



The EDA CENTER

at the University of Minnesota, Crookston

The EDA Chronicle

www.edacenter.org

Volume 2, Issue 2

Events of Interest:

February 16

- **Import Basic Operations.** 7:30AM to 4:30PM Dayton, MN. Register at www.mgta.org or call Ashley Crunstedt at 651-203-7248 for more information.
- **Doing Business in Europe: Theory and Practice for Minnesota Companies.** 9AM to 1:30PM at University of St. Thomas Opus College of Business. Register at <http://www.regonline.com/Register/Checkin.aspx?EventID=1052794>

February 23

- **2nd Annual Nanotechnology and Industry Workshop.** St Cloud State University 9AM to 6PM. Registration Fee is \$40 before Feb 16, \$50 after. For details and online registration: www.stcloudstate.edu/cose/NanoTechnology2012.asp or <http://scsunanotech.eventbrite.com>

March 1-3

- **2012 Nobel Peace Prize Forum.** Hosted by Augsburg College: on the campuses of Augsburg College and U of M (West Bank). Register at <http://nobelpeaceprizeforum.org/>.

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Best Practices for Business Incubators.

In 2009 a study conducted by the consulting firm Grant Thornton and funded by the U.S. Economic Development Administration found that dollar-for-dollar, creating jobs through the development of business incubators was the most effective strategy. And as a result, a renewed focus on business incubator programs has occurred at both the federal and state levels. Of course the reality is that we have all known business incubators that were successful, as well as those that were ... somewhat less successful. The big question is what are the best practices for business incubators?

In a study conducted by the Institute on Labor, Employment, and the Economy at the University of Michigan and titled "Incubating Success: Incubation Best Practices That Lead to Successful New Ventures," David Lewis, Elise Harper-Anderson and Lawrence Molnar examine how these business incubators can best help businesses succeed. They at-

tempted to clearly define what constitutes a business incubator before undertaking the study. Then, they examined how incubators operated and how their clients performed.

The investigators sampled 376 incubation programs that have existed at least 5 years. They received 111 responses from business incubators that provided at least 5 commonly offered services; these services included: help with business basics, networking activities among incubator clients, marketing assistance, help with accounting/financial management, access to capital and linkages to higher education and/or strategic partners. Interestingly, two of the responses were from Minnesota business incubators around the Twin Cities and Duluth.

After examining the results of the responses and closer scrutiny of the 49 top-performing programs, the investigators determined the best practices related to business incubation. Some of the management prac-

tices cited include: a written mission statement/marketing plan, financial sustainability, entry analysis of clients' needs, develop effective entry/exit criteria, and select clients based on fit and potential for success.

Some possible implications to this study could relate to future guidelines business incubators receiving public funds must follow. Business incubators may be required by funding agencies to conform to some of the best practices suggested before receiving funds. The authors would like to see better data collection in the future so business incubators can be properly evaluated and improved.

For a copy of the full report, go to http://www.edaincubator.org/pdf/Master%20Report_FINALDownloadPDF.pdf.

Offutt School of Business, Concordia College is now Serving as Small Business Development Center for Two Regions.

On January 1, 2012 the Offutt School of Business at Concordia College began hosting the Northwest Minnesota Small Business Development Center along with the West Central SBDC. According to Executive Director Cathy Lindquist, "The Small Business Development Centers provide no cost, professional, one-on-one consulting to business owners and those looking to start a business." These services are available to all industries and types of businesses.

But what services do they provide? Lindquist states "The SBDC program is a cooperative effort of the private sector, the educational community and federal, state and local governments. The SBDC program is an integral component of Entrepreneurial Development's network of training and counseling services." Specifically, the SBDC provides

consultations related to any of the following topics: starting a business, management planning, financial projections, market analysis, mergers/acquisitions, loan packaging, patent processes, and many more. She also points out that the SBDC works with higher education student groups to apply business knowledge and obtain "real world" experience.

The benefits of working with the SBDC if you are a small business are numerous. "We are a no cost consultant agency that utilizes business professionals to provide services to assist in the success and growth of small businesses," Lindquist states. No matter the needs of your small business, the SBDC can help. If you are a small business owner not sure of who to call when you have questions, calling the SBDC can directly assist you or has the resources to point you in the right direction.

With such a wide region to cover, the SBDC has a variety of locations. In the Northwest Region, you can visit them on the web at <http://www.cord.edu/nwsbdc/> or call 218-755-4255. Their main office is located in Bemidji, MN with more satellite offices planned in Crookston, Park Rapids, and Thief River Falls. In the West Central Region, you can visit them on the web at <http://www.cord.edu/sbdc/> or call 218-299-3037. Their main regional office is located in Moorhead, MN with satellite offices in **Alexandria** (3rd Thursday of the month, Alexandria Area EDC), **Detroit Lakes** (2nd Tuesday of the month, M State BES), **Fergus Falls** (1st Tuesday of the month, Skyvision Building), **Hawley** (2nd Tuesday of the month, BES Incubator), **Morris** (4th Wednesday of the month, Stevens County EIC), and **Perham** (2nd Wednesday of the month, City Hall).

DEED: Nominate a Business for Governor's International Trade Awards.

The Minnesota Trade Office is currently accepting nominations for the 27th Annual Governor's International Trade Awards. These awards honor Minnesota companies demonstrating excellence in international markets. February 17th is the deadline for the nomination form and supporting narratives.

Any business is eligible for the awards as long as they adequately meet the minimum criteria. How the business meets the criteria must be addressed in a statement discussing how the business meets the follow-

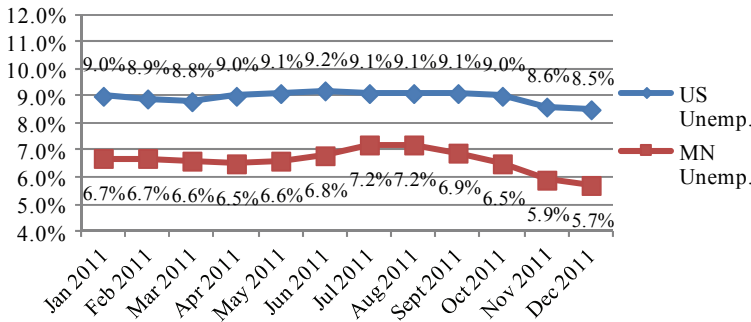
ing criteria: how the business demonstrated significant international business activity, growth (and potential continued growth) in international business in at least the past 3 years, increase or steady employment in Minnesota through an expansion in international trade, and novel approaches to conducting international business. Applications can be found at www.tinyurl.com/TradeAwards.

Recipients will be recognized by Governor Dayton in March. Awards will be given in two different categories: manufacturing/services and ag-

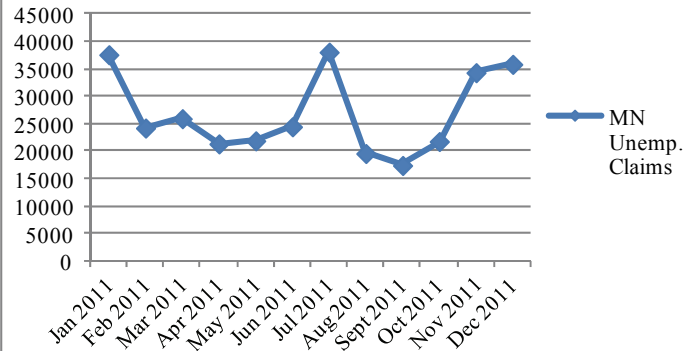
ricultural commodities/processed food. For more information, contact Tim Odegard at 651-259-7491 or via email at Tim.Odegard@state.mn.us.

2011 Local Area Unemployment Statistics and Current Employment Situations in Select Industries

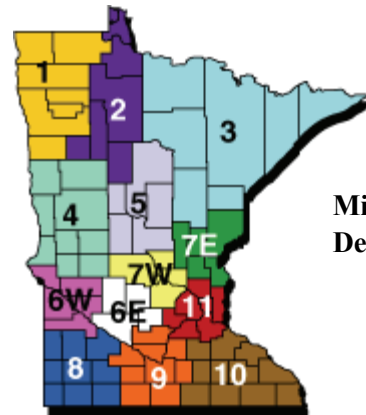
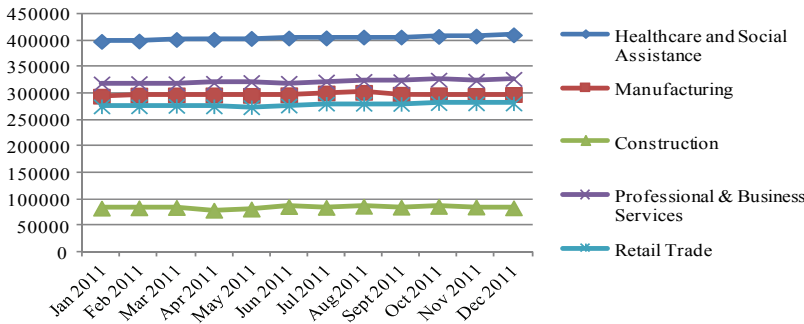
2011 US and MN Unemployment (Seasonally Adjusted)



2011 MN Unemployment Claims



2011 Employment Numbers for Select Industries (Seasonally Adjusted)



Minnesota Economic Development Regions

2011 Minnesota Unemployment by Economic Development Region (Not Seasonally Adjusted)

Date	EDR1	EDR2	EDR3	EDR4	EDR5	EDR6E	EDR6W	EDR7E	EDR7W	EDR8	EDR9	EDR10	EDR11
Jan 2011	8.2%	10.4%	9.0%	7.6%	11.3%	8.7%	8.0%	11.3%	8.5%	6.4%	7.3%	7.0%	6.7%
Feb 2011	8.3%	10.5%	8.8%	7.6%	11.2%	8.8%	7.8%	11.5%	8.4%	6.4%	7.3%	7.0%	6.6%
Mar 2011	8.2%	10.6%	8.7%	7.2%	10.7%	8.7%	7.5%	11.1%	8.2%	6.4%	7.3%	6.9%	6.5%
Apr 2011	7.0%	9.6%	8.1%	6.1%	8.9%	7.4%	6.3%	9.8%	7.2%	5.2%	6.2%	6.1%	6.1%
May 2011	6.2%	8.5%	7.6%	5.4%	7.7%	6.6%	5.7%	8.6%	6.6%	4.8%	5.9%	5.9%	6.3%
Jun 2011	6.3%	8.8%	8.0%	6.0%	8.0%	7.1%	6.4%	8.7%	7.1%	5.5%	6.5%	6.6%	7.0%
Jul 2011	6.4%	9.6%	8.6%	6.1%	8.4%	7.4%	6.5%	9.3%	7.0%	5.8%	6.8%	6.6%	7.5%
Aug 2011	6.5%	8.5%	7.5%	5.6%	7.6%	6.9%	6.1%	8.2%	6.7%	5.4%	6.2%	6.2%	6.7%
Sept 2011	5.3%	7.3%	6.5%	5.0%	6.7%	6.0%	5.2%	7.2%	5.9%	4.7%	5.3%	5.4%	6.0%
Oct 2011	4.6%	6.7%	6.0%	4.4%	6.2%	5.3%	4.5%	6.6%	5.3%	4.3%	4.8%	4.9%	5.4%
Nov 2011	5.0%	7.5%	6.3%	4.6%	7.1%	5.5%	4.4%	6.9%	5.4%	4.0%	4.7%	4.7%	5.1%
Dec 2011	5.9%	8.4%	6.9%	5.5%	8.3%	6.4%	5.4%	8.5%	6.4%	4.4%	5.3%	5.3%	5.3%

After seasonal adjustments, US unemployment in December dropped to 8.5% while unemployment in Minnesota fell for a 4th straight month to 5.7%. Even though unemployment fell for December, unemployment claims increased again

from 34,370 in November to 35,885 in December. However, December unemployment claims are down 9.9% when compared to December 2010. Minnesota gained 7,900 jobs in December. All of the EDRs saw an increase in unemployment for Decem-

ber, but the unemployment numbers for the EDRs are NOT seasonally adjusted. Go to the DEED website; www.positivelyminnesota.com to view more interesting employment and wage statistics.

Introducing the Center for Rural Entrepreneurial Studies.

Contribution from Kevin Cooper, Director of the Center for Rural Entrepreneurial Studies, University of Minnesota, Crookston

The Center for Rural Entrepreneurial Studies (CRES) at the University of Minnesota, Crookston (UMC) was launched in late 2010 through a congressionally-directed grant championed by U.S. Representative Collin Peterson and supported by Senators Amy Klobuchar and Al Franken. CRES serves a two-fold mission. Its first mission

is to provide university students with opportunities to build their entrepreneurial capacity through small business consulting projects, internships in emerging firms, business plan competitions, and planning and executing events such as guest speaker series, summer camps for high school students, etc. Exposure to circumstances typically faced by entrepreneurs provides students with a realistic preview of challenges confronting entrepreneurs and how to successfully address them. In addition to

servicing students, CRES also works to grow and strengthen the economy of northwest Minnesota. It accomplishes this by providing consulting and planning services to entrepreneurs and small businesses in the region. UMC faculty assists ventures in the region as well as oversees student research and casework. For more information call Kevin Cooper at 218.281.8187, Rachel Lundbohm at 218.281.8190, or go to the CRES website at www.umccres.org.

U of M Extension: Enhancing the Web Presence of Rural Businesses.

Contribution from Matt Kane, Program Leader, Community Economics / Community Vitality Center with the University of Minnesota Extension Office

It is essential that businesses and communities have an effective presence on the Internet. Yet over half the businesses in Minnesota cannot be found on the Inter-

net. This means potential customers cannot find them. The University of Minnesota Extension is changing this through the Minnesota Intelligent Rural Communities program. UM Extension offers a pair of free workshops to any business or community group outside the Twin Cities metro willing to host them. These workshops have

now been offered nearly 200 times throughout the state. To arrange a workshop or for questions please contact Hans Muessig, MIRC Program Director, hmuessig@umn.edu or 763-360-0993. For more information about MIRC see www.extension.umn.edu/community/mirc.

New From the EDA Center: Upper Minnesota Valley Newcomer Market Research Report.

Ryan Pesch, a University of Minnesota Extension Educator in Moorhead, Minnesota, presents his findings as they relate concentration of newcomers to the Upper Minnesota Valley region as well as profiling the media outlets most likely to reach those new households. This project met the needs of the newcomer project team by providing information to target potential new-

comer families based on surveys of recent new residents in the Upper Minnesota Valley.

They found potential newcomers grouped into 2 clusters (areas north and west of the Twin Cities Metropolitan area and counties along the east and south of the Upper Minnesota Valley RDC). There were also no significant differences in the target media for those clusters. Spe-

cific findings can be found in the full report located at http://www.edacenter.org/downloads/Ryan_Pesch_Report.pdf.

Have an Idea for an Invention? The Minnesota Inventor's Congress has an Opportunity for You.

Since 1958, the Minnesota Inventors Congress (MIC) has been helping inventors by directing prospective inventors to beneficial resources. Not only have they been a valuable resource for inventors, but they have also provided an avenue for inventors to test market their products. Coming June 8th and 9th, 2012 is the 55th annual Invention and Idea Show to be held at the Redwood Area Community Center in Redwood Falls, Minnesota.

The Invention and Idea Show is a great place to network with others as well as talking with patent attorneys and other consultants who have been involved in product development for a long time. Whether you have an idea well underway or are just interested in potentially developing a product anyone would benefit from this expo. Inventors with current inventions can take part in the

“Inventing Success” Workshops. In these workshops, inventors set up in a tradeshow type format where the general public can see their inventions. This can help determine if there is a market for the invention as well as providing feedback as to any improvements that need to be made.

Anyone interested in being an exhibitor at this year's show should go to <http://www.minnesotainventorscongress.org/invention-idea-show/registration/exhibit-booths/> to register as an exhibitor. Register early to save money. Exhibitors with a new invention can register for an Invention Exhibition Booth (\$295 prior to May 11th or \$345 after May 11th) and may be eligible for a variety of awards. Anyone with a product that was once presented at a past show can be shown again by registering for a Marketplace Exhibit Booth (\$295 prior to

May 11th or \$345 after May 11th). For those whose idea is in the very early stages, the Idea or Concept Exhibit (\$150 before May 11th or \$175 after May 11th) can be a great way to get feedback and exposure in order to better develop the idea. There will also be inventor resource vendors (both for-profit and non-profit) on hand to help refine ideas.

It is not necessary to have an invention to attend the show. The general public is welcome to attend and see new and existing products. Admission is \$5 and all children 16 years of age and younger attend free. Some of the events have additional fees associated with them, such as the “Inventing Success” Workshops. Contact the Minnesota Inventors Congress at 800-468-3681 or via email at info@minnesotainventorscongress.org for more information.



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The University of Minnesota is an equal opportunity educator and employer.

The EDA Center at the University of Minnesota, Crookston is one of more than 40 university centers nationwide, supported by the Economic Development Administration, U.S. Department of Commerce.

We conduct applied research, provide direct technical assistance and deliver educational programs development agencies that support the economy of economically-distressed rural communities throughout Minnesota.

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