

JETRO & CIC: Insights Into Massachusetts' Startup Ecosystem
Issue #2
Featuring: Greentown Labs

Introduction by CIC Japan Desk

So far, this summer has been a display of the climate crisis in action. With record-hot singular temperatures and the highest average global temperature being beaten four days in a row, people are really starting to sweat. A lot of the conversation focuses on “where do we go from here?” and who will be the ones to do something to fix the problem at hand. World governments have historically struggled to keep commitments on climate action, leaving long distant deadlines for their predecessors to tackle. Many corporations are looking to meet their own net-zero emissions goals much earlier than any of these government deadlines, and often that finds them in collaboration with clean-tech startups. These startups are the true go-getters of the climate-saving ecosystem, working on all sorts of solutions for each greenhouse gas-emitting sector of the economy. From agriculture, manufacturing, transportation, and many other fields, these startups are trying new and innovative ways to help heal our planet before it is too late.

Greentown Labs' [founding](#) is the perfect example of this, starting as just four local cleantech startups renting out a warehouse together, slowly realizing that they were benefiting from collaborations that went far beyond shared rent. By assisting each other with writing grant proposals, sharing equipment, lending engineers, and spreading the word about their peers during investor visits, they created a collaborative environment where they could assist each others' growth. This concept evolved into the largest climatetech incubator in North America; with locations in Boston, MA and Houston, TX, Greentown has supported over 500 startups that have an impressive 94% survival rate that is hard to match anywhere you look.



[Michela Grunebaum](#)

**Director of Programs, Greentown Go
Greentown Labs**

Could you kindly give me a self introduction and describe your role at Greentown Labs?

My name is Michela Grunebaum, and I've worked at Greentown Labs for nearly five years. I'm the Director of Programs for Greentown Go, a program within our partnerships department here at Greentown Labs. I studied international environmental policy for my undergraduate degree, and I felt that I could personally have the most impact combating climate change through working in the policy or business sectors.

The way the partnerships department is structured, we have two major focus areas that encompass different approaches to startup and corporate collaboration. Our incubator partnerships branch manages [corporate partners](#) committed to various innovation activities to become more sustainable. In this area, we help our 80+ corporate partners and 200+ startups meet and connect through curated events and introductions.

I help manage the second branch of our partnerships department—our startup-corporate partnerships accelerator, [Greentown Go](#), where we primarily work with one corporate interested in taking a deeper dive into cutting-edge innovation in one particular GHG-emitting sector for a six-month period. For example, we recently completed a program with Mitsubishi Corporation (Americas) on a program aimed at reducing GHG emissions in manufacturing. We help coach the corporate partners on the “how-tos” of working with startups, while also supporting the startups in their corporate partnership goals, which could include anything from an investment, a

pilot, a joint-development agreement, a purchase order, and more. This accelerates the startups' pathway to commercializing and scaling.

In your own words, could you describe to me what Greentown Labs is? What role does it play in the local climatetech ecosystem?

Greentown Labs is the largest climatetech startup incubator in North America. With membership to Greentown Labs, startups gain access to the community, resources, and physical space they need to grow and thrive. Our mission is to build an inclusive community that convenes, connects, and inspires entrepreneurs and ecosystems to advance climate solutions. We have a machine shop with equipment that early-stage startups are often priced out of being able to access, and we provide lab space throughout our building and facilitate programs that provide industry mentoring from experts.

We also foster startup-to-startup collaboration. Often these startups will have gone through an early-stage accelerator to iron out a basic business plan and are ready to iterate or build their prototype before they come to us, and they leave once they've advanced down their commercialization pathway—oftentimes getting a first contract. We work as providers and supporters for that middle stage of these startups' lives.

What would you consider the main strengths of Greentown Labs to be?

The community and collaborative nature is really special, and that's why we've focused on climatetech entrepreneurs and a mission-based strategy, because it allows for this constant collaboration. We have a lot of folks working on different segments of the climate challenge sitting next to each other in the office space and the lab, and it allows them to learn from and support each other.

Our fantastic memberships team is screening for companies we believe can make a real impact in greenhouse gas (GHG) emission reduction. We also try to set them up for success by removing as many obstacles as possible that could slow a younger startup down, such as access to expensive software, machines, handling the disposal of hazardous waste from experimentation, and more.

Greentown Labs' inception seems rooted in a collaborative effort among its founding members. How has that initial culture of collaboration been preserved in its current operations?

“By entrepreneurs, for entrepreneurs” is the Greentown Labs philosophy. There's the story of our founding, four startups that were losing their lab space at MIT that came together

and realized that pooling their resources would be vital to succeeding. They're still around and continue to put their energy into Greentown Labs, some by starting new companies here, others by acting as board members. They help us stay true to our mission.

Startup members here also provide feedback and direction to the organization at the highest level by serving on our board via two community board member seats that rotate in two-year terms. We want to ensure we have the members' voice at the highest level of decision-making. We always encourage member startups to speak up about things they'd like to see here.

We also have a shared electronics lab and work closely with Keysight Electronics to trade out equipment, so we're always stocking the labs with what's requested. The Greentown team also sits in the shared office space, so we're always available to members.

As Director of Programs for Greentown Go, can you talk about the necessity of the startup-corporate partnerships that you cultivate in order to combat climate change? What are some examples of actions taken through these partnerships?

We need cutting-edge climatetech solutions to go to market and scale to combat climate change. Early-stage climatetech startups are often hardware-focused and are typically B2B, and their pathway to market often involves selling to or through a corporate entity. A high-level example would be a recycling solution for end-of-life lithium-ion batteries. This is an example of a solution that could be employed by large corporations wanting to reduce the amount of raw materials they need to mine and a good example of the type of technology that consumers would never even see but could be key for reducing climate impact. Relationship-building between corporates and startups to get to a point where they can partner takes time, and those are the relationships we look to help foster. We serve as a neutral third party to support both the startups and corporates in vetting each other, making sure their values fit, building trust, and ensuring their materials and processes are compatible, and they'll often do a proof of concept together if the relationship looks promising.

In our Greentown Go Build 2019 program, in partnership with Saint-Gobain, a giant in the buildings sector, we worked with a company called Hyperframe. [Hyperframe](#) integrates building materials with advanced software to make construction more efficient and less wasteful. Through the program, Hyperframe was able to learn from Saint-Gobain what they wanted to see in a product and about the specifications to which their product needed to be built. Their business unit worked intensively with Saint-Gobain to refine their value proposition to potential clients to use their product. They also tested the performance of the product with Saint-Gobain's cooperation.

We had another program with BASF, a chemicals company that manufactures cathodes. Through the program, they partnered with American Battery Technology Company (ABTC). BASF provided funding for ABTC's research at Greentown's wet lab, facilitating valuable collaborations between ABTC and a range of groups at BASF. These groups included the material R&D team, the procurement group, the active material manufacturing groups, and the metals and catalyst recycling teams, culminating in a highly synergistic and collaborative partnership.

What resources do you have in place for startups newly coming into your space in Boston? Do you have specific resources for internationally based companies?

We have a number of local connections, including our sister organization, [FORGE](#). They have a manufacturing initiative, so they'll assist startups in finding partnerships and places to get their product manufactured at a reasonable cost in the New England area. We also have connections to many of the local schools here for mentorship opportunities and facility access.

We have worked with a number of international companies, but we screen for those that want to have as much on-site engagement as possible. We often find that international companies will hire someone local to sit out of Greentown Labs in Boston or Houston to take advantage of all the physical resources we have. For those startups, Greentown can provide the community they would not otherwise have by being the solo team member based in the United States.

We've also held panels that have had a lot of relevant content for our international companies that are new to the ecosystem, such as how to appeal to local investors or, from a legal perspective, what a company needs to do to set up a legal entity in the United States. We're always trying to tailor events to facilitate opportunities for our community here, local and international alike.

I see that your Texas location has been featured in a recent segment by JETRO and that Mitsubishi America and Fujifilm are listed as Greentown partners. Do you have any other Japanese connections?

Yes, a lot! We have quite a few corporate partners headquartered in Japan! Some examples include Acario Innovation, Honda Innovations, Mitsubishi Electric Automation, Sumitomo Chemical America, Sumitomo Corporation of Americas, Asahi Kasei, Fujifilm, etc. Mitsubishi Electric Automation recently donated incredible equipment to our shared resources at both our incubators. Some of these companies have invested in Greentown Labs member startups; others have partnered with us on corporate-startup partnerships accelerator programs, like our recent Go Make 2022 program in partnership with Mitsubishi Corporation (Americas)

and the consortium of top-tier Japanese corporations, the M-Lab Companies. Also, we've hosted visitors from CIC Tokyo to show them what Greentown Labs is like and given them a peek into the local ecosystem.

As Greentown's role as the facilitator between these large corporate partners and your startups, how do you make sure that the corporate side is taking the startups seriously and giving them a fair chance?

Different corporations are at different points in the innovation journey. Some of the corporate partners we work with have experience working with and investing in many startups and are known in the community as good corporate partners, whereas others are just getting started building their internal systems to work with startups successfully and don't have much familiarity with the process. However, most of the time, we're working with folks whose incentives align with the goals of the program, i.e. they have a directive to work with startups.

In our partnerships accelerator program, we spend the first six months building trust with our key points of contact at the organization before they interact with any startups. During this process, we spend a lot of time preparing for the startup-facing portion of the program so the partnerships can be as successful as possible. Depending on where the corporate partner is starting from, we will discuss best practices to keep in mind when working with startups – like thinking about their worldview, including the motivation of a startup and the financial and work-load capabilities of a small startup. We also want to ensure that the corporations we are working with have a strong track record working with startups. We ask questions about their recent investment activity, their internal sponsorship to conduct innovation activities, the structure of the innovation team, and more.

For our Greentown Go programs, we do our best to ensure that the right people within the corporations are the ones interacting with Greentown Labs and the startups in our ecosystem, finding the people that will take the partnership process seriously and also have the power to get the relationship capital and power internally to meaningfully move the company forward. We're also looking for folks in the business units within the corporations who have the technical expertise and understanding of existing pain points, because they usually understand the best ways to incorporate the startup and their technology into the corporate partner's existing processes. Corporates also care about their reputation in the innovation and entrepreneurship ecosystem. With all of the net-zero pledges these companies are setting, they want to have a good reputation with these startups, because cutting-edge technology is key to meeting these goals.

Afterword by CIC Japan Desk

After discussing the role of Greentown Labs in the local climatetech ecosystem with Michela, there was a lingering feeling of hope for the future. It was warming to hear about these large corporations being sincerely interested in working with startups and their technologies – the two coming to an understanding that a mutually beneficial collaboration will be necessary for their, and our, future.

It was nice to see how well connected Greentown Labs was to a considerable number of Japanese corporations, many of whom are familiar to CIC as well. It's very important that not only companies in the United States take interest in these net-zero initiatives and partnerships. It's fantastic seeing these Japanese companies explore outside of Japan as well. You never know where your solutions may come from!

There's evidence to prove that Greentown has the ability to support Japanese startups, especially those that are willing to take the risk to venture into the US ecosystem. Greentown's solid support network, high-effort inclusive environment, and the bonus support from the Japanese corporations can contribute to the mitigation of that risk. Greentown Labs is one of many local players in the Cambridge/Somerville area's startup ecosystem, though admittedly, climatetech does not have nearly the amount of reputation that biotech and medtech have here. That being said, Massachusetts is taking the initiative on investing in climatetech as it becomes a necessary inclusion into state infrastructure and planning. There's room for the climatetech industry to grow here, it really seems like a matter of "when" and not "if."

We at CIC Japan Desk would like to give a big thank you to Michela and Greentown for giving us the time and chance to learn more about the local Boston-area climatetech ecosystem and their role in facilitating some amazing partnerships.