurial ecosystem to help advance a broader range of scalable traded sector businesses.
- II. For our ***community partners***: RAIN will create an environment where there is a competitive advantage for companies to start and stay in the region that results in more jobs and wealth.

Outcomes

Successful implementation will increase the number of wealth creating companies starting and staying in the region and the number of quality jobs. In addition, the region will be known for its vibrant entrepreneurial environment attracting talent and investment to the area over time.

The following table outlines the strategies, goals, milestones and metrics for implementation.

Strategies	Create an innovation network that supports entrepreneurs in finding and navigating the resources to build high impact companies			
	Grow the network of entrepreneurial talent, mentors, and business expertise that support the development and growth of high impact companies	Develop a continuum of capital that supports entrepreneurial companies throughout their growth lifecycle	Establish an infrastructure of accelerators and networking hubs that aggregate resources and create connections for the entrepreneurial community	Be the voice for the entrepreneurial community
10 year goals	<p>The region's resident resources are well formed, well connected, and actively supporting the growth of new companies</p> <p>The region's active support network and quality of resources attract entrepreneurs from outside the area</p>	Continuum of resident capital created to support lifecycle needs of high impact companies	<p>The region has active hubs that creates synergy among entrepreneurs</p> <p>RAIN's accelerators, through their collaboration, are actively graduating companies that grow in the region</p>	<p>RAIN has a sustainable business model</p> <p>The region's economic and community partners actively support entrepreneurship</p>
2014-15 Milestones	<p>Shared inventory of innovation and entrepreneurial assets is created for established priorities.</p> <p>Region-wide mentoring program is created and curator roles established to link entrepreneurs to regional resources (e.g. mentors, professional services, capital, etc.)</p>	<p>Working group is established to identify regional capital gaps;</p> <p>Priority recommendations to increase resident capital to begin implementation in 2015</p>	<p>Both accelerators are actively serving entrepreneurs with strategies in place for connecting to other network resources and continued support after graduation</p>	<p>Clear marketing message and PR strategy for RAIN is created through communications working group</p> <p>Communication links between Corvallis-Eugene nodes are established; roles are clarified</p>
Performance metrics (Types of measures we might consider)	<ul style="list-style-type: none"> - Number of mentoring connections - Impact of network services on entrepreneurs/companies 	<ul style="list-style-type: none"> - Amount of resident capital - Amount of leveraged capital - Companies funded: Overall and through Accelerators 	<ul style="list-style-type: none"> - Companies served by and graduating from accelerators - Job/revenue growth of companies after graduation 	<ul style="list-style-type: none"> - Amount of media coverage - Regional and state awareness of assets/opportunities
				<ul style="list-style-type: none"> - Funding and operational performance metrics met - Continued partner support

Governance

RAIN will be incorporated as an interdependent nonprofit 501(c)(3). A Board of Directors has been installed to govern the organization, supported by a small dedicated staff to manage the day-to-day operations. As an interdependent entity, RAIN actions and success will be tied to the performance of its two university accelerator programs and of committed regional stakeholders.

The Board of Directors guides the development of and approves a strategic plan and its implementation, provides direction to the Executive Director, monitors the performance of RAIN against the dashboard, business plan, and communicates RAIN's achievements to the public and stakeholders. The Board is legally responsible for the overall management of RAIN, sets policies and has the ultimate decision-making authority.

Board of Directors:

Sabrina Parsons, Chair, CEO Palo Alto Software

Julie Manning, City of Corvallis Mayor

Kitty Piercy, City of Eugene Mayor

Rick Spinrad, Vice President of Research at Oregon State University

Kimberly Espy, Vice President of Research and Innovation at the University of Oregon

Karla Chambers, Stahlbush Island Farms

Dave Hauser, Eugene Area Chamber of Commerce

Paul Anthony, CEO Rumblefish

Dana Siebert, President and COO, Chambers Communications Corp

Dan Whitaker, Business Strategy, Funding, Marketing Consultant

Sean Stevens, Business Oregon (non-voting)

Jamie Damon, Governor's Office, Regional Solutions Center (non-voting)

Working Groups

The Governing Board has established the following Working Groups to further key implementation elements of RAIN:

Capital Access: To assess the region's strengths and weaknesses and develop recommendations for the board to improve access to capital in the region;

Marketing: Develop and coordinate a clear and focused regional communication strategy for RAIN;

Intelligent Network: To develop a virtual network easily navigable by an entrepreneur; and

Accelerators: Coordination of successful accelerators serving both the Eugene and Corvallis nodes networked to each other and their communities.

Staff

A small, dedicated staff will manage the day-to-day operations of the organization and carry out directives from the Board. The staff will consist of a 1.0 FTE Executive Director and one part time support staff.

The responsibilities of the Executive Director include:

- Ensuring that RAIN and its stakeholders are making progress towards the objectives set forth in the Strategic Plan and supporting business plans;
- Developing, refining, and networking community and overlapping RAIN resources to support the Accelerators;
- Managing the development and implementation of a marketing communications strategy that informs stakeholders, prospective partners, and the public;
- Managing the annual monitoring and reporting of RAIN's performance against metrics and of annual external financial audits;
- Overseeing daily operations and staff;
- Convening and staffing the Governing Board and Working Groups; and
- Coordinating development of proposals for funding of RAIN operations.

Resources

\$2.5M in capital funding and \$1.25M in operating funds allocated for the 2013-2015 biennium, to support the startup and operations of the primary RAIN components:

- Operation of RAIN including the Executive Director position and governance
- Corvallis/Eugene accelerator nodes
- Marketing
- Development of shared community resources
- A one-time capital budget of \$1,250,000 will be provided to each accelerator
- A 1:1 objective of regional funds to match legislative dollars

The accelerators at Oregon State University (OSU) and the University of Oregon (UO) will comprise the core of RAIN. This core will consist of both “hard” resources (accelerator space, financing, and

equipment) and "soft" resources (comprehensive accelerator programs that include mentorship, networking, and business model development). Community and overlapping RAIN resources will be developed, further refined, and networked to support the Accelerators.

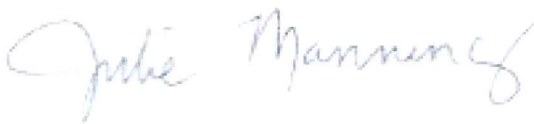
Signatures

Partners engaged in this process understand and agree that such efforts are long-term with a requirement for sustained Partner engagement and resource support. Furthermore, partners agree that RAIN's focus is on the entrepreneur as the primary customer and startup and growth stage activities that are complementary to the Region's economic retention and expansion effort.

RAIN drives job growth and retention in the South Willamette Valley region and Oregon through its accelerator programs and facilities and its consortium of government, higher education and business that assist the formation, growth, and retention of tech-based startup businesses commercializing university-based or university-assisted research in the region.

This Declaration of Cooperation, while not a binding legal contract, is evidence to and a statement of the good faith and commitment of the undersigned parties. The undersigned parties to this Declaration of Cooperation have, through a collaborative process, agreed and pledged their cooperation to the above referenced actions:

City of Corvallis



Julie Manning, City of Corvallis Mayor



Tom Nelson, City of Corvallis/Benton County Economic Development Manager

City of Eugene



Kitty Piercy, City of Eugene Mayor



Denny Braud, Development Analyst

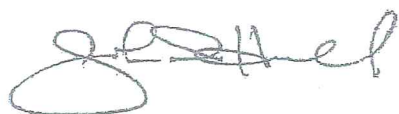
University of Oregon



Kimberly Andrews Espy, Vice President of Research and Innovation, University of Oregon



Patrick Jones, Associate Vice President for Research and Innovation, University of Oregon



John Hull, University of Oregon, Business Innovation Institute



Chuck Williams, Assistant Vice President for Innovation U of O



Joe Maruschak, Eugene Accelerator Director

Oregon State University



Rick Spinrad, Vice President of Research at Oregon State University



Ron Adams, Executive Associate VP for Research at Oregon State University



Mark Lieberman, Chief Start up Officer; Co-Director OSU Advantage Accelerator

John Turner, Co-Director, OSU Advantage Accelerator



Brian Wall, Director, Office for Commercialization & Corporate Development



Eugene Chamber of Commerce



Dave Hauser, Eugene Area Chamber of Commerce

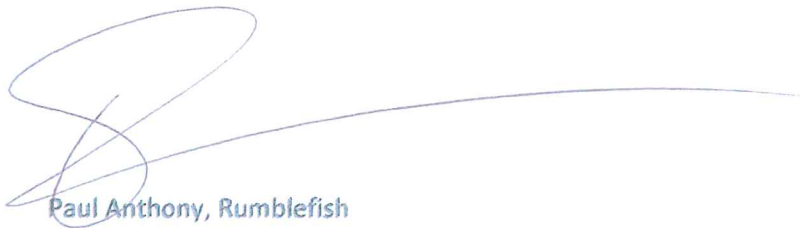
Entrepreneurs



Sabrina Parsons, Chair, CEO Palo Alto Software



Karla Chambers, Stahlbush Island Farms

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Paul Anthony, Rumblefish

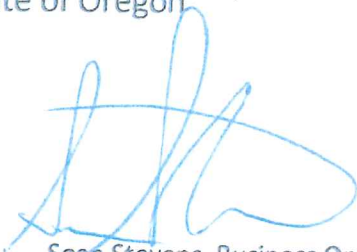
A signature in blue ink, with the first name 'Dana' clearly legible and the last name 'Siebert' written in a more stylized, cursive script.

Dana Siebert, President and COO, Chambers Communications Corp

A signature in blue ink, with the first name 'Dan' clearly legible and the last name 'Whitaker' written in a stylized, cursive script.

Dan Whitaker, Business Strategy, Funding, Marketing Consultant

State of Oregon

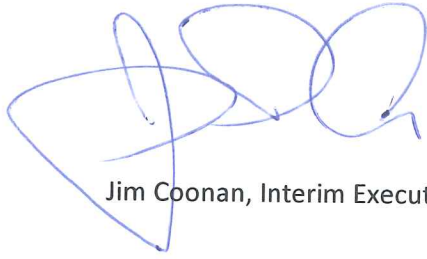
A signature in blue ink, with the first name 'Sean' clearly legible and the last name 'Stevens' written in a stylized, cursive script.

Sean Stevens, Business Oregon

A signature in blue ink, with the first name 'Jamie' clearly legible and the last name 'Damon' written in a stylized, cursive script.

Jamie Damon, Governor's Office, Regional Solutions Center

RAIN

A handwritten signature in blue ink, consisting of several loops and a large, sweeping stroke on the left side.

Jim Coonan, Interim Executive Director