



**LaunchNY**

**INVEST LOCAL**



**FOR IMMEDIATE RELEASE**

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**LAUNCH NY'S DEAL-BY-DEAL INVESTOR NETWORK FEATURES ONE OF THE REGION'S FIRST WIDELY AVAILABLE OPPORTUNITY FUND INVESTMENTS**

*Second round of companies featured including focus on technology, B2B sales & healthcare*

Buffalo, N.Y., November 26, 2019 – For its second round of investments, Launch New York's (Launch NY) new Investor Network, the region's first and only on demand digital marketplace exclusively serving Upstate New York's entrepreneurial ecosystem, is providing investors a chance to fund another six startups, including its first [Opportunity Zone](#) company, 3AM Innovations, which brings the total companies on the platform to 12 since being introduced four months ago.

“We are thrilled to see Launch NY introduce their first eligible Opportunity Zone investment, demonstrating how this new federal incentive can support homegrown entrepreneurs and local business growth,” said Chris Slevin, Vice President of the Economic Innovation Group (EIG). “Launch NY has been a critical partner in the EIG Opportunity Zones Coalition, and with its work across Upstate New York, is helping to set best practices nationally to boost investments in entrepreneurs.”

The Opportunity Zones' incentive is a new community investment tool established by Congress in 2017 to encourage long-term investments in designated low-income communities nationwide. Opportunity Zones provides a series of graduated tax incentives to investors who re-invest capital gains into Opportunity Funds that subsequently invest in eligible businesses and property in the designated communities. By unlocking private capital for investment in an Opportunity Zone business, Launch NY is at the forefront of organizations in the region and beyond when it comes to facilitating funding for its client companies.

Located on Goodell Street in Buffalo, [3AM Innovations](#) has created a wearable tracking solution for first responders called FLARE, which tracks and monitors first responders in the field. With headquarters in an Opportunity Zone, 3AM worked with Launch NY to qualify their eligibility as a Qualified Opportunity Zones Business, allowing investors to receive tax benefits for investment through an Opportunity Fund. Forty percent of Launch NY's current seed fund portfolio companies are located in designated Opportunity Zones.

“Thanks to the Opportunity Zone's model, investors can see even more upside while supporting companies in underserved areas in New York State,” said Marnie LaVigne, Ph.D., President and CEO of Launch NY, the first and only venture development organization to provide pro bono mentoring and capital access to high-growth startups across the 27 westernmost counties of the state. “Launch NY is thrilled to be offering one of the first Opportunity Zone investment opportunities for a business in New York State. This provides a win-win-win, for the company, the investor, and the surrounding community that benefits from an influx of capital and renewed interest.”

In addition to being featured on Launch NY's Investor Network, 3AM Innovations is a Launch NY Portfolio Company, receiving funding from Launch NY's nonprofit Seed Fund and for profit Limited Partner Fund. Launch NY operates the most active seed fund in New York State completing an average of two to three investments per month. Launch NY's 45 portfolio companies have raised more than \$25.9 million and generated more than \$4.4 million in product revenues with 42% of the companies being women and/or minority led.

“Launch NY not only helps startups with cash investments, but they also have a wealth of knowledge in legal, business, and manufacturing. We are in contact with someone from their team almost weekly regarding various topics,” said Patrick O'Connor, CEO of 3AM Innovations. “Their mentorship has helped us to set the groundwork for our next investment round.”

In addition to 3AM Innovations, five other high-potential startups that have been working with Launch NY's mentorship for a minimum of three months are being added to Launch NY's Investor Network:

- [3D Usher](#). Headquartered in Buffalo, 3D Usher helps companies optimize 3D design, materials and manufacturing processes. Its unique algorithm identifies the best manufacturing and materials, generates a quote and utilizes its network of manufacturers and designers with an underutilized capacity to complete the order and run quality control checks. 3DUsher is a Launch NY Portfolio Company.
- [EagleHawk](#). A Buffalo-based startup using drone powered technology to revolutionize the way commercial roofs are inspected, EagleHawk has inspected over 1000 roofs and 15 million square-feet of rooftop. They were one of the first companies to receive investment from Launch NY's new LP Fund and are also a member of Launch NY's Emerging Cleantech Opportunity (ECO) Incubator.
- [SunDensity](#). Located in Rochester, SunDensity produces a photonic smart coating that helps optimize the efficiency of solar light transmission in commercial and consumer products including digital camera lenses, architectural glass and solar energy panels. SunDensity is a member of Launch NY's ECO Incubator.
- [Material Exchange](#). A Buffalo-based B2B company with an online platform for printer and copier manufacturers to buy and sell excess inventory at a discount, Material Exchange is a Launch NY Portfolio Company.
- [tuzag](#). Headquartered in Syracuse, this healthcare concierge platform created several apps that, through conversation and interaction, encourage behavioral changes leading to healthier lifestyles. Tuzag is a Launch NY Portfolio Company.

Designed to work in tandem with its nonprofit Seed Fund, Launch NY's Investor Network is another #InvestLocal program that provides accredited investors the ability to fund individual companies from the organization's robust pipeline of startups from the convenience of their desktop or mobile devices. Through a digital introduction, they can fund a startup for a \$10,000 minimum, with Launch NY vetting the deals, sharing its due diligence documentation, as well as providing deal formation, ongoing mentorship, and portfolio management. Launch NY can also help match investors with companies that align to their interests, such as industry sector and geographic location. With this new program, Launch NY portfolio companies have a whole new audience of investors who are global, bringing not only capital but industry connections and experience to augment Launch NY's Entrepreneur-in-Residence

Program and National Mentor Network. Launch NY also holds [webinars](#) to further help potential investors navigate the process and engage directly with individual companies.

Last August, Launch NY [announced the inaugural round of Investment Network startups](#), which included GRASPIE, MemoryFox, Patient Pattern, Pelitex, ShrubBucket, and The Perfect Granola.

For more information about Launch NY, its programs and other entrepreneurial opportunities, visit its newly-redesigned website at [www.launchny.org](http://www.launchny.org), and follow Launch NY on its Facebook, Twitter and LinkedIn pages.

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### **About Launch New York:**

The mission of Launch New York, Inc. (Launch NY), the only U.S. Treasury-designated Community Development Financial Institution (CDFI) directly providing venture funding to businesses in New York State, is to identify, support and invest in high-growth, high-impact companies that can transform the local economy, and catalyze the entrepreneurial culture in the 27 counties comprising the western half of Upstate New York. Launch NY is a 501(c)(3) non-profit venture development organization that promotes economic development through best practices, including high-quality pro bono business mentoring, while operating the most active seed fund in New York State that provides access to early stage seed capital as part of an array of Invest Local financing programs designed to facilitate funding for investment-ready companies which have the promise to drive significant economic impact and jobs for our region.

Launch NY is headquartered in Buffalo and has co-locations with partner organizations in Binghamton, Ithaca, Rochester and Syracuse. It has served over 1,000 companies more than two dozen experienced local entrepreneurs-in-residence and its National Mentor Network of 2,000 industry, business and investment experts. Launch NY client companies have created more than 3,725 jobs, and attracted over \$644 million in co-investment and follow-on capital. Launch NY's 45 Portfolio Companies have created over 200 jobs with 35% of portfolio companies being women-led and 22% minority-led, attracting over \$25 million in co-investment and follow-on capital. Launch NY also leads the premier Emerging Cleantech Opportunity (ECO) Incubator, as one of six designated clean energy incubators sponsored by the New York State Energy Research and Development Authority.