

2016

THE SURGE



What's In A Name?



As you read this, you may be asking yourself, "What is the Muskegon Innovation Hub?" Well, let us tell you!

As you may know, our previous name was the Michigan Alternative and Renewable Energy Center, or MAREC. While this name had significance when we established in 2003, we came to discover that not only was it unmemorable, it also no longer represented where we were headed as an organization and created confusion in the marketplace.

In the beginning of 2015 we embarked on a strategic planning process under the new leadership of Director Kevin Ricco. Market needs had shifted since 2003 and we needed to rethink our role. An exclusive focus on an alternative and renewable energy sector was not going to meet the needs of an agile technology-driven economy. As strategies expanded to support a broader audience of innovative entrepreneurs it became clear that we needed to redefine our brand. The natural launch point was to rethink our name. We enlisted Kuntzsch Solutions for their marketing and graphic design expertise, and through them we reached out to the community. They confirmed that our message needed to be simple and clear.

Our new name, **Muskegon Innovation Hub**, conveys that we are positioned within the community we love, doing what we love most – helping people bring new products and services to market in a new way.

Our program has undergone a significant transformation to better serve a broad range of emerging entrepreneurs, businesses, and the Muskegon community. We are all about **innovation**. We feel like we are starting to build something pretty special and we think our new name represents our mission well:

Serve as a business innovation center that provides coaching, funding, networking, and a synergistic work environment to help businesses and entrepreneurs maximize their growth potential.

So, if you think you have the next "big idea", come and visit us at the Hub!



colaunch

In June of 2016 the Muskegon Innovation Hub opened an exciting new coworking space called CoLaunch. What is "coworking", you ask? It can be defined as follows:

Flexible work space providing an innovative and collaborative environment

CoLaunch is a one-stop shop for entrepreneurs, freelancers, remote corporate professionals, and creative thinkers seeking a community-driven work environment. It provides low-cost workspace and amenities, organic networking opportunities, as well as access to on-site business training tools, resources, and programming.

On June 20th the Hub celebrated the grand opening of CoLaunch with a community open house that was attended by more than 180 guests. Attendees were given a tour of the facility while taking advantage of free hors d'oeuvres, beverages, and live entertainment.

Members of CoLaunch have access to the following amenities: high speed wireless internet, high capacity printer/scanner/copier, use of private meeting rooms, a kitchenette, and free snacks and coffee.

One of the more exciting features available to CoLaunch members is specialized programming. Starting in September, the Hub began offering programs with a very specific focus on small businesses and entrepreneurs. These programs include Creative Conversations, Idea Pitch Perfection, Ideation Night, and several social networking opportunities.

CoLaunch offers several different membership options. For more information, visit CoLaunch on the Web at www.colaunch.works.



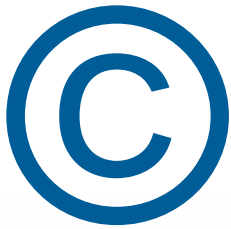
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Hub Bits

- Valerie Byrnes is hired as Business Incubator Manager in October of 2015.
- 4,200 – the number of square feet in the Hub's new coworking space: CoLaunch
- The Muskegon Innovation Hub became part of the Business Resource Team, which is a group of programs offering business development services to established businesses, start-ups, entrepreneurs, and inventors.
- Business Accelerator Fund clients receiving services via the Hub (since program inception in 2012):
 - 21 clients served
 - 26 distinct projects funded
 - \$507,691 via BAF engagements
- Hosted 2 – 5x5 Night Idea Pitch events
 - \$10,000 Muskegon Angel Investment through 5x5 Night
- 11,277 visitors attended events at the Hub from October 1, 2015 through September 15, 2016.
- 4,000 – square footage of state-of-the-art training and event space available for rent at the Hub.



TM



Patents

In the past year, four patents were awarded to the Muskegon Innovation Hub's incubator clients.

Sol Electrica, in our Affiliate program, was awarded two patents for their innovative solar thermal technology. The patents cover their Modular Solar Power System, including the unique concentrating mirror and thermal molecular adhesive turbine, which efficiently converts what would normally be considered unusable steam into electricity. The technology makes it possible for Sol Electrica to reduce the electricity bills of industrial and large commercial customers by 30% to 50%.

Long-time tenant Energy Partners was also awarded two patents. The founder of Energy Partners, retired GVSU professor of physics Dr. James Wolter, received the first patent for an invention that gets the most out of distributed power sources of different types, including solar photovoltaic (PV) and batteries. This system is being demonstrated in an outdoor installation at the Hub as part of the joint GVSU and Consumers Energy Solar Garden project. The second invention is a monocoque mounting system for flexible PV panels that promises to decrease both the labor required to install and the environmental footprint of PV systems.





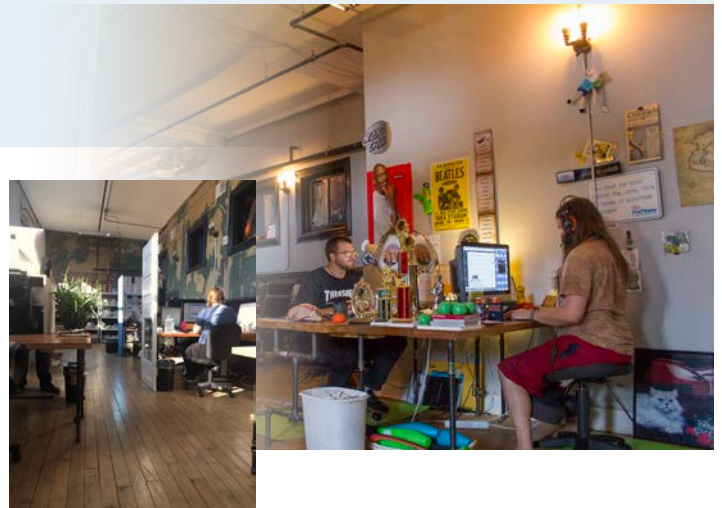
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In 2012, The Muskegon Innovation Hub—then the Michigan Alternative and Renewable Energy Center—welcomed LongerDays into the incubation program. Headed by Muskegon native Chad Lawie, LongerDays' 12 employees provided "virtual assistance," on-demand outsourcing services such as Web design, copywriting and administrative support to more than 80 clients worldwide. The Hub's staff worked with LongerDays to grow through networking and regular coaching.

By mid-2015, even as their biggest competitor sank into Chapter 11, LongerDays had grown to more than 20 employees, outgrowing both the available space and the incubator program. In October of 2015 they graduated from the program and moved into a fantastic space in the heart of downtown Muskegon. The move has not only provided them a space that uniquely reflects the company's culture, but also afforded them more growth opportunities, and their future looks bright.

The Hub is grateful to have played a part in LongerDays' success, and wish them years of further growth.

Longer Days



GenPass

GVSU graduate and scientist-turned-entrepreneur Syndell Parks launched GenPass this past year, and joined the Hub's incubator program. The innovative genetic testing company uses advanced DNA testing developed by Ms. Parks and her academic advisors at GVSU's Annis Water Resources Institute to provide property and lake managers with a recommended treatment plan for getting rid of invasive water milfoil, a problematic aquatic invasive species.

"My background with this business and this project has always been from the science end of things," Parks said. "The team at the Muskegon Innovation Hub has been instrumental in helping me think like a businessperson by reframing what I know into information that's useful for building the business," Parks said.

Other support from the business incubation team included finding funding and providing market research, along with individualized business recommendations.

"The Muskegon Innovation Hub is great because the team here keeps things focused on the business and practical side of things, and they also bring a great science expertise to the conversation," Parks said. "They've given me a lot of advice, and a very personalized experience."



The Hub Welcomes...

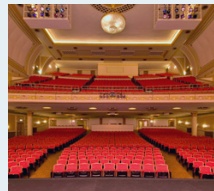
Acoustics by Design

Acoustics By Design is one of the nation's leading independent acoustical consulting firms. With offices in Grand Rapids and Portland, Oregon, Acoustics By Design has helped the West Michigan Symphony with their rehearsal space in Muskegon's Russell Block Building, and is working on the Arts & Humanity project renovations at Muskegon Community College.

"The Hub facility is state of the art, and their focus on sustainability matches our own company values," said company President, Kenric Van Wyk. "The proximity of the Hub to our West Michigan Symphony and Muskegon Community College projects and the opportunity to invest resources in the community was an excellent combination for Acoustics By Design."

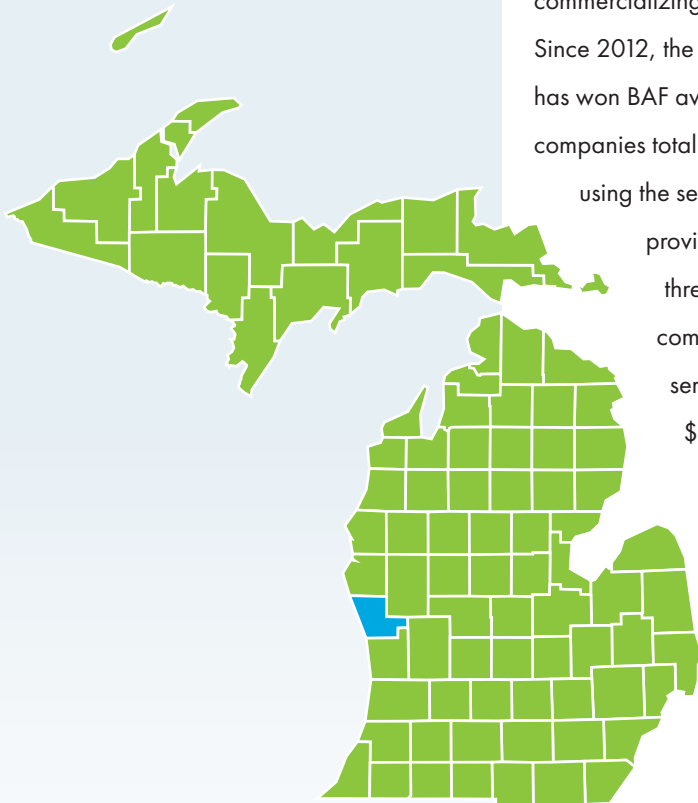
The Hub is excited for the opportunity to work with Acoustics By Design by providing both physical space and business consulting services. Kevin Ricco, Director at the Hub, said that Acoustics By Design is an excellent example of new business development in Muskegon.

"As part of the Muskegon SmartZone, we aim to work with businesses that support the local economy and community," said Kevin Ricco, Director of the Hub. "We are excited to help Acoustics By Design by offering flexible working space and customized services to help them grow and thrive in their market."





Business Accelerator Fund



SmartZones across the state of Michigan tap into a state-funded Business Accelerator Fund (BAF) to provide specialized business services to early stage companies commercializing advanced technology. Since 2012, the Muskegon Innovation Hub has won BAF awards for 21 Michigan companies totaling over \$500,000, using the services of 37 local service providers. Just in the first three quarters of 2016, 10 companies have received services valued at nearly \$120,000.

One such company is Dirtworks Products, maker of JohnnyBall. Owner John Miller conceived of JohnnyBall more than two decades ago in the gold mines of Alaska. As a machine operator needing to know level and grade, he discovered that there was no suitable 3D measuring product on the market. The JohnnyBall was born with the idea to enhance accuracy, stability, and overall safety. BAF assistance from the Hub allowed him to receive design services, complete a prototype, and protect his intellectual property. Dirtworks' first

BAF project began in 2012 in the concept phase with a follow-on project in 2015 for prototyping and patent work. They are now selling the product online and through national distributors.

Not every company is in need of services from concept to launch; some need to achieve a single, specific milestone. Nflukz is a West Michigan company that needed to protect its intellectual property specific to product design. With IP protection in hand, the company is now positioned to negotiate terms to bring the product to market.

GenPass LLC is another success with focused milestones, and has commercialized technology developed at GVSU's Robert B. Annis Water Resources Institute. Transitioning from a university research program to a commercial service required an in-depth analysis of the market and development of a marketing strategy. The Hub was able to assist GenPass to secure the needed marketing expertise through BAF.

If you are a company interested in participating, please contact Valerie Byrnes at byrnesva@gvsu.edu to determine if you are eligible.

Solar Garden Project

Consumers Energy, in partnership with Grand Valley State University, opened a 3 mega-watt (MW), 11,000-panel solar photovoltaic installation on a 17 acre plot of GVSU's Allendale campus in April of 2016.

As part of the arrangement, Consumers Energy donated funds to GVSU to design and build several mini solar arrays for educational purposes.

Some of this grant has been awarded to the Hub for a solar demo project that students could work with, and one of our tenant companies, Energy Partners, LLC, is heading up this project. They are designing and installing an outdoor architectural lighting system at the Hub.

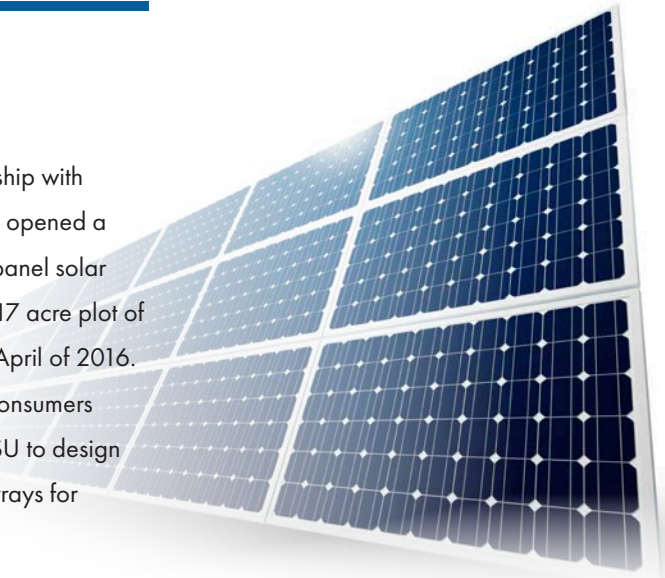
The lighting will be powered and controlled by the company's patented technology: a modular combination of solar PV panels for primary energy production during the day and batteries to provide power at night, and a central controller to optimize operation. Lighting will be provided by former Hub tenant Smart Vision Lights.

The timing of this project is ideal, with the solar power market taking off in Michigan and globally. In addition to Consumers' 3 MW Solar Garden at GVSU, Consumers is completing another 1 MW Solar Garden at Western Michigan University, DTE

completed a 1.95 MW installation early this year and is finishing both 15 MW and 30 MW installations in Michigan. Globally, the price of solar PV has continued to fall as investment banks have begun to offer more favorable terms, with the current lowest-price coming from an 800 MW project in Dubai bid at just 3 cents per kWh—cheaper than coal.



2016





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