

2023

# Cochrane Business Incubator Operational Plan



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## Introduction

Cochrane's Business Incubator, located at The Station, will support the successful development of entrepreneurial companies through low-cost shared space, resources, access to the Cochrane business community and professional services assistance to increase the likelihood of success among Ideation early-stage entrepreneurs. Our mission is to stimulate the establishment and growth of start-up companies and to increase the number of successful companies originating and developing in Cochrane.

## Incubator Objectives

The objective of establishing a business incubator is to encourage and accelerate new business growth and increase the likelihood of their success. The overall result would be a diversified industrial base that creates new jobs and enhances the quality of life in our community.

The Objectives of Cochrane's business Incubator are to:

- Increase the successful development of new businesses, job creation and employment in specific sectors that align with Cochrane's current industries.
- Create and foster an entrepreneurial climate that aids in the diversification of the local economy.
- Attract funding and investment opportunities for new and existing companies in Cochrane.
- Execute business education and programming that provides support and resiliency for the business community.
- Solve Cochrane specific problems and challenges through innovation.

## Operations

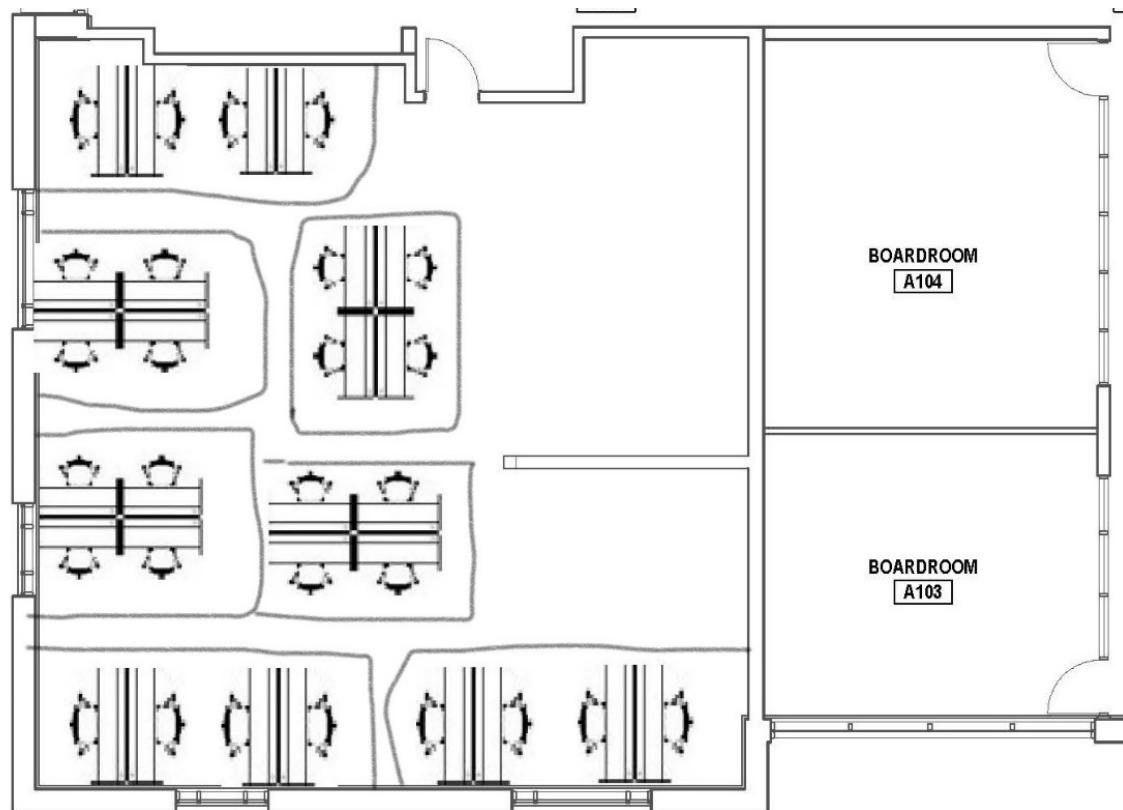
Cochrane's Business Incubator will focus on Startup founders in the preliminary stages of developing their business with a focus on the Ideation and Pre-Seed Stage of development. The Incubator members will have access to office space, priority booking of the boardrooms, high speed internet, printers, and office supplies. The Cochrane Economic Development Department will run the Incubator. The team will work with Cochrane Tourism, Cochrane Chamber of Commerce, Innovate Cochrane and Community Futures West to provide access to networking events, training sessions, service provider introductions and funding opportunities.

The ideal Incubator Member will be vetted through an application process and acceptance criteria. Membership into the Incubator will cost \$1000.00 per year with an expectation of being a member for 24-30 months. A membership agreement will be put into place and a specific set of criteria will be determined as to when the member is ready to graduate from the Incubator and succeed on their own. Acceptance into the Incubator is an ongoing process until the space can no longer add any more members. A wait list will be formed if necessary.

Members will be given access through a key fob security system to the Incubator space and provided with a certain amount of floor space and desks to set up their business. Members of the Incubator will have 24/7 access to the Incubator space and boardrooms.

## The Incubator Space

With just over 2000 square feet of space, the team has calculated there is enough office space for 7 businesses each having the maximum of 4 employees. This scenario would be considered a full Incubator. This full Incubator scenario leaves enough room for the future planned two breakout rooms and a kitchen area with lots of seating. In the beginning of the incubator's operations, it is reasonable to expect we may see more businesses with 1-3 employees and so we may see 10 -12 companies at certain times but must ensure enough room is saved for growth.



## Shared Space

The building was also built with the intention of providing office space for four business partners. This shared space area is in the middle portion of the Station. The business partners would be provided with temporary open office space while visiting the Incubator. This space is not intended to be permanent office space. The business partners that would provide benefit to the Incubator members would be the Cochrane Chamber, Cochrane Tourism, Innovate Cochrane and Community Futures West. Opportunities for other groups to use this space is possible and will be evaluated as needed.



## Acceptance Criteria for Ideation and Pre-Seed Stage Start-Ups

- Through an application process the Entrepreneurs will provide the following:
  - Applicant must prove they have an innovative and feasible business idea, as determined by the Economic Development Team
  - Applicant can validate the business is in the Ideation stage or has been in business for less than 1 year.
  - Applicant can show their Intention to grow the business and provide employment opportunities for Cochrane.
  - Applicant must work from the space provided by the TOC Business Incubator and have no more than 4 employees.
- A formal presentation by the applicant of the business will be required.
- They must have a current Town of Cochrane Business License.

## Judging criteria:

Applicant's application will be based on the following criteria:

- Business models of applicants (For Pre-seed Startup Business Only) will be evaluated on innovativeness, sustainability, and ability to scale, by the Economic Development Team.
- They must also demonstrate the unique value proposition needed to thrive in a competitive market.
- Applicants will demonstrate the impact their business will have on the community and how their operation will benefit their customers.
- Applicants will also be evaluated based on the strength of their leadership team and the expertise involved in their business.

## Membership Agreement

An Incubator membership agreement between the Star-up and Incubator will identify specific requirements based on an appraisal of the company's needs as well as establish timelines for meeting critical milestones in the company's growth.

As a condition of continuing in the Incubator, the company will agree to, and comply with requirements such as:

- Ideation Start-ups will be required to work on their Business Model as part of their first year in the Incubators and then show their ability to succeed.
- Pre-Seed stage Companies will agree to finalizing a Business Plan
- Allowing confidential review of company financial statements by Incubator staff.
- Attendance at a minimum number of Incubator functions
- Completing specific training and technical assistance programs identified in the agreement.
- Participating in periodic progress reviews (usually quarterly).
- Compliance with applicable local, provincial, and federal regulations.

## Graduation and/or Exit Criteria

### Duration

The length of stay in the Incubator will vary depending on each Incubator member's specific needs. Members will be expected to meet business development milestones as mutually agreed upon when accepted into the program. Most members should be able to graduate within 24-30 months of entering the incubation program.

### Exit Criteria

- Exceeding available space (over 4 people)
- Meeting and exceeding company goals for the Startup phase
- Significant revenue generation enabling the handling of typical operational expenses in Cochrane.
- Acquisition by a larger company.
- No longer needing Incubator assistance or no longer participating in Incubator activities.
- No longer operating as a full-time business.
- Achieving or failing to achieve progress Milestones.

### Exit Procedure

- The company will be introduced to commercial realtors and telecommunications service providers, if needed, to begin planning for future space needs.
- Any alterations that have been made to the assigned space may be required to be returned to their original condition.
- The Incubator tenant shall provide new contact information.
- The new company will be recognized as a graduate of the Incubator. The business name will be put on the Wall of Fame and provided an opportunity to become an alumni member of the Incubator. Alumni members will have the ability to be a part of future Incubator activities.

## Community Booking Boardrooms

As the Innovation Space will be used for only the Incubator, there is opportunity to allow other business groups to utilize the boardrooms for business related programming. By following the guidelines outlined in this document, you can maximize the use of your rented boardroom and ensure that your business-focused events and activities are successful.

Both

Non-profit organizations providing training or events geared towards adding value to the business community can use the boardrooms at no charge.

For-Profit organizations will be able to rent the boardrooms at a cost of \$45.00 per hour. If a business requires both boardrooms the cost will be \$90.00 per hour. Day rates (5 hours and over) will be \$225.00 per boardroom. The business must have a valid Cochrane business licence.

The boardrooms are available during business hours Monday to Sunday from 8:30 am to 4:30 pm. Boardroom access after regular business hours will be offered from 4:30 pm to 9:00pm 7 days a week. Groups that apply for use of the space that do not fit the municipalities objectives will be encouraged to use alternate spaces available in Cochrane.

The permitted uses for business-focused events and activities in the boardrooms:

- Planning sessions
- Strategy meetings
- Brainstorming sessions
- Investors pitches
- Training Sessions
- Workshops
- Interviews
- Networking Events
- Product Launches

## Incubator Deployment

### Phase 1

March 14-31	April 1-15	April 15 -30	May 1-15	May 15-31	June 1-15
Create an online presence for the program and application process.	Marketing of the Incubator	Start accepting applications for the Incubator.	Application review and Founder interviews	Start working on the long-term Branding for the Incubator	Provide Council with and update on the first incubator members
Finalize the Membership agreement with Legislative Services	Standard Operating Procedure for after hours access	Determine initial training offered to the Incubator Members	Connect with the business community to encourage support for the Incubator		Move in the first Incubator members
Work with innovate Cochrane to complete Grant application			Hire contact personnel with grant funding		Provide opportunities to engage the Startup companies.

### Phase 2 - July to December 2023

- Evaluate the ability for the community to use the space outside of regular business hours.
- Evaluate the need for an External Advisory Committee.

- Determine Staffing requirements and costs associated for the 2024 budget process.
- Build the standard operating procedure for use of the building after hours.
- Provide Council with and update on the success of the programming at the station.



## Appendix A – Incubator Application Form

The Application form will be a web-based form created on the Town Website.

1. Name
2. What is your position/role in the company?
3. Email
4. Phone Number
5. How many full-time Founders does your company have?
6. Please list the first and last names of your company's full-time Founders.
7. LinkedIn Pages
8. How many full-time founders permanently reside in Cochrane?
9. Have any of the Founders ran or worked for a start-up before?
10. How many full-time employees does the start-up have?
11. How many part-time employees does the start-up have?
12. What is the name of the start-up you are working on now?
13. What does the start-up do?
14. Website?
15. What year was the start-up founded?
16. Are you affiliated with another accelerator/incubator?
17. What stage is your business at?
18. Please list what industry type you would associate your business with? \*
19. Who are your target customers?
20. What is your competitive advantage?
21. Please list any competitors you're aware of
22. How much revenue has your company received to date?
23. List the total sum of grants your company has received to date.
24. List the total amount of investment your company has received to date (angel, venture capital, etc.)
25. Does your start-up have a business licence in Cochrane?
26. How do you believe Cochrane business Incubator can assist with the development of your company? What type of support are you looking for?