



Australian Government
Australian Trade and Investment Commission



EDTECH

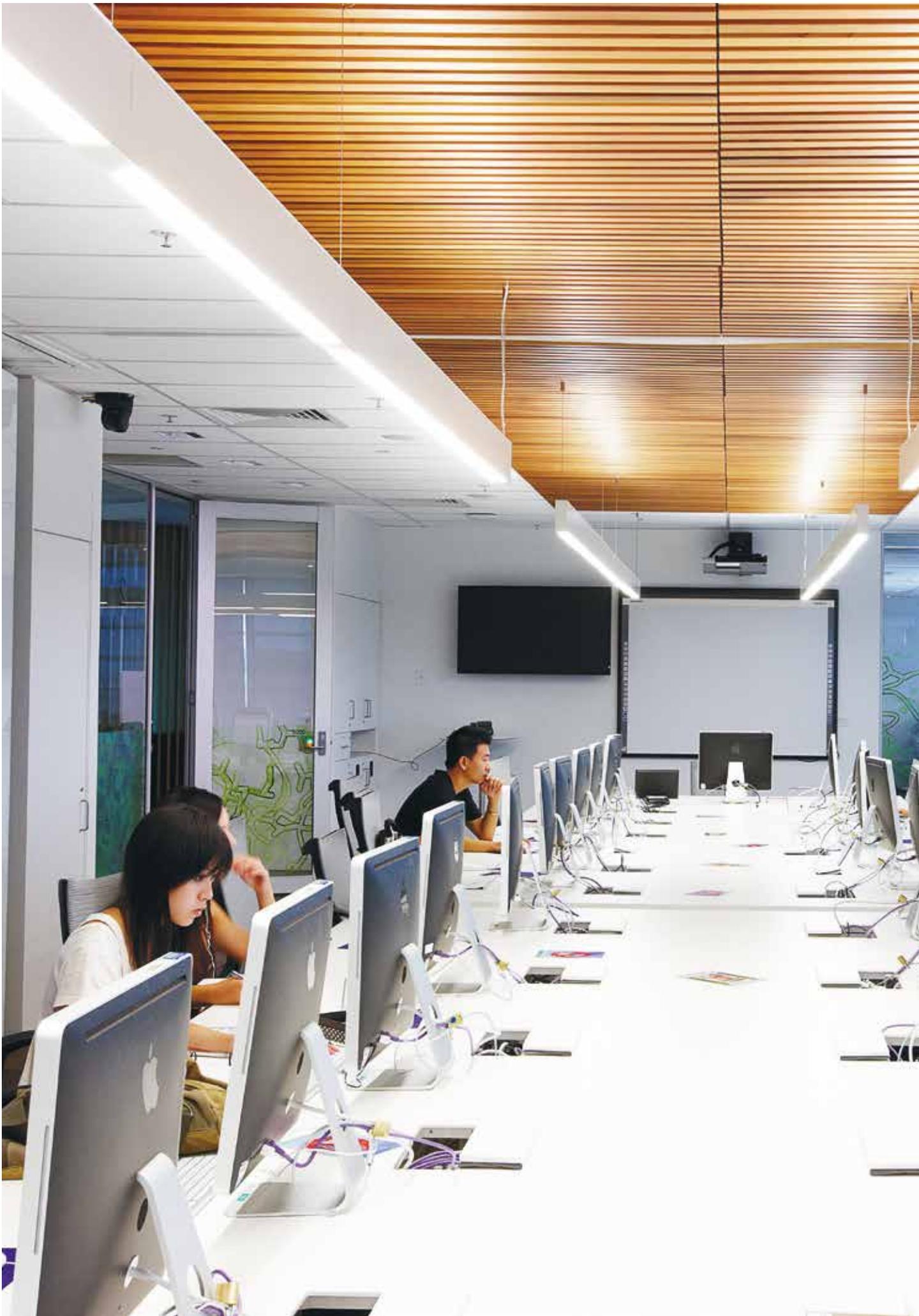
US MARKET SNAPSHOT





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INTRODUCTION

There are significant opportunities in the US for Australian edtech firms. Education is one of Australia's top five exports and Australia is the third largest foreign market for tertiary students in the world. This paper presents the characteristics and opportunities of the burgeoning US edtech sector to identify what may help Australian firms enter the US market and be successful in the long term.

The edtech sector is the second largest startup community in Australia. Austrade assists Australian edtech firms to meet challenges that result from the huge and diverse US edtech market. In the US there are around 15,000 edtech decision-makers at the school district level, 3,500 universities, 1,500 community colleges and strong competition from US and other international developers and firms.

Edtech in this paper covers functions and devices that assist in:

- › recruitment and admissions
- › testing and assessments
- › online course provision (accredited and non-accredited)
- › teaching and learning
- › accreditation and credentials management
- › data analytics
- › internship management
- › student financing
- › parental engagement
- › infrastructure tools such as learning management systems.

During the Obama Administration, the US Department of Education's Office of Education Technology identified the following as the main areas where technology can change education:¹

1. Improving mastery of academic skills.
2. Developing skills to promote lifelong learning.
3. Increasing family engagement.
4. Planning for future education opportunities.
5. Designing effective assessments.
6. Improving educator professional development.
7. Improving educator productivity.
8. Making learning accessible to all students.
9. Closing opportunity gaps.
10. Closing achievement gaps.

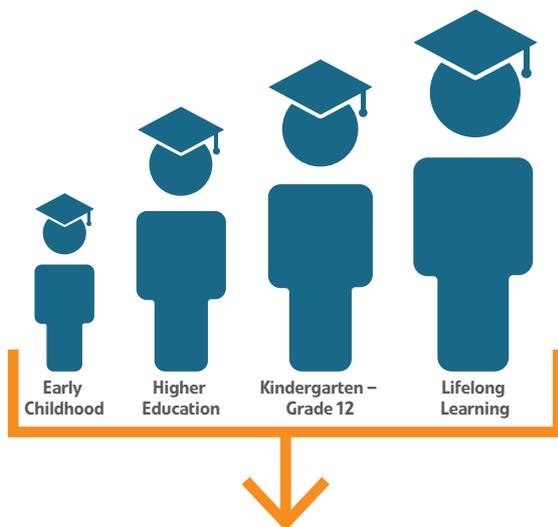
INDUSTRY OVERVIEW²



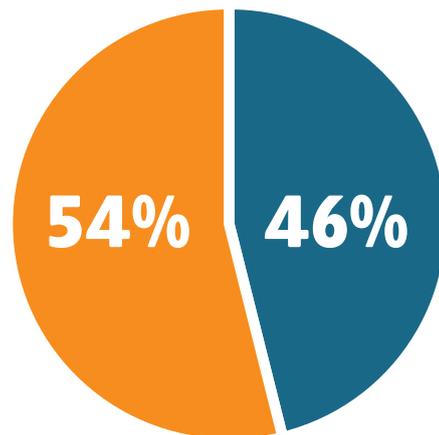
The global market for digital services in education is predicted to be worth **US\$130 BILLION BY 2025.**³

Since 2014, the US edtech market has achieved a compound annual growth rate of 8.81 per cent and is expected to grow to US\$43 billion by 2019.⁴ It is made up of over 1,500 companies and 150,000 education applications (across Android and iOS).

Edtech sector segments



For the purpose of this publication, the edtech sector in the US comprises the K-12 (early childhood, primary and secondary education), higher education and lifelong learning segments. This report primarily focuses on the K-12 and higher education segments.



● Higher education and lifelong learning ● K-12

Within the edtech sector, the higher education and lifelong learning (post-secondary) segments comprise 54 per cent, with K-12 the remaining 46 per cent. This split is predicted to stay about the same over the next three years.⁵

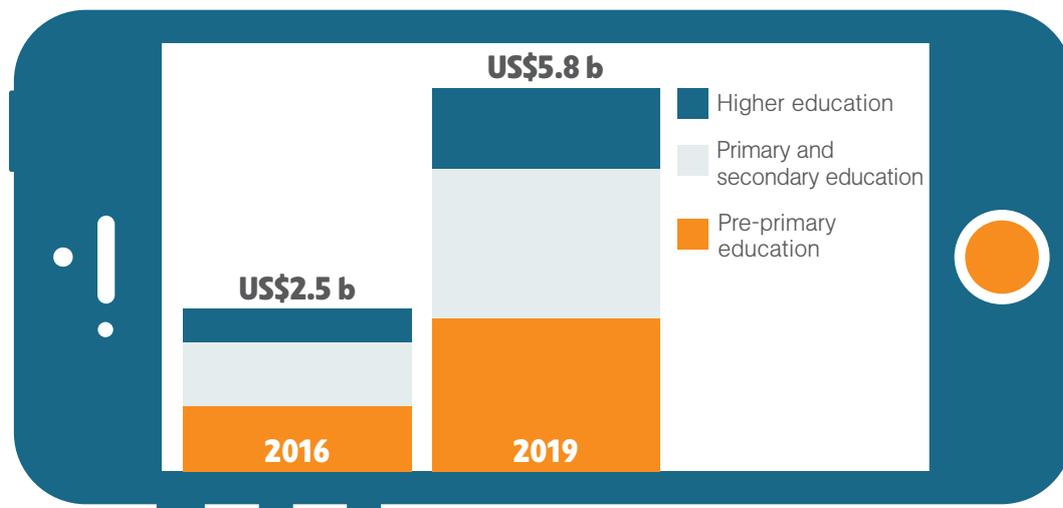
Over and above traditional education, US employers are investing an estimated US\$70 billion per year in further training and education for their staff.⁶

One characteristic of the US education system – whether it is K–12, community colleges or universities – is its size and diversity. As a result, decision-makers are decentralised at the school district level and at each university and college.

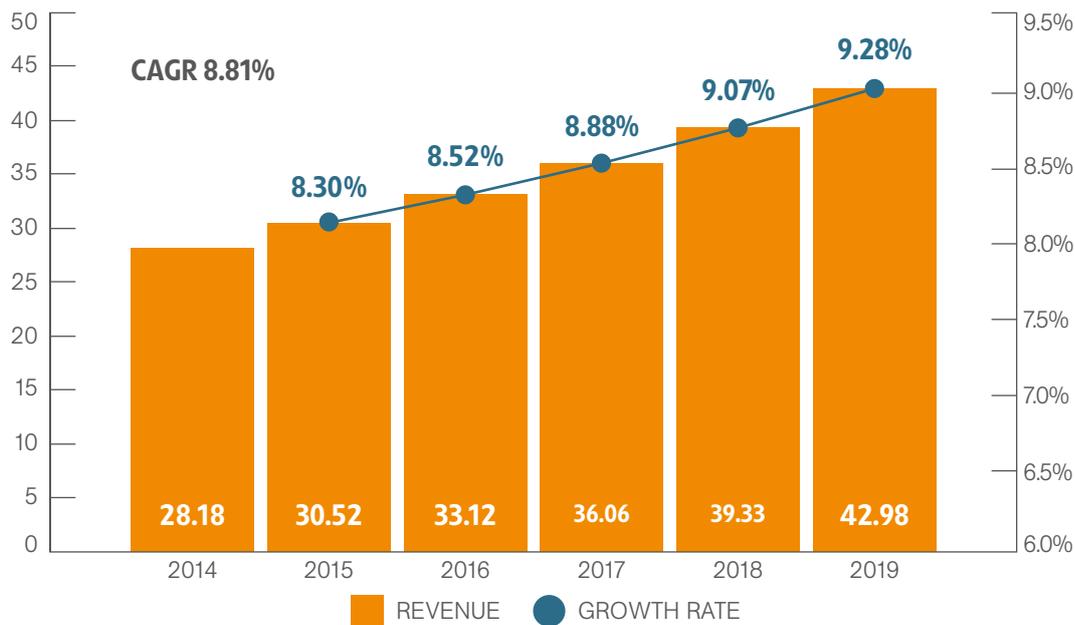
Reflecting broader technology developments, applications are an important element of the edtech ecosystem. The educational applications market

in the US was valued at US\$2.5 billion in 2016 and is predicted to reach US\$5.8 billion by 2019. In 2016, pre-primary education made up 40 per cent of the market; primary and secondary education 39 per cent; and higher education 21 per cent. The segments are predicted to stay fairly constant over the next three years.⁷

Educational applications market (US)



Education technology market in the US, 2014–19 (US\$ billion)



Source: Technavio, 2015.

DRIVERS AND TRENDS OF EDTECH

Drivers of edtech in the US include:

- › Increased **competition** between institutions for students.
- › A search for increased **productivity** and efficiency, due to pressures to manage and lower costs.
- › Student demand for increased and ease of **access**. There is a growing demand for distance learning in the US, with students seeking options that fit their financial, geographical and time needs.
- › Six million (or 30 per cent of) students enrolled in higher education are taking at least one distance course; the focus is on **mobility** and the majority of these are undergraduate students.⁸
- › The existence of improved options in education and the increase in **investments** in edtech. The number of private equity investments has doubled in past years and venture capital (VC) investments have grown by over 50 per cent.

Edtech trends include:⁹



Increased competition in higher education (from boot camps and companies offering technology-focused programs and micro-credentials)



Lessons learned from massive open online courses (MOOCs) (including the rise of companies like edX and Coursera, which have both partnered with Australian universities)



Fast adoption of mobile devices (for example, tablets are used in 85 per cent of K-12 school districts)¹⁰



Learning models (increased use of personalised and blended learning)



Data privacy (important to parents, students, K-12, higher education and companies)



Professional development (for teachers and professors is moving online)



Edtech business models (free versus sell to administrators)



Free products (open educational resources, free from non-profits, and free for now)



Student assessments (moving away from standardised testing)



Computer science (with an emphasis on coding)



FUNDING FACTS

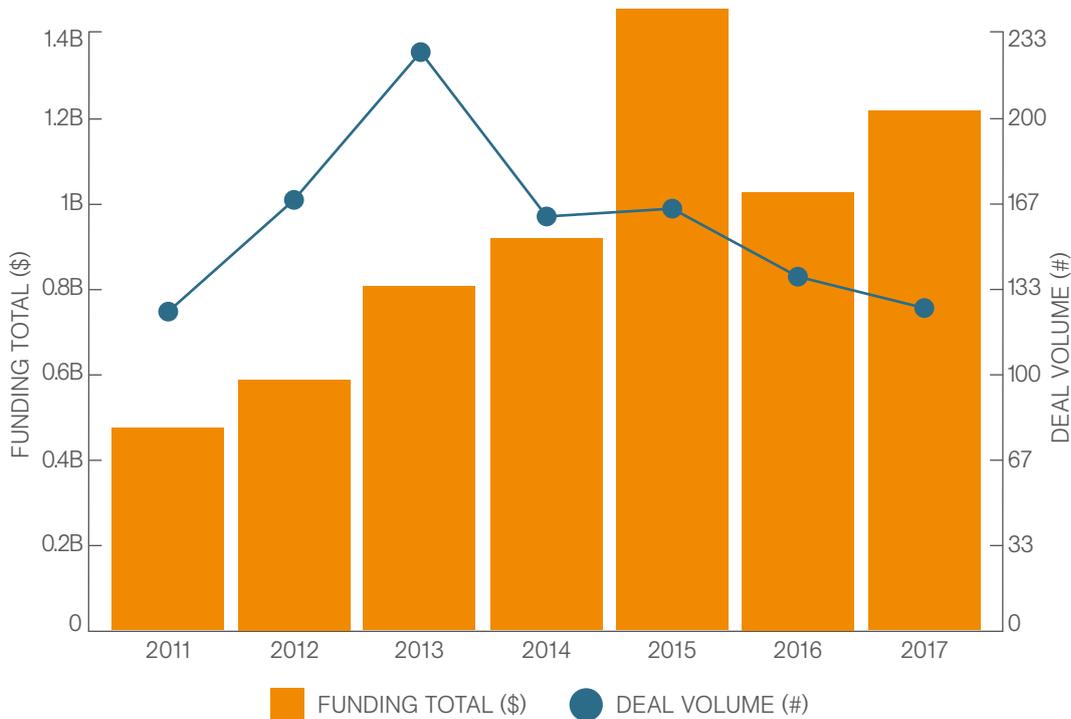


FACT:

Since 2013, the US has been the global leader in edtech fundraising, accounting for

58 PER CENT OF GLOBAL EDETECH DEALS, with India and China at 7.8 and 7 per cent respectively.¹¹

Deal volume and funding total, 2011–2017 (US edtech companies)¹²



FACT:

During 2017, companies targeting K–12 raised US\$753 million, followed by companies that focus on higher education with US\$470 million. The largest number of deals occurred at the seed and angel level, with 56 deals worth

US\$47.9 MILLION.¹³

Several VC firms invest in edtech companies. Some of these are focused exclusively on edtech, while others have broader mandates. Sources of funding include:

- › **New School Ventures Fund** (San Francisco Bay Area) is a non-profit VC that receives money from philanthropies to invest in technology that transforms education. The Bill & Melinda Gates Foundation and AOL co-founder, Steve Case, are major donors. The VC has invested in over 30 edtech companies.
- › **Learn Capital** (Silicon Valley) is a VC firm exclusively focused on edtech, with investments in over 50 edtech companies, including Coursera and Udemy.
- › **Rethink Education** (New York) is a VC firm that invests exclusively in early and growth-stage edtech startups.
- › **500 Startups** (Silicon Valley) is a series A/seed round funder and a startup accelerator. Edtech is only one of its focus areas and it has invested in over 20 edtech companies.
- › **Kapor Capital** (San Francisco Bay Area) is a VC firm that focuses on seed round investments. It has invested in over 40 edtech companies.
- › **GSV Capital** (Silicon Valley) is a publicly traded investment fund that invests in quick-growing, late-stage VC-backed private companies. Edtech companies represent about 30 per cent of its portfolio.
- › **New Enterprise Associates** (Washington DC) is a VC firm that invests in companies at all stages. It recently invested in 12 edtech companies.
- › **Social Capital** (Silicon Valley) has edtech as one of its focus areas.
- › **Accel Partners** (Silicon Valley) focuses on early and growth-stage companies. Accel is familiar with the Australian market and has made several Australian investments, including Atlassian, OzForex, 99Designs, Campaign Monitor and Invoice2Go.¹⁴
- › **Insight Venture Partners** (New York) invests in later-stage edtech companies, including Australian company 3P Learning.

- › **Exceed Capital** (San Francisco Bay Area) invests in edtech companies that are at the growth equity level, which is equivalent to series B. Investments are up to US\$20 million for companies across the edtech spectrum that have the ability to scale.
- › **University Ventures** (New York) focuses on edtech companies in the higher education sector.
- › **Owl Ventures** (San Francisco) invests in edtech companies that improve student achievement and has 19 companies in its portfolio.

In 2017, the US edtech companies that attracted the most investment included:

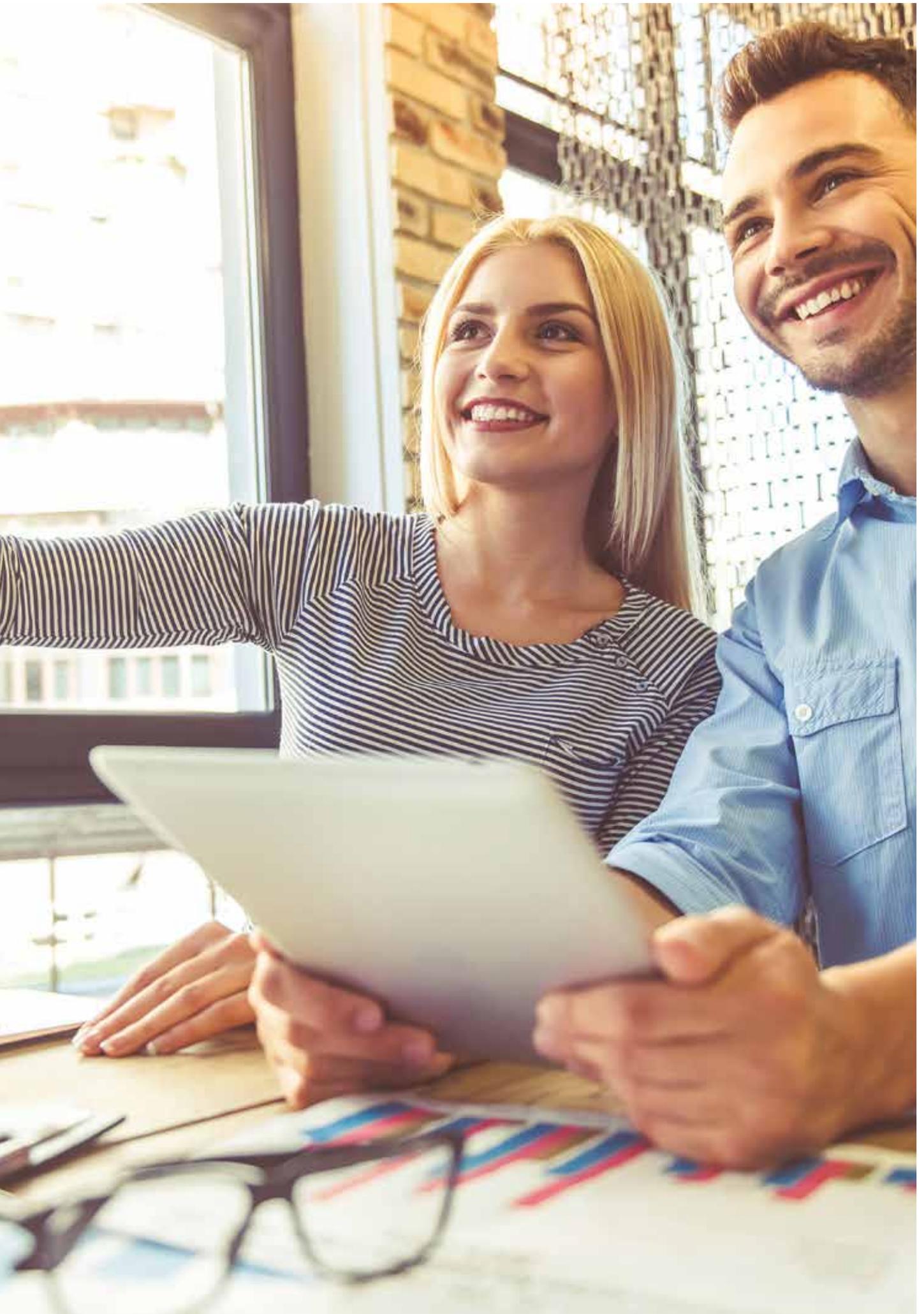
- › **EverFi** (Washington DC) offers online skill-based training (e.g. financial literacy and student experience issues) by partnering with schools, universities and corporations. It recently raised US\$190 million, led by TPG Growth and the Rise Fund. Previous rounds were led by Amazon CEO and Washington Post owner Jeff Bezos and Alphabet (formerly Google) CEO Eric Schmidt.
- › **Hero K12** (Miami) raised a US\$150 million round led by BV Investment Partners. Hero K12 is a behaviour management application that allows teachers and administrators to digitally track behaviour-related disciplinary actions or rewards.
- › **Grammarly** (San Francisco) had a US\$110 million round in May 2017. Grammarly is a grammar software and web browser extension that corrects spelling errors and grammatical mistakes.
- › **Coursera** (Silicon Valley) offers MOOCs to over 20 million registered learners and partners with 140 universities and education institutions (including University of Sydney, University of New South Wales and University of Melbourne). It has raised over US\$210 million. Coursera recently raised a US\$64 million Series D, led by GSV, New Enterprise Associates and Learn Capital.
- › **Wonder Workshop** (Silicon Valley) offers educational robotics products designed to help children learn about engineering and develop fundamental coding and problem-solving skills. Wonder Workshop recently raised US\$41 million from a series C round of funding, bringing its total funding to US\$76.9 million.

MAJOR PLAYERS AND COMPANIES

Eight of the 12 highest valued edtech companies are based in the US and listed below.¹⁵ Udacity, Age of Learning and PluralSight have valuations of over US\$1 billion.

- › **Udacity** (Silicon Valley) provides online courses, credentials and nanodegrees, built by AT&T and Google, for data analysts, web and mobile developers. It has raised over US\$160 million.
- › **HotChalk** (Silicon Valley) partners with universities to put degree programs online. HotChalk incorporates all phases of the education lifecycle and claims to deliver high student retention and graduation rates. It has raised US\$235 million.
- › **Coursera** (Silicon Valley) offers MOOCs to over 20 million registered learners and partners with 140 universities and education institutions (including University of Sydney, University of New South Wales and University of Melbourne). It has raised over US\$210 million.
- › **Age of Learning** (Los Angeles) has the major platform ABCmouse.com, a comprehensive online education resource for children aged 2–7. It plans to expand its curriculum to serve higher-grade levels and meet the education needs of all children, including teaching English as a second language.
- › **PluralSight** (Utah) provides career-oriented technology and creative training courses.
- › **Knewton** (New York) has developed a platform to personalise educational content that allows schools, publishers and developers to provide gamified, adaptive learning for students. Knewton has announced a partnership with Pearson Education to power the publisher's digital content.
- › **General Assembly** (New York) is a co-working space offering online and in-person courses where there are skill gaps, especially in technology. It has locations in Sydney, Melbourne and Brisbane.
- › **Duolingo** (Pittsburgh) is the most downloaded education application, with over 120 million users. It aims to make language education free to the world and its application offers customised, gamification

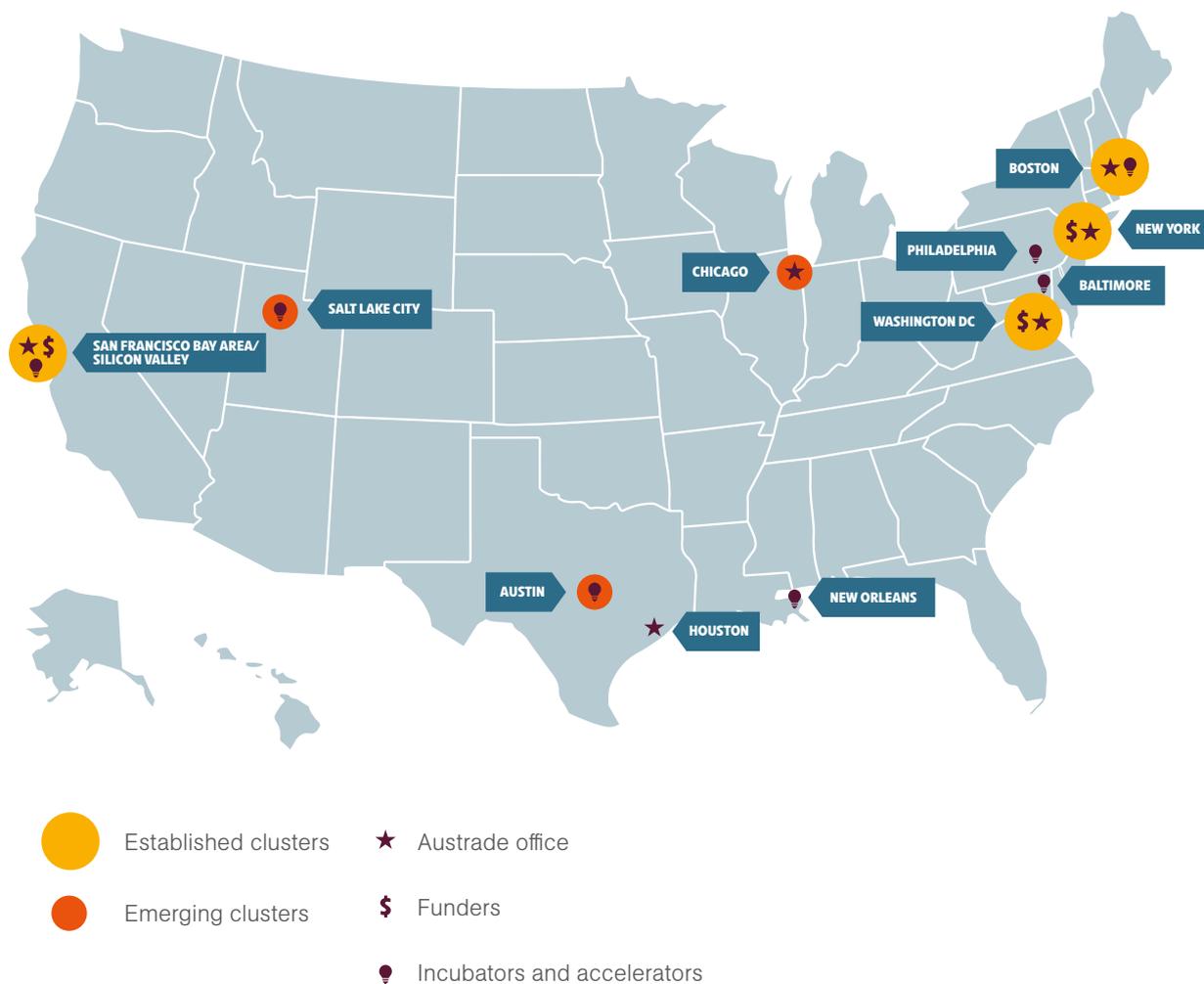




US EDTECH CLUSTERS

In mid-2017, Pitchbook listed the top states for capital invested in edtech since 2010.¹⁶ California ranked as the top state, with US\$2,903 million invested since 2010. New York was second with US\$890 million, and Utah third with US\$458 million.

Other notable states included Washington DC and Virginia, which together had over US\$570 million, Massachusetts was fifth, with US\$250 million, Illinois had US\$155 million, and Texas had US\$151 million. Also in the top 10 were Florida and Colorado.



SAN FRANCISCO BAY AREA/ SILICON VALLEY

The San Francisco Bay Area has the highest investment spend on technology in the US, with over US\$6 billion invested in the first quarter of 2017.¹⁷ There are over 300 Information Technology (IT) firms and 80,000 IT professionals in the San Francisco Bay Area.

California has dominated US edtech investment activity since 2011, with 493 edtech deals between 2011 and 2016.¹⁸

The San Francisco Bay Area has 92 colleges and universities, including UC Berkeley and Stanford University. The County of San Francisco has 263 K–12 schools with over 80,000 students.¹⁹

Major firms

- › **EdSurge's** online newsletters and website are one of the best sources of information for edtech. EdSurge also produces ES-Instruct for educators and the edtech Index, a database that categorises and reviews hundreds of edtech startups, products and services. EdSurge covers K–12 and higher education.
- › **Coursera** partners with colleges and organisations to offer MOOCs. Coursera serves over 20 million registered learners and partners with 140 universities and education institutions.
- › **Bright Bytes** is a Software as a Service (SaaS) data analytics platform that measures and links the use of technology to learning outcomes.
- › **Clever** builds a platform for modern learning software, which enables schools to directly connect their student data to external applications and helps students access all of their learning materials with a single login.
- › **ClassDojo** is a classroom communication application where teachers, parents and students can share what is happening in school. It is one of the fastest growing edtech companies, used in 180 countries and over two-thirds of US schools.
- › **Khan Academy** provides free online courses taught by subject experts on a variety of topics. It has more than one million registered users.
- › **Edmodo** is a school-safe social learning network for K–12 teachers and students and has 65 million users in 370,000 schools around the world. Teachers can use it for homework, grades and notices.
- › **Udemy** is an online learning and teaching marketplace aimed at professional and personal development. It has more than 13 million students and offers 40,000 courses in 80 languages. Udemy acquired Canadian startup Sunnytrail Insight Labs in February 2016. This acquisition gave Udemy a social intelligence platform that provides tools to identify and interact with customers online.
- › **Udacity** provides online courses and credentials, built by AT&T and Google, for data analysts, web and mobile developers.
- › **HotChalk** partners with universities to put degree programs online. HotChalk solutions incorporate all phases of the education lifecycle and claims to deliver high student retention and graduation rates.

BOSTON

There are 53 universities in the Boston area, including Harvard and the Massachusetts Institute of Technology (MIT). This strong presence of higher education, in addition to Boston's ties to educational publishers including McGraw Hill, Pearson, Cengage and Houghton Mifflin Harcourt, provides a fertile environment for edtech.

According to LearnLaunch's 2016 Massachusetts Edtech Workforce Report, there are over 400 edtech companies in Massachusetts, with more than 25,000 employees. The majority are in the pre-revenue startup phase (with fewer than five employees).²⁰

Major firms

- › **Edx** was founded by Harvard and MIT. It is a MOOCs platform and partners with 32 universities including Stanford, UC Berkeley and some Australian universities (including Australian National University and University of Queensland) to make courses available to anyone at any time.
- › **Boundless** was founded in 2011 to make textbooks affordable for all. Originally offering online textbooks, Boundless has expanded to offer cloud-powered educational resources for teachers and students. The company has raised US\$10 million and reaches three million students and educators.
- › **LearnLaunch** is a non-profit that supports edtech startups in New England, mostly through its accelerator program, LearnLaunchX.
- › **Lexia Learning** is a reading technology company focused on improving students' literacy.
- › **Panorama Education** provides a survey and analytics platform to conduct surveys either online or on paper and collect constructive feedback. Over 4,000 US school districts, charter networks and state governments use the platform for issues such as parent involvement, bullying prevention, school safety and student engagement. Panorama received US\$4 million from Facebook founder Mark Zuckerberg's organisation Startup:Education.
- › **Evertrue** has a mobile platform that serves as an alumni networking hub and enables institutions to tap into donor databases.
- › **Flywire** is one of the fastest growing companies in the area, having raised US\$21.2 million. Flywire allows international students to pay for tuition and fees using their home currency. The company works with over 350 schools and has an office in Sydney.
- › **Modo Labs** offers a mobile engagement and communication platform used by hundreds of universities in over 30 countries. Regardless of their technical skills, Modo users can create a mobile application.
- › **Ellevation** offers a suite of tools that covers goal planning, reports and data dashboards to help educators track English language students' proficiency levels and progress.
- › **BetterLesson** offers personalised coaching and mentoring for teachers.
- › **Fullbridge** is a business-focused digital learning platform and is Massachusetts' best-funded edtech startup, with US\$32 million raised.

NEW YORK

New York City is home to 511 public and private colleges and universities, and many publishers. The city has 1,800 K–12 public schools, some acting as pilot schools for new edtech products. There is also strong support for edtech at the state level with the New York Governor recently announcing Smart Schools Investment Plans, which include additional funds for classroom technology purchases.

New York had 98 edtech startups in 2017, each employing an average of 19 people.²¹ With 208 edtech deals over the last five years, New York is attractive for edtech firms because of access to VC firms.²²

Major firms

- › **McGraw Hill Education** has shifted from a traditional print-based business and now focuses on adaptive learning.
- › **Scholastic** is one of the world's largest publishers and distributors of children's books with a strong focus on e-books and technology-based learning materials.
- › **Knewton** has a platform to personalise educational content that allows schools, publishers and developers to provide gamified, adaptive learning for students. It announced a partnership with Pearson Education to power the publisher's digital content and has more than a million students using its technology.
- › **Skillshare** is a global learning community where users can teach or take classes on a variety of subjects.
- › **eduClipper** has a platform for educators and students that allows users to collect, share, organise and discuss content to make learning more effective in and out of the classroom.
- › **General Assembly** is a co-working space offering both online and in-person courses where there are skill gaps, especially in technology. It has locations in Sydney, Melbourne and Brisbane.

US SUCCESS STORY LEARNOSITY

Learnosity operates a business-to-business (B2B), SaaS model and provides a suite of technologies (APIs) that helps organisations build and deliver e-learning and online assessment delivery solutions across a wide range of sectors, including K–12, higher education and corporate education.

Learnosity delivers millions of tests an hour – 500 million assessments were delivered in 2016 – with 25 million active user accounts in May 2017.

Learnosity counts digital publishers, testing organisations, cyber schools, learning management systems, certification and awarding bodies, as well as technology companies among its clients and has offices in Sydney, New York, Los Angeles and Dublin.

WASHINGTON DC

The Washington DC metro area (including Maryland and Northern Virginia) has a strong technology talent pool and access to policymakers and funding, making it an attractive location for edtech.²³

In the suburbs of Washington, Fairfax County (Virginia) has the nation's 11th largest school district, with more than 180,000 students. In Maryland, three counties (Montgomery, Prince George and Baltimore) are among the top 25 largest school districts.²⁴

Major firms

- › **2U** partners with universities to offer graduate programs online. Using its cloud-based, SaaS platform, 2U works with universities to provide a high-quality online learning experience. A public company, 2U has 14 educational partners offering 29 programs and over 17,000 students.
- › **EverFi** offers online skill-based training (e.g. financial literacy and student experience issues) by partnering with schools, universities and corporations. It raised US\$190 million, led by TPG Growth and the Rise Fund. Previous rounds were led by Amazon CEO and Washington Post owner Jeff Bezos and Alphabet (formerly Google) CEO Eric Schmidt.
- › **BlackBoard** is a pioneer in edtech. It provides a comprehensive software platform, including web conferences, emergency notifications, content creation and student management. It has over 19,000 clients in more than 100 countries, including 1,900 international institutions.
- › **Rosetta Stone** is known for its language learning programs.
- › **Interfolio** provides higher education credential management and is a developer of strategic decision-making platforms for universities. It is used at schools like Johns Hopkins University and Stanford University.
- › **QuadLearning** partners with US community colleges to provide pathways for high-performing students to earn their bachelor's degree at one of 30 participating four-year universities.
- › **Echo360** has a platform to make material more accessible to students via blended learning (a mix of online content with videos of lectures). Students can view video lectures at any time and instructors can track student performance. It has offices and operations in Australia.

- › **Ellucian** is a provider of software to higher education institutions. Its users include more than 2,400 institutions and 18 million students. Ellucian offers student information systems, finance and HR, recruitment, retention, analytics and advancement software solutions.

US SUCCESS STORY ORIGO EDUCATION

ORIGO Education is an Australian education and publishing company specialising in high-quality mathematics resources and professional learning services for teachers. The company covers all facets of primary mathematics education.

ORIGO Education material is researched, written and produced by maths experts. This point of difference was crucial to ORIGO Education's successful launch into the US. In 2004, the company established an office in the US.

ORIGO Education achieved over 400 per cent revenue growth in North America, due largely to the launch of ORIGO Stepping Stones, an online primary school mathematics program. The critical turning point came in 2014 when the State of Hawaii adopted ORIGO Stepping Stones for its public school mathematics program. Other multimillion-dollar contracts soon followed from the states of New Mexico and Texas.

ORIGO has won the education and training category of the Queensland Premier's Export Awards for its success in building overseas markets. This was awarded largely due to its success in the North American education market, which ORIGO described as a feat akin to 'scaling Mount Everest'.



EMERGING CLUSTERS

CHICAGO

Chicago is a growing location for edtech. Illinois had 60 edtech deals over the past five years.²⁵ The public school system in Chicago is the third largest in the US, with around 380,000 students.²⁶

Major firms

- › **Everspring** is an online learning management platform for universities and has raised US\$53.5 million.
- › **LEAP Innovations** helps identify, pilot, research and expand the use of innovative teaching and learning technology tools from pre-kindergarten to early college. LEAP connects entrepreneurs, technology companies and learning scientists with educators and students.
- › **ThinkCERCA** is a literacy skills edtech platform.
- › **ClassKick** allows teachers to create digital assignments for students. While students work on the assignments, teachers can monitor activity and provide feedback on students' work.
- › **BenchPrep** has a platform to create and deliver personalised digital learning programs for a variety of devices, including tablets, mobile devices and desktop computers.

TEXAS

Texas' low state tax rates and affordable real estate makes it attractive to companies. Texas is home to 208 colleges and universities, including Rice University, the University of Texas (at Austin and Dallas) and Texas A&M. In Texas, school districts can apply to be innovation districts, which gives schools more autonomy and control.²⁷ Edtech startups in Austin have access to highly rated elementary and secondary schools, as well as the University of Texas and 26 other public and private universities and colleges.

Major firms

- › **Civitas Learning** (Austin) offers a cloud-based, predictive analytics platform designed to help at-risk college students select courses to increase graduation rates and student retention.
- › **Academic Partnerships** (Dallas) helps universities convert their traditional degree programs into an online format, recruits qualified students and supports students through to graduation. It serves more than 40 US state universities.
- › **Aceable** (Austin) brings driver's education to mobile education. It offers an application that allows driving students to fulfil the written component of their driving education without being in a classroom. By the end of 2016, Aceable had raised almost US\$9 million in funding.
- › **Querium** (Austin) was founded in 2013 with the aim of using artificial intelligence to improve education in challenging Science, Technology, Engineering and Math (STEM) subjects. Recognising a skills gap in high-paying STEM industries, Querium founders Kent Fuka and Patti Smith created mobile platforms to prepare students for college placement tests. Using an artificially intelligent visual tutor keeps students engaged with complex topics. Querium has raised over US\$6 million in funding to date.

UTAH

Salt Lake City was named by Forbes as 'The next tech mecca in the US' and by Entrepreneur as the top destination for startups outside of San Francisco and New York City.²⁸ Salt Lake City also hosted the 2017 ASU+GSV conference.

Major firms

- › **PluralSight** provides career-oriented technology and creative training courses.
- › **School Improvement Network** offers online and personalised professional development for teachers.
- › **Instructure** is best known for its popular learning management system product, Canvas.





INCUBATORS AND ACCELERATORS

The US has many accelerators catering exclusively to edtech companies or companies that have edtech as one of their focus areas. These accelerators normally run three- to four-month programs and help startups develop business ideas, provide mentoring and opportunities for networking and hold demonstration or pitch days targeting potential investors. Many US-based accelerators consider applications from Australian firms. It is common for accelerators to take equity in the startup as part of the business model, offsetting their investment.

- › **LearnLaunch** (Boston) is near major universities (such as MIT and Harvard) and the education publishing industry. It takes international applications and has two tracks: a traditional three-month residential program and a four-week boot camp for companies beyond the seed stage.
- › **StartED** (New York) is based at New York University. Ten edtech companies are selected to participate in the program and each receive up to US\$170,000 in funding. StartED's list of mentors and advisors are from companies like Pearson, Rethink Education, 2U and GSV Capital.
- › **Education Design Studio** (Philadelphia) has ties to the University of Pennsylvania and is an accelerator with a six-month program.
- › **Towson University Incubator** (Baltimore) has a strong focus on edtech and a virtual membership option.
- › **Edtech Action** (Austin) provides members with a program designed to navigate the education procurement cycle: mentorship, access to funding sources, a pipeline to real customers, and technical, financial and legal services. The incubator's strength lies in a reverse feedback channel, where partnering educational decision-makers help define key problems in the market and match them with entrepreneurs to find solutions for a waiting customer base.
- › **Michelson Runway** (San Francisco) is the first accelerator for companies focused on higher education and career training/lifelong learning.
- › **Camelback Ventures** (New Orleans) focuses on non-profit companies and startups led by women and minorities that create educational and economic opportunities.
- › **BoomStartup** (Salt Lake City) works with mature edtech companies.
- › **GSVlabs Edtech Innovation Lab** (Silicon Valley) covers all segments of the education sector, with a focus on mature companies.
- › **Imagine K-12** (Silicon Valley) is the education vertical within Y Combinator and one of the best-known edtech accelerators. Imagine K-12 merged with Y Combinator in early 2016. Together they have invested in over 100 edtech companies. Imagine K-12 focuses on the entire spectrum of edtech and is open to companies in any location.
- › **Aspire** is a remote accelerator that meets four times in different US cities, over a six-month period. AT&T is the sponsor and provides a network of mentors. While companies do not have to relocate, Aspire has partnered with GSVlabs in Silicon Valley to offer free co-working space. It seeks startups that improve education outcomes and is especially keen to help at-risk students.
- › **500 Startups** offers a four-month program at its locations in San Francisco and Silicon Valley and invests up to US\$150,000 in exchange for six per cent equity. It accepts companies from any country.
- › **ASU-Draper-GSV Edtech Accelerator** has a four- to six-month program for startups with higher education products and solutions that have received seed-round funding. There are no geographic limitations and companies are not required to relocate. Accepted firms receive up to US\$50,000 and have their products tested on campus at Arizona State University (ASU).

RESOURCES FOR EDTECH AND CONFERENCES

This US market snapshot follows two other related and recommended Austrade publications:

- › **Australian education technology capability report.** This capability statement discusses why Australia is a highly regarded supplier of edtech and the solutions that Australian edtech companies offer. It also includes a directory of selected Australian edtech companies.
- › **More than MOOCs: Opportunities arising from disruptive technologies in education.** This paper sets out the driving forces behind the rise of MOOCs, which is a major part of the edtech story.

Additional sources for Australian firms focused on edtech in the K–12 segment are available from the State Educational Technology Directors Association (SETDA). The Digital Instructional Materials Acquisition Policies for States (DMAPS) is an **online database** with policies on the acquisition of digital instructional materials in K–12 education and includes a section on **state profiles**. The state procurement **case studies** are also worth noting.

The US Department of Education's Office of Educational Technology developed an **Edtech Developer's Guide** and recommends the sources below for keeping up to date on edtech news:²⁹

- › **EdSurge's** online newsletters and website are one of the best sources of information for edtech. EdSurge also produces ES-Instruct for educators and the edtech Index, a database that categorises and reviews hundreds of edtech startups, products and services. EdSurge covers K–12 and higher education.
- › **Education Gadfly** has weekly edtech updates produced by the Thomas Fordham Institute.
- › **Edtech Times** is a Boston-based group whose site focuses on daily news updates and features.
- › **Edutopia** focuses on practices and programs that help students acquire and effectively apply knowledge, attitudes, skills and beliefs to achieve their full potential.
- › **EdWeek Digital Directions** covers news, trends and best practices for the K–12 technology audience.

- › **Edtech Handbook** is a series of contributed articles.
- › **eSchool News** provides the latest educational technology news for K–12 and higher education.
- › **Getting Smart** covers formal and informal topics in K–12, higher education and lifelong learning. The organisation has a particular focus on innovation and personalised learning.
- › **Common Sense Education** reviews edtech products and educators can filter results by type (application or website), subject, grade level and price. Product information includes set-up time, skills addressed, intended student audience and technology notes. Designed for educators, the products are reviewed by volunteer teachers who use a review system that examines the pros, cons, engagement, pedagogy, support and bottom line.
- › **KQED MindShift** was launched in 2010 by KQED and NPR (US public radio). MindShift explores the future of learning in all its dimensions, including cultural and technology trends, innovations in education, ground-breaking research and education policy.
- › **New Learning Times** is produced at the EdLab at Teachers College, Columbia University, and provides daily coverage of learning opportunities to transform education.
- › **Tech and Learning** is published by New Bay Media. Tech and Learning includes a website, newsletter and monthly magazine. Tech and Learning focuses on edtech professionals responsible for implementing and purchasing for K–12 schools.
- › **The Journal** is dedicated to informing and educating K–12 senior-level district and school administrators, technologists and educators on edtech issues.

IN AUSTRALIA

- › **EduGrowth** is a national not-for-profit organisation dedicated to supporting and promoting the Australian edtech sector. EduGrowth distributes a regular industry newsletter and supports the Australian edtech sector through open Meetup events and competitive accelerator programs.
- › Austrade's **Market Information Package** (MIP), a paid subscription newsletter and website, provides valuable and timely market intelligence, analysis and opportunities to support Australia's international education and training sector.
- › Austrade has a global education LinkedIn community: **Australian International Education AIE 2025**.

CONFERENCES

The two most prominent annual edtech conferences in the US are **ASU+GSV** and **SXSWedu**. ASU+GSV is held between March and May, and moves cities each year. In 2019, ASU+GSV will take place in April in San Diego, California. SXSWedu is part of the larger South by Southwest (SXSW) event held every March in Austin, Texas. Information is available on the respective events' websites. Austrade provides further information via the MIP (mentioned above).

Companies focused on higher education should consider attending the **Educause** conference, which will be held in Denver in 2018 and Chicago in 2019. Firms that focus on K–12 should consider attending the **ISTE** conference in Philadelphia in 2019.

EdSurge lists the top edtech conferences for K–12 (**K–12 education technology events for 2018-2019**). There is some overlap with conferences for higher education (**higher education conferences for 2018-2019**).

US SUCCESS STORY MATHSPACE

Mathspace is the world's first adaptive mathematics program allowing students to receive feedback at every step of a maths problem. It also includes handwriting recognition for mobile devices. Mathspace's focus on the process of solving a maths problem – rather than just the final result – distinguishes it from the vast majority of online maths programs, which are primarily based around multiple-choice.

Mathspace has partnered with various organisations to grow their presence outside of Australia. In 2016, a partnership with Pearson saw Mathspace integrate with Pearson's flagship MathLab product, which serves over three million users in North America. In 2017, Mathspace partnered with Westpac Bank to provide Mathspace Essentials free to all Australian students.



HOW AUSTRADE CAN HELP

The Australian Trade and Investment Commission – Austrade – contributes to Australia's economic prosperity by helping Australian businesses, education institutions, tourism operators, governments and citizens as they:

- › develop international markets and promote international education
- › win productive foreign direct investment
- › strengthen Australia's tourism industry
- › seek consular and passport services.

Austrade delivers international marketing and promotion services to the Australian education sector, including edtech companies. This includes positioning Australian education through the international education brand, Future Unlimited. Future Unlimited highlights the global relevance, practicality and quality of Australian education solutions, along with their innovation, creativity and focus on the future.

Austrade also supports Australian edtech companies through a range of information, advice and tailored services to support their international engagement strategies. This includes the delivery of accurate and timely market intelligence and opportunities through the Market Information Package (MIP), an online portal available on a subscription basis to eligible edtech companies.

Specifically, Austrade can assist you in the US market through:

- › general market briefings
- › regular information about events and conferences in the US
- › edtech business missions to the US
- › tailored services for your firm, such as connecting you with local partners via a program of appointments with prospects in market.

As part of the National Innovation and Science Agenda, Austrade has established five Landing Pads in Berlin, San Francisco, Shanghai, Singapore and Tel Aviv.

Landing Pads provide market-ready Australian startups with access to some of the world's most renowned innovation and startup ecosystems.

Participants will have a short-term operational base at one of five Landing Pads for up to 90 days, where they will benefit from Austrade's extensive global network of contacts and tailored business development assistance.

The immersive environment is designed to accelerate the development of a startup's product or service business model by exploring in-market business development, investment, mentorship and strategic partnership opportunities

Australian edtech startups should consider **applying** for the Landing Pad in San Francisco.

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