The Innovation Center on the medical school’s Parkview Campus is a 69,000-square-foot, purpose-built incubator and accelerator created to support life science, technology, and engineering ventures of all kinds, from the earliest startups to maturing companies. With access to specialized equipment, flexible lease terms, and the ability to grow or contract as needed in a fully managed facility, you can focus on your business without unexpected hassles or expense.
“Love the Innovation Center. Couldn’t think of a better environment to start our research efforts. Sandra and Madelyn are a dynamic duo who have the perfect balance of expertise and cooperation. Kudos!”

Bill McDonald, Metabolic Solutions Development Corporation
I had the pleasure of helping develop the Innovation Center back in 2000 when I was an inexperienced economic developer working at Southwest Michigan First. One day in a staff meeting, my boss looked at me and said, “You. What do you do again?” I told him I was the new retention specialist. He answered, “Not anymore. Now you’re going to build a business incubator.” I didn’t even know what a business incubator was, but I said “OK” and I got to work. The task of building an entrepreneurial center from the ground up was exciting, frustrating, and completely rewarding. From the groundbreaking to the ribbon cutting to the arrival of the first clients, every day was a dizzying challenge, and I would not have changed a minute of it.

After seven years of building, staffing, and programming the Innovation Center, a new challenge lured me away, taking me deeper into the entrepreneurial ecosystem where I could hone my capabilities further. I never strayed far from the Innovation Center, though, continuing to work with the entrepreneurs in my new capacity and remaining close with the staff. I could never completely leave “my” Center.

In January 2016, WMed acquired the Innovation Center as part of its evolving research strategy. With change came new opportunities. With the departure of the existing director, WMed leadership took the opportunity to think strategically about what role the Innovation Center could play in the medical school and the community in the future. And, they sought to recruit a new director who could accomplish the new strategic direction. Fortunately for me, I was selected.

Now that I have come home to the Innovation Center, I am excited to see how the programs and systems I put in place 17 years ago are still serving the operation well. The Innovation Center’s show on the road, attending events across the state, spreading the word of the entrepreneurial spirit that is alive and well in Kalamazoo, especially in the Innovation Center.

This past year has been one of change and transition. As the Innovation Center and its staff acclimate to being a part of WMed, I am certain that even more exciting opportunities are on the horizon. I am grateful for the opportunity to return to the Center and to once again work with the entrepreneurs I so admire. This past year has been amazing; next year will be more so.

Sandra Cochrane, Assistant Dean for the Innovation Center

Sandra joined the medical school in January 2017 as the new Assistant Dean for the Innovation Center. In her role, Sandra serves as the Innovation Center’s Director. She coordinates and oversees all activities at the Innovation Center in support of entrepreneurship and commercialization. Sandra came to the medical school following a nine-year stint as a technology business consultant with the Michigan Small Business Development Center. In that role, she worked closely with small businesses to grow and bring about economic impact.

Her work at WMed focuses on growing the Innovation Center into a hub for burgeoning life science, technology and engineering companies. Sandra and her family call Van Buren County home and she is a native of Ann Arbor. In addition to holding a National Business Incubator Association’s Certificate of Incubator Management, Sandra is a graduate of Michigan State University where she earned a bachelor’s degree in English Education and a master’s degree in Business Administration.

Madelyn Pinder, Business Services Manager

Madelyn has been with the Innovation Center since 2004. As Business Services Manager for the Innovation Center, she serves as the first point of contact for clients and visitors. Madelyn manages the day-to-day business activities of the Innovation Center, receives guests for client companies, and serves as the face of the Innovation Center for everyone who comes to the facility, working to ensure that the Center is a positive experience for all. Madelyn previously served as Community and Investor Relations Specialist at Southwest Michigan First and participated in the planning and build-out of the Innovation Center. She also gained development experience at Kalamazoo College and as Program Manager for a private foundation. Madelyn completed the National Business Incubator Association’s Certificate of Incubator Management in 2010.
CLIENT SUCCESS AND SATISFACTION

Our clients are all progressing in their own way. This past year, some grew in revenue and employee numbers; some made great strides in their technology; a few were recognized with awards; and others successfully raised capital from investors. We are proud to highlight our client companies’ achievements.

“Outstanding facility. Supportive, attentive staff. Clear desire to see client companies succeed.”
Mark Gurney, Tetra Discovery Partners

MSDC Spinout Company Cirius Therapeutics Lands Significant Investment

April 2017 — Cirius Therapeutics, formally known as Octeta Therapeutics, a spin out of the Kalamazoo-based company Metabolic Solutions Development Company (MSDC), completed a capital raise of $40 million in order to complete the phase 2b study of MSDC-0602K as a potential novel treatment for NASH. NASH, non-alcoholic steatohepatitis is a severe, rapidly progressing form of fatty liver disease for which there are no approved therapeutics. The capital raise involved Frazier Healthcare Partners and Novo A/S as co-leaders and also new investors Adams Street Partners and Renaissance Venture Capital Fund together with existing investors, including Hopken Life Sciences Ventures.

Cirius Therapeutics is the first company spun out from MSDC, which was co-founded by Jerry Colca, Ph.D. and Rolf Klatzian, Ph.D., in Kalamazoo in 2006. MSDC-0602K is a new insulin sensitizing agent that works through a newly identified mitochondrial target that was identified by MSDC scientists led by William (Bill) McDonald working with the Innovation Center’s Greg Cavey. The optimization of insulin sensitizers for this newly identified mitochondrial target over the nuclear receptor that was once thought to be the target of all insulin sensitizers has resulted in the development of second-generation insulin sensitizers that work by altering mitochondrial metabolism. The discovery, selection, and early development of MSDC-0602K prior to the spin out was all done at the Innovation Center laboratory in collaboration with other Kalamazoo area CROs, including Kalexsyn, PharmOptima, Eurofins, and MPI.

MSDC maintains interest in other newly identified potential clinical candidates as well as the clinical candidate MSDC-0160, which earlier this year was shown to have unique neuroprotective and anti-inflammatory actions as a result of the newly identified effect on mitochondrial metabolism.

Vestaron Corporation Raises $18 Million

August 2016 — Vestaron Corporation announced completion of an oversubscribed Series D round of financing totaling $18 million. The round was completely funded by existing investors in the company. The biological insecticide company will introduce its first product, SPEAR™-T, before the first quarter selling season in 2017. SPEAR™-T is believed to be the first biological insecticide that performs with efficacy comparable to that of synthetic insecticides, but with the benign effects of a biological insecticide. SPEAR™-T is a new insect sensitizing agent that works through a newly identified mitochondrial target over the nuclear receptor that was once thought to be the target of all insulin sensitizers has resulted in the development of second-generation insulin sensitizers that work by altering mitochondrial metabolism. The discovery, selection, and early development of MSDC-0602K prior to the spin out was all done at the Innovation Center laboratory in collaboration with other Kalamazoo area CROs, including Kalexsyn, PharmOptima, Eurofins, and MPI.

Vestaron maintains interest in other newly identified potential clinical candidates as well as the clinical candidate MSDC-0160, which earlier this year was shown to have unique neuroprotective and anti-inflammatory actions as a result of the newly identified effect on mitochondrial metabolism.

Vestaron Corporation! On Thursday, May 4, Vestaron Corp. was honored with the 2017 Michigan SmartZone Business of the Year at the Michigan Celebrates Small Business event in Lansing. There are 20 SmartZones in Michigan, and Vestaron was selected as the best company nominated from those 20 programs. Nearly 60 businesses statewide, including the 2017 Michigan 50 Companies to Watch award recipients, were honored at the gala, which coincides with National Small Business Week from April 30 to May 6. Michigan Celebrates Small Business is a partnership of the Michigan Small Business Development Center, the Michigan Economic Development Corporation, the Edward Lowe Foundation, the Small Business Association of Michigan, the U.S. Small Business Administration, and the Michigan Business Network.

Vestaron is commercializing biological insecticides to help the world’s farmers produce safer and better food, ornamentals and fiber in a more environmentally responsible manner. Beginning with naturally occurring peptides from the Australian Blue Mountains funnel-web spider, which have known insecticidal properties, the company scientists select those that are free from mammalian toxicity. Scientists then synthesize the genes that encode them and put them into yeast as a production system to yield a biological insecticide for use on crops. Vestaron has been a client in the Innovation Center for 10 years and employs 20 people. Starting off as Venomix, the company has pivoted several times, changed leadership several times, and raised over $36 million in several rounds of venture financing. All the time and effort has paid off, though, as the company prepares to launch its first product into the market late this year. Kudos to the team for their success and the honor.

Innovation Center Client Don Carpenter Receives Award

A hearty congratulations to Don Carpenter of Drummond Carpenter for being named the 2017 Educational Professional of the Year. This award from the Michigan Water Environment Association and the Water Environment Federation is awarded to recognize an individual for their efforts in promoting activities and professionalism in water resource education.

Way to go, Don!
would most definitely recommend the WMed Innovation Center to another entrepreneur
say the WMed Innovation Center has most definitely made a positive difference in their emerging enterprise
say that the involvement of the Innovation Center’s staff with their company is “just right”
91%
83%
96%

The clients at the Innovation Center are a happy bunch, overall. Some of the responses are quite impressive.

Our Partners

Launch MI Lab makes shared laboratory space available to startup high-tech companies that are not yet ready to rent dedicated lab space. Launch MI Lab provides month-to-month rental of dedicated bench space inside a larger shared lab environment. Also included is access to shared equipment such as a walk-up mass spectrometry system, centrifuges, autoclaves, various microscopes, incubators, freezers, RO-DI water, flake ice machine, glassware washer, standard lab supplies and tools, and much more.

The Ideation Station is a shared work environment for high-tech entrepreneurs requiring space in which to develop their business concepts. The Ideation Station program provides month-to-month access to the resources of the Innovation Center, helping technology companies grow to the point of taking on conventional leases at WMedIC or relocating to existing facilities in the local community. Located inside the Innovation Center, the Ideation Station provides low-cost shared office space and amenities in an entrepreneurial, innovative atmosphere. It provides networking opportunities, as well as access to on-site business tools and resources.

The Resident Incubation Program is the premiere WMedIC offering. Resident incubation permits a client company’s employees 24/7 access to dedicated laboratory and/or office space inside the Innovation Center. Through regular interaction with Innovation Center management, companies receive business mentoring and guidance as well as access to numerous state, local, and university resources to advance their business and technology.

The Affiliate Incubation Program is the Resident Incubation Program without the physical space. Affiliate client companies engage in all the business incubation activities offered in the Resident program but they do not rent any laboratory or office space inside the Innovation Center. Affiliate client companies often choose this option because their physical space requirements are not aligned with what the Innovation Center can provide yet they still wish to be part of the incubation process.

Skunk Works is a program designed for existing companies in the Kalamazoo area that are developing new technologies and are seeking an entrepreneurial environment in which to validate those technologies. To be eligible for the Skunk Works program, applicants must have an existing local operation, be unable to support the proposed project in-house due to a lack of space or other specialized resource(s), and have a strong science/technology concept that requires small scale, short term validation.

The Innovation Center must constantly innovate in order to provide the entrepreneurs of today what they require to succeed in the future. Efforts to revamp our existing programs have resulted in several new offerings.
LUNCH & LEARNs, WORKSHOPS, AND EVENTS

Lunch and Learns
Lunch & Learn sessions are a long-standing monthly event exclusively for our clients. Everyone who works in the Innovation Center is invited to hear an educational talk, converse over lunch, network, and learn from each other. These sessions are popular and typically attract more than 50 attendees. A few of the Lunch & Learn topics have included:

- Commercialization Services at Universities
- SBIR/STTR Granting vs Contracting Agencies: Determining the Best Fit for Your Technology
- ABC’s of SBIR
- Amy Cell Talent session

Workshops and Events
The Innovation Center hosts many events that are open to the public. Some events are coordinated by partner organizations while others are unique offerings. You can learn about and register for our events on our website calendar. Typical events include:

- Business Model Canvas Workshop
- Win Website Workshop
- Introduction to Customer Discovery bootcamp
- Mentor Mixer
- Coffee and Donuts Open House

- AccuFD is commercializing a gravity array separation technology for use in blood sample separation. GE’s groundbreaking mesoscale blood separation device is the core of accuFD’s technology.
- Applied IE is a leading-edge industrial engineering firm designing and deploying business processes using engineered methods and technology.
- Arcadia Supplements, LLC formulates and distributes fulvic-mineral-based health and wellness products.
- AureoGen Biosciences, Inc. is developing a novel genetic-engineering technology for the discovery and production of cyclic peptide-based drugs.
- Cyprotex specializes in ADME-Tox, including both in vitro (laboratory experiments) and in silico (computer modeling) approaches to service a diverse array of clients, including pharma, cosmetics/personal care, chemicals, academia, and NFP.
- Drummond Carpenter, PLLC specializes in environmental and water resources technical services and applied research.
- Forensic Assurance provides proficiency tests for practitioners in the forensic DNA, biology, firearms identification, tool mark identification and fingerprint identification disciplines.
- IonTox provides general toxicology consulting, pharmaceutical drug development services, and design for others in the field of cell culture in-vitro products.
- Metabolic Solutions Development Company, LLC, is developing innovative therapeutics to treat diabetes and related symptoms of metabolic syndrome with PPAR-sparing insulin sensitizers.
- Michigan Business Incubator Association is comprised of the state’s most innovative business incubators, accelerators, co-working spaces, maker spaces, economic development partners, and entrepreneurial support organizations who are focused on innovation, creating jobs and developing Michigan’s local economies.
- Micromyx, LLC is a microbiology services company specializing in anti-infective discovery and development for industry clients.
- Proteos, Inc. provides protein science expertise, including custom services in protein expression and production, protein products, and translational research for commercialization.
- RealBio Technology, Inc. provides leading-edge cell and tissue culture technologies that support the growth, expansion, differentiation, and collection of human and non-human cells.
- Separation Solutions / SeqSol Process Solutions is a manufacturer’s representative and distributor of equipment for filtration and separation, powder and bulk processing, dust collection and packaging.
- Single Source Procurement, Inc. staffs and stocks an on-site scientific supply storeroom and coordinates ongoing routine procurement for companies, as well as researching and negotiating one-time purchases.
- StatLab Medical Products has been supplying the anatomic pathology laboratory for over 30 years. Their purpose is to enable their customers to deliver optimal patient care through timely diagnoses.
- Tetra Discovery Partners LLC uses structure-guided drug design to discover isoform selective inhibitors of phosphohydrolase 4B (PDE4B) and PDE4D. Their research focuses on developing new treatments for depression, mild cognitive impairment (MCI) and traumatic brain injury (TBI).
- Vestaron Inc. is developing the next generation of proprietary insecticide products based on spider peptides.
- Western Michigan University’s Biosciences Research & Commercialization Center dedicates its pharmaceutical expertise and resources to the commercialization of life-science discoveries and the growth of Michigan’s life sciences sector.
**ECONOMIC IMPACT**

Nothing speaks to success like the hard numbers. We are proud to report the annual economic impact of the Innovation Center achieved through the efforts of our client companies.

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Companies Created</td>
<td>3</td>
</tr>
<tr>
<td>Number of Companies Expanded</td>
<td>8</td>
</tr>
<tr>
<td>Number of Companies Served</td>
<td>66</td>
</tr>
<tr>
<td>Jobs Created (Current Number of FTEs)</td>
<td>174</td>
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<tr>
<td>Average Annual Salary of Jobs Created</td>
<td>$43,000.00</td>
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<tr>
<td>Jobs Retained</td>
<td>174</td>
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<tr>
<td>Average Annual Salary of Jobs Retained</td>
<td>$69,898.00</td>
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<tr>
<td>MEDC Funds Awarded to Companies</td>
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<tr>
<td>SBIR, STTR, &amp; Other Federal Funding</td>
<td>$44,256,814.00</td>
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<tr>
<td>Venture Capital Raised</td>
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<tr>
<td>Angel Funds Raised</td>
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<td>Bank/Loan Financing</td>
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<td>Owner Investment Made</td>
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<tr>
<td>New Sales (Increase in Revenue)</td>
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<tr>
<td>Total dollars invested into companies</td>
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<td>People/Companies Attending Events</td>
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<tr>
<td>Patents Applied For</td>
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<tr>
<td>Issued Patents</td>
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<tr>
<td>Licensing agreements</td>
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<tr>
<td>Commercialized products</td>
<td>19</td>
</tr>
</tbody>
</table>

![Image of a scientist working in a laboratory]

Data collected from the MSF/MEC Annual Report to the Legislature, March 2017

**LOOKING AHEAD TO 2018**

As we enter the 2017-18 fiscal year, the future is bright. Several new clients are poised to enter the Innovation Center and several clients are preparing to graduate. We also look forward to more new programs and events, such as the quarterly Kalamazoo Venture Tuesday meetings. Our biggest focus will be integration — with WMed, with WMU, and with the broader Michigan technology ecosystem. It takes a village to raise a child, but it takes a robust ecosystem to support a startup. The Innovation Center is committed to our clients’ success.
INNOVATION CENTER

For more information, please contact the Innovation Center at 269.353.1823 or wmedic@med.wmich.edu

wmedic.med.wmich.edu