

YEAR IN REVIEW 2020



LEANROCKET
LAB

LEAN ROCKET LAB
133 W. MICHIGAN AVE
JACKSON, MI 49201

2020 INVESTOR UPDATE



LEAN
ROCKET LAB

Michigan Tribe business grant award winners. Lean Rocket Lab partner Michigan Tribe is a female focused entrepreneurial community.

The Lean Rocket Lab sign was built
by local metal artist Jakob Soper

A photograph of the exterior of a building at night. The building is made of brick. A large, illuminated sign for "LEAN ROCKET LAB" is mounted on the facade. Above the sign is a large, rectangular, perforated metal panel that glows with blue light. In the center of this panel is a stylized rocket ship logo. To the left of the building, there are bare tree branches decorated with warm white string lights.

LEAN ROCKET LAB

INITIATIVE. VISION. BOLDNESS.

"Call it the pioneering spirit, or free enterprise system if you'd like. It motivates those in our society who are prepared to give up the quest for security, and pursue a course of action requiring initiative, vision, and boldness."

- Peter F Hurst



A MESSAGE FROM THE LAB...

To our partners and friends,

2020 was truly an unprecedented and incredible year. We all experienced moments of shared sadness over the impacts of the COVID-19 pandemic and the social unrest that we navigated together as a country. It was a challenging year, and yet we also got to witness hope and empathy and incredible innovation from our community.

We were continually inspired by the way our community rallied to support those in need during the year. We watched Jackson's manufacturers respond incredibly and quickly with the production of PPE, a life saving feat not seen since the arsenal of democracy.

We were also able to witness incredible innovation and the entrepreneurial spirit from our clients and members.

Left to right: Brandon Marken, Anthony Hurst, David Shirkey, Patti Poppe, Anita Quillen and Ken Seneff at LRL's virtual pitch event held on MFG Day.

As LRL start up clients navigated the challenges of the year, we saw them do incredible things. One of our teams pivoted and starting selling masks when their online event planning business was sidelined because of the pandemic. A clean tech client developed a UV based hand washing solution.

For us the most exciting development, year 1 of our industry 4.0 accelerator in partnership with Automation Alley and LTU was an overwhelming success. From the teams we attracted to Michigan, to the investments we made, to the technology demonstrations that were orchestrated with our Michigan manufacturing corporate partners. 2021 should be very exciting.

None of us could have expected the year that was 2020. But as we look back, we're inspired by this community, more grateful than ever for the blessings we have, and hopeful for the future.

Thank you,

Lean Rocket Lab Team

2020

INVESTMENT GENERATED

Teams served by the Lean Rocket Lab have generated over \$8.6M in investment over the past 12 months. The ability to attract venture capital, private equity, and grants are critical to growth and commercialization.



\$8.6M

COMPANIES SERVED

We served more than 70 startups throughout the year. Entrepreneurs and start up teams from across Jackson County and the state. Many were referred by our ecosystem and University partners because of the breadth and depth of manufacturing resources available in our community.



70+

JOB'S CREATED

Lean Rocket Lab start up clients created more than 37 w-2 jobs during the past 12 months. This is just the tip of the iceberg, LRL clients built prototypes, completed demos, engaged local suppliers, secured orders, filed patents, hired contractors and more.



37+

industry 4.0

Accelerator



i4.0 Accelerator

Spearheaded by Michigan's Industry 4.0 knowledge center, Automation Alley - the Industry 4.0 Accelerator is the first of its kind in the United States.

- Powered by Centrepolis at Lawrence Tech University and Lean Rocket Lab in Jackson
- Backed by a \$1.3M strategic Industry 4.0 investment fund
- In partnership with Michigan's top OEM's, JAMA and other downstream suppliers
- We've received over 250 applications from companies across the globe- over 30 countries. Because we've always supported teams both virtually and in person, our program continues to run largely uninterrupted during this time. While our investment fund focuses on Michigan intent, there is no required 'on location' or classroom style requirements in the program.



Autaza CEO Renan Padovani receiving a \$110K investment check from Automation Alley CEO, Tom Kelly, Brandon Marken and Ken Seneff.



AUTAZA

Autaza offers complete solutions for industrial quality inspection. We build our technology on different types of hardware like fixed tripod, industrial robots, collaborative robots and drones. Our software is able to detect defects and automatically generate quality reports. All of our solutions use machine learning to interpret defect patterns. Artificial Intelligence training is initially carried out using an Autaza database, but it is also possible to perform customized classification according to the quality criteria of each client. The use of 2D cameras and 3D scanners allows us to use images and meshes to identify undulations and micrometric deviations. For these types of systems, lighting control, camera quality and robust image processing are essential for the system to be efficient. Autaza recently received the approval of their core patents from the US patent office.

I4.0 ACCELERATOR METRICS

+250 TEAMS

Over 250 companies from around the world applied for the industry 4.0 accelerator and were interviewed by our team.

+30 COUNTRIES

Our i4.0 accelerator review team conducted interviews with applicants from over 30 countries. The manufacturing strength of our region and the quality of the program has even resulted in teams relocating to Michigan.

+25 CORPORATE PARTNERS

In our first year we added 25 corporate partners to the accelerator. Meetings coordinated between start up companies and Michigan manufacturers have lead to demos, customers and even investment.

12+ DEMOS

Our accelerator clients are actively engaged in over a dozen paid demonstrations of their technology with our corporate partners. Solving unique challenges around inspection, workflow and predictive analytics.



Anita Quillen
President & CEO,
Diversified Engineering
& Plastics



David Shirkey, Strategic Initiatives and Investments at Orbitform, meeting with Invisible AI co-founder Prateek Sachdeva.

CREATING RESILIENCE

The i4.0 accelerator has two primary goals - catalyze an ecosystem of high tech industry 4.0 related startups here in Michigan; and help Michigan's manufacturers develop operational resilience by getting access to industry 4.0 technology. Our program attracts top startup companies developing industry 4.0 technology from around the world. The program is backed by an investment seed fund originally set up by the MEDC. Through the fund we make investments into these startup teams, helping them grow and create jobs in Michigan. We support these teams in numerous ways, including connecting them with investment capital, experts, etc. But the most important way we help these teams is by connecting them with interested manufacturers in Michigan, who become early customers. We work with our corporate partners (e.g. Whirlpool, Magna, JAMA Members, etc.) to identify opportunities in their manufacturing environments to implement technology from our start up teams. The teams we work with have developed a wide range of solutions, from AI enabled computer vision technology to solve inspection challenges, additive manufacturing technologies, industrial IOT and predictive analytics, and other applications. By helping our startup companies connect with Michigan manufacturers - we help them grow and expand here in Michigan. And simultaneously we help Michigan manufacturers see the latest and greatest industry 4.0 related technology, helping them stay ahead of the curve.

S3D

Born at the University of Michigan, S3D's patented printheads are capable of printing circuits, switches, antennae, and sensors onto new and existing surfaces with complex and curved geometries at less than 20 micron. S3D aims to eliminate physical wiring, switches, sensors and antennae.



S3D Engineer
Dr. Leo Tse at LRL's
Manu-Tech Pitch Night

"Invisible AI has been engaged with Lean Rocket Lab and the i4.0 Accelerator for the last 6+ months... they have been invaluable in helping us grow. Lean Rocket Lab has done a set of powerful introductions to corporate partners, many of whom we are actively engaging with. In addition to customer introductions, we participated in an annual pitch competition by Lean Rocket Lab and won a \$10,000 award for the best manufacturing technology company. We look forward to continuing our relationship with Brandon and Ken as we grow our presence in Michigan and beyond."

Invisible AI - Industry 4.0 Accelerator Company

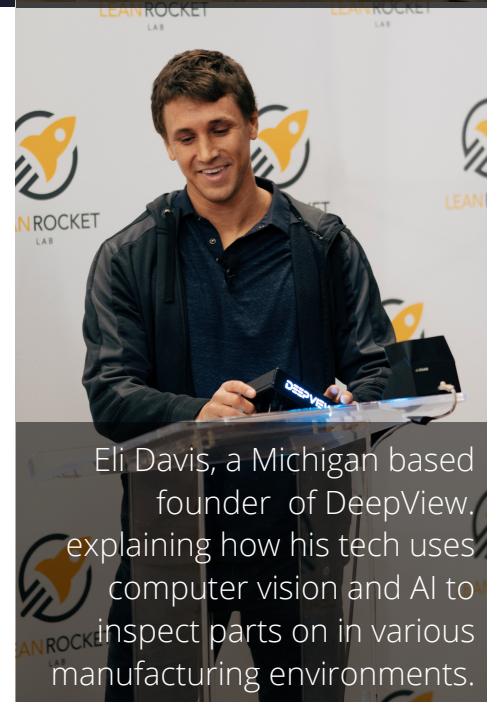


Left to Right: Dan Radomski,
John Bedz, Mike Vitek

DEEVIEW

Founded as a spin out of Michigan-based Automotive Dynamics Corp, DeepView is focused on solving unique parts inspection challenges with state of the art cameras and artificial intelligence systems.

- DeepView AI Camera Human-level deep learning camera
- 12 trillion operations / second
- 400 core AI chip onboard
- Store 2 million images (2TB)
- IP67 (waterproof, bulletproof)



Eli Davis, a Michigan based
founder of DeepView,
explaining how his tech uses
computer vision and AI to
inspect parts on in various
manufacturing environments.

Left to right: Nick Arcaro, Prateek Sachdeva, Ken Seneff, Tony Hurst and Brandon Marken. Manu-Tech Award sponsored by Hurst Foundation being presented to Invisible AI at LRL and LTU Centrepolois' live streamed simulcast pitch event this fall.



LRL MANU-TECH PITCH NIGHT 2020

Quality products start with quality processes Invisible AI's computer vision platform works with line operators to ensure processes are done correctly every time. Our AI-enabled cameras track body posture and movement to give operators real-time feedback in their cell. Invisible AI's platform is a digital tool to error-proof your manufacturing processes that doesn't interrupt any operations. We work with operators directly and provide them full transparency to improve operations from the ground up.

PETER HURST MURAL



Local speed painter Evan Struck paints mural to commemorate life and legacy of Peter F. Hurst

The goal and vision for this mural was to highlight the life and legacy of Peter F. Hurst. This mural is a depiction of the different parts and pieces that made Peter and the founding of Aeroquip so important. Curated and headed by local Jackson artist Evan Struck.

**READ THE STORY
BEHIND THE MURAL**



HURSTMURAL.COM



DOUGHNATION BAKERY

As Michigan went into lock down in March 2020, Aaron Cole posted a picture of his loaf of sourdough bread on Facebook, and said anyone who wanted it could come and scoop it up from a table in front of his house. With that, Doughnation Bakery was born. Cole soon realized that people really liked his bread, and also knew that a lot of people were experiencing hardship related to the pandemic. He started baking more and more loaves and people would stop by the table in his front yard, leaving an optional donation. Word got out that this was no ordinary bread and pretty soon the community was clamoring for more. Aaron came to Lean Rocket Lab and with the help of our friends at the Anchor Initiative - he has launched on the journey of bringing a new bakery experience to Jackson. Currently he bakes at home still and sells the bread during regular retail hours at Fortress Cafe inside the Lab. He's actively raising funds to open his own location.

LEAN ROCKET LOCAL

Things we're excited about in 2021...

In 2021 we hope to continue to expand the services and resources we provide to include additional support for local and neighborhood based entrepreneurs. We had an overwhelming demand for expanded services in this arena from our local community. People launching food concepts, bakeries and the like. Neighborhood based businesses are critical to economic mobility and community vitality and we're here to help.



ording...



Our First Workshop for Food Concepts

At the end of the year we kicked things off with the first workshop for community members in this space. LRL contributor Daniel Mahoney MC'd the event. We introduced services provided by the SBDC, SBA lending programs available specifically for women and minority founders, and the ins and outs of food licensing. Keep an eye for more things to come on this in 2021, especially as additional resources become available downtown, like the shared commercial kitchen that is projected to open this year.



2020 BOARD OF DIRECTORS

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Alexandra Masten, The Enterprise Group

David Shirkey, Orbitform

Nadia Abunasser, MEDC

Brandon Marken, Lean Rocket Lab

Ken Seneff, Lean Rocket Lab

Thank you to **Tim Rogers** of The Enterprise Group for serving.

Welcome **Rich Collins** of Commonwealth Associates to the board in 2021.

THANK YOU TO OUR INVESTORS

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The Anchor Initiative

CP Federal Credit Union

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