TechTown Detroit

Overview + Programs

UPDATED NOVEMBER 17, 2013
We are Detroit’s business growth center. We help create and grow companies. We incubate and accelerate technology and innovation. We are engines of economic growth and catalysts of urban revitalization. We are TechTown.

TechTown is the most established business incubator and accelerator in Detroit – founded specifically to develop and grow sustainable, technology-based businesses. Today our work supports industry verticals that are specific to the region’s inherent assets and address the city’s identified needs, supporting not only tech-based businesses but also retail and neighborhood enterprises for a more holistic approach to economic development. TechTown is a 501(c)(3) nonprofit and is located within the Woodward Technology Corridor SmartZone.

**OUR BUSINESS UNITS & PROGRAMS**

**Labs:** For high-potential, tech-centric startups

- **Venture Accelerator** – highly competitive, boot-camp style program helps show entrepreneurs how to turn their early stage technology-based startups into sustainable, market-ready businesses

- **Detroit Technology Exchange (DTX)** – programmatic partnership between TechTown, Bizdom, Invest Detroit and the Detroit Creative Corridor Center; offerings include a boot camp for college students and recent grads, an entrepreneur-in-residence program and a fellowship program

**Blocks:** For retail entrepreneurs & neighborhood enterprises

- **Retail Boot Camp** – competitive, highly customized program prepares serious entrepreneurs with strong retail concepts for the successful launch of their Detroit business

- **SWOT City** – delivers TechTown acceleration services to small businesses in underserved neighborhoods through partnerships with community and economic development organizations

**OUR HISTORY**

We were founded in 2000 to help stimulate the local economy and further economic diversification efforts by serving technology-based businesses, including university spin outs.

Wayne State University, Henry Ford Health System and General Motors Co. served as our founding partners. Start-up funding came from a public and private coalition with investment totaling approximately $35 million.

**OUR BUILDING**

More than 50 businesses call our historic building home. Some are clients or alumni, others are businesses unaffiliated with our programs but still drawn to our facility’s unique amenities, flexible lease terms and supportive community of like-minded peers.

The 140,000-square-foot structure was designed by famed Detroit architect Albert Kahn in 1927. It was first a service department for Pontiac then later became the Chevrolet Creative Services building. The Corvette was designed on the third floor and auto show displays were built here as well.

Today we offer a range of spaces for lease, including small offices, office suites and wet labs. As a Biobanking Center of Excellence, we’re proud to house operations such as National Institutes of Health-funded Perinatology Research Branch. In late 2013, we’ll offer membership-based co-working space, as well as rentable event space.

**OUR INVESTORS**

- New Economy Initiative for Southeast Michigan
- American Reinvestment and Recovery Act
- City of Detroit
- Community Foundation for Southeast Michigan
- Ewing Marion Kauffman Foundation
- The Herbert H. and Grace A. Dow Foundation
- Hudson-Webber Foundation
- Michigan Economic Development Corporation
- The Kresge Foundation
- Wayne County
- U.S. Department of Housing and Urban Development
The Labs Venture Accelerator isn’t for the weak.

This highly competitive, boot camp-style program will help show you how to turn your early stage technology startup into a market-ready business. Upon graduation from the 12-week program, many startups enter incubation at TechTown.

**STRUCTURE**
- Curriculum based on *The Startup Owner's Manual*, a step-by-step business development guide written by famed serial entrepreneurs Steve Blank and Bob Dorf
- Enrolled startups meet weekly for facilitated classes
- Time spent outside of classes will be spent pursuing customer validation and acceptance
- Program culminates with a showcase, where startups pitch to industry experts, local stakeholders, and potential partners and investors
- Many startups enter incubation upon program completion

**TAKEAWAYS**
- Test concepts
- Explore markets
- Develop a business model canvas
- Find potential customers
- Align with partners

**TARGET TECHNOLOGIES**
- Advanced automotive
- Advanced computing
- Advanced electronic devices
- Advanced manufacturing
- Advanced materials
- Biotech
- Clean technologies, alternative energy
- Engineering
- Medical devices

**ELIGIBILITY REQUIREMENTS**
- Startups seeking to launch or accelerate their technology-based business
- Located or willing to locate in Southeast Michigan
- Teams of at least two are encouraged, but individuals will be considered
- Ability to commit an average of 20 hours per week outside of the class on customer discovery and other assignments

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**IMPORTANT DATES**
- **Sept. 30:** Fall session applications close
- **Oct. 21:** Fall session begins
- **Showcase week of Jan. 20**
Launch Detroit is a highly competitive, 10-week summer boot camp for college students and recent graduates aspiring to launch a technology startup. Those accepted to participate receive an entrepreneurial stipend of $2,500 per individual (up to $7,500 per venture team).

Launch Detroit is a Detroit Technology Exchange (DTX) program, a partnership between TechTown Detroit, Bizdom, Invest Detroit and the Detroit Creative Corridor Center. It is supported by the Michigan Economic Development Corp.’s Michigan Strategic Fund and the New Economy Initiative for Southeast Michigan.

STRUCTURE
• Curriculum based on The Startup Owner’s Manual, a step-by-step business development guide written by famed serial entrepreneurs Steve Blank and Bob Dorf
• Enrolled teams will be given access to co-working space at TechTown
• Weekly workshops and one-on-one coaching
• Time outside of workshops will be spent pursuing customer validation and acceptance
• Program culminates with a showcase, where startups pitch to industry experts, local stakeholders, and potential partners and investors

ELIGIBILITY REQUIREMENTS
• Undergraduate and graduate students, or recent graduates from any Michigan university, seeking to launch a technology-based business
• Teams of at least two are required
• Full-time commitment for 10 weeks

CURRICULUM
• Value propositions
• Customer segments
• Distribution channels
• Customer relationships
• Revenue streams
• Partnerships
• Resources
• Activities and costs
• Pitch practice

PROGRAM WILL COVER
• Searching for a business model
• Finding the right product/market fit
• Acquisition of necessary resources
• Obtaining first customers
• Developing a funding strategy

IMPORTANT 2014 DATES
Jan. 2: Application period for Launch Detroit opens
March 14: Application period closes
May 28 – Aug. 1: Launch Detroit in session

labs@techtowndetroit.org techtowndetroit.org/launchdetroit
The Blocks Retail Boot Camp isn’t for the faint of heart. This competitive, highly customized program will prepare serious entrepreneurs with strong retail concepts for the successful launch of their Detroit business.

**WHO IS ELIGIBLE**

- Business will locate in Detroit
- Brick-and-mortar, for-profit, independent retail establishment (e.g. coffee shop, clothing store, bookstore, grocer, gallery, gift shop)
- Compelling value proposition; offers an exciting product niche and/or serves identified community need
- Previous retail experience
- Strong understanding of start-up costs and ability to commit own funds
- Commitment to launching business within six months to one year of program completion

**WHAT WE COVER**

- Choosing the right location
- Merchandising
- Sound fiscal management
- Customer service
- Marketing and branding
- Government regulations and processes
- Taxes and insurance
- Planning start-up costs
- Business model canvas
- Developing the pitch

**HOW IT WORKS**

- Entrepreneurs meet once a week for workshops and mentoring sessions facilitated by business and retail experts
- Detroit-specific topics are the focus (e.g. introductions to select neighborhoods and key stakeholders, local opportunities and resources)
- Program concludes with a showcase where participants pitch their businesses to a panel of judges.
Program Overview & Case Studies

UPDATED NOVEMBER 2013

1. TECHTOWN DETROIT
   440 Burroughs St.
   Detroit, MI 48202
   313.879.5250
   techtowndetroit.org/swotcity

2. Brightmoor Office
   17405 Lahser
   Detroit, MI 48219

3. Osborn Office
   13560 East McNichols
   Detroit, MI 48205

4. Grandmont Rosedale Office
   19800 Grand River
   Detroit, MI 48223

5. East Jefferson Office
   14628 East Jefferson
   Detroit, MI 48215
**SWOT City** is a TechTown Detroit program that works to strengthen small businesses in underserved neighborhoods through partnerships with community and economic development organizations. The socially inclusive platform delivers TechTown’s acceleration services to neighborhoods that lie beyond the incubator’s typical reach but require access to crucial small business assistance.

Together, TechTown and its partners work to create a new economic reality — a vibrant and dense community with the support infrastructure necessary for essential businesses to thrive in the place they call home.

**SWOT CITY SOLUTION**

SWOT City engagements are a three-year commitment focused on stabilization, growth and sustainability.

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**YEAR ONE**

**Stabilization**
- Assess neighborhood and develop engagement plan
- Begin to build business support infrastructure
- Stabilize businesses on the brink of failure

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**YEAR TWO**

**Growth**
- Further develop business support infrastructure
- Engage with more stable businesses
- Report growth among businesses served in year one

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**YEAR THREE**

**Sustainability**
- Ensure long-term stability of business support infrastructure
- Engage with growing businesses
- Report positive progress among businesses served in years one and two
OUR CURRENT REACH

As of October 2013

SWOT CITY RESULTS

BUSINESS ASSESSMENTS  NEW JOBS CREATED  JOBS RETAINED

32  8.5  81

NEW BUSINESSES  TECHNICAL ASSISTANCE  TUNE-UP SESSIONS

2 Launched 12 in the Pipeline  1800+ Hours delivered  60+ Sessions held

SWOT CITY DEMOGRAPHICS

48% 52% (14) (15)

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White 7% (2)

Black 93% (27)
ENGAGEMENT SERVICES

SWOT City stems the tide of neighborhood decline by identifying and addressing the needs of neighborhood businesses through a community-centric, hands-on approach. Rather than serving businesses independent of community demand, SWOT City serves disadvantaged neighborhoods by molding their small businesses into viable enterprises that are contributors to, rather than detractors from, neighborhood revitalization efforts.

SWOT City engagements offer the following turnkey services:

NEIGHBORHOOD ECONOMIC DEVELOPMENT

As part of its differentiated services, TechTown’s first step is to ingrain itself into the community — working directly with its partners, while drawing insight from business owners and residents — to conduct a SWOT assessment on the neighborhood level. These findings help TechTown develop a customized neighborhood-wide engagement plan that will meet the community’s unique needs. This plan also will help the community develop the long-term foundation to properly support neighborhood businesses long after TechTown is gone. To improve interaction, TechTown then opens a small satellite office in neighborhood.

BUSINESS ENGAGEMENTS

TechTown works closely with its partner to build a list of essential businesses in need of assistance. It then conducts a SWOT assessment of these businesses, which generates recommendations for change and a comprehensive milestone plan. Business owners are guided through the implementation of recommendations, addressed through coaching, training programs and specialized technical assistance provided by third parties.

TUNE-UP SESSIONS

TechTown engages the broader community by hosting weekly or biweekly neighborhood tune-up sessions for current or prospective entrepreneurs seeking to hash out a problem, get advice on next steps or connect to resources. Tune-up frequency is customized to the community’s needs. Four, one-hour coaching sessions are offered per tune up.

CUSTOM ADD-ONS

TechTown offers additional custom services based on community needs. Examples include establishing a neighborhood business resource center, reorganizing and facilitating business owner meetings, and hosting educational workshops.
BRIGHTMOOR COMMUNITY CENTER

The Brightmoor Community Center came to TechTown’s SWOT City team with major operational hurdles. It lacked a vision for its future and effective programming. To complicate matters, it cycled through three executive directors in six months.

To help develop programming, TechTown’s SWOT City team recruited a student team from the University of Windsor’s Odette School of Business to benchmark successful programming at community centers across the nation.

The student team also is planning a youth entrepreneurship program for the Brightmoor Community Center. The program will take high school-aged kids through the start-up process with a small amount of seed money. The 12-week program ends with the students presenting their business to community stakeholders. Final presentations will cover the start-up process, including challenges and outcomes. The winning team will receive a grand prize, but every team will learn valuable lessons on entrepreneurship.

TechTown’s SWOT City team continues to guide and manage the Odette student team as it works to formulate long-term recommendations for the center.

BRIGHTMOOR WOODWORKERS

Detroit Community High School teacher Bart Eddy developed an after-school program to teach students the craft of woodworking. Signs made by the students are carved entirely by hand and sold to businesses, residents and community groups. TechTown’s SWOT City team delivered its SWOT assessment and is working with Eddy to develop a marketing plan, create a strong brand, introduce a higher degree of entrepreneurial training to the students, and strategize for the program’s expansion. To help execute the expansion plans, the team secured a mentor with manufacturing experience to work closely with Eddy; it also developed a crowd-funding campaign to raise funds for the project.

SLABEE’S

Slabee’s is a recently opened Brightmoor carry-out restaurant serving ribs and soul food. After completing the SWOT assessment, TechTown’s SWOT City team recommended that owner Kevin Ward first focus on improving the restaurant’s harsh exterior. It then recruited ArtCorpsDetroit and local artist Chaz Miller to begin coordinating the creation of a youth-painted mural on the exterior of the building. The team also helped Ward purchase a new roof and secure a Kiva Detroit loan to fund inventory, working capital and the purchase of a delivery vehicle.
SWEET POTATO SENSATIONS
Sweet Potato Sensations has been a staple of the Brightmoor community since opening its doors in 1987. However, in recent years, the maker of high-quality sweet potato-based food products has seen its sales plateau.
TechTown’s SWOT City team assessed the business and strategized a plan to stimulate growth by focusing resources on three key areas: increasing wholesale distribution; expanding market potential through online sales and direct shipping to customers; and purchasing new equipment to optimize production for wholesale orders and holiday sales during the months of October, November and December.
The SWOT City team is working to secure funding for the new strategy, while recruiting specialized technical assistance to optimize the logistics of the new operations.

UNIVERSITY PHARMACY
Maria Young’s dream of owning a successful on-campus pharmacy was dying. University Pharmacy was starved for cash, desperate for customers and unable to pay rent to its landlord, Wayne State University. In November 2011, Young turned to TechTown’s SWOT City team for help.
After conducting its SWOT analysis, the team found two key issues: Young’s product offerings weren’t meeting customer needs and her accounting system was broken.
The team then connected her to an accounting firm to fix and maintain the system, then to sharpen her management skills, secured her seat in a highly respected training program for CEOs. To help Young better understand her customers’ product and service needs, a student team was recruited from the University of Windsor to conduct a customer validation survey.
After only a few short months in the SWOT City program, Young was paying rent again; now, she’s very close to breaking even. The success of this engagement has prompted Wayne State to encourage all of its on-campus retailers to consider working with TechTown.

URBAN GYPSY SOAP
Urban Gypsy Soap launched in 2011 out of stylist Jimez Whitehead’s belief in the benefits of organic health and beauty products. In the early months, he sold his products to salon clients and at summer festivals.
Since beginning its engagement in March, Urban Gypsy has worked with the TechTown SWOT City team to develop a brand identity for its product packaging and purchase new equipment to increase production capacity. The product line has since expanded to reach new markets, including pet grooming supplies and liquid castile soaps.
As Whitehead begins to build his social media presence, signs on for additional summer festivals and opens up shop at two weekly markets, his company will be poised for growth with the infrastructure to scale.