

# 『Introduction for DVP』



2017. 7. 14



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**HISTORY**

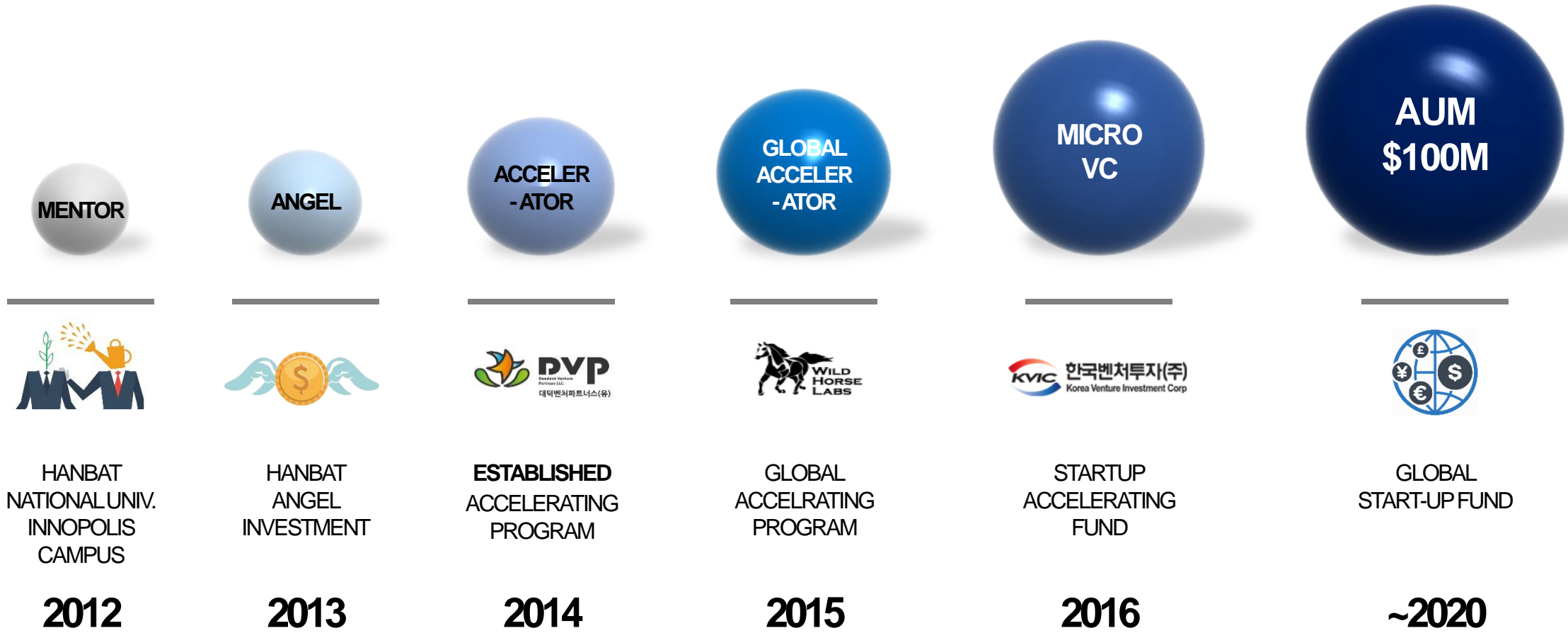
**BACKGROUND**

**DVP POSITION**

**ACCELERATING FUND**

**STRENGTH**

**VISION**



	<b>INCUBATOR</b>	<b>ANGEL INVESTORS</b>	<b>ACCELERATORS</b>	<b>HYBRID</b>
<b>Duration</b>	1~5 yrs	Ongoing	3~6 months	3months~2yrs
<b>Cohorts</b>	No	No	Yes	No
<b>Business Model</b>	Rent / Non-profit	Investment	Investment	Investment
<b>Venture Stage</b>	Early/Late	Early	Early	Early
<b>Education</b>	Ad hoc	None	Seminars	Various
<b>Mentorship</b>	Minimal	As needed by investor	Intense	Staff expert support

## 500 startups

**Management Fees  
from Funds**

**2012**

**\$1.5M** 2 Funds / fee structure 2%

**2015**

**\$6M** Total ~\$200M funds

**Accelerator  
Program  
Fees**

**\$1M** At a rate of ~\$6K/founder per batch  
30 companies / 100 people per batch

**\$4M** At a rate of ~\$25K per team  
Cost : \$5M (slight loss)

**Conferences  
and Events**

**\$1.5M** Break-even or a modest profit

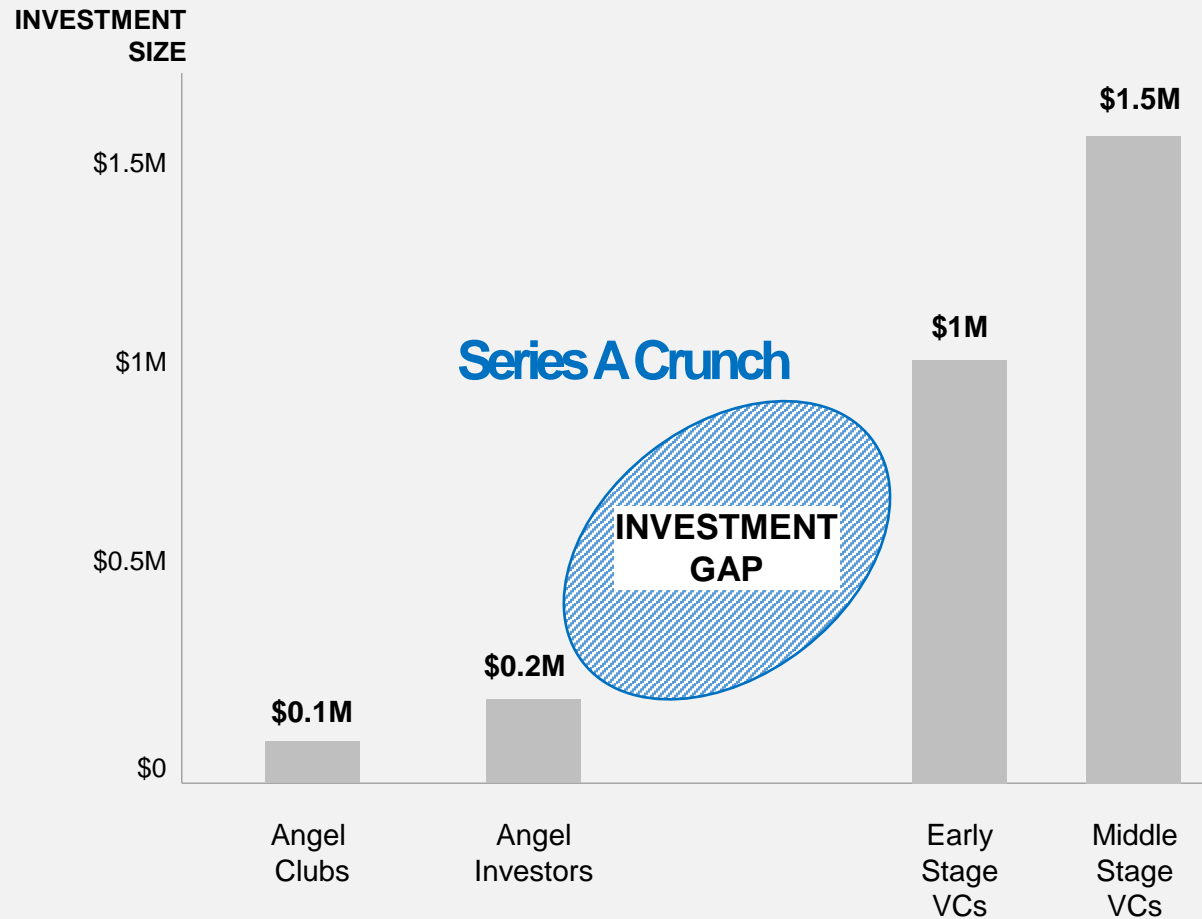
**\$4M** Break-even or a modest profit

**Spend**

**20+  
People** Operates on a budget of ~\$4M

**100+  
People** Spending \$17M ( a loss of ~\$3M)  
Financed via debt

## START-UP AVERAGE INVESTMENT SIZE



### ▪ Average sizes of ANGEL INVESTMENT

- Angel Clubs : \$0.12M
- Angel Investors : \$0.2M

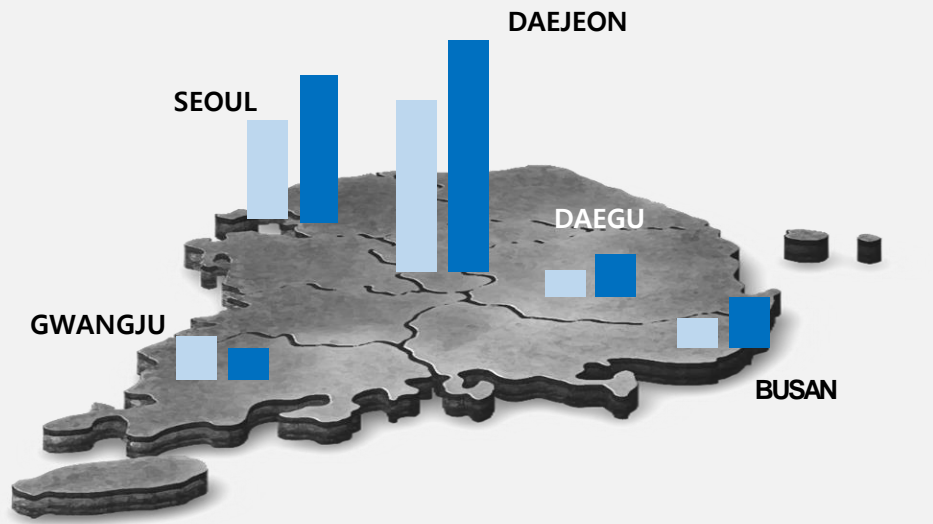
### ▪ Average sizes of VENTURE CAPITALIST

- Early- stage VC (within 3 years) : \$1M
- Mid- stage VC (3~7 years) : \$1.5M

“ **INVESTMENT GAP** ”  
**BETWEEN**  
**ANGEL AND VC**

## R&D SPENDING BY REGION

(Public Research Organization)



	DAEJEON	SEOUL	BUSAN	DAEGU	GWANGJU
SPENDING(\$M)	4,450	2,970	500	450	370
RESEARCHERS(Prs)	10,764	6,053	845	543	938

▪ Daejeon spends the most (\$4.5B, 30% of all cities)

- Seoul spends \$3B, smaller than Daejeon

→ Daejeon is the most innovative high-tech city



Market Cap \$600M  
(17.7.7)



Acquired \$60M



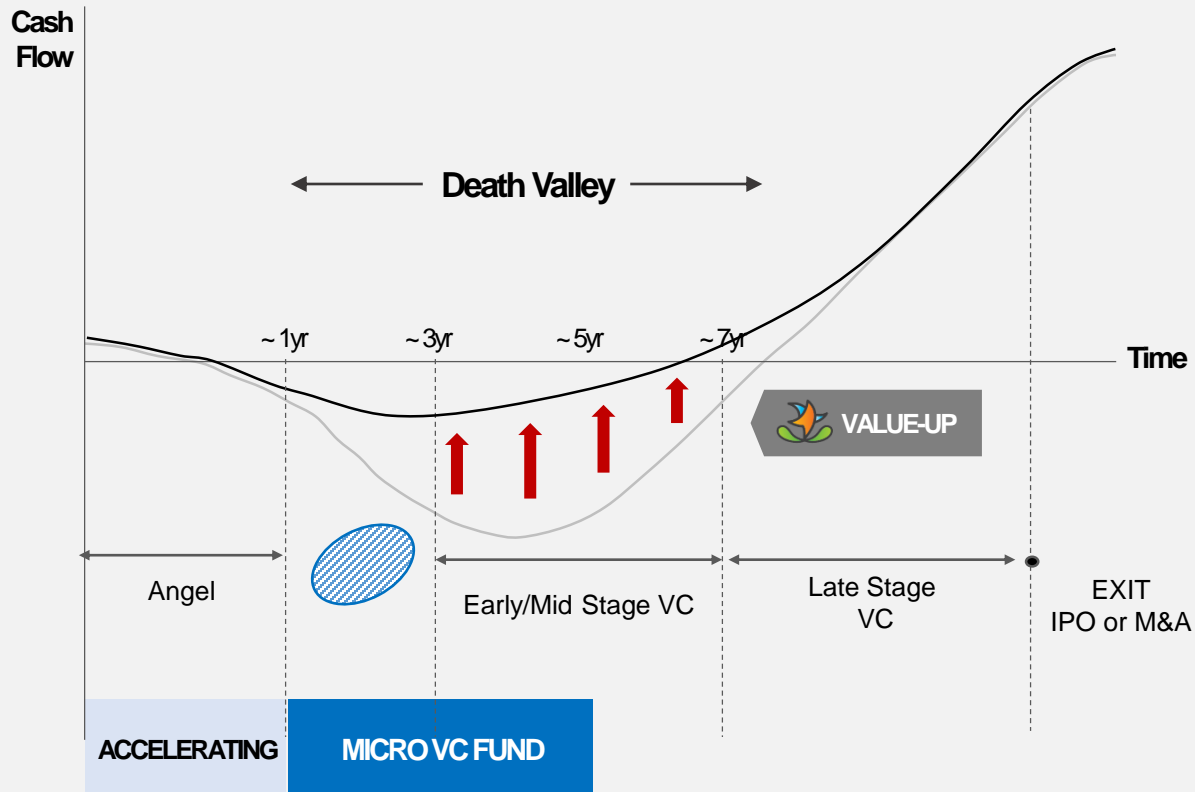
Market Cap \$150M  
(17.7.7)



63 companies are listed.('16)

(Source : KISTEP, 2016)

## START-UP FUNDING CYCLE



## ACCELERATING



EDUCATION



MENTORING



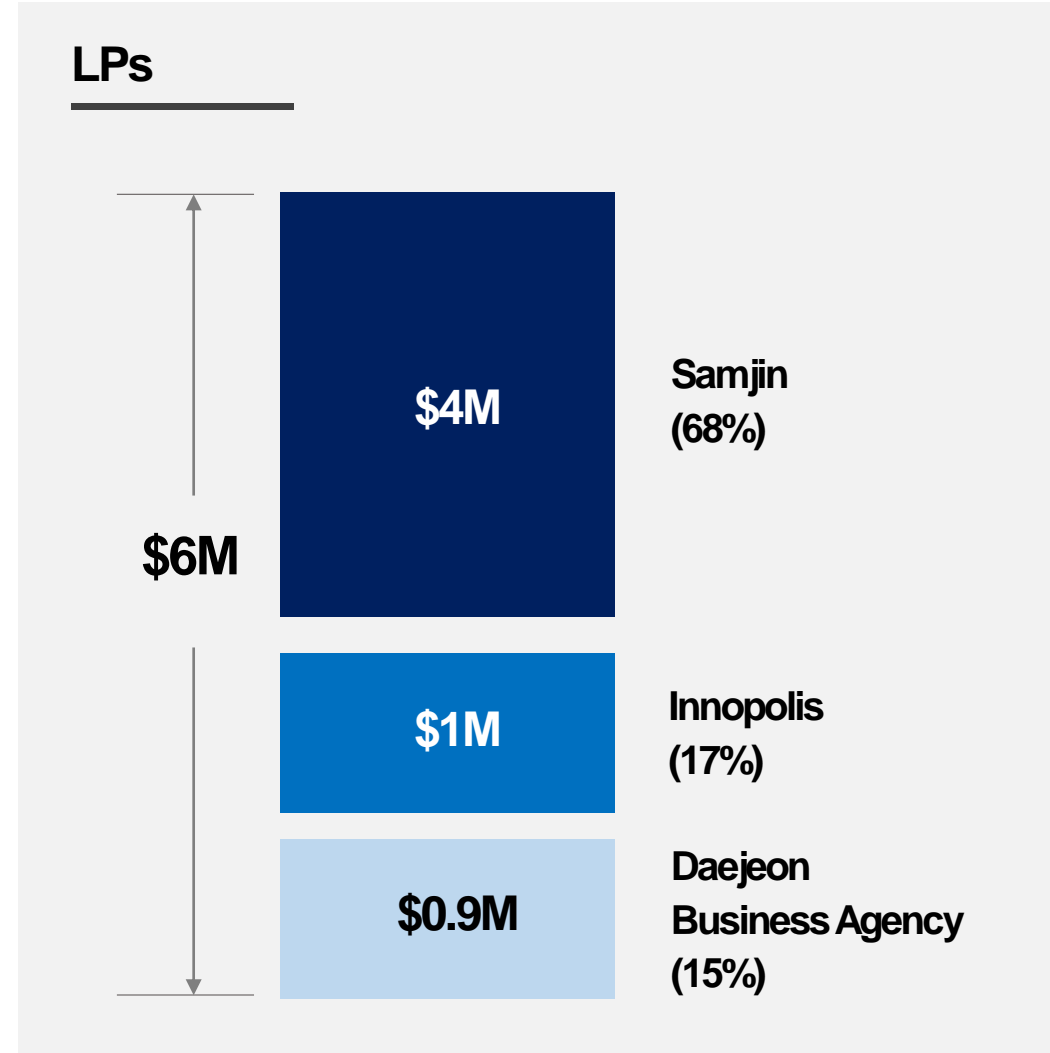
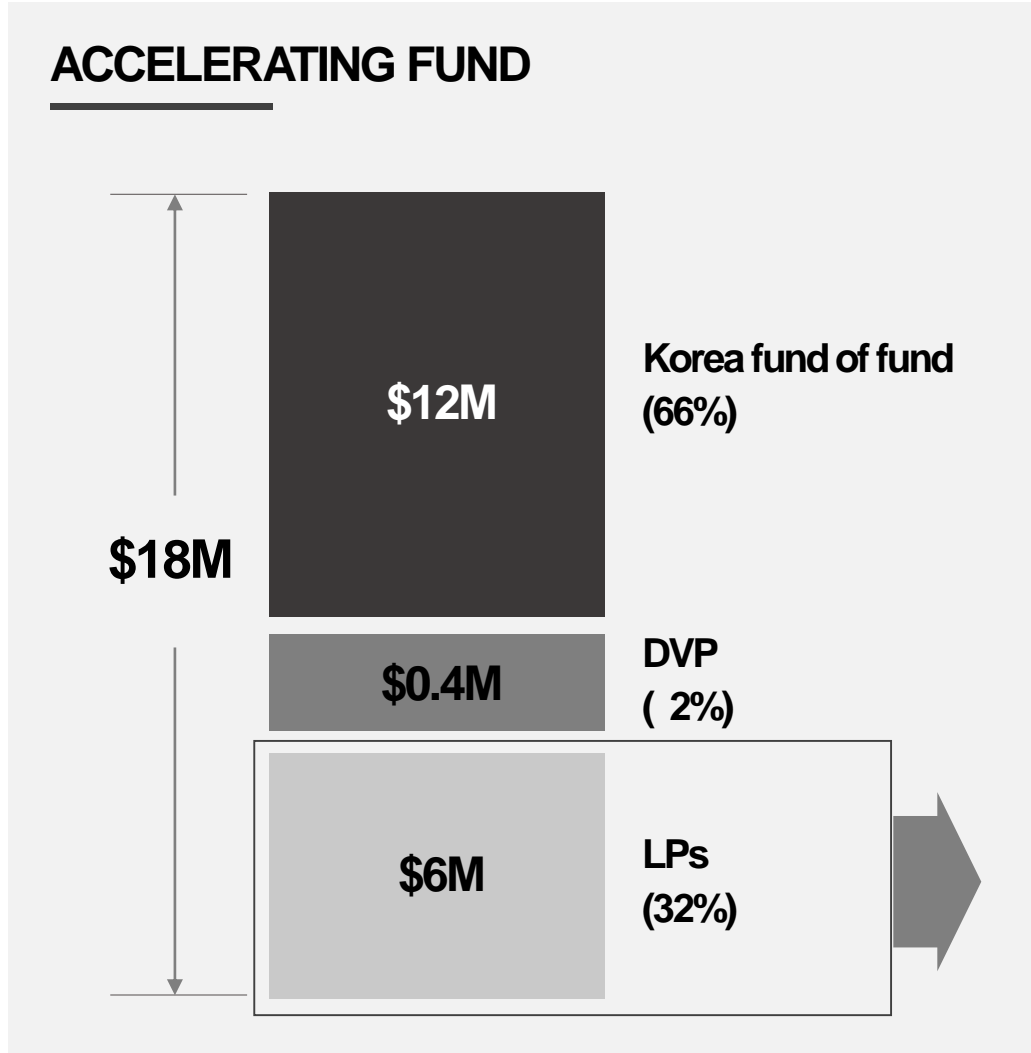
SEED FUNDING  
(\$0.1M)

## MICRO VC FUND(\$18M)



KOREA FUND OF FUND	66%
SAMJIN, INC.	21%
INNOPOLIS	5%
DAEJEON	5%





## Technology of Public Research Organization

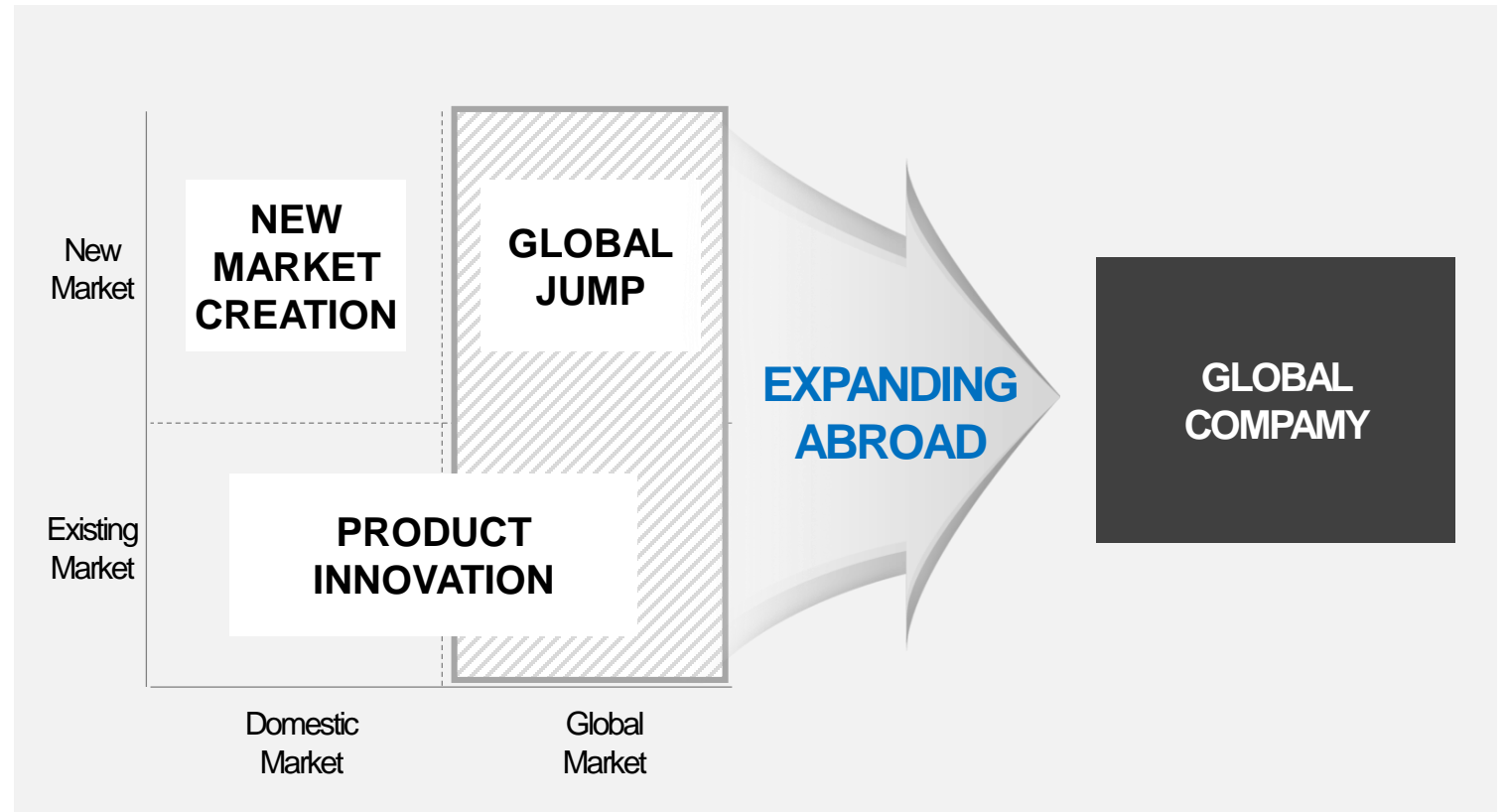
### Disruptive Tech

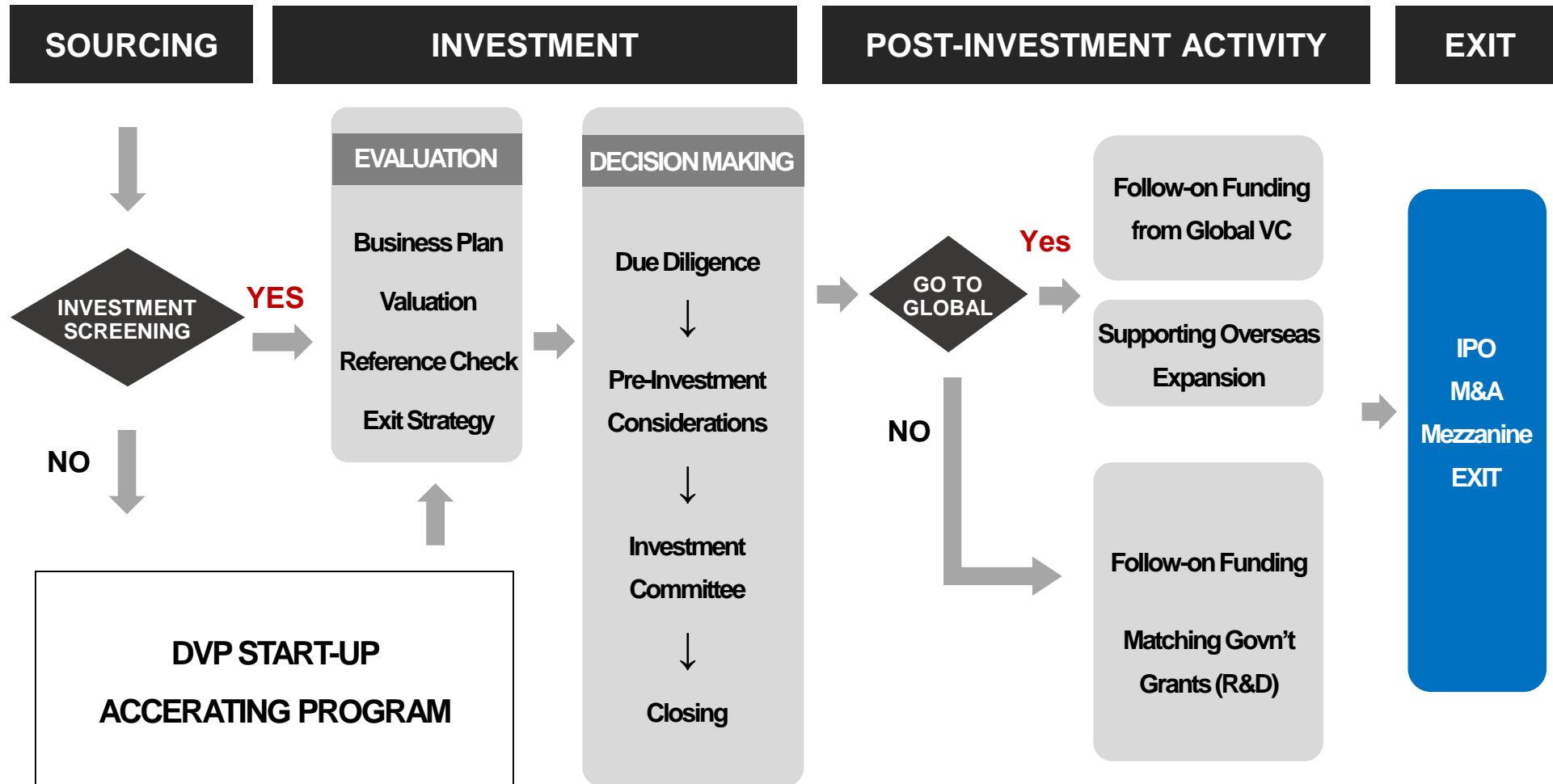
Technologies which create new market

Technologies which have global competitiveness

### Advanced Tech / Innovative Tech

Technology which innovate new product and improve product in the existing market





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**PORTFOLIO**

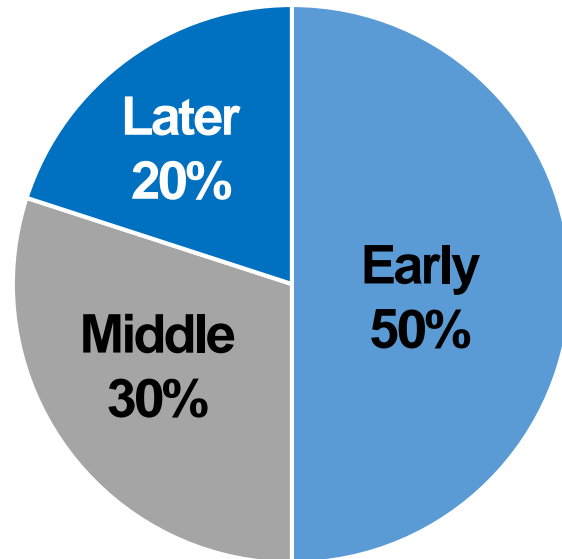
\$600K

**INVESTMENT**

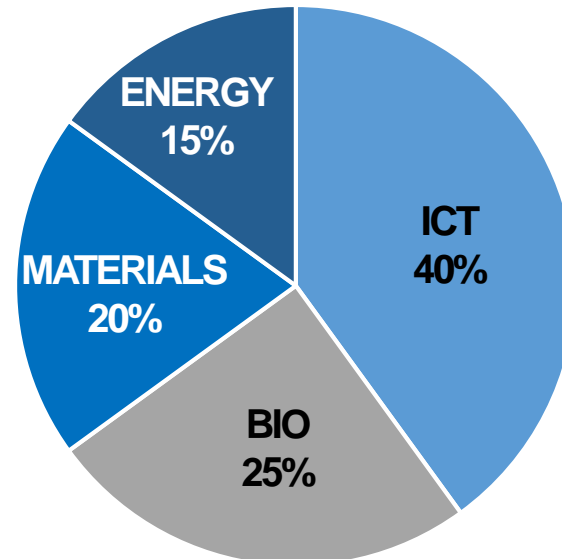
\$24.5M

**FOLLOW-ON  
FUNDING**

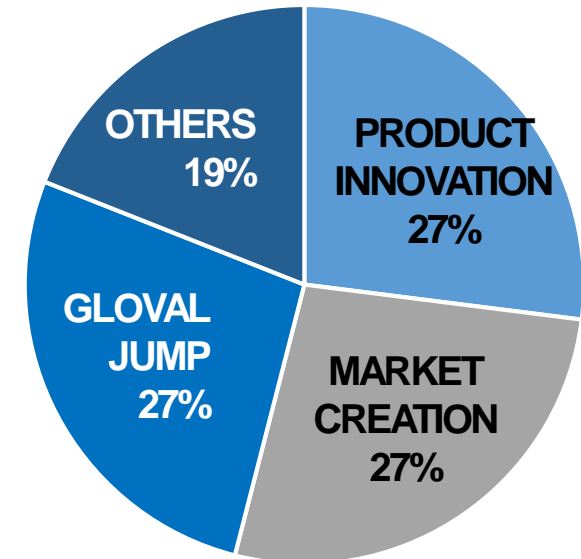
## STAGE



## INDUSTRY



## MARKET



# ACCELERATING FUND - PORTFOLIO



(Thousand Dollars)

Company	Investment Date	Types of Stock	Product	Head Quarter	Investment	Follow-on Funding
SUGENTECH	Jun. '17	RCPS	POCT	Daejeon	1,000	15,400
MERLOT LAB	Aug. '16	RCPS	LED Light, LED Driver IC	Seoul	500	2,500
CHEM-e	Dec. '16	Common	Display Photo Register	Daejeon	500	1,500
INTOCELL	Sep. '16	RCPS	Targeted Cancer Therapy	Daejeon	500	1,500
TEMPERS	Oct. '16	RCPS	Temperature / Gas Sensor	Seoul	500	1,500
RNS LAB	Oct. '16	RCPS	CO <sub>2</sub> Sensor, Environment Sensor	Daejeon	500	300
OPTTELA	Nov. '16	RCPS	Optical Communication Module	Gwangju	500	300
DUCHEM BIO	Jan. '17	RCPS	O-18 Water	Daejeon	500	-
KOCARB	Jul. '17	RCPS	Carbon-Carbon Materials/Composites	Chungbuk	500	-
G2G BIO	Apr.'17	Common	Long-Acting Drug Delivery	Daejeon	100	1,200
TEPS	May. '17	Common	Vertical Probe Card	Daejeon	199	300
ZENTILLION	Aug. '16	Common	Network Security	Daejeon	150	-
9 PHASE	Apr. '17	Common	Multi Channel POCT	Daejeon	140	-
N & C	Nov. '16	Common	Zero Power Solution IC	Kyunggi	120	-
HOJEONABLE	Oct. '16	RCPS	Epoxy Solder Paste	Daejeon	100	-
JSK BIOMED	Apr. '17	Common	Needless Injection	Daejeon	100	-
<b>TOTAL</b>					<b>5,909</b>	<b>24,500</b>

**PRE-A  
~ A SERIES**

**SEED**

**60%**

**9 COMPANIES  
OUT OF  
16 COMPANIES**

**\$24.5M**

**TOTAL SIZES  
OF  
FOLLOW-ON  
FUNDING**

**100+**

**VC  
NETWORK**



- Product Smart LED, LED Driver IC
- Investment \$0.5M (RCPS)
- Follow-on Funding \$2.5M (KDB, CCVC)



- Product Targeted Cancer Therapy
- Investment \$0.5M (RCPS)
- Follow-on Funding \$1.5M (SL Investment)



- Product Temperature / Gas Sensors
- Investment \$0.5M (RCPS)
- Follow-on Funding \$1.5M (Interinvest)



- Product Multi Gas Sensors
- Investment \$0.5M (RCPS)
- Follow-on Funding \$0.3M (ETRI Holdings)



- Product Optical Communication Module
- Investment \$0.5M (RCPS)
- Follow-on Funding \$0.3M (ETRI Holdings)



- Product Display Photo Register
- Investment \$0.5M (RCPS)
- Follow-on Funding \$1.5M (D&F)



- Product Long-Acting Drug Delivery
- Investment \$0.1M (Common)
- Follow-on Funding \$1.2M (Febtron)



- Product Vertical Probe Card
- Investment \$0.2M (Common)
- Follow-on Funding \$0.3M



- Product In-vitro Diagnostic (POCT)
- Investment \$1M (RCPS)
- Follow-on Funding \$15.4M (KDB, TS Investment)



## PARTNERS



### Regional Specialist

**CEO**  
Seoghoon Lee

**14yrs VC experiences**  
**10yrs R&D experiences**  
ETRI, Daewoo Electric



### Investment / Network

**Partner**  
Youngkun Choi

**17yrs VC experiences**  
Successfully operated global funds  
**R&D experiences**  
Daewoo Electric



### Global VC / ICT

**Partner**  
Sean Ryu

**Silicon Valley VC (9 yrs)**  
SKT Americas/Ventures  
Nautilus Venture Partners

Planned to Join

## INVESTMENT

40yrs

Experiences

\$370M

Investment

\$134M

Global Investment

## FUND PERFORMANCE

### Daedeok Innopolis IP Commercialization Fund

Size	Date	Returns	Multiple	IRR
\$80M	'06.09.18 ~ '14.12.16	\$130M	1.64x	11.4%

### Tube Core Tech Fund

Size	Date	Returns	Multiple	IRR
\$10M	'03.07.31 ~ '09.02.18	\$16M	1.62x	8.4%



**SEOGHOON LEE**  
**CEO**

15yrs VC Experiences  
Hanbat Univ., Prof.  
Venture Dept.  
ETRI Holdings Advisor  
KST Advisor

ETRI Researcher  
KTB Networks (VC)  
Luxpia, CFO  
Innopolis Patners, Partner(VC)  
Daedeok Investment,  
Partner(VC)



**YOUNGKUN CHOI**  
**PARTNER**

17yrs VC Experiences  
Head of Fund Manager  
(\$66M)  
Operation of Global Fund

Daewoo Elec., R&D  
KTB Networks(VC)  
PanAsia Capital(PE)  
HB Investment(VC)  
Intervest(VC)



**SOOHEE YANG**  
**PARTNER**

Startup Accelerating  
Program Manager  
Global Partnership  
Manager

Operation of Hanbat  
Angel Fund  
Hanbat Univ. Bizlab,  
Advisor



**AERA KWON**  
**MANAGER**

KAIST Tech Investment  
(UNIST, GIST, DGIST)  
Found A Crowdfunding  
Platform

LGE, Strategy Office  
Korea Development  
Bank, Researcher  
WADIZ, Partner  
Mirae Holdings, Invstm't



**JONGYOON SHIN**  
**MANAGER**

Business Support  
Manager  
Operation of Fund

Neuros, Finance Dep.

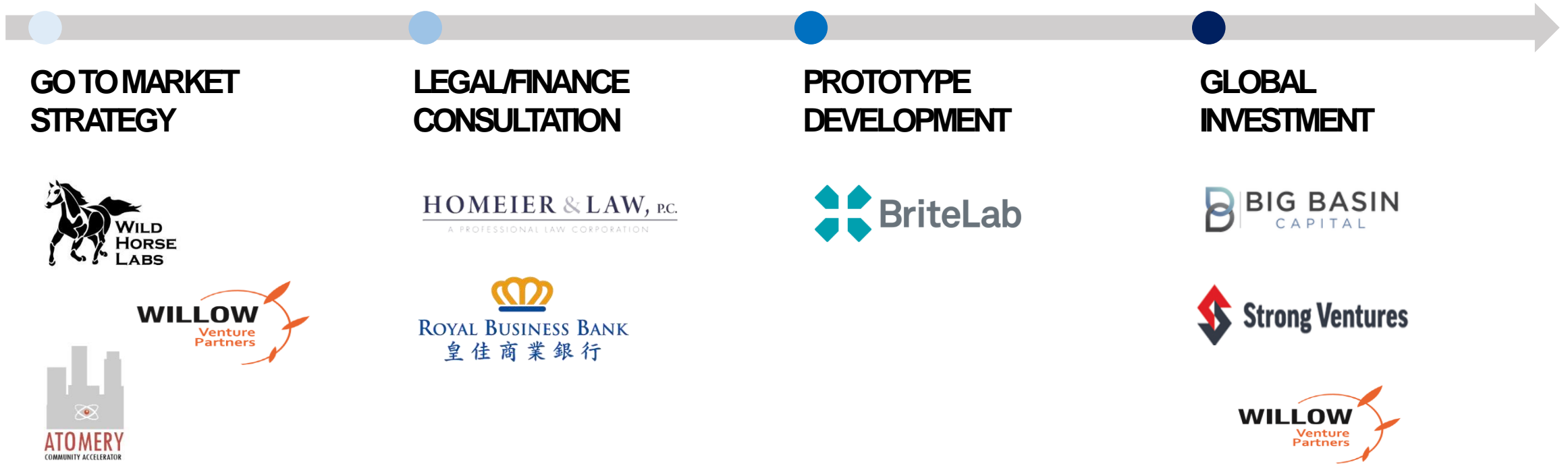


**SANGWOO LEE**  
**ACCELERATOR**

Operating Start-up  
Accelerating Program  
Managing Value-up  
Activities

ETRI, Business Support  
Dep.

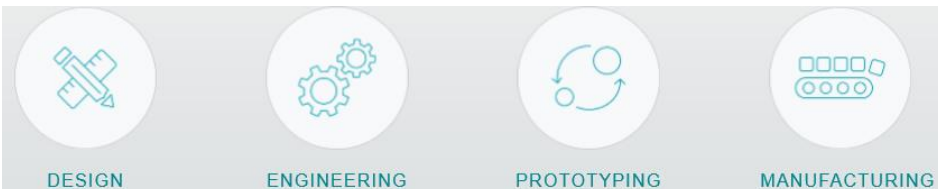
## STRAT-UP'S BOTTLENECKS





## Silicon Valley

Total solution partner to empower new product innovation for complex electromechanical hardware



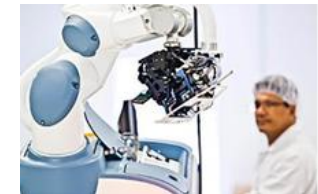
## PORTFOLIO



Electrical charging system components for the new Tesla S-2 coupe



An ultra-mobile, telepresence business avatar



Hair transplant system



A radiation oncology medical device that provides innovative tumor treatment solutions



Semiconductor wafer-handling robot to move wafers in and out of equipment



Pipettes that reduce the force required at each step of the pipetting cycle

**We expect that our practice will contribute to the revitalization of technological entrepreneurship centered on KAIST.**

# THANK YOU

