

Singapore | LaunchPad@one-north

## Helping Start-ups Take Off

In the early 2000s, start-ups in Singapore faced a dearth of affordable spaces where they could work, exchange ideas and network. The innovative repurposing of an old industrial block gave start-ups the space and the supportive ecosystem they needed for their budding ideas to take off.

## The Challenge

With no natural resources to rely on, Singapore has always stressed the importance of building up its human capital. While its education policy proved highly successful in the academic sense, there was worry among policymakers and business leaders that a rigid, structured education was leading to the dearth of entrepreneurs in Singapore.

In 2003, the Economic Review Committee recommended remaking Singapore into a

creative and entrepreneurial nation. This led to the government aggressively promoting entrepreneurship—from reducing regulatory red tape, to promoting pro-enterprise initiatives, as well as grants.

Still, start-ups faced challenges, notably high rental costs. Entrepreneurs also reported a lack of common spaces to gather and share ideas, as well as a supportive ecosystem.





The Ayer Rajah Industrial Estate was built in the 1970s as a series of flatted factories for the light manufacturing industry. It was originally slated for demolition and redevelopment in 2011.





## **The Solution**

In the late 2000s, entrepreneurs responded by setting up co-working spaces all over Singapore. These allowed start-ups to defray steep rents while meeting others working on their budding ideas. The idea of co-working began to catch on.

In 2011, the Media Development Authority (MDA), got wind that an old industrial building in the west of Singapore was slated for demolition. Landlord JTC Corporation (JTC), the lead government agency for Singapore's industrial development, had plans to redevelop the land occupied by Block 71. MDA saw this as an opportunity to experiment: could it create a vibrant enclave of interactive digital media start-ups by offering affordable rent and opportunities to collaborate and receive incubation help? It convinced JTC of its vision and negotiated a master tenancy for three years. It then brought in key partners such as investor SingTel Innov8 and incubator NUS Enterprise to run the hub, which became simply known as "Block 71".

JTC readily agreed to the repurposing of Block 71, recognising that there was a lack of central locations for start-ups to cluster for knowledge sharing, and to facilitate mentorship and funding. It saw an opportunity to repurpose an old building and reuse the existing facility to address the demand of the emerging infocomm sector quickly. Without the cost of constructing a new building, JTC was also able to offer more affordable rental to its tenants.

Repurposing works began with the upgrading of basic facilities at Block 71, such as the toilets, carpark and lobby spaces, and the setting up of wireless Internet. Besides the infrastructure, the founding partners also launched a community space, called Plug-in@Blk71. It serves as the nucleus of the community, seeding and aggregating the start-up ecosystem to Block 71. Entrepreneurship support activities such as events, sharing sessions, investor days and hackathons flourished and catalysed the start-up enclave.

The block filled quickly: entrepreneurs were attracted by the affordable rent (closer to industrial flatted factory rates than prime office rates) and the many networking and mentoring opportunities. By 2013, there were some 100 tech start-ups in Block 71, forming a vibrant community that became the talk of the town within the entrepreneurial scene.

01 A barcamp session for peer-learning. Barcamps are run on zero budget with crowdsourced speakers, equipment and even stationery. Anyone can propose a discussion topic—once a minimum vote is reached, a room and time slot will be assigned.

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Block 71's location was also attractive since it was inside JTC's "one-north", a high-tech business park where research scientists and investors worked. It was also a stone's throw from higher learning institutes that start-ups could tap for talent, expertise, knowledge and resources.

"Having HistoIndex at LaunchPad provides a close radius to our customers and collaborators in Biopolis, Singapore Polytechnic, NUH [National University Hospital] and NUS [National University of Singapore]. The proximity to other start-ups and governmental agencies also allows collaborative ideas to be fostered through the many networking events in LaunchPad," said Joanna Ng, Office Manager of HistoIndex, a start-up that develops optical medical imaging equipment.

With the pilot a success, JTC and SPRING, a public agency charged with helping Singapore enterprises grow, expanded the start-up cluster by building a new Block 73, and refurbishing the existing Block 79. Collectively known as "LaunchPad@one-north", this was officially opened in 2015 and has reached full capacity housing 44 incubators with 560 incubatees and 120 independent start-ups—mostly from the science and engineering, biomedical, electronics, infocomm and media sectors.

To create more "chance encounters" so that tenants could meet and exchange ideas, JTC



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built more shared amenities, such as a central meeting room cum event hall, and sports facilities at LaunchPad@one-north.

The landlord also rebuilt an old food centre and approached the Timbre Group, a company that runs music festivals and live music restaurants, to set up a dining venue with a new concept that would add vibrancy to LaunchPad. Dubbed a "gastropark", the foodhall has 35 F&B options that operate out of repurposed shipping containers and caravans. The sprawling space, with its industrial chic décor, bold street art and live music, offers the working population and nearby varsity crowd a place to unwind and network after office hours. In line with its support for start-ups, JTC also created two incubator units at the gastropark for first-time chefs or F&B entrepreneurs. The aim was to let them learn the tricks of the trade alongside the F&B veterans.

SPRING roped in the Action Community for Entrepreneurship (ACE), a not-forprofit incubator, to build the LaunchPad community by organising social and entrepreneurship events and encouraging members to participate. ACE also has a Welcome Centre at Block 79, where it provides a one-stop-shop service for new entrepreneurs to help them get their ideas off the ground.

01 & 02 There is a huge range of F&B options at the LaunchPad's foodhall that caters to different tastes, from affordable hawker fare to restaurant brands.

- 03 Prime Minister Lee Hsien Loong at a dialogue session with Singaporean tech professionals at Blk71SF, in San Francisco.
- 04 Artist's impression of the expanded LaunchPad@one-north. The future phases will add 12,000 square metres to the startup cluster.



## **The Outcome**

The success of Block 71 led NUS Enterprise, Singtel Innov8 and Infocomm Investments (a wholly owned investment arm of the Infocomm Development Authority) to replicate a similar entrepreneurship centre in San Francisco, called Block71SF. Opened in 2015, Block71SF aims to help Singapore start-ups break into the Silicon Valley tech start-up ecosystem. The co-working spaces—open to Singapore, US and Southeast Asian start-ups—and tech events like pitching sessions and hackathons, encourage typically isolated entrepreneurs to network, collaborate and inspire one another. Back in Singapore, JTC is growing LaunchPad@one-north even more: it's building three new blocks, 75, 77 and 81, that will be able to house 250 more start-ups by this year. JTC, in support of start-up growth in Singapore, is bringing the LaunchPad concept to the Jurong Innovation District by March 2017. The Innovation District—envisioned to be the industrial park of the future—is located next to the Nanyang Technological University (NTU), so LaunchPad start-ups will have access to research experts and academia from NTU. •

