GROWING OPPORTUNITIES

Much like the entrepreneurs we serve, the Edward Lowe Foundation has gone through an evolution. Our mission—to champion the entrepreneurial spirit—has remained constant during the past two decades, but we continue to search for the best way to accomplish that mission and grow opportunities for companies, organizations and communities.

From the beginning, the foundation has been involved in a wide variety of programs, ranging from youth entrepreneurship and mentoring programs for college students to policy conferences and publishing. Although these were all worthwhile programs, we realized that the foundation couldn’t be all things to all people.

With that in mind, the foundation has narrowed its focus to second-stage companies, a segment of entrepreneurs we believe to have the greatest positive impact on the U.S. economy. We also embrace the concept of economic gardening, in which communities provide a nurturing environment for their existing businesses as a means to cultivate new jobs.

The foundation now delivers its programs, such as Companies to WatchSM, educational retreats and PeerSpectives® roundtables, through regional entrepreneur support organizations. Working through their existing networks enables us to be more efficient with the foundation’s resources and still directly touch entrepreneurs with our programs.

I’m very excited about this direction because it means we can have greater impact and reach more second-stage companies. And that’s important because there is surprisingly little support or recognition for this important group.

Granted, many people have ideas for new products and services, but few act on those ideas. In contrast, second-stagers are out in the trenches creating new technology, products and services—and new jobs in the process. They are the engine driving the U.S. economy.

By providing more resources and support for these entrepreneurs, we believe the foundation can be a catalyst for innovation and change to help communities throughout the country become more vibrant places to work and live. In the process, we see many opportunities for growth within our own organization, and Ed would be very pleased with that.

Darlene Lowe
CEO and Chairman
Ed and Darlene Lowe established the Edward Lowe Foundation in 1985. They envisioned an organization that would leverage entrepreneurship as a strategy for economic growth, community development and economically independent individuals.

Today the foundation conducts educational programs and provides information and recognition for second-stage entrepreneurs—companies that have moved beyond the startup phase with the potential and desire to grow. We encourage economic gardening, an entrepreneur-centered strategy providing balance to the traditional approach of business recruitment.

The foundation is also committed to preserving the natural resources and historically significant structures at Big Rock Valley, its 2,600-acre home in southwest Michigan.

The stories and case studies presented in this annual report illustrate how the foundation’s educational programs, information and activities are enhancing the capabilities of entrepreneurs, the organizations assisting them, and the communities in which they live.
Ed Lowe invented Kitty Litter in 1947. A cleaner alternative to the ashes and sand previously used in litter boxes, clay-based Kitty Litter enabled more cats to remain indoors and reshaped U.S. pet demographics, with cats outnumbering dogs. What’s more, this simple product led to the creation of an entirely new industry, which generates sales of nearly $1 billion today. Also a successful entrepreneur, Darlene Lowe launched and ran Haymarket Antiques & Designs Inc.

Passionate advocates for entrepreneurship and its role in the U.S. economy, the Lowes believed that entrepreneurs did not get the support and resources they needed, which led to the creation of the Edward Lowe Foundation. Ed also believed that entrepreneurs learn best from each other, and this philosophy of peer learning drives many of the foundation’s programs and activities. Upon Ed’s death in 1995, Darlene assumed leadership of the foundation as its chairman and CEO.

Not to be confused with public charities, private foundations are usually established with funds from a single source, such as a family or corporation. Instead of donations being their main source of revenue, foundations invest their principal funding and use the resulting investment income for charitable purposes.

Private foundations fall into two camps—operating and nonoperating (grantmaking)—with the main difference being how they distribute income. A grantmaking foundation acts as a funding entity, giving money to other charitable organizations. In contrast, an operating foundation channels funds to its own programs, so it doesn’t just finance philanthropic activities but also carries them out.

The Edward Lowe Foundation is an operating foundation, and according to statistics from The Foundation Center, about 6.6 percent of U.S. foundations in 2005 were operating entities.

“Our entrepreneurial and land-stewardship missions are better suited to an operating structure than the grantmaking framework that most private foundations choose,” says Don Bauters, director of finance at the Edward Lowe Foundation.
**2006 Expenditures by Program Classification**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Education Activities</td>
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<td>Information/Technology Services</td>
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<td>Conservation/Preservation Activities</td>
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<tr>
<td>Administration</td>
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**Statements of Financial Position**

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<tr>
<td><strong>Total</strong></td>
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<table>
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<th><strong>Liabilities and Unrestricted Assets</strong></th>
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<tr>
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<td>Deferred grant income &amp; other revenue</td>
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<td>(Total current liabilities)</td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>$123,946*</td>
<td>$118,198*</td>
</tr>
</tbody>
</table>

* in thousands
We created Companies to Watch to celebrate second-stage companies that are making a difference by driving employment and economic growth in their communities and throughout the state,” says Penny Lewandowski, director of entrepreneurship development at the Edward Lowe Foundation. “2006 marked the second year for the program in Michigan, and we launched Companies to Watch in Arizona.”

Award winners can participate in the foundation’s educational programs, and their stories serve as case studies, underscoring the vital role entrepreneurs play in the free-enterprise system.

STANDING OUT FROM THE CROWD

A little recognition can go a long way, say Companies to Watch winners.

“From a marketing standpoint, the Companies to Watch award has given us a flag to wave that says we’re an up-and-coming company,” says Jeff Mathie, president of Patriot Antenna Systems in Albion, Mich. That visibility can be leveraged in a number of ways, from fostering banking relationships to finding new resources for future growth, he adds.

A manufacturer of satellite communications equipment, Patriot Antenna Systems employed 105 workers at the beginning of 2007, up from 78 in 2004. Annual revenue has increased from $14 million to $22 million during the past two years.

By investing in R&D, Patriot has been able to create a more extensive and innovative product line than competitors. For example, it has developed a large radio telescope for the National Aeronautics and Space Administration’s Jet Propulsion Laboratory.
to use in its deep space radio astronomy program. Currently in beta testing, the telescope has the potential to win up to $400 million in contract awards over the next 10 years.

“The Companies to Watch award has helped us tremendously,” says Glen Simula, founder of GS Engineering, which was only four years old when dubbed an honoree in 2005. “To receive a major award like this gives us instant credibility when we talk to people,” he explains. “It conveys that we are a sound company to work with.”

Based in Houghton, Mich., GSE provides engineering solutions to commercial and military transportation markets. The company saw a 44 percent increase in 2006 revenue from the previous year and has about 36 full-time employees on its payroll.

Margie Traylor, co-founder of Sitewire Marketplace Solutions in Tempe, Ariz., says being a Companies to Watch winner has given her e-marketing consulting firm more visibility and credibility in its community. “That was important because although we’re a big player in other markets, we haven’t done that much business in our own backyard,” she says.

Since being tapped as an honoree, Sitewire has picked up several major clients in the Tempe area. In 2006 its revenue increased 30 percent from the previous year, and Traylor anticipates a 54 percent increase for 2007.

“The award was also a real shot in the arm for me and Bret,” Traylor adds, referring to co-founder Bret Giles. “As business owners, we spend a lot of time cheering on the troops, but it’s rare for us to get a pat on the back. This was a public pat on the back.”

At Salamander Technologies the award has been a morale booster for employees—and made an impression with investors, says Russ Miller, CEO of the Traverse City, Mich.-based firm, which develops personnel- and equipment-tracking software for mass-casualty incidents, such as natural disasters, chemical accidents and terrorist attacks.

Just prior to being named an honoree, Salamander secured an infusion of capital from outside investors. “We included news of the award in one of our first updates with them, which increased their comfort level with us,” Miller says. “The award demonstrated that we weren’t just whistling Dixie—that other people think we’re doing a good job.”

Although Salamander Technologies initially served first responders in fire departments, it’s now targeting regional public-health agencies, which has resulted in significant growth. At the beginning of 2007, the company employed 25 full-timers, up from 10 at the end of 2004.

Pat Pringle, CEO of BioPro Inc., which manufactures orthopedic implants and devices, says the Companies to Watch award has helped his firm solidify relationships with distributors.

Based in Port Huron, Mich., BioPro has been growing its revenue about 20 percent a year. In the last two years, the company has added five new products and begun distribution in the United Kingdom, the Netherlands and Germany.

“There are a lot of mergers and acquisitions going on in our industry, which is a huge concern for distributors,” Pringle explains. “They may start working with a company, only to lose that business once a firm has been sold. We mention the award on our Web site, and it shows people that we’re growing—and that we’re here to stay.”

“As business owners, we spend a lot of time cheering on the troops, but it’s rare for us to get a pat on the back.”

— Margie Traylor, co-founder of Sitewire Marketplace Solutions
Significance of Second Stage

The Edward Lowe Foundation began using “second stage” a few years ago to better identify and describe the sector of entrepreneurs targeted for our programs. Today the term is used regularly by entrepreneur support organizations, researchers and economic developers to identify these important growth companies.

The foundation defines second-stage businesses as having 10-99 employees and $1 million to $50 million in revenue. Having moved beyond the startup phase, these growing second-stage businesses generate nearly half of the net new jobs in the United States. In addition to job creation, these innovative companies are contributing new technologies, products and services to the marketplace, and significant value to their communities.

“The Michigan 50 Companies to Watch provides an opportunity to annually ‘bubble up’ companies on the cutting edge in Michigan. It’s easy to overlook them because they are typically companies moving at a very fast pace. Without this program, these achievers might get recognition in their individual communities, but not statewide. In addition, this awards program is a great platform for several statewide business development support groups to collaborate, allowing for a pooling of resources and strengths.”

– Carol Lopucki, state director of the Michigan Small Business & Technology Development Center

Margie Traylor and Bret Giles of Sitewire Marketplace Solutions
Reflecting our founders’ belief that entrepreneurs learn best from each other, the Edward Lowe Foundation has developed PeerSpectives, an educational methodology designed for leaders of second-stage companies. Led by trained facilitators, these roundtables involve 8 to 12 business executives from noncompeting industries; it’s a confidential forum where participants can share challenges and experiences—and enhance their capabilities. The foundation makes the PeerSpectives model available to both the public and private sectors. Roundtables now operate in Wisconsin, Michigan, Ohio and Indiana.

A Different Kind of Creativity

“My PeerSpectives group has been instrumental to our success,” says Robert Fischer, president of the TD Fischer Group, a designer and manufacturer of promotional displays and retail fixtures in Wausau, Wis, which has more than 75 employees.

A PeerSpectives member for three years now, Fischer admits that he initially hesitated to join the roundtable program. “The time commitment was my biggest concern,” he explains. “Yet I’ve learned something at every meeting—and my involvement impacted us right away.”

Case in point: After hearing how other business owners handled their management team meetings, Fischer established a monthly offsite meeting, held in the conference room of a local restaurant. “The managers absolutely love it,” he says. “Although our communication wasn’t bad before, it has improved dramatically. We’ve gone from good to excellent.”
As a result of roundtable conversations, Fischer has instituted numerous changes at TD Fischer, from improving the company’s quoting processes to disclosing more financial information to employees to increase their sense of ownership. “We’ve also started pre-employment testing, which has given us a richer pool of candidates and helped reduce turnover,” he adds.

Sitting in the PeerSpectives sessions sparks a different kind of creativity, Fischer believes: “I suddenly get ideas that may be unrelated to anything we’ve talked about, which has enabled me to eliminate a lot of my work. Our company has never run so well.” Indeed, not only has annual revenue growth been strong for the TD Fischer Group, the company has also fattened its profit margins—up more than 10 percentage points in 2006.

PeerSpectives has also helped Fischer deal better with stress. “One day a member of our group shared how important exercise was for him,” he explains. “I remembered how I used to work out—and then let it fall off my schedule because of lack of time.” Encouraged by the group, Fischer established an exercise room in his home and uses it regularly. “My health is better, and I feel more productive,” he says. “Hearing other business owners endorse exercise, in a sense, gave me permission to do it and not feel guilty.”

The roundtable program isn’t about giving advice, Fischer stresses, “but hearing other business owners share their stories is very influential.”

“You gain friends and build trust,” he concludes. “I can go into the meetings and be having a bad day and yet come away energized as if someone just charged my battery.”

**Giving Back**

Other PeerSpectives participants say the roundtables have led them to new resources.

John Kulp, president of Kulp’s of Stratford LLC, a roofing and insulation company in Stratford, Wis., was thinking of joining an industry affinity group—primarily because of the sales-training program included in the membership. Yet the entrance fee was hefty, so he shared the issue at a roundtable session.

“Although no one had experience with the specific group I was considering, one roundtable member referred me to a sales-training group that he had used successfully. Not only was their price much lower, but the training was more intense,” Kulp says.

Kulp also credits his roundtable for broadening his perspective. “My brother, who founded our roofing company, is more focused on sales and less interested in business issues,” he explains. “It really helps to have exposure to other business owners who have complementary experience.”

Beyond networking and learning, Kulp sees the roundtable as a way to have a positive influence on the lives of others. “Things have been going very well for our company recently, and this is a chance for me to give back,” he says.

**Beyond Second-Stagers**

Leaders of entrepreneur support organizations also benefit from the PeerSpectives system.

Take Tino Mantella, president of the Technology Association of Georgia, a nonprofit group that seeks to advance the state’s technology industry. During a period when TAG was experiencing a change in board leadership, Mantella sought input from his PeerSpectives group (comprised of leaders of nonprofit organizations from across the country). His question: How to best affect the transition through his leadership and communication style?

“My group didn’t tell me what to do—but members shared situations that they had been in, which was very helpful,” says Mantella.

“The roundtable is a way to establish a network of people you can count on,” adds Mantella. “Although we’re working toward the same goals, we’re not in the same area. It’s a very comfortable and confidential atmosphere, which is good for both personal and organizational growth.”
“I’ve learned something at every meeting—and my involvement impacted us right away.”

– Bob Fischer, president, TD Fischer Group

The PeerSpectives system is a powerful learning tool for entrepreneurs, especially owners of second-stage companies who are trying to move to the next level and encountering tough decisions they’ve never faced before.

Roundtables are comprised of entrepreneurs from noncompeting businesses. The groups typically meet every month and are led by a trained facilitator. Rather than give advice, participants share their experiences—a protocol proven to accelerate creativity and help entrepreneurs act on new opportunities.
Combining peer learning with innovative exercises and practical tools, the foundation’s retreats are designed to help CEOs, presidents and business owners take their organizations to the next level. In 2006 these retreats attracted 324 participants, who cite a variety of takeaways.

For second-stage leaders who wear too many hats, learning to let go has been an important breakthrough.

Take Elaine Brown, president and CEO of Wolverine Feeder Co. in Battle Creek, Mich. Brown runs a roof-inspection company that does work for large clients such as General Motors, Bell South and Kellogg. “I used to travel constantly around the country to give my input on various work sites—something I thought no one but me could do,” she says.
Yet after attending one of the foundation’s retreats, Brown began to delegate more often and hired more people. “It has been a huge help,” she says. “I used to work from 6 a.m. to 10 or even 12 o’clock at night. I still get up early, but now I’m done at 5 p.m. Not only is my home life better, but my health has also improved significantly.”

Brown admits she was initially nervous about letting go: “But I discovered that the world didn’t fall apart,” she says. “In fact, business is great. We’ve added two new major accounts this year and have a lot of new projects going on.”

Founder of Daystar Promotions Inc. in Freehold, N.J., Loreley DeGeorge made some changes to her communications style after attending a retreat.

“Not only do business leaders need to have a passion for what we’re doing, but we must also remember to communicate it to our troops—and maintain that ‘fire in the belly,’” says DeGeorge.

Today when clients provide input, DeGeorge shares the comments with her entire office—particularly any accolades.

“It seems to be human nature to dwell on the bad things, but we don’t let that happen anymore,” she explains. “When we get positive feedback from clients, we high-five it and celebrate. Otherwise, where’s the reward for employees? Celebrating helps employees remember why they work late, why they go the extra mile.”

Yan Ness, CEO of Online Technologies in Ann Arbor, Mich., found an exercise on group dynamics particularly helpful. “I used this back home with our sales and engineering departments—two groups that are typically at each other’s throats,” he explains. “It’s helping them to quickly break down silos, recognize common goals and work together.”

The foundation also hosts retreats for leaders of organizations that support entrepreneurs, such as economic development groups and business development centers.

Carol Lopucki, state director of the Michigan Small Business & Technology Development Center, says the retreats have influenced her management style.

“In the past, when listening to our network regional directors, I found myself wanting to step in with a solution, to instantly fix an existing problem,” she explains. “As a result of roundtable participation at the foundation, I tend to find myself now listening more carefully and thinking through about what level of involvement I need to play—whether they really do need my external assistance, simply want to talk through their issues, or perhaps just need a listening ear.”
Retreat participants engage in a variety of activities, ranging from team-building and leadership exercises to reflective walks and discussions around the campfire.

“It’s easy to get bogged down in the day-to-day details of running a business, however, being at Big Rock Valley enables you to step away and work on the big picture,” says Larry Kooiker, CEO of Agritek Industries Inc. in Holland, Mich. “Dino, our facilitator, has a special way with entrepreneurs. He’s low-key and respectful, yet firm enough to make us think. It’s an experience you never forget.”
The foundation has 10 renovated farmhouses at Big Rock Valley to accommodate overnight visitors. Carefully restored by Ed and Darlene Lowe, some of the houses date back to the 1830s. Although these guesthouses now have modern conveniences, the Lowes preserved as much of the original work as possible and reused many materials in creative ways.

Five retired railroad boxcars provide additional housing for guests, with each car featuring two bedrooms, a large bathroom and a sitting area, with the original floors throughout the boxcars. The tongue-and-groove paneled interiors were built with wood harvested and milled on the foundation's property.

These boxcars are a short walk from the foundation's conference center, which includes a dining hall and state-of-the-art communications technology. Known as Billieville, the conference center is designed to look like a turn-of-the-century town, complete with a tavern and railroad depot.

“A change of scene can inspire creativity, and Billieville transports guests not only to a different place but also a different time,” says Darlene Lowe, the foundation’s chairman and CEO.
Big Rock Valley began as a 160-acre parcel that Ed Lowe purchased in 1964. Today it comprises 2,600 acres of woodland, farmland, prairie and wetland. “Because of its different landscapes and ecosystems, Big Rock Valley has a wide variety of animals, plants and insects,” says Mike McCuistion, director of physical resources at the foundation. “Nurturing the diverse native populations here is one of our main priorities—with particular attention given to threatened and endangered species.”

Perpetuating this biodiversity calls for a number of habitat-enhancement initiatives, including the restoration of prairies, once widespread in southern Michigan before European settlers in the early 1800s converted the land to farm fields.

“Prairie grass provides important food and cover for many species of wildlife, including many grassland bird species. These areas are used to breed, nest and hide from predators,” points out Jay Suseland, the foundation’s superintendent of grounds maintenance. “And because of the wildflowers that flourish in the grass, prairies also serve as a food source for insects, which in turn provide food for the other wildlife species using the habitat.”
The foundation has implemented an aggressive program to reintroduce native prairie vegetation. Experimental patches were planted in the mid-1990s, and today Big Rock Valley features about 150 acres of prairie with 50 different species of grass or forbs.

Similar to prairies, savannas are another disappearing ecosystem. A mosaic of open grassland and scattered trees (ranging from 4–50 per acre), savannas serve as the primary habitat to many animals, including the redheaded woodpecker, a species of special concern. In fact, prairies and savannas support more rare and declining wildlife than any other terrestrial habitat type in Michigan.

The foundation’s environmental team is currently developing savannas in four areas (21 acres) of the property—an endeavor that first requires hours of thinning out existing brush before prairie grasses can be planted.

“Both prairies and savannas are very dependent on fire,” says McCuistion. “Without regular burning they will revert back to mixed-hardwoods woodlands.”

To prevent that from happening, the foundation’s environmental team conducts periodic prescription burns, a land-management practice geared to reduce buildup of dead vegetation, stimulate native grasses and wildflowers and retard growth of non-native, invasive plants.

The environmental team burned nearly 100 acres in 2006. “We’ve achieved some excellent results,” says McCuistion. “If you saw two patches next to each other, it would be easy to tell which one had been burned due to the increased growth and stand vigor.”

Other habitat-enhancement projects at Big Rock Valley include:

- Aspen-regeneration stands. A short-lived tree with a lifecycle of 30–50 years, aspen has a low timber value—causing many foresters to either ignore it or discriminate against it—but a high value for wildlife. Because aspen won’t tolerate shade and the individual trees share a common root system, they need considerable care to reproduce.

- Old-growth woodlands. Like prairies, old-growth woodlands are another disappearing but important ecosystem. A few old-growth characteristics: trees of all ages, considerable decomposing woody material on the woodland floor and a high diversity of plants and animals. About 10 percent (75 acres) of woodland at Big Rock Valley is managed for old growth, and in these areas thinning may be done for health or spacing reasons, but fallen trees and logs are left on the woodland floor.

In 2001 the foundation launched an inventory program for plants and wildlife, focusing first on amphibians and reptiles. Big Rock Valley is home to more than 30 varieties of amphibians and reptiles, with several threatened or special-concern species, such as the eastern massasauga rattlesnake, the spotted turtle and the Blanding’s turtle. The property features more than 650 different plants and 100 species of birds—many of which are not found in other areas of the state.

This ongoing inventory is an important tool in managing biodiversity, stresses Suseland. “Nature is highly reactive and even slight, gradual changes in habitat can affect a species,” he explains. “That means many land-management practices can have either a positive or negative effect, so it’s important to know what kind of ecosystems you have in order to best manage for them.”
A wide variety of animals, plants and insects can be found at Big Rock Valley, due to its diversified landscapes and ecosystems.

To maintain these unique habitats, the foundation’s environmental team engages in innovative land-management practices that span the gamut from prescriptive burning to creating and maintaining vernal ponds.
As part of its land-stewardship efforts, the foundation makes Big Rock Valley available to academic researchers and environmental organizations. With its diverse woods, prairies, fields and wetlands, the 2,600-acre property is an ideal place to study botanical and animal life.

Researchers use Big Rock Valley for a variety of projects ranging from basic research, which expands the general body of scientific knowledge, to research aimed at solving a specific problem.

Among recent projects, Jeff Evans, a doctoral student at Michigan State University, is studying garlic mustard. An invasive plant contributing to the decline of biodiversity in North America, garlic mustard is considered to be one of the most harmful and difficult species to control.

Evans is investigating the interaction of garlic mustard, deer browsing and native plants. “We know garlic mustard has a negative affect on native plants, but the overabundance of deer is also an issue that can’t be overlooked,” he says, explaining that deer eat native plants but not garlic mustard.

Evans is also collaborating with researchers at Cornell University and the University of Minnesota to identify insects that could be used to suppress garlic mustard.
“At Michigan State, we’re trying to develop a new population-modeling technique to predict which insect species might be most effective in controlling garlic mustard—and during what phase of the plant’s life cycle,” he explains. “Essentially, we’re searching for the plant’s Achilles heel.”

Such predictive modeling could save considerable time and money since it typically takes up to 10 years for scientists to conduct plant testing and put an insect into the field. “You want to be sure you’re right because once you’ve released the insect into the environment, you can’t take it back,” Evans points out.

Although Evans uses other test sites in Michigan and Indiana, Big Rock Valley is his favorite. “It’s a great place to be a researcher,” he says. “The foundation has supported every need I’ve had, from providing housing for field assistants to clearing trees that have fallen across my plots.”

Perhaps more important, Big Rock Valley is private property and managed very conscientiously, he adds, explaining that many of his plots in public parks have met with vandalism. “I’m not worried about what’s going to be here when I come back,” Evans says of Big Rock Valley.

Jim Ball, a private researcher and herpetologist, has been studying salamanders at Big Rock Valley since 2003. Among his discoveries has been a hybrid salamander with genes from three different species that previously had been sighted only on an island in Lake Erie. “This has made the scientific community rethink all of our old ideas on what kinds of salamanders are found in southern Michigan,” Ball says.

Another find: a large neotenic tiger salamander, which remains in the larval stage but continues to grow. “Because the foundation’s property has been managed so carefully, it’s an ideal place to look at biology,” Ball says. “Things continue to thrive here that have declined elsewhere in the state.”

Habitat diversity at Big Rock Valley is a real plus for many researchers.

“Animals need different habitats at different times of the year to thrive,” says John Rhine, who conducted several herpetological studies at Big Rock Valley while working on his master’s degree at Indiana University—Purdue University. “For example, many amphibians spend much of the year on land while relying on wetlands for reproduction.”

Reptiles found by Rhine and his assistants at Big Rock Valley include the eastern massasauga rattlesnake, the black rat snake and the Blanding’s turtle—among other species listed in Michigan as endangered, threatened or of special concern.

A graduate student at Central Michigan University, Kelly Marsack recently completed a two-year genetic study of eastern box turtles. This species is on Michigan’s special-concern list due to its disappearance from 10 of the 31 counties it once could be found. “This population decline is suspected to be caused by habitat loss and fragmentation, nest predation and deaths by motor vehicles,” says Marsack.

Despite the decline in population, DNA samples from turtles at Big Rock Valley and two other test sites showed high genetic diversity with no signs of inbreeding, which Marsack links to the long lifespan of the eastern box turtle. “The study suggests that species with long generation times give managers more time to offset the negative genetic effects of a demographic bottleneck,” she says.

Like Rhine, Marsack found the habitat diversity at Big Rock Valley a major benefit. “During spring and early summer, the turtles use grassland and pastures, but during the midsummer, they move to forests and bottomlands,” she explains. With 2,600 acres (2,100 of which are contiguous), Big Rock Valley affords turtles safe passage as they travel to find mates, shelter and food. “You don’t see many areas in the state that are like this,” Marsack says.

“Many of the parks I work in are spectacular, special places, but their management strategies are sometimes sculpted along political timelines because they’re dependent on state funding,” adds Evans. “In contrast, the foundation has a long-term management plan—they’re not just thinking two or three years down the road—which is much more in keeping with the time scales along which natural systems like forests change.”
Whether studying plants or searching for uncommon animal species, Big Rock Valley’s biodiversity is a plus for researchers.

**Visiting Big Rock Valley**

In addition to opening its doors to researchers, the foundation also hosts meetings for groups that share similar environmental ideals, such as The Nature Conservancy and the Michigan Entomological Society. Other visitors include student groups (from grade school through the university level) and community organizations.

“Besides wanting our guests to enjoy the property, we hope to encourage good land practices and inspire others to be good environmental stewards,” says Mike McCuistion, the foundation’s director of physical resources.
Southwest Michigan has been home to the Edward Lowe Foundation since it was founded in 1985. Although the foundation reaches out to entrepreneurs on a national level, we strive to follow our founders’ lead in the local community as a good neighbor.

In 2006 the foundation sponsored Young Entrepreneurs Day for students in Berrien, Cass and Van Buren counties. The event served as the capstone for an entrepreneurship course that teaches participants the essentials for launching a viable business.

At Young Entrepreneurs Day, students made oral and written presentations of their business plans—and received feedback from local business leaders on how to implement those ideas.

“Having the opportunity to expose youth to the principles of entrepreneurship is a great way to introduce self-reliance and economic independence,” says Dan Wyant, the foundation’s president and chief operating officer.
Another new event in 2006, the foundation held its first Cass County Leaders Luncheon at Big Rock Valley, attended by about 60 community leaders.

One of the goals of the luncheon was to give an update on foundation activities. “Because the foundation works largely at a national level, our programs may not be familiar to our neighbors. Yet staying connected to the local community remains important,” Wyant explains. “We also want to be a catalyst for communications in the county and give business leaders and elected officials a chance to get together and share common issues.”

Among other civic activities the foundation hosted in 2006:

• Cassopolis city leaders visioning session.

• National FFA officers meeting.

• Cass County Board of Commissioners strategic-planning meeting.

• City of Dowagiac mayor’s staff retreat.

• Southwestern Michigan College Board of Trustees long-range planning meeting.

• Cass County Council on Aging annual picnic.

“Both Ed and Darlene Lowe grew up in southwest Michigan, and they’ve always given back to the area,” says Wyant, noting that Ed served two terms as mayor of Cassopolis. Since its creation in 1985, the foundation has supported a variety of civic initiatives ranging from a youth center to a business incubator for local startups to the Council on Aging, a community center that provides meals, exercise classes, home care and other services.

“Community involvement is part of our heritage, and it’s something we’ll continue to support, especially when relevant to the foundation’s mission of entrepreneurship and land stewardship,” Wyant says.

“Community involvement is part of our heritage, and it’s something we’ll continue to support.”

– Dan Wyant, president and COO
Edward Lowe Foundation
At Young Entrepreneurs Day, high school students shared their entrepreneurial ideas with local business leaders.

“Especially in rural communities like Cassopolis, young people don’t often get a chance to get involved in business, and this is a great opportunity for them to do so,” says Cass County Commissioner Ronald Francis, one of the event’s mentors. “Some of the ideas were unrealistic, but many of students came up with really solid business plans.”
Economic gardening is an innovative, entrepreneur-centered strategy for economic growth that offers balance to the traditional practice of business recruitment.

In recent years the foundation has focused on second-stage companies and economic gardening. This stemmed not from formal research, but was rather an intuitive approach, in line with the entrepreneurial mindset that perceives and acts on a hunch to pursue an opportunity.

Following this hunch, we developed several initiatives to enhance the capabilities of second-stage entrepreneurs and recognize their contributions to the economy. A surprisingly strong and positive response to these programs tells us that we’re onto something.

We do recognize the need to validate our approach with more-targeted research and market analysis. To do so, the foundation has become the first national subscriber to a longitudinal database that allows us to move beyond traditional research data and track individual companies over time. It’s the difference between looking at a static snapshot of a region’s economic performance and seeing it in a movie with surround sound.
“This new approach will provide greater insight into a region’s business performance by following and tracking companies based on their stage of growth.”

With this data, we plan to create and publish economic information from a fresh perspective that will add value to our educational programs and recognition for the contribution of entrepreneurs. This new approach will provide greater insight into a region’s business performance by following and tracking companies based on their stage of growth.

Although individual companies may contemplate their passage through various phases of growth, business stage development has not been thoroughly studied, used as a research tool or considered as an economic-development strategy. We expect our focus on stage development to yield a myriad of benefits. For example, it could help regions:

• Better understand the composition of their business community.

• Discover new industry niches and competitive advantages.

• Compare the performance of their businesses by stage to national averages.

• Develop resources and strategies that are stage-specific.

Tracking individual companies over time also presents a unique opportunity to follow business migration in and out of regions. This practical research could lead to a greater appreciation for economic gardening—an innovative, entrepreneur-centered strategy for economic growth that offers balance to the traditional practice of business recruitment.

Along with our concentration on stage development and business migration, the foundation will also begin an in-depth study of community entrepreneurship advocates—those organizations and individuals directly affecting entrepreneurs or the culture and infrastructure in which they operate. These advocates are scattered across the public, private and nonprofit sectors, and very little is known about the group as a whole.

Why bother? Because even though the foundation can be the catalyst for change, there has to be a mechanism for delivering that change. The more we can learn about entrepreneurship advocates, the more we can help them work together to share best practices and accelerate economic growth and entrepreneurship.

Mark Lange
Executive Director