

NHE3 Landscape Study *Report preview*

8.4.21

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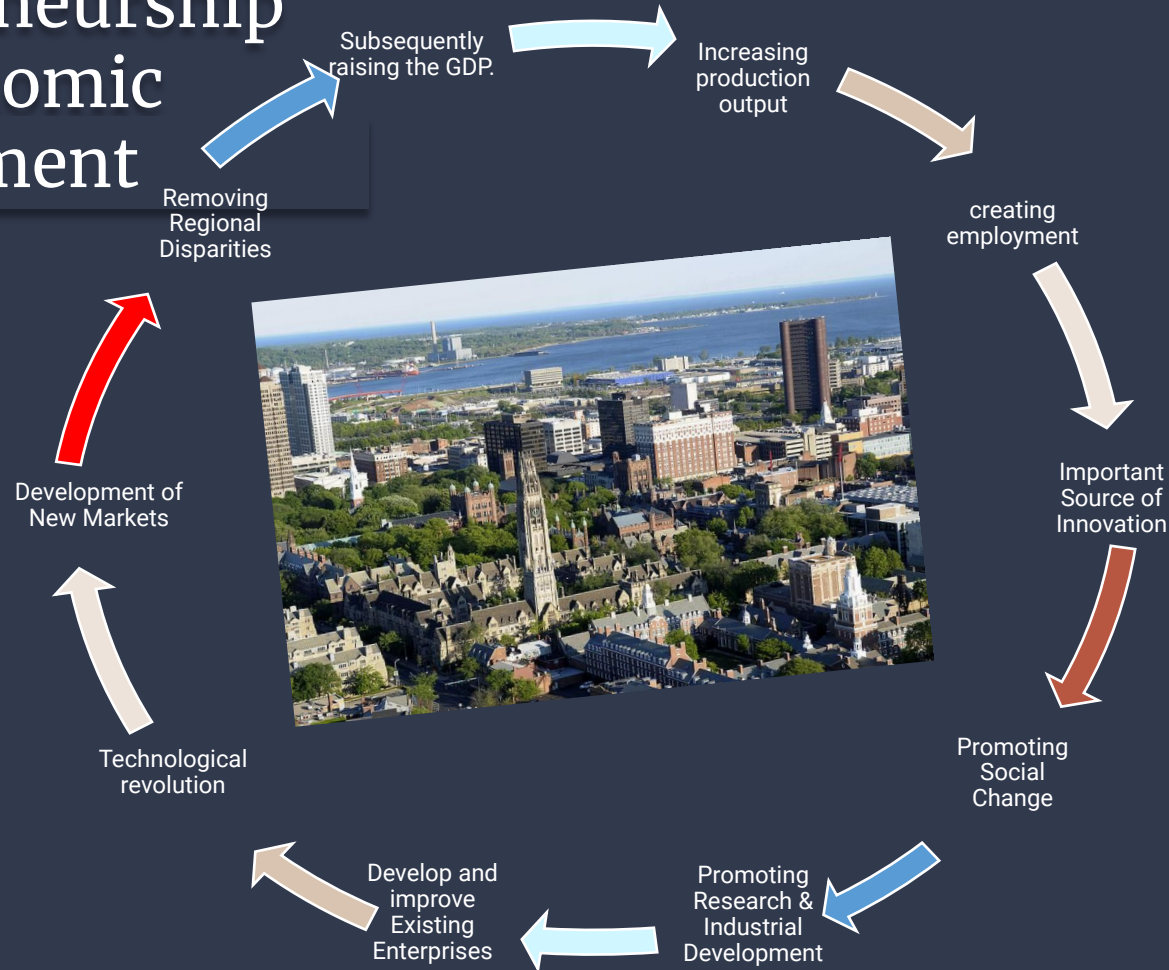
A collaboration between DataHaven and Yale School of Management
Funded by The Community Foundation Mission Investment Company

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Overview

1. Introduction
 - a. Power of Entrepreneurship & Ecosystems
 - b. Trends in Inclusive Competitiveness
2. Forward Cities Data–Greater New Haven Landscape Analysis
3. ESO models (Case studies)
4. Benchmarks & Recommendations

Entrepreneurship and Economic Development

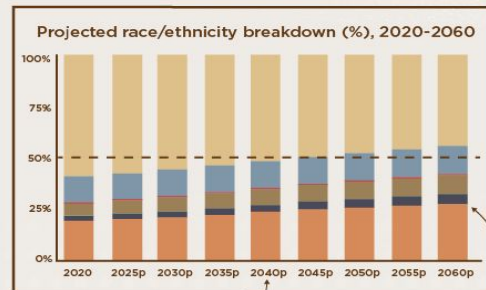


In US, 2020
first
cohort of
children
born
majority
non-white

Visualizing America's Population By Race

The United States is a unique mosaic of cultural diversity— almost 40% of its people belong to racial or ethnic minorities.

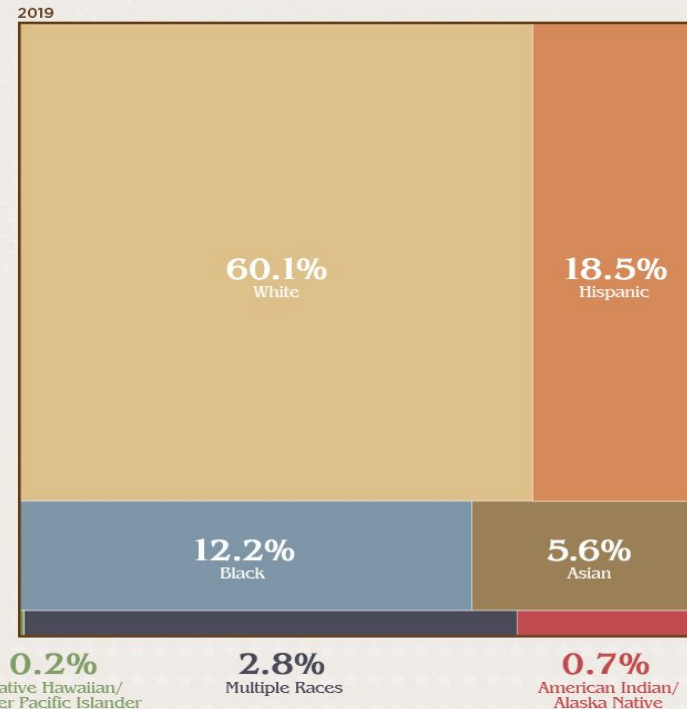
Here, we visualize the breakdown of the U.S. population in 2019, and how this will change over time.



Over time, the share of white populations is expected to decline to less than half (44%) of all Americans after 2045.

The proportion of those with multiple racial backgrounds will more than double by 2060.

Note: U.S. totals exclude Puerto Rico



Sources: Kaiser Family Foundation, U.S. Census Bureau



/visualcapitalist



@visualcap



visualcapitalist.com

Key Statistics

<https://www.census.gov/newsroom/press-releases/2021/annual-business-survey.html>

39.9%

- Minority component of the US population(Yr 2019)

18.3%

- Minority owned Businesses (Yr 2018/19)

19.9%

- Women Owned Businesses(Both white & Minority)

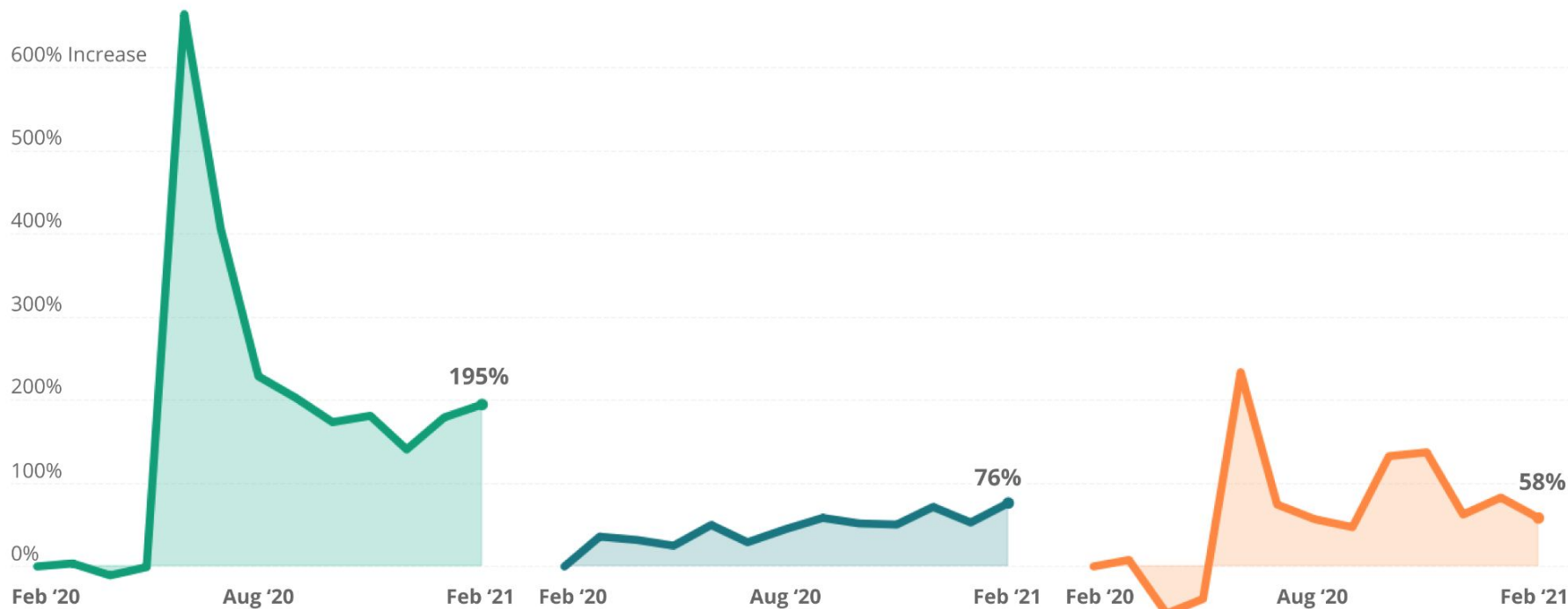
71.6%

- Venture capital Backed Startups owned by white Male YR 2018-19

Black Business Owners

Women Business Owners

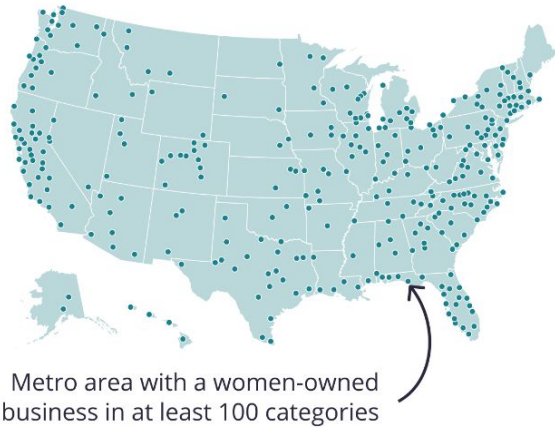
Latinx Business Owners



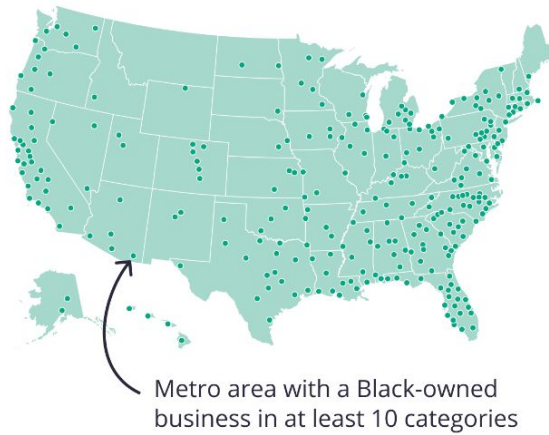
<https://www.yelpeconomiccoverage.com/diverse-business-report.html>

Trends in INCLUSIVE COMPETITIVENESS

Where To Find
Women-Owned Businesses



Where To Find
Black-Owned Businesses

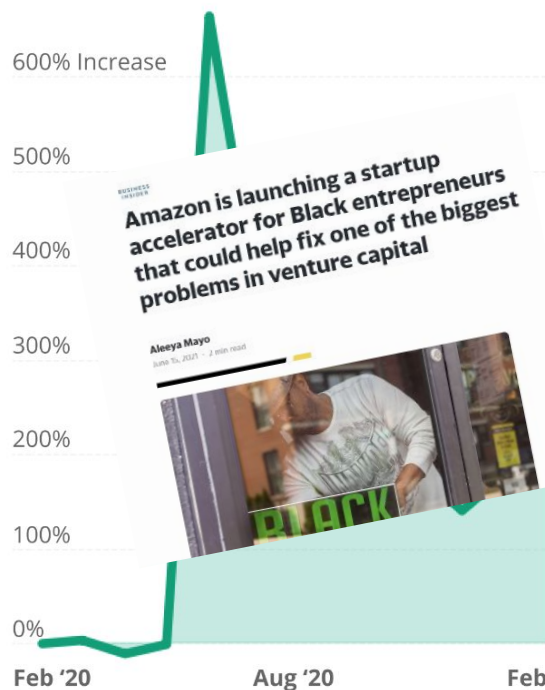


Where To Find
Latinx-Owned Businesses



<https://www.yelpeconomiccoverage.com/diverse-business-report.html>

Black Business Owners



Women Business Owners



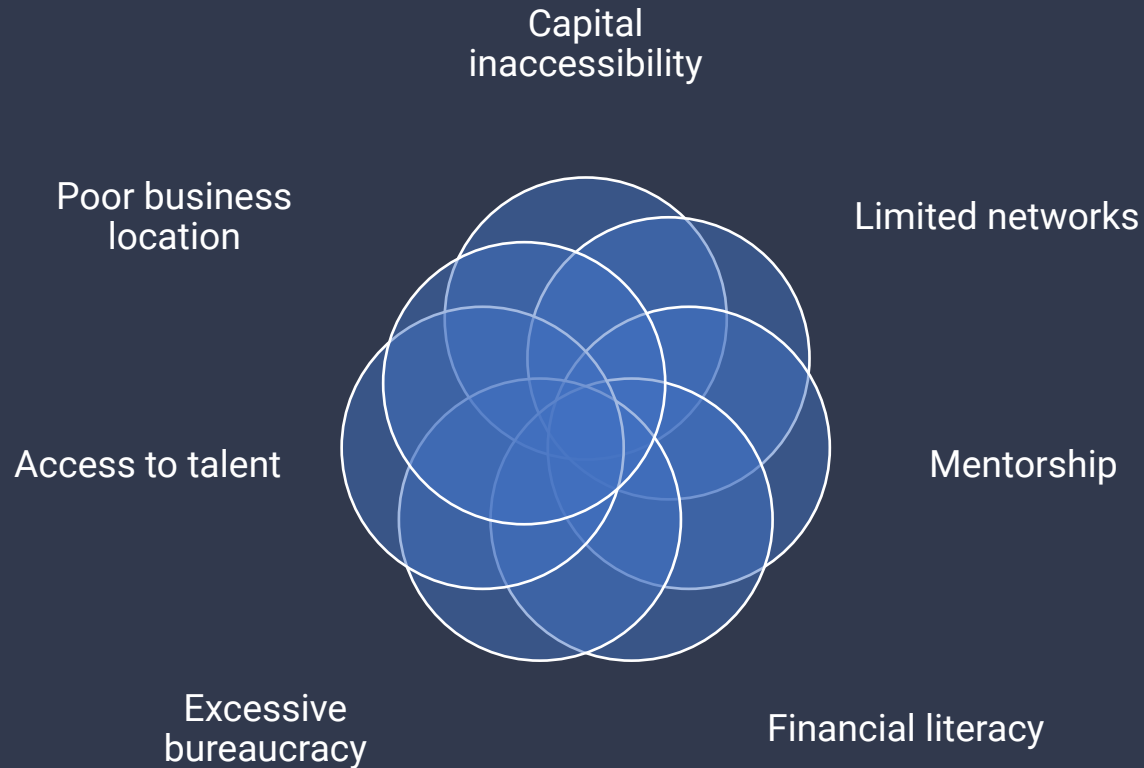
Latinx Business Owners



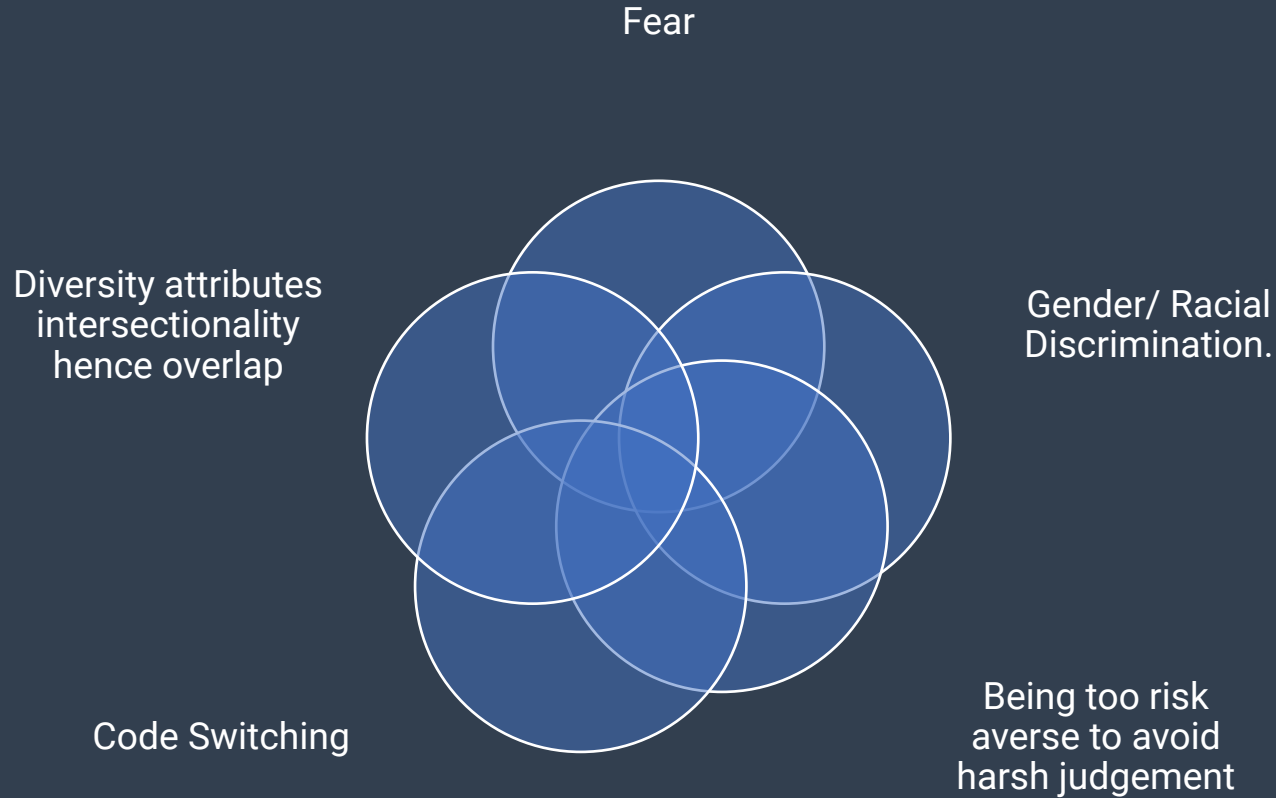
<https://www.yelpeconomiccoverage.com/diverse-business-report.html>

Trends in INCLUSIVE COMPETITIVENESS

Barriers faced By BIPOC Groups in Entrepreneurship



Barriers faced By BIPOC Groups in Entrepreneurship



Leadership

- Unequivocal support
- Social legitimacy
- Open door for advocate
- Entrepreneurship strategy
- Urgency, crisis and challenge

Government

- Institutions (e.g. Investment, support)
- Financial support (e.g. for R&D, jump start funds)
- Regulatory framework Incentives (e.g. Tax benefits)
- Research institutions
- Venture-friendly legislation (e.g. Bankruptcy, contract enforcement, property rights and labor)

Markets

- Reference customer
- Distribution channels
- Local business networks
- Diaspora networks
- Multinational corporations

Networks

- Entrepreneur's networks
- Diaspora networks
- Multinational corporations

Labor

- Skilled and unskilled
- Serial entrepreneurs
- Later generation family

Educational Institutions

- General degrees (professional and academic)
- Specific entrepreneurship training

Infrastructures

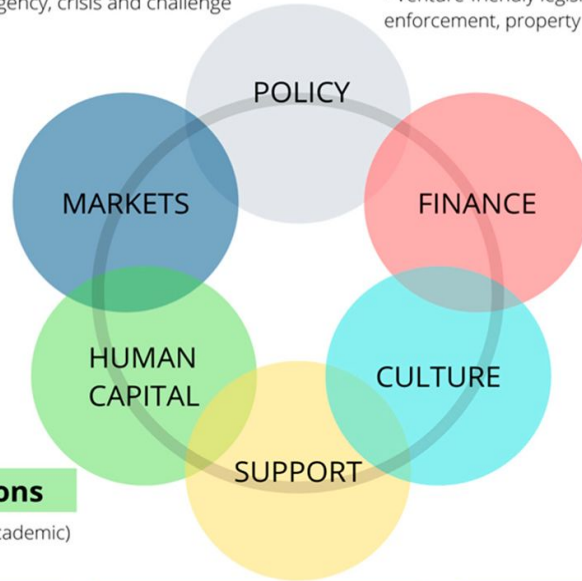
- Telecommunications
- Transportation and logistics
- Energy
- Zones, incubation, centers, clusters

Support Professions

- Legal
- Accounting
- Investment bankers
- Technical experts, advisors

Non Government Institutions

- Entrepreneurship promotion in nonprofits
- Business plan contests
- Conferences
- Entrepreneur-friendly associations



Financial Capital

- Micro-loans
- Angel investors, friends and family
- Zero-stage venture capital
- Venture capital funds
- Private equity
- Public capital markets
- Debt

Success stories

- Visible successes
- Wealth generation for founders
- International reputation
- Tolerance of risk, mistakes, failure
- Innovation, creativity, experimentation
- Social status of entrepreneur
- Wealth creation
- Ambition, drive, hunger

“Entrepreneurial ecosystems thrive when people and resources are connected and working together to develop new approaches and solutions for serving entrepreneurs.”

Kauffman Foundation

New Haven-Milford CT Metro Area, 2019

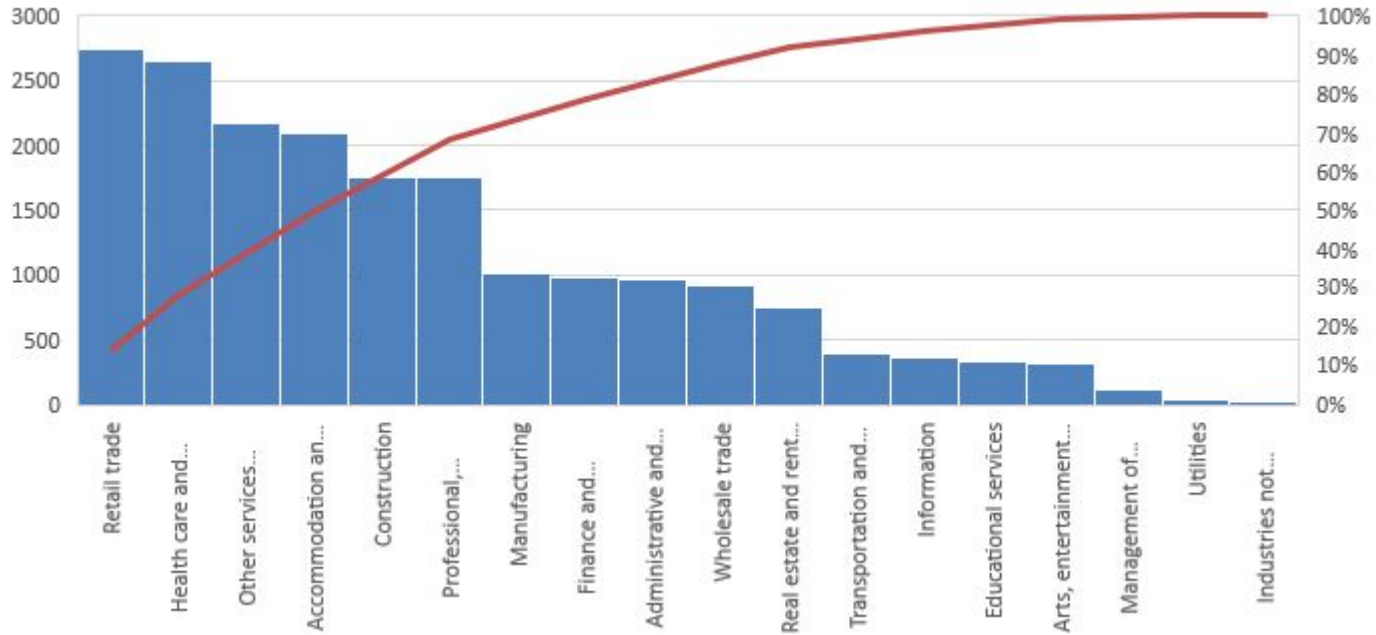
19,355 businesses

50% < 5 employees

94% < 50 employees

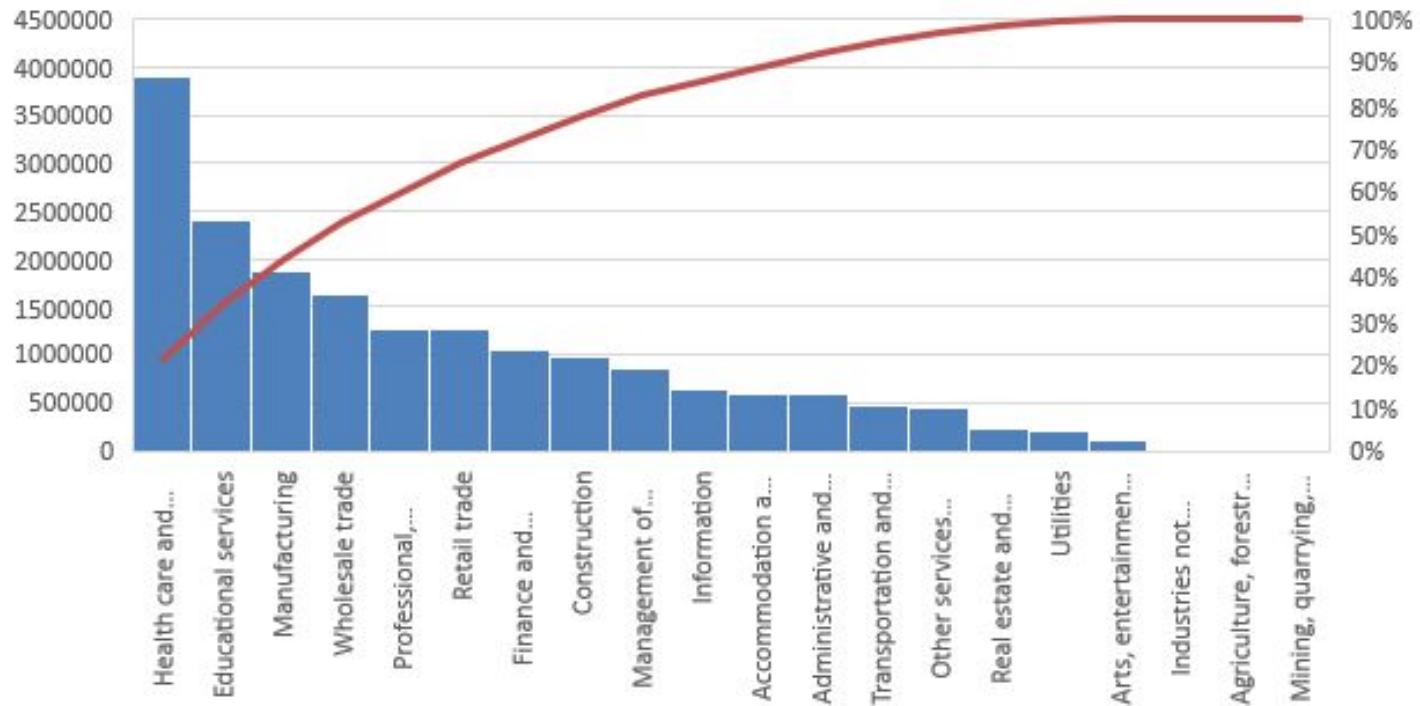
[Dataset from US Census County Business
Patterns, 2019](#)

New Haven-Milford CT Metro # Firms by Industry



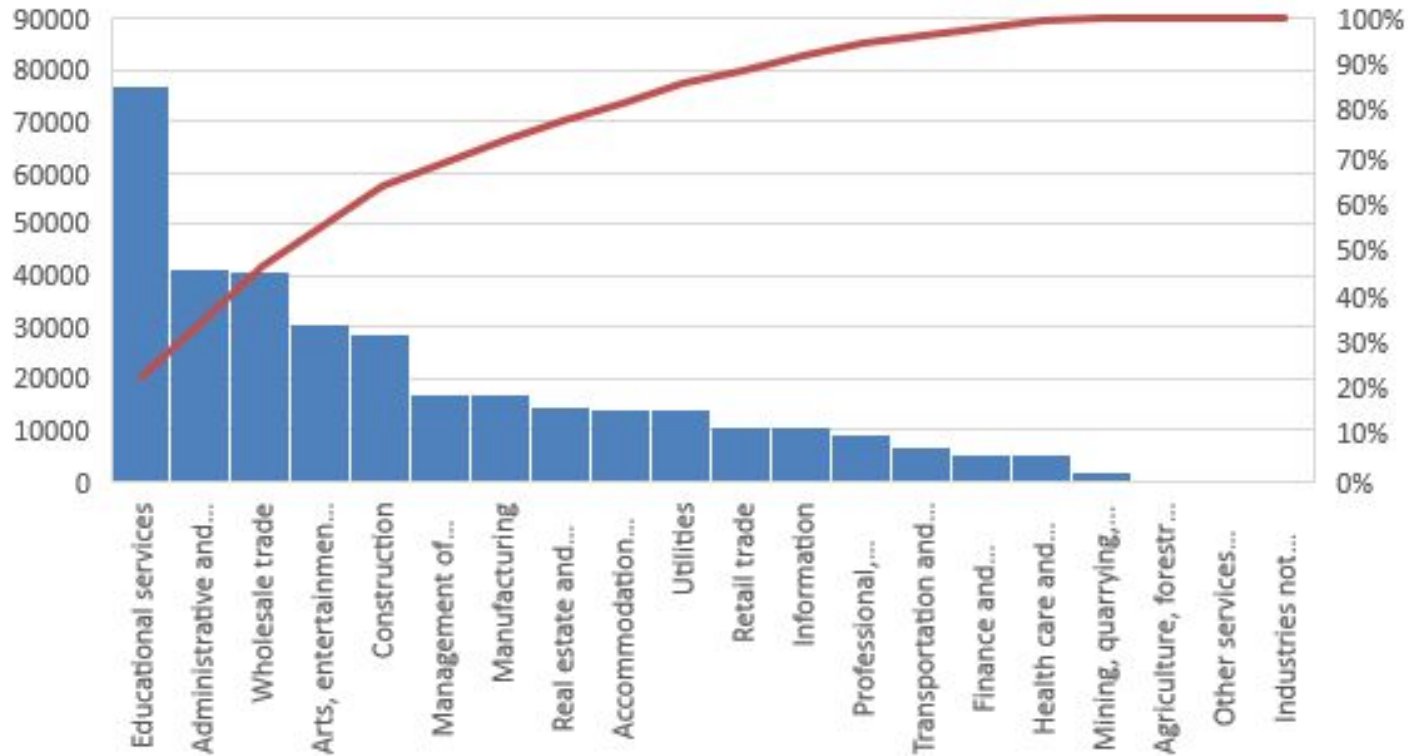
New Haven-Milford CT Metro Area, 2019

Annual Payroll

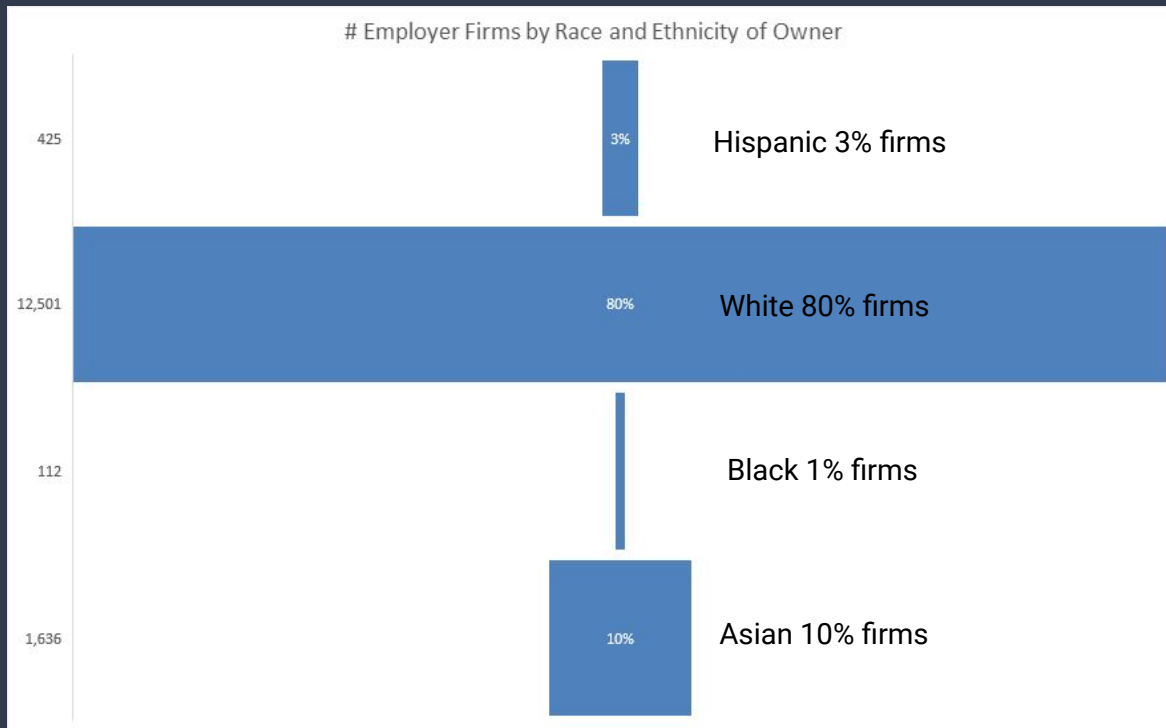


New Haven-Milford CT Metro Area, 2019

of Employees



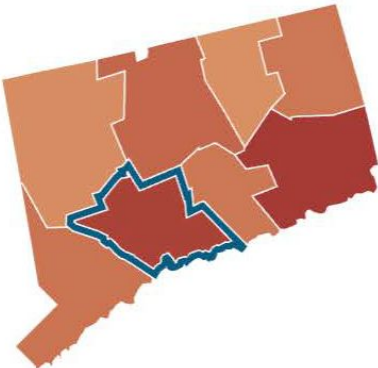
New Haven-Milford CT Metro Area, 2019



US Census, Annual Business Survey: Statistics for Employer Firms by Race and Ethnicity, New Haven-Milford, CT Metro, 2018

Percent Change in Small Business Revenue

Connecticut Visit Zip Code Map



Total

All

Industry

Education & ...

Leisure & Hos...

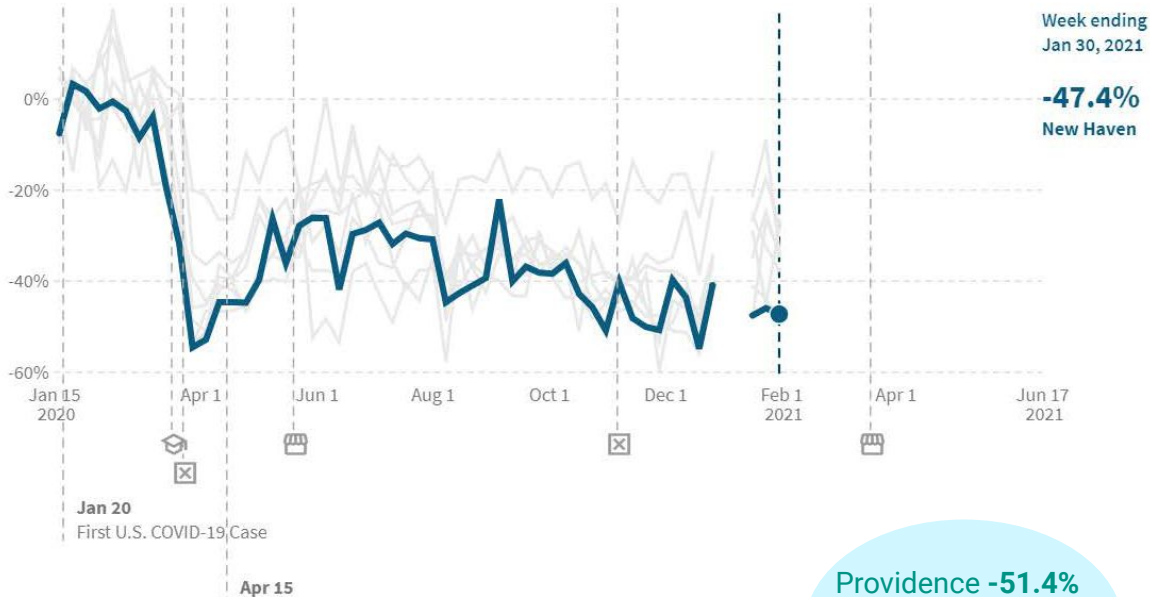
Bus. ZIP Income

Low Income

Middle Income

In **New Haven**, as of January 30 2021, total small business revenue decreased by **47.4%** compared to January 2020.

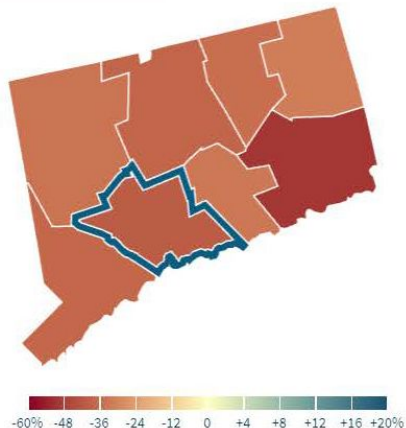
DOWNLOAD CHART



Providence **-51.4%**
Baltimore **-21.2%**
Philadelphia **-30.9%**

Percent Change in Number of Small Businesses Open ⓘ

Connecticut ▾



Total

☒ All

Industry

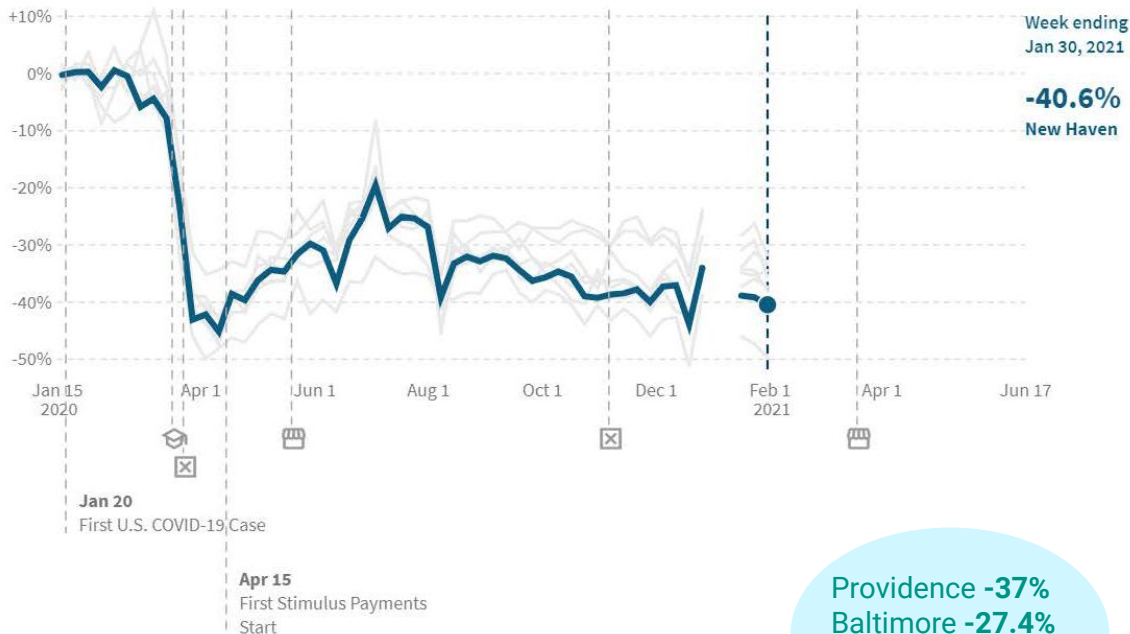
- ☐ Education & ...
- ☐ Leisure & Hos...
- ☐ Professional ...

Bus. ZIP Income

- ☐ Low Income
- ☐ Middle Income
- ☐ High Income

In **New Haven**, as of January 30 2021, the number of small businesses open decreased by **40.6%** compared to January 2020.

DOWNLOAD CHART



Providence **-37%**
Baltimore **-27.4%**
Philadelphia **-32.3%**

41%

Black -owned, -led businesses closed
during COVID-19 economic crisis

Coronavirus Is Hitting Black Business Owners Hardest

By [Lauren Leatherby](#) June 18, 2020

A higher share of black business owners stopped working during lockdowns

Change in active small business owners between February and April 2020



Source: Analysis of Current Population Survey by Robert Fairlie, University of California, Santa Cruz

Entrepreneurship

Barriers for entrepreneurs of color, women & other underrepresented groups:

Access to Financing

- **Wealth gap** between upper-income families vs. middle and lower widening (Pew, 2020)
- White vs. Black household wealth (10x) (Brookings, 2020)
- **70.6% of Black entrepreneurs rely on personal and family savings** for financing business;
- Black entrepreneurs **3x more likely to have business growth and profitability reduced** by lack of access to capital (US Chamber)
- US Venture over \$130billion/year, **less than 1% of Black or Latino founders** accessed

Access to Markets

- **Highly rated businesses in majority Black areas** don't grow at same rate (Perry, 2020)
- Policy solutions: Preferential procurement programs to assist MWBEs; **Last Disparity Report done in CT in 1992**
- Expand to 15% of Federal spend under Biden
- **Participation rates of women and BIPOC in accelerators and incubators relatively low**, especially in high tech sector (JPMC & ICIC, 2016)

Access to Education and Employment

- **Stronger interest in becoming entrepreneurs + higher education** in BIPOC communities
- Degrees in **business and engineering have increased sharply** among BIPOC students
- Latinos and African American are **overrepresented among college graduates wanting to start businesses**

Source: Bates, Minority Entrepreneurship in Twenty-First Century America

Dual Role of Entrepreneurial Ecosystems

Launch START UPS



SCALE UP existing businesses



Types of Entrepreneurship

Innovation Driven Entrepreneurship

- Founders with higher education levels
- Teams with more diverse skill sets
- Risk capital needed
- Longer incubation
- More connections to knowledge infrastructure and global markets, through links to universities, investor networks and corporate partnerships

SME Entrepreneurship

- Family business more often the type
- Capital needed: less amounts, and fewer sources of external capital vs IDEs
- SME development is more linear



Image Source: mbemag.com, iNvictus Office Center

Greater New Haven snapshot

*NEW ECONOMIC JOLTS TO
ECONOMY=Advance Child
Tax Credit Payments*

Poverty

25% $\pm 4\%$ (30,387 $\pm 4,892$)

Persons below poverty line

more than double the rate in the New Haven-
Milford, CT Metro Area: 12.2% 100,626
($\pm 1.1\%$ / $\pm 8,666$)

more than double the rate in Connecticut:
10% 347,149 ($\pm 0.4\%$ / $\pm 13,761$)

Children (Under 18)



Census Reporter, 2019 ACS 1 year data

starting July 2021

25,391 children under 17 in New Haven are below FPL

5 and under (n=3,618) \$300/month per child

6-17 (n=21,773) \$250/month per child

***\$6,529,650/month** additional
disposable income in New Haven
households

Inclusive Ecosystems

Building Blocks

*Applying the Forward Cities Framework
to New Haven Ecosystem*

Talent Pipeline and Mentors

Policy & Supports

Champions and Ecosystem Builders (you!)

On ramps & Pathways

Intersections & Conversations

Capital & Financing

Identity & Storytelling

Metrics & Learning

Greater New Haven *landscape*

TALENT PIPELINE

Diverse and growing pool of makers, dreamers and doers

Qualified and multilingual mentors

K-12

University

WFD tied to emerging entrepreneurial sectors

POLICY LEVEL

City regulations, policies and recovery strategies

OZ/BIDs/RE ownership

Local anchors entrepreneurship support strategies

Consistent funding to ecosystem

Talent Pipeline



STRENGTHS

- **Diverse and growing pool of makers, dreamers and doers**
- **Multi-cultural city**
- **University** technology transfer and entrepreneurship education (iHaven, Yale, & Quinnipiac)
- **K-12** (ConnCAT)
- **Post 2nd** (Holberton School)

WEAKNESSES

- **Segregated neighborhoods** by income and race/ethnicity
- Segregated regional housing markets
- **Spillover to education** systems
- **Underdeveloped Tech Industry/** CS education



OPPORTUNITIES

- **Qualified and multilingual mentors** (small big city; graduate entrepreneurs?)
- **K-12** (Promise? Career Academies?)
- **WFD** tied to emerging entrepreneurial sectors (BioPath-Southern U. & City)

THREATS

- **Talent / Firms leave** for bigger regional economies



Greater New Haven *landscape*

TALENT PIPELINE

Diverse and growing pool of makers, dreamers and doers

Qualified and multilingual mentors

K-12

University

WFD tied to emerging entrepreneurial sectors

POLICY LEVEL

City regulations, policies and recovery strategies

OZ/BIDs/RE ownership

Local anchors entrepreneurship support strategies

Consistent funding to ecosystem

Policy Level



STRENGTHS

- **Growing interest in building Ecosystem**
- **Biotech part of ecosystem**
- **New funding to ecosystem**
- **Local anchors with strong entrepreneurship support strategies** (University of Conn-procurement; iHaven)

WEAKNESSES

- **SME focused entrepreneurship less capacity** and less coordination
- **Need sustained stewardship** of initiatives (diversity study, Yale anchor purchasing, small contractors program)



OPPORTUNITIES

- **City regulations, policies and recovery strategies** (Partners Fund; HEDCO line of credit)
- **OZ/BIDs/RE ownership**
- **Local anchors entrepreneurship support strategies** (Yale-UConn)
- Federal SBIR/SBIC 5M, CDFIs 1.3T
- CT Minority Business Initiative

THREATS

- **Presidential election 2024**
- **Midterms**
- **COVID-19/ DELTA variant**

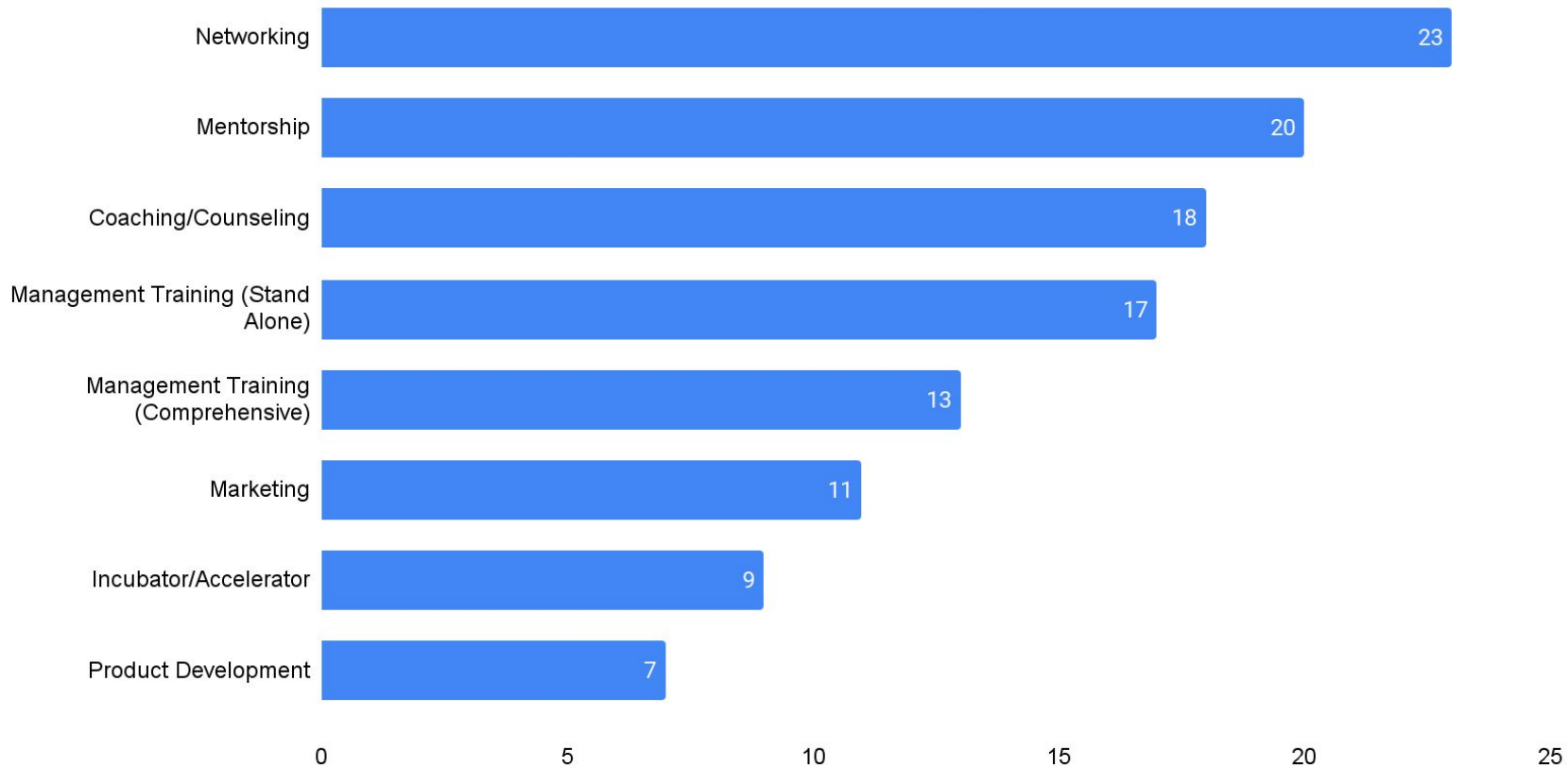


1. Mapping the Forward Cities Data



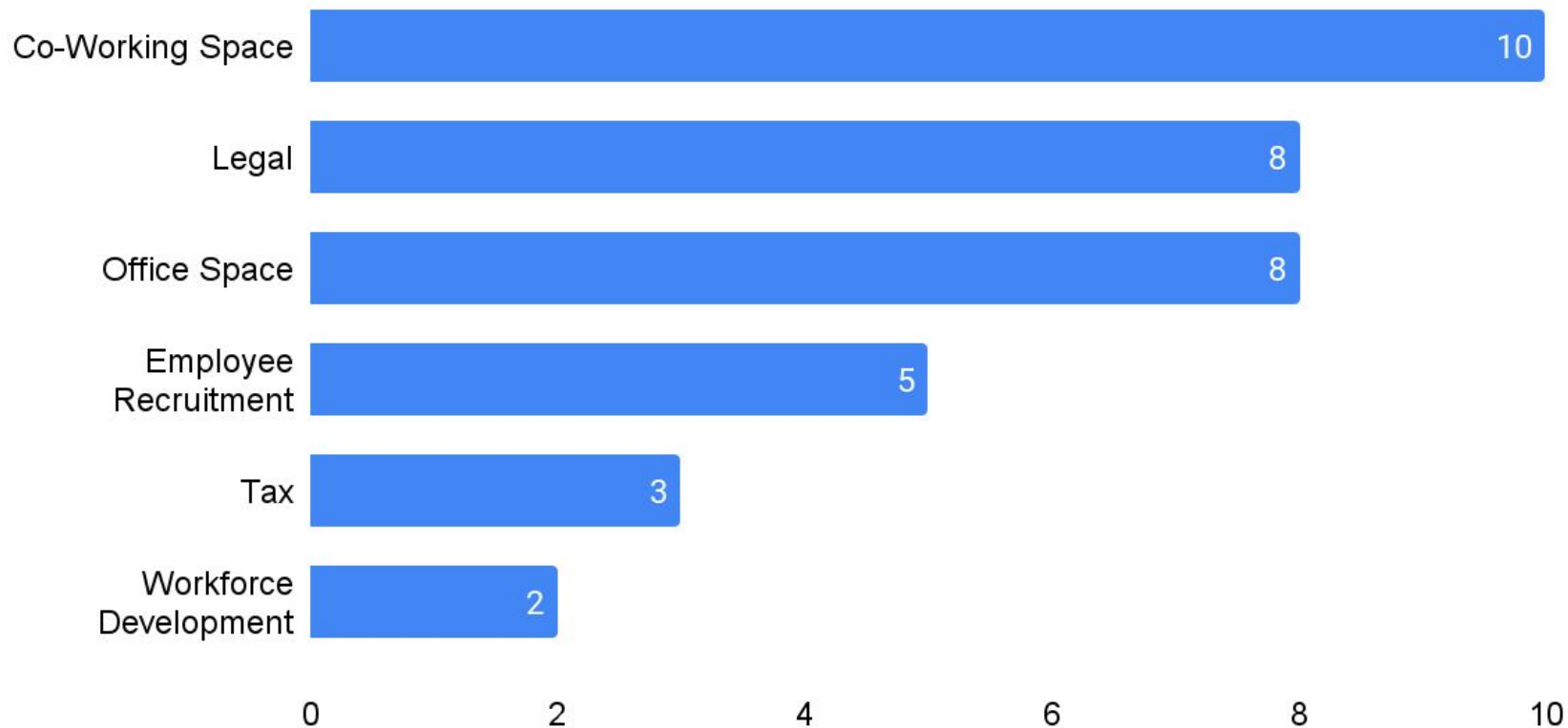
General Business Acumen

All ESOs



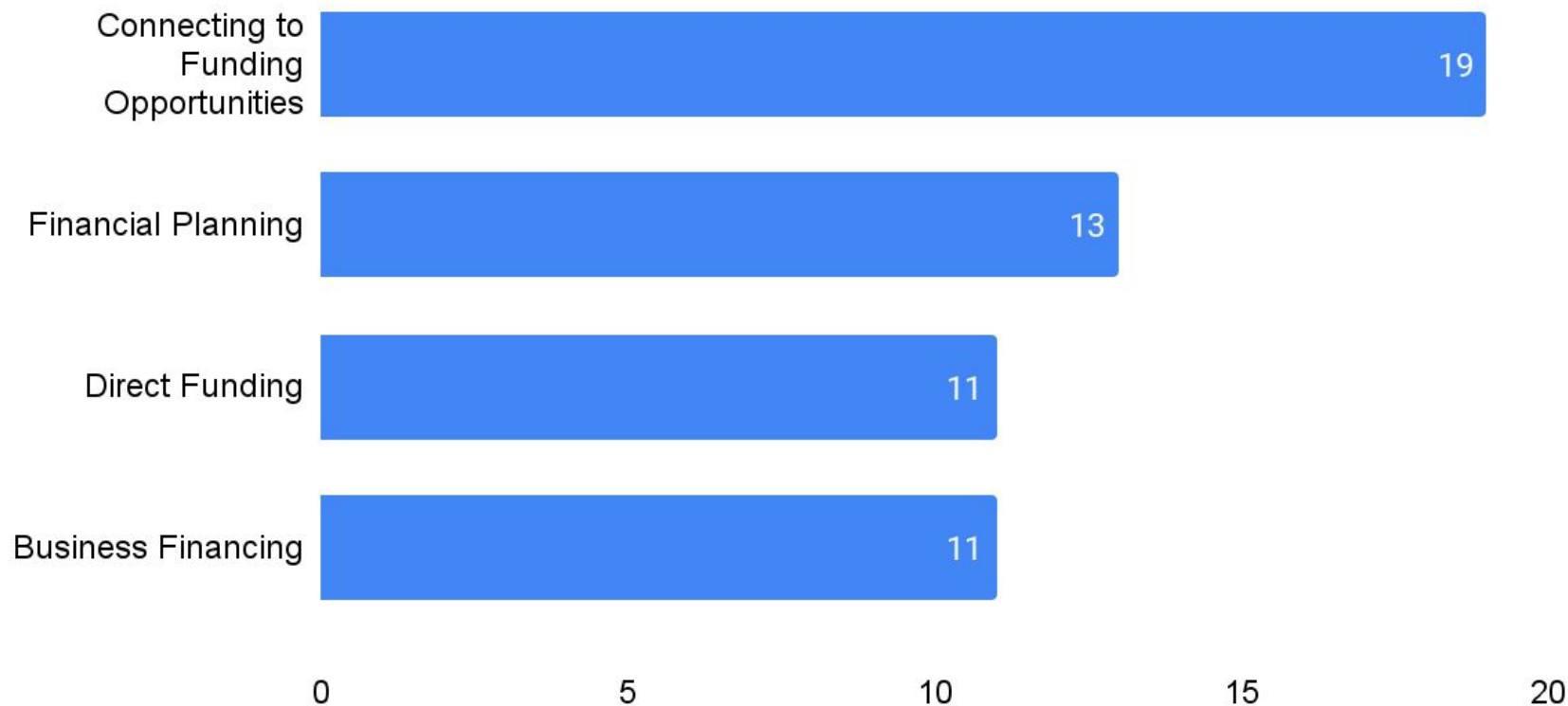
Operational

All ESOs




Financial

All ESOs



	Mentoring	Finance/ Legal	Capital	Management (multiple)	Management (stand alone)	Product	Incubator	Physical Space	Workforce
BBA	✓	✓	✓	✓	✓	✗	✗	✗	✗
SBRC	✓	✓	✓	✓	✓	✗	✓	✗	✗
Collab	✓	✓	✓	✓	✗	✓	✓	✗	✗
SBDC	✓	✓	✓	✓	✓	✓	✗	✗	✓
HHH	✓	✓	✓	✓	✓	✓	✓	✓	✗
KNOWN	✓	✓	✗	✗	✓	✓	✗	✓	✗

2. Ecosystem Organizations- Case Study Models



Case Studies

Methods

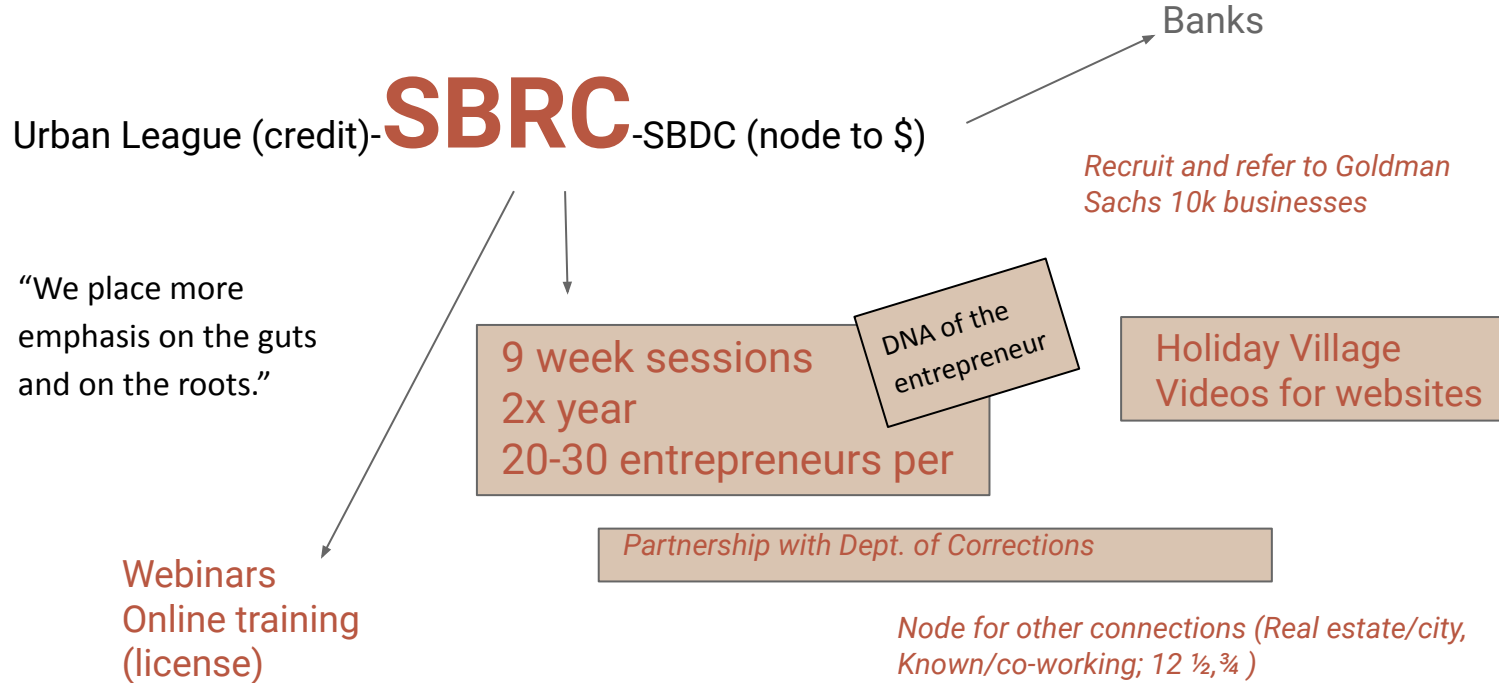
- 90 minute interview
- Follow up “model check”
- Materials reviewed and approved

1. Graphic depiction of ESO model
2. 2 page case study summary
3. Selected quotes for “data walk”

“Business planning is important for a variety of reasons, we create a lot of space for participants, a lot of space. Starting a business is hard. Actually a very special space, the exercise of articulating the components of business plan. We get a lot of ‘I love to cook, people love my cooking, I’m thinking of opening a restaurant.’ There’s a lot to do from here to there! Our assessment is a diagnostic, what kind of entrepreneur are you? Who are you as a business and who are you not?”



New Haven based





New Haven based
CT focused

Organizational partners



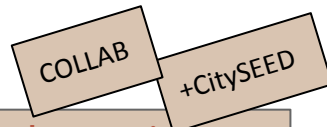
COLLAB



Pre-accelerator
(5 weeks/ PT)
20-30 per

"We create a safe work environment,
direct one on one support, our focus is
on the intersection of emotional
wellness and direct coaching support."

11/12 week sessions
2x year (FBA 1x year)
10 entrepreneurs per



"We really see ourselves as that top of
funnel and ecosystem, we touch likely,
the most entrepreneurs and bring them
into the funnel and provide them
immediate support."

*Node for other connections (NXTHVN,
TCF-MIC)*

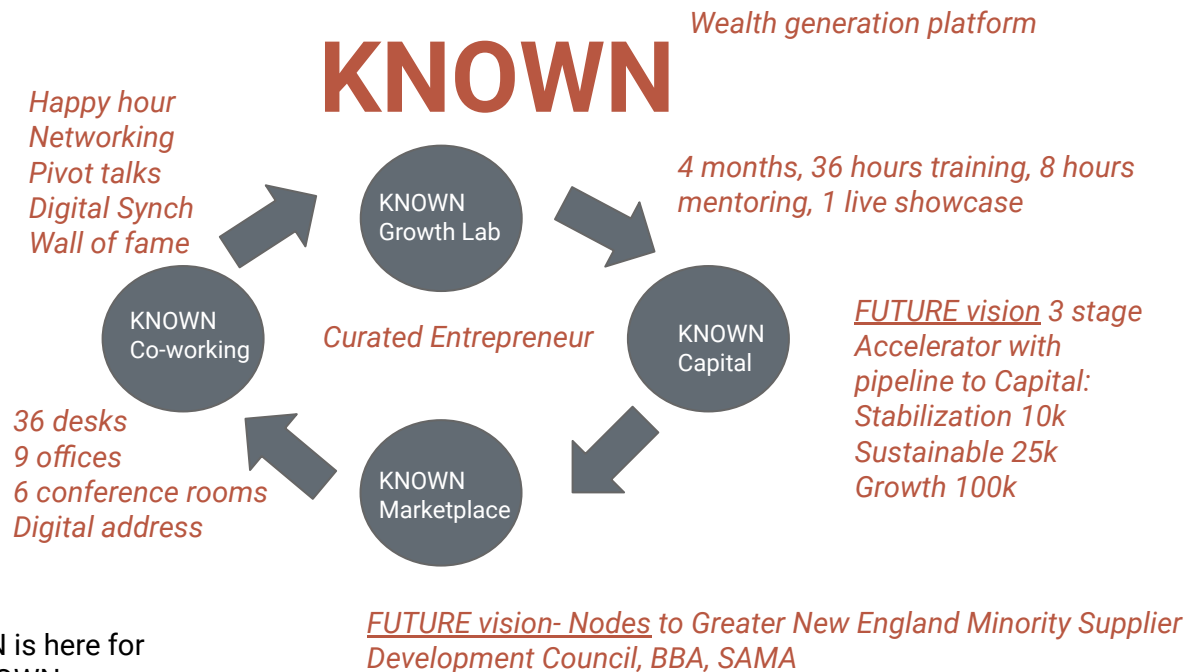
"We want people when they interact with Collab to feel very taken care of
very supported very believed in what they're bringing to the table, the
lived experience that they bring to the table, the expertise that they bring
to the table."

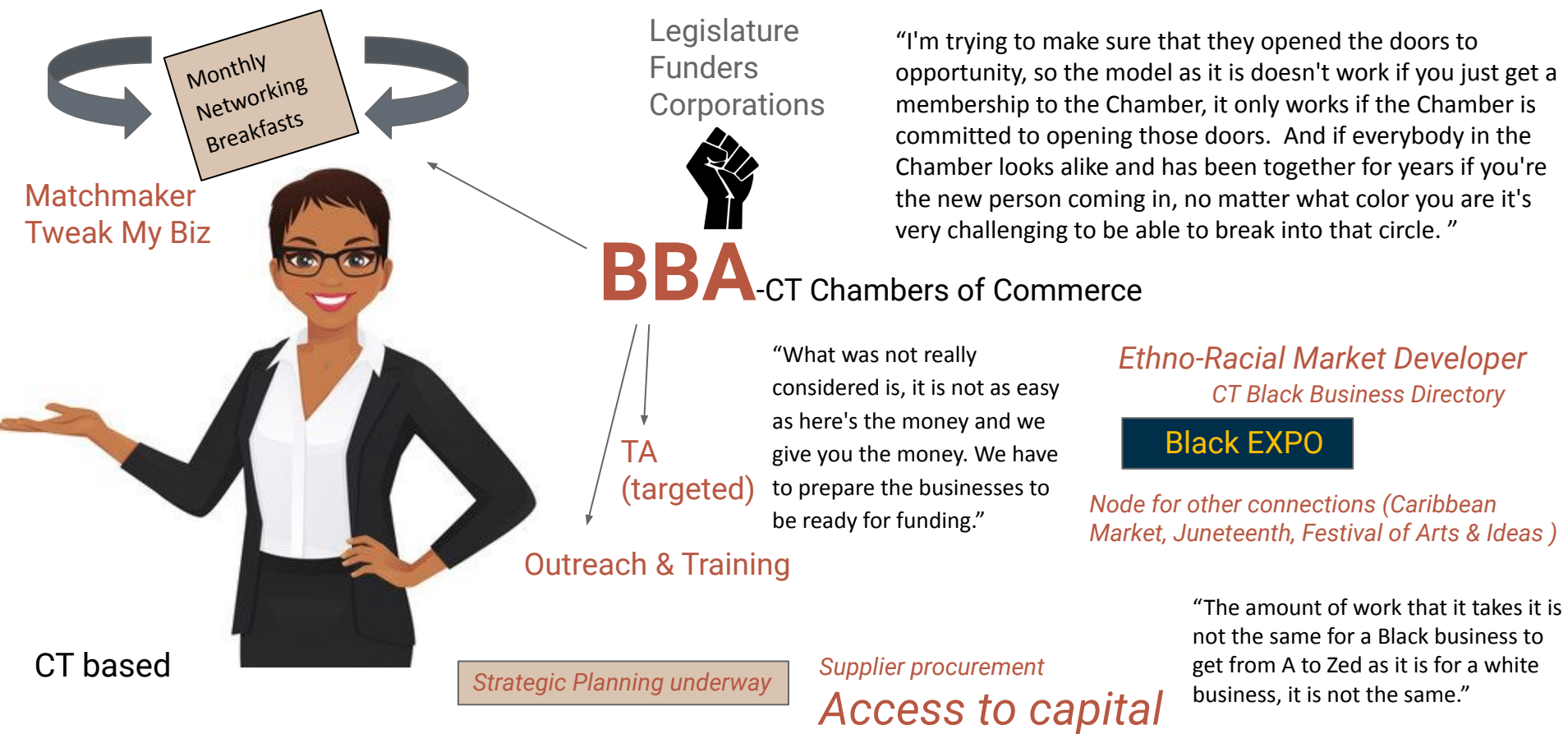


New Haven based

“In a nutshell KNOWN is here for turning emerging KNOWN entrepreneurs into star performers.”

“It is called KNOWN because I think people first connect with people and they get to be known and as a consequence of that things happen, serendipity kicks in.”

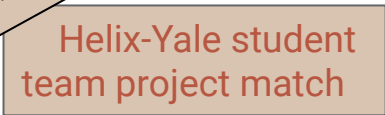
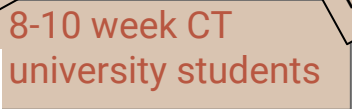
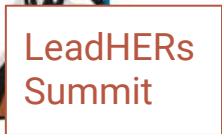
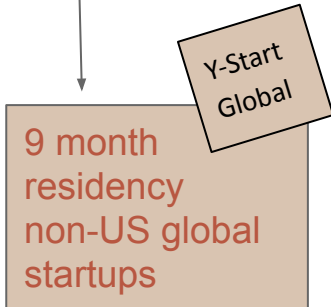
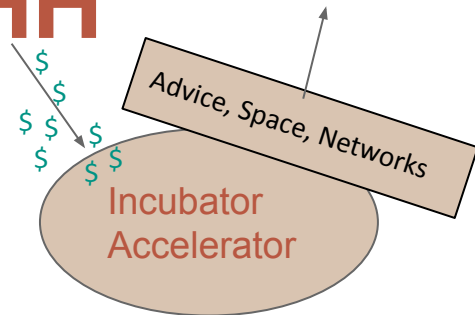




"The opportunity that the HUB brings to to entrepreneurship, whether it's a student, an incubator or accelerator is the fact that we derisk. 95% of of companies fail, and the reason why they fail is is not necessarily always because they don't get capital but because they lack business acumen. "

HealthVenture-HHH

Global markets/ Exit



"I'd like to be in a position to have more persons of color in this ecosystem. This is important from the perspective of access and opportunity but also creates wealth equity and closes the gap associated with wealth inequities. That's really, really important to me. If there's a legacy that I would like to leave, it would be that."

Global focus

7 college/university partners



“One-on-one advising is the number one thing for any SBDC in the country—you are coming in for information but leaving with a lot more.”

SBDC-node to \$

Angels, VC, Banks
(target = \$57 million)

SBA loan
guarantees

1:1 ADVISING
Capital, Operations, Start
up, Global (18 advisors)

New Haven based
State focus
State and Federally funded

Webinars
Training

*Node for other connections (SBRC Academy, Real Estate/city,
Business development- Clusters, Certification programs, Global
markets, Federal & State programs)*



“I think technical assistance should go along with money. A person says I have an idea, let me borrow \$50K—that person does not know how to run a company. That's the missing variable.”

Curriculum Comparison (based on websites/ not member checked)

Similar across ESOs

- Business Planning
- Finance & Accounting
- Marketing
- How to Get Funded
- Social Media
- Legal Basics/Incorporation

Distinct output

- Business Plan Writing
- Individualized KPIs
- Value Proposition/Pitch

Distinct

SBRC

- Basic Numbers

Distinct HHH

- (iH) Intellectual Property Law
- (iH) Design Thinking
- (iH) International Opportunities
- (Y-s) What to Expect from VCs
- (Y-s) Post-Due Diligence
- (Y-s) Navigating the Healthcare
- (Y-s) Innovation Ecosystem
- (Y-s) HC as a client
- (Y-s) HC Innovation ecosystem
- (Y-s) Equity 101
- (Y-s) Building a Team
- (Y-s) Product design

Distinct BBA

- Customer Retention & Service
- Resume writing

Distinct COLLAB

- (ED) Starting from inside out
- (ED) Understanding your expertise
- (Gw) Your Why
- (Gw) Culture of Entrepreneurship
- (Food) Procurement
- (Food) Food regulations

Distinct KNOWN

- Productivity Tools & Strategies
- Insurance
- How to Get Minority Certifications

Curriculum Comparison (based on websites/ not member checked)

BBA	Starting Your Business	Business Plan Writing	Customer Retention & Service	Sustaining Your Business	Financial Statements	Full Business Plan	Resume Writing	Usages of Funds	Cash Projections
KNOWN	Goal Setting & Accountability	Budgeting & Financial Statements	Non-Traditional Funding Sources	Minority Certifications	Capability Statement	Business Barriers for Minorities	Insurance	Social Media	Website
	Productivity Tools/Strategies	Self-Care	Strategic Plan	Marketing	Scaling	Presentations			
HHH - iHaven	Perfecting the Investor Pitch	Understanding Your Role in the Landscape	Business Development	Choosing a Legal Entity	Intellectual Property Fundamentals	Product Management	Sourcing Your Client Base	Accounting & Financial Models	Fundraising 101
	Design Thinking	Building Your 1st Financial Model	International Opportunities	Doing Business in New Haven & CT	Investor Panel	Startup Showcase			
HHH - Y-Start	Digital Health	What to Expect Post-Due Diligence	Digital Marketing	Legal Strategies	Sales & Distribution	Healthcare as a Client	Healthcare Innovation Ecosystem	Equity 101	Building a Team
	Scalable Product Strategy	Non-VC Fundraising Strategies	Product Design						
SBRC	Business Planning	Business Basics	Marketing	Basic Numbers	Financing	The Web & Social Media	Incorporation	GTM Strategies	

Curriculum Comparison (based on websites/ not member checked)

Collab - Entrepreneurship Decoded	The Most Important Thing is You	Entrepreneurship Decoded	Putting Yourself Out There	Starting from the Inside Out	Understanding Your Expertise	Your Business, Your Community
Collab - Entrepreneurship Decoded	The Most Important Thing is You	Entrepreneurship Decoded	Putting Yourself Out There	Starting from the Inside Out	Understanding Your Expertise	Your Business, Your Community
Collab - Regular Accelerator	Customer Discovery	Value Propositions	Business Planning	Legal 101	Accounting 101	Marketing 101
Collab - Groundwork	Orientation & Your Why	Building a Business Idea	Understanding Your Customers	Intro to Business Modeling	Culture of Entrepreneurship	



BBA	7/9 same	2/9 distinct
Collab - Accelerator	4/6 same	2/6 distinct
SBRC	5/8 same	3/8 distinct
HHH - iHaven	8/15 same	7/15 distinct
Collab - Entrepreneurship Decoded	3/6 same	3/6 distinct
Collab - Groundwork	2/5 same	3/5 distinct
HHH - Y-Start	3/11 same	8/11 distinct

Example of Curriculum Comparison (based on websites/ not member checked)

Ecosystem ROAD MAP



Entrepreneur engagement **growing well**



Co working, Maker spaces, Production spaces
emergent



General entrepreneurship
education — **lots of overlap here,
some synergies, lots of iteration**



Sector specific networks, specific industry
connections **less developed**



Access to capital networks and market
access assistance = **variable**



Interview Themes

there. *That's* a missing variable. Wherever you are, here, some other part of the country, if you look at minority population in urban environments it's what is missing. It is not a lack of *capital*, it is the skill set. To truly run your business like a business and not like a mom and pop. It could be a mom and *pop* but you can't function that way, you have to have systems in place. So that's kind of *what's* needed, we can always identify people. No one has a problem identifying people. *There's* no problem finding people. The question is ask is where are they today? Where the graduates today? *What's* doing what today? Then that tells me *whether* or *not* we're doing the right thing. That the type of training *we're* providing is a sustaining one. Some clients *I've* watched them go from zero to now they're doing a few million dollars. But *yet* *we* had strategic conversations every few months we've talked about how to grow, the incremental steps of growing. They *weren't* left behind, if you will. Just like any other profession, you know attorneys, doctors, they just *don't* come out and start practicing, no, they go to school and need school too. You have residency for a reason. You *have* to *practice*. (ORG3)

Capital one of the biggest problems for not only small business, especially for minority businesses always undercapitalized. They don't have money for back office set up to keep the lights on. See, they started by bootstrapping. How do you move it forward actually fully *loaded*. That is the problem. How do you transition? (ORG3)

One thing I think the *Foundation* or the ecosystem should do, they should send out various businesses and ask... what problems are you having? And see how many at Capital is probably going to be there. Because that is an issue. But if they are *not* their back office! Do you know how many clients did not do their 2019 taxes? To how many minorities cannot participate in the PPP during the pandemic? How *many* *didn't* *yes*? The government said, here are the *programs*, if you must then, we know we hear the complaints, come on are you kidding me, file your taxes! (Is it a shoe box?) Yes, records are all over the place, or it was procrastination. *I've* minority businesses live off their schedule C. That gross income is really your in. And they usually *don't* want to pay taxes to the government and that's why, and *not*. *So* when the first PPP came out, they took line number 31 instead of line 7, minorities were overstocked. The second one came around and President Biden took line 7 because I understand that minorities, they run their business different *ways*. (ORG3)

Other specific needs

Cash flow, financials, that is where the real work needs to be done. (ORG3)

Telling the financial story is something that is lacking. So yes, they know what it is, can they really work with one? Are they tracking all of their expenses in real time have a good understanding of the different financial levers that they needed to grow and be sustainable? (ORG3)

The next level of services support would *include*, marketing support, low cost or training on social media, hands on training for how often we touch touch together afraid [to try social media now]—*that's* how small, apps and phone stuff. (ORG3)

like that. Overall, the lifestyle that we live in Connecticut is the trade off, you know my I love the four seasons. (ORG3)

Working capital gaps and Tax issues

What kind of capital do they need? They need flexible financing to be able to grow their businesses. *I've* had a number of businesses that potentially could have contracts, if they could have some money up front, to be able to invest in equipment or invest in inventory. And then they can get the contract, or something to tide them over until the contract gets paid. (ORG3)

Low interest, giving them time to pay, maybe zero interest for a while. (ORG3)

There are still a lot of folks with credit issues, but the issue with that is on two sides. *So* one, yes, you do need to get some help to fix your credit. But while *you're* building your credit, on the other side of the fence, *lenders* want to look at something other than just a credit rating, to be able to help connect to

or of those. So sometimes *you're* not eligible for funding because arrangement on your taxes, and that will keep you out of it.

at, so we work with these Queens credit restoration in New Haven it's all she does. These Queens credit restoration. Her business is *ing* with her organization and sending people to her for that specific

improvement services (ORG3, 5, 6)

ors

programs are designed that also adjust the cultural needs of whomever it's that? How do we account for that with staffing or language? *How* you can have somebody who speaks Spanish and still doesn't know what I mean. But when we create these programs, or doing, how do we think that through? I feel like that is missing

At or the right time

along with money. *So* it's one thing, a person says, I have an idea, I want to run a company. *They're* really setting them up for failure at that time transition, how do you take the blow, give some feedback in there? You have people that have never worked for themselves a ten they're responsible for everything, you know, the payroll, the the food, whatever it is. *They've* got to give them something

Business intuition, especially around growth. Like, how do you make strategic decisions at forks in the road, how do you evaluate whether to target one customer versus another, how do you think about the partnerships and the suppliers, you need some of those pieces, especially if they relate to growth *and* *is* a gap that we've uncovered. (ORG3)

More hands-on assistance

Helping them create financial systems in the backend and have them really understand all the ins and outs of it. They need more, could be workshops, it could be mentorship. (ORG2)

Back office

(With Federal contractors) Can you be audited, do you have a system in place to do that, and are you ready? That is a big deal with the Feds. " (ORG3)

The Black contractors and minority *contractors* do not know how to handle their back office. That is what you need to properly bill on those government jobs. You *don't* know prevailing wage? *So*, you get a problem then because *you're* going to mess up your bid, you're in trouble. You *don't* know, especially the federal jobs. Because it could be a municipal job but it's federal dollars, that means you *have* to deal with federal auditing, which is back office which a lot of these guys get in trouble with. They're not concentrating on that, they're wonderful bricklayers they're wonderful construction people, but their office, their back office is terrible! (ORG3)

You really got to address that. *They're* complaining all the time Oh, we didn't get it, oh this is not fair... stop complaining and put yourself in a better situation. Okay... *you're* under-capitalized number one. You are not going to be paid (on these contracts) for 60-90 days, you should prepare yourself, so that when you get that contract, you have a *60-90 day* reserve. *That's* just common sense to me. They *don't* think that way. They think, someone is getting over, someone is taking advantage of me, and *they* like, no! You are just not in the best position you can be. Why don't you have a higher bond than you have? Why are you waiting until last minute? Why don't you have a credit line established? *They've* been in business five or ten years. *What's* fault is that? These are the things I question them with—not trying to beat over head with it, but these are the facts. And know that we know the facts, *let's* address them. That is what the eco-system can really do that will make systemic change in this area. We need to really address the problems that minority businesses are facing. For the majority of them, it is not an issue of getting the work, it is because of what follows after the work. *Don't* pay employees. *Don't* know how to leverage contract with the bank. Things like that. I realize, some of those guys have a skill but never became businessmen. Those who did, alas, those who *don't* are complaining and still struggling. I know what Chris Brown over at *Valis* doesn't want to hire you for 10,000. You can barely handle the 10,000. But now you complain when you are passed over for a *50 million dollar* project. There are rules of engagement, and they *don't* want to hear the rules of engagement. If I look deeply into your company, I can see the problem. And the problems are not just with one company. They are across the board and *that's* why I know it needs to be addressed. (ORG3)

Key Themes from interviews

Working in Ecosystem

- Desire to know more about each other
- Scarce funding leads to competition
- Overlap not necessarily bad (many touches)

Entrepreneur Needs

- Lack basic business acumen
- Financials (really know how to work with them)
- Mix of technical and culturally sensitive support
- Low or no cost professional services
- Tax assistance
- Back office
- Flexible capital early, attached to pipeline & TA w/capital
- Business development for next level growth

Entrepreneur strengths

- Grit, resilience, people persons, market knowledge, younger generation very entrepreneurial

Inclusion

- Just buzz word, need action
- Not right question
- Representation at all levels (not just entrepreneurs)

View of Funders

- Supportive accessible, good listeners
- 3-5 year funding, not year to year
- Tight pockets, usual suspects getting funded
- Doesn't always move at speed want them to

NHE3 Process

- Concern about FC history and lack of transparency
- Build trust with action
- Process that gives more marginalized voices a say
- Urgency about the work, serious business leaders

3. Benchmarking to Thriving Ecosystems (*select best practices*)



Benchmark: Onramps & Pathways

Onramps & Pathways

Forward Cities

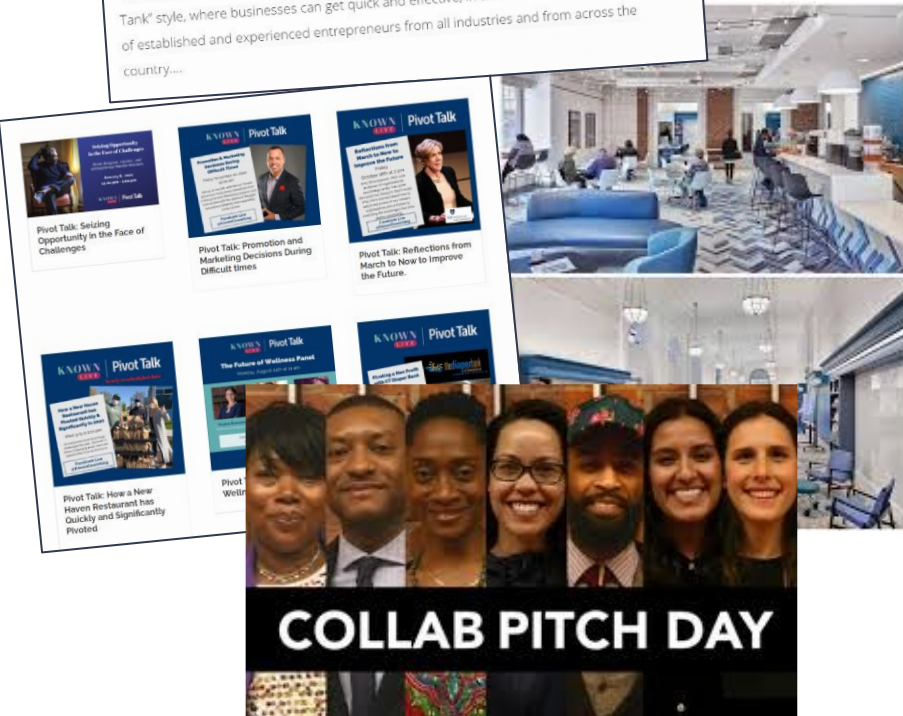
- ✓ 1. Accessible (online and offline) business skills training and TA
- ✓ 2. Articulated and active Main Street business recovery and resilience strategy
- 3. MBWE programs **aligned with growth sectors**
- 4. Accessible (online and offline) accelerators/incubators for **multiple sectors**
- ✓ 5. Free/low-cost start-up and entrepreneurial mindset workshops (online and offline)

IDEAS

- **URBANE** (Flatbush/Caton Market)-business developer and market access onsite
 - Commercial kitchen/ lotions, etc production for rental
 - Set up for live stream
 - Rent to community college for classwork
 - Broker market access to online platforms, hotels, airlines (take a fee/%)
- **ICA** (Oakland, CA)
 - Focus on women entrepreneurs of color
 - Aiming for beyond regional growth (traded cluster)
 - Food focused, but other sectors too/ mentor & board
 - CDFI-VC Incubator (\$50k) and Accelerator (\$100-500k)

Benchmark: Intersections & Conversations

Tweak My Biz. This marquee BBA program is a quarterly, statewide event, hosted in a "Shark Tank" style, where businesses can get quick and effective, in the moment advice from panel of established and experienced entrepreneurs from all industries and from across the country....



Intersections & Conversations

Forward Cities

- ✓ 1. Ecosystem (virtual) gathering(s) connecting diverse and representative stakeholders
2. Consolidated ecosystem (virtual) **event calendar(s)**
3. Centralized **digital resource directory**
- ✓ 4. Accessible and inclusive Public (free) Innovation/work spaces - when safe
- ✓ 5. Entrepreneur-led (virtual) events and initiatives

Digital wayfinding space

ENTREPRENEUR QUARTERLY

[Twitter](#) [Facebook](#) [LinkedIn](#) [Instagram](#) [RSS](#) [Search](#)

St. Louis Startup Ecosystem Map

Looking for Peace of Mind? Check out EQ's Guide to Hiring a Fractional CFO

St. Louis Startup Ecosystem Map

Curated and edited by [EQ](#), this interactive map is a tried-and-tested guide to the startup ecosystem in St. Louis and a practical illustration of the hubs that form the innovation community.

Get Listed: Add / Update / Edit

Accelerators

8

Competitions

11

Coworking

18

Funding

17

Incubators

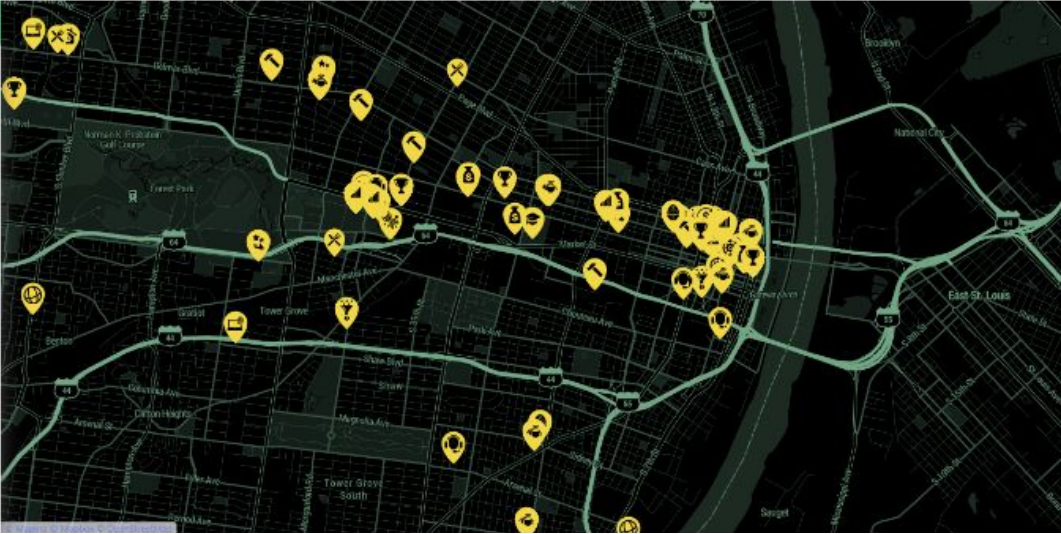
15

Maker Spaces

9

Talent & Training

10



(Place based) Entrepreneurship Center



Programs for Tech Startups

If you're serious about your startup, have an innovative technology or want to play a larger role in the city's burgeoning tech industry, TechTown is the place to start. We can help you with proof of concept, incubation and commercialization services.

TechTown Start Studio

Start Studio is TechTown's answer to Detroit's unmet demand for idea-stage tech business assistance. Pointing to books and tools and giving advice isn't enough. Learning how to actually validate a business idea is a daunting and lonely proposition that takes our most precious of resources: time.

[Learn More](#)

TechTown Capital Program

Recognizing that funding is often a barrier to growth, we are committed content, resour tools to assist in prog our clients a valuable wa

[Learn More](#)

TechTown Incubator

TechTown's Incubator program is an intensive 30-week business development

continued to help

STEEP

STEEP: STEM Entrepreneurial Excellence Program - A business incubator program supporting the need for greater representation of underrepresented

How TechTown Supports Small Businesses

We can help you start or grow a retail business like a bakery, coffee shop, clothing boutique or grocery store. We also support service-based or lifestyle businesses like fitness studios or hair salons, as well as small manufacturers.

Small Business Support

313 STRONG is a customized support program for brick-and-mortar small businesses in Detroit, Highland Park, and Hamtramck neighborhoods.

Our staff of passionate, skilled professionals provides one-on-one assistance to stabilize, adapt, and remain responsive during

COVID-19.

[Learn More](#)

Retail Boot Camp

At the heart of our Retail Services program is our **Retail Boot Camp**, an intensive, 10-week program that prepares serious entrepreneurs for the opening of their brick-and-mortar establishments in Detroit.

If you are preparing to open a small business in the city in the next six to 12 months, this is the program for you!

[Learn More](#)

Virtual Retail Pop-Ups

TechTown's Retail Services help promising retail entrepreneurs operating the necessary omni-channel retail location of today and tomorrow. We provide **online pop-up opportunities** plus customized coaching and mini boot camp workshops.

[Learn More](#)

Programs for Entrepreneurial Education

We invest in metro Detroit's small business owners and entrepreneurs by providing professional development, expert advice and access to peer networks through our entrepreneurial education programs.

Open Office Hours

Open Office Hours are available to both tech startups and neighborhood small businesses at all stages. At your free, 25-minute Open Office Hour appointment, a TechTown team member will discuss your goals and direct you to the appropriate programs, resources and experts based on your particular business needs.

[Learn More](#)

Ask an Expert

Are you looking for specialized support for your tech startup or neighborhood small business? Members of TechTown's **Professional Service Network** provide free, 25-minute consultations to help you with growing your business. Our Experts have a range of skills and specialties that they're excited to share with you.

[Learn More](#)

TechTown Training Series

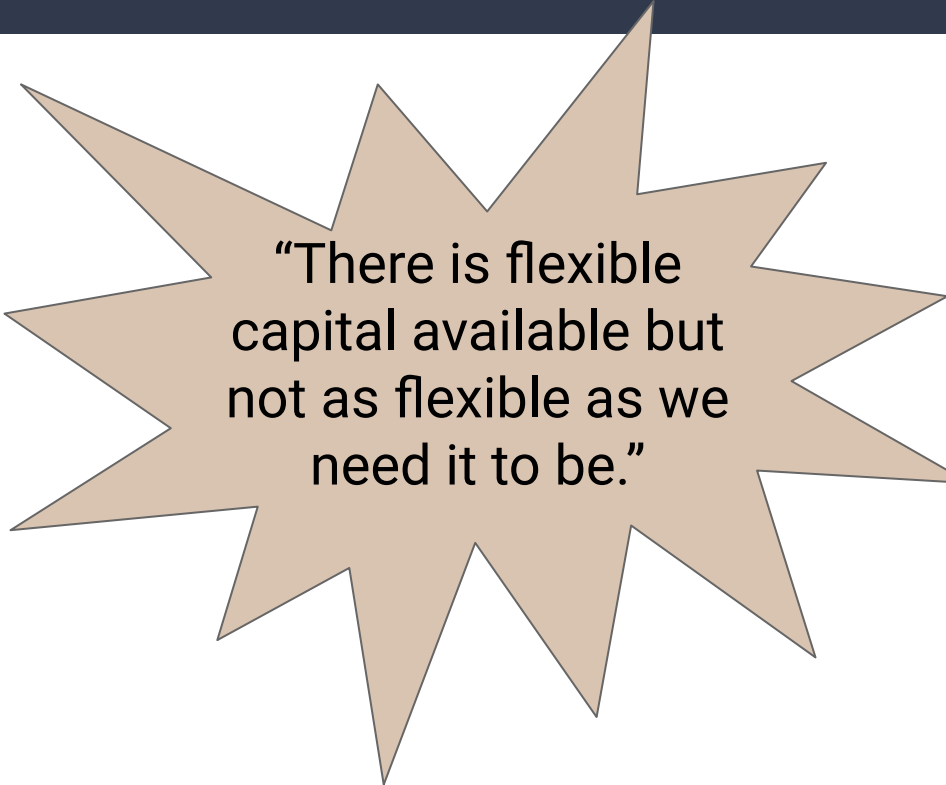
The Training Series focuses on themed monthly, on-demand workshops designed for entrepreneurs to view at a time most convenient for you. Topics range from marketing to customer development, financial planning, HR, and more!

[Learn More](#)

Benchmark: Capital & Financing

FORWARD CITIES

1. Low-barrier, alternative capital and/or economic stimulus options.
2. Capital stack available for all stages and series of funding, including recovery.
- ✓ 3. Credit enhancement/ counseling programs.
- ✓ 4. Procurement technical assistance programs focused on MBWE businesses.
- ✓ 5. Diverse executive and board leadership among funding organizations.



“There is flexible capital available but not as flexible as we need it to be.”



“There is no such thing
as capitalism without
capital!”

Stanley Tucker
Meridian Management Group, Inc

Benchmark: Capital & Financing

STATE and NATIONAL LEVEL

1. MMG, Inc. worked with Black Caucus in MD state legislature to including in GAMING legislation 1.5% gross proceeds from gaming goes to fund for SMWBEs, in process of doing same with RECREATIONAL MARIJUANA legislation.
2. MMG, Inc. effort to ensure Maglev high speed train plan includes set asides for SMWBE and ensures that the set aside includes money for WORKING CAPITAL and BONDING.

Entrepreneurial Support Organization LEVEL

1. **MMG, Inc** uses continuum of capital model, ties accounting under hood review and technical assistance to prepare for growth, starts at the end

Ecosystem LEVEL

1. **New Orleans**-Council of corporations and industry groups pledged to give 200+million in contracts to local entrepreneurs and raised a “6m mobilization fund” to build the capacity to fulfill the contracts.
2. **Albuquerque** Community Foundation conducted landscape analysis to identify entrepreneurs of color, launched quarterly event for peer networking, and piloted Nusenda **co-op capital product** that allows NP partners to issue micro-loans--creating deal flow for equity funding products.
3. **San Francisco**-Crowdfunding and Angel investing education for professionals of color

Benchmark: Metrics & Learning

METRICS

Forward Cities

1. Data sources tracking business demographics, geography and sectors
2. Ecosystem stakeholders capturing and sharing common metrics and data
3. Quantitative and qualitative ecosystem evaluation and measurement tools
4. Promising practices codified and shared across the ecosystem
5. Active relationships and shared learning with other ecosystems prioritizing equity

Example:

Kapor Center for Social Impact (Bay Area)

“Research, applying new solutions, evaluating effectiveness”

Tech Leavers Study (leaks in pipeline)

Collaborations based on research to promote diversity and inclusion in Bay Area Tech

\$40 million in initiatives at different stages



“There are many barriers to an inclusive economy... low wage jobs, lack of wealth creation opportunities and the current system, which was not set up to be inclusive.”

Dianna Tremblay

**Director of Acceleration,
ICA Fund Good Jobs**

Preliminary recommendations

1. Fund general operating grants for ESOs over longer time horizons
2. Create fund for capacity building investments for ESOs
3. Create a formal partnership pipeline for different entrepreneurship pathways - sector specific (eg. food), and across different growth stages
 - a. Include capital partners & guaranteed grants/loans at different stages in the process.
 - b. Tie funding to free TA.
4. Create flexible early stage capital products for entrepreneurs (consider “relationship lending” model)
5. Create a database of volunteer mentors to leverage expertise available in ecosystem
6. Create a digital, interactive “wayfinding” guide to ecosystem for entrepreneurs and ESOs
7. ESOs partner more strategically with public “spine” (SBRC-SBDC) perhaps through co-location of some activities at a new city entrepreneurship center
8. Survey entrepreneurs for deeper understanding of need
9. Develop best in class Back Office reboot initiative

Preliminary recommendations *process*

1. Define NHE3's role.
2. Proceed with transparency
3. Move from analysis to action research experiments
4. Pilots to build trust

Preliminary recommendations *process*

1. Develop a process on NHE3 that is more transparent and defines NHE3's role.

Potential roles

- a. **Advise and consent:** 1) reviewing the results from this report and any other report compiled by research consultants, 2) identifying a subset of challenges and opportunities raised in the report where there is alignment in the group, 3) providing advice and consent to identify the subset of benchmarking ideas and recommendations that the NHE3 stakeholders think have potential and 4) incorporate NHE3 feedback to shape the next phase of work.

Preliminary recommendations *process*

1. Develop a process on NHE3 that is more transparent and defines NHE3's role.

Potential roles

- a. **Advise and Consent**
- b. **Let the NHE3 Coalition Lead:** 1) Data Walk-Randomly assign NHE3 to teams. Task each member to arrive at meeting with list of 5 challenges/opportunities where they see alignment across the interviews and data collected and 3 recommendations or benchmark examples they are especially excited about or see potential for in New Haven. In small groups, shareback and identify where the lists overlap, then do the same for team sharebacks. Develop a list of shared understandings of challenges, opportunities and priorities for action.

Preliminary recommendations *process*

1. Develop a process on NHE3 that is more transparent and defines NHE3's role.

Potential roles

- a. **Advise and Consent**
- b. **Let the NHE3 Coalition Lead:** (1) Data Walk (2) Action Research-create a facilitated process where the group identifies 1-3 Action Research Questions to guide the next phase of NHE3 work. For example, one RQ might be: HOW COULD WE BUILD A BACK OFFICE REBOOT AT ECOSYSTEM LEVEL? Or HOW CAN WE BUILD PATHWAYS INTO FOOD SECTOR The action research process: 1. Look at national examples, 2. Look at New Haven areas of success and assets/capacities, 3. Experiment with a pilot initiatives 4. Evaluate 5. Decide on next steps forward.

Preliminary recommendations *process*

1. Develop a process on NHE3 that is more transparent and defines NHE3's role.
 - a. Advise and Consent
 - b. Let Coalition Lead
2. Transparency
 - a. will NHE3 have some funding to support pilot projects?
 - b. will that be voted on?
 - c. will coalition decide on metrics to evaluate?
 - d. how will decisions get made?
3. Move from analysis to action research experiments
4. Pilots to build trust- look for initiatives that:
 - a. Address challenges that are shared across ecosystem
 - b. Create opportunities to strengthen connective tissue between ESOs
 - c. Invest in capacity of ecosystem as a whole, not just individual programs
 - d. Look to future (for example, Back Office Reboot important given the Infrastructure Bill)

Culturally welcoming way finding

More early stage risk capital

Sophisticated side hustle infrastructure

Ghost kitchens, pop ups, podcasting & music studios, maker spaces
In house branding and business developers at platforms
Small amount capital access from platforms

New majority founders ecosystem

Low cost professional services available on demand

Building blocks for scaling
Business development & Market access

Connections to industry specific networks
Capital networks with aligned industry specific technical assistance

THANK YOU!

PI Contact: Kate Cooney kate.cooney@yale.edu

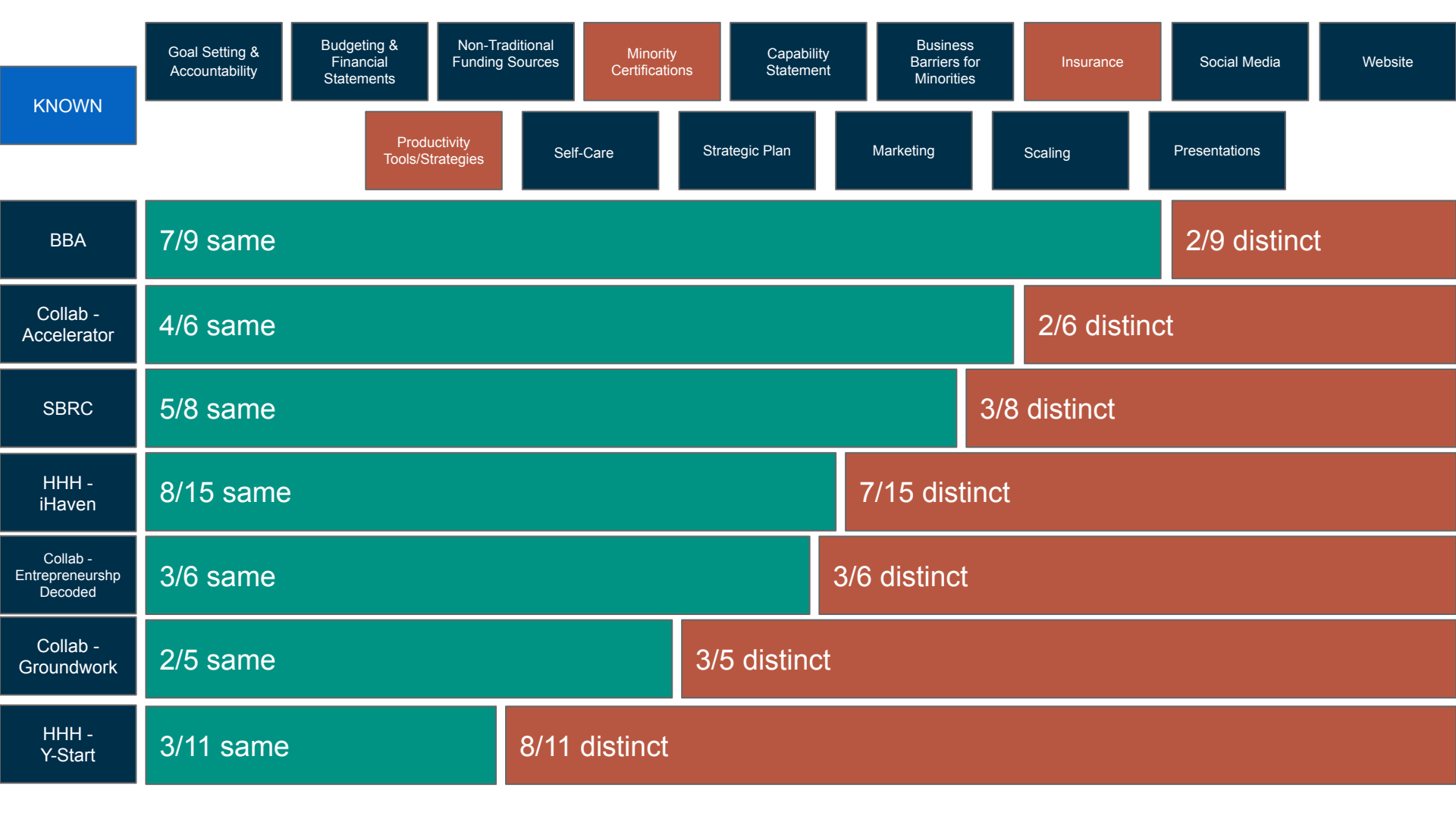
Appendix:

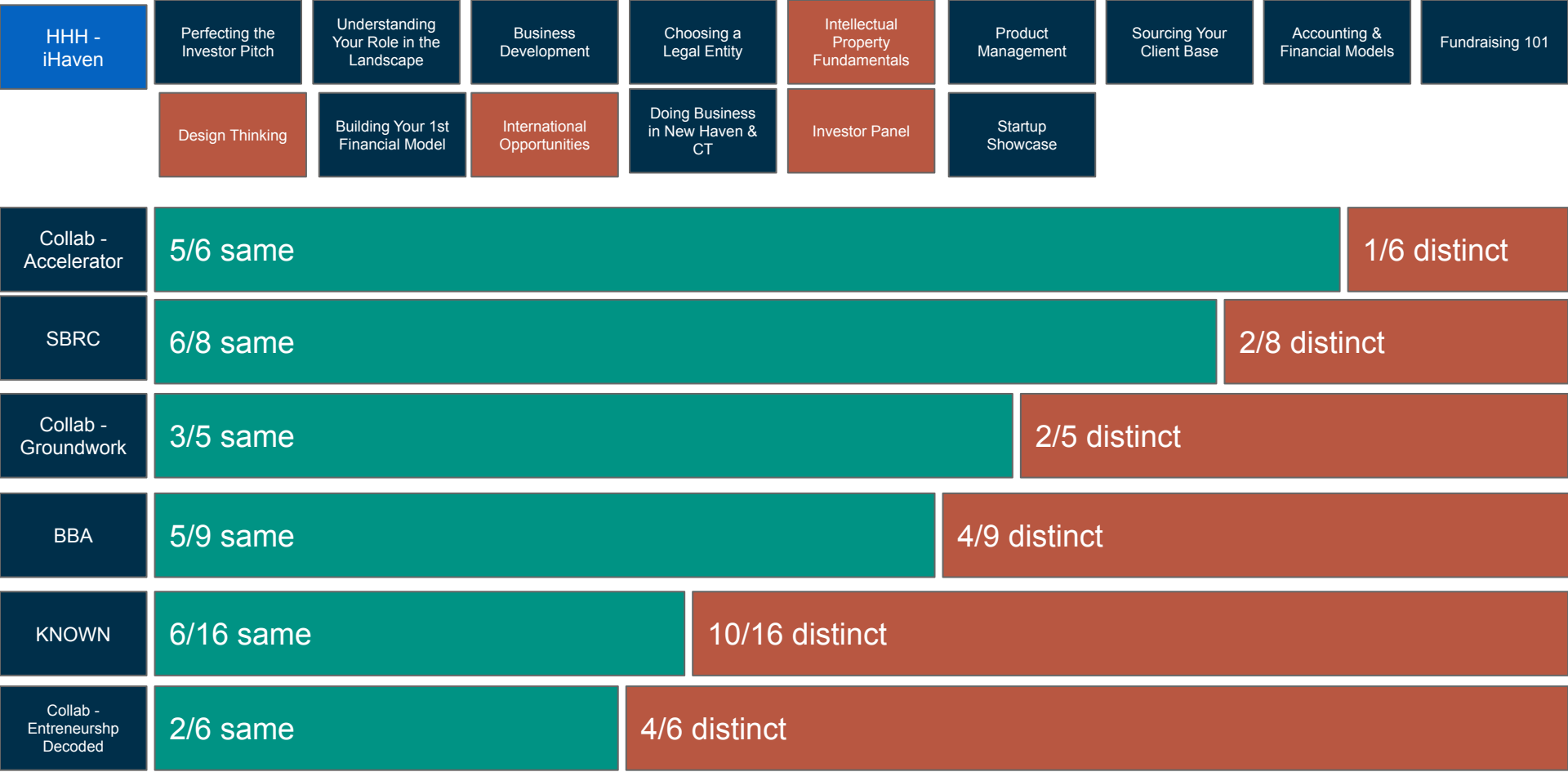
ESO Curriculum Comparisons

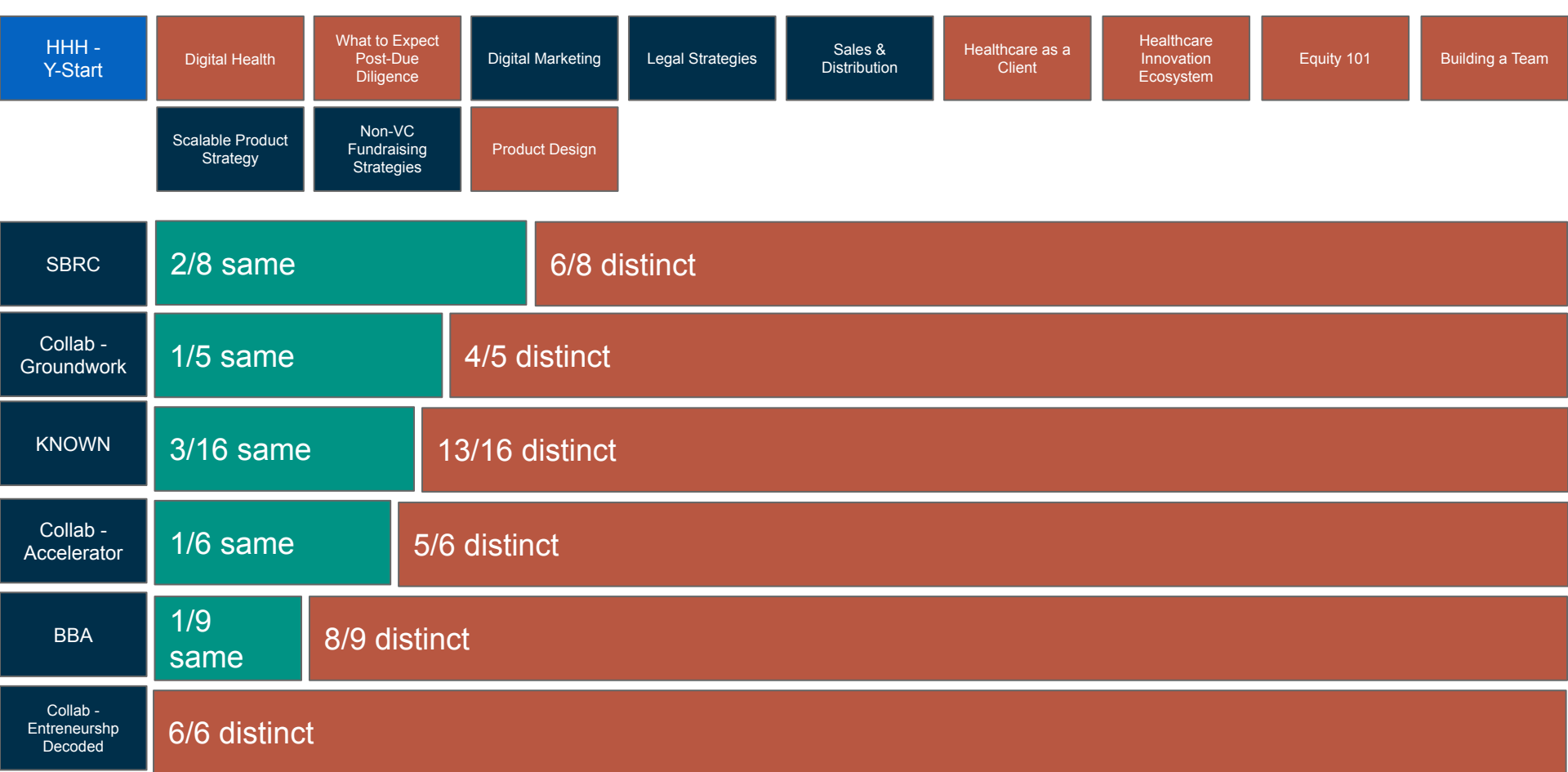
BBA	Starting Your Business	Business Plan Writing	Customer Retention & Service	Sustaining Your Business	Financial Statements	Full Business Plan	Resume Writing	Usages of Funds	Cash Projections
KNOWN	Goal Setting & Accountability	Budgeting & Financial Statements	Non-Traditional Funding Sources	Minority Certifications	Capability Statement	Business Barriers for Minorities	Insurance	Social Media	Website
	Productivity Tools/Strategies	Self-Care	Strategic Plan	Marketing	Scaling	Presentations			
HHH - iHaven	Perfecting the Investor Pitch	Understanding Your Role in the Landscape	Business Development	Choosing a Legal Entity	Intellectual Property Fundamentals	Product Management	Sourcing Your Client Base	Accounting & Financial Models	Fundraising 101
	Design Thinking	Building Your 1st Financial Model	International Opportunities	Doing Business in New Haven & CT	Investor Panel	Startup Showcase			
HHH - Y-Start	Digital Health	What to Expect Post-Due Diligence	Digital Marketing	Legal Strategies	Sales & Distribution	Healthcare as a Client	Healthcare Innovation Ecosystem	Equity 101	Building a Team
	Scalable Product Strategy	Non-VC Fundraising Strategies	Product Design						
SBRC	Business Planning	Business Basics	Marketing	Basic Numbers	Financing	The Web & Social Media	Incorporation	GTM Strategies	

Collab - Entrepreneurship Decoded	The Most Important Thing is You	Entrepreneurship Decoded	Putting Yourself Out There	Starting from the Inside Out	Understanding Your Expertise	Your Business, Your Community
Collab - Entrepreneurship Decoded	The Most Important Thing is You	Entrepreneurship Decoded	Putting Yourself Out There	Starting from the Inside Out	Understanding Your Expertise	Your Business, Your Community
Collab - Regular Accelerator	Customer Discovery	Value Propositions	Business Planning	Legal 101	Accounting 101	Marketing 101
Collab - Groundwork	Orientation & Your Why	Building a Business Idea	Understanding Your Customers	Intro to Business Modeling	Culture of Entrepreneurship	

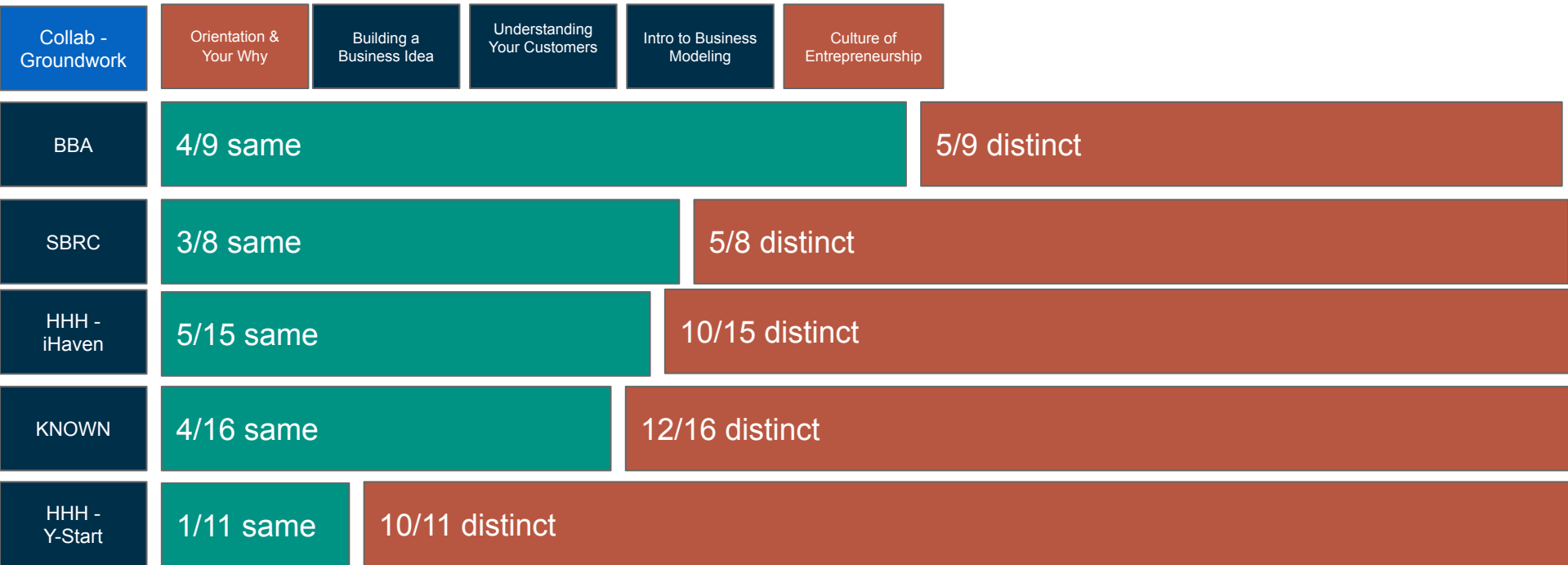
BBA	Starting Your Business	Business Plan Writing	Customer Retention & Service	Sustaining Your Business	Financial Statements	Full Business Plan	Resume Writing	Usages of Funds	Cash Projections
Collab - Groundwork	3/5 same						2/5 distinct		
SBRC	3/8 same			5/8 distinct					
Collab - Accelerator	2/6 same			4/6 distinct					
KNOWN	4/16 same		12/16 distinct						
HHH - iHaven	3/15 same		12/15 distinct						
Collab - Entrepreneurship Decoded	1/6 same	5/6 distinct							
HHH - Y-Start	11/11 distinct								







SBRC	Business Planning	Business Basics	Marketing	Basic Numbers	Financing	The Web & Social Media	Incorporation	GTM Strategies
Collab - Accelerator	6/6 same							
BBA	6/9 same					3/9 distinct		
Collab - Groundwork	3/5 same				2/5 distinct			
KNOWN	9/16 same				7/16 distinct			
HHH - iHaven	6/15 same			9/15 distinct				
HHH - Y-Start	2/11 same	9/11 distinct						
Collab - Entrepreneurship Decoded	1/6 same	5/6 distinct						



Collab - Entrepreneurship Decoded	The Most Important Thing is You	Entrepreneurship Decoded	Putting Yourself Out There	Starting from the Inside Out	Understanding Your Expertise	Your Business, Your Community
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KNOWN	4/16 same	12/16 distinct
HHH - iHaven	2/15 same	13/15 distinct
SBRC	1/8 same	7/8 distinct
BBA	1/9 same	8/9 distinct
HHH - Y-Start	11/11 distinct	

