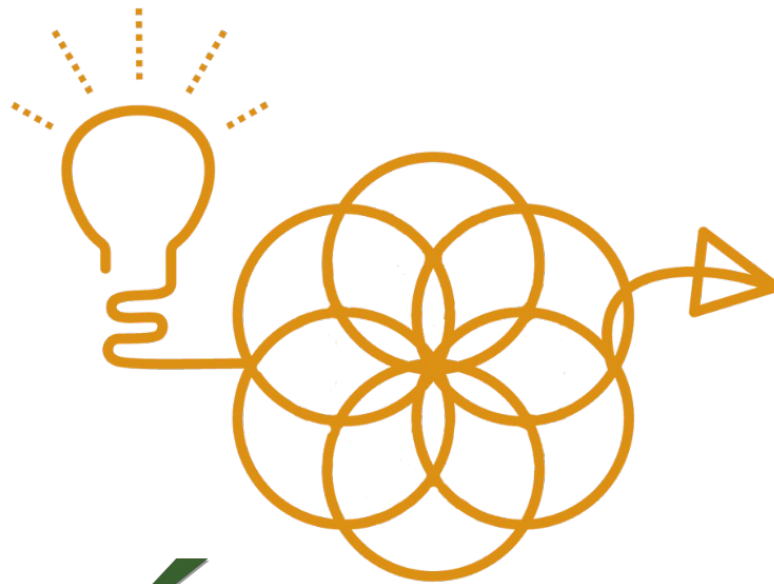




Performance Report

March 2023 – March 2024



Área-E

INCUBACIÓN & ACELERACIÓN



UPRM
E-SHIP NETWORK
Where Innovators Connect

GOBIERNO DE LA
VIVIENDA





Área-E

Incubator and Accelerator

Performance Progress Report

Grantee: University of Puerto Rico – Mayaguez Campus

Project Title: Area-E Incubator and Accelerator

Project Number: 2021-TRDR0136

Period covered by the report: 3/24/2023 - 03/24/2024

Reporting period end date: March 24, 2024

Report Prepared by: Dr. Moraima De Hoyos Ruperto (PI)

Introduction

Area-E is part of the Business and Economic Development Center (BEDC) of the University of Puerto Rico Mayaguez Campus (RUM) and consists of an incubator and an accelerator program for small businesses funded by the CDBG-DR and administered by Department of Housing, offered completely free of charge. The main purpose of the program is to support those businesses that have been affected by hurricanes Irma and María or those who arose from a need or idea due to these natural disasters. In addition, the program seeks to meet the national objective of the CDBG-DR program to promote the development of low-to-moderate income sectors, as well as companies that are women and minority owned. The ultimate objective is to promote the economic growth of Puerto Rico through the development of viable and sustainable small businesses.

Through the incubation and acceleration programs, comprehensive support is offered to businesses, aiding them in strengthening and advancing through various stages of development. The program offers, but is not limited to:

- workshops
- mentoring
- technical assistance
- networking



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Incubator and Accelerator

The program activities are focused to accomplish three mayor key indicators:

- 1) **outreach efforts** - capture all outreach efforts to socialize the program and includes all pertinent information to inform the public about the program
- 2) **business engagement activities** - capture any engagement with businesses and potential businesses who sign up and begin the program
- 3) **completion of the program** - captures information related to the completion of the small business incubator and accelerator program and improvement of business ability.

Additional program information:

- During the reporting year, Area-E had **18 interns** contributing to the program, with **4 graduate students** among them. These students represent a variety of academic disciplines such as Operations Management, Accounting, Finance, Human Resources, Marketing, Social Sciences, Geology, Psychology, Chemical Engineering, and Industrial Engineering. They actively engage in providing direct services to clients, organizing networking activities, and supporting administrative tasks. The budget allocated for intern student wages in the second year was projected to be **\$98,163**.



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Incubator and Accelerator

Activity and Indicator Progress

1.1 Outreach efforts to socialize the program

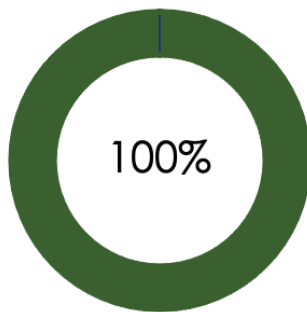
Outreach Activities Conducted

Target:

8

Actual:

2,099



Between March 2023 and March 2024, Area-E's marketing team has implemented **959 outreach activities**. These efforts encompass various channels, including posts on social media platforms such as Facebook, Instagram, and LinkedIn, as well as informational sessions.

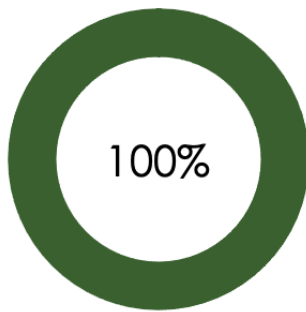
Outreach Materials Produced

Target:

8

Actual:

582



Additionally, the team has created **259 outreach materials**, including digital promotions and printed materials such as, banners and flyers as outreach efforts to promote the program.

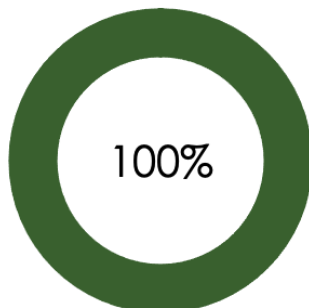
Businesses Reached

Target:

3750

Actual:

991,279



As a result of these endeavors, the program has successfully reached and engaged with **771,595 individuals or potential businesses**.



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Incubator and Accelerator

Activity and Indicator Progress

1.2 Engage businesses to sign up for the program

Applications Received

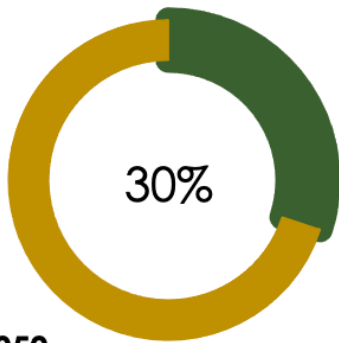
Target:

1,500

Actual:

450

Remain: 1050



Since the beginning of the program, Area-E has accumulated a total of **450 applications**, of which **190 applications** (service requests) fall within the current reporting period. Within this overall count, **27 service requests** were specifically submitted for **Cohort 3 – Acceleration**, **58** for **Cohort 4 – Incubation**, and **63** for **Cohort 4 – Acceleration**.

Businesses that begin the program

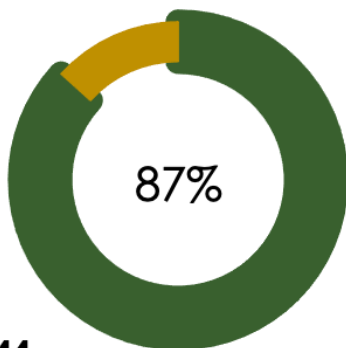
Target:

331

Actual:

287

Remain: 44



As of March 2024, **287 businesses** have started the program, achieving **87%** of the **program goal**. In the case of **Cohort 3**, **34** businesses started the **acceleration** program in May 2023. As for **Cohort 4**, a group of **35** businesses initiated the **incubation** program in August 2023, while **47** businesses started the **acceleration** program in February 2024. Each cohort has a duration of approximately one year, with the initial 6 months dedicated to workshops (for both incubation and acceleration), one-on-one mentoring sessions, and networking activities. The subsequent 3 to 6 months involve providing specialized technical assistance to the participating businesses.

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Activity and Indicator Progress

1.3 Successful completion of the program

Businesses that complete the program

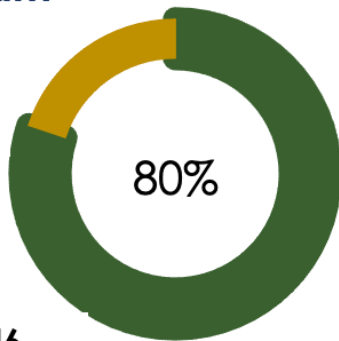
Target:

231

Actual:

185

Remain: 46



So far, **185** businesses have successfully completed either of our programs, constituting **80%** of the **program goal**. Among these businesses, **51** have actively participated in both our programs, signifying a notable accomplishment for our initiative. This dual participation underscores the program's effectiveness in delivering valuable information and tools for business owners to continue developing their businesses. Within the current reporting period, **52** businesses have successfully completed **Cohort 3 – Incubation**, **26** businesses **Cohort 3 – Acceleration**, and **31** in **Cohort 4 – Incubation**.

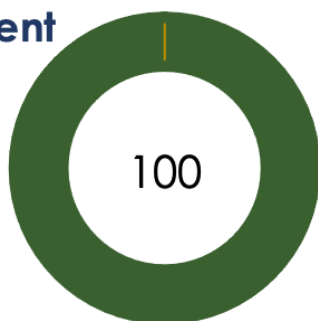
Businesses that demonstrate improvement

Target:

114

Actual:

127



Up to date, **127 businesses** have demonstrated improvement after completing the program, accounting for **100%** of the program's overall objective. Specifically, within the present reporting period, **31** businesses from **Cohort 3** and **26** from **Cohort 4** demonstrated improvement. Areas of improvement include but are not limited to development or improvement of web page, development or improvement of Business Plan, Marketing Plan, or Financial Plan, creation of business social media page, obtaining business permits or Increasing clients, profits, or employees.



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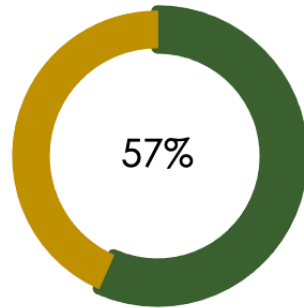
Incubator and Accelerator

Overall Relevant Statistics

Women Owned Businesses

Women Owned: 162

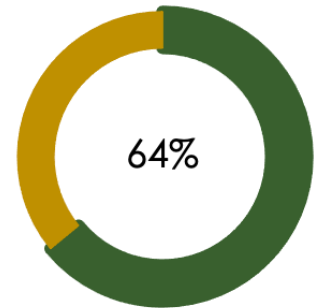
Businesses that began the program: 286



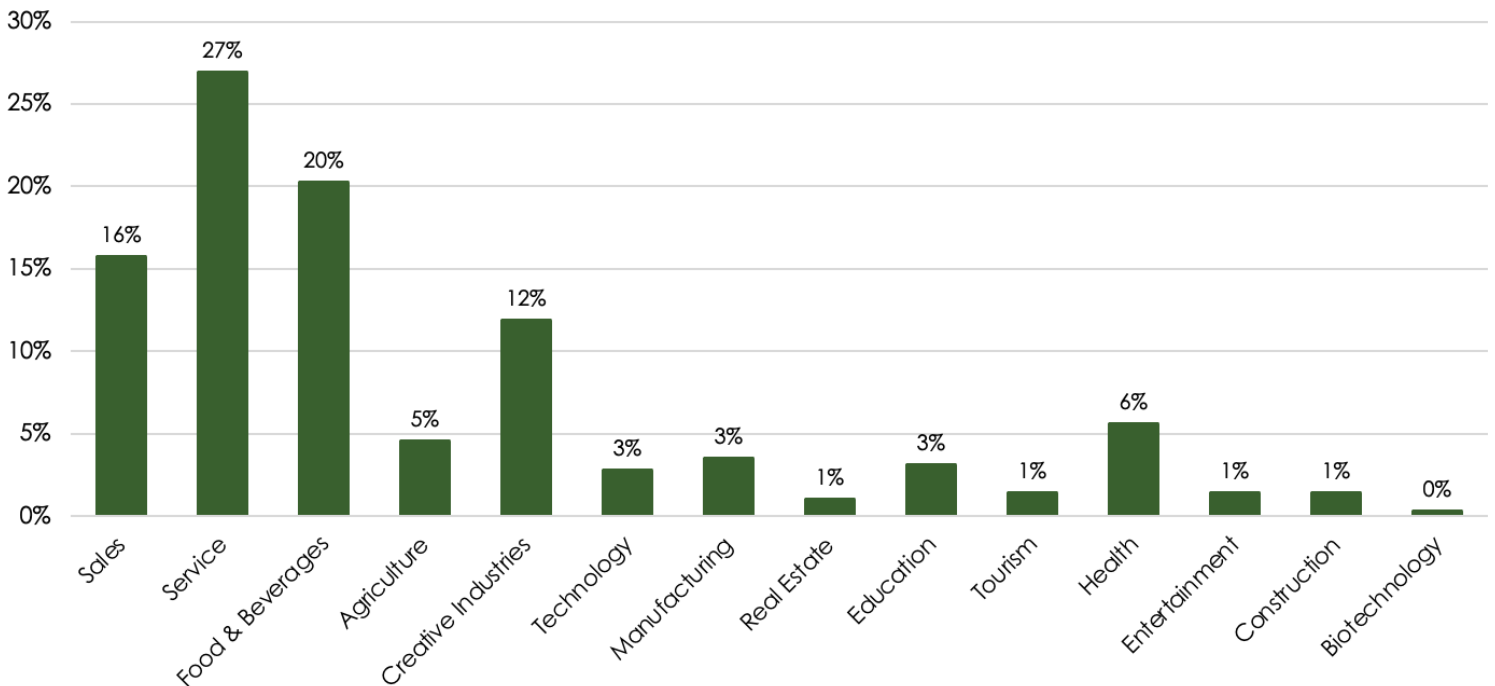
Low-to-moderate Income Businesses

LMI: 148

Businesses that must complete the program: 231



Type of Industry





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The businesses that have applied to our program are from different municipalities in Puerto Rico and include service, sales, creative industries, agriculture, food, education, entertainment, and manufacturing, among others.

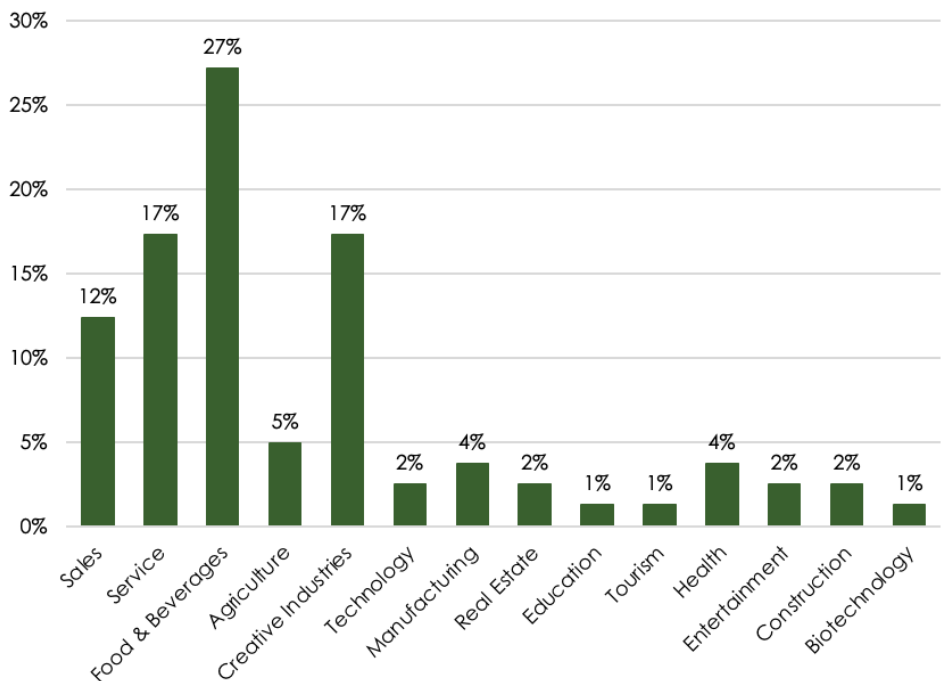
Cohort 4 Statistics

The following graphs show the location (island distribution), type of business distribution and women owned businesses that participated in Cohort 4.

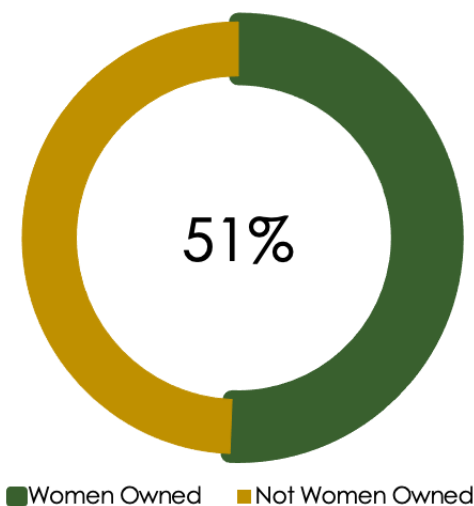
Business Island Distribution



Type of Industry



Woman Owned Businesses





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Workshops

Program workshops have been offered mostly online and lectured by experienced professors from our campus and external professionals. The program offers a variety of workshops that include topics, such as:

- Entrepreneurial Mindset
- Business Model Canvas
- Human Resources
- Marketing
- eCommerce
- Accounting and Financial Analysis
- Metrics – How to Measure Business Performance

The following table shows the program workshops for Cohort #3 – Acceleration and Cohort #4 – Incubation with their respective lecturers and expertise.

| Lecturers | Incubation | Acceleration |
|---|-----------------------------------|------------------------------------|
| Dra. Marielí Ríos (Industrial Psychologist) | Entrepreneurial Mindset | The Power of Leadership |
| Dra. Leila Marcano (UPRM Marketing Professor) | Business Model Canvas | |
| Dra. Norma Gómez (UPRM Professor) | Human Resources | Recruitment and Selection |
| Dra. Mari Luz Zapata (UPRM Marketing Professor) | Marketing | Practical Tools for Marketing |
| Prof. Jaime Sepúlveda & Dr. Marcos Ortiz (UPRM Accounting Professors) | Accounting and Financial Analysis | CRIM and Federal Taxes |
| Dr. Marcos Ortiz | - | Budgeting and Financial Statements |
| Obeth Seguinot (Entrepreneurial Consultant) | - | eCommerce |
| Prof. Jahannie Torres (Computer Engineer) | - | Metrics for Business Performance |



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Mentoring

The program currently delivers thematic or subject-specific mentoring, focusing on particular topics aligned with the workshops offered. Our mentoring sessions aim to pinpoint areas of opportunity within participant businesses. We have **24 mentors**, comprising intern students from Area-E, UPRM staff and professors, and external mentors. In **Cohort 3 – Incubation**, our mentors provided **37 hours of one-on-one mentoring**, and in **Cohort 3 – Acceleration**, they offered **35 hours of personalized guidance**. For **Cohort 4 - Incubation**, our mentors contributed over **27 hours of one-on-one mentoring** in their respective areas of expertise, under the supervision of our administrative staff. As part of the program, the staff continues to develop educational materials, including templates, guides, and manuals, pertaining to the workshop topics. These educational resources are shared with the program participants.

Technical Assistance

Technical assistance goes beyond mentoring, offering additional counseling and consulting to assist entrepreneurs in specific areas of their business. Only businesses that successfully complete the educational and mentoring program are eligible to benefit from technical assistance. This support is provided by both our internal professors and external specialists who are contracted to offer their professional services directly, aiming to provide solutions for the challenges faced by businesses within a specified timeframe. For **Cohort 2**, our specialists conducted over **25 hours** of one-on-one meetings for technical assistance. Additionally, in **Cohort 3** specialists offered approximately **39 hours**, and for **Cohort 4 – Incubation**, they provided **19 hours** of technical assistance.

Seed Funds

Successfully completing the program opens the opportunity for participants to apply for seed funds offered by Banco Popular de Puerto Rico (BPPR). These funds are designed to offer financial assistance to small businesses looking to enhance or expand their operations. Participants have the potential to receive up to \$5,000 in seed funds. To date, a total of **44** businesses from our program have been recipients of these seed funds, with 8 from Cohort 1, 16 from Cohort 2, 18 from Cohort 3, and 2 from Cohort 4.



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Incubator and Accelerator

Program Summary

| Cohort 1 – (Incubation & Acceleration) | | | | | |
|--|---|--|---------------------------|-----------------|----------------------------|
| # of businesses that begin the program | # of businesses that complete the program | # of businesses that demonstrate improvement | Training (workshop) hours | Mentoring Hours | Technical Assistance Hours |
| 34 | 28 | 22 | 36 hrs | 129 hrs | 88 hrs |

| Cohort 2 - Incubation | | | | | |
|--|---|--|---------------------------|-----------------|---|
| # of businesses that begin the program | # of businesses that complete the program | # of businesses that demonstrate improvement | Training (workshop) hours | Mentoring Hours | Technical Assistance Hours |
| 83 | 60 | 30 | 14 hrs | 22 hrs | 25.25 hrs *between Cohort 2 – Incubation & Acceleration |

| Cohort 2 - Acceleration | | | | | |
|--|---|--|---------------------------|-----------------|---|
| # of businesses that begin the program | # of businesses that complete the program | # of businesses that demonstrate improvement | Training (workshop) hours | Mentoring Hours | Technical Assistance Hours |
| 62 | 39 | 22 | 23 hrs | 41 hrs | 25.25 hrs *between Cohort 2 – Incubation & Acceleration |

| Cohort 3 - Incubation | | | | | |
|--|---|--|---------------------------|-----------------|----------------------------|
| # of businesses that begin the program | # of businesses that complete the program | # of businesses that demonstrate improvement | Training (workshop) hours | Mentoring Hours | Technical Assistance Hours |
| 68 | 52 | 11 | 15 hrs | 37 hrs | 12.75 hrs |

| Cohort 3 - Acceleration | | | | | |
|--|---|--|---------------------------|-----------------|----------------------------|
| # of businesses that begin the program | # of businesses that complete the program | # of businesses that demonstrate improvement | Training (workshop) hours | Mentoring Hours | Technical Assistance Hours |
| 34 | 26 | 20 | 12 hrs | 35 hrs | 26.25 hrs |

| Cohort 4 - Incubation | | | | | |
|--|---|--|---------------------------|-----------------|----------------------------|
| # of businesses that begin the program | # of businesses that complete the program | # of businesses that demonstrate improvement | Training (workshop) hours | Mentoring Hours | Technical Assistance Hours |
| 35 | 31 | 26 | 17 hrs | 27.25 hrs | 19 hrs |

| Cohort 4 - Acceleration | | | | | |
|--|---|---|---------------------------|---|---|
| # of businesses that begin the program | # of businesses that complete the program | # of businesses that demonstrate improvement | Training (workshop) hours | Mentoring Hours | Technical Assistance Hours |
| 47 | Information will be available in May 2024 | Information will be available in October 2024 | 17 hrs | Information will be available in May 2024 | Information will be available in October 2024 |

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Incubator and Accelerator

Networking

Networking activities have been held, providing participants the opportunity to meet and connect with other entrepreneurs, mentors, staff members, and other entities that provide services to small businesses.

Cohort 3: Closing Events (Incubation & Acceleration)

The closing event for Cohort 3 – Incubation had Pedro Rinaldi as guest speaker. He is a Puerto Rican entrepreneur and co-founder of My Cloud Menu who motivated the entrepreneurs to continue developing their businesses. At the closing event of Cohort 3 - Acceleration, the participants presented their business, exposed the project they worked on during the program,, as well as their next steps to continue developing their business. After their presentation, two business specialists provided general feedback to the business owners. At the end of both events, the participants had the opportunity to meet and connect with other entrepreneurs, mentors and staff members.



Networking between business owners

Specialist panel

Networking

Cohort 4: Closing Event (Incubation)

The closing event for Cohort 4 – Incubation had Sara Pastor as guest speaker. She is a professional actress, expert coach in image, projection and style and entrepreneur who emphasized that entrepreneurs represent their product and highlighted how projection, image, and style, actively contribute to fostering meaningful connections with our customers. As in all our closing events, participants had the opportunity to network and establish connections with fellow entrepreneurs, mentors, and staff members during the concluding segment.



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Networking

Workshops

During the reporting period, our program actively engaged in networking activities and took significant strides in providing valuable workshops to businesses. Three distinct activities were organized to address diverse aspects of business development. The first activity, offered by Joan Laureano, Vice President of the Puerto Rico District Export Council and Owner of Krystalos, delved into the challenges of product exporting. Participants gained profound insights into the essential steps required to globalize their businesses, with a comprehensive overview of the key considerations preceding the exportation of products. The second workshop, led by Dr. Gladys López, the Patent and Trademark Resource Center Representative at UPRM, focused on the topic of Trademark Registration. Businesses had the opportunity to gain valuable insights into the necessary requirements for safeguarding their patents and trademarks. The third workshop concentrated on exporting services, presented by Víctor Sánchez, President and CEO of Pharma-BioServ. Attendees were equipped with valuable knowledge and strategies tailored to the challenges associated with exporting services. Through these activities, participants not only gained practical knowledge but also had the opportunity to interact with experts and other business owners.



Program Highlights and Peer Recognition

Excellence in Innovation Award at the UEDA Summit 2023



Area-E received the Excellence Award in the Innovation category, during the annual conference of the Association of University Centers of the United States Economic Development Administration, known as the UEDA Summit 2023, which was held in Utah. The Innovation category encompassed basic research; applied, translational, problem-oriented, and industry-contracted R&D; cooperative extension services; technology transfer; etc. During the conference, Attorney Marién Méndez and Dr. Moraima De Hoyos, co-director and director of the Área-E, respectively, had the opportunity to present and answer questions, allowing peers to electronically vote for the competing programs. It should be noted that no one affiliated with our university was allowed to vote for us. However, we were honored by our peers as recipients of this recognition.





Área-E Incubator and Accelerator

Participant's Experience



José Pérez Quiñones
Salpicando el Sabor Criollo
Cohorte 3 - Incubación

"Toda la información que he recopilado aquí con Área-E me ha sido muy factible. Estoy muy contento con el desarrollo y todas las herramientas que nos facilitan a nosotros los empresarios pequeños y medianos."



María Negrón Burgos
MNB Human Resources Consulting
Cohorte 3 - Aceleración

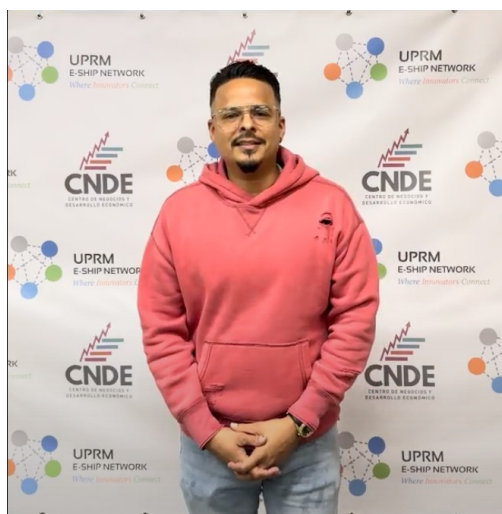
"La realidad es que participando de este gran proyecto Área-E aprendí muchísimo."

Participant's Experience



Amayris Rodríguez
Ama con Amayris
Cohorte 4 - Incubación

“Yo entiendo que todo empresario debe solicitar los servicios de Área-E, primero porque necesitas alianzas y colaboraciones donde te puedas promover, y tener compañeros para hacer crecer tu negocio...”



Jason Agron
Secret Spot Men's Grooming
Cohorte 4 - Incubación

“Le doy las gracias a todas las personas que nos asistieron en este transcurso del programa. Estoy simplemente agradecido y bendecido porque fue una experiencia brutal con respecto a las mentorías...”



Área-E Incubator and Accelerator

Press Engagement/Opportunities



EL MUNDO

Área-E recibe Premio a la
Excelencia en Innovación en
el UEDA Summit 2023

diciembre 7, 2023



Premio a la excelencia en
innovación

noviembre 5, 2023



ÁREA-E gradúa a su tercer
cohorte del programa de
aceleración

octubre 13, 2023





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Incubator and Accelerator

Press Engagement/Opportunities



AREA-E convoca a pequeñas empresas a su cuarto cohorte del programa de incubación

agosto 25, 2023

AREA-E convoca a pequeñas empresas a su cuarto cohorte del programa de incubación

Por Redacción (prensa@uprm.edu)

Prensa RUM

viernes, 25 de agosto de 2023

El proyecto Área Emprendedora, conocido como ÁREA-E, del Recinto Universitario de Mayagüez (RUM) de la Universidad de Puerto Rico (UPR), la primera incubadora y aceleradora dentro del sistema UPR, abrió su convocatoria para el cuarto cohorte del programa de incubación y aceleración. Los empresarios tienen hasta el 31 de agosto de 2023 para solicitar ingreso al programa que busca impulsar el desarrollo de pequeñas empresas en Puerto Rico.

ÁREA-E ofrece capacitación, mentoría con expertos, asistencia técnica y actividades de networking con el propósito de crear redes de apoyo en el ecosistema empresarial. El programa va dirigido a propietarios de pequeñas o medianas empresas existentes y que estén en busca de hacerlas crecer o expandirse.



52 empresarios culminaron el Programa de Incubación de ÁREA-E

mayo 9, 2023

For all press engagements, access: <https://www.uprm.edu/area-e/prensa/>