

COHORT 2

2018-19 | HIGHLIGHTS



**BUILD
SOMETHING
MASSIVE.**

FROM THE DIRECTOR

Building on the success from Cohort 1, the Creative Destruction Lab (CDL-Atlantic) has put another strong year in the books, through a rigorous application process. We had 85 Ventures apply for Cohort 2, with only 25 accepted. Eleven Ventures completed the full program and graduated with a collective \$12 Million raised to date.



While CDL-Atlantic is housed within Rowe School of Business at Dalhousie University, we also have partnerships with University of New Brunswick, University of Prince Edward Island, Saint Mary's University and Memorial University of Newfoundland. This is an important collaboration as the Atlantic region is clearly stronger when our four provinces work together.

Not only are we expanding at the local level, CDL has expanded our global network to Oxford University's Saïd Business School. During this past Cohort, another exciting component of our growth has been hosting Fellows and Associates from other sites. We're excited to see the increased global exposure for our ventures through the new CDL-Oxford location.

Each of the CDL sites across the network have a specialty industry stream. CDL-Atlantic is working to launch an Ocean Stream at our site in 2020-21. This is a natural fit for Halifax given the ocean research focus at Dalhousie, and organizations like the Ocean Frontier Institute (OFI), Canada's Ocean Supercluster and the Centre for Ocean Ventures and Entrepreneurship (COVE).

In just two short years, CDL-Atlantic has had an impact on the entrepreneurship and innovation ecosystem. As a result of CDL we have seen alumni companies like Salient Energy and EnergyX establish operations in Atlantic Canada, further enhancing our regional prosperity.

We were thrilled to welcome Invest Nova Scotia as a partner during this cohort, with their generous contribution of \$1.25 million to the CDL-Atlantic program. Without the commitment of all our partners and supporters noted below, our work at CDL would not be possible.

Jeff Larsen

Executive Director, Innovation & Entrepreneurship

CDL-Atlantic Site Lead

Dalhousie University

FOUNDING PARTNERS

George Armoyan
Mark Dobbin
Chris Huskilson
John Risley
Ken Rowe
Frank Sobey
Rob Sobey
Jim Spatz
Rob Steele

CORPORATE PARTNERS



SUPPORTERS



John Lindsay

GLOBAL PARTNERS



OVERVIEW OF CREATIVE DESTRUCTION LAB ATLANTIC

The Creative Destruction Lab (CDL) is a proven milestone-based coaching and seed stage financing program for massively scalable technology and science-based startups. The initial goal of the program, when it was founded in 2012, was to create \$50 million in aggregate equity value after five years. The total valuation of CDL companies now exceeds \$4.3 billion (CAD). CDL-Atlantic was established in 2017 as a partnership between the University of Toronto's Rotman School of Management and Dalhousie University's Rowe School of Business.

HOW THE CDL PROGRAM WORKS

Admitted startups enter a nine-month program that is focused on defining objectives with measurable deliverables. Because many startups fail due to their lack of business judgment and expertise, the CDL pairs high potential startups with Canada's most experienced business leaders to increase the likelihood of their success. These seasoned mentors are referred to as either Fellows or Associates. The Ventures also receive guidance and support from Chief Scientists (who are faculty members with scientific and technical subject matter expertise) as well as MBA and other masters level students.

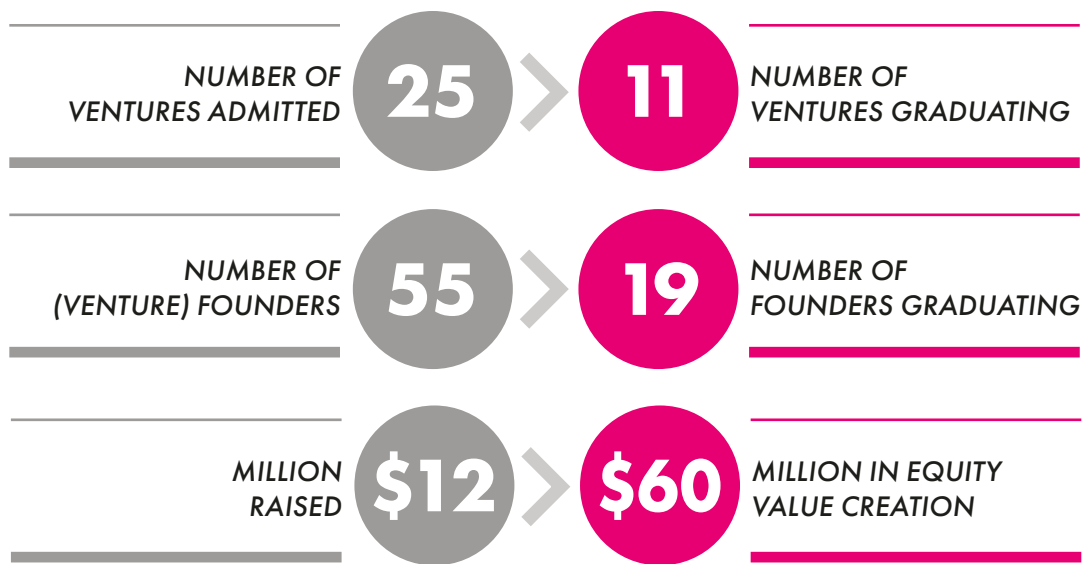
During the program, objectives are set for a series of eight-week "sprints", and the Ventures that demonstrate the greatest progress will continue to receive support and advice from Fellows and Associates, and eventually, graduate. Those that stagnate, are unable to resolve key issues and/or do not receive further offers of mentorship from Fellows and Associates, will not move forward in the program. In addition to convening high impact business mentorship, when Ventures decide to announce equity funding rounds, the CDL facilitates connections with interested investors. As such, the calibre of business acumen affiliated with the program, as well as the capital available for investment, are what make CDL truly unique.



THE NUMBERS

The 2018/19 Cohort admitted 25 Ventures to the program, with 11 of these companies successfully graduating. Atlantic Canadian universities saw strong representation in the 19 founders that participated, as over half (13) were alumni from these institutions. As well, CDL-Atlantic is continuing to expand its reach with 4 of the accepted companies headquartered internationally; in Denmark, Scotland, Ireland and the United States.

To mark their completion of the program, 11 of CDL-Atlantic's graduating startups attended "CDL Super Session", a final gathering of all successful Ventures from each of the CDL sites, that took place at the University of Toronto's Rotman School of Management in June. CDL-Atlantic's graduating Ventures received many offers of support from Fellows, Associates, prospective investors, and others in attendance. In total, these 11 ventures received 77 offers of support from Super Session attendees.



VENTURE GRADUATES

Byos	Rayleigh Solar Tech
CapIntel	Rimot
CoLab Software	SucSeed
Coloursmith	uFraction8
Cribcut	XOCEAN
Motryx	

NOTABLE INVESTMENTS

\$2.7M	CoLab Software 3 CDL-Atlantic investors contributed
\$ 500K	Motryx 7 CDL-Atlantic investors contributed
\$1.175M	Rimot 5 CDL-Atlantic investors contributed
\$4.375M	COMPLETED ROUNDS AS OF OCTOBER 9, 2019

VENTURE SUCCESS STORIES

A few exceptional stories from our second cohort speak to the impact of our programming. The ventures featured below have all successfully closed funding rounds during their participation in the 2018/19 cohort. The outcomes reinforce the value of CDL's unique approach to mentorship and facilitating investment for massively scalable startups.

XOCEAN

Based in Ireland, XOCEAN offers fixed price, turnkey data collection services to marine surveyors, companies and agencies using satellite-controlled Unmanned Surface Vessel (USVs). From mapping the seabed to environmental monitoring, their platform operates 24/7 accelerating project delivery at a third of the cost of conventional methods. So far they have raised \$2.8M Dilutive (CAD)/\$300K Non-Dilutive (CAD).



MOTRYX

Halifax based Motryx has developed a compact and robust accelerometer tag with applications in pharmaceutical process development and blood vial tracking. Formerly Maritime BioLoggers, the founders originally used the tag to monitor fish. However, the CDL program and mentorship highlighted a greater opportunity in the health field which led to their pivot.



COLAB SOFTWARE

Based in St. John's, NL, CoLab Software's mission is to empower engineering teams to build the future faster. Their solution helps teams automate their design review process and resolve issues faster. The company sells to large manufacturing teams and recently closed Exxon Mobile's subsea equipment team in Canada. CoLab Software is the first Atlantic Canadian company to be accepted to the prestigious Y Combinator program.



“ On behalf of CoLab, I want to thank all the organizers of CDL along with the incredible group of Fellows, Associates and mentors that have supported this second Atlantic Cohort. We got exceptional value from this program and it has helped us make some fundamental decisions about our business that will shape the future of our company. Whether it was helping us focus on what was most critical or just giving us a whole different perspective on an idea, CDL helped us avoid a number of major mistakes and make decisions that have enabled us move faster than we expected. ”

- Adam Keating, CEO and Co-Founder, CoLab Software

VENTURE SHOWCASE

In celebration of our final Session in Halifax, we hosted a Venture Showcase which allowed each Venture remaining in the program to demonstrate their product or service in a hands-on way. This new initiative was set up in trade show fashion, allowing CDL attendees to visit the Venture stations, interact with Founders, and learn more about the companies.

The Venture Showcase was well received by mentors who enjoyed the additional time to interact with companies, and the opportunity to gain more insight in advance of their decision regarding which companies should graduate from CDL-Atlantic and attend Super Session in Toronto.

Venture feedback regarding the new initiative was positive as well. As Adam Keating of CoLab Software said, "We talked to a lot of people at the Venture Showcase. It's not easy to visualize our product but when you can show it is much clearer. The Venture Showcase value is great for the Ventures because of the energy with people engaging at our table."



“ We are super happy to have the opportunity to have so many mentors in one room. It has been a great journey because of the advice we get every few months. We’ve been able to see the changes in our business as well. ”

- Monika Tomecka, COO and Co-Founder, uFraction8

ADDITIONAL PROGRAMMING

WORKSHOPS

Throughout the second cohort, CDL-Atlantic offered additional programming to enhance the Ventures' investor readiness, which contributed to the overall success of CDL-Atlantic companies.

**DISCIPLINED ENTREPRENEURSHIP — BILL AULET —
OCTOBER 19–20, 2018**

Bill Aulet is the Managing Director of the Martin Trust Center for MIT Entrepreneurship and Professor of the Practice at the MIT Sloan School of Management. He is the author of the entrepreneurship textbook of choice, *Disciplined Entrepreneurship: 24 Steps to a Successful Startup*.

Following the first CDL Session, Venture founders and CDL MBA students were invited to participate in a two day Bootcamp delivered by Aulet. This helps provide Ventures with valuable a framework and context around their startup.

**“MONEY FOR STARTUPS” FINANCIAL BOOTCAMP —
SHARI LOESSBERG — FEBRUARY 8, 2019**

Shari Loessberg is a Senior Lecturer in Technological Innovation, Entrepreneurship, and Strategic Management at the MIT Sloan School of Management. Loessberg delivered “Money for Startups” for our CDL Ventures following Session 3.

This bootcamp prepares attendees to understand the elements and mechanics of financing technology-based startup Ventures, to become more efficient and effective in establishing their long-term financing strategies, and to raise the right funding from value added sources.

A valuable part of the day allowed Venture companies to put their learnings into practice through simulated client meetings with lawyers and simulated term sheet negotiations with investors from the business community.

FUTURE SERIES

As part of the Fellow and Associate dinners, CDL-Atlantic launched a Future Speaker Series, inviting experts to share their thoughts on the future of their industry.

**FUTURE OF WATER — DR. GRAHAM GAGNON —
OCTOBER 17, 2018**

Dr. Graham Gagnon is the Associate Vice-President Research, NSERC Industrial Research Chair in Water Quality and Treatment, and the Director Centre for Water Resource Studies at Dalhousie University.

Director and the Associate Vice-President Research (Ocean) at Dalhousie University.

**FUTURE OF ENERGY — DR. JEFF DAHN — DECEMBER 5,
2018**

Jeff Dahn is a Professor in the Department of Physics & Atmospheric Science and the Department of Chemistry at Dalhousie University.

ATLANTIC STARTUP DINNER HOSTED BY JOHN RISLEY —

APRIL 10, 2019 Featuring Travis McDonough, Founder of Kinduct Technologies Inc. & Thomas Rankin, CEO & Co-Founder of Dash Hudson.

Kinduct's cloud-based platform allows human performance, health and wellness organizations to inform decisions, promote constant improvement and produce exceptional results. Dash Hudson provides a visual intelligence platform that collects and understands photos and videos from across all of your key marketing channels.

FUTURE OF OCEANS — DR. ANYA WAITE —

FEBRUARY 6, 2019 Dr. Anya Waite is the Scientific

STUDENT ENGAGEMENT

MASTERS STUDENTS

A key component of the CDL program is the involvement of Masters level students. A year-long CDL course provides transformational experience by replacing the traditional case study method with experiential learning (learn by-doing) during the process of rapid equity-value creation. Working alongside the Fellows, Associates and Venture Founders, students are given a unique chance to learn how to evaluate, finance, and manage technology businesses.

In an effort to expand the opportunity for MBA engagement to other universities in the Atlantic Region, Dalhousie partnered with the University of New Brunswick, Saint Mary's University and Memorial University of Newfoundland. Students from each of these universities participated in the CDL programming along with our 16 Dalhousie Masters students.

In Cohort 2, CDL-Atlantic had a total of 23 Masters students involved with the CDL program, all of whom contributed to the success of our Ventures. Working with the Ventures also offers tremendous benefit to the Masters students, allowing them an opportunity to showcase their skills, and exposing them to potential full-time employment opportunities with the startups. Following his CDL experience, MBA graduate Ryan Bunker landed a position with Byos, one of our graduating ventures.

HIGH SCHOOL GIRLS PROGRAM

With a focus on females and diversity inclusion, high-potential students interested in STEM fields are invited to attend session days as observers as part of a competitive application process. The High School Girls Program saw seventeen students participate over a series of four session days. Each of these students attended one-on-one meetings between Ventures, Fellows, and Associates, and had the opportunity to ask questions. This year we expanded the High School Girls Program to include students from C.P. Allen High School, Citadel High School, Sacred Heart School and Cobequid Education Centre. We look forward to growing the High School Girls Program with outreach underway through lunch and learns across local schools.

CDL COURSE

Ryan Bunker first connected with CDL-Atlantic as an MBA student through the CDL course.

CDL VENTURE GRADUATE

Through his role at CDL Ryan connected with Byos, one of our graduating ventures and is now working full-time on their team.

CDL STAFF

After his graduation from the MBA program Ryan came to work full-time for CDL as a Junior Venture Manager.



LAB CRAWLS

FALL 2018	SPRING 2019
Dalhousie University University of Prince Edward Island Memorial University of Newfoundland University of New Brunswick	St Francis Xavier University Cape Breton University Acadia University

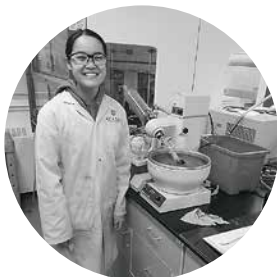
This year CDL-Atlantic partnered with Springboard Atlantic for the first time to offer Lab Crawls on university campuses throughout the region. Springboard works with their member organizations and corresponding campus industry liaisons, to identify research labs of interest to CDL. Lab crawls are scheduled with visits to three to five labs at each university, allowing researchers to showcase their work.

For CDL, the main benefits of the lab crawls are seeing local labs and what they're doing in a hands on way, speaking to the researchers and students about their work, and sharing opportunities for commercialization in Canada. In addition, the lab crawls provide an opportunity for CDL to increase awareness of our organization, what we do and how we do it. This happens through the networking and engagement opportunities that the lab crawls provide including the introductory lunch, lab visits and the Science & Startup Social.

The lab crawls plant seeds regarding commercialization of research. In some cases researchers may have thought of commercialization but are unaware of how to proceed in the business world. For others they may have never considered commercialization of their research, and the lab crawls open their eyes to that possibility.

The lab crawls, as well as the Science & Startup Social, are a great opportunity for CDL, Springboard, and the labs to connect with other entrepreneurship and innovation organizations in the local community. Examples of local partner attendees are Atlantic Canada Opportunities Agency (ACOA), Innovacorp, Canadian Business Development Corporation and Regional Partnerships.

We have had positive outcomes from this year's Lab Crawls including increased attendance at CDL-Atlantic Sessions from Atlantic Canadian universities and increased applications from their researchers.



CDL-ATLANTIC MENTORS

CDL-Atlantic was fortunate to have the support and engagement of 72 business leaders who served as mentors, known as Fellows and Associates, for our second cohort.

FELLOWS & FOUNDING PARTNERS

George Armoyan, President,
Geosam Capital Inc.

Sally Daub, Founder & Managing
Partner, Pool Global Partners

Wade Dawe, CEO & President,
Brigus Capital Inc.

Mark Dobbin, President,
Killick Capital Inc.

Tom Hickey, CEO, Atlantic
Road Construction Ltd.

Chris Huskison, Former CEO
& President, Emera Inc.

Jevon MacDonald, Co-Founder
& CEO, Manifold.co

Gerry Pond, Chairman & Co-
Founder, Mariner Partners Inc.

John Risley, President,
Clearwater Fine Foods

Ken Rowe, Executive
Chairman, IMP International

Frank Sobey, Former
Chairman, Crombie REIT

Rob Sobey, Former CEO &
President, Lawton's Drug Stores Ltd.

Jim Spatz, Executive Chairman,
Southwest Properties Ltd.

Rob Steele, CEO, Steele
Auto Group

ASSOCIATES

Bill Adams, Co-Founder
(Retired), STI Technologies Ltd.

David Alston, Co-Founder
(former Chief Adoption Officer,
Marketing Cloud & CMO
Radianó), TimberTop Adventures

Christine Apold, Managing
Director, Westhaver Partners

Robert Begg, Vice President,
Product Marketing, Salesforce

Cathy Bennett, CEO, Bennett
Group of Companies

Jonas Brandon, Partner, Metric

Sean Brownlee, Partner,
BDC Capital - ICE Fund

Chère Chapman, CEO, DGI Clinical

Henry Demone, President,
Demone Capital Inc

Malcolm Fraser, President
& CEO, Innovacorp

Patrick Hankinson, Partner,
Concrete Ventures

Jim Hanlon, CEO, Halifax
Marine Research Institute

Chuck Hartlen, Former
Executive VP, NS Power

Trevor Hennigar, President,
Hawthorne Capital Inc.

Patrick Keefe, Partner,
Build Ventures

Nicole LeBlanc, Director,
Investments & Partnerships,
Sidewalk Labs

Marcel Lebrun, Venture
Partner, Real Ventures

John Lindsay, Chairman,
East Port Properties Ltd.

Shannon MacDonald, Managing
Director, Accenture Canada

Matt MacLellan, COO,
Dropout Labs

Justin Manley, President
& Technical Director, Just
Innovation / Aiim Partners

Richard McInnes, VP, North
American Enterprise Sales,
Social, Salesforce

Rick Moignard, Former
CEO, GEOVIA

Chris Moyer, Director, Pelorus
Venture Capital Ltd.

Rob Normandeau, President,
SeaFort Capital

Robert Orr, CEO & Managing
Director, Cuna del Mar

Shivam Rajdev, Co-
Founder, Analyze Re

Julia Rivard-Dexter, Co-
Founder, Squiggle Park

Brice Scheschuk, Managing
Partner & CFO, Globalive Capital
/ Globalive Technology

Marc St. Onge, Founder & CEO,
Smallfood Inc., Bend Beauty,
Aycoutay Technologies Inc.

Mark Wallace, CEO, Cority

Ozge Yeloglu, Chief Data
Scientist, Microsoft Canada

Sarah Young, Managing Partner,
NATIONAL Public Relations

GUEST ASSOCIATES

David Charbonneau, Senior Analyst, Industrial, Clean and Energy Technology Venture Fund, BDC

Wayne Crawley, Partner, Venor

Rhiannon Davies, Member of Supervisory Board, Fairfood International

Dan Debow, CEO & Co-Founder, Helpful.com

Stephen Duff, Director, Precision Biologic

David Dufresne, Partner, Panache Ventures

Nestor Gomez, Entrepreneurship Program Lead, McCain's Innovation Program

Daniel Holland, Principal, Solais Partners

George "Buzz" Kenney, President & CEO, EntraTympanic

Brian Kobus, Partner, OMERS Ventures

Gordon Laing, President & COO, Southwest Properties

Brad Langille, Retired Partner, MNP's Corporate Finance Group

Eva Lau, Managing Director & Co-Founder, Two Small Fish Ventures

Kendra MacDonald, CEO, Canada's Ocean Supercluster

Stephen Nicolle, Investment Director, Island Capital Partners

Aubrey Palmetier, CEO, Eastpoint Engineering

Iris Petten, President, Petten Holdings Inc.

Derrick Rowe, Chairman, Bluedrop

Kirk Rowe, President & Chief Operating Officer, IMP Group International

Sean Sears, Consul General, Ogden Pond

Ian Smith, Chief Executive Officer, Clearwater Fine Foods Inc.

Karl Smith, Executive Vice President & CFO, Fortis Inc

Stan Spavold, President, CFFI Ventures Inc.

David Wilson, President, Wilson Security

Ben Yoskovitz, Founding Partner, Highline BETA



Led by two long-time friends, Sam March (pictured left) and Dane George, Rayleigh Solar Tech is aiming to commercialize perovskite solar cells. Perovskite is a solution deposited at low temperatures, easy to make, and works really well.

“ Sam March is a great example of how CDL can work, where a PhD student who might never have commercialized his research and started a company, now has incorporated, investment and mentorship to try bring next generation solar to market. ”

- Jeff Larsen, Executive Director, CDL-Atlantic

ALUMNI UPDATE

NATASHA DHAYAGUDE, CHINOVA BIOWORKS



In August 2018, Chinova Bioworks announced that they had raised a \$2.6 million CAD seed round from several food-tech VC firms. With the support of CDL's objective based mentorship program they grew their team to 15 people, including 10 in the lab. They have been approved for selling natural flavourings which allows them to sell into over 80 countries. Chinova Bioworks has produced formulas for the dairy, plant based, and sauce markets. They have partnered with their investor, DSM Venturing, to work on a beverage product. Chinova Bioworks is currently running 10 pilot customers all with multi-product skews. They have a 30-month runway and are looking to start a large series A in Q3 2019 and close in Q1 2020. They have received a great amount of interest from the cosmetics industry and have completed the most recent cohort for the beauty accelerator, Sephora Accelerate.

NISHAANT SANGAIVI, ENERGYX SOLUTIONS



EnergyX successfully secured seed funding in 2016, and has not looked back since. They have raised \$2.7 million in financing and grown to a team of 25. EnergyX had been eagerly looking to establish its second Canadian office in Halifax to grow their team and presence in Atlantic Canada. And, thanks to a \$500,000 repayable contribution from the Atlantic Canada Opportunities Agency, it has happened. For Nishaant Sangaavi, the experience at CDL Atlantic was fun, fast-paced and extremely focused on growth and learning. "We passed every session, met numerous investors and advisors who gave us very relevant and candid insights on our business model, value propositions and competitive advantage," says Sangaavi. "I would say that it was a life-changing experience for us and one that I would recommend to all entrepreneurs regardless of what stage their business is in." "The focus on innovation, entrepreneurship, and technology is very evident based on the quality of new graduates. The fact that CDL Atlantic is housed at Dalhousie is a true testament to this."

JOSHUA GREEN, MYSA SMART THERMOSTATS



"Last year [2018] alone we shipped our first product, hired 15 people and raised money while doing it," says Mr. Green. In December 2018, MYSA Smart Thermostats announced that they had secured their second round of investment, worth over \$2M to develop new products and continue the support of the smart home thermostat. In the same year, the company sold 30,000 units and landed a deal to make the product available in Kent stores across Atlantic Canada. As of winter 2019, MYSA had 36 employees and has continued to show excellent sales traction. In September 2019, MYSA was announced as one of Canada's Innovation Exchange (CIX) Top 20 Early technology startups and the only Atlantic Canadian company to be selected for this prestigious award.