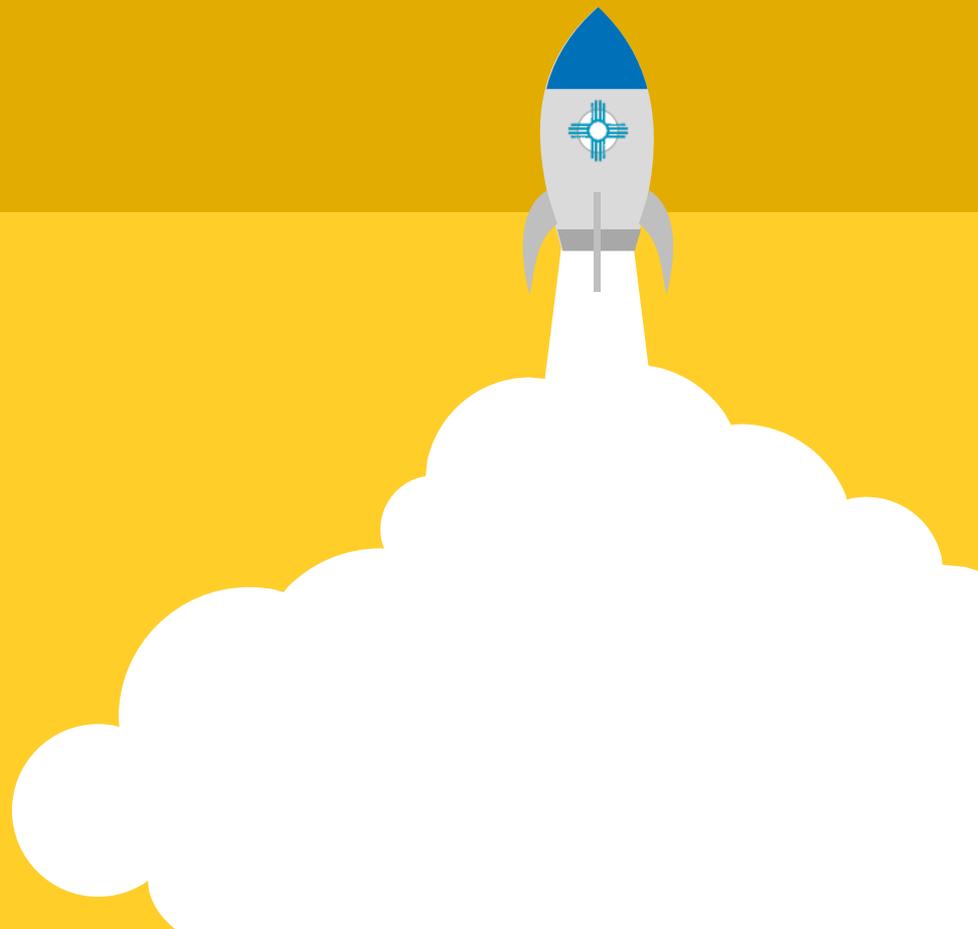
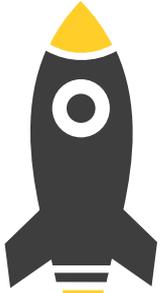


INGENUIT
Y
VENTURE
STUDIO

A Venture Studio
building solutions for
the future of **workforce**
& **learning**, *hecho en*
Nuevo Mexico.



Agenda



INGENUITY
VENTURE
STUDIO

01

Background: NM Entrepreneurship & CNM's Role

New Mexico has invested in entrepreneurship, and it's paying off.

02

Thesis: The Future of Workforce & Learning

The EdTech sector is exploding, and CNM can help New Mexico lead.

03

The Studio Process & Fund

A systematic way to create startups for the future of workforce & learning.

04

Our Ask

Support increased funding into innovative NM venture capital strategies.

Who We Are

Ingenuity Venture Fund, LP

- \$3.2m private fund, opened 2017
- CNM Ingenuity, chartered under NM Research Park Act, serves as General Partner w/ 20% carry, governed by CNM Ingenuity Finance Committee
- NM Catalyst Fund awarded
- 24 investments in Bioscience, New Media, New Space, and Industry 4.0
- **Now planning next fund**

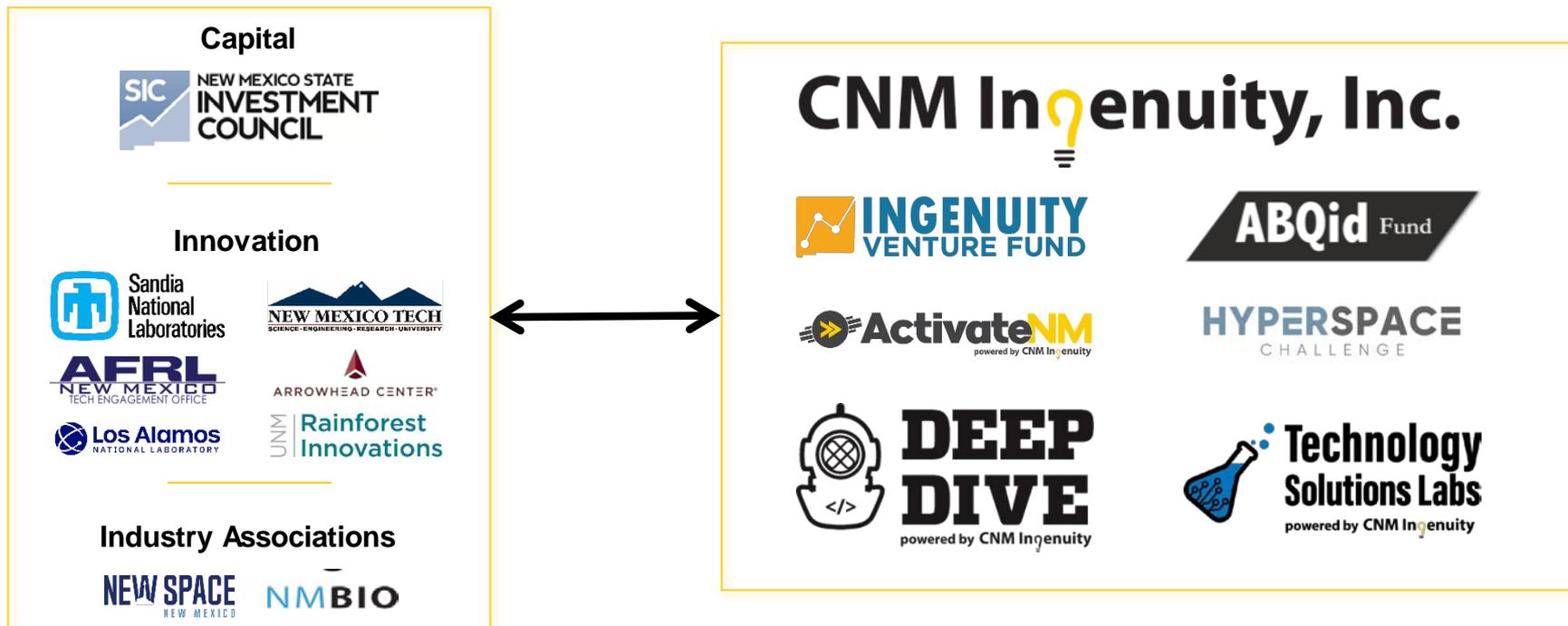


CNM In^genuity, Inc.



NM Entrepreneurship is on the rise...

Capital programs, Innovation hubs, and associations for emerging industries have combined to create new levels of startup activity in New Mexico, and CNM has played a major role.

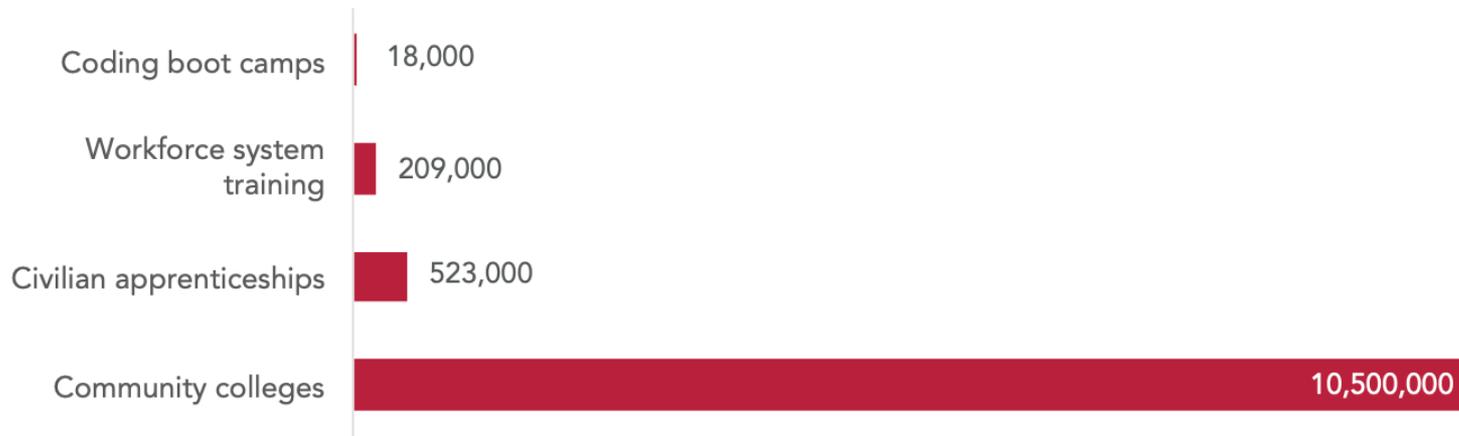


... and CNM will play a key role

The economic recovery and rebuilding from COVID-19 will be led by Community Colleges in a big way, both because they have the scale *now*, and they have the capability of *speed*.

FIGURE 1. Only community colleges have the reach and scale to provide the upskilling the nation needs in years ahead.

Number of learners by institution, 2019



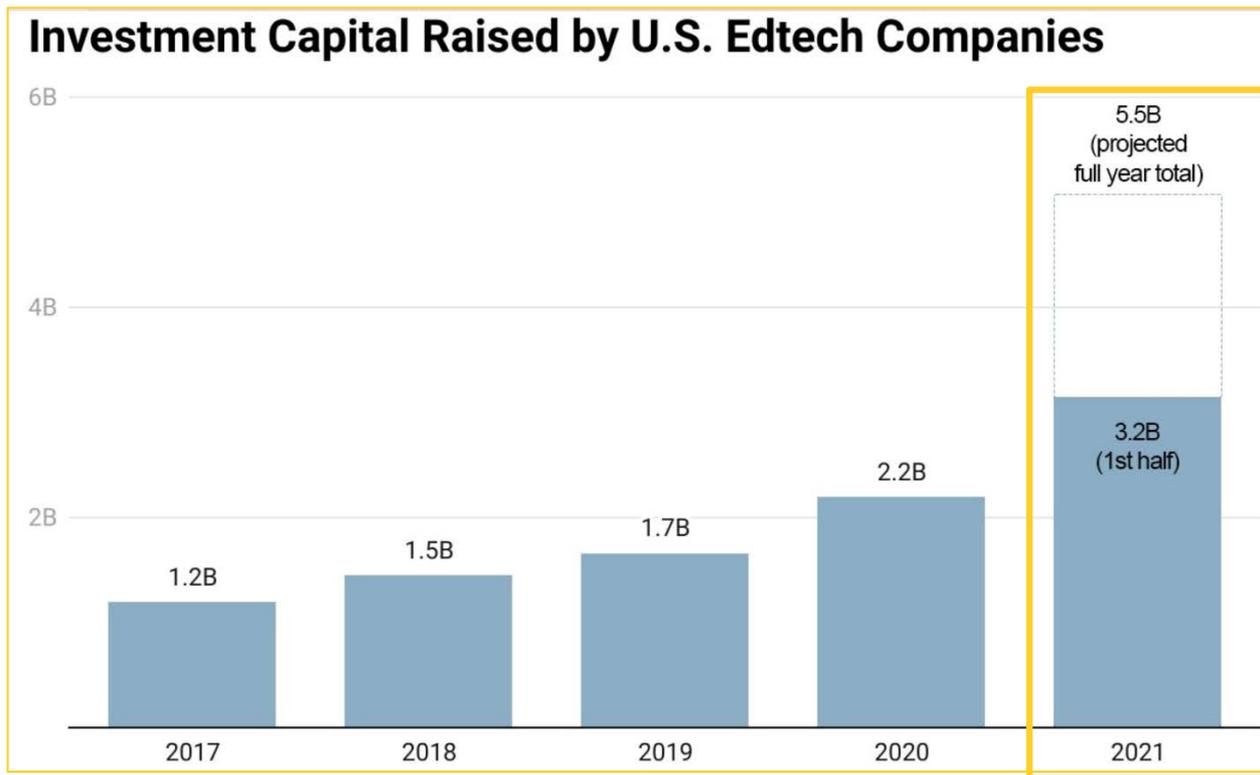
Opportunity: Workforce & Learning

Our thesis: EdTech is experiencing **10 years' worth of innovation in the next two to three years.** We're positioned to help New Mexico lead through this shift.



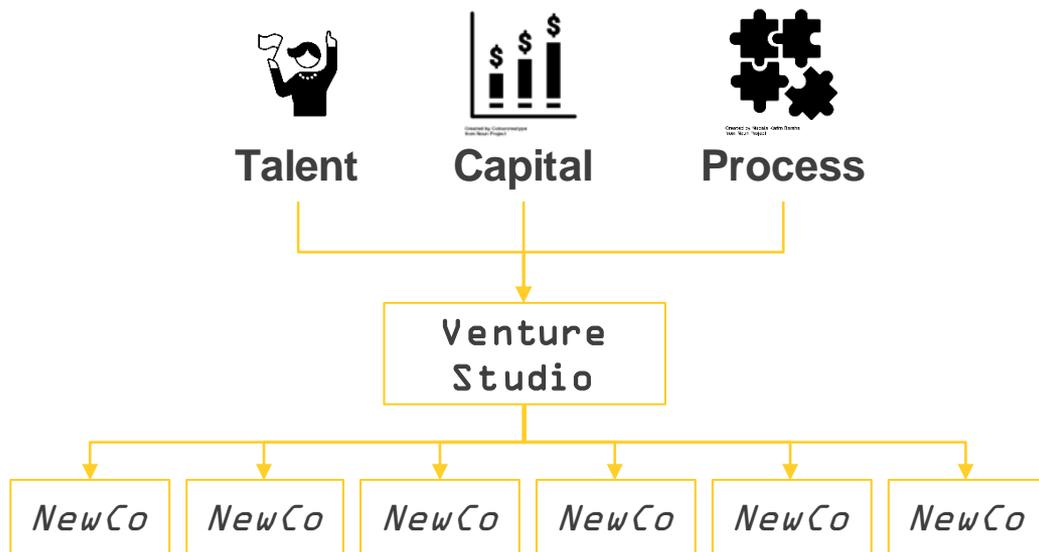
The market is booming

The private sector is leading the way to the future, but institutions like CNM and CNM Ingenuity possess unique advantages in innovation.



Solution: Venture Studio

A Venture Studio building solutions for the future of workforce & learning, *hecho en Nuevo Mexico.*



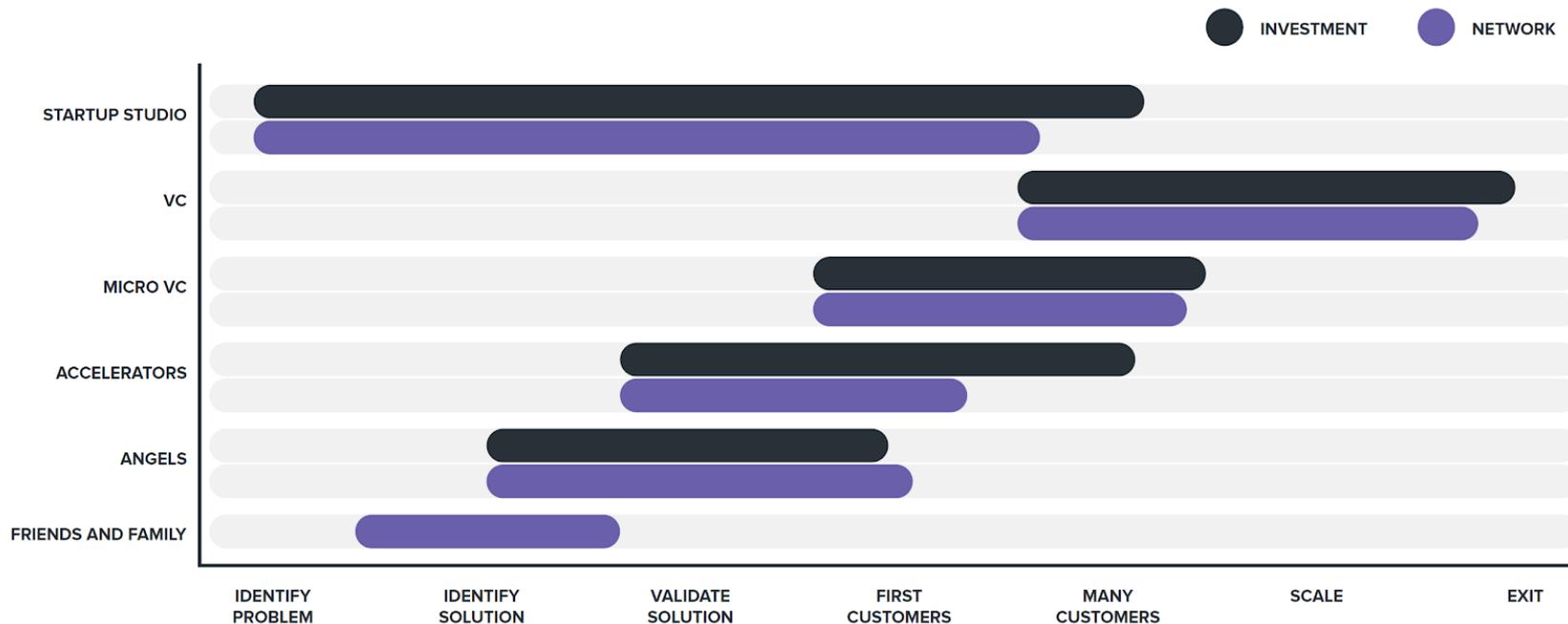
The Venture Studio is a great fit for New Mexico, and a great next step to leverage CNM Ingenuity's assets, team, and experience.



The Venture Studio Model

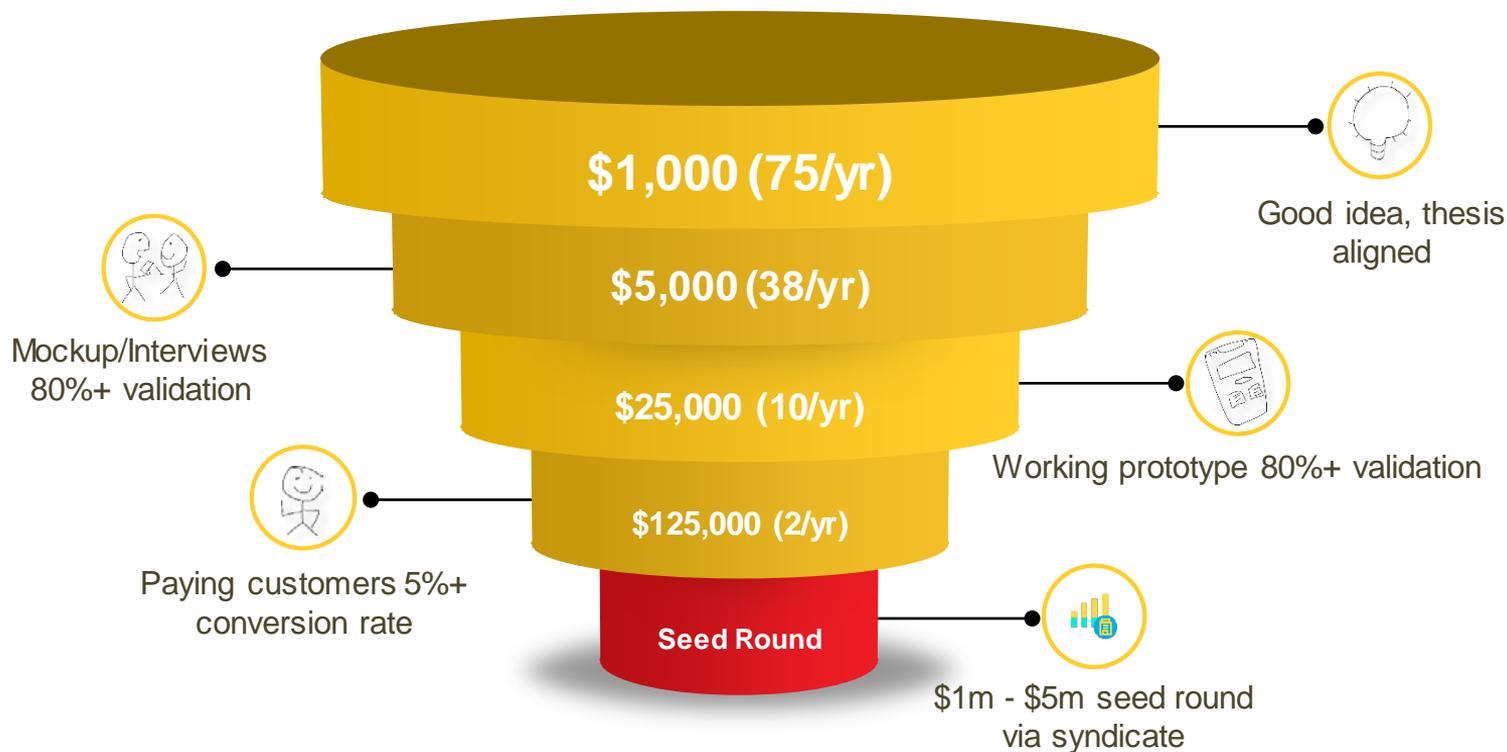
The Venture Studio model guides ideas from start to scale, and beyond.

VALUE-ADD FOR STARTUPS



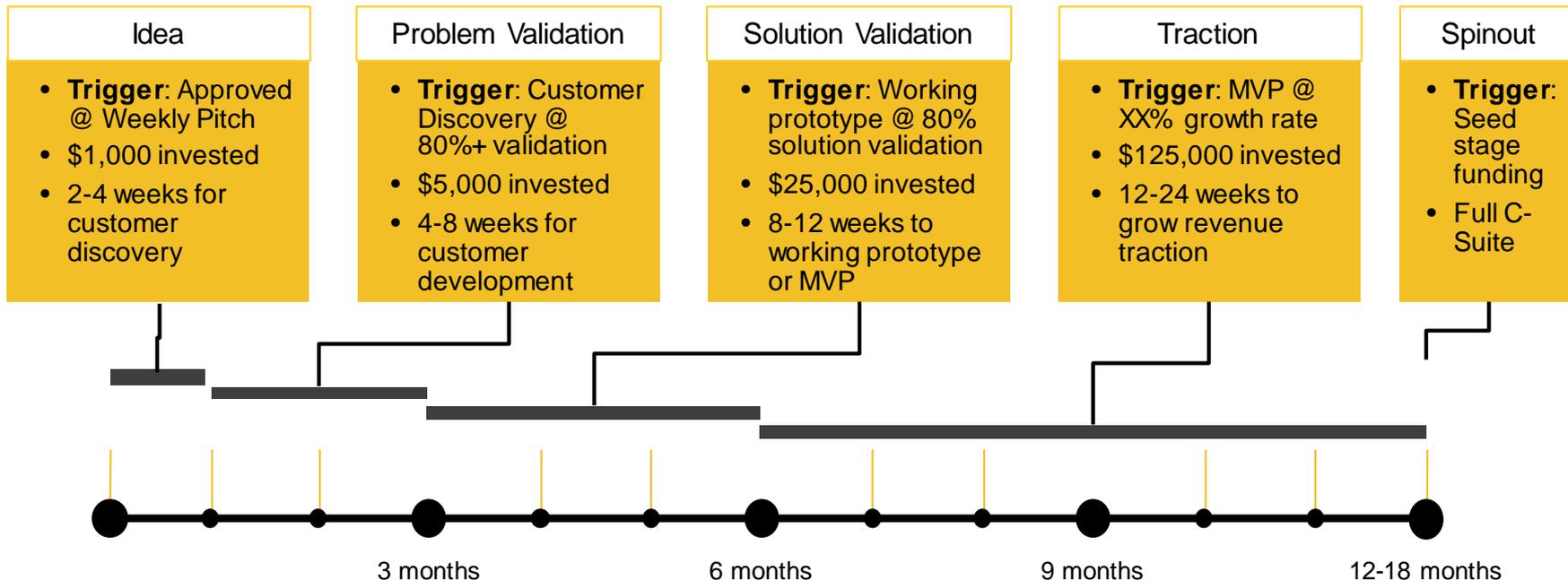
Venture Studio: Process

Company creation engine funnels 100+ ideas into 1 to 2 seed-funded startups per year.



Venture Studio: Process

Winning ideas will go from Idea to Seed-Stage funding in 12-18 months, on repeat.



We use **LeanStack** to standardize process and will join **Global Startup Studio Network** to implement best practices.



Venture Studio: Investments

Smart capital allocation through rigorous stage gating of the best ideas.

Stage	Promotion Rate at Stage	# Investments	Total Investments
\$0	100%	100 (2 new ideas/wk)	\$0
\$1,000	75%	75	\$75k
\$5,000	50%	38	\$190k
\$25,000	25%	10	\$250k
\$125,000	25%	2	\$250k
Subtotal Studio Investments			\$765k
Seed Round Participation (1 to 2 per year)			\$500k
Total Annual Investments (3 year investment period)			~\$1.3m

Goal

The Studio Fund will own 15-25% in 10 seed-funded startups within five years.



Venture Studio: Fund Structure

\$5m Target Fund Size

- Investors receive equity in Studio *and* proportional equity in each Studio startup spun out.
- 2% management fee to support Studio operations, 20% carry. Studio operations bolstered by grants.
- Target: 15-25% ownership in each Studio startup post seed round.
- Seeking 15% IRR, 4-6x cash-on-cash over 10 years.



Our Ask

Support CNM and Support Expanded SIC Programs

- Support CNM's Appropriation in this year's budget that ramps up funding for innovative work of CNM Ingenuity.
- Support the SIC's expansion of programs such as Emerging Manager and NM Catalyst Fund.





Thank you

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