



pennsylvania
DEPARTMENT OF COMMUNITY
& ECONOMIC DEVELOPMENT

REPORT TO THE GENERAL ASSEMBLY

KEYSTONE INNOVATION ZONE TAX CREDIT AND TAX CREDIT SALE PROGRAMS

FY 2018-19



*Photo Credit: Neil Strebig Northside Chronicle
Pittsburgh, PA*

KEYSTONE INNOVATION
ZONE PROGRAM

METRICS



322

PA GRADUATES HIRED

1,132
JOBS CREATED



\$125,669,624
RDT&E EXPENDITURES

2,849
JOBS RETAINED



\$214,340,462
LEVERAGED FUNDING





PROGRAM OVERVIEW

WHAT IS A KIZ COMPANY?

- For-profit business entity
- Located within the boundaries of a KIZ
- Less than eight years old
- In a targeted industry sector:
 - Advanced Materials / Diversified Manufacturing
 - Life Sciences
 - Business Services
 - High Technology

FUNDING

- \$15 million available
- Eligible companies can apply for up to \$100,000 annually
- 2018 application requests exceeded \$18 million
- Maximum prorated award was \$84,182

HOW TO UTILIZE A KIZ TAX CREDIT?

- Must first be applied to a company's tax liability
- If the awarded credit exceeds a company's liability, they may:
 - Carry forward the unused credit
 - Pass the unused credit to the owners or shareholders
 - Apply to sell all or a portion of the remaining credits

HELPING COMPANIES GROW

- The ability to sell tax credits provides crucial capital to young companies
- Revenue is reinvested to hire new employees, purchase critical machinery, and expand operations



"Wright Labs applies novel microbial genomics methods to solve medical and environmental problems within a network of 80+ academic, governmental, and private institutions. Founded at Juniata College's Center for Entrepreneurial Leadership, Wright Labs is a story of student-led scientific innovation and entrepreneurship. The Keystone Innovation Zone program has been seminal in our early success, as the credit has enabled us to hire and retain talented students and post-graduates through a plethora of research internships and new-hire opportunities. These high-impact practices enable researchers to create, dream, and design something of their very own, and KIZ is directly facilitating this self-discovery process."

*— Regina Lamendella - Co-Founder,
Wright Labs LLC*



REGIONAL TAX CREDIT AWARDS

There are 28 Keystone Innovation Zones located throughout Pennsylvania that serve both rural and urban regions. These zones partnered with over 91 institutions of higher education that range from research universities to local community colleges. Each KIZ contains partners from their region that include but are not limited to economic development providers, local governments, financial institutions, and venture capitalists.

TOTAL TAX CREDIT AWARDS BY REGION FY 2018-19



■ NORTHWEST	\$581,847	■ NORTHEAST	\$2,532,433
■ SOUTHWEST	\$2,913,538	■ SOUTHEAST	\$5,483,770
■ CENTRAL	\$2,247,886	■ LEHIGH VALLEY	\$980,562

SUCCESS STORY KRAKEN BOARDSPORTS

Kraken Boardsports designs and manufactures unique action sport products in northeastern Pennsylvania. Its products range from the Kraken Stealth wakeboard winch to patent pending Skateblox modular features for skate , wake , and snowboarding. Additional funds from its sale of Keystone Innovation Zone credits enabled Kraken to expand its travel to more action sports trade events in 2018. This increased exposure contributed to net sales doubling between 2017 and 2018, which also amplified the capabilities of Kraken s nearby manufacturing facility.



Wilkes Barre, PA



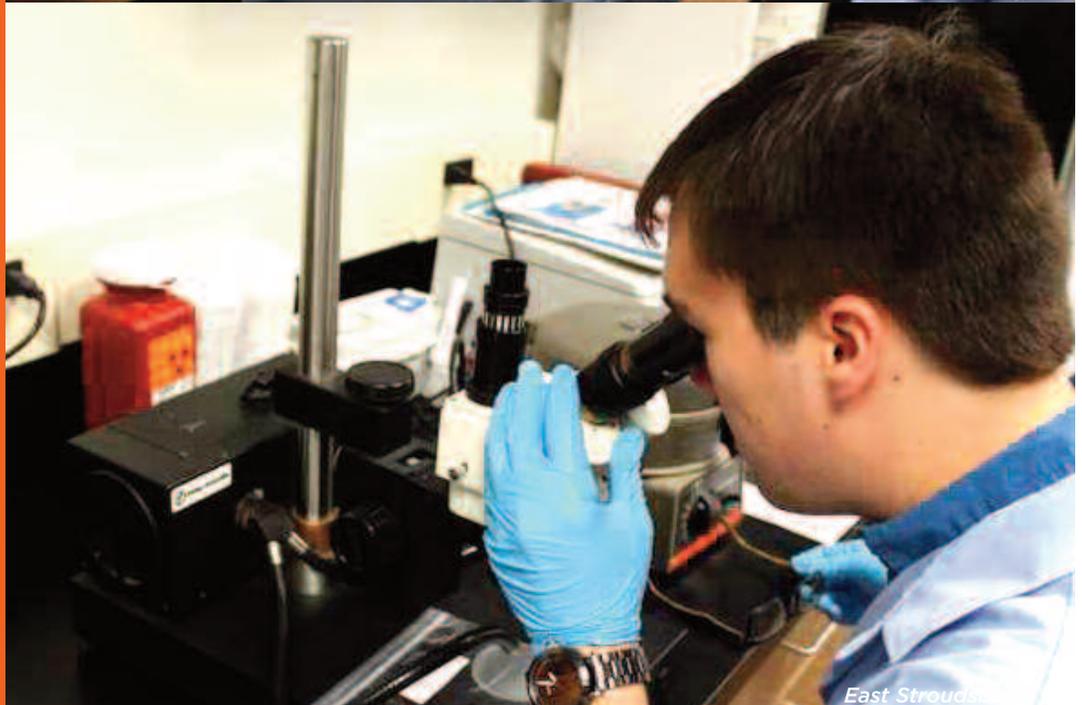
≡ SUMMARY ≡

The KIZ Tax Credit program continues to be a critical component of Pennsylvania's economic development resources. Over the years, revenue generated from the KIZ Tax Credit Sale program has infused over \$122 million into qualified KIZ companies. The new capital derived from the sale of the unused KIZ Tax Credits has increased the ability of these early-stage companies to grow, hire new employees, and expand to meet the demands of their customers.

SUCCESS STORY TICKCHECK

TickCheck, a medical laboratory in East Stroudsburg University's Business Accelerator, was founded in 2014 to combat the spread of Lyme disease in Pennsylvania and nationwide. It tests ticks for bacteria that cause Lyme disease and other tick-borne pathogens, providing results in as few as 24 hours.

With the funds they received through the KIZ program, TickCheck has expanded their tick testing and associated offerings by developing tests for new pathogens, adjusted their pricing to offer more tests at the same price, and built out their technical infrastructure. They've also used funds to pay laboratory partners and advertise in new markets.



APPENDIX A

2018 KIZ TAX CREDIT AWARDS

Company	KIZ Zone	Award Amount
Click-It Solutions Inc.	Biolaunch 611+	\$ 15,274
1SEO.Com Inc.	Biolaunch 611+	\$ 84,182
AKAS Tex, LLC	Biolaunch 611+	\$ 84,182
Aquachempacs, LLC	Biolaunch 611+	\$ 84,182
GLOBO Language Solutions	Biolaunch 611+	\$ 84,182
Innovative Supply Solutions	Biolaunch 611+	\$ 78,989
Oat Foundry, LLC	Biolaunch 611+	\$ 84,182
Sweet Note Bakery, Inc.	Biolaunch 611+	\$ 42,556
Pharmula Laboratories Inc	Biolaunch 611+	\$ 84,182
TemitroniK Corporation	Biolaunch 611+	\$ 84,182
Go2Power LLC	Biolaunch 611+	\$ 84,182
Baldwin Publishing Inc.	Biolaunch 611+	\$ 55,533
Telex Metals LLC	Biolaunch 611+	\$ 84,182
Clutch Holdings LLC	Biolaunch 611+	\$ 84,182
Biltmore Solutions Inc.	Biolaunch 611+	\$ 84,182
Focus Biomolecules LLC	Biolaunch 611+	\$ 39,338
Hepron Molecular Lab, Inc.	Bucks County Biotech	\$ 84,182
Epidarus Therapeutics, LLC	Bucks County Biotech	\$ 6,145
Linnaeus Life Science, LLC	Bucks County Biotech	\$ 84,182
LAM Drug Discovery Consulting, LLC	Bucks County Biotech	\$ 29,990
IView Therapeutics Inc.	Bucks County Biotech	\$ 70,212
Curotec, LLC	Chester County	\$ 84,182
Unilog Content Solutions LLC	Chester County	\$ 84,182
VenatorRx Pharmaceuticals	Chester County	\$ 84,182
Precision Pro Sports, LLC	Chester County	\$ 84,182
Brandywine Photonics, LLC	Chester County	\$ 84,182
PetroMar Technology, Inc.	Chester County	\$ 84,182
TransSig Inc.	Chester County	\$ 84,182
Purispec, LLC	Chester County	\$ 84,182
Noetic, LLC	Chester County	\$ 84,182
Megna, Inc.	Chester County	\$ 40,028
NextGen Trial Technologies, LLC	Chester County	\$ 84,182
eTopUpOnline LLC	Chester County	\$ 84,182
Heroic LLC	Chester County	\$ 84,182
Universal Pure LLC	Chester County	\$ 84,182
Eigen X, LLC	Delaware County	\$ 84,182
ApexDrop, LLC	Erie County	\$ 84,182
PRX Energy, LLC	Erie County	\$ 17,830
MoreFrames Animation LLC	Erie County	\$ 52,731
Destination Known LLC Out of the Grey Coffee	Erie County	\$ 14,616
Flagship Multimedia, Inc.	Erie County	\$ 84,182
WeCreate, LLC	Erie County	\$ 39,965
RendrFX, Inc.	Erie County	\$ 17,706
Vertical Cloud, LLC	Erie County	\$ 37,694

Innovatel, LLC	Erie County	\$ 84,182
Mason Jars Company	Erie County	\$ 16,517
Institute on Healthcare Directives	Erie County	\$ 4,094
Menagerie Studio, LLC	Erie County	\$ 17,726
Beaumont Advanced Processing LLC	Erie County	\$ 84,182
M3 Unmanned Systems	Erie County	\$ 3,292
Velocity.net Video, Inc.	Erie County	\$ 8,552
Innovative Tomato, LLC	Greater Johnstown	\$ 20,038
The Murphy Technology Group, Inc. DBA Sourcing	Greater Johnstown	\$ 84,182
Nurse navigator Solutions, LLC	Greater Johnstown	\$ 84,182
Ariel Precision Medicine, Inc.	Greater Oakland	\$ 66,954
Expil, Inc.	Greater Oakland	\$ 57,084
Treatspace Inc.	Greater Oakland	\$ 84,182
CloudPCR LLC	Greater Oakland	\$ 47,229
Rapid Flow Technologies LLC	Greater Oakland	\$ 84,182
H Quest Vanguard Inc	Greater Oakland	\$ 84,182
Human Motion Technologies LLC	Greater Oakland	\$ 84,182
Thread International PBC, Inc.	Greater Oakland	\$ 84,182
Spark Cures LLC	Greater Oakland	\$ 20,452
Kaarta, Inc.	Greater Oakland	\$ 84,182
Wise Telemetry, LLC	Greater Oakland	\$ 12,550
Civic Mapper LLC	Greater Oakland	\$ 20,034
Pocket Expert LLC	Greater Oakland	\$ 12,849
Interphase Materials Inc.	Greater Oakland	\$ 47,628
Travelwits, LLC	Greater Oakland	\$ 31,644
ContainerShip Inc.	Greater Oakland	\$ 40,779
AutoMap, LLC	Greater Oakland	\$ 84,182
Hebi Robotics Inc.	Greater Oakland	\$ 84,182
Robotwits, LLC	Greater Oakland	\$ 36,998
Continental Tide Defense Systems, Inc.	Greater Reading	\$ 84,182
Trademark Antiques Limited	GSKIZ/Susquehanna	\$ 80,640
Dental Marketing Insights, LLC	GSKIZ/Susquehanna	\$ 56,182
Krow Media, LLC	GSKIZ/Susquehanna	\$ 17,650
Medtrics Lab, LLC	GSKIZ/Susquehanna	\$ 22,316
Play Impossible Corporation	GSKIZ/Susquehanna	\$ 42,956
Positively Tea LLC	GSKIZ/Susquehanna	\$ 77,864
Quan Web Studios	GSKIZ/Susquehanna	\$ 13,326
CDC Software LLC	GSKIZ/Susquehanna	\$ 84,182
Urban's Edge & Co.	GSKIZ/Susquehanna	\$ 7,754
Paddington Technology Group LLC	Harrisburg Market	\$ 84,182
Cambridge Zoo Technologies, LLC	Harrisburg Market	\$ 84,182
Candlestick Technologies, LLC	Harrisburg Market	\$ 84,182
New Era Orthopaedics, LLC	Harrisburg Market	\$ 84,182
Crimewatch Technologies, Inc.	Harrisburg Market	\$ 84,182
Inbound Marketing, Inc.	Harrisburg Market	\$ 64,965
Vispronet, Inc.	Harrisburg Market	\$ 84,182
Ephyra Group LLC	Harrisburg Market	\$ 8,175

Wright Labs, LLC	Huntingdon	\$ 84,084
Moglabs USA, LLC	Huntingdon	\$ 84,182
Mid Penn Technologies, LLC	Huntingdon	\$ 84,182
Huntingdon Fiberglass Products, LLC	Huntingdon	\$ 84,182
Synergos Global Security	Huntingdon	\$ 4,209
GoDEZI LLC	Huntingdon	\$ 1,494
WNU Communications LLC	Huntingdon	\$ 84,182
Piezo Energy, Inc.	I-99 Innovation Corridor	\$ 84,182
Aleo BME, Inc.	I-99 Innovation Corridor	\$ 8,222
Adiaon, LLC	I-99 Innovation Corridor	\$ 9,364
Impuse Technology, LLC	I-99 Innovation Corridor	\$ 36,310
EXH, Inc.	I-99 Innovation Corridor	\$ 84,083
Railroad City Brewing Company	I-99 Innovation Corridor	\$ 11,034
The Mid-State Solutions Group, LLC	I-99 Innovation Corridor	\$ 399
Nova 6, LLC	I-99 Innovation Corridor	\$ 6,848
Nittany Laser, LLC	I-99 Innovation Corridor	\$ 59,591
ColumnTek, LLC	I-99 Innovation Corridor	\$ 26,370
Solid State Ceramics, Inc.	I-99 Innovation Corridor	\$ 84,182
Solid Dynamics, LLC	I-99 Innovation Corridor	\$ 4,444
Depiro Entertainment	I-99 Innovation Corridor	\$ 61,645
Ascribo, LLC	I-99 Innovation Corridor	\$ 84,182
Sho Technology Solutions, LLC	Lackawanna	\$ 81,264
Precision Software Innovations (Gino Piccolino)	Lackawanna	\$ 75,250
Chunga, LLC	Lackawanna	\$ 59,844
My College Roomie, LLC	Lackawanna	\$ 11,384
ChannelApe, Inc.	Lackawanna	\$ 84,182
Adil Analytics Inc.	Lackawanna	\$ 84,182
EcoIndustrial, LLC	Lackawanna	\$ 45,305
DARTdrones, LLC	Lackawanna	\$ 84,182
Conxx NE Inc.	Lackawanna	\$ 31,251
Signallamp Health, Inc.	Lackawanna	\$ 49,241
Posture Interactive Ltd.	Lackawanna	\$ 64,760
MetricsRD LLC	Lackawanna	\$ 84,182
SciSwift LLC	Lackawanna	\$ 84,182
Networkably LLC	Lackawanna	\$ 78,472
CAD Bits LLC	Lackawanna	\$ 73,622
Predictable Property LLC	Lackawanna	\$ 76,070
Automated Equity LLC	Lackawanna	\$ 76,817
A 24-7 Solution, Inc.	Luzerne	\$ 34,583
Omnitized, LLC	Luzerne	\$ 38,793
Moxie Green	Luzerne	\$ 27,408
Wordtree Technology LLC	Luzerne	\$ 79,975
Maydeer Tech LLC	Luzerne	\$ 52,182
OLIM Enterprises Inc.	Luzerne	\$ 84,182
Apppek Mobile Apps, LLC	Luzerne	\$ 20,337
Refer Local Business Pages, LLC	Luzerne	\$ 10,411
Warrior Strength LLC	Luzerne	\$ 13,831

LSEO LLC	Luzerne	\$ 70,386
Loop Internet LLC., f/k/a VOAB Communications LLC	Luzerne	\$ 26,047
GLB Industries, LLC	Luzerne	\$ 84,182
PlanGuru, LLC	Luzerne	\$ 84,182
Krypton Design LLC dba Kraken Boardsports	Luzerne	\$ 22,867
Bright Solutions Management Group, Inc.	Luzerne	\$ 84,182
Nash Marketing	Luzerne	\$ 4,672
Edify Universal, LLC	Luzerne	\$ 37,436
MEB Management LLC	Luzerne	\$ 73,128
Currentcy LLC	Luzerne	\$ 84,182
InnaVenture LLC	Luzerne	\$ 83,972
GBM Industries LLC dba MB Digital Advertising	Luzerne	\$ 30,703
CSM Talent LLC	Luzerne	\$ 84,182
Prime Restaurant Solutions, Inc.	Luzerne	\$ 14,740
Penn New Media LLC	Luzerne	\$ 74,056
Downtown Digital Marketing	Luzerne	\$ 84,182
Bravo Digital Media	Luzerne	\$ 80,429
theSMARTsub, LLC	Luzerne	\$ 3,013
Coriell Life Sciences, Inc.	Navy Yard	\$ 84,182
Rhoads Marine Industries Inc.	Navy Yard	\$ 84,182
Industrial Metals Manufacturing LLC	Navy Yard	\$ 84,182
MIND Development & Design, LLC	NW Lancaster City	\$ 1,460
Epiphany Environmental LLC	Pittsburgh Central	\$ 56,604
Diamond Kinetics, Inc.	Pittsburgh Central	\$ 57,133
Everest Infrastructure Partners, Inc.	Pittsburgh Central	\$ 84,182
Trademark Vision USA, LLC	Pittsburgh Central	\$ 84,182
Science Plusplease, LLC dba Cerebroscope	Pittsburgh Central	\$ 84,182
Institute of Consultative Bioethics	Pittsburgh Central	\$ 75,632
Savage Visual Effects, LLC	Pittsburgh Central	\$ 84,182
Velocity Robotics, Inc.	Pittsburgh Central	\$ 16,221
Ikos Holdings, Inc.	Pittsburgh Central	\$ 46,543
Engaged Prospect, LLC	Pittsburgh Central	\$ 84,182
SHTRANDS Co	Pittsburgh Central	\$ 3,420
ProFromGo Internet Marketing, LLC	Pittsburgh Central	\$ 29,412
Digital Dream Labs, LLC	Pittsburgh Central	\$ 37,033
Forever, Inc	Pittsburgh Central	\$ 84,182
Birdbrain Technologies, LLC	Pittsburgh Central	\$ 84,182
Ben Peoples Industries	Pittsburgh Central	\$ 25,511
Fitt Ventures LLC	Pittsburgh Central	\$ 84,182
Resident, LLC	Pittsburgh Central	\$ 11,676
Forest Devices, Inc.	Pittsburgh Central	\$ 18,579
TurnKey Taxes, Inc.	Pittsburgh Central	\$ 84,182
Webkite, Inc.	Pittsburgh Central	\$ 11,189
Mashup U, LLC	Pittsburgh Central	\$ 17,457
CallerReady, LLC	Pittsburgh Central	\$ 84,182
Pittsburgh Communications Software LLC	Pittsburgh Central	\$ 83,752
Daily Bread Clothing, LLC	Pittsburgh Central	\$ 38,007

Go Call Go LLC	Pittsburgh Central	\$ 82,673
Srvd, Inc.	Pittsburgh Central	\$ 26,600
FarmFan LLC	Pittsburgh Central	\$ 84,182
FutureDerm Inc.	Pittsburgh Central	\$ 78,367
Rubitection Inc.	Pittsburgh Central	\$ 11,123
Roadrunner Recycling, Inc.	Pittsburgh Central	\$ 84,182
LeftIris Communications	Pittsburgh Central	\$ 24,583
eDocs Technologies LLC	Pittsburgh Central	\$ 84,182
Proud Development, LLC	Pocono Mountain	\$ 19,034
Solid Innovations LLC	Pocono Mountain	\$ 81,103
Base Lab Tools, Inc.	Pocono Mountain	\$ 84,182
American Systems & Installation Inc	Pocono Mountain	\$ 84,182
Game Face Products Inc.	Pocono Mountain	\$ 84,182
Marathon Studios Inc.	Pocono Mountains	\$ 84,182
TickCheck LLC	Pocono Mountains	\$ 53,948
Soltech Solutions LLC	Southside Bethlehem	\$ 8,799
NextShift, LLC	Southside Bethlehem	\$ 84,182
US Specialty Formulations, LLC	Southside Bethlehem	\$ 84,182
Cryocencepts, LP	Southside Bethlehem	\$ 84,182
Bonn Place Brewing, Inc.	Southside Bethlehem	\$ 84,182
Logic 54 LLC	Southside Bethlehem	\$ 30,799
MindMe, Inc.	Southside Bethlehem	\$ 29,241
TMS Holdings LLC	Tri-County	\$ 14,396
PolyAurum LLC	University City	\$ 30,009
Optofluidics, Inc.	University City	\$ 84,182
RKI Apps, Inc.	University City	\$ 29,894
Guiding Technologies Corporation	University City	\$ 84,182
Instadiagnostics, Inc.	University City	\$ 84,182
CampusESP	University City	\$ 81,788
Grue & Bleen	University City	\$ 62,359
A View From My Seat, LLC	University City	\$ 46,321
SETVI, Inc.	University City	\$ 54,754
Discount Drug Network, LLC	University City	\$ 84,182
The 215 Guys	University City	\$ 84,182
VeryApt, Inc.	University City	\$ 84,182
Cure Consulting, LLC	University City	\$ 31,913
Bainbridge Health	University City	\$ 10,215
Asset-Map	University City	\$ 3,325
LowRe Tech LLC	University City	\$ 56,050
Dlupal Software, Inc.	University City	\$ 23,007
Athena Global Advisors Inc	University City	\$ 84,182
Avant Datum, LLC	University City	\$ 84,182
Vital Trax, LLC	University City	\$ 9,260
Grovara LLC	University City	\$ 84,182
Voice Tele Services, Inc.	University City	\$ 84,182
Luxtech, LLC	University City	\$ 84,182
Quantitative Radiology Solutions, LLC	University City	\$ 49,784

Thrive Commerce LLC	University City	\$ 84,182
LeagueSide, Inc.	University City	\$ 84,182
Torchlight Technology Group LLC	University City	\$ 84,182
Canary Compliance LLC	University City	\$ 84,182
Keriton	University City	\$ 83,340
Vistar Media Inc.	University City	\$ 74,967
NeuroFlow Inc.	University City	\$ 81,400
PolyCore Therapeutics LLC	University City	\$ 1,503
Curalate Inc.	University City	\$ 29,237
PromptWorks	University City	\$ 84,182
Security Risk Advisors, Inc	University City	\$ 84,182
Invisible Sentinel Inc.	University City	\$ 84,182
LignaMed, LLC	University City	\$ 84,182
Strados Labs Inc.	University City	\$ 43,985
Magnolia Land Partners LLC	University City	\$ 63,748
Velano Vascular Inc.	University City	\$ 29,746
Longevity Biotech, Inc.	University City	\$ 84,182
Accelerated Speed Dynamics, Inc.	Williamsport/Lycoming	\$ 39,171
Potteiger Consulting Services LLC Generation Connect	York County	\$ 50,380

APPENDIX B

2018 ENTITIES THAT ACQUIRED KIZ TAX CREDITS

Buyer	Number of Tax Credits	Applications Approved
Alfred Gabel	2	\$2,934.00
Allen Reitz	1	\$91,460.00
Andrew Garman	1	\$2,727.00
Anthony Bartocci	1	\$496.00
Arden Steiner	2	\$3,470.00
Armstrong Utilities, Inc.	19	\$605,692.00
Boscovs Inc.	20	\$973,567.00
Christopher Reese	1	\$1,129.00
Craig Gabel	2	\$2,876.00
Daniel J. Rhoads, Jr.	1	\$3,195.00
Duquesne Light Company	12	\$684,204.00
Elsevier Inc.	1	\$79,905.00
Fidelity Deposit and Discount Bank	2	\$165,170.00
First Commonwealth Bank	20	\$1,046,271.00
Fulton Bank NA	3	\$239,715.00
Heidi E. Grunwald	1	\$5,916.00
Joelle Leh	1	\$3,000.00
John Leh	1	\$3,000.00
Jonathan DeJong	1	\$12,170.00
Kathleen Czupich	1	\$6,100.00
Keith Scotten	1	\$2,232.00
Lance Bachmann	1	\$38,018.00
Landmark Community Bank	1	\$79,905.00
Magnesita Refractories Company	1	\$70,878.00
Margaret S. Lee	1	\$1,627.00
Mark A. Rose	1	\$616.00
Mark McDonnell	1	\$2,440.00
Mary Tiffin	1	\$625.00
Massachusetts Mutual Life Insurance Company	2	\$121,636.00
Matthew Giordano	1	\$239.00
Matthew Hummel	1	\$18,375.00
Matthew Sweitzer	1	\$701.00
Michelin North America Inc.	6	\$456,701.00
Mutual Benefit Insurance Company	17	\$651,126.00
Nestle Purina Petcare Company	53	\$3,034,000.00
New York Life Insurance Company	1	\$82,585.00
RLI Insurance Company	2	\$104,229.00
Robert Jones	1	\$239.00
S&T Bank	10	\$681,863.00
Sam Zeitlan	1	\$14,500.00
Samuele Masotto	1	\$4,283.00
Scott C. Burris	1	\$7,246.00
Selective Insurance Company of South Carolina	10	\$547,346.00
Selective Insurance Company of the Southeast	7	\$387,080.00
Tom Lauwers	1	\$8,289.00
Ulta Salon, Cosmetics & Fragrance, Inc.	1	\$50,874.00