IEP CATEGORY • PLACE

TechTown
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Founded in 2000 by Wayne State, Henry Ford Health System and General Motors, TechTown is Detroit’s most established business accelerator and incubator. Originally created to commercialize WSU technologies and draw on the university’s research expertise, TechTown has broadened its mission to encompass a full suite of entrepreneurial services for both tech and neighborhood businesses. **TechTown incorporated as a nonprofit in 2004 and maintains a close partnership with WSU; by charter, the president of the university chairs TechTown’s board, and WSU’s vice president for economic development serves as TechTown’s president and CEO.** The TechTown building, a once-empty former automobile dealership and home of the Chevrolet Creative Services Team serves as a true community hub, hosting 66 co-working companies, 50 tenant organizations and an average of 150 clients, funders, service providers, partners and other visitors each day. The open layout of the building and TechTown’s extensive programming within it encourage the spontaneous interactions that spur new relationships and new ideas. **TechTown is a major driver in Detroit’s revitalization, serving 274 companies in 2015. Between 2007-15, the organization served nearly 1600 companies who created more than 1200 jobs and leveraged more than $120 million in capital. To date in 2016, TechTown businesses have leveraged $5,234,990.**

TechTown provides services in three business units: Labs, Blocks and Space (co-working and event space, described above). Labs programs draw on the organization’s original tech-focused mission and include DTX Launch Detroit, a summer accelerator program for Michigan college students and recent graduates, and the TechTown Business Incubation Center (TBIC), providing up to 39 months of intensive, one-on-one support for approximately 10 clients at a time who have graduated from an accelerator or are in early prototype stage. Current TBIC clients are working on technology-based innovations for education, health care, gun safety, the water industry and more. Labs also continues to provide technology commercialization and a range of customized services.

Labs clients are addressing some of the most complex urban problems in our city and nation. **CityInsight, founded by recent WSU graduate Abess Makki, is a perfect example.** His company develops mobile solutions for municipal government, and his first product is CityWater™, an app and website that enables Detroit residents to track water usage in real time, easily access billing information and receive mobile customer support. The product was conceived as a response to massive water shutoffs across the city in 2015. Abess developed his idea during the DTX Launch Detroit student accelerator, and he has since secured a contract with the Detroit Water and Sewerage Department. CityWater is expected to launch in early 2017. **Other TBIC clients include Sentinl (biometric gun lock), Pro:UP (an app linking high school students to mentorship and career opportunities), ENT Biotech (advanced, cost-effective medical devices) and CarePRN (an app linking caregivers to qualified respite care). These clients are developing strategic partnerships, attracting investors and winning funding competitions at a steadily increasing rate. For instance, three TBIC companies (of six total) were recently recommended for awards from the Macomb Innovation Fund (one @ $100K, two @ $25K), a highly competitive pre-seed fund for young technology companies.**
Several years ago, TechTown realized the incubation and acceleration strategies we employ with tech businesses could also support small businesses across Detroit and drive revitalization in the city’s key commercial corridors, which have suffered from decades of disinvestment. Today, TechTown’s Blocks programs have developed a reputation for helping create and sustain some of the city’s most successful new neighborhood businesses and producing winners of major funding awards. At the core of Blocks is SWOT City, offering customized consulting for small businesses and currently operating in six Detroit neighborhoods. Retail Boot Camp (RBC) is an intensive eight-week course that prepares serious retail entrepreneurs to launch their storefronts within six-12 months of graduation. In four years, RBC has helped launch 12 new retail businesses and counting. Overall, in 2015, the Blocks program served 96 businesses, including seven new companies, who created 19 new jobs.

Key to the Blocks strategy is spurring contiguous development in commercial corridors, contributing to the revitalization of neighborhoods beyond Detroit’s heavily invested downtown/Midtown core. These efforts are starting to show significant dividends. In one SWOT City neighborhood known as East Jefferson, Crain’s Detroit Business reports that $1 billion has been invested since 2009. The Crain’s article features Blocks client Lester Gouvia, who is emblematic of the businesses we support. He started his Norma G’s Caribbean Cuisine business as a food truck. SWOT City staff and partners from our service provider network assisted Lester with his financial projections and business plan and introduced him to numerous funders. TechTown staff also arranged a meeting with Michigan Rehabilitation Services to discuss providing qualified candidates for jobs and tax incentives. Lester is a recent winner of a $60,000 grant from the City of Detroit’s new Motor City Match program, among other investments. Norma G’s will soon open in a renovated building in a section of East Jefferson that has not had a full-service restaurant in decades, within walking distance of several other new and existing businesses, many of whom are also TechTown clients. Noted Josh Elling, executive director of Jefferson East Inc., the community development organization with whom SWOT City partners in that neighborhood: “Mr. Gouvia’s passion for food and his desire to be a community anchor in the Jefferson-Chalmers neighborhood is one of the most exciting things I have witnessed during my entire tenure here at Jefferson East. With Norma G’s, we are able to provide that desperately needed community spot that allows long-term Detroiter’s to walk to a great meal from their homes.”

In a city that has experienced such drastic and long-term disinvestment, coupled with immense racial and economic disparities, TechTown recognizes that it’s not just how many jobs and companies we serve, but who and where. TechTown is committed to ensuring minority and women-led businesses have a meaningful stake in Detroit’s “new economy” and that Detroit’s noncentral neighborhoods participate in the city’s economic resurgence. TechTown was recently cited by the Initiative for a Competitive Inner City as a model of diversity, and the organization’s
demographic data bears this out: 59% of our clients are non-white, one-third are women and nearly 40% are over the age of 50.