
What On Earth Is Entrepreneurial Infrastructure And What Do We About It?

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Striking the Right Notes On Entrepreneurship
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Four Things to Talk About

1. Pinning down semantics
2. What are we trying to accomplish?
3. An on-purpose example
4. Striking the Right Entrepreneurial Infrastructure Note



Entrepreneurship: The Square One Definition

“{entrepreneurs are individuals who create value in an economy} by moving resources out of areas of low productivity and into areas of higher productivity and greater yield.”

Jean Baptist Say, 1803



Entrepreneurship: A Working Definition

The ability and willingness of individuals to take risks and to start & successfully operate new companies.



Entrepreneurial Infrastructure

The public and non-profit systems, services, and facilities of a region that help enable entrepreneurial activity.

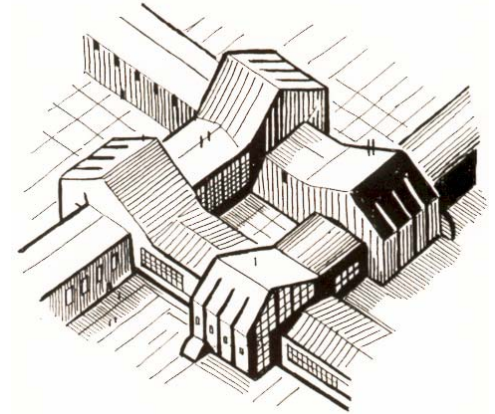


What Are We Trying To Accomplish?

- The What
 - Public & non-profit systems, services & facilities that better enable entrepreneurial activity.
- The Why
 - Marketplace Value, Community Values
- The Focus
 - Developing Companies & People
- The Cluster Connection
 - Can be an efficient & productive port of entry.



What is a Cluster?



A Cluster is a geographic concentration of interrelated competitive firms and institutions of sufficient scale to generate external economies...*making the whole greater than the sum of its parts*

Clusters “Happen”

A cluster occurs where a group of businesses, drawing on similar resources, exist in relationships with other nearby businesses and institutions that contribute to their competitiveness. This is why such a wide variety of clusters occur, ranging from the “high tech” clusters of microelectronics, semiconductor, and software businesses in Silicon Valley, California, to the Automotive industry in Detroit, Michigan, to the Houseboat Building industry in Eastern Kentucky or the Ceramics industry in western New York. Any concentration of similar businesses that draw on a common pool of suppliers, services, educational institutions, workforce skills, natural resources, or other assets that can be found in a region may be a cluster. Nobody engineered them, or created them in most cases, but they happened anyway.



The Cluster Connection

- Source of regional competitive advantage
- Specialized service environment in place
- Density means customized service or facility opportunity



Developing Entrepreneurial Infrastructure in Central Louisiana

- Starting Points
 - The Economy
 - The Business Culture
 - A Key Intermediary: The Rapides Foundation



Developing Entrepreneurial Infrastructure in Central Louisiana

- A Plan (of sorts)
 - Incubator on a mission
 - The Cenla Advantage Partnership
 - Entrepreneurial League System
 - Next step(s): early stage capital ?



Step One: Incubator w/ 4 Organizing Principles

- Core operations committed to higher wage, traded-sector firms
- The physical and spiritual entrepreneurship hub for Cenla
- Wide-spread community support requirement
- Anchored in best practice



Step 2: Cenla Advantage Partnership (CAP)

- A privately funded regional economic development partnership
- Born out of an extended community engagement initiative
- Focus on on helping existing companies grow & prosper & starting new companies
- Final formation stage



Step 3: Entrepreneurial League System

- Key Premise: entrepreneurs can be developed
- Acquire the right skills at the right time for their stage of personnel development & the growth stage of their company
- Goal: create & fill a pipeline by developing the people (not the businesses)
- Patterned after major league baseball farm team system
- Can be powerful (maybe even transformational) community development tool
- Status in Cenla: planning stage



Step 4: Something on Capital (?)

- Seeding in the gaps
 - Early stage risk capital
 - Not necessarily using traditional VC investment criteria
 - Seeding a fund and linking to others upstream
 - Financing growth with “non-traditional” debt
 - Lean toward operating capital for expansion for good non-bankable opportunities
 - Banks as allies not competitors
- Developing financing options & products element for the ELS
 - Access to capital still going to be an issue
 - Many entrepreneurs are not informed buyers



Striking the Right Entrepreneurial Infrastructure ~~Note~~ Chord

- Enterprise Development (Wealth)
- Entrepreneur Development (Community)
- Microenterprise Development (Opportunity)
- Muddled Metrics (Beware)
- What is Entrepreneurial Infrastructure & What Do We Do About It ? (Think Regional System)

