

Foundation expands program reach

Despite the recent economic recession, the Edward Lowe Foundation has been able to significantly expand the reach of its entrepreneurship programs.

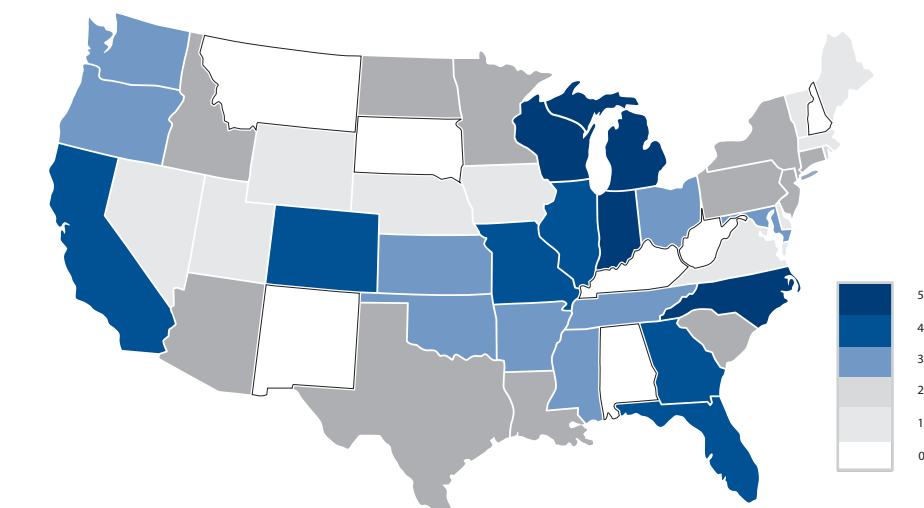
“We’ve always distributed our programs at the national level, but their impact has become more apparent in the last couple of years,” says Darlene Lowe, the foundation’s chairman.

From 2007 to 2009 the foundation interacted with more than 180 communities in 41 states. This includes communities that are using its peer learning and recognition programs — and individuals who attended educational retreats at the foundation’s headquarters in Cassopolis, Mich.

Lowe chalks up the expansion, in part, to the foundation’s continued focus on second-stage entrepreneurs and the development of more tools and initiatives to support this audience.

Second-stage companies typically employ 10 to 99 employees. Having advanced beyond the startup phase, they are concentrating on growth issues rather than survival. Although these companies represent a small percentage of U.S. establishments, they generate a disproportionately greater share of jobs, according to YourEconomy.org (YE), an online research tool that the foundation launched in 2008.

“I think the foundation has gotten much better at describing second-stage entrepreneurs and demonstrating their contributions to economic growth



Map reflects the number of Edward Lowe Foundation programs impacting each state.

— something that YourEconomy has really helped with,” says Mark Lange, the foundation’s executive director.

Traditional economic-development strategies have concentrated on recruitment and specific industry sectors, Lange explains. “Yet

YourEconomy provides hard, factual evidence that second-stage businesses deserve more attention.”

In addition to YE, the foundation has introduced new programs that create synergies with existing ones.

For example, in 2007 the foundation launched ESO², which targets leaders of entrepreneur

support organizations (ESOs). Participants in the ESO² network are able to share best practices, learn more about second-stage companies, and discover resources to better serve this audience.

Another recent introduction has

been economic gardening workshops.

“Because second-stage companies are a fundamental piece of economic gardening, these workshops dovetail perfectly with our other programs,” observes Dan Wyant, the foundation’s president and COO.

“Today we have a far more robust portfolio,” Wyant says. “Some of our programs raise awareness for second-stage entrepreneurs while others provide tools and techniques to help them grow.”

“Although these programs deliver value separately, they become more powerful when used in concert with each other,” he adds.

That’s important because the foundation isn’t merely an advocate for second-stage entrepreneurs.

“For us, entrepreneurship is a contact sport,” Lange says. “Through our programs and resources, we’re actively trying to grow communities — and we’re starting to get more buy-in. For a long time, we were pushing the concept of second stage. Now it’s pulling us.”

From 2007-2009 Edward Lowe Foundation programs were conducted in or had representation from 41 states

Retreats at BRV

A cornerstone of the foundation's offerings are leader retreats at Big Rock Valley (BRV), the foundation's 2,600-acre home in southwest Michigan.

These retreats target two key audiences: second-stage entrepreneurs and entrepreneur support organizations. Curriculum varies depending on a group's specific needs, but typically covers the challenges of growth, strategic direction and innovative business models — with an emphasis on leadership and thinking differently.

In 2009 the number of retreats increased 54 percent from 2008 with the number of participants up 64 percent.

Many participants have found BRV retreats game-changing, especially those who are discovering the power of peer learning for the first time.

"Before attending the retreat I wasn't familiar with the term 'second stage' or Ed Lowe's belief in peer learning, but it really hit home," says Mike Busley, president of Grand Traverse Pie Co. in Traverse City, Mich.

Blending relevant curriculum with unique facilitation techniques, BRV retreats provide high value in a short time frame.

Learning how to quickly apply a wide variety of cutting-edge business concepts was important for George Couris, executive vice president of Pepper Group in Palatine, Ill. "It was like putting the best-of-the-best into one system that you could easily get your arms around," says Couris.

Laurel Delaney, who has attended several retreats at BRV, values the clarity they provide.

"It's like performing laparoscopic surgery on my business," says Delaney, founder of Global TradeSource Ltd. in Chicago. "I suddenly gain the ability to look inside from an outsider's perspective and clearly see what is and isn't working — then come up with a plan to fix things."

**Retreats up
54%**

Recognition

2009 was a banner year for Companies to WatchSM, the foundation's recognition program for second-stage entrepreneurs. Existing programs continued in Michigan, Arizona and Indiana, while Colorado and Mississippi launched inaugural events. What's more, North Carolina, Wisconsin and upstate California signed on to conduct the program.

CTW helps honorees in a variety of ways, from opening up new business opportunities to boosting employee morale.

For example, Stephanie DeKemper, CEO of SynCare in Indianapolis, says the award generated a lot of excitement among her staff. "We use the Companies to Watch logo on our e-mails, and I hear employees mention the award proudly when they talk to clients," she observes.

The award also gave Syncare greater validation in the market. In fact, shortly after receiving the award, DeKemper found a new bank that has been a strong partner for her company.

"One of the things that helped us secure a loan was that they were impressed we were a Companies to Watch honoree," DeKemper says.

Host organizations also cite diverse benefits. "There are numerous recognition events that vendors can sponsor. Although all are good in what they're trying to achieve, Companies to Watch is unique and offers sponsors a higher value proposition," says Ben Budraitis, CEO of iTruss Solutions and a member of the Colorado Companies to Watch Advisory Board. "In addition to the awards ceremony, companies are celebrated throughout the year, which gives sponsors more opportunities to interface with the honorees."

**195 honorees in
5 states**

Peer Learning

Reflecting Ed Lowe's belief that entrepreneurs learn best from each other, the foundation has developed PeerSpectives, a peer-learning methodology designed specifically for leaders of second-stage companies.

Led by trained facilitators, PeerSpectives roundtables typically involve 8–12 business executives from noncompeting industries. The system revolves around confidentiality and experience-based learning rather than advice-giving. It also features a structured protocol that ensures a balanced discussion. The goal is to enhance leadership and decision-making skills.

PeerSpectives was originally distributed through exclusive statewide licenses, but in late 2007 the foundation created nonexclusive licenses that enable more people to take advantage of the roundtable methodology. Despite price increases in 2009, PeerSpectives continued to gain momentum and 23 licenses were sold, with 16 of those to new licensees.

In addition to conducting training for PeerSpectives licensees, the foundation uses the PeerSpectives system to train facilitators for other organizations.

For example, Womens' President Organization (WPO) requires all of its chapter chairs to attend facilitator training at the foundation within a year of their hire.

"We like the Edward Lowe Foundation process because it works," says Susan Diamond, WPO's vice president of facilitation and chief learning officer. "The piece about no-advice-giving is huge and the format helps balance conversation. It makes sure that air time is equal and no one person dominates."

"Some people may initially question the process as being too structured — but once they put it into practice, they see how powerful it is," Diamond adds. "It's perfect for second-stage entrepreneurs."

**PeerSpectives
licenses up 109%**

ESO²

A national forum for leaders of entrepreneur support organizations (ESOs), ESO² helps organizations better understand the needs and contributions of second-stage entrepreneurs — and increases their ability to serve this audience.

Launched in 2007, ESO² attracted participants from 16 states in 2009. Introductory retreats are held at BRV, and a social networking platform gives participants an opportunity to interact throughout the year.

“Today entrepreneur support organizations are being asked to do so much for so many, yet most of us have limited resources,” says Joan Siefert Rose, president of the CED in Research Triangle Park, N.C. Attending an ESO² retreat in 2009 helped Rose see where her organization could make the most impact. “As a result of discussions at Big Rock Valley, we’ve retooled our general offerings,” says Rose.

“The ESO² retreat was certainly worth the trip,” says Steve Zylstra, CEO of the Arizona Technology Council, who also became part of the network in 2009.

A key takeaway for Zylstra was the impact of peer learning on entrepreneurs. Earlier in 2009 his organization had launched a CEO network. “The retreat confirmed for me that this is one of the most effective ways to convey expertise and counsel to entrepreneurs — and helped us make the decision to expand from one to four CEO networks,” he says.

Besides serving as a new delivery channel for the foundation’s programs, ESO² is an important sounding board. “Because ESO² participants are in the trenches working with entrepreneurs on a daily basis, they provide critical feedback for us as we search for new ways to strengthen regional economies,” says Penny Lewandowski, the foundation’s director of entrepreneurship development.

**Participants from
16 states**

Economic Gardening

The foundation supports economic gardening, viewing it as an extension of entrepreneur development. Economic gardening focuses on helping existing, growth-oriented companies become larger and is sometimes referred to as a “homegrown” or “inside-out” approach to job creation.

2009 marked the second year that the foundation offered economic-gardening workshops at BRV led by Chris Gibbons, who pioneered the concept. The workshops introduced participants from 25 communities to the principles, tools and techniques of economic gardening.

The foundation has also been working with GrowFL, an economic-gardening pilot program in Florida. Aimed at second-stage businesses, GrowFL provides information tools, database research, Internet search engine optimization, strategy analysis and other technical services.

The foundation has assisted GrowFL in a variety of ways, from sharing its expertise about second-stage companies to providing infrastructure that holds information resources and tracks communications between economic-gardening specialists and entrepreneurs.

Supporting GrowFL is important because it marks the first state-funded, economic-gardening initiative in the country, observes Mark Lange, the foundation’s executive director. “In addition to drawing attention to economic gardening, we’re trying to develop national standards and play a role in delivering the research, technology, training and certification needed for state or regional programs.”

**Participants from
25 communities**

Research

YourEconomy.org (YE), the foundation’s interactive research tool, allows users to explore economic activity in their own communities — and across the country.

Visitors to the website (www.youreconomy.org) can access free, detailed information about the performance of business establishments and their impact on job creation at the national, state, MSA and county levels. Because YE is derived from a longitudinal database, it depicts a dynamic journey of how business communities are evolving through time.

In 2009 the International Economic Development Council honored the foundation and YE with one of its Excellence in Economic Development Awards.

Another 2009 milestone, YE introduced two new data sections. One shows how establishment activity and job creation break down according to 20 different industry (NAICS) codes. In addition, a new rankings section enables visitors to compare business activity in their state or MSA to other regions.

Response from users has been strong. “YourEconomy’s industry section enables us, for the first time, to do rifle shooting in workforce development versus a shotgun approach,” says Tom Dorr, director of Western Washington University’s Center for Economic Vitality. “It allows us to be very specific and pinpoint what industry segments by MSA have the most growth, and then see who those businesses are by size of company.”

In addition to YE’s free website, the foundation is launching a subscription site.

“Subscribers will be able to build their own custom economic regions, download results directly to their computers, and purchase targeted company contact information from Dun & Bradstreet,” says Gregg Cole, the foundation’s information technology research manager.

**IEDC award
winner**

Land Stewardship

Reflecting Ed Lowe’s great love and respect for the land, the foundation has a secondary mission of land stewardship, carried out at Big Rock Valley (BRV), its 2,600-acre home in southwest Michigan.

Due to its diverse habitats and landscapes, BRV has a wide variety of plants and animals, and many species are listed as special concern, threatened or endangered. To maintain this biodiversity, the foundation conducts a variety of innovative land-management practices.

For example, about 15 percent (125 acres) of BRV woodlands are managed for old growth. Unique ecosystems that are rarely seen, even in state or national parks, old-growth woodlands are basically no-harvest areas. The foundation may do some thinning for health or spacing reasons, but felled trees and logs are left in the woods to decay.

The foundation is also reintroducing prairies, important habitats that were once widespread in southern Michigan. Experimental patches of prairie grass were planted in 1994, and today BRV is home to about 150 acres of prairie with more than 100 different species of grass and forbs.

Because prairies are fire-dependent habitats (reverting back to woodlands without regular burning), the foundation conducts periodic prescription burns. This reduces the buildup of dead vegetation and stimulates native plants while retarding growth of nonnative, invasive plants.

In 2009 the environmental team

burned more than 105 acres, including 35 acres burned in the fall. “Traditionally prescribed burns are conducted in the spring, but recent studies have shown that it’s important to vary the season of burns as different plants benefit from burning at different times,” says Mike McCuiston, the foundation’s director of physical resources.

As part of its land stewardship mission, the foundation also makes BRV available to academic researchers. Among projects conducted in 2009, representatives from 15 different zoos (members of the Eastern Massasauga Rattlesnake Species Survival Plan) kicked off a five-year study at BRV.

During the week, researchers and foundation staff captured 20 massasaugas and recorded detailed measurements of the snakes and the environment in which they were found. To help with future identifications, photos were taken of the snakes’ markings and microchips were inserted in snakes before their release back into the wild.

“Twenty snakes may not sound like a lot, but we were really pleased,” says McCuiston. “Massasaugas are extremely difficult to find. In fact, researchers spent 275 hours of search effort time, capturing eight massasaugas in drift fences and 12 through visual surveys. In the process, we captured or saw 82 other snakes.”

The researchers hope to glean data for population-density models that could enhance conservation management practices at BRV — and across the country.

Historical Collections

Ed Lowe invented Kitty Litter in 1947. A cleaner, more efficient alternative to ashes and sand previously used in litter boxes, clay-based Kitty Litter led to the creation of an entirely new industry. Also a successful entrepreneur, Darlene Lowe launched and ran Haymarket Antiques & Designs Inc.

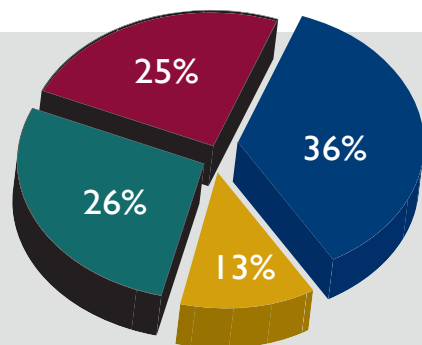
In 1985 the couple created the Edward Lowe Foundation to provide greater support and resources for entrepreneurs. Upon Ed’s death in 1995, Darlene became the foundation’s chairman and CEO.

To provide historical information about the Lowes, their business ventures and initiatives to support entrepreneurship, the foundation launched the Edward Lowe Foundation Archives in 1996.

“Ed Lowe was a visionary and understood how powerful information is,” says Heidi Connor, manager of the foundation’s historical collections. “He not only retained his personal papers and business records, he also wrote extensively, so we’re fortunate to have a wealth of historical resources to draw from.”

Indeed, the foundation’s archives hold about 700 cubic feet of records, writings, photographs, film, video and audio tapes, artifacts, and media clippings. Connor is now digitizing the clippings collection and developing an online catalog that can be used to search the archives remotely.

The archives are available to the public by appointment. Information requests can be sent to Connor at heidi@lowe.org.



● Educational activities	\$ 1,844,000
● Conservation	\$ 1,367,000
● Information services	\$ 1,306,000
● Administration	\$ 654,000

Snapshot of 2009 financial expenditures

Although the majority of U.S. foundations are grantmaking entities (giving money to individuals and other charitable organizations), the Edward Lowe Foundation is an operating foundation and channels its funds to sustain its programs.

“This structure appealed to Ed and Darlene because they wanted to create an organization that could interact directly with other groups,” explains Don Bauters, the foundation’s treasurer and director of finance. “Ed also had a strong desire to see Big Rock Valley used in our programs, which an operating structure allows us to do.”

2009 program expenditures are divided into three areas — educational activities, conservation and information services — with program administration in a separate category (see pie chart).

To learn more about the Edward Lowe Foundation, visit www.edwardlowe.org or call 800-232-5693.