

Incubator Grows More Businesses ... and Itself

When the Northeast Indiana Innovation Center (NIIC), a Fort Wayne-based business incubator, opened in 2001, the goal was to help high-tech start-up businesses succeed in that region of the state. Now, its services are in such high demand that NIIC has more than doubled the number of entrepreneurs it can assist and continues to grow.

When *BizVoice*® first reported on NIIC in its January/February 2003 issue, the incubator was operating out of a donated building.

After expanding that location four times to 20,000 square feet, NIIC was still limited in the number and type of companies it could work with, president and CEO Karl LaPan says. In late 2005, a 55-acre campus was opened adjacent to Indiana University-Purdue University Fort Wayne (one of NIIC's educational partners).

Now NIIC (a state Certified Technology Park) serves about 40 companies, compared to its previous capacity of 15 to 18. The old space was not designed to be an incubator, but this area is structured to meet NIIC's needs, including the ability to work with biomedical and life sciences companies, LaPan explains.

One company that has benefitted from the new facility is Schwartz Biomedical. The orthopedic tissue engineering company was founded in 2004 by engineer Herb Schwartz.

At first a solo operation, Schwartz Biomedical now has six employees – a CFO, scientists and engineers. At the previous NIIC site, the company only had office space. Now, engineers can do all the biomedical testing in the labs on site, Schwartz says.

Without the labs, Schwartz likely would have contracted testing to a university outside of Indiana, which would have slowed down the work and cost more (and would have meant fewer jobs at NIIC).

Schwartz notes that collaborating with NIIC helped him receive grants and attract other start-up funds.

“They provide a lot of validation for a company because rather than just a one-man operation you really have the resources of a larger organization,” Schwartz asserts.

With several technologies in development, Schwartz Biomedical is now accessing NIIC services to plan strategic growth as the company looks to expand its operations and add more jobs.

Serving more start-ups, areas

NIIC has reached 92% occupancy and is in the process of adding another building. The expansion will increase the space from 40,400 square feet to about 74,000 square feet, LaPan says.

In 2007, total payroll for full-time employees in the technology park was just over \$7.5 million for 139.5 employees, an average wage of approximately \$54,000.

“Before we came here this was a field for flying model airplanes, which had a payroll base of zero. So to put it in perspective, I think we've accomplished a lot in our short history,” LaPan asserts.

One of the biggest challenges for NIIC has been finding angel capital and investors for clients. Continued outreach in the community will help so people understand the role of NIIC and that entrepreneurship is a career option, LaPan contends.

In addition to helping clients access grants and outside capital sources, NIIC has a LEAP fund that allows the center to invest in promising entrepreneurial ideas. The fund is currently at \$550,000, but LaPan would like to see it grow to \$1 million.

“The key is we want to be an integral part of our community,” LaPan relates. “We see that as part of our purpose.”

One way that is being accomplished is through satellite offices with “storefront presence,” which have come online since 2006. These locations in Huntington, Bluffton, Columbia City and South Whitley “bring entrepreneurial programs to the entire region where parts of our region could never afford to have their own incubator,” LaPan says.

To view the January/February 2003 *BizVoice*® story on NIIC, go to the archives section of www.bizvoicemagazine.com.



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INFORMATION LINK

Resources: Northeast Indiana Innovation Center at www.niic.net

Schwartz Biomedical at www.schwartzbiomedical.com

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