

Innovative Ideas- North Carolina A&T State University

Category: Public Service

Project Name: Inception Micro Angel Fund

The Idea: NC A&T has partnered with the Small Business Technological Development Center (SBTDC) to create the Inception Micro Angel Fund, an early stage investment fund designed to address the growing gap in start up funding needs for high potential companies in North Carolina. The fund has the potential to help strengthen university-grown ventures as well as companies located in communities that surround campuses.

Project Execution: Inception Micro Angel Fund (IMAF) is designed to draw the university and the entrepreneurial community into close collaboration by providing the initial capital investment of \$50,000 to \$100,000 people with potentially good ideas need in order to complete proof of concept, file initial intellectual property documents (if applicable) and to determine an appropriate management team. The fund's investors include alumni from NC A&T, as well as funding from Wake Forest University, Action Greensboro, and local entrepreneurs. Inception Micro Angel Fund was created in 2003. New members are currently being invited to join the fund.

External Impact: To date, the fund has invested almost \$1.8M in 12 companies based in the Piedmont Triad area of North Carolina. These investments, coupled with the counseling services and educational programs of the SBTDC have resulted in 49 jobs being created or retained. The model has proven to be effective and four additional IMAF like funds will be created throughout the state. IMAF-West, LLC has been created in connection with Western Carolina University and is currently in the process of raising money for other campus-based funds. Potential future sites have been identified at East Carolina University, UNC-Wilmington and NC State University. Funding would then be available for selected projects in each of those areas.

The SBTDC is willing to review, assess and if appropriate, provide a full implementation program for any campus that expresses an interest in this private equity program.

Internal Impact: IMAF has allowed university collaboration to occur primarily through the use of MBA student teams working on due diligence questions, marketing data, and financial forecasts relating to the fund. This type of hands-on business experience is beginning to be replicated at other universities in the UNC system. IMAF also works closely with the technology transfer office on campus to identify potential investments.

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