



## **NETForce Meeting**

**Friday, September 7, 2018**

**Informal Networking – 9:00-9:30 a.m. (CST)**

**Meeting – 9:30 a.m. (CST) – 2:45 p.m. (CST)**

**Grand Island Career Pathways Institute**

**Grand Island, NE**

***Special Note: The meeting agenda, handouts and meeting minutes are all available online at the NDE Entrepreneurship Education website at <https://www.education.ne.gov/entreped/net-force/>.***

Participants: Colin Robertson-Econic, Jim Reiff, Steve Bors, Dan Phillips, Brad Keasling, Gene Knapp, Don Hulme, Kathy Eitzmann, Lisa Tschanuer, April Myers, Sandra Barrera, Doris Lux, Aliese Hoffman, Justin Arnold-UNL Extension, Valentina Obafuma-Nebraska Department of Economic Development, Griselda Renton, Cindy Johnson, Marilyn Schlake, Levi Cermak

On line: Shawn Kaskie, Gregg Christensen, Linda Hartman, Taylor Wickham, TelCom-C39WM

The meeting convened at 9:30 a.m.

Steve Bors called the meeting to order.

### **Grand Island Career Pathways Institute**

Dan Phillips, Director of the Grand Island Career Pathways Institute (CPI), expressed his delight that they could host NETForce and described the Career Pathways Institute. Located in Grand Island, Nebraska, this innovative learning experience benefits high school students and helps provide area businesses with a well-trained workforce. They offer motivated learners the opportunity to successfully enter the world of work or college on completion of high school. Classes are offered at three campuses in Grand Island: In the new Career Pathways Institute; at Grand Island Senior High; and at Central Community College.

They have moved to 3 hour classes at CPI to get the depth and the higher education side so they could get a year of college done while they are with CPI. They are taking this concept to the high school. 650 freshmen are enrolled in the Freshman Academy. In 2019, all students will be in an academy (six smaller schools within the school). Entrepreneurship is a key component with an incubator program. Entrepreneurship is the capstone experience. They are using UNLs Blueprint as the starter curriculum and then moving on to more advanced INCubator curriculum. This is a great opportunity for students with the opportunity to travel to Chicago if they are selected in the top 5 nationally. Grand Island will be adding programs in engineering, alternative energy and aviation in the remaining area of their Adams Street campus building.

They are also piloting registered apprenticeship programs for students age 18 and under. Working with NDE, Nebraska Department of Labor and the US Department of Labor they created the first apprenticeship program with Dramco Tool. Twenty percent of staff at Dramco are now GIPS graduates or students. More apprenticeships in automotive, electrical, plumbing are planned. These apprenticeship opportunities are popping up all over the state as a result of their efforts.

They just had the business kickoff with over 300 business partners to celebrate the connections between GI Public Schools and the Grand Island area business community. The academies are key to having a plan in place for a successful careers.

The misconception is that they are just sending students to the production line. It is actually a very structured process with learning competencies that they must master. They are then certified by DOL as a registered apprenticeship.

Grand Island also has a progression of workplace experiences for students based on the Nebraska Career Education Workplace Experiences Continuum.

Dan shared a quote from Dr. Winter, former superintendent "if you're here now, and you see the exact same things in 3 years, we are not doing our job." They are ever-changing and striving to meet the needs of employers AND students.

## **Minutes**

The draft minutes for the NETForce meeting on April 13, 2018 were shared online at <https://www.education.ne.gov/entreped/net-force/>. It was moved, seconded that the minutes be approved. Approved unanimously.

### **Cindy Johnson – Grow Grand Island-Community Business Development Strategy**

Cindy commented that over the last 20 years, Grand Island has lost entrepreneurship spirit and become very risk averse. Early founding entrepreneurs have passed on their businesses but not necessarily the entrepreneurial spirit.

MarketStreet out of Atlanta conducted a study of what was needed in next Grand Island for the next 10-15 years. 2.1 through 2.5 are the areas they are tasked with accomplishing (see handout). Creating a culture conducive to failure has not been accomplished. The report gave examples of best practices.

She commented that sometimes we "throw a party, but nobody comes." A key question is "what are we doing to create an energy." They have great programs in place but having trouble identifying entrepreneurs to nurture. They have classes and programs in entrepreneurship at CCC, but they still are not building the base of entrepreneurs.

Help is needed in creating a culture that it is ok to fail, think differently, and just start! Parents of all ages tend to discourage entrepreneurship. Cindy's brother founded an entrepreneurship endeavor in Ravenna as a positive entrepreneurship success example.

The study conducted showed that an ecosystem in GI is important, but not as accepted as it should be. To address this they started the GROW Grand Island Community Business Strategy (see handout). Sometimes Grand Island thinks of entrepreneurial start-ups as "small business" while really many of the small businesses aren't a "new" innovative venture.

GROW Grand Island started at the end of 2014 as a result of the MarketStreet study. They interviewed business, start-ups, and community stakeholders and found that an area lacking was in entrepreneurialism. The handout that Cindy provided has a list of tasks for the next 5-10 years. The outline is done, but not a lot has been accomplished so far. They have great programs with NBDC in helping with business plans and focusing on new business development but they are not well attended. Classes are offered at CCC, but they also are underutilized. It is difficult to encourage that "culture."

Doris Lux suggested that Grand Island needs a SCORE chapter to help bring in new businesses.

Lisa Tschauner commented that the job market is great right now so people are employed, reducing the incentive to be entrepreneurial. She asked if there is a way innovation can be created within the bigger companies.

Cindy shared that the schools created an incubator program last year. GIPS INCubator, is a national program, that gives students an "In" of identifying a problem, figuring out a solution to that problem, then present their solution for possible. Two groups worked last year and could have competed at the national level. One idea that was generated was the delivery of product and services and the other was a pooper scooper for the yard. Although these were not necessarily new ideas, it was re-re-envisioning existing ideas and making them new. This year there are 4 groups. They are hoping this will start some momentum with young people. They use a lot of business mentors in this program. Businesses that have become engaged enjoy the process. 200 individuals and businesses have signed up to help with the program.

A comment by Jim Reiff was about the need to create spaces where entrepreneurs can meet and talk with other entrepreneurs. They don't necessarily need a "workshop". Even just a few meeting is a great start. Jim shared that sometimes it's just creating a space for them to connect. Start small and let it grow naturally. Even if you start with just two, that's ok. 2 can grow to 4, to 6, etc. Lincoln just launched Lincoln Link with grants to help with new entrepreneurship ventures. Also mentioned was the concept of reverse competitions.

Lisa Tschauner noted that really finding a key person in businesses who "owns" the problem of finding new owners down the line is important. Business transition is a player in this arena.

Nancy Eberle suggested the need to start with young children by offering camps in the summer, one day workshops, and in-class curriculum through UNL Extension. Start young and the entrepreneurial spirit will grow. This is not necessarily offering "career" workshops, but rather teaching them to think out of the box. Middle school is a great time to capture kids for things like summer camps. This is a long range initiative, but it must start with young people.

Sandra Barrera indicated there is a need to work with Latino entrepreneurs. There are a lot around, but we don't necessarily know who they are. Working on engaging them and bringing opportunities to them is important. Creating programs like coffees and other opportunities for them to talk and network is vital. Doris Lux (Central Community College-Columbus) shared that 80% or more of her new businesses are Hispanic. REAP has provided 59 loans to Latino businesses in Nebraska.

From the success story perspective, downtown Grand Island is a great example of entrepreneurial success. Boutique shops and small businesses are creating new energy. People feel that the ambiance downtown is more appealing than the strip malls.

Doris shared that she has 3 new clients that came through SCORE. Gene Knapp shared that they have tried to start a SCORE chapter but have not been successful. Columbus went through the same problem; it's about finding the right intermediary.

Nebraska Enterprise Fund is seeing lots of loan requests and an increase in the demand for training.

Doris mentioned it's important to invest in entrepreneurs and give similar tax breaks and health insurance to entrepreneurs.

Another need is to emphasize buying local. Lifestyle businesses can grow!

Obafunwa shared that there is a \$25,000 grant program for entrepreneurs in Lincoln.

## **Colin Robertson – Econic**

Colin has been in business for 10 years. His previous company was helping Ted Talks ideas move into actual business ventures. Econic does innovation consulting for large companies. They help find new opportunities for communities. They created a six month program with 4 in-person workshops with those in business or starting businesses. The program connects participants to mentors or coaches. Econic is currently working with Columbus and Grand Island. A selection process takes place and those chosen are the companies they focus on. They work within a 50 mile radius of the community. They have conducted the program in Sidney after Cabela's moved. There is a need to show people that international markets are available to them. They are also worked in Hastings.

This is still a pilot program. Recruitment is through connections locally. Recruiting is done through connections through other people. They are mostly going to coffee shops, community colleges, high schools, anywhere an entrepreneur might be.

Workshops are free vs. some of the other programs that can be pricey and long. They want to work with communities of 20,000 or more. The program looks for five entrepreneurs in each community (super stars) in whom they can invest their coaching resources.

This is for ANY type of business that could have a regional, state or national impact. The mentors will be small town entrepreneurial success stories from around the country. INVEST Nebraska is covering half the bill, the community covers the other half (total \$40,000)

Columbus is incorporating 6-8 counties out, not just the city of Columbus. The target size community/area is 20,000 population.

There is a need to work with employers to be more flexible with allowing employees to attend the workshops. This is a major hurdle. Most are not be willing to lose this productivity time from their employees.

## **Entrepreneurship Best Practices Summit**

Marilyn gave overview of the planning for the Summit that will take place October 30<sup>th</sup> at the Holthus Conference Center in York. Registration is now open and there is a great lineup of speakers this year.

Erica Wassinger, co-founder of the Omaha Startup Collaborative will be the opening keynote presenter. Kelly Holthus and Dave Rippe will share perspectives on Nebraska's economic prospects. The breakout sessions were described for the morning and afternoon sessions. NETForce Awards presentations will be during the luncheon. Big Idea Talks will be a part of the program again. The closing keynote will be focused on the Future Builders program and the Born to Build book by Gallup.

A copy of the flyer was distributed. Program for the most part is ready to go. The cost of registration has increased to \$60 and we have added a student registration rate at \$30. The entire Holthus Center has been rented.

Promoting right now is the key. Relative to the budget, we have received good sponsorships and partnerships to help defray the cost of the summit. The hope is to have higher attendance this year of around 150. More would be great! Participants are teachers, economic developers, local and state policymakers. We especially would like to have more policy makers attending. Steve invited anyone interested to get involved with the planning team.

## Partner Updates

### Steve Bors – Southeast Community College Entrepreneurship Center

- They offered a pilot program to offer UNL Law Clinic's Legal sessions for entrepreneurs.
- It was set up with 6-8 time slots for students to meet with a practicing lawyer and law student.
- They filled all but one slot with minimal promotion.
- Those receiving the help thought it was very worthwhile.
- They will have another pilot at SCC this fall.
- We will hear more about this at the Summit.
- Their twenty Focus Suites are all full.

### Doris Lux – Central Community College-Columbus

- A Verizon STEM camp was offered this summer through grants with Verizon and NAACE.
- Fifteen sites were selected to offer the camps across the nation.
- 100 girls working in teams of two developed and pitched the business idea they came up with.
- Investors and community leaders were invited to hear the pitches.
- Technology used during the camp included virtual reality goggles, 360 camera, digital printers, 3 D pens, textile/sewing technology and laser engravers.
- The camps were very intense; three weeks of the camp that ran from 9:00 a.m.-4:00 p.m. daily.
- At the end of the three weeks they did a pitch of their idea and pitched to the public.
- This will continue for an additional 9 months, meeting monthly to learn more and help bring some of the business ideas to fruition.
- Going to visit Behlen Manufacturing and Pillen Farms.
- The STEM Camp was open to middle school girls that from low income or minority populations.
- Focus was on rural entrepreneurship.
- The participants loved it.
- They want to keep their ideas going
- ESI camps were conducted in Central City, Albion, Boone and Nance County.
- She is also working with a USDA grant thru SCORE for ag-related workshops that is presenting a challenge because it is hard to get farmers, especially Hispanic farmers, engaged.
- Econic's program is up and going in Columbus.
- Indoor farmers market is one of her groups, Nebraska Nut Association marketing coaching is taking place.
- Business coaching is continuing.
- Just started professional luncheon with 5 businesses cooperating.

## Entrepreneur Panelists – Working Lunch

*Note: All the panelist's companies are family businesses*

### Jason Hornady and Angela Simdorn - Hornady Manufacturing

- Hornady is a family owned firearms industry company.
- Anyone in the family can come back after getting relevant experience.
- They have an internal "think tank" to develop new products. They literally sit in a room and talk about what they think is cool.
- A great quote from him as "You are always at the mercy of your dumbest competitor."
- They don't compete on price, they compete on new products.

- They are evolving from manufacturing to a technology company that manufactures and sells things.
- Hornady is a new products company; they must be nimble and come up with new products constantly.
- The challenge is that the market is changing to more on-line, technology based marketing.
- They average 100 new products a year.
- The business is family oriented. Most of the new fresh ideas are coming from private/family owned businesses.
- Jason works with the INCubator program at the Grand Island Senior High School.
- Jason and the Hornady Company want to give back.
- It is fun to engage with young people and see that the problems they have are universal just like when he started.
- Lots of threats to their company but they just can't worry about it or if it would hurt their business.
- He cautioned it is necessary to be aware of threats, but don't dwell on them.
- There is a lot of regulatory compliance that needs to happen.
- Compliance is much easier with the current administration vs the prior one.
- Common saying in the building is "if you are not making mistakes you are not trying"; don't let your ego get too involved.
- You learn a lot through failure.
- They allow employees to come up with new product lines or enhance what they have. They do allow for additional education for employees as well.

#### **Mike Young - GIX**

- Mike joined the company in 2008; he liked how Tom and Jim Pirnie run the company
- GIX was founded as a trucking firm.
- It is a second generation, logistics business with a unique twist.
- The company is going through quite a renovation.
- They are more open than a traditional workspace and have fun, relaxing area to do things like ping pong.
- GIX is opening up their fourth office in Ft. Worth in two weeks; adding more employees.
- When thinking about external threats, they are always fighting regulations.
- Sometimes regulations weeds out competition who cannot adjust, however.
- GIX has value added services which tends to be a "catch phrase".
- Employees need to understand the true value that is brought to the table.
- They always make sure they back up what they say they are going to do. This lends to continuing business.
- They are selling a service in their company, not a product, so it is imperative that they stand behind what they "provide" in the way of service.
- They fail a bit every day - it's part of the industry.
- The big thing is to have people just try things even if they mess up - it's a way to learn.
- Even with new employees you have to create an environment to allow people to make mistakes and learn.
- Every position is commission or bonus based.
- They work on meeting clarity of target goals (numbers based).
- They are also doing leadership development within their company.

### **Kevin Houtwed - Hotwoods**

- Their first design was a hydraulic unit to go on a 4 wheeler.
- Yamaha hired him to sell this new unit.
- By the time he was one year into his own business, he had 5 employees working for him.
- He always wanted a product line.
- He considers himself an “accidental entrepreneur”. He has been called a dreamer all his life.
- He got into the boat business, started down that path, then got into docks and fencing for cattle.
- A great quote was “Once you get someone to like what you are doing, it's easy to build on that.”
- Entrepreneurs need to surround themselves with the right people.
- His business is a "happy" environment; you need to enjoy what you do.
- He helps mentor youth in the Engler Agri-Business Entrepreneurship program at UNL.
- Threats to the business - he feels you just keep doing the best you can do.
- His boats are shipped all over the world.
- He feels you need to fail a few times; it makes you a better business in the long run.
- Failure makes you go back to the drawing board and rework your project.
- There is a lot of opportunity in failure.

### **Jerry Heidelk - Performance Plus Outdoors**

- Comes from a background with Pinnacle Bank.
- He work with marketing people to develop the branding for the items that are developed.
- There is a need to have a story to tell; if you don't have that in place you can't sell it.
- In order to keep growing you need to comply with the regulations out there.
- It takes a wise man to figure out that he's fighting in the wrong weight class.
- Entrepreneurs need to make sure the right people are in the right position in the business.
- Recognize that you aren't the only person who can fix a problem.
- When people have new ideas their first mind set is in products within a store environment. Not all ideas are "shelf ideas".
- Products development must be good enough to sell in the market space.
- You need to go out and market your product and prioritize the ideas to take a good idea to market.
- Swagger bi-pods and Deer feed were entrepreneurial “branch-outs”
- They are in Walmart, Tractor Supply,

### **Partner Updates (continued)**

#### **Lisa Tschauner and Aliese Hoffman – UNK Center for Entrepreneurship and Rural Development**

- It has been an exciting fall.
- They piloted the live and learn community on campus; a freshman/sophomore program with an upper class person acting as mentor.
- Enactus had their first meeting with 60 students involved.
- They are looking at an international aspect.
- They will be hosting the New Venture Adventure again.
- They have incorporated an "Entrepreneurship around the World" class into the freshman curriculum.
- Central Nebraska Startup Week is November 5-9.
- They will include a Big Idea contest on Nov. 7 with a college category and community category competition.
- The Center’s team is working on an EDA grant with NBDC for a research portal.

- They are launching a customer service academy.
- Loper Links online platform has been created so students can build their portfolio/profile to connect with each other.
- Brewed Awakening, their student operated business on campus, is hiring an assistant manager.
- New Venture Adventure (NVA) will be hosted October 25 for high schools across the state.
- NVA on the Road went to Ord last year and they plan to go back again this spring.
- They will go to Holdrege to work with them this year.
- The Tri City Economic Forum is Sept. 21 in Hastings.
- They plan to have a high school business idea contest in September of 2019.
- Work has started on youth programs; taught Biz kids.
- They would like to do a next level version with a 2-3 day camp on campus for a startup business workshop.

#### **April Myers – Business Development-Greater Nebraska for Nebraska Enterprise Fund (NEF)**

- April mentioned the Central Nebraska Startup Week.
- Hastings and Kearney are involved at this point.
- They are offering a workshop on taxes.
- NEF is partnering with Cozad for a Quick Books seminar; two day session for 16 hours.

#### **Jim Reiff – Nebraska Enterprise Fund**

- NEF granted Community Advantage loan capability.
- This allows them to consider loans that might have been very hard to do in the past.
- On October 19, Startup Success will be held in Omaha.
- It will have 0-5 year, 6-10, and over 20 year business panels.
- Quick Books training will be held in Omaha in September.
- A Legal Forum will be held Nov. 9 in Omaha; with an SBA Veteran's and Business week reception at the end.

#### **Department of Economic Development**

- The state invests a lot of dollars into companies that support entrepreneurs.
- It is generally thought that high tech is the only thing DED and the state support.
- Bio science or agriculture has a lot of funding available.
- Their fiscal year just opened in July.

#### **Brad Keasling – Central Community College-Hastings**

- A new dean of business and entrepreneurship is to be hired.
- They cover a 25 county area.
- They are creating a web-blended program in Holdrege to roll out in January.
- Their advisory committee helped to put this business administration program together which includes entrepreneurship.
- The hope is that this will take off and a pilot program can be put into the Lexington area as well.
- Local people will be teaching in the program.

#### **Don Hulme – Central Community College-Hastings**

- Don is excited about the new dean coming into Hastings campus.
- It seems to be a little less interest in starting new businesses- seeing more interest in just wanting a "job".
- Advanced manufacturing is expanding and using some of the Incubator Space.

- Co-working spaces beginning to come to reality in the Hastings area.
- They have identified buildings that could be used - funding needs to be put into place yet.

#### **Gene Knapp – SCORE District Director**

- SCORE offers a resource center for SBA; volunteers in mentoring and training.
- This year they signed an MOU with USDA working in the same context as SBA.
- They are also working with FSA and Rural Development; using federal guidelines, almost all of Nebraska is considered rural.
- RD will take on non-producer oriented businesses if they are in the "rural" area.
- They need to add mentors that are more ag-oriented.

#### **Sandra Barrera – UNL Extension Vitality Educator**

- Sandra is working with Latino business startups (see handout).
- She is looking for speakers to offer training to 40 women to learn about starting a business for 4 sessions.
- Receive certification which helps them with funding and regulators.
- Helping around 150 people at the current time with all the programs they offer.
- Starting with business tours - walking tour for "Celebrate Business Diversity 2018" to help to network and learn about local businesses. This will be held October 5.

#### **Griselda Rendon – REAP Center for Rural Affairs**

- REAP is helping with the walking tour.
- REAP put together a package for what they do; technical assistance, group training and micro-lending.
- Using the New American Loan fund, they can loan to those with only a work permit.
- People who do not have a credit history can qualify for these loans.
- A loan is also available up to \$5000.
- They can loan up to \$150,000 for larger requests.
- They are doing cyber security training for businesses on Sept. 7.
- Food safety, basic business, and basic computer skills training will be offered.
- November 12 an IRS tax seminar will be held at Central Community College-Grand Island.
- They will have virtual class available in Kearney as well.

#### **Shawn Kaskie – Rural Futures Institute**

- Shawn is working with UNK, CVI, Nebraska SourceLink, and the Rural Futures Institute (RFI).
- Working with NE Source Link for RFI in the Tri-City area to onboard external partners into the link pilot project.
- This is part of the larger Nebraska entrepreneurship initiative.
- RFI had servicership interns last summer-24 students in 11 communities.
- They will be doing that again next summer.
- They lost funding due to the budget cuts.
- Rural broadband issue is a focus of RFI; Microsoft is a partner helping with this process.
- Blueprint program (not what he works with) might be a potential speaker come in and talk at one of our meetings.
- Cathy Lang is on that committee.
- Source Link is an on-line platform for connecting all of the entities with each other.

## **Marilyn Schlake – Nebraska Extension**

- E-communities effort with a community aspect; working with 8 communities across the state to facilitate conversation on how the community can address entrepreneurship issues and link them to resources with Source Link.
- Helping communities put together goals with which to go forward. 1
- Twelve (12) people in various regions will work with pilot communities through an EDA grant.
- The CEC conference will be April 24-25, 2019 in Beatrice.
- She reminded everyone to attend the Entrepreneurship Best Practices Conference, October 30, 2018 in York.

## **Gregg Christensen – Nebraska Department of Education**

- Gregg had to sign off during the working lunch but his Activity Report was available and is also on his NDE Entrepreneurship website at <https://www.education.ne.gov/entreped/net-force/>

## **New Business**

- Winter NETForce meeting will be January 18<sup>th</sup> in Kearney pending confirmation of facility availability.
- Spring meeting will be tentatively held in April. Nancy will contact for April 12th in Hastings
- Effective July 1 NETForce will need new chair elect with the commitment starting July 2019. Marilyn Schlake was willing to put her name forward. April Myers was proposed as Secretary and she said yes. By show of hands they were elected.

Steve thanked everyone who came. We are always looking for more to join if you want to become involved.

A tour of the facility was available for those who had an interest.

The meeting adjourned at 2:00 pm.

## **Respectfully submitted**

Gregg Christensen, Secretary

*Special thanks to Nancy Eberle for taking notes as well throughout the meeting and after Gregg had to sign off.*