

# COMMUNITY IMPACT REPORT **2023**



innovation  
works



# A YEAR OF GROWTH



At Innovation Works, we don't just invest in companies — we invest in ideas, dreams, and the limitless potential of entrepreneurship. Our commitment to fueling the region's tech startup ecosystem runs deeper than numbers on a balance sheet. It's a vested belief that innovation is the lifeblood of progress.

In 2023, Innovation Works continued its legacy as the most active early-stage investor in the state of Pennsylvania, investing \$7.38 million in 60 local companies — a 50% increase from the previous year. Our portfolio companies collectively generated over \$851 million in revenue, secured \$116 million in follow-on funding, and created 1,154 new jobs while retaining 1,945 existing positions right here in Southwestern Pennsylvania.

Through our entrepreneurial support services, programmatic initiatives, and access to networks, we provided critical resources to 153 startups, nurturing their growth and enabling them to thrive. Through our investments, we helped to commercialize 73 new products and facilitated 47 patents and software copyrights.

These accomplishments are a culmination of unwavering dedication, collaborative partnerships, and an authentic belief in the power of innovation to shape our future. Thank you for your continued support as we embark on another year of catalyzing economic growth through technology entrepreneurship.



**Warm regards,**

A handwritten signature in blue ink, appearing to read "Ven Raju".

**VEN RAJU**

**President & CEO  
Innovation Works**



## 2023 BY THE NUMBERS

# Bolstering the economy of southwestern PA



3,099

New jobs created and/or retained



20

New companies created



153

Companies assisted



60

Companies invested in



73

New products commercialized



\$851M

Revenue reported by IW startups



19

Portfolio companies raised over \$1M



\$116M

Follow-on funding raised by portfolio companies





# Activating the Robotics Factory

In September, we activated the Robotics Factory, a division of Innovation Works with support from the Pittsburgh Robotics Network dedicated to create, accelerate and scale robotics companies in the Pittsburgh region. The programing is part of the \$63 million Build Back Better Regional Challenge grant awarded by the U.S. Economic Development Administration (EDA) to the Southwestern Pennsylvania New Economy Collaborative, a coalition of the region's leading university, philanthropic, and private sector partners.

The Robotics Factory is comprised of three programs:

**The Create Program** brings together entrepreneurs, technology experts, researchers, and industry professionals to address challenges through workshops.

**The Accelerate Program** supports up to six pre-seed robotics startups with funding, mentorship, and resources in a seven-month intensive program.

**The Scale Program** provides expertise in product prototypes and services to help startups develop production-ready products, utilizing the Robotics Factory's manufacturing resources.



# The Robotics Factory Create Program

The Create Program matches global industry leaders from promising sectors with our regions top robotics technologists and entrepreneurs to develop solutions that address industry challenges. This collaborative process yields companies and products with a clear product-market fit from the very start.

Our first summit focused on aviation with the partnership of the Pittsburgh Robotics Network, Pittsburgh International Airport, and Future Travel Experience. The Aviation & Robotics Summit was an invite-only three-day interdisciplinary series of workshops, industry site tours, and networking opportunities.

Bringing together representatives from the aviation industry to meet roboticist entrepreneurs to share learnings, explore potential use cases, and help accelerate the adoption, deployment, and commercialization of robotics technologies to solve real-world challenges:

- Baggage Handling
- Airside Assets Management
- Aircraft Servicing
- Workforce Support and Enhancement







# The Robotics Factory Accelerate Program

We welcomed six companies into our inaugural cohort of the Robotics Factory Accelerate Program solving challenges across a variety of industry challenges. The companies participated in six months of programing and pitched at the Pittsburgh Robotics Network Discovery Day event. Learn more about the cohort:

- **Aquatonomy** creates underwater intelligence using autonomous robots.
- **Cell X Technologies** is revolutionizing stem cell processing by using a combination of robotics, imaging, and artificial intelligence.
- **Grasp Robotics** has developed robotic muscles with human-like strength and capabilities for advanced prosthetics.
- **Leaficient** uses computer vision and AI to revolutionize horticultural lighting within indoor farms.
- **Velo** is building the world's smartest bicycle safety platform.
- **Voaige** is building AI vision software with physical intuition to address labor shortage across industries.



# The Robotics Factory Scale Program

The Scale Program empowers entrepreneurs and manufacturers alike by providing hands-on support, unlocking access to cutting-edge tools, grant funding, rapid prototyping, and educational resources.



## Scale Residency Program

The Scale Residency Program provides startups at various stages support to build their prototypes and connect them with local manufacturers. Residents gain access to the Robotics Factory and its amenities:

- Advanced prototyping equipment, tooling, and materials including water jets, laser cutters, CNC Machines, and 3D printers
- RF-Scale Staff for training and support
- Robots, space, and sensors necessary for prototyping and testing concepts
- Flexible desk and assembly space
- A vibrant community of startups, mentors, corporates, and manufacturers
- Conference rooms, kitchens, and common space



**SCAN TO VIEW OUR SHOP**

# LEVELING UP OUR ACCELERATORS

In 2023, our nationally ranked accelerator programs joined forces to develop a unified curriculum focusing on customers, community, and capital, helping tech entrepreneurs go further, faster.

Through a synchronized schedule, founders across software, hardware, life sciences, and robotics will connect while still benefiting from their specialized program strengths.



Congratulations to Aaron Tainter named the Director of Accelerator Programs at Innovation Works. Aaron oversees AlphaLab, AlphaLab Health, AlphaLab Gear, and the Robotics Factory Accelerate Program.



AlphaLab has been supporting software entrepreneurs since 2008, with 150+ investments made and 700M+ follow-on funding.



AlphaLab Gear supports hardware/technology-driven startups, providing connections to regional manufacturers.



AlphaLab Health has a partnership with Highmark /Allegheny Health Network that provides access to clinicians and administrators.





# SUPPORTING SOCIAL INNOVATION



Funded by the BNY Foundation of Southwestern Pennsylvania, UpPrize is a powerful program bringing non-profits, civic leaders, and corporations together, working for the collective purpose of tackling challenging community issues.

UpPrize is an initiative that surrounds entrepreneurs with the resources that will enable them to get a solution to market quickly — including prize money, mentorship, startup coaching, and connections to partners and customers. For 2023, UpPrize focused on three pillars: Racial Equity, Economic Justice and Sustainability. Since its launch, UpPrize has engaged over 500 applicants and allocated more than \$2.5 million in investments, grants and technical assistance to winners and finalists.

## UPPRIZE 2023 WINNERS



**FARM TO FLAME  
SUSTAINABILITY  
WINNER**



**KORION HEALTH  
RACIAL EQUITY  
WINNER**



**SUSTAINABLE  
ECONOMIC JUSTICE  
WINNER**



**TESTA SEAT  
SUSTAINABILITY  
RUNNER UP**

# OUR COMMITMENT TO DIVERSITY, EQUITY, AND INCLUSION



Innovation Works values inclusive innovation and demonstrates this through our people, practices, and community partners. Inclusive teams create better products, reach more customers, and develop stronger cultures. More than 60% of IW portfolio companies have founders or leaders who identify as a female and/or person of color.\*

**36%**

Women Led

**41%**

People of Color

**9%**

LGTBQA

**13%**

People with a Disability

**8%**

Veterans



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