



# CITY of NOVI CITY COUNCIL

**Agenda Item 2**  
**February 7, 2011**

**SUBJECT:** Consideration of Memorandum of Understanding between the City of Novi and the Michigan Opportunities and Resources for Entrepreneurs Program (MORE) to promote the Statewide Entrepreneurship Support System. (Economic Development Strategy No. 6A).

**SUBMITTING DEPARTMENT:** Economic Development / Neighborhood & Business Relations *HL*

**CITY MANAGER APPROVAL:** *[Signature]* *[Signature]*

**BACKGROUND INFORMATION:**

As outlined in the approved 2011 Goals for Economic Development under Entrepreneurial Resources, Strategy #6A, The Michigan Opportunities and Resources for Entrepreneurs Program (MORE) is a US Department of Labor funded 501 c(3) nonprofit organization that has an initiative called The Statewide Entrepreneurship System (SESS). This is a web-based software application developed by Digerati, Inc. and funded by the New Economy Initiative (NEI) to connect entrepreneurs to the resources necessary to move their ideas forward.

The MORE Program and its supporting partners provide a unique opportunity for entrepreneurs, inventors and budding businesses to gain access to valuable resources. By bridging the gap between inspired individuals and the institutions that provide research facilities, expert advice or funding opportunities, we can speed-up the time it takes for an idea to achieve implementation. It's also an opportunity for these institutions to embrace the business challenges faced by society and the potential new ideas they can bring.

SESS is a unique network with the ability to analyze the specific circumstances of an individual or business, determine the immediate needs of that entity and prescribe the processes required to meet those needs.

SESS gathers user information through an extensive questionnaire and connects entrepreneurs to the exact services that can help. It's the fastest way to move your ideas to the next level.

**RECOMMENDED ACTION:** Consideration of Memorandum of Understanding between the City of Novi and the Michigan Opportunities and Resources for Entrepreneurs Program (MORE) to promote the Statewide Entrepreneurship Support System. (Economic Development Strategy No. 6A).

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<b>Mayor Landry</b>				
<b>Mayor Pro Tem Gatt</b>				
<b>Council Member Fischer</b>				
<b>Council Member Margolis</b>				

	1	2	Y	N
<b>Council Member Mutch</b>				
<b>Council Member Staudt</b>				
<b>Council Member Wrobel</b>				

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made as of the \_\_\_\_ day of \_\_\_\_\_, 2010 ("Signature Date"), and is entered into by and among the City of Novi Michigan and The MORE Program, a Michigan Non profit corporation, the undersigned entities (individually "Party", and collectively, "Parties").

### **Understandings**

1. **PARTIES.** The current Parties to this MOU are the City of Novi Michigan and The MORE Program.
2. **PURPOSE AND SCOPE.** The Parties agree to work together, with their respective vendors, in order to create, implement, and promote the Statewide Entrepreneurship Support System ("SESS") as funded in part by the New Economy Initiative ("NEI") and/or the Community Foundation for Southeast Michigan.
  - I. With respect to the aiding in the creation of SESS, the Parties agree on the following course of action:
    - a. *The MORE Program*, on behalf of the Parties, will study support service requests made of each participating organization by entrepreneurs and businesses within Michigan;
    - b. To support this study, where confidentiality agreements permit, each undersigned party will provide to The MORE Program all available documentation and related materials demonstrating the support requests made to them.
    - c. *The MORE Program*, on behalf of the Parties, will inventory the programs, multimedia materials, and services offered to Michigan entrepreneurs and businesses by each undersigned organization.
    - d. To support this inventory, each party agrees to provide access to the programs, materials, and services offered. This may include limited staff time for The MORE Program and its vendors for interviews.
    - e. The MORE Program, shall administer the creation and implementation of the SESS program;
    - f. The MORE Program shall engage the services of Digerati, Inc. to design and build the software and processes required to create the SESS program. The MORE Program and its respective vendors will create a system which uses differential diagnosis to "match" entrepreneurs and businesses with the appropriate organization, program, material, and/or service offering.
  - II. With respect to the aiding in the implementation of the SESS, the Parties agree on the following course of action:

- a. The MORE Program, and its respective vendors will create web systems that leverage SESS while promoting each undersigned party's brand and messaging. This will include creating and hosting branded web systems containing each organizations logo, corporate colors, and video messaging (branded pages to be referred to as "white-labels"). The City of Novi Michigan grants to The MORE Program and The MORE Program accepts from the City of Novi Michigan, a non exclusive license, during the Term of this MOU, to use its name, servicemark, trademark and/or logo in order to create the white labels. The MORE Program agrees to use the City of Novi Michigan, name, servicemark, trademark, and/or logo in good faith for the branded pages and to grow the good will of SESS and for no other purpose.
- b. The undersigned parties agree to integrate the SESS system into their existing websites and electronic newsletters. At a minimum, this can be accomplished by the placement of a simple link for SESS into the respective materials.
- c. To the best of their abilities, the undersigned parties agree to notify The MORE Program to changes in their programs, multimedia materials, and service offerings.
- d. The undersigned parties agree to work with The MORE Program and its respective vendors to test SESS to ensure that it adequately services the undersigned parties' needs within the scope of the SESS program. The MORE Program and its vendors agree to ensure that this testing can be completed during the normal course of business and will not create undo resource burden to the undersigned parties.
- e. The MORE Program and its respective vendors will work with each of the undersigned parties to make system adjustments, where such adjustments are within the scope of the SESS program.

III. With respect to the promotion of SESS, the Parties agree on the following course of action:

- a. The MORE Program and its respective vendors will promote the programs, materials, and service offerings of the undersigned parties through broad distribution of SESS throughout the State of Michigan.
- b. The undersigned parties will publically support and promote the creation and adoption of the SESS program by engaging other like organizations to participate fully in the initiative.
- c. In the event the name of Statewide Entrepreneurship Support System is changed by the MORE Program for branding purposes, the terms and conditions of this MOU shall remain in full force and effect.

3. **KEY PRINCIPLES.** The Parties acknowledge the following statement of principles to guide their actions under this MOU:

- a. Parties will demonstrate, through their actions, a willingness to make this MOU and the SESS initiative succeed.
- b. All Parties to the MOU share a common vision, values, and understanding of the scope of their individual and collective obligations under this MOU.

4. **WORKING RELATIONSHIPS.** All Parties agree to work together in a collaborative manner, consistent with the Key Principles in Section 3 of this MOU. Specific procedures and outcomes of the MOU will be determined according to the needs and constraints of the specific issue at hand.
5. **ACCOUNTABILITY.**
  - a. Each Party warrants that, when participating in the activities of this MOU, its opinions and actions represent those of their respective departments or agencies.
  - b. Further, each Party agrees to implement and support, to the degree it has control, the decisions and activities agreed upon pursuant to this MOU.
  - c. Each Party acknowledges that it has responsibilities and obligations to its constituents and appointing authorities that extend beyond this MOU, and that the Party will use its best efforts to coordinate those responsibilities with those under this MOU to avoid any conflicts.
6. **IMPLEMENTATION.**
  - a. The Parties will work together to implement this MOU as appropriate, regarding funding, staffing, resources, and other roles and responsibilities.
  - b. The Parties will develop procedures and agency protocols to build collaborative capacity among the Parties.
7. **TERM.**
  - a. This MOU is effective upon signing by all Parties. The Parties agree that this MOU shall remain in effect until completion of the NEI and/or the Community Foundation for Southeast Michigan's support for the SESS initiative. All Privileged Communications provided to a Party shall be returned, if requested by the furnishing Party or Party's counsel, at the conclusion thereof.
  - b. This MOU may be terminated by agreement of all Parties.
  - c. All Parties reserve the right to withdraw from this MOU upon thirty (30) days notice to the other Parties.
  - d. This Agreement shall terminate upon the termination of the NEI grant support and/or the Community Foundation for Southeast Michigan grant support at the conclusion of the initial grant period; the termination of the NEI grant support and/or the Community Foundation for Southeast Michigan grant support prior to the end of its term for any other reason; or as provided in sections 7.b or 7.c above.
8. **MODIFICATIONS.** Modifications of this MOU can be made if such modifications are in writing and are signed by all of the signatories to this MOU.

9. **SEVERABILITY, Venue and Choice of Law.** The parties agree that any claim arising out of this MOU shall be litigated in the United States District Court, Eastern District, Southern Division Michigan or the Oakland Circuit Court, that Michigan law shall apply and should any part of this MOU be rendered or declared invalid by a court of competent jurisdiction of the State of Michigan, such invalidation of such part or portion of this MOU should not invalidate the remaining portions thereof, and they shall remain in full force and effect.

10. **EFFECTIVE DATE.** This MOU is effective in its original form as of the date of execution indicated next to the signature of each Party and its counsel below. This MOU may be executed in multiple counterparts, each signature being made part of the whole MOU as if executed as one document. Original, facsimile, and electronic signatures are sufficient and may be employed to execute this MOU.

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Party: The MORE Program  
By: Brian Balasia  
Its: President

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Party: The City of Novi Michigan  
By:  
Its:

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Party:  
By:  
Its:

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Party:  
By:  
Its:

Drafted by:

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# MEMORANDUM



**TO:** CLAY J. PEARSON, CITY MANAGER  
**FROM:** ARA TOPOUZIAN, ECONOMIC DEVELOPMENT DIRECTOR  
**SUBJECT:** THE MORE PROGRAM  
NOVI ECONOMIC DEVELOPMENT GOAL: ENTREPRENEURIAL  
RESOURCES, STRATEGY #6A  
**DATE:** JANUARY 20, 2011

1/20/11

To: Mayor and City Council members  
Program for promoting entrepreneurship;  
MOU forthcoming.  
Clay

Council recently approved Economic Development Goals for 2011; one of the strategies outlined under Entrepreneurial Resources, Strategy #6A refers to the **Michigan Opportunities and Resources for Entrepreneurs Program (MORE)**. This is a US Department of Labor funded 501c (3) nonprofit organization that has created an initiative called **The Statewide Entrepreneurship System (SESS)**. This is a web-based software application that is funded by the New Economy Initiative (NEI) allowing the connection between entrepreneurs and resources necessary to move their ideas forward.

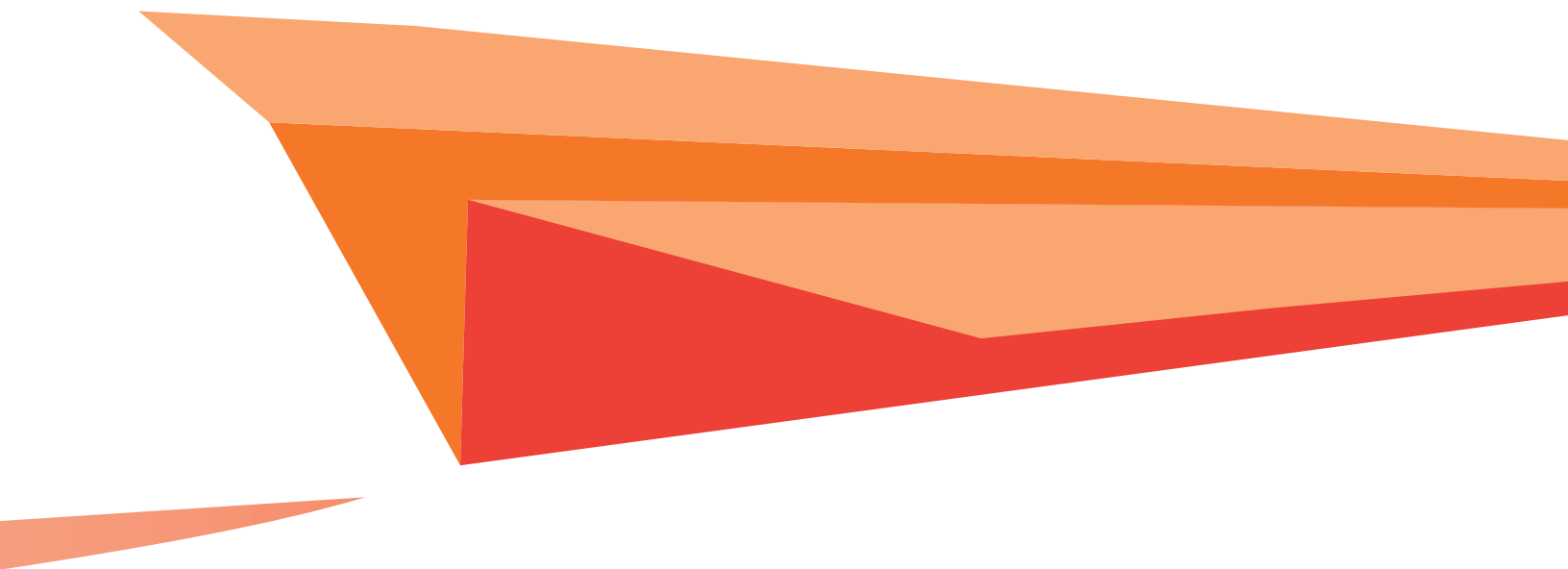
The MORE Program and its supporting partners provide a unique opportunity for entrepreneurs, inventors and budding businesses to gain access to valuable resources. By bridging the gap between inspired individuals and the institutions that provide research facilities, expert advice or funding opportunities, we can speed-up the time it takes for an idea to achieve implementation. It's also an opportunity for these institutions to embrace the business challenges faced by society and the potential new ideas they can bring.

Recently, I had the pleasure to meet with Ken Agacinski, Executive Director of the MORE program. They are in the process of outreach to additional sponsors (currently they have over 60 sponsors) and sign a memorandum of understanding (see attached). There is no cost for participating and will allow us as a partner to utilize this web-based software thru the InvestNovi.org website.

Mr. Agacinski expects SESS to be rolled out Spring, 2011. I see this as a great opportunity for Novi to participate and support entrepreneurial assistance for our small business community.

c: Victor Cardenas, Assistant City Manager

Attachments



THE**more**PROGRAM

The MORE Program

(Matching Opportunities and Resources for Entrepreneurs Program) is a U.S. Department of Labor funded 501(c)(3) nonprofit organization.

Digerati, Inc.

Is a Detroit-based information technology and business processes firm.

Brian P. Balasia

is the CEO of Digerati, Inc. See bio (below).



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SUBJECT:

The Statewide Entrepreneurship Support System (SESS)

The Statewide Entrepreneurship Support System (SESS) is a proposed system that will comprehensively aggregate, filter and disseminate entrepreneurial support mechanisms throughout Michigan in order to expand successful entrepreneurship in the state.

Based on differential diagnosis algorithms created for the medical industry, this web-based system will diagnose the challenges a business is facing and identify the best treatment option available.

It will act as a just-in-time collective intelligence system for delivering human,

technical, multimedia, financial and other support mechanisms to prospective, emerging and established entrepreneurs.

Not just another one-stop shop in a community of one-stop shops, the philanthropically supported initiative is a centralized system that is being rebranded by

universities, economic development agencies, downtown development authorities, municipalities and business associations. No matter where a business turns for help, it will get access to all of the resources from across the State.



## WHY IS IT NEEDED?

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Many of Michigan's entrepreneurs need help bringing their ideas from concept to reality.

- Thousands of ideas and entrepreneurs are stifled from the onset because they cannot find the resources or support they need when they need it.
- At the same time, Michigan is producing and offering a vast array of resources for entrepreneurs but these resources are not being found by entrepreneurs when they need them. When you consider all of the labs, coaches, grants, pieces of equipment, spaces, educational materials, and programmatic offerings, there are tens of thousands of resources available in the community that are already funded. We don't need to start from scratch; we need simply to realign the assets we already have.
- Our support infrastructure is overwhelmed with the work of sorting out all of the requests for help currently received. The overhead involved in identifying which requests to serve frequently exceeds the work spent giving assistance.
- The ongoing challenge is connecting Michigan's entrepreneurs to the wide variety of available individualized resources when they need them. And, to make connecting with them logical and efficient.
- The SESS will answer an entrepreneur's questions and point him/her in the right direction depending on what step the entrepreneur is in the journey toward making his/her business a reality.

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### TESTIMONIALS

*"I'm really excited about what we've got going on here in Michigan. We'd like to make [The Statewide Entrepreneurship Support System] nationwide."*

*– Gary Locke United States Commerce Secretary – Crain's Detroit Business*

*[The Statewide Entrepreneurial Support System], headed up by The MORE Program, will catalog and make available resources of all shapes, sizes, and sources that could help entrepreneurs.*

*– Metromode*

*"I think a system like this will really help ... triage them to get [them] to their resource faster." – Leslie Smith, TechTown General Manager*

*– Crain's Detroit Business*

## HOW IT WILL WORK

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SESS proposes to be the ultimate “matchmaker” for entrepreneurs and entrepreneurial resources.

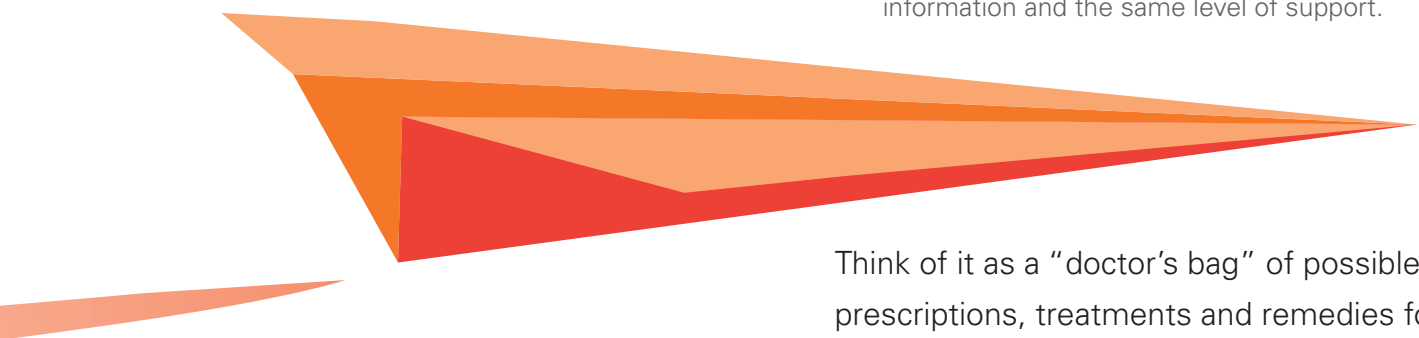
- SESS will provide a sophisticated electronic diagnostic tool modeled after medical diagnostic tools to help entrepreneurs become matched with individual resources throughout their entrepreneurial journey.
- At the same time, entrepreneurial resource providers (e.g., academic, public, private, for-profit and nonprofit) will be connected with the entrepreneurs most likely to benefit from their resource.

## BENEFITS OF SESS

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Michigan’s entrepreneurial future will be better-served by a statewide, all-inclusive portal used by all entrepreneurs and all entrepreneurial resources as a one-stop shop.

- The SESS will refine the way entrepreneurs find the assistance they will need.
- It will streamline the process, remove the confusion, and provide a clear, logical approach to seeking, finding and accessing information, support and funding.
- Each participating organization gets to maintain its own brand identity.
- Regardless of the environment in which the entrepreneur is located, urban or rural, wealthy or impoverished, they can get access to the same information and the same level of support.



Think of it as a “doctor’s bag” of possible prescriptions, treatments and remedies for the myriad needs a patient can identify when he or she enters the doctor’s office.

## OTHER ITEMS OF NOTE

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- The initiative was created by entrepreneurs (Brian Balasia and Joe Klecha) who started their company, Digerati, ten years ago while students at the University of Michigan.
- The idea for the program came from the personal frustrations they experienced starting their engineering firm
- The pilot for the project was funded in part by a U.S. Dept. of Labor WIRED grant
- It is expected that the program will exceed 500 partner organizations by spring of 2011.

### KEY PARTNERS ALREADY PARTICIPATING

Adrian College	Hope College	MI Manufacturing Technology Center
Albion College	Inforum	Michigan State University
Alma College	Invest Detroit	Oakland County
Andrews University	Kalamazoo College	Olivet College
Ann Arbor Spark	Lawrence Tech University	Siena Heights University
Aquinas College	Macomb County	Spring Arbor University
Automation Alley	Macomb-Oakland University INCubator	Tech Town
Calvin College	Madonna College	United States Department of Commerce
City of Linden	Marygrove College	University of Michigan
Detroit Econ Growth Corp	Michigan Colleges Foundation	Walsh College
Detroit Regional Chamber	Michigan Economic Development Corporation	Wayne County
Hillsdale College	Michigan Municipal League	Wayne State University