



PROGRESS REPORT TO HUDSON

CITY COUNCIL

OCTOBER 9, 2012

TABLE OF CONTENTS

ACCOMPLISHMENTS

ORGANIZATIONAL REVIEW AND ASSESSMENT

FINANCIALS

ORGANIZATIONAL GOALS 2013

VISION

ACCOMPLISHMENTS

- Recruited a qualified board of directors comprised of community leaders.
 - James D. Phipps - President
 - Robert D. Boyd – Vice President
 - Richard K. Warfield - Treasurer
 - Robert C. Kahrl – Secretary
 - Jill Bacon Madden
 - Thomas D. Finley
 - George W. Roth
 - Jonathon H. Vinocur
 - Charles Wiedie
- Applied for and received approval as a 501 (c) (3), public charity from the Internal Revenue Service.
- Developed and installed voice, data and computer networks.
- Developed a brand and introduced a marketing awareness program, (web site, social media, brochures, media packages and contracts, speaking engagements). Marketing effort and outreach are on going.
- Developed and implemented targeted CRM and e-marketing databases.
- While TECHudson’s facility has been operational since July 2011, we moved into a new facility September 1, 2012. The new facility provides TECHudson with flexible monthly cost and room for future growth, it offers our clients privacy and security that was lacking in our former facility and is vital to their operations.
- Client attraction (deal flow) has been established, five (5) client relationships have been formalized however; two (2) clients have departed the center.
- Facilitated an investment strategy resulting in a client receiving a \$95,000 grant and have several additional funders in the queue.
- Coaching and mentoring networks developed and expanded as our clients’ needs are quantified.
- Community funding campaign developed, introduced, fine-tuned. Program is on going.
- Formalized strategic partnerships:
 - City of Hudson: community support, involvement & economic development
 - Youngstown Business Incubator: tech collaborator, client attraction, network
 - Jumpstart: Member of Jumpstart Entrepreneurial Board, and client attraction
 - State of Ohio Third Frontier Commission: Northeast Ohio Entrepreneurial Signature Program (ESP)

▪ **ACCOMPLISHMENTS (CONT.)**

- Secured funding from the following organizations:
 - City of Hudson: \$374,000
 - Thompson Hine LLP: \$10,000 in cash & \$10,000 in-kind-services
 - Ohio Third Frontier: \$100,000 over two years (starting in 2013)
 - Clients: \$4,500
 - Community Organizations: \$2,000

- Engaged the services of an established Entrepreneur in Residence, which strengthens our ability to attract clients, our position with the funding and investment community, and our partnerships with Youngstown Business Incubator (YBI) and Jumpstart.

ORGANIZATIONAL REVIEW AND ASSESSMENT

TECHudson received its initial funding from the City of Hudson in May 2011. The entrepreneurial center has been operational since July 2011, with the first client joining in October 2011. This past year, TECHudson has invested in and developed its operational infrastructure, funding plan and client offerings.

BRANDING & MARKETING (WEBSITE & SOCIAL MEDIA)

We have developed a marketing brand and awareness through our website, press releases (media contact/media packages), social media and speaking engagements in the community and the broader Northeast Ohio region. Brochures (marketing, funding, media packages), business cards, letterhead, logo and signs have all been developed and are being used.

We moved our website to a more manageable platform, reducing our dependence on outside resources for updates and changes. The new platform has provided TECHudson with flexibility while reducing costs and improving efficiency. We have added new sections to the site: TECHudson Radio (podcasts), and portfolio companies and strategic partners. We have had discussions with Hudson Cable TV to develop videos for the site. Twitter, Facebook and LinkedIn platforms are operational. We are adding fresh content daily, and awareness of our programs and services continue to grow.

DATABASES:

We selected Salesforce as our CRM database and Vertical Response for e-marketing efforts. Because of our 501 (c) (3) status we were able to obtain both of these databases at no cost. We have invested in LinkedIn on the recommendation of YBI, have built four groups and have started recruiting members for these groups.

FACILITY:

Our facility has been operational since July 2011. Data/voice lines, VoIP and computer networks are in place and are dependable. Future growth and the privacy and security needs of TECHudson in-house clients motivated a move to a new facility at WestPark Hudson office complex in September 2012. In addition to addressing our growth needs and providing more security and privacy for our clients, the new facility decreases our operational cost considerably.

CLIENT ATTRACTION:

Our marketing-awareness efforts have generated a steady flow of interest from regional entrepreneurs. This is an ongoing activity, and we must continue to explore and expand our reach throughout the region.

DELIVERY OF CLIENT SERVICES:

Our performance in this area continues to improve with each new client. Our efforts have been more one-on-one coaching and bringing in local business leaders to discuss functional areas within an enterprise. Both approaches have been well received, and we understand the general services that we need to deliver, including some customization for each client.

FINANCIALS

TECHudson's financial controls have worked well. Financial statements are produced and reviewed by the Board of Directors monthly and reviewed and adjusted by the Board's financial committee quarterly.

2011 ACTUALS, 2012 YEAR TO DATE, AND ESTIMATE 2012 TOTAL

	2011 Apr – Dec Actual	2012 Jan – Aug Actual	2012 Sept – Dec Estimated	2012 Total Estimated
Revenue				
City of Hudson	\$174,000	\$150,000	\$50,000	\$200,000
Other	\$1,000	\$10,000		\$10,000
Clients	\$0.00	\$2,575	\$2,100	\$4,675
Total	\$175,000	\$162,575	\$52,100	\$214,675
Expenses				
Salaries	\$33,035	\$46,898	\$22,108	\$69,006
Professional Services	\$23,738	\$31,254	\$20,672	\$51,926
Voice/Data, VoIP & Computer Network	\$4,417	\$8,327	\$8,912	\$17,239
Marketing	\$24,275	\$25,704	\$4,350	\$30,054
Facility	\$3,624	\$24,050	\$23,681	\$47,731
General Expenses	\$18,940	\$9,747	\$3,285	\$13,032
Total	\$108,029	\$145,980	\$83,008	\$228,988

FINANCIALS (CONT.)

BUDGETS 2013, 2014, 2015

	2013 Budget	2014 Budget	2015 Budget
Revenue			
City of Hudson	\$125,000	\$75,000	\$50,000
Board of Directors	\$4,000	\$6,000	\$6,000
State of Ohio	\$50,000	\$50,000	\$60,000
Foundations	\$15,000	\$33,750	\$55,000
Sponsorship/other	\$15,000	\$45,000	\$45,000
Clients	\$28,650	\$40,875	\$55,050
	Total	\$237,650	\$250,625
			\$271,050
Expenses			
Salaries	\$66,407	\$66,407	\$66,407
Professional Services	\$57,891	\$57,891	\$57,891
Voice/Data, VoIP & Computer Network	\$17,408	\$20,488	\$23,379
Marketing	\$24,680	\$24,680	\$30,680
Facility	\$32,456	\$41,762	\$52,565
General Expenses	\$15,505	\$15,505	\$15,505
Capital Expenses	\$12,000	\$12,000	\$12,000
	Total	\$226,347	\$238,733
			\$258,427

ORGANIZATIONAL GOALS 2013

Entrepreneurial Goals:

- Attract nine (9) new clients
- Develop & fund an Innovation Investment Fund, for the purpose of helping early stage base businesses to launch and grow their business in the City of Hudson
- Assess the need for and study the feasibility of establishing an Entrepreneurial Campus

The above completed by December 2013

Funding Goals:

- Receive a financial commitment from TECHudson's Board of Directors
- Sign agreement with State of Ohio Third Frontier Commission and Jumpstart for Entrepreneurial Signature Program Grant
- Receive commitment from City Council for funding for 2013, 2014 & 2015
- \$1-for-\$2 Challenge Grant of \$10,000 from The Burton D. Morgan Foundation has awarded

The above completed by December 15, 2012

- Receive commitments from other foundations, sponsorships and individuals for funding
- Raise general operation funds for TECHudson of \$237,650 for 2013

The above completed by December 2013

VISION

- Become financially independent and sustainable
- Continually improve programs and services for our clients
- Establish TECHudson as a viable entity in the entrepreneurial ecosystem
- Establish an Entrepreneurial Campus
- Become an entrepreneurial center which is scalable to accelerate the development of early-stage based businesses
- Establish an Innovation Investment Fund for the purpose of helping early stage base businesses to launch and grow their business in the City of Hudson