



**charleston - digital - corridor**

CHARLESTON, SOUTH CAROLINA

REPORT TO THE COMMUNITY

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2002

2003

2004

2005

2006

**[2007]**

2008

**innovate.**



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**“Our continued success is  
reflected in the strength  
of Digital Corridor member  
companies”**

**- Ernest Andrade**

I am pleased to report that 2007 has been a pivotal year for Charleston's knowledge-based businesses. With Digital Corridor companies reporting an average wage level of \$83,256; employment growth of 750 employees; over 400 open career opportunities and an unprecedented level of capital investment in corridor companies, Charleston's knowledge economy is on the move.

Consistent with national statistics, the majority of the employment growth Digital Corridor members are experiencing has been spawned from within the Charleston community. In 2008, I expect this trend to continue. As such, the Digital Corridor will stay focused on the acquisition and development of talent – the most critical ingredient for the further development of Charleston's knowledge economy.

The information we glean by interacting with member companies will be utilized to offer them enhanced and specialized benefits. One such effort got underway this summer with the launch of Charleston Life Sciences, an effort to give companies in the life sciences space a collective voice. Moving forward, we will develop other verticals to successfully address unique industry needs within our knowledge economy.

Access to capital remains an important element for company growth. With an unprecedented amount of capital invested in Charleston's knowledge economy over the past twelve months, another myth has been shattered. The Digital Corridor's "Fridays @ the Corridor" series has convened several sessions to educate members on alternative funding options available to them and has

successfully connected member companies with capital resources. The availability of funds through the South Carolina Venture Capital Investment Act, the South Carolina Research Authority's Launch Program and the Charleston Angel Partners increases the chances for investment grade opportunities to receive funding.

Finally, with the growth of Charleston's knowledge economy and interest in leveraging the intellectual capacity at the Medical University of South Carolina, we are facing critical infrastructure needs. The Digital Corridor will continue to work with interested parties, both public and private, to insure that the infrastructure needs are met. In 2008, I am confident these collaborations will bear fruit.

Respectfully,



Ernest Andrade

Director, Charleston Digital Corridor

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**“We are having  
conversations today that  
would not have been  
possible a few years ago.”**

**- Jeff Grady  
Founder, DLO**

Over the last two years, I have had the opportunity and pleasure to serve on the Charleston Digital Corridor Foundation Board of Directors. I am a firm believer in the need to diversify the economic opportunities that fuel our city and feel strongly that the Digital Corridor is leading the way in contributing to this cause.

Looking around the table at our Foundation Board Meeting, I realized we were having conversations that were not possible a few years ago. The membership and quality of leadership of the organization has reached a level that will enable the Digital Corridor to have a greater impact on shaping the economic diversity of Charleston. This meeting represented a watershed for the Digital Corridor.

This past spring, Digital Lifestyle Outfitters teamed up with Philips Electronics; an event that allows us to expand our operations in Charleston and establishes a local presence for one of the world's most innovative technology companies. This was a huge step for DLO and our community.

Today, I have the opportunity to share details of my transaction with other Digital Corridor members who have had similar experiences. This exchange demonstrates the maturity of the Charleston Digital Corridor, the quality of individuals serving on the board and our willingness to share and build upon our experiences.

As companies exceed their capacity for organic growth, an infusion of funds is necessary for continued expansion. Additionally, recruiting efforts in Charleston must be elevated to meet the high number of job opportunities. The further expansion of our high-wage economy is contingent on successfully growing our talent base.

To ensure that all well-positioned companies have access to capital and qualified human resources, it is necessary for the Digital Corridor to continue making the appropriate introductions along with additional support from the community. Financial investment, talent development, and business infrastructure are critical for Charleston's growing knowledge economy.

The Digital Corridor has assembled some of the top business leaders in the Charleston community and together we will lead the effort to unite investors with potential investment opportunities and seek ways to successfully bridge our talent and economic gaps.

Sincerely,



Jeff Grady

Founder, DLO  
Chairman, Charleston Digital Corridor Foundation



## Brief

2007 has been a pivotal year for the Charleston Digital Corridor. Investments in Digital Corridor companies from outside the community and local sources are enabling companies to expand and hire more employees. Increasingly, companies in the Charleston Digital Corridor are operating from a position of strength.



## iCache Wins Charleston Innovator of the Year

iCache is the World's first device and platform that allows consumers to securely consolidate anything that currently resides on a magnetic stripe or barcode behind a biometrically secure data recording system that transforms the information from multiple credit cards into a universal, dynamic card that can be used anywhere.

"This is a new payment technology that is unique in that it does not require a centralized database, while allowing consumers to combine hundreds of cards into one," iCache CEO Jonathan Ramaci said.

source:

Charleston Regional Business Journal - 08/06/2007

## Charleston Digital Corridor Launches Life Sciences Portal

"There is no place in Charleston to see life sciences as a collective," said Ernest Andrade, executive director of the Corridor. "So we had this idea to start aggregating information. It's market-driven and a market-responsive concept. Basically it addresses a need," he said.

"That meeting was the official start of the Charleston Life Sciences portal," Dechert said. "It was fortunate that Ernest had put that together, and it was especially fortunate for us. A week later we had a purchase order from Charles River Labs."

source:

Charleston Regional Business Journal - 08/21/2007

## Argolyn Bioscience Raises \$15.8m Round of Financing

Argolyn Bioscience Inc., a biotechnology company developing novel drugs to treat psychosis, pain and other disorders, closed a \$15.8 million financing round. The financing was co-led by investors Intersouth Partners and Quaker BioVentures, with Amgen Ventures also participating. The round will be used to advance the company's drug candidates into human clinical trials and to validate its patent-protected technology platform.

source:

Argolyn Biosciences, Inc. - 06/25/2007

## Philips to Acquire Digital Lifestyle Outfitters

Royal Philips Electronics announced the acquisition of US-based Digital Lifestyle Outfitters (DLO), a leading supplier of accessories for mobile devices. Upon completion of the transaction DLO will become part of the Peripherals & Accessories business unit of Philips' Consumer Electronics division.

"By teaming up with Philips, DLO will be able to expand outside of the United States, capitalizing on Philips' global distribution network with key retailers," stated Jeff Grady, president and CEO of Digital Lifestyle Outfitters.

source:

Royal Philips Electronics - 04/13/2007

A close-up, shallow depth-of-field photograph of a person's hand writing in a notebook. The person is wearing a dark, long-sleeved shirt with thin white stripes on the cuff. The background is a blurred office environment with other people and bright windows, creating a bokeh effect.

**“The Fridays at the  
Corridor topics put us in a  
position of strength to run  
our business.”**

**- Elizabeth Prout  
CFO, JSJ Pharmaceuticals, Inc.**

The mission of the Digital Corridor is to attract, nurture and promote Charleston's knowledge economy. Founded in 2001, as part of Charleston's overall economic development strategy, the Digital Corridor exists as both geographic sections of the City of Charleston and as a comprehensive set of core and value-added initiatives to benefit start-up and existing companies as well as those considering expansion or relocation.

The Digital Corridor team is comprised of relevant participants from the private, public and academic sectors. It is positioned to serve knowledge-based companies as the portal to government, infrastructure, real estate, professional resources, financial incentives, capital, a trained workforce and peer to peer networking.

A knowledge-based company or organization is one that utilizes or offers new or incrementally beneficial approaches to their respective fields. The types of companies include, but are not limited to, those in the fields of life sciences, telecom and network design services, software development and services, professional consulting, web design and interactive marketing, motion picture/television production, defense and homeland security, engineering and technology products.

The Digital Corridor offers an expanded array of targeted programming and services. Its initiatives include the Talent Portal, Corridor Roundtable, Touchdown Space, Corridor Fund, "Fridays @ the Corridor", and Corridor Properties. The Digital Corridor also assists with parking subsidies, property tax abatements, streamlined permitting and introduction to local government officials and private

vendors – all of which facilitate a company's transitional and ongoing business needs. The overriding goal is to offer tangible resources to Corridor companies. These companies validate our objectives to:

- Raise the per-capita wages in Charleston, and
- Create employment for South Carolina graduates while reducing brain drain

Funding for the Charleston Digital Corridor is provided through membership dues, sponsorships from businesses and individuals dedicated to the development of a high-wage, knowledge economy and the City of Charleston.



## Brief

History has proven that diversity in employment is critical to a community's overall economic vibrancy. In the Charleston region, the current economic drivers are the Port of Charleston, Visitor Industry, SPAWAR, Manufacturing and the Medical University of South Carolina. The Digital Corridor is strengthening Charleston's economy by further diversifying employment opportunities while raising the per capita income of Charleston residents.

### **Attract, nurture and promote Charleston's knowledge economy**

The Charleston Digital Corridor utilizes a combination of state and local business incentives and leverages the area's superior livability, to appeal to knowledge-based business. Once a company has located to Charleston, the Digital Corridor draws on private and public resources to assist them in cultivating their business.

### **Develop and retain a highly educated talent pool**

In recognizing that a highly skilled workforce is critical to growing Charleston's knowledge economy, the Digital Corridor's role, as it relates to talent, is to provide a linkage between qualified career seekers and knowledge-based employers while acting as a liaison between higher education institutions and the corporate community.

### **Provide on-going business assistance**

The Digital Corridor paves the way for companies, ranging from early stage startups to mature enterprise, wishing to commence operations or relocate to Charleston. Assistance includes, but is not limited to, capital and financial incentives, site acquisition, access to talent, networking, temporary office space and an introduction to qualified professionals in the knowledge community.

### **Support & drive public and private initiatives that benefit Digital Corridor companies**

The Digital Corridor staff complements regional economic development efforts by staying abreast of international, state and local policy initiatives that benefit Digital Corridor companies. Further, the Digital Corridor initiates and supports favorable legislation that has a positive impact on Charleston's knowledge economy.

### **Market the Charleston Digital Corridor as a compelling, infrastructure-rich place to live and work**

The Digital Corridor's marketing effort is tailored to reinforce Charleston's reputation as the premier destination for knowledge-based companies. Charleston's unique blend of historic buildings, southern culture, pristine beaches and corporate infrastructure offers the optimal living and working environment.

### **Engage relevant resources whose goals and objectives align with the mission of the Charleston Digital Corridor**

The Digital Corridor's support of Charleston's knowledge economy is facilitated through the many contacts and relationships nurtured by Corridor staff, collaborating partners and the City of Charleston.



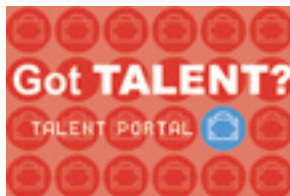


## **Fridays @ the Corridor**

### **Brief**

What is the true test of a market-driven economic development strategy? Are the initiatives being utilized by the target audience? What is their impact on Charleston's economy in terms of job growth and wage levels?

The Digital Corridor is playing an important role in diversifying Charleston's economy with higher wage careers. It does this by providing a set of core and value-added services. These services support the formation of new companies, grow existing knowledge-based business and are attractive to companies considering relocation. Based on the collective input of member companies and other interested parties, the Digital Corridor has implemented six key initiatives – a Talent Portal, Corridor Roundtable, Touchdown Space, "Fridays @ the Corridor", Corridor Properties and Corridor Fund.



### Talent Portal

The Talent Portal is an online job listing and skills bank repository for Charleston's growing knowledge-based community.



### Fridays @ the Corridor

The "Fridays @ the Corridor" monthly event is a series of interactive forums that seek to inform, educate and network knowledge-based companies on topics of relevance to them.



### Corridor Roundtable

The Corridor Roundtable directly aids entrepreneurs with the pressing challenges they face in developing and growing their businesses.



### Corridor Properties

Corridor Properties is an up-to-date partial listing of cool and connected spaces for entrepreneurial companies.



### Touchdown Space

The Touchdown Space provides a temporary full service office for companies in transition.



### Corridor Fund

The Corridor Fund is a source of monies to assist early stage companies in the Digital Corridor.



**Corridor Bash**

### **Brief**

The Digital Corridor's marketing effort is balanced between recognizing Charleston's most innovative companies and networking local knowledge professionals while promoting Charleston as "the" destination for entrepreneurs.

## SC BIZ

The mission of SCBIZ is to be the media resource helping South Carolina's business, government and civic leaders see the economic landscape across the entire state, eliminating "geographic silos" and supporting the efforts of business and government to help South Carolina grow. Advertisements were placed in the 2007 quarterly issues reinforcing the Digital Corridor's brand and extending our marketing reach across the state.

## Innovators 2007

In keeping with the spirit of recognizing entrepreneurs, the Charleston Digital Corridor was co-presenter for the Charleston Regional Business Journal's Innovators 2007 Event. The Innovators awards program honors individuals and organizations that have demonstrated the spirit of innovation by creating new products, services, programs or processes that have a positive effect on their business, industry or community.

Congratulations to Digital Corridor member JSJ Pharmaceuticals, which was a recipient of the Innovators 2007 Award, as well as Corridor member iCache, which was named "Innovator of the Year".

## Corridor Bash

The 4th Annual Corridor Bash was held at the Charleston Maritime Center. This casual event has become the premier networking event for Charleston's knowledge-based community.

## Charleston Life Sciences

Since launch in 2001 with 18 companies, the Charleston Digital Corridor has come to represent many fast growing knowledge-based companies. More significant than the growing number of members, is the increasing level of sophistication associated with member companies and their corresponding needs. In an effort to facilitate collaboration among like companies, the Digital Corridor provides a forum for exchanging ideas and solutions. With the launch of Charleston Life Sciences portal, [www.charlestonlifesciences.com](http://www.charlestonlifesciences.com), the Digital Corridor created the first of several planned verticals.



## iFive:k

The Charleston Digital Corridor Foundation hosted the Innovator's 5K (iFive:K) run / walk / shuffle – the only evening race winding through the historic streets of downtown Charleston, SC. This inaugural event was a success with 250 race participants, 20 company-sponsored teams and many more supporters attending the post-race celebration. The iFive:K clearly demonstrates the demand for 'active' networking events. Thank you to our sponsors and participants. The Charleston Digital Corridor Foundation donated a portion of the proceeds raised to the Burke Scholarship Fund earmarked for a student seeking higher education in a technology related field.





**“The Digital Corridor has  
been instrumental in  
connecting iCache with  
Charleston’s business  
leaders, talent, and  
media.”**

**- Jonathan Ramaci  
CEO, iCache**





## Fifth Annual Wage Survey

The Charleston Digital Corridor is pleased to report that the average wage for reporting Digital Corridor companies in 2007 is \$83,256. This figure is approximately 2.5 times the average annual wage for the State of South Carolina and 2.4 times that of Charleston-North Charleston statistical metropolitan area. The companies that participated in this survey also reported employment growth of 750 employees over the past twelve months.

The latest data available from the US Bureau of Labor Statistics (May 2006) reports the average wage in the Charleston-North Charleston statistical metropolitan area (Berkeley, Charleston and Dorchester counties) is \$34,370 while South Carolina's average wage for all occupations is \$33,400.

"The recent capital investment in knowledge-based companies in Charleston along with the competitive wages and robust employment growth at these companies speaks to the current strength of this segment of our economy," said Charleston Digital Corridor Director, Ernest Andrade. "With over 400 career opportunities currently available in Digital Corridor companies, I predict yet another banner year for Charleston's knowledge economy in 2008."

"The Digital Corridor 2007 Wage survey demonstrates what I have always known to be true: we have the means in Charleston to attract and grow successful knowledge-based businesses," Mayor Joseph P. Riley stated. "The City is committed to reinforcing the growth of Charleston's knowledge economy by supporting forward thinking as it relates to infrastructure and development."

## 2007 Wage Survey

Average annual wages for South Carolina (SC), Charleston Metro Area (CMA), and the Charleston Digital Corridor (CDC).

SC = South Carolina Annual Mean Wage Estimates, May 2006 (US Dept. of Labor - Bureau of Labor Statistics)

CMA = Charleston Metropolitan Statistical Area Mean Wage Estimate, May 2006 (US Dept. of Labor - Bureau of Labor Statistics)

CDC = Charleston Digital Corridor Annual Wage for Reporting Corridor Companies in 2007





## Explanation of Corridor Districts

The Charleston Digital Corridor is comprised of four distinct geographic areas, on peninsular Charleston and Daniel Island. These areas offer a diverse range of options to meet the unique size, budget and infrastructure requirements for Digital Corridor companies.

The development of the Charleston Digital Corridor Foundation enables the Digital Corridor to expand its offerings to an "Auxiliary District" – knowledge-based companies within the Charleston region located outside the Digital Corridor's four geographic areas.

## Gateway District

With the eight-lane bridge over the Cooper River completed in 2005 and the “Magnolia” in-fill re-development project underway, the Gateway District offers economic opportunities along with federal tax breaks in the form of Renewal Community incentives.

## University District

For knowledge-based and research-oriented enterprise, faculty and business linkages are invaluable. The University District is home to the College of Charleston, the Medical University of South Carolina and the Citadel. Within walking distance of these nationally recognized educational institutions are historic neighborhoods, outstanding commercial locations, parks, cultural venues, shopping and dining. There are 18th-and 19th-century properties in the University District that allow you to dine on the first floor, work on the second floor and reside on the third.

## Wharf District

In the Wharf District, cobblestone streets and antebellum architecture blend with renovated historic structures and new commercial buildings along the Charleston waterfront. While the District features tourist destinations, like the South Carolina Aquarium, it is also a compelling business location. Commercial offerings in the Wharf District include executive suites, spaces ideal for smaller technology companies, corporate satellites, and even build-to-suit opportunities.

## The Cainhoy District

With the annexation of Daniel Island in 1990, the Cainhoy District is Charleston’s new frontier. This area offers build-to-suit opportunities and a corporate campus environment in a master-planned island town. The Cainhoy District is home to some of the Digital Corridor’s fastest growing companies including NanoScreen, Benefitfocus, Belimed and CSS. Development options for technology companies with varying needs for research, manufacturing, distribution and multi-use facilities are abundant.

## Auxiliary District

Recognizing that neighboring knowledge-based companies benefit from the mission of the Digital Corridor, membership and services are offered to select companies located throughout the Charleston region. Companies in the Auxiliary District allow the Digital Corridor to extend programming regardless of the physical location of the companies.

## A group of men are seated around a large, dark wood conference table in a room with extensive wood paneling. The men are dressed in business casual attire. Several water bottles and papers are on the table. A man in a red and white striped shirt is in the foreground, looking towards the right. The room has a formal, professional atmosphere.



Launch of the Charleston Digital Corridor Foundation has enabled the Digital Corridor to:

- Expand programming to benefit Charleston's growing knowledge-based community,
- Develop membership and sponsorship programs making the Digital Corridor self sufficient, and
- Provide services to companies outside the physical boundaries of the Digital Corridor.

The Charleston Digital Corridor Foundation (CDCF) was incorporated as a 501 (c) 6 non-profit corporation on March 5, 2004 to support the development of the Charleston Digital Corridor through an expanded array of programming and networks. The Foundation is governed by a distinguished seven member Board of Directors.

### The 2008-2009 Board of Directors is as follows:

#### **Mr. Kirk King**

Owner, President & CEO, CSS, Inc.  
Chairman

#### **Jonathan Alba**

COO, JSJ Pharmaceuticals  
Vice-Chairman

#### **Mr. Alan St. Clair**

President, Lead Dog Properties  
Secretary/Treasurer

#### **Jonathan Butler**

Co-Founder, Automated Trading Desk  
Board Member

#### **Mr. Daniel Dechert**

President & CEO, NanoScreen  
Board Member

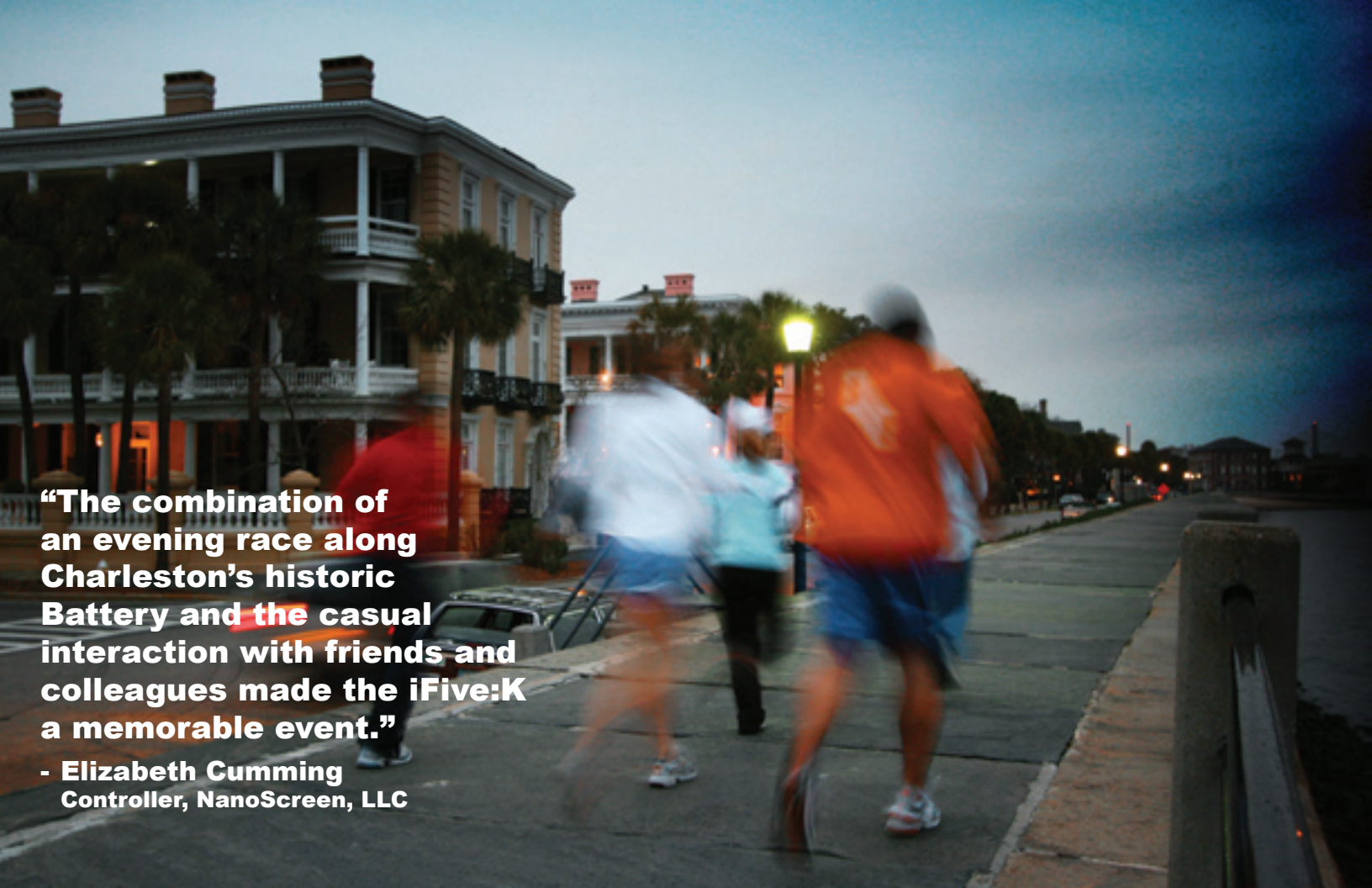
#### **Mr. W.C. "Chip" Hood, Jr., Esquire**

Executive Director, MUSC Foundation for Research Development  
Board Member

#### **Mayor Joseph P. Riley, Jr.**

Mayor, City of Charleston  
Board Member



A blurred photograph of runners at night on a city street. In the foreground, a runner in an orange shirt and blue shorts is moving from right to left. Behind them, other runners in white and light blue shirts are also blurred. The background features historic buildings with balconies and palm trees. A street lamp is visible, casting a warm glow. The sky is dark blue.

**“The combination of an evening race along Charleston’s historic Battery and the casual interaction with friends and colleagues made the iFive:K a memorable event.”**

**- Elizabeth Cumming**  
Controller, NanoScreen, LLC

ActioNet, Inc.  
 Advanced Chromatography Systems  
 Advanced Information Services Inc. (AIS)  
 Advantage Chromatography  
 Alutiq  
 Applied Technology & Management  
 Argolyn Bioscience, Inc.  
 Atlas Worldwide, Inc.  
 At Will Productions  
 AT&T  
 Barefoot Group  
 Barnwell Whaley Patterson & Helms, LLC  
 BB&T  
 Belimed  
 Benefitfocus, Inc.  
 Blackbaud, Inc.  
 Blue Ion  
 C3 Technology, Inc.  
 CACI International, Inc.  
 Cambar Solutions  
 Cantey Technology  
 CarePoint  
 Charles River Laboratories  
 Charleston Defense Contractors Association  
 Charleston Wealth Management  
 Charleston Your Home  
 Coastal Corporate Interiors  
 Connect Solutions, Inc.  
 ConvergingWater  
 CSS  
 Cyber Sprocket Labs

Daniel Island Company  
 Digital CPE, LLC  
 Digital Lifestyle Outfitters  
 Dixon Hughes  
 Dockview Productions  
 DP Professionals  
 Eagan, McAllister and Associates, Inc.  
 eGroup  
 Evolvent  
 FirstString Research, Inc.  
 GEICO  
 Helium  
 HR-On Call  
 iCache, Inc.  
 Illumicom, LLC  
 InfoArch  
 Intellistrand, LLC  
 International Insight Inc.  
 iPartners, LLC  
 Jack Russell Software  
 JSJ Pharmaceuticals  
 L-3Titan Group  
 Lead Dog Properties, LLC  
 Lowcountry Graduate Center  
 McLaughlin and Smoak  
 Modulant  
 Modus21  
 Monolith Software Solutions  
 Multiverse Media Duplication, Inc.  
 NanoScreen, LLC  
 National Association for Continence

Nexsen Pruet, LLC  
 Obviouslee Marketing  
 PalmettoTech, LLC  
 Penn Atlantic, Inc.  
 Positus Consulting  
 PSEM-SC.com  
 QuickFarm  
 ROK Technologies  
 Rosen Litigation Technology Consulting  
 Rotomotion, LLC  
 Sabal Medical, Inc.  
 Scientific Research Corporation  
 SCL Services  
 Section 1 Films  
 Sequence Investment Partners, LLC  
 Shippers Commonwealth  
 Slant Media  
 Software Projects Consulting  
 SourceNet Medical Billing Associates, LLC  
 Spirit Telecom  
 Stanley, Inc.  
 SunCom  
 Syndeo Interactive  
 Systems Integration & Management, Inc.  
 Trevelino/Keller Communications Group  
 UEC Electronics, LLC  
 Unitech  
 Universal Data Solutions  
 WareOnEarth Communications, Inc.  
 WellPath  
 Workplace Benefits

**“We are connecting our  
members with the resources  
necessary for success.”**

**- Nell Hinchey  
Program Manager,  
Charleston Digital Corridor Foundation**



**fin.**



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