

# STARTUP ARLINGTON

Arlington has focused its resources to become one of the technology hubs of not only the Washington, D.C. region, but the Country. After all, some of the world's most brilliant technology innovations of the last few decades, including GPS, voice-recognition software, and even the Internet itself, were all born in Arlington. However, with the brand awareness of competing destinations like Silicon Valley and Austin, TX, Arlington was having trouble expanding beyond its perception as a "government town." The County sits just across the Potomac River from the nation's capital and is home to thousands of government offices and contractors, most notably the Pentagon. Arlington needed to find a new and intriguing way to encourage technology entrepreneurs to consider the County for its business.

Working with partners in real estate, hospitality, transportation and other fields, Arlington Economic Development (AED) developed Startup Arlington, a nationwide competition that would allow new or growing companies in the technology sector to pitch for the opportunity to live and work in Arlington free of charge for three months. The winning company receives free office space in a local co-working office and the founder(s) receive three free months lodging at a nearby extended stay hotel. What's more, AED expanded the offering so that the winning company founder(s) get the opportunity to experience life in Arlington. The prize package includes complimentary passes for Metrorail and Capital Bikeshare to highlight the community's car-free lifestyle, as well as a gym membership. Company founder(s) can also take advantage of free legal advice and mentoring as they work to set up new enterprise.

The idea for this program centered on cooperation and partnership from various aspects of Arlington's business, hospitality and government communities. Various departments within Arlington County were brought together to develop competition language and legality. A local extended stay hotel company agreed to provide complimentary hotel space for three months, and a local co-working space agreed to provide office accommodations. Additionally, a local law practice agreed to offer ten hours of legal counseling for the winner and transportation partners provided access to public transit. In all, due to partnerships and in-kind donations, the only costs for the County were those on taxes paid on the hotel lodging and nominal advertising fees, or approximately \$3,500. The entire value of the 2015 program was estimated at \$15,450.

The strategy is two-fold. The winning company and its founders receive the opportunity to try out Arlington as a business location. They are able to experience firsthand not only the resources available in the County and the proximity to the government agencies in need of technology innovation, but also Arlington as a community. Similarly, AED receives pitches from interested companies all over the Country, all of which expressed specific interest in Arlington as a possible business location.

## **Launching Startup Arlington**

AED launched the Startup Arlington campaign in September 2015 via editorial outreach, social media, and a modest advertorial partnership with Tech.co. In addition to local media coverage, the

competition was featured in Inc.com and on the American Entrepreneurship blog. Social media channels reached out to more than 180,000 users. More than 700 unique users visited the Startup Arlington page on AED's website, and advertorial content reached an even further audience via the outreach of Tech.co. As a result, a total of 78 companies from 14 states and 13 different technology industries submitted completed applications.

All entries were judged by a collaborative panel consisting of Arlington County government employees and officials, Arlington entrepreneurs, and local business leaders. Startup Arlington applicants were evaluated on criteria ranging from how the company would benefit from locating in Arlington to growth potential and business plans. To be eligible, applicants must have been from outside the greater Washington D.C. region and have been a founder and/or CEO of a technology-based company. After reviewing and evaluating all entries, Montana-based Oppleo, a cyber security company offering software known as Sikernes, was chosen as the Startup Arlington winner. Oppleo founders Roderick Flores and Bri Rolston relocated to Arlington in November 2015.

Since the program began in 2015, several other real estate companies and residential complexes contacted AED to understand how they can participate in the future, including some of the largest residential and commercial companies with properties in Arlington. These companies want to market their properties to the same entrepreneurial audience Startup Arlington reached. As a result of the program, AED's business development group cultivated several leads of companies that are being tracked to understand when they grow to the point of needing commercial space, whereas AED intends to assist with their growth.

The Startup Arlington program is a great way to reach the community with mutual benefit to economic development, the business community, and the startup community. With its success, Arlington sees Startup Arlington as an ongoing program and an excellent way to not only reach out to company founders who may previously have been unaware of Arlington's resources and opportunities, also to form new collaborations and working relationships with Arlington's existing business and hospitality communities towards the joint effort of creating a stronger business climate in Arlington County.

### **Program Overview**

In its initial implementation and with minimal budget, the Startup Arlington competition and its attractive prize encouraged 78 company founders from 14 states to apply. After a careful review process from County, business, and non-profit leaders on how the company would best benefit from being in Arlington, Montana-based Oppleo was selected as the first Startup Arlington winner, with founders of the cybersecurity company with the Sikernes Risk Management software relocating to Arlington in November 2015.

Startup Arlington is a collaborative initiative between Arlington County and key members of the business and hospitality community designed to reach out to and educate a larger scale of entrepreneurs who would potentially benefit from locating their businesses in Arlington. A partnership was created to develop a competition for technology startups in which the winner would be able to bring his/her business to Arlington for three months free of charge, with work space, living space, and other amenities provided by Arlington and its partners. With this method, a startup business founder would have the opportunity to experience the resources and opportunities that exist in Arlington for

entrepreneurs before making a long-term commitment. At the same time, Arlington County has a new tool to connect with entrepreneurs who may have an interest in opening or relocating a business in Arlington— companies that may not have previously considered Arlington as a potential location for success for their business. As a result of the program, new companies are realizing the benefits available in Arlington and have chosen or are considering Arlington as their new location headquarters.

Startup Arlington provides the unique opportunity to reach out to technology entrepreneurs who may have never realized the opportunities that exist for the industry in Arlington. It also serves as an excellent method of collaboration between several divisions of the community, including County government, real estate, entrepreneurs, hospitality, transportation and law. It is through this collaboration and partnership that the program succeeds, and a similar competition is currently in the works for 2016-2017.

### **Startup Arlington 2017**

This year, the number of applications that Startup Arlington received rose to 125 companies from 9 different states and 3 different countries. AED has narrowed the competition down to three finalists, who will submit video to be posted on the Startup Arlington website. In order to get the community more involved, AED is encouraging the public to vote on their favorite company, which will be taken into consideration to help determine the winner of Startup Arlington 2017, in combination with scoring by a panel of judges. Online voting will be open the week of February 21 to February 28, until 5:00 p.m. EST. The winner will be announced on March 1, 2017.

In an effort to improve the program this year, Startup Arlington partnered with Kiddar Capital to provide \$25,000 in investment capital to the winner of Startup Arlington 2017. The winner will also receive three months of lodging at Why Hotel/The Bartlett, one of the newest luxury pop-up hotel and apartments in Arlington with more than 40,000 square feet of amenities and services, provided by Vornado Realty Trust. Additionally, the winning startup will receive incubator space at 1776 with access to expert mentorship and a powerful network to help the company grow.

The 2017 Startup Arlington winner will also win access to the resources, infrastructure and people Arlington County. Startup Arlington also partnered with the Crystal City BID to cover any “extras” and Arlington Transportation Partners for transportation needs, such as complimentary passes for Metrorail and Capital Bikeshare.

With help from all of the Startup Arlington partners, AED was able to raise the prize value this year to about \$45,000, with only \$1,500 in cost to AED. All partners of Startup Arlington 2017 benefit from the program through promotions and acknowledgements, making a Startup Arlington program that the entire Arlington community can benefit from.



1776

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