

# CAPITAL BUSINESS

VIRGINIA ★ MARYLAND ★ DISTRICT

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# Shared space

*The growing demand by startups for a low-cost workplace is creating new opportunities for landlords.*

By ABHA BHATTARAI | PAGE 20



## COVER STORY



**A SEAT AT THE TABLE:** Scott Wallis of Blades Wallis Media, a digital content production and distribution company, shares space at the Dupont Circle Business Incubator.

# Nurturing a business

*Carter Ferrington is filling space by bringing entrepreneurs together at an incubator in Dupont Circle*

Story by ABHA BHATTARAI | Photos by JEFFREY MACMILLAN

**W**hat do a wedding officiant, an accountant and a former computer hacker have in common? Not much, it turns out — and that's precisely the challenge, says Carter Ferrington, who started the Dupont Circle Business Incubator in August. In two months, Ferrington has assembled a mix of entrepreneurs who are starting businesses or beefing up existing ones. There is Peter Frampton of Accounting Comes Alive, which teaches people to make sense of balance sheets. And J.J. Scheele, who owns Dog Walking DC and handles up to 70 dogs a day. Joining them is a duo who produces weekly podcasts, a couple with a flower shop and a rent-licensing expert. "It's like speed-dating," Ferrington said. "I meet with people, we size each other up, and sometimes there's a match."

Ferrington's for-profit venture is a departure from the more traditional programs established by nonprofits, universities and governments. He's focusing less on the technology and pharmaceutical startups that dominate so many formal incubators, and instead creating a shared space for budding entrepreneurs of any stripe. His effort comes as the economic slowdown has left offices empty and the streets full of people with an interest in taking charge of their careers.

"This incubator is a visible symptom of our need to recreate ourselves," said Ferrington, who, as an attorney, real estate agent, property appraiser and

arbitrator, is no stranger to reinvention.

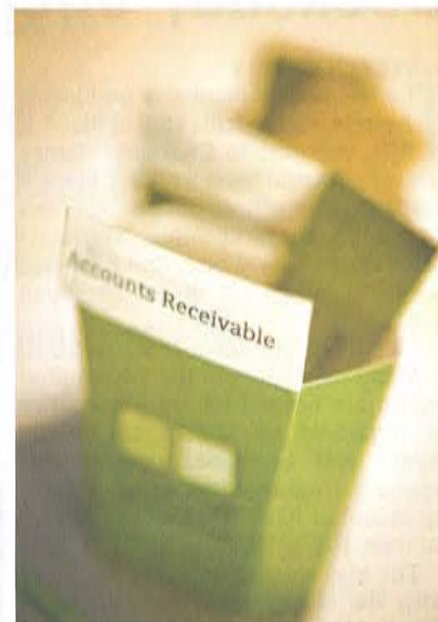
Ferrington is a real estate broker who fancies himself a nurturer of innovation. For \$295 a month, members get access to the incubator's public work space, which includes a fax machine, photocopier, printer and phone. Later this month, he plans to start hosting regular business lunches and seminars with entrepreneurs in the community.

The 25 entrepreneurs involved in Ferrington's incubator were hand-picked, he says. He looks for businesses with a good idea of where they're going, and a commitment to getting there.

"I'm the kind of person who likes to finish my New Year's resolutions by



J.J. Scheele, owner of Dog Walking DC, uses the Dupont Circle Business incubator — when she's not walking her dogs.



Top, the company framework of Accounting Comes Alive. Above, Chang Won Chang and Jenny Geier of Accounting Comes Alive.

January 1," he said. "That's what I'm looking for in these businesses, too."

Some of the 15 companies are one-man shops that intend to stay small, while others are hoping to hire a dozen employees in the next month. There are full-fledged businesses that have been around for years, and others that have little more than a business plan in place.

"Peter's needs are so different from Allen's needs, which are so different from Jonathan's needs," Ferrington said. "It's been a genuine challenge."

"Plus," he added, "getting entrepreneurs together in the same room is worse than herding cattle."

#### 'A DEFAULT PLACE TO GO'

Last week, Ram Singh saw an ad for the incubator on Craigslist.

"This is an incredible offer and opportunity for you and your business!" the posting said. "There's a pharmacy, dry-cleaners and even a CPA in the building!"

On Friday afternoon at 5:30, he called up Ferrington. They met Monday morning and by that afternoon, Singh, who has a financial software company, was settled in at the incubator. Punk music was blasting through his headphones as he typed up an abstract for potential clients.

"This has been completely painless," said Singh, who had been working from his home in Northwest Washington for years. "It's nice to have a default place to go."

With month-to-month leasing arrangements and no utility fees, Ferrington says the incubator makes financial sense for small businesses. A desk in the communal work area costs \$295 a month, and the six private offices range from \$800 to \$1,750 a month.

"People are reassessing their prejudices," said Ferrington. "They're realizing that you don't really need big corner offices and millions of gadgets on your desk."



Dupont Circle Business Incubator founder Carter Ferrington has been an attorney, real estate agent, property appraiser and arbitrator.

#### INCUBATING AN INCUBATOR

A few years ago, after it became clear that the economy was spiraling into recession, Ferrington's office tenants began looking for ways to save money. When they started asking about shared work spaces, Ferrington says he thought they were crazy.

"I used to be horrified," he said. "I would think 'I don't want to rent out a building that's a sweatshop!'"

But earlier this year, he saw a photo spread in *Details* magazine that caught his eye. A dozen or so young entrepreneurs in T-shirts and sneakers were hanging out at a Brooklyn incubator.

"I said, this looks like a lot more fun

than just renting out office space," he said.

It took about \$10,000 to start the incubator, \$2,000 of which was spent on the photocopier that takes up much of the floor's main hallway. The property, at 1632 R St. NW, is owned by Ferrington's boss, Ken Vogel of Vogel Realty.

The previous tenant, a German non-profit, moved out of the space on July 31. On August 1, Ferrington moved in.

After waiting weeks for local cable companies to respond to his requests for Internet service, Ferrington decided he had to take things into his own hands.

"Finally, we just jury-rigged the Wi-

Fi from next door," he said. "Now the cable wires are rolling around like a wad of spaghetti in the back yard."

Along the way, Ferrington said he has had to toss out his notions about how an incubator should work. Even things he thought he knew — that people would want avenues for funding, or that they'd be game for weekly happy hours or seminar — have been challenged.

"It turns out they all prefer to talk one-on-one," Ferrington said.

Maintaining a balance between individual and communal needs is always on Ferrington's mind, he says. Even when he's shopping for furniture.

"I went to Ikea and was like, 'Do we get one long table, or give each person their own thing?'" Ferrington said. "It took me a long time to decide."

In the end, he opted for five desks that are lined up side by side in the main work area.

Ferrington says the incubator will break even once three or four more people sign up. He says he's not interested in making a profit or asking people to pay for the incubator's programs.

"As long as the rent gets paid, the big picture is actually pretty rosy," he said.

In the long run, Vogel and Ferrington say they envision a vibrant community of entrepreneurs who will one day be able to swap ideas and trade skills with one another.

"I get the best ideas from people who have never done what I'm doing," Vogel said. "That's what we're after. We want a flow. Some feng shui, if you will."

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**Carter Ferrington: "People are reassessing their prejudices. They're realizing that you don't really need big corner offices and millions of gadgets on your desk."**