



**START
GARDEN**

SmartZone LDFA Collaboration Report
Quarter 1, 2021

SmartZone LDFA Board Meeting
January 12, 2022



Paul Moore, Director

Former tech startup founder, has worked alongside hundreds of startups. Launched multiple platforms that have drawn thousands of startup applicants. Serves on national Start Champions Network committees. Co-developed original venture portfolio 2012-2015 for Wakestream Ventures of WMI startups, now valued at \$400,000,000. Networked into statewide and national ecosystems.

Launched ArtPrize, an annual festival with an estimated \$33 million net new economic impact for the community.



Jorge Gonzalez, Director

Raised over \$500,000 annually since 2018 to run the SG100 initiative where Start Garden funds 100 ideas with \$1,000 each and awards of \$20,000 to 10 new businesses every year. Involved with the creation of the West Michigan Hispanic Chamber since 2005 as a volunteer, board member, Chair of the Board, and eventually as Executive Director. Created and managed the minority business incubator program at Linc providing subsidized space, technical assistance, and mentoring to over 20 minority business students. Created several mortgage, business loans, and deposit products to cater to racially marginalized communities.



Laurie Supinski, Director

Has worked with thousands of entrepreneurs in her 15 years in economic development. Started Newaygo SCORE chapter. Started Newaygo SBDC chapter. Started and managed Newaygo's first co-working and startup incubator space, The Stream.

Currently manages a caseload of 160 entrepreneurs that come through Start Garden platforms.

Has successfully run her own small business for 25 years.



Darel Ross, Director

Since 2018 have raised over \$1M to directly fund over 250 startup entrepreneurs, 65% from racially marginalized communities.

Created a diverse leadership team and agile organization that in early 2020, established the COVID Comeback Fund, processed 430 applications, and provided emergency funding to 68 businesses - all in 10 days. Joined philanthropic, corporate and public sectors together as demonstrated by an Annual Budget of \$2.2 million where each sector represents 1/3 of the funding. Secured over \$67 million in HUD dollars and tax credits for community improvement efforts resulting in over 300 families increasing their assets, training over 600 residents, improving over 750 homes, creating over 120 full-time jobs.



Kyle McGregor, Ph.D. – Director of Health Innovations, Grand Rapids

Kyle is focused on bringing new ideas, innovative approaches, and person-centered technology into the communities that need them most. He has a passion for linking industry, academia, and healthcare to develop high impact projects that are capable of scaling to meet unmet needs. Before coming to Spartan Innovations, he was an Assistant Professor and Associate Director at Thomas Jefferson University and Main Line Health, where he focused on developing industry-community partnerships to bring new technological innovations to highly vulnerable populations.



Janet Wyllie – Director of Gateway and BAF, Grand Rapids

Innovative and quality-focused, Janet Wyllie comes to Spartan Innovations - Grand Rapids with 18+ years of executive experience, delivering value by developing impactful programs, managing complex projects from concept to completion, and working on high performing teams. Before Spartan Innovations, she worked as Director of Engagement with Michigan Capital Network where she managed four angel investment groups and the administration of three venture funds.



Bonnie Dawdy – Program Manager, Grand Rapids

In this role, Bonnie assists the Spartan Innovation's team to accomplish our mission in the development and commercialization of Grand Rapids' diverse technologies and create a "best in class" organization to exploit the regions high-tech high-growth discovery base and innovations. Her most recent position was as the Grants Program Manager for the International Business Innovation Association (InBIA). She has 15+ years working within the Grand Rapids entrepreneurial ecosystem with 10 of those years for the Grand Rapids Smart Zone.

East Lansing and Grand Rapids



Anum Mughal – Placemaking Manager

Anum Mughal is a community builder who advocates for entrepreneurship as a means for social change, uplifting the under-connected and underrepresented. As the placemaking manager at the MSU Foundation, she strives to build a connected, vibrant, and inclusive community connecting innovation, place, and action.



Christian McKenzie – Venture Associate

Chris began her career as a retail buyer. She has worked for startups and tech companies that support the retail industry, including Facebook, Inc. and Pear. She began applying her passion for emerging brands to investing venture funding into startups. She was formerly a venture fellow at Unshackled Ventures and NYU's Innovation Venture Fund.

Existing Teams:

Start Garden

- Paul Moore, Director
- Laurie Supinski, Director
- Jorge Gonzalez, Director
- Darel Ross II, Director
- Belen Salas, Program/Membership Manager
- Adrian Butler, Brand & Social Media Ambassador
- Erica Hoosier, Grants Manager

Spartan Innovations – Grand Rapids

- Kyle McGregor, Director of Health Innovations
- Janet Wyllie, Director, Gateway Grand Rapids
- Bonnie Dawdy, Program Manager

Support from East Lansing Team

- Jeff Wesley, Executive Director, Red Cedar Ventures and MI Rise
- Frank Urban, Director, Venture Creation - Life Sciences
- Christian McKenzie, Venture Associate
- Anum Mughal, Placemaking Manager
- Brad Fingland, Director, Venture Creation – Physical Sciences
- Melody Stokosa, Administrative Assistant

New Hires/Staff Changes:

Start Garden

- Open – Marketing Manager
- Open – Facilities Manager

Spartan Innovations – Grand Rapids

- Open – Assistant Director of Health Innovations
- Open – Marketing Intern
- Open – SmartZone EIR Position (2)

Entrepreneurs in Residence

START
GARDEN



Joe Gilby

Information Technology
BAF Program (GR)
Mary Free Bed (GR)



Brent Mulder, Ph.D.

Life Sciences
Van Andel (GR)
GlobalTree Telehealth (GR)



Stan Samuel, Ph.D.

Material Sciences
Titan Bioplastics (GR)
Smart Bridge Medical (GR)



Darren Riley

Business Development
Just Air (GR)
Commune Angels



Nancy Benovich Gilby

Information Technology
Maid III (EL)



Marquicia Pierce, Ph.D., MBA

Life Sciences
Alpha Therapeutics (EL)



Thomas Laster

Education Technologies
Connected Mathematics (EL)



Bob Ranger

Physical Sciences
Polyplastic Technologies (EL)



Katherine Massey, Ph.D.

Life Sciences
SBIR/STTR Grant Writing (EL/GR)



Matt Rudd

Life/Physical Sciences
Will Winn Games, Inc. (EL)
Morteza Technology (EL)



Jack Luderer, M.D.

Information Technology
AZ Solutions (EL)



Eric Petersen, Ph.D.

Information Technology
Cross Equipment (EL)

Business Accelerator Fund

- The Business Accelerator Fund (BAF) is used toward the delivery of specialized services to assist advanced technology companies.
- Accelerators in Michigan's SmartZone network work with service providers to help advance participating companies' paths to commercialization, success, and economic impact for the state.
- Specialized services include activities such as development of financial models or marketing plans, technology validation/product testing, and regulatory consulting.
- Eligible businesses can receive up to \$50,000 worth of services.



Entrepreneur In Residence Program

- EIR's take an active role in the companies they support as CEO, president, COO, or business development officer.
- Currently 12 EIR roles that are dedicated to startups.
- EIR's are paid a stipend + take equity in these companies.
- Goal is for EIRs to support the startup for 12 – 18 months before running the company independent.
- An EIR can also serve as an advisory group, sponsored startups, and other organizations that our ecosystem supports.
- Start Garden's EIR focuses more on integrating the local tech startup community and connecting to resources,
- Spartan Innovation's EIR team focuses more on specialized skills for certain technologies.

Conquer Accelerator

Conquer Accelerator emphasizes smart planning and growth, empowering cohorts with extensive mentorship from an experienced bench of professionals. Over ten weeks, Conquer teams follow a tailored curriculum, designed to help both startups and established companies overcome their challenges.

- **Investment** of \$20,000 in exchange for a convertible note
- **Space** to innovate and work collaboratively
- **Mentorship** from experts in marketing, sales, supply chain, manufacturing, and more
- **Resources** including legal advice, access to a broad MSU alumni network, market data, and development assistance

Red Cedar Ventures has invested \$200,000 directly in Conquer startup companies in the last 2 years to support this program.

Conquer Accelerator Diversity in Entrepreneurship (CADE)

In 2020, the Conquer Accelerator Grand Rapids launched its first virtual internship program – Conquer Accelerator Diversity in Entrepreneurship! Each intern collaborated with teams and shared their skills in fields like marketing, consulting, sales, and more.



Meet the 2021 CADE Interns





Monthly pitch competition

Monthly events continued strong during pandemic

3 startups pitched (2 minority owned)

- **Sophie Mind** - Solutions for mental health clinicians
- **Towni** - Rewards app for local WOM marketing
- **Designed Insight** - App targeting college students



Annual startup competition

2021 was the strongest cohort of tech startups yet

650 submissions

28 tech startups competed

4 tech startups funded

12 continue to incubate

ACCELERATE EQUITY

Year-long program targeting access for underrepresented tech founders in development

- In curriculum development phase
- Co-creating with Ryan Vaughn (Founder, VNN) and Nadia Brigham (Founder, Brigham Consulting, GR Noir)
- Pilot opens for applications in Q2 2022

Spartan Innovations Participated In:

- **5x5 Night**
- **The Right Place Technology Strategy Task Force**
- **StartUpGR, Monthly Tech Meetup**
- Grand Rapids Area Black Businesses (GRABB) Awards
- West Michigan Hispanic Chamber of Commerce Year End Breakfast
- The Right Place Economic Forecast Breakfast
- MEDC SmartZone Meeting

Spartan Innovations Hosted:

- Grand Rapids Area Chamber of Commerce Tour of Douglas Meijer Medical Innovation Building (DMMIB)
- Conquer Accelerator Pitch
- Pr3vent, Corporate Attraction (TRP & Seamless)
- Traverse City Contingency Tour of Innovation Plans
- VIP Donor Event at DMMIB

Start Garden Participated In:

- ArtPrize - Created outdoor market in front of AC Hotel
- Confluence - Innovators Showcase, Programming Committee
- **The Right Place Technology Strategy Task Force**
- Startup Champions Fall Summit
- Latino Male Network
- Corridor Improvements Districts Celebration
- Grand Rapids Public School ABLE Advisory Board

Start Garden Hosted:

- **5x5 Night**
- Demo Day (700+ attendees)
- Meijer Supplier Diversity Event
- Ann Arbor Day Trip (Spark & Cahoots)
- Networking event for all 100 winners since 2018
- **StartUpGR, Monthly Tech Meetup**
- LGBTQ Community Mixer
- Tech startups meet Rep. Peter Meijer

Incubators/Buildings

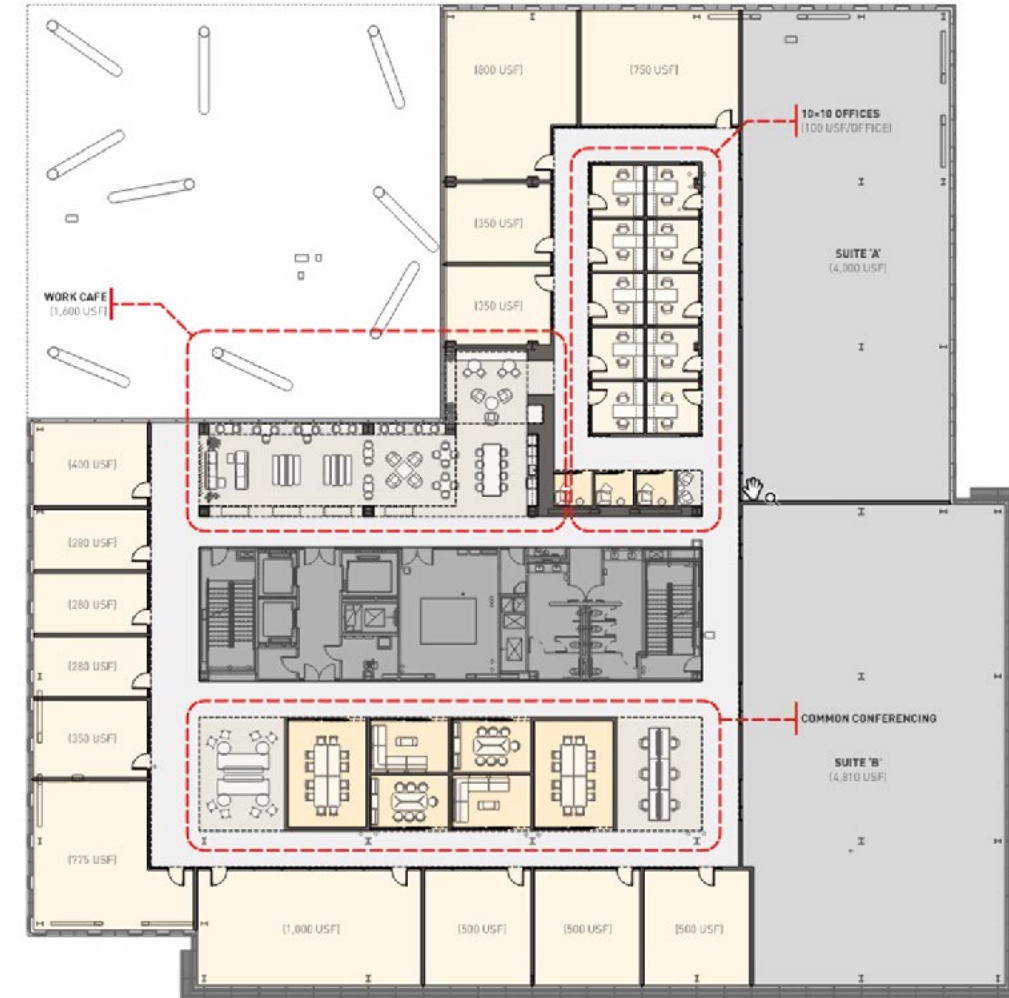
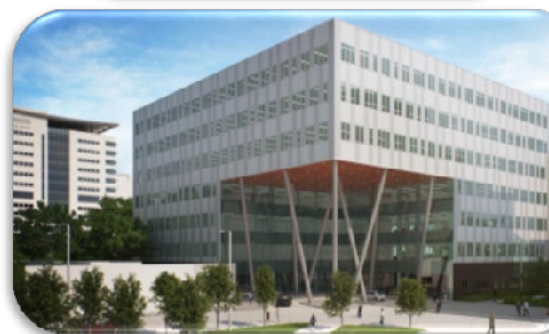


Douglas Meijer Medical Innovation Building (DMMIB)

- 16,000 to 18,000sf Innovation Space with private offices
- 2,000sf Internet Café Style Space
- Trinity Health Innovation (Suite B)
- TwistHealth (Suite A)
- Wet Lab Space in Adjacent Perrigo HQ Building (10,000 to 20,000sf)
 - \$3.5M in SOM Request and Potential EDA Grant (Feasibility in March 2022)

Subsidies:

- Three Companies Moving to GRRC in January (Future Move to DMMIB)
- Discussions with 2 Additional Companies
- Corporate Attraction Activity with 4 Companies Outside of GR



Incubators/Buildings



Start Garden @ 40 Pearl

20 Tech startups incubating out of 40 Pearl

40% Owned by People of Color

\$6,000+ Each month in direct **SmartZone** subsidy **for the companies listed below:**

86 Repairs

AGHelp

Ascending

AzTech

Bookscore AI

Clicki

Dancespire

Emergent

Fourtifeye

Hoodini

Koziale

Payload CMS

ObserveIQ

PhotoUp

PREEMIEr

re/Connect

Sympl

Wallway Tech

Wedge HR

Wimmee



Metrics - Q1 2021

START
GARDEN



# High Tech/High Growth Company Engagements	114
#Actual Unique Companies Served	69
# Companies Served Collaboratively (SG and SI)	10
# Underrepresented Company Engagements	55
# Actual Unique Underrepresented Companies Served (5/yr)	35
Percent of Underrepresented Companies Served (30%)	51%
# New Companies Created (15/yr)	22
# Companies Expanded (10/yr)	77



Metrics - Q1 2021



\$ Funds Raised (\$10M/yr)	\$1,100,345
BAF (Gateway)	\$55,345
Venture	\$670,000
Angel	\$290,000
Bank/Loans (Debt)	\$0
SBIR, STTR, etc	\$0
Other	\$85,000



\$100,000 | Direct Funding to Underrepresented Entrepreneurs (30%)



TBD* | Quality Jobs @ \$20/hr (15/yr)

TBD* | Quality Jobs Held by Underrepresented Groups (30%)

*Surveying companies in Q1, 2022

Metrics - Q1 2021



Companies Graduating from Incubator Spaces

N/A | SG to DMMIB
N/A | DMMIB to Elsewhere
N/A | SG to Elsewhere



Startup Space Growth (Users)

257 | Entrepreneur Users
1,654 | Support Users (*ESOs, Consultants, Supporters, etc.*)



0 | SBIR, STTR Applications (*10/yr*)
2 | BAF Applications (*15/yr*)



\$363,237 | New Funding to Support SmartZone Operations (Sustainability) (*\$1.5M/yr*)

Success Stories

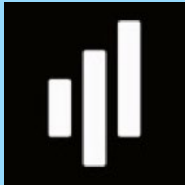
START
GARDEN



New Companies



- New Startup out of GVSU
- Woman Founder
- Helping Children Deal with Stress
- Applying for Phase I NSF SBIR
- Applying for BAF funds



ASCENDING

- Job placement targeting minority technologists
- SG 100 winner & accepted to Conquer Accelerator w/ \$40K
- Organizing StartupGR meetup



SOPHIE MIND

- Data-driven mental health support for clinicians
- International team
- Setting up homebase in GR

Active Companies



PAYLOAD CMS

- Switched from free beta to paid
- Growing base of developers improving open source product



FOURTIFEYE

- Acquired by Detroit based OPNR
- Dre Wallace (woman, African American, GR based) appointed CEO, co-founder



OBSERVIQ

- New product spin-off from Blue Medora
- Previous product acquired by VMWare

Late Stage Companies



- Advanced Engineering Company
- Air and Surface Purification
- Potentially Moving Company to GR
- Roughly 50 Employees into DMMIB
- Raising Series A Round



- Spectrum Health Spinoff
- Patient Lateral Transfer Technology
- Manufacturing in Michigan
- Beta Testing Nationwide

GlobalTree Telehealth^{GR}

- Advanced Startup from Sterling Heights
- Came to GR for Support
- Telehealth/Telemedicine
- Interest from Local Hospital & HFHS

Spartan Innovations GR - Investment/Awards (Cumulative)

	RCV	MI Rise	Other	Total
Totals	\$324,599	\$250,000	\$11,239,047	\$11,813,646



Start Garden Funding Events

	100	5x5	Other	Total
Totals	\$80,000	\$5,000		\$85,000



Collaborative Support - Start Garden / Spartan Innovations

