

Approved: March 13, 2008  
Date

MINUTES OF THE JOINT HOUSE ECONOMIC DEVELOPMENT AND TOURISM/SENATE  
COMMERCE COMMITTEE

The meeting was called to order by Chairman Karin Brownlee at 8:30 A.M. on March 6, 2008 in Room 123-S of the Capitol.

All members were present except:

Valdenia Winn- excused  
Broderick Henderson- excused  
Judy Morrison- excused  
Robert Olson- excused  
Gene Rardin- excused  
Annie Tietze- excused  
Mark Treaster- excused  
Ron Worley- excused

Committee staff present:

Ryan Hoffman, Kansas Legislative Research Department  
Jason Long, Office of the Revisor of Statutes  
Matt Todd, Office of the Revisor of Statutes  
Ann Deitcher, Committee Assistant

Conferees appearing before the committee:

Erik Pedersen, Operations Mgr. NetWork Kansas  
Ashley Cooper, Director, Greenwood County Economic Development  
Carrie Taylor, Entrepreneur, Fall River Grocery  
Steve Radley, Director, Network Kansas  
Patricia Prasted, Pres./CEO, Wichita Technology Corp. & Founder of Midwest Venture Alliance

Chairperson Lana Gordon introduced Eric Pedersen who provided a brief update regarding NetWork Kansas resource partners, the activity at their intake center and how they are collaborating with Wichita State University to track and identifying the characteristics of rural entrepreneurs. (Attachment 1).

Mr. Pedersen spoke of the collaborative initiative with Information Network of Kansas and over ten other state agencies and resources to redesign the Kansas Business Center website.

Ashley Cooper testified next saying that NetWork Kansas was one of our most valued economic resources and they're not just a place for information but they truly care about the success of rural entrepreneurs. (Attachment 2).

She spoke of the great strides taken by the State of Kansas to promote rural development. She felt that having partners like Network Kansas was crucial to any economic development efforts.

Carrie Taylor spoke to the committee next. (No written testimony was provided.)

Addressing the Committee next, Steve Radley spoke of the variety of seminars and workshops offered by NetWork Kansas partners, including: how to start a business; tax workshops; business planning and more. (Attachment 3).

Mr. Radley said that StartUp Kansas was launched in August 2006 to provide funding to small businesses in rural and distressed Kansas communities in the form of matching grants or unsecured loans. During the first 18 months of operation, StartUp Kansas awarded more than \$550,000 in grants and loans to 22 small businesses throughout rural Kansas.

## CONTINUATION SHEET

MINUTES OF THE Joint House Economic Development and Tourism/Senate Commerce Committee at 8:30 A.M. on March 6, 2008 in Room 123-S of the Capitol.

He referred to information shown on His StartUp Kansas Client List. (Attachments 3-6 and 3-7) as well as the minutes of the Entrepreneurial Educational Team Meeting - Community College/Public Sector of May 22, 2007, K-12 Sector of May 30, 2007, and Kansas Universities of October 30, 2007 (Attachments 3-8 - 3-34). Also included was Resolution No. 2008-2 (Rural Development Structure) of February 11, 2008. (Attachment 3-35).

Trish Brasted presented testimony explaining that Wichita Technology Corporation (WTC) was a private commercialization corporation that was created in 1994 through a partnership between Kansas Technology Enterprise Corp. (KTEC), the Wichita State University and Wichita Area Development. (Attachment 4).

She told how Wichita Technology Ventures was founded as a seed and early-stage direct investment fund managed by WTC and funded by KTEC and Wichita Area Development.

“Angel” investing originated in the early 1900's but it wasn't until the 1990's that Angel Groups became prevalent. According to the Kauffman foundation, angel groups have grown from about 10 in 1995 to over 250 today. A copy of Kansas Rural Angel Initiative was provided. (Attachment 4-4).

Copies of press releases from NetWork Kansas were distributed. (Attachment 5).

Questions and answers followed.

The meeting was adjourned at 9:45 a.m. The next meeting is scheduled for Thursday, March 7, 2008.



## SENATE COMMERCE COMMITTEE AND HOUSE ECONOMIC DEVELOPMENT AND TOURISM COMMITTEE

March 6, 2008

Testimony by:

Erik Pedersen, Manager,  
Kansas Center for Entrepreneurship  
*NetWork Kansas*



Chairperson Brownlee, Co-Chairperson Jordan and members of the Senate Commerce Committee; Chairperson Gordon, Vice-Chairperson Huntington, and members of the House Economic Development and Tourism Committee, I'm Erik Pedersen, Operations Manager of the Kansas Center for Entrepreneurship. We will cover the following in the next 45 minutes.

**Expertise:** I will provide a brief update about our NetWork Kansas resource partners, the activity at our intake center, how we're collaborating with Wichita State University to track and identify the characteristics of rural entrepreneurs, and a collaborative initiative with Information NetWork of Kansas and over ten other state agencies and resources to redesign the Kansas Business Center website.

**Resource Partner:** Ashley Cooper, Greenwood County Economic Development Director, is going to talk about her role as an Economic Director in a rural county and how NetWork Kansas has helped with some of her challenges.

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**An Entrepreneur Testimonial:** Carrie ODell, Owner of Fall River Grocery, is going to share her experience, the challenges she faces as a small business owner in rural Kansas and how StartUp Kansas funds assisted in her purchase of a retail grocery.

**Education & Economic Resources:** Steve Radley will provide an update on entrepreneurship education and Economic Resources that will include testimony from Patricia Brasted. Trish is the President of Wichita Technology Corp., a NetWork Kansas partner and KTEC organization and is a founding member of the Midwest Venture Alliance. Trish is going to share with you some of the vision behind the dialogue we are starting with rural communities.

### Mission of the Center

The mission of NetWork Kansas is ***to promote an entrepreneurial environment throughout the state of Kansas by establishing a central portal that connects entrepreneurs and small business owners with the right resources—expertise, education and/or economic—at the right time.***

It is clear in the Kansas Economic Growth Act that the intention was not to create another program that competes with existing services already being provided in Kansas. We do not provide direct services to entrepreneurs. Our primary direct contact with the entrepreneur or small business owner is when they make initial contact with NetWork Kansas by phone, email or website. Our mission is to act as a conduit where entrepreneurs and small businesses can connect to the resources they need when they need them. Our goal is to accomplish one of two things: 1) We want to connect entrepreneurs and small businesses to resources that provide the 3Es I mentioned earlier: expertise, education, and economic resources; or 2) We want to utilize our funding programs to leverage partner capital and private capital for the entrepreneur or small business. We have not—nor will we—create a program that competes with existing services already being provided in Kansas.

Please allow me to reacquaint you with our resource network and our processes. On March 9, 2006 the Kansas Center for Entrepreneurship officially launched NetWork Kansas, backed by 240 resource partners. Since launch, we have grown the network strategically by identifying gaps in service—both physically and functionally—and then working to find resource partners that can fill those gaps. In the fall of 2007, we worked with Kansas State University Research & Extension to enroll all 104 county Research & Extension offices as resource partners. In addition, we've added many resource partners in counties and cities where we previously didn't have any, such as Lane County Economic Development, Montgomery County Action Council, Thomas County Economic Development, Hillsboro Development Corporation and the Louisburg Chamber of Commerce. We currently have more than 425 Resource Partners in this statewide referral network, as a result of these outreach efforts.

The resource partners consist of public-sector organizations that provide assistance to entrepreneurs and small business owners in the form of business plan development, workforce training, loan packaging and financial assistance, and many other services.

A sampling of the type of organizations that make up NetWork Kansas include the Kansas Department of Commerce business and trade development, Kansas Small Business Development Centers, Enterprise Facilitation, Kansas Main Street, KTEC Centers of Excellence, KansasWorks Centers, as well as the Certified Development Companies and Regional Foundations. We are working to enroll the first two Offices of Rural Opportunity, located at Sterling College and in Colby as they are staffed. ORO staff will be a great resource to proactively assist rural Kansas communities identify and connect with community resources that can assist with strategic planning, infrastructure assessment and leadership development.

The NetWork Kansas intake center interacts with entrepreneurs and small business owners via phone calls, emails and a comprehensive website. The front line for these interactions is often the NetWork Kansas counselors. In addition to playing a key role in the recruitment and retention of partners—without which there would be no network—the counselors are a key component in the intake process. When our counselors receive a phone call or email from an entrepreneur, they conduct a listen & learn session with the caller, getting a sense of where that entrepreneur is at in the business lifecycle, where the business is physically located in the state and other resources already used. Counselors take the time to really understand the needs and challenges of business owners and entrepreneurs so they can match them with the right resource partner at the right time.

We are currently receiving more than 5,000 inbound contacts per month, including website hits, inbound calls, and email contacts. In 2007, we received over 480 inbound leads, roughly double the number we received in 2006. In January 2008 alone, we received 90 inbound leads, which is greater than a 100% increase over January 2007. The leads NetWork Kansas has received since we launched have come from over two-hundred and twenty different Kansas cities and towns. About twelve percent of the leads are coming from cities with population under one thousand, and about twenty-five percent from cities with population between one thousand and five thousand. Just under 40% of our calls are coming from entrepreneurs in cities with population under five thousand. It's interesting to note that number has grown by about 8% since the testimony I gave in January 2007.

These leads were referred to NetWork Kansas by over sixty-five different sources, Kansas Department of Commerce and the Kansas Small Business Development Center lead center. In addition, our NetWork Kansas radio campaign has and continues to increase the activity at our center. Here's a number that speaks to the increased collaboration throughout our network; over sixty of our resource partners have referred at least one client to NetWork Kansas.

Here's examples of a few leads we recently received:

- 1) A person starting a health and deli grocery store in Southeast Kansas needed help registering a new business and with business planning.
- 2) A gentleman and his partner are the distribution company for the first environmentally friendly bottled water packaging in the country. They are looking for

help to get in front of buyers for grocery, organic and convenience stores, and to line up events like fairs, festivals, etc., to get exposure for this new green packaging.

3) A lady in the process of getting a stained glass business started in a rural community. She has a building, business name, an EIN, a partner, and people interested in taking classes. Her quote: "I have read so much my head is swimming. Help! I need to know what forms to file and what financing is available for start-up."

About 70% of our calls are from early-stage entrepreneurs, interested in business planning or licensing and permitting, like the ones I just listed. Many of those callers are referred to the Kansas Department of Commerce First Stop Clearinghouse and the Kansas Department of Commerce business development staff, Kansas Small Business Development Centers, or Enterprise Facilitation for start-up assistance. However, we also receive leads of a more mature nature; existing businesses with unique challenges that refer to the CDC's and Regional Foundations, as well as several KTEC organizations including the Advanced Manufacturing Institute (AMI) and the Alliance for Technology Commercialization.

Here is an example of multiple resource partners working to help an entrepreneur achieve their dream:

Dustin Andrews contacted us in May 2007. He lives in Cherokee County and was trying to locate capital that would allow him to purchase a print shop. He heard about NetWork Kansas after reading a StartUp Kansas press release. After conducting a listen & learn, NetWork Kansas referred him to both the Kansas Small Business Development Center at Pittsburg State University and to Mid-America Certified Development Company in Pittsburg. He worked with the KSBDC to develop a business plan and marketing plan and was able to acquire the print shop. He is currently working with Mid-America Certified Development Company to refinance a loan.

In a couple of minutes, you will have the opportunity to hear from Ashley Cooper, Greenwood County Economic Development Director and Carrie ODell, the Owner of Fall River Grocery. They will share their success story with you, the collaborative effort that took place between the Kansas Small Business Development Center, QUAD Enterprise Facilitation, Greenwood County Economic Development and the South Central Kansas Economic Development District Certified Development Company to provide them with the proper business foundation and funding to allow her dream to come true.

On any given day, we have about 300 active clients. These are entrepreneurs and small business owners who are working with resource partners, growing an existing business, starting a new business, or at the very least, exploring the idea of starting a business. We follow up with these active clients periodically to ensure they are successfully engaged with the resource partners we referred them to.

Currently, we have more than 2,000 serviced clients. These are clients who either searched for services online, had their question answered or accessed the proper resource (and do not require additional follow-up), have self-selected out of the

entrepreneurial process, or have reached a stage in their development where they no longer need to be actively engaged with one of our partners-they're running their business. Self-selected out means they called us looking for grant money to start their business and when it wasn't available, they chose not to go forward, or they got into the process and found out that it would take more work than they wanted to do at this point in their careers, and chose not to go forward.

We are working with Tim Pett, the Director of the Wichita State University Center for Entrepreneurship, and his staff of research professors to discuss how they can survey and/or communicate with the entrepreneurs in our database to learn more about the demographics, characteristics and behaviors of rural entrepreneurs in Kansas, including background, education, funding sources and what they consider to be high-priority challenges. We are early in this project but hope to develop a systematic process that enables Wichita State to track and report these findings as we go forward.

Finally, I'd like to update you on an exciting project that NetWork Kansas was asked to lead. Last spring, the Senate Commerce Committee asked NetWork Kansas to walk through the process an entrepreneur or small business owner would follow to register a business, select and reserve a business name and file the appropriate documents. The purpose was to get a feel for ease-of-friendliness of both finding and using the Kansas Business Center website. As a result of that exercise, NetWork Kansas has been asked to lead a collaborative process involving the various state agencies working together to develop a more integrated site. The Steering Committee includes staff from at least ten different state agencies, including: NetWork Kansas, Kansas Department of Commerce (KDOC), Kansas Small Business Development Centers (KSBDC), Information NetWork of Kansas (INK), Kansas Secretary of State (KSSOS), Kansas.gov, Kansas Department of Revenue (KDOR), Kansas Department of Health & Environment (KDHE), Kansas Department of Labor, Kansas Department of Insurance, Water Department and the Department of Agriculture. Our goal is to ensure that all of the appropriate agencies are involved as we work to accomplish two primary objectives: a) provide a clear and consistent link to the Kansas Business Center website, and b) improve the design, functionality and process flow. We're very excited about this opportunity and are very impressed with the cooperation and collaboration of all the agencies and resources involved in the project.

This concludes my testimony. I'd like to introduce you to Ashley Cooper and Carrie ODell. Ashley is the Economic Development Director for Greenwood County; she is going to briefly talk about her role as an Economic Director in a rural county and how she envisions NetWork Kansas helping with some of her challenges. Carrie is the Owner of Fall River Grocery in Fall River; she is a wonderful example of the entrepreneurial spirit that is alive in rural Kansas.

Erik Pedersen, Operations Manager, Kansas Center for Entrepreneurship  
1845 Fairmount, Box 202, Wichita, Kansas 67260-0202.

Good morning, I am Ashley Cooper, the Greenwood County Economic Development Director. I would like to thank the Senate Commerce Committee and the House Economic Development and Tourism Committee for allowing me the time to speak on behalf of NetWork Kansas. NetWork Kansas is one of our most valued economic resources. They are not just a place for information. They truly care about the success of rural entrepreneurs.

There have been great strides taken, by the State of Kansas, to promote rural development. While these rural development initiatives are great opportunities for Counties like Greenwood, the biggest challenge we face is understaffing. Due to the small amount of taxes collected, Greenwood County can only afford to have one paid Economic Development position. This is why having partners like Network Kansas is crucial to our economic development efforts.

When I took my position about six months ago, I was faced with the task of learning a vast amount of knowledge in a short period of time. I was pleased to find that I could count on Network Kansas when I needed to find economic resources or even just answers to my questions. With the availability of over 400 resource partners through NetWork Kansas, I no longer feel like I am the only staff member in the Greenwood County Economic Development Department.

Their tag line, "We do not have all the answers, but we know who does" describes NetWork Kansas's dedication to teamwork and networking. They recognize different people have different levels of experience and expertise. Through teamwork and networking, they can match resources to the individual needs of each client they serve.

Business sustainability and job creation is of the utmost importance for rural counties. Rural communities tend to have a high percentage of self-employed individuals due to the lack of available jobs. Greenwood County's population has been in constant decline for 78 years. In the 1930's we had nearly 20,000 residents and now we barely have 7,000. It is important that we take care of the citizens we have, in the best way we can. It is also extremely important that we cultivate entrepreneurial spirit in hopes that we can retain business and jobs in our County.

Cultivation of entrepreneurial spirit is the first step but we cannot stop there; if we did very few great ideas would become reality. What I like to do is send each of my clients down a direct path with the tools for success. I would like to give you a general explanation of this process.

First, I begin by introducing them to Jack Newcomb with QUAD Enterprise Facilitation. QUAD is a local non-profit organization designed to provide free assistance to new entrepreneurs. They begin by analyzing their market and market position, building a solid business plan and preparing the individual to move closer to making their dreams

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a reality. QUAD has an 80% success rate after 5 year, and has helped to create nearly 300 jobs in its five county region.

After the entrepreneurs plan is put together Jack and I begin to partner up with financing resources such as South Central Kansas Economic Development District (SCKEDD) and NetWork Kansas to discuss financing options. Collectively we formulate the best mix of financing options for each specific client. As we work through the loan process, we also do an evaluation of client needs. We determine what skills the individual needs to hone to be a successful business owner and manager. From this evaluation, we can better pair each individual up with the resources and partners they need.

From there, we guide them to educational courses our partners like the KSBDC and SCORE provide. These courses will help make them successful business managers. Because of the great accessibility of these classes, most individuals can take course before their loan even closes. Upon closing of the loan, my partners and I have cultivated more than just the entrepreneurial spirit; we have cultivated an entrepreneur.

Shortly you will hear from Carrie Taylor, one of our clients who has been through this process. She was truly a pleasure to work with because of her desire and passion to be a business owner, and her dedication to providing a need for the citizens of Fall River, Kansas. Fall River is a small community in Southeast Greenwood County with an aging population. The median age in Fall River is 52.5 years, well over the states median age. Carrie realizes that as individuals age they prefer not to travel long distances for necessities. To help keep people from being forced to move to another town based on the need for groceries, she decided to purchase and re-open the grocery store in town.

Through the process previously described and the resource partners that NetWork Kansas has the ability to pair us with, Greenwood County has had success.

Embracing the unique dynamics of Greenwood County, will help us preserve what is left of our little towns. It may be an up hill battle with the slowing national economy, but because of partners like NetWork Kansas we do not have to go it alone.

This concludes my testimony. At this time, I would like to turn things over to Carrie Taylor, Owner of Fall River Grocery.



Resources for Starting or Growing Your Business

## SENATE COMMERCE COMMITTEE AND HOUSE ECONOMIC DEVELOPMENT AND TOURISM COMMITTEE

March 6, 2008

Testimony by:  
Steve Radley, Director,  
Kansas Center for Entrepreneurship  
*NetWork Kansas*



### Education

NetWork Kansas partners offer a variety of seminars and workshops, including: how to start a business; tax workshops; business planning; and more. Classes provided by our partners are listed on [www.networkkansas.com](http://www.networkkansas.com) under the "Entrepreneurial Education" tab. In addition, NetWork Kansas is working with partners across the state to assess current entrepreneurial offerings with the objective of developing a vision for entrepreneurship education across the state. We conducted three Entrepreneurship Education Meetings: One for K-12 institutions and one for Community College and Public Sector organizations and one with Regents Universities. I have included the minutes of the meetings in your packets along with a list of attendees. Now that we've completed these meetings, we will focus on three areas: 1) Identifying key areas of opportunity for enhancing entrepreneurship education statewide; 2) Ferreting out pockets of opportunity for activities that can be pursued more quickly, (Example: Youth Entrepreneurship Fair in Atwood) and 3) Identifying new communication channels among all educational institutions in the areas of developing entrepreneurs, commercializing new ideas more effectively and playing to the strengths that each educational institution brings to the table. Once we do that, we'll bring together all three educational groups to get their feedback and identify short and long term actions to enhance entrepreneurship education statewide.

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## **Economic Resources**

NetWork Kansas has more than forty economic resource partners that provide loans and grants to entrepreneurs and small businesses. The partners are certified development companies, the seven regional economic development foundations, Mainstreet Kansas communities with their IWW loans through the Kansas Department of Commerce, City and County Economic Development organizations that have revolving loan funds, USDA Rural Development and others. Our resource network can also access additional matching dollars from NetWork Kansas through the following programs.

### **StartUp Kansas:**

StartUp Kansas was launched in August 2006 to provide funding to small businesses in rural and distressed Kansas communities in the form of matching grants or unsecured loans. We use the same financing terms as the NetWork Kansas economic resource partner working on behalf of the entrepreneur. During the first 18 months of operation which includes 6 rounds, StartUp Kansas awarded more than \$550,000 in grants and loans to 22 small businesses throughout rural Kansas. More than \$4 million of additional capital was leveraged from other sources for these businesses. Forty-one percent (9) of the businesses were pre-venture or startup businesses; forty-five percent (10) were expansion of existing businesses, and fourteen percent (3) were the purchase of existing businesses which we've identified as a key strategy for rural development. A little over 40% of the businesses were in communities of less than 1,000.

I've provided a list of NetWork Kansas partners who participated in these projects. These partners have either been involved from a funding standpoint or provided assistance with business plan development business coaching and other types of expertise.

### **FUNDING PARTNERS**

- Anderson County Economic Development, Garnett
- CloudCorp, Concordia
- Coffey County Economic Development, Burlington
- Four Rivers Development, Beloit
- Linn County Economic Development, Mound City
- Leavenworth Mainstreet, Leavenworth
- Russell Mainstreet, Russell
- South Central Economic Development District, Wichita

### **PARTNERS who have provided assistance with business plan development, business coaching and other types of expertise/assistance include:**

- Advanced Manufacturing Institute, Manhattan
- Cowley Community College, Arkansas City
- Kansas Small Business Development Center (KSBDC) at Cloud Community College,

Concordia

- KSBDC at Emporia State, Emporia
- KSBDC at Wichita State University, Wichita
- KSBDC at the University of Kansas, Lawrence
- Q.U.A.D. Enterprise Facilitation, Eureka
- Wichita Technology Corporation, Wichita

There are two key points that I'd like to share about StartUp Kansas.

Point 1: The StartUp Kansas Committee reviews and selects businesses based upon two primary factors.

1. The business has the potential to be an economic driver. This is a business the committee thinks that if successful, it has the ability to grow and create additional jobs. Also, it may have the capability of generating wealth from outside of the community. (Manufacturer, etc.)
2. The business provides a community benefit. It provides a benefit that the community perceives as either a necessity or enhances the community in another way. An example is a business like you heard about today, Fall River Grocery, which provides a recognized community benefit.

Point 2: StartUp Kansas wants to be at the end of the rural entrepreneur's capital food chain. 1. We don't to replace private capital and if a bank can do it, we don't want to.

2. An example: Bank—Partner—StartUp Kansas: **Fall River State Bank—South Central Economic Development District—StartUp Kansas.**

Listed are additional factors the StartUp Kansas committee considers.

***Considerations when reviewing StartUp Kansas proposals:***

In the majority of cases, the projects would not have moved forward without the assistance of the StartUp Kansas fund. The StartUp Kansas committee feels this is a key consideration because StartUp Kansas funds were not intended to replace private sector investment. Another implication is that these proposals represent more risky ventures. (*The StartUp Kansas committee consists of members of the Kansas Center for Entrepreneurship Board of Directors and includes: Ken Daniel, CEO, Midway Wholesale, Topeka; Wint Winter, President, Peoples Bank of Lawrence; Tony Delesaga, President, Community National Bank, Frontenac; Suzan Barnes, Owner, Grand Central Hotel, Cottonwood Falls; Kate Pope Hodel, Kansas City*)

***Other factors that were important to the committee included:***

- \*Whether the following organizations were involved in some capacity: SBA, other NetWork Kansas partners, banks or financial institutions, or other local funding sources;
- \*Whether the seller was participating in the case of buy-outs (peel back);
- \*High leverage;

- \*High risk;
- \*Ability to repay;
- \*Percent of local match;
- \*Whether there was new investment and in what;
- \*New jobs;
- \*Saved jobs; and
- \*Economic and community benefits.

### **E-Community Program:**

As we reviewed our experiences and decisions with StartUp Kansas and looked at ways to track our progress, we started thinking about some of the challenges that we wanted to address. First, we realized that because these 22 businesses are dispersed throughout Kansas, it would be difficult to measure the overall impact to the community. Second, we also wanted to figure out ways to: 1. Accelerate funding to businesses, 2. Partner with communities to help make them more entrepreneurial by ensuring that entrepreneurs in local communities were connecting entrepreneurs to the Expertise, Education, and Economic Resources available and 3. We wanted to figure out a strategy that would ensure we utilize 100% of our allocated tax credits. We also think that by concentrating resources in specific communities, we have a greater chance of measuring the overall impact not only on a particular business but also the community.

- The E-Community Pilot Program was launched in September of 2007. The first competitive round was in October of 2007; six communities were selected from 11 applicants. The E-Community Program is designed to help Kansas communities establish a fund for entrepreneurs and small business owners through a partnership with NetWork Kansas and the Entrepreneurship Tax Credit. A NetWork Kansas E-Community enables local communities to provide loans and grants to businesses in their own community in the same manner that StartUp Kansas provides funding on a statewide basis through a partnership with NetWork Kansas.

The initial interest in this partnership between NetWork Kansas and communities far exceeded our expectations. We expected 5 or 6 applications and we had 11 applications. The Board of Directors approved 6 applications and approved earmarking \$1.2 million of our \$2 million in tax credits for these 6 communities.

These six pilot E-Communities include: Cowley County, Garnett/Anderson County, Great Bend/Barton County, Rawlins County, Sterling/Alden/Rice County, Thomas County.

We are thankful for your support in passing Senate Bill 324 in June 2006, which raised the Entrepreneurship Tax Credit from 50% to 75%, as a result, these six communities raised \$2.67 million. \$1.634 million was designated for those 6 communities to provide matching funds to entrepreneurs in those communities and over \$1 million was put into the StartUp Kansas fund to continue to provide statewide funding to entrepreneurs and small businesses.

I want to discuss three very important points about the funds.

1. Loans and grants going to entrepreneurs have the same requirements of the StartUp Kansas fund. In essence, we've hired communities to partner with us to manage StartUp Kansas funds. We, meaning NetWork Kansas, manage the funds to ensure that it meets statutory guidelines and have final signatory authority on all loans and grants.

2. Second, the E-Community partnership is very important because it helps ensure collaboration among communities and our NetWork Kansas partners to make sure that communities not only have economic resources but also have access to other NetWork Kansas partners who provide consulting services, education, and other needs that local entrepreneur may have.

3. The E-Community program will allow us to benchmark our impact in a much more significant way. We will track every business utilizing the same spreadsheet that is in your packet. We are working with Dr. Art Hall at the Center for Applied Economics at KU to determine the best way to benchmark and track businesses and communities from both a micro and macro economic level.

We are very excited about the potential of this program; we've received inquiries from other states and national experts who think we're on the right track. The essential ingredient and strategy for rural development is local empowerment of communities because community and economic development happens within the community not top down. We think the E-Community program provides an important asset as well as an avenue for effective engagement with local, state, and federal resources that help entrepreneurs and small business.

### **Rural Angel Network**

Another opportunity to build the capital infrastructure in rural communities has emerged since the launch of the E-Community program; this is the opportunity to build a statewide rural angel network through existing services already provided by one of our partners. At this time, I'd like to introduce Patricia Brasted. Trish is the President of Wichita Technology Corp., a NetWork Kansas partner and KTEC organization and is a founding member of the Midwest Venture Alliance. Trish is going to share with you the vision behind the dialogue we are starting with rural communities.

### **Conclusion**

If you have any questions, I'd be more than willing to try and answer them now or you can email me at [sradley@networkkansas.com](mailto:sradley@networkkansas.com) or call 316-218-6304. Thank you.

Steve Radley, Director, Kansas Center for Entrepreneurship,  
1845 Fairmount, Box 202, Wichita, Kansas 67260-0202

*had been referred to*

StartUp Kansas Client Type	Fund Date	Business Stage	NAICS	Entity Type	F/T Employees	New F/T	P/T Employees	New P/T	Revenue	Profit	Bus. D. Pmt	Private Capital	Add'l Public Cap.	Partner Loan	StartUp Kansas Loan	Total Loan	Bus. Inv.	Partner Grant	StartUp KS Grant	Owner Carry	Private/Public Total	City Pop.
Newspaper	Oct-06	Purchase Existing Business	511110	Sole Proprietor	4.75	0.00	0.00	0.00	\$304,000	\$12,500	\$8,000	\$56,900	\$85,300	\$25,000	\$37,500	\$212,700	\$0	\$0	\$0	\$0	\$212,700	1-5K
Manufacturer	Jan-07	Expansion	327991	S Corp	13.00	2.00	0.00	0.00	\$1,200,000	\$39,000	\$0	\$201,500	\$57,500	\$30,000	\$45,000	\$334,000	\$0	\$0	\$0	\$43,200	\$377,200	<1000
Equipment Sales/Repair	Jan-07	Start Up	423820	Corp	0.00	2.00	1.00	0.00	\$120,000	N/A	\$13,000	\$85,000	\$0	\$0	\$0	\$98,000	\$0	\$1,000	\$1,200	\$0	\$100,200	<1000
Retail	Apr-07	Purchase Existing Business	448190	LLC	2.50	2.00	2.00	2.00	\$673,900	\$86,100	\$7,416	\$284,854	\$0	\$60,000	\$45,000	\$397,270	\$0	\$0	\$0	\$100,000	\$497,270	5-10K
Retail/Grocer	May-07	Expansion	441320	Sole Proprietor	2.50	2.00	0.00	0.50	\$680,200	-\$8,700	\$48,000	\$545,300	\$0	\$25,000	\$37,500	\$655,800	\$0	\$0	\$0	\$0	\$655,800	5-10K
Restaurant	Jul-07	Expansion	722110	Sole Proprietor	1.00	1.00	0.00	0.50	\$103,452	\$28,009	\$0	\$0	\$0	\$35,000	\$15,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000	<1000
Restaurant	Aug-07	Start Up	722110	Sole Proprietor	0.00	2.00	0.00	8.00	\$383,128	N/A	\$3,000	\$0	\$0	\$35,000	\$26,500	\$64,500	\$0	\$0	\$0	\$0	\$64,500	1-5K
Manufacturer	Aug-07	Pre-Venture	423830	LLC	0.00	1.00	1.00	2.00	\$95,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,900	\$2,960	\$4,640	\$0	\$10,500	<1000
Retail/Service	Oct-07	Start Up	812112	Sole Proprietor	1.00	1.00	0.00	0.00	\$71,575	N/A	\$3,000	\$7,000	\$0	\$10,000	\$15,000	\$35,000	\$0	\$0	\$0	\$0	\$35,000	10-25K
Grocer	Oct-07	Start Up	445110	Sole Proprietor	0.00	1.00	1.00	0.00	\$0	N/A	\$0	\$9,000	\$15,000	\$12,500	\$18,500	\$31,000	\$0	\$0	\$0	\$0	\$31,000	<1000
Manufacturer	Nov-07	Start Up	336991	LLC	0.00	0.00	0.00	0.00	\$342,000	N/A	\$13,113	\$0	\$0	\$30,000	\$30,000	\$73,113	\$0	\$0	\$0	\$0	\$73,113	<1000
Newspaper	Nov-07	Expansion	511110	Sole Proprietor	2.00	1.00	0.00	0.00	\$15,090	\$2,190	\$0	\$0	\$0	\$5,000	\$5,000	\$10,000	\$0	\$0	\$0	\$0	\$10,000	<1000
Service	Nov-07	Expansion	531210	Corp	7.00	1.00	3.00	0.00	\$7,977,348	NA	\$91,589	\$0	\$0	\$15,000	\$22,500	\$129,089	\$0	\$0	\$0	\$0	\$129,089	1-5K

StartUp Kansas Client Type	Fund Date	Business Stage	NAICS	Entity Type	F/T Employees	New F/T	P/T Employees	New P/T	Revenue	Profit	Bus. D. Pmt	Private Capital	Add'l Public Cap.	Partner Loan	StartUp Kansas Loan	Total Loan	Bus. Inv.	Partner Grant	StartUp KS Grant	Owner Carry	Private/Public Total	City Pop.
Manufacturer	Nov-07	Start Up	NA	LLC	1.00	5.00	1.00	0.00	NA	NA	NA	\$0	\$0	\$0	\$0	\$0	\$500,000	\$80,000	\$35,000	\$0	\$615,000	1-5K
Manufacturer	Nov-07	Start Up	267120	LLC	6.00	6.00	0.00	0.00	\$600,000	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000	\$6,000	\$9,000	\$0	\$265,000	1-5K
Retail	Nov-07	Expansion	444130	C Corp	8.00	0.00	0.00	0.00	\$762,366	\$3,252	\$0	\$140,640	\$0	\$25,000	\$37,500	\$203,140	\$0	\$0	\$0	\$0	\$203,140	1-5K
Retail	Jan-08	Expansion	444110	C Corp	7.00	3.00	NA	NA	\$1,848,000	\$14,000	\$47,600	\$1,000,000	\$100,000	\$25,000	\$37,500	\$1,210,100	\$0	\$0	\$0	\$0	\$1,210,100	1-5K
Service	Feb-08	Purchase Existing Business	811111	LLC	4.00	0.00	2.00	0.00	\$659,300	NA	\$40,000	\$426,300	\$0	\$25,000	\$37,500	\$528,800	\$0	\$0	\$0	\$85,000	\$613,800	1-5K
Manufacturer	Feb-08	Expansion	336322	LP	2.00	5.00	0.00	0.00	\$460,000	NA	\$0	\$0	\$0	\$25,000	\$37,500	\$62,500	\$0	\$0	\$0	\$0	\$62,500	<1000
Manufacturer	pending	Expansion	NA	C Corp	10.00	2.00	NA	NA	\$1,200,000	NA	\$0	\$75,000	\$0	\$25,000	\$37,500	\$137,500	\$0	\$0	\$0	\$0	\$137,500	1-5k
Retail	pending	Start Up	NA	LLC	NA	3.25	NA	NA	\$258,000	NA	\$33,000	\$117,500	\$117,500	\$25,000	\$37,500	\$330,500	\$0	\$0	\$0	\$0	\$330,500	5-10K
Retail	Feb-08	Start Up	442299	General Partnership	2.00	0.00	0.00	NA	\$92,000	NA	\$0	NA	\$0	\$7,430	\$11,145	\$18,575	\$0	\$0	\$0	\$0	\$18,575	25-50K
Growth Grant Clients																						
\$0																						
Manufacturer	pending	Existing	NA	LLC	NA	NA	NA	NA	NA	NA	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$0	\$5,000	\$0	\$10,000	<1000
Wholesale	Feb-08	Existing	112120	LLC	46.00	NA	27.00	NA	\$13,500,000	\$675,000	\$0	\$0	\$0	\$0	\$0	\$0	\$12,750	\$17,750	\$5,000	\$0	\$35,500	<1000
<b>TOTALS</b>											<b>\$307,718</b>	<b>\$2,948,994</b>	<b>\$375,300</b>	<b>\$439,930</b>	<b>\$533,645</b>	<b>\$4,581,587</b>	<b>\$770,650</b>	<b>\$107,710</b>	<b>\$59,840</b>	<b>\$228,200</b>	<b>\$5,747,987</b>	<b>40% &lt;1000</b>



**Entrepreneurial Educational Team Meeting  
Community College/Public Sector  
Meeting Minutes  
May 22, 2007**

**Summary of Key Outcomes**

**1. Subject Matter/Identification of Classes (Community Colleges)**

*Following is a list of Community College course subject matter, ranked by the participants according to priority.*

1	Introduction to Entrepreneurship
2	New Venture Feasibility
3	Business Plan Development
4	Marketing/E-commerce
5	Finance/Fund Acquisition
6	Management/HR
7	Business Growth
8	Corporate/International
9	Technology Transfer

**2. Discussion Summary: Subject Matter/Classes**

There was a lengthy discussion about the subject matter and classes that should be offered. Based on this discussion, it was determined that the subject matter/classes ranked from 1 to 5 should meet the minimum standard of entrepreneurial education available across the state. How these classes are structured at various Community Colleges varies based on course demand and the structure of the class. An important driver of course demand centers on the transferability of credit to traditional 4-year institutions. For example, while Intro. to Business is a transferable course, Intro. to Entrepreneurship is not, so demand for Intro. to Business is greater, largely because of transferability.

There was a general consensus that transferability will continue to be a key challenge to the dissemination of entrepreneurial education at the Community College level and that additional research should be performed to determine what other states are doing to improve this environment. All participants agreed that any improvement in this area will increase the breadth and depth of entrepreneurial education offered through Kansas Community Colleges.

### 3. Subject Matter (Public Sector)

Following is a list of public sector course subject matter, ranked by the participants according to priority.

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1	Business Plan Training
2	Feasibility Studies
3	Market Research
4	Market Plan Development
5	Business Plan Training/Consulting
6	Cash Flow Projections/Financial Statements
7	Pre-Business Planning
8	Marketing/E-commerce
9	Finance/Fund Acquisition
10	Management/HR
11	Business Growth/Management
12	Product/Prototype Design & Development
13	Home-Based Business
14	Corporate/International
15	Technology Transfer

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#### Regular Meeting Minutes

Meeting was called to order at 10:05 by Erik Pederson with a greeting and a thank you for attending.

After each person introduced themselves to the group, Erik provided an overview of the mission of NetWork Kansas. The Three E concept was explained as: providing a central portal that connects entrepreneurs and small business owners to the following types of resources: Expertise, Economic, and Education.

Steve Radley then presented a slide show explaining the role NetWork Kansas plays in entrepreneurial education and an overview of the day's objectives. NetWork Kansas is here to facilitate collaboration among resource partners and to serve as an advocate for entrepreneurial education. Today's meeting is the first of three to be held. The Entrepreneurial Education Leadership Teams comprise 3 groups based upon the user of the education and the delivery mechanism. The 3 Teams are:

- 1) K-12 Team (to be held 5/30/07);
- 2) Community College/Public Sector; and
- 3) Regents Universities (to be held in the Fall).

At the end of all three meetings the ideas gathered will be compiled and disseminated to all three teams. As a collective group the ideas will be used to formulate action plans.

Steve introduced Lisa Roberts (Cowley Community College) as the meeting facilitator. Lisa began her duties as facilitator by walking everyone through the entrepreneurial education worksheets provided and the day's agenda. The attendees were divided into five groups upon arrival at the seminar. These five groups were then allotted the next hour and 15 minutes to discuss, evaluate, and rank course subjects for both Community College and public sector offerings.

Rankings and evaluations began with the ranking of Community College courses according to their highest priority. As Lisa went from group to group she read aloud the rankings and then asked for clarification and/or additional comments, as follows:

**Group One:** Defined the *Introduction to Entrepreneurship* as an introductory overview course. Each subsequent course will build on the Intro course and upon each other. They want to offer the courses as both credit and non-credit courses.

**Group Two:** Defined *Introduction to Entrepreneurship* as an introductory overview course. However, they raised concern over offering a marketing course in a two-year college because direct credit does not transfer to a four-year college. (***For example, "Intro. to Entrepreneurship" transfers as a general elective rather than a specific marketing course. This issue of transferability is a key element of any discussion regarding Community College curriculum***) Group Two wanted all courses listed as credit courses. Two-year colleges receive funding for the credit courses offered and do not receive funding for the non-credit courses they offer.

**Group Three:** Defined the *Introduction to Entrepreneurship* as an introductory overview course.

**Group Four:** Defined the *Introduction to Entrepreneurship* as an introductory overview course. They felt that *Business Growth, Technical Transfer and Corporate International* should be non-credit courses.

**Group Five:** Defined the *Introduction to Entrepreneurship* as a Capstone class. They saw it as a culmination of the learning gained from the marketing, financial, and management classes.

**Additional ideas for courses:** A course in *Financial Decision Making* emphasizing the critical thinking skills required to make decisions or choices is an important course to offer. The focus of this course would be to teach a specific set of critical thinking skills that are not taught elsewhere in the curriculum. An entrepreneur's critical thinking skills have a major impact on the success or failure of their business.

As an example, entrepreneurs need to have an understanding of what their financials mean, even if they hire someone to do their accounting work for them. The group recommends that the course contain a combination of management and administration or be similar to a micro-entrepreneurial class. It was pointed out that this type of course is considered a 4-year college class. Two points were agreed upon:

1. While the two-year college can't transfer this course, this course has validity for the non-traditional student and/or returning students.
2. Entrepreneurial education is more of a marriage of education and application than anything else. Learning becomes more valid if it can be attached to a prior learning experience such as experiences found in the workplace.

Donna Duffey (Johnson County Community College), representing Group 4, offered that teaching a course in home/family business and its implications is an important course to offer. The group felt that the legal issues involved in this arena should be taught separately in other courses.

### **Top Five Courses For Community Colleges**

#### **1. *Introduction to Entrepreneurship***

In general, 75% of today's Community College students transfer into a traditional 4-year college. 25% are non-traditional students.

Todd Kelly (Cowley) stated that in his area, 80% are traditional students and 20% are non-traditional students who are most interested in starting a business of their own.

Donna Duffey (Johnson) believes that approximately 20% of her returning students want to start businesses while 27% are interested in pursuing other career plans. In Donna's program they offer:

- ✓ 12 entrepreneurship courses with 30 hours required for a certificate, minus the general education courses.
- ✓ 22 certificate programs are offered overall
- ✓ Certificate programs range from automotive to Web design

Many students are "reverse transfer" students who already have a BA and are returning to school to make a career change.

Jennifer Brewer (Butler Community College) asked if, in general, entrepreneurship courses are being marketed to the wrong population. She suggested that a shift in

marketing to reach the 20% of the non-traditional students rather than the 80% group of traditional students as is currently the case.

Donna Duffey (Johnson) cited a national statistic which states that only 14% of Community College students actually graduate with a two-year degree. She also suggested that *Introduction to Entrepreneurship* should be a general education option not offered just to business students. This is based on the reasoning that **entrepreneurship is an optional way of life for all students** and should be explored as such. If taught in this manner, the *Introduction to Entrepreneurship* course becomes an introductory class rather than a Capstone class.

Lisa Roberts (Cowley) observed that students purchase classes, or enroll for classes, based on their perception of what they will accomplish, not what they actually do accomplish. The low graduation rate of Community College students most likely will not be a negative factor when a student considers enrolling in the *Introduction to Entrepreneurship* course.

## **2. Business Planning**

A course in *Business Planning* is needed. This course could be incorporated as a separate small business class or as part of an introductory class.

There is a need to for 4-year colleges to collaborate with 2-year (Community Colleges) to create degree plans that blend with and complement each other. The group would like to have 4-year institutions open up re: transferability policies and stop seeing Community Colleges as competition.

There was a general opinion that NetWork Kansas could work with the Kansas Board of Regents to encourage 4-year institutions to accept 2-year programs (give equal/full credit rather than "elective" credit). This can be presented as a key issue, considering the importance of entrepreneurship as a key strategy for economic development.

Pat Veasart (Garden City Community College) suggested the creation of articulation agreements between the 2- and 4-year schools to ensure that the same subject matter is being taught in both areas. Both can work together to identify a set of minimum requirements. Standardized testing can also be used to determine credit transferability. Perkins is adopting "no child left behind" legislation in defining industry-based testing.

Sheryl Davis (Fort Hays State University) suggested that if outcomes/standards were to be required of each course, then those standards should be transferable.

Steve Radley suggested that one of the key differences between an entrepreneurship class and some of the other classes being discussed was the notion of "thinking as an entrepreneur" vs. "learning a skill."

Todd Kelly (Cowley) suggested that entrepreneurial thinking be taught within the framework of the skill sets taught in Finance, Management, etc. A *Business Planning* course could also be taught as a Capstone class after the overall learning is provided.

### **3. *New Venture Feasibility***

A course in *New Venture Feasibility* can open the eyes of a potential entrepreneur to the feasibility of a particular business idea. The course would answer the following questions which need to be answered before starting any business:

- ✓ Does the market need it?
- ✓ Is there a market for it?
- ✓ What do I need as an individual to fulfill this need?

Group One felt that it would be great to offer this class as a stand-alone course but felt that it would be better served as a section covered in the *Introduction to Entrepreneurship* class. Why?: They felt that due to a lack of critical mass, the course would end up being cancelled and therefore, wouldn't be available when students want/need it. Thus this subject would be better taught as a section in another course. Furthermore, offering the same courses as credit or non-credit results in reduced duplication, and the opportunity to use resources more effectively. We should focus on demonstrating that entrepreneurship can be a quality, state-wide program.

It was suggested that there is a need for solid course descriptions. This raised the question of, "Created from what perspective?"—a question that still needs to be answered.

### **4. *Marketing***

It is important that an entrepreneur changes their thinking as market changes occur. They need to have the entrepreneurial thinking process that allows them to follow, evaluate and make corrections to their marketing strategies as the market evolves.

### **5. *Finance/Marketing/Management for Entrepreneurs***

A course in *Finance/Marketing/Management for Entrepreneurs* should be offered using the following parameters:

- a. As classes that won't be accepted at the four-year institutions
- b. As seminars rather than as semester long courses
- c. Without regard to whether it is accepted by any other program?

At the conclusion of the Community College discussion, Donna Duffey (Johnson) was asked to share with the group Johnson County's work with the Kauffman Foundation and the grant they submitted. She related the following:

An initial grant was received from the Kauffman foundation to develop initiatives related to entrepreneurship education which must identify replicable, sustainable models. Their program has been doing so for the last four years. Both for-credit (85%) and non-credit (15%) students attend the same classes. The result is a better use of class space, reduced replication of classes, and the addition of more for-credit classes. They also partner with other certificate programs on campus (22 of them), each based roughly on 30 credit hours with 10 hours for entrepreneurship courses and 20 hours to skill education.

A much larger follow-up grant has been submitted that would enable Community College Instructors at all Kansas Community Colleges to be trained to teach 3 courses. Introduction to Entrepreneurship, Opportunity Analysis and Fast Track Business Plan courses will be taught during a two-day seminar in Kansas City that is designed to "train the teacher."

Developing a course curriculum is the largest anticipated challenge. The creation of a seven-hour mini-certificate program that could be used in conjunction with any other certificate program on campus could be an option for similar two-day seminars. The presenters are open to other topic suggestions and are expecting approval in the early fall. This could evolve into a national model for entrepreneurial education for Community Colleges, although a reporting (feedback) mechanism needs to be defined. Courses would be based on the attendee already having completed certain prerequisites such as Accounting 1 or Principles of Marketing.

It is anticipated that Johnson County will know whether they will receive the grant this Fall.

## Public Sector

### **Subject Matter**

*Following is a list of public sector course subject matter, ranked by the participants according to priority.*

1	Business Plan Training
2	Feasibility Studies
3	Market Research
4	Market Plan Development
5	Business Plan Training/Consulting
6	Cash Flow Projections/Financial Statements
7	Pre-Business Planning
8	Marketing/E-commerce
9	Finance/Fund Acquisition
10	Management/HR
11	Business Growth/Management
12	Product/Prototype Design & Development
13	Home-Based Business
14	Corporate/International
15	Technology Transfer

As each group's rankings for the public sector courses were read aloud by Lisa, there wasn't any significant additional group discussion.

It was suggested that more seminars need to be given. It seems that often times a three-hour seminar will lead to the attendee taking a semester length course as the three-hour seminar made the attendee aware of their need for more learning.

Community Colleges have the ability to meet the needs of a small group of individuals on a more immediate basis.

Steve Radley asked, "What about the footprint?" (In regions where KSBDC offices are not located, are adequate seminars offered?) A resounding "NO" was the answer. Individual mentoring is found in its place and a variety of outreach programs are also available, albeit inconsistent. The consensus was that public the public sector entrepreneurial education footprint needed to be expanded.



## Ideas for Dissemination: Group Brainstorming

The conclusion of the meeting included group brainstorming on additional methods to promote entrepreneurial education. The following is a list of ideas that came from this session.

- Hold Competitions – WSU has one; for money; by students
- Get into grade schools and teach students that entrepreneurship is an option in their future. Pair students with business owners...Atwood and Oakley are good examples.
- Market to parents
- Junior Achievement (in middle schools and high schools) & Exchange City program
- K-12 marketing – possibly build bridges through/with DECA?
- K-12 teachers and firefighters are often looking for small businesses opportunities to help increase their income. Should we be marketing directly to them?

*(Steve Radley interrupted and asked that the group focus on adult education; then he will take K-12 suggestions for next week's seminar; but please go back to the adult version for today's brain storming.)*

- Extreme Explore Entrepreneurship Program
- Great Bend – Bookstore downtown resulting from competition (up front education is needed)
- Small incentives for entrepreneurship
- Chamber of Commerce “lunch and learn” events (However, chambers and economic development organizations tend to focus on big business; we need to educate them and help expand their view to include entrepreneurship.)
- “Ag Extravaganza” – Example cited: Provided an exhibit area where small start up businesses, financial institutions and other support organizations can display their offerings. Invited the public in, had prize drawings and food. This event was held to encourage student entrepreneurs. Networking is an important outcome.
- Intrapreneurship – Plant the seed for side small business where individuals can generate income during layoffs. This was done in automotive businesses

to help employees earn money during shutdown periods. Note: could this be of interest/supported by Boeing in Wichita?

- Plant closing in Emporia – Work force development could speak to the issue of entrepreneurship when a downsizing or closing occurs.
- Patent Holders – hold a gathering and market directly to them
- E-Week – embrace a national annual holiday (in November)
- Thank Business Fair – Resource Fair
- Student Programs at Business colleges – DECA, SIFE, (SIFE – no cost to college)
- Industry marketing (e.g. woodworkers – may be great at woodworking but don't have a clue how to market their businesses). Hold an event hosting woodworkers – provide booth space free of charge, invite those who buy their goods, offer seminars/training and hold the event once every quarter.
- Retired people and hobbyists could be good candidates for entrepreneurship...
- Gateway Community College – major older adult ENT programs
- Focus on women as entrepreneurs: hold a career fair to promote peer networking among women.
- Kauffman used to have EntrePrep – attend a 100-hour camp with a business owner.
- Web-based/online learning and games. Online Web-based learning is more flexible – not strictly August to December, maybe from October to ?
- Donna Duffey – following a credit course with niche topics on the non-credit side
- Cruise, vacations, and/or some other type of relaxation and play time for families where business planning seminars can be offered
- Monthly gatherings, peer-to-peer mentoring, networking
- Take groups out of their home market to get them to share with an outside market.

3-17

- Quarterly conferences (Web-based, chat, list serve). Statewide, provides anonymity, might create smaller groups that meet more often, subject matter expert, offer advice, offer warnings.
- [www.secondlife.com](http://www.secondlife.com) – Use 3D Internet/virtual reality to educate individuals in business community about entrepreneurship. Use virtual reality to try/explore small business

Steve Radley ended the brainstorming session by saying that he feels the pieces of the puzzle are out there in the state of Kansas, but the puzzle needs to be put together. Other resources and people also agree upon the issues—our challenges—are in trying to engage them fully.

Steve wrapped up with a promise of distributing meeting minutes, asked that anyone contact him or Erik at any time with further information and/or ideas, and thanked everyone for their participation.

**Entrepreneurship Education Leadership Team Meeting  
K-12 Sector  
Meeting Minutes  
May 30, 2007**

**Summary of Key Outcomes**

**1. *Broadening the Reach of Entrepreneurial Education for K-8 Classes in Kansas Schools***

In the morning, participants at each table were asked to consider the following statement, discuss whether or not they agree, then brainstorm ideas for broadening the reach of entrepreneurial education.

*“Education systems in Kansas don’t encourage entrepreneurship early enough in the education process.”*

Each breakout group agreed with this conclusion and agreed that new types of programs need to be implemented for K-8 students. Led by the facilitator, Lisa Roberts (Cowley Community College), the entire group discussed priorities and ideas for entrepreneurial education at the elementary and middle school levels. Following is a summary of ideas presented during this session:

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**Ideas for Broadening Entrepreneurial Education for Grades K-8**

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1. Create a common definition of entrepreneurship.
  2. Identify teachers who will “champion” entrepreneurial education in their schools.
  3. Educate & inspire teachers....Give them pre-packaged materials that help them incorporate/imbed entrepreneurship in their current classes (e.g., connect the teaching of economics with the idea of entrepreneurship; create a marketing jingle in a music class).
  4. Engage external resources with entrepreneurial offerings. Examples include: Kansas Councils for Economic Education, Kan-Ed, KSU Leadership Studies, John Papajohn’s Center for Youth, Junior Achievement, etc.
  5. Teach entrepreneurship at a much younger age (Kindergarten is not too early).
  6. Involve Kansas Legislature: NetWork Kansas can work with legislators to mandate that entrepreneurship classes become part of the formal education system.
  7. Involve the local community as an outside resource.
  8. Access capital for kids to use in their entrepreneurial efforts (competitions, clubs, et. al.).
  9. NetWork Kansas can spearhead the organization of forums/career fairs where booths can be set up to expose others to entrepreneurial efforts already in place.
  10. Reach/influence school superintendents through Greenbush forums (to encourage making entrepreneurial education a priority in Kansas).
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## **2. Prioritizing Entrepreneurial Education at the High School Level**

During the afternoon session, participants worked in small groups to identify specific ways of expanding entrepreneurial education (using existing methods and programs, as well as new methods). Following is a summary of ideas presented by the group during this session:

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### **Ideas for Broadening Entrepreneurial Education for Grades 9-12**

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1. Tap into community colleges: Offer high school students, as well as junior high and high school teachers, courses in entrepreneurship at community colleges and involve high school organizations in community college student organization events.
  2. Camps: Offer entrepreneurship camps for both teachers and students and integrate entrepreneurship into curriculum for existing camps.
  3. Engage local communities: Develop grassroots support for entrepreneurship in local communities; identify mentors (for teachers and students) in local businesses; work with local business community to create networking events for high school students, targeted scholarships and open house events where entrepreneurship students can showcase their ideas/products/services.
  4. Leadership programs: Learn from and engage resources from existing leadership programs such as K-State's Technology Leadership program and the Fine Arts Entrepreneurship program in Iowa.
  5. Community foundations already offer teacher stipends for extracurricular activities such as coaching (sports); expand to include entrepreneurial education programs.
  6. Involve community leaders who are already involved in education (school boards, principals, superintendents) in program development.
  7. Develop mentorship and internship programs (e.g., SIFE mentors)
  8. Listen to teens...then develop entrepreneurial education programs based on their interests.
  9. Develop education component of NetWork Kansas (work with Kansas Legislature to include entrepreneurship in curriculum; expand Web offering, developing statewide forums, etc.)
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It was also noted that lack of funding is a big cause of the lack of entrepreneurship programs. In most cases, advisors, leaders and teachers who are effectively implementing programs are paying all the associated costs out of their own pockets. Local community resources, such as Rotary Clubs, can help with funding specific projects, but this issue also needs to be addressed on a broader scale.

The group also discussed the role NetWork Kansas could play in developing and holding four regional education forums across the state. Some of the ideas discussed include:

- NetWork Kansas could help identify corporate vendors and content for both general assemblies and topic-specific breakout sessions
- Incorporate the community and the teachers as a unit.
- Forums could also be held online at the NetWork Kansas Web site.

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- NetWork Kansas could become the conduit between business groups and educational communities involved in the forums.
  - Incorporate standards of entrepreneurship (we could adopt another state's or a federal standard to use across the state of Kansas).
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### **Regular Meeting Minutes**

Erik Pedersen, Operations Manager, opened the meeting by thanking everyone for coming. After introducing the NetWork Kansas staff, Erik gave an overview of the mission of NetWork Kansas. His overview included a description of the role of counselors, the availability of funds for small businesses and information about the focus being placed on education. Erik explained that there are three meetings being held, one held last week for Community Colleges and the Public Sector, today's meeting for K-12, and a future meeting to be held in the fall for the Regents Universities. He then turned the floor over to Steve Radley.

Steve Radley, Director, explained that one of the roles of NetWork Kansas is to be a collaborator with educators to create new educational programs—or be the network weaver. Our objective today is to identify the pieces of the puzzle and put them together. Steve turned the floor over to Erik.

Erik then introduced Lisa Roberts as the facilitator of today's meeting. He then asked the individual attendees to introduce themselves, name their organization, and then explain what role their organization plays in K-12.

After the introductions were concluded, Erik turned the floor over to Lisa Roberts.

### **Session One: K-8 Table Breakout**

Lisa Roberts asked the attendees at each table to work as a group to explore the concept of how "Education systems in Kansas don't encourage entrepreneurship early enough in the education process." Through this discussion, each group was asked to: 1) Agree or disagree with this statement; 2) Discuss possible constraints; and 3) Identify three ideas for broadening the reach of entrepreneurial education in K-8 classes (and corresponding age groups) in Kansas schools to share with the entire group.

After a lunch break, Lisa opened the floor to each of the groups to share their ideas for broadening the reach of entrepreneurial education in K-8.

#### **Group One**

- Create a common definition of entrepreneurship, innovation

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- Teach teachers at least one course in entrepreneurship to give them an understanding of entrepreneurship that could be incorporated into any/all other subjects
- Have NetWork Kansas work with the Kansas Legislature to mandate that entrepreneurship classes become a part of the formal education system
- Access capital for kids to use in their efforts at entrepreneurship

### **Group Two**

- Create a common definition of entrepreneurship
- Start teaching entrepreneurship at a young age
- Create/find "IT;" don't re-invent the wheel, just find the resources that are already available and ask the teachers to integrate, imbed these ideas within their current classes. Don't ask teachers to "add" anything—they will be resistant. Pre-package the materials for the teacher so they don't have extra work.
- Inspire teachers, excite them through a seminar or other effort to "champion" the cause, package an idea for teaching, take it to the principal, then package lesson plans for in-service education of other teachers

### **Group Three**

- Create a common definition of entrepreneurship
- Teach/involve the teachers
- Connect the teaching of economics with the idea of entrepreneurship
- Have a champion teacher to be excited and spread the word
- Explore possibilities with KS Councils for Economic Education through professional development of teachers—they have a networking system/newsletter already in place
- Kan-Ed: Distance learning can provide a uniform set of instructions and a possible place for after school learning through technology
- KSU Leadership Studies – Tomorrow's Leaders Today program
- John Papajohn's Center for Youth (not be be confused with Papa John's Pizza). Don't re-invent the wheel; take a look at what is already in place.

### **Group Four**

- Incorporate marketing techniques within each classroom, e.g. create a marketing jingle in a music class.
- Involve the local community as an outside resource
- Need buy-in from teachers

All four groups answered #1 (Do new types of programs need to be implemented for K-8 students?) as a resounding "YES."

3.22

## Session 2: Identify Priorities

Led by Lisa Roberts, all participants discussed ideas and priorities for addressing entrepreneurial education challenges at the elementary and middle school levels. Following is a summary of ideas presented:

- Teaching methods are different for the students who are college bound vs those who are not. More entrepreneurial type skills are taught to the non-college bound students.
- Teachers typically are not entrepreneurs. They don't have an entrepreneurial experience to impart to their students.
- Adding courses to the school program is not an option; entrepreneurship must be incorporated into existing courses.
- If a student is given play money, poker chips or some other form of reward for good behavior in 1<sup>st</sup> grade, the concept of entrepreneurship could be built on in each grade thereafter.
- Find the leaders and provide them with the resources. Don't spend resources on the 89% of the curve lagging behind the leaders as it will be wasted.
- Focus on new teachers (who haven't burned out). Reports show that a great percentage of new teachers burn out or leave a state within two years.
- Educate school board members on the traits a potential teacher needs to possess in order to be a good teacher of entrepreneurial skills.
- Junior Achievement is a free program to the schools which teaches entrepreneurship skills.
- Educate others that programs, such as Junior Achievement, exist. Spend more resources promoting existing programs.
- Is NetWork Kansa large enough to sponsor/support/hold career fairs where booths can be set up to expose others to entrepreneurial efforts already in place?
- Steve Radley asked if it would be valuable to create a component of NetWork Kansas that is strictly for entrepreneurial education, highlighting the resources available. We currently don't have any resource partners in this area.



- Sherii Farmer is teaching a class with handouts available for teachers to walk out of her class with teaching plans in hand for use in the teacher's classroom.
- Donna Duffey suggested that some of the ideas requiring use of space in multiple locations throughout the state, use the spaces available at the community college.
- Reach the superintendents through the Greenbush forums.
- Steve Radley posed the following question to the group: "If four forums were held across the state, what would they look like?"
  - Help identify corporate vendors and content for both general assemblies and topic-specific breakout sessions
  - Why can't these be done online at the NetWork Kansas website?
  - Incorporate the community and the teachers as a unit
  - NetWork Kansas could become the conduit between the business group and the educational group
  - Currently nothing to sell by NetWork Kansas
  - Incorporate standards of entrepreneurship? Adopt another state's or a federal standard to use across the state of Kansas
  - No national model where a year's worth of curriculum is written and another year's worth of implementation follows that
- State Board has split the state into 6 regions and has listed entrepreneurship as a concept that needs to be taught in the educational system.
- Need to create "IT" before taking it to the state board of education.
- CTSO – Career Technical Student Organizations

### **Session 3: High Schools (9-12) & Prioritizing Overall Entrepreneurial Education Goals**

Lisa asked each group to discuss ideas for broadening, expanding, encouraging entrepreneurship in 9-12 grades (and related age groups). Lisa then asked the groups to present 8-10 ideas, prioritizing the top five ideas, and to bring this information back to the entire group for discussion.

#### **Group One K-8**

- NE quadrant vs. rest of Kansas
- Top administration mandate
  - Teachers searching for resources
- Spots – how to disperse

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- One program/resource doesn't fit all
  - Make resources fit need
  - Improve access
- "College bound" does not necessarily equate to "entrepreneurship"
- Teaching entrepreneurship vs. innovation
- Middle school dreams vs. high school goals
- Teachers - degree/continuing education
  - Make entrepreneurship a required course
  - Figure out how to integrate into every other subject
  - Financial literacy
- Honor math students do not know how to write a budget (fill void)
- Incorporate rural kids experience - hauling hay or cattle
- Create new program – capital for youth connection
- 2-3 job creation goal – small rural communities

## 9-12

- Middle school dreams vs. high school goals
- "Gotta have" the edge
- Organization - territorial
- Difficult to allow to fail
- Creating a safe environment
- Lack of leader adults who are:
  - Non-controlling
  - Age--just above
  - New to the circle
- Grassroots support for entrepreneurship in community in general
- New environment for success
  - Different avenues
- Important to cross-pollinate
- Teen speaks – learn to listen!

### *Additional Comments:*

Funding is a big cause of the lack of entrepreneurship programs. Advisors/leaders are volunteers and are paying for all fees out of their own pocket. Student programs can turn to area Rotary clubs, or similar clubs, for funding of a specific project. Students would later return to the club with a summary of accomplishments.

## Group Two

### K-8

- Define grade-specific package of ideas
- Association of Kansas superintendents
- Use in-service sessions– already scheduled – get on agenda
- Identify "IT"
- Facilitated by NetWork Kansas

- Figure out how to incorporate entrepreneurship into existing curriculum
- Showcase every business started by an entrepreneur (e.g., Ben Franklin)
- Don't add, but integrate "embed" entrepreneurship into existing curriculum
- NetWork Kansas (US)
- Create/Find "IT" – Plan of Ideas (grade-specific teaching ideas)
- Base on Kansas Economic Growth Act which will create training & course work in entrepreneurship for dissemination to elementary, secondary, vo-tech schools, college, etc.
- NetWork Kansas to:
  - State BOE to...
  - ...Superintendents to...
  - ...Principals to...
  - Faculty, through in-service

## 9-12

- Offer high school students quick step entrepreneurship courses at community college
- Offer Jr. Highs & High School teachers CEUs in entrepreneurship taught by community college
- Community college student organization events – involving high school organizations
- High school teacher summer entrepreneurship camp
- Mentors for local entrepreneurship teacher – using local businesses
- Mentors for high school students – using local businesses
- Have business community create networking event for high school students
- Improve parent mindset re: entrepreneurship
- Open house/sales event for community from entrepreneurship students to showcase ideas/products/services
- High school counselor entrepreneurship awareness event
- Integrate entrepreneurship into required curriculum
- State award program for high school entrepreneurship champion
  - Methods
  - Facilitator/Instructor (Science, Math, English teachers)
- Support student organizations that promote entrepreneurship
- Family business week – celebrate and educate
- Entrepreneurship field trips in Science, Math and English

There were no additional comments.

## Group Three

### K-8

- Common definition of entrepreneurship – pursuit of innovation without regard to resources

- Developmental process for entrepreneurship opportunity—include education as part of teachers' professional development
- Explore possibilities with Kansas Councils for Economic Education (Angela Howie)
  - Network
  - Marketing materials
  - Connect with Junior Achievement & YEK
- Enhance Kan-Ed Opportunities
  - Uniform message to distant locations
  - Entrepreneurship teacher networking / development
- Examples:
  - Kansas
  - KSU Leadership Studies
  - Tomorrow's Leaders Today
  - Boys / Girls Speak Out (Middle School Counselors)
  - Iowa
  - John Papajohn's Centers for Youth Initiatives

#### 9-12

- SIFE mentors
- Entrepreneurship camps
  - Existing camps
  - Focus on entrepreneurship camps
- Kansas State Technology Leadership at KSU
- Fine Arts Entrepreneurship (Iowa)
- Community Foundation offering stipends similar to extracurricular stipends (coaching)
- Involve community leaders in school board/ principals/ superintendents in discussions
- Explore leadership

There were no additional comments.

#### Group Four

##### K-8

- YES! (Answer to Question 1)
- Many programs available outside of schools...not much inside—Need to integrate:
  - Tie to state standards
  - Develop programs for everyone...not just AT-RISK students
- Professional Development Courses for Teachers
  - Use community as resource
  - Example: create a marketing jingle in music class
- FUN! Applied Learning and Competition Based
- Advocate Policy Change to Incorporate Entrepreneurship to State!!!

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- Create BUY-IN from Teachers!

## 9-12

- Mentorships or internships
- Camps
- Web site
- Entrepreneurship listserv (email lists)
- Develop education component of NetWork Kansas
- Targeted scholarships
- Connection to E.D. community

There were no additional comments.

### Summary

Lisa Roberts summarized the points presented and connected the newly given ideas with ideas given earlier in the day.

Steve Radley asked if there was interest in holding competitions. The group consensus was that these typically represent an out-of-pocket expense for teachers and occur on a teacher's personal time. Developing practical applications is difficult, although the concept is good. There are many such products currently available. Change the focus from the "dream" of owning a business to creating an actual business that students can operate.

Jack Newcomb suggested that once a "culture" of entrepreneurship is created, many things—such as competitions—will emerge naturally.

Lisa thanked everyone for coming and turned the floor over to Steve.

Steve also thanked everyone for coming and promised further communication to all participants containing the minutes of this meeting, as well as information from the other two meetings being held. A final thought: Money follows good companies; we need a "good" vision and the funding will follow.

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**Entrepreneurial Educational Team Meeting  
Kansas Universities  
Meeting Minutes  
October 30, 2007**

**Summary of Key Outcomes**

After group and breakout discussions, the priorities listed below were identified as being important ways to increase entrepreneurship activity both on and off campus. In developing these lists, each group (table) was asked to:

- Consider synergies and ways to improve communications among universities
- Identify ideas for cross-pollination of resources
- Discuss primary challenges for commercialization of ideas and technology in the university setting

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**Table 1**

*Priorities:* Item #9 below was identified as first priority; Items #1 & #4 are second priorities.

1. Catalog activities at various universities
2. Conduct workshops for faculty that are *geared towards* faculty/entrepreneur (teach the teacher)
3. Use a blog and list-serve "database"
  - Public vs. private arena
  - (Issue: It is not the goal of faculty to instruct entrepreneurs across KS)*
4. ID organizations and faculty who WANT to work with entrepreneurs
  - (Create a System to Identify/Match with Invention)***
5. Communicate availability of new technologies/intellectual property (create a database)
6. ID potential classes that allow individuals to work with inventors to validate markets/create market plans
7. State-wide business plan competition – actual business starts
8. Distance education/online
  - o What should be taught – CC/PS
9. Entrepreneur Marketplace – *"Tie Conferences Together" American Inventors*
  - o Resources
  - o Businesses
  - o Education

## Table 2

### *Priorities:*

1. Conduct Statewide Business Plan Competitions
2. Establish best practices by topic, i.e.:
  - WSU's Center for Entrepreneurship
  - Majors/minors/non-business
  - Monthly meetings/video/web
3. Enlist Board of Regents to set entrepreneurship education goals
4. Catalog entrepreneurship activities (NetWork Kansas)
5. Have NetWork Kansas lead University entrepreneurship discussion (annually+)

## Table 3

### *Communication Opportunities Include:*

1. WSU takes lead: Share stories (from other campuses)
2. Each university host workshop in area of interest (on rotating basis)
3. Conduct statewide conferences
4. Hold a series of Web seminars (for meetings) and online forums
5. Have NetWork Kansas assume responsibility for annual/other meetings
6. Disseminate results of educational inventory
7. List of academic/other resources (identify "who is doing what")
8. NetWork Kansas Web site augmented for increased communication among resource providers (*stakeholders*)
  - Establish point person for contact
  - Identify who is working on "site," etc.
9. Form subcommittees (items) on topics, etc.
10. Entrepreneurship teams for each region (led by academics) for back-door communication
11. K-State Extension offices engage the entities for involvement (e.g., have conferences)
12. NetWork Kansas could be utilized as a "voice box" conduit/clearinghouse for legislature

### *Priorities:*

1. NetWork Kansas could provide a compilation of resources, information and a documentation repository (a portion of the NK Web site could be dedicated to the above content)
  - How can we utilize Web site for non practitioner use?
2. Have NetWork Kansas serve as the lead in developing state conferences and work with university entrepreneurship teams to host ongoing workshops at schools or on the Web.
  - Leverage K-State Extension, others

## Regular Meeting Minutes

Erik Pedersen, Operations Manager, opened the meeting at 10:15 am by introducing Laurie Gooding, Marketing Director, who related a few housekeeping details and then turned the meeting back over to Erik.

Erik gave a brief overview about the creation of NetWork Kansas, the StartUp Kansas program and the focus placed on entrepreneurship education. He then turned the meeting over to Steve Radley.

Steve Radley explained the mission of NetWork Kansas and went into further detail about its goal of promoting and helping to create training and coursework in entrepreneurship education (KEGA: 74-99c04.a[6]). He made clear the fact that NetWork Kansas is an *advocate* for education but *is not* a delivery system; thus, the reason for today's gathering.

Steve explained the objectives of the day:

- Identify potential areas of collaboration;
- Prioritize ideas for enhancing communication and encourage entrepreneurship across the state; and
- Discuss challenges/opportunities related to commercialization.

Steve introduced Dr. Don Hackett as the meeting facilitator and returned the floor to Erik and Dr. Hackett. Erik invited the attendees to introduce themselves and gave the floor back to Dr. Hackett. During his welcome/self-introduction, Dr. Hackett suggested that there are many opportunities in life to pursue. His recommendation was to decide on one and pursue it well.

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## The Resource Picture (Purposed School Efforts)

For the purpose of introductions, each university attendee gave a brief explanation of its mission and role in assisting entrepreneurs. Following these introductions, Dr. Hackett assigned a facilitator at each table and gave relevant instruction; then, each table of attendees went to work on the day's objectives.

FHSU – Formulate a proposal to be given to FHSU to create a whole college-based entrepreneurship program (rather than only offering an entrepreneurship program in the business college). Start with a concentration, then a minor, and then a major.

Pittsburg State University, School of Business – Online classes are under discussion, and work is underway to have the technologies department partner with the business college to start an entrepreneurship program in fall 2008, with a certificate program to follow.

Washburn University – An entrepreneurship certificate program was offered in past, was funded externally, and the program tapered off. They now want to attract external funding once again to show the Dean that there is interest in continuing the program. The university currently holds a summer entrepreneurship camp for high school juniors and seniors to stimulate interest in the business college program.

KSU – Offers an interdisciplinary program backed by a cross-disciplinary task force and created a new course that runs for two semesters. A task force will build a team to implement a future program to allow access to a greater number of people. Put together, a series of entrepreneurship



courses across the business college will create a "major" degree program. "Big Twelve" members are also looking at this topic in an effort to broaden the network of schools offering entrepreneurship courses. They would like to open up the program to the freshmen and sophomores, by offering low-level entrepreneurship courses so that all students can access classes to discover if they are interested in entrepreneurship before their junior year. A minor is available to the general student population while a major is available at the business college level only.

Emporia State University – There is no possibility of an entrepreneurship program being launched within the next 36 months. Will continue to work through the SBDC and will offer a couple of classes yearly. With Bill's upcoming retirement next year, the challenge is to hire someone who will have the desire to continue the entrepreneurial push. They appreciate the ability to participate in business plan competitions and would be willing to share in the planning efforts. They are unable to fund competitions themselves.

Steve injected that he was thinking of planning a statewide business plan competition using the WSU competition as a role model.

WSU – Currently offers major and minor degree programs with a required course in entrepreneurship. WSU funds their program through the Kansas Family Business Forum, which provides working capital for the center. Dr. Hackett urged the attendees to behave as entrepreneurs in finding funding for their programs. WSU hires practicing business people who want to give back to the community as adjunct professors (paid \$3,000 a semester). They have a SIFE program and they work to find a partner for every program they create. They use grant money and have hired a Director of Student Services to give adult advising to their major's students. Scholarships are available for students that have been given by business entities. They found that business entities would give far more easily to a student for a student scholarship than would give for a non-student reason. Have a grant to move carbon fiber products into the realm of prosthetics to provide better prosthetics with more give and less chance of rejection. They are currently working on moving the MBA program into entrepreneurship.

AMI, Brad Kramer – Their programs are self-sustaining; they work with entrepreneurs and businesses, and are focusing on top-line growth and innovation networks. They lack the accessibility to entrepreneurs in the state of Kansas to find capital. They are currently working with proactive companies to serve as a facilitator to connect innovators with companies/communities.

KSBDC, Wally Kearns – They are doing many things like providing the focus on in-depth long-term assistance and increasing partnerships, i.e. recently reached an agreement with Franklin Covey to offer courses through the KSBDC. Another is increasing virtual training followed by hands-on teaching along with expanding the partnerships with community colleges.

KS BioComposites, Trish Brasted – Are creating an entrepreneurship-in-residence program with mentoring, hands-on business assistance, and access to capital through the Angel Investors Network. An Angel Investors Network Template can be taken to other regions in the state to be used as a catalyst for growth; state-to-state resources; KS Day of Innovation – enhancing/expanding/exploring possibilities; "What Happens Next?" – Incorporate after the statewide business plan competition.

Mike Michaelis – Within the next 36 months hope to have an entrepreneurial incubator in Ellis County that will work in conjunction with the universities.

NetWork Kansas, Steve Radley – Currently conduct a quarterly application process through the StartUp Kansas program, in conjunction with our Resource Partners, to provide funding to

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entrepreneurs. The NetWork Kansas board recently approved a new trial program. This program will provide a total of \$50,000 to multiple entrepreneurs who bring a new product, technology, or production process to market. This program was created to provide a special resource that would otherwise be unavailable to this group of entrepreneurs. In addition, they recently established the E-Community program to allow a community group to apply for capital that they will then transfer (and monitor) to an approved small business applicant(s). The small business(s) progress after the receipt of the funding will be followed and will be benchmarked.

KTEC, SE Kansas – Working on building a successful entrepreneurial network and to identify technologies and commercialize them.

The group broke for a working lunch at 12:05. Dr. Hackett called the meeting back to order at 12:45 pm, asking each facilitator to present the outcome of their respective group's collaboration.

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## **Group Think Discussions**

### **Group One**

Participants: Steve Radley as table facilitator, Wally Kearns, Brad Kramer, David Price, Dr. Mujtaba Ahsan, and Jamie Hofling.

Steve presented eight objectives:

1. Catalog current action at different universities
2. Educate faculty on applicable resources
3. Create a blog or list service for communication – with both public and private arenas
4. Identify organizations and faculty that WANT to work with entrepreneurship
5. Identify and communicate availability of new technology and those businesses that need it
6. Potential state-wide business plan competition from which a business actually is funded and started
7. Distance education/online education
8. Create a potential multi-day conference forum or entrepreneur marketplace holding workshops for faculty, businesses, or partners

Steve stated that the last point presented would rank as a first priority, while a combination of points one and four would rank as a second priority.

### **Group Two**

Participants: Trish Brasted as table facilitator, Erik Pedersen, Steve Williams, Michael Michaelis, and Tim Pett. Trish reported their group's priorities as follows:

- Have a board of regents set a standard that would provide a guideline for other universities to follow
- Conduct a facilitated discussion of entrepreneurial studies at a conference

### **Group Three**

Participants: Dr. Brian Niehoff & Dr. Don Hackett as table facilitators, Eric Ferrell, Dr. William Smith, and Dr. Jim Wolff. Dr. Niehoff presented their priorities as follows:

- NetWork Kansas web-based compilation of resources, information, and documentation repository—with a portion of the website dedicated to this information.
- NetWork Kansas should serve as the lead in the development of state conferences and work with university entrepreneurship teams to host on-going workshops or on the web to tie into schools, leverage KSU extensions offices, etc. al.

It was proposed and agreed upon that Steve and Eric would be given the task of collating and prioritizing a summation of the group's points.

Dr. Hackett, as meeting facilitator, asked the participants to share what is being planned for their respective organizations during the next 36 months.

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### **Closing Comments**

Erik closed the meeting with thanks to Dr. Hackett and attendees for a successful day. Steve and Erik will compile today's information and send a report back out to attendees. A drawing for the book "Entrepreneurial Imperative" was held and was won by Dr. Brian Niehoff.

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**RESOLUTION NO. 2008-2**  
**(RURAL DEVELOPMENT STRUCTURE)**

**WHEREAS**, the Kansas Center for Entrepreneurship recognizes the vital nature of rural development and of establishing an interdependent rural development strategy for the long term prosperity of rural communities across Kansas; and

**WHEREAS**, the Kansas Center for Entrepreneurship recognizes the importance of encouraging connectivity and linkages between private, quasi-governmental and governmental resources involved in rural development:

**NOW, THEREFORE, BE IT RESOLVED BY THE KANSAS CENTER FOR ENTREPRENEURSHIP BOARD OF DIRECTORS:**

That the Kansas Center for Entrepreneurship supports the Kansas, Inc. plan entitled “Enhancing the Structure of Rural Development in Kansas,” dated January 2008.

This plan produces key benefits through the following actions: 1) Providing visibility at the highest levels of government for rural development issues by creating an Office of Rural Development and a Deputy Secretary of Rural Development in the Kansas Department of Commerce; and 2) Creating an interdependent structure for assessing and increasing leadership capacity in rural communities by creating a Division of Leadership in the Kansas Department of Agriculture. Additional benefits of the enhanced structure that are recognized by the Kansas Center for Entrepreneurship Board of Directors include:

- Consistency with the Kansas Economic Growth Act’s mission of creating an interdependent environment through which private, quasi-governmental, and governmental assets are linked towards common goals;
- Reducing bureaucracy by streamlining operations within current governmental structures;
- Ensuring that strategic planning takes a holistic, integrated approach that ensures private, quasi-governmental, and governmental assets are fully utilized as delivery mechanisms, when applicable; and
- Kansas, Inc’s plan is supportive of our mission of creating an entrepreneurial environment through the coordination of resources that advance economic and community development in rural Kansas.

Adopted this 11<sup>th</sup> day of February, 2008.

# Senate Commerce Committee and House Economic Development and Tourism Committee

Presented by: Trish Brasted, President/CEO  
Wichita Technology Corporation  
March 6, 2008

## About WTC:

Wichita Technology Corporation (WTC) is a private commercialization corporation created in 1994 through a partnership between Kansas Technology Enterprise Corporation (KTEC), the Wichita State University, and Wichita Area Development. This state-wide network was created to leverage public resources with that of the private sector in order to maintain and facilitate business formation and growth by enhancing research and development capacity, providing business assistance at critical phases of a technology start-up life cycle and **providing access to capital**.

## Access to Capital:

One of the most important components of the KTEC network and WTC's services is assisting entrepreneurs and technology companies find and increase their access to capital. Companies in our state are inherently disadvantaged when pursuing venture capital investment due to the scarcity of venture capital funds in our geographic region. Therefore several strategies have been developed over the years to level the playing field so that we can start and grow high potential world-class technology companies in Kansas.

**Wichita Technology Ventures** was founded as a seed and early-stage direct investment fund managed by WTC and funded by KTEC and Wichita Area Development. Also co-managed by WTC and Ms. Brasted are direct investment funds **Quest Ventures** in Hutchinson and **Milestone Ventures** in Pittsburg. The three funds combined have invested approximately \$3.0 million dollars into 40 companies leveraged by over \$80 million from other sources.

## Angel Investing in the US:

"Angel" investing originated in the early 1900's but it wasn't until the 1990's that Angel Groups became prevalent. According to the Kauffman foundation angel groups have grown from about 10 in 1995 to over 250 today. Today, it is clear that angel investors have proven themselves to be an integral part of the capital market, particularly for funding start-up companies and providing first-phase financing of businesses.

**Midwest Venture Alliance (MVA)** was founded by Wichita entrepreneurs Stan Brannan, Trish Brasted, and Dick West. It's affiliate/subgroup the Southeast Kansas Venture Alliance was founded at the same time in partnership with Gene Bicknell and Eric Ferrell. MVA made its first investment in April 2005.

MVA is a membership organization of accredited private investors committed to investing in seed and early-stage companies in Kansas. Members share their knowledge and business expertise throughout the selection and investment thereby providing a valuable resource aiding in the entrepreneurs success. This type of association allows investors to benefit from a professionally managed organization while accessing better investment opportunities and leveraging resources to make sound investments in private companies on terms that provide both the company and the investors with a greater chance to succeed.

**Economic Impact of Angel Investment**

- High growth companies make up 80% of new jobs in US economy
- Job creation as companies are formed and grown within their local community
- Decreased talent drain from region
- Technology companies consistently pay above average wages
- Companies import wealth and capital to their region as they export goods outside the region

**Midwest Venture Alliance Provides**

- Ability to leverage regional deal flow
- Access to expertise in early-stage funding
- Professionally managed organization
- Ability to pool capital with others
- Portfolio diversification
- Standard due diligence

<b>Midwest Venture Alliance Statistics 2005 - 2007</b>		
Members:	58	
Investor Location:	Prairie Village, Pittsburg, Baxter Springs, Fort Scott, Newton Lawrence, Wichita, Hutchinson, Salina, Great Bend, Larned	
Applications	Presentations	Meetings
65	22	27
<b>Company Location</b>		
5 Investments	Lenexa	
Total Dollars Invested	\$2.6 M	Lawrence
Total Funding (Leverage)	\$38.3 M	Wichita
		Junction City
		Westwood

## **Kansas Rural Angel Initiative:**

If order to continue the growth in our entrepreneurial eco-system we need to seek participation from both investors and entrepreneurs in all corners of Kansas. These Kansas entrepreneurs, regardless of geography need access to capital. Investors in Kansas, regardless of geography, will find opportunities to invest their wealth. The ground work has been laid and now that MVA has some experience under its belt, it is time to take the MVA angel group opportunity to all corners of Kansas.

The Midwest Venture Alliance in collaboration with WTC, KTEC and Network Kansas has launched the Kansas Rural Angel Initiative. Our team members met in mid 2007 and it became immediately apparent that the first place to launch this initiative would be in collaboration with the forth coming designated Network Kansas E-Communities. The E-Community program provides an already established framework for collaboration among the various community funders, local economic development officials, the entrepreneurs in those communities and the investor base. MVA brings an established network of investors in other areas of the state, a professional process that can leverage the human assets in those communities for benefit of their entrepreneurs and both of these combined bring larger financial resources to bear on their local opportunities.

Meetings have already been held in Cowley County and are being planned for the other five E-Communities over the next few months. This launch through the E-Community program has already created interest in and discussion with Salina, Emporia and Hays among others.

**In collaboration with - Wichita Technology Corporation, Network Kansas, and the Kansas Technology Enterprise Corporation.**



**WICHITA TECHNOLOGY**  
CORPORATION



For more information:

### **Midwest Venture Alliance**

Contact: Trish Brasted

Wichita Technology Corporation

7829 E. Rockhill Rd., Suite 307

Wichita, KS 67206

Phone: 316-651-5900

Fax: 866-810-6670

[admin@midwestventure.com](mailto:admin@midwestventure.com)

[www.midwestventure.com](http://www.midwestventure.com)



# Kansas Rural Angel Initiative

## About the Kansas Rural Angel Initiative

The purpose of the Kansas Rural Angel Initiative is to help promote early-stage equity investing and to provide entrepreneurs and investors an effective, centralized forum to collaborate.

The Midwest Venture Alliance (MVA) is a state-wide network of accredited investors committed to investing in high-growth seed and early-stage technology companies in Kansas and the surrounding states.

Our members are entrepreneurs, business owners and executives experienced in funding and growing emerging businesses. Members engage in a participative style of investing in which they are encouraged to share their knowledge and expertise during the investment selection process and with companies that are funded and supported by the alliance.

### Economic Impact of Angel Investment

- High growth companies make up 80% of new jobs in US economy
- Job creation as companies are formed and grown within their local community
- Decreased talent drain from region
- Technology companies consistently pay above average wages
- Companies import wealth and capital to their region as they export goods outside the region

### Midwest Venture Alliance Provides:

- Ability to leverage regional deal flow
- Access to expertise in early-stage funding
- Professionally managed organization
- Ability to pool capital with others
- Portfolio diversification
- Standard due diligence

## About the Midwest Venture Alliance (MVA)

Founded in 2005, Midwest Venture Alliance (MVA), has grown to include over fifty members from across the state of Kansas. Since inception, the group has invested \$2.6 Million in five companies. Those five companies have raised \$37.6 Million collectively.

The MVA allows investors to benefit from a professionally managed organization while accessing better investment opportunities. The MVA makes it possible to leverage resources to make sound investments in private companies on terms that provide both the company and the investors with a greater chance to succeed.

In collaboration with - Wichita Technology Corporation, Network Kansas, and the Kansas Technology Enterprise Corporation.

**WICHITA TECHNOLOGY**  
CORPORATION



Resources for Starting or Growing Your Business

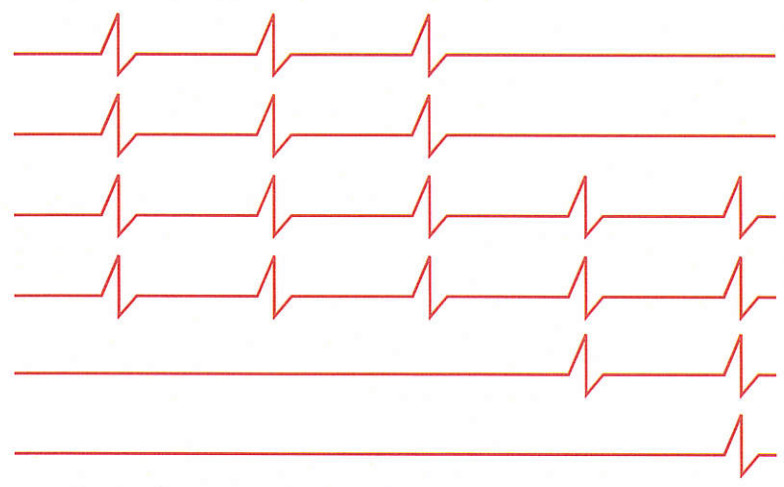
### Midwest Venture Alliance

Contact: Trish Brasted  
Wichita Technology Corporation  
7829 E. Rockhill Rd., Suite 307  
Wichita, KS 67206  
Phone: 316.651.5900  
Fax: 866.810.6671

[admin@midwestventure.com](mailto:admin@midwestventure.com)  
[www.midwestventure.com](http://www.midwestventure.com)



## The Small Business Capital Food Chain

<b>Types of Businesses</b>					
<b>Type of Funding</b>	<b>Startup</b>	<b>Growth</b>	<b>Mature Low Growth</b>	<b>High Growth</b>	<b>Mature High Growth</b>
<i>Bootstrap</i>					
<i>Friends &amp; Family</i>					
<i>Banks</i>					
<i>Public Capital*</i>					
<i>Outside Equity**</i>					
<i>Venture Capital</i>					

\*Microloans, SBA Guarantees, Regional Foundations, Certified Development Co.'s, NetWork Kansas E-Communities, StartUp Kansas, Main Street Kansas, KDOC Loans

\*\*Individual Angels/Angel Networks, KTEC, Kansas Bioscience Authority, Private Equity

<b>Business Definitions</b>	
<i>Bootstrap</i>	The entrepreneur uses out of pocket money to fund the business.
<i>Friends &amp; Family</i>	The entrepreneur seeks investments and loans from friends and family.
<i>Banks</i>	The entrepreneur utilizes personal capital and guarantees to obtain business loans.
<i>Public Capital</i>	The entrepreneur obtains additional loans from public resources available. In some cases, the entrepreneur can receive grants. In most cases, private capital resources also involved. A small number of grants are available as well. (Kansas Mainstreet, Regional foundations, certified development company loans, Local community microloans, SBA guaranteed loans, NetWork Kansas E-Community and StartUp Kansas, Kansas Department of Commerce loans)
<i>Outside Equity</i>	The entrepreneur's business venture demonstrates high growth potential in technology or biosciences and seeks equity investment. (Individual angels/angel networks, Kansas Technology Enterprise Corporation, Kansas Biosciences Authority, private equity firms)
<i>Venture Capital</i>	The entrepreneur has utilized available resources to grow the company to a level that requires significant outside investment. The entrepreneur seeks an outside venture capital firm to fuel growth.



## NEWS RELEASE

Contact: Laurie Gooding  
(316) 218-6305  
lauriegooding@gmail.com

For Immediate Release

### **Restaurant in Burden, Kansas Gets a Financial Boost from NetWork Kansas *Loan Supports Building Purchase and Renovation for Vital Small-Town Business***

Wichita, Kansas, November 6, 2007 –NetWork Kansas today announced that it awarded a matching loan to Kenneth and Betty (Beej) Taylor for CJ's, a family-oriented pizza restaurant in Burden, Kansas. South Central Kansas Economic Development District, Inc. (SCKEDD), a regional NetWork Kansas resource partner located in Wichita, Kansas, is providing funding and is administering the loan package. In addition, Cowley County Community College, another NetWork Kansas partner, provided extensive business planning and consulting help to the Taylors. CJ's is located in downtown Burden, a rural town in East-Central Cowley County with a population of approximately 600.

"The loan package we received from SCKEDD allowed us to refinance a high interest loan, which substantially lowered our monthly expenses and gave us the additional working capital we needed to continue growing," said Beej Taylor, co-owner and manager of CJ's. "The combination of support we received from both resource partners and NetWork Kansas was invaluable. Not only did we buy the building and make extensive, much-needed repairs—we also expanded our menu and doubled our daily sales as a result."

"Without the financial assistance from NetWork Kansas we would not have been able to fund this project," said Bill Bolin, Executive Director of SCKEDD. "We are pleased that we have this resource available to businesses in South Central Kansas and look forward to working with them again."

NetWork Kansas provides expertise, education and economic resources to Kansas entrepreneurs and small business owners in rural and distressed communities, typically in the form of unsecured loans or grants that match the terms of other financing obtained by a NetWork Kansas Resource Partner working on behalf of the entrepreneur. SCKEDD is administering the NetWork Kansas loan along with the matching loan that made it possible for the Taylors to move ahead with their building purchase and renovation.

"CJ's is an excellent example of a business that supports community growth and vitality," said NetWork Kansas Director, Steve Radley. "Our StartUp Kansas program helps bridge the gaps in existing finance programs available to rural entrepreneurs and we are very pleased to play a part in supporting this important business."

NetWork Kansas was established as a component of the Kansas Economic Growth Act of 2004 to further establish entrepreneurship and small business as a priority for economic and community development in the State of Kansas. Backed by more than 400 partners statewide, NetWork Kansas promotes an entrepreneurial environment by connecting entrepreneurs and small business owners with the resources they need in order to succeed. For more information about NetWork Kansas, contact Steve Radley at (316) 218-6304. Entrepreneurs and small business owners are encouraged to visit [www.networkkansas.com](http://www.networkkansas.com) or call (877) 521-8600 to speak with a NetWork Kansas counselor.

###

Economic Development & Tourism

Date: 3-6-08

Attachment # 5-1



Resources for Starting or Growing Your Business

## NEWS RELEASE

Contact: Laurie Gooding  
316.218.6305  
lauriegooding@gmail.com

For Immediate Release

### **NetWork Kansas Selects Pilot “E-Community” Designees** *New, Innovative Program Enables Six Kansas Communities to Leverage More Than \$1.6 Million For Entrepreneurs*

Wichita, Kansas, November 27, 2007 –NetWork Kansas today announced that it has selected six Kansas communities to participate in the new “E-Community” program, which was introduced in September of this year. Through its entrepreneurship tax credit program, NetWork Kansas is partnering with the following communities to raise up to \$1.6 million in seed funding for entrepreneurs in their respective communities: Cowley County; Garnett (Anderson County); Great Bend (Barton County); Rawlins County; Sterling/Alden (Rice County); and Thomas County.

Communities chosen to become E-Communities will partner with NetWork Kansas to achieve the following: 1) Establish a fund for entrepreneurs and small business owners that is administered by each E-Community; 2) Map all local, regional and state assets available to assist entrepreneurs and businesses in each E-Community; 3) Develop a long-term tracking and accountability system to measure business and economic growth; and 4) Form long-term partnerships with more than 400 NetWork Kansas partners statewide that assist entrepreneurs and small businesses in order to provide a positive impact on the Kansas economy.

“Becoming an entrepreneurial community is a process, not a project,” said NetWork Kansas Director, Steve Radley. “We believe we have identified six communities that are already engaged in that process and are developing the key components necessary to flourish in today’s competitive environment.”

“Great Bend’s designation as an E-Community will be key to our success in revitalizing our community,” said Nancy Francis, Chairman of the Board, Great Bend Chamber of Commerce and Economic Development. “We appreciate the endorsement and selection of Great Bend as an E-Community and look forward to a lasting and successful partnership with Network Kansas. This partnership ensures that entrepreneurs in our area have access to various tools to help them become successful and thus improving our local economy.”

“We are pleased to be selected as one of the first NetWork Kansas partners to participate in the E-Community partnership,” said Gerry Fulwider, Thomas County Economic Development Alliance. “The long term prosperity of Thomas County is dependent on our investment in small business growth and the NetWork Kansas E-Community partnership helps us in this effort. We are excited about the opportunity to implement this program.”

For more information about the NetWork Kansas E-Community program, visit [www.networkkansas.com](http://www.networkkansas.com), where the description and application are posted or call 877.521.8600. NetWork Kansas was established as a component of the Kansas Economic Growth Act of 2004 to further entrepreneurship and small business growth as a priority for economic and community development in the State of Kansas. Backed by more than 400 partners statewide, the NetWork Kansas service promotes an entrepreneurial environment by establishing a central portal that connects entrepreneurs and small business owners with the expertise, education, and economic resources they need in order to succeed. For more information about contributing to NetWork Kansas and receiving state tax credits, contact Steve Radley at 316.218.6304.

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## E-Community

### Profiles

- **Cowley County:** Cowley County is a progressive area just south of the Wichita metro area that is poised for growth while preserving its history and natural beauty. Each of the communities in Cowley County has a mix of commercial, recreational and residential development. From the charm of the historic downtown districts to the four vibrant industrial parks, Cowley County retains a comfortable “small town” feel. Located where the prairie meets the Flint Hills in an area of unexpected geographical diversity that includes the Arkansas and Walnut River valleys, Cowley County has a quality of life that is second-to-none.
- **Garnett/Anderson County:** Anderson County has a diverse culture with Amish, German Baptist and Mennonite heritage within its farming communities. Agri-tourism efforts are currently underway to help the farmers and ranchers of the county market their goods and services. You’ll find a buggy-maker, berry and bee farm, organic chickens, elk farm and quilter’s paradise—and more—all in rural Anderson County.
- **Great Bend/Barton County:** Great Bend’s past and future are tied to the land. Natural resources are the foundation of its vitality, both economically and in terms of quality of life. Economically, oil drilling and agriculture are key drivers of the economy. In terms of quality of life the outdoor amenities are numerous: Cheyenne Bottoms Wildlife Area and the Quivira National Wildlife Refuge (20 miles to the south of Great Bend) are two of the largest wetland ecosystems in the world and are connected by one of two National Scenic Byways in the state of Kansas.
- **Rawlins County:** A current trend separating Rawlins County from others is the significant number of young entrepreneurs starting or taking over downtown businesses. Many are alumni returning home to be a part of “something.” Rawlins County is home to a growing group of agricultural producers and hunting and tourism businesses that are developing direct markets to the Rocky Mountain Front Range. Rawlins County Schools are a key element of the community’s success, consistently achieving academic test scores in the top 10% in Kansas and offering a tradition of excellence in athletics and extracurricular activities.

- **Sterling/Alden/Rice County:** Sterling and Alden are unique, rural communities for several reasons. Sterling College provides many aesthetic, educational and cultural activities and opportunities for the community. Rice County is centrally located in the state and has a rich history due to its presence in the “Land of Quivira.” Sterling also has a community lake that serves as the setting for Kansas’ oldest Fourth of July celebration.
- **Thomas County:** Three defining factors have had the greatest impact on the development of Thomas County: Interstate 70; rich agricultural assets; and Colby Community College. The efforts of Colby Banker and legislator August Lauterbaugh influenced the northwest “jog” of Interstate 70 that is still sometimes referred to as the “Lauterbaugh Curve.” With an abundance of high quality farmland, Thomas County ranks high in the production of wheat and feed grains. In 1970, a new campus was opened for Colby Community College which has continued to grow to serve the educational needs of western Kansas residents.



Resources for Starting or Growing Your Business

## NEWS RELEASE

Contact: Laurie Gooding  
316.218.6305  
lauriegooding@gmail.com

For Immediate Release

### **E- Community Participants Raise More Than \$1.6 Million**

*Six communities across Kansas collect money to invest in small business growth*

Wichita, Ks, January 30, 2008- Today NetWork Kansas announced that the six communities chosen for the E-Community pilot program raised a total of \$1.634 million to be used for matching loans and grants to entrepreneurs in their local communities. These six pilot E-Communities include: Cowley County; Garnett (Anderson County); Great Bend (Barton County); Rawlins County; Sterling/Alden (Rice County); and Thomas County.

"We are very encouraged by the early success of this program and anticipate strong results as each community puts locally-raised dollars to work by investing in local businesses," said NetWork Kansas Director, Steve Radley. "Each community has been actively engaged in defining the application process they will use to disburse funds to the small businesses and entrepreneurs they believe show the most potential for success." Important characteristics of the E-Community pilot program include the following:

- 1) Each E-Community works with a NetWork Kansas partner who administers the loans and grants for that E-Community;
- 2) E-Community funds match other money provided by a NetWork Kansas funding partner; and
- 3) Private capital, such as loans from local banks, is strongly encouraged.

Each E-Community is required to execute an award agreement with NetWork Kansas, then submit a sample application and description of the process they will use to evaluate proposals from startup and existing businesses in their area. The process and application will then be approved by a committee of the NetWork Kansas Board of Directors.

A key goal of the pilot program is to increase the awareness and involvement of NetWork Kansas resource partners in each E-Community. These partners provide business plan development, business coaching and other types of expertise that support entrepreneurship.

For more information about the NetWork Kansas E-Community program, visit [www.networkkansas.com](http://www.networkkansas.com), or call 877.521.8600. NetWork Kansas was established as a component of the Kansas Economic Growth Act of 2004 to further entrepreneurship and small business growth as a priority for economic and community development in the State of Kansas. Backed by more than 400 partners statewide, the NetWork Kansas service promotes an entrepreneurial environment by establishing a central portal that connects entrepreneurs and small business owners with the expertise, education and economic resources they need in order to succeed.

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**NEWS RELEASE**  
For Immediate Release

Contacts:

NetWork Kansas:  
Laurie Gooding  
(316) 218-6305  
[lauriegooding@gmail.com](mailto:lauriegooding@gmail.com)

Rawlins County Economic Development:  
Chris Sramek  
(785) 626-3640  
[rced@atwoodtv.net](mailto:rced@atwoodtv.net)

**NetWork Kansas Co-sponsors High Plains Youth Entrepreneur Fair**  
***High School Students Encouraged to Innovate in Rural Communities***

Wichita, Kansas, March 3, 2008 – NetWork Kansas today announced that it is sponsoring the Third Annual High Plains Youth Entrepreneur Fair to be held on Friday, March 28, 2008 at the Rawlins County High School in Atwood, Kansas. The purpose of the fair is to identify and encourage young entrepreneurs to develop new innovative products or markets that will help revitalize rural economies. Co-sponsors for the event include Ogallala Commons and the Western Prairie Resource Conservation & Development Council (Western Prairie RC&D).

Towns across the Great Plains have been experiencing an outward migration of high school graduates leaving for college never to return, or young families moving away due to a lack of economic or social opportunities. As part of a larger effort to help reverse this trend and stimulate the local economy, rural communities such as Rawlins County are investing resources and supporting the development of young entrepreneurs.

“Studies we have completed during the past three years indicate that more than 60% of students in grades 7 through 12 would return to their rural hometown after college, if provided with sufficient opportunities,” said Chris Sramek, director of Rawlins county Economic Development. “In this time of abundant change, entrepreneurship presents a multitude of opportunities to young people in rural communities. Also, it provides those rural communities with an opportunity to reverse the long decline in population that has characterized rural America for so long.”

“It’s important for Kansas youth to understand that owning your own business is a career option to consider,” said NetWork Kansas Director, Steve Radley. “This event gives them the opportunity to think creatively and to learn more about the process of starting your own business. We’re excited to be a part of it.”

Participants for the event will be chosen based on the creativity, practicality and personal commitment expressed in their application essays. Each of the top 30 applicants will have a booth at the fair on March 28<sup>th</sup>, where they will showcase their ideas or products in a short presentation and business plan. During the competition, judges will ask questions about the idea/product, its feasibility and how it can contribute to the rural economy. The top three products or concepts exhibited at the fair will receive \$1000, \$750 and \$500, respectively. The competition is open to any young entrepreneur, grades 7-12, with a business idea or community project.

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NetWork Kansas was established as a component of the Kansas Economic Growth Act of 2004 to further establish entrepreneurship and small business as a priority for economic and community development in the State of Kansas. Backed by more than 400 partners statewide, the NetWork Kansas service promotes an entrepreneurial environment by establishing a central portal that connects entrepreneurs and small business owners with the expertise, education, and economic resources they need in order to succeed. Entrepreneurs and small business owners are encouraged to visit [www.networkkansas.com](http://www.networkkansas.com) or call (877) 521-8600 to speak with a NetWork Kansas counselor.

*To submit an application to participate in the event, contact Chris Sramek at:  
785.626.3640 or [rced@atwoodtv.net](mailto:rced@atwoodtv.net)*

*For more information about Ogallala Commons, visit: <http://www.ogallalacommons.org>*

*For more information about Western Prairie RC&D, visit: <http://www.wprcd.org/>*

*For more information about Rawlins County Economic Development, visit:*

*<http://www.atwoodkansas.com/eco.html>*

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## NEWS RELEASE



Contact: Laurie Gooding  
(316) 218-6305  
lauriegooding@gmail.com

For Immediate Release

### **NetWork Kansas Funding for Small Business Exceeds Half-Million Dollar Mark**

Wichita, Kansas, March 4, 2008 – NetWork Kansas announced that it has awarded more than \$550,000 in funding to entrepreneurs and small businesses in rural communities across Kansas since the StartUp Kansas program was launched in August 2006. The program provides matching funds to entrepreneurs and small businesses in rural and distressed Kansas communities through its resource partner network.

NetWork Kansas has more than 40 partners who provide loans to entrepreneurs and small businesses. These include certified development companies, the seven regional economic development foundations, Mainstreet Kansas communities and USDA Rural Development, to name a few. Resource partners who provide matching dollars can access additional funds for both startup and existing businesses through StartUp Kansas.

"There are two key components to the success of this initiative," said NetWork Kansas Director Steve Radley. "The first, of course, is the entrepreneur who has the passion to start or grow a business in rural Kansas. The second is all the great partners who work with NetWork Kansas and have their feet on the ground in rural Kansas communities, working with entrepreneurs and small businesses every day. Our role is simply to help meet their financial requirements by providing matching, unsecured loans that enable a business to leverage additional public and private capital."

Through the StartUp Kansas program, twenty-two entrepreneurs and small businesses have leveraged more than \$4 million in additional capital. The recipients include nine start-up and ten expanding businesses. The other three recipients are purchasing existing businesses, demonstrating "succession management," a key strategy for rural development.

NetWork Kansas was established as a component of the Kansas Economic Growth Act of 2004 to further establish entrepreneurship and small business as a priority for economic and community development in the State of Kansas. Backed by more than 400 partners statewide, the NetWork Kansas service promotes an entrepreneurial environment by establishing a central portal that connects entrepreneurs and small business owners with the expertise, education, and economic resources when they are needed most. For more information about NetWork Kansas, contact Steve Radley at (316) 978-7312. Entrepreneurs and small business owners are encouraged to visit [www.networkkansas.com](http://www.networkkansas.com) or call (877) 521-8600 to speak with a NetWork Kansas counselor.

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