

Quick Thoughts on Starting Your (Urban) Maker/Hacker/Innovation Space

M. Rubenstein, August 2015

Run an experiment: 4-6 months, conduct lots of activity in order to:

1. Identify & Engage Customer: find out who is interested and in what
2. Identify & Engage Resources: find out what resources exist in the community that you can utilize
3. Draft Business Model: find out what people are willing to pay for and how much
4. Build Team: find co-founder/core team

1. Identify & Engage Customer: who's interested, and in what

- Decide on some basics
 - Whom do you want to serve?
 - What's the range of things you might possibly offer?
 - Set a time and place for a kickoff meeting, ~6-8 weeks away.
- Find people who are gateways to those communities, or who might have access to your target individuals, and see what they think as a starting point. (Do research, Go to their events, etc.)
 - What would you need to offer to motivate them to pass along the message to their community?
 - Pitch to them – I want to create a resource that will serve you & your community. I want to hear from you what you need. What's currently getting in their way?
- Have something to show: space, tools, people, options, drawings, videos
- Frame the invite differently to different segments, if need be.
- The Pitch: We are ____! We looking to create a resource center for ____! We might offer a number of things, ranging from ____ to ____ -- but we want your feedback. Let us know what you're looking for, what you need to help you succeed!

2. Identify & Engage Existing Resources

- Have members bring tools to share - reduces center costs, creates stronger community bond and sense of responsibility for space.

- Get new community members to help paint/build/design space – gives them sense of ownership, makes them want to bring their stuff and their friends.
- Get community members to teach classes – they'll advertise to their own networks. This ties their success to your success.
 - Asylum started by offering 60/40 split, instructor/institution, in order to incentivize people to teach there, and to recruit additional students. Then moved to 50/50 split 1 year later.
 - Needs to be made clear it's an experiment, "what we'll start with", so they don't freak out when you change it later, if you have to.
- Find other events/groups that need space, offer for them to use your space for cheap/free for their existing activities.

3. Form Initial Business Model

- 3 Models (Broadly Speaking)
 - Community driven space (hackerspace, hobbyist makerspace)
 - Can be entirely volunteer run
 - Good for serving a very small community, a community without means, or if you can't find an entrepreneur to spearhead the business aspect
 - Can be an innovation driver, but not a powerful a job creator
 - Business driven space, providing a specific service to people who need it for their business/job.
 - Less community driven, more service provider for a cost, e.g. TechShop
 - Requires a decent amount of capital investment and regular overhead, and a customer base with means to pay for the value
 - Co-working space: few tools, basically providing internet and office infrastructure.
 - The amount of community engagement can vary here, from a purely pay-for-a-service approach to actively trying to foster a community of co-workers
 - Very low overhead, can be run by skeleton staff and still provide decent quality of service.
- Possible Offerings
 - Classes/Workshops: one shot, weekend intensives, month-long multi-session, repeat often, collect feedback
 - On-site – use the center
 - Off-site – bring it to them, usually schools
 - Virtual – video tutorials, Instructables
 - Corporate Development – team building, capacity-building

- Membership Access to space/tools
 - You have things they need, that are not worth it for them to buy for themselves
- Microstudio rental
 - If they need private space near tools, and if you can offer it
- Hourly space rental
 - For local groups, if meeting space is hard to come by, and if your space is open & presentable enough
- Job Shop
 - People pay you (the company) to have things custom made for them. Works if you have tools and high-quality makers, looking for work
- Job Placement
 - You connect newly trained professionals with job opportunities, and companies with qualified candidates. Never heard of a makerspace trying this, but accelerators do it
- Products for Market
 - As a company you have your own products that you're marketing. Seen people try it, not a great idea – you have one team trying to run two very different kinds of businesses.
- Other events: collaborations with galleries, bars, etc. for entertainment events, charge for entry more than covers costs. Rare for this to be large revenue center for makerspaces.

- ***Test Offerings early and adjust!***

- Offer classes/space/events as soon as you can, with whatever limited resources are available
- Be honest and clear about what product they're getting, don't pretend it's more than it is, they'll be disappointed
- Add on with time as you can, increase prices as you increase quality of service/product

- **Growth Planning**

- Answer together with your team/community early the question “If someone gave you \$5 million, what would you do with it?”, and plan accordingly
 - i.e. would you get all the fancy tools? Build your own building? Open up 5 locations? Give everything away for free?
 - Asylum grew in part because we needed to to pay the bills, in part because Gui wanted fancier tools – some people would have preferred to stay small and maintain less corporate vibe

- Do we plan to grow our center? How? Move out? Take up/build out more space in our current location? Or open a second space in a different location?

4. Finding the Co-Founder/Core Team

- Goal (for visiting organizer): find co-founder within the first 6 months, work together for 3-6 months to handover
 - If no one by 6-9 months: wrap up & go home.
- Necessary Functions/People
 - Co-Founder, or Program manager, community manager, financial manager (can be 1 person) - full time
 - Shop manager (can be part time, but has to be visible and regularly available in case of emergency)
 - Graphic Design – project based, someone to make your website/logo/posters
 - (NOT communications: messaging and regular communications needs to be done by the primary team)
 - IT/tech – ideally professional, on call, or extremely competent & responsive volunteer
- Ways to test co-founder/person who takes over:
 - run events together - hackathons, workshops, festival
- Free Labor
 - See 2nd Document: How to Engage Community Members in Running Your IC
- Crucial Non-Staff Elements
 - Necessary Software Tools
 - Member Management
 - Access Management
 - Accounting
 - Communications/Marketing
 - Processes/Outside Expertise
 - Legal
 - Accounting
 - Permitting