Economic Gardening
Principles and Application

Grow Kentucky

• Partnership between:
  – Kentucky Small Business Development Center (SBDC Kentucky)
  – Community and Economic Development Initiative of Kentucky (CEDIK)

• Presenter: James Allen, Research Director for CEDIK
What is Economic Gardening?

• An economic development program

• Focused on “grow your own” companies

• Instead of hunting for outside companies

• Highly sensitive to the “commodity trap” issue

Where did it come from?

• Developed in Littleton, Colorado 1987

• 25 year results:
  – Jobs 15,000 – 30,000
  – Sales tax $6 – 20 million
  – Population growth 23%

• No recruitment of companies

• No incentives
What Makes It Different?

- The *types of companies* we target
  - Stage II (beyond startup with intent to grow)
  - Often called “gazelle” companies
- The *types of tools* we use
  - High-end sophisticated corporate level
- The *types of issues* we address
  - Strategic (not operational)

Why Stage II companies?

- Between 1995 - 2012, Stage II companies:
  - represented 12% of U.S. establishments
  - generated 34% of jobs
  - generated 35% of sales
- Stage II companies hold the most potential for job growth

Source: YourEconomy.org, Edward Lowe Foundation
What kind of tools do we use?

• Search Engine Optimization
  – Web marketing
  – Competitor strategies

• Geographic Info Systems
  – Qualified sales leads
  – Heat maps

• Database research
  – Market info
  – Competitor intelligence
  – Industry trends

What Kind of Help Will I Get?

• **Strategic Information**
  – Market research
  – Competitor intelligence
  – Industry trends
  – Custom research

• **Strategic Frameworks**
  – Market dynamics
  – Core strategy
  – Innovation
  – Qualified sales leads
  – Team dynamics

• **What we do NOT do:**
  – Operational assistance
  – Implementation
  – Financial analysis
  – Primary research
Who Qualifies?

- Must have five or more employees
- Annual Revenue of $500K and up
- Must be profitable
- Have a commitment to growth
- Kentucky-based company
- Must be exporting product or service outside the area

Process

- Initial interview with call leader (1-2 hours)
- Phone call with full team to clarify information and develop research tasks
- Information/messages posted on Greenhouse (Dropbox like) collaboration Website
- Follow up explanations from specialists
- Close out/Wrap up call
How We Work

• Gardening Team are NOT consultants
  – Not deep in your industry
  – Not looking at operational or financial flows
  – Do not make recommendations

• Extension of your team
  – Strategic information to help you make decisions
  – Frameworks for trouble shooting problems
  – Work quickly
  – Continue to work with SBDC

FAQs

• Is there a cost? Engagement valued at $4,290 however there are a limited number of scholarships available.

• How many clients has Grow Kentucky assisted so far? Grow Kentucky is working with or has worked with 12 Kentucky businesses this year.
How do I apply?

• Go to www.ksbdc.org click on Grow Kentucky link or go to www.GrowKentucky.com

• Complete an online application

Vision
Empowered People. Thriving Communities.

Mission
Catalyze positive change to build engaged communities and vibrant economies.
What Is CEDIK?

Started in 2010 as a college-wide initiative in UK’s College of Agriculture

- Embody land-grant philosophy: Extension, Research, and Instruction
- We work closely with all UK Cooperative Extension’s program areas
  - Goal: Integrate community and economic development into the roles of all county extension agents
  - Heavily involved in agent training
  - Partner with many extension agents
  - Maintain an agent advisory board
  - Work closely with Kentucky’s Extension Fine Arts program

CEDIK is here to help!

CEDIK can provide technical assistance for your community or organization on the following topics:

- Leadership Development
- Economic Development Planning
- Survey Design and Data Analysis
- Visioning and Strategic Planning
- Program/Process Evaluation
- Program/Process Facilitation
- Agritourism and Land Use Education
  - Community Design
  - Health Planning
Extension Specialists

- Alison Davis – Economic Development & Data
- Dan Kahl – Community Coaching
- Lori Garkovich – Visioning & Strategic Planning
- Rick Maurer – Evaluation & Facilitation
- Ron Hustedde – E-ship & Conflict Resolution
- Kris Ricketts – Leadership Development
- Jayoung Koo – Community Design
- Marisa Aull – Community Needs Assessments
- Melissa Bond – First Impressions & Fine Arts
- Melody Nall – Health Systems Development

CEDIK RESOURCES:
COUNTY DATA PROFILES

Now available on our website: Kentucky County Data Profiles.

These two page profiles are currently on our website.

Profiles on the following topics:
- Agriculture and Food
- Economic
- Healthcare
- Retail Sector
- Workforce Development
- Small Business
Why Talk About Data?

Does data make someone an expert?

• You are the experts on your county.

• Data alone does not make someone an expert.

• This is why CEDIK wants to share data with you!

WORKFORCE PROFILE:

Workforce Distribution
• What is the education level of most of the workforce?

Knowledge Distribution
• What is the county already specialized in?

Employment by Age
• What age group has the highest total employment?

Average Earning by Education
• How do earnings compare to the state level?
WORKFORCE PROFILE:

Commuting Patterns:
How many?
Where from?
Where to?
How much money are they making?

Source: US Census/OnTheMap

Conclusion

• We want to help Eastern KY entrepreneurs!
  – Grow Kentucky supports Stage II businesses
  – SBDC Kentucky supports all small businesses
  – CEDIK provides Data Profiles & extension services
Need More Information?

Contact: James Allen, GIS Specialist
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Or go to:
www.GrowKentucky.com