

P 1 8

parallel<sup>18</sup>

# IMPACT REPORT

2017 | 2018

P 1 8



Puerto Rico  
Science, Technology  
& Research Trust



# About this Report

This report focuses on the results of Gen.3 and Gen.4: a total of 59 companies that completed the program between March 2017 and March 2018. This document also offers updates on Gen.1 and Gen.2 companies, in addition to early results from pre18.

The data presented was collected through exit and alumni surveys completed by our companies and data gathered by the P18 team.



# A Hurricane **Strong** Year

There is no doubt that our program is in a very different place than where it was a year ago when we released our first impact report. No one could have expected Hurricane Maria and its aftermath. There was a lot of uncertainty in those early days. Everyone was a little afraid, no one knew if all the amazing things that were happening in the entrepreneurial ecosystem in Puerto Rico were going to survive. No one was sure where things were headed.

I am happy to have been a witness and see the entrepreneurial ecosystem in the island thrive. The results in this report prove so. After finishing our fourth cohort, we embarked on an adventure called pre18 that had amazing results and showed us the enormous amount of talent and grit Puerto Rican entrepreneurs have.

So get ready to see numbers and events that I feel more than proud of. Data that shows Puerto Rico keeps moving forward to become an entrepreneurship hub.



Sebastian **Vidal**  
Executive Director

parallel<sup>18</sup>



# Program's **Summary**

## What is *parallel18*?

*Parallel18 is an economic development initiative that aims to attract and support high-impact startups that can scale from Puerto Rico to global communities beyond the Island, with special focus in Mainland U.S., Latin America, and Europe.*

*P18 is a program of the Puerto Rico Science, Technology, and Research Trust (PRSTRT) in collaboration with the Puerto Rico Industrial Development Company (PRIDCO) and the Department of Economic Development and Commerce of Puerto Rico (DDEC).*

## What we **do**



*Attract, develop, and retain highly talented entrepreneurs from all over the globe.*



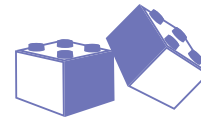
*Integrate and collaborate with the local education system and entrepreneurial community.*



*Transform the local mindset of entrepreneurs into a global one.*



*Make Puerto Rico a portal for startups that want to scale globally.*



*Create a new set of local companies that grow beyond Puerto Rico.*



## **How** we do it



We choose up to 80 companies per year distributed in two cohorts (that we call generations.)



We give selected startups a US \$40,000 grant.



They have to take part in a 20-week acceleration curriculum.

## GiveBack

They must engage in our GiveBack program with local universities, college students, and entrepreneurs.



We provide them with business development lineups to promote deals with known local companies.



The chance to apply to Parallel18 Ventures, a follow on fund for companies that keep operations in Puerto Rico and raise capital.

**Sebastián Vidal**  
Executive Director

**Cristina Tamayo**  
Business Dev. Manager

**Lucas Arzola**  
Director of Operations

**Eduardo Padial**  
Startup Executive

**Marie Custodio**  
Outreach Manager

**Wanda Fraguada**  
Marketing Manager

**Belisa Bermudez**  
Startup Executive

**Jonathan Ortiz**  
Lead Creative Designer

# **Team, advisors, selection committee**

*The team is composed of a mix of individuals with diverse professional backgrounds. Their common goal is to promote economic development in the island by working with startups and the local entrepreneurial community.*



This year would not have been possible without the hard work of **our interns** and additional team members. **Big thanks** to:



André **Lefranc**//  
Office Manager  
and Marketing Intern



JC **Wharton**//  
Operations Intern



Natalia **Bigay**//  
Event Coordinator



Sven **Linz**//  
Operations Intern



Paola **Maldonado**//  
Marketing and  
Communications Intern



Larissa **Pagán**//  
Marketing and  
Communications Intern



America **Castillo**//  
Business Development  
Intern



# Parallel18 Board of Advisors

*A group of highly qualified and connected individuals who make important contributions to the program.*



Javier **Soltero**



Nancy **Santiago-Negrón**



Giovanni **Rodríguez**



Niel **Robertson**



Nicholas **Shea**



Lisa **Morales**



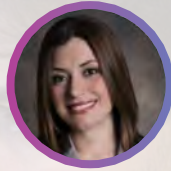
Cyril **Meduña**

# Parallel18 **Selection Committee** participants

*Selecting the right startups is a very important task, that is why we recruit a diverse group of people from the community to choose them.*



Manuel **Rosso**



Laura **Cantero**



Lizzie **Rosso**



Angel **Pérez**



Ramphis **Castro**



Allison **Kern**



Ken **Kay**



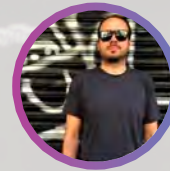
Miguel **Ríos**



Victoria **Fine**



Edward **Betancourt**



Giovanni **Collazo**

*Members of the committee are subject to change per committee.*

# Mentorship & Curriculum

With each new batch of startups, our Operations Team goes over the companies needs and, from that, they contact the mentors that are the best to address them.

The ultimate goal is to help our startups reach the expected results. The topics are now focusing more and more on growth and investment. This is why many of the mentors we bring have grown very successful companies or are experienced investors that have, at some point, invested in some of our startups.

To make sure we are recruiting the best mentors, we ask our startups for their feedback. These are the top mentors according to our Gen.3, Gen.4 and pre18 alumni:

## *Top 5 visiting mentors:*



Gary **Bonilla**



Neil **Cohen**



Alicia **Syrett**



Devin **Baptiste**



Manuel **Rosso**

## *Top 5 local mentors:*



Jonathan  
**Gonzalez**



Gualberto  
**Rodriguez**



Will  
**Rosellini**



Roberto  
**Gonzalez**



Alex  
**Borschow**

# Application **Data**

## Top 6 **Countries**

# 2,741

*total applications received*



1. Puerto Rico



2. United States



3. Colombia



4. Chile



5. Brazil



6. Argentina

Gen.1

## 401

Companies Applied  
from  
**31**  
Countries

Gen.2

## 507

Companies Applied  
from  
**44**  
Countries

Gen.3

## 507

Companies Applied  
from  
**48**  
Countries

Gen.4

## 457

Companies Applied  
from  
**48**  
Countries

Gen.5

## 562

Companies Applied  
from  
**67**  
Countries

pre18

## 307

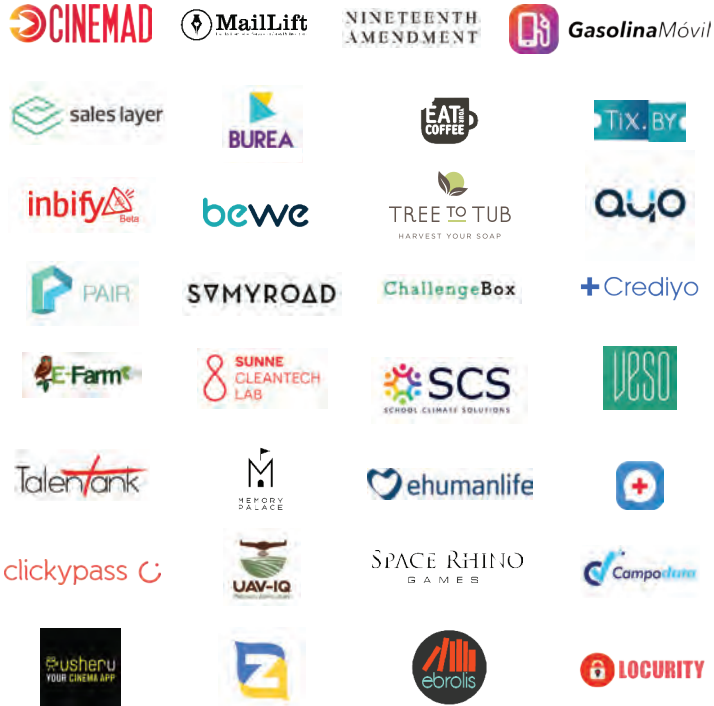
Companies Applied



# Our Startups

These are the 119 companies that have completed parallel18.

## Gen.1



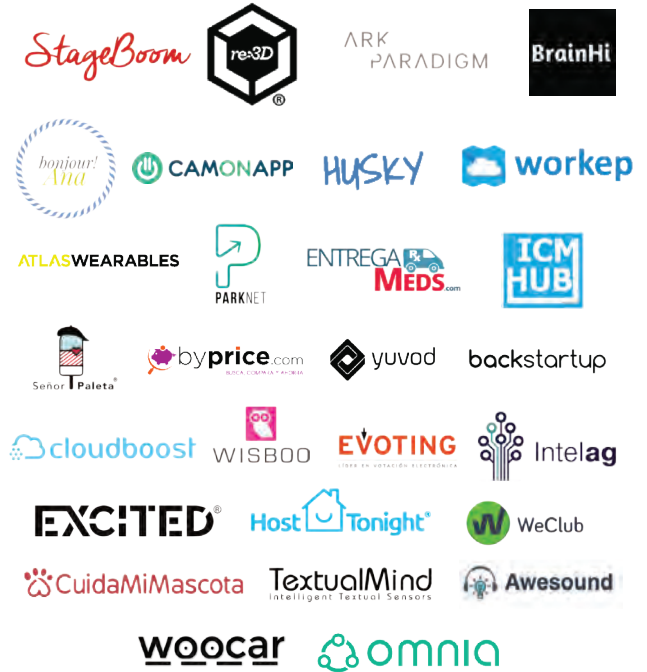
## Gen.2



# Gen.3



# Gen.4



# Industries

The companies that have been through our four generations go from edible coffee bars, to water heaters, AI chatbots and more. **They have been B2B in the majority (64%) while only 36% have been B2C.**

# 94%

*of the companies that have been through parallel18 are still in operations!*



Fintech



Real estate tech



Fashion Tech



AR



Advertising



Food and Beverage



Logistics



3D Printing



Manufacturing



Enterprise Software



Insuretech



Travel



Marketing



Wearable Tech



Health Tech



Cleantech



E-commerce



Big Data



Security



Education



Fitness



Video Games



Tourism



Aerospace



Consumer Goods



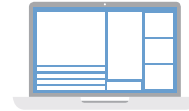
Hospitality



Social Media



M-Commerce



SaaS



Music



AI



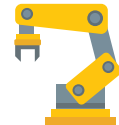
Agrotech



Food Delivery



Government



Robotics



Productivity



Beauty and  
Wellness

# Our Startups **Say:** Gen.1



What opportunities did parallel18 represent for your startup?

For us it was an opportunity to open a new market in an easy and fast way. To be at parallel also meant to have open doors with investors. At the same time, it was sort of a bridge between us and the United States.

-Mariano LoCane

## NINETEENTH AMENDMENT

Where do you think Nineteenth Amendment would be if it had not participated in parallel18?

I think if we hadn't participated in P18 we would not have been able to pivot to a sustainable SaaS model. P18 gave us a new way of looking at the opportunity in the market.

-Gemma Sole



What was the effect parallel18 had in Burea?

First, the contacts that parallel has and put to our disposition are awesome. Most of our investors have been mentors or speakers that have gone to parallel. Even with the clients, some clients have come here directly from parallel.

Furthermore, when we say we're parallel18 alumni people trust us more. Now that we're trying to expand to Mexico and Colombia, mentioning the program has helped.

-Vivian Vargas

# Our Startups **Say:** Gen.2



Prior to coming to parallel18, how was Abartys doing?

Prior to parallel our message and our communication was definitely a bit of a disaster, we didn't have a real concept of exporting as a global company. I don't think we fully understood the possibilities as a technology company.

We learned here about networking and funding. We were focused on our market and our clients, but I don't think we fully understood the magnitude and the impact that the technology could have.

-Lauren Cascio



Did parallel18 have any impact in the way your company does things?

Yes, from measuring everything that we do, to start working with objectives based on data and metrics. This is the most important thing a startup can have.

And the second is that in parallel we discovered the importance of data and how our company had to start moving to become a data company more than a sales one. It gave us a north and organized us. It also made us think global.

-Alan Taveras



What were your thoughts on the working space and the working environment here?

It's very unique, you can't replicate this. We've been able to talk to people from all over the world and when we mention parallel they know what they are.

The office, the location and the operations environment and their direction have done an excellent job. They understand what kind of space startups need and what kind of environment promotes creativity.

-José Luis Fernández

# Our Startups **Say:** Gen.3



How essential was P18 Connect to the relationship you established with ItalBank, who ended up investing in your company?

I think that this investment was the most valuable result I got from the program. Not only because of the investment, but because now we are ready to launch a product with the bank, a product that was impossible to launch any other way. Creating an alliance with a bank takes a long time and it's very hard, and achieving it in such a short time was a surprise. It was, without a doubt, the most valuable thing we got from the program.

-Nicolás Galarza



What impact did the program have in your way of doing business?

The global mentality shifted a little bit our focus. We started considering doing business-to-business deals, which was something we hadn't even considered.

We're doing collaborations with brands, now we have a collaboration with big companies for branded products. We're doing a line of socks with Eleven Eleven, which is set to launch in April 2019. That was a niche that we hadn't thought about.

-Josie Arroyo



Where do you think True Face would be if you hadn't participated in parallel18?

I think the program really helped us in terms of the capital infusion and advisory.

And also to get an understanding of where we should go. Without that, we'd probably be moving a lot slower than what we are now.

-Shaun Moore

# Our Startups **Say:** Gen.4



What impact did parallel18 have on your way of doing business?

We've been through a lot of programs and it wasn't until parallel that we re-did a pitch deck. Even though we've won competitions, their feedback helped us.

Also, parallel is smaller, so they get more invested in the companies. Their feedback then becomes more insightful. They've helped us think about our conversations with strategic partners. We've had a hard time closing deals with strategics and doing bigger bids, and the staff here really gave us a lot of the feedback so that now a lot of those conversations are more efficient.

-Samantha Snabes

## BrainHi

What impact did parallel18 have in your way of doing things?

The program gave us a roadmap on how to make your business global. The diversity in the parallel community helped us a lot.

The accessibility to investors was another key thing. Our first small investment round was thanks to parallel. The mentors, the weekly conversations with them helped us make better decisions. Parallel helped us prepare to get in Y Combinator, they helped us survive [hurricane] Maria, and they helped us focus, to define what's important and what's not.

-Emmanuel Oquendo



## workep

What surprised you most about parallel18?

I was surprised by the level of mentors parallel has. From sales to marketing, they had an exponential effect in our startup's growth. It has impacted us in sales, we didn't have any sales before the program and they helped us grow month after month.

In terms of marketing we started to understand how to manage inbound marketing. And the access to the US market has helped us in terms of connections that have helped us understand how to get in without spending too much money.

-Carlos Álvarez

# Beyond **parallel18**

Several of our alumni have moved on to other acceleration programs or have participated in renowned pitch competitions. One of our biggest highlights is the acceptance of BrainHi in Y Combinator and the WeWork Creators Award won by re:3D.



# Results

For Gen.3 and Gen.4 from March 2017 to May 2018.

**2,520,000**

Grants Distributed

**24,448,965**

Total Revenue

**8,140,764**

Total Revenue in Puerto Rico

**50%**

Retention of  
Foreign Companies\*

**17,794,000**

Total Investment

**1,039,000**

Total Investment Raised in Puerto  
Rico from Local Investors

**23%**

Of Gen.3 and Gen.4 Companies  
were Puerto Rican\*

**244,215,000**

Portfolio Valuation

Gen.3 and Gen.4 almost doubled their revenue generated by Gen.1 and Gen.2. However their sales in Puerto Rico were affected by Hurricane Maria.

*According to data provided in exit and alumni surveys.*

*\*We consider the following as retention: companies with HQs, operations, employees, business partners or investment in Puerto Rico. In addition to those who applied for tax incentives.*

# Results: Gen.1 and Gen.2 Update

*Gen.1 finished P18 on August, 2016 and Gen.2 finished P18 on February 2017.*

**31,128,984**

Revenue until May 2018

**8,902,458**

Revenue in Puerto Rico  
until May 2018

**11,810,000**

Investment Raised after P18

**2,670,000**

Investment Raised in Puerto  
Rico from Local Investors

**181,500,000**

Portfolio Valuation

## History in the making

Gen. 2 startup, Abartys Health, made history by raising US \$ 1.45 M from local investors.

Abartys is growing exponentially in Puerto Rico, the U.S. and Latin America and this investment will help them scale faster and, probably aid them in becoming the first Puerto Rican unicorn.

This is the first time a Puerto Rican company has raised so much money, all from Puerto Rican investors.

# Results: Gen.1 to Gen.4 Summary

**26%** *Total of  
Puerto Rican  
Companies*

**42%** *Retention  
of Foreign  
Companies\**

**55,577,002**

Total Revenue from Gen.1 to Gen.4

*Revenue*

**17,043,222**

Total Revenue in Puerto Rico  
from Gen.1 to Gen.4

**29,604,000**

Total Investment Raised

*Investment*

**3,709,000**

Total Investment Raised in Puerto Rico  
from Local Investors

**425,715,000**

Portfolio Valuation

*According to data provided in exit and alumni surveys.*

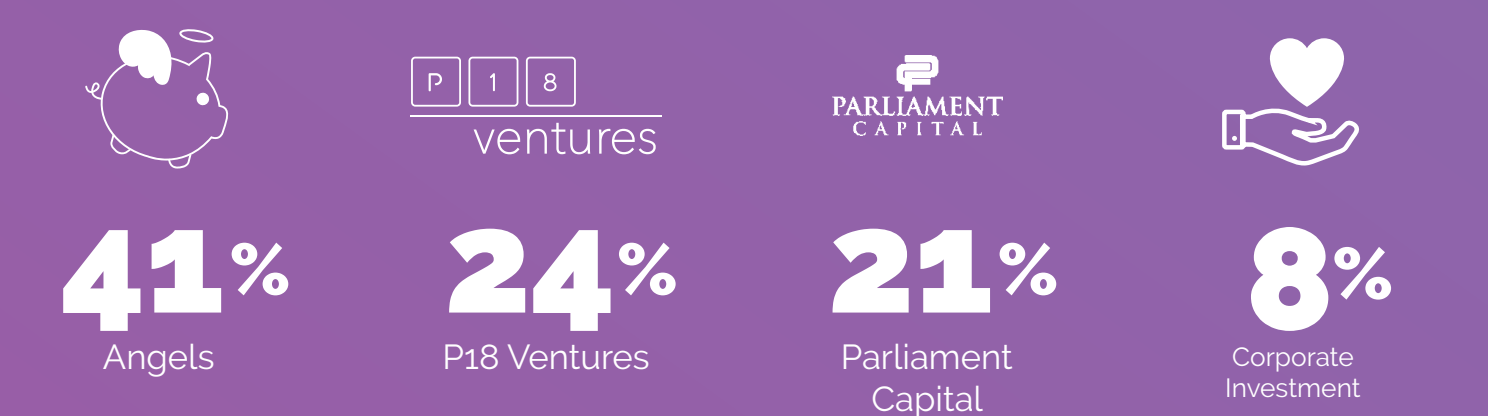
*\*We consider the following as retention: companies with HQs, operations, employees, business partners or investment in Puerto Rico. In addition to those who applied for tax incentives.*

# Development of an **Investment Ecosystem**

Back when parallel18 began, there were only a brave handful of angel investors in Puerto Rico. However, there was no ecosystem and many investors did not see the value of putting money in early stage startups. We saw the need to educate the community, so we began hosting events in which angel investors from the U.S. taught the local community about the benefits and risks of investing in these ventures. We want to thank Alicia Syrett and Beto Pallares for taking the time to do this. In addition, through our P18 Connect program, we have linked startups with business partners that have ended up investing in some of them.

**This work has proven to be effective, since our companies have raised US \$3,709,000 from local investors.** Below, the distribution:

## *Investors*



*“When you invest in local companies, you are contributing to the island’s growth”*

Gino **Villarini**

President at Aeronet and investor

# Alumni They Have Invested In

These companies raised an additional **US \$3,085,000** from international funds. This means that the local investment ecosystem is taking risks along an international community of investors.

## 1.05M

Gen.1



## 1.6M

Gen.2



## 384k

Gen.3

TRANSPARENT



## 655k

Gen.4



### BrainHi

StageBoom



WISBOO



CAMONAPP

# P18 Ventures

This follow-up fund was designed to co-invest in promising startups fresh out of P18. With the fund, the Puerto Rico Science, Technology, and Research Trust (PRSTRT) matches private capital raised by the entrepreneurs up to US \$75,000, in exchange for stocks or convertible notes. The PRSTRT plans to keep its stocks in the startups for a limited time, since the goal is to achieve liquidity so the funds can be reinvested into parallel18.

In our second year, 39 companies applied for the fund. So far, P18 Ventures has invested US \$900,000 in 12 parallel18 alumni. Only one of those companies is not in operations today, and others have gone on to raise additional investment to boost their continuous growth.



# 39

companies have applied for the fund

# 42%

of P18 Ventures investments have been in Puerto Rican companies

# 900k

Total Investment of P18 Ventures

# P18 Connect

Parallel18 looks for ways to find deals or investment opportunities for our startups. With that in mind, we created a subprogram that aims to create connections in the U.S. and LATAM by facilitating that first introduction through group meetings, conferences and pitching events. If you want to become a P18 Connect partner, send an email to [cristina@parallel18.com](mailto:cristina@parallel18.com) or to [bettina@parallel18.com](mailto:bettina@parallel18.com)

# 58

P18 Connect Meetings

# 34

Partners

# 5

MOU's\*

# 68.8%

Of companies stayed in contact with leads \*\*

# 3

Investment deals closed

# After Just 1 Year

P18 Connect doubled the amount of partners. In addition, it facilitated 3 business connections that ended up in investment.

*\*The 5 organizations with whom we have memorandums of understanding are Asociación de Constructores de Puerto Rico, Asociación de Bancos Internacionales de Puerto Rico, Puerto Rico Hotel and Tourism Association, Asociación de Comercio al Detal de Puerto Rico, and Centro Unido de Detallistas de Puerto Rico.*

*\*\*According to data provided in exit and alumni surveys.*

These are our active partners, those that have hosted meetings or closed deals with our startups.



# Positioning & International Recognition

Our Marketing and Communications Team has worked hard to put our program in the eyes of the world. So far we have presented our program in front of the most prestigious government, investment, and entrepreneurial institutions in the world, and have been featured in the most recognized media in the U.S.

In the last year, especially after Hurricane María, parallel18 and our alumni were featured in a variety of international news outlets. In addition, our Business Development Manager led a panel about How to Stay an Innovation Hub When You're in the Dark at SXSW 2018.



ANDREESSEN  
HOROWITZ



Angel Summit  
of The Americas



READY FOR ANYTHING

## Entrepreneurs in Puerto Rico Are Solving Problems in Hurricane Maria's Aftermath

Sebastian Vidal, director of the Parallel18 accelerator, describes the opportunities for innovation on the island.

587 SHARES | Add to Queue | NEXT ARTICLE



## Puerto Rico Science Trust and Parallel18 Ventures Coinvest in Startups Quiena and Abartys Health

By Noemilisa Bora Sanchez



## Puerto Rican AI startup to receive funding from US seed accelerator YCombinator

By Sophie Pappas



## Pre-accelerator offers way to help Puerto Rico-based young entrepreneurs

After Hurricane Maria devastated Puerto Rico, "this was the time when we needed to have more entrepreneurs," said the program's executive director.

By Gabe Miller / Mar. 27, 2017 / 10:48 PM ET

## EVERTEC Partners with Start-Up Accelerator, Parallel 18

Vote up AAA

Driving innovation, experience & financial support for entrepreneurs. SAN JUAN, Puerto Rico—(BUSINESS WIRE)—EVERTEC, Inc. (NYSE:EVTC) ("Evertec" or the "Company") and the Puerto Rico Science Technology and Research Trust, today announced the signing of a collaboration agreement with its start-up accelerator program, Parallel 18 (P18). With this partnership, P18 will leverage many of Evertec's assets as well as receive a cash investment that will be awarded to participants to foster the next generations of entrepreneurial companies.

"Technology and innovation are key elements for the competitiveness and success of businesses today. We are very excited about this partnership with the Puerto Rico Science Technology & Research Trust since it provides us with the opportunity to stay at the forefront of new business ventures and at the same time, add value to its P18 program and its participating companies from around the world," said Guffermo Rosapigliosi, Executive Vice President of Product, Marketing and Innovation of Evertec.

Evertec will offer P18 participants many benefits such as:

- Investment to accelerate business's development and launch
- Waiver of fees on payment products and services for each participant during the term of the program

## After the Hurricanes, Puerto Rico Eyes a Future as a Tech Hub

Inside the challenges of getting the island back online, and Puerto Rico's tech and economic push to rebuild as an innovation hub for everything from renewable energy to blockchain.

By Rob Marvin March 6, 2018 8:00AM EST 755 SHARES



# GiveBack

Impacting young talent is essential to unleash the change we want to see in Puerto Rico. That is why we work hand in hand with universities all over the Island to reach as much college students as possible. So far, we have signed 5 MOUs to closely collaborate with higher education institutions in Puerto Rico.

Each P18 participant is required to support the local community through several specific GiveBack engagements. These engagements range from being a guest speaker in local universities, participating in a community event, or mentoring a local startup. Our GiveBack program has supported several initiatives in Puerto Rico, including giving mentorship to local entrepreneurs in the workshops organized by Shop and Hire Puerto Rico after Hurricane Maria; organizing the Challenge to Innovate at UPRM, talking at INprende Ideation, Bootcamps, mentoring in Startup Weekend, and attending university campus talks.



**SAGRADO**

Universidad del Sagrado Corazón



**189**

Engagements

**6,254**

People  
impacted

**5**

MOUs



# Perks for Startups

We recognize that startups are always looking for a way to maximize resources so we try to provide them with the tools they need to keep their businesses growing. Today, our perks program represents savings of more than US \$300,000 for our startups.



Assembla



Autodesk



Clerky



Cloud Flare

The logo for Digifanz, consisting of a solid yellow square with the word 'digifanz' in a lowercase, black, sans-serif font.

Digifanz



Digital Ocean



FindThatLead



Front App



Fyipe



Hacker Bay



invision



Just Works



Keen IO



Kixie



Klenty



Cloudboost



Hunter



PitchBook



process.st



Recurly



Segment



SurveyKiwi



TipHive



toofr



Unbounce



Vozy



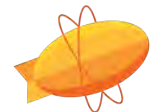
Wistia



Wrike



You Can Book Me



Zeplin



AWS



Hubspot



# Talent Program

There's no better way to retain or inspire talent to become entrepreneurs than to give them first-hand experience with startups. This has been proven with a group of entrepreneurs that were interns or fellows and later became founders that participated in pre18 and, eventually, parallel18.

To keep increasing our data base and interaction with students, we have hosted two speed dating events in which potential interns have quick interviews with our startups to see if they are a fit for what they're looking for. Here are some of the results.

**105**

People have participated in our speed dating events to match them with startups

**369**

entries in our intern/freelance data base



Looking to **work**  
for a startup?

*If you want to work for a P18 startup, complete the form:*

**[bit.ly/P18Jobs](https://bit.ly/P18Jobs)**

**160**

Puerto Ricans were hired by Gen.3 and Gen.4 companies

**48**

were part-time hires

**69**

were intern hires

**43**

were full-time hires

*This data was collected from Gen.3 and Gen.4 exit and alumni surveys.*

# A Natural **Transition**

Seeing former interns and fellows become entrepreneurs is a confirmation that exposing young talent to entrepreneurship can change their mindset and motivate them to become founders.



*I was **building**  
and **being part**  
**of** a very valuable  
network.*



*"The opportunity to join the program as a fellow<sup>18</sup> during the first cohort, to work with companies in their early days and to be immersed in different marketplaces taught me a lot about the startup ecosystem here on the island and globally.*

*Little did I know I was building and being part of a very valuable network that not only supported me through the application process for pre18 two years after being a fellow<sup>18</sup>, but has also been present since then, serving as a powerful resource in different stages of my professional career. I can only aspire to be able to impact and give back to the community in the same way so that more local talent can get to feel as supported as I feel."*

Xiomara **Figueroa**

co-founder of BookSloth

*former Gen.1 fellow*

“

***This environment showed me the struggles and the rewards that can be attained when you work hard***

”

*“When I first joined parallel18 as a fellow I was a freelance translator hoping to build my own business. Being exposed to this environment showed me the struggle and the rewards that can be attained when you work hard to turn an idea into an action.*

*The program's seminars helped me understand the business world and build the foundations of what later became OGMA Language Studio. After being accepted into pre18 we were able to give the company more structure, organize its internal administration and learn how to face the future with more confidence.”*

Carla **Bauzá**

founder of Ogma Language Studio

*former Gen.1 fellow*

“  
We saw that  
**building** our  
business did not  
have to be a long  
term **goal**.”

P18 has been an amazing experience for us as we had the opportunity to start working as interns in marketing and operations and later as employees for several startups.

This allowed us to learn the strategies and tools for running a startup. We saw that our dream of building our business did not have to be a long term goal. We started analyzing and looking for a solution to any problem we had daily, and that is how Banquetealo was born. Working as an event coordinators we thought that there had to be a better and simpler way to order a good quality catering.

Samara and Natalia **Bigay**  
founders of Banquetealo

# Community Events

We love to find ways to collaborate and help potential entrepreneurs find the right resources and tools to become founders or to boost their businesses. This is why we share many of our mentor sessions on Facebook Live and generate events to promote networking and education. These are some of the events we organized or contributed to in the last year.

## Community Pitch Night

February 2017; Entrepreneurial organizations in the San Juan area presented their programs to each other. Grupo Guayacán, Centro para Emprendedores, StartUp Popular, Seriously Creative, INprende, Neeuko

## WOMEN Entrepreneur Sessions

Women Entrepreneurs Speaker Series with Alicia Syrett - February 2018



Ellevate Puerto Rico Women Founders Pitch Night - April 2018



May 2017 Mentes Puertorriqueñas en Acción GovTech Event

## Storytelling & Finding Your Message

Storytelling Workshop with Gary Bonilla - January 2018 at Universidad Sagrado Corazón

## How to Grow & Scale on: HubSpot

How to Grow your Business with Hubspot - May 2018 at Neeuko in Universidad Sagrado Corazón

# Hurricane Maria and its Effects

In September 2018 we were almost halfway through our fourth cohort. We had published our first impact report two months before. The numbers looked good, the program was performing, and Gen.4 was proving to be our best group yet. Hurricane Maria put a halt to all that. It made us rethink the direction the program was going. And while (rightly so) many efforts were oriented to immediate disaster relief, we were looking for ways to have immediate impact in the entrepreneurial community.

Once we found out we had internet and electricity from the building's generator, we opened the office to some of our alumni. We also became involved with the efforts led by the entrepreneurial community to assess the damage businesses suffered during and after Maria. With Levanta tu Negocio Puerto Rico, our team went throughout the island to get crucial data that would allow Colmena66 to help local entrepreneurs.

However, we still needed to find a way to have direct impact and keep the program alive. So, after several brainstorming sessions in the dark, we came up with a pre acceleration program that would focus in Puerto Rican companies alone. And that is how pre18 came to life.



# What:

pre18 is a pre acceleration program dedicated to help early stage Puerto Rican companies to get from concept to market.

# Why:

After Hurricane María devastated Puerto Rico, the island faced many challenges that could only be solved by its own people. With this in mind, and with the intention of motivating entrepreneurship and innovation as the path to normality we launched pre18, to help local entrepreneurs to go from concept to market.

# How:

pre18 offered a US \$20,000 grant for up to 40 Puerto Rican companies. The purpose of the program is to help them turn their prototypes into a business with globalization possibilities. The selected companies received an intensive pre-acceleration program that offered workshops, talks, and mentorship in topics that helped them determine the future of their business.

# Local and International **Support**

When we announced that we were launching this program we received an outpour of support. Foundations, companies, and people from all sorts of organizations offered their help. One of those was the Techstars Foundation donated US \$25,000 to be used in the program.

Since the right mentor can make a real difference in the success of a company we went on the lookout for two Entrepreneurs in Residence (EIR). Aldo Briano, founder of Yiftee, and Raúl Molina,

COO of Campaign, are two Boricuas from the diaspora who served as EIRs for our pre18ners. They met with our companies for a month and a half to discuss a variety of topics focused on their growth.

Airbnb and Unidos por Puerto Rico also made financial contributions that helped pre18 companies grow faster and showcase their services. Unidos por Puerto Rico awarded 10 companies with a US \$20,000 grant. The companies were: BlockFarms, BioCH4, Qualtics, Boon, Molcajete Foods, HiveCube, Odflex, FRESH, PRatian, Produce!.

# 319k

***were received in donations for the program.** This means that pre18 gave many companies and organizations the **chance to contribute** to Puerto Rico's economic recovery after Hurricane Maria.*

# “El Boricua se las Inventa” Looking for Startups

Since pre18 was a pre-acceleration program focused on Puerto Rican companies, we targeted our recruiting campaign in the Puerto Rican inventive. We wanted to support entrepreneurs that were already trying to make a difference and give opportunities to those that came up with ideas inspired by the hurricane hardships.

When we launched pre18 back in November 2017, communications in the Island were still pretty unstable. To reach the biggest amount of entrepreneurs possible we went on a tour and visited six municipalities in different corners of Puerto Rico. **Close to 300 entrepreneurs participated in our info sessions** in San Juan, Ponce, Humacao, Mayagüez, Bayamón and Caguas from November 2017 to January 2018.

**HURRICANE  
STRONG**

*The amount of applications received from local companies broke our records, which indicated that Puerto Ricans were showing their strength after the disaster.*

**307**

applications received

**40**

companies were accepted

**100%**

of the cohort completed the program

**16**

companies were accepted to parallel18 Gen.5

# Adapting p18



Finding ways to adapt the parallel18 structure to pre18 was not an easy task. However, our team managed to create programs that emulated those that we have for P18.



For example, our GiveBack program was adapted to the PayItForward initiative, where startups had to make significant connections to one another. P18 Connect turned into pre18 Connect, where companies were connected with partners for advice and support.

These connections helped foster **collaboration** and growth among our startups.

# 377

pay it   
**forward**  
connections

# 11

corporate partners  
contributed

# 6

companies are in the way  
of closing deals

# Gender Diversity: **42.5%**

of companies had a **female** founder as the team lead.

pre18 was a successful experiment all around. But one of the things that made us feel the proudest was that the cohort was composed of 42.5% female founders. This number is way above the industry standard, for example Y Combinator's Summer Batch of 2018 had only 15% female founders. The percentage is also superior to parallel18 standards (between 18% and 20% per cohort).

# The road to parallel18 Gen.5:

One of the perks of being a pre18 startup was the opportunity of being one of the 20 companies that were going to have a direct pass to the Selection Committee of our fifth cohort.

Thirty-four pre18ners applied for a spot in Gen.5. Of those, 22 were evaluated by the selection committee and 16 were accepted in parallel18.



# “El Boricua se las Inventa” DemoEvent

Pre18 companies were not ready for investment yet, but they were open for business and needed an event to showcase their achievements and solutions. The result was “El Boricua se las Inventa” DemoEvent. An occasion celebrated in the Puerto Rico Convention Center on June 26th, 2018. Thirty-seven startups went up to the stage in an ceremony hosted by Cristina Salazar, from Colmena66, and Carlos Cobián, founder of Cobián Media. Entrepreneurs in Residence, Raúl Molina and Aldo Briano, gave keynotes about how to take a hardware product to market and how to create the perfect team, respectively.

This great occasion was possible thanks to our sponsors T-Mobile, MCS, MCS Foundation, Evertec, Puma Energy, Supermercados Econo, Merck, Compañía de Comercio y Exportación, Cube Group Events, International Printing, and Piloto151.

**556**

people attended the event

**10k**

Prize awarded to Hive Cube  
by **MCS** Foundation

**12**

companies sponsored  
the event

# pre18 Early Results

Even though the purpose of pre18 was to take concepts to market, our startups surprised everyone with these amazing results:

**jobs**

**139**

Puerto Rican hires

**38**

full-time employees added

**Revenue**

**541,000**

total revenue during pre18 (April to late June 2018),  
3 times more than the previous year.

**Portfolio  
Valuation**

**3,360,000**



# Thanks.

Parallel18 would not be possible without the unwavering support of the Puerto Rico Science Technology and Research Trust. We are more than proud to be a program of this great institution. In addition, we'd like to thank the Department of Economic Development and the Puerto Rico Industrial Development Company for always believing in our mission.

We want to thank every startup that has ever submitted an application to parallel18. It honors us that you trust our program has what it takes to take you to the next level.

Thanks to our mentors and investors, who dedicate their time to our startups and give them valuable advice. We are also very grateful to the Puerto Rican entrepreneurial community for opening their doors to our companies.

Finally, we want to extend our gratitude to everyone who sent an email, called or looked for ways to support the program, Gen.4, pre18 and Puerto Rico after Hurricane Maria. We'll never be able to thank you enough.

**-The p18 team**

