

# Greasing the wheels of innovation

## 3-year-old Boulder Innovation Center expanding its reach, impact

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For the Camera

Bill Capsalis, right, asks questions about the progress of Seth Mendelsohn's Simply Boulder cuisine sauces during a recent consultation meeting at the Boulder Innovation Center in Boulder. The center helps entrepreneurs and startups grow and thrive.



Photo by Cliff Grassmick

Heather English, standing at the history wall, started English Retreads because she didn't like handbags and accessories made of animal products. After tubing down Boulder Creek, she got the idea of making such items out of used fire rubber. She then turned to the Boulder Innovation Center for help advancing her product line.

### Innovation Center

Following is a brief snapshot of how companies get involved with the Boulder Innovation Center:

Will consider all types of new businesses.

Greatest areas of success are in: natural & organic; software; renewable energy; bioscience; and nanotechnology

Looks for characteristics such as: business-building assistance, limited amount of investments, an open mind and a significant growth opportunity.

Charges a fee of \$750 per month

The economy may be choppy, but that isn't keeping some entrepreneurs from continuing to test the waters.

The metaphorical light bulbs flicker in their kitchens, garages and basements, and they invest sweat equity to turn their thoughts into reality.

When the creations gain traction, the business sometimes grows beyond its founder's means.

Questions of distribution, networking, marketing and funding, among others, arise.

That's where the Boulder Innovation Center comes in to play.

The 3-year-old local nonprofit works with startups and innovations from the University of Colorado and connects them with advisors -- typically entrepreneurs and business professionals who have been through the ups and downs -- to help get to that next stage. Recently, with a new executive director at the helm, the BIC is broadening its reach in order to have a greater impact on the entrepreneurial community it serves.

"One of our goals here is to have everybody leave smarter than when they came in," said Eric Gricus, client developer for the BIC.

### **Making changes**

In 2005, the Boulder Innovation Center was started by Doug Collier, who was on the ground floor of the Boulder Technology Incubator, a tech-startup assistance organization that eventually became CTEK, an entrepreneur-building organization now based in Denver.

During its early years, the BIC -- which gained its initial funding through the Boulder Economic Council and the city of Boulder -- focused on the natural and organic products sector and the software industry.

Its clientele included companies such as Third Street Chai, MetaWorks and Justin's Nut Butter.

When Collier stepped down in mid-2007 to pursue an opportunity in the private sector, the organization, which continues to receive money from the state, city and sponsors, metamorphosed when Tim Bour took the helm as the center's executive director. Bour's resume includes positions at local startup Cielo Communications and a 13-year stint at Hewlett-Packard.

Bour said he saw the potential to take the organization to greater heights.

"First, I wanted to see if we could make a bigger impact in the community" and the local economy, Bour said.

To make a such an impact, there had to be greater scale and a larger number of companies in the system, he said.

As a result, the center has expanded its focuses during the past year to include the industries of energy, bioscience and nanotechnology.

Bour decided to add the role of "program manager" to help facilitate consulting with the center's clients. He also implemented customer relationship management software, which helps the center track its meetings and manage anything from resumes to its lengthy list of 400 volunteer advisors.

One of the final goals, Bour said, is to bolster the BIC through various events and organizations to keep the nonprofit top of mind when it comes to raising money from sponsors within the community.

Through its three-year history, the BIC has worked with 44 area companies. More than half are active clients, who stay with the program an average six months and meet with advisors and their program managers throughout the process.

Gricus noted how one advisor panel had more than 80 years of combined experience.

"If that's not going to increase your probability of success, I don't know what will," he said.

### **Getting advice**

On a recent weekday, Seth Mendelsohn placed his laptop on the table in the conference room that sits on the edge of the BIC's downtown office.

For the founder of the nearly 1-year-old gourmet sauce, dressing and marinade company Simply Boulder, this was one of the chances for Mendelsohn to check in with his BIC program manager and advisors, who included experts in consulting, brand management and marketing.

The focus for the meeting was on Simply Boulder's branding and marketing efforts and opportunities, such as exploring potential sponsorships, modifying the bottles' label designs, spicing up the company's Web site and even considering modifying one of its recipes.

Mendelsohn mentioned he would be doing a demo of his sauces at King Soopers -- a grocer that just inked a deal with Mendelsohn to have 22 more of its stores carry the Simply Boulder product -- causing Bill Capsalis, senior vice president of marketing firm the Fresh Ideas Group, to quickly chimed in.

"Who's going to do the demos, you?"

Mendelsohn looked over at Capsalis, shook his head and answered yes.

"I will," he said. "That's the best way."

Capsalis liked the response as he smiled, nodded his head and continued to jot down a few more notes.

The remainder of the hour-and-a-half session flew by as brainstorming and idea development -- and a slight taste of sampling -- filled the time.

Mendelsohn was debating tweaking a recipe of one of his sauces, so each advisor grabbed a spoon, tasted it like it was fine wine and gave their impression.

The taste-testing was intertwined with adjectives and suggestions for Mendelsohn to use the Boulder County Farmers' Market to his advantage in market research.

### **Looking for help**

Simply Boulder is one of nine BIC companies that serve the more than \$62 billion natural products industry. The growth of that industry and people's changing attitudes toward sustainable products have been good to another local BIC client in the natural products arena.

Business has been "humming along" as of late for Boulder-based English Retreads, a company that makes handbags and accessories from reclaimed bike and truck tires, said Kate Starr, the company's business manager.

Sales have doubled annually since Heather English founded the company in 2001.

"It's been going pretty smoothly for us; we have had the luxury of making a product that is really appealing to people," Starr said. "When people are shopping, they're trying to make conscientious choices."

But because of the growth, and because no one in the company's "pit crew" had the expertise to take the business to the next level, English Retreads turned to the BIC.

Clients for about a month, English Retreads is just getting started in the process and has yet to meet with its team of advisors.

"We're interested in BIC's network of entrepreneurial experts that hopefully can bring their own experiences to the table," Starr said.

Current BIC advisor George Deriso, a local entrepreneur who co-teaches at CU's Leeds School of Business, was one of the founding advisors of the nonprofit. He got involved because he saw BIC filling a need within the entrepreneurial sector.

"One of the things that is clearly lacking in Colorado, is some way to kind of bridge the gap between people with great ideas and great concepts and actually getting those things to market," he said.

The BIC recognizes that gap and fills it in very meaningful ways, including furthering the local economy and its industries, he added.

Sam Weaver, president and co-founder of Boulder-based Cool Energy Inc., saw the potential that could exist in the booming energy industry. But the growth in the industry means there are a lot more startups in field, and the economic situation has investors being more picky with their money, so Weaver wanted to give his firm, which is developing technology that collects, distributes and converts thermal energy, the best chance.

Weaver decided to make the couple-hundred-dollars-a-month investment to use the BIC's services to help him and other Cool Energy officials meet new contacts in the industry and also refine their pitches for investment.

What stood out to him and kept Cool Energy in the program was the personal attention given to the business, he said.

"It's not a one-size-fits-all kind of approach," he said.

### **Filling pipelines**

One other large aspect of the BIC is its connection with CU's Technology Transfer Office. Ten of the BIC's active clients relate to CU-developed technology and those inventions span a variety of sectors, including software, nanotechnology and bioscience.

Tim Prodanovich, who has held management positions at companies Resurgent Health and Medical and Tyco Sensormatic, came to the BIC as an advisor and left as chief operating officer of startup 3QMatrix. The Boulder-based company is developing a "low cost, high efficacy" wound healing and drug delivery technology.

As the innovation on the product continues at CU, Prodanovich and his colleagues meet regularly with the BIC to review the company's status and help ready it for its expected first-quarter expansion to a facility and subsequent product launch.

"Without the BIC or some organization like that, I don't know where you'd go," Prodanovich said.

The BIC's growth during the past year has translated into an expanded relationship with the Technology Transfer Office, said Kate Tallman, director of technology transfer for CU's Boulder and Colorado Springs campuses.

"They now cover more domains than they originally covered, and they have added program managers so that they can work with us on more technologies," she said.

Before the Technology Transfer Office began working with the Boulder Innovation Center, CU office a couple of avenues to get its technologies on the street.

One option was when entrepreneurs came in and met directly with the technology transfer officials. Another was to present ideas to the master's students in the Leeds School of Business.

Both options translated into businesses, but the BIC's involvement has been even more effective and has led to more potential startups in the pipeline, she said.

"I think we have the opportunity to being a virtuous cycle of more exciting technologies in the pipeline that attract more talented entrepreneurs," she said. "That cycles back and gets more investigators excited."

The cycle is something that has the BIC's Bour excited.

His hope is to continue the center's momentum and reach more entrepreneurs and businesses within the Boulder community.

"We work on filling the tunnel with new opportunities," Bour said.

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