

2018 Annual Report to Governor Matt Bevin, the Legislative Research Commission,
and the Kentucky Innovation Commission pursuant to KRS 154.12-278.

THINK KENTUCKY

Cabinet for Economic Development

Office of Entrepreneurship

Annual Report for Fiscal Year 2018
July 1, 2017 to June 30, 2018

Submitted to:
Governor Matt Bevin, the Legislative Research Commission,
and the Kentucky Innovation Commission pursuant to KRS 154.12-278.

Submitted by:
Office of Entrepreneurship
Kentucky Cabinet for Economic Development

Office of Entrepreneurship

The Office of Entrepreneurship (Office) within the Kentucky Cabinet for Economic Development (Cabinet) implements leading economic development strategies that encourage innovation and support the state's entrepreneurial ecosystem. The goals of the Office are to develop an entrepreneurial climate in every region in Kentucky; provide guidance and support to startup operations statewide; assist existing small businesses with growth opportunities; and create a pipeline of business activity that can be streamlined with the traditional growth opportunities the Cabinet already offers to encourage job creation and new investment in the Commonwealth.

The Office of Entrepreneurship thanks the Governor and the General Assembly for their support.

Overview

The Office of Entrepreneurship offers a variety of services and programs aimed at fostering small business growth and creating the companies of tomorrow. From assessing an idea, to developing a business plan, to finding capital, the Office strives to help startups and small businesses through a variety of services, programs, and initiatives. Financial tools are available to businesses of all shapes and sizes including loans, tax credits and other funding programs. Companies can also receive assistance on research and development, government procurement, and exporting.

Kentucky consistently ranks among the leaders in creating new businesses. With Kentucky's small businesses representing 99.3 percent of all employers and employing 44.8 percent of the private-sector labor force, the success of those small businesses is crucial for the Commonwealth to stay on top. Each year Kentucky continues to strengthen its entrepreneurial environment, providing more opportunity for small businesses.

The Commonwealth's small businesses and entrepreneurs have recognized real benefits from the funding opportunities and other initiatives provided by the Office. To date, these programs have facilitated the creation of thousands of jobs and assisted companies in accessing hundreds of millions of dollars of growth capital while leveraging federal funding as well as private investment in technology startups and other small businesses. The jobs created directly by these innovative companies also indirectly produce many more jobs in supporting sectors.



In February 2018, the Cabinet and Commonwealth began taking steps to vertically integrate entrepreneurship and innovation support by bringing administration for those functions in house. Regional Innovation for Startups and Entrepreneurs (RISE) was announced, with an RFP for non-profits to operate regional innovation clusters released in early FY2019. This development coincides with a rebranding and shift in the mission of the Office of Entrepreneurship: KY Innovation. The KY Innovation team became the central hub for small business support, tasked with meeting the needs of founders, investors, innovators and small business owners where they are, connecting them to the resources, collaborators and capital to help companies imagine, launch, grow and scale.

The following report summarizes the activities of the Office of Entrepreneurship from July 1, 2017, through June 30, 2018.

Office of Entrepreneurship Activities

Kentucky Innovation Network (NO LONGER ACTIVE)

The Office of Entrepreneurship has managed the statewide Kentucky Innovation Network, which consisted of 12 regional locations. These offices provided services to businesses throughout Kentucky. Network efforts also increased skills in entrepreneurship, start-up processes, and investment practices, while providing value-added services to existing businesses, startups and the investment community. The program was administered under contract by the Kentucky Science and Technology Corporation (KSTC). The goal of the program has been to increase the likelihood that small businesses and high-growth, knowledge-based startups can be started in Kentucky and obtain both public and private investments to develop and grow. Each office leveraged local partnerships and works with other organizations, including universities, colleges, and economic development groups to assist entrepreneurs in many different industries and different stages of development.

Location	Director
Ashland	Mick Fosson
Bowling Green	Jeff Hook
Covington	Casey Barach
Elizabethtown	Lisa Boone
Lexington	Eric Hartman
London	Melissa Conn
Louisville	Lisa Bajorinas
Morehead	Johnathan Gay
Murray	Loretta Daniel
Owensboro	Joe Berry
Pikeville	David Snow
Richmond	Kristel Smith

Beginning in February 2018, the Office of Entrepreneurship brought the funding and management for what was the Kentucky Innovation Network in house. Regional Innovation for Startups and Entrepreneurs (RISE) clusters, funded through the Cabinet and Office of Entrepreneurship will replace Network functions in the upcoming fiscal year.



Kentucky Angel Investors Network. Their monthly meetings have resulted in over \$1 million of investment into Kentucky companies.

Examples of Kentucky companies that have presented to the Kentucky Angels: Hummingbird Nano, Cloverleaf.me, Podchaser, Prevent Scripts, Schedule It, Meta Construction Technologies, and Xooker.

SBIR-STTR Matching Funds Program (NO FUNDS AWARDED IN 2018)

The Kentucky Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Matching Funds Program was implemented in November 2006 to encourage small businesses to explore their technological potential and maximize profit from commercialization.

Although no funds were awarded in FY2018, the Office of Entrepreneurship developed new guidelines for applicants and began preparations for the next round of funding to begin in FY2019. The response from companies planning to apply for those matching rounds was positive during FY2018.

The nationally recognized program, the most comprehensive of its kind in the nation, matches both Phase I and Phase II federal awards received by Kentucky's small, high-tech businesses or those willing to relocate to Kentucky. The program matches Phase I federal awards up to \$150,000 to support exploration of the technical merit or feasibility of an idea or technology. Phase II federal awards, which support full-scale research and development, are matched by Kentucky up to \$500,000 for up to two years. The number of Kentucky firms applying for and receiving federal awards has increased since Kentucky began the matching program.

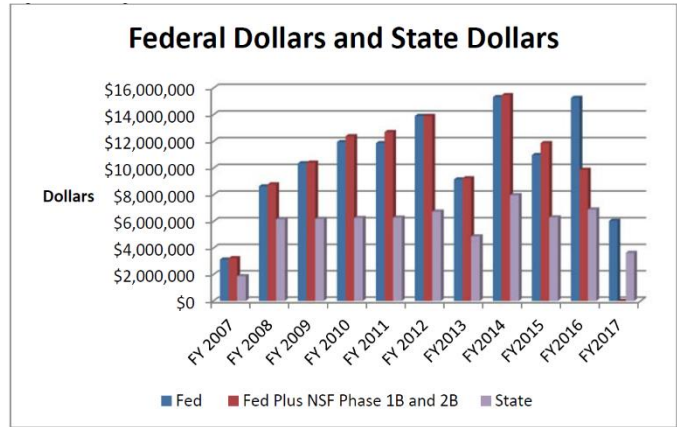
Round	Solicitation Period	Number of Applications	Number of Awards	Matching Funds Awarded	Federal Grant Funding Leveraged
32	September 2016	16	8	\$2.13 million	\$3.25 million
33	March 2017	14	5	\$1.50 million	\$2.80 million

	Number of Companies	Number of out-of-state relocations to KY	Number of Awards	Matching Funds Awarded	Federal Grant Funding Leveraged
Program Totals	120	42	256	\$63.3 million	\$116.6 million

Improved Success in Obtaining Federal SBIR and STTR Awards

Federal Dollars and State Dollars Leveraged Since Program Inception

Since 2007, Kentucky has leveraged \$1.84 in federal awards for every \$1.00 awarded in state matching awards. The 42 companies that relocated to Kentucky have attracted federal funds from six federal agencies for a total of \$46.3 million – funding that would have gone to other states if not for Kentucky’s program. The program is administered under contract with the Kentucky Science and Technology Corporation.



In June 2018, the Office of Entrepreneurship submitted an application for a \$125,000 Federal and State Technology (FAST) partnership program grant to establish a pilot program called the Kentucky Innovation Investment Program. That program will leverage existing SBIR/STTR support and matching funds and invest even more in expert consulting services to increase the number of SBIR/STTR awards in Kentucky.

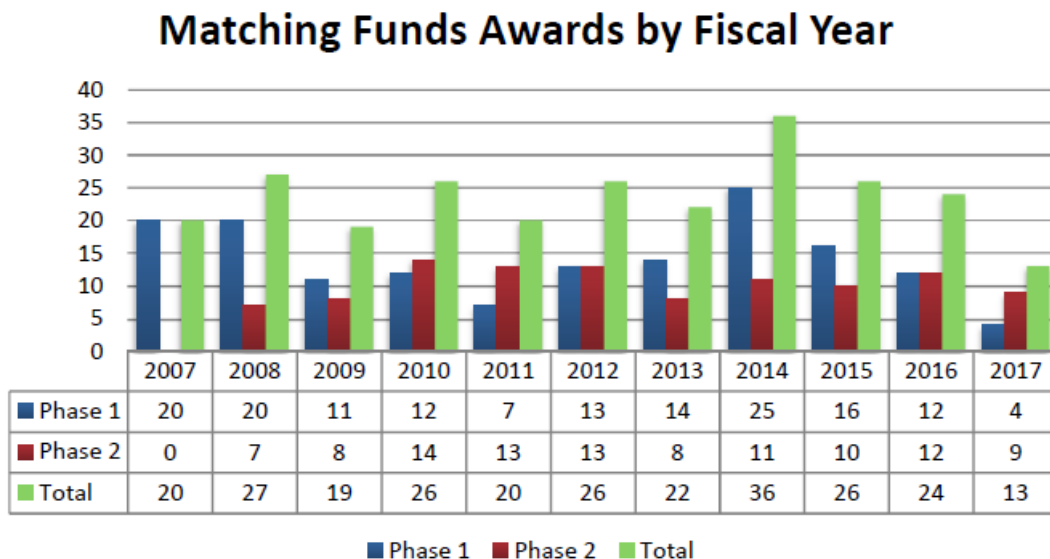
Impact of the Kentucky SBIR-STTR Matching Funds Program (Rounds 1-33)

The Kentucky SBIR-STTR Matching Funds Program creates high-paying jobs, helps small businesses establish licensing agreements, and creates intellectual property.

Benefits to Date of Matching Funds Program (FY2006-2016)				
	Jobs Created	Licensing Agreements	Patents Filed	Out-of-State Firms Creating Kentucky Operations Due to Program
Rounds 1-33 To Date	665	22	208	42

*Part-time jobs converted to full-time equivalent before totaling. All data was self-reported.

Kentucky SBIR/STTR Matching Funds Awards by Fiscal Year



Summary of Round 32 and Round 33 Matching Funds Program Grants

#	KSTC Grant Agreement	Company	Tech Focus	Federal Agency	Phase	Matching Funds Amount	Federal Amount
1	KSTC-184-512-17-245	PowerTech Water, LLC	Materials Science and Advanced Manufacturing	NSF	Ph 2	\$397,194	\$483,886
2	KSTC-184-512-17-246	Advanced Energy Materials, LLC	Materials Science and Advanced Manufacturing	DOE	Ph 1	150,000	\$150,000
3	KSTC-184-512-17-247	Lumenari	Materials Science and Advanced Manufacturing	NSF	Ph 2	\$255,443	\$255,443
4	KSTC-184-512-17-248	UHV Technologies, Inc.	Human Health and Development	NIH	Ph 2	\$400,000	\$749,955
5	KSTC-184-512-17-249	Hera Testing Labs, Inc.	Human Health and Development	NIH	Ph 2	\$400,000	\$774,736
6	KSTC-184-512-17-250	Liberate Medical, LLC	Human Health and Development	NIH	Ph 2	\$250,000	\$487,115
7	KSTC-184-512-17-251	IOP Technologies, LLC	Environmental and Energy Technologies	NASA	Ph 1	\$124,901	\$124,929
8	KSTC-184-512-17-252	ORB Technologies, LLC	Environmental and Energy Technologies	NSF	Ph 1	\$150,000	\$225,000
9	KSTC-184-512-17-253	MosquitoMate, Inc.	Biosciences	NIH	Ph 2	\$281,483	\$499,992
10	KSTC-184-512-17-254	Brockman Hastings, LLC	Human Health and Development	NIH	Ph 2	\$312,500	\$739,654
11	KSTC-184-512-17-255	Advanced Energy Materials, LLC	Materials Science and Advanced Manufacturing	NSF	Ph 2	\$343,080	\$408,679
12	KSTC-184-512-17-256	MEMStim, LLC	Materials Science and Advanced Manufacturing	NIH	Ph 2	\$417,425	\$767,241
13	KSTC-184-512-17-257	GISMO Therapeutics, Inc.	Human Health and Development	NIH	Ph 1	\$150,000	\$384,126
					TOTAL	\$3,632,026	\$6,050,756

Commonwealth Seed Capital

Commonwealth Seed Capital, LLC (CSC) was established by the Kentucky Economic Development Partnership Board and is an independent, non-profit fund that makes investments in early-stage Kentucky business entities, and other funds that do the same, to facilitate the commercialization of innovative ideas and technologies. CSC invests in companies that have a significant Kentucky presence and the prospect for substantial growth. All CSC results are for calendar year 2017.

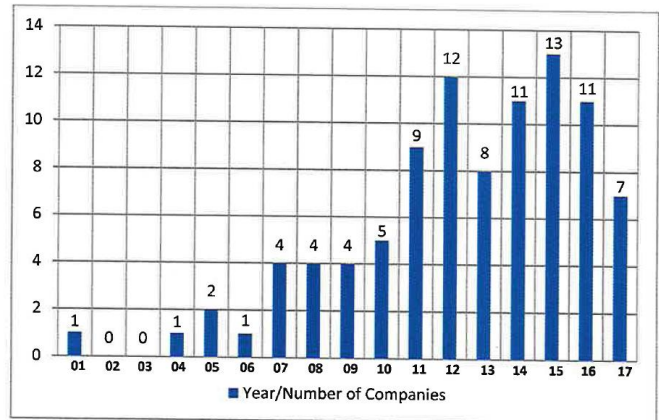
CSC Activities in 2017:

Number of Company Investments: 7
Amount of Company Investments: \$15,490,000

All years, as of December 31, 2017:

- \$23.36 million in current company investments
- \$9.3 million invested in venture funds
- \$15.68 million in total returns to CSC Fund

Exhibit 2: Direct Company Investments by Year



Kentucky New Energy Ventures Fund

The Kentucky New Energy Ventures Fund (KNEV) was included in House Bill 1 of the Extraordinary Session of the 2007 Kentucky General Assembly for the purpose of enabling Kentucky-based companies to undertake research, development, and commercialization in the field of alternative fuels and renewable energy. During the fiscal year, the fund's purpose was expanded to include research, development, and commercialization activities in the areas of aerospace, aviation, and Exomedicine.

The Kentucky Science and Technology Corporation manages the \$5 million KNEV fund under contract to the Office of Entrepreneurship. Since 2008, 23 grants and 8 investments have been awarded to companies for a total of \$3.2 million in KNEV funding. No awards were issued in FY 2018.

High-Tech Pool Program

The High-Tech Pool Program (HTP), administered by the Office of Entrepreneurship, has used funds since January 2003 to assist companies and projects throughout the Commonwealth that work to support technology-based companies. All funding must be approved by the Kentucky Economic Development Finance Authority (KEDFA). For July 2017 through June 2018, the total funding approved was \$500,000.

Funded July 1, 2016 to June 30, 2017	
Program	Award
Response Technologies, LLC	\$500,000
Total HTP Grants	\$500,000

Response Technologies, LLC

Response Technologies was founded by two experienced, technical business leaders with over 50 years of combined experience in: plastics, textiles, material science and advanced manufacturing. Response Technologies was founded with the goal of utilizing its patent-pending, additively manufactured, 3D reinforced process to disrupt existing markets. Products include explosion resistant fuel tanks, inflatable boats, rafts and emergency exit shoots, and other hazmat and protective equipment.

Kentucky Angel Investment Act

The Kentucky Angel Investment Tax Credit (KAITC) program began in January 2015. Subject to a statutory limit of \$3,000,000 per calendar year, the program provides up to \$200,000 in non-refundable income tax credits to qualified individual investors. The purpose of this program is to encourage investments in Kentucky small businesses, create additional jobs, and promote the development of new products and technologies. Qualified individual investors making qualified investments in qualified small businesses may be eligible for a tax credit of up to 50 percent of their investment in counties with high unemployment rates, or enhanced counties, and 40 percent in all other counties.

For the period January 1, 2017 through December 31, 2017, the Kentucky Angel Investment Tax Credit program confirmed 93 approved investments totaling \$8,203,302.18, which resulted in \$3,000,000 in awarded tax credits. During 2017, 48 qualified small businesses and 96 qualified individual investors were registered in the program.

Kentucky Small Business Tax Credit (KSBTC) Program

The Kentucky Small Business Tax Credit (KSBTC) program allows eligible small businesses paying taxes imposed by KRS 141.020 (income tax on individuals), 141.040 (corporation income tax), or 141.0401 (limited liability entity tax) to apply for a Kentucky state income tax credit.

Subject to a statutory limit of \$3,000,000 per state fiscal year, this program provides a non-refundable state income tax credit for small businesses that create and fill one or more eligible positions and invest \$5,000 or more in qualifying equipment or technology.

Applicants are eligible to receive a tax credit in an amount not to exceed the lesser of: 1) \$3,500 per eligible position; or 2) the total dollar amount invested in qualifying equipment or technology. Applicants are also subject to a \$25,000 maximum tax credit cap per applicant for each calendar year.

Since 2011, the KSBTC program has authorized \$5,743,214 of tax incentives for 624 recipients, with 1,726 estimated new jobs. FY2018 had great program use, authorizing \$1,697,100 of tax incentives for 176 recipients, with 512 estimated new jobs.

SEE APPENDIX A FOR KSBTC PROGRAM AWARD RECIPIENTS

Kentucky Small Business Credit Initiative (KSBCI)

Through the Small Business Jobs Act of 2010, CED applied for and received approval for \$15.5 million to create the Kentucky Small Business Credit Initiative (KSBCI).

The initiative includes three distinct credit enhancement programs designed to generate jobs and increase the availability of credit to small businesses by reducing the risk participating lenders, credit unions, and community development financial institutions assume. KSBCI leverages funding from these private lenders to help finance creditworthy small businesses that would typically fall just outside a lender's normal underwriting standards.

As of June 30, 2018, KSBCI has provided over \$19 million of support to projects totaling nearly \$159.6 million. In FY2018, KSBCI provided \$5 million of support to projects totaling over \$25.8 million.

Cumulative KSBCI Program Amounts (including 'recycled' funds)		
Program	Total Project Amount	KSBCI Support Amount
KY Loan Participation Program (KYLPP)	\$6,720,147.16	\$271,029.40
KY Collateral Support Program (KYCSP)	\$153,459,135.42	\$19,060,146.20
KY Capital Access Program (KYCAP)	<u>\$105,306.12</u>	<u>\$3,102.12</u>
	\$160,284,588.70	\$19,334,277.72

SEE APPENDIX B FOR DETAILS ABOUT KSBCI PROGRAM AWARDS

State Trade and Export Promotion Grants Program (STEP) & Kentucky Export Initiative (KEI)

The Small Business Administration State Trade & Export Promotion (STEP) Grant Program was created by the Small Business Jobs Act of 2010. The program was created with two objectives in mind: 1) to increase the number of small businesses that begin to export and 2) to increase the value of exports for small businesses that currently export.

Following the announcement of the newly created SBA STEP program, the Kentucky Export Initiative (KEI) was created and has been led by the Cabinet for Economic Development to unite and streamline the efforts of Kentucky's International Trade partners. The expectation of the initiative was to increase Kentucky exports; thus, adding new Kentucky jobs and a diversification of markets for Kentucky products; and through the initiative, Kentucky applied for and received the STEP grant assistance.

In 2017, Kentucky's exports of products and services reached a record \$30.9 billion. This milestone was \$1.7 billion more than 2016 and supported over 143,536 Kentucky jobs. 4,476 Kentucky businesses provided their products and services to nearly 200 countries.

**STEP Grant Year 6
SBAHQ-17-IT-0043
(October 1, 2017-September 29, 2018)
61 Participating Companies**

Category	Amount
Travel	-
Equipment	-
Supplies	-
Contractual	-
Consultants	-
Other	\$179,216.13
TOTAL**	\$179,216.13

**Total through September 29, 2017

2018 Annual Report to Governor Matt Bevin, the Legislative Research Commission,
and the Kentucky Innovation Commission pursuant to KRS 154.12-278.

Idea State U Business Plan Competition

Kentucky held the tenth annual statewide Idea State U business model and business plan competition April 21, 2018. The program identifies and supports the next generation of Kentucky innovators and entrepreneurs, by providing them real life experience with planning and pitching a business idea.

The competition is open to all public and private colleges and universities in the state. A total of 22 schools participated with 56 student teams, comprised of 145 students. Three regional competitions were held at Brescia University, Asbury University, and Morehead State University, with the final competition being held in Lexington, Kentucky.

The winning student teams share up to \$100,000 in cash prizes making this one of the top state-sponsored business plan competitions in the nation. The majority of the money must be claimed as reimbursements for specified business expenses after the team forms a legal company in Kentucky.

The following are some of the student teams that participated in Idea State U:

Ichor: Ichor had developed the patent-pending ColdTheraPak, a device that allows elite athletes to take ice baths without the hassle and cost of buying bags of ice in order to speed recovery and make themselves feel immortal.

Web-U Trainer: Lifetime Learner is a company providing video-based training for higher education to address the problem of sexual harassment and assault. Customizable, interactive, Web-U Trainer modules feature fictionalized video scenarios to train faculty, staff, and students.

Mindful Mix: Mindful Mix is an all-natural, superfood infused mixer fortified with vitamins and electrolytes that can be mixed with alcohol for a cocktail or with club soda for a mocktail.

K2 Medical: K2 Medical is creating a solution for EMS professionals using a scoop stretcher with an obese patient. XtraScoop is detachable wings for a scoop stretcher, making it easier to secure, lift and transport larger patients.



Glucobreeze: AKEESO is launching Glucobreeze, the first non-invasive breath-based blood glucose monitor. The technology behind Glucobreeze measures blood glucose levels through the breath's natural acetone levels with precision, accuracy, and real-time readings, with the prick of a needle.

National Water Pong: Water Pong had been a part of college culture for generations and is trending towards staying that way forever. National Water Pong Association will host tournaments on a national level.

APPENDIX A: KSBTC Program Awards

RECIPIENT	COUNTY	TOTAL PROJECT COST	MAXIMUM TAX INCENTIVE AUTHORIZED	STARTING JOBS	EST. NEW JOBS	ESTIMATED AVERAGE HOURLY WAGE	AWARD YEAR
Abbie Jones Consulting, PSC	Fayette	\$11,643.00	\$7,000.00	3	2	26.5	12/7/2017
ACCO, Inc.	Jefferson	\$29,930.00	\$3,500.00	14	1	15.14	10/26/2017
Action Landscape, Inc.	Jefferson	\$45,598.00	\$10,500.00	21	3	13.94	1/25/2018

2018 Annual Report to Governor Matt Bevin, the Legislative Research Commission,
and the Kentucky Innovation Commission pursuant to KRS 154.12-278.

Alarm 1 Protective Services, LLC	Jefferson	\$23,500.00	\$3,500.00	4	1	18	12/7/2017
All Around Care LLC	Jefferson	\$19,500.00	\$10,500.00	0	3	13	1/25/2018
All Clear Restoration, LLC	McCracken	\$7,205.00	\$7,000.00	0	2	20.25	12/7/2017
All Hours Lock & Key, LLC	Fayette	\$7,500.00	\$3,500.00	2	1	12	8/31/2017
Allstate Heating and Cooling, Incorporated	Fayette	\$35,100.00	\$24,500.00	32	7	22.79	10/26/2017
Allstate Ready Mix, Inc.	Oldham	\$39,325.00	\$14,000.00	19	4	20.76	12/7/2017
American Tire, Inc.	Nelson	\$28,332.00	\$7,000.00	12	2	19	3/29/2018
Ashbaugh Roby Trucking LLC	Nelson	\$5,072.00	\$3,500.00	4	1	25.3	12/7/2017
Automated Cutting Technologies, Inc.	Jessamine	\$9,030.00	\$7,000.00	19	2	46.06	12/7/2017
B & E Furniture, LLC	Boyle	\$12,870.00	\$3,500.00	6	1	14	1/25/2018
Barnett Benvenuti & Butler PLLC	Fayette	\$7,269.00	\$7,000.00	8	2	31.25	12/7/2017
Barnhill Enterprises, LLC	Fayette	\$9,549.00	\$3,500.00	17	1	14.86	10/26/2017
Barnhill Enterprises, LLC	Fayette	\$73,188.00	\$17,500.00	18	5	20.74	12/7/2017
Block & Lot Real Estate, LLC	Fayette	\$5,608.00	\$3,500.00	1	1	13.75	12/7/2017
Blue Frame Technology LLC	Fayette	\$9,635.00	\$3,500.00	3	1	32.69	3/29/2018
Bluegrass Chiro, PLLC	Boyle	\$18,050.00	\$17,500.00	25	5	20.06	10/26/2017
Bluegrass Concrete & Associates, Inc.	Barren	\$39,000.00	\$14,000.00	17	4	21.75	9/28/2017
Bluegrass Tool & Industrial, LLC	Fayette	\$22,430.00	\$17,500.00	12	5	23.6	5/31/2018
Blue Moon Port-A-Pot, LLC	Allen	\$33,600.00	\$10,500.00	4	3	13.33	12/7/2017
Bootleg Bar-B-Q Co.	Jefferson	\$8,100.00	\$3,500.00	11	1	16.75	12/7/2017
Bowden & Wood, PLLC	Jefferson	\$52,289.00	\$7,000.00	13	2	22.36	1/25/2018
Broccoli Hugger LLC	Boyle	\$16,458.00	\$3,500.00	0	1	14	12/7/2017
Brockman-Hastings LLC	Fayette	\$17,308.00	\$3,500.00	0	1	36.06	6/28/2018
BryMak & Associates, Inc.	Christian	\$34,468.00	\$7,000.00	10	2	17.31	12/7/2017
Burkmann Industries, Inc.	Boyle	\$9,915.00	\$3,500.00	36	1	12.88	12/7/2017
Business Benefits, Inc.	Kenton	\$5,154.00	\$3,500.00	13	1	15.36	8/31/2017
C & D Kentucky Enterprises, Inc.	Jefferson	\$26,500.00	\$3,500.00	1	1	15	12/7/2017
Carabello Coffe Company	Campbell	\$29,142.00	\$3,500.00	0	1	12.02	7/27/2017
Carroll-Kron Consulting, Inc.	Jefferson	\$6,430.00	\$6,400.00	23	6	24.78	1/25/2018
Central Kentucky Sprinkler, Inc.	Jessamine	\$19,500.00	\$10,500.00	20	3	17.5	3/29/2018
Chuck's Auto Body, Inc.	Campbell	\$39,075.00	\$3,500.00	9	1	10.94	12/7/2017
C J L & M, Inc.	Warren	\$7,042.00	\$7,000.00	5	2	11.75	3/29/2018
Cliff Buzick, Inc.	Nelson	\$32,894.00	\$3,500.00	29	1	13	12/7/2017
Climate Conditioning Co., Inc.	Jefferson	\$23,975.00	\$3,500.00	16	1	48.07	12/7/2017
Commonwealth Eye Clinic, Inc.	Fayette	\$22,200.00	\$7,000.00	5	2	22.25	12/7/2017
Concept Displays, Inc.	Jefferson	\$10,544.00	\$10,500.00	13	3	19.27	8/31/2017
Consultant Solutions, Incorporated	Fayette	\$18,422.00	\$14,000.00	21	4	28.97	5/31/2018
Copperhead Environmental Consulting Inc.	Garrard	\$42,953.00	\$17,500.00	18	5	19.91	5/31/2018
Corvin's Furniture & Carpet, LLC	Nelson	\$58,522.00	\$10,500.00	11	3	17.47	10/26/2017

2018 Annual Report to Governor Matt Bevin, the Legislative Research Commission,
and the Kentucky Innovation Commission pursuant to KRS 154.12-278.

Crist Propane Services, LLC	Breckinridge	\$32,000.00	\$3,500.00	20	1	23.01	7/27/2017
Cui Liu Designs, LLC	Calloway	\$38,218.00	\$7,000.00	2	2	14.42	12/7/2017
D & B Plumbing, LLC	Kenton	\$75,886.00	\$7,000.00	4	2	17.5	10/26/2017
Danville Medical Investors, LLC	Boyle	\$26,055.00	\$25,000.00	0	8	21.59	12/7/2017
Darling State of Mind LLC	Jefferson	\$5,321.00	\$3,500.00	0	1	16.35	3/29/2018
Deanna Ramsey, CPA, LLC	Woodford	\$5,944.00	\$3,500.00	4	1	13	10/26/2017
Dental Center of Florence, Kentucky, P.S.C.	Boone	\$49,995.00	\$14,000.00	38	4	26.43	8/31/2017
Design Comfort Heating & Air, LLC	Kenton	\$46,955.00	\$3,500.00	16	1	12.3	8/31/2017
DF Trucking, Inc.	Pulaski	\$27,500.00	\$7,000.00	2	2	27.5	5/31/2018
Don Franklin Bardstown, Inc.	Nelson	\$12,713.00	\$12,700.00	34	4	15.34	12/7/2017
Don Franklin Ford, Inc.	Adair	\$7,196.00	\$7,000.00	30	2	31.71	10/26/2017
Dukes A&W Enterprises, LLC	Jefferson	\$20,980.00	\$7,000.00	13	2	15.75	12/7/2017
EDJ, Inc.	Boone	\$10,995.00	\$3,500.00	3	1	14.5	12/7/2017
Ehrlers, Inc.	Jefferson	\$12,199.00	\$10,500.00	0	3	20.96	12/7/2017
Elkins Waste Services, Inc.	Greenup	\$32,640.00	\$14,000.00	8	4	12.75	10/26/2017
EndoProtech, Inc.	Jefferson	\$11,413.00	\$3,500.00	0	1	22.12	7/27/2017
Engineered Building Systems, Inc.	Campbell	\$17,763.00	\$17,500.00	4	5	28.41	2/22/2018
Exscien Corporation	Jefferson	\$31,930.00	\$10,500.00	0	3	49.95	10/26/2017
Family EyeCare Associates, P.S.C.	Woodford	\$25,990.00	\$3,500.00	1	1	12	12/7/2017
FieldTrip LLC	Jefferson	\$27,879.00	\$21,000.00	18	6	28.55	12/7/2017
foxdulaney LLC	Jefferson	\$14,899.00	\$10,500.00	0	3	13.33	10/26/2017
Franklin Chevrolet Buick GMC, LLC	Adair	\$7,697.00	\$7,000.00	15	2	22.5	10/26/2017
Franklin Management, Inc.	Adair	\$12,500.00	\$7,000.00	6	2	29.08	12/7/2017
Franklin Nissan, LTD. Co.	Adair	\$14,510.00	\$14,000.00	7	4	27.93	12/7/2017
Green Motors, LLC	Fayette	\$40,000.00	\$17,500.00	18	5	38.15	12/7/2017
Green Up, LLC	Oldham	\$5,128.00	\$3,500.00	0	1	13	4/26/2018
GTB Holdings, Inc.	Boone	\$111,000.00	\$10,500.00	18	3	14.67	1/25/2018
Hamilton, Inc.	Rowan	\$16,882.00	\$7,000.00	40	2	16.82	12/7/2017
Hans G. Poppe, Jr.	Jefferson	\$5,779.00	\$3,500.00	6	1	21.63	12/7/2017
Healthcare Asset Network, Inc.	Jefferson	\$5,082.00	\$5,000.00	4	2	39.66	4/26/2018
Hensley & Throneberry, PLLC	Warren	\$7,828.00	\$7,000.00	4	2	15.23	9/28/2017
Hera Testing Laboratories, Inc.	Fayette	\$8,989.00	\$3,500.00	5	1	20.67	3/29/2018
Heritage Installations I, LLC	Jefferson	\$11,780.00	\$3,500.00	30	1	21.64	4/26/2018
Hinkle Environmental Services, LLC	Madison	\$14,400.00	\$10,500.00	19	3	19.5	12/7/2017
Huffman & Huffman, P.S.C.	Laurel	\$49,450.00	\$25,000.00	38	8	17.65	7/27/2017
Hydra, LLC	Fayette	\$11,633.00	\$11,600.00	3	4	17.43	6/28/2018
Industrial Field Maintenance, LLC	Fleming	\$28,800.00	\$25,000.00	0	8	32.63	3/29/2018
Integrated Medical Solutions, LLC	Jefferson	\$27,500.00	\$25,000.00	6	8	22.19	1/25/2018
Integrated Sign & Graphic, Inc	Fayette	\$138,169.00	\$14,000.00	33	4	22.73	1/25/2018

2018 Annual Report to Governor Matt Bevin, the Legislative Research Commission,
and the Kentucky Innovation Commission pursuant to KRS 154.12-278.

Interior Design & Architecture, Inc.	Jefferson	\$23,869.00	\$21,000.00	33	6	30.9	1/25/2018
J. Allen Builders, Inc.	Warren	\$22,867.00	\$3,500.00	1	1	22.5	9/28/2017
J2P, LLC	Pike	\$49,690.00	\$14,000.00	7	4	15.75	5/31/2018
Jack Riley Investments LLC	Warren	\$8,319.00	\$8,300.00	0	4	22.76	12/7/2017
James C. Burris Architects LLC	Fayette	\$6,300.00	\$3,500.00	0	1	15.41	2/22/2018
J Michael's Spa & Salon, LLC	Jefferson	\$11,034.00	\$11,000.00	11	4	16.87	12/7/2017
J Michael's Spa & Salon, LLC	Jefferson	\$10,186.00	\$10,100.00	15	7	27.73	5/31/2018
John R. Hobbs Construction Co., Inc.	Jefferson	\$42,240.00	\$24,500.00	11	7	15.86	1/25/2018
JR Buck Industries, LLC	Fayette	\$119,990.00	\$7,000.00	11	2	16	10/26/2017
Kentuckiana Electrical Services, LLC	Jefferson	\$21,500.00	\$17,500.00	9	5	22.89	3/29/2018
Kentucky Machinery Company, LLC	Madison	\$24,000.00	\$3,500.00	4	1	14.5	12/7/2017
Kertis Creative, LLC	Jefferson	\$24,865.00	\$14,000.00	11	4	17.07	12/7/2017
Kinemetrix Industrial Design, Inc.	Fayette	\$7,200.00	\$3,500.00	16	1	25	6/28/2018
Kinkead & Stilz, PLLC	Fayette	\$8,202.00	\$3,500.00	14	1	28.85	12/7/2017
KY Hearing Clinic, LLC	Jefferson	\$5,303.00	\$3,500.00	0	1	15.5	6/28/2018
Lance S. Ferguson, M.D., P.S.C.	Fayette	\$38,754.00	\$24,500.00	19	7	17.53	12/7/2017
Legacy Financial, LLC	Fayette	\$67,500.00	\$7,000.00	7	2	30.46	12/7/2017
Lexar Laboratories & Analysis, LLC	Fayette	\$266,364.00	\$25,000.00	3	8	15.06	1/25/2018
Lexington Podiatry, PSC	Fayette	\$7,339.00	\$7,300.00	16	3	13.23	8/31/2017
Logan Bethel Veterinary Services, LLC	Logan	\$27,455.00	\$14,000.00	0	4	18.63	12/7/2017
Long Construction Management LLC	Fayette	\$9,819.00	\$7,000.00	3	2	30	12/7/2017
Louisville Cabinets and Countertops LLC	Oldham	\$8,750.00	\$7,000.00	2	2	18	12/7/2017
Louisville Eye Center, PLLC	Jefferson	\$52,500.00	\$25,000.00	0	8	18.78	1/25/2018
Louisville Medical Investors, LLC	Jefferson	\$8,054.00	\$8,000.00	11	8	17.07	12/7/2017
LoVo Systems, Inc.	Fayette	\$26,654.00	\$10,500.00	15	3	26.72	10/26/2017
Mainstream, Inc.	Bullitt	\$46,963.00	\$14,000.00	6	4	25	12/7/2017
Manoochehr Mazloomdoost, P.S.C.	Fayette	\$22,700.00	\$17,500.00	10	5	18.8	12/7/2017
Map Enterprises Inc.	Graves	\$11,383.00	\$10,500.00	23	3	14.42	12/7/2017
Mather & Co., CPAS, LLC	Jefferson	\$22,564.00	\$21,000.00	11	6	28.54	8/31/2017
Max M. Downey, O.D., P.S.C.	Adair	\$10,995.00	\$3,500.00	8	1	12	4/26/2018
McDaniel Financial Services, PLLC	Boyle	\$5,555.00	\$3,500.00	4	1	15.5	12/7/2017
MEMStim LLC	Jefferson	\$7,384.00	\$7,000.00	1	2	32.21	12/7/2017
Mile Wide Beer Company, LLC	Jefferson	\$165,020.00	\$7,000.00	1	2	29.97	2/22/2018
Miranda Construction, LLC	Jefferson	\$11,930.00	\$11,900.00	0	4	27.94	12/7/2017
Motus Freight, LLC	Campbell	\$14,243.00	\$10,500.00	1	3	23.12	1/25/2018
Nationwide Construction, Inc.	Bullitt	\$22,500.00	\$3,500.00	13	1	23.75	12/7/2017

2018 Annual Report to Governor Matt Bevin, the Legislative Research Commission,
and the Kentucky Innovation Commission pursuant to KRS 154.12-278.

New Vitalis, LLC	Jefferson	\$26,025.00	\$21,000.00	0	6	24.68	12/7/2017
NM-Louisville, Inc.	Jefferson	\$7,245.00	\$3,500.00	22	1	32.19	12/7/2017
Old World Timber, LLC	Fayette	\$14,240.00	\$10,500.00	5	3	11.58	8/31/2017
P & S Products, Inc.	Fayette	\$366,758.00	\$21,000.00	41	6	25.75	10/26/2017
Paladin, Inc.	Fayette	\$7,519.00	\$7,000.00	14	2	33.42	12/7/2017
ParaTechs Corp.	Fayette	\$6,696.00	\$3,500.00	5	1	21.63	10/26/2017
Patterson and Company CPAs PLLC	Jefferson	\$18,452.00	\$17,500.00	7	5	16.6	8/31/2017
Patterson and Company CPAs PLLC	Jefferson	\$5,141.00	\$3,500.00	12	1	24	6/28/2018
Peptides International, Inc.	Jefferson	\$58,657.00	\$10,500.00	18	3	19.94	1/25/2018
Peritech, Inc.	Jefferson	\$21,500.00	\$7,000.00	14	2	34.22	3/29/2018
Pinnacle, Inc.	Marshall	\$19,721.00	\$17,500.00	34	5	17.7	8/31/2017
PowerTech Water, LLC	Fayette	\$14,495.00	\$7,000.00	1	2	24.72	10/26/2017
Primrose Oil, LLC	Floyd	\$18,255.00	\$7,000.00	9	2	14.8	6/28/2018
Quantum Enterprises, Inc.	Jefferson	\$78,743.00	\$10,500.00	38	3	19.17	12/7/2017
Reid's Plumbing of Bardstown, Inc.	Nelson	\$45,300.00	\$7,000.00	13	2	15.88	8/31/2017
Rivercrest Engineering, Inc.	McCracken	\$37,491.00	\$3,500.00	3	1	25	3/29/2018
Rubel Creative, Inc.	Warren	\$10,395.00	\$10,300.00	3	3	17.64	4/26/2018
Rudler, Professional Services Corporation	Kenton	\$8,994.00	\$7,000.00	23	2	23.2	8/31/2017
RuffleGirl Inc.	Hardin	\$36,376.00	\$25,000.00	2	8	25.23	10/26/2017
Russtech Admixtures, Inc.	Jefferson	\$25,197.00	\$3,500.00	14	1	14.58	12/7/2017
Russtech Admixtures, Inc.	Jefferson	\$25,194.00	\$3,500.00	15	1	18.11	3/29/2018
S.B. Chiropractic, PSC	Jefferson	\$8,000.00	\$3,500.00	4	1	11.33	12/7/2017
School Spirit Coffee Inc	Clark	\$11,999.00	\$3,500.00	1	1	15	4/26/2018
Scott Endodontics, PLC	Jefferson	\$14,970.00	\$10,500.00	0	3	17.83	2/22/2018
Service Specialties, LLC	Clark	\$60,551.00	\$7,000.00	7	2	25	12/7/2017
Shannon Hudson	Ohio	\$13,000.00	\$3,500.00	1	1	11.77	12/7/2017
Six Sigma, Inc.	Jefferson	\$42,900.00	\$3,500.00	36	1	38.46	12/7/2017
SKY Property Management, LLC	Warren	\$13,500.00	\$3,500.00	0	1	31.25	12/7/2017
Solar Energy Solutions LLC	Fayette	\$20,468.00	\$14,000.00	7	4	30.11	8/31/2017
SRP Enterprises, LLC	Warren	\$94,344.00	\$10,500.00	0	3	19.48	5/31/2018
Stephen D. Prater Builder, Inc.	Fayette	\$30,201.00	\$10,500.00	5	3	17.58	12/7/2017
Sunergos Coffee, LTD. Co.	Jefferson	\$14,060.00	\$14,000.00	10	4	14.99	12/7/2017
SuperFanU, Inc.	Jefferson	\$17,641.00	\$17,500.00	7	5	18.29	7/27/2017
Synergy Home LLC	Fayette	\$53,285.00	\$24,500.00	0	7	19.29	10/26/2017
Tellennium, Inc.	Bullitt	\$7,800.00	\$7,000.00	28	2	28.62	1/25/2018
The Advisory Team, LLC	Campbell	\$10,689.00	\$3,500.00	7	1	19.95	3/29/2018
The Cubero Group, Inc.	Jefferson	\$7,811.00	\$3,500.00	5	1	11	12/7/2017
The Door Store of Louisville, LLC	Jefferson	\$20,374.00	\$17,500.00	12	5	22.57	7/27/2017
The Eye Center of Paducah, LLC	McCracken	\$6,943.00	\$6,900.00	5	2	14.24	5/31/2018
The Oliver Group, Inc.	Jefferson	\$19,236.00	\$17,500.00	17	5	38.46	12/7/2017
Thermal Equipment Service, Inc.	Fayette	\$37,889.00	\$3,500.00	44	1	28	12/7/2017

2018 Annual Report to Governor Matt Bevin, the Legislative Research Commission,
and the Kentucky Innovation Commission pursuant to KRS 154.12-278.

The Roberts Group, P.S.C.	Fayette	\$14,145.00	\$10,500.00	20	3	37.84	12/7/2017
The Weekly Juicery, LLC	Fayette	\$16,500.00	\$3,500.00	9	1	15	12/7/2017
Three Family, LLC	Clark	\$14,915.00	\$7,000.00	0	2	11.75	12/7/2017
Total Packaging of Kentucky, Inc.	Daviess	\$52,000.00	\$7,000.00	4	2	17.13	2/22/2018
Tova Industries, LLC	Jefferson	\$25,328.00	\$24,500.00	38	7	13.4	1/25/2018
Traughber Mechanical Services, Inc.	Simpson	\$226,351.00	\$14,000.00	22	4	16	12/7/2017
Tristate Pizza, LLC	Daviess	\$47,980.00	\$17,500.00	0	5	18.56	4/26/2018
TSC, LLC	Rowan	\$5,500.00	\$3,500.00	6	1	13.96	12/7/2017
VeBridge Holdings, Inc.	Fayette	\$5,683.00	\$5,600.00	20	3	28.65	10/26/2017
Videobred, Inc.	Jefferson	\$5,451.00	\$3,500.00	11	1	19.23	5/31/2018
Visumatic Industrial Products, Inc.	Fayette	\$12,500.00	\$7,000.00	29	2	19.88	6/28/2018
VITOK Engineers, Inc.	Jefferson	\$21,990.00	\$21,000.00	26	6	42.04	6/28/2018
Volta Inc.	Franklin	\$8,488.00	\$3,500.00	20	1	17.58	12/7/2017
W & B Broadcasting Co., Inc.	Hardin	\$27,520.00	\$7,000.00	17	2	23.56	6/28/2018
West Sixth Brewing Company, LLC	Fayette	\$14,700.00	\$14,000.00	22	4	17.65	8/31/2017
Wilpower Futures, Inc	Knox	\$6,936.00	\$3,500.00	0	1	11	4/26/2018
Winner's Circle Painting, LLC	Jessamine	\$40,906.00	\$17,500.00	7	5	18.13	12/7/2017
XPLOREKY, LLC	Jefferson	\$49,622.00	\$14,000.00	8	4	20.13	5/31/2018

KSBTC
Totals FY
2017-2018 **\$5,219,984** **\$1,697,100** **512**

Appendix B: KSBCI Program Award Detail

Company	Participating Bank	KSBCI Program	Total Project Amount	KSBCI Support Amount
Drs. Burch, Renshaw, Wix & Associates, P.S.C.	Republic Bank & Trust	KYCSP	\$ 1,907,637.00	\$ 250,000.00
Parker Lilly Holdings, LLC	Fifth Third Bank	KYCSP	\$ 690,000.00	\$ 69,000.00
The B Hive Child Care Academy Limited Liability Company	United Citizens Bank & Trust	KYCSP	\$ 97,380.00	\$ 9,738.00
Crum Funeral Home LLC	Citizens Bank of Kentucky, Inc.	KYCSP	\$ 750,000.00	\$ 150,000.00
Phillip Sharp LLC	Citizens Bank of Kentucky, Inc.	KYCSP	\$ 300,000.00	\$ 53,000.00
Marikka's Restaurant, Inc.	Traditional Bank	KYCSP	\$ 3,641,565.00	\$ 461,140.00
TVC Holdings LLC	First Harrison Bank	KYCSP	\$ 610,000.00	\$ 120,000.00
East End Foot, LLC	First Harrison Bank	KYCSP	\$ 615,000.00	\$ 108,309.00
Zinky's Dog Care, LLC	Citizens First Bank	KYCSP	\$ 189,230.00	\$ 37,000.00
My Visual Package, LLC	South Central Bank	KYCSP	\$ 30,000.00	\$ 3,000.00
May and Lee Management, LLC	Citizens Bank of Kentucky, Inc.	KYCSP	\$ 1,100,000.00	\$ 220,000.00

2018 Annual Report to Governor Matt Bevin, the Legislative Research Commission,
and the Kentucky Innovation Commission pursuant to KRS 154.12-278.

Robert Leon Allen	Monticello Banking Company	KYCSP	\$ 87,500.00	\$ 17,500.00
Addiction Recovery Care LLC (project #2)	MACED	KYCSP	\$ 500,000.00	\$ 100,000.00
AAA CNC Milling Center LLC	First Harrison Bank	KYCSP	\$ 330,000.00	\$ 36,000.00
Alley Land Company	Citizens Bank of Kentucky, Inc.	KYCSP	\$ 768,000.00	\$ 88,200.00
TOTAL CLOSED FY 2017-2018			\$11,616,312.00	\$1,722,887.00

Paid Off/Recyclable Funds	Participating Bank	KSBCI Program	Total Project Amount	KSBCI Support Amount
Lee's Ford Wine & Spirit Shoppe, LLC	Community Trust Bank	KYCSP	\$ 350,000.00	\$ 70,000.00
Palate Restaurant Group, LLC	Traditional Bank	KYCSP	\$ 1,175,000.00	\$ 120,000.00
Geoffrey & Angela Knight/Knights Transportation Services	South Central Bank	KYCSP	\$ 225,000.00	\$ 45,000.00
H.B. Molding	Huntington Bank	KYCSP	\$ 40,000.00	\$ 1,200.00
Skidaddles, Inc.	Huntington National	KYCSP	\$ 65,306.12	\$ 1,902.12
LES Workout, LLC	Citizens First Bank	KYCSP	\$ 1,098,920.00	\$ 49,672.00
JC Brewer Construction, Inc.	Citizens First Bank	KYCSP	\$ 251,200.00	\$ 50,000.00
Clark County Veterinary Clinic, INC, Jeff and Kim Castle	Kentucky Bank	KYCSP	\$ 680,823.58	\$ 24,800.00
Austin Enterprises Incorporated	Kentucky Bank	KYCSP	\$ 242,000.00	\$ 48,400.00
HC Matthews	Citizens First Bank	KYCSP	\$ 444,900.00	\$ 69,101.00
212 Wayne Drive LLC, dba LaFontaine Preparatory School, LLC	MACED	KYCSP	\$ 355,000.00	\$ 69,000.00
All Type Supply, LLC	Citizens Deposit Bank	KYCSP	\$ 181,868.00	\$ 36,000.00
CGS Machine & Tool, Inc.	Franklin Bank & Trust Company	KYCSP	\$ 1,440,000.00	\$ 248,000.00
Stardust Holdings, LLC & Stardust Ventures, LLC	KHIC	KYCSP	\$ 1,800,000.00	\$ 250,000.00
Godi Corporation	Fifth Third Bank	KYCSP	\$ 908,000.00	\$ 60,000.00
Cosmic Cheer and Tumble LLC	First National Bank of Grayson	KYCSP	\$ 239,000.00	\$ 29,850.00
TOTAL PAID OFF/RECYCLABLE FUNDS FY 2017-2018			\$9,497,017.70	\$1,172,925.12

Claims Paid	Participating Bank	KSBCI Program	Total Project Amount	KSBCI Support Amount Paid
TOTAL CLAIMS PAID FY 2017-2018			\$0	\$0

2018 Annual Report to Governor Matt Bevin, the Legislative Research Commission,
and the Kentucky Innovation Commission pursuant to KRS 154.12-278.

Approved	Participating Bank	KSBCI Program	Total Project Amount	KSBCI Support Amount
ShellTech LLC - project #2	KHIC	KYCSP	\$1,875,000.00	\$184,005.00
John Schmidt Insurance Inc. or LLC TBD	First Harrison Bank	KYCSP	\$462,000.00	\$91,000.00
Narrow Gate Properties, LLC	Fifth Third Bank	KYCSP	\$3,625,000.00	\$360,000.00
TOTAL APPROVED FUNDS FY 2017-2018			\$5,962,000	\$635,005
TOTAL CLOSED, PAID OFF/RECYCLABLE, CLAIMS PAID & APPROVED FY2017-2018			\$17,578,312	\$2,357,892

Approved but Withdrawn	Participating Bank	KSBCI Program	Total Project Amount	KSBCI Support Amount
SGCE LLC	Fifth Third Bank	KYCSP	\$ 162,000.00	\$ 16,200.00
Fairview Eye Care Real Estate, LLC	Central Bank	KYCSP	\$ 2,500,000.00	\$ 100,000.00
East End Foot & Ankle, PSC	Central Bank	KYCSP	\$ 665,000.00	\$ 120,000.00
Hickory & Oak, LLC	Community Ventures Corp.	KYCSP	\$ 750,000.00	\$ 150,000.00
Robert Leon Allen - Project #1	Fifth Third Bank	KYCSP	\$ 92,500.00	\$ 18,500.00
Haney Enterprises, LLC	Traditional Bank	KYCSP	\$ 59,864.52	\$ 11,972.00
Superior Expeditors LLC (#2)	Monticello Banking Company	KYCSP	\$ 150,000.00	\$ 27,000.00
TOTAL APPROVED BUT WITHDRAWN FY2017-2018			\$13,304,164.52	\$1,122,131.00