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2009 REPORT TO THE COMMUNITY

18th CENTURY ARCHITECTURE. 21st CENTURY TECHNOLOGY.



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In the Digital Corridor's 2008 Report to the Community, I predicted that the hiring trend that was evident at the time would continue in 2009 - in spite of the national economic environment. This assessment was based on the input I received from our member companies. Following the 2009 Wage and Job Growth Survey, this prediction was reaffirmed.

This year's Annual Wage and Job Growth Survey received the broadest participation from member companies since its inception in 2003, providing some very insightful pieces of information. For example, several companies have doubled their employee base in a twelve month period; all but three added employees at an average company wage level of \$83,636; and many companies successfully raised funds in an extremely challenging financial environment.

The City of Charleston followed through on its commitment to support Charleston's growing knowledge economy with the development of the Flagship, Charleston's premier co-working facility. Since the Flagship opened in June 2009, it has successfully met the transitional needs of companies, some of which have graduated and grown into other locations in our community. Further, several of the companies at the Flagship have raised funds and added employees.

Overall, 2009 has been another successful year for Charleston's knowledge economy. The Digital Corridor, with the help of our members and resource partners, will continue to strengthen our value-driven offerings, especially focusing on a comprehensive workforce development strategy, strengthening the Corridor's role with the development of early-stage companies by facilitating a privately led microloan program and providing relevant media and marketing outlets with information that bolsters Charleston as the preferred destination for knowledge-based companies.

Respectively,

A handwritten signature in blue ink, appearing to read "Ernest G. Andrade".

Ernest G. Andrade  
Director, Charleston Digital Corridor





Eight years ago, when the nation faced similar economic woes, the City of Charleston boldly embarked on an effort to broaden its economic base by creating the Charleston Digital Corridor. There was not a lot of hype or overzealous predictions. While some questioned the chances of successfully broadening Charleston's economy to include the knowledge-based industries, the Digital Corridor recognized the changing global economic environment and focused on addressing issues one year at a time, one knowledge-based business at a time and one young entrepreneur at a time.

The Digital Corridor began stripping away the impediments and perceptions about talent, infrastructure and capital that stood between Charleston's traditional economy and the vibrant, technology hub that it could become. While these obstacles were being overcome, the Digital Corridor launched key, value-added initiatives with direct input from the existing knowledge-based business community.

The foresight that it took to launch the Digital Corridor in 2001 and the tenacity to successfully execute the mission still drives the Digital Corridor. While 2009 was economically challenging across our country, the City of Charleston, as it did in 2001 by launching the Digital Corridor initiative, invested in the Flagship. This premier co-working facility is successfully incubating Charleston's knowledge economy, one company at a time.

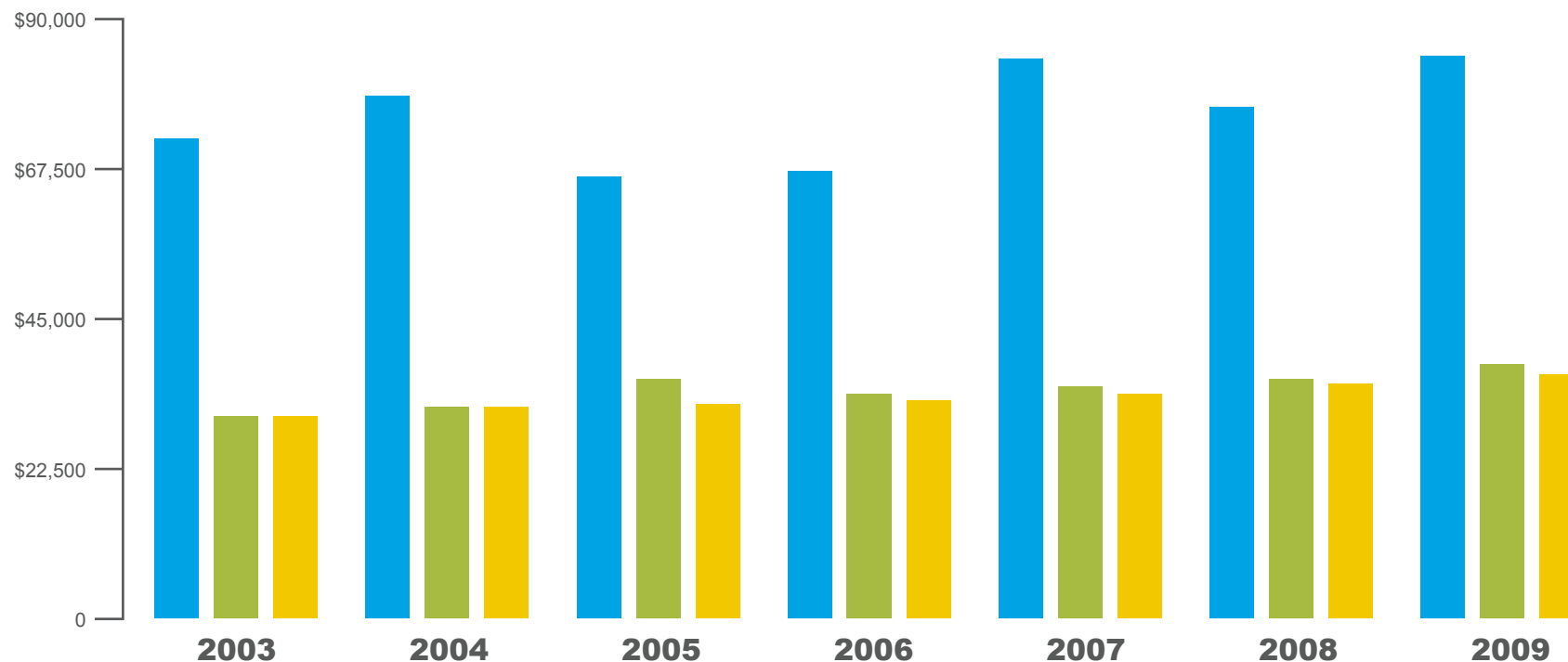
The energy and resolve that have facilitated conversations between Charleston's public sector and private partners continues. In 2010, the Charleston Digital Corridor Foundation will focus on sustaining the near-term success of the Digital Corridor by strengthening key initiatives, while further leveraging its partnership with the private business community.

Respectively,

A handwritten signature in black ink, appearing to read "Kirk King".

Kirk King

Chairman, Charleston Digital Corridor Foundation



**Our Annual Wage and Job Growth Surveys**

continue to demonstrate that the Digital Corridor is meeting its objective to raise the per capita wages in Charleston, SC. In October 2009, the Digital Corridor reported that the average wage for member companies in 2009 was \$83,636. This wage number is once again more than double the average wage levels for the state of South Carolina and the Charleston-North Charleston Statistical Metropolitan Area, which are \$36,050 and \$37,520 respectively.

This year’s average wage number is slightly higher than the average reported in 2008, demonstrating the resilience of Charleston’s growing knowledge economy. In addition to the strong wage numbers posted by Digital Corridor companies, over 50% of the companies reported staff additions to their payroll, with several doubling in size.

**The mission of the Digital Corridor is to attract, nurture and promote Charleston’s knowledge economy.**

Founded in 2001 as part of Charleston’s overall economic development strategy, the Digital Corridor exists as both geographic sections of Charleston and as a comprehensive set of core and value-added initiatives to benefit start-up and existing companies, as well as those considering expansion or relocation.

The Digital Corridor team is comprised of relevant participants from the private, public, academic and non-profit sectors. It is positioned to serve knowledge-based companies as the portal to government, infrastructure, real estate, professional resources, financial incentives, capital, a trained workforce and peer-to-peer networking.

interactive marketing, motion picture/television production, defense and homeland security, engineering and technology products.

The Digital Corridor offers an expanded array of targeted programming and services. Its initiatives include the Talent Portal, Corridor Roundtable, Touchdown Space, Corridor Fund, “Fridays @ the Corridor,” and Corridor Properties. The overriding goal is to offer tangible resources to Corridor companies. These companies validate our objectives to:

- Raise the per-capita wages in Charleston; and
- Create employment for South Carolina graduates while reducing brain drain.

By *knowledge-based*, we mean a company or organization that utilizes or offers new or incrementally beneficial approaches to their respective fields. The types of companies include, but are not limited to, those in the fields of biotechnology and medical devices, telecom and network design services, software development and services, professional consulting, web design and

The Digital Corridor’s funding for the Charleston Digital Corridor is provided through membership dues, support from select Resource Partners dedicated to the development of a high-wage, knowledge economy and the City of Charleston.

Source: U.S. Bureau of Labor Statistics and Charleston Digital Corridor Annual Wage Surveys.





## 1

### Attract, nurture and promote Charleston's knowledge economy

The Charleston Digital Corridor utilizes a combination of state and local business incentives and leverages the area's superior livability, to appeal to knowledge-based businesses. Once a company has located to Charleston, the Digital Corridor draws on private and public resources to assist them in cultivating their business.

10/05/09

#### Wonderlic Tests Area, Decides it Makes the Grade

John P. McDermott, *Post and Courier*  
Charleston seems to have successfully passed its own version of the Wonderlic Test, best known for being administered by NFL teams to evaluate the intelligence of their new players.

The 72-year-old Libertyville, Ill.-based firm that came up with the assessment method is spreading its wings and expanding to Daniel Island, its first business operation outside the Land of Lincoln.

## 2

### Develop and retain a highly educated talent pool

In recognizing that a highly skilled workforce is critical to growing Charleston's knowledge economy, the Digital Corridor's role, as it relates to talent, is to provide a linkage between qualified career seekers and knowledge-based employers while acting as a liaison between educational institutions and the corporate community.

6/20/09

#### Google, Educators Working with Lowcountry Middle School Entrepreneurs

*Charleston Regional Business Journal*  
Forty-two middle school students from Berkeley County are spending this week applying innovative problem-solving skills to 21st-century challenges through the Innovation Technology & Entrepreneurship Among Middle Schoolers camp. The iTEAMS program, which is free to its participants, is a joint effort among SC Governors School for Science and Mathematics, Google Inc. and Berkeley County School District to encourage students who are interested in pursuing computer science, engineering, programming and business.

## 3

### Provide on-going business assistance

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

9/15/09

#### AcadiaHCS Acquired, Raises \$5 Million Round of Financing

*Acadia Press Release*  
Acadia Human Capital Solutions, a Columbia, SC software company focused on Strategic Human Resources (SHR), announced today that it has been acquired by private company PMW Technologies through a \$5 million round of venture capital financing. Acadia will relocate to Charleston, South Carolina and is now managed by former Benefitfocus executives Nate DaPore, serving as President and CEO, and John Smith, serving as Chief Technology Officer.



## 4

#### Support & drive public and private initiatives that benefit Digital Corridor companies

The Digital Corridor staff complements regional economic development efforts by staying abreast of international, state and local policy initiatives that benefit Digital Corridor companies. Further, the Digital Corridor initiates and supports favorable legislation that has a positive impact on Charleston's knowledge economy.

10/05/09

#### Digital Corridor's New Portal Focused For Several Audiences

*Charleston Regional Business Journal*  
The Charleston Digital Corridor launched its new Web site Sunday night and plans an official, formal rollout later this week.

Corridor Director Ernest Andrade said redevelopment of the Web site was a major undertaking that serves a number of audiences, including the Digital Corridor's existing member companies, resource partners, companies and professionals seeking to relocate to Charleston, and the media.

## 5

#### Market the Charleston Digital Corridor as a compelling, infrastructure-rich place to live and work

The Digital Corridor's marketing effort is tailored to reinforce Charleston's reputation as the premier destination for knowledge-based companies. Charleston's unique blend of historic buildings, southern culture, pristine beaches and corporate infrastructure offers the optimal living and working environment.

6/11/09

#### Next Generation Consulting Ranks Hotspots for Young Professionals to Live and Work in the US

*Next Generation Consulting*  
Madison, WI—Today, Next Generation Consulting (NGC) announced its "Next Cities" rankings - the best places to live and work for young professionals - in three population categories. NGC tabulated the rankings after collecting and analyzing 45 measures for all U.S. cities with over 100,000 people....

1. Fort Collins, Colorado
2. Charleston, South Carolina

## 6

#### Engage relevant resources whose goals and objectives align with the mission of the Charleston Digital Corridor

The Digital Corridor's support of Charleston's knowledge economy is facilitated through the many contacts and relationships nurtured by Corridor staff, collaborating partners and the City of Charleston.

7/28/09

#### City, Private Business Foster New Startups: Forward thinking in a down economy

Dan McCue, *Charleston Regional Business Journal*

We're still in a rough economy, but some are embracing the future by providing in-demand resources for startups in technological, "knowledge-based" industries.

Last week, the City of Charleston dedicated its Flagship business incubator at the corner of East Bay Street and Calhoun. Come December, the city and the South Carolina Research Authority will open a massive biotech incubator on upper Meeting Street.





### Talent Portal

The Talent Portal matches career seekers with Corridor member companies seeking a qualified workforce. The portal's job listing automatically collects career opportunities posted by member companies and displays them for potential candidates on the Digital Corridor's website.

### Corridor Roundtable

The Corridor Roundtable is a network of professional resources committed to assisting the Digital Corridor in fulfilling its mission. This resource network includes select business professionals, investors and consultants that consistently demonstrate a commitment to furthering the development of Charleston's knowledge economy.

### Touchdown Space

The Digital Corridor's Touchdown Space is now located at The Flagship. This temporary, full-service office assists companies and individuals commencing operations in the Digital Corridor or considering relocating to Charleston.

### Corridor Properties

The Digital Corridor maintains a partial list of desirable properties and locations for knowledge-based businesses. In 2009, the Digital Corridor assisted several member companies in finding office space that fit their unique business needs.

### Fridays @ the Corridor

Fridays @ the Corridor is a monthly series of interactive forums designed to inform, educate and network Charleston's knowledge-based community. In 2009, attendance has grown both in the number and diversity of attendees.

### Corridor Fund

The Charleston Digital Corridor operates a small fund to support early-stage companies. The Corridor Fund collateralizes business loans that cannot be financed through traditional lending institutions. In addition to the Corridor Fund, the Digital Corridor provides guidance and resources to members seeking to raise start-up capital, follow-on funding or secure a loan.

**“The ‘Fridays @ the Corridor’ series is the only monthly event in Charleston to consistently host guest speakers that lead discussions on fresh topics relevant to growing my business.”**

Maureen Matthews  
*Beehive, Inc.*



**“The Flagship has allowed my young company to improve its productivity by offering a convenient, professional environment for our staff and client meetings.”**

Lyn Mettler  
Step Ahead, Inc.

In February 2009, Charleston Mayor Joseph P. Riley, Jr. pledged to raise his commitment to the Charleston business community. One of the tangible outcomes of this commitment is the Flagship, Charleston’s premier co-working business environment. A dedicated team, consisting of City of Charleston staff and local creative professionals took the Flagship from concept to reality and delivered Charleston’s premier co-working business environment on time and on budget.

The mission of the Flagship is to facilitate the development of Charleston’s entrepreneurial economy. The Flagship is made possible by the City of Charleston and is managed by the Charleston Digital Corridor Foundation, a 501(c) 6 non-profit corporation.

The Flagship is a contemporary business environment designed to meet the transitional needs of entrepreneurs seeking adaptable, affordable office space and conference facilities of the highest quality, while gaining access to the Charleston Digital Corridor’s Professional Resource Network.

The Flagship fosters collaboration among Charleston’s entrepreneurial economy and relevant professional resources by serving as the venue for the Corridor’s educational and networking events, while also providing meeting space for local and visiting professional consultants.

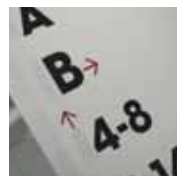
Flagship design and digital rendering courtesy of Jacob Lindsey.

### Services

- Convenient Charleston peninsular location at the corner of East Bay & Calhoun Streets
- Fully furnished & wired offices designed for immediate use by start-up and relocating businesses
- Reception area staffed during business hours
- Address located within the federal HUB Zone
- Twenty-four (24) hour resident access to facility
- No long-term lease commitments
- Two conference rooms
- Beverage station stocked with drinks and snacks
- Inbound and outbound mail/package handling
- Available on and off-site parking

### Office Availability

The Flagship has 8 single (individual) and 3 double (two person) office stations for lease. Lease terms are flexible to meet resident needs with a term of up to one year. If interested in an office at the Flagship, please contact Ernest Andrade at 843.724.3773 or [ernest@charlestondigitalcorridor.com](mailto:ernest@charlestondigitalcorridor.com).







**iFive:k**

The Charleston Digital Corridor Foundation hosted the third annual iFive:k, Charleston's only weekday evening race. With start and finish lines at the Charleston Maritime Center, race participants ran, walked and shuffled through historic downtown Charleston on a crisp, clear evening, finishing with a post-race celebration on the Harbor.

The Innovators Five:k has rapidly become a favorite of knowledge-based business professionals, running enthusiasts and visitors. In 2009, the event attracted a record number of participants, while all previous race records were broken.

**“The iFive:k is an awesome experience! Charleston needed an evening race. The after party on the Charleston harbor is just a cool bonus to the race’s scenic route!”**

Karl D. Walsh

Winner - 2009 iFive:k

The 2010 iFive:k is scheduled for the evening of April 22.

**You want to be there.**

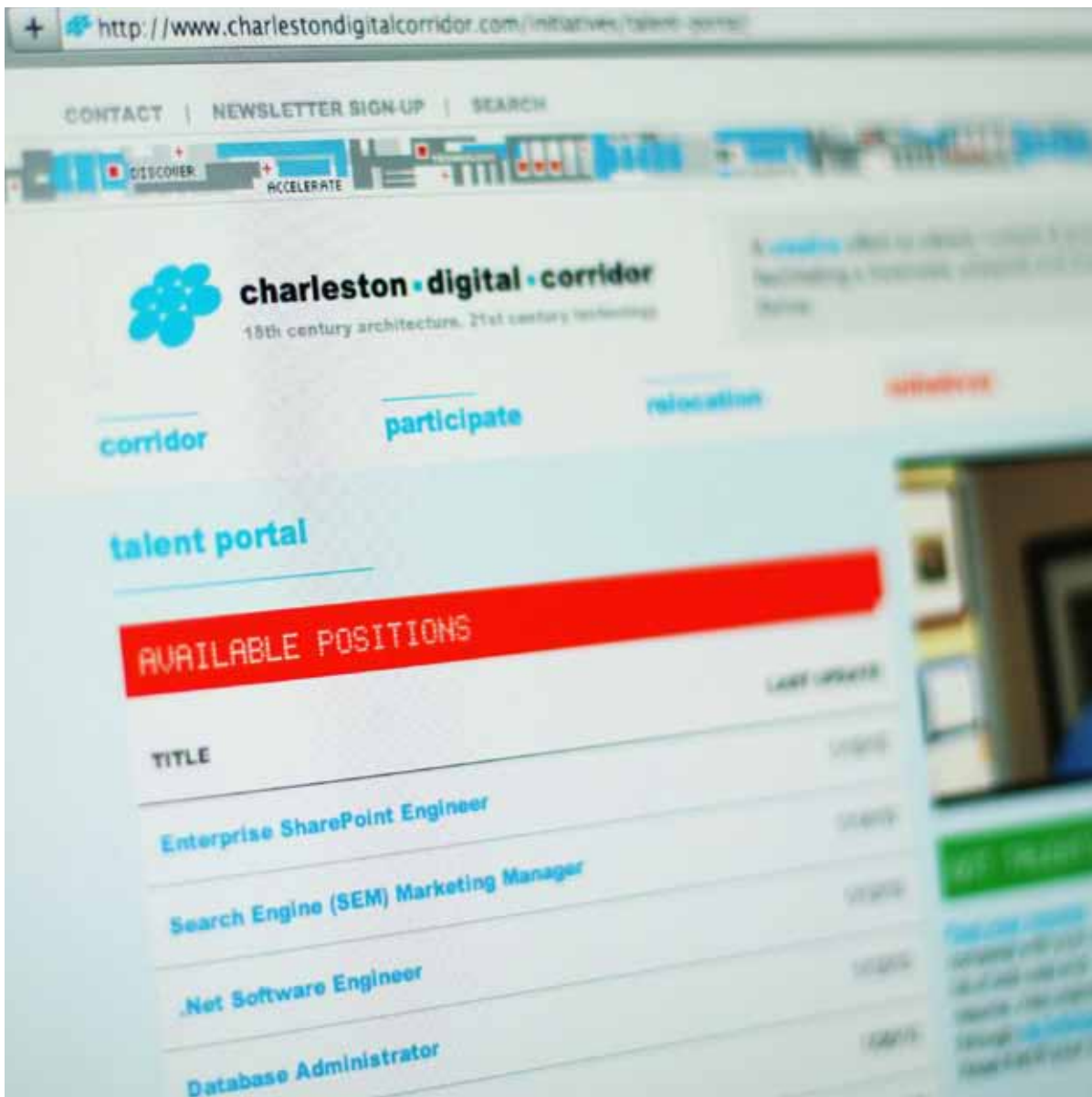


**Corridor Bash**

At the 6th Annual Corridor Bash, a good time was had by all. Casual networking on the Charleston Harbor away from the daily challenges of running a business – a time to relax, unwind and catch up with friends and professionals in Charleston’s knowledge community.

In spite of the tepid national economy, folks at the Bash were decidedly upbeat! – eating, drinking, mingling, sharing their stories and collectively predicting growth and continued success in the year to come.





**Recognizing that talent is the key driver** for successful knowledge-based companies, the Digital Corridor embarked on a new endeavor to connect qualified individuals with the many growing career opportunities in Charleston. This initiative, under the Charleston Works™ brand, will promote Charleston's knowledge economy as the preferred destination for highly skilled and technical professionals.

**The goal of this initiative is two-fold:**

- to generate awareness among those highly skilled professionals about the many knowledge-based companies located in Charleston; and
- to assist employers with their hiring needs by serving as the gateway for employment resources in Charleston's knowledge economy.

By Spring 2010, the Digital Corridor will build on the success of its Talent Portal and launch a website, CharlestonWorks.com, to showcase the magnitude and diversity of knowledge-based companies located in the Charleston region. This site will serve as a gateway for employment resources for both employers and career seekers by providing a comprehensive list of knowledge-based companies and a wiki for use exclusively by Charleston's knowledge-based employers.

Charleston Works™ will further address the companies' needs by coordinating public relations efforts to direct attention to Charleston's knowledge economy on a local, regional and national basis, along with establishing a consistent presence at local college career fairs and promoting internships.

**DO YOU KNOW?**

**Jobs, Jobs, Jobs**

Companies in the Charleston Digital Corridor consistently have job openings. In 2009, the average number of openings exceeded 175 at any point in time.

**Accolades**

In 2009, *Forbes* ranked Charleston as the 8th smartest city in the world and 7th best city for technology jobs.

**Business Concierge**

The Digital Corridor staff operates as Charleston's business concierge. By acting as the knowledge economy's portal to office space, capital, trained workforce and other select professional services, the Digital Corridor provides companies a timely, stress-free approach to locating or starting a business.



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

**The Charleston Digital Corridor Foundation (CDCF) is a 501 (c) 6 non-profit corporation. It supports the development of the Charleston Digital Corridor through an expanded array of programming and networks. The Foundation is governed by a distinguished seven member Board of Directors.**

**The CDCF enables the Digital Corridor to:**

- Expand programming to benefit Charleston's growing knowledge-based community,
- Develop membership and sponsorship programs making the Digital Corridor self-sufficient, and
- Provide services to knowledge based companies regardless of their physical location.

**2009 Charleston Digital Corridor Foundation Board of Directors**



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CSS, Inc.  
Chairman



**Jonathan Butler**  
Co-Founder  
Automated Trading Desk  
Secretary/Treasurer



**Jonathan Alba**  
COO and Co-Founder  
J&J Pharmaceuticals  
Board Member



**Daniel Dechert**  
President & CEO  
NanoScreen  
Board Member



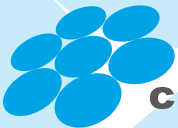
**Mason Holland**  
Chairman of the Board and Co-Founder  
Benefitfocus  
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and Pharmacology Professor  
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**charleston ■ digital ■ corridor**

**475-A East Bay Street, Charleston, SC 29403, USA**

**843-724-3773    [www.charlestondigitalcorridor.com](http://www.charlestondigitalcorridor.com)**