



ENTREPRENEURSHIP PROJECT 2023 IMPACT REPORT

March, 2024

**Momenteum Strategies,
LLC**

Presented to the Shakopee City Council on November 15, 2022, our entrepreneur development plan for 2023 focused on two primary objectives: (1) continuing to build on the momentum of 2021-22 and (2) initiating the development of long-term sustainability elements.

In terms of building on early momentum, our efforts for 2023 were concentrated on:

- Increasing the core founder network from 15 engaged entrepreneurs to over 20.
- Highlighting successes through local and regional media channels and establishing an e-newsletter.
- Identifying and launching a strategic community project.

Regarding sustainability, our focus in 2023 was on:

- Expanding and fortifying the newly formed Advisory Board.
- Establishing a distinctive brand identity.

The past year has been remarkably successful in fostering the entrepreneurial community in Shakopee and its surrounding areas. We not only achieved but exceeded our goals for the year, with significant accomplishments including the growth of the founder network – a critical component of a thriving startup ecosystem, successful promotion of achievements, and the initial steps toward creating sustainability elements such as branding and a founder-led advisory board.

Through the City of Shakopee's investment of time and resources over the past three years, we are solidifying our position as a hub for innovation and high-impact entrepreneurship. Our efforts are gaining recognition from founders in the urban centers of the Twin Cities and from prominent entrepreneur development leaders and organizations.

FOUNDER NETWORK

Shakopee's entrepreneur network, which began with 6 initial founders in 2021, achieved a remarkable milestone by reaching a record engagement level at the close of 2023, boasting 26 active ventures. This significant surge reflects a remarkable 73% increase over the previous year, underscoring the substantial value being generated for high-growth founders and their companies.

Notably, the majority of new founders have been introduced through peer referrals within the group, alleviating the need for extensive city staff involvement in identifying and recruiting new members. The network has now reached a critical tipping point where it is generating its own momentum and is naturally attracting future members.

The caliber of businesses within the founder network continues to ascend, with several receiving notable local and statewide recognitions in 2023, including:

- RE Mastered Sleep: 2023 MN Cup Grand Prize Runner-Up
- Baby Know: 2023 MN Cup Education & Training - 3rd Place
- Momease Solutions: 2023 MN Cup General - 3rd Place
- Accelerated Care Solutions: Scott County Fast Track - Winner
- Written Hugs Designs: Scott County Fast Track - 3rd Place

Intentional efforts to enhance diversity within the founder network have yielded promising results. In 2022, the network proactively recruited its first two female founders, and within just one year, this number surged to 10 women founders, representing nearly half of the total group in 2023. This encouraging trend underscores our commitment to fostering diversity, extending beyond gender inclusivity.

Furthermore, it's noteworthy that several founders and entrepreneurship leaders from Minneapolis and St. Paul are now making regular trips to Shakopee to engage with the unique asset being developed here – the founder network.



Lastly, the roster of engaged entrepreneurs encompasses a diverse array of industries, ranging from software and artificial intelligence to outdoor recreational equipment and gun safety equipment. This diversity is indicative of the network's vitality, fostering unique discussions as entrepreneurs from different sectors exchange strategies, transcending traditional boundaries of thought. It's a feature that many engaged founders particularly appreciate about the Shakopee model.

Here is the list of active companies and their founders as of 12-31-23.

Eric Brown	IT Audit Labs	Information Technology	Shakopee
Alan Tholkes	MedThera	MedicalDevice	Shakopee
Dan Dittmer	Wolftooth & Otso Bikes	Outdoor Equipment	Burnsville
Scott Olson	SkyRide	Amusement Ride	Waconia
Brian Johnson	7 Minute Security	Information Technology	Shakopee
Scott Winters	Ion Concert Media	Software	Shakopee
Ken Zylstra	Joiio	Automotive Services	Hopkins
Corey Meyer	Steel Head Outdoors	Gun Safety Equipment	Shakopee
Anders Olmanson	REMasteredSleep	Medical Device	Eagan
Mark Overbye	Anthem Marine	Recreational Boats	Louisville Township
Paul Mockenhaupt	Mockenhaupt Technologies	Software	Savage
Irene Waldrige	Neuroglide / Eva Medtech	Medical Device	Shakopee
Xiaofan Mai	IntelliU	Software	Victoria
Leif Olmanson	Ion Lakes	Satellite Imagery	Eagan
Cihan Behlivan	BETA	Service Provider	Minneapolis
Christi Kmecik	Written Hugs Designs	Consumer Products	Shakopee
Michael Werneke	Cover	Hardware	Shakopee
Joe Schneider	Dojo Five	Software	St Paul
Victoria Ranua	Natural Variations	Consumer Products	Shakopee
Melanie Cole	Ugo	Outdoor Equipment	Prior Lake
Mike McGuire	Accelerated Care Solutions	Software	Shakopee
Kelley Satoski	Pelva Health	Medical Device	Minneapolis
Luke Wendlandt	Cadre	Software	St Paul
Sam Mars	Pubfluence	Software	St Paul
Candi Seil	Baby Know	Childcare	Shakopee
Ashley Mooneyham	Momease Solutions	Medical Device	Plymouth

CONCIERGE SERVICE

A critical service being offered by the City of Shakopee to early-stage founders is what's referred to as a "Concierge Service" for assisting entrepreneurs with ad hoc challenges and/or opportunities that arise by connecting them with local resources providers or other peer founders who have successfully dealt with similar circumstances.

Examples of concierge service requests addressed in 2023 include:

- Connected a founder to peers for assistance regarding insurance questions and recommendations.
- Connected a founder to peers for website development advice.
- Assisted a founder with office rental options and costs.
- Introduced founder to law enforcement leaders for possible product testing.

PROMOTE SUCCESSES

An important aspect of building a culture of innovation and entrepreneurship in Shakopee is promoting business and community successes so that local citizens, including children and students, see the amazing startups occurring locally. In 2023, a record number of success stories were featured in local media including MinneInno (MSP Business Journal) and Eden Prairie Magazine.

E-NEWSLETTER

A monthly email newsletter was launched mid-2023 to share important news and updates primarily within the founder network with the intent of expanding the distribution in future years to the larger community. The newsletter highlights new members, future meetings and other community events, as well as entrepreneurship resources for helping founders operate their ventures successfully.

[View this email in your browser](#)



SHAKOPEE
FOUNDRY MN NEWS
JULY 2023 Edition

WE HAVE A NEW NAME!
As you can guess by the title above, the entrepreneur group formerly known as "Shakopee Founder Network" has a new name: **Foundry MN**. We'll announce the name publicly in September at TAP 2023 when we've finalized the logo, tagline, etc. but we wanted to share the news with you today and start using it internally immediately. Thanks to everyone who contributed ideas & input.



JULY MEETUP
It was great seeing so many familiar and new founders at Badger 181. During this week for our summer social. Good food, drink and conversations were enjoyed by all.

NEW KIDS ON THE BLOCK
The Foundry MN is growing! Check out our newest members.

- Christi Knoch - [Written Word Designs](#)
- Joe Schneider - [Boys Play](#)
- Victoria Rancin - [Belmont Transitions](#)
- Luke Wierschmidt - [Cable](#)
- Mike McGuire - [Accelerated Care Solutions](#)
- Melanie Cole & Vicky DeRouchey - [Luv](#)

REQUEST: Know other founders who qualify and might want to join in? Click [HERE](#) to share their name and contact information and we'll reach out to them.

Remember, Foundry MN members must be (1) located in the greater Shakopee area (broadly defined including MSP), (2) selling to national and/or international markets, and (3) be innovation based with intellectual property that is core to their business.

MARK YOUR CALENDARS

7:00 [Webinar: How to Design & Deliver An Elevator Pitch](#) - Presented by [JLE Mentors](#)

8:00 [Webinar: Understanding LegalCORPS Basics: Pro Bono Legal Support](#) - Presented by Scott County Center for Entrepreneurship

8:15 [Webinar: Upgrade Your Value Proposition](#) - Presented by [JLE Mentors](#)

8:17 - [Foundry MN Monthly Meeting: Managing Your Time as CEO](#) - Glen

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TAP FESTIVAL

In 2022, the TAP beer and innovation festival was introduced to honor innovation and the thriving brewing community in Minnesota. Its resounding success continued into 2023, drawing more than



700 enthusiasts to the downtown beer tasting event and gathering 102 prominent figures from business, community, and state leadership for the second annual kickoff dinner at The Landing - MN River Heritage Park. This festival and dinner serve as platforms to showcase innovation-driven entrepreneurship, presenting Shakopee as a hub for economic development to local, state, and national leaders.

Exciting additions to the TAP event included expanded booths featuring founder network companies at the downtown venue and keynote speaker, Congressperson Angie Craig and a notable Shakopee founder delivering a speech at the kickoff dinner.

HUB

Shakopee is adopting a strategic approach to developing a specialized facility for high-growth startups. Rather than following the "Build It and They Will Come" mentality, which often results in empty spaces and diminished community momentum, Shakopee is first establishing a robust entrepreneur network. This network will play a pivotal role in advising on facility design and ultimately filling the space. By cultivating a pool of highly engaged entrepreneurs, Shakopee ensures a strong and growing base of potential tenants for such a facility, allowing for better alignment with market needs during development.

The startup facility project in Shakopee, known as The Hub, has garnered significant interest from entrepreneurs, along with backing from both funding sources and political supporters. In 2023, The Hub made substantial progress, securing a commitment of \$1.5 million in federal funding, with additional funding proposals currently under consideration. Construction of the facility is slated to commence in 2025, marking a significant milestone in Shakopee's efforts to foster innovation and entrepreneurship within the community.

STRATEGIC RELATIONSHIPS

Shakopee and its neighboring areas south and adjacent of the Minnesota River lack significant dedicated capital, accelerator, and incubator resources for fostering growth. Consequently, a primary focus of our efforts in entrepreneurial development has been to establish trust-based relationships with targeted angel investor groups, venture capital firms, and accelerators in the Twin Cities, showcasing the developments in Shakopee and our local companies.

Specifically, we've directed our efforts towards connecting with Groove Capital (an angel and VC

firm), Gener8tor (an accelerator), and BetaMN (an entrepreneur support organization). The city also joined the Angel Capital Association as an affiliate member. As a result of our endeavors, the following outcomes have been achieved:

- Groove Capital secured an investment from a Shakopee-based organization following an introductory meeting facilitated by the city.
- Gener8tor's leadership actively participated in our monthly founder meetings, even serving as guest speakers to share their accelerator model with entrepreneurs in the Shakopee area.
- The director of BetaMN presented to our founder network and is now actively involved as a founder themselves, drawn by the distinctive nature of our initiative.

For smaller communities like Shakopee, it's crucial to leverage innovation resources beyond their immediate geographic boundaries. In 2023, we began to witness the initial benefits of cultivating these relationships, and we anticipate further collaboration that will continue to enrich our community in the years to come.

SUSTAINABILITY

A key area of focus in 2023 was to begin building key elements that will enable this work to be sustainable going forward. While there is still much work to be done, this past year saw several important milestones achieved including, but not limited to the following:

- **Advisory Board** - An important aspect for continuing the entrepreneur development project is to ensure we remain tightly aligned with the target market for this work - high-impact founders and their ventures. To maintain this alignment, an Advisory Board composed of several engaged founders was created in 2022 and began focusing on things like mission and vision statements that year. In 2023, we expanded the Advisory Board to include its first female founder and focused it on additional important matters including developing a unique, compelling brand.
- **Branding** - Over the course of nine months in 2023, City of Shakopee staff and the Advisory Board generated an exhaustive list of potential names for the entrepreneur development project, researched name availability, and finalized the new brand - Foundery MN. A logo and tagline were also developed by city communications staff to support the new brand. The new name and branding were unanimously approved by the Advisory Board and the full founder network in late 2023.



ALLIES

It is imperative that the City of Shakopee maintain excellent working relationships with its key allies while building out the entrepreneur development project. To ensure this was achieved in 2023, ongoing discussions were held with allies including, but not limited to, Shakopee Chamber, Scott County CDA, SMSC, and Minnesota State University - Mankato.

As the City Shakopee further develops its entrepreneur ecosystem, this will continue to be a high priority especially around The Hub project to ensure the new facility is complementary to the Scott County Entrepreneurship Center, Minnesota State University - Mankato's entrepreneur offerings, and the need for job training in the region.

2024 PRIORITIES

In the upcoming year, the focus will be on advancing the development of the core group, enhancing the founder network, finalizing The Hub facility project, and bolstering sustainability efforts to ensure that Shakopee's investment in cultivating a thriving entrepreneur ecosystem yields lasting economic impact and attracts further support.

Outlined below are the specific areas of emphasis:

- Expand the network of engaged entrepreneurs to encompass 35 members.
- Implement an entrepreneur call program aimed at facilitating individual meetings with founders to maximize community value addition.
- Explore new platforms and programs to provide additional value to founders, such as peer-to-peer communications and office hours.
- Launch FoundryMN website.
- Enhance the visibility and impact of key ecosystem projects like TAP 2024 and The Hub.
- Highlight company and community successes through securing press feature stories, enhancing e-newsletter readership, and launching a new website.
- Strengthen sustainability efforts by researching future funding and staffing options and proposing a sustainable model for approval by the City Council.