



Promoting entrepreneurship in central Appalachia

by Melissa Taylor, Director
MACED Entrepreneurship Initiative

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According to data from the U.S. Small Business Administration, small businesses added 7.7 million new jobs to the U.S. economy from 1991 to 1995. Could small businesses and entrepreneurship be part of the equation for economic success in rural Appalachia? The folks at the Mountain Association for Community and Economic Development (MACED) think so. Below, Melissa Taylor provides us with some insights into what our communities can do to encourage entrepreneurship.

Entrepreneurship is commonly defined as the pursuit of opportunity, whether it be a for-profit or non-profit venture, without relying on resources currently in one's control. Entrepreneurs see opportunities, often where others only see obstacles, and they pursue these opportunities even if they don't have all the necessary financial and human resources at their disposal.

Entrepreneurship is the driving force of our modern economy. In fact, small businesses are responsible for the majority of innovations as well as new job growth in the national economy. For these obvious reasons, entrepreneurship should be a vital component of any economic development strategy for Central Appalachia.

In August 1996, MACED began the Entrepreneurship Initiative to find ways to promote and stimulate entrepreneurship in the Appalachian regions of Kentucky, Ohio, Tennessee and West Virginia. We have spent the last year conducting a market study of approxi-

mately 50 entrepreneurs in a variety of businesses and at different stages of development.

Our objective was to determine what might help Appalachian entrepreneurs build their businesses and create more employment opportunities. We also interviewed a variety of people in six communities to determine how to create a more entrepreneurial friendly climate in Central Appalachia. Some of the results of these interviews follow.

Lessons from entrepreneurs: the obstacles

As noted by individual entrepreneurs, many obstacles face the individual planning to start or expand a business in this region.

One challenge is accessing services. Business support is not easy to deliver or access in the mountains where the rugged terrain can make travel difficult and time-consuming. Entrepreneurs do not want to take time away from their workplaces

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to attend a seminar elsewhere. Entrepreneurs may be especially hesitant to lose a work day for seminars that don't let them "learn by doing"—the type of hands-on training most entrepreneurs prefer or need.

Another challenge faced by rural business owners is finding employees. Work force quality, skill level and attitude can hinder business growth. Entrepreneurs in several different industries, including ones that pay fairly high wages, complained about the lack of a good work ethic. However, it is difficult to determine from these interviews if the situation

is a problem with management styles, work ethic, work force skills, or a combination of these elements.

Even successful businesses find challenges in the egalitarian culture

of many Appalachian communities, which apparently discourages people from trying to excel in business ventures. Successful entrepreneurs noted feeling some resentment from within the community.

One business owner dubbed this phenomenon the "crab theory," referring to a crab that climbs to the top of a boiling pot only to have the other crabs pull it back down. Even employers who have a "hire from within" policy have difficulty getting people to climb the ladder and make room for other people in entry-level positions.

Rural businesses also face the challenge of regional isolation, which can limit exposure to new ideas and hinder new development. However, the impact on existing businesses did not appear extensive. According to our interviewees, an Appalachian location does not impair supplier or customer relations. Several of the entrepreneurs had overcome their isolation by spending time outside the

region, where they were exposed to new ideas. Seeing what was going on in other areas helped them realize the business opportunities awaiting them at home.

Entrepreneurs might also experience a challenge finding capital. Surprisingly, there is not really a shortage of capital in the region, but there is a problem just finding information about it. In fact, once entrepreneurs found a funding source, they had relatively little difficulty financing their ventures. The actual difficulty arose from not knowing where to go for financing.

Lessons from entrepreneurs: the opportunities

The obstacles facing entrepreneurs present opportunities for development. Entrepreneurs need certain types of assistance to be available in their communities.

Access to information is an ongoing need of entrepreneurs. Our interviewees expressed a great desire for a centralized business information service with data available through one phone call or one Internet site.

Both successful and emerging entrepreneurs understand the importance of technology and are not afraid to embrace it. We were pleasantly surprised at the technological sophistication of the entrepreneurs we spoke with. Those in businesses ranging from retail to high-tech manufacturing knew that they had to use technology, including the Internet, to be successful.

Mentoring can play an important role for an emerging entrepreneur. Many entrepreneurs have role models who inspired and/or mentored them—perhaps relatives or friends who had started businesses. Many had worked for larger companies where they learned key aspects of the business from supervisors or owners. These mentors and peers played key roles as sources of information, contacts and moral support.

To significantly improve the entrepreneurial climate in Appalachian communities, we need to work with strong, supportive public leaders. . .

Effective advertising seems to be an area in need of development. Appalachian entrepreneurs focus little on marketing their products or services, preferring instead to rely almost exclusively on word-of-mouth advertising. This suggests that there are some missed market opportunities—regionally, nationally and internationally—for Appalachian firms.

Lessons from communities: the obstacles

Community studies indicate that there are obstacles to developing an entrepreneurial environment.

For many years, economic developers have focused heavily on recruiting firms from outside the region. Today, many people equate entrepreneurship with retail, although most entrepreneurial ventures are in other sectors, including business services and light manufacturing. With these long-standing beliefs it will take time to change attitudes about the importance of entrepreneurship.

Furthermore, outward migration of Appalachia's best and brightest affects the work force. And resistance to new ideas brought by outsiders can hinder peoples' acceptance of new business opportunities.

Lessons from communities: the opportunities

Our community research has also suggested opportunities and paths for developing an effective community-level program.

Government leadership is a key factor in the promotion of economic development and is thus important in the establishment of a more entrepreneurial environment. Creating an entrepreneurial climate is a complex task that must be spearheaded by at least one person or group of people. To significantly improve the entrepreneurial climate in Appalachian communities, we need to work with

strong, supportive public leaders or we need to help the visionaries get into these leadership positions.

Internal and external networks must be strengthened. Social and business networks provide entrepreneurs with critical information, including potential customers, suppliers and employees, and knowledge of business opportunities. Interactions in groups can help build the levels of trust needed for a community to work toward common goals. In addition to internal community networks, outside ties to other regions are important for expanding the range of potential business opportunities.

Based on the results of the entrepreneurial study, MACED will focus assistance in two main areas—the needs of existing entrepreneurs who want to grow their businesses and create more jobs and the development of communities that want to promote entrepreneurship.

To work with individuals, MACED is designing a virtual entrepreneurship center that uses Internet-based technology to provide a one-stop shop for business information. The center will include electronic forums for business-to-business communications, an on-line diagnostic service to help entrepreneurs assess their strengths and weaknesses, and sources of information that can help with business problems. We will also develop a human resource network of peers and mentors among Appalachian entrepreneurs.

For communities, MACED plans to create a "toolkit" of information about addressing the needs of entrepreneurs and stimulating growth in an entrepreneur-friendly climate. This toolkit can be used by government, business, citizens and

Appalachia needs resourceful entrepreneurs who not only create value through their pursuit of opportunity, but also capture that value for the region.

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Learning to throw a pot o' gold

Tater Knob Pottery

Sarah Culbreth, owner
260 Wolf Gap Road
Berea, KY 40403
Phone: (606) 986-2167

Sarah's keys to small business success:

- ◆ Learning from mentors
- ◆ Building long-term relations with customers
- ◆ Providing a unique shopping experience
- ◆ Emphasizing retail rather than wholesale sales

These business profiles are taken from interviews by Peggy Pollard.

A glance around the studio of Tater Knob Pottery provides the viewer with a taste of life for Sarah Culbreth. On shelves are rows of pots, glazed in earthy tones. In a corner is a potter's wheel ready for the next lump of clay to be molded into a useful creation of art. And lined up neatly are unfired pieces awaiting the kiln. What isn't obvious from this glimpse of the potter's world is the other aspect of Sarah's enterprise—that is, running the business end of Tater Knob Pottery.

Sarah admits that when she opened her own business eighteen years ago, dealing with its operation was not her strong point. "I never had an accounting course, marketing course, never have had any skill training. All I knew was how to throw a beautiful pot. I learned the business part of being a potter by the school of hard knocks."

Sarah notes that she would much prefer to never do anything besides sit at the wheel and throw pots. However, at this point she finds most of her time spent managing the business—doing everything from accounting to marketing.

Finding mentors in her own community has played an important role in Sarah's business success. "I can balance our accounts to the penny. I've had great teachers and friends that have helped me learn that skill. . . I enjoy my own marketing, because I make my product. I enjoy sales, making people laugh, have fun, and take home a finished beautiful product."

Marketing has played a vital role in sustaining her business—and most of her marketing efforts have been focused on

retail rather than wholesale clients. Tater Knob limits its wholesale marketing to state parks, a few major stores and local retail craft shops. "We don't ship a lot of wholesale, primarily because it's not worth it. We prefer [customers] come to us."

Surprisingly, Tater Knob Pottery is not in an accessible business location. A few years ago the shop moved ten miles out of town to a farm on a gravel road. "If you do studies you'll see that if you move, you might lose 50% of your business—and we did." But through creative marketing, the shop found success in its new location.

Sarah discovered that her clients wanted a shopping experience beyond malls and stores. By offering good service and developing long-term relationships with her customers, she has nurtured a wide base of return patrons as well as new customers.

The secret to this success, says Sarah, is establishing a way to communicate with customers—in her case mail order clients. "Our patron list encompasses almost 6,000 people right now." Individuals on the list receive color brochures and special sale notifications. The brochures are also included with gift orders, providing access to a new market.

Tater Knob still has plenty of visitors—regular customers and tourists who have been referred by the Berea Tourism Commission. And Sarah makes their drive worth it. "We drop everything we're doing and provide them with an educational service. People come back and say 'What my kids remember most about

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Seeds for success in a small town

*Nature's Concepts Florist/
Heritage House Café
and Antiques*

Kevin Brady, Co-owner
443 Juliana St.
Elizabeth, WV 26143
(304) 275-3022 - florist
(304) 275-4444 - café

When Kevin Brady decided to open a floral shop and catering business in Elizabeth, West Virginia, he held the advantage of advanced training in business management. He recalls, "I did my college internship at Sacs, Fifth Avenue and worked for a retailer, Block Buster Video, which became the largest video franchise in the world."

Kevin also had a head start on financing the business as he had saved some start-up capital. With his business plan and financial information in order, he had no trouble obtaining additional capital from a local bank.

But Kevin still faced the challenge of not being well-known in the small community. Having a business partner from the local area helped Kevin overcome this hurdle, and the business flourished.

As the business developed, Kevin didn't overlook the value of becoming an active member of the community himself. Despite a busy schedule, he became involved in community efforts. In fact, Kevin views networking within the community as vital to his success. "The greatest advantage [of locating in a rural community] is the one-to-one personal relationship with customers and people in the community."

The community has appreciated his interest. "The floral business actually took a shorter time than expected to become well-established," says Kevin. "We initially started out with a five-year plan that we changed to a three-year plan to make room for expansion."

The business became so well-established that people who have moved from the area still call to use their accounts to deliver flowers. "Every year we really, truly are amazed that we hear from individuals who have moved as far away as Hawaii."

Being able to provide such services outside Elizabeth has sustained the business. "The biggest challenge of being based in a small community is taking your product outside the community borders," notes Kevin.

He concentrated on marketing his floral shop and full-service wedding planning nationwide as well as locally. Kevin's business provides an 800 number. He advertises in newspapers of five major cities and uses the Internet.

The business has established large, repeat customers. "We work with the state on contract," explains Kevin. "The largest and most prestigious contract we were ever awarded was to provide the decorations for the Governor's reception in the capitol. That established us with people."

Kevin warns that unplanned growth can harm a business, so entrepreneurs need to carefully consider which services are needed in the community. He advises taking growth one step at a time—perhaps even limiting expansion.

"The florist and greenhouse intentionally remain small," he says, "because our motto is, 'We're big enough to serve you, but small enough to know you.'" The

Kevin's keys to small business success:

- ◆ Networking in the community
- ◆ Determining a true need
- ◆ One-to-one contact with customers
- ◆ Long-term planning
- ◆ Slow, steady growth, not explosive expansion

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For a third business profile, see page 6.

Business profile #3

A ~~blue~~ print for success screen

A&B T-Shirt Shop

Stella Marshall, owner
PO Box 529, Court Street
Booneville, KY 41314
(606) 593-6984

Stella's keys to small business success:

- ◆ Finding a need and niche in the community
- ◆ Gaining customer confidence
- ◆ Learning from classes and training
- ◆ Accepting special assistance

In a shop window in downtown Booneville, Kentucky, hangs a menagerie of t-shirts—blue, red, yellow, white, purple. The shirts sport team logos, organization names and other designs, each one the product of entrepreneur Stella Marshall and her staff of the A&B T-Shirt Shop.

The A&B T-Shirt Shop is a silk-screening textile business that has operated for five years. Actual production of the t-shirts takes place in Stella's home basement; the downtown storefront serves solely as a showroom.

How can a t-shirt shop stay afloat in a county of only 5000 people? First of all, Stella found a need and a niche in the small community. "There were no silk screening businesses within 40 miles when we opened our business," she recalls.

Stella took advantage of special opportunities and programs available for small businesses in her rural situation. She received start-up assistance from Workers of Rural Kentucky (WORK), an organization formed to create jobs in economically distressed Owsley County.

Group members attended entrepreneur classes sponsored by Hazard Community College's Business and Industry Technical Assistance Center. Other assistance came from Human and Economic Appalachian Development Corporation's Community Loan Fund, located in Berea.

WORK participants received training in silk screening, which seemed a logical choice of product for a rural location. Stella admits that silk screening was attrac-

tive partly due to a small up-front investment. "We learned this business and felt it was a low cost investment that could be profitable," she says.

Planning for a small business in a rural community presented some challenges for the staff of A&B. Just finding rentable space for an affordable price was difficult.

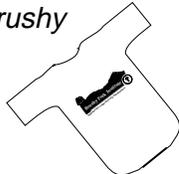
Convincing customers to look at hometown shopping options, rather than continuing the habit of going outside the county for goods and services was also a challenge. Stella notes that the small town entrepreneur has to take the time to gain the trust and confidence of local customers. And until a hometown customer base is established, keeping a steady cash-flow is very difficult.

Stella also mentioned several advantages of the rural setting. An entrepreneur can pay close attention to customers and understand what they will purchase. Because screen printing was not offered elsewhere in the county, customers saw A&B T-Shirt Shop as a resource for their needs.

Another advantage for rural entrepreneurs in rural areas is the high interest in promoting economic development in these communities. Interested individuals might find community development programs such as WORK to help them with some start-up and operation costs.

As to what advice she would give a would-be entrepreneur, Marshall says, "Plan ahead, research your idea, plan to work hard and remember the customer is the boss!"

A&B T-shirt Shop produces t-shirts for Brushy Fork.



Additions to Directory of Brushy Fork Associates

Below is a listing of five new teams that have just begun the 1997 cycle of the Brushy Fork Leadership Development Program. See complete descriptions of the county projects elsewhere in this newsletter. This page can be clipped and added as an update to your directory of Brushy Fork Associates. If you know of other additions or corrections to the directory, please send them to Brushy Fork for note in future newsletters. Thanks!

1997 program participants

Berea College Team, Kentucky

Project: Clean up and mark community/college walking trails

<i>Name</i>	<i>Address</i>	<i>City</i>	<i>Zip</i>	<i>Home Phone; Work Phone</i>
Brown, Olivia	CPO 226	Berea	40404	606 986-9341
Burkhardt, Amy	CPO 426	Berea	40404	606 985-9808
de Jong, Perrin	CPO 315	Berea	40404	
Frederiksen, Sune	CPO 2297	Berea	40404	606 986-9341 x 5340
Fults, Jason	CPO 581	Berea	40404	606 986-0315; 606 986-9341 x 6818
Gaze, Eric	CPO 735	Berea	40404	606-986-9341 x 6387
Gentry, Dreama	CPO 2268	Berea	40404	606 986-4650; 606 986-9341 x 6830
Ingram, Tamilyn	CPO 913	Berea	40404	606 986-9341 x 8097
Johnson, Deb	CPO 2316	Berea	40404	606 985-0290; 606 986-9341 x 5006
Lynch, James K.	CPO 1108	Berea	40404	606 986-9341 x 6385
Schindler, Charly	CPO 2308	Berea	40404	606 986-9341 x 5152

Elliott County, Kentucky

Project: Publish a promotional brochure and other material about county/erect signs for rural roads

<i>Name</i>	<i>Address</i>	<i>City</i>	<i>Zip</i>	<i>Home Phone; Work Phone</i>
Adkins, Gwenda	HC 70, Box 245	Sandy Hook	41171	606 738-4834; 606 738-6440
Adkins, Josh	HC 70, Box 245	Sandy Hook	41171	606 738-4834
Gilliam, Mark	PO Box 248	Isonville	41149	606 738-9158
Hays, Sandy	RT 1, Box 191A	Webbville	41180	606 738-5185; 606 738-5821
Jenkins, Laura	RT 1, Box 1190	Sandy Hook	41143	606 738-4304; 606 474-5136
Jenkins, Stanley	RT 1, Box 1190	Sandy Hook	41143	606 738-4304; 606 474-5136
Neale, Sarah	RT 1, Box 1042	Sandy Hook	41171	606 738-9420
Rogers, Larry	RT 3, Box 664	Olive Hill	41164	606 738-6293; 606 738-6440
Sloas, Sharon	HC 75, Box 1730	Isonville	41149	606-738-5129; 606 738-6695
Smith, Maritia	RT 1, Box 1042	Sandy Hook	41171	606 738-9420; 606 738-9420
Stamper, Adam	RT 1, Box 470	Sandy Hook	41171	606 738-6032

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1997 Brushy Fork Leadership Program Participants

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Claiborne County, Tennessee

Project: Develop a volunteer placement service

Name	Address	City	Zip	Home Phone; Work Phone
Chumley, Kelly	PO Box 124	Harrogate	37752	423 869-2092; 423 869-5131
Chumley, Trish	1110 Vancel Rd.	Tazewell	37879	423 869-4315; 423 626-6555
Dooley, Don	140 Harrow Road	Harrogate	37752	423 869-4933
Madon, Rex	1425 Red Hill Circle	Speedwell	37870	423 869-5584; 423 869-4978
Minton, Richard	218 England Cemetery Ln.	Tazewell	37879	423 869-5910; 423 626-1188
Wagner, Ted	505 Roslyn Avenue	Cumberland Gap	37724	423 869-4722; 423 869-5522

Gilmer County, West Virginia

Project: Erect welcome signs along highways entering the county

Name	Address	City	Zip	Home Phone; Work Phone
Bailey, Jim	PO Box 27	Cedarville	26351	304 462-7507; 304 462-8698
Duelley, Steve	HC 82, Box 10	Normantown	25267	304 462-5001; 304 462-5001
Fealy, Jim	612-3 Walnut St.	Glenville	26351	304 462-4563; 304 462-8098
James, Mona	RR 1, Box 64	Glenville	26351	304 462-5300
Kight, Reta	414 Kanawha St.	Glenville	26351	304 462-5660; 304 462-7470
Leggett, Patrick	RT 1, Box 85	West Union	26456	304 349-4285; 304 462-7960
Marks, Becky	PO Box 121	Sand Fork	26430	304 462-8544; 304 462-7061
Marks, Willard	PO Box 121	Sand Fork	26430	304 462-8544; 304 462-8544
Schmetzer, Fran	209 High Street	Glenville	26351	304 462-4442
Shreve, Donna R.	PO Box 412	Glenville	26351	304 462-8064; 304 462-8575
Stewart, JoAnn	2 Sumac Ct	Glenville	26351	304 462-5533; 304 462-8698
White, Ed	RR 7, Box 13A	Normantown	25267	304 462-5708; 304 462-8381
White, Monica	RR 7, Box 13A	Normantown	25267	304 462-5708; 304 462-8381
Wood, Chris	RT 1, Box 150	Shock	26638	304 364-4490

Mason County, West Virginia

Project: County-wide talent showcase focused on recycling education

Name	Address	City	Zip	Home Phone; Work Phone
Carlisle, Mary Beth	2 Roseberry Lane	Point Pleasant	25550	304 675-7121; 614 441-1779
Carlisle, Mike	2 Roseberry Lane	Point Pleasant	25550	304 675-7121; 304 675-1932
Darst, Sally Lou	RT 2, Box 77	Point Pleasant	25550	304 675-1096
Handley, Rick	2103 Mount Vernon Ave.	Point Pleasant	25550	304 675-2533; 304 675-1420
Henry, Archie	RT 1, Box 47	Gallipolis Ferry	25515	304 675-2978
Roach, Tirza	3 Holden Lane	Point Pleasant	25550	304 675-5120
Simpkins, Kayla	153 Pond Branch Road	Southside	25187	304 675-7374
Tillis, Georgianna	2806 Meadowbrook Drive	Point Pleasant	25550	304 675-6205; 304 675-6042

1997 Leadership Development Program

Teams return home with projects

In September, five teams of new Brushy Fork Associates gathered in Berea to practice leadership skills and plan for six-month projects. Teams representing Claiborne County, Tennessee; Elliott County, Kentucky; Gilmer County, West Virginia; Mason County, West Virginia; and Berea College left the workshop with plenty of ideas and the first steps of a six-month plan. A description of each team's project follows.

Claiborne County, Tennessee

HART: Hands Across the River for Tomorrow

In Claiborne County, Tennessee, as in many rural counties, small towns are separated by both distance and by geographical features. The Claiborne Brushy Fork team wanted to bring together the northern and southern parts of the county that are separated by a river.

Adopting the name Hands Across the River for Tomorrow (HART), the group decided to establish a volunteer clearinghouse through which local volunteers could be matched with community agencies.

Over the next six months, the group plans to compile a directory of agencies in booklet form and create a database of volunteers. Volunteers will complete interest/skill survey forms that will help match them with organizations.

HART members hope to get local high school students involved, promoting service-learning. A long-term goal of the project is to have volunteers freely helping one another in communities that are miles apart.

Elliott County, Kentucky

PRIDE: Positive Revitalization in the Development of Elliott

The Brushy Fork team from Elliott County, Kentucky, came to the opening workshop in September with a sense of pride in their county's scenic and historical sites. The group left the workshop with that same sense of pride and a plan to spread the word about Elliott County's special features.

Choosing the name Positive Revitalization in the Development of Elliott (PRIDE), the team decided to develop a brochure and map about scenic and historic sites in the county.

Besides the brochure, the team plans to use other means of passing along information about Elliott

County. Members of PRIDE will design and post a web page for Elliott County. They also plan to print paper placemats that can be used by restaurants in Elliott and surrounding counties.

After the brochure is finished and distributed, PRIDE has plans to erect road signs on rural roads. The road signs will not only help visitors but will also assist emergency services, the telephone company, the electric company and other agencies that require finding rural locations quickly.

Berea College Team

PATHS: People Accessing Trails Happily and Safely

For the first time, this year's team from Berea College included faculty and staff as well as students. As the group was looking at projects, members decided to choose a project that involved not only the college but the outlying community as well.

Near the Berea campus is a tract of college-owned land containing trails that are used for recreational purposes. The trails cross Brushy Fork Creek, after which Brushy Fork Institute is named. Adopting the

name PATHS: People Accessing Trails Happily and Safely, the Berea College team decided to clean up and mark these trails.

In addition to working on the trails, PATHS will create maps and brochures to promote use of the trails not only by the College community but also by residents of the town. When the trails are cleaned up and marked, the team will host a kick-off event to let people know the trails are open and are safe to use.

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Gilmer County, West Virginia

Gilmer Countians for Community Development

The Brushy Fork group from Gilmer County, West Virginia, chose to enhance the image of their county for people who are visiting or just passing through. Currently the county has no welcome signs on main highways, so the Gilmer Countians for Community Development will design and erect six welcome signs on the highways entering the county.

The group plans to landscape the sites around the signs by planting shrubbery and flowers. By

enhancing the image of the county and promoting leadership among Gilmer Countians the group hopes their project will spur new growth and development.

One member expressed that hope: "This will benefit essentially all citizens in our area. We hope that this works into a long-term commitment by our community and continues in future projects."

Mason County, West Virginia

Leadership Showcase for Mason County

Team members from Mason County, West Virginia, saw the need for recycling in cleaning up their communities. Realizing that involving their stakeholders in a recycling effort creates more community ownership of any project, the group brainstormed ways to involve all sectors of the community in recycling education.

The team decided to implement a Leadership Showcase for Mason County (LSMC) and selected that as a group name. The showcase will feature local talent acts and will be open to residents, from youth to senior citizens, from all around the county.

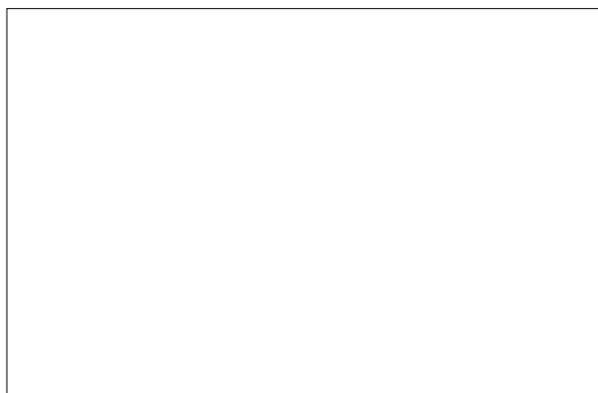
Recycling education will be stressed throughout the show and proceeds from the event will be used toward the recycling effort.

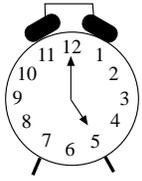
Smith County's Visions in Progress opens playground

Children in Smith County, Tennessee, can enjoy a new playground, thanks to a year of hard work by Brushy Fork Associates in that county. On October 4, Visions in Progress held a grand opening for the children's playground that was their Brushy Fork Leadership Development Program project. The Smith County team participated in the 1996 cycle of the program.

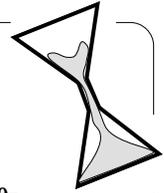
The playground was constructed near the county's ballfields. The team wanted to provide some entertainment for younger children whose older siblings might be playing ball at the park.

The grand opening was held in conjunction with the Smith County Heritage Days festival. Congratulations to Visions in Progress on their accomplishment!





toolbox



Creating a project timeline

Step 1: Clearly identify the goal of your project in the context of the timeline. Develop a statement of your project's short-term goal and post that on a flip chart for the whole group to see.

Example: Goal: Have our county brochure available to tourists at restaurants and rest stops on Interstate 75.

Step 2: Brainstorm a list of tasks to be done to accomplish the goal identified in step one. Record on a flip chart each task that will need to be completed. Be sure to think about all aspects of the project: publicity, holding regular meetings, making phone calls, ordering supplies, doing manual tasks, raising funds, etc.

Example: Write text for brochure, contact printer, layout brochure, select sites to feature, take photographs, contact sponsors, hold car wash to raise funds. . .

Step 3: Create a calendar on a flip chart page, leaving plenty of room to write tasks into each month. Here's one way to create it: After determining how much time you have, write the months down the left hand side of the flip chart page, leaving about three inches between each month. Draw a horizontal line between the months to clearly indicate where one month ends and the other begins. The page should look something like this:



November '97

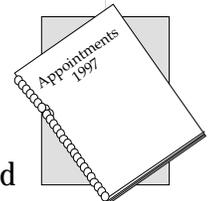
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2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

January
February
March
April

Step 4: Beginning at the end of the timeline, fill in tasks from your brainstormed list. Refer back to your short-term goal and write some brief form of that into the month in which you want to have it done. Be sure to include regular meeting dates in your timeline. Also note holidays and leave extra time for tasks to be accomplished around those days.

Step 5: Have group members select task assignments. This might be done for the entire time period or for the first couple of months, with upcoming tasks being assigned during regular meetings.

Step 6: Refer to your timeline at your regular meetings. Check off tasks that have been done and note any new tasks that have arisen. The timeline should be flexible, with adjustments being made at each meeting.



—D. Morgan

Wednesday

Monday

Resource agencies for rural entrepreneurs

Business & Industry Technical Assistance Center
601 Main Street
Hazard, KY 41701
(606) 439-5856; 800-334-2793

BITAC offers consulting and counseling services to businesses and would-be entrepreneurs. The Entrepreneurial Training Program focuses on self-employment. An Economic Development/Entrepreneur Library serves research needs. BITAC also offers workshops on bookkeeping, customer service, taxes, small business loans, and marketing.

Center for Economic Options
601 Delaware Avenue
Charleston, WV 25302
(304) 345-1298

CEO advocates equity in the workplace, originates alternative approaches for economic development and works to impact the direction of public policy. Programs provide technical assistance to businesses, create networking opportunities for entrepreneurs and promote rural job creation through self-employment. CEO also publishes a quarterly newsletter, *Alternatives*.

Human/Economic Appalachian Development Corp.
PO Box 504
Berea, KY 40404
(606) 986-3283

HEAD is a regional non-profit designed to promote and mobilize self-help community development. For entrepreneurs the corporation hosts the Central Appalachian Peoples Federal Credit Union and the Community Loan Fund.

Manufacturing Technology Center
1000 East Main Street
Wytheville, VA 24382
(540) 223-4805

MTC helps small manufacturers in Southwestern Virginia become more competitive and profitable in today's world market. The center provides companies access to technical expertise, informational resources and training opportunities. See their Internet Web site at: www.mtcofswva.org.

TN Small Business Development Center
320 South Dudley Street
Memphis, TN 38104-3206
(901) 527-1041

TSBDC offers one-on-one counseling, training or technical assistance to small business owners. It has eighteen Service Centers and affiliate offices, an International Trade Center and a Technology & Energy Services Center. To find the Service Center nearest you, contact the TSBDC at the address above.

Virginia Enterprise Initiative
501 North Second Street
The Jackson Center
Richmond, VA 23219-1321
(804) 371-7030

VEI strives to bring together resources to meet the needs of entrepreneurs. Its 14 sites offer technical assistance, business training, microlending and follow-up assistance to small business owners. Many types of organizations collaborate in the VEI—local governments, community groups, chambers of commerce and anti-poverty programs.

WV Small Business Development Center
950 Kanawha Boulevard, East Suite 200
Charleston, WV 25301-2406
(888) 982-7232
www.wvdo.org/sbdc

WVSBDC provides training, financial and technical assistance and counseling to entrepreneurs. The center produces various publications, such as *Going into Business in West Virginia: An Entrepreneur's Handbook* and the *Small Business Resource Directory*. WVSBDC provides special assistance for minority and women business owners, including the *WV Minority Owned and Women Owned Business Directory*. To find the development center nearest your county, contact the number above.

Women's Initiative Networking Groups
433 Chestnut Street
Berea, KY 40403
606-986-3696

The WINGS program is designed for entrepreneurially-spirited women earning low to moderate-level wages. The training program consists of two phases: a four-week personal assessment course and an eight-week entrepreneurial training program. Upon completion of the training, WINGS continues to assist graduates by providing the support of a women's network and additional resources to help businesses grow. WINGS offers these services at no charge.

On-line resources for entrepreneurs

Here are some sites on the world wide web that provide entrepreneurs with advice on everything from advertising to planning to shipping.

Small Business Administration

www.sba.gov

The Small Business Administration is a federal government agency created to help American small businesses. Here you will find a helpful step-by-step primer and frequently asked questions on starting a business. You will find advice on developing a business plan, regional small business statistics, a directory of SBA resources and offices in your area, and information on SBA's loan programs.

Entrepreneurial Edge Online

www.edgeonline.com

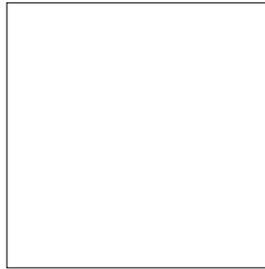
This site is an online version of the print magazine *Entrepreneurial Edge*. Visit this site for its excellent Business Toolbox, a series of articles on common business tasks, from preparing a balance sheet to writing a sales letter. Also includes a well-organized list of small business Web links.

Smart Business Supersite

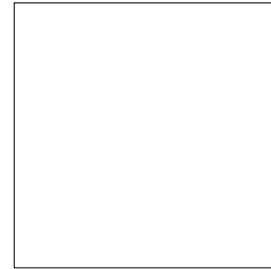
www.smartbiz.com

Hundreds of articles, surveys and statistics of interest to small business owners. Claims to have "the largest possible collection of business information under one cyber roof".

Brushy Fork welcomes new staff



Brushy Fork welcomes two new staff members to the office. Paula Isaacs is Brushy Fork's new administrative assistant. She comes to us from Forward in the Fifth, an organization that provides technical assistance and support to educators. A native of Rockcastle County, Kentucky, Paula currently lives in Berea with her husband and two children. She attended the Kentucky College of Business.



Also joining the staff is a new intern, Peggy Pollard. Peggy is currently enrolled in the Masters Program for Public Administration at Eastern Kentucky University. She enjoys volunteering for PeaceCraft, a non-profit agency that supports third world craftspeople. Originally from Floyd County, Kentucky, she now lives with three dogs, three cats and the occasional grandchild in an old farmhouse in Rockcastle County, Kentucky.

Promoting entrepreneurship

continued from page 3

nonprofit leaders to assess the entrepreneurial climate in their communities and develop strategies for improvement.

Appalachia needs resourceful entrepreneurs who not only create value through their pursuit of opportunity, but also capture that value for the region. Ideally, we need more locally-owned, high value-added, sustainable ventures that improve Central Appalachia's

"balance of payments," increase local wealth, improve human and social capital, and reduce the need for outside government and philanthropic subsidies. Of course, entrepreneurship is no development panacea, but a concerted effort to promote entrepreneurial behavior in Central Appalachia is an essential component in any development plan for the region.

This article is adapted from Promoting Entrepreneurship in Central Appalachia: From Research to Action published by MACED. The full report can be downloaded from MACED's Web site at <http://www.maced.org/report/report/html> and is available for \$5 by calling Melissa Taylor at (606) 986-2373.

Tater Knob Pottery

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their last trip to Berea is your shop and getting to work in clay—your shop and getting to pinch pots.” Tater Knob has a growing group of customers who first enjoyed the shop as children and are now becoming consumers of its products.

In her early years in business, Sarah faced the hurdles familiar to many entrepreneurs. As a woman with no working capital and no credit history, her financing options were limited. She went to her family for support and they bought her first wheel. She received training through a student program at Berea College. She supplemented her art income with painting houses, mowing yards and having yard sales.

Times are better now and Sarah looks toward seeing her business grow. “Teaching is something that we’ve always done with the public. We’ve had many different types of workshops over the years. We would love to turn the gallery porch into an environmentally sound workshop facility and have a separate gallery space to house our work and the work of other local artists. The dream is rolling again!”

Nature's Concepts

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company’s strength was in its personal connection with customers and the owners didn’t want to risk losing that.

In fact, rather than just expanding the existing floral shop and greenhouse, Kevin invested capital in a new business—Heritage House Antiques and Café.

As Kevin has watched his businesses grow, he has had the pleasure of seeing what they give back to the community. Local residents make up the work force. The café uses West Virginia products.

Kevin warns would-be business owners not to be fooled by the myth that entrepreneurs set their own hours. “I work seven days a week, starting at 7:00 in the morning, and including all my community work, I go to bed at 11:30 every night.”

Besides planning for long hours, Kevin advises: “Talk to people. Talk to people that are in the same type business in your community. Bring in all the expertise you can. Make sure you have a product that will be good for your area. Get a good product out there and stand behind it and your employees.”

ARC supports local entrepreneurship

The Appalachian Regional Commission has launched one of its largest projects in two decades—a three-year \$15 million initiative to support local businesses in Appalachia. The program will strive to promote local entrepreneurship as a way to create stable jobs and keep wealth in communities.

“Homegrown companies help communities gain greater control of their own economic destiny, unlike the branch plant economies in which decisions are made from outside,” says Jesse White, Federal Co-Chairman of the ARC.

The Entrepreneurship Initiative will focus on three goals: generating interest in entrepreneurial activities; encouraging efforts to coordinate state and regional programs; and developing a support system for entrepreneurs.

This support system would address five areas: accessing financing for business start-ups and expansions; developing business plans; finding commercial uses for technology; educating and training entrepreneurs; and encouraging networking among professional service providers to better link entrepreneurs to services.

Next issue will focus on role of churches in development

Mountain Promise, the newsletter of the Brushy Fork Institute, is published quarterly. Our next issue will examine the role of churches in community development. We encourage readers to submit articles, reports, photos, line art or story suggestions. If you have an article or a story idea, contact:

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Great small businesses begin with a plan

Successful businesses usually start with a business plan—a written document that explains the product, the customers and the selling techniques. Formulating a business plan helps you organize and convincingly communicate your ideas. A basic business plan contains a brief summary and three distinct sections: marketing, production and finances.

The Basic Business Description

This introduction is a single brief paragraph about what, where and to whom your business sells. Keep this section brief; more detail will be included in the sections that follow.

The Market Plan

Product: Specifically describe each product or service, highlighting the best.

Customers: Describe your customers. Why do they buy from your business? What might prevent them from buying? How do they find out about your product and business? What makes them “steady” customers? Answer these questions for each category of customers (e.g. individuals and businesses).

Competition: The market plan examines businesses that provide some or all of the same products. What makes them different from your business? Who are their customers? Do they have enough work, too much or too little? Why? Call or visit competing businesses to examine their products, prices and customer base. If possible, talk to some of their customers.

Marketing: Lay out the ways people will find out about your business or remember your business the next time they need your product.

Image: Determine the image you would like your business to have. When people think about your business or mention it to others, what will come to mind?

The Production Plan

Process: Outline what it will take to produce each item. Describe the whole process, step by step, from buying the materials to delivering the finished product.

Equipment and supplies: List the equipment, tools, space, needed for the business to operate,

noting the equipment and supplies already in-hand as well as what is needed. Include the value of current inventory and the costs for what is needed.

Staff: Describes yourself and any staff and your qualifications for this work. Include clear job descriptions for all staff.

The Financial Plan

Expenses: List all the expenses related to your business operations. Separate the expenses related to production (like materials) from the expenses related to running the business (like rent, utilities or insurance). Call for estimates of each business expense, on a monthly, weekly or annual basis. For materials expenses, research prices for buying in bulk versus buying in small lots. Expenses you might include:

Utilities	Production supplies
Rent	Salaries and wages
Liability insurance	Office supplies
Gasoline	Equipment repairs
Packaging	Shipping
Advertising	Phone bills

Pricing the product: List the materials involved in making a few common products. What is the cost of producing a certain amount of the product (making one cake or mowing a 1000 sq. foot yard)? How much time is involved in production and distribution? What do you charge or plan to charge for the product? What does your competition charge?

Revenue: Determine how much you have to sell to constitute a full-time job for you and your initial staff. Consider how much of your product you can feasibly produce and sell. How much are you selling now? Could you sell more to your established customers if you had more time? How long would it take to create a base of customers?

Adapted from materials produced by the
Human and Economic Appalachian Development Corporation
PO Box 504, Berea, KY 40404; (606) 986-3283.
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Leadership cannot exist in a vacuum but must be for something. If you are not aiming your results at making things better for a community in some broad sense you are wasting your time. —Dr. John B. Stephenson

10
Ten years of leadership for something

We want your reflections on leadership

In 1998 Brushy Fork Institute will celebrate ten years of work with community leaders in Central Appalachia. Of course, the real work has been done by you, the participants in our programs. So we'd like you to tell us about it! How has your experience at Brushy Fork affected your life?

Not sure what to submit? Here are some pointers! Your story:

- can be funny or serious.
- should be no more than 500 words.
- should reflect on leadership.
- can be about your original Brushy Fork project or new projects taken on by the team.
- can be about new leadership roles you have assumed.
- can be about other ways you have applied your Brushy Fork experience.

The first twenty-five Associates who submit a Brushy Fork story will receive a Brushy Fork t-shirt (so indicate your t-shirt size!) and will be eligible for a special drawing. The Associate whose name is drawn can ask for \$100 to be donated to a community improvement organization.

Depending on the number of entries received, some or all of them will be printed in a special anniversary edition of *Mountain Promise*. Get those entries to us now! And keep an eye out for more information on Brushy Fork's Tenth Anniversary Celebration to be held in 1998!

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