



# Ann Arbor SPARK

Semi-Annual Report  
City of Ann Arbor  
Jan 1, 2021 – Jun 30, 2021



Ann Arbor SPARK will advance the economy of the Ann Arbor region by establishing it as a desired place for innovation, business location and growth, and for talented people to live and work. The Ann Arbor region will be recognized for its academic, business, and community resources, and its collaborative culture.

<https://annarborusa.org/>

# 2021 At-a-Glance | Mid-Year Overview

## 2021 MID-YEAR SPOTLIGHT -

At this time, Ann Arbor SPARK is diligently working on efforts where we can be the most effective and helpful. Ann Arbor SPARK, in partnership with the City of Ann Arbor, City of Ypsilanti and American Center for Mobility has been awarded a grant from the Economic Development Administration (EDA) for funding to design and construct a new conduit and fiber network that will connect the city of Ann Arbor and City of Ypsilanti SmartZones. This project is an extension of the fiber project in the Ann Arbor Smart Zone (aka – Technology Park) that is ensuring that the city of Ann Arbor has the capacity to connect all structures in the DDA District and connect to the existing City of Ann Arbor 35-mile fiber network, which is being funded through an LDFA grant.

### a2TECH360 October 1 – 8, 2021



Visit [a2Tech360.com](http://a2Tech360.com) to learn more



33

GROWTH CALLS

2021 mid-year

# of full-time staff at these companies:

3,446

## 1 Project Success

**WorkIt Health** - Private interactive 24-hour assistance to those with substance abuse disorders. Company investing \$14.8 million and adding 477 new jobs, of which 179 are tech related. MEDC providing \$1 million in MBDP.



477 NEW JOBS

## 80 Projects in the Pipeline

### Influence of COVID-19:

Our team is working on over 80 projects, over 85% of which were identified after the start of the pandemic last year. This includes a potential project slated for the City of Ann Arbor, which represents more than \$50 million in capital investment, should we secure the decision from the company, a global life sciences firm.



10 RETAINED JOBS

TOTAL INVESTMENT

2021 mid-year

\$ 14.8 M

Source: Work It Health expansion



# Ann Arbor SPARK

## Business Development

### Mission

Maximize job creation and capital investment by growing the region's GDP through the retention and expansion of established driving industry companies that sell goods and services outside the Ann Arbor region, and through the targeted attraction domestically and internationally of similar companies that could succeed in our region.



# City of Ann Arbor Metrics

Companies Assisted		Q1-Q2 2021
Number of growth visits		33
Number of attraction prospect site visits <sup>1</sup>		1*
Number of responses to attraction prospect or site consultant requests for proposals <sup>2</sup>		0
Jobs - 2020 Projects		
Projected to be created (over the next 3 years) <sup>3</sup>		477
Jobs projected to be retained		10
Investment		
Taxable value of new private investment		\$7,412,439
Total value of private investment		\$14,824,878
Miscellaneous		
Number and value of investments leveraged through and including federal and state grants and incentives, foundations and other sources that assisted businesses or organizations		1 MEDC BDP incentive of \$1M awarded in Q2.

<sup>1</sup>Number of discreet projects that were physically toured around sites in Washtenaw County.

<sup>2</sup>Number of requests to which SPARK electronically submitted properties located in Washtenaw County.

<sup>3</sup>These jobs are projected to be added over the next three years, we will update the numbers as we interact with the companies and determine progress.

\*The COVID-19 crisis limited our ability to physically tour space so far in 2020.



SPARK celebrates all projects that may have an impact on our region. We do not count jobs and investments where SPARK was not directly involved.

# Ann Arbor SPARK

## Metrics - JOBS

SPARK acts as project manager for both the communities it supports and the companies it serves. Our project management efforts can be fairly simple, such as conducting data analysis that a company may use in its business planning, or as complex as full project management for significant company expansions.

This would include everything from:

- Connecting them to proper resources
- Working with the site selection community to help determine a location for a project
- Fully managing the tax incentive paperwork and the process it may require
- Creating communication plans
- Traveling to company locations outside of the state
- Making presentations to key public and private decision makers
- Talent recruitment efforts



When companies apply for local or state incentives, they fill out applications that require both job creation and investment estimates. SPARK considers these projects a success after they are publicly announced, or when the proper approval process has taken place for the incentive sought by the company. SPARK's jobs and investments numbers are based on these project announcements provided by the companies. SPARK monitors actual job creation and those results are shown in this report. SPARK supports a company directly or it supports the consultants the company utilizes during its expansion. Whatever role SPARK might play, we capture jobs and investments for projects where we have played an active role in helping a company decide to move forward.

**SPARK celebrates all projects that may have an impact on our region. We do not count jobs and investments where SPARK was not directly involved.**

Jan 1, 2021 - Jun 30, 2021

# COMPANIES VISITED

Growth calls are a core economic development strategy that involve proactively outreaching and engaging with the existing employer base in our region to determine where they face opportunities and challenges. Growth calls recognize that businesses are dynamic entities that involve constant change. These calls allow SPARK to:

- gather information about local businesses that can be aggregated to reveal trends,
- determine valuable resources that could assist in the company's development,
- identify growth projects that require assistance, and
- serve as an ombudsman between businesses and government.

SPARK conducts hundreds of targeted growth calls each year that result in numerous referrals to resources, services and opportunities of which companies are often unaware. The most common referrals involve accessing talent, access to capital or business development/sales opportunities. Proactive outreach helps companies address challenges before they become problems, supports their continued growth and helps them see that this region is invested in their success.

SPARK HELD GROWTH VISITS WITH

 **33 COMPANIES**

IN THE CITY OF ANN ARBOR

These companies ranged from 1 to 700 employees and encompassed a wide range of industries including Information Technology, Life Sciences, Education, Defense, Aerospace, Automotive, and Manufacturing.

**Together, they represent 3,446 full-time employees.**

# Companies Visited Jan-Jun 2021

Company Name	Current FTE (as of growth visit)
Important Safety Technologies USA Inc.	6
Applied Dynamics International Inc.	50
Atomic Object	23
Backyard Brains Incorporated	7
Barracuda Networks, Inc.	219
Biovigil Hygiene Technologies, LLC	17
CareEvolution, Inc.	40
Censys, Inc.	65
Criteo	98
DaySmart Software	110
Duo Security	400
Fifth Eye, Inc.	7
Future Trust Transport	2
Human Element, Inc.	50
IBM Watson Health	700
JNS Facility Maintenance, LLC	45
Kennedy Care, LLC	40
Kinetica, LLC	5
KLA Corporation	185
Lab Express LLC	1
Llamasoft	200
Micro-Tech	35
Millendo Therapeutics, Inc.	15
NETSCOUT	160
Nokia-Deepfield	75
ONL Therapeutics, Inc.	6

# Companies Visited Jan-Jun 2021

Company Name	Current FTE (as of growth visit)
ProQuest	650
PSI Labs	37
SimuQuest, Inc.	11
SkySpecs, Inc.	75
Solar Tonic LLC	3
Voxel51, Inc.	4
Workit Health, Inc.	105
<b>Total FTE at all visited companies</b>	<b>3,446</b>

## COMPANY TESTIMONIALS

- *“SPARK is the right name for this organization. Well connected, full a resources, the advisors are cordial and proactive. It has been a pleasure working with SPARK people.”*
- *“Jennifer Olmstead from SPARK has worked diligently with us and continues to be a wonderful resource. We look forward to working with Jennifer and the SPARK team going forward.”*



# EDA grant activity – Broadband Access



*A bureau within  
the U.S. Department  
of Commerce*

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# 2021 Washtenaw County Economic Outlook: Highlights and Key Takeaways

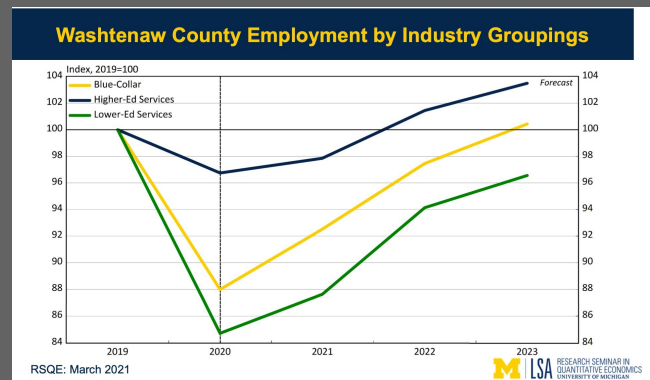
Gabriel M. Ehrlich and Donald R. Grimes from the [Research Seminar in Quantitative Economics](#) (RSQE) at the University of Michigan presented the Washtenaw County economic forecast during an online webinar organized by the Washtenaw Economic Club — an event that Ann Arbor SPARK is proud to sponsor. The webinar occurred on **March 25, 2021**.

Ann Arbor SPARK's Director of Research Alex West, who moderated the webinar, provided this high-level summary of the Washtenaw County Forecast.

[Read the full report](#)

[View the presentation](#)

Washtenaw County's economy has recovered substantial ground from the losses it suffered at the beginning of the COVID-19 recession, but there is more work to be done. The existing gaps (geographic, socioeconomic, and racial) present in unemployment, wages, industries, and educational attainment groups have been exacerbated by the recession. Certain industry categories are forecasted to make a full recovery, with some industries (like information and transportation and warehousing) having actually added jobs in 2020. Other industry categories are forecasted to make incomplete recoveries, with some failing to reach their 2019 levels in two years (especially some subsets of retail and manufacturing). According to RSQE, progress against the pandemic will allow economic activity to return largely to normal by late summer/early fall.



This forecast relies on solid economic growth at the national level. Unprecedented federal fiscal support insulated the national economy from a more severe contraction. The largest risk continues to be the pandemic. An improved public health situation plus an aggressive economic policy response (in the form of federal funding) results in an optimistic outlook.

2020 highlighted pre-existing gaps in a big way. One group gains while another group loses. The differences in the pandemic recession are between contact-heavy jobs vs. jobs that can be done remotely. Unfortunately, this bifurcation comprises low-wage jobs vs. high-wage jobs and renters vs. homeowners. The experience of the pandemic and the accompanying recession (and now recovery) is felt very differently by workers in those disparate groups.

# Ann Arbor @ Work

Ann Arbor SPARK, in collaboration with the Greater Ann Arbor Society of Human Resource Management ([GAASHRM](#)), has produced an e-book addressing some of the approaches, information, and resources that can help with talent acquisition in the Greater Ann Arbor Region.

Demand for talent is high, and getting higher, in the Ann Arbor region. Ann Arbor has always been a place rich with talent, but demand for that talent has only increased over the past few years as the number of job opportunities has increased. While this is a great indicator of the strength of Ann Arbor's economy, it puts more pressure on those working to acquire the talent they need within their organizations.

This e-book covers geographic concentration of talent, pricing talent, tips and tricks for talent acquisition, and how to engage with local higher education institutions.

Acquiring talent in the  
Greater Ann Arbor Region



**March 23, 2021**

## **Ann Arbor SPARK to Manage Statewide Michigan Internship Program**

The Michigan Economic Development Corporation (MEDC) will partner with Ann Arbor SPARK to launch the Michigan STEM Forward internship program on a statewide level. SPARK has run the program on a local level through the Ann Arbor/Ypsilanti SmartZone with a decade of positive results.

In scaling the program up, MEDC will work in partnership with SPARK to place 425-450 STEM students currently attending Michigan colleges annually into STEM-focused internships throughout Michigan. With the support of a \$1.5 million grant approved today by the MSF Board, SPARK will contribute to 50 percent of the interns' pay, and participating companies will pay the remaining 50 percent. SPARK will track the employment status of the interns for at least 12 months to measure their retention in Michigan as well as those remaining in those knowledge positions.

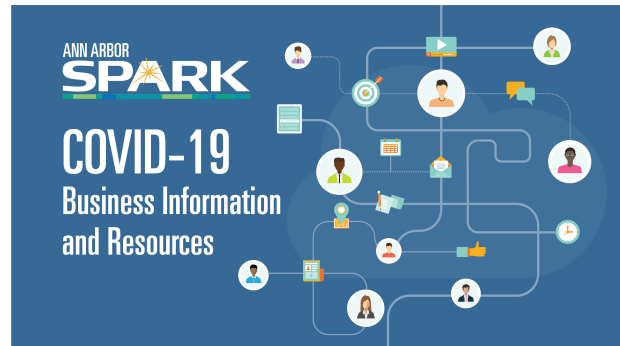
"Ann Arbor SPARK is thrilled to leverage our decade of experience running our own Ann Arbor-based internship program and take the opportunity to administer the Michigan STEM Forward program on behalf of the state. We have a solid track record of delivering results that help both businesses and job seekers: Of the students that participated in our internship program over the last five years, 84 percent of them accepted jobs in Michigan upon graduation," said Bill Mayer, Ann Arbor SPARK's vice president of entrepreneurial services. "It's vital that we not only attract talent to Michigan, but retain young jobseekers post-graduation as a strategy to extend the pipeline of workers available to growing companies."



<https://annarborusa.org/stem-forward/>

# COVID-19 Response

Since March 16, 2020, the Ann Arbor Region (along with the rest of the world) has experienced an unprecedented shift in our economy due to COVID-19 and the orders to restrict activity due to this pandemic. Ann Arbor SPARK has shifted its activity and focus in the short-term to address the economic effects of this pandemic.



The response in the past year has involved:

- SPARK published a [COVID-19 resource page](#) as an initial response to provide businesses with access to available resources.
- In May, SPARK launched the [Business Recovery Center](#) as a more long-term solution. The Business Recovery Center serves as a single destination for organizations looking for expert advice and information on how to adapt to today's business climate and allows site visitors to view a full range of resources, register for upcoming online events, view pre-recorded webinars and read profiles about regional businesses withstanding the pandemic.
- [Washtenaw Small Business Emergency Relief Fund](#) – The WSBERF was created to address the financial hardship due to the COVID-19 crisis. The fund provides working capital grants of up to \$5,000 to qualifying small businesses, made possible by a \$1 million gift from The Song Foundation and additional contributions from: Ralph C. Wilson, Jr. Foundation, Washtenaw County, Ann Arbor Area Community Foundation, Bank of Ann Arbor, Pittsfield Charter Township, Chemical Bank, New Economy Initiative, and a GoFundMe Campaign. Ann Arbor SPARK, in partnership with Office of Community & Economic Development of Washtenaw County, Entrepreneurship Center at Washtenaw Community College and the Song Foundation quickly set up a review process and over a 10-day period reviewed over 1,500 grant submissions and dispersed over \$1.3 million in 500+ grants.
- [Michigan Small Business Relief Program](#) – Ann Arbor SPARK led a regional effort to receive and disburse \$900,000 for the six-county Greater Ann Arbor Region from the State of Michigan. The state provided \$327,000 for companies in Washtenaw County and \$168,000 for companies in Livingston County. SPARK convened a review committee of SPARK staff, representatives from WCC's Entrepreneurship Center, staff from the Washtenaw County Office of Community and Economic Development, and advisory review from the Small Business Development Center to ensure eligibility and availability of funds. In total, the state funds provided 66 grants to businesses in Washtenaw County.
- SPARK will continue to monitor federal, state, local, nonprofit, and private resources and communicate opportunities to the community, including those through the [Federal Economic Development Administration](#), foundations and other partnership opportunities.
- Our team is working on over 80 projects, over 85% of which were identified after the start of the pandemic last year. This includes a potential project slated for the City of Ann Arbor, which represents more than \$50 million in capital investment, should we secure the decision from the company, a global life sciences firm.

We appreciate our partnership with the City of Ann Arbor during this time.

# Michigan Small Business Survival Grant Overview and City of Ann Arbor Focus



**80** Ann Arbor  
Companies  
Assisted



**911** Local  
Jobs Retained



**\$647,500**  
In Grants  
Distributed

The demand for funding through the **Michigan Small Business Survival Grant Program** was overwhelming. The need far exceeded the funds.

# Mid-Year 2021 Press Releases

[Crowdfunding campaign launched for 'A2AC Art in Public' project in Ann Arbor.](#) The A2AC Art in Public program will bring more art into downtown Ann Arbor with new murals and installations with the help of a new [crowdfunding campaign](#), the Michigan Economic Development Corporation and Ann Arbor Art Center (A2AC) announced today. The campaign is being offered through the Michigan-based crowdfunding platform Patronicity. If the campaign reaches its crowdfunding goal of \$50,000 by July 30, the project will win a matching grant with funds made possible by MEDC's Public Spaces Community Places program

[ADI Successfully Completes Industrial Internet-of-Things Computing Demonstrator Project for Process Manufacturing, in Partnership with The Dow Chemical Company and Barton Research Group.](#) Applied Dynamics International (ADI), a global leader in industrial computing and connectivity, today announced the successful completion of a collaborative innovation demonstrator project to deliver an "Open Architecture Testbed Framework", with support for Digital Twin functions, to enable digital transformation for the Process Manufacturing industry. As part of its partnership with MxD, the nation's digital manufacturing institute, ADI embarked on a research and development project with The Dow Chemical Company and the University of Michigan's Barton Research Group to demonstrate advanced manufacturing concepts in an industrial open automation computing framework. This project is now featured on MxD's future factory floor in Chicago, IL.

[Ford Motor Company Makes Significant Mobility Investments](#) in the Ann Arbor Region. Another major investment by Ford in the future of robotics is the new [Ford Motor Company Robotics Building](#) located on the University of Michigan's north campus in Ann Arbor. Part of the university's College of Engineering, the 134,000-square-foot, four-story complex has an entire floor dedicated to Ford's first robotics and mobility research lab on a university campus, as well as 100 Ford researchers and engineers.

# Mid-Year 2021 Press Releases

## [How an Ann Arbor warming-blanket business scaled up during COVID by reconnecting with customers](#)

Grace Hsia, the founder of [Warmilu](#), is a powerhouse of a person. This article tells how she went “back to business basics” during the pandemic and ended up increasing her revenue by 172 percent! As an Ann Arbor SPARK client, Warmilu benefited from SPARK’s business accelerator grants supported by the Ann Arbor/Ypsilanti SmartZone Local Development Finance Authority (LDFA). In 2012, Warmilu won the “Best Pitch” award in [SPARK’s Entrepreneur Boot Camp](#).

Throdle [wins Best of Boot Camp](#), and a \$25,000 check. “Throdle is a dedicated social network connecting the automotive culture through cars, clubs, and experiences. Its app and web-based platform allow members to show off their cars, skills, favorite moments, and awards won.”

[SkySpecs is rehabbing a historic building in downtown Ann Arbor and moving offices](#). In 2018, SkySpecs received Ann Arbor SPARK’s [Entrepreneurial Services Company of the Year](#) award.

[SPARK.grow podcast with City of Ann Arbor company NewFoundry](#)

[Navv Systems Completes Seed Financing to Accelerate Commercialization](#). [Navv Systems](#), a Southeastern Michigan-based healthcare technology company focused on hospital personnel location and equipment tracking and location services, announced the close of a \$3.2 million seed funding round led by Arboretum Ventures.

[A2GO Autonomous Vehicle Shuttle Service Coming to Ann Arbor in October](#). [May Mobility](#), [Mcity](#) and [Ann Arbor SPARK](#) announced the launch of A2GO, a new autonomous vehicle (AV) shuttle service during the Ann Arbor SPARK annual meeting today. The free shuttle service will be available to the public starting on Mon., Oct. 11, 2021, thanks in part to a [grant](#) through the mobility efforts of the state of Michigan. Additional partners on A2GO include [important Safety Technologies](#), [4M](#), [Office of Future Mobility and Electrification](#) and the [Michigan Economic Development Corporation](#).



# Mid-Year 2021 Press Releases

[Business expansions bring high-wage jobs, new investments to Ann Arbor region](#). Two projects building on Governor Gretchen Whitmer’s Back to Work Michigan plan expected to generate total private investment of \$27.2 million, create 279 jobs. Healthcare tech company Workit Health expanding in Ann Arbor, creating at least 179 well-paying jobs. Software provider Nexient adding 100 high-wage jobs in Scio Township, building on state’s growing tech footprint.

[Startup Spotlight: LynxDx Pivots to Meet the Needs of the Ann Arbor Community Amidst the Pandemic](#). The continued spread of COVID-19 has posed serious health threats across the globe, and the City of Ann Arbor is no exception. Understanding the gravity of the global pandemic, [LynxDx](#) viewed this social dilemma as a vital opportunity to expand its business model to provide a critical service to the region. In November 2020, LynxDx opened a drive-through COVID testing site in partnership with [242 Community Church](#) and the [Washtenaw County Health Department](#).

[Updated 2020 Benchmarking Report Compares Ann Arbor Region to Other U.S. Tech Hubs](#). [Ann Arbor SPARK](#) recently released the third iteration of its [Benchmarking the Ann Arbor Region](#) report. The purpose of the report is to compare Ann Arbor to regions that are competitive to our region in attracting growing industry companies and in-demand knowledge workers, including Boulder, Colo., Silicon Valley, and Austin, Texas. The report provides clear, unbiased data and a regional analysis for a series of eight metrics:

- University R&D
- Population Movement
- Share of Remote Jobs (new for 2020)
- Venture Capital Activity
- Housing Affordability
- Percent in Poverty and ALICE (replacing Income Inequality from previous reports)
- Driving Industry Employment
- Labor Market

“There’s value in using impartial data to compare our region to similar communities across the country,” said Paul Krutko, Ann Arbor SPARK CEO and president. “It provides an objective assessment of the region’s success, confirms Ann Arbor’s status as a magnet for innovation and talent, and identifies opportunities for improvement.”



# Contact Details

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