

U.S. Small Business Administration InnovateHER 2016

New Mexico Local Host Competition Winner Details and Submission Package

Cover Page

Winning Company: Dovetail Community Workshop

Team Members:

Erin O'Donnell, CEO

Sonja Dewing, Marketing and Communications (primary point of contact)

Nicole Taylor, Business Strategy

Product/Service: Woodworking Makerspace

Contact Information:

Address: 202 Broadway Blvd. NE, Albuquerque, NM 87102

Phone Numbers: 505.235.5047

Website: <http://www.dovetailworkshop.com>

Email Address: dovetailabq@gmail.com

Local Host Details:

Emerging Technology Ventures Inc.

Del Mackey

1300 La Velle Rd

Alamogordo, NM 88310

(575)483-6002 Ext. 803

del.mackey@etvamerica.com

Product/Service: Dovetail Community Workshop provides an organized woodworking makerspace in Albuquerque, NM. While open to all, Dovetail's main focus is empowering women through training in woodworking skills and small business creation.

Number of Applicants in Competition: 3

Business Plan

Dovetail Community Workshop

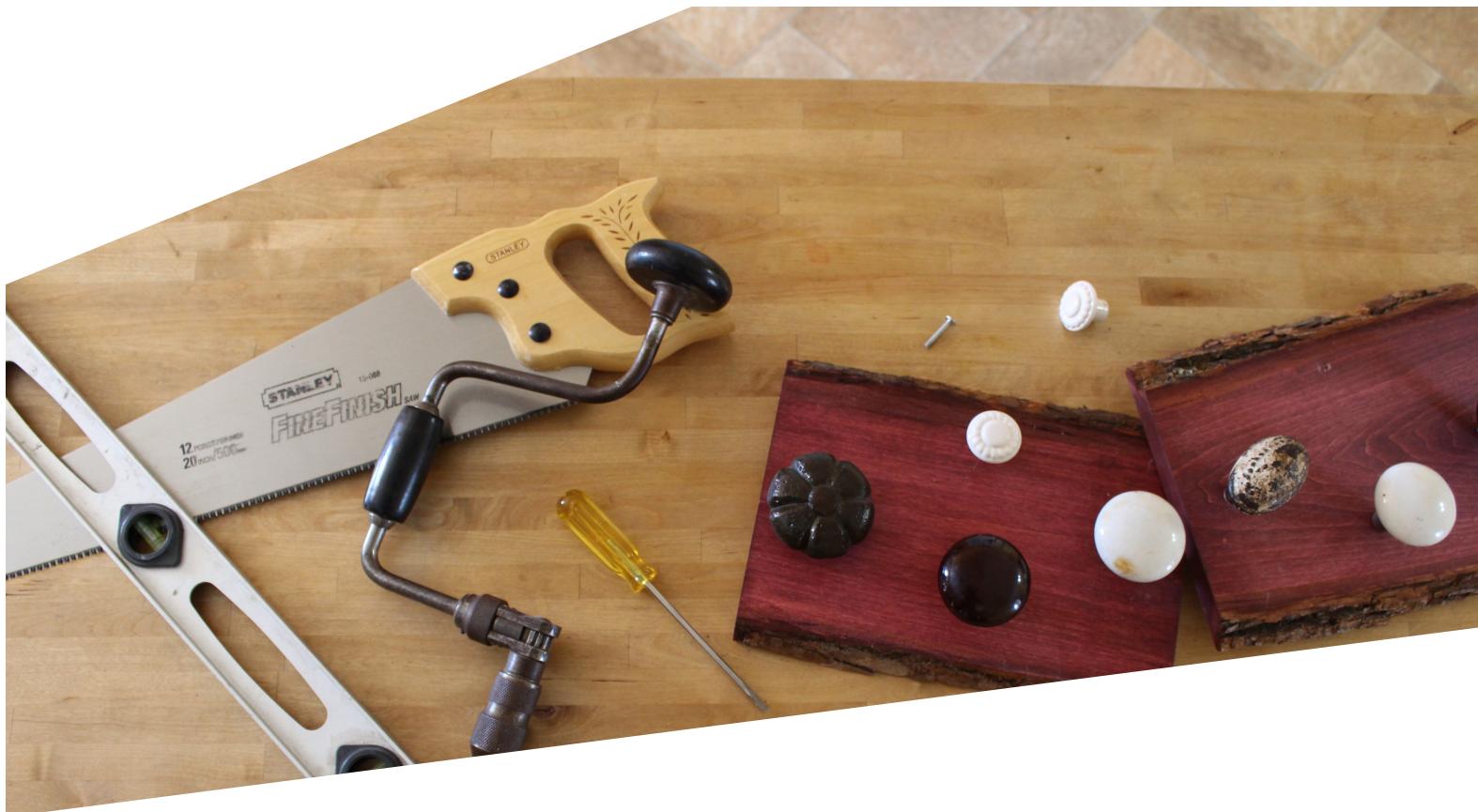


Table of Contents

| | |
|---|----|
| Executive Summary | 2 |
| The Company..... | 2 |
| Mission statement..... | 3 |
| Measurable impact on the lives of women and family..... | 3 |
| The Product..... | 4 |
| Features/Uniqueness | 5 |
| Benefits..... | 5 |
| Competition..... | 5 |
| Price | 5 |
| Quality | 5 |
| Intermediate and long-term goals..... | 6 |
| Seed Funds Use | 6 |
| Commercialization Plan | 6 |
| Commercialization Opportunity | 6 |
| Advertising & Promotion | 7 |
| Market Analysis | 8 |
| Target Market..... | 9 |
| Market Size & Trends..... | 10 |
| Competitors..... | 10 |
| Threats..... | 10 |
| Opportunities | 11 |
| Company | 13 |
| Strengths..... | 13 |
| Weaknesses..... | 13 |

Executive Summary

Dovetail Community Workshop is focused on bringing an organized makerspace to Albuquerque, NM. Our main focus is helping and empowering women and we plan on offering training for low income women. Initial funding will be used to begin a pop-up shop and special "girls night out" events to create a special project.

The services that we'll offer aren't currently available in Albuquerque, and makerspaces like this are appearing all over the country and have been successful.

We know from our surveys, talking with potential customers, and fan posts on our Facebook page that there are a great deal of residents excited and interested in using a space like Dovetail would offer.

The Company



Dovetail Community Workshop will be a woodworking shop open to people who need space to work on their projects or access to tools they don't own. It will also offer classes and special events geared toward newcomers to woodworking.

"Do it yourself doesn't have to mean do it alone."

Dovetail is led by:

- Erin Perry O'Donnell, CEO: A longtime independent communications contractor, Erin has specialized in writing about small businesses for the last few years. She is also an avid do-it-yourselfer with a desire to empower other women to uncover their own hidden abilities.
- Sonja Dewing, Marketing Director: A soloprenuer running a writer and trainer business, and co-founder of Dovetail. Her experience lies in marketing for businesses, crafting, and teaching.

- Nicole Taylor, Strategic Coordinator: Is owner and sole proprietor of House Nanny and founder of Inspire Purpose, a women's entrepreneur meet-up group. As a community mentor for businesses, has joined Dovetail Community Workshop to connect the company with synergistic opportunities throughout Albuquerque.

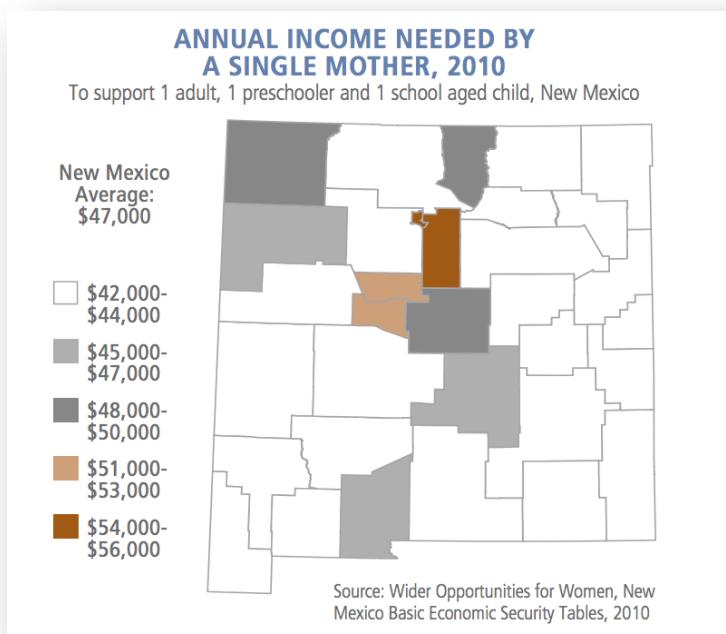
Mission statement

- Our mission is to empower people with tools and knowledge.
- Our vision is to continue traditional woodworking skills for future generations.

Measurable impact on the lives of women and family

Dovetail will open opportunities for local women to learn woodworking skills so that they may start their own small business or create supplemental income.

According to NewMexicoWomen.org, women who run households require anywhere from \$42,000 to \$56,000 in order to maintain a healthy and appropriate lifestyle for their families. Yet the current [mean salary](#) in Albuquerque is \$48,000 with women and minorities generally 10% less than the average, and rural women 15%-30% less than the average.



"The top five employment sectors that employ the largest number of New Mexico women are healthcare and social assistance (61,514), educational services (40,525), public administration, i.e. government (27,964) and **arts**, entertainment and recreation (23,781).

The demand is high for handmade items in the modern marketplace, and these skills can help low-income women improve the standard of living for themselves and their families. We will offer assistance to our users to help market their handmade products effectively, such as via Etsy.com, an online marketplace for artisans and crafters to sell their creations directly. According to a March 2015 SEC filing, Etsy had 1.5 million sellers; 86 percent are women, and most run their businesses from home

(<http://expandedramblings.com/index.php/etsy-statistics/>). Etsy's 2014 sales totaled \$1.93 billion. As of January 2015, 30 percent of Etsy sellers reported that their creative business was their sole occupation. (<http://www.statista.com/statistics/290520/share-of-full-time-etsy-sellers/>).

Only 10 of the Albuquerque Woodworkers Association's 250 members are women. But interest in woodworking is growing, and we are aware that a female-friendly environment and classes will empower more women to act on their desire to learn these skills.

We would offer classes and Etsy assistance at discounted rates or free through sponsorships for low-income women, therefore giving them the training and opportunity to learn a new skill. If they are successful in their business, we'll ask that they in turn sponsor another woman to attend a class and grow.

The Product

Dovetail Community Workshop is a woodworking shop open to local artisans and craftspeople in need of workshop space or access to tools they don't have at home. It will also be a place for newcomers to learn woodworking skills. Shop users can buy a monthly renewing membership or rent space by the hour. We have a particular focus on creating a welcoming, non-intimidating environment for women.

Features/Uniqueness

We'll achieve this through inviting interior design, intuitive shop organization, classes targeted to women, and special project events where we will provide the materials and guidance to make home décor items. We will have staff on site at all times to mentor shop users, offer guidance, and enforce safety practices.

Benefits

In addition to building confidence through new skills learned and projects achieved, women can also learn how to market and sell their creations, at local markets and via online marketplaces such as Etsy.com.

Competition

There is one other makerspace in the Albuquerque area with a woodshop area. However, woodworking is not its primary focus. The shop is small and cluttered, and there is no support for novice users. Dovetail intends to foster a community among its users, encouraging them to share knowledge and support one another in new challenges.

Price

Dovetail will offer several tiers of membership for unlimited shop access and discounts on classes and events, or pay-as-you-go plans.

Quality

Our workshop will be more than a big room with tools. It will be a clean, well-organized shop with well-maintained equipment and a strict attention to safety procedures. Beyond that, we envision Dovetail as a community of craftspeople who learn from one another in the welcoming environment we provide. The maker community values sharing and collaboration, which they can't find in their own garage.

Intermediate and long-term goals

In the short term, we plan to sell enough memberships, hourly rentals, and class enrollments to become self-sustaining. Long term, we would like to open multiple locations, add more advanced machinery, and offer tools for additional disciplines such as textiles and metalworking.

Seed Funds Use

The seed funds would help us with preliminary advertising and staging of one or two pop-up events, where we would provide the materials and assistance for people to "make and take" a specific woodworking project with simple tools in one sitting. It would also allow us to purchase large machinery that people would like to use but would not purchase for personal use, such as a CNC router or large table saw.

We also plan to explore additional grants for female entrepreneurs, explore angel investment opportunities, and pursue at least one crowdfunding initiative.

We estimate it will take \$175,000 to open our doors with a minimum inventory of equipment and instructors on our roster.

Commercialization Plan

Commercialization Opportunity

Dovetail Community Workshop provides a service for a fee to the local woodworking and crafting community -- a service that isn't found elsewhere in our market. What we sell is access to shared tools and workspace, the opportunity to grow skills and gain knowledge, and the freedom from doing it all yourself.

In a survey of potential members, we repeatedly heard comments such as "Can't afford a lot of tools and no place to store them. Studio apartment living doesn't leave space for a workshop area." Others who expressed interest or skill at woodworking said they didn't do it more often because of space constraints, lack of equipment, and lack of knowledge. The same respondents

indicated a strong desire for a communal woodworking space and a willingness to pay for access.

Advertising & Promotion

For promotions and advertising we plan to use the following strategies:

| Type | Cost | Notes |
|---|---------------|---|
| Local print and online outlets | \$850-\$1,600 | Ads for one month |
| Targeted social media campaigns | \$25 | Can target pay-per-click ads to reach 3,000-7,000 users in our metro area with an expressed interest in woodworking and crafts. |
| Enlist regional DIY bloggers as brand ambassadors | \$100 | Payment for sponsored posts |
| Rent booth space at area craft fairs to promote Dovetail | \$100 | |
| Host pop-up workshop events for people to make a project in one sitting with simple hand tools. | \$500 | Monthly or bimonthly |
| Seek earned media coverage in local newspapers, magazines, websites, and broadcast outlets. | \$0 | |
| Develop synergistic partnership with local woodworking clubs and suppliers | \$0 | |

Product/Service Pricing Policies:

Based on research of similar public workshops across the country, we developed this pricing model is based on three main categories:

- Monthly memberships
- Hourly rates for workshop use
- Class tuition

Monthly Expenses/Revenue Break Even:

| Expenses | | Notes |
|-----------------------|----------|-------|
| Materials | \$500 | |
| Payroll | \$10,000 | |
| Equipment Maintenance | \$200 | |
| Rent and Utilities | \$3,000 | |
| Advertising | \$160 | |
| Total | \$13,860 | |

| Revenue | | |
|----------------|----------|--|
| Memberships | \$6,250 | 50 annual memberships |
| Pay As You Go | \$6,250 | 250 hours/month |
| Class Tuitions | \$1,400 | 2 classes/month, 6 students minimum |
| Total | \$13,900 | |

Distribution

Our services will be distributed at our own workshop as well as via pop-up events throughout our metro area. Potential members and customers can come to these special events to make a single item in a single setting and learn more about what would be available to them as workshop members.

Market Analysis

Customers

Our research shows that our customers will be to a wide audience.

In particular:

1. Women who have an idea in mind, but no location to make it.
2. Women who want to learn a new craft.
3. Men and women who have advanced experience in woodcraft, but no space or the right equipment to make what they want.
4. Students from the local area without access to a machine shop.

5. Entrepreneurs who want to make prototypes but don't have the funds to pay a manufacturer for the work.

Target Market

1. Women who have an idea in mind, but no tools, knowledge, or space to make it.

From our Facebook page:



Consuela Osborne
5★ It's a great idea for all of us without
the space for all the tools we need to
make the projects we envision.
November 16, 2015 · 

2. Men and women who have advanced experience in woodcraft, but no space or the right equipment to make what they want.

From our Facebook page:



Dan Worley I really miss my Dad's workshop I have made custom desks, cabinetry shelves, small turned items like rings, and knobs. Made this fold down table last year wish I had space for more equipment.



Market Size & Trends

According to NewMexicoWomen.org report, over three-quarters (77%) of New Mexico households are headed by women, either singly or as part of a married couple. One-third of New Mexico households headed by women include children.

Out of the surveys we conducted at Startup Weekend, 72% of those surveyed said they would want to use the workshop, 60% of those were women.

Competitors

Threats

Our only current competitor in this space in Albuquerque is Quelab, a non-profit organization. Their space is meant to be a technical and woodworking space, however, they don't offer woodworking classes, or a lot of project space, and the location is a bit disorganized (hard to tell where one space ends and another begins). Imagine someone's Dad's garage with tools and equipment wherever, and that's what you'll find at Quelab. This works for them and their predominately male users.

Photos from Quelab:



Opportunities

The [Christian Science Monitor](#) reports on the growing need for makerspaces, "The explosion of makerspaces is a response to a growing sense of disconnection from the physical world, suggests Matthew Crawford, author of 'Shop Class as Soulcraft' and fellow at the Institute for Advanced Studies in Culture at the University of Virginia in Charlottesville."

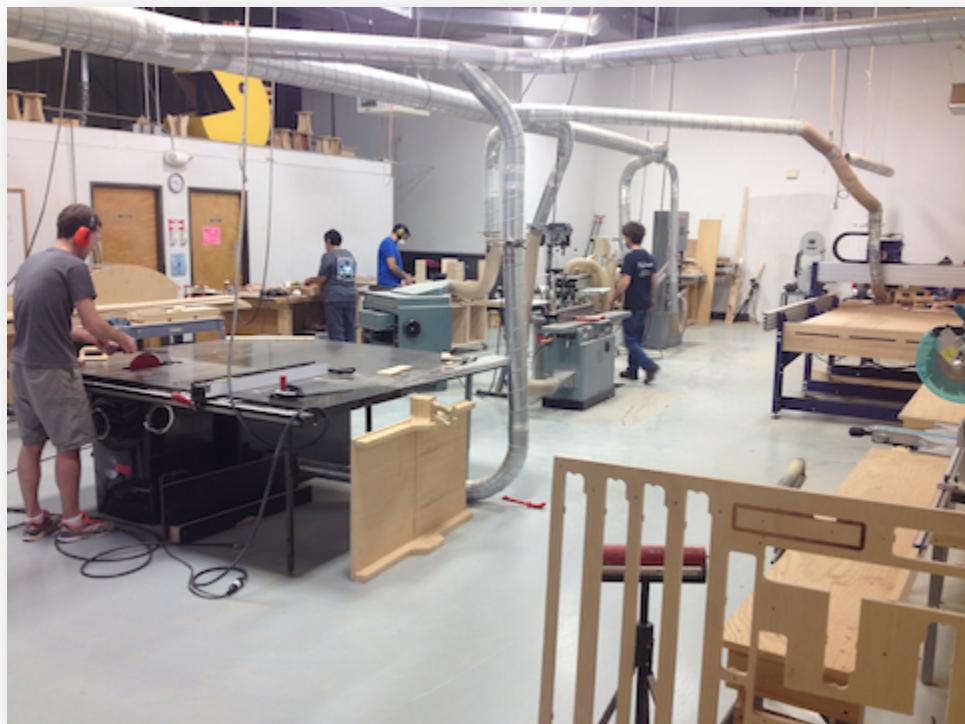
In relation to that report, our customer validation that we started during Startup Weekend and have continued, we found that many women were interested in doing group projects. For example: Getting a girl's night out to make something special, or even a shower party where each person makes a part of a train as a baby gift.

In addition, in our research no one we spoke to had heard of Quelab.

Our main opportunities are to:

- Differentiate ourselves from Quelab by focusing on women as our top priority
- Create an organized and spacious location
- Fun activities
- Advertising to spread the word about our business

Our vision:





Another opportunity arose during our customer validation. While talking to experienced woodworkers, many who are now retired expressed their interest in teaching, as well as using our facility. We plan on utilizing that interest to help build our list of experts.

In addition, many individuals we have talked to are interested in donating their equipment to our business. We would hire a mechanic to inspect everything donated and ensure it's safe before use.

Company

Strengths

Our strengths lie in our knowledge of business, simple woodcraft, our ability to teach, write instructions, coordinate events and simple projects, and find connections and opportunities within the community.

Weaknesses

One of our weaknesses is that we are not experts in woodworking, but amateur crafters with some knowledge. We plan on leveraging the interest of experienced woodworkers to help build classes and interest in use of the space.

In addition, we have never run a business like this. We plan on visiting other workshops outside of Albuquerque, building connections with other business owners, and learning from those connections.

Emerging Technology Ventures Inc.
1300 La Velle Road
Alamogordo, NM 88310
Tel 575.483.6002 Ext. 801
cliff.hudson@etvamerica.com
www.etvamerica.com



December 3, 2015

Ms. Erin Andrew
Assistant Administrator
Office of Women's Business Ownership
409 3rd Street, S.W. Suite 6600
Washington, DC 20416

Subject: Statement of Support InnovateHER 2016 Submission

Dear Ms. Andrew,

Emerging Technology Ventures Inc. in conjunction with the New Mexico Small Business Development Centers and the New Mexico Economic Development Department are proud to submit its InnovateHER 2016 competition winner, Dovetail Community Workshop. Though the organizations received a number of quality submissions, the Dovetail Community Workshop team rose above the other competitors not only for their innovative idea, but also for their professional approach and comprehensive business plan structure that will support women entrepreneurs in the Albuquerque, NM region.

It is the collective opinion of Emerging Technology Ventures, the New Mexico Small Business Development Centers and the New Mexico Economic Development Department that “Dovetail Community Workshop” not only best satisfies the competition criteria of (1) a product or service that has a measurable impact on the lives of women and families; (2) has the potential for commercialization; and (3) fills a need in the marketplace but it also has great potential for sustainable success in the marketplace and the creation on new entrepreneurs.

The Dovetail Community Workshop team is structuring the service to support an entrepreneur throughout the development, creation, and product delivery by training, space, equipment, and sales platform assistance. The measurable impact to the lives of families and the robust matching of a marketplace need heavily support commercialization prospects. Though the initial deployment of the model will be limited due to geographical limitations, Dovetail will be developing a scalable model that can be deployed to other underserved regions of the State of New Mexico, both urban and rural. It is the broader impact that will create a support network for artisans to enter an international marketplace.

As an SBA funded Regional Innovation Cluster, we look forward to continuing to support the growth of the Dovetail Community Workshop. Along with our service partners, we will provide a portfolio of business, marketing, and technical services to support the maturation and expansion of the opportunity

statewide, especially the most underserved communities including the Native American artisans seeking pathways for their products into the marketplace.

Thanks you for sponsoring such an important competition and supporting outreach across the nation. Please do not hesitate to contact our team if further background information is required.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene C. Hudson".

Eugene C. "Cliff" Hudson
Chief Executive Officer
Emerging Technology Ventures Inc.