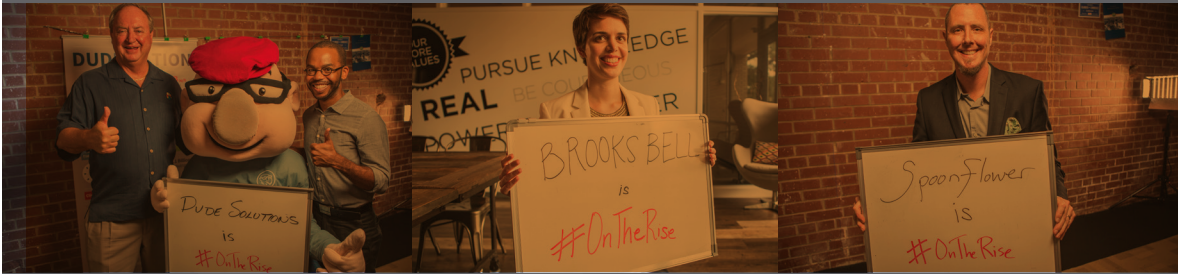




#OnTheRise



Problem The Triangle has all the right elements to be a top entrepreneurial region and we are doing great, but we can do better. We believe key relationships will turn the tide and elevate our region.

Opportunity Raleigh-Durham and similar regions are making their entrepreneurial mark, causing a national phenomenon dubbed the "Rise of the Rest." CED will use this momentum, our robust network and your help, to put a stake in the ground and ensure the most promising companies succeed.

Solution CED will retool resources for entrepreneurs moving past the startup phase, build *smarter* connections with investors, and make sure the Triangle is top of mind for entrepreneurship around the nation.

"This entrepreneurial community wants to see even more success and CED's focus moving forward will be to support growth-stage companies, to provide the network to help them accelerate and scale to successful outcomes. The renewed CED mission fits perfectly with the organization's heritage and reflects the strong desire of the leadership to see this region live up to its great potential."

David Spitz, President and Chief Operating Officer, ChannelAdvisor

What does it mean to be #OnTheRise

When you think about cities that are well-known for technology and life sciences, what comes to mind?

Places like Silicon Valley, Boston and New York. But smaller cities with great assets like smart people, world-class universities, and a “can-do” attitude are making their mark. Chief among them are Raleigh and Durham, joining other upstarts like Austin, Chicago, Denver and Seattle – a phenomenon gaining so much steam Steve Case, the former chairman of AOL, has dubbed it the “Rise of the Rest.”

And here are some proof points:

- Google has named Durham one of 8 “tech hubs” in its exclusive network
- 150 entrepreneurial companies in the Triangle raised a total of \$370 million in venture capital, angel funding, and other private equity investments in 2013 – with 75 percent of those investments coming from out of state
- The Triangle had 9 Initial Public Offerings in 2013, fully one-third of all IPOs in the Southeast

That's why CED is declaring that we are #OnTheRise.

We invite you to join us in a 3-year, \$2 million campaign to take advantage of this great momentum and make a lasting mark by:

- 1 *Strengthening and aligning the region's support network so the most promising startups and growth-stage companies have the best opportunities to advance quickly*
- 2 *Significantly stepping up our game in attracting sources of capital to the region*
- 3 *Championing and relentlessly promoting entrepreneurial success stories where they matter most, so our companies and region get the attention they deserve*

THE BACK STORY

CED has a history of innovation. It was the first 501(c)3 privately funded nonprofit organization in the country created exclusively to help entrepreneurs, and with 4,000 active participants and more than 700 companies, it remains the largest such organization today.

*CED has managed the support network for fast-growing industries such as technology and life sciences for more than a generation, and has **established a deep, valuable set of connections** to successful business leaders, investors, service professionals, and community partners.*

Fast-forward to today, and it's clear what a good idea this was. Here are the results:

- CED member companies have collectively raised more than **\$8.5 billion in venture capital** alone over the past 20+ years
- CED has built, by far, the **largest regional network of expert advisers**, bringing together serial entrepreneurs, university researchers, technology commercialization pros, and business deal-makers
- More than **1,200 entrepreneurial companies have graduated** from CED's FastTrac TechVenture and Venture Mentoring Service programs, launching successful technology, life science, manufacturing, and service businesses across the region and the state

However, this is not the time for a victory lap.

We have to stay nimble and one step ahead of other regions that have Raleigh-Durham in their sights. Competition for talent and capital is intense, and the path to success for an early stage company is just as challenging as ever.

Being #OnTheRise means leveraging CED as a unique asset that can lead positive change for entrepreneurship.

No other organization is mentioned more frequently as the go-to place for entrepreneurs. Our community sees CED as well-connected, unbiased, and a neutral third party that can effectively unite the region behind bold new plans.

Being #OnTheRise means moving beyond a “business as usual” strategy.

We have spoken to our members, and heard both their concerns and the places they see opportunity. Changes in venture capital, the rise of angel and corporate investors, the speed of innovation, the impact of social media, and the Southeast’s relative lack of connectivity to other entrepreneurial hubs and media centers all were mentioned as factors that will impact our ability to turn great potential into long-term success.

THE CED #OnTheRise CAMPAIGN:

Enhancing our network and reputation

Our goal is to make sure Raleigh, Durham, and Chapel Hill are on the short list for entrepreneurs thinking about starting, expanding, or relocating their high-growth companies, for investors looking for opportunities, and for journalists interested in great stories.

Here are the elements of the campaign:

- 1** #OnTheRise through stronger networks
- 2** #OnTheRise to attract more capital
- 3** #OnTheRise to promote entrepreneurial success stories

"I always tell entrepreneurs that you cannot succeed by yourself, no matter how strong, how smart, how fast, or how skillful you are. You really need an ecosystem around you, and that's what CED has provided for 30 years."

Moise Khayrallah, CEO and co-founder, Aerial BioPharma LLC

1

#OnTheRise Through Stronger Networks

We want to strengthen and align the support network so the most promising companies have measurably improved opportunities to advance quickly.

CED #OnTheRise will redefine our long-standing network-building role by targeting more resources to companies beyond the startup phase that are growing. We will retool our educational and outreach programs so they address gaps in the market. If another organization is offering a great program that helps companies grow, we will point in their direction. **We want to make it as easy as possible for entrepreneurs to find what they need, when they need it, from proven sources.** CED will be the place they can turn for knowledgeable, unbiased information and referrals, custom-made for their industry sector and stage of growth.

We believe that refocusing our efforts to support entrepreneurs moving past the startup phase and into the growth phase will result in more successful companies not just starting here, but also thriving here.



2

#OnTheRise to Attract More Capital

We want to increase by 50 percent the number of investors active in the Triangle over the next 3 years.

If you ask an entrepreneur about his or her top concerns, “access to capital” will be on that list. But not all money is created equal. Building a relationship with the right investor is an essential first step for any entrepreneur trying to secure funds to grow a company. The good news is that we are beginning from a running start. **Here’s an amazing fact: More than 100 different private equity investors – 75 percent from outside North Carolina – made an investment in a total of 260 companies in the state in 2013.**

CED #OnTheRise will let us add and update technology, including our database of thousands of individuals (the intellectual property of CED); bring on experienced match-making staff to deepen and expand connections with investors to benefit the entire network; and outreach activities to make the connections to capital that will benefit the Triangle’s most promising entrepreneurs, including enhancements to our flagship conferences and increased involvement in out-of-region programs.

We think this will pay off in more investors checking out what the region has to offer, deeper and more geographically diverse syndicates supporting local companies, and better matches made more quickly.

3

#OnTheRise to Promote Success Stories

We want our region to be perceived as the “Top Riser” among “The Rise of the Rest.”

CED #OnTheRise funds will enable the organization to **launch a consistent, high-impact communications, public relations, and media relations initiative to make sure Raleigh, Durham, and Chapel Hill are top of mind for entrepreneurship, especially outside the region.** We want our successful entrepreneurs to get the credit they deserve for building great companies here.

Here's the kicker. **By many objective measures of entrepreneurial activity – number of startups, capital raised, mergers & acquisitions, licensing deals – the Research Triangle region scores higher than fellow “Riser” cities Denver, Atlanta, Portland, and Nashville. We rank virtually even with Austin.** But we are losing the battle for public perception, especially among journalists who cover this sector for highly influential media channels.

Our success will be seen in increased coverage of local entrepreneurs and activities by major national trade publications, enhanced awareness of companies in the region by out-of-market investors and opinion-leaders, and **by a general “buzz” that Raleigh and Durham are places you need to see if you are looking for the next Big Idea.**

HOW TO SUPPORT THE CAMPAIGN:

CED is fortunate to start the CED #OnTheRise campaign from a position of strong community support and fiscal strength. The organization completed its sixth straight year of balanced operating budgets in fiscal year 2014. The \$1.6 million annual operating budget is sufficient to fund CED's ongoing programs, with the #OnTheRise Campaign enabling the organization and the region to move to the next level. But, we need your help.

The CED #OnTheRise Campaign began July 1, 2013, and ends June 30, 2016. All funds raised in the Campaign will be assigned for use of Campaign priorities, as outlined.

Campaign pledges may be paid over a period not to exceed three years from the date of the original commitment.

Pledge payments may be made with cash, by credit card, or by transfers of stock.

Contributions made to CED for memberships, annual gifts and sponsorships will continue to provide support for CED's operations and programs but will not be counted toward the Campaign.

For more information on the ways you can make a gift to CED, please contact the Development Office at 919.226.0474.

"The entire region is focused around this idea of increasing the number of success stories we have to tell, and telling those stories on a bigger, national stage. We are more galvanized and unified than ever."

Michael Goodman, Vice President of Real Estate for Capitol Broadcasting Company



We intend to continue
what we start, and lay
the groundwork for a
strong entrepreneurial
culture for the next
30 years.

THE BOTTOM LINE

We have identified some strategic investments that will allow the organization to capitalize on the region's status as a rising entrepreneurial hub, and propel the Triangle into the top ranks.

The \$2 million we propose to raise over 3 years will augment our annual operating budget and allow CED to begin implementing the three key components of its strategic plan designed to:

- Organize the network's resources so the most promising entrepreneurs have the support they need to scale and grow;
- Make it easier for entrepreneurs to connect with the capital and people they need, including each other;
- Elevate the profile of the Triangle as the top "Riser" among the "Rise of the Rest."

At the end of the 3-year campaign, CED will have new sustainable sources of funding through the establishment of a major and planned gifts program and greater philanthropic outreach to individuals and organizations that endorse CED's mission.

With your support,
we are #OnTheRise.

"The next few years present an unusual opportunity. I believe we are experiencing the most significant entrepreneurial growth opportunity in the nation. There are home runs waiting to happen, but we have to swing the bat."

David Rizzo, president and CEO, NC IDEA

CAMPAIGN LEADERSHIP:

Neal Fowler

CEO

Liquidia Technologies

Rich Harris

Managing Principal

DTZ

Chris Matton

General Counsel

Bandwidth

David Spitz*

President and COO

ChannelAdvisor

Ben Weinberger

Vice President

Digitalsmiths, A Tivo Company

Rich West*

Founder and CEO

baebies, inc

Stephen Wiehe*

President, CEO, Chairman of the Board

SciQuest

**Campaign Co-Chairs*

CED is the network that helps Triangle entrepreneurs build successful companies.

About CED

Established by local visionaries in 1984, CED was created to support a community of Triangle entrepreneurs. Later incorporated as a 501(c)3 nonprofit organization, CED formalized its mission to identify, enable and promote high-growth, high-impact companies. Through business support, education, mentoring, investor outreach, public relations, and other services provided to entrepreneurs CED has been essential in fostering the high-functioning, diverse, successful ecosystem of entrepreneurs that exists throughout North Carolina today.

Contact

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Durham, NC 27701

www.cednc.org

twitter.com/CEDNC

facebook.com/cedrtp



#OnTheRise

www.cednc.org/ontherise

*For more information about how you can be part of the CED #OnTheRise Campaign,
please contact Miriam Wilson at 919.226.0474 or mwilson@cednc.org.*



#OnTheRise

Your gift will enable CED to bolster the region's status as a rising entrepreneurial hub, through these three priorities:

- 1** #OnTheRise through stronger networks
- 2** #OnTheRise to attract more capital
- 3** #OnTheRise to promote entrepreneurial success stories

For questions or more information, please contact Miriam Wilson at 919.226.0474 or mwilson@cednc.org.

CAMPAIGN GIFT:



FIRST NAME: _____ LAST NAME: _____ MI: _____

ADDRESS: _____ EMAIL: _____

CITY: _____ STATE: _____ ZIP: _____ PRIMARY PHONE: _____

PLEDGE AMOUNT: \$ _____ Name as I would like it to appear on the CED #OnTheRise Campaign communications: _____ I wish to make this gift anonymously.

SIGNATURE: _____ DATE: _____

PAYMENT INSTRUCTIONS:

CED respects the privacy of donors' personal and financial information and will not release information to the public about prospective or actual donors other than the donors' names, gift amounts and designations. Requests in writing from donors that their names not be released will be honored.

I would like to make a one-time payment

Enclosed is a check made payable to CED for the full amount.

Please charge my credit card the full amount.*

I would like to pay my pledge over a:

2 year period with installments of \$ _____ starting on _____ (month/year)

3 year period with installments of \$ _____ starting on _____ (month/year)

Enclosed is a check made payable to CED for my first installment.

Please send me an invoice for my first installment on _____ (month/year)

Please charge my credit card for my first installment*

Please send wiring instructions

*For credit cards, please call 919-226-0468 or make an online gift at www.cednc.org/ontherise.

Thank you for your gift!