



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

Small Business and Entrepreneurship Development

**The goal today – providing a framework for
understanding and supporting
small business and entrepreneurship**

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Background.....

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Institute for Business & Entrepreneurship

- ① Small Business Development Centers (SBDC's)
- ① Center for Technology Commercialization
- ① Center for Business Intelligence
- ① Food Finance Institute
- ① Business Dynamics Research Consortium

SMALL BUSINESS AND ENTREPRENEURSHIP DEVELOPMENT

SCHEDULE

Part 1 – understanding small business impact (25 min)

Part 2 – defining trade area sectors (25 min)

Part 3 – your role in developing small business and entrepreneurship resources (15 min)

Part 4 – lean startup tutorial (35 min) *featuring Todd Strother
UWEX Center for Technology Commercialization*

Part 5 – questions and discussion (20 min)

small business development matters

vital and robust
local economy



dynamic and
growing small
business sector

- 🌐 local economies are driven by small business
 - 🌐 small business development
 - creates local jobs
 - increases local tax base
 - improves the quality of living for local residents
 - 🌐 new business and existing business programs
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role of small businesses

- ① employers
 - ① tax revenue generators
 - ① economic supporters
 - ① property owners and renters
 - ① providers of economic stability and growth
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Explore YOUR ECONOMY

1. Choose a Region

Wisconsin CBSA METROS COUNTY

2. Select a Date Range for Comparison

2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015

GO!

YourEconomy.org provides a deeper view inside traditional federal statistics to show the real impact of small business and entrepreneurship.

Combines non-employer and employer establishments

Includes business owner as an employee

Nearly 70% of business establishment tax returns have no employees

YE shows active businesses (does not include paper or micro estabs)

To learn more about your small business impact begin with:

1. Number of establishments
2. Number of jobs
3. Net job change and where it comes from



small business impact in Wisconsin

2016	less than 100 employees	greater than 100 employees
establishments	98.7%	1.3%
jobs	67.6%	32.4%
revenue	68.6%	31.4%
job gain 15-16	93.3%	6.7%
job loss 15-16	85.8%	14.2%

New Jobs 2016

where the gains came from....

new startups = **70.2%**

existing company expansions = **29.7%**

company moves-ins = **0.1%**

and the losses....

business closings = **78.5%**

existing contractions = **21.3%**

move-outs = **0.2%**



**Net New Jobs
2016 (churn) How**

opens minus closings = 53%

expansions – contractions = 47%

moves = 1%

Trade Area – a new economic metric

- **External Trade**
 - Outside Dollars into Region
 - Higher Wages on Average
 - Highest potential for growth
- **Local Trade**
 - Majority employment
 - Creates Culture
 - Grows as external trade grows
- **Non-Trade**
 - Gov't – Health Care - Education
 - Infrastructure
 - Grows as external trade grows



Jobs

44%

25%

31%

United States

2017

Local Trade

External Trade

Non Trade

Companies

56%

18%

26%

Local Trade

Food and Beverage (retail, wholesale, vending)

Personal services & Retail (most retail, services, training, to individuals)

Hospitality & Entertainment (restaurants, recreation, TV, radio, theaters)

Utilities, Transportation & Automotive (various transit, auto dealers, parts)

Financial Services (deposit institutions - banks, credit unions & insurance)

Commercial and Industrial Services (all services to business incl. law & acctg)

Real Estate, Construction, and Development

Non-Trade & Health Care

Education (elementary, secondary, colleges and universities)

Health Care & Services (hospital, providers, labs, residence facilities)

Community, Civic, & Government (social, non-profit, religious, government)

External Trade

Hospitality & Tourism

Ag, Forestry, Fishing, Wood Products, Food Process (farming, food production)

Light Manufacturing (plastics, apparel, electronics)

Automotive, Aerospace, & Transportation (manuf air, auto, marine, appliance)

Heavy Manufacturing (Construction & Industrial)

Business Services (Printers, Finance, Insurance, Marketing)

Mining, Power, Environmental, Oil & Gas

Computer, Pharma, Chemical, Electronic & Medical (manufacturing)

Distribution, Wholesale, Transportation & Logistics

Let's look at some local Wisconsin counties.....

role of the EDO

- ① coordinate and orchestrate relationships among state, regional and local business organizations.
 - ① improve access to capital – develop multiple alternatives
 - ① recognition & awareness of successful ventures
 - Tell stories – tell more stories – have three in your pocket
 - ① streamline access to information
 - permits, zoning laws, etc
 - market and demographics
 - ① increase access to technical assistance
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technical assistance for entrepreneurs and new businesses

- ① determining form of enterprise
 - ① local market or external market focus
 - ① local – finance, marketing, cash flow, location, competition, operations, networking – business plan
 - ① external – market, competitor and strategic intelligence – lean startup – business model canvass
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incubators and accelerators

🌐 **incubators** – space to grow and collaborate

- mechanism used to encourage and support young companies - affordable space - technical and managerial support (wet labs, food kitchens, shared meeting spaces)

🌐 **accelerators** – guidance for growth (not a place)

- Program combining education, mentoring and access to service providers. Some funding or cash infusion is typically included, 2-3 cohorts or session per year over a short and intense timeframe. WEDC is big supporter
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supporting roles of the EDO





existing business development strategies

+ the age of the generalist is over – find organizations with specific tools for business development

+ coordinate efforts with multiple sources - state, regional and local

+ recognize the impact of existing companies and build a culture that supports them

development
business
tools for
with specific

local
regional and
state

them
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