ZeroSixEight

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INTRODUCTION and STATEMENT OF NEED:

Zero Six Eight seeks support for implementing and scaling an entrepreneurship training program that serves ex-offenders and those employers that are willing to hire individuals with a criminal background. We are requesting \$75,000 over a one-year period for the implementation of such entrepreneurial education of Ex-offenders. Specifically, funds are needed for instructors, materials and support staff.

Contestant Capacity:

1) ORGANIZATIONAL BACKGROUND:

Zero Six Eight is located in the Southside neighborhood of Pittsburgh, Pennsylvania. Literally, a straight line directly across the river from the Allegheny County Jail, ZeroSixEight wants their employees to see where they've been, but most importantly, where they are going. As a for-profit incubator, ZeroSixEight exists to promote innovative ex-offenders as they pursue goals of employment, entrepreneurship, and independence. The company portfolio includes companies in *construction*, *cyber-security*, *medical* and *retail* industries, owned by formerly incarcerated individuals. The organization also provides life-skills and job training services while serving as an essential support system for the community of ex-offenders through education, crime prevention and social advocacy. The business is currently nurturing 13 young startup companies, as well as its own construction business, Work Pittsburgh. In all, 85 jobs have been created for ex-offenders, with a strategic plan of growing by 100% in 2017.

2) BACKGROUND OF MANAGEMENT TEAM:

Daniel Bull, Founder

Daniel Bull is the founder of Zero Six Eight, a for-profit business incubator based in Pittsburgh, PA that exists to promote the full potential of ex-offenders as they pursue goals of employment, entrepreneurship, and independence. Daniel founded Zero Six Eight in 2013 after completing a 21-month prison sentence. Since then, the company has supported 13 startups and created over 85 ex offender jobs across a number of different industries. (Cyber Security, Construction, Retail, Medical and more) Revenues within the portfolio grew from 10,000 in 2013 to 4.2MM at the close of 2016.

Prior to 2013, Daniel was the co-founder and majority shareholder of Venture Advisors, a financial services firm that served U.S. based venture capitalists and venture-backed startups. Daniel also served on the Entrepreneurial Advisory Board at Grove City College and Foundation Board at Wesley-Spectrum Services.

Entrepreneurial Education Delivery Solution

1) PARTICIPANT RECRUITMENT PLAN:

Currently ZeroSixEight uses a well-developed vetting process for screening potential employees and identifying among the current employees those with entrepreneurial skills, desire and work ethic to create/launch a business. The organization requires a current resume, face-to-face interview with ZeroSixEight casemangement staff, followed by a final interview with founder, Daniel Bull and select project managers (all ex-offenders themselves). Incubator candidates must demonstrate a commitment to themselves and their successful re-entry, their families, and their job; have been working with ZeroSixEight for several months and demonstrate the leadership and fortitude to own their own businesses. Zero Six Eight is results driven and structured to put ex-offenders to work in gainful employment. Between its current 13 active portfolio companies, 12 of which are owned by ex-offenders, Zero Six Eight has created 85 jobs for ex-offenders in 2016, with a minimum starting wage of \$32,200 per year. in the course of three years of operation only two employees have voluntarily quit. Over a three-year period, Zero Six Eight has had a recidivism rate of 2.4%, startlingly contrasted with the national average of 67.8% in the same period. ¹

https://www.nij.gov/topics/corrections/recidivism/Pages/welcome.aspx

2) CLASSROOM INSTRUCTION

ZeroSixEight seeks to implement educational programming both in the prisons, at ZeroSixEight's facilities and in the homes. This will occur in partnership with reentry support staff, ZeroSixEight team members, and volunteer instructors (in specific subject matter expertise). Currently the classroom curriculum is planned for 14 weeks of time, and will occur over a consecutive 14-week period in the ZeroSixEight facilities. In these in-person meetings, classroom instruction will include the below topics:

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1	Entrepreneurship 101; Employment Coaching; Good Study Habits
2	Entrepreneurship 101 (Part 2); Employment Coaching (Part 2); Your Career Plan; Entrepreneurial Success Tips
3	Entrepreneurship 101 (Part 3); Preparing for Mentor Matching Night; Criminal Records and Employment; Time Management; Using LinkedIn
4	Launching your business; Cover Letters - a How-to Guide; Character Development (Part 1)
5	Conducting Market Research; Business Etiquette (Part 1); Character Development (Part2); Communication Fundamentals
6	Naming your business; How to Write a Mission Statement; Character Development (Part 3); Communicating and Interacting with Others

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7	Writing your Business Concept Summary; Business Etiquette (Parts 3, 4, 5); Lessons from an industry expert
8	Calculating your start up investment; Pitching your idea to investors; Business Etiquette (part 6); Dining Out how-to
9	Delivering a Successful Presentation; How to Practice your Pitch; Character Development (Part 4)
10	Soft skills class - Letters to Self; Five Love Languages; Character Development (part 5)
11	Pitching and Public Speaking; Digital Etiquette Fundamentals; Email Efficiency at Work; How to give a meaningful apology
12	Start up capital discussion; Attention Management; Money and Happiness; The Power of Vulnerability; Pitch practice
13	Launching your business with Limited Capital; Financing your Start-up
14	Inspiration and Encouragement; Business Plan and Pitch presentations; wrap up

Additionally, ZeroSixEight will make available various online educational resources to supplement the in-person classroom teaching. These resources include online books, tutorial guides, videos, articles, etc.

Finally, ZeroSixEight will provide in-home education as necessary by the ZeroSixEight team of case managers and project managers for individual employees. The goal of ZeroSixEight is for their employees to thrive after reentry. This includes gainful, upwardly mobile employment, as well as wrap-around services that ensure employee's success. As employee's talents are identified, crafted and honed, entrepreneurship opportunities are available to the employees, with the full support of the ZeroSixEight team, from concept to financing of such incubator companies.

3) MENTORING

ZeroSixEight's case management team interacts weekly with employees and is heavily invested in their professional & personal success. ZeroSixEight manages a "Circles" program of wrap around services for employees and provides mentoring in parenting, life-skills development, finances, leadership and employment. Through the structured mentoring relationships, employees are held to a high level of accountability in their personal and professional lives.

4) COMMUNITY CONNECTIONS

Zero Six Eight will work with a number of community organizations to help provide support services, financial literacy development and education for those reentering society. These organizations include:

- Pennsylvania Office of Vocational Rehabilitation (OVR)
- Foundation of HOPE

- Veterans Leadership Program (VLP)
- Allegheny County Parole Office
- Pennsylvania State Parole Board
- United States Federal Parole Board
- Educational Data Systems Inc. (EDSI)
- Circles Greater Pittsburgh
- Circles USA

Relationships with individual practitioners such as Landforce, EDSI, and Circles Greater Pittsburgh will result in potential qualified employer and mentor's development. ZeroSixEight will also align itself with organizations such as OVR and Local, Federal, and State parole to create systematic opportunities for people with criminal backgrounds to take advantage of gainful partnerships with potential funders, supporters and employers. Partnerships with organizations like L3, Circles Greater Pittsburgh, and Circles USA, will help provide life-skills programming and leadership development for candidates to continue to develop their personal skills while they pursue their own business ventures.

Access to Capital

1) ACCESS TO MICRO-LOANING

Zero Six Eight is a Kiva trustee and we have successfully utilized this service three times in 2016, raising a total of \$30K for ex-offenders entrepreneurial incubators. ZeroSixEight connects appropriate entrepreneurs with microlenders, such a Kiva, after the business owner has developed his idea thoroughly and completely including a business plan, obstacles, potential for growth, etc. Once the ZeroSixEight team has vetted the business idea, the business owner is introduced by the ZeroSixEight leadership to various lenders including Office of Vocational Rehabilitation, Bridgeway Capital, Neighborhood Allies, and Kiva. All of these entities have funded ex-offender's incubators in the past with terrific success. ZeroSixEight maintains a role in the incubator as determined by ZeroSixEight leadership and the business owner. For example, the business owner may request strategic planning assistance, space for their start up to exist, etc. It is on an individual basis that the incubator and owner's needs are assessed and met.

2) CONNECTION TO CAPITAL AND FUNDING OPPORTUNITIES

ZeroSixEight connects entrepreneurs and funding sources in both traditional and inventive ways. As mentioned above, strong and positive existing relationships with funders are critical in supporting our employee's incubators. These relationships are currently quite favorable and continue to be developed. ZeroSixEight staff will personally introduce each business owner to appropriate funding sources, after substantial investment has been made in developing and testing their business plan. This is currently on an as-needed basis, and could develop into a more formal program of incubator owners "Pitching Ideas" to investors in a collective group setting. Additionally, ZeroSixEight hosts various community events, namely the

"Failure:Lab" which has become a popular event in the region. Our largest community engagement activity to date is Failure:Lab, an advocacy event produced by Zero Six Eight and hosted in Pittsburgh. Failure:Lab showcases the personal failure stories of prominent individuals in our community, past speakers have included business leaders, politicians, pastors, etc. The Failure Lab his increased the visibility of ZeroSixEight exponentially, and provides unparalleled networking opportunities for employees and business incubators, given the speakers and the audience members that are drawn to this event. Finally, ZeroSixEight Founder, Dan Bull, is a featured guest speaker at various governmental events, non-profit workshops, and investor roundtables, which allows Dan to continue to develop and invest in community relationships of critical

importance to ZeroSixEight incubator owners.