



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR

URI Z. MONSON
SECRETARY
GOVERNOR'S OFFICE OF THE BUDGET

August 22, 2023

The Honorable Scott Martin
Chairman
Senate Appropriations Committee
281 Main Capitol Building
Harrisburg, PA 17120

The Honorable Jordan A. Harris
Chairman
House Appropriations Committee
512-E Main Capitol Building
Harrisburg, PA 17120

The Honorable Vincent J. Hughes
Minority Chairman
Senate Appropriations Committee
545 Main Capitol Building
Harrisburg, PA 17120

The Honorable Seth M. Grove
Minority Chairman
House Appropriations Committee
245 Main Capitol Building
Harrisburg, PA 17120

Dear Chairman:

As required by Section 1608-P under Article XVI-P of the Fiscal Code of 1929, the Office of the Budget hereby submits to the Pennsylvania General Assembly a report on the Angel Investment Venture Capital Program.

Program Overview

The Fiscal Code amendments in Act 24 of 2021 established the Commonwealth of Pennsylvania's Angel Investment Venture Capital Program to create a business environment that attracts and encourages early-stage financing for businesses located in Pennsylvania with the potential for high growth, increases capital investment in the Commonwealth, and encourages job creation in Pennsylvania by making investments in Pennsylvania-based companies that focus on commercializing research and development, technology transfers, or the application of new technologies.

Business entities that qualified as angel investors or as qualified business ventures under Act 24 and the program guidelines had until June 30, 2022 to submit their completed applications to the Office of the Budget. The Office of the Budget began considering and working with completed applications on a rolling basis after July 5, 2022. Awards for the program were made on November 28, 2022, for 12 projects totaling \$4,414,520.

Grants Awarded

1. A list of all grants approved during the previous fiscal year:

Attached as Appendix A. For clarity, all applications were accepted during Fiscal Year 2021-22. The awards made under this program were made in Fiscal Year 2022-23.

2. The name and address of each recipient, including the name of a contact person of the recipient:

Attached as Appendix A.

3. The amount of the grant and a detailed description of the project for which the grant was awarded:

Attached as Appendix A.

Sincerely,

A handwritten signature in black ink, appearing to read "Uri Z. Monson", written over a light gray rectangular background.

Uri Z. Monson
Secretary of the Budget

Attachment

Appendix A

Angel Investment Venture Capital Program

Eligible Applicant Awards

Recipient	Recipient Address	Recipient Contact	Proposed Qualified Business Venture(s)	County of QBV	Amount awarded	Date Approved	Description of Project
Baruch S. Blumberg Institute	3805 Old Easton Road, Doylestown, PA 18902	Louis Kassa	Rimmsting Life Sciences, LLC	Bucks	\$400,000	11/28/2022	RimmSting Life Sciences will hire scientists, research staff and develop new small molecule therapeutics for unmet human health needs. Funding will be used to support the preclinical development of a proprietary Hepatitis B Virus (HBV) core protein to support their biopharmaceutical work toward suppression and potential cure of HBV.
Baruch S. Blumberg Institute	3805 Old Easton Road, Doylestown, PA 18902	Louis Kassa	Pentavalent	Bucks	\$250,000	11/28/2022	Funding will be used to support Pentavalent's biopharmaceutical work for a variety of diseases, protein-based vaccines, therapeutics and diagnostics. Funds will be used to purchase materials and supplies for the production and testing of these novel therapeutics. Specifically, this will lead to production of anti-HBV libraries, general of cell lines to express pentabodies and pentagens and develop analytical methods to support purification and characterization of the resulting proteins.
Baruch S. Blumberg Institute	3805 Old Easton Road, Doylestown, PA 18902	Louis Kassa	Cirna Diagnostics, LLC	Bucks	\$400,000	11/28/2022	Cirna Diagnostics, LLC will develop tools, systems and methods for non-invasive detection and risk stratification of liver disease. These funds will support scientists and supplies needed to produce the prototype panel of diagnostic tests.
Baruch S. Blumberg Institute	3805 Old Easton Road, Doylestown, PA 18902	Louis Kassa	Harlingene Life Sciences, LLC	Bucks	\$300,000	11/28/2022	Harlingene Life Sciences, LLC will develop therapeutic medicine to treat liver diseases. The funding under this program will provide essential early support to allow for testing and production of pre-clinical components for future study. Specifically, these funds will be used to support scientists and the supplies needed to produce the candidate modified small molecule drugs, fund the testing of those drugs for toxicity and efficacy in pre-clinical lab settings, use of Contract Research organizations for some testing and funding of a management team for oversight.
Baruch S. Blumberg Institute	3805 Old Easton Road, Doylestown, PA 18902	Louis Kassa	Merlin Biotech, Inc.	Bucks	\$650,000	11/28/2022	Merlin Biotech will develop therapeutic medicines and vaccines for a variety of diseases and cancers. The Angel Investment Program funding will provide foundational support to create the Merlin drug prototypes and early efficacy demonstration models to generate further investment. Focus of development of these medicines and vaccines will be on solid cancers, chronic hepatitis B and Lyme disease.
Blue Daffodil Investments, LLC	114 Timber Springs Lane, Exton, PA 19341	Jason Keiser	Pression LLC	Chester	\$350,000	11/28/2022	Pression LLC will develop non-invasive treatments for heart disease. The funding will be used to commercialize research through manufacturing of prototypes to ultimately provide at-home treatment options for an aging population susceptible to flow-related diseases that are on the rise, including but not limited to heart failure and peripheral arterial disease.
LifeX Holdings LLC	2730 Sidney Street, Suite 300, Pittsburgh, PA 15203	Gerald Vardzel	LifeX Ventures LLC	Allegheny	\$1,000,000	11/28/2022	LifeX Ventures LLC will provide early-stage funding for additional life science companies in Western Pennsylvania. LifeX Ventures will provide seed capital for support of these companies at their most critical stages of commercial development and growth. Qualifying technologies may include devices, therapeutics, diagnostics, software and combination products.
Nissen Isakov	17023 Loudon Pl., Bradenton, FL 34202	Nissen Isakov	Safisto LLC d.b.a. Hydring	Delaware	\$265,000	11/28/2022	Safisto LLC dba Hydring will use program funding to develop software to simplify regulatory documentation. Specifically, the funding will allow Hydring to complete the development of the first commercial version of the product. Grant funding will be used to hire a lead customer success employee and technical support person. The revolutionized product will be targeted toward Pharmacy and life-science companies to assist with preparation of required regulatory documentation.
Bucks County Industrial Development Authority	11 Welden Drive, Suite 100, Doylestown, PA 18901	Thomas Lonergan, Jr.	EmpathED	Bucks	\$226,000	11/28/2022	EmpathED will create a platform to train educators, parents and health care professionals to improve educational, psychological and health-related outcomes. Specifically, EmpathED will use the Angel Investment Venture Capital grant funding to expand the platform and the application capability and functionality, create additional virtual reality original content, and create a marketing campaign for the product.
Bucks County Industrial Development Authority	11 Welden Drive, Suite 100, Doylestown, PA 18901	Thomas Lonergan, Jr.	Naturaz Inc.	Bucks	\$100,000	11/28/2022	Naturaz will develop vegan hair products. Specifically, the program funding will be used for manufacturing of product, operations of the entity and marketing of the products. A majority of the funding will be used to build inventory to meet demand created by current marketing efforts. Funding will also be used for digital ads as well as sourcing and delivery of raw materials, as well as processing and delivery of orders.
Bucks County Industrial Development Authority	11 Welden Drive, Suite 100, Doylestown, PA 18901	Thomas Lonergan, Jr.	Pippy Sips, LLC	Philadelphia	\$173,520	11/28/2022	Pippy Sips, LLC will develop breastmilk storage containers. These containers are a 3-in-1 storing, cooling and monitoring system for breastmilk and formula. Specifically, the funding from this program will be used to manufacture a base inventory to attract future investment.
Shanken Investments, LLC	513 Plymouth Road, Box 492, Gwynedd Valley, PA 19437	Ross Shanken	SAIL Fusion, LLC	Chester	\$300,000	11/28/2022	SAIL Fusion, LLC will develop titanium orthopedic spinal implants. Specifically the funding will be used to finalize designs for surgical implants and instruments, work with Pennsylvania based machine shops and service companies to produce and test prototypes and partner with a Pennsylvania CMO to manufacture commercially viable products.