

## Best Business

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# Your guide to startup incubators, accelerators

The entrepreneurial spirit is alive and well in America. Just witness the explosive growth of business-startup accelerators, incubators and co-working spaces, among many other organizations.



These programs are designed to support startup entrepreneurs from providing office space, technology and startup funds, to mentoring, advice and other types of guidance.

Accelerators and incubators are somewhat different, and they aren't for every type of business or startup. Many of them specialize in certain industries, type or stage of businesses, so the right fit will be important. Getting in can range from relatively easy to highly competitive.

Your goals after completing a program may dictate which type you choose. If your eventual aim is to raise additional investor capital, be aware that investors tend to prefer the accelerator model. If not, an incubator might be a better choice.

One thing they all have in common though: They offer startup entrepreneurs a chance to not have to go it alone.

Here's a quick comparison, provided by Health Wildcatters, a Dallas-based seed accelerator in the healthcare space.

### Incubators:

» Support early stage startups: These startups have an established idea to bring to the marketplace but lack resources or a proper business model.

» Have no set time frame: Incubators focus on guaranteeing the longevity of a startup and are less concerned with how slowly or quickly that happens.

» Can be difficult to get into: Some incubators accept pitches only from entrepreneurs they already know.

» Provide mentorship and a co-working environment: Incubators typically support startups with mentorship and shared office space.

» Ask for little or no equity: Incubators do not generally provide capital to startups and are often funded themselves by university grants.

### Accelerators:

» Support startups that need help growing an existing company: These startups already have a business model in place and are ready to accelerate growth.

» Operate on a fixed time frame: Accelerators usually work with startups for only three to four months, providing office space, mentors, capital and access to other resources. At the end, the startup is able to pitch its plan more effectively to bigger investors.

» Have an application process: Participants must apply to accelerators in order to be selected for a program. Top programs are highly selective.

» Ask for equity: Usually they require anywhere from 3 to 8 percent of equity in a company.

## Arizona accelerators and incubators

Arizona has a highly active startup ecosystem that includes a robust network of incubators, accelerators, co-working spaces and various economic development organizations such as:

- » Arizona Center for Innovation
- » ASU Entrepreneurship & Innovation Group
- » Center for Entrepreneurial Innovation
- » Northern Arizona Center for Entrepreneurship
- » BioAccel
- » Maricopa Center for Entrepreneurship
- » Gangplank
- » AZ TechCelerator
- » Launchpoint
- » Innovations Science and Technology Incubator
- » Seed Spot

These, and many others, are all members of the Arizona Business Incubator



Association (AzBIA; [azincubators.org](http://azincubators.org)), a network of incubators, accelerators and other entrepreneurial organizations dedicated to helping business startups in Arizona. You can see a complete list of them, along with profiles and links, under the “Members” tab at the AzBIA website.

**Other helpful resources:**

» **MergeLane** ([mergelane.com](http://mergelane.com)) is an accelerator specifically for women-run businesses.

» **Techstars** ([techstars.com](http://techstars.com)) is a global ecosystem that helps entrepreneurs build businesses. It provides access to a variety of accelerators and startup programs.

» **gener8tor** ([gener8tor.com](http://gener8tor.com)) invests in high-growth startups and has a highly competitive application process.

» **National Business Incubation Association** ([inbia.org](http://inbia.org)) is a non-profit that represents some 2,200 incubators, accelerators and other entrepreneurial organizations worldwide.

» **Seed-DB** ([seed-DB.com](http://seed-DB.com)) publishes an online list of 188 accelerator programs worldwide.

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