



ADVOCATE

...helping to shape western Maine's future

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Summer 2005

Building an Entrepreneurial Culture

Entrepreneurs, in the economic sense, are people who grow jobs and local wealth, though not all entrepreneurs are alike. Some people want a simple self-sustaining lifestyle, not an enterprise, yet they contribute significantly to the quality of life in the region. They add to the culture and the tax base and are the foundation for an entrepreneurial region. They might be artists, accountants, carpenters or farmers. Other entrepreneurs have an enterprising and profit-generating motivation. They develop businesses that add jobs and develop new technologies. High-value entrepreneurs fuel economic growth. Both types have a passion that they want to pursue and will work hard to make sure they succeed. They are innovative, open to new ideas, actively curious, resourceful, and not afraid to be wrong and to try again. The Main Street Economist, in its study of regional asset indicators, points to both the depth and breadth of entrepreneurial activity as indicators of a strong rural economy. Depth, the best indicator of economic vitality, is the value created by entrepreneurs (high income and value added to product or service); breadth is the concentration and diversity of entrepreneurial types, "the seedbed" for economic growth.

Entrepreneurship is the process through which these innovators are developed and supported; entrepreneurship development is the system of public and private support infrastructure that facilitates entrepreneurship and helps create an entrepreneurial environment or culture.

Economic development has traditionally looked at a three-pronged approach: industry recruitment, retention and

expansion of existing industry, and entrepreneurship development and enterprise creation. An alternative process is creating a buzz in the Maine legislature, grants foundations, economic studies institutes and regional support service and education programs. This process emphasizes growth from within communities and builds entrepreneurship as the foundation for economic development. Creating an entrepreneur-friendly region attracts and retains industry and business. Capital is more likely to be invested in a community where there is already a vibrant entrepreneurial culture.

A rural region that is friendly to entrepreneurs is one that is likely to be undergoing cultural change. "The reality in many rural communities [is one of] shuttered factories, abandoned farms, closed stores on Main Street, out-migration, ...aging populations, and inadequate infrastructure to support the new economy" (Markley). This new economy is one in which enterprising people are advancing new technologies and new jobs. It is a time of cultural change. Entrepreneurs are willing to take risks to realize their dreams, yet often people in rural communities can be *risk adverse*. Life in rural Maine towns may not be anonymous and so small businesspersons worry that a failure of their venture could impact neighbors, family and the town that they call home. Rural communities are also working to overcome a culture of *dependency on large companies* for job creation and stability. Thirdly, education and knowledge fuel the economy; they feed creativity. In a constantly changing world of opportunities and technologies, rural Mainers, who pride themselves on

their *ingenuity and ability to persevere*, will have greater access to economic growth opportunities with advanced degrees, technical skills and access to information.

Innovative people and organizations throughout the western mountains region are working to build a strong entrepreneurial culture. Of the public and private policies and practices that support and foster entrepreneurship development in rural areas, how would you rate how your community or county addresses each of these challenges?

- Build businesses based on the region's cultural heritage
- Build a regional network to educate officials and enforce policies
- Engage the youth culture in entrepreneurship development

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Entrepreneurship Development in Rural Maine

mainechamber.org
maine.gov/portal/business
ceimaine.org
ruraleship.org
pcedc.org
mecep.org
womenworkandcommunity.org
westernmountainsalliance.org
penquiscap.org
enterprisemaine.com
score.org
fixmaine.com
mainebusinessworks.org



WESTERN MOUNTAINS ALLIANCE

Mission Statement

The Western Mountains Alliance strives to improve the quality of life and to strengthen the regional identity of Maine, while honoring rural values and the environment, and supporting sustainable community development. We provide a forum to bring together many voices and many communities to find common ground through regional dialogue, bold thinking, and capacity building. We serve as an energetic advocate for the western mountains region.

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Executive Director

Position Open

Assistant to the Director, Web Site Editor, Western Maine Farm Fund Coordinator

Tricia Cook, Livermore Falls

Projects, Grants and Communications Coordinator

Kathleen Beauregard, Industry

Here at the Alliance — *by Kathleen Beauregard, Projects, Grants and Communications Coordinator*

Advisory Committees

The Alliance implements its programs and projects with the talent of advisory committees who represent the breadth of the western mountains region and diverse backgrounds and experiences. Advisors help to market a project within their network, guide its design and development, and advise the staff on regional issues related to the project's goals. The Alliance is grateful for the volunteerism of 27 generous advisors who assist the Western Maine Farm Fund, the Lead Western Maine Program and the Alliance's Impact Study.

Impact Study

Beginning June 2005 the Alliance is conducting an Impact Study to understand the range of impact it has had over time on individuals, organizations and communities of western Maine. University of Southern Maine intern Charlie Nielsen will document stories, as told by a broad spectrum of people and organizations. Kathleen Beauregard is staffing the project with guidance from a skilled advisory committee and Mark Lapping, distinguished professor at USM Muskie School of Public Policy and interim president at Unity College. Over 40 people who have been touched by the Alliance will be interviewed. A published report will be widely distributed in 2006.

Sharing Tools and Linking Networks

Over the winter of 2005 the Alliance helped with strategic thinking for the Fairbanks Neighborhood School Alliance, helped launch the Strong Area Business and Civic Alliance, brainstormed with the Livermore Falls Betterment Group and facilitated planning meetings for the Business and Education Task Force of Franklin

County. These technical assistance activities in Franklin and northern Androscoggin counties are emblematic of the work that the Alliance also can and will do in Somerset, Oxford and Piscataquis counties.

Supporting Innovation

The Alliance is one of four organizations that comprise the Western Maine Sustainable Development Collaborative (WMSDC), which promoted the HomeTown Competitiveness Conference held in May 2005 at Thomas College. The HomeTown Competitiveness approach encourages communities to take action in four areas: mobilizing local leaders into decision making roles, energizing entrepreneurship, attracting young people to stay and return to their hometown, and capturing wealth transfer as a vehicle for citizens to leave a local legacy.

The WMSDC is planning an Investors Fair for September 2005. The Investors Fair will introduce ten promising non-profit organizations seeking grant support and for-profit businesses seeking investment to foundations and social investors interested in the sustainable development of western Maine. Special attention will be given to ventures that show meaningful collaboration with the region.

Alliance Receives Grant For Community Food Systems

The Alliance is beginning an exciting new project aimed at enhancing the economic viability and visibility of western Maine farms while at the same time encouraging healthy eating habits among area students. Funded by a grant from the W.K. Kellogg Foundation of Battle Creek, Michigan, the purpose of the project is threefold: to introduce fresh, locally raised farm products into two regional school systems;

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Roots – The Tubers of Oxford County

Fryeburg rests in the fertile Saco River Valley with its natural meadows and stone-free soil. It is one of the two most fertile river valleys east of the Mississippi River and part of the more than 20,000 acres of prime farmland in Oxford County. It is good earth for, among other things, the humble potato. This valley is known for high yields of high quality table stock potatoes because of the soil quality, long growing season and moisture supply. The region has both a history with this vitamin rich staple and a new opportunity. How can you add value to a potato? An entrepreneurial spirit teamed up with enthusiastic investors has found a way. A western mountains potato farmer and Maine's only commercial distillery are creating high quality handcrafted vodka that embodies the innovative spirit of Maine.

Then The early farmers who settled the area had to battle poor drainage, floods and heavy thunderstorms in the fields. At harvest time, with two horses and a 1900's-style mechanical potato digger a farmer could dig two and a half acres of potatoes in one day. Without it, it could take four days just to pick one acre. Potatoes are a labor intensive harvest, but why vodka? Alcoholic products have their roots in agrarian societies. At times when storage capacity was underdeveloped, fermentation was a solution to keep surplus food products, such as potatoes. The entrepreneurs who cooked up this business venture had always been fascinated with stories of old stills found in the woods, which led to years of independent study on the highly technical recipe for modern distilling.

Now Once a leader, Maine's potato industry has now declined in relative national importance. Maine ranks in the top 10 states and has been surpassed in production by the maritime Canadian region. Of course, Oxford County is not the first area that comes to mind when conversations turn to tubers. Yet, just as generations before him in his northern Maine roots of Aroostock County, Don Thibodeau can now be found in Fryeburg, Maine nurturing the land and planting seed potatoes on Green Thumb Farms. His father brought potatoes to the valley and the farm was once the major exporter of potatoes in New England. In 2004, Green Thumb Farms was the only licensed potato "dealer" in the four county region of western Maine, and today is one of two large growers in the valley; still there are dozens of small to mid-sized farms that grow dozens of delicious varieties of tubers ranging from organic to heirloom. Take a trip to a local farmer's market this summer and discover how many you can find and taste!

With an uncertain future for the potato commodity industry in Maine, Thibodeau had been looking for a niche market in the "local agriculture" system. Local agricultural systems provide food and products to human consumers instead of to commodity processors who process and ship –potato fries, for example - to national and international markets. "Another farm type seems to be proving viable at the mid-range [between commodity and local] by alleviating some of the dependence on economies of scale...[and] moving away from the strict commodity model on the production side, but not necessarily on the marketing side..." (S. Smith). Being a farmer in the local agricultural system doesn't have to mean that the market for goods is only local. Thibodeau and his business partners have their sights on bringing their locally grown potato product - Cold River Vodka - to a discriminating national market this summer and hope for an international venue.

Water, the second key ingredient in potato vodka, flows out of Evan's Notch in western Maine through the fields of the Fryeburg area. The water is filtered through miles of underground granite and the Saco Valley aquifer. Pure and refreshing, it is used to distill smooth potato vodka using the Norwiss potatoes grown on Thibodeau's farm. Potato vodka reportedly has a sweet, subtle taste unlike grain-based vodkas, which are cheaper to produce. Less than one-percent of vodkas sold today are distilled from potatoes, according to head distiller Chris Dowe of Maine Distilleries. The "Head Potato," as Thibodeau is known, his brother Lee and his fourth partner Bob Harkins, a Sunday River Executive, have found an elite niche for the Fryeburg tubers! Don shares credit for the budding success of this "labor of love" with their four wives, among them a family of sixth generation potato growers. A team with "a deep feeling that this can work" would seem to be the third key ingredient for this entrepreneurial success.



Maine Potato Blossom

"Cold River Vodka" begins in 525 acres of potato fields in the western mountains and is distilled in the copper pots of Maine Distilleries in Freeport, Maine, where a visitor museum is planned. Each batch will be handcrafted and numbered. It's an artisan product using 4,000–5,000 pounds of potatoes per batch. If the business is successful, there may be a market for more of Maine's potato growers...and plenty of digging and picking to go around!

Source material for this article is thanks to Nancy Marshall Communications; Interview with Don Thibodeau; Maine Preservation *Farming in Maine*; Stewart Smith, *Maine Agriculture: A Natural Resource Based Industry Constantly Adapting to Change*; Maine Potato Board, *Study of Maine Potato Industry, Its Economic Impact 2004*; the Maine Department of Agriculture Food and Rural Resources; and United States Department of Agriculture.

“Here at the Alliance” Continued

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to increase local consumer awareness of and demand for local farm products; and to stimulate local farmers to produce more for the local market. (See winter 2005 issue of Advocate)

The Alliance has contracted with Paula Day of the Maine Alternative Agriculture Association to run the project. “The project is the largest and most comprehensive of its kind focused exclusively on farmers in Somerset and Franklin Counties and on two local school systems, SAD 9, in Farmington and SAD 54, in Skowhegan,” said Day. “This grant allows us to focus on the nitty gritty of organization, training, education and public relations that we hope will encourage consumer demand

and agricultural diversification.”

For more information on the project contact Paula Day at 207-696-5831 or e-mail maaa@gwi.net

Farm Fund Guarantees Fourteen Loans

The Western Maine Farm Fund (WMFF) is a loan fund with local roots. Established by the Alliance through the generosity of an anonymous donor, guided by a regional advisory committee, and administered in partnership with five area banks, the Farm Fund has guaranteed 14 loans since its beginning in 2003. WMFF Coordinator Tricia Cook reports loans totaling \$265,000 have been made available to help farmers in five counties with the purchase or improvement of farm equipment, land, or infrastructure. WMFF fills a niche to meet the needs of farmers who are building their “bankability” through low-interest fixed-rate guaranteed loans ranging from \$1,000 to \$25,000 and covering up to 85% of the cost of the project. For more information contact Tricia Cook at the Alliance.

Graduates of Lead Western Maine

The third class of Lead Western Maine graduated in April! “We now have a base of tools, resources and mentors to give our grassroots projects traction,” said one participant. Lead Western Maine is a program supporting community projects, building capacity and connecting leaders. The program includes six training sessions offered at locations throughout the region and is complemented by support from a network of mentors and resources in grant writing, meeting facilitation, volunteer organizing, media coverage and more. Groups in the western



Lead Western Maine 2005 Graduates in the first row (L-R) are: Lucia Colombaro, Bethel; Jeremy Starke, Bethel; Eileen Maizga, Strong. Back row: Ellen Young, Livermore; Trudy Hamilton, Oxford County; Heidi Richards, Strong; Kathleen Beaugard, Coordinator. Missing: Donna Davis, Skowhegan; Laura Morgan, Skowhegan; Deb Burd, Facilitator.

mountains region interested in receiving training and support to move an initiative forward are invited to apply. Applications for the fall 2005 program can be found on the Alliance’s website or by contacting Kathleen Beaugard.

Executive Director Accepts National Position

Deborah M. Burd, the Alliance’s Executive Director since 1994 has accepted a position with the National Campaign for Sustainable Agriculture beginning June 1, 2005. Alliance Board Chair, Becky Davis-Allen said, “We are sad to see Deb leave, but thankful for her success in building an organization that is financially strong, has the leadership of a mature board, a focused strategic direction, and an extremely competent and committed staff.” Deb shared, “I feel privileged to have served as the director of the Alliance through its early adolescence and onward into its maturity. The organization is uniquely positioned to continue to have impact in (and for) the region for years to come. The sustainability that we have worked so hard to achieve is at hand.” Davis-Allen will provide fiscal oversight and leadership during the transition. In the interim, as the board of directors conducts a search for a new executive director, Kathleen Beaugard, Projects, Grants and Communications Coordinator, is the contact for the Alliance.

Collaboration

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millions of acres of Maine’s forest. The process of listening used by AMC built trust and fueled the synergy.

CHET’s mission to support heritage related programs and nature-based tourism was a perfect match for AMC’s plan for a recreation map. “The timing could not have been better, said Mark Scarano, board member for the Alliance and Chairperson of the PCEDC, which oversees the CHET committee. “Both AMC and CHET were working on map projects that centered on the good Maine tradition of public access to land. Both recognized that we grow social capital when we invest in our cultural heritage assets.” The new map will be completed soon and will reflect the talents and resources of both organizations.



'Round the Western Mountains...

is an effort to highlight and celebrate some of the innovative and/or collaborative activities being undertaken by individuals, organizations, and towns in Oxford, Franklin, Somerset, and Piscataquis county. The information has been gleaned from newspapers and newsletters in the region. For a more complete and updated listing, check WMA's website.

Greenville: Five years ago, the idea of a business incubator first surfaced in Greenville. On March 3, the idea became a reality as the Greenville Business Incubator (GBI) held its grand opening with over 60 people in attendance at the Spruce Street location. Highlighting the occasion was the announcement of the incubator's first tenant, Maine House Furniture of Abbot. The Greenville Business Incubator is owned by the town and leased to Composites Technology Centers Cooperation. It provides high-quality, low-cost space to start-up and expanding manufacturing firms. The building is currently 10,000 square feet, but future expansion is planned and hinges on funding and tenant needs.

Ben Bragdon, Moosehead Messenger, 3/8/05

Oxford Hills: With nearly 750 people out of work in the area, EnterpriseMaine has its work cut out. But the group, whose mission is "creating economic opportunity and enhancing the quality of life in rural Western Maine," has a plan. And an examination of the steps EnterpriseMaine took in 2004 shows progress. Brett Doney, CEO of EnterpriseMaine, sees opening the Western Maine University, Community College and Career Center in South Paris, the completion of improvements to Route 26 and the progress on the Oxford Hills Business Park in Oxford as three major accomplishments of EnterpriseMaine — the umbrella company of the Growth Council, Western Maine Finance and Western Maine Development. *Susan P. Arena, Advertiser Democrat, 3/10/05*

North Anson: Cousineau Wood Products, which employs 60 at its sawmill, will work with University of Maine technicians this spring to begin research on gluelam wood beam technology using local wood species. "Cousineau will take a look at those technologies to make them marketable," said Robert F. Lindyberg, manager of the Advanced Engineered Wood Composites Center on the UMaine campus. Randy L. Cousineau, company president, said Cousineau will test the technology...then assess its findings. It could mean 25 new employees at the North Anson mill. Cousineau would transport its finished product via a new railroad line. Guilford Transportation plans to extend its line from Madison to North Anson this summer, allowing for transportation of products too large to be hauled by truck. *Larry Grard, Morning Sentinel, 4/2/05*

Avon: A cinder block factory building seems the appropriate venue for a masonry school, and that's what Stephen Mitchell intends to do with the original Lauri Toy Factory. Mitchell is in the process of buying the old factory, which was constructed in the 1950s, on Route 4 in Avon. He plans to open the Maine School of Masonry there, offering classes in what Mitchell says isn't a trade, but rather an art. According to Mitchell, the country is losing about 1,800 masons annually to retirement and only attracting 200 to 300 young people to the career. Mitchell is planning to open the School in September and has a three-pronged plan to attract students nationwide. *Jodi Hausen, Sun Journal, 4/14/05*

Building an Entrepreneurial Culture

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- Reduce isolation from markets and service providers; create a rural-urban link
 - Improve pathways for potential entrepreneurs to access education programs
 - Create or facilitate opportunities for networking, mentoring and access to technical assistance and adaptive solutions.
 - Create networks among service providers to reduce duplication and provide easier access to resources, answers and supports for entrepreneurs.
 - Attract start-up capital and build support infrastructure
 - Support local leadership development
- For strategies needing improvement, how are you willing to help develop the capacity for entrepreneurship in the western mountains region? You can learn more from the organizations listed on page 1.

Sources:

Low, Sarah. *Regional Asset Indicators: Entrepreneurial Breadth and Depth*, The Main Street Economist, 2004.

Markley, Deborah M. *Keynote: Helping Rural America Realize Its Entrepreneurial Potential*, RUPRI Center for Rural Entrepreneurship, 2005.

Strategies for Sustainable Entrepreneurship, Central Appalachian Network, 2005.

Kayne, Joseph. *Keynote: Entrepreneurship and Public Policy: A Failure of Imagination*, Thomas C. Page Center for Entrepreneurship, 2005.



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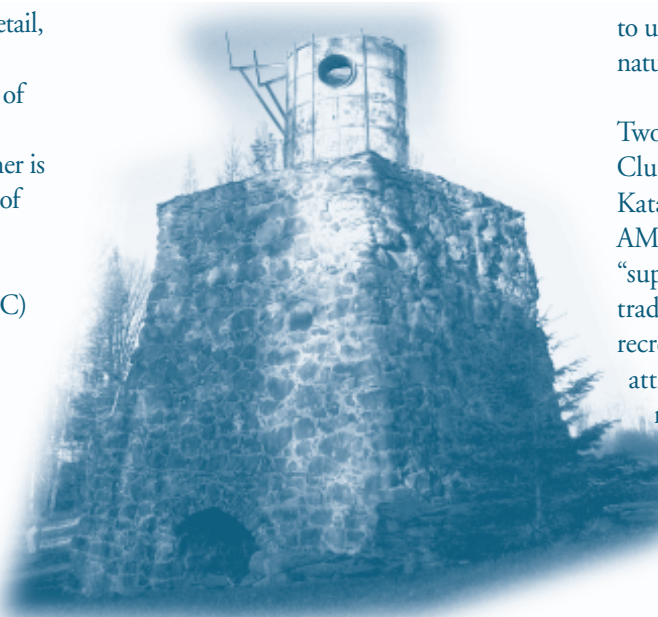
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In Collaboration: Shared Talents Create Heritage Recreation Map

When several organizations' missions dovetail, the synergy of ideas and effort can reveal opportunities to strengthen the outcomes of each organization. Taking a risk to share resources to enhance the capacity of another is the essence of collaboration and the story of the Cultural Heritage and Eco-tourism Committee (CHET) of the Piscataquis Economic Development Council (PCEDC) and its partnership with the Appalachian Mountain Club's Maine Woods Initiative (AMC).

Five years ago CHET created a heritage map and directory for the southern half of Piscataquis County titled Cultural Heritage Resources of Piscataquis County. The process included community discussions to help artisans and small businesses explore economic sustainability. CHET also had a growing relationship with the Appalachian Mountain Club and a convergence of talents led to a joint plan



The restored blast furnace and charcoal kiln at Katahdin Iron Works remind visitors of an industry, set in the wilderness that produced nearly 2,000 tons of "pig iron" annually from 1843 to 1890 and at its height employed 400 people. North of Brownville off Route 11, KIW is also an access point for the Appalachian Trail and Gulf Hagas, a gorge carved through slate bedrock that beacons kayakers and hikers.

to upgrade the heritage map to include nature-based recreational opportunities.

Two years ago the Appalachian Mountain Club purchased 37,000 acres of land in the Katahdin Iron Works area, to promote the AMC Maine Woods Initiative's mission of "supporting local forest products jobs and traditional recreation, creating multi-day recreational experiences for visitors, and attracting new nature-based tourism to the region." The property is located 10 miles east of Moosehead Lake. AMC engaged a wide spectrum of area groups, including CHET, to implement their land use plan and uncover heritage tourism opportunities. The purchase protects the Katahdin Iron Works area from being closed to traditional public access – such as timber harvesting, hunting, snowshoeing, and snowmobiling - as is the trend across

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