Four Businesses Split $125,000 in Second Round of Ratcliffe Shore Hatchery Program

SALISBURY, MD—Entrepreneurs funded through the most recent round of Salisbury University’s Phillip E. and Carole R. Ratcliffe Foundation Shore Hatchery program represented the most diverse group of businesses yet.

Their winnings totaled some $125,000, during the final round of the first year of the five-year, $1 million initiative to assist entrepreneurs and help them create new jobs.

On the same day, many Shore Hatchery participants also auditioned for ABC-TV’s Shark Tank, holding its first small-market auditions at SU for the show’s sixth season. However, it didn’t take a reality TV producer to draw the attention of Ratcliffe’s judges to their business plans. In many cases, their stories were as compelling as anything on network television.

Take 17-year-old Joost Elling of Bethany Beach, DE, for example. While most teenage boys are thinking about sports, cars and school, the Indian River High School senior looked to his Dutch lineage to help expand his business selling and selling “stroopwafels,” caramel-filled cookies popular in Europe.

Wold and Burke, with Joost and Bart Elling of Joost Waffle Company, center Shore Hatchery judges were impressed enough with Elling’s business plan — and his cookies, which he passed around for sampling — to award him $10,000 to purchase a second specialty waffle iron and explore ways to preserve the treats’ freshness.

Wolfe or lose, participants in the competition also receive mentoring, usually from members of the Shore Hatchery board of directors, which includes such prominent area business leaders as Perdue Farms Chairman Jim Perdue and Secrets Jamaica USA owner Leighton Moore. However, Elling’s mentors, John Churchman and Navid Mazloom, are affiliated with the program in a slightly different way. They are the owners of College Scooters and Cycles, whose $45,000 Ratcliffe Shore Hatchery award was announced just seconds after Joost Waffle Company’s.

“His in the position we were just a few years ago,” said Churchman. “We are happy to share what we have learned.”

Churchman credited the mentoring they received from board members Bruce Rogers and Mike Cottingham, after not being funded during the first round of the Shore Hatchery program last fall, with earning the largest single award bestowed by the judges during the most recent round. This spring, their business plan represented a larger focus on branding, budgeting and marketing.

“The growth we have seen in this plan is tremendous,” said SU Entrepreneurship Competitions Director William Burke upon announcing the award.

Churchman came up with the plan for College Scooters as an SU student, competing for the Franklin P. Perdue School of Business’ annual Bernstein Achievement Award for Excellence, today the capstone in the University’s annual student entrepreneurship competitions. Though he did not win the Bernstein Award, which provides winners with startup funding, he called the experience “a good stepping stone” and was able to use his business plan to secure private funding. He started College Scooters as a sophomore in 2013.

Originally an online business, it soon grew to include brick-and-mortar stores in Salisbury and College Park, MD. Now the top scooter and cycle dealer in Maryland, the company focuses on creating a collegiate experience for buyers. Stores are “campuses” with various components including a “student commons” waiting room and “quad” showroom. Sales representatives are “deans” and “professors.” Customers are “students” who “graduate” with their purchases — complete with diplomas.

Burke, center, with Matt Smith and Doug Hasley of Leverage Mobile-With the Ratcliffe funding, Churchman, who earned his B.S. in marketing and information systems from SU in 2013, plans to update the showrooms at his current stores and put money toward opening a third in Baltimore.

One Shore Hatchery winner is already operating in the Baltimore area. Last year, SU alumnus (and former Bernstein Award winner) Tim McFadden and his business partner, Ari Wanteer, received $25,000 to increase production capacity and marketing for a waterproof decorative light bulb, the Permalights, through their Charm City-based Zero Gravity Creations studio.

Since then, they have explored other options for using Magmarbod, a metalglass fusion process they devised to make the Permalights possible. The team updated the Ratcliffe judges on two new products in development. First was a series of lighted beer taps that may add “brightest display” to the age-old argument of whether “taste great” or “less filling” is a brew’s best virtue.

The second, and more serious, product was Hypersonic Flash, an illuminated rescue beacon with a GPS signal that would be carried on ships and planes, and activated automatically upon contact with water in the event of a crash.

Zero Gravity is already a Shore Hatchery success story, having hired seven new employees since 2013 due, in part, to funding received during the first round. The company was awarded an additional $15,000 to continue research, development, marketing and production initiatives for its two newest products.

Matt Smith, chief technology officer for the Salisbury-based Leverage Mobile, hopes to find similar success with his newest business. The digital mobile solutions company, which opened its doors just three months ago, provides cloud-based mobile app creation, device management and integration.

Ari Wanteer, center, of Zero Gravity Creations, with Wood and Burke Smith came up with the idea for the business as an information technology consultant. He saw more and more companies becoming frustrated with the traditional consulting model, which could be expensive and time consuming, and also required up-front fees for results that were not guaranteed. Leverage Mobile, he said, uses new technology for a more effective, streamlined process. The judges agreed, awarding $35,000.

Smith and his co-founders, Ron Hodges and Doug Hasley, hope to use that money to hire two employees. They also are helping to train SU students for the business world, accepting four as interns this summer.

The Ratcliffe Shore Hatchery program is administered through SU’s Perdue School. According to the school’s dean, Dr. Bob Wood, it represents the largest gift given by the Baltimore-based foundation to date. Its goal: to fund entrepreneurs and have new businesses opening within six months, with the potential ofemploying five or more within a year.

The second year of the competition is scheduled for next fall, with a potential $300,000 in seed funding available.