



Fostering Innovative Communities



Strengthens Rural People, Places, & Economies in the Pacific Northwest

Develop Networks of
Rural Leaders

Revitalize
Rural Economies

Elevate Rural Voices and
Priorities

Improve
Access to Resources



www.rdiinc.org

Tremendous Thanks!



BEACON
BROADBAND



THE Ford Family
FOUNDATION



**MAIN STREET
AMERICA™**

Coordinating Program

OREGON MAIN STREET



RURAL DEVELOPMENT INITIATIVES



Workshop Series Overview

- Economic Vitality 101
 - From Numbers to Action
 - Business and Property Owner Engagement
 - *Key Mindsets for Engagement
 - Place Based Economy Building
 - **Fostering Innovative Communities**
 - Entrepreneurship – *December 5, 10:00-11:30 am*
- 2024:
- Energy on Main
 - Broadband and Resiliency



Group Norms

- Take care of your own needs
- Participate fully and respectfully
- Check assumptions and ask questions
- Lead with **curiosity** *in yourself and interactions with others*



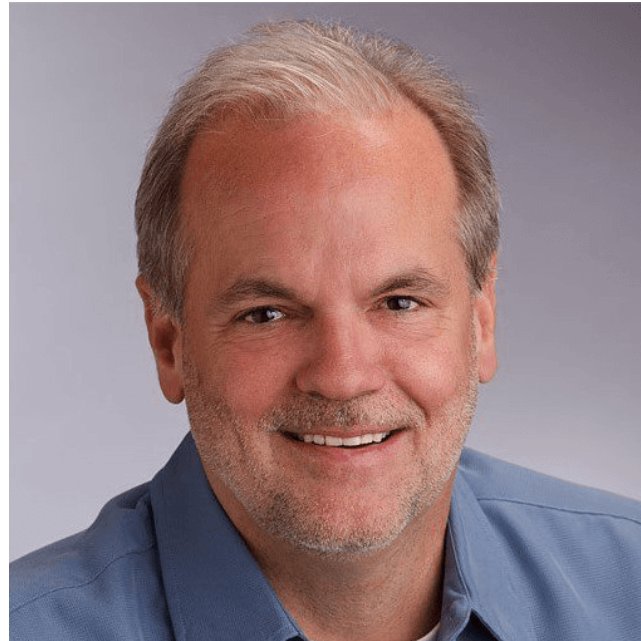


Discussion:

Rank the economic health of your Main Street. (Scale 1-5)

Why?

Meet the Presenter



Brad Attig
Foundry Collective



A street scene featuring a crowd of people gathered on a sidewalk. A building with a striped awning is in the background. A street sign for 'HIGH ST' and an 'INFORMATION' sign are visible. The scene is overlaid with a semi-transparent dark rectangle containing text.

Fostering Innovative Communities

Brad Attig
Foundry Collective

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kivaUS



Nonprofit focused on helping rural communities embrace innovation, accelerate entrepreneurship, and create economic opportunity through local partner organizations.

Why Talk About Innovation?

Innovation is the introduction of something new. Like new ideas and new ways to look at things. New solutions and new businesses to solve old problems and improve quality of life.

Why Talk About Innovation?

If we want to foster innovation in our communities, we need to understand what innovation is and we need to dispel the notion that rural can't innovate

Why Talk About Innovation?

Today I'm going to cover 4 things:

1. Why innovation is important
2. How innovation differs in rural
3. Better ways to measure innovation
4. What innovators & entrepreneurs need

Why Talk About Innovation?

Innovation propels small communities forward by creating new businesses and improving existing ones

- There are 30.7 million small businesses in the US & 10% employ 5 people or less
- Annually small businesses create 1.5 million jobs
- Covid-19 has rendered 31% of small businesses non-operational

Why Talk About Innovation?

- New generations are 188% more likely to create a side business
- Research found a 30% positive difference in annual revenue growth for rural businesses that get the assistance they need
- Unlocking the digital potential of rural America has huge upside potential

<https://www.uschamber.com/series/above-the-fold/unlocking-the-potential-of-rural-america>



How is Innovation Different in Small Rural Communities?

Innovation in Urban

- Collective effort
- Formal system
- Patents
- Lots of resources and money

Innovation in Rural

- User innovation - Solves a personal problem, consumption problem or improves a business process
- Process and product improvements - Incremental
- Linear Innovation (problem solving) vs Disruptive Innovation (profit motive)
- Rural entrepreneurs have different challenges than urban
- It matters to the community...jobs, services, products, culture, and more

The Small Town Innovation Equation

When looking at regional outcomes, higher innovation was associated with

- Higher percent employed in creative occupations
- Higher median household income
- Lower poverty levels



How Can You Find Out if Your Location is Innovative?



Why Talk About Innovation?

Conventional thinking is that only big cities foster new ideas. Recent research at Penn State shows innovation is widespread in rural places, just not by how we traditionally measure it.

<https://news.psu.edu/story/602839/2020/01/02/research/innovation-widespread-rural-areas-not-just-cities>

Why Talk About Innovation?

Latent or hidden innovation is not recorded and tracked the way patents are, but it appears to be at least as important in terms of economic growth and rural impact.

<https://news.psu.edu/story/602839/2020/01/02/research/innovation-widespread-rural-areas-not-just-cities>

Remember This Number

3147



Innovation Intelligence

[Map Tool](#)[About](#)[Reports](#)

Crafting data-driven regional development strategies requires data to determine capacity for innovation and regional competitiveness. The headline or summary index is calculated from multiple index categories based on inputs and outputs. The index is a hierarchy, built up pyramid-like from a large foundation of data that is transformed into metrics that are key to each category. In this way, you can see your summary index and rank, as well as dive into the categories to understand which areas of innovation reveal your region's strengths and weaknesses.

We provide three distinct ways to explore this tool:

1) View the indexes and measures via the map by clicking on the folders. **2) Click** on a county or region to view the innovation profile that appears below the map. **3) Scroll** down further to use the comparison feature.

<https://aese.psu.edu/nercrd/news/innovation-is-widespread-in-rural-areas-not-just-cities>

<https://www.statsamerica.org/innovation>

Are you Innovative?

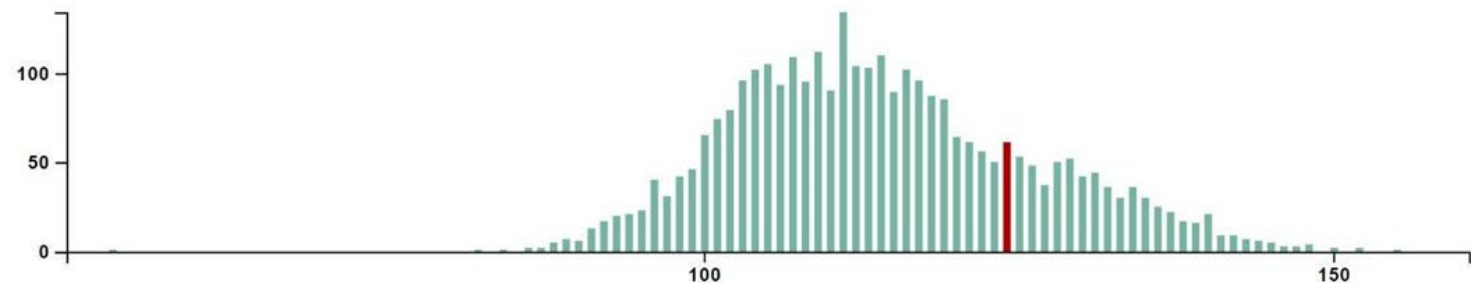
Josephine County, OR

Population: **87,097** Per Capita Income: **\$46,913** Largest City: **Grants Pass**

Innovation Intelligence Index

124.2

Rank: **651**



The graph above, and the similar graphs below, show the distribution of index values for all counties. The value for Josephine County, OR is highlighted in red.

<https://aese.psu.edu/nercrd/news/innovation-is-widespread-in-rural-areas-not-just-cities>

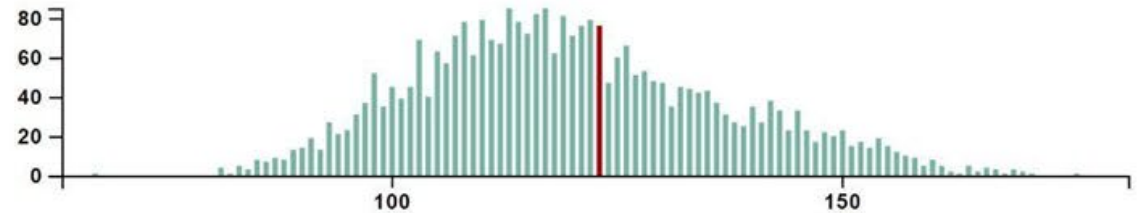
<https://www.statsamerica.org/innovation>

Are you Innovative?

Human Capital and Knowledge Creation Index **123.9** (rank: 1,150)

Key Takeaways

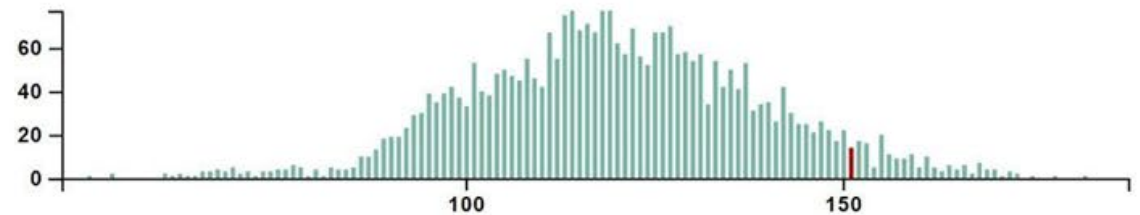
- Patterns of establishment formation and composition indicate a **moderate** level of business competitiveness.
- The top measures for this index are:
 1. Some College Attainment (rank 12)
 2. Average Prime Working-Age Population Growth (rank 243)



Business Dynamics Index **151.1** (rank: 174)

Key Takeaways

- Patterns of establishment formation and composition indicate a **high level** of business competitiveness.
- The top measures for this index are:
 1. Establishment Births to Deaths Ratio (rank 243)
 2. Establishment Births to All Establishments Ratio (rank 536)

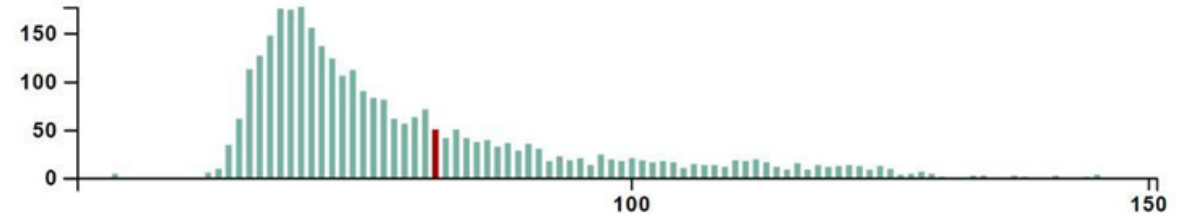


Are you Innovative?

Business Profile Index **81.5** (rank: 919)

Key Takeaways

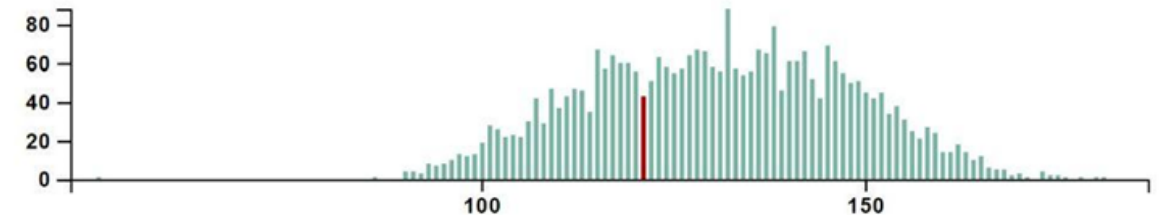
- The relative availability of resources for entrepreneurs and businesses is **moderate** in this area.
- The top measures for this index are:
 1. Proprietor Income to Total Wages and Salaries Ratio (rank 177)
 2. Industry Diversity (rank 774)



Economic Well-Being Index **121.4** (rank: 2,140)

Key Takeaways

- As measured by residential internet connectivity and income, this area has a **moderate** standard of living.
- The top measures for this index are:
 1. Change in Proprietor Income (per Proprietor) (rank 141)
 2. Broadband Infrastructure and Adoption (rank 1549)



Are you Innovative?

i Proprietorship Rate

159.0

The number of nonfarm proprietors divided by the total number of employed individuals.

i Change in Proprietorship Rate

99.7

The five-year change in the proprietorship rate, showing whether proprietorship has increased or decreased.

i Proprietor Income to Total Wages and Salaries Ratio

187.8

Proprietor income divided by total wages and salaries in a region. A high regional ratio suggests the presence of profitable entrepreneurial activity, which may also indicate a more dynamic and innovative economy.

1898
GENERAL MDSE.
HOLLAND OREGON

Innovation and Entrepreneurs



What Rural Innovators and Entrepreneurs Need

Center for Rural Entrepreneurship (The 5 “C’s”)

- Culture (Local Community Perception & Support of Entrepreneurship)
- Connection (Resource and Relationship Network)
- Capability (Entrepreneur and Owner Skill Sets)
- Capital (Financial Resources)
- Climate (Regulatory, Economic Development, and Policy)

What Rural Entrepreneurs Face

Kaufman Center - Rural Entrepreneurship Initiative

- A culture that does not support entrepreneurship
- Enough demand to justify support services
- Absence of other entrepreneurs
- Distance to market and services
- Gap in capital availability
- Absence of industry clusters

What Can We Change?

1. **Make entrepreneurship cool**
 - a. The social legitimacy of entrepreneurship is critical for both the formation of entrepreneurial intentions and the translation of intentions into behaviors in a region
2. **Community engagement**
 - a. Entrepreneurship is positively linked to cultures that support “Individual initiative and some amount of positive risk-taking”
3. **Entrepreneurial leadership development**
 - a. Leadership in rural entrepreneurial ecosystems is typically the stimulus required to drive the establishment and growth of the ecosystem

Culture & Connections

Who do we need at the table to increase innovation and spur entrepreneurship?

How do we engage them?



ENTREPRENEURIAL ECOSYSTEM

Wrap Up & Reflection



Reflection

What's something new that you learned about today that you would like to try?

A photograph of a busy street scene. In the foreground, a crowd of people is gathered, some wearing costumes. A striped awning covers the storefronts. A street sign for 'HIGH ST' and 'INFORMATION' is visible. The text 'Session 2: How to support small businesses and Entrepreneurs in your Community' is overlaid in large, bold, black font.

Session 2: How to support small businesses and Entrepreneurs in your Community

Brad Attig
Foundry Collective

Thank You!

Be extraordinary. Take responsibility.

Honor yourself and others.

Be authentic. Embrace change.

Create and explore. Be influential.

Care and collaborate.

