

What's economic gardening?

Economic gardening represents a new way of thinking about supporting growth companies and letting business owners know how important they are to their local economies. So instead of relying on traditional incentives like tax credits or real estate discounts, we're offering something that might be even more valuable to CEOs: information — strategic information — gathered with their guidance and customized for their company.

In contrast to traditional business assistance focused on finances, business plans and operational issues, economic gardening addresses strategic growth challenges such as developing new markets, refining business models and gaining access to competitive intelligence. To do this, teams of highly skilled research specialists mine sophisticated databases and leverage a number of high-end tools related to search engine optimization, social media marketing and geographic information systems.

Here's how our model works: Partnering with the National Center for Economic Gardening (NCEG), we've set up a statewide network to provide virtual access to research teams that are assigned to a select group of qualifying



companies. Using private conference calls and a secure online workspace, the teams will interview the companies to identify their specific growth issues. The team devotes about 36 hours to each company over the course of a few weeks as they work quickly to deliver action-oriented information.

“Economic gardening specialists enable CEOs to identify opportunities they may not be aware of and point them to new tools and information to apply immediately — which is why it's ideal for second-stage companies,” says NCEG founder Chris Gibbons.

Targeting second-stagers

Second-stage companies (growth-oriented companies that have moved beyond the startup phase) play a critical role in job creation and vibrant economies. Indeed, between 1995 and 2009, second-stage companies represented about 11 percent of U.S. resident establishments, but generated more than 36 percent of jobs and 38 percent of sales, according to YourEconomy.org

Although funding and resources exist for small businesses and startups, second-stage entrepreneurs have different needs to continue growing — needs that economic gardening programs are specifically designed to zero in on.

For more info, contact:

Your local economic development agency,
 MEDC business development manager or:

Customer Assistance
 Michigan Economic Development Corp.
 Ph: 517-373-9808
 Email: medcservices@michigan.org

Who should you refer?

To be eligible for the Pure Michigan Business Connect economic gardening program, participants must:

- 1 Be a for-profit, privately-held company headquartered in the region for at least the past two years.
- 2 Generate annual revenue of between \$750,000 and \$50 million.
- 3 Employ between 6 and 99 full-time employees.
- 4 Demonstrate growth in employment and/or revenue during two of the past five years.
- 5 Have potential revenue growth in the next three years that exceeds \$1 million.
- 6 Provide products or services beyond the local area to regional, national or global markets.
- 7 Be referred by a local MEDC partner, business development manager or an entrepreneur support organization.

The role of entrepreneur support organizations



As entrepreneur support organizations (ESOs), our local economic development partners play an important role in the economic gardening's success by identifying eligible second-stage growth companies and referring them to the program. Eligible companies can also be funneled into the program by other partners, such as our major utility companies, business associations and business development centers. The common denominator: We're all working to accelerate the success of Michigan's local entrepreneurs.

MEDC's fiscal year 2013 funding provides access to the economic gardening program to 100 Michigan companies from a cross-section of regions. There are no costs for second-stage participants. Economic gardening supplements our existing programs and services and MEDC staff and local partners continue to assist participating companies on an ongoing basis.

Benefits for ESO partners

Build trust. Referring local companies into an economic gardening program helps ESOs build trust because they're introducing business clients to services they can't get anywhere else. The result: entrepreneurs see ESOs in a different light.

Because economic gardening helps existing, smaller companies, and because entrepreneurs see benefits within a few hours, the referral into the program becomes more meaningful. Many participating entrepreneurs become the strongest and most vocal proponents of the program.

Regional cooperation. Recruiting qualified Michigan companies for the program will be done on a regional basis. Thus, economic development partners have the opportunity to collaborate on the selection of companies based on local priorities and strategies.

Strengthen culture. Economic gardening helps establish an entrepreneurial culture within communities that is critical to regional growth. Local businesses tend to have greater commitment to their regions and the most impact on sustainable job creation than companies with out-of-state headquarters. If they grow, the whole community benefits.

"Economic gardening gives us another way to help businesses — and it enables us to focus on second-stagers, which we weren't doing before. Previously we were working with either startups or large companies. Now we're able to concentrate on the middle market."
— Nicole Whitehead,
manager of sales operations
at the Michigan Economic Development Corp.

"There has to be trust between entrepreneurs and the ESOs referring them into an economic gardening network. Entrepreneurs need to know ESOs can truly support them, and economic gardening proves that you know what their needs are and can deliver on helping them."
— Tammie Nemecek,
director of partner development
at the Florida Economic Gardening Institute

"Having access to NCEG's national research team was a tremendous asset. We launched our program just six months after learning about economic gardening, and there was no way we could have built our own team of research specialists. The professionalism and expertise of NCEG's team far exceeded our expectations."

— David Bennett, business development officer
at Louisiana Economic Development



The Edward Lowe Foundation is a nonprofit organization that supports entrepreneurship through research, recognition and educational programs, which are delivered through entrepreneur support organizations (ESOs). The National Center for Economic Gardening is a partnership between the foundation and Chris Gibbons. NCEG delivers economic gardening services and maintains national standards in training and certification for both regional and state networks. For more info, visit www.edwardlowe.org.