Main Street Entrepreneurship and Innovation in Small and Rural Communities

Brad Attig
Foundry Collective
Nonprofit focused on helping small and rural communities embrace innovation, accelerate entrepreneurship, and create economic opportunity.

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Let’s Agree to use Rural, Main Street, Small Towns and Whatever Else Interchangeably
Why Talk About Innovation First?

Innovation propels small communities forward

- Micro Businesses make up 90% of the nation’s businesses (5 employees or less)
- In Small/Rural Communities that % is even higher
- They create almost all net job growth
- Research found a 30% positive difference in annual revenue growth for rural businesses that get the assistance they need
Is Innovation Different in Small and Rural Communities?
If Innovation is Different, how does it Impact Local Entrepreneurship?
The Small Town Innovation Equation

When looking at regional outcomes, higher innovation was associated with

- Higher percent employed in creative occupations
- Higher median household income
- Lower poverty levels
Rural Innovation - How is it Different

- Rural entrepreneurs have different challenges than urban
- Rural innovates differently than urban
- Process and product improvements - Incremental
- Makes the community better
- Linear Innovation (problem solving) vs Disruptive Innovation (profit motive)
- User innovation - Solves a personal problem, consumption problem or improves a business process
Innovation in Urban

- Collective effort
- Formal system
- Patents
- Lots of resources and money
Innovation in Small and Rural Towns

- Individual efforts of local entrepreneurs who face an existing challenge and can’t find a solution
- Result in product or service
- Make a modest change that makes product/company more viable
- Limited resources and funding
Supporting Entrepreneurs and Innovators in Rural Center for Rural Entrepreneurship and the 5 “Cs”

- Culture (Local Community Perception and Support of Entrepreneurship)
- Connection (Resource and Relationship Network) - build local capacity
- Capability (Entrepreneur and Owner Skill Sets)
- Capital (Financial Resources)
- Climate (Regulatory, Economic Development and Policy)
Commonalities of Rural Startups and Small Businesses

- Don’t build around innovation yet embrace innovation
- Rely on jobs performed locally and experience linear growth
- Focus on local and regional business needs
- Incrementally innovative
- Make local markets - need to gain market access to grow
What do business owners and entrepreneurs need?

- Confidence for success
  - Curriculum
  - Mentorship (Trusted Guidance)
- Marketing and Sales Support
- Credit Building
- Financial Management
- Financing
How to build an innovative Main Street economy that supports entrepreneurship?

<table>
<thead>
<tr>
<th>Concept and Launch</th>
<th>Growth and Scaling</th>
<th>Success and Profitability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Curriculum/ Education Mentorship</td>
<td>Mentorship Funding Market Access</td>
<td>Funding Subject Experts</td>
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Connections

Who and what do we need at the table to increase innovation and spur entrepreneurship?
What Do I Think?
Foundry Collective Theory of Change

The creation of vibrant, sustainable, and visible innovation hubs in small and rural communities helps support entrepreneurs who are launching and growing new and innovative businesses. These centers contribute to accelerated growth and long-term success.
Local Innovation Hubs

Place-based hubs in small and rural communities can...

- Positively impact community and economic development
- Spur community innovation and entrepreneurship
- Provide resources to launch and grow small businesses

If they are

Visible ~ Accessible ~ Sustainable ~ Community supported ~ Inclusive
“Non Traditional Centers” Help Foster

- Higher startup success rates
- Above average job creation and job quality
- Increased capital flow
- Greater diversity of underserved founders

The community will experience

- Increase in entrepreneurial density, diversity, fluidity and connectivity
Foundry Collective
Gaucho Collective Klamath Falls

Sustainable Innovation Centers
Coworking
Remote Work Spaces
Incubation Office Spaces
Meeting Rooms
Event Space
Shared Commercial Kitchens
Makerspaces
What Value Does a Hub Add?

- Fosters Economic Development
- Supports Startups & Enables Endeavors to Scale
- Uncovers Hidden Resources
- Creates Funding Connections
- Encourages Community Development
- Enhances Business Visibility
- Improves Tourism & Relocation Attractiveness
- Retains Local Talent
How Do You Make it Work?

- Below Market Lease
- Utilize Under-Valued Real Estate
- Partnerships - Chamber, SBDC, ED offices, and others
- Shared Resources
- Community Support
- State Support
- Vision
Keys to Success

Locally Operated

- Entrepreneur and Community Builder
- Connected to Resources
- Committed to Innovation
- Event Focused

Who is.......
Leverage Shared Resources

- 1 Backend System
- Live Stream Events
- Demonstrate “SIZE”
- Shared Space with Other Orgs
- Connected to Resources
- Community of “Best Practices”
- Collaboration and Cooperation

Keys to Success
We're here to help so please shoot us an email

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Thank You &
Let’s Talk