

LEADERSHIP: next generation

The Ultimate Breakthru

TotalPave takes first place, but New Brunswick the big winner in business plan competition

By Heather Grattan



Drew Cameron, left, accepts the grand prize honours with his brother Coady at the Breakthru gala dinner event. Their project TotalPave was selected to receive \$192,000 in financial support and services.

As their names were announced and their supporters jumped to their feet, joining the rest of the audience in a standing ovation, chanting “TotalPave, TotalPave”, two brothers from Fredericton sought each other in the crowd, embracing proudly.

They had just won first place in the Breakthru business plan competition, an event which officially transformed Coady and Drew Cameron into entrepreneurs. The duo, who are both completing master programs at the University of New Brunswick, have created a cost-effective smartphone application that helps municipalities determine which of their streets are most in need of repair. According to Coady Cameron, municipalities across Canada invest thousands of dollars each year in cycles of “worst first” paving projects because they can’t afford the services required to collect quality data which can help them detect which of their streets needs the work the most. With the Camerons’ smartphone technology, municipal engineers are able to collect and process this information with the touch of a button.

Breakthru, presented by the New Brunswick Innovation Foundation (NBIF), is a bi-annual province-wide business plan competition made possible through the support of sponsors and venture capitalists.

Applicants (47 of them this year) submit proposals, a 60-second video pitch and an executive summary. Entries that meet the eligibility criteria then take part in Breakthru Boot Camp where they complete a detailed business plan. A selection committee chooses five finalists; of those five, three win prizes at the gala event.

Prize values have consistently climbed from a total of \$200,000 at the first competition in 2007 to more than \$400,000 this year. More than 400 attendees were at the Delta Fredericton on March 20 for the gala dinner and prize announcements.

In addition to the grand prize investment of \$100,000 by NBIF, the TotalPave team will also benefit from professional services like legal advice from Cox & Palmer and financial advice from Deloitte Canada, as well as marketing and branding support from Orange Sprocket. The total value of their prize? An impressive \$192,000.

The TotalPave concept came from a simple moment in a classroom when civil engineering student Coady Cameron looked at his phone as he was learning about expensive instruments used to collect objective data about road conditions, which are rarely updatable and often



Mikael Abramoff, centre, owner of Store-It Squirrel accepts first runner-up honours from Scott Henderson, investment analyst with the New Brunswick Innovation Foundation, left, and George Cooper from sponsor, Cox & Palmer.

done with a vehicle that can cost up to \$800,000, which is equipped with sensors and scanners to collect data as it travels.

“I just had this moment when I thought, ‘Look at what they’re using now and look at this technology. Why can’t you use that?’”

He and Drew, who is completing his master in business administration, have been developing the technology which involves mounting a smartphone on a vehicle, collecting data about bumps and valleys on the road as it drives.

“You can imagine how much less it will cost to throw a smartphone in your car and go. Municipalities can’t efficiently manage roads without data like this and our technology allows them to make knowledge-based decisions.

“We can do all of this at a cost that is significantly lower than any, and all competitors,” he said.

The team has already developed a prototype and has been connecting with municipalities. This technology was going to happen whether they won top honours at Breakthru or not, but with enthusiastic smiles, the Cameron brothers agree that the moment when their names were called is one they’ll never forget. “Winning is a great resource to push us forward. It helps get us to the market faster. Hearing your name called, there’s just nothing like it.”

Calvin Milbury, CEO of NBIF, said TotalPave’s pitch stood out because there is nothing quite as innovative when it comes to existing similar technology. “We thought it was a new, disruptive way of tackling the market.”

This year’s group of business plan entries was very exciting. He said it was



Peter Brown, co-author of *The Power of The Best* shares unique insights into what makes a private company great with his keynote address at Breakthru.



The team that makes up Black Magic, from left; Garrett Nelson, Stephan Likely and Greg Bailey are shown accepting second runner-up honours from Scott Henderson, investment analyst with the New Brunswick Innovation Foundation (far left), and George Cooper of sponsor Cox & Palmer (far right).

a daunting task to narrow the field down to five finalists. While prizes were only awarded to three of the five teams, he encourages the others to continue their work. Based on their business plans, Milbury sees a strong probability of the New Brunswick Innovation Foundation working closely with the other two groups as well.

One of the finalists at the 2011 Breakthru event, who didn't win, went on to secure a \$100,000 investment six months later, Milbury said. The CyberPsc team listened to constructive feedback, tweaked their proposal, then garnered support from angel investors and the NBIF. Now the company, which develops software for treating anxieties including public speaking, has two products on the market.

The ultimate goal, beyond any type of competition, he said, is to help entrepreneurs improve their likelihood of success.

First runner-up to TotalPave at this year's Breakthru event was a project called Store-It Squirrel, created by Mikael Abromoff of Saint John. This self-storage plan connects people seeking storage options with others in their communities who have extra space to share. Abromoff's person-to-person network, which he intends to spread across North America, encourages resource sharing, he says.

"Instead of using more, we are using what we already have," he said.

Store-It Squirrel systems are fully developed and Abromoff will use his prize

investment, which he considers "amazing validation," to focus on marketing strategies and spreading the word, he said, so that he can get more users on the site.

Industrial hand cleaner Black Magic is Breakthru's second runner-up this year. Developed by three friends—Greg Bailey, Garrett Nelson and Stephan Likely—all engineering students at the University of New Brunswick, this two-step technology was created by their professor who gave them the basic ingredients and challenged the trio to work out the exact calculations of the formula themselves.

Black Magic combines a degreaser that lifts oil-based agents from your skin and then a detergent, which contains moisturizer that you just wipe away.

The project's CEO, Greg Bailey, says his team feels inspired by the Breakthru experience. "A competition like this is about people who can change the world and won't be happy until they do."

Other finalists were Cetex by Greg and Nathan Armstrong, which is developing commercial wastewater treatment systems, and RTV Group, headed by James Stewart, Keith Dunphy and Stephen Goddard, which analyzes police data to catch repeat impaired drivers.

Chet Wesley, director of marketing and communications for NBIF says Breakthru literally changes the lives of the winners. "This is the difference between working a job every day or going to class as a student every day ... and tomorrow having a company," Wesley said. "They become an entrepreneur with the resources they need to take their idea and turn it into reality."

The largest competition of its kind in Canada, Breakthru uncovers champions of innovation and shows them that it is possible to succeed, Wesley said. "It's a huge risk to leave your job or to graduate from university and start a company," he said. "This competition uncovers those people who may not take this chance. Their ideas go from something they dream about to something they see manifested before their very eyes."

New Brunswick MLA Brian MacDonald said Breakthru provides tools to help entrepreneurs think bigger and reach higher and the provincial government is proud to be a partner. "Tonight we are in the middle of the engine that is driving New Brunswick's economy and you are that engine," MacDonald said during his address at the awards gala. "You, as businesses and entrepreneurs, are the growth. You create the jobs."

The next Breakthru competition will launch in the fall of 2014. | ABM

Are you ready to Breakthru?

To participate in the Breakthru business plan competition, participants must:

- Be at least 19 years of age.
- Be a resident of New Brunswick or part of a team with at least one member that is and owns (or will own) at least 51 per cent of the proposed company.
- Be legally entitled to establish a business and work in New Brunswick.

For more information:
www.nbif.ca/en/venture_capital/breakthru