



*Subject: Minneapolis entrepreneurs reinventing the economy
City of Minneapolis sent this bulletin: November 18, 2011*

Dear Friend,

Minneapolis is rapidly emerging as a hotbed of entrepreneurship, as two new developments and many success stories are proving. Small businesses are the backbone of our economy, and fast-growing entrepreneurs are setting the pace for our economic recovery.

Yesterday, I attended the first graduation ceremony in Minneapolis of the e200 Emerging Entrepreneurs initiative of the Small Business Administration. It's a great example of the City and federal governments working together to support entrepreneurship and connect smart, emerging business leaders with the tools they need to succeed and put people to work.

The Obama administration began the e200 Emerging Entrepreneurs initiative a couple years ago, and Minneapolis was selected to join earlier this year. The initiative provides promising small businesses with intensive consulting services in order to help them define a clear strategy for future growth.

Of the 19 small businesses that have gone through this intensive education — which is offered entirely free of charge — 17 are based in Minneapolis. At the City, we helped the SBA identify and select participants, and we found the space downtown — donated by Thrivent — where the small-business owners have been trained.

There are some exciting success stories among these varied entrepreneurs:

- MAG Mechanical, a Native American-owned, unionized HVAC-installation business, has grown its revenues by a factor of 30 in the past three years. They are currently subcontractors on the new Minneapolis Public Schools headquarters on West Broadway, and City staff is helping them find space to expand.
- Flair Fountains is winning high-profile contracts for custom fountain design and installation. A recent example: a 9/11 memorial fountain in New Jersey that incorporates beams from the Twin Towers.
- Maud Borup Chocolates, currently located in St. Anthony, is looking to consolidate and expand their production in Minneapolis.
- PediaPals is a pediatric medical-supply company located in Seward. They've just signed a joint venture to be the exclusive North American distributor of a Turkish medical-equipment manufacturer, diversifying their product line.
- Ruhel Islam, owner of Gandhi Mahal, will soon start bottling his mango lassis. This small-batch food-manufacturing venture is a perfect fit for the technical assistance and microloans available from the City's Homegrown Business Development Center.

Another exciting development in entrepreneurship is the ongoing success of CoCo/Project Skyway. CoCo (which stands for "collaborative co-work") is a creative work space where people working in different fields can work side by side, sparking new ideas and creating new products, and Project Skyway is Minnesota's first accelerator for tech entrepreneurs. Earlier this year, they joined forces in the historic space that once housed the Minnesota Grain Exchange.

In just six months, they are fully subscribed with entrepreneurs in a wide variety of fields. Here are some of their success stories:

- Northstar Geographics: Originally a one-man company, NorthstarGIS expanded by hiring another CoCo member as its first employee. Now, the company is collaborating at CoCo with another GIS company to create new software products.
- Minnesota WordPress Hosting: After meeting at CoCo and discovering they had complimentary backgrounds in programming, search-engine optimization and hosting, Toby Cryns and Dave Allen launched this new business, now growing at a steady clip.
- Red Branch Software: Once a one-man show, in the past year this company has grown to three full-time staff and is expanding to a second location.
- Two startups — Mobile Realty Apps and Deals.by — teamed up to share a space at CoCo. Both companies have built intuitive smartphone apps to help people discover more about the world around them — whether homes for sale or deals at shops and restaurants nearby.

It's clear: the Grain Exchange has become the Brain Exchange.

In September, I delivered my budget speech at CoCo/Project Skyway. I pointed out then that Minneapolis, which grew from a village on the edge of the prairie to a global economic powerhouse because of entrepreneurs and workers in the milling industry, is once again poised, thanks to entrepreneurship in so many new areas, to reinvent itself once again and lead the 21st-century economy. That's an incredibly exciting prospect.

Mayor R.T. Rybak
City of Minneapolis