

# Young Entrepreneur Community Field Guide

## Introduction

This 'Community Field Guide' is intended to be a companion, a guide, for communities that want to participate in the Young Entrepreneur Program offered through the Indiana Office of Community and Rural Affairs (OCRA). This field guide is intended to provide guidance and to provoke thought and discussion for community leaders who want to actively recruit young entrepreneurs through the YEP program.

## Young Entrepreneur Program

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Established as a result of the passage of HEA 1251 in 2011, the Young Entrepreneurs Program assists young entrepreneurs in making their business plans become a reality in Indiana. The Indiana Small Business Development Center (ISBDC), in partnership with the Office of Community and Rural Affairs (OCRA) and the Indiana Economic Development Corporation (IEDC), works with local and regional communities to provide incentives to the college-aged entrepreneurs who dream of owning their own business. These incentives can include but are not limited to: free rent, grants, loans, utility support, etc. in exchange for the Young Entrepreneur agreeing to locate their start-up business within the community.

Qualified participants must be enrolled in an educational institution located in the state of Indiana or graduated from an educational institution located in the state of Indiana within the last three years.

### Selection Process

Participants will be required to submit business plans to the ISBDC for consideration in the program. Once approved, the participants will have an opportunity to attend a pre-event workshop in their area where coaching and feedback will be given by community leaders and business professors.

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Beyond the Young Entrepreneur Program though, the Field Guide can be used to stimulate thinking within Indiana communities about growing a culture where young entrepreneurs can flourish and creating networks within your community where new, entrepreneurial businesses can start and grow.

The Field Guide is intended to be a document that can be shared by community leaders. The Field Guides should be used as a working document to stimulate discussion and action. It can help to raise the level of awareness about entrepreneurship and the role new business, young talent, and innovation can play in building a vital and growing local economy.

## ***Why Entrepreneurship? –***

For many communities, entrepreneurship creates an alternative to traditional economic development. We don't need to think of entrepreneurship as an *instead of* activity, but an *in addition to* activity. Think about economic development activities as a tool box available to your community for growing investment and tax base in your community. Using that toolbox analogy, communities have expanded their toolboxes in the last few years so that we can now talk about *attracting new companies* and helping *existing companies expand*. We have tools such as tax increment financing (TIF), workforce grants and in some cases free land and buildings that we can use to leverage new investment.

Often, though, stimulating the growth of new business is an after-thought for many communities. They mobilize their resources and their assets to attract divisions of larger, existing companies but often don't look in their own backyards for the innovators and entrepreneurs who want to bring value to the community.

The Kauffman Foundation in Kansas City, Missouri, is a leading institution for promoting and studying entrepreneurship.

A recent report from Kauffman found that:

Using United States Census Bureau data from 2006-2007, this paper examines net new job creation in terms of firm age rather than firm size. Until 2005, we knew that from 1980-2005, nearly all net job creation in the United States occurred in firms less than five years old. This data set also shows that without startups, net job creation for the American economy would be negative in all but a handful of years. If one excludes startups, an analysis of the 2007 Census data shows that young firms (defined as one to five years old) still account for roughly two-thirds of job creation, averaging nearly four new jobs per firm per year. Of the overall 12 million new jobs added in 2007, young firms were responsible for the creation of nearly 8 million of those jobs. (Stangler, Dane, and Robert E. Litan: Kauffman Foundation, 2009: 'Where With The Jobs Come From.)

Kauffman's president, Carl J. Schramm, summarized the value of entrepreneurship for communities:

'Why are these start-up firms so important? There are two key reasons. Start ups are the engine of our nation's economic growth, especially its expanding job base. For the United States to continue to provide full employment, even in the face of what many people believe to be the problem of off shoring, and to accommodate the growing numbers of immigrants vital to our continued economic growth, creating new firms is critical.

"In addition to job creation, the rest of our entrepreneurial ecosystem depends on these firms because of the critical role they increasingly play in the lives of established firms. Throughout our history, much of the technological foundation of our economy had its start in small firms. These firms can exist solely to exploit a new technology. With the continued growth of the importance of technology to the economy, entrepreneurial firms have proven to be the most successful laboratory to test the commercial viability of an idea and to see the new technology through various mutations to the market.' (Schramm, Carl J., *The Entrepreneurial Imperative*: Harper Collins, New York, NY, 2006.)

Attracting a new manufacturing facility or a new distribution center is a cause for celebration in many communities: it often stimulates a lot of short-term economic activity with new construction, it creates a visible symbol to residents that 'something is happening,' local elected officials get to assemble for the ribbon cutting and eventually workers apply for new jobs that hopefully become part of the local economy for many years.

The formation of a new start-up company doesn't have any of those apparent advantages. A new start-up company may be one or two people in a room somewhere who are working on what may seem to be an obscure idea. Who wants an online handyman referral system, anyway? Apparently quite a few people: Angie's List started with Angie Hicks and Bill Osterle and now reaches over 1.5 million households, employs 750 people and is operating in over 60 communities in the U.S.

What if you're not Indianapolis or a major urban center? Many small and rural communities believe that their size, or lack of it, minimizes their ability to support a growth-based, technology company.

Seven Space Shuttle payloads had a connection to a Greenville, Indiana company, Techshot. With 25 mechanical, electrical and software engineers, plus a staff of scientists, Techshot designs, prototypes and readies for new products manufacturing. Techshot produces unique technology solutions for defense, aerospace, orthopedics, automotive and 'green technology.' The company was started by an engineer from Floyd's Knobs and a Purdue graduate twenty-five years ago.

Mark Deuser is, along with John Vellinger, a co-founder of Techshot. He spoke about the importance of 'coming home' to start his technology company and some of the surprising advantages he discovered when he tried to attract talent to Southeastern Indiana:

Mark Deuser: "Well, I guess, there have been so many people that have asked that question, 'why Indiana,' and why Floyds Knobs, you know and I guess it never really registered with me, just because I had grown up here, because this was home. My family was still around here, I'd convinced John to move from Lafayette to southern Indiana, so he had gotten married and he had started his family here. I don't know that we ever gave it a second thought. I mean there were lots of times whenever we felt like we needed to have more of a presence near some of the NSA field centers, so, in the early stages what we did was we started hiring consultants at each of the NASA field centers and they just acted on a part-time basis on our behalf. But it was a fairly easy way that, at least we had feet on the ground in Huntsville and feet on the ground in Cleveland, at NASA Glenn and even on the west coast, we had a representative that was representing us at NASA Ames. So, that was our way to kind of offset the fact that we weren't in the back yard at Johnson Space Center, was to have just someone there that was kind of representing us, in the event that we needed someone to go to a meeting that was kind of unscheduled and we had to be there right away.

"But, you know, we never really thought of it as a disadvantage. And, in looking back it probably was a significant disadvantage. The advantage was, we never really got associated with one of the NASA field centers. As a result, you know, we were kind of in neutral territory. It wasn't like we just were going after business at Johnson Space Center by being in Houston. So, I guess that would have been one of the advantages that, again we never really thought it through; it just was by default, you know, we weren't that interested in relocating."

*Another challenge that technology companies have is attracting top talent. Has being in Floyds Knobs been a plus or a minus?*

Mark Deuser: “Well, I think it makes it a whole lot more challenging, not necessarily because we are in a bit of an isolated area, relative to some of the larger cities like Cleveland and Houston and the San Francisco area, but because I think to attract people that have experience in the space program, for instance, they’re looking at most of these jobs as being related to a specific project. They’re so accustomed to the ups and downs of government contracting; they look at it and say, ‘what am I going to do after that project’s over?’ And I think that’s where people were reluctant to move here because they didn’t see any other opportunities as a backup plan if the business went away for SHOT or Techshot, they didn’t really have a fall-back plan other than to relocate to where they came from. But I think the one thing that we were pleasantly surprised with were the number of people who had migrated away from southern Indiana and they’d been Purdue engineering students, gotten enamored with the space program and the only place they could find a job was to move to Huntsville or move to Cleveland or whatever. So, we were really pleasantly surprised at how many people wanted to come back home. And so we attracted several candidates that ended up actually moving back home.” (Lewellen, Lee: unpublished interview with Mark Deuser. Copyright Lee Lewellen, 2012)

The Center for Rural Entrepreneurship at RUPRI (The Rural Policy Research Institute) casts economic development as a three-legged stool, the first two legs of which typically receive more attention than the third:

1. Industry Recruitment
2. Retention and Expansion of Existing Industry, and,
3. Entrepreneurship Development and Enterprise Creation.

The Center makes the case that entrepreneurship in rural communities makes sense because it makes better use of limited resources, market opportunities and available skills and talents. Entrepreneurship creates more diversified economies with more options for both adults and young people, and is an economic opportunity at a scale that is compatible with smaller communities.

While it isn’t always the case, entrepreneurial companies tend to be more tied to the place where they were formed. Believe it or not, at one time, Wal-Mart was a small, entrepreneurial start-up: there is no particular reason why the largest retailer in the world is located in Bentonville, Arkansas other than it was started there.

It probably isn’t fair to categorize all small and medium-sized Indiana communities as ‘rural,’ but much of the research about entrepreneurship falls into ‘urban’ and ‘rural’ paradigms, so we may often be forced into these gross dichotomies.

In ‘Energizing Entrepreneurs: Charting a Course for Rural Communities the authors make a strong case for thinking past traditional leadership traditions and opening up to new models:

‘Entrepreneurs are good at thinking outside the box, or more appropriately, looking at reality differently, which allows them to see market opportunities most of us miss. They embrace,

manage and respond to change in a way that continually moves their ventures forward. We have historically organized our economy in certain ways, and our means of measuring success are based on the old framework. However, change has no respect for old ways of doing the business of economic development.

‘Community leaders in rural America must become more entrepreneurial in the way they think about economic development. Leadership from both private and civic entrepreneurs will be needed to embrace a new economic development paradigm in rural America. Private entrepreneurs are very good at seeing the opportunities that lie in the emerging sectors.... It is the job of enlightened community leaders to become civic entrepreneurs - to recognize what is driving your local community, to think innovatively and creatively about promising new sectors, and to implement strategies that encourage and support the development of private entrepreneurs.

Rural America has been, and will continue to be, challenged by economic trends and changes. However, armed with information about the rural economy, community leaders can embrace a new way of thinking about economic development and begin to develop and implement strategies to create supportive entrepreneurial environments in their rural hometowns.’ (Markley, Deborah, et. al., *Energizing Entrepreneurs: Charting A Course for Rural Communities*, 2005, RUPRI Center for Rural Entrepreneurship.)

For most communities that are looking at holistic economic development strategies to diversify and grow their economies, they are not facing a choice about whether to focus on recruitment or expansion of existing companies or fostering entrepreneurship, the choice is about growing the economy on many fronts with many different, but complementary activities.

Brad Feld, in his book ‘Startup Communities: Building an Entrepreneurial Ecosystem’ sums it up this way: ‘Building a startup community is not a zero-sum game in which there are winners and losers; if everyone engages, they (the entrepreneurs) and the entire community can all be winners.’

## ***Why Indiana?***

Many people rightfully observe that Indiana is not the same kind of entrepreneurial hotspot as places like Seattle, Washington or Silicon Valley or Boston or Austin, Texas.

But, to be honest... Silicon Valley is no *Indiana*. Many Indiana entrepreneurs think of *Indiana* as a critical aspect of their success story. Many of them *chose Indiana* as the place to start their business because it offered opportunities they couldn't find elsewhere.

Dave Corcoran was the founder of Trustbearer, LLC in Fort Wayne. He eventually sold his company to Symantec but he continues to consult for his former company as well as other entrepreneurial ventures:

'People want to see where this Fort Wayne place is because they see the work that we produce and they say, 'boy this is a really good team, ' and so we get a lot of people that come out here. And so there's a uniqueness, there's a sense of culture that we represent that I think people yearn for that, not to say that it doesn't exist on the coasts, but there's a work ethic that's unique here and people recognize that and they want to see it and touch it and feel it, you know, by coming here and that sort of stuff. So that's been beneficial.'" (from an unpublished interview conducted by Lee Lewellen © Lee Lewellen, 2012)

Bryan Debshaw, the CEO of POLARIS Laboratories in Indianapolis has his own perspective on Indiana:

"Indiana is an extremely easy place to do business in. We've been very pleased with the resources that are available to support us. We've been able to access a good labor force, we're centrally located... it works well for our call center and covering other parts of the country as well as other countries. We've found Indiana to be a great place to do business and certainly has helped in our growth comparing it to other countries; you end up having to pay for a legal education over and over again because we look at Canada, and I make the statement of doing business in Canada, it's similar enough to the U.S. to make you think it's going to be easy but it's different enough to be really annoying. And you just have to struggle and... but we get through those things and we find there's opportunity there. " (from an unpublished interview conducted by Lee Lewellen, © 2012 Lee Lewellen)

For entrepreneurs, young or mature, *place* is an important quality. Some people are determined to seek their fortunes elsewhere, and some are looking for ways to realize their dreams where they are.

Andy Baker is the co-founder of Andy-Mark in Kokomo, Indiana. Andy-Mark found a unique niche in providing parts and plans for educational robots. The company's market is world-wide, but it is very much an Indiana-based enterprise:

Andy Baker: "I'm a big believer in community. I'm a big believer in work ethic and hospitality and the values of the people that I live around. I mean I go to the mall and I go to the fair and I see people that I don't understand, but, for the most part I know people in Indiana. I know people in the Midwest. This is where I grew up. So, I'm also very comfortable utilizing Indiana suppliers. We go overseas for a few things, we go to China for a few things, we go to India for a few things, but sixty percent, sixty to seventy percent of all the things we buy, I'd say sixty percent, are within Indiana. Probably ninety percent of all we buy is within the Midwest.

“So, my method of sourcing things is being able to drive to their place, knock on their door, say, ‘Hey, you screwed this up and we need it fixed or, more likely, I gotta change something, I’ve got to change my quantity, I’ve got to change a print, I’ve got to change material, not to say that we screwed up, but we’re changing something on them. For that company to be able to meet our needs, quickly, because we’re agile and we’re quick, we think, we’re able to go to their facility and talk to them or pick up the phone and talk to them or set up a meeting quickly. To be agile, on that way is very advantageous if you have a supplier that’s local. If that supplier was in China they could still make that change but you’re going to pay more for it and you’re going to pay mostly in time. It’s going to make the whole cycle time of development longer, you’re going to pay more... they’re going to ding you for the change more, as far as price. I’m a true believer in keeping things local as far as supplying parts and services.” (Unpublished interview, copyright 2012 Lee Lewellen)

Karen Gentleman is the Principle with Gentleman McCarty, a consumer and marketing research company located in Indianapolis. She was asked about the advantages of doing business in Indiana.

Karen Gentleman: “Well, a low cost of living is certainly one of them and I’ve always been very cognizant of trying to keep the operations of the business, the overhead, as low as I possibly could, so I’ve been home based but I’ve also leased space. You know when you can lease space at \$8 a foot here as opposed to having to pay much, much higher rent in another market... The cost of personnel, I think, is lower here just because the lower median incomes, so when I’ve had to hire people... lower costs. Data collection costs are lower here, again, than when I hire companies on either coast. So that’s helped. So, that would probably be it.” (Unpublished interview, copyright 2012 Lee Lewellen)

Indiana may never make the Top Ten list of hot entrepreneurial places, but in the last twenty years Indiana has made a name for itself in some key innovation sectors:

- Indiana ranks third in the volume of worldwide exports of pharmaceuticals and medical devices, an industry that is among the leaders in innovation and entrepreneurial activity;
- Indiana is second internationally in its concentration of motorsports assets, including not just race teams but suppliers, fabricators, researchers, and innovators and motorsports touches 91 of Indiana’s 92 counties;
- Indiana universities file, on average, over 500 patents applications each year to protect new discoveries;
- Indiana’s motor vehicle industry is the 2nd largest in the United States, producing more than \$8 billion in goods, and generating new opportunities for innovation and start-up businesses;

Indiana has made significant strides in fostering mechanisms to support and grow entrepreneurial ventures.

**Elevate Ventures** - Indiana has recently launched its most recent entrepreneurial effort with Elevate Ventures, a 501 (c)(3) non-profit intended to provide entrepreneurs with the expertise and resources they need to transform their ideas into the next generation of companies. With this effort, Indiana will

be able to provide direct support to emerging start-ups, including a variety of business support resources, mentorship programs, and investor and venture capital.

**21 Fund** - As the 21 Fund's manager, Elevate Ventures works with early revenue-generating companies to solve product demonstration and market penetration issues in order to accelerate company growth, milestone achievement, and job creation. All investments are initially made in convertible debt with finalization in convertible debt or equity instruments with the following contingencies:

- Establishment and maintenance of proper corporate governance procedures
- Appointment of a 21 Fund-designated person to the company's governing Board of Directors
- Financial and operational reporting
- Private co-investment from institutional investors. We may consider co-investment from angel investors if such investors can demonstrate pre-existing connection with the venture capital community and are likely to help entice institutional investment in the future

## **Indiana Small Business Development Centers**

### **The ISBDC Mission**

The ISBDC creates a positive and measurable impact on the formation, growth, and sustainability of Indiana's small businesses by providing entrepreneurs expert guidance and a comprehensive network of resources.

### **The ISBDC Vision**

The ISBDC Network aims to accomplish its mission through a continuous focus on impact, realizing it is not enough to hold training events and meet with clients, but that tangible value needs to be provided to our clients as a result of outcome-focused SBDC engagement. All engagement has a primary focus on the existing entrepreneur or business and on viable new business opportunities with the prompt identification, documentation, and communication of client needs and action plans.

In serving ISBDC clients, our activities involve consistent follow-up and ongoing concern for the future needs and enterprises of existing clients, consistency in product and program offerings and delivery, and connection to internal and external programs, products, resources and partners.

In order to have a prominent and earned reputation as a valuable economic development programs, the ISBDC engages and relies upon advisory boards at the state and regional level, cooperates and remains well-informed on the programs and offerings of State and SBA partners, and maintains a presence before local governments, universities, and other economic development organizations.

Simple and understandable performance measures derived from identifiable goals enable us to communicate and demonstrate our value to clients, stakeholders, government, and the public. These performance measures are not goals to be reached, but are instead indicators of actions calculated to have a positive and measurable impact on Indiana businesses. All engagement from the ISBDC is identifiable by its professional attitude, appearance, and output.

When we act to realize this vision, the ISBDC will become and remain the primary state-wide resource network for business planning and business growth activities; will be acknowledged and respected as a wise investment of money, resources, and time by all those who encounter it; and will serve as a national model to be praised and emulated by other SBDC networks.

At the government level, there may be a limited number of things that can be done to foster and encourage entrepreneurship. There is a lot of controversy about this: can and should government be about the business of selecting 'winners?'

Federal government tax policy and state-level incentive policies can tip the balance for encouraging technology development or commercialization of research, but typically there isn't much by way of policy or legislation that a local government can do to foster entrepreneurship.

## ***Who are the Young Entrepreneurs? –***

There is no standard definition of a ‘young entrepreneur.’ For our purposes here, we’re focusing on people who are between the ages of 18 and 28, meaning they may be individuals who are starting a business while they’re in college, or who have just graduated, or who have graduated and taken a job in their field, but who have caught the entrepreneurial ‘bug’ and want to pursue a business idea.

We’re focusing on ‘young’ as partly a chronological identifier, but also to focus on individuals who may not have yet taken on a lot of responsibilities and therefore may be more flexible financially because they haven’t taken on a lot of ‘adult’ responsibilities.

When we think about entrepreneurial businesses in the context of this document, we’re not thinking about the dry cleaners, the video rental store, the local restaurant or the basic small, service or retail businesses that we’re all familiar with. For purposes of this discussion, we’re thinking about businesses that have the opportunity to grow and sell products beyond your local community, perhaps to customers around the world. We’re thinking about potential businesses that might grow exponentially to many times their original size, which might attract an outside buyer that will buy the company for a significant price.

Sometimes we think of entrepreneurial companies as one of two different types:

- Income substitution; or,
- Wealth creation.

‘Income substitution’ companies are those that may be started by an entrepreneur primarily as a way of replacing his or her individual income. This may be an individual who is working for someone and splits off to form a similar company, or who gets laid off and forms a company as a job substitute. Another way to think of this kind of company is as a ‘job replacement’ company. There is nothing good, bad, better, or worse about this kind of entrepreneurship. Most of our home communities are populated by these foundational companies: we wouldn’t have a ‘community’ without them.

In *his* essay ‘Entrepreneurship as Rural Economic Development Policy: A Changing Paradigm,’ Brian Dabson outlines different types of entrepreneurs:

‘*Aspiring* entrepreneurs are those who are attracted to the idea of creating an enterprise but have yet to launch a venture. Of those already in business, *survival* entrepreneurs have resorted to creating enterprises either to supplement existing, inadequate income or are those with few other options for obtaining employment; and *lifestyle* entrepreneurs are those who create enterprises to pursue a certain lifestyle or live in a specific community’

‘There are two more types of entrepreneur: (1) *growth* entrepreneurs, who are motivated to grasp opportunities and to develop and grow their businesses that create jobs and wealth, and (2) *serial* entrepreneurs, who make a career out of creating businesses, often selling them once they are successful, and sometimes assembling multienterprise holding companies.’ (Walzer, Norman, ed. *Entrepreneurship and Local Economic Development*, Lexington Books, Lanham, MD; 2007)

So, when we talk about ‘wealth creation’ we’re talking about businesses that are started for the purpose of creating a product or service that will create unique value, a business that is expected to grow and

add many employees, and is started with at least a partial expectation by the entrepreneur that it will generate wealth for investors and the entrepreneur.

The difference between 'income substitution' and 'wealth creation' is the difference between your local bookstore and Amazon.com.

If you want to create an image in your mind of a 'young entrepreneur,' think of Mark Zuckerberg, the founder of Facebook. Facebook evolved from an idea Zuckerberg had when he was a sophomore at Harvard. He was a billionaire by age 23.

You may not be able to attract the founder of the next Facebook to your community, but it's not unheard of to think of young entrepreneurs creating high value companies in Indiana.

Paul Thrift and John Thompson started their company, Thrift Thompson Development while they were both students at Indiana State University. They started by buying and rehabilitating vacant houses as a way of paying their ISU tuition. Today they employ 150 people have offices in Terre Haute, Indianapolis and Carmel. They develop retail and multi-family residential projects and have a construction company.

Bryan Debshaw started his first company when he was twelve years old, continued operating businesses while he was in college and is today the CEO of POLARIS Labs in Indianapolis, a worldwide company with facilities in Houston, Salt Lake City, Edmonton, Atlanta, Guatemala, and a joint venture in Russia. He started with a popcorn machine in his parent's Laundromat....

Here's Bryan's story:

"I got started in business when I was pretty young. I was very fortunate. I came from a very entrepreneurial family and my parents had owned a number of different businesses. And when I was ten they went into the laundry-mat business and had coin-operated laundry-mats. And I was spending my days after school at the laundry-mat, and a gentleman came who wanted to sell them a vending machine: he wanted to sell them a coin operated popcorn machine. And, they weren't particularly interested in doing that, and taking care of it, but I suggested that I would be. And the full extent of my savings at that point in my life was \$200, and I bought my first popcorn machine and I put it in the store, and I would spend my time at the store taking care of the machine and after a couple of years of doing that, I decided I wanted to expand the business and, of course, that requires capital and rather than my parents loaning me the money, they said, 'well, if you want money, you have to go to a bank,' and they sent me off to the bank. And I borrowed five hundred dollars when I was twelve years old to expand that business. So, I guess once I found that banks are where the money was I went back every year after that. I kept borrowing more and expanding the business further and growing the business.

"The other part of that story is I banked with that banker for nearly twenty-five years. The bank changed names four times, he changed banks a couple of times, but I continued to move and change with that banker just because of the relationship created by loaning five hundred dollars to a twelve year old kid and the opportunity it created in starting my business. But, I operated that business all the way up through college, ended up selling that business when I graduated from college and at that time I had gumball machines and sticker machines, candy machines... I had a whole route of different types of equipment....

“While I was in college I saw an opportunity to start another business: I was managing an apartment complex and they had coin operated washers and dryers and they weren’t particularly happy with the service. I said, ‘this is something I know a little something about,’ and I can do it better than the service they were currently getting. So, I saw that as an opportunity to start another business and I started doing coin operated washers and dryers in apartment buildings. I operated that for several years, sold that in 2008, ended up having washers and dryers from West Virginia, to St. Louis, up in to the lower part of Michigan and throughout Kentucky and Indiana and part of Illinois and Ohio. I was able to grow that quite a bit, started with about \$5,000 when I was in college and kept growing it, expanding it each year, so...” (Lewellen, unpublished interview, © Lee Lewellen 2012)

When you read Bryan’s story, think about your community today: is there a Bryan Debshaw starting a business right in your own backyard that you should find out about?

There is a mis-perception about entrepreneurs, in general. Entrepreneurs are perceived as being huge risk-takers, people who throw all caution to the wind and who are ‘gamblers;’ people who risk their homes and futures on a whim. On the contrary, most entrepreneurs calculate carefully the risk that they expose themselves to.

Here’s Bryan Debshaw, again:

Bryan Debshaw: “I guess I fully expect people to look at me and what we do, or have done, and think we’re crazy. At the same time, we talk about risk, and entrepreneurship and risk are often associated together. I don’t view myself as a risk taker. I mean, I consider myself an entrepreneur, but I don’t view myself as a risk taker, from a standpoint of the things that I’ve done and I’m doing, I feel they’re very calculated. I equate it to standing at the top of a ski slope and looking down on a black diamond run, and you see a bunch of modals down there: to some folks they view that as an incredible risk. And you could hurt yourself doing that. On the other hand, if you have confidence in your ability and your equipment and you have knowledge of what you’re getting into, you see no risk at all. You see it as an opportunity. So, from that standpoint, I don’t view the decisions we’ve made, or the things we do... I feel we’re pretty conservative and don’t take big risks. So, to some extent that validates what you’re saying, I mean, there’s very much a conservative, Midwestern mentality in business, but I don’t view that as a negative. From a standpoint, it also keeps you from having some spectacular failures, I suppose, as well. But, from our standpoint, I don’t see the risk. If we’ve prepared ourselves and we have confidence in the ability and have the right resources, the risk isn’t as great as others would perceive it to be.” (from an unpublished interview conducted by Lee Lewellen, © 2012 Lee Lewellen)

Here’s Brian Emerick, CEO of Micropulse, a Columbia City company that provides precision parts to the orthopedic industry in Northeast Indiana:

Brian Emerick: “I am a serial entrepreneur since I was born: I sold pumpkins along the road, I raised pigs when we only had five acres and lived in Aboit Township. My neighbor was a retired farmer on one side and on the other side was a mechanic and he helped me overhaul engines and my granddad, when I was fourteen, gave me a tractor with a one-bottom plow and I started plowing up the back lot. Started working for farmers when I was sixteen, and, got involved in

farming and I realized later that that was my way to express my entrepreneurialism because in farming, you take high risk, you handle lots of money, you work on equipment. I was getting everything I needed for a fix. You know I loved to work with my hands, mechanical, I like to take risks, raising crops and it never rains or it rains too much or the market prices are high or low, inputs.... You know, you're handling all that stuff. So I bought the farm across the road when I was nineteen years old. My mom and dad didn't even know it. I levered myself to the hilt, (laughs), and went for it. Working sixty-eight hours a week average and a tool and die maker, making bunch of overtime, you know, I was making more money than any of my college buddies that, you know, had fancy degrees, but I was working my butt off, you know, twenty-four/seven....

"I felt like, you know, that was a very calculated risk. Today we do more planning, budgeting, look ahead three years and all that, but I wasn't back then about writing a bunch of stuff on paper. I was about putting my hands to it, sweat and hard work. Now, I made plenty of mistakes over the years that I could have been a lot smarter about, you know, making more calculated, strategic decisions. I was about hard, hard work, and, you know, you just, you know.... There's a question in here about persistence: how important? What do you mean how important? You don't succeed without them: persistence and adaptability. And, you know, I put humility at, right at the top, because without that, I mean, we all have our ego and all that.... And confidence, you have to have that, you know, to do anything, you have to have confidence that you can do it. And, I think that, I don't know the answer 'no,' it's you go through it, around it, under, over it, you know, you just, figure it out." (from an unpublished interview conducted by Lee Lewellen, © 2012 Lee Lewellen)

Brian made the connection between farming and entrepreneurship. And while some may not think of farming as a hot-bed for entrepreneurship, there can be quite a bit of innovation occurring on today's farms.

Alisa Wright is the CEO of Bioconvergence in Bloomington, Indiana:

Alisa Wright: "BioConvergence works in the life sciences sector and we provide contract services to life sciences firms who are developing new products and so we specifically do product development, analytical development, small scale manufacturing to take products into the clinic, and then the QC [Quality Control] testing and the supply chain services that go along with those things.

"I happen to be one of those people who grew up in an entrepreneurial family, so I think that makes a difference because that sets your norm, that's its okay, and actually, I think we have more entrepreneurs in Indiana than we give ourselves credit for.

"Because I grew up on a farm, that's not the entrepreneurial venture, but I think farming is so entrepreneurial, especially in the small family farm area that I grew up in. You take a lot of risks in farming and Mother Nature doesn't always, or the markets, don't always handle things well. But, my dad had a tool and die business that he and another friend started when they didn't have any money and they had young families and they didn't buy furniture, they turned the boxes over and used them as desks, but they got their equipment in and eventually started paying themselves \$50 a week.

“So, I had that experience, that that was normal, growing up and then I guess from my mom’s side of things she always would say the statement, ‘now you need to be looking around to see what needs to be done....’ And I think that’s a great statement that anybody that wants to be entrepreneurial... ‘cause the best entrepreneurial venture is fulfilling a need that’s unmet, and you know you have a market there for you, customers who want your product: there are a lot of things that make starting a business easier, not that it’s ever easy, but if you’re going to go out and you’re going to create the iPad, something that hasn’t ever been out there before, that’s going to be, perhaps, a harder thing for a little entrepreneurial company to do. Not impossible.... (from an unpublished interview conducted by Lee Lewellen, © 2012 Lee Lewellen)

Mark Hill and his wife Karen started Baker-Hill, a software company that provided back-office services to the banking industry. The company was eventually sold to Experian. Mark also reflected on risk:

Mark Hill: “I do not see myself as a big risk-taker. I see myself as taking measured risks based on information I have. And even then, if you look back on it, the risks that we were taking were measured around the idea that the eighty thousand dollars, we got fifty thousand from friends and family and thirty thousand from the sale, right, that was going to give us eighteen months of runway, right? So, I felt like eighteen months was going to be long enough to get some traction to get it going. Our expenses were incredibly low. Because we started young, we didn’t have a family and we just didn’t have a lot of expenses. So, we didn’t really consume, we weren’t big consumers: we didn’t have high expectations of our lifestyle, right? So, all of those things just set our costs to run this thing were really low.” (from an unpublished interview conducted by Lee Lewellen, © 2012 Lee Lewellen)

Mark reflects on a critical issue with young entrepreneurs: “Because we started young, we didn’t have a family and we just didn’t have a lot of expenses.” This is why communities such as yours have a unique opportunity to focus on and attract young entrepreneurs: because they’re young, they have a lower risk threshold and may require few resources for their initial success.

[TEXT BOX]

## Do Millennials Want to Call Your City 'Home'?

***Millions of millennials will soon be putting down roots. Cities and suburbs that are less attractive to them have a limited window to turn things around.***

BY: WILLIAM FULTON |  
GOVERNING MAGAZINE - NOVEMBER 2012

I knew the "brain drain" problem had reached a crisis point when they started talking about it in Boston.

You know the story: Kids move to where they want to live and then look for a job, not the other way around. They're drawn to a small number of hip metro areas (D.C., San Francisco, Seattle) and smaller cities (Boulder, Colo.; Missoula, Mont.; Palo Alto, Calif.) around the country and hip employers follow them. The result is an upward cycle of talent and jobs and business growth in the fashionable places, and a downward cycle everywhere else.

It's not unusual to hear people complain about this problem in Middle America, or in second-tier cities without a big university, or in populous but aging suburban locations such as Long Island, N.Y. But it's not a common thing to hear about in a place like Boston, which has the greatest concentration of universities in the country, lots of cool neighborhoods and a big chunk of the innovation economy.

The problem, Massachusetts economic development folks say, is that metro Boston is so expensive they can't keep the kids, especially after those kids begin to have their own kids. Yes, they can live in tiny city apartments, or maybe in a pleasant older suburb like Newton -- if they can afford it. After that, they are living somewhere beyond Interstate 495 and the reach of most commuter rail lines. What Boston needs, the experts say, is more starter homes in interesting, transit-rich locations.

Don't we all. If Boston can't stop the brain drain, is there any hope for the rest of us? Yes, but it requires a concentrated effort to create compelling places to live and work -- and *fast*. Because of the demographics of young talent, the cities and suburbs on the downward cycle have a limited window to turn things around: ten years at most, and maybe no more than five.

Here are the facts most people know: For the foreseeable future, the so-called millennials (currently ages 18-30) will drive both the housing market and the fast-growing innovation economy. It's a huge cohort of about 70 million people. And as I mentioned above, they are gravitating toward a select group of metros and small cities.

But there are a couple of other facts that we don't usually think about. Most people settle down by age 35, and usually don't move from one metro area to another after that. And the demographic group behind the millennials is a lot smaller. Just like baby boomers, the preferences of the millennials will drive our society for two generations. They're making location decisions based on their idea of quality of life. And they're going to make all those decisions in the next few years -- by the time they're 35.

So if you're not one of the hip places today, you have only a few years -- the length of one real estate cycle and the time horizon for planning an infrastructure project -- to become hip enough to keep your kids and attract others.

This might seem like a daunting, if not insurmountable, challenge, but frankly I'm encouraged by what I see. Over the last six months I've been to many second-tier cities -- Omaha, Neb.; Oklahoma City; Richmond, Va.; Syracuse, Buffalo and Rochester, N.Y.; and Manchester, N.H., among them -- that would not be good candidates for a hip urban core. Yet they're all developing one.

Nebraska's conservative Republican governor, Dave Heineman, took the opportunity of hosting a National Governors Association event in Omaha to show off downtown lofts and restaurants. In Oklahoma City, Republican Mayor Mick Cornett, who lives a block from City Hall, has championed urban reinvestment -- one of his latest projects is a streetcar line. In Manchester, the old mills bordering downtown are being refurbished. In Syracuse, where the urban core is adjacent to a prominent research university, several hundred housing units have been created in historic

buildings, attracting many new downtown residents, including my onetime roommate, who moved back downtown after 20 years of living in a ritzy, cutesy suburb.

The lesson for me is that even though the window is short, there's still time for second-tier cities and older suburbs to create the compelling places that will be required to succeed in the 21st-century economy. Most people -- even millennials -- want to live near their families and near where they grew up, meaning that if you can create interesting places, they're likelier to stay. And you don't need the endless hip urban fabric of New York or D.C. to compete. You just need a few great neighborhoods for people to live and work in. For most cities, that's an achievable goal.

In his recent book, *The New Geography of Jobs*, economist Enrico Moretti of the University of California, Berkeley, noted that the current pattern of winners and losers is good for the national economy even if it's bad for most cities, because the innovation economy thrives on agglomeration. That's probably true, at least in the short run. But in the long run, it's surely better to have more compelling places -- large and small -- that can attract their share of young talent and economic buzz. America's prosperity will be more enduring as a result.

*You may use or reference this story with attribution and a link to <http://www.governing.com/columns/eco-engines/col-are-cities-ready-for-millennials.html>*

***What Young Entrepreneurs Need*** – Entrepreneurs who are starting a business from scratch pretty much need some basic components. Young entrepreneurs need the same basic things that a seasoned entrepreneur needs, but maybe to a different degree.

Just because a young entrepreneur is *young* doesn't mean that their entrepreneurial needs are significantly different than any other entrepreneur. The *scale* of their entrepreneurial needs be different: their personal financial needs may be of a different scale than someone who is middle-aged with a family.

There are some basic support mechanisms that need to be in place to support entrepreneurial ventures, in general.

'Entrepreneurial cultures can inspire entrepreneurs to emerge. This type of culture is expressed through a can-do attitude that is manifested in symbols and behavior that value entrepreneurship; it can include award ceremonies, value statements, community minded visions, local policy, investments and other approaches.

'Culture is so pervasive that it tends to be forgotten as it fades into the background as a part of economic development strategies. Some communities have cultures in which they feel victimized by external forces while others build on those forces and adapt them to create opportunities for new enterprises. (Shaffer, Deller, and Marcouiler 2004, as cited in Walzer, et.al.)

[TEXT Box]

#### *ECONOMIC GARDENING TODAY*

##### **Christian Gibbons**

Director, Business/Industry Affairs from 1987-2012 City of Littleton, Colorado

*We are more convinced than ever that our fundamental concept (entrepreneurs drive economies) is right and that healthy communities have a healthy base of entrepreneurs.*

*There are a number of elements needed to create a nurturing environment for entrepreneurs, not all of which can be provided by public agencies. In Littleton we have focused on the following three main elements in our program:*

**Information** *For a business to survive and thrive today, it must depend on critical information. We spend as much as three-quarters of our time providing tactical and strategic information.*

*CD-ROMS which provide us access to over 100,000 publications worldwide. We use these tools to develop marketing lists, competitive intelligence, industry trends, new product tracking, legislative research and to answer a number of other custom business questions. We also monitor all new construction through Dodge Construction Reports so that local contractors can bid on projects.*

*We track real estate activity and have access to the market reports of national consulting firms. Our Geographic Information Systems (GIS) software can plot customer addresses as well as provide demographic, lifestyle and consumer expenditure information. We also monitor local businesses and vacant buildings and projects.*

*Finally the information component also includes training and seminars in advanced management techniques such as systems thinking, temperament, complexity theory and customer service strategies.*

### **Infrastructure**

*The second element of our program is infrastructure—not just basic physical infrastructure but also quality of life infrastructure and intellectual infrastructure. In the area of basic infrastructure, because we are the city, we invest in areas like interchanges and light rail stations and major street/sidewalk rehab projects. These are all just basic good government.*

*We also invest in quality of life projects including parks and open space (we have four times the national average), trails (every major drainage channel in the city has a trail built in it), sidewalk widening in the downtown neighborhoods, restoration of the historic county courthouse, and sponsorship of the holiday's Candlelight Walk (we put up a million white lights in the trees downtown every year).*

*The third type of infrastructure is something we call intellectual infrastructure: the curriculum, courses and training, and introduction of best practices that help keep our companies competitive. For example, we helped build a telecommunication curriculum and e-commerce course at our local community college. We also provide videotaped engineering courses from Colorado University.*

*All of our infrastructure work is based on the idea that economic development and community development are two sides of the same coin. In the New Economy, where new wealth and jobs are being created by knowledge firms, creating a community that is attractive to entrepreneurs and the talent they hire is as important as natural resources and heavy rail were to Old Economy companies.*

### **Connections**

*The third element of our economic gardening program is connections — connections to trade associations, think tanks, academic institutions, and other similar companies (industry clusters) and CEO's.*

*We are aware of research in network theory that indicates that an increase in the number of business connections increases the innovation levels of companies. In particular, "weak ties" to "hubs" outside a business's normal daily connections are important for bringing in new ideas.*

One issue that many communities deal with is: to incubate or not to incubate? The question for many communities is whether or not they should create a physical structure, a business incubator, to house and foster entrepreneurial businesses.

Typically, a business incubator is a physical structure where start-up businesses can be housed. Incubators typically offer a range of discounted services that range from cheap rent, shared business machines such as faxes, copiers, shredders, and so on. Incubators also try to offer pro bono or reduced rates on consulting such as legal advice, accounting services, business planning, and marketing. When business incubators work, they become network hubs for entrepreneurs, giving them a place to connect

with one another and mentors and to benefit from a lower cost for many amenities at a time in the business when cash is low or non-existent.

The problem with business incubators is that they almost always are designed to lose money and, absent a supply of philanthropic funding to underwrite the operating expenses, they fail almost as often as their small business clients do.

Symbolically, communities like to have a building, a business incubator, which they can point to as representative of their commitment to entrepreneurship, but too often, the buildings become an unpleasant reminder of a failed initiative.

Communities might, instead, focus on creating an incubator *attitude* rather than an incubator building.

What is an incubator *attitude*?

An incubator attitude is a community commitment to supporting, fostering, incubating, championing, and encouraging entrepreneurial ventures and mobilizing community resources, but doing so without necessarily engaging in a real estate venture.

Looking back at the earlier description of a business incubator, think about securing all of the supportive services, legal, accounting, marketing, and so on, but not necessarily expecting them to be housed in one physical place.

Maybe the easiest way to characterize an *incubator attitude* is to *think of your entire community as an incubator*.

As you scan your community looking for ways to support an entrepreneurial culture and young entrepreneurs, in general, think about the existing networks that can be used to engage and support entrepreneurs.

Rather than thinking about building incubator space, look for available space, empty offices in existing buildings such as a spare office in a law firm (see the article later in this Field Guide about *Launch Fishers*, where the unused ground floor of the public library is being devoted to business start-ups.)

## ***What Young Entrepreneurs Want –***

Young entrepreneurs may be looking for a ‘cool culture,’ the chance to interact with other young people, etc. But what if you don’t have a ‘cool community?’ (You may like to think you have a ‘cool community,’ but really, how long has it been since you were twenty and *really* knew what was cool?)

Rather than putting out the welcome mat and hoping every young entrepreneur comes to your community, you may have to selectively market your community’s unique assets to specific individuals. For example, if your community is known for its winter sports activities, finding that one individual who sees that as a selling point could be critical to attracting that young entrepreneur.

Young entrepreneurs may want to be the ‘**big fish in a little pond.**’ A young person who may be interested in starting his or her company in your community may be making an overt choice to locate to a community where they won’t get lost in the shuffle of a larger community. They may be looking for unique opportunities that they won’t easily or quickly get in a larger community:

- Maybe they want to serve on boards or committees with the local chamber of commerce or United Way where they can be treated as a ‘leader’ in the community;
- Even though they’re young, they may want an opportunity to be viewed as a mentor to high school students who are thinking about becoming entrepreneurs. Think about how you can help connect these young entrepreneurs to high school students who are thinking about becoming entrepreneurs;
- *Control* is a unique aspect of entrepreneurship: many entrepreneurs talk about needing to feel in control or being able to assert a greater level of control within their companies. For a young entrepreneur, coming to a small or medium-sized community may give them a greater sense of control than they would have in a larger community.
- Is there a community leadership course in your community that a young entrepreneur could participate in as a way of becoming oriented to your community?

Don’t overlook the **faith community** as a potential attractor for young entrepreneurs in Indiana. Some of the young people we spoke to during the preparation of this document, and other Indiana-based entrepreneurs talked about their faith as an important aspect of their lives and their business plans as well.

Again and again, we’ve heard from Indiana entrepreneurs that their faith was an important part of their start-up experience. It may be that a local church can not only serve as a social connector, in other words be part of the essential social network for a young entrepreneur, the faith community may also be critical to your recruitment efforts. It may be a local church that connects with a son or daughter that wants to return to your community....

Ron Brumbarger is the CEO of BitWise Solutions in Carmel, Indiana, a company that designs sophisticated web solutions for business. While Ron may not currently be a ‘young’ entrepreneur, his comments reflect his attitude about starting BitWise when he *was* young:

Ron Brumbarger: “So if you’ll permit the title again for just a moment, most people when you ask ‘how do you define an entrepreneur,’ they puff their chest out a little bit and they would kind of pound their chest and say ‘the reliance upon self.’ Right? They would kind of be

this macho, bravado, 'look at me, I can do anything,' because I'm an entrepreneur... I'm a serial entrepreneur, and so you get this really paper-inflated hat size that becomes kind of detestable to be with. They're missing a prepositional phrase at the end of that, you like that metaphor? They're missing a prepositional phrase at the end of that definition, and it is reliance upon self, *through God*. So I truly think that God equips all of us to be self sustaining and entrepreneurial. Some of us understand how to follow that intuition better than others, not that I understand it at all... I just get lucky sometimes, too. But I think God gives us that natural ability to do that. Some of us take more advantage of that ability than others but to those who would define entrepreneurship as reliance upon self, period, that hurts. But when you add that little prepositional phrase at the other end it makes the metaphor of walking up to the edge of the canyon a palpable idea. You know what? I will find a way to fly before I hit. That's the trust that I have. Scary. You do get numb to the scariness, by the way. It never goes away, sometimes it still wakes you up in the middle of the night, but you do get kind of numb to the threat, to the wall of knives on your spine. You do get kind of numb to that after a number of years...." (from an unpublished interview conducted by Lee Lewellen, © 2012 Lee Lewellen)

What is the **unique culture** within your community that might fit with young entrepreneurs you are hoping to connect with?

Do you have a local culture that supports sports and recreation?

Do you have an arts scene that fosters graphic arts, music, drama?

Sometimes it is difficult for community stakeholders to see and assess what makes their community unique to outsiders. Getting a sense of how young people see your community may be an eye-opener.

## **Family**

You can't overlook the family connection for many Indiana entrepreneurs. If you're looking to attract young entrepreneurs to your community, don't overlook family connections and the degree to which family plays an important role.

Scott Whitlock formed Flexware Innovations to provide unique software solutions for the manufacturing sector. He grew up in Indiana, wanted to stay in Indiana, and forming his company became a family support enterprise:

Scott Whitlock: "Family support is huge. I would not, and I tell my wife this and she knows this now, I mean it's fifteen years later, so we forget some of those things. But, I mean, I was working some incredible hours, you know our work wasn't all right in my back yard, so, I was up at Bayer in Mishawka and other... and, um, Bedford, and, you know just other places and so I'm working hard, I'm working out.... Kim, my wife, was actually our bookkeeper for the first couple of years just to help me; you know I didn't have to pay her, and, just to help me do that so I didn't have to pay anybody. We've been very, very fortunate, maybe it's just our culture, and I think it's really a lot of our culture, that everybody in our company, all of those early guys had great family support systems." (from an unpublished interview conducted by Lee Lewellen, © Lee Lewellen, 2012)

Again, your goal as a community that is attempting to attract young entrepreneurs is not to try to capture every young person who has the entrepreneurial bug, but is to calibrate your community's assets with the needs and expectations of one or two individuals who see your community as the *perfect place* to start their particular enterprise.

## ***Community Assets -***

This may be difficult, but you need to look at your community with fresh eyes. You need to see your community the way a young entrepreneur might see it. You need to see what is there, not what you want to be there. And you need to see your community the way it really is.

One thing that happens when community leaders begin to examine their community from a different perspective is that they discover that there are unique, and sometimes hidden, assets.

Community leaders need to be able to identify not only the foundational assets that are basic for any entrepreneurial culture, but begin to see those assets that differentiate your community from others, that make it unique, and that may present an economic direction that distinguishes your community from others.

Potential Assets might include:

- Existing entrepreneurs who can serve as mentors or advisors – ideally, these will be individuals who have started ‘wealth creation’ businesses in or near your community. We’re looking for folks who have started a business with the intention of growing it. If you don’t seem to have those kinds of entrepreneurs, identify individuals who have started some kind of business from scratch, in other words, not franchisees or 2<sup>nd</sup> or 3<sup>rd</sup> generation family business owners. You’re looking for individuals who have had to ‘make it up.’
- Attorneys with intellectual property expertise and business start-up experience - Just about every community has attorneys, and many of those attorneys have experience with small or closely-held businesses, but working with start-up, entrepreneurial businesses is a unique skill set. Even more unique are attorneys who have experience working with intellectual property and/or patents. Sometimes a local law firm may have co-counsel arrangements with other firms to provide expertise outside of the local firm’s core competencies.
- ‘Qualified investors,’ i.e. individuals who have sufficient net worth who could serve as angel investors - In the United States, for an individual to be considered an accredited investor, he or she must have a net worth of at least one million US dollars, not including the value of one’s **primary** residence or have income at least \$200,000 each year for the last two years (or \$300,000 together with his or her spouse if married) and have the expectation to make the same amount this year."
- Available space to house potential entrepreneurs at reduced or no cost – As we noted earlier, building a business incubator is not a good strategy for many communities because of the high overhead and operating costs and the low potential for generating cash-flow. But, many communities may be able to identify vacant offices within existing facilities that someone will ‘volunteer’ or make available for a reduced rate. See the article later in this document about ‘Launch Fishers,’ the unique program to turn unused space at a local library into entrepreneur space.
- Access to accountants, business advisors (marketing, production, sales, etc.) and other expertise that is willing to advise at a reduced rate

- Capacity to foster a support network, either within the community or close-by – Creative people like having access to other creative people and entrepreneurs like being able to interact with other entrepreneurs. Even if you don't have an extensive presence of innovators and entrepreneurs in your immediate community, are there universities or a larger community close enough that you can leverage the networks there?
- High speed broadband access – It has to be high speed and reliable.... High speed connectivity needs to be available to residential areas, not just business.
- Presence of patents and intellectual property – You might be surprised when you begin looking around by the existence of patents in the hands of people in your community. In some cases, individuals who have worked for larger companies may have their names on patents (but they may or may not have legal rights to the intellectual property) and sometimes patents arise from the agricultural community, tool and die shops, or other local enterprises.
- Other young people – This may be the 'chicken and egg' proposition for many communities: you can't attract young people to your community because you don't have young people in your community.
- Openness to diversity: diversity can take many forms beyond racial diversity. Tolerance for different lifestyles such as gay and lesbian couples, different religions (or none at all), or even tolerance for what may be perceived as a 'bohemian' lifestyle may all be critical to creating a comfort zone for young entrepreneurs.

Beyond general entrepreneurial support mechanisms, your community needs to hone in on the unique capacities of your community: what makes your community *economically unique*? How can your economic uniqueness be leveraged for supporting and growing unique, entrepreneurial businesses?

Is there a unique collection of businesses that are located in your community?

You want to look not only at the major companies that are located and maybe headquartered in your community or region, but also identify the supply chain that supports these companies. That 'web' of companies may represent an *industry cluster* that represents a critical asset for building new companies.

- Warsaw, Indiana is responsible for about one-third of all orthopedic devices manufactured in the world. It is no wonder then, that Warsaw attracts and fosters a variety of businesses that supply that industry cluster.
- Brown County, Indiana is known as being particularly supportive of artists and craftspeople and attracts a variety of arts-related businesses.

You want to document the unique business 'footprint' in your community and region that may create an opportunity for attracting young, talented entrepreneurs that may be able to create a unique niche.

- Columbus, Indiana is known as the home of Cummins Engine Company, but is less well known for its cluster of software companies that supply the engine-maker. Columbus has

developed an entrepreneurial cluster around 'embedded systems,' those engine parts that have built-in computers.

When you are reviewing your community, what are the central companies that are creating the largest economic impact and/or employing the largest number of people? Are those companies unique to your region or dominant in their industry? Are those companies creating or manufacturing unique products that give them market prominence or that require continual innovation?

The results of this analysis should help you create a filter for determining what kinds of entrepreneurial businesses you can hope to encourage and if you're looking to attract a young entrepreneur to your community, you may want to concentrate your search on those individuals that complement your existing industry cluster. It may represent a potential market.

In his essay 'What's Culture Got To Do With It? Strategies for Strengthening an Entrepreneurial Culture, Ron Hustedde outlines seven mayor practices for building an entrepreneurial culture:

- (1) creating opportunities to learn, question, and think about entrepreneurship;
- (2) welcoming fresh voices and embracing diversity;
- (3) mobilizing resources for entrepreneurs to thrive;
- (4) cultivating networks for entrepreneurs to thrive;
- (5) focusing on assets;
- (6) developing a shared vision about entrepreneurship; and,
- (7) creating entrepreneurial advocates and leaders.'

(Walzer, Norman, ed. Entrepreneurship and Local Economic Development, Lexington Books, Lanham, MD; 2007)

## ***Community Asset Checklist –***

There are a variety of ways that you can begin to understand your community's assets. Remember, the assets you're trying to define are those that would appeal to a young person, 20 – 28 years of age. And although you might think you're facing some tough competition (Chicago, Seattle, Austin, Palo Alto) your task isn't to try to compete with the technology hot spots. Your task is to understand your community's assets and match them with *the* young entrepreneur that wants them.

You're not trying to attract every 20 – 28 year old who wants to start an entrepreneurial business: just the one who wants to start his or her business in your community.

[Note: many aspects of this section of the Field Guide are adapted from 'Mapping Your Community's Development Assets: Energizing your Economy through Entrepreneurship' which was developed by the Center for Rural Entrepreneurship]

Where do you start?

The Center for Rural Entrepreneurship outlines a Three Step Process

'A three-step process is recommended that moves the community from discovery of what it has (as well as where the gaps are) to the beginning stages of building a system of support.

### Step 1 – Scanning Exercise

The first step in this process is the scanning exercise. A facilitated focus group is recommended as the best way to get this step completed. The community needs to recruit three to seven individuals with good knowledge of development resources available to the community. Including representatives from external service providers, such as state agencies, is a good idea and can help you complete this step more effectively.

### Step 2 – Documentation

Step two involves documenting that the assets identified during the scanning process really exist. It can also involve verifying the quality and capability of each resource. For example, the community may have sound attorneys, but their scope of service might not include specialized law such as intellectual property rights. The documentation process can best be undertaken as entrepreneurs are identified, visited and assistance programs launched. This approach allows the community to focus on finding resources necessary to meet the immediate needs of its targeted entrepreneurs.

### Step 3 – System Building

Ultimately, entrepreneurs need and want a system of support. They do not want a director or an alphabet soup of supposed resources. What they need and want are safe (confidential) pathways to those resources that can help them with today's pressing challenges and opportunities. From the community's point of view, knowing what resources it has puts it in a stronger position to be responsive to its entrepreneurs as needs emerge.'

**Scanning Exercise –rate the presence of these Program Assets**

	Strong	Moderate	Weak
Mentors/Peer Groups			
Business Training			
Market research			
Business Plan Development			
Technical Assistance			
Personal Assessment (Meyers Briggs, DISC, etc.)			

- Who in this community has started a successful company from scratch? (Or multiple companies?) These could be potential mentors for your young entrepreneurs.
- Does the local Chamber of Commerce or Small Business Development Center offer classes on business planning?
- Is there a nearby university that could have expertise in various aspects of technology, manufacturing, or other technical issues? Are there consultants in the community that could fill that role?

**Scanning Exercise – rate the presence of the Business Services**

	Strong	Moderate	Weak
Accounting			
Legal			
Human Resources			
Information Technology			
Financing			
Production			
Marketing			

- Are there attorneys who have experience with business start ups? Are there attorneys who understand intellectual property and patents? Will they donate time and expertise on a pro bono or reduced rate basis to support this program?
- Who are the small business bankers who might be sensitive to entrepreneurs, even if they can't or won't lend money to start-ups?
- Are there marketing firms in your area who can assist with the development of marketing plans?
- Are there resources that can help with talent recruitment for a young company?

**Scanning Exercise – rate the presence of Capital Resources**

	Strong	Moderate	Weak
Micro-Lending			
Revolving Loan Funds			
Commercial Lenders			
State/Federal Programs			
Angel Investors			
Seed Capital			
Venture Capital			

- Who are the potential ‘angel investors:’ people who have high net worth and the potential to invest their personal wealth in a new business idea?
- Are there state and/or federal programs that can provide funding support for a young entrepreneur or for community planning for your program?
- Do you have the capacity to develop a revolving loan fund from local sources?

**Scanning Exercise – rate the availability of Local Support**

	Strong	Moderate	Weak
Office space			
Community Engagement Opportunities			
Parent contacts with graduates			
‘Culture’ for young people			
Comfort with diversity			
Affordable housing for a young entrepreneur			
Awareness of unique community assets			

- Where is there available space that is underutilized and that has phone service, internet connectivity and other basic amenities that could be made available at low or no cost to a young entrepreneur?
- What leadership opportunities exist for a young professional? Are there non-profit boards that would accept a young professional and that might benefit from his or her participation? Is there a government board or commission that could benefit?
- Who in the community has a son or daughter who graduated with a business or technical degree, who may be thinking about starting a company and who might be interested in coming back to your community? This might be hard to get your hands around, but we strongly suspect that the family connection is critical for getting young people to come back to a community.

**Scanning Exercise Documentation – Who, where, how much, and *if not* how to compensate**

**Program Assets**

Who are the entrepreneurs, business owners and local innovators who can serve as mentors?

What are the business training resources that would be available to young entrepreneurs?

What resources are available to help with market research?

Is there a resource to help with developing a business plan and general business planning?

What resources are available to provide technical assistance and in what areas of expertise?

Who can provide personal assessment services such as Meyers Briggs or DISC analysis?

**Business Services**

Who has experience providing accounting services to new businesses and who will provide discounted support?

Attorneys with small business, start-up experience and intellectual property support.

Talent recruitment: who can help and who can provide support for human resources?

Are there good support mechanisms for information technology?

Within the community, are there good advisors for financial planning?

If there is a manufacturing process, does the community have production capacity, proto-typing capacity and production consultants?

Are there marketing firms or market consultation available within the community?

**Capital Resources**

Are there micro-lending resources in your community, crowd funding, that you could deploy?

Is there a revolving loan fund in place or could you create one?

How engaged are the small business lenders in your community?

Have you explored state and federal financing programs either as business support or for planning?

Have you identified qualified investors that could serve as angel investors? Is there an existing angel investor group?

Are there other sources of seed capital that you have identified?

Do you have access to venture capital?

## Local Support

Is there available office space that can be made available at no or low cost?

Have you explored opportunities for community engagement? Local non-profit boards, community leadership programs, civic boards, etc.

Are their parents who can coordinate contact with their sons and daughters who are graduating, or are interested in moving back to the community and who may be starting a business?

What are the cultural amenities that might be attractive to a young entrepreneur? These are not necessarily 'generic' amenities but amenities that might be attractive to a specific young person.

How comfortable is your community with diversity? Diversity is a broad concept that encompasses lifestyle, sexual orientation, racial and ethnic background, and cultural background. Be honest.

Are there housing options in your community that will be affordable to a young entrepreneur who may not have a lot of money to start out with? Are there opportunities for donated housing?

What makes your community unique from all others? Are there unique physical characteristics (lakes, forests, trails) that would be attractive to young people who like the outdoors? Are there sports facilities that provide unique opportunities? Do you have an arts culture that attracts graphic artists or musicians or that supports theater? Is your community near unique assets that can be leveraged?

## ***Entrepreneurial Support System Building***

It isn't enough to just identify and document your community's assets: you have to mobilize the assets, organize the individuals for action and compensate for missing assets.

First, somebody needs to 'own' the process in your community. It isn't enough to just declare that the local economic development organization (LEDO) or chamber of commerce is going to be responsible, the process not only needs to be 'owned' but it needs to be organized and driven.

You will need an advisory board, ideally composed of a combination of visible community leaders and a couple of amenable elected officials, but also composed with a majority of entrepreneurs and/or small business people. The goal of the advisory board is to facilitate action and the building of a network, not to create a bureaucracy that focuses its time on taking minutes and distributing agendas.

Networks become a critical aspect for creating an entrepreneurial support mechanism. After you have mapped your community assets and identified the individuals who have the resources you need, the critical community goal is to *get the resources mobilized and connected to one another*.

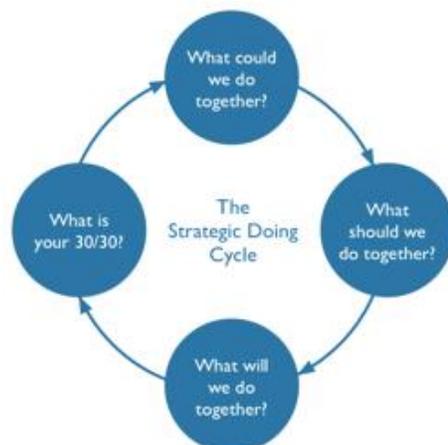
One approach for mobilizing resources is *Strategic Doing*, an action-planning process developed by the Purdue Center for Regional Development:

## ***The emergence of Strategic Doing – A new paradigm for action from the Purdue Center for Regional Development***

Strategic doing meets the need of regional leaders facing complex, ambiguous and turbulent environments. As we have seen, the strategic disciplines designed for hierarchical organizations (strategic planning) do not work well in managing the strategic challenges of open networks.

Strategic doing represents a separate set of disciplines designed for strategies in these open networks. The discipline involves answering four simple (but not easy) questions:

- What could we do?
- What should we do?
- What will we do?
- What's our 30/30?



The first question, "What could we do?" focuses participants on the tangible and intangible assets that are embedded in their network. These assets might be facilities, money, people, experience, knowledge or passions. In exploring "What could we do?" participants first listen to each other and learn about the assets that could form the basis of new collaborations. In this way, they begin to map the assets within their emerging network.

Simply listing or mapping assets is not enough, however. Opportunities emerge when participants link these assets together. So, for example, when a region links a research university with a community college, it can dramatically expand the capacity to develop and distribute technical courses. When a chamber of commerce links to a library, regional leaders may be able to expand the support provided to small business entrepreneurs. In exploring this first question, participants in the network begin to see the contours of the new economy in which collaboration can generate greater returns. These positive returns represent a distinguishing characteristic of the knowledge economy (Arthur 1996). Strategy involves making choices, and the next question of strategic doing – "What should we do?" – converts one particular opportunity into a shared outcome. In traditional strategic planning, the concept of a "vision" played this role.

Unfortunately, in most cases, a vision is not sufficiently practical or compelling to move people in an open network. Many strategic planning processes push vision statements to bland generalities in a search for consensus. People in a network need to have a very clear picture in their mind of where they're going before they will commit to moving (Black and Gregersen 2002, 77-78).

Answering the question, "What should we do?" involves defining a very clear outcome with measurable characteristics. It would appear that, as a network of people work together to define an outcome in specific terms, the probability that they would reach agreement would go down. In fact, the likelihood of agreement goes up. A strategic outcome represents a complex reality with a variety of different important dimensions. As members of the network define these dimensions and determine how to measure them, they come to understand that the different characteristics of their outcome are not mutually exclusive.

A simple example explains the point. Assume a friend and you have had a long-held dream to buy a cabin in the woods that you could share for family vacations. You like to fish, so you want a cabin that is close to a river or stream. Your friend, on the other hand, imagines a cabin with enough room so that he can hide away to write his Great American novel. Your spouse, concerned about having enough room for the extended family, wants at least one bedroom big enough for multiple bunk beds. Finally, your friend's spouse loves to cook, and he wants a large kitchen and eating area.

You can see from this simple example that by exploring a potential outcome in detail, members of a network can become more clear and committed in their own minds to collaborating in order to achieve a shared outcome.

Too often, sadly, our civic discussions that surround economic development are not very disciplined or focused. Our conventional civic conversations often represent a series of monologues, loosely strung together. Groups are not fully engaged in the deep thinking required to define compelling, shared outcomes. To break this cycle, a disciplined conversation to define at least one shared outcome becomes a critical step in aligning a network with "link and leverage" strategies.

Now to the third question of strategic doing: "What will we do?" Translating ideas into action requires an initiative and an action plan. An initiative is a project that can lead participants to their outcome. Members of a network may (and probably will) launch multiple projects to achieve their outcome, but they must start with one. Next, they need to translate the initiative to an action plan that explains who does what by when.

In strategic doing, an action plan serves three important purposes. First, it makes commitments transparent. This transparency helps members of the network learn who is reliable. Transparency helps build trust. Second, the action plan underscores the importance of shared, not delegated, responsibility. In an open network, the responsibility for translating ideas into action falls to each member of the network. In this way, members of the network align their actions to shared outcomes. A written action plan also enables members of the network to make adjustments quickly as circumstances change.

Finally, we reach the fourth question of strategic doing: "What's our 30/30?" This question asks us, "What did we do the last 30 days and what will we do in the next 30 days?"

Although the simplest to answer, these questions are the most often neglected. Answering the first three questions generates all the components of a strategic action plan. Answering the last question acknowledges that strategy is never done.

Especially in today's world, strategy is a continuous process of adaptation and refinement. It is a process of learning by doing. Launching small experiments to figure out what works can lead to transformative change with initiatives that are scalable, replicable and sustainable. Ordinarily, in the early stages of a strategic doing process, members of the network need to get back together within 30 to 60 days. Deciding when to reconvene also opens the door to connecting over the Internet. Collaboration online expands the productivity of the network.

## ***Doing It! –***

Communities are approaching entrepreneurial support and youth entrepreneurship with a variety of approaches.

One of the newest, innovative efforts to support local entrepreneurs is the *Launch Fishers* initiative launched in November 2012 in Fishers, Indiana. Community leaders identified unused space in the basement of the local library and devoted that space to local start ups.

Here is the *Indianapolis Business Journal* story announcing the initiative:

[TEXT BOX]

### **Fishers launching business incubator**

August 23, 2012

The town of Fishers is making a bid to keep its entrepreneurs close to home, investing \$350,000 to develop shared office space for the startup community.

Co-working facility Launch Fishers is slated to open this fall in what is now vacant space on the ground floor of the Hamilton East Library, located at the northeastern edge of the town's municipal complex.

The 16,000-square-foot space will get a \$225,000 overhaul, creating a collaborative atmosphere officials hope will give homegrown entrepreneurs the tools they need to grow high-potential businesses.

“We want to make it easy for people to get started and increase their odds of success,” said John Wechsler, a local tech startup veteran (and Fishers resident) who is consulting on the project.

Wechsler also is a partner at Indianapolis-based tech firm DeveloperTown, which shares a sprawling building south of Broad Ripple with the Speak Easy, a tech-focused venue its co-founder called a “Moose Lodge for geeks.”

Like the Speak Easy, Launch Fishers will operate as a separate not-for-profit governed by a five-member board: two members of the town council, the town manager and two business leaders.

Fishers also is providing \$125,000 in seed money for the first year of operations, said Town Council Member John Weingardt. Revenue will come from donations, sponsorships and user fees.

Members will pay an annual fee for basic services—things like mailboxes and conference room access—with two “upgrades” available on a month-to-month basis. A dedicated desk, for example, will cost \$100 a month. A company “enclave” suitable for two or more employees will add another \$100 per month.

Launch Fishers also plans to offer educational programming, including some in collaboration with other organizations. Venture Club of Indiana will have its monthly meeting there on Nov. 1, and networking group Verge will use the space Nov. 8.

Weingardt said the Launch Fishers initiative came about as a result of requests from the entrepreneurial community for flexible co-working space. Officials hope nurturing high-potential businesses now will pay big dividends later.

“It’s a shift in economic development strategy,” Wechsler said. “Instead of picking individual winners and losers [to receive financial incentives], we’re investing in the overall ecosystem to allow entrepreneurs to do their thing.”

What do you think: If Fishers builds it, will entrepreneurs come? And if they do, will they stay?



## **Economic Gardening – Littleton, Colorado**

Littleton, Colorado is known as the birthplace of ‘economic gardening.’ Economic gardening became the term used to describe community-base, home grown efforts to cultivate locally based entrepreneurs. Littleton has been at their effort for XX years and the stakeholders there have published many articles and books, using that community as a template for others.

See page 16 in this document for a more thorough overview of Littleton’s ‘lessons learned.’



## **Entrepreneur Week at the University of Evansville**

During the fall semester, students enrolled in Business 269 (Fundamentals of Entrepreneurship) form a business plan and secure loans for start-up costs. In the spring, they continue their efforts in Business 270 (Experience in Entrepreneurship) by launching and marketing their businesses. The courses are taught by UE assistant professor of management Joe Trendowski.

"This curriculum not only walks students through the entrepreneurship experience, but gives them a real-world opportunity to put their academic knowledge into practice," said Trendowski. "Today’s entrepreneurship fair is a chance for students to share their hard work with the UE community." One of those students in 2012 was sophomore Taylor Parker from Louisville, Kentucky, a business management major. His business, Ekisa Designs, sells jewelry and other small crafts handmade by Ugandan widows. Proceeds return to the widows and also benefit Fields of Dreams, a partner organization that promotes soccer and education to help Ugandan orphans.

"I’m big into social entrepreneurship — how I can use my business to help someone else," said Parker. "Business 269 and 270 have given me organizational skills and helped me discover ways of overcoming challenges in starting a business."

Source: University of Evansville

## Young Entrepreneur Program in Grant County, Indiana

Innovation and collaboration define the Young Entrepreneurs Program (YEP) as a premier business plan competition for Grant County High School students. YEP provides a fantastic opportunity for educating high school juniors and seniors in a fun and competitive environment as they learn about entrepreneurship and experience the pressure and rewards of starting a business.

Twenty-seven students are participating in the program from Mississinewa and Marion High School. Each team of students is writing a complete business plan over the course of the ten-week program. At the conclusion of the program, a panel of judges comprised of a variety of business professionals across the state will select the first, second, and third place teams. Each member of the winning teams will receive up to \$2,500 in scholarships and prizes.

Scholarship funding has been generously provided by Moorehead Communications, The Community Foundation of Grant County, Old National Bank Foundation, Crandall Engineering, and VIA Credit Union, as well as Taylor and Indiana Wesleyan Universities.

The YEP program has improved and expanded in its second year. Exciting new developments include the expansion of the program to include both Marion and Mississinewa High Schools. Lezlie Winter, Curriculum Director at Mississinewa Community Schools and the acting YEP School Leader, has been thrilled with the program. "Our students love YEP and have especially enjoyed interacting with the guest speakers and program leaders, who are have all been relatable and great mentors for the students." One unique component of the YEP curriculum is that the students are taught by a variety of local business professionals and entrepreneurs who serve as guest speakers. Two new speakers this fall include Santiago Jaramillo of Bluebridge Digital, a start-up mobile app development business, and Brian Geiselhart from the Ball State University Center for Entrepreneur Advancement.

The mission of the Grant County Economic Growth Council is "to facilitate investment and reinvestment through job creation and retention." One vehicle used to achieve economic development by the Growth Council is fostering an environment of entrepreneurship. Executive Director Tim Eckerle explains, "The Young Entrepreneurs Program primes the next generation of business professionals in Grant County and plants a seed in the mind of our brightest young people for starting a business locally."

For more information about YEP, please visit [www.grantcounty.com/yepofgc](http://www.grantcounty.com/yepofgc).

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## Big Omaha: The most important conference you've never attended

Brad McCarty – *The Next Web*, 14 May 2011

I'm well aware that the claim of "most important conference" is a big one. If I didn't feel that was true, though, I'd have never said it. Big Omaha is, in a few words, what would happen if TED were in the business of technology conferences. Big thoughts, huge calls to action and absolutely zero crap. In a world of bubble rumors, huge egos and even bigger failures, Omaha, Nebraska holds the conference that is the antithesis to all of these things.

Let's take a look at a bit of history. A few years ago, organizers Jeff Slobotski and Dusty Davidson were given the challenge to take the spirit of entrepreneurship in Omaha and gather it into one motivating place. Taking that challenge to heart in 2008, Big Omaha was born.

World-class speakers come to the stage to talk about ideas, opportunity and what drives them. While that's not entirely different from what we've seen at other conferences, it's what happens off the stage that truly sets Big Omaha apart.

Tech conferences are typically driven to the direction of startup rallies, competitions and amazing parties to cap off each day. There's nothing at all wrong with that focus — heck our own TNW conference follows that same model, and people can't wait for it to come around every year — but Big Omaha breeds a different sort of feeling.

If you've ever attended a WordCamp, you'll get the idea. Except you have to add to the mix the fact of having international speakers mingling with the local crowd. You're also not traveling and picking from session to session. Big Omaha is laid out clearly, in a single large room, with ample spaces to sit and carry on conversations.

I think that this is probably the most striking thing about Big Omaha. Wandering the floor, you're just as likely to see Gary Vaynerchuk sitting on the floor talking to a startup founder as you are to overhear people discussing the ideas that were just presented on the stage. It's networking, with a focus on creating and inspiring you to do more and higher quality work.

You don't attend this conference to learn, and it's not really an "educational track" kind of event to begin with. You attend because you want to be inspired to accomplish bigger, better things in work and in life. — Nathan Wright, Attendee

Mr. Wright states it in the way that I have struggled to do for the past two days. While it's common to walk away from an event with that "conference high", this is the first time that I have seen people start to take action before walking out of the doors on the closing day. Plans were being made, calls were held, emails exchanged. The ideas that were given wings on the stage were given wind in which to fly from the audience.

Though, aside from the stage, nothing about Big Omaha feels like the audience is any less a part of the picture. You can expect random dancing, instructions to move an entire row of chairs from the back of the room to the front and more standing ovations than you've ever seen in one place. Expect to be surprised and driven by some unseen force to make plans to attend the following year even before the current one is over.

I was given the opportunity to come to Omaha to find out what's going on in "Silicon Prairie". After the first day I was convinced that Omaha is something special (more on that during my massive weekend post about why you need to know about Omaha). After the first hour of the Big Omaha conference, I was convinced and had already made my decision to return the following year. Even if I'm not invited back as press, I'll buy my own ticket, and pay my own way. Outside of The Next Web Conference, Big Omaha is the single most important plan that you'll make for 2012.

But move fast. This year's conference sold out in 3 days, with a waiting list of over 600 begging for standing room tickets.

<http://thenextweb.com/media/2011/05/14/big-omaha-the-most-important-conference-youve-never-attended/?fromcat=media>

## **Certified Entrepreneurial Communities Program in Western North Carolina**

The brainchild of AdvantageWest Economic Development Group, a Certified Entrepreneurial Community (CEC<sup>®</sup>) is an economic development strategy—a program that helps communities (towns, areas, and counties) become entrepreneur ready. That means the overall business climate, policies, regulations, and opportunities to learn and grow are simple to find and available. It also means there's a positive, enthusiastic attitude that permeates the culture. One that asks “how can we help you start and succeed at business?” A Certified Entrepreneurial Community is one of economic opportunity for entrepreneurs.

The idea for CEC<sup>®</sup> came from AdvantageWest economic development best practices in the early 2000s. Even then, the group realized the future of this region must include entrepreneurs, and so they diversified, forming the Blue Ridge Entrepreneurial Council (BREC), followed shortly by Western North Carolina's first angel investor network, Blue Ridge Angel Investor Network (BRAIN).

Demand for entrepreneurial services grew quickly, and AdvantageWest saw an underserved entrepreneurial market segment. Local farmers and food entrepreneurs needed a kitchen incubator. Blue Ridge Food Ventures is just that—it's an 11,000 square foot food and natural products processing facility that offers excellent resources for budding entrepreneurs.

Having these resources in place was good. But AdvantageWest also realized that entrepreneurship is best nurtured on a local grass roots level.

This aha moment was the genesis of CEC<sup>®</sup>—an effort to get local leadership involved, to create local teams that welcome and work with entrepreneurs. This economic development strategy is integral to the growth of our communities. To assure total buy-in to the program, communities that go through the process must secure a resolution from their governing boards endorsing the program.

Youth engagement is an integral component of the CEC<sup>®</sup>. Continuously exploring new and innovative approaches to encourage the innovative talents of the youth and retain this talent in the region, AdvantageWest along with Western Carolina University, Appalachian State University and local technology company, DigitalChalk created a collegiate competition, Juicy Ideas. The program started by AdvantageWest in partnership with local technology company DigitalChalk soon became a national competition supported by Google.

The certification guarantees that everything's in place; that resources are easy to find and the people behind them are helpful, friendly, and eager to help. There are five steps in the process. They include:

- assuring that the community is committed to the process

- assessing the community's current entrepreneurial landscape
- creating a comprehensive strategy for entrepreneurial growth
- marshaling the community's entrepreneurial resources
- identifying and nurturing the community's most promising entrepreneurial talents

The process requires a team of community leaders—representatives from local government, educators, business people and established entrepreneurs are usually the core team. The process typically takes 18 months to two years. A guidebook developed by AdvantageWest is used to work through these steps.

The community is prepared to present when it has completed a comprehensive book detailing all the work above including goals and metrics they set forth on behalf of their respective community. That book and the process are reviewed by a certification review committee made up of leaders from the US Small Business Administration, The NC Small Business and Technology Development Council (SBTDC), Banking and Finance Executive, Venture Capitalist, as well as two entrepreneurial companies and AdvantageWest Board Directors for official certification.

### **Rural-Urban Entrepreneurial Development Institute (RUEDI) – Indiana State University**

RUEDI's primary objective is to improve the rural economy in Indiana by increasing entrepreneurship and new business start-ups in rural communities across the State. To achieve this objective, four distinct programs have been identified:

- I. Provide entrepreneurial training and exposure for K-12 students in Indiana's rural public school system;
- II. Develop Rural Entrepreneurship Undergraduate Program at Indiana State University;
- III. Improve access to information and support services to Indiana's rural small businesses;
- IV. Broaden the market for locally produced agricultural products by forming regional producer-consumer food cooperatives and networks.

***Glossary*** – A compendium of business and entrepreneurial terminology to help local leaders develop a common vocabulary for talking about entrepreneurship.

## **Angel investor**

From Wikipedia, the free encyclopedia

An **angel investor** or **angel** (also known as a **business angel** or **informal investor**) is an affluent individual who provides capital for a business start-up, usually in exchange for convertible debt or ownership equity. A small but increasing number of angel investors organize themselves into **angel groups** or **angel networks** to share research and pool their investment capital.

Angels typically invest their own funds, unlike venture capitalists, who manage the pooled money of others in a professionally-managed fund. Although typically reflecting the investment judgment of an individual, the actual entity that provides the funding may be a trust, business, limited liability company, investment fund, etc. The Harvard report by William R. Kerr, Josh Lerner, and Antoinette Schoar tables evidence that angel-funded startup companies are less likely to fail than companies that rely on other forms of initial financing.

Angel capital fills the gap in start-up financing between "friends and family"—(sometimes humorously given the acronym FFF, which stands for "friends, family and fools") who provide seed funding—and venture capital. Although it is usually difficult to raise more than a few hundred thousand dollars from friends and family, most traditional venture capital funds are usually not able to consider investments under US\$1–2 million. Thus, angel investment is a common second round of financing for high-growth start-ups, and accounts in total for almost as much money invested annually as all venture capital funds combined, but into more than 60 times as many companies (US\$20.1 billion vs. \$23.26 billion in the US in 2010, into 61,900 companies vs. 1,012 companies).

## **Bayh–Dole Act**

From Wikipedia, the free encyclopedia

The **Bayh–Dole Act** or **Patent and Trademark Law Amendments Act** is United States legislation dealing with intellectual property arising from federal government-funded research. Adopted in 1980, Bayh-Dole is codified in 35 U.S.C. § 200-212, and implemented by 37 C.F.R. 401. Among other things, it gave U.S. universities, small businesses and non-profits intellectual property control of their inventions and other intellectual property that resulted from such funding. The Act, sponsored by two senators, Birch Bayh of Indiana and Bob Dole of Kansas, was enacted by the United States Congress on December 12, 1980.

## **Commercialization**

From Wikipedia, the free encyclopedia

'**Commercialization**' is the process or cycle of introducing a new product or production method into the market. The actual launch of a new product is the final stage of new product development, and the one where the most money will have to be spent for advertising, sales promotion, and other marketing efforts.

Commercialization is often confused with sales, marketing or business development. The Commercialization process has three key aspects:

## **Crowd funding**

From Wikipedia, the free encyclopedia

**Crowd funding** or **crowdfunding** (alternately **crowd financing**, **equity crowdfunding**, or **hyper funding**) describes the collective effort of individuals who network and pool their resources, usually via the Internet, to support efforts initiated by other people or organizations. Crowd funding is used in support of a wide variety of activities, including disaster relief, citizen journalism, support of artists by fans, political campaigns, startup company funding,<sup>[2]</sup> movie<sup>[3]</sup> or free software development, and scientific research.

Crowd funding can also refer to the funding of a company by selling small amounts of equity to many investors. This form of crowd funding has recently received attention from policymakers in the United States with direct mention in the JOBS Act; legislation that allows for a wider pool of small investors with fewer restrictions. The Act was signed into law by President Obama on April 5, 2012. The U.S. Securities and Exchange Commission has been given approximately 270 days to set forth specific rules and guidelines that enact this legislation, while also ensuring the protection of investors.

## **Initial public offering**

From Wikipedia, the free encyclopedia

An **initial public offering (IPO)** or **stock market launch** is a type of public offering where shares of stock in a company are sold to the general public, on a securities exchange, for the first time. Through this process, a private company transforms into a public company. Initial public offerings are used by companies to raise expansion capital, to possibly monetize the investments of early private investors, and to become publicly traded enterprises. A company selling shares is never required to repay the capital to its public investors. After the IPO, when shares trade freely in the open market, money passes between public investors. Although an IPO offers many advantages, there are also significant disadvantages. Chief among these are the costs associated with the process, and the requirement to disclose certain information that could prove helpful to competitors, or create difficulties with vendors. Details of the proposed offering are disclosed to potential purchasers in the form of a lengthy document known as a prospectus. Most companies undertaking an IPO do so with the assistance of an investment banking firm acting in the capacity of an underwriter. Underwriters provide a valuable service, which

includes help with correctly assessing the value of shares (share price), and establishing a public market for shares (initial sale). Alternative methods such as the dutch auction have also been explored. In terms of size and public participation, the most notable example of this method is the Google IPO. China has recently emerged as a major IPO market, with several of the largest IPOs taking place in that country.

## **Intellectual property**

**Intellectual property (IP)** refers to creations of the mind for which exclusive rights are recognized in law.<sup>[1]</sup> Under intellectual property law, owners are granted certain exclusive rights to a variety of intangible assets, such as musical, literary, and artistic works; discoveries and inventions; and words, phrases, symbols, and designs. Common types of intellectual property rights include copyright, trademarks, patents, industrial design rights and in some jurisdictions trade secrets.

Although many of the legal principles governing intellectual property rights have evolved over centuries, it was not until the 19th century that the term *intellectual property* began to be used, and not until the late 20th century that it became commonplace in the majority of the world.<sup>[2]</sup> The British Statute of Anne 1710 and the Statute of Monopolies 1623 are now seen as the origins of copyright and patent law respectively.<sup>[3]</sup>

## **Mezzanine financing**

A hybrid of debt and equity funding. Usually shortened to “mezz financing.” The provider loans money on a second or even third mortgage basis and may either take an ownership interest in addition or may reserve the right to take over an ownership interest if the loan is not paid on time and in full. The loans are generally extended in emergency situations, such as to buy property quickly before bank lending can be arranged, or to engage in expansion activities and “grow” a company out of a cash crunch that is preventing it from securing a conventional loan. Because of the subordinated nature of the debt, the risky nature of the activities being funded by the money, and the lack of time to perform due diligence, mezz lenders usually want a high return on their money, often in the 20 to 30 percent range.

## **Technology transfer**

From Wikipedia, the free encyclopedia

**Technology Transfer** also called **Transfer of Technology (TOT)** and **Technology Commercialization**, is the process of transferring skills, knowledge, technologies, methods of manufacturing, samples of manufacturing and facilities among governments or universities and other institutions to ensure that scientific and technological developments are accessible to a wider range of users who can then further develop and exploit the technology into new products, processes, applications, materials or services. It is closely related to (and may arguably be considered a subset of) knowledge transfer.

Some also consider technology transfer as a process of moving promising research topics into a level of maturity ready for bulk manufacturing or production.

Technology brokers are people who discovered how to bridge the disparate worlds and apply scientific concepts or processes to new situations or circumstances.<sup>[1]</sup> A related term, used almost synonymously, is "technology valorization". While conceptually the practice has been utilized for many years (in ancient times, Archimedes was notable for applying science to practical problems), the present-day volume of research, combined with high-profile failures at Xerox PARC and elsewhere, has led to a focus on the process itself.

## **Venture capital**

**Venture capital (VC)** is financial capital provided to early-stage, high-potential, high risk, growth startup companies. The venture capital fund makes money by owning equity in the companies it invests in, which usually have a novel technology or business model in high technology industries, such as biotechnology, IT, software, etc. The typical venture capital investment occurs after the seed funding round as growth funding round (also referred to as Series A round) in the interest of generating a return through an eventual realization event, such as an IPO or trade sale of the company. Venture capital is a subset of private equity. Therefore, all venture capital is private equity, but not all private equity is venture capital.

In addition to angel investing and other seed funding options, venture capital is attractive for new companies with limited operating history that are too small to raise capital in the public markets and have not reached the point where they are able to secure a bank loan or complete a debt offering. In exchange for the high risk that venture capitalists assume by investing in smaller and less mature companies, venture capitalists usually get significant control over company decisions, in addition to a significant portion of the company's ownership (and consequently value).

Venture capital is also associated with job creation (accounting for 2% of US GDP), the knowledge economy, and used as a proxy measure of innovation within an economic sector or geography. Every year, there are nearly 2 million businesses created in the USA, and 600–800 get venture capital funding. According to the National Venture Capital Association, 11% of private sector jobs come from venture backed companies and venture backed revenue accounts for 21% of US GDP.

It is also a way in which public and private actors can construct an institution that systematically creates networks for the new firms and industries, so that they can progress. This institution helps in identifying and combining pieces of companies, like finance, technical expertise, know-hows of marketing and business models. Once integrated, these enterprises succeed by becoming nodes in the search networks for designing and building products in their domain.

### **Funding**

Obtaining venture capital is substantially different from raising debt or a loan from a lender. Lenders have a legal right to interest on a loan and repayment of the capital, irrespective of the success or failure of a business. Venture capital is invested in exchange for an equity stake in the business. As a shareholder, the venture capitalists return is dependent on the growth and profitability of the business. This return is generally earned when the venture capitalist "exits" by selling its shareholdings when the business is sold to another owner.

Venture capitalists are typically very selective in deciding what to invest in; as a rule of thumb, a fund may invest in one in four hundred opportunities presented to it, looking for the extremely rare, yet sought after, qualities, such as innovative technology, potential for rapid growth, a well-developed business model, and an impressive management team. Of these qualities, funds are most interested in ventures with exceptionally high growth potential, as only such opportunities are likely capable of providing the financial returns and successful exit event within the required timeframe (typically 3–7 years) that venture capitalists expect.

Because investments are illiquid and require the extended timeframe to harvest, venture capitalists are expected to carry out detailed due diligence prior to investment. Venture capitalists also are expected to nurture the companies in which they invest, in order to increase the likelihood of reaching an IPO stage when valuations are favorable. Venture capitalists typically assist at four stages in the company's development:

- Idea generation;
- Start-up;
- Ramp up; and
- Exit

Because there are no public exchanges listing their securities, private companies meet venture capital firms and other private equity investors in several ways, including warm referrals from the investors' trusted sources and other business contacts; investor conferences and symposia; and summits where companies pitch directly to investor groups in face-to-face meetings, including a variant known as "Speed Venturing", which is akin to speed-dating for capital, where the investor decides within 10 minutes whether he wants a follow-up meeting. In addition, there are some new private online networks that are emerging to provide additional opportunities to meet investors.

This need for high returns makes venture funding an expensive capital source for companies, and most suitable for businesses having large up-front capital requirements, which cannot be financed by cheaper alternatives such as debt. That is most commonly the case for intangible assets such as software, and other intellectual property, whose value is unproven. In turn, this explains why venture capital is most prevalent in the fast-growing technology and life sciences or biotechnology fields.

If a company does have the qualities venture capitalists seek including a solid business plan, a good management team, investment and passion from the founders, a good potential to exit the investment before the end of their funding cycle, and target minimum returns in excess of 40% per year, it will find it easier to raise venture capital.

### **Financing stages**

There are typically six stages of venture round financing offered in Venture Capital, that roughly correspond to these stages of a company's development.<sup>[25]</sup>

- Seed Money: Low level financing needed to prove a new idea, often provided by angel investors. Crowd funding is also emerging as an option for seed funding.
- Start-up: Early stage firms that need funding for expenses associated with marketing and product development

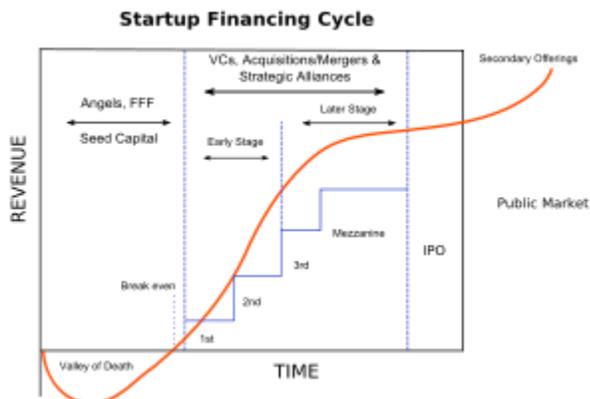
- growth (Series A round): Early sales and manufacturing funds
- Second-Round: Working capital for early stage companies that are selling product, but not yet turning a profit
- Expansion : Also called Mezzanine financing, this is expansion money for a newly profitable company
- exit of venture capitalist : Also called bridge financing, 4th round is intended to finance the "going public" process

Between the first round and the fourth round, venture-backed companies may also seek to take venture debt.<sup>[26]</sup>

## Seed money

From Wikipedia, the free encyclopedia

**Seed money**, sometimes known as **seed funding**, is a form of securities offering in which an investor purchases part of a business. The term *seed* suggests that this is an early investment, meant to support the business until it can generate cash of its own, or until it is ready for further investments. Seed money options include **friends and family funding**, **angel funding** and -- recently -- crowd funding.



### Startup Financing Cycle

**Seed money** can be used to pay for such preliminary operations as market research and product development. Investors can be the founders themselves, using savings and loans. They can be family members and friends of the founders. Investors can also be outside angel investors, venture capitalists or accredited investors. Seed capital is not necessarily a large amount of money. Many people start up new business ventures with \$50,000 or less.

Seed capital can be distinguished from venture capital in that venture capital investments tend to involve significantly more money, an arm's length transaction, and much greater complexity in the contracts and corporate structure that accompany the investment. Seed funding involves a higher risk

than normal venture capital funding since the investor does not see any existing project to evaluate for funding. Hence the investments made are usually lower (in the tens of thousands to the hundreds of thousands of dollars range) as against normal venture capital investment (in the hundreds of thousands to the millions of dollars range), for similar levels of stake in the company.

Seed money may also come from crowd funding or from financial bootstrapping rather than an offering. Bootstrapping in this context means making use of the cash flow of an existing enterprise.

Investors make their decision whether to fund a project based on the perceived strength of the idea and the capabilities, skills and history of the founders.

## **Series A round financing**

From Wikipedia, the free encyclopedia

A **Series A round** is the name typically given to a company's first significant round of venture funding in the Silicon Valley model of startup company formation.

The name refers to the class of preferred stock sold to investors in exchange for their investment. It is usually the first series of stock after the common stock and common stock options issued to company founders, employees, friends and family, angel investors, etc.

### **Description**

Series A Preferred Stock is the first round of stock offered during the seed or early stage round by a portfolio company to the venture capitalist. Series A preferred stock is convertible into common stock in certain cases such as an IPO or the sale of the company

Series A rounds are a critical stage in the funding of new companies. A typical Series A round is in the range of \$2 million to \$10 million, purchases 20% to 40% of the company, and is intended to capitalize the company for 6 months to 2 years as it develops its products, performs initial marketing and branding, hires its initial employees, and otherwise undertakes early stage business operations.

Because there are no public exchanges listing their securities, private companies meet venture capital firms and other private equity investors in several ways, including warm referrals from the investors' trusted sources and other business contacts; investor conferences and symposia; and summits where companies pitch directly to investor groups in face-to-face meetings.

Smaller investment amounts are not worth the legal and financial expense, the burden on a company of adjusting its capital structure to serve new investors, and the analysis and due diligence on the part of institutional investors. A company that needs money for operations but is not yet ready for venture capital will typically seek angel capital. Larger amounts are usually unwarranted given the cost of business in fields such as software, data services, telecommunications, and so on. However, there are routinely Series A rounds in excess of \$10 million in fields such as pharmaceuticals, semiconductors, and real estate development.

Series A rounds arising in the United States venture capital community, particularly in Silicon Valley, are widely reported in business press, blogs, industry reports, and other media that cover the technology industry. There are many Series A rounds in other business contexts, underwritten by investment banks, corporate investors, angel investors, public agencies, and others, that do not often receive press coverage. They all share a similar legal and financial framework, but specific terminology, deal terms, and investment practices vary according to business customs within different countries, business sectors, investor communities, and geographical regions.

## **Patent**

From Wikipedia, the free encyclopedia

A **patent** (/ˈpætənt/ or /ˈpeɪtənt/) is a form of intellectual property. It consists of a set of exclusive rights granted by a sovereign state to an inventor or their assignee for a limited period of time, in exchange for the public disclosure of the invention.

The procedure for granting patents, requirements placed on the patentee, and the extent of the exclusive rights vary widely between countries according to national laws and international agreements. Typically, however, a patent application must include one or more claims that define the invention. These claims must meet relevant patentability requirements, such as novelty and non-obviousness. The exclusive right granted to a patentee in most countries is the right to prevent others from making, using, selling, or distributing the patented invention without permission.<sup>[1]</sup>

Under the World Trade Organization's (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights, patents should be available in WTO member states for any invention, in all fields of technology,<sup>[2]</sup> and the term of protection available should be a minimum of twenty years. In many countries, certain subject areas are excluded from patents, such as business methods and computer programs.

## **Resources –**

### **Indiana Office of Rural and Community Affairs (OCRA)**

The mission of the Indiana Office of Community and Rural Affairs (OCRA) is to work with local, state, and national partners to provide resources and technical assistance to aid rural communities in shaping their visions for community economic development.

**Indiana HomeTown Competitiveness** is a comprehensive framework for rural community development. This innovative program emphasizes five key "pillars" to create economic success in rural Indiana communities which include youth engagement, leadership development, entrepreneurship, rural family success, and building community wealth.

The **Rural Capacity Grant** program was developed to assist rural Indiana communities in their efforts to expand local capacity by means of grassroots community development efforts, partnership building, and leveraging regional resources. There are two types of Rural Capacity Grants: Rural Entrepreneurial Support, and Workforce and Educational Development.

The **Stellar Communities** program is a multi-agency partnership designed to fund comprehensive community development projects in Indiana's smaller communities. The Indiana Housing and Community Development Authority, Indiana Office of Community and Rural Affairs, and Indiana Department of Transportation, along with the State Revolving Fund, are participating in this innovative program.

The Stellar Communities program embodies collaborative government partnerships and successfully leverages state and federal funding from multiple agencies to undertake large-scale projects. Through this program, Indiana is doing more with current resources and making a bigger impact in communities, even with a slimmer budget.

**Young Entrepreneur Program** - The Indiana Economic Development Corporation (IEDC) and the Office of Community and Rural Affairs (OCRA) are partnering to launch a program established by House Enrolled Act 1251 to assist Young Entrepreneurs to make their business plans become a reality in Indiana. The IEDC and OCRA work with local communities to create a package of business incentives to offer the young entrepreneurs with the best business plans.

**Community Development Block Grants** - Rural communities have many pressing needs that require outside financial assistance. Through the Indiana Office of Community and Rural Affairs, Indiana requests federal funds to help rural communities with a variety of projects such as sewer and water systems, community centers, health and safety programs, and many others. These funds help communities improve their quality of life and ensure the health and safety of their citizens. Community leaders can find the CDBG application and deadline below.

### **Indiana Office of Community and Rural Affairs**

One North Capitol, Suite 600

Indianapolis, IN 46204-2027

PHONE: 317.233.3762

TOLL FREE: 800.824.2476

FAX: 317.233.3597

## **Purdue Extension Service – Community and Economic Development**

Providing Indiana citizens with educational programs and information they can use to:

- Increase community vitality
- Build leadership capacity
- Enhance public decision-making
- Resolve public issues

Purdue University  
203 Martin Jischke Drive  
West Lafayette, IN 47907-2057

Toll Free: 877-882-PCRD (7273)

## **United States Department of Agriculture/Rural Development – Indiana Office**

USDA Rural Development is the leading advocate for rural America. The mission area supports rural communities and enhances quality of life for rural residents by improving economic opportunities, community infrastructure, environmental health, and the sustainability of agricultural production.

To support rural regional economic prosperity, USDA Rural Development provides job training and business development opportunities for rural residents, including cooperative business development, community economic development and strategic community planning and faith-based and self-help initiatives. Funding for most of these efforts is administered by USDA Rural Business Programs.

Rural Development also offers programs to provide the educational opportunities, training, technical support, and tools for rural residents to start small businesses and to access jobs in agricultural markets, the green economy, and other existing markets, as well as acquire training in vocational and entrepreneurship skills they can use in the marketplace and business sector. USDA, in cooperation with our public and private partners, is connecting rural residents to the global economy by:

1. Increasing access to broadband and continuous business creation;
2. Facilitating sustainable renewable energy development;
3. Developing regional food systems;
4. Capitalizing on climate change opportunities; and
5. Generating and retaining jobs through recreation and natural resource restoration, conservation, and management.

Such investments support our long-term national prosperity by ensuring that rural communities are self-sustaining, repopulating, and thriving economically. For more information, contact your state Rural Development Office.

## **Community and Economic Development**

Includes programs that assist communities realize their long-term goals through provision of technical assistance and grants that supports strategic planning and community visioning in order to provide a foundation for economic development.

### **Regional Development:**

Assists regions in creating self-sustaining, long-term economic development in rural areas through visioning and strategic planning. Provides communities seeking information on USDA Rural Development and other federal community and economic development programs. Promotes partnerships at the local and state levels to assist communities in advancing their strategic or economic development plans. Promotes coordinated planning among Rural Development programs to address specific projects in a community or regional strategic plan.

### **USDA Indiana**

Philip Lehmkuhler, State Director  
5975 Lakeside Boulevard  
Indianapolis, IN 46278  
Voice: (317) 290-3100 ext.4  
Fax: (317) 290-3127

[www.rurdev.usda.gov/in/](http://www.rurdev.usda.gov/in/)

## **TechPoint**

As Indiana's initiative for the state's technology-based economy and growing entrepreneurship, TechPoint is known for its ability to identify and empower high-growth Indiana technology companies through education and networking programs, government advocacy and strategic economic development initiatives.

TechPoint represents Indiana's entire technology community, including publicly-traded companies, private businesses, colleges and research universities, and local economic development organizations.

TechPoint is not a membership organization; no dues are collected and there are no restrictions on involvement other than being a company or professional interested in the success and growth of Indiana's tech sector.

Since 2006, TechPoint has been part of the Central Indiana Corporate Partnership (CICP) enterprise, and TechPoint is proud to be among CICP's major vehicles for economic growth initiatives including BioCrossroads, Conexus Indiana, Energy Systems Network, and Indy Partnership.

### **Our Mission:**

The mission of TechPoint is to ACCELERATE Indiana's emerging and vibrant information technology sector by:

PROMOTING the successes of IT companies and professionals;  
SUPPORTING the FORMATION, EXPANSION, and ATTRACTION of IT companies; and  
ADVOCATING appropriate public policy.

TechPoint  
111 Monument Circle, Suite 1800  
Indianapolis, IN 46204  
Phone: 1-317-275-2080  
<http://www.techpoint.org>

## **Entrepreneurship Advancement Center**

### **Mission**

The Entrepreneurship Advancement Center (EAC) supports, promotes, and celebrates entrepreneurship in Indiana.

### **Vision**

Enriched, diverse, and prosperous communities built on a foundation of successful entrepreneurial business.

### **EAC believes:**

- Entrepreneurship is the economic engine of our economy.
- Entrepreneurial education is a lifelong learning process, starting at elementary school and progressing through adulthood.
- The right support, provided at the right time, will empower individuals to choose an entrepreneurial path that will culminate in innovative, sustainable businesses that create jobs and build a healthy economy.
- Supporting entrepreneurial businesses will create an economically vibrant community.

### **We accomplish our mission by:**

- **Supporting** entrepreneurs through education, connections, and mentoring.
- **Promoting** successful entrepreneurs and those aspiring to entrepreneurial success.
- **Celebrating** entrepreneurs through awards and recognition.

### **EAC Programs & Activities**

#### **Resource Center**

The EAC assists people interested in starting their own businesses. We connect entrepreneurs to the information and services they need to be successful.

#### **High School Business Plan Competition & Conference**

Students attending school in Hamilton County are invited to develop a business plan and submit it to the competition. Competitions are held annually in January and May. These highly successful competitions have involved more than 350 local students, over 60 entrepreneurs and business professionals, and have created 4 student-run businesses since 2009, paving the way for the next generation of Hamilton County entrepreneurs.

#### **Community Business Plan Competition**

This competition is open to individuals or partners interested in starting a business, as well as to existing businesses. All entries will receive detailed feedback on their business plan. Finalists will be invited to present their plan to a panel made up of local business people and entrepreneurs from a variety of industries. The winner will receive a consulting package to help launch their business. Watch

[www.goentrepreneurs.org](http://www.goentrepreneurs.org) for details.

**Celebration Conference**

This day-long conference brings together some of the brightest entrepreneurs from Indiana to share their expertise in starting and growing a business.

**Celebration Awards**

The Annual Celebration Awards recognizes and celebrates entrepreneurship in Indiana. The event recognizes the achievements of current influential and innovative business owners, future business owners, and those who educate future entrepreneurs. Awards are given annually in these categories: emerging business, established business, mature business, and a youth educator. Businesses are encouraged to nominate themselves for an award.

## **Reading List – A list of books, articles and resource materials that explain entrepreneurship, community-based business development, etc.**

***Energizing Entrepreneurs;*** Markley, Deborah, Don Macke, and Vicki B. Luther. 2005, RUPRI Center for Rural Entrepreneurship and Heartland Center for Leadership Development.

***Entrepreneurship and Local Economic Development;*** Walzer, Norman, editor. 2007, Lexington Books.

***Start-Up Communities: Building an Entrepreneurial Ecosystem;*** Feld, Brad. 2012, John Wiley & Sons, Hoboken, NJ.

### **Unlocking Entrepreneurship: A Handbook for Economic Developers**

The International Economic Development Council, under the guidance of its Economic Development Research Partners (EDRP ) Program, has developed this Handbook on Entrepreneurship, to:

- Introduce the economic development professional to the increasingly urgent need to support entrepreneurship as a necessary strategy;
- Explain what entrepreneurship is and who entrepreneurs are;
- Elucidate ways to best support entrepreneurship in the community; and
- Provide tools to help economic development professionals strengthen their communities' entrepreneurship culture and build vibrant, resilient economies.

[www.iedc.online.org](http://www.iedc.online.org)

### **Making Innovative Places**

<http://www.nesta.org.uk/library/documents/Making-innovative-places-v7.pdf>

### **Small Town, Big Ideas**

[http://www.iog.unc.edu/programs/cednc/stbi/pdfs/stbi\\_final.pdf](http://www.iog.unc.edu/programs/cednc/stbi/pdfs/stbi_final.pdf)

### **Innovative Approaches to Entrepreneurial Development**

[http://www.extension.org/mediawiki/files/9/91/Cases\\_from\\_the\\_Northwest\\_Region.pdf](http://www.extension.org/mediawiki/files/9/91/Cases_from_the_Northwest_Region.pdf)

### **Creating A Culture of Innovation in Wisconsin: Inventors and Entrepreneurs Clubs**

<http://www.extension.org/pages/9952/inventors-and-entrepreneur-clubs>

### **Cultivating and Nurturing an Entrepreneurial Ecosystem**

<http://www.extension.org/pages/10767/cultivating-and-nurturing-an-entrepreneurial-ecosystem>

### **Measuring Entrepreneurship Efforts**

<http://www.extension.org/pages/10768/measuring-entrepreneurship-efforts>

### **What Is an Entrepreneurial Community?**

<http://www.extension.org/pages/11367/what-is-an-ec>

### **10 Community Strategies for Leveraging Regional Assets to Support Local Entrepreneurs**

<http://www.extension.org/pages/11169/10-community-strategies>

**Ten Ways to Build Public Awareness of Entrepreneurship as a Key Strategy for Building Community Wealth**

<http://www.extension.org/pages/11395/ten-ways-to-build-public-awareness-of-entrepreneurship-as-a-key-strategy-for-building-community-wealth>

**Resources for Supporting Entrepreneurship at the Community Level**

<http://www.extension.org/pages/11462/resources-for-supporting-entrepreneurship-at-the-community-level>

**A World of Opportunity: Understanding & Tapping the Economic Potential of Immigrant Entrepreneurs from the Center for an Urban Future**

[http://www.nycfuture.org/images\\_pdfs/pdfs/IE-final.pdf](http://www.nycfuture.org/images_pdfs/pdfs/IE-final.pdf)

**Hello, My Business Name Is... A Guide to Building Entrepreneurial Networks in North Carolina**

<http://www.entworks.net/Download/HelloMyBusinessName.pdf>

**Asset Mapping & Data Collection**

**The Community Toolbox: Walking and Windshield Surveys**

A factsheet developed by the University of Kansas which guides the user through the essentials of data collection using either walking or windshield survey collection.

<http://ctb.ku.edu/en/tablecontents/chapter3-section21-main.aspx>

**RUPRI's Community Readiness Surveys**

A series of surveys that are used to determine the community's readiness for new programs based on the following six factors:

Factor 1 – Openness to Entrepreneurship – Is the community open to exploring entrepreneurship as an economic development strategy?

Factor 2 – Balancing Business Attraction – Does the community balance a traditional economic development approach with a focus on local businesses and on energizing entrepreneurs to create and build homegrown enterprises?

Factor 3 – Entrepreneurship Programs – previously mentioned above

Factor 4 – Willingness to Invest – You don't need to have these programs in place already, but the community has to be willing to invest in them.

Factor 5 – Leadership Team – Can your community create a team that will work on an entrepreneurial strategy?

Factor 6 – Beyond Town Borders – Is your community willing to create partnerships with other area communities to find the human and financial resources in order to be in the economic development game?

<http://www.energizingentrepreneurs.org/site/images/research/tp/et/et4.pdf>

<http://www.energizingentrepreneurs.org/site/images/research/tp/et/et18.pdf>

<http://www.energizingentrepreneurs.org/site/images/research/tp/et/et5.pdf>

<http://www.energizingentrepreneurs.org/site/images/research/tp/et/et16.pdf>

Bureau of Economic Analysis – Regional Economic Accounts (Primarily data from Local Area Personal Income and Employment tables) - [http://www.bea.gov/iTable/index\\_regional.cfm](http://www.bea.gov/iTable/index_regional.cfm)

Census – Nonemployer data - <http://www.census.gov/econ/nonemployer/>

Census - County Business Patterns - <http://www.census.gov/econ/cbp/>

Census - Survey Of Business Owners - <http://www.census.gov/econ/sbo/>

Panel Study on Entrepreneurial Dynamics - <http://www.psed.isr.umich.edu/psed/home>

Stats Indiana (includes national, state, regional and county-level data for the entire country) - <http://www.stats.indiana.edu>

Incubators & Accelerators

Business Incubation FAQ – National Business Incubation Association (NBIA) - [http://www.nbia.org/resource\\_library/faq/](http://www.nbia.org/resource_library/faq/)

Small Business Incubators: Potential Local Economic Development Tools – OSU Extension - <http://pods.dasnr.okstate.edu/docushare/dsweb/Get/Rendition-6613/AGEC-905web.pdf>

Identifying Obstacles to the Success of Rural Business Incubators – National Business Incubation Association (NBIA) - <http://www.rural.org/publications/NBIA01-08.pdf>

Building a Business Incubator: A Teaching Case Study Journal of Business Case Studies – Fourth Quarter 2006 - [http://www.vistaalberta.ca/docs/Case\\_Study.pdf](http://www.vistaalberta.ca/docs/Case_Study.pdf)

Directory of Business Incubators – <http://gaebler.com>

Business Incubation – Small Business Notes - <http://www.smallbusinessnotes.com/starting/busincubation.html>

Seven Components of a Successful Business Incubator – UW Extension - <http://www.uwex.edu/ces/cced/downtowns/ltb/lets/LTB0706.pdf>

Five “Musts” for Business Incubator Success - Economic Development America - <http://www.uwex.edu/ces/cced/downtowns/ltb/lets/LTB0706.pdf> Financing and Lending

USDA Loans – This federal program offers financial assistance to small businesses. It is specifically designed to grow business in rural areas. Please visit <http://www.rurdev.usda.gov> for more information.

Small Business Administration Loans – Microloans - This special type of loan is given by nonprofit organizations to support low-income, low-employee entrepreneurs. For more information on microloans, contact the Small Business Assistance Corp. at [www.sbacsav.com](http://www.sbacsav.com)

## Youth Entrepreneurship

SCORE: [http://www.score.org/resources\\_young.html](http://www.score.org/resources_young.html)

Provides a large list of links for young entrepreneurs, including descriptions of each link.

Energizing Young Entrepreneurs in Rural Communities:

[http://www.energizingentrepreneurs.org/content/cr\\_7/2\\_000240.pdf](http://www.energizingentrepreneurs.org/content/cr_7/2_000240.pdf)

Paper written detailing methods of increasing youth entrepreneurship levels in rural communities.

Be the "E": <http://www.4hccsprojects.com/entrepreneur/>

A project sponsored by 4-H, aimed at educating youth to increase their knowledge and skills of how to exploit a business opportunity and be organized in business endeavors.

Curricula, Programs & Technical Assistance

Energizing Entrepreneurs: Charting a Course for Rural Communities -

<http://www.ruraleship.org/content/cr.php?id=8&sel=1#book>

Energizing Entrepreneurial Communities – Center for Rural Entrepreneurship -

[http://www.energizingentrepreneurs.org/site/index.php?option=com\\_content&view=article&id=12&Itemid=39](http://www.energizingentrepreneurs.org/site/index.php?option=com_content&view=article&id=12&Itemid=39)

e2 Energizing Entrepreneurs - Tools for Practitioners -

<http://www.ruraleship.org/content/cr.php?id=4&sel=4>

eXtension Entrepreneurs and Their Communities – <http://www.extension.org/entrepreneurship>

Small Business Development Centers - <http://www.sba.gov/content/small-business-development-centers-sbdcs>

## **Entrepreneurial Training Resources (Compiled by the Indiana Economic Development Association)**

### **Bizdom U (Kauffman Foundation)**

Bizdom U provides comprehensive, real-world training for aspiring entrepreneurs that have a burning passion and determination to build their own business. The program believes the most promising business leaders of tomorrow need practical training, street smarts, a hunger for knowledge, and a drive to succeed with their own Detroit-based business.

440 Burroughs, Suite 314

Detroit, Michigan 48202

Phone Direct: 313.833.7800

Phone Toll Free: 866.366.0445 <http://www.bizdom.com/>

### **Kauffman FastTrac® LaunchPad**

(Kauffman Foundation)

This initiative is being offered in response to the many workers who have lost their jobs and entrepreneurs leading businesses that are struggling due to the current economic environment. Working with organizations and companies, the Kauffman Foundation, with funding provided by the Deluxe Corporation Foundation, provides entrepreneurship-training programs to these aspiring and existing entrepreneurs.

Contact via the following web site:

<http://fasttrac.org/about-us/contactus.aspx>

<http://fasttrac.org/>

### **Urban Entrepreneur Partnership**

(Kauffman Foundation)

The Urban Entrepreneur Partnership (UEP), a program of the Kauffman Foundation known for its comprehensive one-to-one premiere business coaching model.

For more information, call us at 816.581.2900 or send an email to [uep@uepkauffman.org](mailto:uep@uepkauffman.org)

<http://uepkauffman.org/>

### **ECLUB International**

The ECLUB Academy (ECEDA) is an annual educational program designed to provide entrepreneurship training and enterprise development opportunities to high school students, teachers and residents. Students are taught to design, develop, and implement each year a school-based and/or community-based Business Incubator that is socially responsible and that can economically impact their community.

Cherese Glenn-Muhammad

Executive Director

Jihad T. Muhammad -

Trainer/Consultant

ECLUB International Foundation, Inc.

P.O. Box 467

Gary, IN 46402

219-977-2931

### **The Johnson Center for Entrepreneurship & Innovation**

The JCEI offers one of the most comprehensive entrepreneurship curriculums in the world. Their web site provides excellent information on entrepreneur resources.

Indiana University  
Kelley School of Business  
1275 East 10th St., Suite 2050  
Bloomington, IN 47405-1703  
(812) 855-4248  
Fax: (812) 855-2751  
jcei@indiana.edu  
<http://kelley.iu.edu/JCEI/index>.

### **U.S. Small Business Administration**

The U.S. Small Business Administration (SBA) was created in 1953 as an independent agency of the federal government to aid, counsel, assist and protect the interests of small business concerns. The SBA helps Americans start, build and grow businesses.

Indiana District Office  
8500 Keystone Crossing, Suite 400  
Indianapolis, IN 46240-2460  
(317) 226-7272  
Hours of Operation:  
8:00 a.m. to 4:30 p.m. (Mon - Fri)  
<http://www.sbaonline.sba.gov/>

### **Minority Business Development Agency**

MBDA, a part of the U.S. Department of Commerce is an entrepreneurially focused organization committed to wealth creation in minority communities. The Agency's mission is to actively promote the growth and competitiveness of large, medium and small minority business enterprises (MBEs).

Indiana Center  
2126 N. Meridian Street Ste. 110  
Indianapolis, IN 46202  
317-789-8115 - Telephone  
<http://www.mbd.gov/>

### **National Business Incubation Association**

Trade association for business incubators  
20 East Circle Drive, #37198  
Athens, OH 45701-3751  
Phone: (740) 593-4331  
Fax: (740) 593-1996  
info@nbia.org  
[http://www.nbia.org/for\\_entrepreneurs/](http://www.nbia.org/for_entrepreneurs/)

### **Young Entrepreneur's Organization**

A global non-profit educational organization for young entrepreneurs. EO is the catalyst that enables entrepreneurs to learn and grow from each other, leading to greater business success and an enriched personal life. Membership in one of EO's chapters is by invitation only.

Entrepreneurs' Organization  
500 Montgomery Street, Suite 500  
Alexandria, VA 22314 USA  
T +1.703.519.6700

F +1.703.519.1864

<http://www.eonetwork.org/Pages/welcome.aspx>

### **Edward Lowe Foundation**

The foundation actively embraces and encourages entrepreneurship as the source and strategy for economic growth, community development and economically independent individuals.

Edward Lowe Foundation

58220 Decatur Road

P.O. Box 8

Cassopolis, Michigan 49031-0008

Telephone: 800-232-LOWE(5693)

Fax: 269-445-2648

<http://edwardlowe.org/>

### **Social Venture Network**

Social Venture Network connects, supports and inspires business leaders and social entrepreneurs in expanding practices that build a just and sustainable economy.

Social Venture Network

P.O. Box 29221

San Francisco, CA 94129-0221

Phone: 415-561-6501

<http://www.svn.org/index.cfm>

### **Y-Combinator**

Seed stage company that funds start up's in a series of three month programs that provide technical assistance to ideas and business plans. At the end of three months of programming, YCombinator holds an event that pairs start ups with investors.

Y Combinator

320 Pioneer Way

Mountain View, CA 94041

<http://ycombinator.com/>

### **Collegiate Entrepreneurs Organization**

Collegiate Entrepreneurs' Organization <sup>SM</sup> (CEO) is the premier entrepreneurship network with chapters on university campuses across North America. Our mission is to inform, support and inspire college students to be entrepreneurial and seek opportunity through enterprise creation.

Collegiate Entrepreneurs'  
Organization <sup>TM</sup>

3105 N. Ashland Ave., Suite 228

Chicago, IL 60657

Phone: 773-360-8426

Fax: 773-305-2716

<http://www.c-e-o.org/>

### **Neighborhood Development Center - Entrepreneur Training Program**

Neighborhood Development Center (NDC) partners with community-based organizations to offer 16-week entrepreneur training programs in 20 neighborhoods and ethnic communities throughout the Minneapolis-St. Paul metropolitan area.

Maren Misner

651-379-8434

[mmisner@ndc-mn.org](mailto:mmisner@ndc-mn.org)

<http://www.ndcmn.org/training>

### **Valley Economic Development Center - Entrepreneurial Training Program**

A comprehensive Entrepreneurial Training Program, combined with one-on-one business counseling has proven a winning combination for over 2,000 businesses in Los Angeles County. This FREE (for those that qualify) program consists of 7 essential topics that are covered in two different series to comprise the different stages of a start-up business and a growing business.

SFV ETP (818) 907-9922

[http://www.vedc.org/small\\_business/etp.php](http://www.vedc.org/small_business/etp.php)

### **Missouri Department of Transportation - Entrepreneurship Training Program**

The Entrepreneurship Training Program focuses on three markets for 2009 and 2010: St. Louis, Kansas City and Columbia.

The program's intent is to help Disadvantaged Business Enterprise firms build their business skills in specific and measurable areas. This program encourages participants, prime contractors and other professionals to engage collaboratively regularly. Once business owners have completed the program, they are better prepared to work with MoDOT.

<http://www.modot.org/stlouis/links/EntrepreneurshipTrainingProgram.htm>

### **Institute for Rural Entrepreneurship**

Homegrown businesses represent an important way to build and sustain rural economies. Through the Institute for Rural Entrepreneurship, the center helps North Carolina and its communities develop policies and programs that encourage the start-up and growth of locally owned companies of all shapes and sizes.

Leslie Scott, Director, Institute for Rural Entrepreneurship

N.C. Rural Economic Development Center

4021 Carya Drive

Raleigh, NC 27610

Telephone: 919-250-4314

<http://www.ncruralcenter.org/businessprograms/entrepreneurship.html>

### **The Office of Entrepreneurial Education (oe<sup>2</sup>)**

The Office of Entrepreneurial Education (oe<sup>2</sup>) is the arm of the New York State Small Business Development Center that promotes interest in entrepreneurship through a variety of educational programs. These educational programs include web-based curricula on basic entrepreneurial concepts  
Central Administrative Office:

NYS Small Business Development Center

22 Corporate Woods Building

3rd Floor

Albany, NY 12246

Telephone:(518) 443-5398

<http://oe2.nyssbdc.org/>

### **The Entrepreneurship Project - University of Missouri**

The project is a training program to help people get started in their own production agriculture business.

<http://muagentrepreneur.wordpress.com/contact-2/>

<http://muagentrepreneur.wordpress.com/about/>

### **RUPRI Center for Rural Entrepreneurship**

The RUPRI Center for Rural Entrepreneurship provides communities across rural America with the resources for implementing entrepreneurship as a core economic development strategy. The Center, located jointly in North Carolina, Nebraska, and Missouri, applies practice-driven research, development tools, and consultation services in participation with many partners – rural communities, development practitioners, researchers, and policymakers.

Created in 2001 with founding support from the Ewing Marion Kauffman Foundation and RUPRI, the Center is an outgrowth of the Rural Entrepreneurship Initiative (REI) supported by the Kauffman Foundation, the National Rural Development Partnership, Partners for Rural America, and the Nebraska Community Foundation.

The Center's mission is to enable every rural resident to achieve his or her full entrepreneurial potential. To achieve this mission, the Center's work focuses on three key concepts – **study, learn, and engage**.

The Center actively **studies** entrepreneurship development through practice-driven research in collaboration with a wide range of partners.

Building on this knowledge base, the Center creates opportunities for community leaders and policy makers to **learn** about rural entrepreneurship through training, an electronic newsletter, development tools, and other mechanisms for learning in person and virtually.

The Center also **engages** community and regional leaders by bringing new models, such as HomeTown Competitiveness, and new tools, such as Transfer of Wealth, directly to rural regions in a more hands-on, strategic approach. By applying these three concepts, the Center is committed to connecting economic development practitioners and policy makers across rural America to the resources needed to energize entrepreneurs and to implement entrepreneurship as a core rural economic development strategy.

[www.energizingentrepreneurs.org](http://www.energizingentrepreneurs.org)

### **Small Biz U**

SmallBizU is for those individuals seeking thought-leadership. Designed specially for entrepreneurs and small businesses, this online university seeks to instill a formal *business intelligence*--the capacity to solve problems, meet challenges, and create valued products.

SmallBizU teaches the 3Ms: Money, Marketing, and Management. We do this through a no-frills, utilitarian curriculum that provides small businesses with real world tools and information.

From new ventures, to business managers, to entrepreneurs, to master level classes, we have a range of courses across all functional areas of small business. Large corporations have their own training departments--now you have your own just-in-time desktop university with SmallBizU.

[www.smallbizu.org](http://www.smallbizu.org)