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Economic Development Impact of INCubator Includes \$13 Million Flowing into Hamilton County

(Nov 10, 2017) - In a 12-month period, the 70 businesses that call the Hamilton County Business Development Center home generated \$17 million in revenues and investment – and most important – \$13 million of that total represents new dollars brought into the Hamilton County economy.

The INCubator that the Chattanooga Chamber operates within Hamilton County's BDC provides space and business support services to roughly 70 businesses. Of those, 45 percent are minority or woman owned, Chattanooga Chamber staff and Hamilton County officials report.

"For 29 years, business owners have been graduating from the INCubator and adding to our economy," said Hamilton County Mayor Jim Copping. "With so many great success stories it's hard to pick just one – but any time a company wins a \$250,000 grant from NASA and that money is spent in Hamilton County, that's a good success story. That company is Branch Technology, which 3-D prints housing components. They could have located their start-up anywhere, but they picked Hamilton County because of the entrepreneurial spirit and support our business community provides."

Mayor Copping also pointed out, "The INCubator program has a proven track record of more than 565 business graduates who have moved onto 'Main Street,' proving to new businesses they can be successful in Hamilton County."

“When those businesses graduate from the BDC and INCubator, they relocate within Hamilton County – paying rent, payroll, spending money with other local businesses,” Coppinger said. “It’s a win-win.”

Charles Wood, Vice President, Economic Development, for the Chattanooga Chamber of Commerce, agreed.

“When new dollars enter our county, that investment will generally be spent locally,” said Wood.

“INCubator clients currently employ more than 300 people. And we track what happens to businesses after they leave. Our latest figures show a 93 percent success rate for INCubator graduates. That’s impressive and attests to the value of the support services we provide.”

The economic impact report drew from 60 companies who reported revenue for the most recent 12 months. By design, clients generally remain only three years or less in the facility.

“When I got my office at the INCubator, I didn’t realize how fast my growth would be,” said Gabrielle Blades, owner of branding and print design company Blades Creative. “I can bring my clients to an office, not a coffee shop. It’s not only super affordable, but I got a beautiful space with windows and even got to paint it. It’s ideal for creating.”

Hamilton County owns the Business Development Center on North Shore and the Chattanooga Chamber operates the INCubator.

"Coulometrics was an INCubator tenant from 2012 until we graduated in June 2015," said Edward R. Buiel, Ph.D., Owner and Founder of Coulometrics. "Tenants at the INCubator get more than just great office or manufacturing space in a great location. They receive help with all the administrative hurdles of starting a small business. The INCubator was invaluable to us as we were starting our battery research and development business, allowing us to focus on growing our company. Coulometrics would not be poised for future growth if not for the INCubator."

Coulometrics employs 14 and is actively hiring three additional battery technicians.

For 29 years, the INCubator has helped entrepreneurs succeed through a three-year, progressive

development program. Clients enjoy shared administrative services, manufacturing and office space, training workshops and use of the building's Technology Conference Center, as well as access to free onsite business counseling from the Tennessee Small Business Development Center (TSBDC).

"The TSBDC's business counseling has been a great unbiased help for my business when I feel stressed or paralyzed to move ahead," Blades said. "You don't have to have a specific issue to benefit, just talking things out with their staff has always helped me take the next step forward."

This year, the INCubator created a Founders Club area where clients can 'collide and collaborate,' or simply relax from the intensity of managing a new business. This year, as well, ChattLab opened – a membership-based lab and makerspace.

Recent INCubator success stories include the NASA grant Branch Technology won, and:

- Dan LeVan of ENERG3 won the Small Business Person of the year from the state of Tennessee
- Collider competed at 36/86 in Nashville and TechCrunch Disrupt in New York City, where they placed second
- Nearly 5 million people have viewed a video featuring INCubator client Aegle Gear, which provides alternatives to traditional scrubs for those in health care industries

INCubator clients represent technology, manufacturing, service and professional business sectors.

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BDC History

The BDC building was built for manufacturing in the late 1920s when Chattanooga's economic base was largely industrial. The site housed innovative industrial giant 3M in the 1950s until it was transitioned to Hamilton County in the 1980s. Area economic development leaders transformed the facility into the community's first business incubator, planting the seeds of what would become Chattanooga's dynamic entrepreneurial ecosystem. The Chattanooga Chamber website features a timeline further detailing the BDC's history [here](#). The Chattanooga Chamber Foundation assumed staff and program development of the INCubator in 1998.

The facility is the third largest INCubator by square footage in the nation and – at 127,000 square feet – the largest in Tennessee.

Office suites range from 90 to 1,500 square feet; light manufacturing suites range from 476 to 5,000 square feet. Initial subsidized rental rates are below market rate and increase annually.

For more information contact Mallorie Bailey, Resource Coordinator, at mbailey@chattanoogachamber.com and visit the INCubator page at ChattanoogaChamber.com.