

FAIRFIELD'S STORY AND ENTREPRENEURIAL SUPPORT SERVICES

NATIONAL RURAL ENTREPRENEURSHIP GATHERING

**FAIRFIELD, IOWA
JUNE 2-4, 2005**

21st Century Model of Rural Living



Burt Chojnowski

- **Poster Boy for Move to the 'Brain Belt' From San Francisco**
 - **Helped Found, Fund and Start a Dozen Iowa Companies**
 - **Raised \$75 million of Private Equity in last 9 years**
- Past President of FEA, Member of Iowa Capital Investment Board**



Fairfield's History

- **60 Miles from Nearest Interstate Highway**
- **120 miles from Major Metro - Des Moines**
- **Parsons College (Largest Employer) Closed in 1973 after 98 Years**
- **Loss of Major Manufacturers**
- **Scores of Sputtered Start-ups**



Fairfield's Entrepreneurial Roots

- **Dairy Barn and Manure Spreader Invented by William Louden**
- **Oldest Golf Club West of the Mississippi**
- **1st Iowa State Fair**
- **1st Carnegie Library**





***Fairfield's* Entrepreneurial Story**

- **2003 Grassroots Rural Entrepreneurship Award**
 - National Center for Small Communities and Kauffman Foundation

KAUFFMAN
Foundation



- **2004 Entrepreneurial Community of the Year**
 - Community Vitality Center

Community
Vitality
Center

- **Entrepreneurial Community of the Month - October 2004**

Center
for **RURAL**
ENTREPRENEURSHIP
*"Helping Rural America Realize its
Entrepreneurial Potential"*

Fairfield = Silicorn Valley

BUSINESS 2.0

W I R E D MAGAZINE

COMPUTERWORLD An IDG company

THE MIDWEST'S #1 TECHNOLOGY
PCWORLD
BUSINESS PUBLICATION

Sky Delta 75
WINNER: BEST INFLIGHT MAGAZINE
— 2003 WAAE AVION AWARD

SOLUTIONS FOR GROWING BUSINESSES
Entrepreneur.com

BODY & SOUL
LIVING

*** See Business 2.0 June Issue
for Article on Marketing- Hawthorne Direct**



Entrepreneurial Capital of Iowa

- **50 Startups Have Attracted \$250 Million in Venture Capital Since 1990**
- **1/3 of Iowa's Venture Capital Investment**
- **Software, Marketing, Financial Services, Media & Telecom**
- **Population: 9,600**

hawthorne direct





Impact & Results

- **Nearly a \$1 Billion in New Equity**
- **Three Thousand New Jobs in Fairfield - 12,000 globally**
- **Per-Capita Income has Tripled**
- **Headquarters for 70 Companies**
- **\$10 million in New Construction (per year)**
- **New \$7 million Civic and Convention Center Under Development**
- **Ranked #3 County in the Nation in Per-Capita Giving**



Fairfield=Creativity

- **Maharishi University of Management -**
 - Science of Creative Intelligence and Transcendental Meditation
- **Leading Art, Theater and Music Scene in the Rural Midwest**
 - First Friday Art Walk Attracts Thousands Every Month
- **More Restaurants (per-capita) than San Francisco**
- **3 Local Newspapers and One Monthly Magazine**
- **Conferences - Peace Conference, Bioneers, EcoFair, Sthapatya Ved Architecture and National Rural Entrepreneurs**
- **Art-Based Businesses:**

The Sky Factory

Bovard Studios



How Did Fairfield Do it?



- **Maharishi University of Management - Influx of New Comers and Students from 60+ Countries**
- **Several Thousand New Residents in 1980 To Create World Peace**
- **A Lot of Trial and Error and Entrepreneurial Innovation**
- **Chain Reaction of New Ventures**
 - Infomercial
 - Software
 - Callback and International Telecom
 - Sales & Marketing Companies
 - Bio-based Products

Key Catalysts



- **Fairfield Entrepreneur Association (FEA) started in 1989**
 - \$50k Budget over 16 years; Volunteer Organization
 - Networking vs. Agency Approach
- **Second Stage companies moved from "Good to Great"**
- **Smart Investors including Band of Angels, Sam Zell and Garage.com**



Organic Entrepreneurship

- **Changing the Paradigm to Support Startups**
- **Re-Define Failure as a Step of Innovation**
- **Sharing Wealth of Experience and Wisdom**
- **In the Early 80's - No Infrastructure to Support Entrepreneurs**
- **Leveraged Internet in the 90's**



Fairfield's Entrepreneurial Learning Community

- **Entrepreneur of the Year and Hall of Fame Awards**
 - 2005 Award Winner – Ron Bovard - Bovard Studios
- **Workshops and Seminars:**
 - Average Attendance is 40, once or twice a month
 - Shown on Public Access TV Channel
- **Peer-to-Peer Mentoring Support:**
 - Entrepreneurs - high impact, low impact, home-based
 - 2nd Stage CEO's
 - Civic and Social Entrepreneurs, Artists, Value Added Ag
- **Conferences:**
 - First Iowa Rural Investment Conference (2003)
 - Iowa Boot Camp for Entrepreneurs (2004)
 - Boot Camp for Art-Preneurs - Nov 6, 2004



Fairfield's Entrepreneurial Learning Community

- **Leverage Local Media**
 - 3 Newspapers
 - RadioVillage.com
 - Public Access TV
 - National Media
- **Library**
 - DVDs and Cassettes of FEA Seminars
 - Magazines and Book Collection for Entrepreneurs
- **Conferences:**
 - First Iowa Rural Investment Conference (2003)
 - Iowa Boot Camp for Entrepreneurs (2004)
 - Boot Camp for Art-Preneurs - Nov 6, 2004
- **Email List for Announcements**



Most Important Skills

- Networking**
- Team Building**
- Sales**
- Commercialization**
- Financing**

Benefits of E-Networking

- **90% of What Entrepreneurs Learn - They Learn From Their Peers**
- **Successful Role Models and Mentors**
- **Re-Define Failure as a Step of Innovation**
- **Senior Management Development**



Why It Works

- **Tap into Power of Collective Wisdom**
- **Not to Be Confused With Conventional Wisdom**
- **Power of Listening**
- **More Accurate, More Powerful Decisions**



Where to Start? Or, What We Wished We Knew 10 Years Ago

Peer Mentoring Programs For “Second Stage” Companies

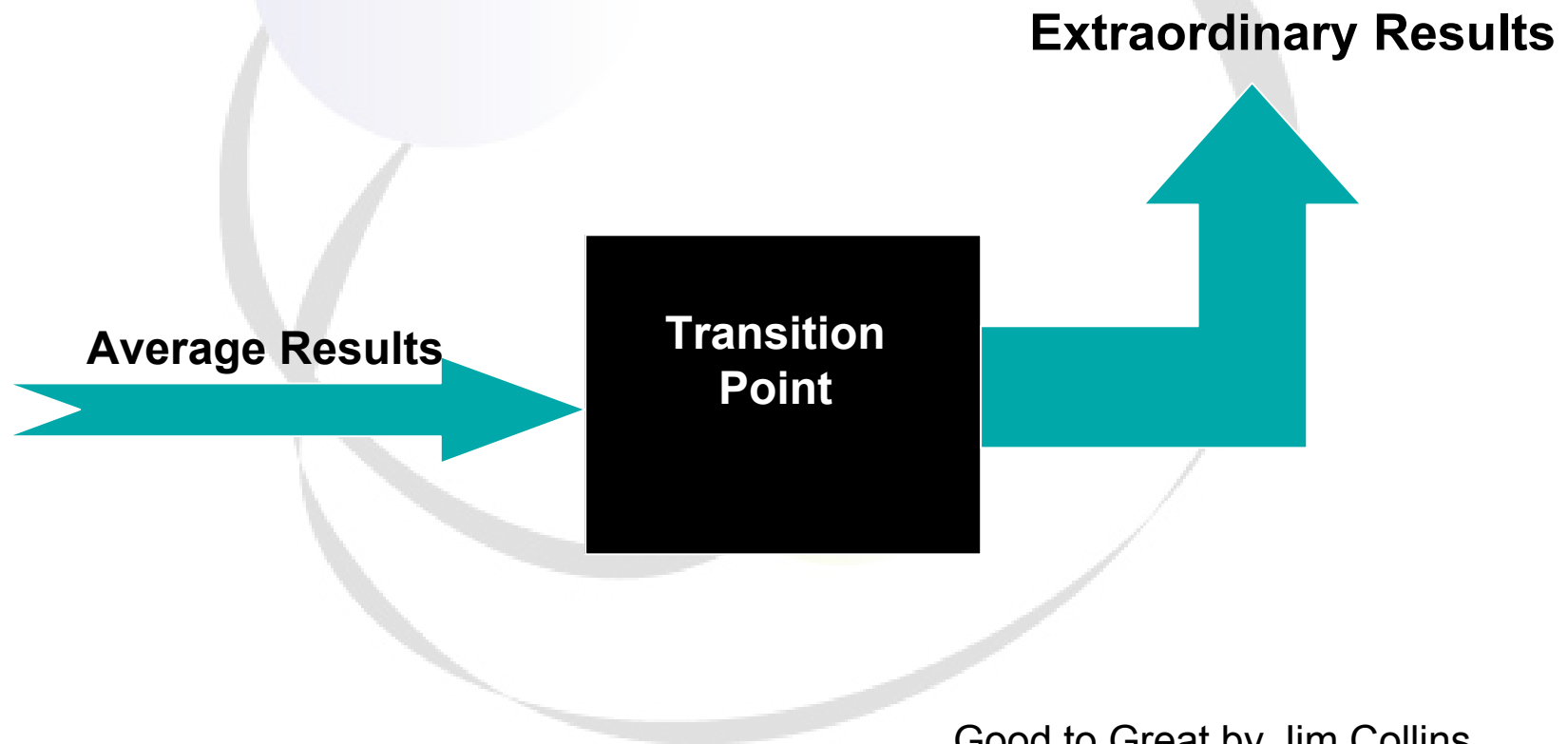
- **Immediate Impact on Economy**
- **Role Models and Mentors for Startups**
- **Angels for Next Generation of Entrepreneurs**







Accelerating 2nd Stage Companies



Good to Great by Jim Collins

Lowe Foundation: www.Lowe.org

Breakthrough Success

2002 Fairfield Entrepreneur of the Year – Barry Harper



- **100 year old Company - 10 years ago – \$3 million in Revenues**
- **Today - Growing 30% in 2005 to \$75 Million**
- **Doubling Workforce in 2005**

2003 Fairfield Entrepreneur of the Year – Eric Schwarz



- **20 year old Company – 5 Employees and \$500K Revenues 10 Years Ago**
- **Today – 150 Employees, \$90 million in Revenue, \$9 Billion Under Management**
- **Broke Ground on New Office Campus for 350 Employees**



The Roles of the Exit

- **Acquisitions and IPO's Have Freed Up Millions in Equity, Key Personnel and Other Resources**
 - Books are Fun - \$380 Million Acquisition by Reader's Digest
 - Telegroup IPO – A Dozen Millionaires
- **Bankruptcies Yield Top Employees, Cheap Office Furniture and A Renewed Desire To Grow Something New**



Pushing the Entrepreneurial Envelope

- ☐ **Fairfield Entrepreneur Relocation Program**
- ☐ **Entrepreneurial Development Corporation**
- ☐ **Business and Kitchen Incubator at MUM**
- ☐ **Creative Fairfield & Fairfield Cultural District**
- ☐ **Community Foundation Endowments**
- ☐ **Sustainable Living Center**



Fairfield Entrepreneur *Relocation* Program

- ✓ **Welcome Mat Out for Entrepreneurs and Start Up Companies**
- ✓ **Office and Warehouse Space**
- ✓ **Special Offers on Bandwidth and Telecom Services**
- ✓ **Reduced Rents**
- ✓ **Support Services through FEA**
- ✓ **Arts, Music and Theater Scene**
- ✓ **Top Schools in Iowa**





Entrepreneurial Development Corporation (EntreDC)

- **501(C)3 Corp Along with For-Profit Equity Fund**
- **10 Year Seed Capital Funding - \$3MM of Early Stage Capital per year**
- **'Economic Gardening' Marketing Services**
- **\$200k per year Startup Capital Required**
- **Self Sufficent by Year Five on 5% Equity Share From Equity Fund**

Business and Kitchen Incubators For Food-Preneurs

- **Leverage Organic, Vegetarian and Ethnic Food Culture**
- **Maharishi University of Management Campus**
- ***Fairfield Farms* Brand**
- **Local and Regional Marketing**
- **Supports Buy Fresh-Buy Local**





***Creative Fairfield* and Fairfield Cultural District**

- Support for Art-Preneurs, Food-Preneurs and Civic Entrepreneurs**
- Leveraging Cultural, Entertainment & Historical Assets**
- Attract Young People**
- 1st Friday's Art Walk Attracts Thousands**



Community Foundation Endowments

- **5% Culture of Giving Back to the Community**
- **\$150 Million Potential Endowment Over Next 50 Years**
- **Goal: \$5MM in 5 Years; \$10MM in 10 Years**
- **Will Target Gifts to Entrepreneurial Development Corp and *Creative Fairfield***



Sustainable Living Learning Center

- **Attract College Students and Grads**
- **Internship and Learning Programs**
- **1 week, 2 week, 1 month, 3 month and year long programs**
- **Emphasis on Social and Civic Entrepreneurship**
- **Annual Eco-Fair and Bioneers Conference**



Mentoring Other Communities

- **Goal: 100 Entrepreneurial Communities**
- **Checking the Entrepreneurial Pulse**
- **Identifying Entrepreneurial Assets**
- **Catalyst Recommendations for Culturing Entrepreneurs**
- **Speakers and Service Bureau**

www.BrainBelt.com