

Colorado State House Bill 13-1003 Progress Report
November 1, 2015

Pursuant to House Bill 13-1003 the Office of Economic Development and International Trade (OEDIT) was appropriated funds during state fiscal year 2013-2014 for the creation of an economic gardening pilot program. OEDIT was appropriated \$200,000 in year 1 and \$100,000 each subsequent year for a total of three years. Economic gardening refers to a type of economic development emphasizing the nurturing and growth of small businesses already located in the state, in contrast to the 'hunting and gathering' method of bringing in new companies through incentives, tax credits, etc. Economic gardening programs revolve around finding the second-stage or "gazelle" companies that are positioned and poised for rapid growth. The programs utilize corporate level tools and databases otherwise out of reach for these fast growing small businesses. The entrepreneurs and business owners benefit from specialized business assistance helping target and refine core strategies including in-depth market research, geographic information system analysis, search engine optimization, and competitor analysis.

The Colorado Small Business Development Center Network (SBDC) was tasked with creating the economic gardening 3 year pilot program. The SBDC was chosen due to their expansive network of experienced consultants, existing infrastructure covering every county in Colorado, business owners, and mentors across the state. The SBDC's goal was to enroll a minimum of 20 second stage companies through the program throughout the duration of the three year pilot project. These companies should represent a geographic spread of the state of Colorado, as well as encompass various industries. The funds appropriated were designated for high-level business consulting, database research and analysis, industry reports, database licenses, economic gardening certification, training, and professional development for SBDC Center Directors and staff.

In state fiscal year 2014, the program brought in 12 companies. In state fiscal year 2015, the program brought in an additional 8 companies. To date, the program has 22 second-stage companies currently participating. The companies accepted into the program were chosen based on their current size, export potential and growth potential. The companies industries include aerospace, advanced manufacturing, energy, and outdoor manufacturing. The companies enrolled range in location from the front range (Denver, Boulder, Colorado Springs, Arvada, and Fort Collins) to the southwest (Durango, Montrose, Silverton, and Pagosa Springs) and the northeast (Greeley, Fort Morgan). Please see Appendix 1 for a list of companies enrolled thus far. Please also see Appendix 4 for client testimonials.

To date the funds expensed have been for SBDC Director and staff certification, database licenses, including geographic information system licenses, and consulting. Please see Appendix 2 for program expenditures. The SBDC has utilized a core team of high level consultants with experience spanning multiple industries and specializing in market research and strategic development. Please see Appendix 3 for core consulting team resumes. The program brings in various industry experts based upon the business needs and industries.

In addition to the standard pilot program, the Colorado SBDC created an additional program to assist the companies who did not meet the 'second-stage' requirements but were able to demonstrate positive

growth potential. The economic gardening program, coined 'SBDC ADVANCED' was unveiled with three levels of the program. The Gold level (described above) assists only the companies who meet the criteria of a true second-stage, gazelle type business. The Silver and Copper levels were unveiled to assist the remaining companies who were able to demonstrate positive growth potential. Please see Appendix 5 for the SBDC ADVANCED informative flyer and more information about the economic gardening levels and programs. The Silver and Copper levels of the program have been immensely successful. To date, there have been 80 companies encompassing all corners of the state. Below is the recorded economic impact owed to the work done in the Silver and Copper programs.

SBDC ADVANCED Economic Gardening Program

Impact recorded to date (10/29/2015) – **Gold** Level Program

	FY 2015	To Date
Jobs Created	41	50
Jobs Retained	186	186
Increased Sales	7,370,790	\$7,456,505
Capital Formation	\$13,455,000	\$13,455,000
Consulting Hours	855	924

*These hours reflect research, prep, and consulting time.

Additional impact will be collected from the companies after they have completed the first round of the program and have had time to adjust their strategic plans, implement changes, and realize impact.

SBDC ADVANCED Economic Gardening Program

Impact recorded to date (10/29/2015) – **Silver and Copper** Level Program

Jobs Created	33
Jobs Retained	92
Increased Sales	\$1,255,200
Capital Formation	\$942,250
Consulting Hours	1,757

Appendix 1

SBDC ADVANCED
Gold Level Client List
Updated 10/15/15

Advanced Industries

<i>Updated 9/15/15</i> Redstone Aerospace <i>Aerospace</i>	Longmont
Stratom <i>Aerospace/Robotics</i>	Boulder
SunShare <i>Energy</i>	Denver/ Colorado Springs
Amnet <i>Technology</i>	Colorado Springs
Parking Authority <i>Technology</i>	Denver
American Automation <i>Technology</i>	Denver
Design Metal Manufacturing	Fort Collins
Wadsworth Control Systems	Broomfield
ASTRA <i>Aerospace</i>	Boulder

Manufacturing / Services

KOTA Longboards <i>Outdoor Industry Manuf.</i>	Denver
Best Signs <i>National ADA Sign Manuf.</i>	Montrose
Venture Snowboards <i>Outdoor Industry Manuf.</i>	Silverton
Growing Spaces <i>International Dome Garden Manuf.</i>	Pagosa Springs
Chinook Medical <i>Medical Product Distributor/Manuf.</i>	Durango
BSC Signs <i>National Sign Manuf.</i>	Broomfield

Lakeside Insurance Center <i>Specialized Insurance Provider</i>	Arvada
Miramont Family Medicine <i>Multi-Center Facilities – currently Front Range</i>	Fort Collins/ Loveland
Anton Collins Mitchell (ACM) <i>Multi-location firm – currently Front Range</i>	Boulder/Denver
Mineralife <i>Natural Product Manufacturer</i>	Colorado Springs
Colorado Housekeeping Services	Wheat Ridge
Janska <i>Outdoor Industry Manufacturer</i>	Colorado Springs
Wystone <i>Restaurant and Catering Facilities</i>	Denver

Program Expenditures - Appendix 2

2013 - 2014 Economic Gardening (HB1003)

TOTAL	
Certification	
	\$ 26,100.73
Travel	
	\$ 6,059.27
D & L	
	\$ 9,840.00
Consulting	
	\$ 68,000.00
Team Leader	
	\$ 90,000.00
Total Budgeted	\$ 200,000.00
Total Spent	\$ 200,000.00
Total Remaining	\$ -

Database and Licenses		
Date	Desc.	Amount
2/1/2014	ESRI BAO	\$ 3,200.00
2/1/2014	Fintel	\$ 3,640.00
6/6/2014	ESRI Renewal through 2015	\$ 3,000.00
Total spent		\$ 9,840.00

Certification Course		
Date	Desc.	Amount
9/17/2013	Edward Lowe Cert.	\$ 16,800.00
9/17/2013	Misc. travel for group	\$ 2,100.73
4/30/2014	Edward Lowe Cert. 2	\$ 7,200.00
Total spent		\$ 26,100.73

Travel		
Date	Client	Location
5/19/2014	Chinook	Durango
5/20/2014	Growing Spaces	Pagosa Springs
6/17/2014	KOTA Longboards	Denver
6/22/2014	Chinook	Durango
6/23/2014	Growing Spaces	Pagosa Springs
7/7/2014	KOTA Longboards	Denver
7/16/2014	Miramont	Loveland
7/17/2014	KOTA Longboards	Denver
8/8/2014	Miramont	Loveland
8/15/2014	Lakeside Insurance	Arvada
9/2/2014	Amnet	Colorado Springs
9/2/2014	DataMAPt	Colorado Springs
10/16/2014	Amnet	Colorado Springs
Total Spent		\$ 6,059.27

1. Online conferencing platforms were used for Best Signs (Montrose,) Venture Snow Boards (Silverton)and follow up meetings with all clients.
2. Earlier in 2014, clients were in Boulder County. No cost for this travel.
3. Planning meetings for the Colorado EG program were held in Denver (9) and Colorado Springs (1) - including training presentation at statewide Colorado SBDC conference, implementation meetings, and client meetings

2014 - 2015 Economic Gardening (HB1003)

TOTAL	
Travel	
	\$ 1,575.00
D & L	
	\$ 6,244.68
Consulting	
	\$ 55,470.00
Team Leader	
	\$ 90,000.00
Total Spent	\$ 153,289.68

Database and Licenses		
Date	Desc.	Amount
1/5/2015	IBISWorld	\$ 3,000.00
3/1/2015	ProfitCents	\$ 3,244.68
Total spent		\$ 6,244.68

Travel		
Date	Client	Location
1/2/2015	Amnet	Colorado Springs
5/13/2015	Mineralife	Colorado Springs
6/25/2015	Amnet	Colorado Springs
7/16/2015	Design Metal	Fort Collins
8/17/2015	Mineralife	Colorado Springs
8/18/2015	Design Metal	Fort Collins
9/3/2015	KOPA	Westcliffe
9/17/2015	Janska	Colorado Springs
10/5/2015	KOPA	Westcliffe
10/6/2015	Janska	Colorado Springs
Total Spent		\$ 2,144.00

1. Cost of travel **only** applies to travel outside of the Denver/Boulder area
2. Online conferencing platforms were used for multiple clients

July 1, 2015 - October 15, 2015

TOTAL	
Travel	
	\$ 569.00
D & L	
	\$ -
Consulting	
	\$ 10,275.00
Team Leader	
	\$ -
Total Spent	\$ 10,844.00

Appendix 3



SBDC Advanced - Economic Development Gold Level Team

Sharon King

Executive Director, Boulder SBDC

Team Leader, SBDC Advanced – Economic Gardening Gold

In 10+ years, Sharon King and the Boulder SBDC have worked with over 5,000 entrepreneurs from startups through 2nd stage companies, from “Main Street” businesses through highly scalable manufacturing and Advanced Industries. Sharon’s first business was a vintage retail store – right out of college. Just before joining the SBDC in 2004, Sharon converted and re-branded a franchise hotel into the independent concept Boulder Outlook Hotel, in which she was an investor. In the 30 years between, Sharon has been an entrepreneur/intrapreneur, marketing executive and consultant for small (and larger) businesses in many industries -- including professional services, banking, hospitality, consumer products, retail and manufacturing. She holds an MBA from Cornell University, is nationally-certified as an Economic Gardening Team Leader through the Edward P. Lowe Foundation and nationally certified to facilitate FastTrac NewVenture, GrowthVenture and TechVenture programs through the Kauffman Foundation for Entrepreneurship.

Ruth Janjic

Ruth Janjic, founder of Diagonal Growth Strategies, is a marketing generalist with deep experience conducting secondary industry research, marketing analysis and strategy work. Ruth started her career in sales and marketing for one of the first Apple retailers, followed by a stint in high-growth technology firms, including Qualcomm. In her consulting work, she has spent hundreds of hours researching the strategies of a broad range of industries to assist companies with their revenue models. More recently, she added not-for-profit organizations and small businesses to her knowledge base and enjoys helping them with their marketing challenges. Ruth holds an M.B.A. from the University of Washington and a B.A. from the University of New Hampshire, and is a Giftworks Certified Consultant. Ruth is nationally-certified as an Economic Gardening Market Research Specialist through the Edward P. Lowe Foundation.

Joey Jenkins

Joey Jenkins, Program Manager for SBDC Advanced – Economic Gardening initiative, joined the Colorado SBDC in the spring of 2012. In addition to SBDC Advanced, he oversees various other SBDC ventures. He is the state administrator of the Leading Edge program, SBDC’s flagship training program, providing comprehensive business planning courses for entrepreneurs. He also administers the Connect 2 Dot Program, a program designed in partnership with CDOT to help small business owners navigate and win construction contracts. In addition, Joey oversees the collection and reporting of statewide economic impact and individual center performance, and assists with center reviews and statewide marketing efforts.

Prior to joining the SBDC, Joey gained his business experience in the finance industry, working as a mutual and hedge fund accountant for ALPS Inc. He holds a bachelor’s degree in economics from Colorado State University with a minor in business administration.

Tally Costa

Tally Costa brings to the SBDC Advanced team over 20 years of senior management experience in the U.S. with extensive global exposure. This experience scales from several start-ups to publicly traded international companies. She is a generalist and quite proficient in identifying and overcoming any challenges that small businesses are facing. Tally's formal education includes a BSEE, Cornell University and MBA, Pepperdine University.

Tally's Core Experience: Design & Product Management; Materials; Planning/Forecasting; Manufacturing Relocation; Technology Licensing & Transfers; Sales and Operations; Management; Outside Sales; Applications Engineering; Manufacturers' Representation; Distribution Sales; Strategic Marketing & OEM Alliances; Product Marketing; Strategic Planning; Business Development (new geographic territories or new technologies/products); Implementation of New Business Plans; Exit Strategies; Change Management.

Industries Tally has worked with: High Tech, including Semiconductors (Silicon, GaAs, and IIIIV types), Electronic Components, Systems, and Test Equipment; Medical Devices and Equipment; Software; Aerospace, Defense, Data and Telecommunications; Radio, Microwave, and Millimeterwave Markets; Consumer, including Sports Equipment & Accessories; Residential & Commercial Service Markets; Medical Aging & Holistic; Entertainment; Emerging Technologies, particularly for Industrial & Alternative Energy Markets Tally thrives in High-Tech markets, with an uncanny ability to understand difficult technologies, re-strategize, and match existing products with current and emerging markets to grow revenue quickly.

Michael Minard

Michael Minard is a retired executive from General Electric. He was one of the senior executives responsible for a multi-billion dollar, international GE business which distributed high-end computers and software. His departments included: sales, marketing, operations, purchasing, technical groups, education centers, warehouses and research labs. He has also created strategies for new business ventures for large companies such as Lockheed and IBM as well as dozens of other small and medium-sized small businesses. For several years, Michael has been a reviewer for the National Science Foundation's Small Business Innovative Research (SBIR) Program in Washington, DC.

Prior to his corporate career, Michael owned a half dozen of his own successful small businesses in retail, wholesale food distribution, and syndicated publications. He enjoys working with both start-ups and existing business, especially technology ventures. In addition to strategy development and management coaching, he specializes in growth issues.

Steven Groves

Steven Groves heads up Social Marketing Conversations (SMC) in Englewood Colorado. SMC is a global marketing effectiveness consulting agency. Steven is also a trained and certified 'Gardener', assigned to the National Strategic Resources Team (NSRT) since 2012 working with the National Center for Economic Gardening (NCEG) and the Canadian Centre for Economic Gardening (C2EG).

His work with large and small clients has taken him around the world to Calgary Alberta, the Okanagan Valley in British Columbia, Bangkok Thailand, Kuala Lumpur Malaysia, and to Monterrey Mexico. Industry expertise spans manufacturing, high-tech, consumer products (B2C) and has an advanced capability in working with businesses that sell only to other businesses (B2B).

Steven is also a published author on social & online marketing with "**ROI of Social Media: How to improve the return on your social marketing investment**", published in hardback by John Wiley and Sons (ISBN-13: 978-0470827413)

Wayne Kocina

Wayne Kocina, a seasoned industry veteran with twenty three years of experience in GIS founded GeoWize in 2003. As CEO, he is responsible for the overall operations of GeoWize.

Wayne has provided GIS services and consulted for such companies as Target, Big O Tires, Smiling Moose Deli, US West, Qwest, Unisys (France), Telebras (Brazil) & Telebras - CpQD, Idea Integration, the City of Littleton, numerous other cities and communities, and hundreds of small businesses. Wayne is one of the founding members and the GIS component of the Economic Gardening National Strategic Research Team (EG-NSRT). He is currently working with nineteen state-wide EG programs, and numerous community programs.

Wayne has managed a \$100M GIS development & deployment project, vehicle tracking projects, spatial enterprise data projects, and hundreds of site prospecting, competitive intelligence, and market intelligence projects using ESRI's ArcGIS and Business Analyst tools coupled with demographic, income, spending, market & spatial data from the world's leading providers of this data. These are the same tools that many of the biggest and most successful retail business use to give them a real "competitive advantage" over their competitors.

Maureen (Mo) Kanwischer

With 25 years of marketing and business development experience in high-tech, software, ecommerce, manufacturing and medical companies, Maureen Kanwischer's expertise is marketing, strategic planning and business model development for small to medium businesses. She also has experience in product management, new product launches, pricing models, marketing communication programs, product positioning and event management.

As a consultant, Mo most often works in engagements with emphasis on strategic planning, crafting business plans, developing and executing marketing plans, and new product launches. Mo also is the founder of Momentum Business Consulting and facilitator of peer advisory boards. The m.b.a. (momentum board of advisors) is an informal board of directors for small business owners. Members meet monthly for strategic planning, creative problem solving and tapping the wisdom of the group in order to grow their business.

Recognized for her public speaking ability, she has been a sought after speaker and is a fanatic for client care and customer satisfaction. Maureen holds a Bachelor of Science degree from Alfred University in New York and earned an Executive MBA from the State University of New York.

Appendix 4

SBDC ADVANCED Client Testimonials State Fiscal Year 2015

Stephen Savoy, Best Signs, Montrose, CO

“The Economic Gardening program provides insightful perspectives to help me uncover and explore strategic opportunities. The research was extremely useful to validate the market size that I had estimated from other sources. Once I set the direction, the team provided data to inform my decisions. The sessions started with high level strategy conversations that were then backed by specific information that I requested. I consider the Economic Gardening team my “think tank,” have gotten great value from this program and expect to grow with their help.”

Michael and Gillian McCarron, Lakeside Insurance Center

“The Economic Gardening program was a perfect match for what we needed. The strategic team and research pinpointed a fast-growing market niche, which was exactly what we were hoping for and why we participated in the program. Having the strategic and research specialists, as well as the online marketing specialist under one umbrella was very helpful. We had heard some of the SEO information before, but it was explained in a way that made more sense and was actionable in this program.”

Michael Maloney, KOTA Longboards, Denver, CO

“KOTA Longboards is on the verge of tremendous growth and just received the Chase Main Street Mission Grant. The Economic Gardening program helped us consider some core strategic directions. The team provided research on industry trends and market information that can help inform our decisions going forward. It raised questions we hadn’t focused on yet. After a big growth curve this Fall, and now that we are further along with the business, we can take even more advantage of the analysis of past month’s sales data and customer profiling (GIS,) as well as online marketing analysis.”

Karen Gados, SunShare

“Although we are still in an early stage in the Economic Gardening process, we have high expectations that the program will be valuable to our fast-growing business. The preliminary information has already uncovered new business development opportunities and confirmed others that we were aware of. We are looking forward to the input from the team on some specific programs we are planning.”

Dr. John Bender, Miramont Family Medicine, Loveland, CO

“The healthcare industry is changing rapidly. The very recent complex trends in family medicine that have resulted from the Affordable Care Act are impacting the strategic path of Miramont Family Medicine. The Economic Gardening research highlighted a few specific growth opportunities that we are considering and gave data to support our existing programs and direction. We are in process with the GIS specialist and look forward to the site-specific data and psychographics that are forthcoming. It has been very helpful to have the Economic Gardening team tackle some current and challenging strategic topics with our team.”

John L Bender, MBA, MD, FAAFP

Diplomat, American Board of Family Medicine

President and CEO, Miramont Family Medicine

Puja Parsons, Growing Spaces, Pagosa Springs, CO

“The process has been helpful to re-affirm all the progress our company has made to-date and to uncover new areas for growth if we choose to take those paths. There is a core team of strategy and research specialists who are working with us on marketing and growth strategy. The market research and GIS specialists helped us analyze our customers and look for others like them nationally and internationally. We are now working with an SEO/Social Media specialist who will be analyzing the online presence of Growing Spaces and others companies in or market space. This program has validated many of our decisions in the past and is providing great input for current growth decisions. We are very grateful that his group of business advisors has really helped our company to advance and has provided many sophisticated resources that we couldn't have afforded on our own. As we start the New Year, I feel we have expanded our scope and concepts of our offerings for strategic planning and can tell already that we are going to have an even more successful year. As we are a small company readying to scale, the timing of this input was perfect. We hope to invest in the program again. Thank you for the privilege of this collaboration! Sincere regards, Puja Dhyam Parsons, CEO of Growing Spaces LLC “

Redstone Aerospace

It was through the Colorado Emerging Ventures program that Bob Levenduski, co-founder of Redstone Aerospace, first became acquainted with SBDC's services. His company has since signed up for and been accepted into the new SBDC Advanced program.

“We've had two meetings,” Levenduski said. “At the first meeting we talked about our business and some of our challenges for growth.” That first Discovery meeting included the Redstone co-founders, the SBDC Advanced Team Leader and several specialists – a market researcher, a growth strategy specialist and another consultant who specializes in helping small companies such as Redstone win more contracts in the defense industry, one of Redstone's two areas of focus (the other is working with NASA.)

“At the second meeting, the team provided some data, some market information for us, and then they walked us through an opportunity assessment process,” Levenduski said, adding that meant prioritizing what actions the company needed to take next to prepare for both short- and long-term growth.”

“The program is very beneficial to companies like us, because we need to plan for the growth.” Levenduski said. “It's coming, and we don't want to screw it up. Any information we can get from seasoned professionals is very helpful – it's very valuable.”

Stratom LLC

“Stratom is a robotics and unmanned system advanced technology company located in Boulder. We've been in business since 2001 and have just shy of 30 employees. We've used the SBDC in multiple venues since our founding. As we have moved on to become a second stage company, we've become involved with the SBDC Advanced - Economic Gardening program with one-on-one consulting that are helping us to evaluate new markets that our technology can have a dramatic impact in. These would be new national and international commercial markets that could use our robotics systems across new verticals and applications. With this new full year program we are excited to receive ongoing strategic consulting advice, market research and one-on-one business services to help us focus on these new markets and grow our company.”

SBDC ADVANCED

Economic Gardening



ABOUT SBDC ADVANCED

SBDC ADVANCED is a new business development program administered by the Colorado SBDC Network. It is an **economic gardening program**, focused on helping our Colorado companies to grow by providing custom-fit market research and corporate-level tools that might otherwise be out of reach for small to mid-sized businesses. These businesses can then use this data to make informed strategic growth decisions.

The SBDC ADVANCED program is open to Colorado businesses at three levels: **Gold, Silver, and Copper**. Deliverables provided may include specialized reports in market research, geographic information systems (GIS), financial analysis, marketing and search engine optimization (SEO). The SBDC ADVANCED program taps into corporate-level tools, experienced consultants and their strategic plans. Businesses can apply to be involved in the SBDC ADVANCED program online.

GOLD LEVEL - \$750

- For premier growth-oriented businesses
- Full suite of high-end tools and sophisticated databases
- Consulting team dedicates their time to the businesses unique needs, focused in on issues that the business has identified as opportunities or hurdles for growth
- Research, deliverables, and outcomes are customized to the companies' priorities and strategic growth initiatives

Qualifications:

- Be a privately held business
- Employ 6-99 full-time employees
- Maintained its principal place of business and a majority of its employees in CO for at least the previous 2 years
- Have a gross revenue or working capital between \$500,000 and \$50,000,000
- Have a product or service that is/has potential to be sold outside company's local area/state

SILVER LEVEL - \$250

- Provides businesses with the tools they need to grow in their respective markets and customize their strategic growth plans
- Provides companies with market research, industry concentration and financial benchmark data
- Specialized consulting teams are unique to the businesses' regional SBDC office and vary with location and business industry

Qualifications: None

COPPER LEVEL - \$150

- Provides businesses with tools and consulting to customize their strategic growth plans.
- Provides companies with market research and financial benchmark data.
- Specialized consulting teams are unique to the businesses' regional SBDC office and vary with location and business industry

Qualifications: None

ABOUT THE COLORADO SBDC

The Colorado Small Business Development Center Network (CSBDC) is dedicated to helping existing and new businesses grow and prosper in Colorado by providing free and confidential consulting and no- or low-cost training programs across Colorado.

FOR MORE INFORMATION OR TO APPLY:

Joey Jenkins, Special Projects Manager
Colorado SBDC Network

joey.jenkins@state.co.us
303-892-3840

www.coloradosbdc.org/
consulting/sbdc-advanced



The Colorado Small Business Development Center Network is a partnership between the State of Colorado, the Colorado Office of Economic Development and International Trade, the Small Business Administration (SBA), Colorado's institutions of higher education, local economic development organizations and local chambers of commerce.