Fostering Entrepreneurship through Shared Workspace

Worcester 2015

THE STORY OF THE WORKBAR NETWORK

Fostering Entrepreneurship through Shared Workspace
Worcester 2015

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ROUND 1: THE BEGINNING

ROUND 2: REFINEMENT

ROUND 3: NETWORK
A Start With a Personal Want
A Start With a Personal Want
What do we want?

Improve work/life balance

Foster community

Be convenient and enjoyable

redo the office around people choosing to be there
Embrace Work/Life Blur
Embrace Work/Life Blur
Embrace Work/Life Blur

WORKBAR
Foster Community through diverse interaction

Prof. Robert Krim

Theory of bump and connect
Convenient and Enjoyable through a flexible membership model

occasional  access  24/7

Daily  $30/day
Part-Time  $125/month
Full-Time  $350/month
Dedicated  $600/month
Teamroom  $600/month times # people

backpack  space  lots of stuff

All card carrying members
Companies have members with different membership types
Lead to Hybrid Space Model

80/20 rule

80% Open Space

20% Office
It Worked! (sort of)

A membership of:
~ 100 monthly members
~ 50 daily members
Brings:
50-80 people each weekday

30-35% profit margin,
but...
nothing to write home about with only 8500 sq ft.
A couple years on, the tech companies
ROUND 1: THE BEGINNING

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ROUND 3: NETWORK
Open Another Location

Great Location

Larger Space – 13,000 sq ft

Urban live/work neighborhood, steps from transit, young demographic

Better to amortize costs and improve rev/profit potential
Evolve the 80/20 Space Model

Café — Commons — Study — Switchboard

Street access, setup like a café, only for members, no dedicated or office seats, doubles as event space
Evolve the 80/20 Space Model

Commons
- Collaborative area

Study
- A quiet zone

Switchboard
- Phone friendly

Each neighborhood with slightly different setup,
All with a mix of open, dedicated seating and teamrooms
It Worked!
(even better!)

Cambridge membership of:
~ 250 monthly members
~ 70 daily members
Brings:
120-160 people each weekday

Still 30-35% profit margin due to higher rent, but...

Bigger is better.
but... Trouble in Paradise

Rents keep going up

<table>
<thead>
<tr>
<th>Problem 1: Model struggles with rising rents</th>
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| Problem 2: 150 people is upper limit for a cohesive community |

| Problem 3: 40,000 sq m would mean 800+ paying members |

Hard to scale a real community

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<tr>
<th>Community Chest</th>
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<tr>
<td>YOU HAVE WON SECOND PRIZE IN A BEAUTY CONTEST COLLECT $10</td>
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Problem 4: 10-20 min ideal commute means locations beyond dense urban cores
ROUND 1: THE BEGINNING

ROUND 2: REFINEMENT

ROUND 3: NETWORK
It’s about the people...
It’s about the people...
What’s Next?
What’s Next?
What’s Next?
Workbar Network Package

Member Connection and Space Management Tools

Financial, Operational and Community Procedures and Advisors
Workbar Network Package

Member Connection and Space Management Tools

Financial, Operational and Community Procedures and Advisors
Workbar Network – Outerspaces

Network Host

Members

- Card carrying Workbar members
- Dedicated space at Network location
- Part Time Access to Workbar Locations

Kim Courtney

Steffan Berelowitz
Nina McIntyre
Kit Sirota
Rick O’Halloran
Alec Sibilia
Dave Silva
Mary Monat

Jon Steiman

Stuart Levinson

- Provides month-to-month dedicated workspace at their office
- Receive license fee for space (~85% membership fee)
Workbar Network – Powered-By

Area Coworking Spaces and Incubators

- Vetted set of regional coworking space operators
- Operates using Workbar provided management platform and operational guidelines
- Reciprocal Part time access to Workbar and Workbar Network locations
- One membership community
- 10% recurring revenue fee to Workbar
Workbar Network – Center of Excellence

Industry Specific Locations

- Members companies apply to be part of the center
- Network partner provides
  - Dedicated workspace
  - Beta-client opportunities
  - Mentorship
- Members are part of Workbar community with access to Workbar locations and events
- Host pays Workbar program fees

FinTech  AdTech  HealthTech
A People-Centric Workspace Network

Urban Hubs

Boston

Cambridge

25 Location or Industry partner locations

Events

Members

Digital
That’s the Story!

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