



NEWS RELEASE

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For more information contact:
[Courtney Overbey](#)

Business Accelerator Fund Receives Additional Funding to Build on Support for 53 Companies During Outbreak

LANSING, MICH. Following the expansion of the [Business Accelerator Fund \(BAF\)](#) guidelines lasting from April through June – which led to 53 companies being served around the state – the Michigan Strategic Fund has approved the transfer of an additional \$700,000 to the BAF to continue supporting business accelerators in Michigan’s [statewide SmartZone network](#) that are serving startups and high-tech companies impacted by the COVID-19 outbreak, the Michigan Economic Development Corporation (MEDC) announced today.

“The level of innovation and resilience that Michigan’s entrepreneurs and high-tech startups have demonstrated over the past five months in the face of a worldwide pandemic has been nothing short of inspiring,” said Fred Molnar, Vice President of Entrepreneurship and Innovation at MEDC. “By working with our trusted partners at the Small Business Development Center, we are ensuring Michigan’s entrepreneurial ecosystem has the support and resources it needs to maintain and even continue growing throughout this crisis.”

Funded by the MSF and administered by the [Michigan Small Business Development Center](#) (SBDC), the BAF provides a series of grants of up to \$50,000 to business accelerators to help high-tech businesses access certain specialized services they need to grow. In [April](#), the MSF Board approved an expansion of the BAF program guidelines to allow business accelerators to use the program’s \$1.43 million in FY20 funding to support entrepreneurs and startups with the capabilities to provide assistance during the COVID-19 outbreak.

In addition to contributing to the survival of 53 companies across the state, the BAF expansion in April led to the additional support for seven companies developing advanced technology that directly supports the state’s COVID-19 response. These technologies ranged from oral vaccine development and 3D lung imaging to patient screening approaches, all of which could be applied to address the public health impacts of COVID-19.

The high demand for BAF program support in recent months has led to the depletion of the \$1.43 million in BAF funds as of July. As a result, the [MSF Board today approved the transfer of \\$700,000](#) from the Emerging Technologies Fund – a matching program for federal funds, which have significantly declined in 2020. The ETF will apply for replacement funding once the federal funds begin to be awarded once more.

“As soon as the COVID-19 crisis hit, we knew that Michigan’s small businesses would be among the driving forces in developing the technologies needed to fight this pandemic,” said Phil Tepley, Director of Technology Commercialization and Growth at SBDC. “We worked with MEDC to modify our rules to

ensure we could best accommodate companies developing the most compelling innovations to help combat the virus.”

Chemical manufacturer [Tygrus](#) in Troy is one of many companies that has benefited from the expanded BAF guidelines in recent months. The company has developed a safe, non-toxic acid called Tydracide that has gone through rigorous testing by a third-party lab and has shown to be effective in killing the COVID-19 virus. Through BAF support from the [Centrepolis Accelerator](#) at Lawrence Technological University in Southfield, the company received the guidance and support it needed to seek federal approvals that will enable the product to be marketed. Support provided through the BAF program also enabled the company to prepare for production of the product once approved at the federal level, with the intention of producing one million gallons per week at its Madison Heights facility, along with an expansion of its company, signaling the creation of new manufacturing jobs down the road.

“The BAF assistance Tygrus received to conduct some of the testing required for EPA approval was greatly appreciated. By providing privately owned local businesses like ours with this type of critical government assistance, we are able to join together to find innovative solutions to combat COVID-19 once and for all,” said Dan Jenuwine, CEO at Tygrus.

To date, the MEDC has launched 19 COVID-19 relief and recovery programs supporting more than 3,500 businesses in the state, with up to 10,000 companies expected to receive support by the end of 2020. MEDC COVID-19 relief programs have also helped to retain more than 15,400 jobs across all 83 counties. To learn more about MEDC’s COVID-19 response programs and the impact they are having on economic recovery efforts, visit michiganbusiness.org/covid19response. Other resources for economic reopening efforts as well as businesses across Michigan struggling with economic losses as a result of the COVID-19 virus can be found online at michiganbusiness.org/covid19.

Information around this outbreak is changing rapidly. The latest information is available at Michigan.gov/Coronavirus and CDC.gov/Coronavirus.

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About Michigan Economic Development Corporation (MEDC)

The Michigan Economic Development Corporation is the state’s marketing arm and lead advocate for business development, job awareness and community development with the focus on growing Michigan’s economy. For more information on the MEDC and our initiatives, visit www.MichiganBusiness.org. For Pure Michigan® tourism information, your trip begins at www.michigan.org. Join the conversation on: [Facebook](#), [Instagram](#), [LinkedIn](#), and [Twitter](#).