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THE (Unspoken) GRAND CHALLENGE: Scaling Up Investment for Execution



SINGULARITY
UNIVERSITY

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20 August 2012



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Nastas & IVI: Financing

Entrepreneurs Around the World

Canada (1992)

C\$100MM-Canadian
Bus. Dev. Bank



USA (1986)

The Michigan Product
Dev. Fund (\$4MM)



Russia (2005)



Shell Tech
Ventures

CIS Hi Technology Partnership
Initiative: Shell Oil & IVI



Kazakhstan (2010)



\$85MM Tech Commercialization
Project

Europe (1992/94)

Tech Fund,
\$10MM-EU, \$5MM
Financière St
Dominique, Paris



NATEXIS
Private Equity



Russia (1997)

HP LP, \$30MM-EBRD &
USAID



European Bank
for Reconstruction and Development



Africa (1993/96)

E. Africa \$5MM, Sub-Saharan,
\$280MM, South Africa, \$30MM,
IFC/World Bank



IFC International
Finance Corporation
World Bank Group



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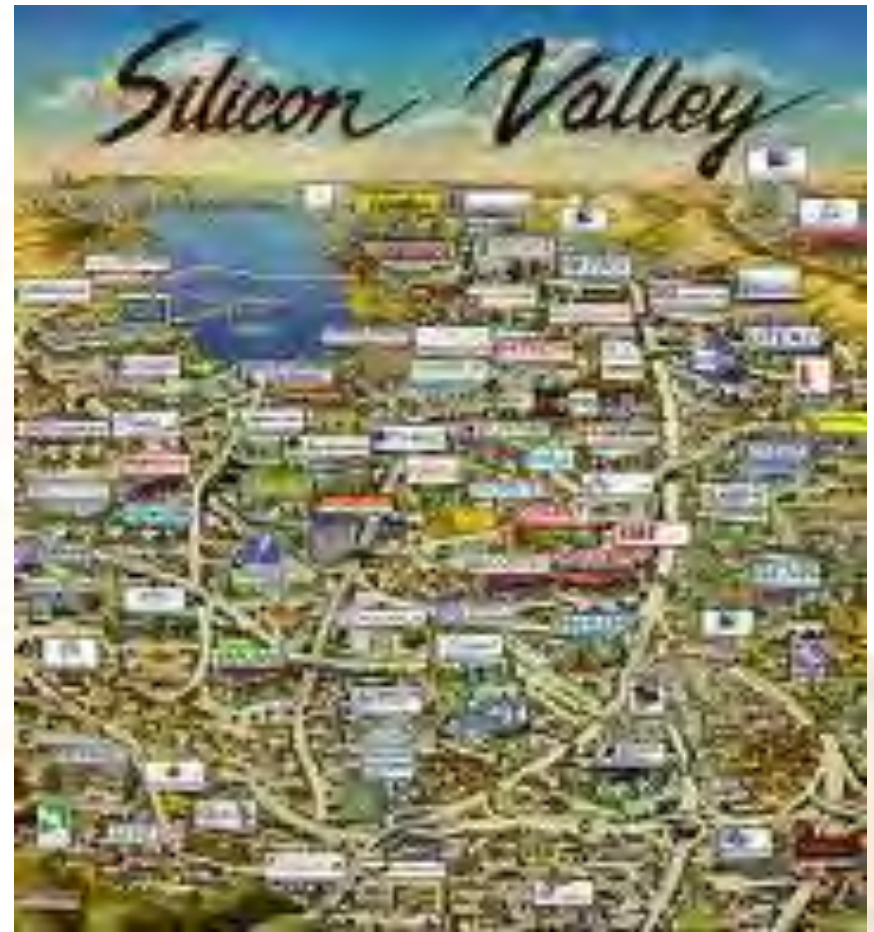
Models of Development





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Models of Development



What Worked for Arnold

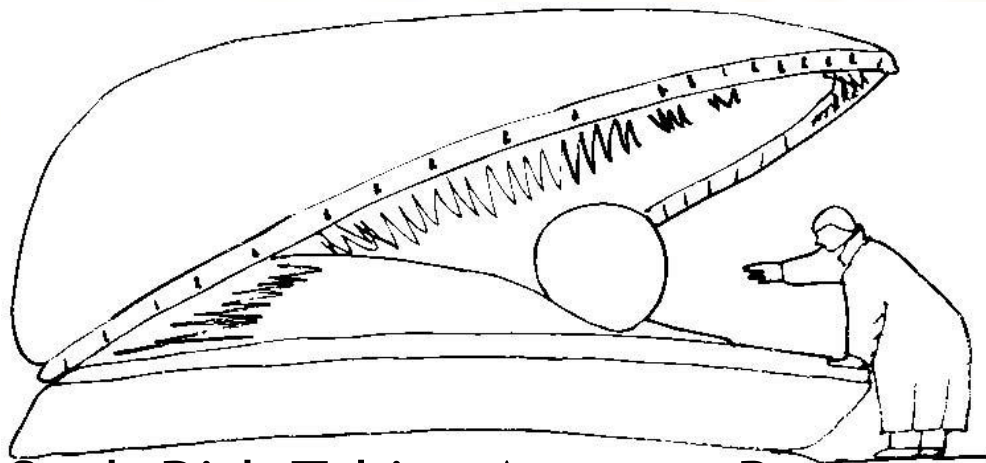


**Didn't Work
for Me**

Attitude to Risk: Silicon Valley's Best Attribute

Velocity of VC in Silicon Valley

Attitude to Risk Impacts Risk Taking



Such Risk Taking Attracts Best
Entrepreneurs with the
Craziest (& Riskiest) Ideas

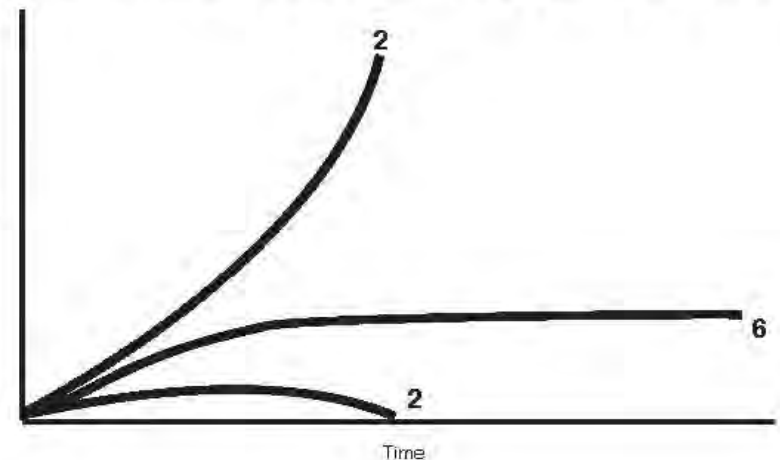
\$
Revenues



Google™

eBay™

Private Equity 2-6-2
DISTRIBUTION OF RETURNS RULE





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Risks Willingly Financed:

Real Estate/Construction

- Food & Beverage
- Retailing
- Mfging
- Consumer Products
- Telecomm

Even in Greenfield
Projects, *Markets &
Customers Are Guaranteed*

Results are Assured if
Execution is Successful



Risks That Scare Investors in the Developing World



Will Tech Work?

Do Customers 'Get It?'

HUH?





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Solutions

www.IVlpe.com
Info@IVlpe.com

Overcome the Risks That Scare Investors in the Developing World



Does the
Market Exist?



Will They
Pay?



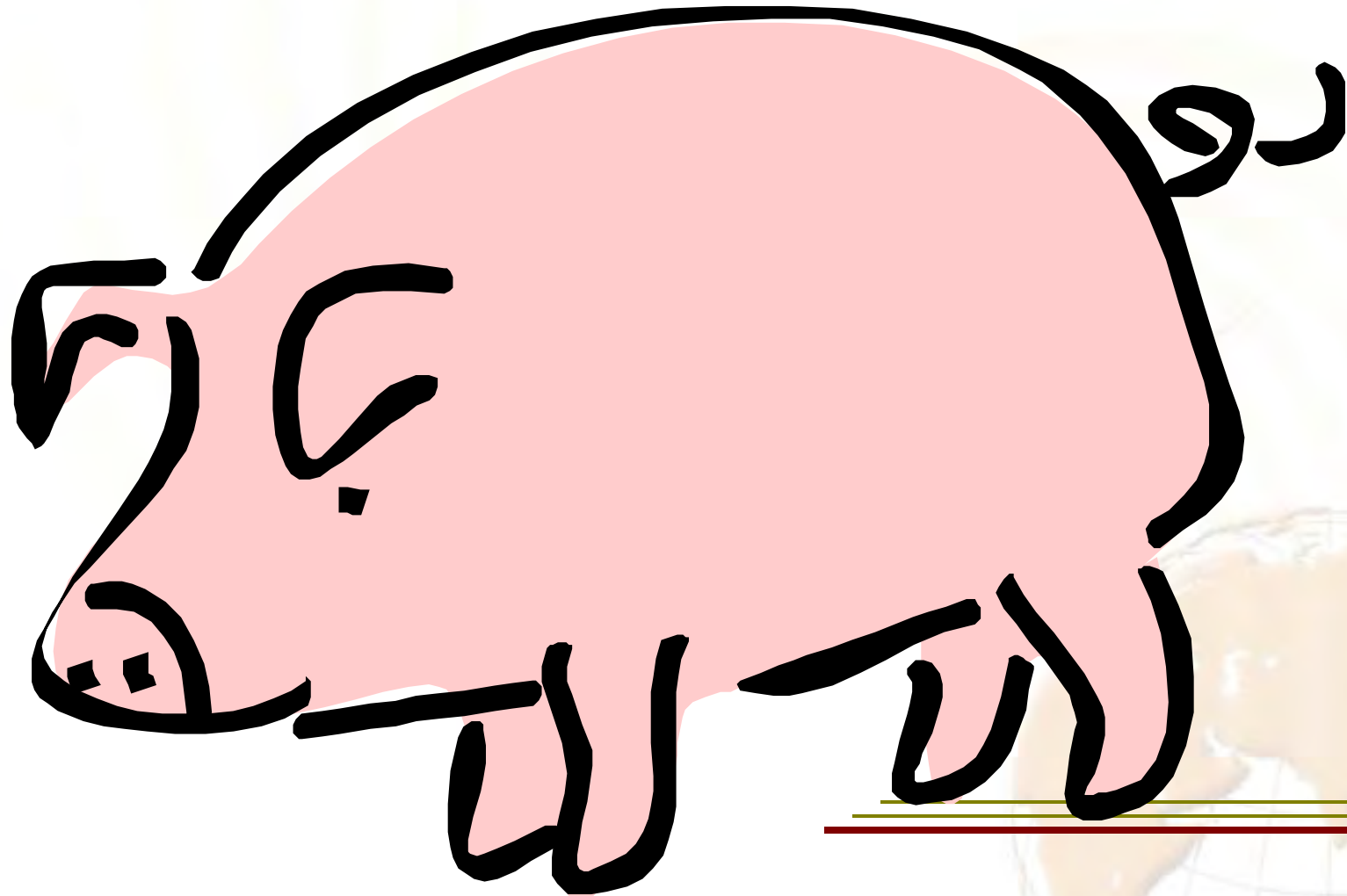
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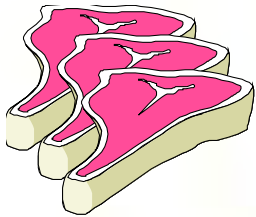
HUH?



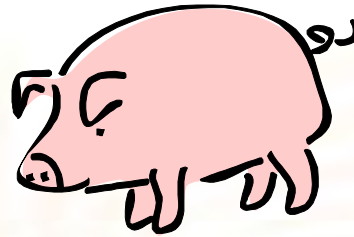
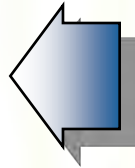
Where is the Technology?



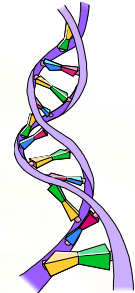
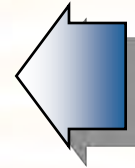
Technology In Many Places! Just Look & Define



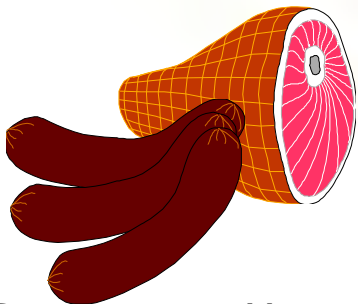
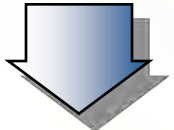
Slaughter



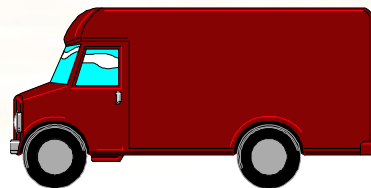
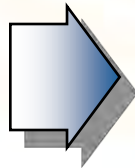
Raising



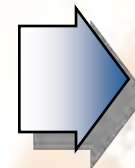
Genetic Engineering
& Breeding



Processing- Ham, Kielbasa



Distribution, Storage &
Delivery



Retail Locations



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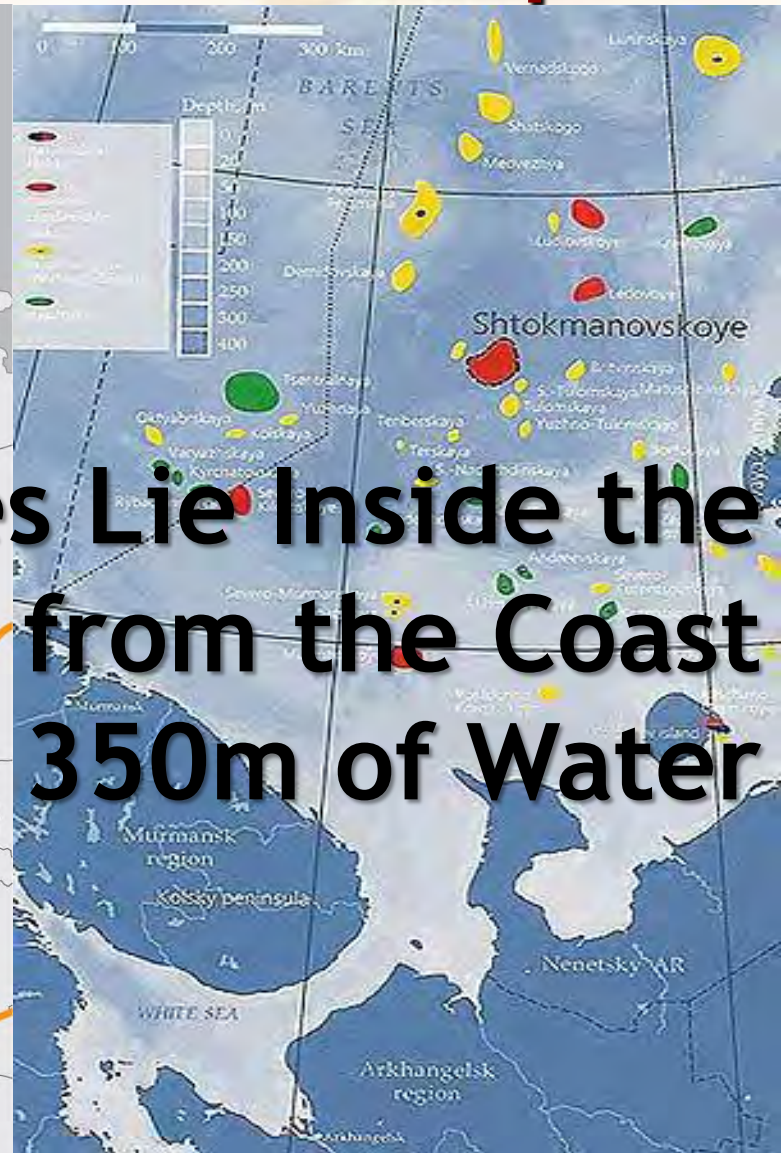
Every Country Has National Priorities in Need of Solutions





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Let's Take the Natural Gas Shtokman Project as 1st Example



**Reserves Lie Inside the
Arctic, 555km from the Coast
of Russia, in 350m of Water**

It Contains Breathtaking Wealth

- **Gas Reserves=3.2 Trillion cubic meters + 31MM tons of condensate, spread over an area of 1,400m²**



- **Exploiting Reserves, Environmentally Safe & Economically Requires New Technology That Does Not Now Exist**



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What Are Examples of Challenges in Shtokman Project, in Need of New Technology?



Challenges #1

Design, Build & Operate the 1st Floating Platform for Pack Ice



- Ice, 3m Thick, Uneven Ridges
 - Able to Withstand Impact of bergs Weighing 1-2 Million Tons, ft at 0.25m/second & 1.2m Drift
 - Ice Moving 1m/second

Challenges #2

Transport Gas Over an Uneven Seabed 565 km from Production to Receiving

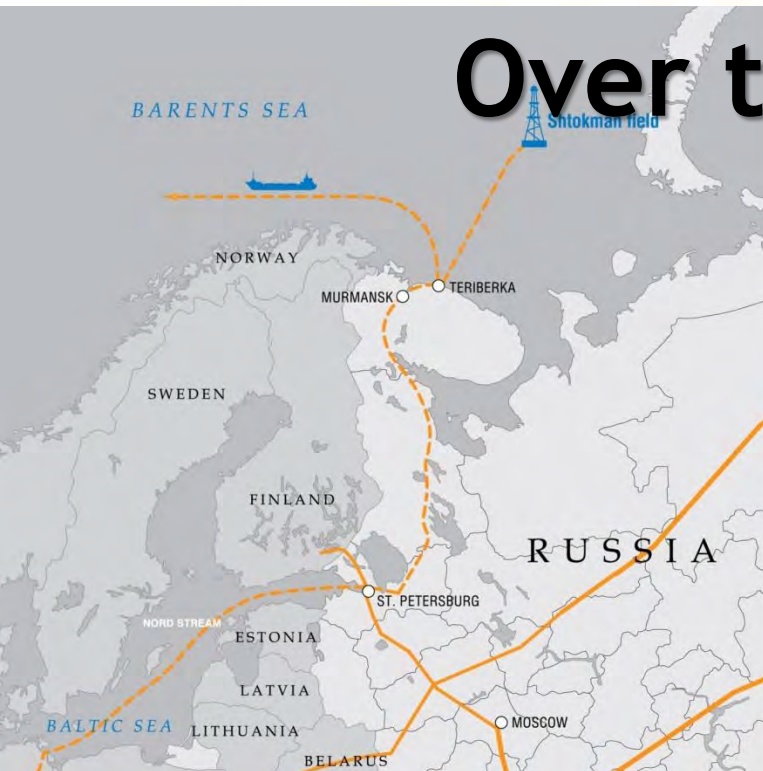
- Operate to -45°C





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All Accomplished Reliably, Environmentally Safe & Economically Over the Entire Supply Chain





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How Work Together

Deal Flow

Finance Creation of New Technologies & Technical Solutions

- **Focus & Channel Russian Scientific & Engineering Talent to Specific Needs to Specific Problems**
- **Oil/Gas as a Fund Too Broad & Too Horizontal to Catalyze Ideas**





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\$\$\$
\$\$ Deal
\$\$\$\$\$
\$ FLOW
\$\$\$\$\$\$\$\$

Tech Solutions Not Russia Limited

- More Exploration in Hostile Environments—Extreme Cold, Deep & Far Off-Shore
- New Tech for Export, a Small But Substantial Success for Russia in the Global Community





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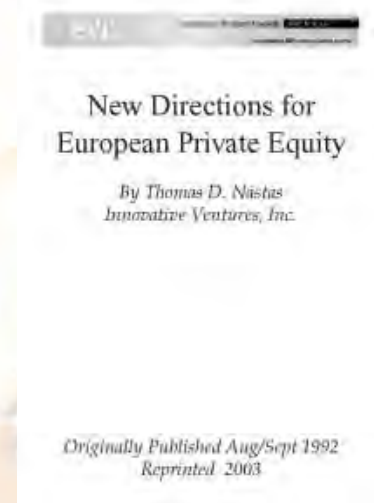
Entrepreneur's Work Philosophy



Posted on July 10, 2012

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INTRODUCTION: THE STARTUP OF START-UP COMMUNITIES; THE POWER OF CLONES IN RUSSIA—& BEYOND





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