UVI Research & Technology Park

PROGRAM UPDATE

December 2017
The RTPark is a specialist economic development agency that works to bring investment to the United States Virgin Islands, by managing an incentive program and offering advisory and technical services. Over the years since enrollment of clients into the program, the organization has maintained a vibrant partnership with the private sector, the government of the USVI and the University of the Virgin Islands, while seeking to promote economic development and make social investments for the benefit of the United States Virgin Islands. As we end the year 2017, the accomplishments of the past six months, despite the intervening natural disasters, give the RTPark Program confidence in its ability to thrive in the year ahead.

**Growth and Operational Performance**

The network RTPark program clients has now grown to 52 members (*figure 1*), with prospects for an additional two clients initiating applications by end 2017, achieving the stretch goal of 54 clients by end of December 2017. This focus on commercial viability has been achieved without compromising the objectives related to genuine partnership with the University of the Virgin Islands, in order to grow the technical pipeline and to improve the innovation culture and knowledge capability in the Territory.

*Figure 1 – Growth in Client Base through December 2017 (Source – UVI RTPark Program Client Database 2017)*

**Financial Performance**

Growth in clients has led to commercial viability with the program registering its first overall surplus in FY2016. (*Figure 2*) Since 2015, the RTPark program has been self-financing deriving its revenues from commercial sources, including fees levied from private sector firms that benefit from an attractive tax incentive program. Distributions from members of the network and a small amount from non-operational revenues such as interest, contribute to the revenue stream. In this period, the annual revenues have averaged $2.0MM and have increased over time and costs have been carefully managed.
Client Diversity
RT Park clients are a diverse group, engaged in technology and knowledge-intensive fields ranging from internet advertising and e-commerce to supply chain management and software development. (Figure 3) The attached Client Network Summary shows the detailed list of active clients with business segments for each.

Aftermath of 2017 Hurricanes
In September 2017, the US Virgin Islands was pounded by two Category Five hurricanes within 12 days. This resulted in severe destruction and long-term damage to infrastructure across the Territory. Water, electricity, cellular and telecommunications infrastructure have been badly damaged; this will require sizeable investment funds for restoration. Early estimates for recovery and restoration of basic services within the community were put at 3-6 months.
As a result of hurricane Maria, the RTPark program headquarters – the 64 West Center - located in St Croix, on the campus of the University of the Virgin Islands, suffered significant interior and exterior wind and water damage. The building is no longer useable as offices for the headquarters of the program, the conference center or shared office space for our clients. The data center which housed servers and other equipment suffered considerable water damage as a result of the breach of the roof. Any new construction associated with the RTPark program is seen as an opportunity, as it has the potential to be a hub for demonstrating environmentally sound technologies, as well as, disaster management and recovery protocols and best practices.

**Digital Fundraising**
We encourage clients and stakeholders to continue to support the hurricane recovery and relief efforts through contributions to the FUND FOR THE VIRGIN ISLANDS, (FFVI), which has been set up by the not-for-profit organization, the Community Foundation of the Virgin Islands (CFVI), in collaboration with the Government of the Virgin Islands and the USVI Delegate to Congress, Hon. Stacey Plaskett. The RTPark program’s immediate goal is to provide financial support for the critical needs of U.S. Virgin Islands residents impacted by both Hurricanes Irma and Maria. Please support this effort by contributing a donation [here](#).

We believe that relief comes in many forms. For this reason, another creative option for post hurricane recovery will be the UVI RTPark and Arcade Distillery: “Game On” for Hurricane Relief in the US Virgin Islands. The UVI RTPark and video game developer Arcade Distillery are thrilled to announce a unique collaboration that will bring greater awareness, education, and resources to bear on hurricane relief efforts in the Caribbean.

With support from RTPark, Arcade Distillery will develop a digital fundraiser in the form of an online game focused on recovery and rebuilding initiatives. The company will donate 100 percent of its profits from the game to relief efforts. This partnership will bring a dynamic edge to community engagement and attract young Virgin Islanders. Special offerings for sponsors of the game include opportunities to showcase their logo through brand placement, appear as an avatar in the game, and earn a listing in the credits. Contacts: UVI RTPark ezall@longviewstrategies.com; Arcade Distillery - [socialimpact@arcadedistillery.com](mailto:socialimpact@arcadedistillery.com).

RTPark and Arcade Distillery look forward to engaging with sponsors, donors, and the community as they begin development on the project in 2018. For more information on the Arcade Distillery organization, visit: [www.arcadedistillery.com](http://www.arcadedistillery.com)

**Impact Investment Objectives**
The RTPark program, as part of its impact investment objective, will be extending its support to the relief, recovery and re-build efforts of the USVI and the wider Caribbean. The model of the RTPark program allows us to continue to deliver on both our core business – attracting investors – and this extended mandate. We have the opportunity to assist the business community by providing advisory services in disaster preparedness and business continuity strategies.

**RTPark Program’s Commitment to USVI and UVI**
The RTPark Program is committed to being a resource and knowledge hub for the recovery and transformation effort. We have already opened up strategic conversations with experts in government and non-profit entities on the mainland (including emergency management organizations) that will utilize the knowledge base and resources of the RTPark community, for the benefit of the USVI, the University of the Virgin Islands and the wider Caribbean. We have begun by launching a relief effort, focused on the business community, starting with
the RTPark clients themselves. We aim to raise funds and leverage in-kind technical assistance and resources to support the recovery effort. Longer term we look forward to raising capital for the re-build and transformation effort.

In 2017 the financial value of client commitments to UVI academic program stands at $1.5mil. (Figure 4) This is a 58% increase in value of commitment since 2015.

Supporting & Promoting Community Spirit
Outreach to the general community is a central objective of the Program and Clients. The RTPark program is already actively engaged in its local community working with not-for-profit organizations and supporting charitable causes. On Wednesday, December 6th, one of the organizations supported was a featured component of the RTPark program’s holiday social event. The informal gathering hosted by RTPark Team on St. Croix, December 6th, provided an opportunity for participants to meet RTPark Clients, share recovery stories and experiences, celebrate the holiday season, and nurture RTPark client/community partnerships.

Ms. Resa O’Reilly, Founder/President of Project Promise, shared information about the Caterpillar Project Trauma launched in October 2017. (Figure 5) With funds donated by the Research and Technology Park program (RTPark), the project introduced therapeutic techniques that included activities that promote resilience and wellness. Their holistic approach to healing focused on two central themes, "Exploring the Storm" and "Standing Strong."

“We welcome this partnership between Project Promise and the RTPark Program,” said UVI President David Hall. “We must always foster the development of our children – the most precious resource in the Territory. This partnership energizes and restores hope. Through the efforts of Ms. Resa O’Reilly, Project Promise’s founder, a lot has been achieved.”
“At a time when our community, and certainly our children, need reassurance, it is our hope that this project can bring about an enhanced sense of peace and security in their lives,” said RTPark Board Chair Edward Thomas. “The RTPark program and our clients strive to support the Virgin Islands community as we continue to rebuild stronger and better.”

It is the demonstrated achievements of Project Promise and similar organizations that validate our belief in the determination and drive of the people within the USVI. Incoming RTPark clients are embracing the impact investment objectives of the Program and willingly participating in efforts to make our community and infrastructure stronger. With dedicated commitment of the RTPark network of clients, we can positively impact the USVI community. Hurricanes are a part of life, but preparing and building to mitigate against the destructive force ensures that the next one delivers only a slight blow instead of a knockout punch.