



County of Ottawa

Press Release



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For Immediate Release

Media Contact: Mark Knudsen, Ottawa County Planning and Performance Improvement Department Director, mknudsen@miottawa.org, (616) 738-4852. See attached media contact list as well.

Ottawa County hosts Grand Opening of the Great Lakes Ag Technology Business Incubator with major funding announcement from State

At a Grand Opening today, Ottawa County, Michigan announced the official kick-off of the **Great Lakes Ag-Tech Business Incubator**.

The Incubator, a non-profit corporation, will specialize in helping farmers and entrepreneurs turn their ag-tech machine, equipment, or software ideas and inventions into successful businesses. “Most farmers are intuitive, can-do individuals who have innate abilities to solve farm problems with ingenious mechanical inventions,” said Mark Knudsen, Planning and Performance Improvement Director. “These inventions can often be the foundation for a thriving business.”

The Incubator provides specialized assistance designed to propel start-up companies through business hurdles. These services include, but are not limited to, validating concepts, obtaining patents, developing markets, streamlining regulatory permits, developing financial plans, assembling management teams, obtaining business financing, and developing supplier sustainability plans. In addition, farmers associated with the Incubator share their expertise with entrepreneurs to validate their ag-tech ideas, provide recommendations to improve new products, and field test prototypes. Ottawa County is uniquely poised to test technology involving wireless broadband since it has built out high-speed wireless broadband throughout the County.

State Representative Joe Haveman also announced at the Grand Opening that the State has awarded \$500,000 to support the innovative Ag-Tech Business Incubator. “Ottawa County has built something entirely unique for farmers and entrepreneurs,” said Representative Haveman. “I am pleased to announce that the State will make a three year, \$500,000 investment in this first of its kind incubator model to help develop businesses and jobs in the ag-technology sector.”

The state funding commitment will be in addition to funds that have been pledged by private sector sponsors and Member Counties. The investment by private sector sponsors includes cash contributions and in some cases discounted service rates which can reach values in the tens of thousands of dollars for clients. Sponsors include the following:

Agriculture	Ottawa County Farm Bureau
Banking	West Michigan Community Bank
Energy Technology	Consumers Energy
Financial Services	Rehmann
Legal (Full Services)	Warner Norcross & Judd
Legal (Intellectual Property)	The Watson Intellectual Property Group
Software	BizStream

Additionally, the Incubator has created a Member County Partnership Program that allows other counties to benefit from the Incubator's pool of technical experts, sponsor donations, and business consultants at cost-effective rates. Barry County is the first County to sign-on as a Member County, but several other Michigan counties have also expressed interest in partnering with the Incubator.

Ottawa County also benefited from a partnership with the United States Department of Agriculture (USDA) which provided a grant to complete a Market Needs and Feasibility Study for the Incubator. The Study verified there were a significant number of entrepreneurs in the region with agricultural technology ideas who needed assistance to develop the ideas into businesses. "Ottawa County is pleased to have such strong partners in the private and public sectors," said Board Chair Jim Holtrop. "This extensive collaboration will add to the dynamic nature of this Incubator and provide an investment that will help grow ag-technology companies in our County and State."

Before the Grand Opening, several ag-technology entrepreneurs were assisted during a "pilot project" to see if the Incubator concept would work. One client, Frank VanKempen, started a company with his partners, that manufactures machines to produce on-farm ethanol. GrassRoot Energy's (GRE) technology works by extracting ethanol molecules that attach to the water vapor that is created during the fermentation process. GRE's patented machines extract the vaporized ethanol by running it over a refrigeration coil at dew-point. The Great Lakes Ag-Tech Business Incubator provided a variety of services to help the company be poised to begin selling its machines in 2015. "The expert assistance provided by this Incubator is exactly what our company needed to propel us forward," stated Frank VanKempen, Managing Member, GrassRoots Energy. "I would strongly encourage farmers and entrepreneurs with ag-technology ideas to connect with this Incubator if they want to establish a business and rapidly generate sales."

There is no fee for entrepreneurs to use the services if they are selected to be a client in the Incubator. Instead, Incubator clients must agree to return two percent of their gross annual sales to the Incubator. At year 10, entrepreneurs have a buy-out option. This unique fee structure aligns the goals of both the client and the Incubator to rapidly commercialize their ag-tech ideas and generate sales quickly. The Ag-Tech model is predicated on “business services fees” sustaining the Incubator in the future. Most prospective clients understand the value of the business services fee because they know the Incubator’s success is tied directly to their company’s sales. In other words, the Incubator’s success is directly tied to the Incubator client’s success.

Unlike typical incubators, the Great Lakes Ag-Tech Business Incubator does not provide physical building space for its clients. This “Garage Incubator” model dedicates almost all of its resources solely to staff who help commercialize the client’s technology. When facilities are needed for clients, the Incubator will broker space (office, loading dock, warehouse) on a piecemeal basis from existing landlords in the community. The Incubator’s low investment, low risk, performance driven model is one that resonated with funders, clients, partners, and the Incubator’s Board of Directors.

“The Incubator brings a new and innovative dimension to the agriculture industry in Michigan,” said Kurt Brauer, Chair of the Great Lakes Ag-Tech Business Incubator and a partner with the law firm of Warner Norcross & Judd. Our Board is pleased with the model that has been developed by Ottawa County, and we look forward to working with our staff, sponsors, member counties, and other partners to help entrepreneurs rapidly commercialize their agricultural technology ideas.” The Incubator’s Board of Directors is comprised of both private and public sector advisors with outstanding credentials in agriculture, business, economic development, and government.

The Board Members include the following individuals:

Kurt Brauer, Chair	Partner, Warner Norcross & Judd, LLP
Jennifer Owens, Vice-Chair	President, Lakeshore Advantage
Mark Schmidt, Secretary	Founder, BizStream
Dan Lennon, Treasurer	President and CEO, Michigan Turkey Producers
Jim Byrum	President, Michigan Agri-Business Association
Don Disselkoen	Ottawa County Commissioner
Ben Geiger	Barry County Commissioner
Dale Grogan	Managing Director, Charter Capital Partners
Merle Langeland	President, Ottawa County Farm Bureau
Cliff Meeuwse	President, Zeeland Farm Services

Farmers, entrepreneurs, and business owners who have an equipment, machinery, software or other ag-tech product idea are encouraged to contact Ottawa County to apply for Incubator services. Individuals may call 616-738-4852 or email plan@miottawa.org.