

# Parallel18 Ventures to invest in 3 startups

*BUREA, Pair y Cinemad were part of the accelerator's first cohort*

**San Juan Puerto Rico (January 11, 2017)**- The [Puerto Rico's Science, Technology and Research Trust \(PRSTRT\)](#) will invest USD\$225,000 through the recently created follow-up fund Parallel18 Ventures. The fund carries the name of accelerator [Parallel18](#) (P18) and was awarded to three of the startups that were part of P18's first generation. Each will receive USD\$75,000 in exchange for stocks or convertible notes, as a match to private capital raised by the companies.

The selected ventures were Puerto Rican startup [BUREA](#); [Pair](#), co-founded by a Boricua in the diaspora; and [Cinemad](#), from Argentina. The combined capital raised by the three companies sums USD \$660,000 from investors in Puerto Rico and the United States, including Parallel18 Ventures. As a condition to receive the funds, each startup is required to keep operations in Puerto Rico and hire, at least, 5 full-time employees in the Island in the next 2 years.

Parallel18 Ventures is a follow-up fund designed to co-invest in promising startups fresh out of the accelerator. With the program, the PRSTRT matches



private capital raised by the entrepreneurs up to USD\$75,000, in exchange for stocks or convertible notes.

"Parallel18 Ventures provides the PRSTRT the opportunity to participate from the accelerated growth of certain startups that we're already supporting, with the possibility of obtaining a financial return of investment," said Lucy Crespo, Chief Executive Officer of the PRSTRT. This is not the first time that the organization will have shares of companies supported through one of its programs. The difference with Parallel18 Ventures is that it was created to have a consistent strategy to keep investing in startups of the accelerator's future cohorts.

Crespo also mentioned that the PRSTRT plans to keep its stocks in the startups for a limited time. "Parallel18 Ventures' target is to achieve liquidity so that funds can then be reinvested into other Parallel18 Ventures startups to sustain the program," said the CEO.

Sebastian Vidal, Executive Director for the accelerator, explained that Parallel18 Ventures was created to address 4 main objectives: foster retention of the entrepreneurial talent attracted and developed by Parallel18; incentivize the investment of local capital in startups; educate the local community about best practices related to investment in high-impact startups; and generate direct and measurable economic impact by enabling the hiring of talent in Puerto Rico.



"When we launched the accelerator, one of our goals was to promote Puerto Rico as an ideal hub for global startups. By supporting companies that want to stay, operate, and grow in the Island with initiatives like Parallel18 Ventures, we're one step closer to that vision," Vidal pointed out .

Parallel18 Ventures received 13 applications from startups that participated in the accelerator's first cohort that was comprised of 36 companies. BUREA, Pair, and Cinemad were selected through a competitive process in which a committee of executives from the PRSTRT evaluated all the applications.

BUREA is a startup founded in Puerto Rico by Vivian Vargas and Stefan Maganto in 2015. The company developed a loyalty platform that substitutes paper coupons with a mobile app. In it, consumers snap a picture of their sales receipt to receive cash credits that can later be transferred to a bank or credit union account. This allows brands to reward and connect with consumers in a smart way.

"Being part of Parallel18 has been vital for our growth. The grant, the mentors, the exposure to other entrepreneurs, and the continuous support have allowed us to strengthen our position in Puerto Rico. Now, with Parallel18 Ventures' support, we're closer to our vision of making BUREA a global company," said Vargas.



On the other hand, Pair is an augmented reality mobile app that allows users to visualize furniture and decor anywhere in their house or office. It was founded in Washington, DC by four entrepreneurs, including Puerto Rican Israel Medina. Pair's catalog includes pieces from multinational companies such as Wayfair and Herman Miller.

"The passion we see in the Island, in Parallel18, and in our local employees, to get up every day with a mindset to cause a positive impact in Puerto Rico's economy, has percolated into the culture of the company as a whole. Thanks to Parallel18 and the follow-up fund, we're scaling our operations to 3 Latin American countries and our operations in Puerto Rico are growing," said Medina.

Finally, Cinemad was founded in Argentina by Mariano Lo Cane, Gabriel Dominguez, Andres Mansilla, Juan Manuel Yañez, and Federico Ratie. Cinemad's interactive videos allow you to increase conversions an average of 6 times than you can achieve with a traditional video ad.

"Puerto Rico represents a strategic location for Cinemad, from the educated talent available, to the tax benefits, to the ideal geopolitical location (a bridge between Latin America and the United States). This is why we applied to Parallel18 in the first place, and then decided to apply for the follow-up fund. We believe that this is only the beginning of our our 'Boricua' story," said Lo Cane.



## Stay tuned for Generation 3

For Parallel18 the first two months of 2017 are going to be full steam ahead. Next Friday, January 20th, Generation 2 will have its Demo Day; and the first week of February startups selected to join Generation 3 will be announced. Parallel18's third open call ended with [507 applications](#) from 48 countries. Puerto Rico and the United States took the lead, followed by Chile, Brazil, and Mexico.

"Each application process surprises us with the increase in the quality and potential of the startups interested in our accelerator. Even though Parallel18 has only been open for a year, our curriculum and top-notch mentors are making the waves in the global startup ecosystem," concluded Vidal, Executive Director of Parallel18.

Parallel18 is an international accelerator for high-impact, innovative startups that see Puerto Rico as a platform to expand their businesses, particularly in the United States and Latin America. Since its launch in December 2015, 64 startups from over 15 countries have participated in the program. It offers an equity free grant of \$40,000 to each startup, guidance and mentorship from highly-qualified global mentors, and work space in Santurce, Puerto Rico for 5 months.



### **About Parallel18 and the Puerto Rico Science Trust**

[Parallel18](#) is a startup accelerator in Puerto Rico that helps build and scale local and international companies while also spurring innovation and economic development on the island. Parallel18 is an economic development initiative operated by the [Puerto Rico Science, Technology and Research Trust](#) in collaboration with Puerto Rico's [Department of Economic Development and Commerce](#), and the [Puerto Rico Industrial Development Company \(Pridco\)](#). For more information visit: [www.parallel18.com](http://www.parallel18.com).

The Puerto Rico Science, Technology and Research Trust, as described in Public Law 214, is a private nonprofit organization created in 2004 to maximize Puerto Rico's participation and creation of jobs in the global knowledge economy by promoting the investment and financing of science and technology research and development. By investing in research and the commercialization of technology, the Trust serves as a catalyst for creating and retaining the Island's highly qualified, well educated, and often bilingual residents. The Trust is also responsible for Puerto Rico's public policy for science, technology, research and development. For more information log onto <http://www.prsciencetrust.org>.

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