

Lean Economic Development Playbook: Mini-case

IDENTIFYING ACCESS POINTS THROUGH EXPERIMENTATION



Location: Reading, PA

Demographics¹:

- 86.2% White alone
- 23.9% Hispanic or Latino
- 7.9% Black or African American alone
- 1.6% Asian alone
- 1.0% American Indian or Alaska Native alone
- 0.2% Native Hawaiian and Other Pacific Islander alone
- 3.1% Two or more races

Population¹: 430,449 **Median Age²:** 38.91

Poverty Rate¹: 12.9%

Median Household Income¹: \$69,272

Median Property Value¹: \$195,900

¹ 2020 US Census – census.gov
² Pennsylvania Department of Community & Economic Development - DCED.PA.gov

[Visit Berks LaunchBox](#)

BACKGROUND:

Our service area has a rich history in medical device innovation, manufacturing, and family-owned businesses, yet it lacked cohesive support for entrepreneurs. Our county also has a growing Hispanic population starting small businesses and needing support.

Initially, we decided to lean into our specialties and leverage the expertise of our local health care institution and partner, [Penn State Health St. Joseph](#), and our University campus,

Penn State Berks, which has a rich history in offering information technology and engineering degrees. We aimed to focus on supporting scalable ideas around medical device innovation, tech-based startups and social entrepreneurship by seeking out these types of ideas in our marketing approach. We also focused on building an Advisory Council and seeking out advisors with expertise in these focus areas. These ideas are given priority of available coworking opportunities that provide space and small grants.

INITIAL OFFERINGS:

Berks LaunchBox was created in 2016 to support entrepreneurs in Berks and Lebanon counties, with a specific focus on downtown Reading, Pa. Our mission was to help early-stage entrepreneurs and startup companies access the tools and resources they needed to launch and grow in Greater Reading.

We partnered with the other business service organizations in Berks County to work more collaboratively and avoid redundancies across programs. Together, we mapped the entrepreneurial ecosystem of Berks County and identified areas of overlap in some services, as well as service gaps we could address.



WHAT WE LEARNED:

We quickly learned that even though we had an idea of who our market should be, we could better support a broader base of entrepreneurs with early-stage ideas, helping them to focus on customer discovery and building minimum viable products. We initially were struggling to find those who needed our support by allowing them to decide if they fell into our priority areas. By removing these restrictions, we saw an influx of entrepreneurs we could help in the early stages, and in the end did find a need for our original focus areas. We encourage our entrepreneurs to learn about their potential customers and pivot if they aren't meeting a demand. We don't want people sinking their life savings into a product or service no one is willing to pay for. This ended up being one of our true differentiators. By supporting early-stage entrepreneurs and encouraging them to de-risk, we found our place in the ecosystem, enabling us to substantially increase our pipeline and better feed our coworking opportunities.

We also opened the first makerspace in downtown Reading, free and open to the community. While we had been holding 3D Printing classes since our inception, we were able to launch a true makerspace in 2019. We

have simple hand tools for community members to use, as well as 3D printers, a laser cutter, a CNC router, and more. We offer classes on how to use the equipment and pair entrepreneurs with advisers experienced in relevant technology to help guide them.

Being part of our local community with an accessible location is a key to our success. In 2019, we found our current home on the first floor of the [GoggleWorks Center for the Arts](#). This partnership brought consistent growth over the next four years, thanks in part to free parking and a welcome, creative community space.

Along with finding the right location, we needed to identify and leverage a team, and then be practical about what could be achieved. We always stop ourselves and ask if we are drifting from our mission. Our team consists of half-time and part-time staff, an advisory council, and over 20 professional advisers who commit to meeting with startups for up to five hours every month. We also engage community members willing to share their business expertise or story via webinars, workshops, and networking events. These supporters are vital to our success.

HOW IT'S GOING:

Since our initial funding in 2016, we have supported over 1,500 people with mentoring, workshops, webinars, and networking. In 2022, 34% of the new entrepreneurs reaching out for help were people of color, and 51% were female founders. Our services include:

- One-on-one intake meetings with entrepreneurs to learn about their idea and guide them to their next best step
- Educational webinars around business development, tax tips, legal entities, marketing, building websites, social media, and more

- Workshops in the makerspace, for both entrepreneurs and community members to learn new skills such as 3D printing
- Networking opportunities
- Coworking partnerships, for which we provide free space for a year and a direct line to support, plus access to network with other coworking companies

We continue to evaluate our offerings to ensure we are impacting the entrepreneurs in our area. We will keep shifting our work to better meet the needs of our customers and, ultimately, our community.



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