

[ENTREPRENEURS]

On a



The Annual Michigan Business Plan Competition: Everyone Wins

BY CINDY ORLANDI

“Every successful entrepreneur has to take the first step to move dream to business reality,” according to Dave Brenner, who chairs GLEQ, a non-profit 501(c) (3) organization that he likens to an engine accelerating the growth of high-growth companies across Michigan. He and Tom Edwards, his partner at Idea-Works, LLC, have more than 60 years of combined experience in new business development. They take pride in “transforming bright ideas into right ideas” and for being with the “Quest” from its start in 2000.

“Alumni of prior Quests have gone on to start high-growth businesses that have raised millions of dollars in capital and won contracts with the government or multinational corporations,” said Brenner. GLEQ noted in its annual report that since its inception, dozens of teams have started businesses and raised more than \$6 million in capital.

In the first three years of its annual Michigan Business Plan Competition, the Great Lakes Entrepreneurs Quest (GLEQ) has trained more than 2,300 new business leaders and awarded nearly \$500,000 in prize money. In fact, there are no losers among this Michigan entrepreneurial community.

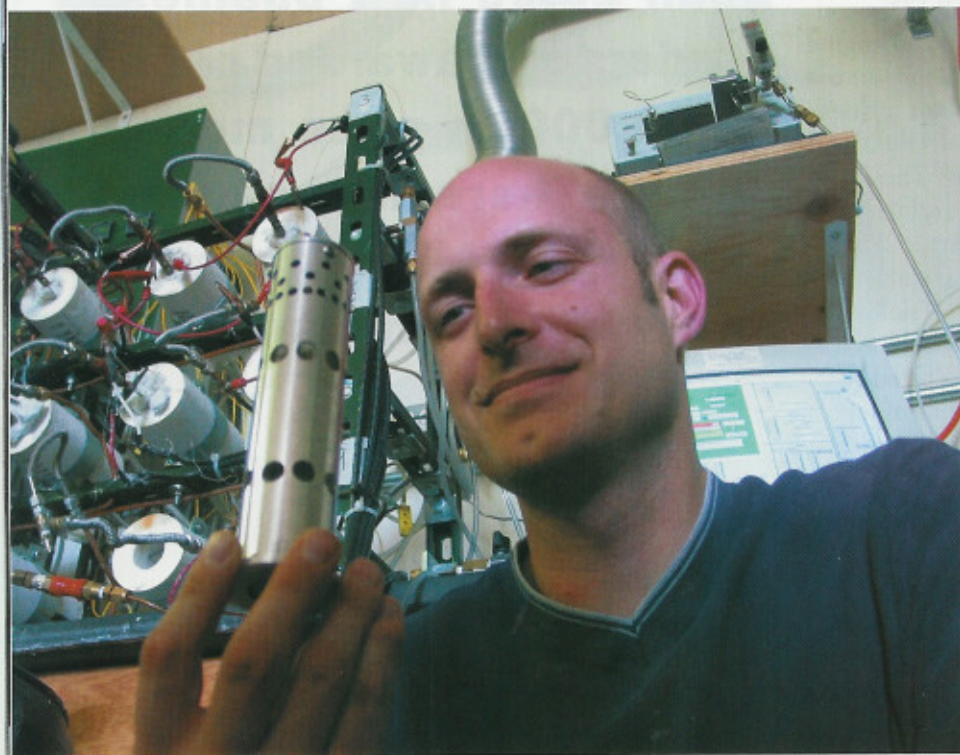
Quest

GLEQ Business Development and Marketing Co-Chair Gary Krause serves as director of special projects for the Michigan Economic Development Corporation (MEDC), which, like the Herbert H. & Grace A. Dow Foundation has sponsored the Quest from its inception. “This is part of a larger puzzle of changing the culture in Michigan to be friendlier to small business ventures,” Krause said.

In its first three years, supporters have contributed more than \$440,000 worth of their time. This includes some 200 coaches providing an estimated 1,000 coaching sessions for the 500 teams participating in the competition.

Among the first coaches in 2000 was Mary Ann Alger, who now volunteers as treasurer of GLEQ as well as serving as chief financial officer for Velcura Therapeutics, Inc., a biotech company she helped its scientific founder Dr. Michael Long start after their team won first place and \$60,000 in the first annual Michigan Business Plan Competition. “Without this cash we may not have launched the company, as 2001 was a tough year for startups,” said Alger, who noted her own interest in it stemmed from her mother’s own diagnosis of osteoporosis, one of the bone diseases Velcura Therapeutics seeks to cure.

"It was important to receive independent validation on the medical and commercial significance of our business proposition," Alger noted. After successfully completing its initial Quest, the company went on to gain \$3 million in funding from the Michigan Life Science Corridor. Moreover, both Alger and Dr. Long have continued to stay active with GLEQ, volunteering on its leadership boards to ensure that future start-ups continue to benefit from the networking opportunities and in-kind services that they themselves found so invaluable.



Aaron Crumm, founder and president of Adaptive Materials, was the grand prize winner of the 2003 Great Lakes Entrepreneurs Quest. "We are grateful to the organizers and coaches of the GLEQ for seeing us through the business plan development process," said Crumm. "It has helped us continue on the path to success, and even opened a few doors along the way." In July 2003, Adaptive Materials received an Army Research Office award for a "Portable Fuel Cell Systems" program and in September 2003 was awarded "The Michigan Investment and Commercialization Success Award" from the Michigan Economic Development Corporation.

Aside from National Institute of Health grant funding, a \$25,000 award from the business plan competition in 2001 also was one of the first revenue sources for Xoran Technologies, Inc., another Ann Arbor company that is creating a new kind of CAT scanner that is less expensive and more easily fits into a doctor's office. "Earning this award was pivotal in providing us an initial financial 'leg-up' in launching our business," said Predrag Sukovic, co-founder, president and chief executive officer. "Our initial success with the Quest also assisted us in successfully competing in several other business plan contests, providing us with valuable PR and additional prize money," he explained.

Jacqueline K. Vestevich, Xoran's vice president and chief operating officer, added, "In our third year of business, we have generated more than \$1 million in grant/award revenue and successfully developed a small CT

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scanner dedicated for dental applications ("DentoCAT"), which is now being used for clinical tests by the University of Michigan Dental School."

A regional winner in the 2001-2002 GLEQ, Michael McCorquodale co-founded Mobius Microsystems last year and was a runner-up in the 2002-2003 competition. His new company sells intellectual property to semiconductor companies for use in electronic products. Mobius Microsystems, which has won a total of \$30,000 in GLEQ, is appreciative of opportunities like GLEQ that have helped it get off the ground, according to Jeffrey G. Wilkins, its chief operating officer. Self-funded, Mobius Microsystems has won about \$150,000 in a variety of such business plan competitions, he explained. "I'd recom-

Started in 2000, GLEQ is a statewide entrepreneurial training program and business plan competition aimed at accelerating the formation of new, high-growth companies across Michigan. The GLEQ Board of Directors and Advisory Committee include:

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- **Aaron Crumm**
President, Adaptive Materials
- **Carol Lopucki**
State Director, Michigan Small Business & Technology Development Center

mend it (GLEQ) to anyone, because all phases of the competition offer strong encouragement to entrepreneurs," added Wilkins.

After surveying past participants this summer, GLEQ now offers two paths, one for New Business Ideas and another for Emerging Companies. "We have begun to implement an 18- to 24-month plan to make significant enhancements to structure the Quest. Once the implementation is complete, we will have something to offer all Michigan entrepreneurs, regardless of their experience level or stage of business development," added Brenner.

The Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies at the University of Michigan and Eastern Michigan University Center for Entrepreneurship are two of the many organizations partnering on GLEQ. The free training sessions have been held at EMU's Livonia Extension Campus, Michigan State University in East Lansing, as well as at Grand Valley State University's DeVos Campus in Grand Rapids.

The Quest's new project manager, Rishi Moudgil, earlier served as program coordinator of U-M's Center for Research on Learning and Teaching. Moudgil and Brenner both noted that they also hope to be able to offer videoconferencing of the training sessions for participants in more remote areas of the state.

"The Quest is a continuous education process," Krause explained, adding that the greatest value it offers is creating a community looking for ways to assist new businesses.

The opportunity to further develop their business network is among the benefits all participants receive by attending the semi-finals ceremony set for Tuesday, December 9th in East Lansing. Another statewide awards ceremony is planned for May 2004. Registration information and additional information is available by visiting www.gleq.org or by calling Moudgil at 734.615.4423. ■

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The top money managers in Michigan have unparalleled influence in venues that run the gamut from government to corporations to non-profits to higher education.

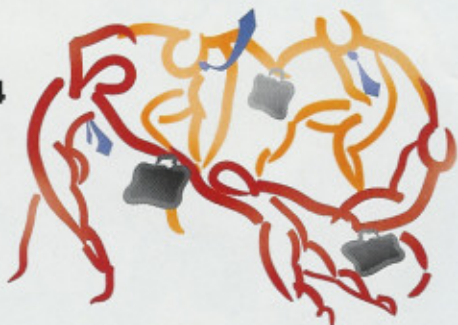
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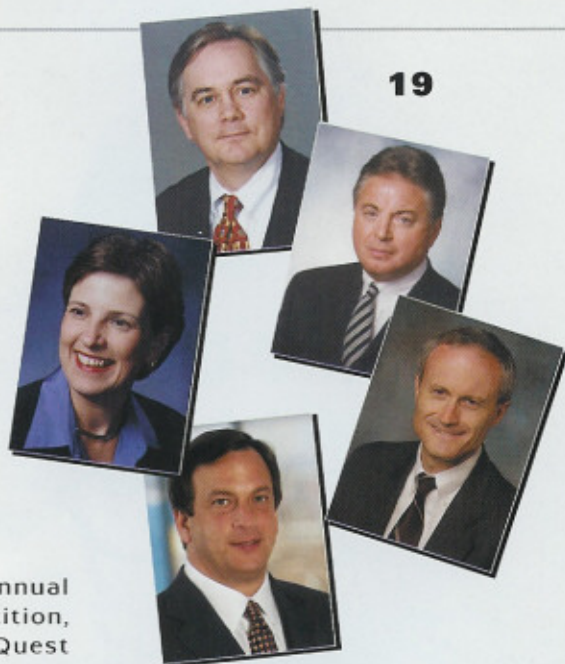
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