

Roane County's
Road to The Business Incubator
Plan in Progress
Phase I

Began Winter 2010

Business Incubator

- What is it?
- Why are we considering a business incubator?
- What can it do?
- What is the goal?
- Where we started and what we are doing
 - Timing
 - Meeting with experts and leaders
 - Partners
 - Location
 - Funding
- What's next?

What is it?

- Business incubators are programs designed to accelerate the successful development of businesses through support resources and services.
- Each incubator is unique to the business and community that it serves.
- According to the U.S Small Business Administration, 87% of incubator graduates survive in contrast to 44% of all firms.
- Resources and services vary depending on the economic needs and climate of the community.

Why are we considering a Business Incubator?

- To help the Small Business Community
- Governments have historically assisted with tax abatements and matching grants for large industry
- Government's focus has been limited on small business
- Small businesses are the backbone of the county, state and national economy.

Small businesses in the U.S. economy

- Represent 99.7% of all employer firms
- Employ over half of all private sector employees
- Pay 44% of total U.S. payroll
- Have generated 64% of net new jobs in past 15 years
- Hire 40% of high tech workers
- Made up 97.3% of all identified exporters (2007)
- Produce 13 times more patents per employee than large patenting firms

(U.S. Department of Commerce)

What is the goal?

- To nurture new or young businesses to be successful
- To grow the business out of the incubator into:
 - Existing or new industrial buildings
 - Existing or new retail buildings
- To create jobs while in the incubator and after they have grown out of the incubator
- To make and keep the businesses successful

What can an Incubator do?

- Provide physical housing for small businesses
- Provide a network of advisors with business expertise
- Provide financial assistance through low interest loans
- Provide business courses
- Provide workforce development training

Where we started (1)

- Winter 2010/Spring 2011
Discussion of incubator began between County Executive Ron Woody and RSCC President Dr. Gary Goff
- May 3, 2011
Tour of Fairview Technology Center (Development Corporation of Knoxville's Incubator)
- Spring 2011
Further discussions were held with Alliance President Leslie Henderson
- June 2011
Industrial Development Board was briefed on Roane County's Incubator concept
- July 2011
County Executive Woody proposed and Budget Committee recommended setting aside \$50,000 in the 2012 Budget and County Commission approved (Adopted July 11, 2011)

Where we started (2)

- July 2011

Governor Haslam announces initiative aimed toward job creation with emphasis on business incubators

- July 14, 2011

Toured new Cumberland County Business Incubator.

- July 14, 2011

Met with State ECD officials, including Assistant Commissioner Will Alexander, RSCC President Gary Goff, and Cumberland County Incubator Director, Robert Safdie

- July 15, 2011

Attended ETEC meeting with discussion on TECH 2020's incubator

Where we started (3)

- July 15, 2011
Second tour of Fairview Incubator in Solway. (work location of County Commissioner Steve Kelly)
- July 20,2011
Letter to all City Mayors requesting their interest in the business incubator concept
- July 22, 2011
Response letter from Harriman Mayor Chris Mason

Where we started (4)

- July 26, 2011

Attended meeting at RSCC with a presentation by Robert Safdie, Director of the Cumberland County Incubator. Also attending were:

- Dr. Gary Goff RSCC
- John Morris Tech 2020
- East TN Development District
- Joyce Nall Roane County
- Gary Human State ECD
- Leslie Henderson Roane Alliance
- Roane State Personnel
- Dana Peterka SCORE

Where we started (5)

- July 29, 2011
Tour of Cumberland County Incubator with Kingston City Mayor Troy Beets
- August 2, 2011
Roane County Industrial Development Board pledged \$5000 for feasibility study
- August 5, 2011
Meeting with Tom Ballard, Director of Partnerships at Oak Ridge National Lab
- August 11, 2011
Meeting with TVA's Aaron Stewart and Burt Robinson
- August 11, 2011
Harriman Rotary Speaker was Robert Safdie, Director of Cumberland County Incubator

Where we started (6)

- August 11, 2011
Harriman Rotary Speaker was Robert Safdie, Director of Cumberland County Incubator
- August 11, 2011
Support letter from Kingston Mayor, Troy Beets
- August 10,26,29, 2011
E-mails of Dr. Goff (RSCC) and John Morris, VP of the Center for Entrepreneurial Growth (Tech 2020)
- August 24, 2011
Tennessee Department of Economic and Community Development announces grant application (Entrepreneurial Accelerator Program)

Entrepreneurial Accelerator Program Grant

- September 01 Information session
- September 09 Grant Letter of Intent
- September 22, 23 Governor's Conference
- September 30 Applications due
- October 01-21 Application review
- October 31 Announcement of Award

www.tn.gov/e cd

Potential partners

- Roane County
- Roane Alliance
- Roane State
- Cities
- Covenant Health
- State of TN Economic and Community Development (Kirk Huddleston East TN)
- TVA
- TECH 2020
- ORNL
- Roane County 's Revolving Loan Fund
- Private
- SCORE
- USDA Rural Development
- Economic Development Administration
- East TN Development District
- Other

Funding

- Roane County (Fund 119) \$50,000 Adopted 2012 Budget
- Roane Industrial Board \$5,000 Approved for Feasibility Study
- Roane Industrial Board \$45,000
- TVA
- Others

What's next ?

- Conduct feasibility study
- Develop a task force with mission statement
- Investigate funding sources
- Talk to partners and potential partners

Feasibility Study should address

- Success stories
- Failures
- Types of incubators (what's right for Roane County)
- Potential location of facility
- Identify potential funding (partnerships)
- Cost/benefits/investments
- Should we proceed with development