

FINDING REPORT

Southwest Iowa Entrepreneurial Development System

Role of the Rural Development Center

Background & Introduction

This Report captures preliminary observations and recommendations related to **Reviewing the Vision and Commitment** of the Rural Development Center (Center). The RUPRI Center for Rural Entrepreneurship and the Heartland Center for Leadership Development have been retained by the Center to conduct a stakeholder engagement process and assist the Southwestern Iowa Region (SWICO or Southwest Iowa Coalition) in exploring a renewed strategy for entrepreneur-focused economic development. Our **Findings Report** is preliminary and will be shared with regional stakeholders during the October 17, 2011 Regional Retreat in Red Oak, Iowa.

This Report is organized into the following sections:

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Project Electronic Library

We have developed a web-based Project Electronic Library that contains all the supporting research and analysis procured and generated through this work. Access to this Library is through the following WEB-LINK:

< <http://bit.ly/oAyQFL> >

Questions and Additional Information

Lynn Adams – Rural Development Center

Voice 712.623.5521 – Email lynn@swico.org

Don Macke -- Center for Rural Entrepreneurship

Voice 402.323.7339 -- Email don@e2mail.org -- www.energizingentrepreneurs.org

Summary Findings

Economic Development is Needed. The vast majority of those surveyed or interviewed feel there is a strong need for more effective economic development in Southwest Iowa (4.3 on a 5.0 scale).

Entrepreneurship is Important. Likewise, there is also strong support for the idea that entrepreneur-focused economic development makes sense for the Region (4.2 on a scale of 5.0) as a development priority.

There is Room for Improvement. There is recognition that there are entrepreneur related resources within and available to the Region, but respondents feel there is room for improving assistance for area businesses and startups (3.4 out of 5.0 feel that there is adequate support right now).

Regional Collaboration? Respondents felt that regional cooperation makes sense, but that it is hard to achieve. The score related to the “area’s willingness to work on a regional strategy” was 3.2. It is clear that a practical model for collaboration is needed if willingness to cooperate is to be increased.

Funding for this Initiative? There is uncertainty as to whether stakeholders in the Region would be willing to provide funding for an entrepreneurship strategy. Respondents were cautious in their belief that resources can be raised to support such an initiative. This represents a primary challenge that needs to be addressed.

Entrepreneurial Opportunity. Our assessment finds considerable evidence that there are opportunities for growing stronger local and a regional economy by supporting area entrepreneurs. Entrepreneur-focused economic development represents one of the strongest options for economic development in the Region and its communities given the current weak national economic environment.

A Local/Regional Strategy. Our assessment offers a model for a local and regional strategy for supporting entrepreneurs as an economic development strategy. Preliminary ideas for funding such a strategy are included in Section 4 of the Report.

Our most important finding relates to the need for the Region and its communities to increase economic development efforts. The Region and most of its communities are losing ground facing critical demographic, social and economic challenges. Increasing economic development through entrepreneurship can help return the Region to growth and prosperity over time. But for this to occur there must be a robust and smart strategy that includes both a local and regional game plan. We hope this Assessment provides information necessary for helping Southwest Iowa move forward towards a brighter future.

Recommendations
Southwest Iowa Coalition Entrepreneurial Development System (EDS)
By Don Macke and Milan Wall
October 21, 2011

1. Develop a multiple hub-based Entrepreneurship Development System (EDS) to support entrepreneurship as a key economic development strategy in a 10-county region of Southwest Iowa.
2. Designate the Rural Development Center as a central hub with “floating sub-hubs” that may develop sectoral or technical assistance specialties. Such hubs may include organizations such as the SBDCs and WIDA.
3. Establish community-based entrepreneurship support resource teams (E-Teams), comprised of resource agencies, financing experts, educators, entrepreneurs and other business development stakeholders.
4. Provide a capacity-building capability to train E-Teams and entrepreneurship coaches (E-Coaches) to identify businesses with growth potential and to provide technical assistance and expert referral to outside resources.
5. Develop a culture of community and regional support for entrepreneurs and entrepreneurship that promotes and celebrates entrepreneurship as a key economic development strategy for the region.
6. Develop and implement a range of key technical assistance and financing resources for entrepreneurs to include such services as mentoring, networking, market intelligence, counseling and capital access.
7. Develop and implement a financing strategy for support of the EDS, beginning with tracking community and regional cash and in-kind contributions and leading, over time, to financial contributions from a variety of sources, such as foundations, government agencies at all levels, nonprofits, individual donors and investment groups.
8. Support development of entrepreneurship field-of-interest funds through local and regional foundations.
9. Develop a clear and consistent message and campaign to promote the EDS to funders and stakeholders throughout the region.
10. Develop a reasonable and affordable yet adequate financing and staffing plan for the EDS.
11. Establish an information clearinghouse function as a one-stop center for entrepreneurship-related resources.
12. Articulate a strategic plan with timelines, intended outcomes and key benchmarks to track progress toward specific goals and objectives.
13. Develop a governance structure to provide overall policy and guidance for the EDS.
14. Develop and implement a reporting structure to keep key stakeholders informed of progress.

Survey & Interview Results

Scale: 1-5, 5 is high.

1. On a scale of 1 to 5 where 5 is high, please rate this region's need for more effective economic development. Mean=4.3
 - There is a need for diversification. Many towns are dependent on certain industries such as farming. Many towns lack local jobs forcing people to commute.
 - Southwest Iowa suffers from a lack of economic development. Building economic development is of utmost importance due to population decline.
 - Strong need for comprehensive and strategic planning to attract businesses and young families.

2. On a scale of 1 to 5 where 5 is high, rate the extent to which your vision of economic development in this region includes supporting local entrepreneurs and existing business owners. Mean = 4.3
 - There is a need to expand the entrepreneur base as existing industries and entrepreneurs are important to the future viability of rural areas. Entrepreneurs do need support, especially those just starting out.
 - Because of the recent flooding, there will be opportunities to start fresh with new infrastructure and provide opportunity for entrepreneurs.
 - It is very important for local citizens to support small businesses and entrepreneurs as much as possible.
 - Supporting local entrepreneurs and existing business owners is the vision of economic development in the region.

3. On a scale of 1 to 5 where 5 is high, rate the extent to which currently available services in the region provides adequate support for entrepreneurs and existing business owners. Mean=3.4
 - There is a desire to grow entrepreneurs in the southwest Iowa region but don't know if the mechanics are in place to make it successful.
 - There is an emphasis on this "region" being too big to support.
 - Financial institutions are willing to make loans that could be risky.
 - Businesses can always use venture capital.
 - The local media outlets (newspaper, radio, tv, social media) can support local businesses and entrepreneurs by devoting some of their broadcast attention to these individuals.

4. On a scale of 1 to 5 where 5 is high, rate your sense of this area's willingness to work on a regional strategy through a developed business plan that would assist local, existing resources and additionally support entrepreneurs and existing business owners as a way to grow the individual, local economies throughout the region. Mean=3.2

- There are trust issues; everyone wants to collaborate but they are very protective when it comes to their “backyard” as well as too much worry about competition with neighboring communities.
- Regional strategies could be difficult with so many communities and their different needs but there is hope in watching MINK (Missouri, Iowa, Nebraska, Kansas). Other regional resources cited include P.R.I.D.E. and RDC, which are dedicated to developing a regional strategy.
- Some respondents said they believe this region is too big for regional collaboration.

5. On a scale of 1 to 5 where 5 is high, indicate whether you believe this region would be willing and able to make an investment in this type of economic development given that the plan substantiates local and regional benefits. Mean=3.2

- Outside of those that think the region is too big, most feel that investment in economic development is essential.
- In order to work on regional basis it may be key to start small by getting a few communities in close proximity to work together for a common purpose that meets the goals of region.
- There is an ethos and attitude in the region that “we have to get it done ourselves.”

6. What resources or organizations should be part of a regional support system to support entrepreneurs and existing businesses?

- Southwest Iowa Planning Council
- ISU Extension
- Local governments
- Chambers
- ACEDC
- ACCS
- Business Owners
- Community colleges
- Financial institutions
- USDA
- SBA
- SWICO
- Economic development corporations
- Workforce development
- MAPA
- SBDC
- WIDA
- RDC

7. What funding sources do you think would support such a system?

Grants – Banks – USDA - Local governments - Public and private sectors – State - EDA

Opportunity Observations

Location & Overall Regional Performance

Population Trends & Demographics

Economic Structure & Entrepreneurship

Main Street Entrepreneurs, Job Creation & Trade Capture

Wealth Profile & Giveback Potential for Development

Location. The counties and communities of Southwestern Iowa are part of the SWICO or Southwest Iowa Coalition. State development policy in Iowa embraces and encourages regional collaboration. Sixteen counties comprise the SWICO Region. This Region is largely rural but does include Council Bluffs and part of the Omaha Metropolitan Area. SWICO and its communities rest within the larger Midwestern region bounded by the Omaha/Lincoln, Des Moines and Kansas City metro areas. Both the I-29 (north/south) and I-80 (east/west) interstate corridors connect with the SWICO region. This Region's location relative to three metro areas represents an important development opportunity. (Map on page 23-24)

Primarily rural areas with adjacency to larger and more economically robust and diverse metropolitan areas enjoy a number of important development opportunities and assets including: (1) reasonable access to significantly larger markets and entrepreneurial opportunities; (2) access to higher end services (e.g., shopping, commercial jet service & advanced health care) and entertainment resources; and (3) metro outplacement development opportunities.

Performance. Regional population loss is a critically important development issue. Overall for the Region, there has been a net decline in population from 256,000 in 1970 to 233,000 in 2010 (23,000 person decline). This decline would have been more severe if Council Bluffs (which is growing) had been excluded. During the same period the Region added 23,000 net new jobs or just over 500 net new jobs per year. This rate of job creation is inadequate to sustain population levels and ensure renewed growth. Personal income growth was stronger rising from \$5.3 billion to \$8.6 billion over the past four decades or by 1.56% per year. However, most of the personal income growth has come from "non-labor sources" (e.g., Social Security, retirement income & passive income) versus "labor earnings" (i.e., both wage & salary workers & proprietorships). During this period the share of total personal income derived from non-labor sources rose from 25.6% to 36.5%. Labor earnings, conversely, as a share of total personal income declined from 74.4% to 63.5%. This is an indicator of a weakening economy with eroding economic opportunities. *See page 25.*

Despite the somewhat negative trend lines, this Region is well positioned geographically, offers a high quality and affordable quality of life and continues to have a significantly population base, workforce and development infrastructure. Compared to more rural

and economically distressed areas, this Region has significant capacity and opportunity for renewed prosperity and growth.

Demographics. There is urgency for more targeted and aggressive development efforts. The decade of the 2000s was particularly hard on both the Nation and this Region. Demographically, this Region experienced a net population loss of over 7,000 residents representing a 3% decline. For the decade, births (+26,766) and deaths (-24,878) represented a very modest natural population gain of +1,888. However this was more than offset by net-outmigration of -8,284. Outmigration tended to be concentrated among younger and older adults. Loss within these two critical demographic cohorts will lead to an important potential tipping point over the next couple of decades where deaths will begin surpassing births leading to negative natural population change. Again, the relative strength of Council Bluffs is masking these trends and their implications for economic and social renewal. *See page 26.*

*Any development strategy for the Region must include a focus on **people attraction** particularly on younger adults. Stabilizing and renewing the demographic health of the Region and particularly its more rural communities is foundational to future success. We have included in this Project's Electronic Library our [People Attraction Guides](#) for strategy ideas.*

Economic Structure. In 2009, 64% of all income was from active work (an indicator of a growing economy) and 36% was from non-labor sources (an indicator of an aging & retiring economy). Of the labor earnings segment of this economy about 32% is from production industries (e.g., farming, manufacturing, etc.), 38% from services and 19% from government. This is a fairly typical profile for a largely rural region with a somewhat larger urban center (Council Bluffs). Commuting is a significant part of the Region's economy with connections to Omaha, Nebraska City and to a lesser extent Des Moines. Commuting allows more residents to live in the Region and secure a living by working outside of the Region. This strategy works fairly well with affordable energy costs. Commuters also represent a potential larger workforce and entrepreneurial talent source for in-region development. *See page 27.*

The Region has a fairly undiversified economy largely rooted in commuters, retirees, production agriculture and manufacturing. There is also above average activity in transportation corridor activity related to I-80 and I-29. The I-29 transportation corridor is experiencing a major and prolonged disruption due to its closing by Missouri River flooding. There is both a need and opportunity for evolving a more robust and diversified economy by marrying the combined strategies of small town quality of life, people attraction and entrepreneurial development.

Entrepreneurship. There is a "legacy" entrepreneurship culture in the Region. This culture is rooted in a long tradition of farm and non-farm business ownership by local residents. Chances are good that almost everyone in the Region has some family

member or friend who is a business owner or operator. The primary focus of entrepreneurship is based in traditional commodity production agriculture and main street type businesses focused on local markets and consumers. However, there is a nucleus of area entrepreneurs who are growth oriented and have footprints with markets outside of the Region. A good example would be home-grown manufacturers. *See non-farm income chart on page 28.*

“Main Street” Entrepreneurs. Locally owned and operated businesses (once the mainstay of rural America) have been severely challenged in the Region. This is the case all over America from inner-city neighborhoods to rural communities. Personal income taken from non-farm proprietorship peaked in the Region at around \$65 million in the early 1970s. Increased competition from box store retailers, mail-order and now internet providers generated a low point in the early 1990s with just \$40 million income being derived from this type of local business. This represents a loss of \$25 million for a 38% decline. The impact of this decline undermined community and economic vitality across the Region. During the 1990s local business owners adjusted and improved their competitive edge growing personal income back to around \$60 million in 2000. The 9-11 or 2001 recession hit this group moderately hard and the Great Recession compounded losses. However, in 2009 personal income from non-farm proprietorships remained around \$50 million. These trends suggest two things. First, there remains a core group of locally owned businesses that are still competing. Second, the rebound in personal income from these businesses suggests a certain resiliency as these entrepreneurs adjusted to new competitive forces. *See page with chart.* It is important to note that times are relatively good in production agriculture (except for those wiped out with the flooding) and personal income derived from farms is now back up to about \$60 million. This is a positive even though local impacts from farming are less important today due to farm size and increased external purchasing of inputs. *See farm income chart on page 29.*

There is a foundation from which a more entrepreneurial economy and society can be grown within the Region. However, we suspect that local business owners are aging and there is a threat to the size and vitality of the locally owned and operated business community if these businesses simply close and are not transitioned. Conversely, transitioning ownership from an aging group to younger owners offers huge opportunities to create pathways home for new residents and re-invention of existing businesses to become more profitable and competitive.

Job Creation. There are many metrics we should use to define and measure economic development. Job creation remains a very relevant and important benchmark and goal. This is particularly true in today’s environment with super high levels of unemployment and under-employment. During the pre 9-11 recession period of 1992 through 2001 the Region saw a net gain of 1,784 establishments and nearly 26,561 net new jobs. The 1990s were good years by and large economically nationally and these are respectable business and job creation numbers for a Region of this type and size.

The 2000s (2001-2008 – latest data available) witnessed a significant turn-around. During this period the Region lost 8,583 net jobs. However, there was a dramatic rise in business establishments resulting in 4,649 net new businesses. This pattern is not unique to this Region and has been occurring across America. There is an additional important observation from this analysis. There was net job destruction among larger businesses and net job creation among smaller businesses. Stage 2 (10-99 employees), Stage 3 (100-499) and Stage 4 (500+) lost over 5,000 jobs. Self-employment grew by nearly 3,700 and Stage 1 businesses (2-9 employees) added nearly 1,400 net new workers. This data suggests a growing pool of **necessity entrepreneurs** (those who would prefer a great job, but can not find one). This group holds tremendous potential for strengthening the local and regional economies through targeted outreach and assistance. See pages 30-32.

Necessity entrepreneurs represent a large and growing group in the United States. The jobless recovery is swelling the ranks of necessity entrepreneurs that now includes well-educated, very experienced and strongly networked human talent. Targeted assistance can help struggling necessity entrepreneurs create better ventures for the economy and higher incomes for their families. Typically 1 to 3 in 10 necessity entrepreneurs have the talent and motivation to become opportunities entrepreneurs. These folks create higher levels of new investment, job creation and tax base expansion (desired economic development outcomes).

Table – SWICO – Establishments

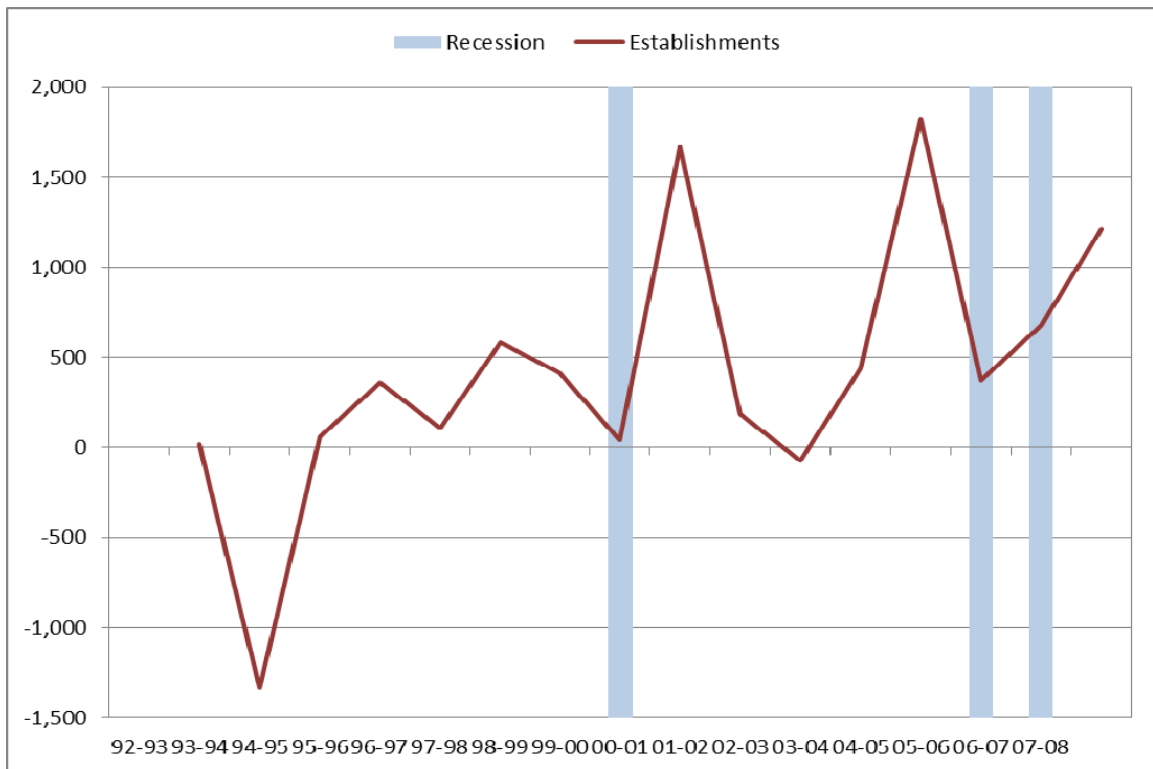
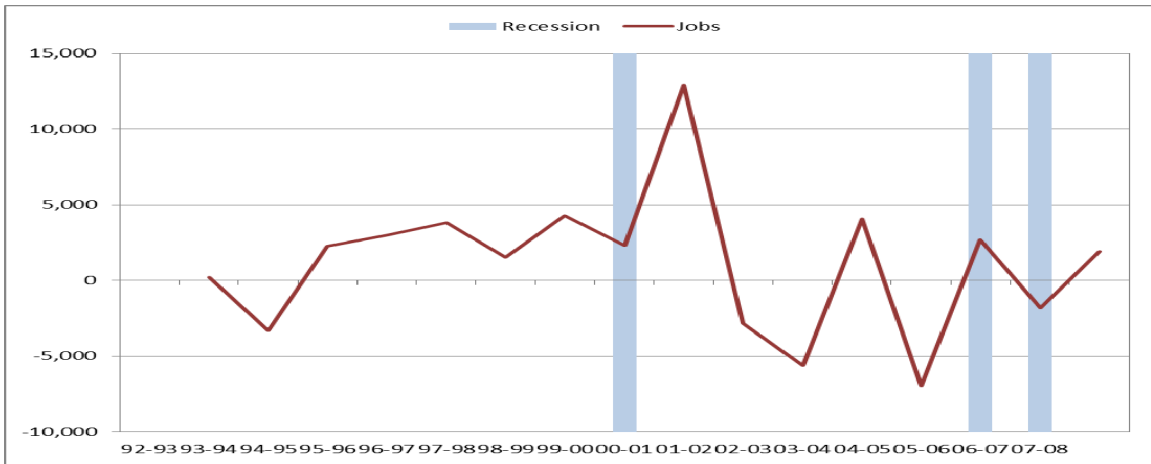


Table – SWICO – Jobs



Trade Capture. According to ESRI of Chicago in 2010 the Region’s consumers (e.g., households) generated \$2.1 billion in demand for retail goods. The Region’s businesses (including those in Council Bluffs) generated \$2.1 billion in supply for a break even gain of \$46 million. This is very good, but really reflects the impact of Council Bluffs on the entire Region. When specific sectors are explored we can see clear patterns of spending leakage. *See pages 30-32.*

We can run this same and additionally detailed analysis for every county and community in the Region. This information can only be used for internal use and can not be resold or redistributed. Customized County or Community Reports can be generated for a modest set up and analysis fee for those members of SWICO desiring this kind of information.

Wealth Profile. A significant portion of the Region’s population is poor, working lower income or middle class. These demographics have no to limited potential for giveback. Nearly 56% of all households in the Region can be classified as “low net-worth.” Just over one in five households are “middle net-worth” with some capacity for giveback. Over 22% of all households in the Region are “higher net-worth” with significant potential for giveback. In 2010 there are over 4,000 households that are millionaires (about 4.2% of all households). This group particularly holds great capacity for giveback. We provide this wealth profile because in our recommendations we call for creation of regional and local endowments to support targeted development efforts. *See page 33.*

The culture of this Region embraces a set of values where people work hard, are prudent with their finances, save, invest and create wealth nest-eggs. Wealth in this Region is largely concentrated in two areas – agricultural real estates (farmers) and locally owned businesses (entrepreneurs). These residents typically have deep roots and love their home towns. Most are very strong candidates for giveback assuming a strong and compelling case.

Entrepreneur-Focused Economic Development in Southwestern Iowa

Economic Development is a Local Responsibility in the U.S.

The United States is unique in so many ways when compared to other mature developed nations around the world. One of these unique characteristics is how we support economic development. In the United States the localities are primarily responsible for economic development. States, the federal government, foundations and other entities provide support for economic development. But their support tends to flow to those localities that seek it and can effectively use it to evolve stronger economies and communities.

Southwestern Iowa

This Region is comprised of 16 counties and around 100 communities. In larger communities there are multiple development players including chambers of commerce, main street programs, development corporations, tourism promotion groups and the list can go on including niche groups like farm to table agriculture and youth entrepreneurship programs. So in this Region of a quarter of a million people there are dozens of development players. Some with staff and well established programs and others that are less formal and run by well intentioned volunteers. This fractured development landscape is further complicated by issues of competition and lack of trust between players. The survey of stakeholders clearly indicated that robust and sustainable development related collaboration is hard in this Region. The fact is that it is hard across most of America.

The Great Recession & Need for Re-energized Development Efforts

In this challenging environment nevertheless there are compelling reasons why there should be a regional strategy with well define relationships between communities and primary resource providers. The RUPRI Center and Heartland have extensive experience with this challenge and potential solutions. The following provides a game plan that holds the promise of overcoming the fractured development landscape and issues of inadequate trust for robust collaboration. For this to work there has to be increased local investment into the strategy and sharing of resources over time to enable and sustain necessary regional infrastructure.

A Strategy for Entrepreneur-Focused Economic Development in Southwestern Iowa

*Why Entrepreneur-Focused Economic Development?
Building Blocks of a Regional Entrepreneurial Development System
Player Roles & Responsibilities
Business Model for the Strategy
Entrepreneurs, Giveback & Strategy Funding*

Why Entrepreneur-Focused Economic Development?

Economic development for Southwestern Iowa and particularly the non-Council Bluffs communities within this Region, likely is rooted in four core strategies as we look out over the coming two to three decades:

Retirees – Agriculture – Production Industries – Entrepreneurs

The following chart summarizes why we believe these are the likely economic development opportunities for rural parts of the Region:

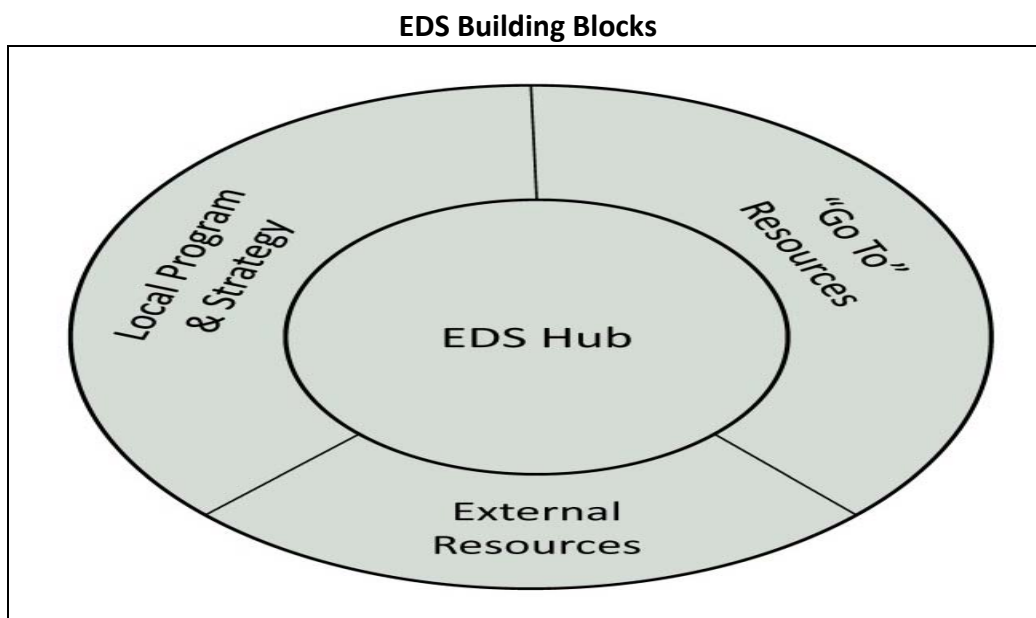
Retirees	Retirees and their demand for goods and services are an economic main stay nationally. This age cohort represents upwards to a quarter of all economic activity in the rural SWICO Region. Over the next 30 years retirees will grow in number and economic impact. One risk is that as retirees’ children and grandchildren leave the Region some retirees will leave as well eroding the potential economic impact of this sector.
Agriculture	Production agriculture has always been an important mainstay to this Region’s economy. It will remain so over the coming decades. However, it will continue to consolidate, eroding the potential for local spending and economic impact. Further mechanization will erode demand for workers.
Production Industries	Production industries like manufacturing, warehousing, waste management and transportation logistics are important today and provide important economic diversification. Production industries are likely to grow slightly over the coming decades. Mechanization will reduce job creation.
Entrepreneurs	It is probable that the three other industries noted in this chart are likely to experience the kind of growth capable of generating adequate job and career offerings to stabilize the Region’s population and enable net demographic and economic growth. Both are essential to ensuring viable and successful non-metro communities. Growing a new generation of ventures by supporting area entrepreneurs represents the best opportunity for increasing overall economic activity resulting in enhanced growth and prosperity at the community and regional levels.

Source: The analysis presented in this chart was prepared by the RUPRI Center for Rural Entrepreneurship based on their regional assessment and experience with regional economies throughout North America. This analysis is preliminary and limited. It is intended to provide a rationale for increasing focus on entrepreneurs as an economic development strategy.

Based on our analysis, the SWICO Region has entrepreneurs and potential for greater entrepreneurial development. We believe this focus should be actively considered and the following analysis provides a vision for moving forward with a more comprehensive and impactful strategy building on existing efforts and assets.

Building Blocks of a Regional Entrepreneurial Development System

As noted earlier in this Report, this Region is comprised of 16 counties and about 200 unique communities. Based on the number of potential economic development players we recommend a hybrid approach to evolving an **EDS** or **Entrepreneurial Development System** for this Region and its communities. The following figure visualizes the four building blocks of a hybrid local/regional EDS:



There are four basic building blocks within the EDS we are recommending for the Region and the following analysis provides descriptions of each building block:

EDS Hub. *Using the commercial air service as a model, each airline and plane crew managed the actual operation of each plane within the system. If you will, this key activity is locally controlled. But the entire system is managed by air traffic control. Without air traffic control the system would not work safely or efficiently. We need a **hub** organization that assumes responsibility for building up and out the EDS and then ensuring that all its parts are connected and work well together to create a robust, comprehensive, integrated and efficient system of support for local entrepreneurs.*

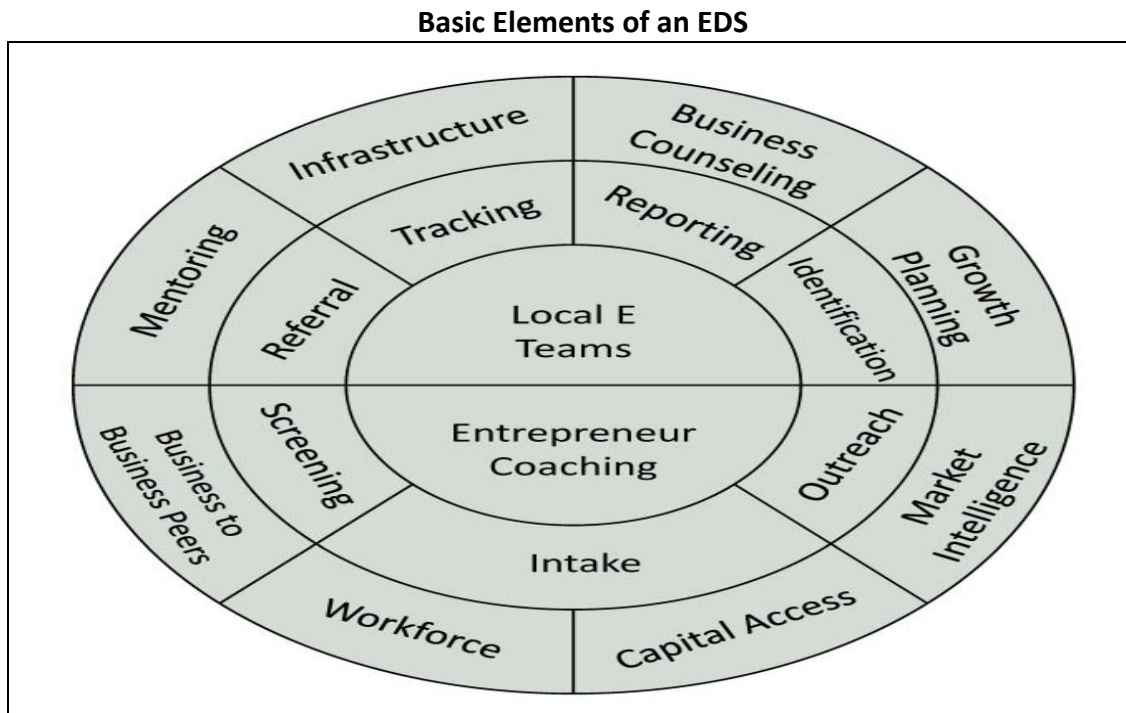
Local Program & Strategy. *Each county and each community within the Region owns their economic development strategy and program. It is unlikely that this local control will be given over to a regional organization or even should be. Rather, for those counties and communities that want to be part of the entrepreneurship strategy and EDS, they can voluntarily join and*

build out their key roles within the system enjoying technical support from the EDS Hub Organization. With local control each community and county can customize their approach while having access to the regional infrastructure and resources.

“Go To” Resources. From the perspective of entrepreneurs, there are “Go To” resources available to the Region, its communities and ultimately its entrepreneurs. GO TO resources includes the Region’s two Small Business Development Centers, the Rural Resources Center and Cooperative Extension Service, area community colleges and MyEntreNet. These GO TO resources provide entrepreneurship training, business counseling, growth planning and specialized business technical assistance. Additionally, there is a collection of local, county and regional development finance resources that are important to entrepreneurs.

External Resources. Finally there is a world of external resources, both public and private, that are potentially important to specific entrepreneurs. An example would be the Nebraska Food Processing Center that works with smaller food processing entrepreneurs in Nebraska, Iowa and elsewhere. Under this model the Hub Organization, GO TO Resources and local development partners serve as bridges between area entrepreneurs and these external resources on a customized and as needed basis. .

The following illustration provides the basic elements of an EDS or entrepreneurial development system:



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Now it is important we explore these activities and place them into context of how they together create an effective, efficient, robust and sustainable system of support for entrepreneurs as an economic development strategy.

Inner Circle – Organizing the Community for Entrepreneurship. A larger community can create and support all the activities noted in the graphic on the previous page. For most smaller and rural communities at a minimum they must organize themselves to perform two important functions:

Local E Teams – Entrepreneur Coaching

Local E Teams. *Fundamentally there must be some group at the community level that assumes the responsibility for being in the entrepreneurship development game and part of the regional development system. In smaller communities this can be a group of volunteers organized like a commercial club. In larger communities it can be the chamber of commerce, the city, county, development corporation or main street program (or a combination of all of these players). The Local E Team provides leadership and serves as bridge or pathway between local entrepreneurs and the EDS. The Local E Team also ensures there is Entrepreneur Coaching available to local entrepreneurs either through volunteers, local staffing or a regional circuit rider.*

Entrepreneur Coaching. *The second critical local function is to ensure there are Entrepreneur Coaching services available locally. The E Coach is not necessarily a business expert (although business expertise is valuable) or business counselor. Rather the E Coach serves as a networker that helps the entrepreneur clarify their goals and needs, and then networks the entrepreneur to available resources locally or within the Region.*

Middle Circle – Key Engagement & Process Activities. The Local E Team (or through contracted support via the Hub Organization) needs to initiate, support and sustain some critically important engagement activities represented into the middle circle of the graphic on the previous page. The following provides descriptions of these fundamental process steps that connect a local entrepreneur ultimately with the right help that enables them to grow a better business.

Identification & Outreach. *You can only realize economic development from this strategy if you can connect with local entrepreneurs, help them and in turn accelerate their development and growth. Entrepreneur identification typically is best done locally. Outreach (marketing) can be supported regionally, but also must be done locally. This is particularly true in rural areas where personal knowledge and relationships are central to engaging local entrepreneurs.*

Targeting? *Local communities have unique development opportunities or preferences that can guide the focus of entrepreneurial efforts. For example, a regional trade center community may want to revitalize its main street. This is a priority and could become a local focus or target for this community. In other communities food to table agriculture entrepreneurs or growth entrepreneurs (capable of reaching outside markets) may be priorities and targeted for action.*

Intake & Screening. *Once area entrepreneurs are identified and connected with via outreach efforts, there needs to be initial intake and more in-depth screening. In most cases there is the challenge of the “forest and the trees”. Part of the assistance is helping the entrepreneur gain perspective and clarity. They may be focused on securing bank financing, but really their next*

step is refining their growth plan. The Entrepreneur Coach can take time to sit down and help the entrepreneur through the screening process not only clarify what kinds of assistance make the most sense, but also help the entrepreneur sequence assistance. This ensures better outcomes all around and rationalizes the entrepreneurs development journey.

Who to Help? Not everyone identified can benefit from assistance or fit the targeting established by a community. Part of the screening process is to identify if there is a strong potential for helping the entrepreneur. Some entrepreneurs are not ready for help and connecting them to resources will waste both their time and that of the resource provider. It is a perfectly fine outcome if someone decides to rethink whether they should be in business versus pushing ahead and failing.

Referral & Tracking. *For those ready for help the next step centers on making the right referral to the right resource. That could be as simple as connecting the entrepreneur with a local attorney who can help them grow from a sole proprietorship to a corporation. Or the assistance could be a referral to a GO TO Resource like the area Small Business Development Center for growth planning. Making good referrals for both the entrepreneur and the resource provider creates impact and improves system efficiency. But the engagement with both the entrepreneur and the resource provider does not stop there. There is a need to track where things end up and ensure that next stage support is provided as needed. Also, not all referrals work. Consistent follow-up ensures that small problems are understood and addressed and that progress is ultimately made.*

Performance. *Finally, communities support economic development because they want economic development outcomes – new investment, job creation, tax base expansion, main street renewal and the like. Ultimately the local community through the Entrepreneur Coach and the Local E Team must assess if all this activity is generating real economic development impacts. Tracking performance in both stories and statistics is important. Part of the performance function also means reporting back to the community and particularly those in the community paying for this economic development.*

Reaching out to area entrepreneurs is an important first step. Taking time to sit down and figure out the needs of an entrepreneur is foundational. But for real economic development to occur the EDS must leverage real assistance that actually enables the entrepreneur to start or grow their business. The outer circle summarizes the proven entrepreneur assistance resources common in impactful strategies.

Outer Circle – Entrepreneur Resources. There are hundreds of specialized resources. If you are a local manufacturer who wants to export farm machinery to South America there is a resource – the U.S. Import/Export Bank and the U.S. Department of Commerce. But for most entrepreneurs there are certain resources that can make a real difference that can be provided both locally and regionally.

Business Counseling & Entrepreneur Training. *Business counseling and entrepreneur training are basic services. These services are available regionally through SBDC and community colleges. Also there are virtual resources available through the SBA Website or MyEntreNet.*

Growth Planning. Growth oriented entrepreneurs are the key to growing a larger “basic” economy. More advanced growth planning that addresses critical issues like new markets, facility expansion, capital access and market intelligence become important. SBDCs, the Rural Resources Center and SCORE can be important resources supporting growth planning.

Market Intelligence. Business ideas and plans that would fly pre-Great Recession now require more thought and analysis. Market intelligence (e.g., markets, competitors, pricing, credit needs, suppliers, etc.) is increasingly important to the ability of a new business to launch or an existing business to expand. Some resources are accessible to the Region, but there are potential gaps in this resource.

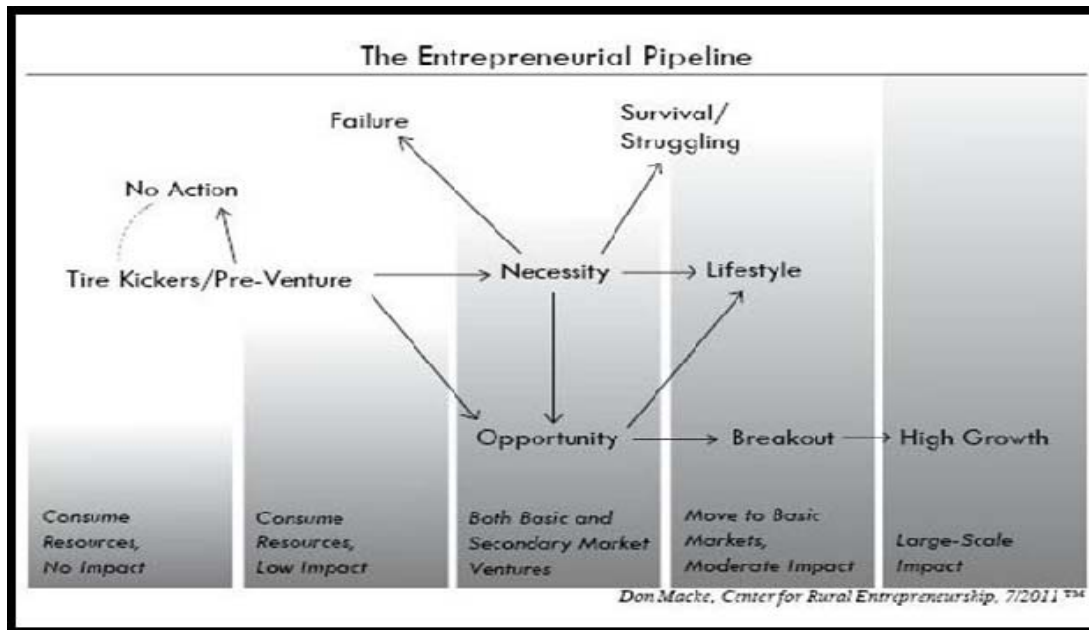
Capital Access. No business can really start or expand without access to capital. Bootstrapping can slow development. Creating access to capital, ranging from lines of credit from a local bank to state and federal loan guarantees are very important. The Region has a collection of local, regional and external capital access resources.

Workforce. Eventually, most businesses (or the entrepreneur themselves) will need workforce development services. Workforce resources range from hospitality training to customized workforce training offered through community colleges. The Region has essential workforce development resources.

B to B & Peer Resources. Possibly no other resource is more important to growing entrepreneurs than other entrepreneurs. Business to business networking and learning events to creating targeted peer entrepreneur networks are important development tools. These events and network are best organized and delivered locally, but can be designed and supported regionally.

Mentoring. SCORE is a form of mentoring. But there are many models of more flexible mentoring programs. Providing mentors to both startups and growth entrepreneurs can be very effective. Mentors can be recruited locally, but a system of mentors can be developed and managed regionally.

Infrastructure. Finally, entrepreneurs have both core and specialized infrastructure needs. Core infrastructure resources include access to high-speed internet, 3G or higher cell phone service, local spaces for various kinds of businesses, same day parcel service, logistics support and connections with other entrepreneurs. Specialized infrastructure services cover a large range of resources from legal advice on intellectual property rights to web based marketing.

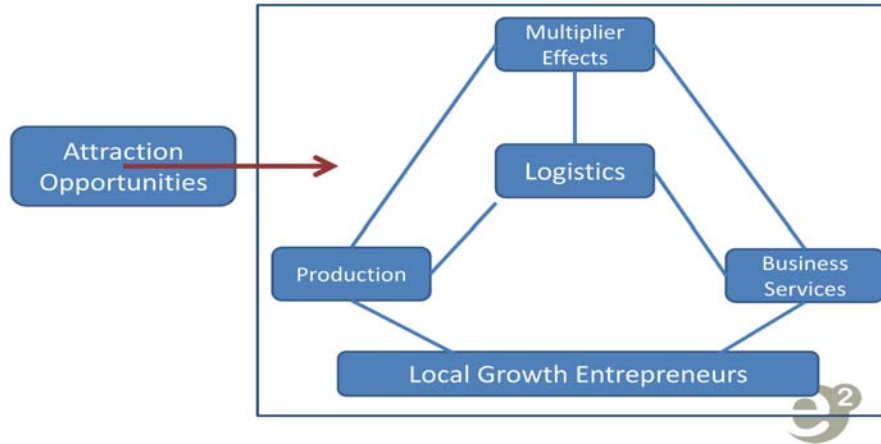


The Entrepreneurial Pipeline

The above graphic illustrates a core approach within entrepreneur-focused economic development. A key outcome is to increase over time overall entrepreneurial activity or filling up the pipeline. Through this approach a region is eventually able to see larger numbers of higher performing opportunity entrepreneurs who not only compete locally reducing sales leakages, but also are able to extend to external markets creating basic economic development impacts. Some of these entrepreneurs achieve breakout and can become game changers economically for the region. Filling the entrepreneurial pipeline takes times and long-term commitment.

As the entrepreneurial pipeline fills up and there are more growth oriented opportunity entrepreneurs, there are leverage opportunities to create additional business for existing local businesses and create a draw for new business attraction. As entrepreneurial ventures grow their needs for inputs, they also grow in areas of production (e.g. manufacturing), logistics (e.g., transportation, telecommunications, etc.) and business services. Breakout entrepreneurs who are achieving more substantial growth can create opportunities to attract new businesses drawn by supply and distribution chain opportunities. These potential leveraged impacts cannot be taken for granted and economic developers who are actively working with area entrepreneurs are in a unique position to enable these linkages. Otherwise some and even most of this activity can be outsourced beyond the boundaries of the Region.

Now that we have mapped out what a local/regional EDS or entrepreneurial development system and strategy looks like, we want to focus on likely roles by existing players within Southwestern Iowa's current system of support for area entrepreneurs.



Player Roles & Responsibilities

Based on our assessment and experience within and external to the Region we offer the following vision for how Southwestern Iowa could organize itself for more **ROBUST**, **IMPACTFUL** and **SUSTAINABLE** entrepreneur-focused economic development.

<p>Rural Development Center EDS Hub Organization</p>	<p>We believe a powerful new role for the Center on behalf of SWICO is to serve as the Hub Organization for the proposed EDS. Initially the Center could on behalf of SWICO members assist in organizing Local E Teams, entrepreneur coaching and strategies. The Center as the Hub Organization could also take a lead in creating more active, efficient and effective relationships with the Region’s GO TO Resources. Finally, the Center could provide circuit-rider entrepreneur coaching for smaller communities lacking the desire or capacity to cover this responsibility themselves.</p>
<p>GO TO Resources</p>	<p>GO TO Resources include the Region’s two SBDCs, the Rural Development Center and its association with ISU and Cooperative Extension, the Region’s community colleges, business financing funds, regional development organizations and MyEntreNet. A core role of the Center as the Hub Organization would be to engage these GO To Resources and evolve referral and tracking protocols making best use of available resources relative to entrepreneurs needs.</p>
<p>Community & County Roles</p>	<p>Each community and/or county can voluntarily join the Regional EDS. Member communities and counties would have access to the organizing and support services of the Hub Organization and more effective networking to both GO TO and External Resources for area entrepreneurs. Communities and counties would need to create a Local E Team to develop and manage the local effort including provision for Entrepreneur Coaching Services.</p>
<p>Pathways to External Resources</p>	<p>The Hub Organization in partnership with both GO TO Resources and local partners would facilitate creating pathways to external resources including Federal, State, Higher Education and private resources. Evolving transparency and easy access to appropriate external resources based on the emerging needs of area entrepreneurs would be a goal and eventually enhance resources for entrepreneurs. Part of this role would also procure external funding for the Regional EDS strategy.</p>

Now let's take a look at the all important strategy element of how to pay for this recommended enhancement to regional economic development.

Business Model for the Strategy

Economic development by and large rarely generates enough fee income or revenues to support its strategy and programs. In most cases there is an underlying subsidy to create and sustain national, state, regional and local economic development. The same is true for entrepreneur-focused economic development. While some components such as financing or advanced market intelligence can generate some fee for service income, even in these cases there must be third-part underwriting. Increasingly, economic development whether convention promotion, business attraction or entrepreneurship, is moving to performance-based venture models. In performance-based venture models third party funders like government or major employers provide annual funding for the program based on realization of development targets including new tax base creation, net job generation or new private investment.

Performance-Based Venture Model

Funding the Regional EDS & Rural Resources Center

Economic development by and large rarely generates enough fee income or revenues to support its strategy and programs. In most cases there is an underlying subsidy to create and sustain national, state, regional and local economic development. The same is true for entrepreneur-focused economic development. While some components such as financing or advanced market intelligence can generate some fee for service income, even in these cases there must be third-part underwriting. Increasingly, economic development whether convention promotion, business attraction or entrepreneurship, is moving to performance-based venture models. In performance-based venture models third party funders like government or major employers provide annual funding for the program based on realization of development targets including new tax base creation, net job generation or new private investment.

We wish we could offer an alternative to the tried and true form of funding local and regional economic development efforts. Unfortunately, shorter-term there are no demonstrated alternatives. For the Center and the SWICO Region, we recommend that local development participants continue to fund their efforts as they have always done through local underwriting from area stakeholders (e.g., local governments, banks, utilities, health care, etc.). We are also recommending a small per capita underwriting chart to capitalize the proposed **hub infrastructure** to be developed and operated by the Center for the SWICO Region and its counties and communities.

Until regional and local endowments for this work are grown, we recommend a 5 to 7 year commitment (sustained through annual renewals) of a small (say \$0.75) per capita contribution to support the Hub Organization roles.

Entrepreneurs, Giveback & Strategy Funding

Traditional sources of funding for economic development are gravely challenged today. The Great Recession has fundamentally eroded the capacity of both private and public stakeholders to fund this all important work. This erosion of capacity and potentially commitment is occurring at the very time when economic development is so important to renewing growth and prosperity in communities and regions across the globe.

We believe there is hope for a more promising longer-term funding solution rooted in community development philanthropy. Existing successful entrepreneurs (including farmers) love their home towns. Most want a community where their children and grandchildren can put down roots and make a good living. These are practical people who are willing to invest, but want evidence that their gifts can actually make a difference. Engaging successful entrepreneurs in this strategy creates a powerful opportunity for shorter-term under-writing and longer-term legacy giving. The potential to grow a \$50 million regional endowment with local component funds is highly feasible based on the wealth profile of this Region. Such a fund could eventually generate \$2.0 to \$2.5 million annually in support of both local and regional strategy efforts. At this level of predictable and on-going support there would be adequate resources for a strategy that can be transformative renewing the Region's future.

The Story of Rudy Ellis

Rudy Ellis was a life long resident in rural Northeastern Nebraska. Rudy worked very hard his entire life and made his living as a farmer. Rudy was smart about his spending, saved and invested well. At the end of his life he was motivated to giveback leaving \$2 million to the communities he called home. Today, part of Mr. Ellis' legacy is providing a permanent endowment, funding a combined people attraction and entrepreneurship development game plan in Holt County, Nebraska. Earnings from this endowment are paying for staffing and program that otherwise would not be possible given the tight local budgets. This funding is permanent and on-going and augmenting county, municipal and private support for the overall development strategy. There is opportunity to engage successful farmers and local entrepreneurs in charitable giveback to build both local and regional endowments to support this all important work and reduce the annual need for fundraising.

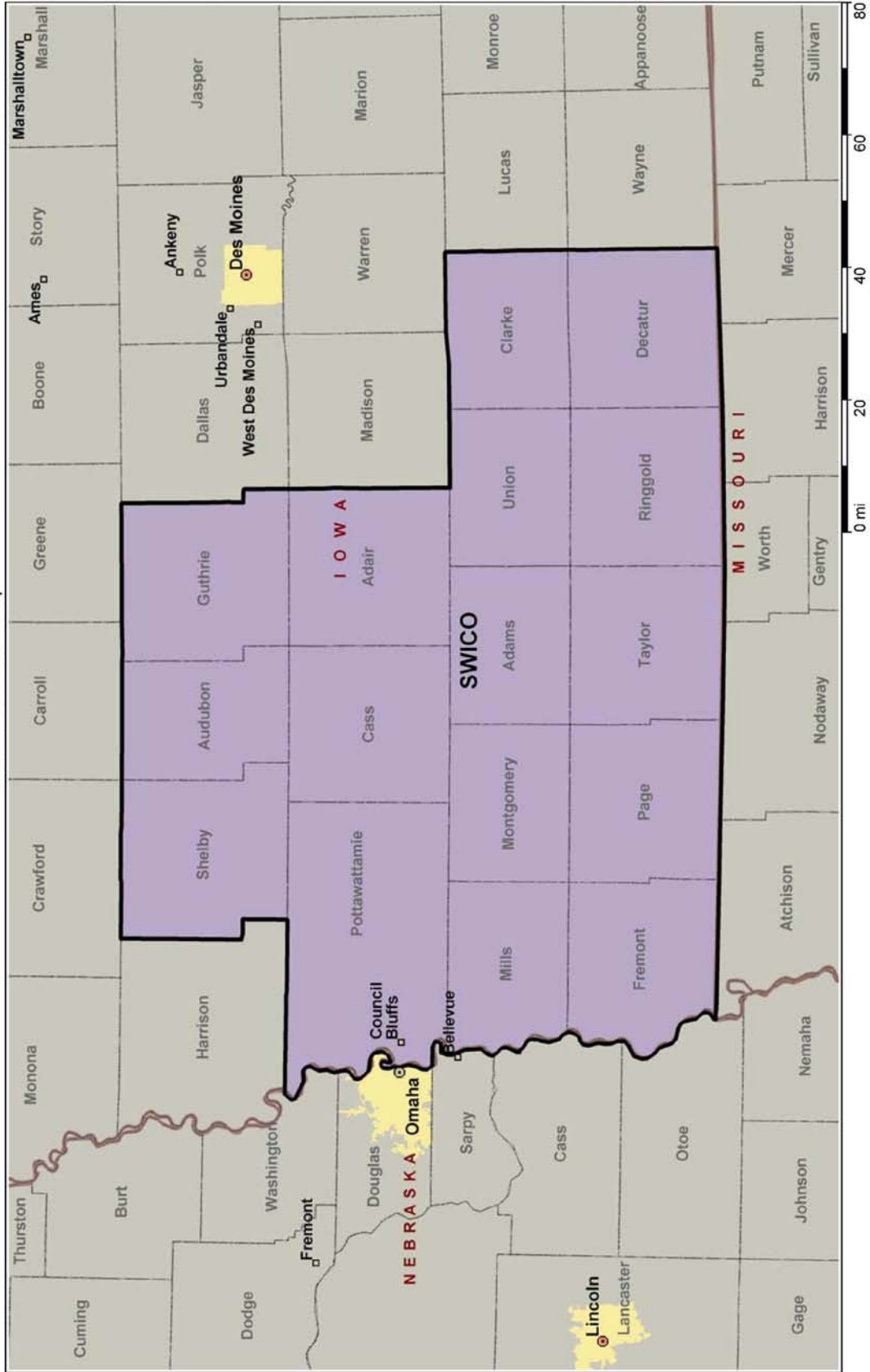
Exploration should also be undertaken to see if Workforce Development funding could be secured to support this initiative. These funds are being used elsewhere in the U.S. for this kind of development.

The Center has been in existence for a number of years and so it is through the typical start up phase of new development entity. The following chart highlights a potential 10-year capitalization strategy for this game plan transitioning from early seed grant funds (already received) to creation of endowments. We hope this chart creates confidence that an intentional and aggressively worked funding strategy can result in a very strong program that is sustainable.

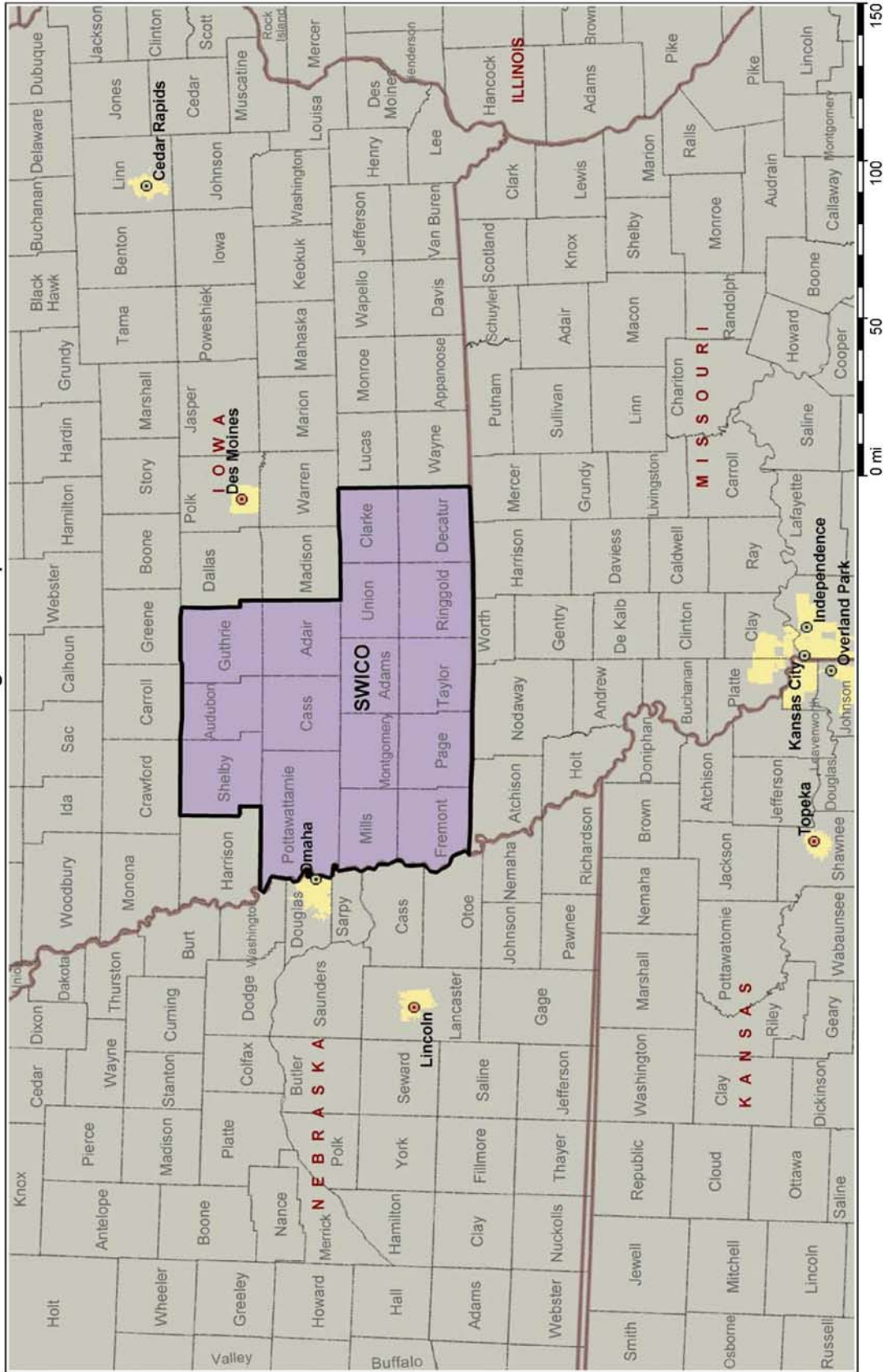
Visualization of a 10-Year Funding Strategy

1			Initial Startup Funding		
2		Multi-Year Development Grant	Multi-Year Development Grant		
3		Multi-Year Development Grant	Multi-Year Development Grant	Community Per Capita Underwriting	
4		Multi-Year Development Grant	New Service Grant	Community Per Capita Underwriting	
5	Multi-Year Donor Underwriting	New Service Grant	Service Fees	Community Per Capita Underwriting	
6	Multi-Year Donor Underwriting	Endowment Donors	Service Fees	Community Per Capita Underwriting	
7	Multi-Year Donor Underwriting	Endowment Donors	Service Fees	Community Per Capita Underwriting	Community Per Capita Underwriting
8	Multi-Year Donor Underwriting	Endowment Donors	Service Fees	Community Per Capita Underwriting	Community Per Capita Underwriting
9	Multi-Year Donor Underwriting	Endowment Donors	Service Fees	Community Per Capita Underwriting	Community Per Capita Underwriting
10	Endowment Donors	Endowment Donors	Service Fees	Community Per Capita Underwriting	Community Per Capita Underwriting

SWICO Area Map



SWICO Regional Map



How have population, employment, and personal income changed?

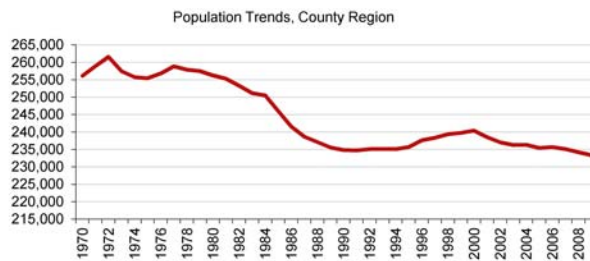
This page describes trends in population, employment, and real personal income. If this report is for an individual county, it also shows the county (metropolitan, micropolitan, or rural) classification.

Total Population, Employment, & Real Personal Income Trends, 1970-2009

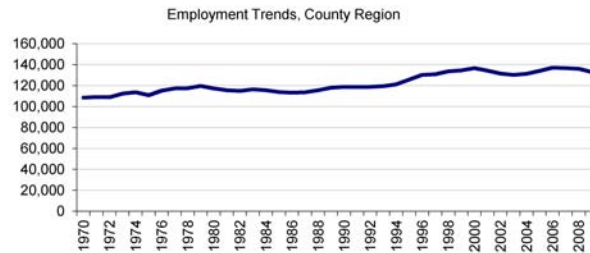
	1970	1980	1990	2000	2009	Change 2000-2009
Population	256,103	256,225	234,809	240,355	233,333	-7,022
Employment (full and part-time jobs)	108,283	117,074	118,585	136,480	132,857	-3,623
Personal Income (thousands of 2010\$)	5,334,510	5,828,458	6,147,233	7,716,808	8,605,328	888,520

Population and personal income are reported by place of residence, and employment by *place of work* on this page.

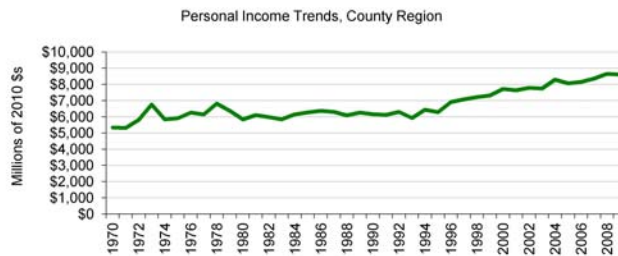
- From 1970 to 2009, population shrank from 256,103 to 233,333 people, a -9% decrease.



- From 1970 to 2009, employment grew from 108,283 to 132,857 jobs, a 23% increase.



- From 1970 to 2009, personal income grew from \$5,334.5 million to \$8,605.3 million (in real terms), a 61% increase.



Data Sources: U.S. Department of Commerce. 2011. Bureau of Economic Analysis, Regional Economic Information System, Washington, D.C. Table CA30.

How have the components of population changed?

This page describes various components of population change. Total population change is the sum of natural change (births minus deaths) and migration (international plus domestic).

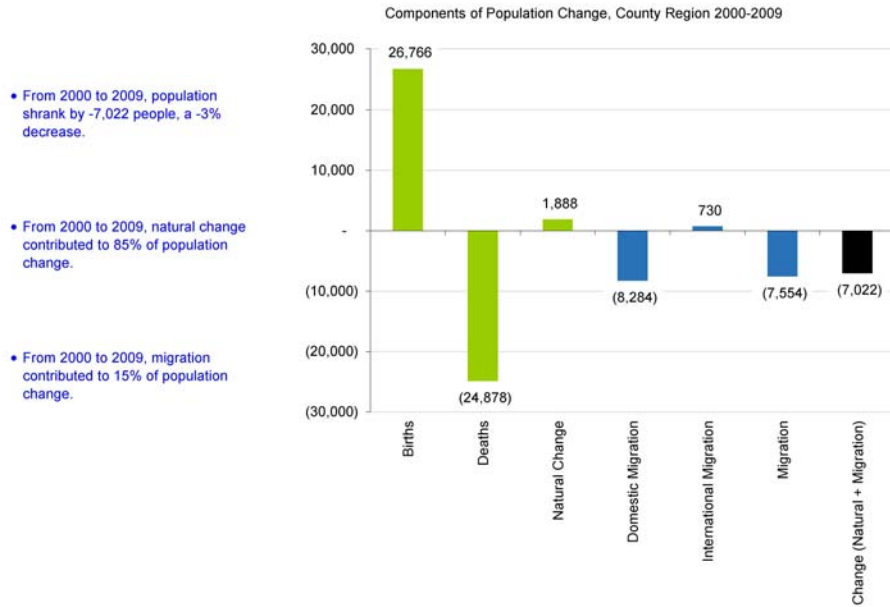
Components of Population Change, 2000-2009

	Change 2000 2009
Population Change	-7,022
Natural Change (Births - Deaths)	1,888
Births	26,766
Deaths	24,878
Net Migration (International + Domestic)	-7,554
International Migration	730
Domestic Migration	-8,284

Percent of Population Change, 2000-2009

Natural Change (Births - Deaths)	84.8%
Births	43.9%
Deaths	40.8%
Net Migration (International + Domestic)	15.2%
International Migration	1.2%
Domestic Migration	14.0%

The Census Bureau makes a minor statistical correction, called a "residual." Because of this correction, natural change plus net migration may not add to total population change in the table and figure.



Data Sources: U.S. Department of Commerce. 2010. Census Bureau, Population Division, Washington, D.C.

How has personal income by industry changed recently?

This page describes recent personal income change (in real terms). Industries are organized according to three major categories: non-services related, services related, and government. The personal income data are organized according to the North American Industrial Classification System (NAICS) and reported by place of work.

Personal Income by Industry, 2001-2009 (Thousands of 2010 \$s)

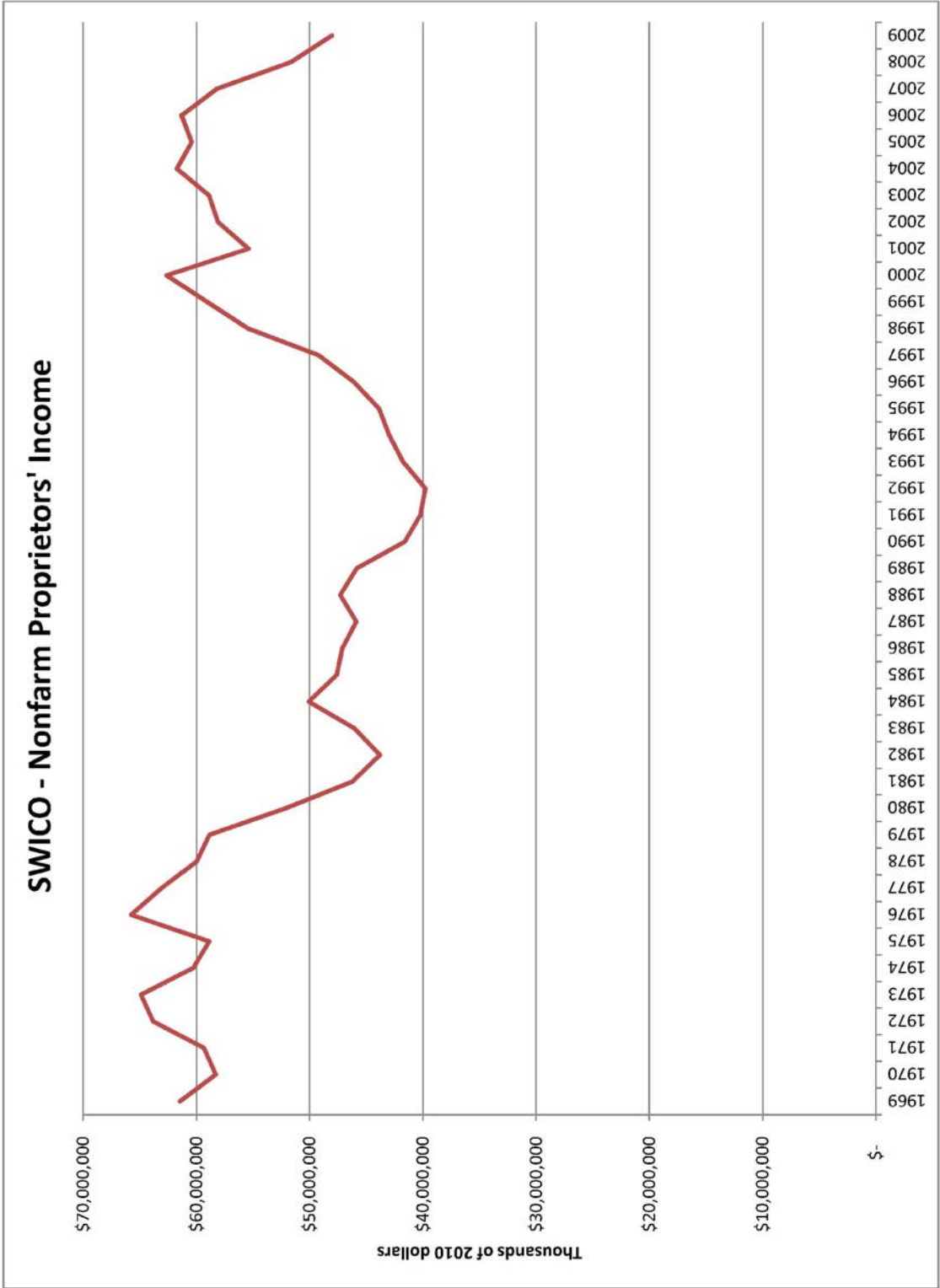
	2001	2009	Change 2001 2009
Labor Earnings	4,269,342	4,994,465	725,122
Non-services related	1,208,717	1,614,777	406,060
Farm	282,594	698,854	416,260
Forestry, fishing, & related activities	<i>na</i>	<i>na</i>	<i>na</i>
Mining (including fossil fuels)	462	1,621	1,159
Construction	258,647	252,673	-5,974
Manufacturing	667,014	661,629	-5,386
Services related	1,895,066	1,918,974	23,908
Utilities	9,378	9,928	550
Wholesale trade	192,716	240,373	47,657
Retail trade	389,972	346,381	-43,591
Transportation and warehousing	55,631	54,683	-947
Information	60,085	61,897	1,812
Finance and insurance	146,145	142,192	-3,952
Real estate and rental and leasing	36,579	36,983	404
Professional and technical services	114,231	126,719	12,488
Management of companies and enterprises	9,829	19,056	9,227
Administrative and waste services	76,209	80,986	4,777
Educational services	9,109	12,462	3,353
Health care and social assistance	328,173	362,005	33,832
Arts, entertainment, and recreation	44,223	55,332	11,109
Accommodation and food services	217,710	177,074	-40,636
Other services, except public administration	205,076	192,902	-12,174
Government	812,181	970,805	158,624

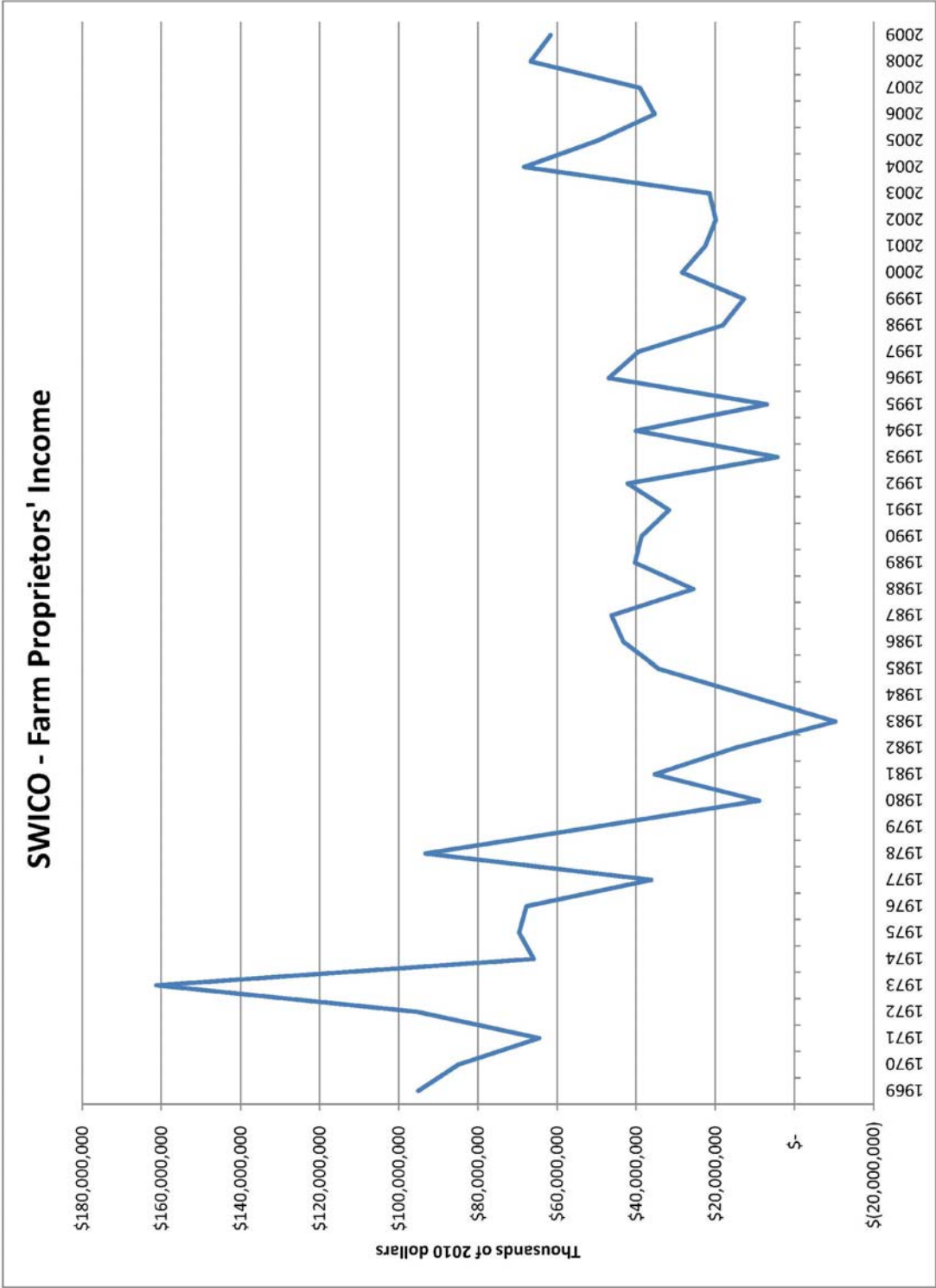
Percent of Total

			% Change 2001-2009
Labor Earnings			17.0%
Non-services related	28.3%	32.3%	33.6%
Farm	6.6%	14.0%	147.3%
Forestry, fishing, & related activities	<i>na</i>	<i>na</i>	<i>na</i>
Mining (including fossil fuels)	0.0%	0.0%	250.9%
Construction	6.1%	5.1%	-2.3%
Manufacturing	15.6%	13.2%	-8.8%
Services related	44.4%	38.4%	1.3%
Utilities	0.2%	0.2%	5.9%
Wholesale trade	4.5%	4.8%	24.7%
Retail trade	9.1%	6.9%	-11.2%
Transportation and warehousing	1.3%	1.1%	-1.7%
Information	1.4%	1.2%	3.0%
Finance and insurance	3.4%	2.8%	-2.7%
Real estate and rental and leasing	0.9%	0.7%	1.1%
Professional and technical services	2.7%	2.5%	10.9%
Management of companies and enterprises	0.2%	0.4%	93.9%
Administrative and waste services	1.8%	1.6%	6.3%
Educational services	0.2%	0.2%	36.8%
Health care and social assistance	7.7%	7.2%	10.3%
Arts, entertainment, and recreation	1.0%	1.1%	25.1%
Accommodation and food services	5.1%	3.5%	-18.7%
Other services, except public administration	4.8%	3.9%	-5.9%
Government	19.0%	19.4%	19.5%

All employment data are reported by *place of work*. Estimates for data that were not disclosed are shown in *italics*.

Data Sources: U.S. Department of Commerce. 2011. Bureau of Economic Analysis, Regional Economic Information System, Washington, D.C. Table CA05N.







SWICO
Audubon County, IA (19009) et al.
Geography: 16 Counties

Summary Demographics

2010 Population	237,886
2010 Households	96,116
2010 Median Disposable Income	\$36,414
2010 Per Capita Income	\$22,625

Industry Summary	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$2,081,276,890	\$2,127,520,508	\$-46,243,618	-1.1	1,977
Total Retail Trade (NAICS 44-45)	\$1,818,253,554	\$1,941,903,382	\$-123,649,828	-3.3	1,414
Total Food & Drink (NAICS 722)	\$263,023,336	\$185,617,126	\$77,406,210	17.3	563

Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers (NAICS 441)	\$414,828,480	\$289,918,824	\$124,909,656	17.7	239
Automobile Dealers (NAICS 4411)	\$357,150,522	\$230,234,967	\$126,915,555	21.6	102
Other Motor Vehicle Dealers (NAICS 4412)	\$34,245,684	\$35,841,993	\$-1,596,309	-2.3	33
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$23,432,274	\$23,841,864	\$-409,590	-0.9	104
Furniture & Home Furnishings Stores (NAICS 442)	\$31,306,447	\$17,183,625	\$14,122,822	29.1	47
Furniture Stores (NAICS 4421)	\$18,565,657	\$7,506,390	\$11,059,267	42.4	18
Home Furnishings Stores (NAICS 4422)	\$12,740,790	\$9,677,235	\$3,063,555	13.7	29
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$39,993,393	\$27,163,140	\$12,830,253	19.1	66
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	\$73,756,762	\$75,547,558	\$-1,790,796	-1.2	175
Building Material and Supplies Dealers (NAICS 4441)	\$60,376,326	\$60,536,221	\$-159,895	-0.1	117
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$13,380,436	\$15,011,337	\$-1,630,901	-5.7	58
Food & Beverage Stores (NAICS 445)	\$321,835,866	\$353,184,819	\$-31,348,953	-4.6	155
Grocery Stores (NAICS 4451)	\$315,008,568	\$345,626,238	\$-30,617,670	-4.6	120
Specialty Food Stores (NAICS 4452)	\$4,738,997	\$5,562,434	\$-823,437	-8.0	24
Beer, Wine, and Liquor Stores (NAICS 4453)	\$2,088,301	\$1,996,147	\$92,154	2.3	11
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$65,790,629	\$66,652,814	\$-862,185	-0.7	107
Gasoline Stations (NAICS 447/4471)	\$399,854,757	\$698,624,736	\$-298,769,979	-27.2	110
Clothing and Clothing Accessories Stores (NAICS 448)	\$48,491,649	\$28,259,214	\$20,232,435	26.4	100
Clothing Stores (NAICS 4481)	\$37,039,656	\$19,818,162	\$17,221,494	30.3	60
Shoe Stores (NAICS 4482)	\$5,593,750	\$4,409,987	\$1,183,763	11.8	19
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$5,858,243	\$4,031,065	\$1,827,178	18.5	21
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	\$18,419,084	\$16,376,166	\$2,042,918	5.9	76
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$12,410,386	\$12,744,833	\$-334,447	-1.3	69
Book, Periodical, and Music Stores (NAICS 4512)	\$6,008,698	\$3,631,333	\$2,377,365	24.7	7

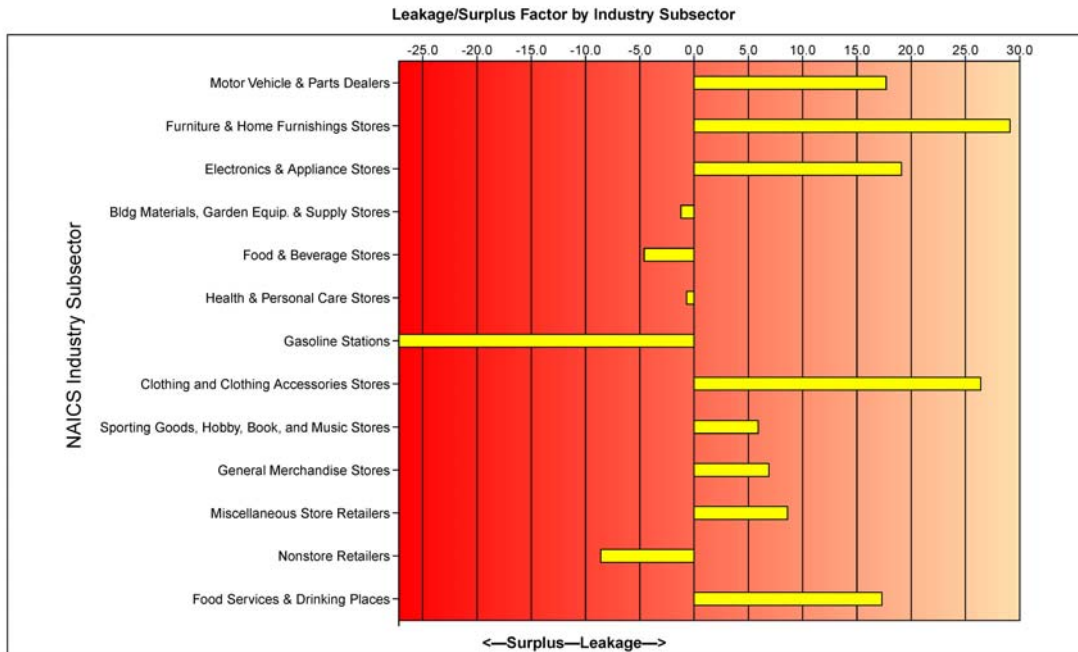
Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector.

Sources: Esri and Infogroup



SWICO
Audubon County, IA (19009) et al.
Geography: 16 Counties

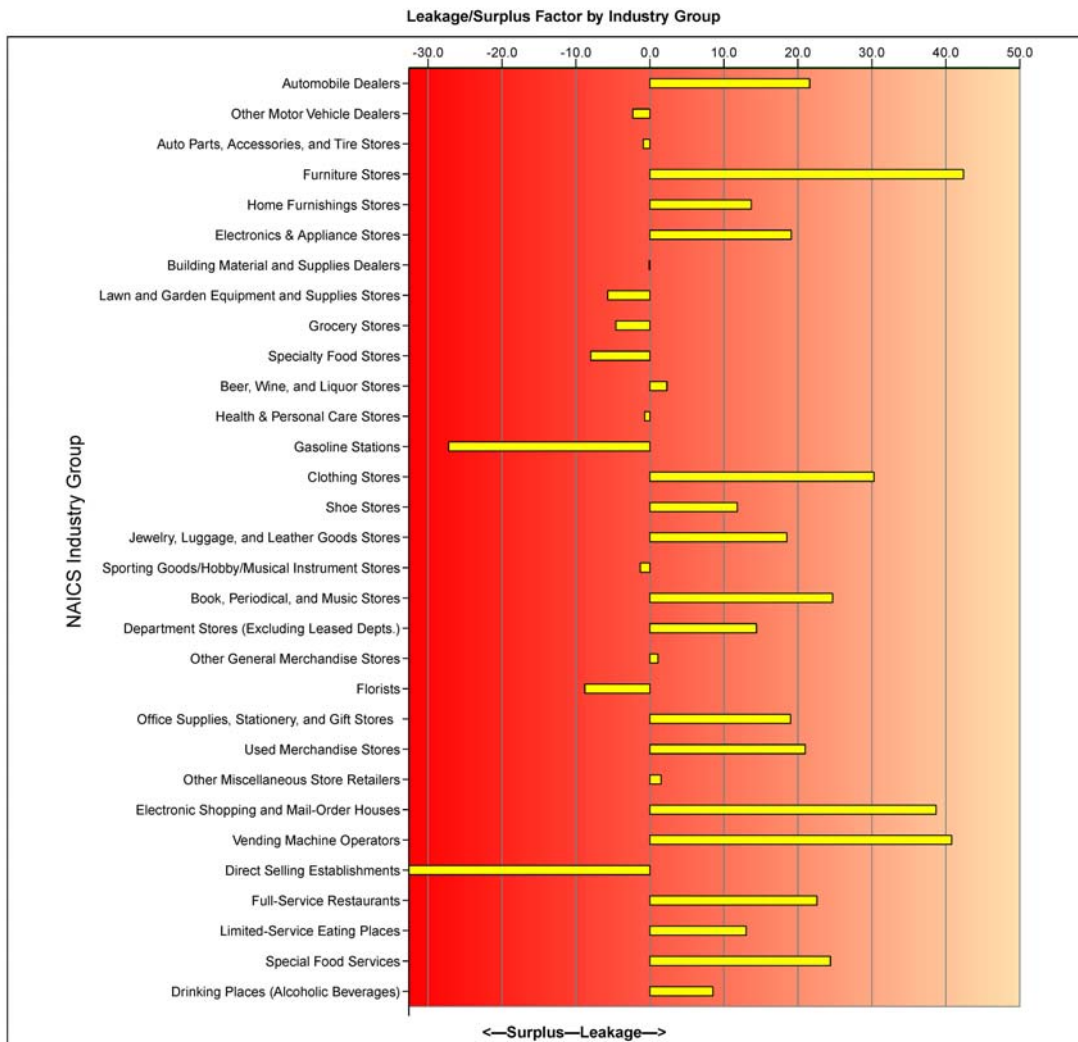
Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
General Merchandise Stores (NAICS 452)	\$322,622,905	\$280,990,656	\$41,632,249	6.9	67
Department Stores Excluding Leased Depts. (NAICS 4521)	\$151,215,686	\$113,205,212	\$38,010,474	14.4	24
Other General Merchandise Stores (NAICS 4529)	\$171,407,219	\$167,785,444	\$3,621,775	1.1	43
Miscellaneous Store Retailers (NAICS 453)	\$25,134,081	\$21,148,870	\$3,985,211	8.6	249
Florists (NAICS 4531)	\$1,426,063	\$1,701,393	\$-275,330	-8.8	47
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$8,421,816	\$5,737,266	\$2,684,550	19.0	56
Used Merchandise Stores (NAICS 4533)	\$3,535,884	\$2,308,773	\$1,227,111	21.0	71
Other Miscellaneous Store Retailers (NAICS 4539)	\$11,750,318	\$11,401,438	\$348,880	1.5	75
Nonstore Retailers (NAICS 454)	\$56,219,501	\$66,852,960	\$-10,633,459	-8.6	23
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$26,042,414	\$11,506,574	\$14,535,840	38.7	7
Vending Machine Operators (NAICS 4542)	\$2,562,464	\$1,077,496	\$1,484,968	40.8	6
Direct Selling Establishments (NAICS 4543)	\$27,614,623	\$54,268,890	\$-26,654,267	-32.6	10
Food Services & Drinking Places (NAICS 722)	\$263,023,336	\$185,617,126	\$77,406,210	17.3	563
Full-Service Restaurants (NAICS 7221)	\$119,484,027	\$75,438,484	\$44,045,543	22.6	293
Limited-Service Eating Places (NAICS 7222)	\$120,972,538	\$93,227,488	\$27,745,050	13.0	129
Special Food Services (NAICS 7223)	\$8,800,318	\$5,351,718	\$3,448,600	24.4	17
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$13,766,453	\$11,599,436	\$2,167,017	8.5	124



Sources: Esri and Infogroup



SWICO
 Audubon County, IA (19009) et al.
 Geography: 16 Counties



Sources: Esri and Infogroup



Net Worth Profile

SWICO
Audubon County, IA (19009) et al.
Geography: 16 Counties

	Census 2000	2010	2015	2010-2015 Change	2010-2015 Annual Rate
Population	240,331	237,886	234,925	-2,961	-0.25%
Median Age	38.9	41.2	41.7	0.5	0.24%
Households	95,165	96,116	95,286	-830	-0.17%
Average Household Size	2.45	2.40	2.39	-0.01	-0.08%

2010 Households by Net Worth

	Number	Percent
Total	96,116	100.0%
<\$15,000	24,458	25.4%
\$15,000 - \$34,999	8,799	9.2%
\$35,000 - \$49,999	5,554	5.8%
\$50,000 - \$74,999	7,872	8.2%
\$75,000 - \$99,999	6,715	7.0%
\$100,000 - \$149,999	9,720	10.1%
\$150,000 - \$249,999	11,623	12.1%
\$250,000 - \$499,999	11,177	11.6%
\$500,000 - \$999,999	6,116	6.4%
\$1,000,000+	4,082	4.2%
Median Net Worth	\$79,287	
Average Net Worth	\$289,708	

2010 Net Worth by Age of Householder

	Number of Households						
	<25	25-34	35-44	45-54	55-64	65-74	75+
Total	4,399	13,255	14,825	19,909	17,791	11,943	13,994
<\$15,000	3,182	6,421	4,372	3,513	2,795	1,757	2,418
\$15,000 - \$34,999	528	2,119	2,177	1,407	1,166	698	704
\$35,000 - \$49,999	165	864	1,304	1,163	1,174	306	578
\$50,000 - \$99,999	275	1,804	2,590	3,650	2,238	2,053	1,977
\$100,000 - \$149,999	155	590	1,501	2,506	1,818	1,353	1,797
\$150,000 - \$249,999	45	766	1,421	2,802	2,679	1,582	2,328
\$250,000 - \$499,999	47	587	990	2,505	2,936	2,120	1,992
\$500,000+	2	104	470	2,363	2,985	2,074	2,200
Median Net Worth	\$10,368	\$16,088	\$44,017	\$103,207	\$139,659	\$140,683	\$133,357
Average Net Worth	\$25,396	\$64,446	\$123,665	\$319,325	\$480,845	\$513,843	\$387,058

Data Note: Net Worth is total household wealth minus debt, secured and unsecured. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.

Center for Rural Entrepreneurship

energizing entrepreneurial communities

The Center for Rural Entrepreneurship is the focal point for energizing entrepreneurial communities where entrepreneurs can flourish. Created in 2001 with founding support from the Kauffman Foundation and the Rural Policy Research Institute (RUPRI), the center is located jointly in Nebraska, North Carolina, and Missouri. The center's work to date has been to develop the knowledge base of effective practices and to share that knowledge through training and strategic engagement across rural America. Working with economic development practitioners and researchers, the center conducts practice-driven research and evaluation that serves as the basis for developing insights into model practices and other learning. The center is committed to connecting economic development practitioners and policy makers to the resources needed to energize entrepreneurs and implement entrepreneurship as a core economic development strategy. To learn more about the center, visit www.energizingentrepreneurs.org.



The Heartland Center for Leadership Development is an independent, nonprofit organization developing local leadership that responds to the challenges of the future. Heartland Center activities focus on training, facilitation and evaluation for community capacity building programs nationwide. Programs and publications stress the critical role played by local leadership as communities and organizations work towards sustainable development. Each year the Center serves approximately 2,500 leaders from 300 rural communities throughout the United States and Canada. To learn more about the center, visit www.heartlandcenter.info



*The Rural Policy Research Institute (RUPRI) functions as a national scientific research center, identifying and mobilizing teams of researchers and practitioners across the nation and internationally to investigate complex and emerging issues in rural and regional development. Since its founding in 1990, RUPRI's mission has been to provide independent analysis and information on the challenges, needs, and opportunities facing rural places and people. Its activities include research, policy analysis, outreach, and the development of decision support tools. These are conducted through a small core team in Missouri and Washington DC, and through three centers, **including the Center for Rural Entrepreneurship**, and a number of joint initiatives and panels located across the United States. RUPRI was created as a joint program of Iowa State University, the University of Missouri, and the University of Nebraska, and is now housed at the Harry S. Truman School of Public Affairs at the University of Missouri. To learn more about RUPRI, visit www.rupri.org.*