



MEMORANDUM

TO: City of Racine Redevelopment Authority
City of Racine Finance & Personnel Committee
FROM: Kristin Niemiec, Launch Box Manager
DATE: January 2, 2015
SUBJECT: Report for the period ending December 31, 2014

The purpose of this memorandum is to provide an update on the project deliverables for Launch Box in regards to the contract between the City of Racine ("City") and Gateway Technical College ("Gateway").

- 1) Launch Box One-Stop Center - Gateway will manage Launch Box CoWorking as the center for entrepreneurial and small business development services and resources located at 141 Main Street, Suite 2. The collaborative space provides classroom training and counseling by technical assistance partners. Launch Box CoWorking is available to members at no cost and provides entrepreneurs with work and meeting space, and Wi-Fi access.

Measurable Outcome: Fifty businesses will become members of the Center by December 31st.

First Quarter Feedback:

Launch Box CoWorking officially opened on October 22, 2013. During the first quarter of 2014, 26 members joined Launch Box, bringing the total to 63 with 12 partner members.

Second Quarter Feedback:

Membership increased by 30 in the second quarter; YTD 56 with a cumulative total of 94 with 12 partner members. Two key fobs were returned during this quarter.

Third Quarter Feedback:

Membership increased by 17 in the third quarter; YTD 74 with a cumulative total of 112 with 14 partner members. One key fob was returned during this quarter.

Fourth Quarter Feedback:

Membership increased by 19 again in the fourth quarter; YTD 109 with a cumulative total of 130.

- 2) One-on-One Technical Assistance – An assessment of the specific needs of an entrepreneur will be completed upon joining the coworking space.

Measurable Outcome: This will be measured by the following:

1. Gateway's Launch Box Manager will be certified as a GrowthWheel® Advisor.
GrowthWheel® is a tool for

decision-making in start-up and growth companies. It helps business owners and advisors get focused, set agenda and make decisions.

First Quarter Feedback: Launch Box Manager was Growth Wheel certified on February 11 and 12th. Advance certification was completed in March.

2. 150 unduplicated entrepreneurs/small businesses will use Launch Box to access technical assistance.

First Quarter Feedback: 30 entrepreneurs/small businesses received technical assistance during the first quarter.

Second Quarter Feedback:

28 businesses received technical assistance during the second quarter; YTD 58.

Third Quarter Feedback

20 businesses received technical assistance during the third quarter; YTD 78.

Fourth Quarter Feedback:

60 businesses received technical assistance during the fourth quarter; YTD 138.

- 3) Entrepreneurial Culture - Gateway will foster a culture where entrepreneurship has a positive image and is celebrated through events, recognition of role models and promotion of entrepreneurial initiatives/activities in the media.

Activities:

- a. Fast Pitch 2014 - Gateway will promote and encourage County of Racine businesses to participate in this competition. The top City of Racine business will receive recognition through a special Mayor's Entrepreneurial Award.

Measurable Outcome: Fourteen County businesses will participate.

First Quarter Feedback: The 3rd Annual Racine/Kenosha FastPitch competition was scheduled for August 20, 2014. Save the date notices were distributed.

Second Quarter Feedback: Sponsorships were solicited, marketing material was updated and marketing efforts began.

Third Quarter Feedback: FastPitch was held on August 20th at the SC Johnson iMET Center. A total of 31 entrepreneurs participated with 17 City of Racine entrepreneurs. The Mayor's Entrepreneurial Award was presented to the top scoring City of Racine entrepreneur, Kenya McRae of Scantributions.

- b. Open Innovation – Gateway will continue the Open Innovation Program that provides student entrepreneurial teams with the opportunity to compete to solve fact based business problems.

Measureable Outcome: Two open innovations events will be held.

First Quarter Feedback: Launch Box Creative Innovation Challenge was held on February 4, 2014. The purpose was to create innovation designs for Launch Box CoWorking. City of Racine entrepreneur Angela Kennow's design was selected as the winner. The design was to be fabricated in Gateway's FabLab however there were several issues regarding the design. The piece will be installed at Launch Box CoWorking as soon as possible.

Second Quarter Feedback: No activity this quarter.

Third Quarter Feedback: No activity this quarter.

Fourth Quarter Feedback: On November 17th, Gateway hosted a session for students interested in participating in the 2014 DECA Idea Challenge. The competition was a fun and exciting opportunity for students to be creative and innovative while learning about the entrepreneurial process.

c. Professional Development Events - A key component to enhancing the entrepreneurial environment in Racine is networking and collaboration events. Events of this kind will include group training, webinars and social networking.

Measurable Outcome: Twelve events will be hosted.

First Quarter Feedback:

During the first quarter, 3 were events held at Launch Box (Best Practices in Starting a Business, Logistics and Co-Loading & Financing), 1 event was held by Wisconsin Procurement and 1 event was held by Community Economic Development Corporation.

a) Best Practices in Starting a Business was held on January 13, 2014. SweetEats Traditions and Dooley & Associates, LLC shared their expertise on starting a business. They discussed hurdles, lessons learned and best practices.

b) Logistics and Co-Loading was held on February 12, 2014. Homayoun Tahreian from Cnergistics presented information on how to maximum transportation dollars using co-loading.

c) Small Business Financing was held on March 19, 2014. Tri City National Bank and Business Lending Partners presented both traditional and alternative financing options including the U.S. Small Business Administration 7a and 504 programs.

Second Quarter Feedback:

5 events were held during the second quarter; YTD 10. 3 events were held (Crowdfunding, Succession Planning & GrowthWheel) and 2 were events held by Wisconsin Procurement.

a) How to Plan, Launch and Manage a Successful Crowdfunding Campaign was held on April 16, 2014. Kenya McRae discussed the basics of running a crowdfunding campaign, from start to

finish including the necessary ingredients of a campaign, how to determine the goal, creating rewards, and crafting the pitch.

b) Succession Planning was held on May 7, 2014. Nicholas Golebiowski from Principal Financial Group presented business succession options including passing the business to the next generation, selling to key employees or sale to a third party.

c) Growth Wheel Seminar was held on June 12, 2014. This was an introduction to Growth Wheel seminar. This seminar included a panel discussion with local entrepreneurs who have used the tool with success as well as one on one consulting sessions with experts in each of the 20 Growth Wheel categories.

Third Quarter Feedback:

3 events were held during the third quarter; YTD 13, 2 Fast Pitch workshops and Bonk! in partnership with the Racine Library.

a) FastPitch workshops were held on August 6th and 7th and are designed to help entrepreneurs prepare their pitches for the FastPitch Competition. A private consultant and UW-Parkside Small Business Development Center Executive Director listen to pitches, critique and provide feedback.

b) BONK! was held on September 28th with the Racine Public Library. BONK! is a monthly poetry and music series sponsored by the Racine Arts Council and the Racine Public Library.

Fourth Quarter Feedback:

5 events were held during the fourth quarter; YTD 18, including Technology 101, 3 Friday with TED meetings and a one year anniversary party.

a) Technology 101 – This was a workshop held in partnership with Racine County Economic Development Corporation (RCEDC). It was designed to give small business owners and entrepreneurs an overview of technology including Google, Microsoft, responsive design and hardware. The panel included technology experts from Gateway, CCB, Platinum Systems, Image Management and AT&T.

b) Friday with TED – This is a monthly meet up for Launch Box CoWorking Members. A TED video is shown and discussed. It is intended that each month a different Member selects the TED and leads the discussion.

c) Launch Box first anniversary party – The event was to celebrate the first anniversary of the opening of Launch Box CoWorking and was held on October 21st.

c) Recognition of Role Models – Gateway will promote awards that recognize new and innovative businesses and entrepreneurs within the City of Racine. Gateway will continue to award the Mayor's Entrepreneurial Award to the top City of Racine in the 2014 Fast Pitch competition.

Measurable Outcome: Gateway will promote up to 4 nominees to regional competitions and/or awards.

First Quarter Feedback: No activity this quarter.

Second Quarter Feedback:

1 recognition was completed this quarter. City of Racine Entrepreneur was awarded a scholarship from American Family to attend the Wisconsin Entrepreneurs Conference in Madison. She was nominated by Staff.

Third Quarter Feedback:

2 recognitions were completed this quarter, YTD 3. Gateway staff nominated a City of Racine company for the Racine County Workforce Development Apollo Award. This company subsequently won. A story was written featuring a Launch Box member for the WEDD newsletter and shared via social media.

Fourth Quarter Feedback:

2 recognitions were completed this quarter, YTD 5. Gateway staff nominated a local entrepreneur for the 2014 NACCE Outstanding Alumni Award. He subsequently won. A story was written featuring a Launch Box member in the Racine Journal Times.

d. Promotion of Entrepreneurial Initiatives/activities in the media – Gateway will continue to use social media, website and other media outlets to educate the public on resources and activities of Gateway including Launch Box CoWorking and its partners, in addition articles, events and/or other news that maybe of interest to entrepreneurs will be posted.

Measurable Outcome: Posting will occur at a minimum of once a week with larger media articles at least quarterly.

First Quarter Feedback:

Gateway staff posts to social media and website daily and 4 larger media articles/stories were completed in this quarter, topics included the open innovation program, the transition to Gateway, radio discussion on WGTD with Morris Reese and general article as part of a special doing business in Racine feature.

Second Quarter Feedback:

Gateway staff posts to social media and website daily and 2 larger media articles/stories were completed in this quarter; YTD 6, Racine Journal Times articles on brochures and FastPitch.

Third Quarter Feedback:

Gateway staff posts to social media and website daily and 1 larger media article/story was completed in this quarter; YTD 7, Racine Journal Times article regarding the SBA grant award.

Fourth Quarter Feedback:

Gateway staff posts to social media and website daily. 5 larger media articles/stories were completed in this quarter; YTD 12. Racine Journal Times printed articles on 1st Anniversary, the Unconference and the Accelerator program, Money Talks presentation and one article was on xconomy.com regarding the accelerator.

- 4) **Partners** – Gateway will work to gain insight into best practices for fostering entrepreneurial growth within our community, by adding partners including but not limited to National Association for Community College Entrepreneurship (NACCE), National Business Incubator Association (NBIA) and Wisconsin Business Incubator Association (WBIA).

Measurable Outcome: Gateway will convene a best practices summit bi-annually using GrowthWheel® as a guide to determine areas of focus.

First Quarter Feedback: No activity this quarter.

Second Quarter Feedback:

Gateway staff began planning a regional summit to be held during Global Entrepreneur Week, November 17-23, 2014.

Third Quarter Feedback:

Gateway staff continued planning, together with the City of Racine, a regional unconference on entrepreneurship for November 18th. Howard Tullman from Chicago's largest co-working space, 1871 was contacted to serve as the key note speaker.

Fourth Quarter Feedback:

A regional Unconference on Entrepreneurship was held on for November 18th. The key note speaker was Howard Tullman from Chicago's largest co-working space, 1871.