

Scalerator NEO



Richard J.
Fasenmyer
Foundation

Scalerator is a proven program for entrepreneurs and leaders that want to deliver immediate growth into their business and are open to learning new ways to do so. The Scalerator curriculum focuses business leaders on the **3 Cs** of growth – **C**ustomers, **C**apacity and **C**ash – and is led by faculty primarily from Babson College, ranked as the nation’s top provider of entrepreneurship education. The Burton D Morgan Foundation and Richard J Fasenmyer Foundation identified the Scalerator program and have chosen to bring it to Northeast Ohio in 2017 to accelerate the growth of companies with revenues between \$5M and \$15M from any industry.

Scalerator NEO is a six-month cohort-based educational program that provides practical sales and marketing, organizational development and entrepreneurial finance skills

Who developed the Scalerator?

Dan Isenberg, founding director of the Babson Entrepreneurship Ecosystem Project, developed the curriculum. Dan is a former entrepreneur, investor and professor at Harvard University and Columbia University. Babson College is ranked as the nation’s top provider of entrepreneurship education. More than 100 companies have gone through the Scalerator curriculum.

What kind of companies should apply to be in Scalerator NEO’s inaugural class?

Highly-motivated and ambitious entrepreneurs that operate companies with between \$5 million and \$15 million in sales and are motivated to aggressively grow their business. Companies from all sectors are encouraged to apply. A diverse cohort of companies makes for a more successful Scalerator experience.

Do companies have to be located in Northeast Ohio to be eligible? Yes.

Who brought Scalerator to Northeast Ohio?

Scalerator NEO is supported by a collaboration of Burton D. Morgan Foundation and Richard J. Fasenmyer Foundation, two foundations committed to supporting entrepreneurship and free enterprise in NEO. The foundations have retained EDGE, a non-profit organization that helps mid-sized companies grow, to help them administer the Scalerator NEO program.

Why are the foundations supporting Scalerator NEO?

Burton D. Morgan Foundation and Richard J. Fasenmyer Foundation are covering all of the costs of the inaugural class of Scalerator NEO to demonstrate that Northeast Ohio is rich in high-growth potential companies and that growth can be unleashed through education. The foundations champion the entrepreneurial spirit. Rapidly growing companies, like those that will emerge from the Scalerator NEO, embody that spirit and improve their communities by creating economic growth and opportunity.

How does Scalerator NEO fit with other economic development efforts in the region?

Scalerator NEO is a valuable addition to the services that are offered to established, growing enterprises in our region. Several economic development organizations are working to help companies “scale-up” for growth. Those organizations are helping identify candidates for Scalerator NEO. The foundations expect Scalerator NEO will become a valued part of the ecosystem that is strengthening Northeast Ohio’s reputation as a vibrant region full of the entrepreneurial spirit.



How is Scalerator NEO different from services offered by JumpStart, MAGNET or other economic development programs?

Northeast Ohio has a number of strong programs that offer consulting services to entrepreneurs eager to accelerate their growth. Scalerator NEO complements those programs by offering highly-motivated entrepreneurs an opportunity to learn practical skills with a small, select group of peers. The cohort learning environment is proven to stimulate new growth strategies and to inspire entrepreneurs to aggressively grow their businesses. Multiple economic development groups have rallied behind this concept and are part of the team that is working to identify this first cohort. The inaugural class will be free to participating companies.

How is Scalerator NEO different from Goldman Sachs 10,000 Small Businesses?

Both educational programs benefit from the world-class entrepreneurial education talent at Babson College, but the programs have distinct curriculum and serve different sizes of companies. The 10,000 Small Businesses program targets companies between \$150,000 and \$4 million in revenue. Scalerator NEO is specifically designed to help companies with \$5 million to \$15 million in sales grow.

What does the program cost?

There is no cost for the companies in the inaugural class. Burton D. Morgan Foundation and Richard J. Fasenmyer Foundation are collaborating to support Scalerator NEO to strengthen the entrepreneurial spirit in Northeast Ohio.

How can companies apply?

A brief application form is available at either www.scaleratorneo.org or www.edgef.org/scalatorneo.

How will companies be chosen?

A Selection Committee made up of regional business leaders and the Scalerator's faculty will evaluate the applicants, conduct interviews and select the companies.

How many companies will be chosen for the first cohort?

The Selection Committee will select a diverse group of about 15 to 25 growth-minded business leaders.

Is Scalerator NEO looking for companies from specific industries or sectors?

No. All types of businesses that meet the revenue criteria and are run by business leaders committed to growth will be considered.

Are there other criteria beyond revenue that will be used to pick the class?

The Selection Committee will be looking for highly-motivated entrepreneurs and leaders committed to accelerating their company's growth. A diverse class of entrepreneurs eager to learn with others will enhance the value of the program. The entrepreneur will need to commit to attending all of the workshops and engaging members of their leadership team in individual workshops.

When will the selections be made?

Interviews will begin in January 2017, and the Selection Committee will make its final selections by March.

When will the Scalerator NEO workshops begin? April 2017

Where will the Scalerator NEO workshops be held? Baldwin Wallace University in Berea.

When will the Scalerator workshops be held?

April 20-21; May 24-25; June 15-16; July 11-12; August 17-18; September 19-20; October 10-11.

Questions potential companies might ask?

Will my company benefit from the Scalerator?

That's a fair question. Here's what we heard from companies that we talked to after they went through the Scalerator in Milwaukee:

- The owner of a **manufacturing company** said the opportunity to learn with peers helped him develop closer ties with his customers, and more sales.
- A **distributor of construction tools** experienced **70% growth** after using the lessons from the Scalerator to diversify the firm's product line.
- A **minority-owned construction firm** doubled the number of project they're working on after going through the program.
- Executives with a **vehicle leasing business** said they and their employees learned to speak the language of growth, and that skill translated quickly into higher sales.

Can the Scalerator really help a company grow?

The Scalerator curriculum has proven to help companies from diverse industries and sectors grow -- many increasing 25% or more following the program. For example, in Milwaukee companies that have been part of the [Scale Up Milwaukee program](#) include contract and advanced manufacturing, logistics, software, financial services, construction, food production and health care. Plus, three cohorts totaling 45 companies have gone through the Milwaukee Scalerator, and 75% are experiencing aggressive growth.

Who attends the workshops?

The owner/CEO of the business commits to attend each of the workshops. Appropriate members of the company's executive team may accompany the owner at specific workshops. For example, the company's top sales executive may be encouraged to attend workshops focused on sales strategies.

Where has the Scalerator program been used and proven?

In Milwaukee, three cohorts of entrepreneurs have grown their businesses by participating in the Scalerator program. In Colombia, about 60 companies have gone through the program, and in Brazil, 21 recently completed the program.

What kind of companies will be in the program?

One of the proven perks of the Scalerator program is that entrepreneurs benefit from learning from their contemporaries in diverse industries. The Selection Committee will choose a diverse class of companies to maximize the value of the program for the participants.

Who is teaching the classes?

Scalerator NEO is taught primarily by faculty from Babson College. Check out [the bios of the faculty](#). Dan Isenberg, founding director of the Babson Entrepreneurship Ecosystem Project, developed the curriculum and selects the faculty. Dan is a former entrepreneur and investor as well as a professor at Harvard University Kennedy School of Government and Columbia University Business School. Babson College is ranked as the nation's top provider of entrepreneurship education.

How can I learn more about the program?

Please contact Vikki Broer (vbroer@bdmorganfdn.org) with the Burton D. Morgan Foundation or Chris Keller (chris@edgef.org) with EDGE to learn more.

To Apply:

www.surveymonkey.com/r/ScaleratorNEO or www.ScaleratorNEO.org.

* "Scalerator" is a trademark of Dan Isenberg.