CONFERENCE RECAP

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2022 Conference Recap

It has been a busy and eventful conference season so far for the Cascadia Robotics, Automation & AI ("RAAI") team, which included the recent Automate Show in Detroit and, of course, our very own Cascadia Connect Conference in Pittsburgh this May.

Reflecting on our travels we wanted to revisit our event in Pittsburgh, formally thank again those of you who could make it, and share some of our reflections and takeaways from the program. We named our event "Connect" for a reason: to create connections among all of us in the RAAI ecosystem that would start at the Conference and endure after. Connections are what will help our ecosystem grow and evolve, and it was our goal to create an environment that would spur active dialogue and high-value networking for everyone – a goal we believe was achieved!

We were fortunate to have hosted this event in collaboration with Carnegie Mellon University, Innovation Works, and the Pittsburgh Robotics Network – all of whom have been instrumental in the region's emergence as a hotbed of innovation and will continue to be key resources for the greater RAAI community.

Over 330 people attended one or more of the week's events including the cocktail reception at Kingfly Spirits, the panel discussions and keynote speaker presentation, the dedicated networking opportunities, and the company and research lab tours.

As can be expected from an event of this caliber, there are many takeaways. We highlight some of the key takeaways below.

Key Takeaways & Highlights

Launch of United States Alliance of Robotics Clusters

- The Pittsburgh Robotics Network, MassRobotics, and Silicon Valley Robotics announced the formation of the United States Alliance of Robotics Clusters as founding members.
- The new alliance will advocate for the growing robotics industry and seek to deliver:
  - Increased collaboration and communication across U.S. robotics clusters
  - Enhanced support and success for stakeholders and startups
  - Focused advocacy for the robotics and artificial intelligence industries
  - More information can be found at roboticsclusters.org

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CASCADIA CAPITAL

Cascadia Capital is one of the first investment banks in the country to have a dedicated practice group to serve emerging growth companies in Robotics, Automation and Artificial Intelligence ("RAAI"). Recognizing the myriad of industries that will be upended by RAAI technology in the coming decade, Cascadia's RAAI group will meet the growing demand for M&A and capital raising services in the market by tapping the firm's existing industry expertise.

Take risk, innovate, and focus on the real world application for new technologies

Dr. Matthew Johnson-Roberson, Director of Carnegie Mellon University's Robotics Institute, delivered an engaging keynote on the history of robotics and lessons learned for new robotics technologies.

- Most early robotics development was behind the scenes, often at academic institutions, and the industry has experienced a long arc to get to the current state of high-profile solutions.
- New robotics technologies need to focus on real world milestones to avoid the hype cycles and investor disillusionment that has been witnessed with self-driving cars, thereby achieving a more sustainable path.
- Telling the story to investors is often as important as the technology itself. In the absence of an investor community in your region, it is essential to take your story on the road to the right audience.
- There is a clear need for advisors and seasoned investors to be involved in helping earlier stage companies hone their presentation materials and messaging.

Inflation, COVID-19, and supply chain pain are driving robotics adoption

- COVID-related disruptions, increasing labor costs, and lack of human talent have served as recent catalysts to jumpstart investment in robotics.
- Successful robotics companies solve customer pain points and problems often caused by this lack of available human labor from the warehouse to the orchard.
- The ROI of these innovative technologies is increasingly making customers comfortable with non-reversable solutions (no human backup), driving further robotics adoption from mobility to manipulation.
- Creative sales models, whether Capex based or "as a service," help meet individual customer needs and lower the barrier to adoption.

Dr. Matthew Johnson-Roberson delivers keynote address at Cascadia Connect 2022

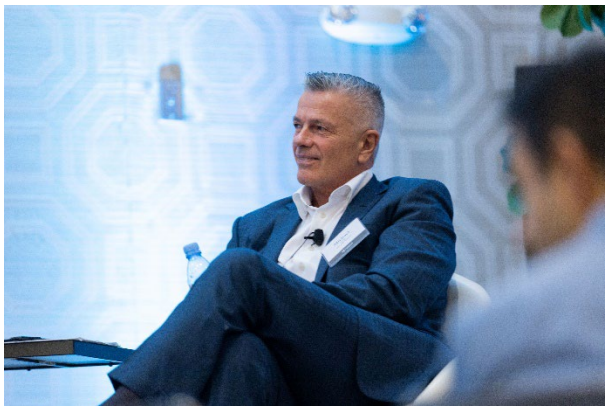
- Robotics and automation are increasingly the preferred solution to combat rising costs and protect margin.

Investors are being more selective and potentially more conservative

- Revenue backlog remains paramount for later stage growth raises.
- This dynamic is causing larger Series A and Series B rounds to allow companies to have enough runway to meet their revenue projections and potentially bridge any headwinds.
- Capital efficiency has become as important as TAM, team and technology when evaluating new investment opportunities, a departure from the past few years. Unit economics and managing to cash flow will be increasingly important as market conditions remain volatile for the foreseeable future.
- Structured equity is taking a more significant role in the current climate, and the value the investor can bring (with recruiting, customers, board advice) to a Company can be as important as the capital.
- First impressions are critical, and companies should take time to make sure a target investor is focused in their area and do their homework before reaching out.
- Over time, the broader robotics industry will benefit as the sector sees more successful exits, creating a flywheel effect. However, public market options will also be constrained until markets settle.

Pittsburgh at an Inflection Point

- Out of region companies are increasingly seeing the value and benefits of the local ecosystem and are setting up offices to invest in the market to capitalize on the rich academic talent CMU and other educational institutions provide.
- The Pittsburgh Robotics Network has launched the Pittsburgh Robotics and Autonomous System Cluster that helps track this activity and regional investment. [Cluster Profile | Pittsburgh Robotics Network (robopgh.org)]
- The Pittsburgh region has over 7,000 employees in over 100 robotics industry organizations, with combined investment of over $3.4 billion.
- Quality of life, immense opportunity, and value compared to U.S. coastal regions will continue to drive talent to the greater Pittsburgh area.



Cascadia Chairman & CEO Michael Butler welcomes attendees

Attendees actively engaging with industry leading panelists

Dedicated time for 1:1 meetings amongst conference participants

Relay+ Hospitality Robot and MARC Mobile Autonomous Robotic Cart from MūL Technologies

Thought provoking panelists and speakers shared insights with attendees throughout the day on topics including Supply Chain, Automation, AgTech, Healthcare AI and more

Keep Connecting

As you reflect upon your own experience at the Conference, we encourage you to share your feedback with us and the RAAI community. And, if there is anyone from the conference with whom you want to have a better dialogue, we would be privileged to help facilitate the connection. The Cascadia RAAI Team is dedicated to the successful evolution of our community and is always available to answer questions and help you think about the future.

As noted during the closing remarks of the conference, planning for next year's event in Pittsburgh is already underway. We will share a date soon and look forward to seeing you there!

Additional Content

Videos and commentary for each of the sessions below will be shared and posted online over the coming weeks. Please find all conference related materials and content here: **Cascadia Connect 2022**

Welcome Remarks and Fireside Chat

Moderated by Michael Butler, Chairman & CEO, Cascadia Capital.

Panelists: Andra Keay, Managing Director, Silicon Valley Robotics; Joel Reed, Executive Director, Pittsburgh Robotics Network; Fady Saad, Co-Founder, MassRobotics

Panel Discussion: The Supply Chain Revolution: How is RAAI Changing the Warehouse and Helping to Solve Global Supply Chain Challenges?

Moderated by Firdaus Pohowalla, Managing Director, Cascadia Capital.

Panelists: Dr. Bernard Casse, Founder and CEO, RIOS; Dr. Thomas Evans, Robotics Chief Technology Officer, Honeywell; Erik Nieves, Co-Founder and CEO, Plus One Robotics; Damion Shelton, Co-Founder and CEO, Agility Robotics; Lance VandenBrook, CEO, IAM Robotics

Panel Discussion: Artificial Intelligence and Healthcare: Will Technology Improvements Drive Equity and Access?

Moderated by Kevin Cable, Managing Director, Cascadia Capital.

Panelists: Dr. Henny Admoni, Assistant Professor, Carnegie Mellon University's Robotics Institute; Ivor Clarke, Co-Founder and CEO of SubjectWell; Dr. Howie Choset, Professor, Carnegie Mellon University's Robotics Institute; Jessica Gibson, Co-Founder and CEO, Ariel Precision Medicine

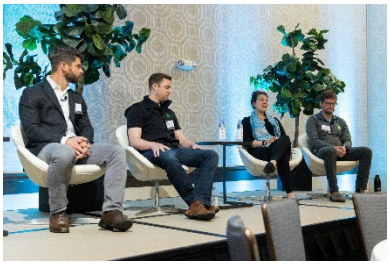
Keynote Presentation: Dr. Matthew Johnson-Roberson, Director of the Robotics Institute and Professor at Carnegie Mellon University.

Introduced by Dr. Martial Hebert, Dean and Professor of Robotics, School of Computer Science at Carnegie Mellon University

Panel Discussion: The Future of Autonomy: Successes and Setbacks, How Will the Long Game Evolve?

Moderated by Jason Lippenberger, Senior Vice President, Cascadia.

Panelists: Arun Venkatadri, Co-Founder and CEO, Model-Prime; Dr. Çetin Meriçli, CEO, Locomation; David Vaskevitch, Co-Founder, Gaia Platform; Anil Rachakonda, SVP, Strategy and Partnerships, SafeAI; Michael Wagner, CEO, Edge Case Research



Panel Discussion: The Smart Field: How is RAAI Reshaping Agriculture?

Moderated by Michael Butler, Chairman & CEO, Cascadia Capital.

Panelists: Eric Adamson, Co-Founder and CEO, Tortuga AgTec; Mark DeSantis, CEO, Bloomfield Robotics; Trevor Thompson, President, TerraClear; Renée A. Vassilos, Director of Agriculture Innovation, The Nature Conservancy; Austin Webb, Co-Founder and CEO, Fifth Season

Closing Panel Discussion with RAAI Investors.

Moderated by Firdaus Pohowalla, Managing Director, Cascadia Capital.

Panelists: Jamie Boyd, CEO, Cascadia Acquisition Corp.; Aseem Datar, Partner, Madrona Venture Group; Mike Kaczmarek, Managing Director, Thomas H. Lee Partners; Oliver Mitchell, Managing Director, ff Venture Capital; Jennifer Roberts, Co-Founder and Managing Director, Grit Ventures

Conference Photos

We invite you view photos from our opening reception at Kingfly Spirits and the full conference at the Fairmont Hotel, including our panel discussions, networking moments and more.

- **Click here** to view images from the Welcome Reception at Kingfly Spirits
- **Click here** to view images from the Conference at the Fairmont Pittsburgh