

November 30, 2021

The Honorable Steve Sisolak  
Office of the Governor  
One Hundred One North Carson Street  
Carson City, Nevada 89701

Ms. Elaine McWhorter Coburn  
Legislative Counsel Bureau  
Directors' Office  
401 South Carson Street  
Carson City, Nevada 89701

Re: Nevada Battle Born Growth Escalator, Inc. Annual Report 2021

Governor Sisolak and Ms. McWhorter Coburn:

Pursuant to NRS 231.0545, an annual report is required to be submitted by the Board of Directors of the nonprofit corporation formed to promote, aid, and encourage economic development. The report is attached and covers the reporting period of November 1, 2020 through October 31, 2021.

Please feel free to contact me should you have any questions via telephone at 702-486-2700 or via e-mail at [michael.brown@state.nv.us](mailto:michael.brown@state.nv.us).

Sincerely,



Michael Brown  
Executive Director

Attachment

cc: Karsten Heise, Director Strategic Programs and SSBCI Venture Capital Program Manager, GOED  
Patricia Herzog, Director Rural Economic & Community Development and SSBCI Collateral Support Program Manager, GOED  
Shauna Tilley, Executive Branch Budget Officer I, Governor's Finance Office  
Yvanna Cancela, Chief of Staff  
Steve Yeager, Legislative Commission Chair  
Brenda Erdoes – LCB Director  
Kimbra Ellsworth – LCB Program Analyst

**Annual Report Regarding the Nevada Battle Born Growth Escalator, Inc.**

Per NRS 231.0545, the annual report must include:

1. *An accounting of all money received and expended by the nonprofit corporation, including, without limitation, any matching grant funds, gifts or donations:*

Since being formed, the nonprofit corporation has received and expended \$4,421,804.02.

2. *The name and a brief description of all businesses receiving an investment of money from the nonprofit corporation formed pursuant to NRS 231.0545:*

GOED had contracted with the Nevada Microenterprise Initiative, Inc. ("NMI") to act as a custodian for Battle Born Growth Escalator, Nevada's venture capital program, administered by GOED, under the federal state small business credit initiative ("SSBCI"). After receiving authorization through Assembly Bill No. 17 of the 78th (2015) Session of the Nevada Legislature ("AB 17") and upon subsequent formation of the nonprofit corporation in July of 2016 as *Nevada Battle Born Growth Escalator, Inc.* ("NBBGEI"), GOED terminated the contract with NMI and now has an agreement with NBBGEI for the latter to serve as custodian of investment holdings. All existing convertible notes and equity holdings of Battle Born Growth Escalator's investments were transferred to NBBGEI. Its current portfolio holdings are described below.

**I. Current Portfolio/ Projects:**

**ACCESS HEALTH DENTAL (Investment: April, 2015, Partial Divestment: November, 2017, Participation in follow-up investment round: December, 2018):** Based in Las Vegas, NV, Access Health Dental is a dental service organization founded in 2011 on the principles of combining good health care with good business. Through its emphasis on convenience and accessibility, anticipating structural changes to the healthcare system, focusing on providing oral health care, and helping manage overall wellness, the Company intends to be the provider group of choice to partner with Accountable Care Organizations (ACOs) and other new payment structure systems. Its business model enables practices to achieve economies of scale and provides additional support services to enable the practicing dentists to focus more on the highest quality patient care.

**CIRLCEIN (Investment Round 1 - first tranche: January, 2018, second tranche: October, 2018; Investment Round 2 – first tranche: August, 2019, second tranche: February, 2020):** CircleIn has developed a student-to-student tutoring app. It allows students to study with one another, and to tutor one another, winning rewards in the process. Once invited into a group, students can swap class notes and access libraries of these notes from across the country. CircleIn has shown data to support beneficial student outcomes from using the app, and it offers a "safe space" for students

by using “bad word” and “bad image” screens that are immediately flagged to the relevant school. It has both Android and iOS apps available.

Since Battle Born’s original investment, CircleIn has pivoted to focus on the college market, a more lucrative target market than its original focus. Contracts are based on total number of full-time freshmen enrolled, and most contracts are paid annually upfront with typically two-year terms.

**CITY OF NORTH LAS VEGAS COMMUNITY ENTREPRENEURSHIP (Funding provided: June, 2020):**

While not a traditional investment, NBBGEI is providing seed funding for a pilot at the City of North Las Vegas to partner with Innovation Collective (IC) to help run IC Studio for encouraging entrepreneurship through a cohort model with a focus on diverse communities. IC has been running programs for seven years and is also currently operating projects in communities in Idaho, New York, Florida, California and Washington.

IC conducted its first cohort with 22 participants providing one facilitator and three mentors; at least two new businesses were launched. A second will begin in December 2021 and IC is working with local organizations including the local public library.

This provision of support is not part of the SSBCI program, and Battle Born utilized second generation SSBCI funds. Second Generation SSBCI Funds are defined as proceeds resulting from divestments of Battle Born Venture and/ or repayment of collateral and associated fees under Nevada’s SSBCI Collateral Support Program (CSP), Nevada’s second SSBCI program.

**GRRRL (Investment: December, 2019):**

Grrrl is a Las Vegas-based athleisure company that focuses on size-free clothing and targets niche women’s sports such as MMA and Highland Games. Its philosophy is centered around women’s empowerment, with an emphasis on fitness at any size. Co-founded by a husband and wife team, the brand is fronted by professional athlete Kortney Olson as well as professional athlete brand ambassadors. The team relocated to Las Vegas in 2019, ahead of investment by Battle Born.

**HELIGENICS (Investment: October, 2020):**

Heligenics is a spinout company from UNLV and originates from a 2013 Knowledge Fund investment seeding the Nevada Institute of Personalized Medicine (NIPM) and subsequent project funding.

Heligenics’ mission is to prevent disease and heal patients afflicted with illness through genomics. Through an approach based on the GigaAssay technology developed at the University of Nevada Las Vegas in the Schiller Laboratory of Applied Bioinformatics. The GigaAssay produces functional genomics data that can be licensed and used for prevention-based approaches, diagnostics. Additionally, for developing new drug therapies or redesigning clinical trials for drugs that have failed a trial due to poor efficacy or safety.

For this investment, which is not part of the SSBCI program portfolio, Battle Born utilized second generation SSBCI funds. Second Generation SSBCI Funds are defined as proceeds resulting from divestments of Battle Born Venture and/ or repayment of collateral and associated fees under Nevada's SSBCI Collateral Support Program (CSP), Nevada's second SSBCI program.

**INNEVATOR II, LLC (Investment: first tranche: August, 2018, second tranche: June 2019):**  
InNEVator is a one-of-a-kind Internet of Things (IoT) focused bootcamp hosted through The Innevation Center at University of Nevada, Reno.

InNEVator's goal is to add to Reno's technology community by helping to grow companies within a supportive community. Companies selected to participate in the 8-week bootcamp will work directly with experts to accelerate development of prototyping, creative thinking, commercialization, seed-funding, planning and operations, customer engagement, and other aspects of business. Mentorship and introductions to investors are core elements of the bootcamp.

So far, 11 companies have gone through the Accelerator. The first two cohorts focused on Internet of Things (IoT) devices and the third cohort focused on Blockchain technologies. As these are companies in very early stages of their development the investments made by InNEVator II are highly risky but fill a crucial gap in the entrepreneurial ecosystem.

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**OUTLAW SOAPS (Investment Round 1: October, 2020; Investment Round 2: August, 2021):**  
Founded in 2013, Outlaw Soaps is a Sparks-based personal care company that focuses on Millennial men. Its products range from traditional offerings, such as bar soap, body wash and hand wash, to beard & hair elixir and air fresheners. It offers 7 signature scents, that include fragrances such as, campfire, leather, whiskey, sagebrush, pine, and fresh cut grass. The Company was founded by a husband and wife team with experience in building digital brands at Oprah.com, and with building startups. The Venture Program participated in the company's follow up investment round this year given the positive traction of the company since 2020.

**SEMI EXACT (Investment: June, 2021):**

Semi Exact a custom furniture company, in Minden, NV which is creating a new category in the consumer goods market that changes the way people think about making, purchasing, and enjoying furniture. The company can be described as a DNVB (Digitally Native Vertically integrated Brand) with advanced manufacturing. Semi Exact is creating a new category in the consumer goods market that changes the way people think about making, purchasing, and enjoying furniture.

This investment takes the SSBCI Venture Capital Program to fully invested status for First Generation funds. First Generation SSBCI Funds are defined as funds originating from the initial

SSBCI allocation and do not include proceeds from divestments. It is also the first investment in a company that is based in rural-Nevada. Semi Exact also attracted another local investor with Reno Seed Fund, a leading angel funding vehicle in Nevada.

**TABER INNOVATION (Investment: January, 2020):**

Taber Innovations is a Las Vegas-based company that has developed a technology suite that enables real time information to be captured and analyzed from a fire scene, so enhancing fire fighter safety. Its advantage is that it allows monitoring of fire fighter condition, this is currently done verbally via radio. This reduces communication confusion at fire scenes and allows the incident commander to make better decisions as to when and where to send in recovery crews.

**TU BIOMICS (Investment Round 1: April, 2020; Investment Round 2: July, 2021)**

Tu Biomics is a spinout company from the Desert Research Institute (DRI) and originates from a 2013 Knowledge Fund investment seeding the Applied Innovation Center of Advanced Data Analytics (AIC) and subsequent project funding. Tu Biomics is focused on developing organic crop protection products for the global agriculture industry of industrial-scale farming. In conjunction with DRI's plant and molecular biology scientists, Tu Biomics is developing a platform of organically derived biocontrol agents (BCAs) as a sustainable, effective alternative to currently available synthetic chemistry options.

For this investment, which is not part of the SSBCI program portfolio, Battle Born utilized second generation SSBCI funds. Second Generation SSBCI Funds are defined as proceeds resulting from divestments of Battle Born Venture and/ or repayment of collateral and associated fees under Nevada's SSBCI Collateral Support Program (CSP), Nevada's second SSBCI program. Second Generation Funds are the sole funding source for Nevada Battle Born Growth Escalator, Inc.

**TALAGE INSURANCE (Investment: June, 2018):** Talage is a Reno-based startup that has created a fully automated software platform to help small business owners compare and instantly purchase an increasing range of commercial insurance policies. Talage connects business owners directly to insurance carriers, allowing them to save time and money when purchasing workers' comp, liability and property coverage. Its advantage is that it offers customers the ability to compare, select and purchase insurance in the space of less than ten minutes, most competitors instead refer the business to brokers and customers complete their purchase offline. Founded in 2015 by Adam Kiefer, Matt Donovan and Zachary Draper, the Company's goal is to be the first truly national digital insurance agency for the small business vertical. To date, Talage has partnered with eight AM Best A Rated insurance carriers including Chubb, Markel, Travelers, Employers, CNA, ICW, Acuity and Atlas General.

Battle Born Venture invested in the Company in June 2018 in a round led by Bay Area-VC Merus Capital, and including SaaS focused accelerator Acceleprise, and venture debt major Western Technology Investment (WTI).

**TRANSWORLDHEALTH (Investment: July, 2014):** Reno, NV-based TransWorldHealth provides productivity software to the \$1bn+ safety net healthcare market. The various software modules were developed in response to the identified market need for better reporting, analytics and

forecasting for easier ways to improve physician productivity and to provide a solution for effective coordination of care of patients between different clinical settings. According to industry consultant Black Book, users' greatest concerns are "unmet pleas for sophisticated interfaces with other practice programs, complex connectivity and networking schemes, pacing with accountable care progresses and the rapid EHR adoption of mobile devices". TransWorldHealth's products meet each of these needs.

TransWorldHealth's prior investors include Reno Angels, along with a number of private angel investors

**II. Previous Holdings (Fully Exited as of October 31, 2021):**

**WEDGIES (Investment: November, 2014, Exit Process Completed: June, 2018)**

**WISEBANYAN (Investment Round I: September, 2016; Investment Round II: March, 2018, Exit Process Completed: February, 2019)**

**BASEVENTURE (Investment Round I: July, 2015; Investment Round II: July, 2016, Exit Process Completed: July, 2019)**

**FANDEAVOR (Investment Round I: July, 2014; Investment Round II: January, 2017, Exit Process Completed: August 2019)**