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Testimony to Senate Committee on Economic Development, Housing & General Affairs Author: Gwen Pokalo, Center for Women & Enterprise Vermont

The Northeast Kingdom (NEK) is a growing community with a thriving entrepreneurial spirit. Public and private partners are collaborating in innovative ways to provide emerging entrepreneurs access to the resources and information they need to grow. It is possible to grow a business in the NEK and there is a community of entrepreneurs who can benefit from supports.

I am the Director of the Center for Women & Enterprise Vermont (CWEVT), home of Vermont's Women's Business Center, funded in part by the federal Small Business Administration. We are an economic development nonprofit dedicated to helping entrepreneurs find professional success, financial independence, and personal growth through no-cost business counseling and myriad trainings and connection opportunities. We also offer women's business enterprise certification to help entrepreneurs gain access to corporate and government contracts.

Since CWEVT opened in 2016, more than 75 NEK residents have accessed CWEVT business planning programs to start and grow their ventures. It has only been through deep partnerships with some of the NEK's core entrepreneurial organizations that these programs have been made available and successful. CWEVT's signature 10-Week Business Planning course has graduated more than 20 emerging businesses across two sessions (one in St. Johnsbury and most recently in Hardwick), and a recent 'Steps to Start Your Business' workshop in Lyndonville had the room packed with more than 25 people!

The definition of success in a CWEVT business planning program varies. Some participants come to the class and have already been making sales, but are looking to get a plan in place for them to strategically dedicate themselves to the venture and eventually grow it. Some people have an idea they'd like to try, some have been in business for years and are making a big transition they want to think through, and some people are looking to make the leap from part-time or side hustle to full-time entrepreneur.

Entrepreneurship is a part of the DNA of the NEK, both in its citizens and its community organizations. The organizations serving businesses and entrepreneurship in the NEK are lean, and we all rely heavily on each other, leveraging our collective relationships, resources, and expertise to more creatively listen to and meet the requests of our entrepreneurial clients.

Perhaps a story about the way entrepreneurial programming and organizational innovation has happened in our experience is helpful in communicating the need for state recognition of NEK's entrepreneurs and entrepreneurial support community.

In December, Hardwick graduated fourteen entrepreneurs from the Center for Women & Enterprise Vermont's (CWEVT) 10-week business planning course. Over ten weeks, these entrepreneurs explored all the areas of business they'll need to address as they start and growth their ventures, from their elevator pitch to marketing strategy to financial planning & projections to operations and management. They completed a full business plan and had a chance to meet with service providers from across the Northeast Kingdom and Vermont who can help them as they look to finance and build a sustainable business. The participants in this class were all starting businesses in the agricultural/food/lands-based economy. Businesses included everything from a multi-generational maple sugaring operation to heirloom vegetable and herb and saffron farms, from a sustainable fish market to a hand-rolled ice

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cream shop, a pottery studio to a sustainable textile manufacturing to healthy value-added food producer, amongst other businesses. The successes of participants are already substantial; Momo-Jomo, the ice cream shop, opened the week after graduation as a result of the plan Johanna, the owner, wrote during the class! The students have kept in regular contact, celebrating each other's successes and troubleshooting issues together.

This course was only possible through partnerships with pillars in the community. Students were able to take the course at no-cost through a grant from the Vermont Working Lands Enterprise Initiative from the Vermont Agency of Agriculture, Food, & Markets, thus removing barriers to access to valuable networks and information. The Center for an Agricultural Economy (CAE) was a critical player in the success of the course. The CWEVT course provided an outlet for clients and prospects of the CAE to develop their business concept and become more prepared for CAE's services. Upon graduating from the CWEVT Business Planning course, students have access to CAE's continuing business services. CAE also hosted the class and provided deep programmatic support. WonderArts Makerspace was a key marketing partner and provided a pipeline to the class. The graduation was generously hosted by Front Seat Coffee, a new coffeeshop and events space in downtown Hardwick. The WLEI grant is also making possible a personal-to-business financials workshop that will help graduates of the business planning program more strategically manage their finances during startup, and a 13-week strategic planning program for growing NEK businesses.

The origin of the program started last year when WonderArts VT and CWEVT partnered through a grant from the Vermont Women's Fund to do a 6-session introduction to starting a business for girls in the Hazen Union High School. To complement that program, the Vermont Community Foundation Spark! Grant provided the opportunity to offer a 6-session Startup Series to adults in the community as well. More than 18 people participated in the adult program, which proved there was a critical mass of aspiring and emerging entrepreneurs in the NEK.

Finite grant opportunities are very helpful when piloting a new relationship or program. When a program is proven, however, it is more difficult to guarantee access to applicants because no-cost participation is contingent upon funding availability. Sometimes, a long time can pass before we are able to offer one of these critical programs because of lag in predictable funding. To fill in the gaps, our organizations work together. For example, the DoNorth Coworking facility in Lyndonville and CWEVT are partnering on an innovative 10-week business planning course that will serve freelancers, people working in the gig economy, and trailing spouses. A number of remote workers have relocated to Vermont and brought with them family members struggling to connect with community in the rural landscape. DoNorth is partnering with 2 other Coworking facilities around the state: Bradford's Space on Main and Springfield's BRIC, to offer a hybrid online, in-person business planning course, thus bringing together resource partners from across rural Vermont, proving there is infrastructure here to support business. DoNorth is leading the way in rebranding the NEK as a place that's good and good for business. This program is funded through a ThinkVermont Innovation Grant, which is a generous, first-time initiative from the ACCD. By investing in this exciting pilot, the ACCD is not only investing in Vermont's newest entrepreneurs, they are also leveraging the success of the Remote Worker Relocation program and the Department of Tourism's Stay to Stay programs. At least 10 new-to-Vermonters have contacted CWEVT for business support as a result of their recent or impending move to Vermont through these two programs.

Lack of access to business infrastructure continues to be a challenge for early-stage entrepreneurs, and the NEK's spirit of community and collaboration is filling in gaps for now. We rely on our Coworking

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facilities and institutions to fill in infrastructure gaps, and they answer the call well. However, the continuing need to apply for grants to maintain knowledge and technical infrastructure draws important, scarce resources away from the true mission of these organizations. CWEVT offers results-based programs at no-cost and can only do so through grants like the ThinkVermont Innovation Grant. Access to a sustainable budget would strengthen the impact of NEK's entrepreneurial infrastructure.

Where can we go from here to help entrepreneurship thrive in the NEK? From our perspective, investing in entrepreneurship in the NEK might look like this:

- Seek and support women-owned businesses in the NEK by sourcing products & services from these businesses through a state certification or recognition program
- Provide ongoing funding for entrepreneur programming, especially where organizations work together to leverage their resources
- Invest in the NEK's Coworking facilities through infrastructure support. Expand the possibilities of these centers of community to serve multiple sectors of the population through access to 21<sup>st</sup> century technology, broadband access, and research into opportunities for child care

We are well on our way to a sustainable, enjoyable, powerful NEK entrepreneurial climate. The NEK is ripe for investment!