



VISTA 2025 Goal 4:

Establish an innovation culture that supports entrepreneurship and business growth

VISTA 2025 Goal 4 Team Meeting

September 26, 2017

Meeting Notes

Team Members Attending: Ed Breiner, Larry Brotzge, Guy Fardone, Terence Farrell, Chris Fiorentino, Keith Goldan, Tony Green (for Roseann Rosenthal), Lou Kupperman

Also Attending: Marybeth DiVincenzo, Mike Grigalonis, David Sciocchetti

Terence Farrell

Welcome members to the meeting. Asked for comments on previous meeting notes. No comments received. Asked D. Sciocchetti to introduce the first agenda item.

David Sciocchetti

Noted previous comment regarding status of issues discussed at Goal 4 Team meetings. Provided overview of status of space, assistance and capital activities related to Chester County innovation culture efforts.

Referred to I2n Report on space options for startup companies, indicating presence of eight facilities in Chester County. Discussed changing nature of space needs and challenged of operating entrepreneurial space facilities.

General discussion of several facilities including Walnut Street Labs, Evolve IP and the Innovation Center at Eagleview.

Marybeth DiVincenzo

Commented that there was a concerted effort to reach out to and help Walnut Street Labs but that the owner was resistant to help offered.

Chris Fiorentino

Noted that WCU had been inclined to partner but was not clear on what the process was.

Tony Green

Suggested that the WSL basic business model was not sustainable and that this was not untypical for many such facilities.

Terence Farrell

Noted that Walnut Street Labs principal had other operating businesses in the facility.

Guy Fardone

Suggested that these companies may have been more consulting effort than companies designed to stand alone. Noted, however, that Walnut Street Labs created a splash and built awareness in the startup community that helped pave the way for additional efforts.

Added that Evolve IP had sold the real estate that housed the Evolve IP incubator and was no longer involved with that facility.

Larry Brotzge

Noted that Immunome would soon be occupying a significant portion of the Innovation Center at Eagleview that may fill up that space.

Tony Green

Noted that AmpTech continues to progress and that BFTP has a presence in that facility.

Marybeth DiVincenzo

Stated that AmpTech took a while to get going but that the private sector driven facility had continued to add resources that provided better results.

Keith Goldan

Noted that the biotech industry continues to need lab space. Added that the volatility shown on the incubators list demonstrate the difficulty of providing it.

Larry Brotzge

Agreed, commenting that there is a lengthy list of space providers who started incubator like facilities and then abandoned them.

Tony Green

Commented that what was working in Philadelphia was office sharing facilities primarily for IT companies like WeWorks and Benjamin's Desk.

Guy Fardone

Responded that straight office sharing facilities were a different strategy than incubators.

Chris Fiorentino

Questioned whether incubator success was driven solely by economics.

Marybeth DiVincenzo

Noted that incubators were not a good real estate model.

Guy Fardone

Stated that we should not lose sight of the fact that the number of incubator facilities in Chester County had increased substantially in Chester County over the past few years.

Suggested that this was evidence of a supply/demand situation that had been effectively addressed.

Lou Kupperman

Agreed indicating that Walnut Street Labs was a pioneer that created a “buzz” and demonstrated a market for such a facility. Added that the real estate economics showed the challenge of responding effectively to that market. Noted that what might be needed is some comprehensive clarity on the core issues that focuses on 2-3 doable priorities.

Marybeth DiVincenzo

Noted that we should not lose sight of the fact that young companies in non-incubator private commercial space also need assistance.

Keith Goldan

Suggested that there are cost sharing models that larger companies use to support younger companies.

Lou Kupperman

Commented on the importance of managing expectations that there are easy and timely solutions to this issue.

Chris Fiorentino

Note the need to be clear about what we are trying to accomplish.

Guy Fardone

Agreed, but noted that at this stage in the process what has been accomplished in Chester County should be counted as progress.

Larry Brotzge

Commented that the reports provided document what we have accomplished. Noted that this is a good starting point for next steps. Raised the idea of a West Chester University sponsored incubator.

Lou Kupperman

Commented that Walnut Streets Labs proved that there was real interest in a certain type of facility where entrepreneurs can gather for information and locate and grow their young businesses.

Larry Brotzge

Asked about the potential role of WCU in a Chester County incubator.

Chris Fiorentino

Noted that WCU was expanding its science and engineering programs and asked whether a WCU incubator should be a goal.

Lou Kupperman

Indicated that WCU could be a critical player in a new incubator.

David Sciocchetti

Referred to i2n report on assistance provided to Chester County entrepreneurs. Noted recent CCEDC/i2n effort to meet with entrepreneurs to directly assess their needs. Noted West Chester University entrepreneurial activities, Penn State Rev Up program and Tech 360 annual event. Commented on Chester County Entrepreneurial Ecosystem Map.

Keith Goldan

Suggested that a huge piece of the puzzle was attracting and keeping the talent that starts and grows companies. Described the role of ViroPharma in generating and attracting talent that moved on to other Chester County companies. Noted that many of the key ViroPharma staff liked living and working in Chester County and wanted to stay here.

Tony Green

Noted the similar role played by Centocor and asked if there was going to be another Chester County company like that. Also noted the role of academia in the AmpTech incubator which has a strong Temple and Drexel affiliation.

David Sciocchetti

Raised the issue of creating a sense of community in Chester County entrepreneurs. Suggested a concept of a tech community newsletter that highlighted activities in the entrepreneurial and tech communities.

Guy Fardone

Suggested that this might be a VISTA.Today opportunity. Added that this could be part of an effort to change the landscape regarding entrepreneurship in Chester County.

Keith Goldan

Commented that it is always easier to keep talent than to attract new talent. Suggested a need to refocus on WCU and its generation of talent and how we capitalize on that talent and generate startups from that talent.

Chris Fiorentino

Noted that WCU was adding a pre-med program and would soon admit its first class of engineers. Added that a new 165,000 square foot building to house health sciences and engineering programs would also come on line soon. Suggested that these additions would enable WCU to play a bigger role going forward.

Added that West Chester Borough is already ranked as one of the “top college cities”. Wider recognition of this on social media could help generate the kind of talent being discussed.

Larry Brotzge

Noted that the Robin Hood Ventures has seen over 300 business plans but not many were from outside the City of Philadelphia

Chris Fiorentino

Suggested that in the case of WCU, one of the problems had been something called the Adverse Interest Act. Noted that changes to this act had created a new day and new opportunities for state system schools like WCU.

Keith Goldan

Stated that new ventures did not have to be “high tech” noting the success of companies like Under Armour.

Tony Green

Commented that Chester County has a differentiating advantage in the area of agriculture which creates a unique opportunity.

David Sciocchetti

Reviewed status of reported financing activities for Chester County entrepreneurs. Noted over \$2 million on KIZ tax credits last year. Noted \$11.5 million on Ben Franklin Technology Partners (BFTP) funding from 2007 to 2016. Noted \$40 million in US Small Business Innovation Research (SBIR) grant funding to Chester County companies from 2014 to 2016. Described issues and challenges associated with regional/national venture capital and regional angel networks. Provided brief update on potential Chester County funded venture fund.

Ed Breiner

Suggested that it might make sense to initiate a public relations campaign that highlights the county’s entrepreneurial culture and the success to date in areas like KIZ and SBIR funding