State asks: Who wants to be an entrepreneur?

By John Reinan
Star Tribune Staff Writer

Big thinkers of Minnesota, pop those half-baked ideas into the oven. The governor wants to know if you’re cooking up the next Medtronic.

Gov. Tim Pawlenty on Wednesday announced the first annual Minnesota Cup, a competition for breakthrough business ideas. Sponsored by the University of Minnesota and backed by a roster of business leaders, the contest will award $25,000 in seed money plus free professional services to the idea judged most original and commercially viable.

“The ongoing vitality of our state’s economy depends upon the constant discovery and commercialization of innovative, entrepreneurial ideas,” Pawlenty said at a news conference. “It’s these breakthrough ideas that have the powerful potential to grow and become the next Medtronic, Cargill or 3M of our state.”

The idea for the Minnesota Cup came from Scott Litman and Dan Mallin, two Minneapolis e-marketing entrepreneurs who recently left Connect@jwt, the company they founded in 1991 as Imaginet.
IDEA from D1

Winner will be chosen from 30 semifinalists

Nearly 20 years ago, as a University of Minnesota student, Litman entered a national contest sponsored by Apple Computer Inc. to design the computer of 2000. He was chosen from among thousands as a finalist, and said the experience led directly to the birth of Imaginet, which grew into one of the top 10 Web-marketing firms nationwide.

"It opened the door. People were calling me," said Litman, 38. "When I started Imaginet, it was people I had met through the contest who were the key to my being able to start a company at such a young age."

Litman and Mallin reasoned that similar exposure could help another Minnesotan bring an idea to market.

"We're not 'The Apprentice,' but this is a far more reasonable and practical path to success," Litman said, referring to the hit TV series in which applicants vie for a job with mogul Donald Trump. "Every judge on our review panel is going to be someone who has had experience mentoring people and bringing ideas to light."

The contest is open to all Minnesotans — students, tinkerers, small-business owners and corporate cubicle-dwellers. Applications will be accepted online through May 6 at http://breakthroughideas.umn.edu. Thirty semifinalists will be chosen, with the presentation of the Minnesota Cup set for sometime in August.

The prize money comes from an endowment created by Dave and Carolyn Cleveland, longtime supporters of entrepreneurial studies at the university. Dave Cleveland was a well-known champion of small business at Riverside Bank, which he founded in 1973 and sold in 1999 to Wisconsin-based Associated Bank for $89.9 million.

Pawlenty took advantage of the contest announcement to tout the latest startup firm to locate in the state's Bioscience Zone, a tax-incentive program passed by the Legislature last year that covers parts of Minneapolis, St. Paul and Rochester.

More than 20 companies have opened in the Twin Cities zone since the legislation was passed, said Gene Goddard, a spokesman for the state Department of Employment and Economic Development.

Innovalight recently moved from Austin, Texas, into the former Bureau of Criminal Apprehension headquarters on West University Avenue in St. Paul. The company is developing lighting systems based on nanotechnology research by University of Minnesota scientist Uwe Kortshagen.

"Innovalight is a case study for innovative economic growth," Pawlenty said. "We're proud of the state's Fortune 500 companies, but big companies do what they do: They merge, they move around, they change.

"It's important to grow entrepreneurial companies. It's important to find that next generation."

John Reinan is at jreinan@startribune.com.