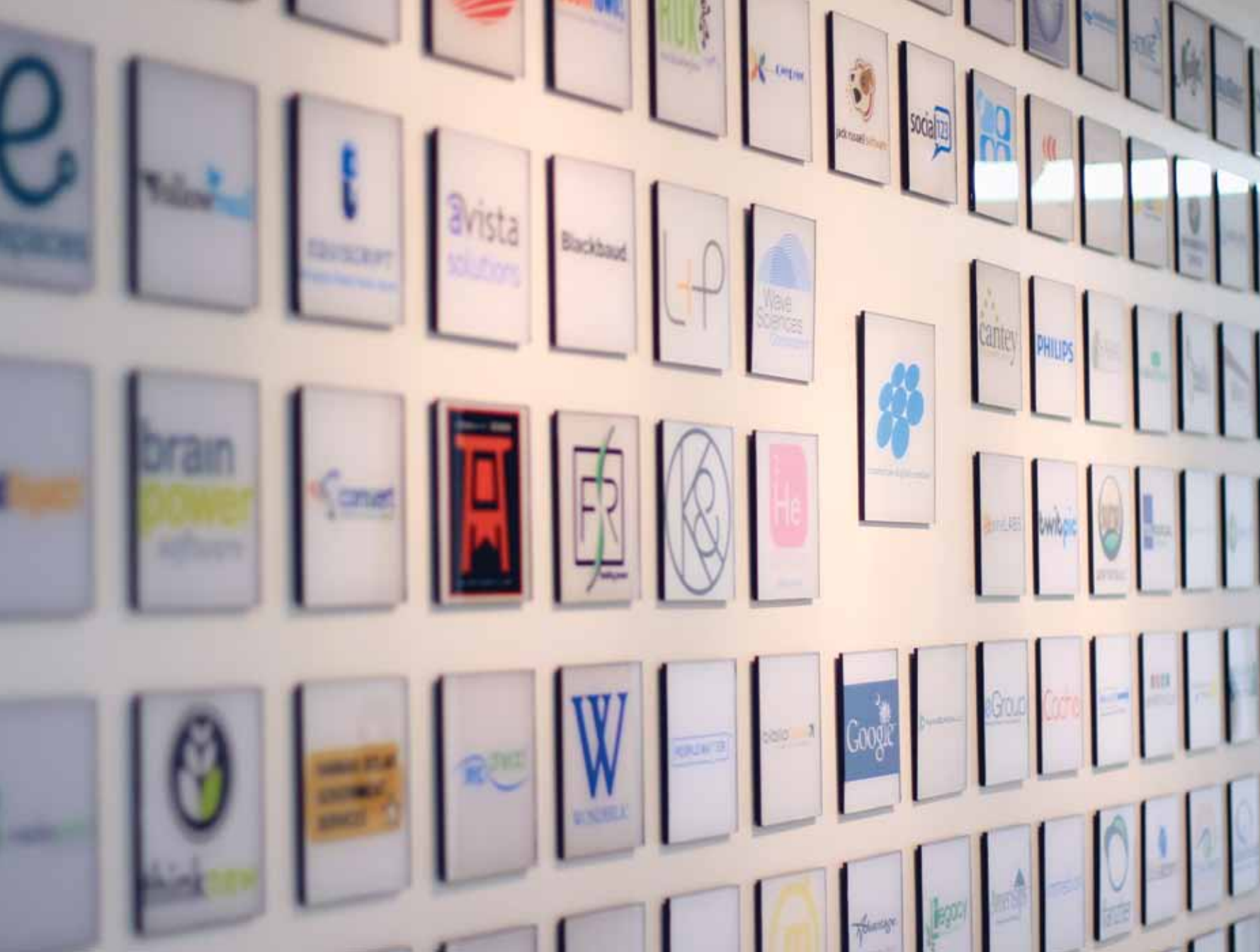




2013 REPORT TO THE COMMUNITY

ACCELERATING CHARLESTON'S KNOWLEDGE ECONOMY.



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COVER ART: VICTORIA GUGLIELMI

PHOTOGRAPHY BY:
WILL BULLOCK & STEPHEN BLACKMON



SUCCESS IS METHODICAL

The journey to develop Charleston's tech economy is well underway. It has been methodical with a relentless focus on creating the best business climate, peer network and support services to allow our entrepreneurs to be successful.

We started by engaging with Charleston's tech community to understand what would be most

helpful to our entrepreneurs and then rolled forward. First up, a focus on talent by launching a portal to connect qualified career seekers with jobs. Then, the Flagship business incubators, followed by CODEcamp. This year, we completed the last pillar with the introduction of a local, committed capital fund - Silicon Harbor Ventures.

Now that we have four pillars in place, we are well positioned to further accelerate the growth of Charleston's tech industry.

Ernest Andrade
Director
Charleston Digital Corridor Foundation

A DECEMBER TO REMEMBER

The December announcement by local tech company, Benefitfocus, that they will create an additional 1,200 jobs and invest \$60 million to expand their technology campus is our tech community's "December to Remember" moment.

While Charleston has seen a steady increase in the growth of her tech economy in recent years, the size of the Benefitfocus announcement, which is being compared to Boeing, cements Charleston's position as a southeast hub for the technology industry.

Charleston's tech community is growing and for our part, the Charleston Digital Corridor is staying focused, developing

new public-private partnerships with the launch of Silicon Harbor Ventures, raising the game by strengthening existing initiatives and launching new ones targeted towards our core focus areas. We are well poised for further growth in 2014 and acknowledge and congratulate our entrepreneurs and who are driving the growth of Charleston's high-wage knowledge economy and welcome others considering expanding or relocating here.

Kirk King
Chairman
Charleston Digital Corridor Foundation

1

ATTRACT, NURTURE AND PROMOTE CHARLESTON'S KNOWLEDGE ECONOMY

The Charleston Digital Corridor combines targeted initiatives and business assistance, while leveraging the area's superior livability, to appeal to knowledge-based businesses. Once a company has located to Charleston, the Digital Corridor draws on private and public resources to assist them in cultivating their business.

2

DEVELOP AND RETAIN A HIGHLY EDUCATED TALENT POOL

Recognizing that a highly skilled workforce is crucial 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 educational institutions and the corporate community.

ECONOMY

Google invests another
\$600 million to expand
Berkeley County Data Center

Milken Institute ranks Charleston as the
**11th Best-Performing
Economy** in the nation

PeopleMatter dedicates **World
HQ** building on King Street

4 Charleston companies named to
Inc. 500's Fastest
Growing Companies list

Under30CFO.com names Charleston
a **top location for IT**
companies and jobs

Blue Acorn announces
plans to locate their **HQ**
building to Morrison
Drive Redevelopment

94% of CDC Companies
add jobs with **88%** expecting
to add even more in 2014

Charleston's Silicon Harbor is
recognized nationally on the
map of **emerging
tech hubs**

Benefitfocus announces
additional **1,200** jobs and
\$60 million campus
expansion

SPACES

Hi-Tech Hub expands as plans
for **FS3** get underway at 999
Morrison Drive

The Flagships graduate
76 companies since
June 2009

CAPITAL

PeopleMatter secures an
additional **\$35 Million**
in Venture Capital

Silicon Harbor Ventures
announces new committed
capital fund to
help grow Charleston's tech
community

3

PROVIDE ONGOING BUSINESS ASSISTANCE

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

4

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 policies that have a positive impact on Charleston's knowledge economy.

TALENT

Inaugural CODEshow software conference makes a successful debut

iFive:K race raises almost \$30k to support scholarships and education

Google Fellows pilot Tech Education in Lowcountry

A year after launch, an improved CODEcamp v2.0 gets rolling

Technical conversations debut as CODEtalk is added to Fridays @ the Corridor monthly event

At \$71,657, the average wage at Digital Corridor companies is 1.7 times the regional per-capita wage

310 students graduate from CODEcamp since the program launched May 2012

COMMUNITY

Dig South debuts as an interactive festival celebrating innovation and the digital economy

The 2013 iFive:K sells out five weeks ahead of race day

Public Wi-Fi expands to Waterfront Park thanks to a Google community grant

5

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.

6

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.

2013-2014 Workforce Development Strategy

As Charleston's Tech economy accelerates, talent remains a key focus of the Charleston Digital Corridor's Workforce Development Plan. Key initiatives such as CODEcamp and the Talent Portal are part of this comprehensive plan.

NEXT UP: BIZcamp Leverage Charleston's professional community to increase the formation and success of knowledge-based businesses in Charleston by providing practical, hands-on training for entrepreneurs interested in starting and growing a knowledge-based company.

DEVELOP | CONNECT | SUPPORT

DEVELOP

CODEcamp

CODEcamp is an independent education program developed in collaboration with our member companies, to provide instruction in Web and mobile technologies. Since launch in 2012, CODEcamp has graduated over 300 students and expanded class offerings beyond entry-level classes to include one-day Bootcamps for professionals. Students from public educational institutions participating in CODEcamp are eligible for discounted fees thanks to funds raised from the annual iFive:K race.



@CHSdigital
www.vimeo.com/chscodecamp



www.chsCODEcamp.com



"Attending courses at CODEcamp allowed me to hone my web development skills while giving me the opportunity to interact with the professionals that are driving Charleston's technology community."

Ryan Barrineau

Developer at **Blue Acorn** and
CODEcamp Graduate (Web Basics 102,
PHP 101, Android App Dev, AngularJS)



MOVING FORWARD

CODEcamp WILL:

- create curriculum paths customized to students preferences
- make available industry mentors and staff to curate curriculum development and guide students
- expand upon the early success of our apprenticeship program

DEVELOP

CODEshow

In 2013 the Digital Corridor hosted an inaugural one-day conference for software technology professionals focused on three emerging software technologies. This conference, held at the historic Dock Street Theatre, hosted almost two hundred software professionals from across the Southeast and featured interactive discussions from industry experts from Google, Creationix Innovations and 10Gen.

 www.vimeo.com/chscodeshow



www.chsCODEshow.com

MOVING FORWARD

CODEshow WILL:

- bring national speakers to Charleston to enhance the skills of tech professionals in our community



FRIDAYS @ THE CORRIDOR

CODEtalk: The technical community asked for it and we made it happen! In 2013, the Digital Corridor enhanced the Fridays series by introducing CODEtalk – a quarterly event comparing technology platforms in a debate format. Topics included SQL vs. NoSQL and Clojure vs. Scala.

 www.vimeo.com/channels/fridays

MOVING FORWARD

CODEtalk WILL:

- become a Fridays mainstay with quarterly debates

EARLY-STAGE TALENT DEVELOPMENT

Beyond attending to our immediate talent needs, a part of the journey to realizing our vision to become Silicon Harbor is the development and execution of an early-stage talent development strategy.

In 2013, the Digital Corridor expanded its support for programs at the middle and high school level to include the following:

Women in Charge:

As a proponent of encouraging young women to pursue careers in science and mathematics, the Digital Corridor continued funding for the Women In Charge program at Moultrie Middle School.

CODEcamp:

In 2013, CODEcamp, in a pilot program, welcomed students from Porter Gaud to participate in a six-week Introduction to Android programming class.

Android Application Development Class:

Our CODEcamp Instructor and Android Developer, Cheryl Sedota, spent the day with 38 AP Computer Science students at Wando High. These future programmers participated in a one-day intro class on Android app development using Samsung smartphones provided by the Digital Corridor.

CONNECT

TALENT PORTAL

Since launching in 2004, the Talent Portal has consistently connected qualified career seekers with employers in Charleston. The portal averages over 9,000 visits and with over 150 jobs per month.



@CHSdigital

MOVING FORWARD

THE TALENT PORTAL WILL:

- relaunch in spring 2014 - chstechjobs.com

SUPPORT

With talent being critical to accelerating the growth of Charleston's knowledge economy, the Digital Corridor continues to support the tech community in building nurturing young and emerging talent.

CODEcamp Scholarship Program

In 2013, the Digital Corridor launched the CODEcamp Scholarship Program, allowing students the opportunity to take classes at reduced rates. Students received the scholarships based on overall need and the passion to learn.

Learn more at info@ChsCodeCamp.com



"The Talent Portal quickly became my primary source to connect with career seekers and post job openings due to its increasing candidate pool and extensive reach. In addition, I have utilized the Talent Portal to implement successful networking strategies here in Charleston and to facilitate introductions for others looking to join our stirring knowledge economy."

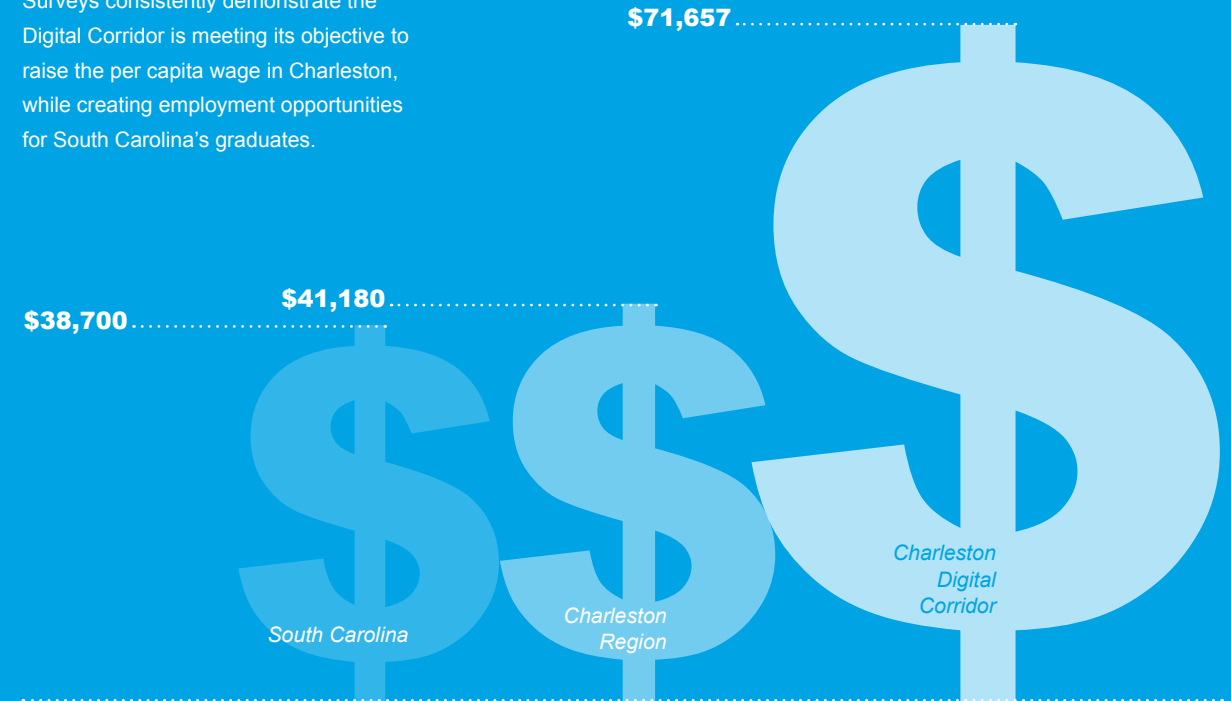
Winston Helena

Technical Recruiter

Life Cycle Engineering

2013 Wage Survey

Our Annual Wage and Job Growth Surveys consistently demonstrate the Digital Corridor is meeting its objective to raise the per capita wage in Charleston, while creating employment opportunities for South Carolina's graduates.



- The average annual wage for companies participating in the 2013 survey was **\$71,657—1.85 times** the state average of \$38,700 and **1.74 times** the Charleston Regional average of **\$41,180**.
- Digital Corridor companies are creating jobs at an unprecedented rate; **94%** of participating companies made hires during 2013 and **88%** plan to hire in 2014.
- On the real estate front, **50%** of Digital Corridor companies expect to add additional office space in 2014.

SOURCES:

SC: US Bureau of Labor Statistics, State Occupational Employment and Wage Estimates, SC, Annual Mean Wage Estimate (May 2012)

CMSA: US Bureau of Statistics, Charleston-North Charleston-Summerville, SC National Compensation Survey 2012, Annual Mean Earnings Estimates (May 2012)

Charleston Digital Corridor Wage Survey (October 2013)



SILICON HARBOR VENTURES

Silicon Harbor Ventures (SHV) is a Charleston-based investor managed venture fund targeting investments in early and growth stage technology companies in Charleston, South Carolina and the Southeastern United States. The fund is designed to provide the benefits of angel investor groups through an investor-managed structure with the benefits of a committed capital venture fund.

In addition to capital, SHV offers entrepreneurs mentoring and development support from our members and management team who collectively have decades of investment and operational experience in a wide range of industries. Companies in which SHV invests will be able to leverage the infrastructure and success of the CDC while having access to office facilities, talent and business concierge services.

MOVING FORWARD

SILICON HARBOR VENTURES WILL:

- review applications for investment consideration

HOW THE FUND WORKS::

- The Fund is managed by the SHV Management Committee led by Managing Partner, Michael Knox, in partnership with the Charleston Digital Corridor.
- SHV will invest in: 1) entrepreneurs who have an idea for a viable technology-based business with an experienced and passionate management team; or 2) an established business seeking growth capital.
- Preference is given to innovative, high impact or scalable business concepts and investment focus will be in industries where our investors have expertise.
- SHV mentors represent a broad spectrum of individuals with relevant experience to help entrepreneurs successfully become successful.
- The Fund accepts applications on a year round basis through an online application process on the SHV website.



www.siliconharborventures.com



“Beyond growth capital for Charleston’s tech entrepreneurs, SHV is focused on investing in companies where our investors and mentor group have the expertise to provide ongoing business guidance and strategic support to companies.

We are excited to bring a source of capital to the growing number of technology businesses in Charleston and look forward to helping these companies grow.”

Michael Knox
Managing Partner

Silicon Harbor Ventures



FLAGSHIP

The Flagship, dedicated June 2009, facilitates the development of Charleston's knowledge economy by providing a unique urban office environment, necessary resources, mentoring and a community of like-minded professionals crucial for success. The Flagship also serves as the venue for the Corridor's education and networking events such as the Fridays @ the Corridor, the Flagship

Gallery and Food Truck Thursdays, as well as providing meeting space for local and visiting professionals.

With flexible, monthly leases and fully furnished offices, demand for high-quality, tech-focused space like the Flagship continues to rise.

The Flagship has successfully graduated 57 companies since opening in 2009; 14 of which graduated in 2013 alone.

While our graduates have moved on to larger, more permanent office facilities, they are still a part of the Charleston Digital Corridor, the organization dedicated to attracting, nurturing and promoting their continued growth. Together, with 11 current residents, Flagship companies have created over 250 jobs in Charleston; raised over \$81 million dollars in public and private capital; and infused over \$15 million in payroll in the local community.



COMPANY SPOTLIGHT

Crunchy Data Solutions: A recent graduate of the flagship, Crunchy Data Solutions relocated to 329½ East Bay Street after experiencing significant growth. During their time at the Flagship, the company grew from 2 to 5 employees, and plans to hire 3 more in 2014.



THE FLAGSHIP at a Glance:

- Number of Graduates: 57
- Companies currently in Residence: 11
- Companies graduating into FS2: 10
- Graduate companies operating in Charleston: 39

FACILITY SERVICES

- Touchdown Spaces for temporary use by members and visiting tech professionals
- 2 Conference Rooms
- Ideal company size: 1-3 employees
- Maximum lease term: 1 year



FLAGSHIP2

The Flagship2 (FS2), dedicated June 2011, is an expansion of the Digital Corridor's highly successful Flagship, downtown Charleston's premier co-working/incubation business environment. This facility, designed exclusively for use by intermediate-stage, knowledge-based companies, shares the modern sensibilities of the Flagship. These two buildings

collectively form a campus representing Charleston's emerging "Connected Economy."

FS2 complements the Flagship's accommodations with a variety of office configurations ranging from 300 to 1,500 square feet with flexible, monthly leases. This allows companies to rapidly expand within the Flagship campus

while continuing to focus on their business. 80% of FS2 residents have expanded from the Flagship.

FS2 residents are a mix of entrepreneurs in diverse disciplines including software, engineering, sustainability, electronic communication and advertising and internet technologies.



COMPANY SPOTLIGHT

PhishLabs: This cyber-crime anti-phishing software company, has seen dramatic growth in 2013. Starting out at the Flagship in November of 2011, PhishLabs took less than 10 months to graduate to FS2 in August of 2012. With a total of 25 current employees, and rapidly adding more to their team, PhishLabs will soon graduate to their new office located on King Street. Named to the 2013 Roaring Twenties list for best performing companies in SC, we expect much more to come from PhishLabs. Continued success!

MOVING FORWARD

The Digital Corridor has partnered with the Clemson Architecture Center to work on initial plans for the future home of the Digital Corridor at 999 Morrison Drive.

THE FLAGSHIP2 at a Glance:

- Number of Graduates: 21
- Companies currently in Residence: 12
- Graduate companies still in operation: 20
- Graduates companies operating in Charleston: 13

FACILITY SERVICES

- Touchdown Spaces for temporary use by members and visiting tech professionals
- 2 Conference Rooms with wired and wifi access
- Indoor Bike Storage + Showers + Lounge
- Ideal company size: 3-15 Employees
- Maximum lease term: 2 years



BASH

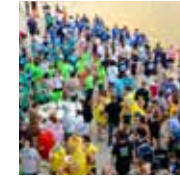
Held each fall, the 10th annual Corridor Bash was a good time. This gathering has become a premier networking event that brings together members from Charleston's growing tech community, business leaders and others interested in growing our knowledge economy. Local oysters, BBQ and beverages along with classical guitar and Charleston Harbor as the backdrop, make for an enjoyable evening of relaxed networking, business introductions and camaraderie.



IFIVE:K

Pssst...want to know the most fun event in Charleston that supports education?

The iFive:K. This annual event brings together Charleston's knowledge-based business community for an evening of spirited competition and networking. The iFive:K, which has grown from 250 participants to the current race cap of 800 participants, offers our tech companies the perfect opportunity to network and engage in some friendly competition through the various contests associated with the event. iFive:K proceeds support CODEcamp scholarships and other education-related programming.

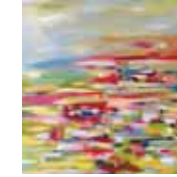


 @ifivek

 www.vimeo.com/channels/ifivek



www.ifivek.com



Austin Smith

Kristen Solecki

Victoria Guglielmi

ART GALLERY

Recognizing the separation of art and technology is almost imperceptible, the Digital Corridor leverages the Flagship business incubator by hosting Charleston's up and coming contemporary artists. Charleston technologists and creatives converge for an evening of art and networking at the quarterly artist receptions.

charlestonflagship.com/gallery



FOOD TRUCK THURSDAYS

We like to mix it up! Twice a month, the Digital Corridor hosts a food truck, giving our residents and members an opportunity to enjoy a variety of unique cuisine from our Food Truck partners. Fan favorites include the Foodie Truck, Fat Ninja, and Low Country Creole. Follow us @CHSdigital for monthly updates or check out the Digital Corridor Events calendar.

WI-FI

Stay connected my friends! Thanks to a community grant from Google, the Digital Corridor expanded the Charleston free WiFi network to include Waterfront Park, another favorite gathering place along the Charleston Harbor. Previous installations include Marion Square in Downtown Charleston and Governor's Park on Daniel Island. These WiFi networks, with an average daily use of 145 clients, improve connectivity for local businesses, festivals, and farmer's markets, while providing visitors with the chance to stay connected during their visit to the #1 Travel Destination in the US.



**The Honorable
Joseph P. Riley, Jr.**
Mayor
City of Charleston
Board Member

The Charleston Digital Corridor Foundation (CDCF) is a 501 (c) 6 nonprofit corporation. It supports 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 CDCF enables the Digital Corridor to:

- Expand programming to benefit Charleston's growing knowledge-based community,
- Provide services to knowledge-based companies regardless of their physical location.

2013-14 CHARLESTON DIGITAL CORRIDOR FOUNDATION BOARD OF DIRECTORS



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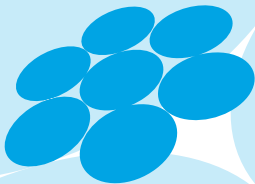


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