

**Marina Technology Cluster
Economic Impact Report
June 2010**

	Aggregate totals through	Graduate TIG Companies	Graduate Non-TIG Companies	TIG Residents	Non-TIG Residents	Total Graduate Companies	Total Resident Companies	Total All Companies
Number of Companies*	2005	0	4	4	5	4	9	13
	2006	0	4	11	6	4	17	21
	2007	0	4	13	3	4	16	20
	2008	2	4	8	5	6	13	19
	2009	2	3	9	4	5	13	18
Employees* (Includes contract employees)	2005	0	24	4	10	24	14	38
	2006	0	26	25	15	26	40	66
	2007	0	24	37	13	24	50	74
	2008	2	27	25	16	29	41	70
	2009	5	41	28	16	46	44	90
Wages Paid*	2005	\$ -	\$ 1,935,000	\$ 88,000	\$ 610,000	\$ 1,935,000	\$ 698,000	\$ 2,633,000
	2006	\$ -	\$ 2,275,000	\$ 347,200	\$ 735,000	\$ 2,275,000	\$ 1,082,200	\$ 3,357,200
	2007	\$ -	\$ 2,495,000	\$ 566,000	\$ 785,000	\$ 2,495,000	\$ 1,351,000	\$ 3,846,000
	2008	\$ 150,000	\$ 2,506,000	\$ 457,231	\$ 785,000	\$ 2,656,000	\$ 1,242,231	\$ 3,898,231
	2009	\$ 165,000	\$ 1,949,500	\$ 347,500	\$ 372,000	\$ 2,114,500	\$ 719,500	\$ 2,834,000
Technologies or Services Commercialized**	2005	0	3	5	4	3	9	7
	2006	0	6	5	4	6	9	10
	2007	0	8	8	6	8	14	14
	2008	0	8	4	10	8	14	18
	2009	2	7	7	10	9	17	19
Equity Capital Raised**	2005	\$ -	\$ -	\$ 45,000	\$ 900,000	\$ -	\$ 945,000	\$ 945,000
	2006	\$ -	\$ -	\$ 57,000	\$ 1,070,000	\$ -	\$ 1,127,000	\$ 1,127,000
	2007	\$ -	\$ -	\$ 569,200	\$ 1,270,000	\$ -	\$ 1,839,200	\$ 1,839,200
	2008	\$ 5,000	\$ -	\$ 543,200	\$ 670,000	\$ -	\$ 1,213,200	\$ 1,213,200
	2009	\$ 100,000	\$ -	\$ 477,500	\$ 1,000,000	\$ 100,000	\$ 1,477,500	\$ 1,577,500
Debt Capital Raised**	2005	\$ -	\$ 520,000	\$ 125,000	\$ 285,000	\$ 520,000	\$ 410,000	\$ 930,000
	2006	\$ -	\$ 300,000	\$ 120,000	\$ 285,000	\$ 300,000	\$ 405,000	\$ 705,000
	2007	\$ 10,000	\$ 1,350,000	\$ 288,500	\$ 285,000	\$ 1,360,000	\$ 573,500	\$ 1,933,500
	2008	\$ 10,000	\$ 1,470,000	\$ 338,500	\$ 285,000	\$ 1,480,000	\$ 623,500	\$ 2,103,500
	2009	\$ 10,000	\$ 1,081,000	\$ 636,500	\$ 440,000	\$ 1,091,000	\$ 1,076,500	\$ 2,167,500
Actual Revenues*	2005	\$ -	\$ 21,527,000	\$ 229,000	\$ 2,350,000	\$ 21,527,000	\$ 2,579,000	\$ 24,106,000
	2006	\$ -	\$ 23,050,000	\$ 710,350	\$ 2,355,000	\$ 23,050,000	\$ 3,065,350	\$ 26,115,350
	2007	\$ -	\$ 26,700,000	\$ 1,162,200	\$ 3,325,000	\$ 26,700,000	\$ 4,487,200	\$ 31,187,200
	2008	\$ 160,000	\$ 33,925,000	\$ 1,015,554	\$ 2,215,000	\$ 34,085,000	\$ 3,230,554	\$ 37,315,554
	2009	\$ 175,000	\$ 33,957,000	\$ 708,000	\$ 823,500	\$ 34,132,000	\$ 1,531,500	\$ 35,663,500
Projected Revenues*	2005	\$ -	\$ 25,135,000	\$ 880,000	\$ 3,500,000	\$ 25,135,000	\$ 4,380,000	\$ 29,515,000
	2006	\$ -	\$ 26,985,000	\$ 1,450,000	\$ 4,300,000	\$ 26,985,000	\$ 5,750,000	\$ 32,735,000
	2007	\$ 100,000	\$ 31,385,000	\$ 2,395,000	\$ 4,500,000	\$ 31,485,000	\$ 6,895,000	\$ 38,380,000
	2008	\$ 275,000	\$ 27,035,000	\$ 2,251,000	\$ 3,660,000	\$ 27,310,000	\$ 5,911,000	\$ 33,221,000
	2009	\$ 220,000	\$ 38,200,000	\$ 2,184,000	\$ 1,700,000	\$ 38,420,000	\$ 3,884,000	\$ 42,304,000

* Current Year

** Life of the Company

Aggregate Survey Results

The above numbers reflect the economic impact of the current and graduate companies of the Marina Technology Cluster. Eighteen (18) resident and graduate companies of the incubator reported in 2010. These companies created 90 employee and contract jobs, up from the previous year that reported 73 jobs with 19 companies reporting. Wages paid for 2009 were \$2.85 million, down from nearly \$4 million the previous year. Much of this was due to the fact that two companies pulled out of the region, although they are still in business, and one business reduced wages by \$200 thousand. 19 technologies and services have been commercialized in the Marina/Monterey region. These companies have raised equity capital in excess of \$1.57 million and have garnered loans and other debt capital in excess of more than \$2 million. 2009 revenues for these dynamic companies were \$36.7 million, a slight drop from more than \$37 million the previous year. Revenues for 2010 are projected to reach \$42 million.

Graduate Self-Funded Companies

Three (3) Graduate non-grant-supported companies have created and retained 41 jobs, up from 27 reported in 2008. These companies are paying wages of \$1.9 million and have commercialized 7 technologies. These companies accomplished these levels of economic development with no outside investment. They did raise more than \$1 million in loans. 2009 revenues total nearly \$34 million, on a par with the previous year, and revenues for 2010 are expected to exceed \$38 million, despite the recession.

Graduate Grant-Supported Companies

Two (2) grant-supported, targeted-income-group (TIG)-owned graduate companies created 5 full and part-time employees, up from 1 company with one job created in 2008. These two companies paid \$100 thousand in wages, with no equity or debt capital. Annual revenues in 2008 were \$165 thousand in wages, up from \$150 thousand the previous year.

**Resident Targeted-Income-Group (TIG) Companies
Community Development Block Grant (CDBG)**

Nine (9) companies operated in the incubator in 2009 as microenterprises owned by TIG qualified individuals. These entrepreneurs are funded in part by the City of Marina's CDBG grant. Between them, they have created 28 contract and employee jobs, up from 25 in 2008, pay in excess of \$347 thousand in wages and have commercialized 7 technologies and services in Web-based software and renewable energy. Companies reporting this year have raised nearly \$500 thousand in equity capital and in excess of \$600 thousand in loans and other debt. Their revenues for 2009 were \$708 thousand, down from more than \$1 million in 2008, and in 2010 their projected revenues continue to exceed \$2 million.

Resident Companies (Non-TIG)

Of the companies resident in the incubator, 4 did not receive assistance from the CDBG grant and are not owned by TIG individuals. This number is down by 1 from the previous year. These 4 companies created 16 contract and employee jobs at the incubator, the same as 2008, and reported paying \$372 thousand in wages and contracts in 2009. These entrepreneurs report having commercialized 10 new technologies in GPS, Web-based software and agricultural technology. They have raised \$1 million in equity capital and \$440 thousand in debt capital. Revenues for 2009 were more than \$823 thousand, down from more than \$2 million in 2008, due to the move of a major tenant back to the east coast, while the replacement company is in start-up and set-up mode. Revenues from these companies are expected to reach \$1.7 million in 2010.