Start-Up Seeds

Thanks to the Penn State’s Global Entrepreneurship Week and other efforts, small-business creators are building strong roots in Happy Valley

By Savita Iyer-Ahrestani
For Linda Feltman, senior business consultant at Penn State’s Small Business Development Center (SBDC), the fact that the university and the SBDC rank first on the USA partners’ list for Global Entrepreneurship Week (GEW), the world’s largest celebration of innovators, self-starters, and start-ups, is not that important. What matters to her is the extent to which GEW — an event that Feltman coordinates and that takes place November 15-20 this year — has grown at Penn State and in its role as a showcase for the importance of entrepreneurship at Penn State and in the broader community.

Feltman, who was tasked in 2009, GEW’s first year, to replicate the event at Penn State, had no idea it would grow to such proportions and become so important in the context of entrepreneurship both locally and globally. “More than one student has told me that GEW is their favorite week of the year,” she says, “and if I get any complaints at all, it’s that there are just too many events to choose from.”

The weeklong event features lectures, tours, seminars, panels, and competitions, among others, and brings together Penn State professors, local and student entrepreneurs, and outside experts in an array of fields. It is designed, Feltman says, to inspire and educate, engage and empower both students and community members who have a bent for entrepreneurship and offer them some of the tools/skills/knowledge and networks they might need to start their own businesses and make these grow. More than one good business idea has either come out of GEW or has found, during the event, the resources needed to move it forward.

Beyond GEW, the SBDC, community organizations such as New Leaf Initiative, student-led Innoblue, which empowers student entrepreneurs, and the Centre Region Entrepreneur Network (CREN) play a continual role in fostering the spirit of entrepreneurship and helping people bring their business ideas to fruition, Feltman says, such that Penn State and the State College community are rapidly becoming a hub for new and vibrant businesses.

When Erickson founded Blue Mountain Quality Resources in 1989, he says “there wasn’t a start-up community to speak of” in Happy Valley.

That’s certainly a far cry from when Jim Erickson, founder and CEO of State College-based Blue Mountain Quality Resources, a leading developer of industry-standard asset-management products and services for the life-sciences industry, set up his company in 1989. Erickson, a Penn State graduate, and his partner were keen to launch a business here because of obvious proximity to a world-class university and the resources thereof, “but back then, there wasn’t a start-up community to speak of,” he says, “and the software industry itself was quite new.”
He was able to successfully grow his business by maintaining close ties to Penn State, by availing of the knowledge and resources it provides and hiring top-notch graduates. Over the years, he’s seen the entrepreneurial community grow and several new businesses take off, with a significant shift, he says, occurring in the past five years. Penn State and GEW have been key to that change, as have organizations such as CREN, which was set up by first-wave local entrepreneurs such as Erickson and Todd Erdley, president and CEO of Videon, which helps media-technology firms move their digital-media initiatives from concept to market.

Erdley, showing off vegetables that came from Videon’s garden, was one of the first-wave of entrepreneurs who set up the Centre Region Entrepreneurship Network. He also spends time mentoring new entrepreneurs.

Today, CREN has about 75 people representing 50 companies, and the numbers are set to keep growing, Erdley says. Local entrepreneurs are keen to see businesses flourish in the community, and they are willing and open to share their time and their expertise, act as mentors, and even provide office space to any aspiring entrepreneur.

Erdley believes that State College and the surrounding region are on the cusp of an “economic revival” that will be spurred by start-ups and small-business creation and development, and he credits the movement in large part to Penn State president Eric Barron.

“This has been an untapped hub of economic development, but now, there’s a fully committed, synchronized, and extremely knowledgeable team in charge at Penn State that understand economic development and has a vision of economic impact,” Erdley says. “President Barron is leading the team, and many exciting things are happening here now, with Penn State doing things with the community and the community doing things with Penn State.”

Feltman agrees, saying, “It is wonderful to have support from the top of the food chain at Penn State, and it’s so rewarding to know that our efforts are being supported from that level down.”

Fifteen years ago, private industry accounted for around 26 percent of employment in State College, while Penn State made up close to 40 percent, Erdley says. Today, private industry is around only 8 percent while Penn State accounts for close to 50 percent of the local employment base, “so there’s a big imbalance that President Barron, among others, believes should be redressed,” he says.

CREN has put together a 3B33 plan, which is a vision for the community that projects for $3 billion in annual economic output by 2033 through ventures that are not reliant on Penn State, Erdley says.

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Start-Up Success Stories

Three new entrepreneurs travel the road to business success

By Savita Iyer-Ahrestani

Mitch Robinson, founder of Résumé Ruby, designed a unique Photoshop template for his résumé, and it appealed to other students so much that they asked him "to make theirs look the same."

For $20, Robinson did the work and discovered "that there was a hole in the market for this that could be built up into a scalable solution."

The Penn State senior, who had participated in an entrepreneurship class in high school and whose father is a tech entrepreneur, came to Penn State to study energy systems. He was quickly bitten by the "entrepreneurship bug," and he joined Innoblue, a student-led organization of which he is now vice president.

This summer, his start-up was one of six to receive a $10,000 grant from Penn State's Summer Founders Program. It has helped Résumé Ruby grow to where it now operates in more than 40 countries. Along the way, he's taken advantage of all the resources Penn State has to offer young entrepreneurs such as himself, and he's worked closely with local mentors such as Todd Erdley, CEO of Videon.

Because of his Innoblue involvement, Robinson will be playing a key role at Global Entrepreneurship Week, which, he says, "exemplifies the process that entrepreneurs all over the world are going through. You never know who you'll meet at GEW and what kind of new connections you'll make there."

Mary Elizabeth McCulloch had no idea that Project Vive, which started because of her desire to help children with nonverbal cerebral palsy in an Ecuadorian orphanage, would grow as much as it has.

During her senior year at Bald Eagle Area High School, she was an exchange student in Ecuador. She witnessed firsthand the difficulties children afflicted by the ailment had in communicating and in procuring an effective device. She decided to create a low-cost and robust speech device, getting things off the ground with the help of her father and other family members.

"I had no idea at that the time that so many resources existed at Penn State," she says.

Things changed when she applied for a New Leaf Initiative pitch contest and came into close contact with Penn State's Small Business Development Center (SBDC), which helped her to "realize the full market potential of the device that I had."

She was the beneficiary of a $10,000 Summer Founders Program grant and, currently, has three working prototypes of her device. As it reads on the Project Vive Web site, "Project Vive is a humanitarian effort to help improve the lives of people with nonverbal communication disabilities. In doing so, we are utilizing technology to develop, manufacture, and distribute a low-cost solution that will help restore one of mankind's precious gifts — speech."

When Michelle Mierwald graduated from Penn College Williamsport's culinary school in 2011, she knew she did not want to work in a restaurant. A wife and mother with grown kids, she needed flexibility in her life.

She began making hot sauces in her home and giving them to friends and family to try out. "They said, 'You should sell them,' and that's how things came together," she says.

She approached Linda Feltman, senior business consultant at Penn State's SBDC, and she has not looked back. Feltman and the SBDC have helped her in moving forward her hot sauce business, Sweet Heat Gourmet, she says, "and even if I e-mail Linda at 2 a.m., she gets back to me in the morning. Without her, I would not be where I am."

Today, Mierwald's award-winning sauces sell online, in various venues around the community, and, through a distributor in Texas, she has a presence in 1,000 stores around the world. She is working closely with Feltman and the SBDC to properly manage that expansion and take her business even further. T&G
“We want to have a better balance of people, ideas, employers, culture, and so on, and suffice it to say that things are happening, and Penn State and the community are coming together to create something,” he says.

Penn State professor Lee Erickson also believes that this area is in the early stages of becoming a true entrepreneurial hub. She teaches the information sciences and technology (IST) component of Penn State’s entrepreneurship minor, a highly popular minor in which eight colleges are now participating and which plays an important role in fostering and nurturing student entrepreneurism.

Her classes, like the minor in general, are designed to offer both classroom and out-of-classroom experiences. Students can interact with entrepreneurs both small and large, enter competitions, and pursue internships, and some have had the opportunity to showcase their work before heavyweights from Silicon Valley.

In the three years since Erickson came on board, she’s seen interest in the entrepreneurship minor increase significantly, with students from many different disciplines signing up.

“Many students today feel they don’t want to work for a large company, and this generation is a little more independent in that they want to have control over their future,” she says.

But what’s more important, in Erickson’s view, is that the entrepreneurship minor is not geared solely toward prepping people to start their own businesses. It provides students with tools that they can successfully use in any corporate setting in order to stand out from the pack.

“What we hear from companies is that they want critical thinkers who have certain soft skills that are key for corporate America,” she says. “Large companies need to innovate quickly, so they want people on the front line who can act fast and identify what’s coming next.”

The process students acquire in the entrepreneurship minor enables them to...
Erickson has seen more Penn State students become interested in entrepreneurship because many “don’t want to work for a large company, and this generation is a little more independent in that they want to have control over their future.”
understand that “you don’t have to be a Steve Jobs to be an entrepreneur,” Erickson says, that there are a set of tools and a process to entrepreneurship. Acquiring those tools also enables individuals to try again if their initial idea fails, “so learning that there is a process can be very helpful.”

Feltman also underscores the multidisciplinary nature of the entrepreneurship minor, which also is a key part of GEW and brings together people from a range of different areas.

“Most students think they can do it alone, but working in a team means being able to tackle and work through different issues and having a support system,” she says. “We strongly encourage every entrepreneur to be part of a team, and I think that GEW can help people find their matches in whatever area they may need support in.”

Whether it’s during GEW or through the rest of the year, there are more than enough resources for entrepreneurs to avail of — resources that Feltman would like, she says, to see more community members take advantage of, and she heartily encourages more community members to attend GEW events, which include several at Schlow Centre Region Library. Because while Penn State students may be the catalyst for new businesses, good ideas can come from anywhere, and the SBDC can provide help and support to everyone in the community.

“GEW is a holistic exercise in entrepreneurship and it doesn’t preclude anyone,” Erdley says. “We want the community to understand just how open an event this is.”

For a schedule of events for this year’s Global Entrepreneurship Week at Penn State, visit gewpennstate.org.

Savita Iyer-Ahrestani is a freelance journalist in State College who has worked as a full-time business journalist in New York, and, as a freelancer, has reported from both Europe and Asia. Her features on a variety of topics have appeared in many publications including Business Week, Vogue (Mumbai, India edition), and on CNN.com.