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# Entrepreneurs get a boost during state Capitol event

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Hawaii gets dinged in national surveys as a tough place to do business. So it was nice to see local entrepreneurs who are swimming against that tide take time away from their ventures to rally at the state Legislature.

The community celebrated Startup Entrepreneur Day at the Capitol last week, putting on a tech fair and the second annual “Shark Tank” event, during which three company founders pitched their businesses to a panel of legislators.

Legislators heard from Dan Leuck, who founded several local software companies. He recalled starting his first company 11 years ago on a couple of credit cards and working out of his apartment. That company, Ikayzo, grew to have offices in Honolulu and Tokyo, and spawned a spinoff called Contix.

Fortunately for Contix, the resource landscape could not look more different. A decade ago there were a few daring tech entrepreneurs but no organized programs offering startup capital alongside coaching on how to grow their business. Today there are six accelerator programs graduating dozens of new companies every year, with additional funding available for companies’ growth stage as well as co-working spaces with modern shared-office setups.

Leuck took Contix through tech accelerator Blue Startups, praising the investor network and synergies he found with others in the program. Contix provides real-time social media and breaking news information to inform stock trades, and has been engaged by top national brokerages.

This successful small-business support infrastructure came about thanks to public-private partnerships: The Legislature had the vision to spur the ecosystem, and the private sector has taken on the challenge.

Ian Kitajima, chief operating officer at IBIS Networks, a clean-tech startup and Energy Excelsior graduate, thanked legislators for their support of three programs that form the foundation of Hawaii's entrepreneurial ecosystem: the HI Growth Initiative, which provides funding to accelerators, investment funds and events; the Small Business Innovation Research grant program, which supports the research-and-development industry; and the University of Hawaii's innovation initiative, aimed at training an innovation workforce.

"In other parts of the world — other countries, states and counties — they're all building these innovation centers because they're trying to remain competitive," said Kitajima, who also works at Oceanit. "Hawaii has huge potential. We're right at that cusp."

Jeffrey Yu, a radiologist-turned-entrepreneur, is a great example of someone about to crest the hill. His company, KinetiCor, has taken a UH-developed technology and put it to commercial use, correcting blurred magnetic resonance images in real time to save big money for hospitals. Developing that technology into a commercially viable product took equity investments from The Queen's Health Systems, the University of Hawaii Foundation and the state through the Hawaii Strategic Development Corp.

"We've got a lot of great technology in town with the University of Hawaii and the research done there, but we need capital to turn that research into commercialized applications," Yu told KITV after winning the "Shark Tank."

Waterman Kainoa McGee is also pushing into new markets with his proprietary design for stand-up paddleboards that accommodate wheelchairs. Roughly 20 percent of the U.S. population has a disability, and given the proven therapeutic benefits of water-based activities, McGee may be on to something. But he too needs investors and capital to grow his business.

Startup Entrepreneur Day celebrated these entrepreneurs in the trenches, working to build innovative businesses right here in Hawaii. It's amazing to see what can happen with a little bit of support.

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