

# *Minneapolis-Saint Paul*



# ACCELERATE MSP

DECEMBER 2010

# Contents



## **The Minneapolis Saint Paul Region: Strong Assets Offer Major Opportunities**

A Business Plan for Prosperity:  
Converging on a Strategy

The Detailed Development Initiative:  
Accelerating Entrepreneurship

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# The Minneapolis Saint Paul Region



Home to over **3** Million people



**13** counties across **2** states



**\$164.1** billion in GMP

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# The Minneapolis Saint Paul Region has a wealth of assets

## Highly educated workforce

*MSP ranks 8<sup>th</sup> out of largest 100 metros in educational attainment*



## Robust R&D environment

*MN ranks 7<sup>th</sup> among states in R&D dollars per capita*



## High quality of life

*MSP ranks #1 in quality of life*

# Yet it faces challenges as well



## Modest wage growth

*2.7% wage growth from 2000 to 2008*



## Persistent achievement gap

*Over 30 point difference in graduation rates between white and black students*



## Flagging talent attraction

*Negative workforce growth expected after 2010*



## Innovation contraction

*Fallen from 22<sup>nd</sup> to 48<sup>th</sup> in entrepreneurs per capita in 2 years*

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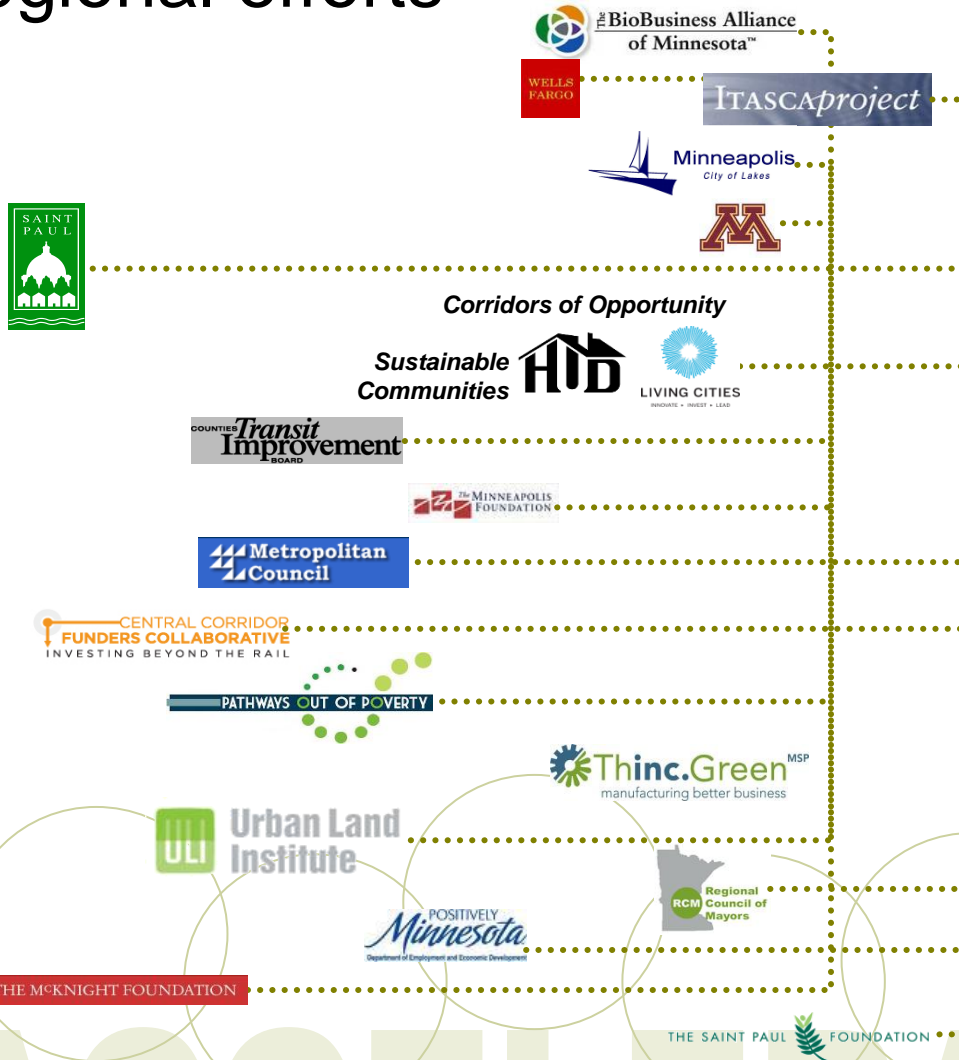


# Future success requires regional focus and unity



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# The time is NOW to bring together the many individual regional efforts



- Over 20 individual projects underway
- Metropolitan Business Plan will unify efforts forming critical partnerships



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# Five integrated regional strategies will be key to our success



1 Regional Economic Development Partnership



2 MSP Regional Cluster Initiative



3  Thinc.Green<sup>MSP</sup>



4 Corridors of Opportunity



5 Entrepreneurship Accelerator

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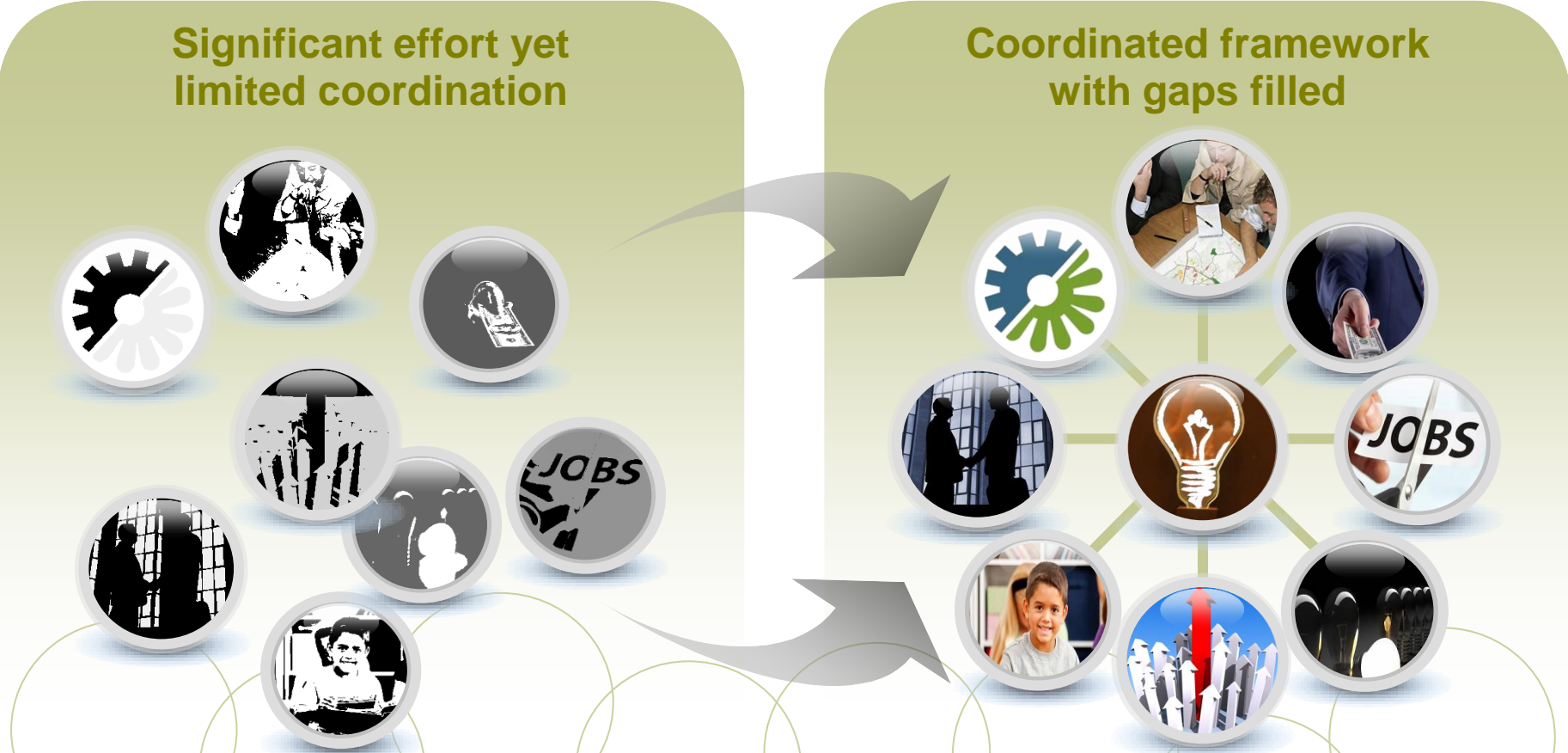
**The Detailed Development Initiative:  
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# The Entrepreneurship Accelerator will sharpen the focus for innovation in Minneapolis-Saint Paul

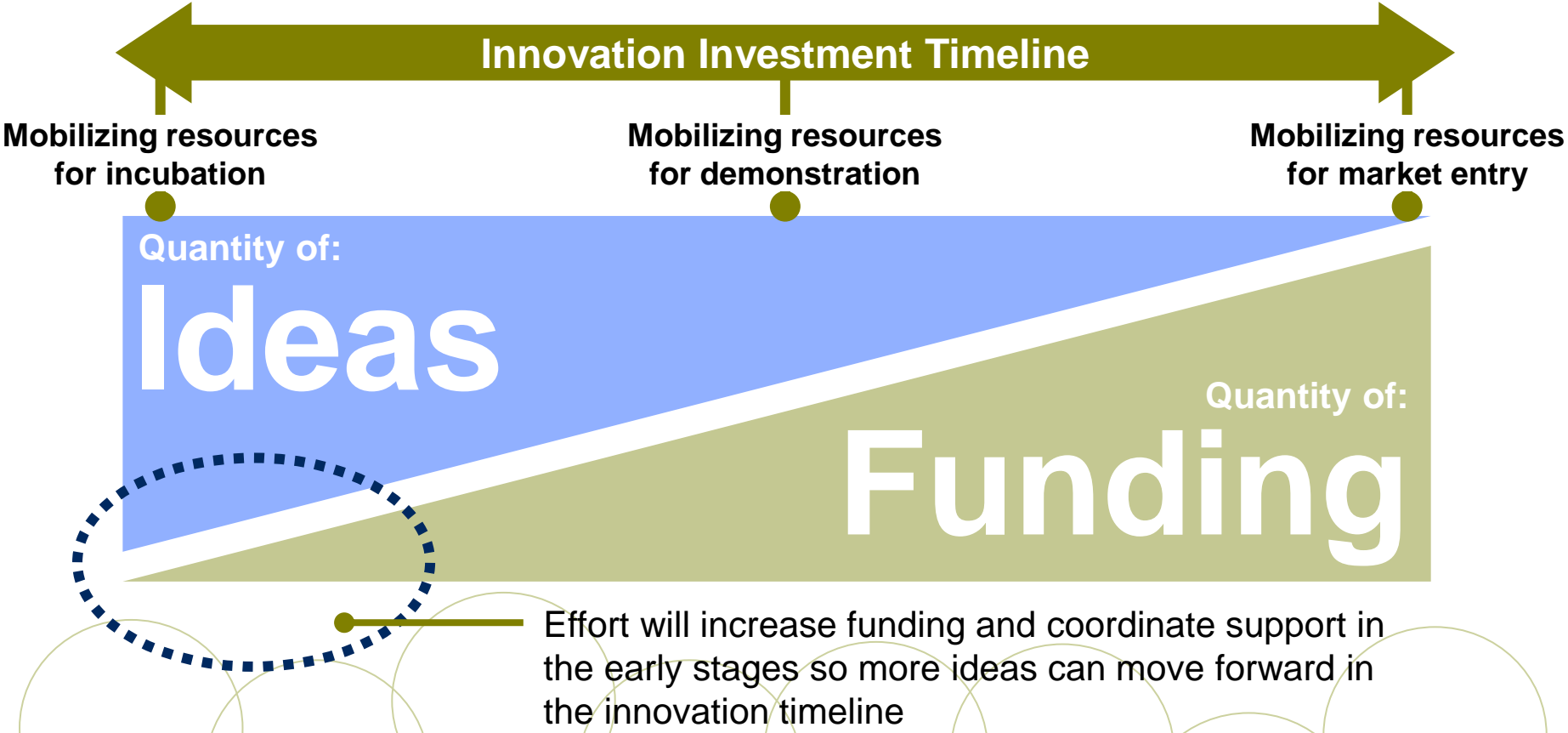
Significant effort yet limited coordination

Coordinated framework with gaps filled



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# The Entrepreneurship Accelerator will enrich the environment for future innovation



# The Entrepreneurship Accelerator will help entrepreneurs move ideas to market



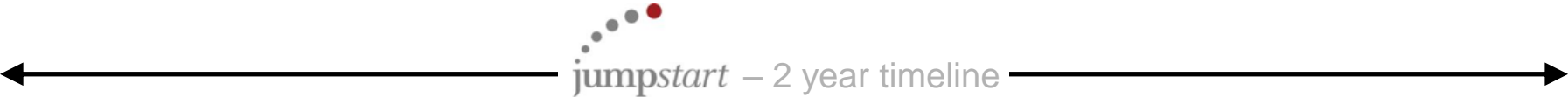
Plan Development



Fundraising



Execution



*Map the existing landscape of activities to identify specific gaps*

*Develop an investment pool to support gaps in existing funding*

*Launch combined funding, mentorship and technical support organization*

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# Success will be tracked through clear strategic metrics

## EA Exchange

- Unique connections
- Media mentions
- National ranking on entrepreneurship
- Quarterly reports on progress towards annual and overall goals

## Investing Team

- Total hours spent on due diligence – ADVISE
- Number of ADVISE sessions
- Number of new investments
- Number of add-on investments

## Acceleration Team

- Total hours of ASSIST and ACCELERATION
- Number of ASSIST clients
- Number of ACCELERATE clients
- Milestones hit

## Acceleration and Investing Team

- \$ amount of follow-on funding per year raised for APPLY and ACCELERATE companies

## Economic Inclusion and Diversity

- Total number of hours of ADVISE, ASSIST, ACCELERATION
- Number of ADVISE sessions
- Number of ASSIST companies
- Number of ACCELERATE companies

## Fund Development

- New resources secured to expand investing pool
  - Private
  - Federal
  - State
  - Philanthropic

# The Entrepreneurship Accelerator is expected to have significant impact; six years out it likely will have . . .



Raised more than **\$60** million in capital



Invested in more than **50** opportunities



Helped raise more than **\$300** million in follow-on capital



Created more than **500** new jobs

# Actions in two areas could increase the efficiency of federal action in regions

## Partnerships



Create a new Federal, innovation, commercialization, and job creation network

Institute regional public, private, and philanthropic partnership initiatives for sustainable growth and quality jobs

## Investments



Institute and expand the proposed federal angel tax credit

Provide new SBA resources for venture capital investments in the “valley of death”

# Ongoing implementation opportunities



- **Drive additional connection and collaboration among existing local/regional and private/public economic development efforts**



- **Increase state support for a metropolitan economic development approach**



- **Increase cohesion across the entrepreneurial ecosystem and create ownership for the entrepreneurship accelerator**

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***Thank you!***



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