

March 3, 2021

RE: SB2018 Testimony by Amy A. Whitney, Director, UND Center for Innovation

Chairman Monson and committee members,

For the record, my name is Dr. Amy Whitney, and I am the Director of the University of North Dakota (UND) Center for Innovation. Thank you for the opportunity to submit testimony regarding SB 2018: An act to provide an appropriation for defraying the expenses of the Department of Commerce.

As the Director of the UND Center for Innovation, I have the privilege of leading an entrepreneur center dedicated to helping North Dakotans as well as students and faculty at the University of North Dakota to commercialize their ideas, whether based on research or invention. Entrepreneurial business coaching and training is the heart and soul of what we do every day. After almost three years as Director of the UND Center for Innovation, I can say with confidence that our work as a business incubator is stronger when we partner with organizations such as the Department of Commerce. Sharing a common mission to promote economic development in North Dakota is a shared vision for both organizations and collaboration on programming, support and funding for business opportunities and growth makes us more effective than trying to do the work alone. Commerce programs such as InnovateND, the LIFT fund, BioND, and more, are essential components of a holistic suite of resources vital to economic development, help us to engage and facilitate strong economic development opportunities for entrepreneurial activity, and they provide access to essential early funding and technical support during the critical early stages of the creation, development and growth of a business. We appreciate the opportunity to assist in helping these programs succeed as a certified entrepreneurial center and to collaborate with the Department of Commerce in implementing them.

The current version of SB 2018 provides \$948,467 of funding for entrepreneur grants and vouchers, otherwise known as InnovateND. My submitted testimony today focuses primarily on this program in an effort to provide you with a glimpse into the value of this program for North Dakota. Maintaining the InnovateND program means sustaining a grant and voucher funding program for entrepreneurs as well as essential grants to the entrepreneurial center who provide

coaching and technical assistance to those entrepreneurs. The UND Center for Innovation is one of four providing this support. Each Center has dedicated staff with the knowledge and experience necessary to coach, mentor and guide the entrepreneurs. We are uniquely positioned to support entrepreneurs and we have a strong, collaborative partnership with Commerce in support of InnovateND.

InnovateND uses a phased grant and voucher funding process that includes measurable benchmarks, provides coaching critical to determining the feasibility and viability of an entrepreneur's business idea, and a match requirement. Each recognized entrepreneur center receives a grant from Commerce to provide the coaching and support. The Commerce grants to for each Center is critical to our ability to off-set employment costs for these hands-on services and to leverage federal funding to expand our work. For example, at the UND Center for Innovation, we presently use the funding to support staff time and as a local match for our federal EDA University Center for Autonomous Systems grant.

As the State of North Dakota continues to respond to the COVID pandemic, supporting entrepreneurial activity is more critical than ever. Entrepreneurial activity helps North Dakota grow out of this challenging time in new and innovative ways. InnovateND provides non-dilutive funding at the earliest-stage of a business. The coaching we provide helps de-risk the idea, ensure market fit and requires customer discovery. Here are a few testimonials from InnovateND clients in our office from the last biennium.

"The great thing about the InnovateND program is that, not only does it provide financial support, which is so crucial to a start-up company, but it also provides entrepreneurial business expertise. Having a coach that you can lean on to help answers questions, navigate new waters, and bounce ideas off of has invaluable benefits. This program is overall good for helping ND companies get established, and up & running." -*Mollie Ficocello, Co-Founder, Three Farm Daughters*

"As a new business owner in Grand Forks, Innovate ND has been remarkable. The funding I received through the grant program enabled our success in the early stages. We wouldn't be where we are today without Innovate ND's help. The funding was very crucial but the advice and encouragement I received was priceless. This program was and is crucial to any business start-up in ND. Contacting Innovate ND was the best decision I've ever made for my company's success." – *Jeff Sprecher, Owner, Muskie Bacon Lures*

"Innovate ND changed my business. The funding allowed me to properly market my business in a way that matched my product line. I hired all North Dakota female talent to support the relaunch of

my brand, building the bridge back to North Dakota. It is a great program to support entrepreneurs.”
– *Janelle Wald, Owner AthenaStirs LLC*

“Two years ago I had little capital, a small network, and not much direction until I discovered InnovateND. Since then, InnovateND has helped me accomplish my goals faster than imaginable.”
Brock Admundson, Owner & Founder, Clean Coil

In addition to these testimonials, I am including a letter at the end of this testimony from Brian LaPlante, owner of Back When Foods, also a current InnovateND client.

I strongly encourage this body to support the Commerce appropriation bill, maintain funding for the entrepreneurship grants, and retain funding for the innovation center appropriation. Doing so means Commerce and the State of North Dakota continues to provide a strong ecosystem of support for business growth and development. It is a privilege to work with the creative, innovative, hardworking and passionate entrepreneurs in this state. The Department of Commerce and the entrepreneurial programs it manages such as InnovateND, and others are critical to entrepreneurial success entrepreneurs. This funding further enables business incubators like ours to provide high-quality technical assistance and leverage additional federal funding.

Thank you for your time and review of this testimony today.

1-20-2021

Brian LaPlante

Back When Foods, Inc.

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Honorable Members of the North Dakota Legislature,

Economic Development is key to the continued growth of North Dakota. Central to the goal of Economic Development is the Innovate ND program. I for one, can speak to the unique nature of the Innovate ND entity located in Grand Forks, ND. Obviously, financial assistance is extremely beneficial to entrepreneurs as we navigate the path toward business launch, but equally important is the role that Innovate ND plays in facilitating introductions to other businesses or potential partners. Innovate ND becomes an important portal or conduit for ideas to meet potential partnerships.

The Grand Forks team has gone out of their way to facilitate the creation of a commercial kitchen partnership with UND. Food entrepreneurs will now have an important "stepping stone" as they move toward the reality of their own food business. I strongly encourage the legislature's continued financial support of Innovate ND.

Most Sincerely,



Brian LaPlante

Back When Foods, Inc.