



Past. Present. Future.

20 Years

ANN ARBOR SPARK 2023 ANNUAL REPORT



Dear Partners, Funders, and Colleagues,

As we reflect on the journey of Ann Arbor SPARK over the last two decades, it is with a deep sense of pride and accomplishment that we present to you our 2023 Annual Report. Under the leadership and vision of our board of directors, Ann Arbor SPARK has been a pivotal force in cultivating an ecosystem where innovation thrives, businesses flourish, and our community grows stronger together.

For 20 years, Ann Arbor SPARK has been at the forefront of driving economic development, fostering entrepreneurial opportunities, and enhancing community engagement. Our mission to ignite and propel the economy of the Ann Arbor region has never been more relevant or impactful than it is today. Through strategic partnerships, targeted investments, and a commitment to innovation, we have catalyzed significant growth and prosperity across our region.

The backbone of our success lies in the incredible companies that have chosen Ann Arbor as their home, contributing to the health and vibrancy of our region. Hyundai, KLA, Google, May Mobility, Sartorius, Wacker Chemical, ZOLLER, and Thai Summit are just a few of the industry leaders that have made substantial investments in our community, creating thousands of jobs, and demonstrating an unwavering commitment to our collective future. Their contributions not only highlight the strength and resilience of our local economy but also underscore the magnetic appeal of Ann Arbor as a premier destination for business growth and innovation, as well as research and development.

Our achievements are further illuminated by the global and national rankings that recognize Ann Arbor's competitive edge. Ann Arbor consistently ranks among the best places to live, work, and play, thanks to its exceptional quality of life, world-class educational institutions, and a thriving innovation ecosystem. These accolades are a testament

to the collaborative efforts of our partners, funders, and the broader community in creating an environment where businesses can start, scale, and succeed.

Why Ann Arbor, you might ask? The answer is clear. Our region offers a unique blend of cultural richness, entrepreneurial spirit, and a supportive community that is unmatched. From access to top talent emerging from the University of Michigan, Eastern Michigan University, and Washtenaw Community College, to the collaborative spirit that defines our local business landscape, Ann Arbor is the ideal destination for individuals and companies to succeed.

The foundation we have built in the last two decades creates the opportunity for even more success in the future. Our commitment to driving economic development, supporting entrepreneurial endeavors, and enhancing community engagement remains unwavering. Together, with your continued support and partnership, we are confident that Ann Arbor SPARK will continue to be a beacon of innovation and prosperity for many years to come.

On behalf of the Ann Arbor SPARK Board of Directors, I extend my deepest gratitude for your ongoing support, collaboration, and belief in our mission. Here's to another 20 years of sparking growth, innovation, and opportunity in the Ann Arbor region.

Warmest regards,

A handwritten signature in blue ink, appearing to read 'David Ruud'. The signature is stylized and fluid, with the first name 'David' and last name 'Ruud' clearly distinguishable.

David Ruud
Chair of the Board
Ann Arbor SPARK

Dear Valued Partners, Entrepreneurs, and Community Members

This year's Annual Meeting is a celebration of Ann Arbor SPARK's 20 years of service. We are sharing the strides we made in 2023 and reflecting on the enduring impact our collective efforts have made since our inception. SPARK has played a key role in shaping a vibrant ecosystem where innovation, economic vitality, and community well-being intertwine.

In 2023, our dedication to nurturing the entrepreneurial spirit was exemplified through targeted initiatives and meaningful support. At SPARK East, we allocated more than \$106K in grants, coupled with invaluable coaching and educational resources, directly benefiting 31 emerging startups. Through our efforts at SPARK East, we have been working hard to ensure all in our community can share in regional prosperity.

A pivotal moment this year was securing a \$3.4M grant from the Michigan Economic Development Corporation (MEDC) to expand our offerings to non-tech small businesses with a particular emphasis on the inclusion of owners from diverse backgrounds. These resources will ensure help more than 850 small enterprises, significantly amplifying our capacity to bolster local business growth and sustainability.

At the other end of the spectrum, Toyota's \$48M investment in a new battery laboratory further anchors our status as a nexus for cutting-edge research and development. This represents the fourth project that SPARK has facilitated for Toyota's North America R&D center. Such investments underscore the robustness of our local economy and the fertile ground our community offers for technological advancements.

Addressing community needs, the Child Care Coalition initiative is an example of our holistic approach to economic development, tackling barriers that affect workforce participation and overall quality of life. Initiatives like these emphasize our commitment to a thriving, inclusive community.

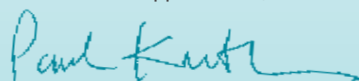
The expansion of a2Tech360 and the resurgence of in-person events have been critical in reigniting connections within the tech and innovation sectors, fostering a sense of unity and shared purpose among stakeholders.

This year also saw significant progress for several companies in our investment portfolio, including Culturewell, Ulendo, Sniffer Robotics, Bedestrian, and Arbor Batteries. Their success, buoyed by strategic grants and fundraising, are examples of what our robust ecosystem can achieve.

Looking forward, the unveiling of MI-HQ in the former EMU College of Business space and the ambitious South State District redevelopment project are poised to further enrich our community's infrastructure and entrepreneurial landscape.

As we look to the future and SPARK's third decade, my gratitude extends to the entire network of founders, business leaders, innovators, academic allies, and public sector partners. Your passion, expertise, and commitment have been the bedrock of SPARK's success and the catalyst for our region's ongoing transformation. Together, we've created an unparalleled legacy of fostering economic growth and innovation. As we embark on the next chapter, we can only anticipate the new heights we will reach, driven by our shared vision and collective efforts.

With sincere appreciation,



Paul Krutko
President and Chief Executive Officer
Ann Arbor SPARK



2023 Successes

WASHTENAW & LIVINGSTON:

23 COMPANY GROWTH PROJECTS CREATING: **\$208M** in new investment commitments **516** new jobs created **363** jobs retained

400 STARTUPS ASSISTED **231** of those companies received intensive services and currently employ **1,046** FTE

102 INCUBATOR CLIENTS NURTURED

11 BOOT CAMP TEAMS that currently employ **24** FTE

50 INCUBATOR GRADUATES

LDFA FISCAL YEAR 2023

231 companies served

101 new jobs created

102 incubator clients

\$1.56M in grants to startups

\$128M private equity raised

SPARK Services are funded in part by **The Ann Arbor/Ypsilanti SmartZone LDFA**. It provides capital to commercialize technologies developed locally and is funded by the State of Michigan.

MICHIGAN ANGEL FUND (MAF)

\$739K invested into 4 companies

Managed by Ann Arbor SPARK, **MAF** is the largest angel organization that invests in early-stage tech companies across Michigan.

SPARK CAPITAL

\$1M invested into 13 companies

SPARK Capital is a statewide co-investment fund managed by Ann Arbor SPARK, designed to support and invest in innovative businesses across the state.



#1 Best Places to Live
IN AMERICA
STUDYFINDS.COM
2023

Goodhood
\$100K invested



sniffer
\$410K invested

2023 Successes

400 startups assisted
231 companies received intensive services and 1,046 FTEs

102 incubator clients
11 boot camp teams
24 FTEs

FUNDS RAISED:

May Mobility \$105M

Censys \$50M

Blumira \$15M

CONL \$15M

infoReady \$3.5M

shopielligence \$2.7M

SONAMORE \$2M

start

SPARK's **Entrepreneurial Services** team offers vital resources required for entrepreneurs to start and grow their ventures.



CULTUREWELL, a trailblazer in lab services innovation, saw remarkable growth and expansion, thanks in part to the foundational experience gained from participating in SPARK's Boot Camp and Biomedical Commercialization programs. With SPARK's backing, Culturewell not only raised funds to upgrade their laboratory services and facilities but also benefited from a wealth of resources including legal services, product development support, and access to experienced entrepreneurs-in-residence, notably Jen Baird. This comprehensive assistance enhanced the company's operational strengths and solidified its status as an industry leader.



SNIFFER ROBOTICS successfully secured a \$2 million seed funding round, led by the Michigan Angel Fund, to further develop its innovative drone-based methane leak detection technology, the SnifferDRONE™. This funding round also saw participation from other investors, highlighting the significant potential of Sniffer Robotics in environmental technology services. The company's cutting-edge solution is recognized for its ability to automate methane emission monitoring, significantly improving efficiency and safety over traditional methods.



ULENDO, a dynamic company specializing in innovative manufacturing solutions, has seen remarkable progress with the support of SPARK. SPARK played a pivotal role in Ulendo's fundraising efforts, enabling the company to secure the capital investment necessary for its growth and expansion. In addition to financial assistance, SPARK facilitated access to valuable resources, including legal support and the provision of interns, enriching Ulendo's operational and developmental capacities. A crucial moment in the company's journey was when Brenda Jones, initially joining as an entrepreneur-in-residence, stepped into the role of CEO. Her leadership has been instrumental in guiding Ulendo towards achieving its ambitious goals.



#7 Best Cities
to Raise
a Family
IN AMERICA
NICHE.COM
2023

SPARK's **Business Development** team specializes in assisting companies with growth strategies, providing tailored support in areas such as talent attraction, access to capital, and connecting to essential business resources.

MI-HQ In 2023, **MI-HQ** started renovating the Eastern Michigan University College of Business building, indicating confidence in downtown Ypsilanti as part of the Ann Arbor-Ypsilanti innovation ecosystem. The project, anchored by Michigan Medicine, seeks to enhance health services while providing a space for incubation, laboratories, and work activities, bolstering the SPARK East Innovation Center and Back Office Studio. This effort is the result of collaboration between Ann Arbor SPARK, Eastern Michigan University, the City of Ypsilanti, Washtenaw County, and the Michigan Economic Development Corporation (MEDC).

TOYOTA **Toyota Motor North America** will expand its R&D campus in York Township with the construction of a new \$48 million battery lab. This strategic development will aid the development of batteries for electric vehicles (EVs) in the United States. This investment highlights the company's dedication to innovation and its proactive approach to meeting the growing demand for EVs. Ann Arbor SPARK helped Toyota manage the support opportunities with York Township and the State of Michigan.

MI FAME Mitten Chapter Ann Arbor SPARK celebrated the launch of the **Federation for Advanced Manufacturing Education (FAME) Advanced Manufacturing Technician (AMT)** training program with a "Signing Day" event for 10 advanced manufacturing students from the inaugural cohort, pairing them with sponsoring employer partners. This work-and-learn program, offered in partnership with Washtenaw Community College and local employers like Toyota, is an opportunity for students to graduate debt-free. This initiative is a significant step in bridging the skills gap in the manufacturing sector and contributing to the development of a highly skilled workforce.



The **SPARK EAST** Innovation Center plays a vital role in Ypsilanti's economic growth and community upliftment. It has enhanced its services to better support local small businesses and historically underserved groups, serving a higher percentage of these communities compared to the national average. The center boosts entrepreneurial success through specialized mentorship programs, funding access, and collaborations with local organizations for training and development, empowering small business owners to prosper in a competitive environment.

#1 Best Places to Live
IN MICHIGAN
U.S. NEWS AND
WORLD REPORT
2023

SPARK
EAST
INNOVATION
CENTER

26 incubator clients
31 companies served
creating 26.5 jobs that
currently employ 103 FTEs
26.5 new jobs created
\$112.9K in grants to startups

grow

Ann Arbor SPARK's **Marketing** team provides direct support to startups, thanks to the LDFA.

These services (which would normally be cost-prohibitive to early-stage companies) include consulting on marketing strategy, product positioning and targeting, website development, social media strategy, public relations, collateral development, and more. In 2023, the dedicated entrepreneurial marketing team delivered **272 engagements** for **64 of the startup companies** working with SPARK.

2023 Successes

500K website visits

456K video views

97 events
7200+ registrants

7.6M social media impressions

486K social media interactions

SPARK SERVICES AT-A-GLANCE

ENTREPRENEURIAL SERVICES

- Affordable office space for startups
- Entrepreneur Boot Camp
- Expert counsel to entrepreneurs
- Access to funding opportunities
- Educational & networking events

BUSINESS DEVELOPMENT

- Local business expansion
- Business attraction
- Business introductions & referrals
- Site search and selection
- Incentive support
- Talent services

MARKETING

- Promote company successes
- Amplify visibility of the best & brightest
- Support the needs of startups
- Publicize the region to a global audience
- Host events that encourage collaboration across the ecosystem

#5 Cities on the Tech Frontier
MIDSIZE TECH HUBS
BURNING GLASS
INSTITUTE 2023

#1 Best Place to Live for Quality of Life
IN THE U.S.
U.S. NEWS AND
WORLD REPORT
2023



PAUL KRUTKO, BEN ERNST, CARLY TOAZ, BILL MAYER, CHARLOTTE DILLARD, DENISE MURRAY, ERIN WILEY, DIDEM KARABOGA, JENN HAYMAN, SARA CIOCOTTE, JENNIFER OLMSTEAD, HAYDEN BRAUN, JOSHUA THOMPSON, KALEE MORETTO, JOSE FIGUEROA, KRISTINE NASH-WONG, LAUREN DE VRIES, LAURA BERARDUCCO, PHIL SANTER, JANIS SEABOLT, MARCIA GEBAROWSKI, LINDSAY THOMAS, MIKE FLANAGAN, MARGARITA HERNANDEZ, NICHOLAS JOBLONSKI, LISA BIES, VICKI JOLING, TAMI SALISBURY, MELISSA SHELTON, RHELLE JONES, THOMAS CRAWFORD

communicate



a2TECH360

promotes the Ann Arbor region as an area of innovation. Offering more than a week of tech-related events, it creates connections between entrepreneurs, researchers, investors, businesses, educational institutions, nonprofits, job seekers, and the general public to generate discussion, ideas, and new opportunities.



2023 Successes

100K | website visits

3,870+ | total registrations

819K | social media views

19 | FastTrack awardees

25 | total events

56 | Tech Trek participating companies

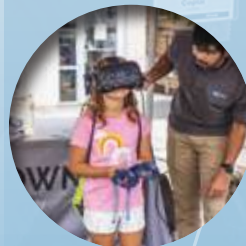
Our **Tech Homecoming** event connects talented professionals with Ann Arbor and its vibrant tech ecosystem, which has produced hundreds of startups and billions in enterprise value in the past five years.

tech homecoming

373 | registrants

8 | states represented

16 | participating companies



#2 Cities with the Best Public Schools
IN AMERICA
NICHE.COM
2023



Learn more
about
a2TECH360



2012-2023 CUMULATIVE Successes

\$411.7M | new investment commitments

1,551 | new jobs created

65 | growth projects

5,262 | jobs retained



Advancing innovation and building business in Livingston County.



MOTORSPORTS GATEWAY HOWELL initiated an exciting venture in the City of Howell, breaking ground on a state-of-the-art, 1.2-mile European-style driving circuit alongside a unique performance car community, complete with a clubhouse and garage condos. This ambitious project, spread over 196 acres, promises to become a premier destination for automotive enthusiasts. Ann Arbor SPARK played a pivotal role in this development, leveraging its extensive network to facilitate introductions between Motorsports Gateway Howell and key state and local representatives, strategic connections that have been crucial in ensuring the project's alignment with regional economic goals and securing the necessary support for its successful implementation.



The Howell Chamber of Commerce, through a collaboration with SPARK, was awarded an entrepreneurial hub grant, leading to the launch of the **"LIVINGSTON BUSINESS HUB."**

This innovative space is designed to foster the growth and development of entrepreneurs and small businesses within Livingston County, and offers a variety of support services and flexible workspace options, catering specifically to the needs of small business leaders and entrepreneurs. The Innovation HUB features resources and state-of-the-art amenities to significantly boost business growth, positioning itself as a pivotal resource for the local business community.



A broker tour hosted by SPARK culminated in a significant development for **LOC CREDIT UNION**, paving the way for the establishment of a new branch in Livingston. LOC Credit Union, known for its commitment to "Loving Our Community," offers a comprehensive range of financial services including auto loans, home equity loans, mortgages, free checking accounts, and wealth management. This Michigan-based credit union has a storied history of backing local communities, and its decision to expand into Livingston underscores its ongoing dedication to providing valuable financial solutions and support to more residents. The new location represents a strategic move to enhance accessibility to its services, furthering LOC Credit Union's mission to foster financial well-being within the communities it serves.



2023 Funders

FOUNDERS

DTE Foundation

Google

LEADERS

bank of
ann arbor

LAKE TRUST

INNOVATORS

**First
Martin**
CORPORATION

KLA+

TOYOTA

WACKER

ONE
OF
THE **Top 100**
Places to Live
in the U.S.
LIVABILITY 2023

#8 Best Cities
to Live in
America
NICHE.COM 2023

ACCELERATORS

Ann Arbor Board of Realtors
Arboretum Ventures
Bodman PLC
Butzel Long
Consumers Energy
Domino's Farms Corporation
Hagerty Insurance Agency
Honigman LLP
ITC Michigan
Old National Bank
Oxford Companies
Rehmann
Rudolph Libbe Group
Sartorius
SI Company
Trinity Health
University of Michigan Credit Union

ENTREPRENEURS

A.R. Brouwer Company
Chelsea State Bank
Comerica Bank
Common Sail Investment Group
Cunningham-Limp
Fifth Third Bank
Granger Construction Company
J.S. Vig
Menlo Innovations
Portage Capital
Reinhart Realtors
Roxbury Group
The Surnow Company

ACADEMIC PARTNERS

Eastern Michigan University
University of Michigan
Washtenaw Community College

PUBLIC PARTNERS

Ann Arbor Area Transportation
Authority
Ann Arbor/Ypsilanti Local
Development Finance Authority
(LDFA)
Ann Arbor Charter Township
Ann Arbor DDA
City of Ann Arbor
City of Brighton
City of Chelsea
City of Dexter
City of Saline
City of Ypsilanti
EDC of Livingston County
Michigan SBDC
MEDC
Pittsfield Township
Scio DDA
Michigan Works! Southeast
Ypsilanti DDA
Ypsilanti Township

2023 Financials



\$8.4M Budget Total



U-M's Tech Transfer National Advisory Board recommends to President Mary Sue Coleman that a private-public-academic partnership is needed to transform the area into a national hub for innovation, business, and talent, and **SPARK is born**



Pfizer announces plan to close Ann Arbor facilities, impacting more than 2,000 jobs, leading to the creation of SPARK's Job Board



Hyundai and **Toyota** make significant investments in Ann Arbor

MI Pre-Seed Capital Fund established



SPARK East opens in downtown Ypsilanti



Faurecia Interior Systems LLC invests \$130M in new Saline operations

Economic development alliance with **Livingston County** formed

SPARK Internship Match program introduced

IEDC designates SPARK as an Accredited Economic Development Organization (AEDO)

SPARK publishes "**Ahead by a Century: The Future of Automotive Technology**" about redevelopment at Willow Run



2004

2006

2007

2008

2009

2011

2013

Google opens Ann Arbor office



Technology business incubator launched at SPARK Central

Michigan Life Science and Innovation Center (MLSIC) launched

Michigan Life Science and Innovation Center

CEO Podcast launched



Entrepreneur-in-Residence Program introduced

Michigan Angel Fund established

Greater Ann Arbor Region (GAAR) formed, a six-county regional collaborative



20 Years



Toyota invests \$126M in expansion



A2 Tech Trek launched

Tech Homecoming launched

Millendo raises \$62M Series B – largest venture capital round in MI history to date

2014

SPARK, in partnership with **Walbridge**, awarded \$247K grant from the U.S. Department of Commerce to redevelop Willow Run

Michigan Angel Fund II established

SkySpecs, Inc. raises \$3M Series A

Lake Trust builds \$30M headquarters in Brighton

LAKE TRUST



Founded and led by **SPARK**, the **American Center for Mobility** broke ground at Willow Run with \$60M in support from the State of Michigan and \$25M from private sector partners

May Mobility Ann Arbor establishes headquarters, raises \$3.5M

The Ann Arbor/Ypsilanti SmartZone renewed for 15 years

Tech Talk launches

2015

Duo Security raises \$70M, valued at \$1.17B, Ann Arbor's first "unicorn"

MI-HQ established in Scio Township housing 13 distinct life science companies

MI-HQ

2016

a2TECH360 launched — Mobility Row, Ann Arbor Mobility Summit, What the Future Holds, and HackA2 join the lineup to create a week-long program, highlighting the region's tech ecosystem

2017

Wacker Chemical invests \$51M in new R&D center in Pittsfield Township



2018

City of Brighton, Brighton DDA, SPARK partner to develop Main Street Showcase app and focus on attraction, growth, and retention for the downtown area



2019

Sartorius chooses Ann Arbor to serve as the hub of their North American R&D operations

SARTORIUS



Duo Security acquired by tech giant Cisco for \$2.5B

KLA establishes second U.S. headquarters in Ann Arbor



At the onset of **COVID-19**, **SPARK** quickly deploys over \$16M in critical funding to support 2,600 area businesses

Initiated the **Ann Arbor-Ypsilanti Corridor Fiber Optic Backbone** project with a \$2.4M U.S. Economic Development Administration grant to expand fiber from Ann Arbor to Ypsi

Inclusive Workplace Series DEI Awareness launched

Updated **SPARK's Strategic Plan**

Luxwall an Innovate Ypsi grant recipient, invests \$2.9 million and creates 45 new jobs in Ypsilanti Township

Hyundai America Technical Center, Inc. (HATCI) announces \$51M expansion of R&D automotive campus in Superior Township



20 Years

CUMULATIVE SINCE INCEPTION

600 COMPANY GROWTH PROJECTS CREATING: **\$3B** in new investment commitments **22K** new jobs created **30K** jobs retained

1,349 STARTUPS ASSISTED with intensive services creating **4,841** jobs that currently employ **6,971** FTEs

519 INCUBATOR CLIENTS NURTURED

521 BOOT CAMP TEAMS creating **1,396** jobs that currently employ **2,102** FTEs

\$1.1B SPARK CAPITAL FUNDING ATTRACTED **\$31M** into **191** companies, since **2007** inception

\$23.7M MICHIGAN ANGEL FUND INVESTED into **41** companies, attracting **\$557M** since **2012** inception

#1 Top Public Universities
IN AMERICA
2020, 2022



#2 Best Places to Live
IN AMERICA
2020, 2021, 2022

#1 Most Educated City
IN THE U.S.
2014, 2015,
2022, 2023



#2 College Town
IN AMERICA
2010, 2020, 2022,
2023, 2024



Best Public Schools
IN THE U.S.
2021, 2022, 2023



2023 Board of Directors

David Ruud (Chair)

Senior Vice President &
Chief Financial Officer
DTE Energy

Kelly Sexton (Vice Chair)

Associate VP for Research
University of Michigan
Innovation Partnerships

David Snodgrass (Treasurer)

President & CEO
Lake Trust Credit Union

Tiffany Ford (Secretary)

President & CEO
University of Michigan
Credit Union

David Parsigian (Past Chair)

Co-Managing Partner
Honigman LLP

Dr. Rose Bellanca

President
Washtenaw Community College

Nathan Burd

County Administrator
Livingston County

Gregory Dill

County Administrator
Washtenaw County

Milton Dohoney

City Administrator
City of Ann Arbor

Leigh R. Greden

Chief of Staff
Eastern Michigan University

Mandy Grewal, Ph.D.

Supervisor
Pittsfield Charter Township

Jeff Hauptman

CEO
Oxford Companies

Justin Hodge

Commissioner
Washtenaw County

Chris Kolb

Vice President
Government Relations
University of Michigan

Paul Krutko

President & CEO
Ann Arbor SPARK

Mark LePage

SVP, Medical Groups and
Ambulatory Strategy
Trinity Health

Lon Lowen

Associate Vice President,
Engineering
NETSCOUT

Timothy G. Marshall

President & CEO
Bank of Ann Arbor

John McLaughlin

Senior Director
Ann Arbor Site Leader
KLA Corporation

Tim Petersen

Managing Partner
Arboretum Ventures

Venkat (DV) Rao

Senior VP, Strategy
Consumers Energy

Paul Roney

President
Domino's Farms

Chris Sing

Principal
Rehmann

Brenda Stumbo

Supervisor
Ypsilanti Township

Simon Whitelocke

Vice President ITC Holdings Corp.
and President
ITC Michigan Corp.

David Wilhoit

President and CEO
Wacker Chemical

Christina York

CEO
SpellBound

Robert Young

Group VP, Purchasing
Toyota NA R&D Headquarters

