

Nests Allow Ventures to Learn How to Fly (Cincinnati Enquirer – February 27, 2011)

By Val Previs

After a year of being out of work, Mary LeRoy, a philanthropy development professional, found a new job with a small start-up company at the Hamilton County Business Center.

She's one of hundreds of workers taking jobs with young, growing companies that have been nurtured by various business support programs in the area. Throughout the recession, these incubators, accelerators and seed funding programs have helped new businesses launch or grow.

Now, as the fragile recovery continues, they're helping create new jobs and keep others that might have been lost.

"It's very exciting to feel like you're part of the building of a company," LeRoy said of her new job with Ignite Philanthropy Advisors. "You feel like you're at the heart of it all."

LeRoy, of Anderson Township, had worked for the Greater Cincinnati Foundation, but left her position there more than a year ago for personal reasons. When she wanted to return to work, she felt ready for a change. She knew Susan Ingmire, who founded Ignite in 2009, a small business focused on administrative support for family foundations, and decided it would be a good fit.

"The niche that Ignite was in was more unique, so it allowed me to do some different, more varied kinds of things," said LeRoy, who has been with the company about six months. "It's very fulfilling to work in a small company."

Ignite has one full-time and three part-time employees, and Ingmire says continued growth could mean the need for additional workers. "Business is picking up. Phone calls are up from a year ago at this time," she said.

As one of 46 tenants at the Hamilton County Business Center, Ignite is one of many young companies that the incubator supports with counseling, low-cost office space and administrative services. Member companies have created 177 jobs with a total payroll of \$7.8 million, director Pat Longo said.

"The last six months have been as active as anytime in the last five years," he said. "We've gotten eight new companies in that time. The pipeline is becoming more robust."

The Hamilton County Business Center is one of the largest business incubators in the country. It specializes in seeking out companies with potential for high growth, particularly high-tech businesses. "Our dream vision is to get each company to the point of seven-figure revenue and 10 employees," Longo said.

"A lot of our companies start out as one- or two-person shops, but quickly become three, four or more people."

In Northern Kentucky, ezone, a support program for entrepreneurs and young businesses, has assisted 191 companies since 2001 and created more than 1,200 jobs with an average wage of \$60,000,

president Casey Barach said.

He's seeing strong growth in both high-tech and life-science jobs.

"There's lots of interest in both those areas," he said. "An interesting shift this year is that we're seeing more jobs in high tech, but fewer in support areas such as administration."

Bob Coy, president of CincyTech, a seed funding program for high-tech ventures, said the improving economy is creating an atmosphere that's conducive to new business.

"Within our region there has never been a better time to start a business," Coy said. "We have capital, and increasing optimism means investors are ready to put it to work. Generally, we think 2011 will be a good year compared to 2009 and 2010."

CincyTech's portfolio of 19 companies has created 240 jobs averaging \$61,000 a year in annual salary.

Last year, more than 800 entrepreneurs submitted business plans for review to CincyTech, Coy said.

"There are a lot of great ideas out there. The pipeline is strong."

While Cincinnati may not have the star power of high-profile, start-up markets such as Silicon Valley or Seattle, it is still a strong player in creation of young businesses, Longo said.

"Other areas look to us and think we're doing a pretty good job," he said. "Being in a city where there is a vibrant entrepreneurial community is important. We are one of those cities."