

# Congressman Tom Osborne

U.S. House of Representatives

Third District of Nebraska



## *Entrepreneurship*

---

Handbook and Resource Guide

---

2005 Edition

This mailing was prepared, published, and mailed at taxpayer expense.

## **Contact information for the offices of Representative Tom Osborne**

Website: [www.house.gov/osborne](http://www.house.gov/osborne)

E-mail: [www.house.gov/writerep](mailto:www.house.gov/writerep)

### Washington D.C.

507 Cannon H.O.B.

Washington, DC 20515

Phone: (202) 225-6435

Fax: (202) 226-1385

### Grand Island District Office

819 Diers Avenue, Suite #3

Grand Island, NE 68803

Phone: (308) 381-5555

Fax: (308) 381-5557

### Kearney District Office

1910 University Drive, Room 212

Kearney, NE 68849

Phone: (308) 236-1330

Fax: (308) 236-1331

### McCook District Office

203 West 1<sup>st</sup> Street

McCook, NE 69001

Phone: (308) 345-3328

Fax: (308) 345-3329

### Scottsbluff District Office

21 East 20<sup>th</sup> Street

Scottsbluff, NE 69361

Phone: (308) 632-3333

Fax: (308) 635-3049

TOM OSBORNE  
3D DISTRICT, NEBRASKA

COMMITTEE ON AGRICULTURE

COMMITTEE ON EDUCATION  
AND THE WORKFORCE

COMMITTEE ON RESOURCES



**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-2703**

507 CANNON BUILDING  
WASHINGTON, DC 20515  
(202) 225-6435  
FAX: (202) 226-1385

**DISTRICT OFFICES:**

819 N. DIERS AVE., SUITE 3  
GRAND ISLAND, NE 68803  
(308) 381-5555  
FAX: (308) 381-5557

21 E. 20TH ST.  
SCOTTSBLUFF, NE 69361  
(308) 632-3333  
FAX: (308) 635-3049

Spring 2005

Dear Friend:

Entrepreneurship is the driving force behind vibrant economies worldwide. I believe that many Nebraskans harbor that entrepreneurial spirit, and I would like to help channel that spirit into a better Nebraska economy through this handbook. The *2005 Entrepreneurship Handbook and Resource Guide* is an updated version of the first edition which was distributed in 2003. It is a companion piece to the *Rural Economic Development Handbook* featuring several key areas that are necessary for a successful rural initiative. Both handbooks are available on my website at [www.house.gov/osborne](http://www.house.gov/osborne).

As I travel throughout the Third District, I continue to see the need for diversity in our economy. Nebraska is a great state with a rich rural history. However, our communities continue to lose population. Successful entrepreneurship is an essential element in regional rural economic development, which will help stem the tide of population loss.

It is my hope to encourage the entrepreneurial spirit within all who desire to start their own business and create employment opportunities for others. This *Entrepreneurship Handbook* is an effort aimed at that very goal. It is written in a question and answer format. I have tried to address the main issues related to entrepreneurship, including education, technology, networking, financial resources, and business ethics.

I have also incorporated some success stories and a resource guide. The success stories are firsthand accounts of Nebraskans who have experienced success in entrepreneurial endeavors. The *Resource Guide* reflects an effort to bring individuals, educational institutions, agencies, funding entities, and other resources together. I hope it serves as a springboard in your planning and implementation of entrepreneurial endeavors.

The rules of Congress require me to point out that any reference to a private organization does not connote an endorsement of that organization by either the United States House of Representatives or me.

I believe in the future of the Third District and I hope you will join me in fostering entrepreneurial activities across our state. If I can be of assistance in your efforts, please do not hesitate to contact me. The contact information for my congressional offices is located inside the front cover of this handbook.

Best Wishes,

TOM OSBORNE  
Member of Congress





UNITED STATES CONGRESSMAN

3<sup>rd</sup> DISTRICT, NEBRASKA

TOM OSBORNE



## PREFACE

### **Entrepreneurship: Cultivating the Next Generation of Opportunities**

Since Nebraska's settlement, determined and hardworking Nebraskans have found ways to harness opportunities in order to turn ideas into realities. Nebraskans have shown they can tap their resources, intelligence, and work ethic to create growing enterprises. This quality is entrepreneurship. Today, our state needs more entrepreneurs to keep Nebraska's economy growing.

Entrepreneurship is deeply rooted in the values of free enterprise and civic responsibility that shaped our country's culture. According to Jay Kayne at the Kauffman Center for Entrepreneurship, entrepreneurs can be defined as "individuals who blend innovation with sound business practices to commercialize new products and services that result in high-growth firms."<sup>1</sup> In addition, promoting entrepreneurial behavior not only encourages high-growth companies and profit-driven individuals, but also inspires civic leaders and social responsibility.<sup>2</sup>

Entrepreneurship plays an important role in rural community development. Over the years, Nebraska's rural economy has suffered from depopulation, both among the young and the old. Youth have left our communities for opportunities in bigger cities and higher paying jobs in other states. Many families have left agriculture. As a result, rural Nebraska is ready for new ideas and innovators. To thrive, rural Nebraskans must work together to encourage and develop more entrepreneurs and entrepreneurial businesses. Generating entrepreneurs is critical to building a more prosperous, dynamic, and sustainable economy.

How do we develop or grow entrepreneurs? First, we must change the culture and attitudes of rural Nebraskans. Most business owners have some entrepreneurial talent, but not all business owners are entrepreneurs. Entrepreneurs set themselves apart by their motivation and passion to create. The Center for Rural Entrepreneurship provides undeniable evidence that it is possible to develop the skills and characteristics necessary in order to expand the number of entrepreneurs in a community. Methods for promoting community entrepreneurs are described by the center in *Community Environment for Entrepreneurship*.<sup>3</sup>

One way to cultivate tomorrow's community and business leaders is to start with our youth. We must be responsive and work to put tools in the hands of our young people to create the next generation of success stories in our communities. According to a Gallup study, 70 percent of high school students polled would like to start their own businesses. However, 90 percent of those

students surveyed rated their personal knowledge of entrepreneurship as very poor to fair.<sup>4</sup> The challenge is to help students recognize and develop the skills and tools they need to succeed in business ventures. One way is to help students learn how to run a small business through hands-on experience. At Arthur High School, located in the sandhills of Nebraska, students opened a grocery store to meet that area's needs. Through firsthand experiences, students learned the challenges entrepreneurs face when starting and running a business. This is true entrepreneurial education; it is not just adding another textbook or new course to the school curriculum. Instead, this educational exercise taught the students at Arthur High School important lessons about ensuring opportunities in our communities.

Across the state, vital vocational education programs and student organizations offer our young people the opportunity to explore entrepreneurial activities. These programs play an essential role in developing Nebraska's future entrepreneurs, but we need to do more.

Rural America is changing and will continue to face economic challenges as the agricultural economy changes. To grow rural Nebraska's economy, we must be creative and assertive in order to challenge old attitudes, engage our entire population, and change with the times.







# Table of Contents

LETTER FROM CONGRESSMAN OSBORNE .....	i
PREFACE: CULTIVATING THE NEXT GENERATION OF OPPORTUNITIES .....	iii
TABLE OF CONTENTS .....	vii
CHAPTER I: WHAT IS ENTREPRENEURSHIP? .....	1
CHAPTER II: WHY IS ENTREPRENEURSHIP IMPORTANT TO NEBRASKA? .....	3
CHAPTER III: WHO CAN BE AN ENTREPRENEUR? .....	7
SUCCESS STORIES	
CHAPTER IV: HOW DOES ONE BECOME AN ENTREPRENEUR? .....	17
EDUCATION AND TRAINING .....	18
TRAINING YOUNG ENTREPRENEURS .....	20
ENTREPRENEURSHIP EDUCATION PROGRAMS .....	22
ENTREPRENEURSHIP IN COMMUNITIES .....	23
BUSINESS INCUBATORS .....	24
SMALL BUSINESS TRANSFER .....	24
BUSINESS COOPERATIVES .....	25
BUSINESS FRANCHISING .....	25
MICROENTERPRISE ORGANIZATIONS .....	26
BUSINESS ENTITIES .....	27
MARKETING .....	28
VALUE-ADDED AGRICULTURE AND NICHE MARKETING .....	29
TECHNOLOGY .....	30
NETWORKING .....	30
FINANCIAL RESOURCES .....	31
VENTURE CAPITAL .....	34
BUSINESS ETHICS .....	34
CHAPTER V: WHAT IS POSSIBLE FOR RURAL NEBRASKANS? .....	37
RESOURCE GUIDE AND ENDNOTES .....	41



# **CHAPTER I**

## **What Is Entrepreneurship?**

In its most basic sense, entrepreneurship is manifest in a business venture when an individual is able to turn an idea into a profitable reality. In practice, entrepreneurship is multifaceted, ranging from operating a small business in one's own home, to bringing a national franchise to a small town, to turning a new and unique idea into a high-growth company. Entrepreneurship can involve starting a business that brings a new store to main street, offering a product or service previously unavailable to a community, or acquiring an existing business that has had a long-standing presence in a community and helping it evolve to reflect one's own vision and personality.

When a new idea surfaces, or a lifelong dream persists, initiative and investment must be expended to make the vision a reality. That is when entrepreneurship is put into practice and the possibilities for success can be limitless.

### **What is an entrepreneur?**

An entrepreneur is an individual with the drive to start a business and develop it as envisioned. There is no such thing as a typical entrepreneur. Entrepreneurs can run small and large businesses alike. Whether operating a home-based business or a high-growth endeavor, entrepreneurs are the engines of innovation.

### **Are there different types of entrepreneurs?**

Entrepreneurial activities are found in a variety of structures and sizes. For example, an entrepreneur might develop a non-profit organization delivering necessary social services to a community. Entrepreneurship might also result in the creation of flexible part-time jobs for students, as well as opportunities for individuals seeking a second income.

Entrepreneurs can be agricultural producers who add value to traditional crops or raise alternative crops. Entrepreneurship may offer people the opportunity to develop a career out of a hobby. An entrepreneurial venture is any business born and grown within a community that adds wealth to a region.

Successful entrepreneurial endeavors have resulted in single-person entities, as well as international corporations. The creativity and resources of the entrepreneur are the only limits to business possibilities. When Nebraskans tap their imaginations and resources, they can create an abundance of new Nebraska success stories.

### **Does entrepreneurship exist in the Third District of Nebraska?**

Absolutely. Some examples include a value-added ranching operation in the Sandhills, the local grocery store in Arthur, the café in Palisade, the ethanol plant in Plainview, and the telephone company in Hemingford, among others. The potential success of an entrepreneurial idea is illustrated by the history of two of Nebraska's success stories: Cabela's and The Buckle. Both of these businesses started as local entrepreneurial ventures in the Third District and are now major national and international businesses.

*What is entrepreneurship?*

## **CHAPTER II**

# **Why Is Entrepreneurship Important To Nebraska?**

Entrepreneurship is one of the most critical ingredients necessary to secure economic prosperity for rural Nebraskans. The promise of entrepreneurship offers a way to engage and excite people from all walks of life and from across the region. Successful entrepreneurial efforts can lessen the challenges that rural communities face.

Nebraskans, known for their resourcefulness, ingenuity, and independence, possess the vital qualities necessary to successfully develop an entrepreneurial atmosphere. A culture of forward thinkers creates an environment where potential entrepreneurs can achieve significant success. The economic diversity that results from successful entrepreneurial endeavors will enhance our economy by providing additional sources of product sales, revenue, and job opportunities. As a result, Nebraska's economy will become more prosperous, dynamic, and sustainable.

### **Specifically, how will entrepreneurs help the Third District of Nebraska?**

While agriculture continues to be the driving force behind rural Nebraska's economy, economic diversification has become critical to sustain and improve the quality of life in communities throughout the state. Entrepreneurship enhances the quality of employment opportunities while strengthening, stabilizing, and adding wealth to Nebraska's economy. Entrepreneurship is a strategic tool to create new businesses, add jobs, improve incomes, and generate additional revenue in communities. All of this activity connects Nebraska businesses and communities to the larger, global economy.

The positive results of prosperous entrepreneurship and a larger tax base at the local level can be seen in countless ways, including better educational opportunities for Nebraska's children, improved access to health care, safer roads, healthier housing markets, more adequately equipped law enforcement officers and first responders, and advanced telecommunications technology. By promoting entrepreneurship, life in rural Nebraska improves.

### **What about my community?**

Entrepreneurship is vital to all Nebraska communities. According to the U.S. Small Business Administration, over 57 percent of Nebraska for-profit enterprises have five or fewer employees.<sup>5</sup> This data proves that entrepreneurs and small businesses have been and continue to be essential to the strength and growth of local economies.

The need for more rural economic development is a frequent front-page story in newspapers across Nebraska. One of the best ways to enhance rural economic development is to promote entrepreneurship. Conferences are often hosted to share economic development ideas and opportunities, and several state and federal agencies exist for the sole purpose of stimulating economic development.

### **Why should communities strive to provide an atmosphere of entrepreneurship?**

Rural Nebraska is a great place to live and raise a family, but only if jobs are available. In order to turn the tide of declining population, every community in rural Nebraska must work to encourage business development. During the past two decades, Nebraska has seen a record number of its

residents leave the region for opportunities elsewhere. Rural Nebraska families are leaving because they cannot find the opportunities they need to support their families. Communities need to demonstrate the possibilities that result from entrepreneurial development. Without this, Nebraska will continue to face the loss of our most precious resource — people.

### **How do communities benefit from entrepreneurial activities?**

The benefits of living in a rural community are many. Friendly people, low crime rates, good schools, and lower costs of living highlight the list. But, when it comes to quality jobs, many rural community members believe that good jobs are scarce or non-existent. What most do not realize is that they can create their own opportunities and chances for advancement while doing something that they enjoy right in their own hometown.

Entrepreneurs create jobs in a community, increase income opportunities, enhance the variety of goods and services offered, and enlarge the local tax base. They go beyond investing in their own businesses by promoting their communities through involvement in schools, civic service, and philanthropy. Entrepreneurship provides countless benefits, and communities need to recognize the potential of entrepreneurial activity as they work toward a sound strategy for local economic development.

Jason Henderson, an economist at the Federal Reserve Bank of Kansas City explains, “These new firms are an expansion of the creativity of the entrepreneur, allowing new products and new ways of doing business to add value to an economy and improve the quality of life in communities.” He goes on to explain, “many state and local governments recognize the value of innovative entrepreneurs and are shifting their focus from recruiting firms from other places to growing their own.”<sup>6</sup>

### **If a community is improving economically, is that enough?**

Unfortunately, economic improvement is not enough to sustain communities. Economic growth is a vital element, but it is not sufficient by itself. Communities that survive and prosper invest not only in business, but also in building social and human capital. Simply having a workforce is not enough for a community to prosper. In order to add true value to a community, highly skilled managers and entrepreneurs need to thrive. Otherwise, the community will simply become a processing facility for the innovations of others.

### **What different types of entrepreneurs exist?**

Although this is not an inclusive list, the following definitions provide cross-sections of the different types of endeavors that entrepreneurs may be able to bring to a community.

- **Community entrepreneurs.** Community entrepreneurs often involve a number of people in a community working together to address a critical community need. This type of entrepreneurship is particularly effective in rural Nebraska where no one family or person may have the financial resources to help establish a much-needed business or service. Community entrepreneurs may also be involved in non-profit projects, such as building a community swimming pool, community center, or public library.
- **High-growth entrepreneurs.** During every major economic growth period in history, the majority of jobs created resulted from entrepreneurs operating high-growth businesses. Therefore, communities should not only continue efforts to recruit established firms and

branch plants, but also make the expansion of high-growth businesses throughout Nebraska a top priority. High-growth entrepreneurs connect local communities to national and international markets more effectively than nearly any other existing industry. In addition, entrepreneurial businesses are likely to reinvest their wealth in local communities, while a branch plant may instead send money back to a corporate office or to an administrative headquarters located outside of Nebraska.

- **Hobby entrepreneurs.** Hobby entrepreneurs often develop businesses related to activities they enjoy as pastimes. Hobby entrepreneurs are important to rural Nebraska because they provide services that may be otherwise unavailable to local communities due to the low population. While larger scale entrepreneurs may look for pools of skilled labor, hobby entrepreneurs often work alone and may engage in their entrepreneurial venture part-time in addition to another occupation.
- **Lifestyle entrepreneurs.** As well as bringing more jobs and increased consumer spending, a lifestyle entrepreneur will often bring a unique product or service to a community. Lifestyle entrepreneurs often develop a business simply from something they enjoy doing, which could be anything from producing and selling crafts to painting murals in baby nurseries.
- **Minority entrepreneurs.** Minorities and immigrants throughout history have served as vital sources of entrepreneurial spirit that have led to the creation of numerous enterprises throughout Nebraska. Whether creating businesses to provide culturally specific goods or services or to address a need in the larger economy, minority entrepreneurs fill critical roles in local economies.
- **Social entrepreneurs.** Social entrepreneurs operate both within the for-profit and non-profit sectors. They use business skills and resources to provide solutions to community needs.
- **Student entrepreneurs.** Student entrepreneurs use their abilities to apply classroom skills in non-academic settings. Entrepreneurship offers students at both the high school and college levels the opportunity to create jobs that are more flexible and more tailored to their interests and time than if they were to enter the general job market. Students may also be able to provide insight into a market that would otherwise be overlooked and present fresh new ideas for improving existing businesses.
- **Women entrepreneurs.** While many younger women may not think twice about starting a business, women who grew up in an earlier time may find the prospect daunting. Women often have special insight into the types of services that are missing in a community and bring unique skills and interests to a business venture.





## CHAPTER III

# Who Can Become An Entrepreneur?

With the proper resources, anyone can become an entrepreneur—men, women, young people, and senior citizens. Entrepreneurial success does not discriminate.

### **What are the attributes of an entrepreneur?**

Although an entrepreneur naturally possesses certain traits, one does not have to be extraordinary at a particular thing in order to be successful. Nor does success as an entrepreneur require an advanced degree or a large bank account.

Energetic, outgoing, proactive, creative, and skilled at risk-taking are a few of the many adjectives typically used to describe entrepreneurs. Entrepreneurs exude passion and enthusiasm about their product or service. Entrepreneurs come in all types, but there is, nevertheless, one quality that all entrepreneurs share—they are innovative. Entrepreneurs are everyday people instilled with the desire to build strong businesses.

A word of caution—impatience is not a key attribute of an entrepreneur. The history of business is filled with entrepreneurial efforts abandoned because people too quickly gave up on their dreams. While learning about business operations is important, it is equally important for people to know themselves before launching a new business. There is significant risk in starting a new business, as well as many obstacles along the way. Entrepreneurs must be willing to take calculated risks. They must be able to persevere when challenges arise and adapt to new circumstances. In the end, a successful entrepreneur must be innovative, courageous, savvy, creative, and visionary.

### **What are some examples of entrepreneurial success stories in Nebraska's Third District?**

The following success stories reflect just a few of the examples of successful entrepreneurs in rural Nebraska and prove that all varieties of entrepreneurs can be successful. This section includes many types of businesses started by people from different walks of life.<sup>7</sup> Each narrative can serve as a resource, as well as demonstrate how successful entrepreneurship will generate new jobs and bring added wealth to greater Nebraska—a region that will ultimately become an even better place to live.

### ***Community Entrepreneurs***

---

#### ***Blue Jean Café, Oconto***

Facing an uncertain future in her retail job and the desire to be closer to her family, Ann Archambault purchased the Blue Jean Café in Oconto. Ann did not have any formal restaurant experience, but this fact did not deter her from returning home to own her own business. Wanda Eggleston, the previous owner, initially worked with Ann and mentored her as she assumed the responsibilities of this successful business. She also had the support of her family, with her children often pitching in to help after school.

The Blue Jean Café has been a mainstay in the Oconto community. Originally opened in the 1930s, the café continues to serve as a gathering spot for numerous social activities. Ann and her family strive to meet the desires of the community, providing an inviting family atmosphere. The Blue Jean Café is a shining example of a successful small business transfer from one generation to another, preserving an important community asset.

***The Danish Baker, Dannebrog***

Thomas Schroeder's idea for The Danish Baker started one day when he realized that the downtown businesses in Dannebrog were dwindling. When the local restaurant closed, he knew the citizens needed a place to sit, relax, and chat. At the time he was working in Grand Island at a job he did not really enjoy.

Before the bakery opened, Thomas had no experience in baking except a fond memory of helping his mother as a child. His entrepreneurial spirit continued beyond the establishment of the bakery though. Realizing the plentiful oven space and a market for pizza, his wife suggested they start serving pizza on Thursday evenings. Now the Danish Baker does 70 percent of its weekly business on Thursday evening "Pizza Nights."

***The Mercantile, Bridgeport***

When the Quality Farm Stores chain closed in late 2001, local investors watched and waited for a buyer to come forward to fill what they believed to be a huge void in local farm and ranch supply needs. When it became clear that no regional player was interested in the empty stores in the Panhandle, these investors started doing their homework and determined it was possible to create their own chain of stores to fill the need.

As the start-up issues of The Mercantile have stabilized, the owners are actively studying expansion opportunities in more urban areas along the front range of Colorado, primarily to hedge the business against the Panhandle's agricultural economy.

***Nebraska Sandhills Yellow Perch Cooperative, Whitman***

Nearly 30 members from a 16-county area in north central Nebraska have come together to form the Nebraska Sandhills Yellow Perch Cooperative. Seeing an opportunity to improve their economic situation by marketing yellow perch, this group worked with the Nebraska Department of Agriculture to conduct feasibility studies and a marketing analysis before making a large investment. The Nebraska Department of Agriculture provided the cooperative with assistance in purchasing equipment for the production, harvesting, and processing of perch.

***Pioneer Café and Pioneer Community Federal Credit Union, Palisade***

The story of the Pioneer Community Federal Credit Union begins in 2000, when the local café was preparing to close in Palisade, population 386 people. In order to prevent the closing, eight local couples banded together to purchase the café at an auction. Since that time, the couples have operated the business with hired cooks and a lot of volunteer time from the investors. The successful café is now the community's hub.

In June 2002, AmFirst bank decided to close its doors in Palisade. Because the café investors believed the community needed a financial institution, they started working with neighboring communities to develop a credit union. The procedure to establish the credit union—which usually

takes two or three years—was completed in only nine months and the Pioneer Federal Credit Union opened its doors.

The initial investment by these eight couples has generated excitement about what is possible for Palisade. The couples plan to continue to help their small community grow, and they look forward to the futures of both the café and the credit union.

## ***High-growth Entrepreneurs***

---

### ***The Buckle, Kearney***

Owned by the Hirschfeld family, The Buckle is nationally recognized with roots in the Third Congressional District of Nebraska. Initially a small-town clothing store, The Buckle is listed on the New York Stock Exchange and employs over 5,600 people. This Nebraska-based corporation has been included on the Forbes list of the “200 Best Companies” for seven of the past nine years.

Originally incorporated as Mills Clothing Store, The Buckle began as a conventional men’s clothing store in 1948. The store began selling a more casual line of men’s clothing in the 1960s, and by the early 1970s, The Buckle had successfully secured its image as a jeans and casual wear store.

In 1972, The Buckle expanded its operations, opening men’s clothing stores in Columbus and Hastings. The company continued to expand gradually until 1977, when the company introduced its concept of a combined men’s and women’s casual apparel store and opened its first shopping mall location in Grand Island.

The Buckle’s corporate office and distribution center remain in Kearney employing approximately 300 people. Across the Third Congressional District, The Buckle employs approximately 450 people. The company’s distribution center in Kearney handles over 12 million pieces of merchandise annually and provides an excellent central point for The Buckle operations that are now located in 37 states from California to Pennsylvania. A revolutionary entrepreneurial idea in the 1970s led to the opening of over 300 Buckle stores across the United States.

### ***Cabela’s, Sidney***

The origin of Cabela’s is a widely known success story. While attending a furniture show in Chicago, Chappell native Dick Cabela formulated a plan to purchase fishing flies sold at the show for very low prices and resell them when he returned home. Upon returning to Chappell, Dick ran a classified ad in the local newspaper for the fishing flies. As orders were received, each was filled and mailed with a home-produced mimeographed catalog of other outdoor items Dick had added to the product line.

In the beginning, Dick and his wife Mary worked from the kitchen table of their home. Then, in 1962, Cabela’s first warehouse was established as a small shed in their backyard. Eventually, the demand became too great for Dick and Mary to handle alone. Dick convinced his brother, Jim, to join the company. In the early years, the Cabela family did not take a profit from the business. Instead, they invested in more mailings, new equipment, and bigger facilities.

By 1968, the need to expand again became a prime concern. Looking throughout the Panhandle, the Cabelas discovered a vacant John Deere building near downtown Sidney. The 50,000 square foot facility was quickly organized to meet the company's needs.

By the mid-1980s, the company's facilities were once again filled to capacity. The answer to this problem came when the company acquired a former Rockwell International plant in Kearney. This facility became home to the company's telemarketing operation and a second retail outlet. Cabela's now has eight retail outlets located throughout the Midwest and additional telemarketing centers in Grand Island, North Platte, and Oshkosh. This premier outdoor outfitter continues to sell by mail order to all 50 states and over 120 countries. Cabela's stays firmly tied to its roots in the Third District of Nebraska and its headquarters remain in Sidney. The vision of Dick Cabela in the early 1960s serves as a classic example of an entrepreneur capturing an idea and turning it into a profitable reality.

### ***Prophet Systems, Ogallala***

Kevin Lockhart and his father, Ray Lockhart, founded Prophet Systems in 1989 in response to the need for more reliable equipment at the family's radio station. Kevin, returning from the military, had acquired extensive communications experience. Their family radio station was encountering on-going equipment problems. Kevin was challenged by his father to find a solution to the dilemma. The fledgling company, which initially employed only two, developed a digital radio automation system that stores audio on computer hard drives. Today, Prophet Systems employs approximately 120 people and has computer systems that are used by over 1,400 radio stations worldwide. Prophet Systems' future plans include developing its core market of digital automation products for radio, while making a conservative expansion into other markets that need digital audio and video control, such as the television and restaurant industries.

Prophet Systems has hired a number of employees who specifically wanted to leave urban areas because of the high cost of living, high crime rates and heavy traffic. Appreciating the quality of life in Keith County, these individuals have become stable and loyal employees. Prophet Systems' employees value the opportunity to raise their families in a small town setting with a lower cost of living. The area's natural beauty and recreational opportunities have also proven to be positive hiring factors.

### ***Hobby Entrepreneurs***

---

#### ***Brown Sheep Co., Mitchell***

Harlan Brown always knew that his lifelong interest in wool would eventually turn into a successful career. Harlan spent over 40 years farming, raising sheep, and running a feedlot. When he realized that his days of profitable farming were nearly over, Harlan decided to purchase the equipment necessary to begin processing wool.

After he began producing yarn, Harlan and his wife traveled the state to search for potential customers. The Browns would often enter a town and simply look in the telephone book to find an interested buyer. Their first sale was to the Navajo tribe, which continues to purchase 20 to 25 percent of the yarn Brown Sheep Co. produces. Today most yarn mills have left the United States, but Harlan Brown and Brown Sheep Co. continue to operate in rural Nebraska.

### ***Oxbow Pet Products, Murdock***

John Miller truly enjoyed rural farm life but had an ongoing interest in marketing and promotion. He began considering how to combine his interests in a profitable endeavor. He was already involved in the alfalfa business but saw an opportunity for increased profits if he began marketing alfalfa specifically to owners of horses and dairy cows. Next John began to consider how to add more value to the product he already manufactured and discovered the potential benefits available by entering the pet food market. He began by selling his alfalfa to ConAgra Pet Products. After 18 months of working with ConAgra, John realized that by simply putting the alfalfa in a bag, ConAgra raised the price of his commodity by 2,000 percent. John decided to integrate the packaging process into his own production and established a pet food business.

John's company has faced many challenges including slow Internet service, lack of capital, and a limited labor pool. However, the business has continued to remain successful. The future plans for Oxbow Pet products are to continue to grow at a rate of 20 to 30 percent each year and to emerge as a premier pet food company for small animals.

## ***Lifestyle Entrepreneurs***

---

### ***J. Christopher Vineyard, North Platte***

Dr. Jeffery Brittan originally conceived the idea of developing a vineyard after he purchased some property that had excess pastureland. He had always been interested in the winery business. After researching vineyards on the Internet, Jeffrey found that it was possible to grow grapes in Nebraska. He decided to start his own vineyard.

Jeffrey envisions this lifestyle entrepreneurship project expanding into a fully operational vineyard with 60 to 80 acres of grapes under production. He has also started planting orchards and other experimental tree crops, and plans to build guest and party facilities at the vineyard.

### ***Sturgis Auto Detailing, Holdrege***

After 20 years of working in a factory, Chuck Sturgis decided to take an early retirement. Soon after his retirement, he became excited about the prospect of opening his own business to do something he really enjoyed.

Together with his daughter, Chuck decided Holdrege lacked a quality car detailing shop. Since Chuck had always enjoyed cleaning cars and was meticulous in his work, he and his daughter decided an auto detailing business would be a good fit with his interests and skills. Chuck started by renting his own shop and detailing cars for a variety of customers. His initial location choice was ideal because it was already equipped with the equipment he needed. Then an offer came along that allowed Chuck to rent space at a local dealership. This was a winning proposal for both parties. Chuck's loyal clientele remained and he now provides exterior and interior cleaning services to customers of the dealership. Chuck anticipates that his business will continue to grow and prosper in the years ahead. Sturgis Auto Detailing is a good example of a second-career entrepreneur who recognized a need in his community and combined it with something he enjoyed.

## **Minority Entrepreneurs**

---

### ***Casa De Flores Tortilleria, Gering***

Through Casa De Flores Tortilleria, the Flores family has taken a local food product—the tortilla—and expanded production to meet a growing market throughout Nebraska, Colorado, and Wyoming. The University of Nebraska at Lincoln (UNL) Food Processing Center provided valuable assistance with marketing, ingredient labeling, packaging, and licenses. The U.S. Small Business Administration was helpful during the loan process. Many individuals donated their time to make this entrepreneurial endeavor a success. With hard work and persistence, the Flores family has realized their dreams.

### ***Viva Mexico, Grand Island***

Viva Mexico, a grocery store, is truly a family affair. Located in Grand Island, it has been in business for three years and is owned and operated by a husband and wife team, the Sotos. With capital from another business the couple owned, they were able to open their business. They realized that the area's growing Latino population enabled them to tap into a unique market and reach out to the community by offering products from Latin America. In order to keep their business running smoothly, this team goes to their vendors and picks up their own merchandise. They have not encountered any insurmountable problems while opening their business and they firmly believe that the business should continue to do well.

## **Social Entrepreneurs**

---

### ***Community Action Partnership of Mid-Nebraska, Kearney***

Mid-Nebraska is a community action, non-profit agency, established in 1965, as a part of President Lyndon B. Johnson's "War on Poverty." The main purpose of this social entrepreneurial endeavor is to provide diverse services and programs to positively impact the elderly and disadvantaged people of Nebraska. Throughout the history of the organization, the agency has implemented and maintained solid programs, benefiting the entire Kearney community. Head Start, WIC, home weatherization, food assistance, transportation, and affordable housing are the main programs offered by the Community Action Partnership of Mid-Nebraska, along with operating immunization clinics, case management services, and senior centers. Ninety-five percent of Mid-Nebraska's total revenues are applied to direct program services.

### ***RYDE, Kearney***

RYDE (Reach Your Destination Easily) began with the Community Action Partnership of Mid-Nebraska, filling a serious need for public transportation services in Kearney and the surrounding area. RYDE, a community-based transportation service, brings together existing transportation assets, such as vehicles and funding. By combining these resources under one umbrella agency, underutilized assets are now used more efficiently and have expanded the availability of public transportation. RYDE currently contracts with the local hospital, developmental disability services provider, job readiness program, and YMCA. With RYDE providing transportation services, these agencies no longer have the responsibility of providing drivers and vehicles. RYDE, in turn, gains economies of scale in both service delivery and fleet expenses. The outcome of this social entrepreneurial activity provides greater mobility and transportation opportunities, while lowering the costs of providing transportation service.

## ***Student Entrepreneurs—College***

---

### ***Baer Photograph, Kearney***

Brian Baer graduated in 1996 from the University of Nebraska at Kearney with a major in advertising and a minor in graphic design. Brian began freelance photography in college around 1995. In 1999, he quit his full-time job to begin his own photography business, Baer Photography. Since then the business has grown and recently moved to a location north of Kearney. His new location has 19 acres of what he describes as a “private photo park.”

### ***Mr. Basketball, Inc., Kearney***

As a college freshman at the University of Nebraska at Kearney, Doug Koster hosted the first Mr. Basketball Invitational in 1992 with a field of 12 teams from five states. Doug was certainly the nation's youngest major tournament director at just 19 years of age. From the beginning, coaches have praised the event as the best organized anywhere. The lone Mr. Basketball tournament in 1992 has grown into a full-time basketball promotion business, Mr. Basketball, Inc. In 2003, Koster's events included 712 teams from approximately 20 states.

Although the majority of the events are held in Kearney, Doug has expanded to host the Dakota Showcase all-star tournament in Sioux Falls and hosts a handful of youth tournaments in small communities in central Nebraska.

### ***Varsity Formal Wear, Kearney***

Pete Kotsiopulos graduated with a Bachelor of Science degree in business administration from Kearney State College in 1970. He started Varsity Formal Wear in 1969, opened Liberty Uniform and Linen Rental in 1971, and then joined the family-owned business, Liberty Cleaners, located in Kearney, Grand Island and Hastings, in 1975. Pete's grandfather started Liberty Cleaners in 1918 when he immigrated to Kearney. In 1981, Liberty Cleaners, Varsity Formal Wear, and Liberty Uniform and Linen Rental became one corporate entity, retaining separate names.

## ***Student Entrepreneurs—High School***

---

### ***Ely Farms, Grafton***

Eighteen year-old Neal Ely started his business in 1999 as a FFA project. After researching some options for his project, he decided to grow asparagus because he had always liked it. Neal sold fresh asparagus to people in the Grafton area. In 2001, Neal decided to use his mother's recipe for pickled asparagus to expand his business and market pickled asparagus to a different type of consumer. By 2003, he was producing nearly 10,000 jars of pickled asparagus. He now has customers all across Nebraska and in surrounding states, and plans to expand his business annually.

Neal explains his success, “I would let others know that I am just an average Nebraska farm kid, not a genius. Anybody is capable of beginning their own business if they have the desire to. I would just encourage students to be creative in their business endeavors. Diversity is a very important part of our state's agricultural future.”

### ***Gateway Theater, Albion***

An entrepreneurship class at Boone Central High School in Albion has taken business education to a new level—students are running a local theater. The Gateway Theatre was built in 1911 and was a relic no longer in use when 21 students in an elective high school entrepreneurship class decided to take action. During the 2001 school year, students in the class raised funds and then in January 2002, they purchased the theater for \$37,000. After renovations, the theater held its grand opening in May 2002, with State Senator Vicki MacDonald and Albion Mayor Jim Tisthammer participating.

Today, students and community volunteers operate the theater after school and on weekends. Student Cassie Olson explained the personal impact of the theater project, “Being in the entrepreneur class has widened my horizons—it has helped me become more confident in public speaking, and it has taught me how to write minutes for meetings.”

In addition to high school students, many local volunteer groups, including 4-H clubs, Future Business Leaders of America, church groups, Girl Scouts, the Albion Volunteer Fire Department, Lions Club, and Kiwanis Club, work at the theater and receive \$150 per weekend for their services. In this way, the theater provides a means for organizations to raise funds without having to directly solicit from the community.

### ***R&R Welding, Mason City***

Seeing an opportunity to turn his hobby of welding into a career, Kevin Racicky seized the moment. Welding was first introduced to Kevin through high school shop classes. He especially enjoyed the creative outlet that welding provided. As early as his freshman year in high school, Kevin started buying welding equipment. Kevin’s father, Robert, worked alongside him on basic farm repair and ironwork projects.

In 1999, six years after graduating from high school, Kevin purchased the welding shop in Mason City. This financial investment provided the Racicky family the opportunity to expand their business and interests. R & R Welding now contracts stainless steel work for the West Company in Kearney. Among other products, the company has fashioned a continuous 24-foot long paneling section for use by ranchers, an innovative gate latch that works without a spring, and portable fence-line feed bunks. The Racickys serve a regional clientele and have customers in Nebraska, Oklahoma, South Dakota, Wyoming, and Colorado.<sup>8</sup>

### ***Wolf den Market, Arthur***

After the grocery store closed in the small Sandhills community of Arthur, community members were afraid that the small town’s population would continue to decline. Without a local grocery store, residents had to drive 40 miles for simple necessities, such as milk and bread. As a solution, the community’s youth and a few key adults began to research the viability of opening a grocery store and applied for grants to finance the idea. Arthur High School integrated entrepreneurship into its curriculum and students assisted with every step of the project. Ultimately, the grocery store became a product of its young people. Today, Wolf den Market operates out of a formerly vacant house in Arthur, providing the 128-person community with all of its essential grocery needs.



## **Women Entrepreneurs**

---

### ***Bloomer's, Mitchell***

Since she was 17 years old, Nancy Kearns dreamed of owning a flower shop. However, at the time, she felt she needed to continue her education. After graduating from Chadron State College, she taught elementary school for 21 years. When her daughter graduated from college and agreed to become her business partner, Nancy decided it was time for a new challenge and opened a flower shop.

Nancy started her business with very little capital, a small loan from a local bank, tremendous family support, and a commitment to working day and night. Through hard work, the business has grown over the past seven years, making Bloomer's a household name in Mitchell.

### ***Mama's Salsa, Orleans***

As early as the late 1980s Traci Dietz knew she wanted to start her own business. After a lengthy period of time in which she considered many different ideas, Traci launched Mama's Salsa. Traci and her family had always enjoyed a particular recipe that she had adapted to suit her family's tastes. She faced a variety of challenges in the beginning, such as learning how to design a UPC label and test the nutritional value of her salsa. But with the help of UNL Food Processing Center and GROW Nebraska, she was able to get her business up and running.

Traci wants her business to continue to grow and is positioning it to do so by expanding her production facility. Traci believes her efforts will help Orleans generate additional revenue and stimulate much needed job growth in the area. From producing two jars of salsa at a time to 1,000 cases of the product a day, Mama's Salsa illustrates the endless possibilities for entrepreneurship.

### ***ReFind, Kearney***

Tanis Hall-Goedert's concept of ReFind grew from her love of consignment, thrift, and antique shopping. Her belief is that many items have qualities that can be enjoyed by more than one owner. In 2002, that belief led her to start a business, ReFind. The business offers consigned items including clothing, art, handmade items, and writings by local authors.

Through her past work experience, Tanis had become familiar with the consignment industry. This proved to be key when deciding that quality consignments was a business in which she could develop her entrepreneurial ideas. The primary challenges Tanis confronted were location, type of building, and how the initial site would be designed for future expansion. Staff expenses were a big consideration, but as Tanis has stated often, "staff is also one of the most important elements as they will be representing your business when you are not there." Tanis sought numerous forms of guidance while planning her business, including the local chamber of commerce, economic development corporation, the Small Business Administration, family, and local financial institutions. Technology also played a key role in the development of ReFind's concept. Tanis checked several industry-specific Internet locations for information and ideas. Located in Kearney, ReFind currently offers an outlet for 995 consignors from 22 states and eight countries.

### ***Sandhills Pottery, Dunning***

Many people traveling west along Highway 2 might not realize that Dunning is the home of Sandhills Pottery, but growing numbers of Nebraskans are becoming aware of this entrepreneurial success story. When owner and operator, Marlene VanDiest, initially decided to open a

greenhouse/floral business, she was simply looking for a way to fill her time and earn a little money. Soon after opening her business, she realized most of the pots used for flowers were imported from China and Japan. Innovation took over and Marlene decided that she could make better pots. Throwing pots was a hobby that grew into a business.

After taking classes in pottery making and studying with professional pottery makers, Marlene remodeled an old greenhouse into a pottery shop. At one time, Sandhills Pottery provided wholesale pottery to 110 retail outlets, and no two pieces of pottery were exactly alike.

Today, Marlene's products can be found in Nebraska outlets that sell Nebraska products, at Norm's Auto (her husband's station in Dunning), and also on her website. Her pieces are as diverse as the Sandhills. She accepts special orders and will make almost anything if it is practical to make in stoneware. Two of her creations have been featured in *Country Sampler* magazine.

According to Marlene, her greatest retail outlet has been her husband's business, which also features other Nebraska products for sale. "The main thing we have going for us is the scenic byway. People get tired of the Interstate," Marlene explained in a recent *Custer County Chief* article.<sup>9</sup>

## **CHAPTER IV**

# **How Does One Become An Entrepreneur?**

Entrepreneurial development involves many different aspects. This chapter is designed to provide direction to aspiring entrepreneurs.

### **What does it take to be an entrepreneur?**

An entrepreneur possesses many successful qualities—among them are an innovative spirit and a passion for an idea. A thriving entrepreneur also possesses resiliency to withstand both anticipated and unforeseen challenges.

Entrepreneurship requires an objective self-appraisal of one's strengths and weaknesses. According to the U.S. Small Business Administration, questions that are inherent to such an appraisal could include, but certainly not be limited to, the following:

- Are you a self-starter?
- Do you get along well with a variety of personalities?
- Does decision-making challenge you or frustrate you?<sup>10</sup>

Consulting others is another way to evaluate one's strengths and abilities. In addition, there are several tests available through books, websites, and professional career counselors to help entrepreneurs identify their strengths and weaknesses. This is a very important phase in the process, as the skills and expertise that an entrepreneur possesses need to correlate with the proposed business plan.

### **How does one get started as an entrepreneur?**

Initially, it is important to identify the reasons to go into business. One should begin by identifying the need for the business as well as the competitive advantages. The next stage involves identifying where the business will be located, what the business structure will be, what the name of the business will be, and what equipment or supplies will be needed. As ideas become realities, it is always important to consider financing options. Throughout this process, it may be helpful to contact individuals who have gone through the process of starting similar businesses.

### **How might an entrepreneurial idea evolve?**

According to the Small Business Administration, basic ideas for a business can come from a variety of sources:

- A spin-off of a present occupation.
- A hobby or special interest.
- An answer to the question, “why isn’t there a ...?”
- A lack of products or services offered by others.
- A new way to address an old idea.
- A technological advancement altering society or social customs.<sup>11</sup>

Another way to develop entrepreneurial ideas is to determine whether or not a similar idea has been proposed. A good resource for this research is the U.S. Patent and Trademark Office.

Inspiration is the fuel of an entrepreneur. From the beginning, a successful entrepreneur has the confidence to keep an idea alive; an entrepreneur cannot sell his or her idea short or the plan will fail. Following a dream can be a most rewarding life experience.

### **How does one determine if a business idea is viable?**

One of the first critical aspects of any entrepreneurial endeavor is the formulation of a business plan. The business plan will serve as a tool in evaluating the viability of the proposed idea. It will define the product or service and allow for market research. Proper research will help with the definition and clarification of the size of the potential market, competition, and prospects for potential growth. An entrepreneur can then create financial statements and projections. This plan can be completed with the help of numerous professionals throughout the region. Some of the resources available include the Nebraska Business Development Center, REAP (Rural Enterprise Assistance Project) delivered by the Center for Rural Affairs, the EDGE (Enhancing, Developing and Growing Entrepreneurs) program administered by UNL Cooperative Extension, and SCORE (Service Corps of Retired Executives).

The Nebraska Department of Economic Development also provides resources for business development. The Business and Entrepreneur Toolkit is designed to provide a one-stop resource for all aspects of business ownership: employer requirements, laws and regulation, and taxes and incentive packages.

These programs and others listed in the Resource Guide at the end of this handbook can provide entrepreneurial training, assistance, and support throughout various stages of entrepreneurial development

### **How does an entrepreneur measure success?**

When considering an entrepreneurial activity, it is important to realize that success is defined in a variety of ways. To one entrepreneur, success will be defined by developing a Fortune 500 company from the ground up. For another, success might be working independently from home and employing a couple of neighbors. The success of an entrepreneur will be largely dependent on the goals set by each individual.

In addition to meeting personal objectives, new businesses and new products also add value to a community and improve the quality of life for its citizens. Entrepreneurs are considered successful when they bring something new to the marketplace, create wealth, and stimulate the local economy.

## ***Education and Training***

### **Why is entrepreneurial education important?**

Entrepreneurial skills such as self-discipline, creativity, determination, perseverance, enthusiasm, self-confidence, and responsibility are essential to business success. Without refinement of these types of skills, which are developed through education and training, a business will not thrive.

Specific technical skills often help entrepreneurs operate their businesses. Typically, these skills are already in place, but they may be enhanced and updated with additional training and development. For example, a person with baking skills may choose to take a cake decorating class at the local community college and start a home-based business. For someone with a strong interest and background in technology and software, starting a computer service home-based business might be an option. Again, additional training at the community college level with a targeted focus on enhancing software and hardware skills and knowledge would be highly beneficial and increase the likelihood of success.

Regardless of the focus of a business, business management skills are critical to entrepreneurial success. Business management skills include planning, organizing, keeping records, solving problems, critical thinking, leadership and managing employees. Entrepreneurs who have limited management skills must work to develop these skills or partner with someone who enjoys management. These skills are often an important part of entrepreneurial education programs.

### **What training or skills does it take to be an entrepreneur?**

A person with entrepreneurial ambition can prepare early to develop and lead a new business. While entrepreneurs do not need to perform all the technical functions of a business, they will most likely be more effective leaders if they understand accounting, marketing, franchising, management, and new business financing. As a leader, an entrepreneur needs to cultivate other skills that come from a broad-based education including strong critical thinking, effective writing and speaking. These skills can be enhanced in a variety of ways, including seminars, distance learning, conferences, and classes at a local community college.

### **How much education does a person need to be an entrepreneur?**

Successful entrepreneurs come from a broad range of educational backgrounds. Some know their specialty areas but have little background in business, while others are well trained in business and later find a specialty area to explore. The amount of education required, whether formal or informal, depends on the needs of the individual entrepreneur. In today's fast-moving business environment, there will often be a need for more technical training and development of leadership and business skills.

### **Where does one go to receive entrepreneurial training?**

Countless opportunities exist for training to become an entrepreneur. Training can range from specific programs on single topics, to short-term focused curriculum studies, to semester long courses at community colleges and universities. The University of Nebraska Cooperative Extension Service offers a variety of resources including publications, visual media, and curricula materials. Workshops on topics related to business development and planning are held throughout the state. An inquiry to a local community college should provide insights to potential training topics and sites. Local chambers of commerce or business development groups may also sponsor training on related topics. On-line training opportunities may be considered if travel and time are important factors.

## ***Training Young Entrepreneurs***

### **Why are young entrepreneurs important?**

The future strength of our economy depends on our youth. When young people choose to leave, they often do so because of a lack of career opportunities in their hometowns. Entrepreneurial education begins to address this issue. Through entrepreneurship, young people can live in their hometowns and create their own opportunities. Investing in young people is critical to improving Nebraska's economic future.

Young people are generally creative, enthusiastic, and risk-takers; all characteristics of successful entrepreneurs. From lawn mowing businesses to baby-sitting, many young people have been entrepreneurs at one time or another.

### **Why should schools and teachers incorporate entrepreneurial education?**

The Gallup Organization conducted the first national poll on entrepreneurship education. This poll was commissioned by the Center for Entrepreneurial Leadership of the Ewing Marion Kauffman Foundation. As part of the poll, many young people were able to share their views on this important subject.

- Seventy percent of high school students polled would like to start their own business. However, the students polled responded correctly to only 44 percent of basic knowledge questions concerning entrepreneurship.
- Ninety percent of students surveyed rated their personal knowledge of entrepreneurship as very poor to fair, with only 27 percent reporting taking a course in business or entrepreneurship in high school.
- Eighty-four percent of students polled indicated that it is “important to very important” for the nation’s schools to teach more about entrepreneurship and starting a business.
- The primary motivation of students wanting to start their own business was independence rather than making money. In addition, 70 percent stated that they believed that successful entrepreneurs have an obligation to give back to the community that supported the business.<sup>12</sup>

Student entrepreneurial endeavors help to foster youth retention by providing young people the opportunity to contribute and invest in their home communities. As young people build and grow businesses within a community, they are more likely to stay and invest in their community’s future.

### **How can students gain exposure to entrepreneurship at a young age?**

High schools, colleges, and universities are beginning to offer courses specifically related to entrepreneurship. Beyond coursework, aspiring entrepreneurs can gain powerful insights into business operations and opportunities by working in a business related to their career interests. This can be done through regular employment or an internship. Most schools offer internship programs that place students in businesses for educational purposes. Interns learn how opportunities develop, decisions are made, and projects are managed. This applied experience integrates classroom learning with practical understanding.

### **Can entrepreneurship enhance skills beyond the classroom?**

Nebraska's Career Student Organizations (CSOs) offer students at the secondary and post-secondary levels the opportunity to apply the knowledge gained in formal classroom settings and work experiences. Nebraska's Career Student Organizations are co-curricular, which means they are linked directly to the classroom curriculum in specific career fields.

Almost every Nebraska high school and many middle schools offer at least one of the following Career Student Organizations:

- DECA - an association of marketing, management and entrepreneurship students
- FBLA (Future Business Leaders of America) - prepares students for business or business-related careers
- FCCLA (Family, Career and Community Leaders of America) - helps young people become leaders and address personal, family, work and societal issues
- FFA - an organization that prepares students for careers in the food, fiber, and natural resources systems
- HOSA (Health Occupations Students of America) - promotes career opportunities in health care to enhance the delivery of quality health care to all people
- SkillsUSA - serves students who are enrolled in training programs in technical, skilled and service occupations.

In addition, many post-secondary schools (two-year and four-year) offer the collegiate level of DECA (Delta Epsilon Chi), the collegiate level of FBLA (Phi Beta Lambda) and post-secondary SkillsUSA. Each of these organizations offers one or more entrepreneurship competitive events that focus on developing the skills, knowledge, and attitudes necessary for success in an entrepreneurial venture.

### **Can entrepreneurial education have an effect on overall grades and attitudes?**

In a study analyzing student attitudes about entrepreneurship in children enrolled in third through eighth grades, Howard S. Rasheed, Ph.D., assistant professor of business management at the University of South Florida, determined that entrepreneurship education has a positive effect on the academic performance of students.

Investing in educational training to develop and nurture entrepreneurship at an early age produces measurable and significant results, according to Rasheed's findings. A portion of the study compared students who received entrepreneurship training to students who did not. Students with training scored better in a number of academic subjects including reading, math, social studies and language.<sup>13</sup>

Interestingly, Rasheed found that the results of youth entrepreneurship training extend beyond academic grades by affecting attitudes and behaviors. Dr. Rasheed concluded that students who participate in entrepreneurship training exhibit higher motivation for achievement, more creativity and innovative thinking, a greater sense of personal control and higher self-esteem.

The best results were realized when students actually started a business or participated in a revenue-generating activity along with a systematic program of entrepreneurship education. Those students showed an even higher degree of improvement in attitude and behavior.<sup>14</sup>

### **Can entrepreneurship be taught as a part of traditional coursework?**

Entrepreneurship training can be successfully integrated into traditional coursework by incorporating hands-on business activities into traditional classroom and textbook instruction. For example, writing marketing materials, proposals, and business plans can improve English skills; sales and accounting experiences can improve math skills; and developing manufacturing processes for products can be incorporated into a science or industrial technology class.

True entrepreneurial education integrates hands-on business development into the school system. The following tables provide an overview of some of the resources available in Nebraska and the nation for the development or enhancement of entrepreneurial education. Complete contact information for each of these organizations can be found in the Resource Guide.

### **Nebraska Programs/Chapters**

<b>Program</b>	<b>Targeted Audience</b>	<b>Services</b>
Center for Rural Entrepreneurship <sup>15</sup>	• All ages	• Training • Informational resource
DECA – An Association of Marketing Students <sup>16</sup>	• Secondary	• Marketing • Management • Leadership • Training
Delta Epsilon Chi Association <sup>17</sup>	• Post-secondary	• Marketing • Management • Leadership • Training
Family, Career and Community Leaders of America (FCCLA) <sup>18</sup>	• Secondary	• Career exploration • Leadership training
Future Business Leaders of America (FBLA) <sup>19</sup>	• Secondary	• Business training • Leadership training
Health Occupations Students of America (HOSA) <sup>20</sup>	• Secondary	• Health and health services training • Leadership training
Junior Achievement <sup>21</sup>	• K-12	• Connects businesses with local schools • Curriculum • Supplemental resources
Nebraska Center for Entrepreneurship <sup>22</sup>	• Middle School • Secondary	• Summer day camp • Scholarship programs
Nebraska Council on Economic Education <sup>23</sup>	• K-12	• Teacher training • Additional resources
Nebraska EDGE (Enhancing, Developing and Growing Entrepreneurs) <sup>24</sup>	• Secondary	• Curriculum • Teacher training
Nebraska FFA <sup>25</sup>	• Secondary	• Supervised Ag Experience (SAE) • Leadership training
SkillsUSA <sup>26</sup>	• Secondary • Post-secondary	• Technical skills and service training • Leadership training
Southwest Nebraska Youth Entrepreneur Partnership <sup>27</sup>	• Middle School • Secondary	• Extracurricular entrepreneurial training • Internships



## National Programs

Program	Targeted Audience	Services
Coleman Foundation <sup>28</sup>	<ul style="list-style-type: none"> <li>• Elementary</li> <li>• Secondary</li> <li>• Post-Secondary</li> </ul>	<ul style="list-style-type: none"> <li>• Grant funding</li> <li>• Informational resource</li> </ul>
Consortium for Entrepreneur Education <sup>29</sup>	<ul style="list-style-type: none"> <li>• K-12 Administrators</li> </ul>	<ul style="list-style-type: none"> <li>• National standards</li> <li>• Informational resource</li> <li>• Conferences and workshops listed</li> </ul>
Corporation for Enterprise Development <sup>30</sup>	<ul style="list-style-type: none"> <li>• All ages</li> </ul>	<ul style="list-style-type: none"> <li>• Curriculum</li> <li>• Informational resource</li> <li>• Training</li> </ul>
Kauffman Foundation <sup>31</sup>	<ul style="list-style-type: none"> <li>• Elementary</li> <li>• Secondary</li> <li>• Post-secondary</li> </ul>	<ul style="list-style-type: none"> <li>• Curriculum</li> <li>• Training</li> <li>• Grant funding</li> <li>• Informational resource</li> </ul>
Making Cent\$ International <sup>32</sup>	<ul style="list-style-type: none"> <li>• 2<sup>nd</sup>-12<sup>th</sup> Grades</li> <li>• Post-secondary</li> </ul>	<ul style="list-style-type: none"> <li>• Youth curriculum</li> <li>• Training</li> <li>• Informational resources</li> </ul>
Marketing Education Resource Center <sup>33</sup>	<ul style="list-style-type: none"> <li>• K-12</li> </ul>	<ul style="list-style-type: none"> <li>• Curriculum</li> <li>• National standards</li> <li>• Training</li> <li>• Additional resources</li> </ul>
National Foundation for Teaching Entrepreneurship <sup>34</sup>	<ul style="list-style-type: none"> <li>• Elementary</li> <li>• Middle School</li> </ul>	<ul style="list-style-type: none"> <li>• Curriculum</li> <li>• Training</li> </ul>

## Entrepreneurship in Communities

### What makes communities or regions entrepreneurial?

Conventional wisdom suggests that strong learning institutions, access to venture capital, and good physical infrastructure are important to successful entrepreneurship. Physical assets such as schools, buildings, highways, and technology are also considered important. However, people hold the most important key to success in entrepreneurship. Entrepreneurs thrive in regions where they can effectively network with other entrepreneurs.

### How can communities promote an atmosphere of entrepreneurship?

According to the Center for Rural Entrepreneurship, in order to promote an atmosphere of entrepreneurship, communities must be positive and radiate success. This answer seems easy enough, yet many communities find it very difficult because local residents too often focus on the negative rather than on the positive in a community. Some entrepreneurs will want to return to their hometowns to capture a particular quality of life, while others will be attracted to an area because they see the opportunity for a high-growth business that could launch not just the business, but also the community, into national and international markets. Communities should offer programs designed to directly support entrepreneurs, increase human capital, and promote local opportunities.<sup>35</sup>

### **How does a community increase its human capital?**

Human capital in a community refers to the intellect, knowledge, ambition, and skills developed by community leaders. These attributes drive economic development. Most communities have at least a few entrepreneurial thinkers. It is important to support these innovators and help them to change entrepreneurial ideas into Third District success stories. Many communities today are forming business incubators, developing plans for small business transfers, establishing local cooperatives, recruiting microenterprise organizations, and engaging young people in entrepreneurial ventures to create more vitality.

## ***Business Incubators***

### **What is a business incubator?**

A business incubator is a facility and environment designed for start-up businesses. An incubator provides a location, relatively low overhead expenses and a community of shared resources. Business incubators establish “an entrepreneurial culture within a community by pulling together the support of financial institutions, business owners, community leaders, schools, government and business assistance professionals.”<sup>36</sup>

### **How does a business incubator benefit a community?**

An incubator environment encourages start-up businesses and entrepreneurs. According to Linda Knopp with the National Business Incubation Association, companies that develop through a business incubator tend to stay in a community. As a result, these companies usually produce stable and higher income jobs for local residents. More than 500,000 jobs have been created this way since 1980.<sup>37</sup>

## ***Small Business Transfer***

### **What is small business transfer?**

Small business transfer is the change in ownership of a business. Historically, small businesses were often passed down within families from generation to generation, but this type of business transfer has decreased in recent decades. Today, prospective owners are generally not family members and must be recruited and properly trained. The responsibility of small business transfer lies not only with the owner but also with the community.

### **Why is small business transfer important to rural Nebraska?**

When an existing business in rural Nebraska closes, it is often difficult to reopen. As business owners in rural Nebraska approach retirement age, it is important for them to consider a transfer strategy for their business as an alternative to simply closing the doors. Business closures result in rural communities losing vital retail and commercial enterprises. The owner will recover more financially from the transfer, the community will retain a business, and the purchaser gets a head start in developing a business, if an owner has planned for the transfer of the business to a new owner.

### **What is a community's role in small business transfer?**

Small business transfers should be a vital part of a community's economic development strategy. A community can identify business owners who will be retiring as well as younger people interested

in taking over a business, and then work closely with interested parties to develop a transfer strategy. When a successful business transfer is complete, a community has saved a business integral to the local economy.

## ***Business Cooperatives***

### **What is a cooperative?**

A cooperative is a legal business structure allowing several independent producers to form an alliance for economic purposes. In Nebraska, agribusiness cooperatives often exist as tools for independent producers to form alliances that improve their market position. Members can also participate in the day-to-day functions and decisions of the cooperative. Ultimately, the shared efforts and resources of the members are rewarded when greater efficiencies and increased revenues are achieved.

### **How can a cooperative enhance rural economic development?**

Cooperatives work to eliminate unnecessary bureaucracy and provide members with greater economic advantages. The members, in turn, are able to reinvest in the community. Successful cooperatives also encourage other businesses to operate in the community to improve the region's economy.

### **What are the benefits of a cooperative?**

A cooperative can provide many benefits to its members. One advantage is based on the principle that people can accomplish more collectively than can be achieved individually. A cooperative combines a variety of talents, knowledge, abilities, resources, and opinions in an effort to strengthen the entire organization. This teamwork approach enables the cooperative to benefit in a number of ways. Vertically integrating the process of taking commodities from field to market adds value to the product. This allows the cooperative to better control the quality of the product to create a competitive advantage.

### **How can a group acquire assistance developing a cooperative?**

A variety of resources are available for persons or groups interested in forming cooperatives. Those resources can assist with cooperative development, feasibility studies, funding, business plans, market development, and a variety of other necessary functions. Information about several valuable resources, including the U.S. Department of Agriculture (USDA) Rural Business Cooperative Service, the Nebraska Cooperative Development Center, and the Nebraska Department of Agriculture, can be found in the Resource Guide at the end of this handbook.

## ***Business Franchising***

### **What is a franchise?**

According to business specialist Don DeBolt, a franchise is a form of business organization in which a successful business “enters into a continuing contractual relationship with other businesses operating under the franchiser’s trade name and usually with the franchiser’s guidance, in exchange for a fee.” Franchises exist in almost every area of business.<sup>38</sup>

### **What are the advantages and disadvantages of franchising?**

According to the website FranchiseOpportunities.com, more than 750,000 franchise businesses operate in North America. These businesses contribute over \$1 trillion in sales to the economy.<sup>39</sup> Since franchises operate under the name of a pre-existing company, customers are usually familiar with the franchise's product and its quality. The main disadvantage to being a franchisee is the lack of control. The franchise headquarters always maintains control of the products that are sold, the selling price, and other aspects of the franchise business.

A franchise may be a good alternative for someone with limited experience operating a business. The franchising company provides guidance and training for those running the business. Franchised businesses have an improved chance of success compared to independently created businesses because years of experience are inherently included as a part of the franchise arrangement.

### **What responsibilities are associated with a franchise?**

Franchising takes good management and often requires the business owner to work many hours. While it is true that the franchise system gives assistance in training and support, a franchisee must be willing to invest substantial amounts of time in order to ensure the success of the business and must also be able to interact and work successfully with the public.

### **What does a franchiser expect?**

When an individual agrees to become a franchise owner, he agrees to uphold the consistency and delivery of products and services associated with that franchise name. Displaying the company's sign or insignia sends a message to customers of the franchisee's intent to abide by the policies and practices of the franchiser.<sup>40</sup>

### **What costs are associated with a franchise?**

Franchise costs range from minimal to substantial. The amount of investment in a franchise is as varied as the types of franchises that are available. A potential franchisee should contact the franchiser to get an idea of start-up costs. Fees may also vary depending on the local costs that may also be incurred. Adequate capital for start-up and operation until the business turns a profit is a key component in the success of a franchise.

### **Is franchising for everyone?**

Many individuals throughout the Third District are the successful owners and operators of franchises. Franchising has been a successful alternative for individuals who prefer to be their own boss, but do not want to build a business from scratch. Owning and operating a franchise gives an entrepreneur the opportunity to connect quicker with a potential customer base because of name recognition.

## ***Microenterprise Organizations***

### **What is a microenterprise organization?**

A microenterprise organization is an entity that views small business development with a comprehensive approach. Microenterprise organizations focus on increasing human capital in order to stimulate economic development. Diversity is the hallmark of microenterprise development in the United States. While the individuals and communities that may benefit from microenterprise assistance vary, these organizations often target rural areas. A wide range of institutions might

constitute a microenterprise organization, including community development banks, credit unions, housing and social service programs, community foundations, as well as stand-alone microenterprise development ventures.<sup>41</sup>

### **What types of business are supported by microenterprise organizations?**

The Association of Enterprise Opportunity and the microenterprise development industry have defined a microenterprise as a business with five or fewer employees, requiring less than \$35,000 in start-up capital, and without access to traditional commercial banking.<sup>42</sup>

### **Why are microenterprise organizations important to a community?**

Small businesses account for 99 percent of all businesses in our country. They employ greater than one-half of the total workforce and create two-thirds of all new jobs.<sup>43</sup> Microenterprises are emerging as major contributors to the small business sector throughout the United States.

Microenterprise programs in the United States are responsible for creating jobs, generating income, building assets, and enhancing skills. By generating new economic activity, microenterprises not only increase private incomes, but also increase public tax revenues. Communities should recognize the importance of microenterprise organizations and utilize the programs as a part of an overall economic development strategy. Additional information about microenterprise organizations can be found in the Resource Guide of this handbook.

## ***Business Entities***

### **What type of business entity should an entrepreneur choose?**

The type of business entity that is appropriate for each entrepreneurial venture depends on many things, including taxes, liability, number of participants, types of investments and investors, and goals for growth.

Local professionals such as accountants and attorneys should be able to assist an entrepreneur in determining what structure is best for a business. The Internal Revenue Service and the Nebraska Department of Revenue can also provide information on a variety of issues related to this question.

### **What types of business structures exist?**

There are several types of business structures from which to choose. Selecting the most appropriate business organization will depend entirely on the entrepreneur's ambitions. This decision becomes very important when considering factors such as number of employees and future expansion goals, as well as the overall liability and tax responsibilities of the business. The United States Small Business Administration offers an online *Small Business Startup Guide*. This guide includes a section on business structures, including proprietorships, partnerships, and corporations.<sup>44</sup>

## **Marketing**

### **What is marketing?**

In its most basic sense, marketing is a process by which a business presents a product or service in a form that is desirable to a potential buyer. A market can be a geographic region, a specific sector of the population, or the universe of people available through e-commerce.

### **How is a marketing plan developed?**

Resources that assist small businesses and entrepreneurs with marketing development are readily accessible. Numerous websites and books, plus many non-profit and for-profit consulting companies, specialize in marketing assistance. With the assistance of these resources, an entrepreneur can develop a successful marketing plan. Marketing coach Kim Gordon offers an outline for a basic marketing plan:

1. ***Situation Analysis*** – The first thing to do is assess the products or services offered, the advantages and challenges faced when marketing those products, and an examination of any competition.
2. ***Target Audience*** – An entrepreneur needs to describe specific markets based on demographics such as age, gender, and other important information.
3. ***Goals*** – An entrepreneur's business goals need to be outlined in accordance with the marketing plan. The goals need to be realistic and should include methods by which to measure the goals. Surveys and focus groups can be useful to either test the water or measure the effect of the marketing efforts.
4. ***Strategies and Tactics*** – This will serve as the bulk of the marketing plan. It is here that the outline will be specific, with detailed marketing ideas and techniques.
5. ***Budget Breakdown*** – Every business plan must include an outline of the costs associated with each of the tactics that were outlined in the previous category, along with the revenues that are expected. This budget should govern what can be handled financially.<sup>45</sup>

### **How can information technology be used in a marketing strategy?**

Many small businesses have discovered new and innovative ways to market their businesses using information technology. Establishing a website, developing e-mail distribution lists, and advertising online are only a few ideas currently being used by successful entrepreneurs to market their products or services.

### **Can small businesses sell to the government?**

Several programs have been designed to help small businesses sell their products and services to the government. The federal government alone purchases over \$200 billion worth of goods and services annually.<sup>46</sup> The United States Small Business Administration Office of Government Contracting and the Nebraska Business Development Center's Procurement Technical Assistance Center specialize in helping businesses market themselves to government purchasing offices and identify appropriate contracts.

### **What other types of marketing opportunities exist in rural Nebraska?**

Typical marketing strategies include paid advertising, direct mail, and special promotions. Networking with business professionals and sponsoring local events may increase exposure for your business. However, the most productive form of marketing is word of mouth; generated by building a solid base of satisfied customers.

## ***Value-added Agriculture and Niche Marketing***

### **What are some alternative marketing opportunities for agricultural producers?**

Opportunities exist for agricultural producers beyond raising traditional crops and selling them in a traditional wholesale market. Producers interested in more profitability need to identify and utilize innovative methods that add value to raw commodities. Value-added and specialty products can be valuable alternatives that open access to new and potentially higher demand and more profitable niche markets.

### **What is value-added agriculture?**

Value-added agriculture is physically changing a raw commodity or product, or producing a commodity for a particular market to enhance the value of the commodity.<sup>47</sup> Examples of value-added products include cornmeal, jams and jellies, candles, and tomato juice. By adding value, a producer can increase both gross income and net profit.

### **Why is value-added agriculture important to rural economic development?**

Value-added agriculture directly impacts the local economy and other local businesses by providing jobs to attract and keep a diverse workforce, money, and agricultural assets in the region. In addition to diversifying the business economy, value-added agriculture also diversifies the product market by creating new products from an existing commodity.

### **What is niche marketing?**

Niche marketing is a technique used to target specific products or services to a small portion of a market. This marketing concept aims to deliver a product to a market not being readily served by mainstream businesses. Niche marketing can also involve developing an alternative crop for a particular sector of the population. These markets are usually small in size and can easily become saturated, so careful research is required before a producer makes a decision about what to produce. Many times, alternative crops have higher yields and generate higher revenues, but they also frequently require more attention and management because they are not easily produced.

### **Why is niche marketing important to rural economic development?**

Niche markets and diversified farming operations go hand-in-hand. Both capitalize on an inherently diverse natural resource base to fulfill the tastes and preferences of consumers throughout the world. As a result of diversification, rural economies are strengthened. Niche marketing may well be a critical key to rural stability.

### **How does one develop a value-added product or a niche market?**

Many USDA programs exist to open new markets for the entrepreneurial-minded producer by increasing consumer awareness of new food and nonfood uses for commodities. Several government and non-governmental programs exist to create value-added products and develop niche markets, and are listed in the Resource Guide.

## ***Technology***

### **What is information technology?**

In the case of entrepreneurship, information technology is cutting edge computer technology applied to a business venture. Examples of information technology include developing a web page to market a product on the Internet, or using the Internet to locate products and purchase inventory online. The Internet and other innovative technologies allow a business to enter the global market through e-commerce.

### **Why is information technology important to businesses in rural Nebraska?**

With the sparse population in many of the areas of rural Nebraska, information technology surfaces as an important tool for marketing products. The Internet offers the ability to build a clientele with no geographical boundaries. Internet marketing allows access to customers locally, nationally, and internationally. As new technologies become available and rural entrepreneurs incorporate these technologies into their businesses, the perceived disadvantages of starting a business in rural Nebraska will dissipate.

### **What types of technology are available in rural Nebraska?**

Local telephone companies, cable television providers, wireless communication companies, and Internet Service Providers (ISPs) in rural communities provide the most current information regarding the availability of technological resources in specific geographic areas. In addition, local, state, and federal government agencies often have up-to-date information about technologies in given areas. Several entrepreneurial endeavors in rural Nebraska focus on providing information technologies to underserved areas. Technology is already available in many parts of rural Nebraska. However, as quickly as technology changes, there is an ongoing need to contact providers to learn about the most advanced technologies currently available for business endeavors.

### **What is a community's role in the use of technology?**

Communities must consider both the physical infrastructure and the intellectual infrastructure necessary for the most effective and efficient technology. In addition to obtaining physical equipment, people within the community must know how to operate and maintain the equipment. Once the proper physical and intellectual infrastructure is in place, local users must understand exactly how the technology can enhance business.

## ***Networking***

### **What is networking?**

To network is to develop reciprocal business relationships that enhance the business success of the network members. Networking can involve family and friends, other local business owners, elected officials and government agency personnel, among others.

### **What are the benefits of networking?**

The benefits of networking can range from the moral support provided by family and friends to financing options made available by a contact at a local bank. A network can provide access to professional services offered by lawyers, insurance agents, and accountants. Networking offers the opportunity to gain insight from others with specific experience and training. As a business grows, a network evolves as well to incorporate the needs of the business.



### **Does networking work in rural areas?**

Rural Nebraskans have practiced an informal network structure for generations. For example, in times of tragedy, neighbors band together to assist in harvests, share resources, and give assistance. There is an instant connection when a person meets someone with Nebraska roots. These ideals form the basis of networking in today's entrepreneurial and business environments. In rural areas, networking often begins by identifying trustworthy and committed people with one's own peer group. From this core, other trustworthy partners outside of the community can be identified. With the use of information technology to gain access to specialized skills and information, networks that develop in rural areas are not limited by geography or population demographics.

## ***Financial Resources***

### **How can an entrepreneurial idea be funded?**

An essential aspect of all business start-ups is locating capital funds. Locating financing requires exploring not only the conventional forms of financing (banks, savings and loans, friends, relatives, personal savings), but also investigating state and federal financial assistance programs, private organizations, venture capitalists, and angel investors. Since great variations exist in financing alternatives, special effort must be made to understand the differences between them.

### **What types of financial resources are available?**

A variety of financial resources are available to entrepreneurs: traditional, non-traditional, private, and public. It is important to explore all options before making a decision. Most entrepreneurs use a combination of options to finance their businesses. Many communities within the Third District have established economic development corporations to work with new and existing businesses. Programs, such as the Rural Enterprise Assistance Project, offer micro-enterprise funds. State and federal agencies, such as the Nebraska Department of Economic Development, the USDA-Rural Development Division, and the U.S. Small Business Administration are also active financial partners.

### **What is a grant?**

A grant is a form of financial assistance that is awarded to an organization with a successful application for a particular project in conjunction with an approved proposal. Grants often require a local match in the form of cash or other in-kind contributions. While a grant does not need to be repaid, each granting agency has its own rules and regulations. The grant recipient must comply with this set of guidelines as determined by the granting agency.

### **Are grants available to businesses?**

Community non-profit organizations generally have the greatest access to grants. However, there are a few grants such as the USDA's value-added producer grants that are available to for-profit businesses. Grants are usually made to non-profit public entities, such as organizations or municipalities, which then establish revolving loan funds for use by local and regional businesses. In this manner, grant funds are recycled throughout the community.

### **What is a loan? What types of loans are available?**

A loan is an amount of money given to an organization with the agreement that it will be repaid with interest. Many loan programs are available to aspiring entrepreneurs who seek business assistance.

- **Microenterprise loans.** Micro-loans are generally small and are usually administered by local or regional business associations. Ranging from a few hundred dollars to a maximum of \$25,000, these funds are used to assist businesses with capital improvements, training, and technical assistance. Businesses with fewer than five employees are eligible to apply for funds through a micro-lending program. Personal and business assets usually provide collateral for these loans. Micro-loans are especially helpful for businesses that start small, do not require a large loan, or gradually expand as financing allows.
- **Direct loans.** Direct loans are made directly to the borrower by a lending institution, a financial agency, or an individual. The funds are used to improve, develop, or finance a business as well as create jobs and improve the economic climate in the community. Direct loans are sometimes referred to as non-incentive financing programs because they are not contingent on the business completing a pre-determined requirement, such as creating additional jobs. Bank loans and loan guarantees administered by several agencies generally fall within this category. Incentive financing direct loans are also available. Generally, a loan of this nature is tied to an incentive, such as the creation of jobs, as determined by the funding agency.
- **Revolving loans.** Revolving loans are generally controlled and maintained at the local level by a municipality or economic development corporation. The original source of the funds may be a tax levy or government program. The funds are used locally to assist qualifying businesses. Each group operates the loan fund in accordance with guidelines that are established locally.

### **What other types of financing are available?**

As a general rule, loans account for the majority of available funding for new and expanding businesses. However, additional financing options may be available.

- **Equity financing.** Equity financing occurs when an owner divides a business among investors who contribute money. Each investor may or may not participate in business activities. In exchange for the investment, the owner may release a portion of the ownership to the investor.<sup>48</sup>
- **Tax increment financing.** Tax increment financing (TIF) is a funding mechanism used by local entities for improvements to publicly related property. A project must be located in a section of the community designated for improvement, in accordance with state law. Although sometimes considered a complicated process, TIF funds have been successfully leveraged in several communities throughout rural Nebraska to build houses, motels, retail outlets, and other business ventures.<sup>49</sup>

### **What are angel investors?**

According to the Clearinghouse on Entrepreneurship Education, angel investors are private investors who provide start-up capital for new businesses. They are named “angel investors” in part because they tend to take risks on unproven ventures.<sup>50</sup>

Angel investors may also invest in established businesses when owners want to expand, but have limited resources. Angel investors often have pre-determined investment goals, and generally have a particular business interest in which they invest. It is the responsibility of entrepreneurs to identify angel investors who are motivated to invest in their particular businesses.

### **What role do angel investors play in business financing?**

Angel investors are especially valuable during the earliest stages of business start-up. Seed capital is the toughest type of capital to secure. Angel investors enable entrepreneurs to overcome this barrier.

Angel investors often prefer to have direct involvement with their investments. This allows them to monitor the progress of the business in which they have invested. The financial savvy of angel investors lends expertise to the business that might not have otherwise existed.

Several communities in the Third District use forms of angel investment organizations. These private investment clubs can be started by local residents, and can be used to assist with local business expenses. For example, a group in Clay Center recently helped a local business get started by providing assistance for utility hook-ups and down payments. Ord is another community where a private investment club has been established to assist local entrepreneurs.<sup>51</sup>

### **Which type of assistance is most appropriate for a business?**

The financial assistance that is best for each venture will be determined on a case-by-case basis. Many of the institutions and agencies that provide financial assistance also provide program development services that will help entrepreneurs determine what is best for them. Services that are often provided are business assessment, business plan preparation, market research, market planning and strategies, strategic planning, loan application packaging, analysis, and business review. Initial contacts for information concerning these types of support include the Nebraska Business Development Centers and the Rural Enterprise Assistance Program.

### **Why is it important to consider all funding opportunities?**

It is essential that individuals looking to start or expand their businesses aggressively pursue all existing opportunities. Many times it will take a combination of resources to fund a particular business venture. Persistence is the key to locating and obtaining needed financial resources.

## ***Venture Capital***

### **What is venture capital?**

Venture capital, also sometimes called risk capital, is a financial investment made by a group of individuals who are interested in helping start-up businesses that display the possibility of exceptional growth, usually within the first five years. Venture capitalists generally invest financial resources, but may also lend management and technical expertise.<sup>52</sup>

### **How do venture capitalists help a business?**

As any start-up entrepreneur discovers, capital is critical in order to make a business idea a reality. According to the Midlands Venture Forum, venture capitalists provide assistance in several ways:

- Fostering education, business development and success of high-growth companies;
- Promoting economic growth and stability;
- Contributing to the overall success of a region's economy by investing in companies to expand the business base, create jobs, and diversify the types of businesses that exist.<sup>53</sup>

### **How can Nebraskans use venture capital?**

Venture capital is key to help rural entrepreneurs reach their fullest potential. According to Kendall McDaniel, an economist with the Center for the Study of Rural America, “two-thirds of venture capital investments go to just five states.”<sup>54</sup>

Nebraska has significant resources for potential venture capital investment, but most of those funds leave Nebraska. According to former Nebraska Governor Mike Johanns, in 1999, only \$45 million out of \$151 million of Nebraska's venture capital dollars were invested in Nebraska businesses.<sup>55</sup>

Nebraska has potential investors and numerous entrepreneurs with great ideas. Investors should not feel they have to invest outside the state to take advantage of venture capital opportunities.

## ***Business Ethics***

### **What role does ethics play when developing a business?**

The most important asset of any thriving business is its good name. A reputation of trust and a record of providing reliable goods and services form the foundation of any strong business. It is important for a business owner to ask, “Is the manner in which I am operating my business and treating my customers an example of how I would wish to be treated?” People make choices in business every day. The long-term winner in business—and in life—will always take the high road of ethical behavior. This road may not always be the easiest, but it will be the path of true success.

### **What are the costs of a lack of ethical business practices?**

A lack of trust will undermine and eventually destroy the foundation of any company. For small businesses, such as sole proprietorships, poor business practices will become a direct reflection on the owners. As a result, personal and business relationships may be harmed. As recent events have shown, there are many examples of prominent business leaders who are now paying the price for their unethical business behavior. Many former employees or associates of these companies—individuals who had no control over the situation—are also suffering the consequences of these unethical actions. Unethical business practices can negatively impact every level of an organization. Business owners, executives, employees, stockholders, customers, even other businesses in the same field, suffer the consequences of unethical behavior.

### **As a business owner, how can one instill high ethical standards in employees?**

Business owners must lead by example. Actions speak much louder than words. Staff members at every level of an organization must be treated with respect. Many companies are beginning to regularly visit with their employees to increase communication on ethical issues. Discussing ethical

behavior helps employees reveal areas of concern. Companies are even hiring ethics compliance officers and implementing internal business codes of conduct to encourage ethical behavior.



## CHAPTER V

# What Is Possible For Rural Nebraskans?

The possibilities for aspiring entrepreneurs in the Third District of Nebraska are endless. Rural Nebraskans certainly face some very real challenges, but each of those challenges presents a unique opportunity. Rather than focusing on economic and social benefits the Third District might not currently enjoy, the focus must shift to all the good things that rural Nebraska offers and those that can be developed to enhance its competitive advantage.

### What advantages does rural Nebraska offer entrepreneurs?

When people take the time to identify all the good things in Nebraska, they quickly come to realize that many are taken for granted.

- **Land.** The land in Nebraska is highly productive, and nearly all of that land is privately owned. There are very few areas that are unproductive or owned by the government. As a result, Nebraska provides good opportunities for entrepreneurial ventures derived from the land.
- **Resources.** Nebraska has very good resources, especially water. Nebraska rests on the Ogallala Aquifer, widely known as one of the largest fresh water aquifers in the world. Although Nebraskans must continue to preserve and protect the water, the state is certainly in a better position than many other states. Because of all of the competing demands on water, some experts even predict that water could become the most precious natural resource in the world, more valuable than oil or natural gas.
- **Safety.** Nebraska offers its citizens safe social and personal environments. Although safety can never be taken for granted in light of recent events, imminent threats to Nebraskans are considerably less than in other parts of the country.
- **Standard of Living.** Nebraskans enjoy a good standard of living compared to many urban areas. According to a recent study published in the *National Real Estate Relocation Guide*, a person earning \$35,000 per year in Columbus, Nebraska, would have to earn substantially more in many metropolitan areas in order to enjoy the same standard of living (house, car, food, entertainment, and other expenses). Below are a few examples.<sup>56</sup>

Seattle, WA	\$58,050
Boulder, CO	\$58,587
Los Angeles, CA	\$59,217
Washington, DC	\$68,308
Chicago, IL	\$73,616
New York, NY	\$111,568

In other words, individuals who choose to live in any of these cities need to make substantially more to enjoy the same standard of living in Columbus. It is noteworthy that these figures do not take into consideration the urban living environment, nor do they factor in lengthy commutes to and from work in most urban areas.

- **Good People.** Nebraskans enjoy a reputation of being caring, trustworthy, and generous. Many Nebraskans share the heritage of strong-willed immigrants who worked relentlessly to survive and provide a better way of life for their families. In fact, the region's work ethic is often a deciding factor when a company chooses to locate in a Nebraska community. A high quality workforce is desirable to an aspiring entrepreneur seeking dedicated employees to start a business.
- **Sense of Community.** Along with good people, Nebraska has a unique sense of community. People know and care about each other. When a neighbor encounters hard times, people rally to lend assistance. People care about having good schools in which to educate their children, safe neighborhoods, and comfortable places to call home.

### **How might one capitalize on the good things in the Third District of Nebraska?**

Nebraska's many attributes provide numerous opportunities for businesses. Nebraska communities provide wonderful places to raise children. As young adults start their families and establish themselves financially, Nebraska offers the opportunity to grow both personally and professionally. The atmosphere lends itself to leading a balanced lifestyle, and happy people are productive people. As more young people populate an area, the trend lends itself to more service and entertainment related business opportunities.

The baby boom generation is also rediscovering Nebraska. Many people in this age group have lived and worked elsewhere. They have discovered that their Nebraska roots provide immense value in pursuing a quality life.

Nebraska also proves to be a prime location for those entering retirement. As this generation finds the good life in Nebraska to be an attractive retirement option, many business opportunities are generated for entrepreneurs who can fill this niche market. Retired individuals generally have more disposable income and increased personal needs. Eldercare, organized travel packages, services, and many other associated businesses have ample opportunity in Nebraska; and each year the clientele base grows.

In addition to its other attributes, Nebraska has many wide-open spaces for people of all ages to enjoy. Tourism is the third leading industry in Nebraska, but Nebraskans have yet to fully cultivate tourism opportunities. A typical weekend experience for a Nebraska resident may very well provide a thrilling experience to a person living in an urban area Monday through Friday.

### **How does agriculture fit with the growth of entrepreneurial efforts?**

Agriculture has long been a driving force and the primary industry in Nebraska's economy. However, it is more apparent than ever that generating profits by raising traditional crops is becoming increasingly difficult for Nebraska's farm families. Severely dry conditions, low prices, and other factors have caused great economic distress over the years. Yet, the challenges facing traditional agriculture have created new and diverse opportunities for cutting edge agriculture. Nebraska is a good place to raise higher-margin, non-traditional crops. Our state has the potential to lead the nation in value-added agriculture. But to reach that potential, Nebraska producers must think of creative, alternative ways to increase per-acre profits. This might involve vertically



integrating to add value to crops, or raising specific crops to be marketed to high-value niche markets. It might even require raising the neighbors' eyebrows when a crop is raised specifically to develop an agri-tourism business. Among the many possibilities for agri-tourism include a family pumpkin patch, a corn maze, a fee-based pheasant hunting enterprise, or a dude ranch. The opportunities are virtually limitless for those who seek to diversify and maximize Nebraska's natural resources.

### **Why develop an entrepreneur handbook and resource guide?**

It is important that all Nebraskans maximize every available resource in order to create a stronger economy. This handbook details how entrepreneurship can become an essential element in the success of rural Nebraska communities. Entrepreneurial activities can potentially help reverse the trend of out-migration, create jobs, foster the retention of youth, grow income bases, and increase tax revenues.

Rural America is changing and will continue to face challenges. Nebraskans must change with the times to stay ahead of the game. The pioneer spirit of Nebraska settlers served as a linchpin establishing communities throughout our state. The future of those same communities depends on the way Nebraskans respond to change and exemplify today's entrepreneurial spirit.



# Resource Guide

This Resource Guide contains contact information for federal, state, local and non-profit organizations in Nebraska. The service area of each entity, if applicable, is represented on the map located in the left column. The bulleted lists in the right hand column give a brief overview of the services that entity provides.

## TABLE OF CONTENTS

---

### ELECTED OFFICIALS

UNITED STATES SENATE .....	42
UNITED STATES HOUSE OF REPRESENTATIVES .....	43
STATE OF NEBRASKA .....	44

### GOVERNMENT AGENCIES

FEDERAL AGENCIES.....	45
STATE AGENCIES .....	46

### NEBRASKA COLLEGES AND UNIVERSITIES

PUBLIC COLLEGES AND UNIVERSITIES .....	47
COMMUNITY COLLEGES .....	49
ENTREPRENEUR EDUCATION PROGRAMS .....	50
ADDITIONAL RESOURCES .....	52
ENDNOTES .....	56

# United States Senate

Washington, DC 20510  
(202) 224-3121  
[www.senate.gov](http://www.senate.gov)

## Office of Senator Chuck Hagel

[www.hagel.senate.gov](http://www.hagel.senate.gov)

### Washington DC Office

248 Russell Senate Office Building  
Washington, DC 20510  
(202) 224-4224

### Omaha Office

11301 Davenport Street, Suite 2  
Omaha, NE 68154  
(402) 758-8981

### Lincoln Office

294 Federal Building  
100 Centennial Mall, North  
Lincoln, NE 68508  
(402) 476-1400

### Kearney Office

4111 4th Ave, Suite 26  
Kearney, NE 68845  
(308) 236-7602

### Scottsbluff Office

115 Railway Street, Suite C 102  
Scottsbluff, NE 69361  
(308) 632-6032

## Office of Senator Ben Nelson

[www.bennelson.senate.gov](http://www.bennelson.senate.gov)

### Washington DC Office

720 Hart Senate Office Building  
Washington, DC 20510  
(202) 224-6551

### Omaha Office

7602 Pacific Street, Suite 205  
Omaha, NE 68114  
(402) 391-3411

### Lincoln Office

287 Federal Building  
100 Centennial Mall, North  
Lincoln, NE 68508  
(402) 441-4600

# United States House of Representatives

Washington, DC 20515  
(202) 224-3121  
[www.house.gov](http://www.house.gov)

---

## First District of Nebraska Representative Jeff Fortenberry

[www.house.gov/fortenberry](http://www.house.gov/fortenberry)

**Washington DC Office**  
1517 Longworth HOB  
Washington, DC 20515  
(202) 225-4806

**Fremont Office**  
629 North Broad Street  
Fremont, NE 68025  
(402) 727-0888

**Lincoln Office**  
Cornhusker Plaza  
301 S. 13<sup>th</sup> Street, Suite 100  
Lincoln, NE 68508  
(402) 438-1598

---

## Second District of Nebraska Representative Lee Terry

[leeterry.house.gov](http://leeterry.house.gov)

**Washington DC Office**  
1524 Longworth HOB  
Washington, DC 20515  
(202) 225-4155

**Omaha Office**  
11640 Arbor Street  
Omaha, NE 68144  
(402) 397-9944

---

## Third District of Nebraska Representative Tom Osborne

[www.house.gov/osborne](http://www.house.gov/osborne)

**Washington DC Office**  
507 Cannon HOB  
Washington, DC 20515  
(202) 225-6435

**Grand Island Office**  
819 Diers Ave, Suite 3  
Grand Island, NE 68803  
(308) 381-5555

**Kearney Office**  
1910 University Drive, Room 212  
Kearney, NE 68849  
(308) 236-1330

**McCook Office**  
203 W. 1st Street  
McCook, NE 69001  
(308) 345-3328

**Scottsbluff Office**  
21 East 20th Street  
Scottsbluff, NE 69361  
(308) 632-3333

[www.house.gov/osborne](http://www.house.gov/osborne)

# State of Nebraska

**Governor Dave Heineman**

[www.gov.nol.org](http://www.gov.nol.org)  
PO Box 94848  
Lincoln, NE 68509  
(402) 471-2244

**Western Office of the Governor**

4500 Avenue I  
PO Box 1500  
Scottsbluff, NE 69363  
(308) 632-1370

**Lieutenant Governor Rick Sheehy**

[www.nol.org/home/LtGov](http://www.nol.org/home/LtGov)  
PO Box 94863  
Lincoln, NE 68509-4863  
(402) 471-2256

**Attorney General Jon Bruning**

[www.ago.state.ne.us](http://www.ago.state.ne.us)  
2115 State Capitol  
Lincoln, NE 68509  
(402) 471-2682

**State Senators**

[www.unicam.state.ne.us/districts.htm](http://www.unicam.state.ne.us/districts.htm)

*State Capitol Mailing Address:*

Senator

District # State Capitol  
PO Box 94604  
Lincoln, NE 68509-4604  
(402) 471-2788

**Auditor of Public Accounts Kate Witek**

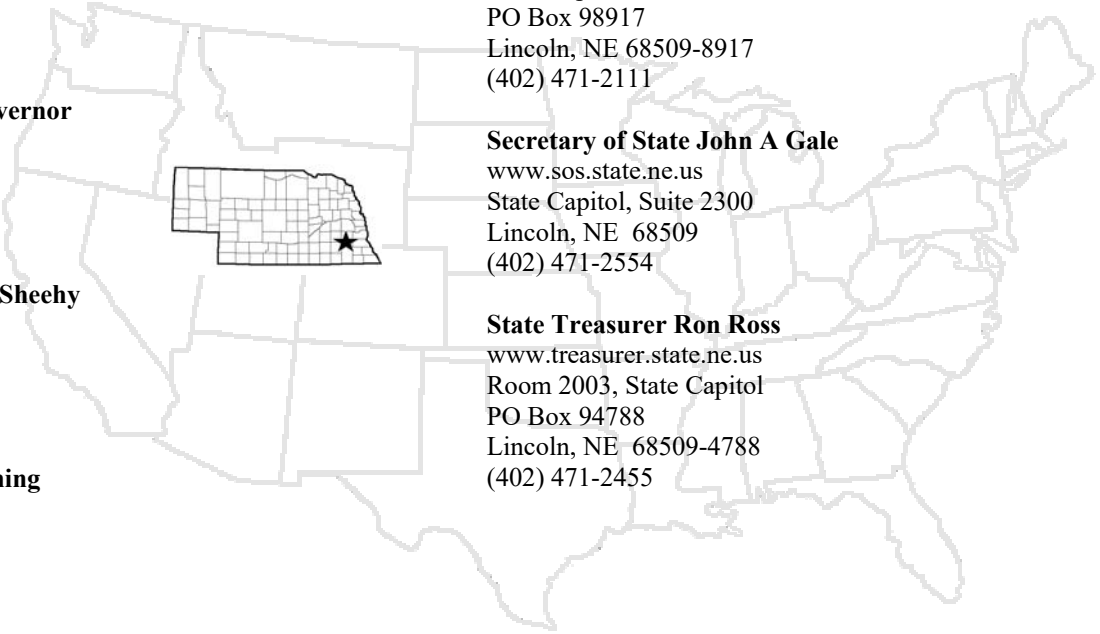
[www.auditors.state.ne.us](http://www.auditors.state.ne.us)  
State Capitol, Suite 2303  
PO Box 98917  
Lincoln, NE 68509-8917  
(402) 471-2111

**Secretary of State John A Gale**

[www.sos.state.ne.us](http://www.sos.state.ne.us)  
State Capitol, Suite 2300  
Lincoln, NE 68509  
(402) 471-2554

**State Treasurer Ron Ross**

[www.treasurer.state.ne.us](http://www.treasurer.state.ne.us)  
Room 2003, State Capitol  
PO Box 94788  
Lincoln, NE 68509-4788  
(402) 471-2455



# Federal Government Agencies

## Internal Revenue Service

1313 Farnam  
Omaha, NE 68102  
(800) 829-1040  
[www.irs.gov](http://www.irs.gov)

- Compliance
- Technical Assistance

## U.S. Department of Agriculture

1400 Independence Ave, SW  
Washington, DC 20250  
(202) 720-2791  
[www.usda.gov](http://www.usda.gov)

- Marketing
- Research

### Natural Resources Conservation Service

100 Centennial Mall N., Room 152  
Lincoln, NE 68508-3866  
(402) 437-5300  
[www.ne.nrcs.usda.gov](http://www.ne.nrcs.usda.gov)

- Technical Assistance

### Rural Development

100 Centennial Mall North, Rm. 152  
Lincoln, NE 68508  
(402) 437-5551  
[www.rurdev.usda.gov/ne](http://www.rurdev.usda.gov/ne)

- Finance
- Research
- Technical Assistance

### Farm Service Agency

7131 A Street  
Lincoln, NE 68510  
(402) 437-5581  
[www.fsa.usda.gov/ne](http://www.fsa.usda.gov/ne)

- Finance
- Technical Assistance

## U.S. Department of Commerce

International Trade Administration  
1401 Constitution Ave, NW  
Washington, DC 20230  
(202) 482-4883  
[www.doc.gov](http://www.doc.gov)

- Finance
- Marketing
- Research

## U.S. Department of Housing and Urban Development

Community Planning and Development Division  
10909 Mill Valley Road, Suite 100  
Omaha, NE 68154  
(402) 492-3144  
[www.hud.gov](http://www.hud.gov)

- Finance
- Technical Assistance

## U.S. Department of Labor

210 Walnut Street, Suite 643  
Des Moines, IA 50309  
(515) 284-4625  
[www.dol.gov](http://www.dol.gov)

- Compliance

## U.S. Small Business Administration

11145 Mill Valley Road  
Omaha, NE 68154  
(402) 221-4691  
[www.sba.gov/ne](http://www.sba.gov/ne)

- Finance
- Mentoring
- Technical Assistance
- Training/Education

[www.house.gov/osborne](http://www.house.gov/osborne)

## State Government Agencies

---

**Nebraska Department of Agriculture**

301 Centennial Mall South  
Lincoln, NE 68509  
(402) 471-2341  
[www.agr.state.ne.us](http://www.agr.state.ne.us)

- Marketing
- Research
- Technical Assistance

---

**Nebraska Department of Economic Development**

301 Centennial Mall South  
Lincoln, NE 68509  
(402) 471-3782  
[assist.neded.org](http://assist.neded.org)

- Marketing
- Research
- Technical Assistance
- Training/Education

---

**Nebraska Department of Education**

301 Centennial Mall South  
Lincoln, NE 68509  
(402) 471-2295  
[www.nde.state.ne.us](http://www.nde.state.ne.us)

- Training/Education

---

**Nebraska Department of Environmental Quality**

1200 N St, Suite 400  
Lincoln, NE 68509  
(402) 471-2186  
[www.deq.ndeq.state.ne.us](http://www.deq.ndeq.state.ne.us)

- Compliance
- Finance
- Research
- Technical Assistance

---

**Nebraska Department of Labor**

550 S 16th Street  
Lincoln, NE 68509  
(402) 471-9000  
[www.dol.state.ne.us](http://www.dol.state.ne.us)

- Compliance
- Training/Education

---

**Nebraska Department of Revenue**

310 Centennial Mall South  
Lincoln, NE 68509  
(402) 471-2971  
[www.revenue.state.ne.us](http://www.revenue.state.ne.us)

- Compliance

---

**Nebraska Department of Roads**

1500 Hwy 2  
Lincoln, NE 68502  
(402) 471-4567  
[www.dor.state.ne.us](http://www.dor.state.ne.us)

- Finance
- Research
- Technical Assistance

---

**Nebraska Information Technology Commission**

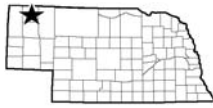
State Capitol, Room 2315  
Lincoln, NE 68509-4863  
(402) 471-2256  
[www.nitc.state.ne.us](http://www.nitc.state.ne.us)

- Finance
  - Research
  - Training/Education
-



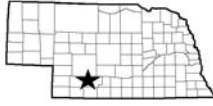
## Nebraska Public Colleges and Universities

---

**Chadron State College**

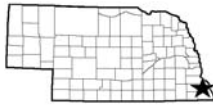
1000 Main Street  
Chadron, NE 69337  
(800) 242-3766  
[www.csc.edu](http://www.csc.edu)

---

**Nebraska College of Technical Agriculture**

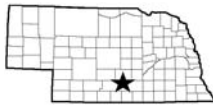
RR 3 Box 23A  
Curtis, NE 69025  
(800) 328-7847  
[www.ncta.unl.edu](http://www.ncta.unl.edu)

---

**Peru State College**

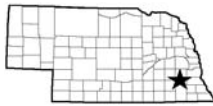
600 Hoyt Street  
Peru, NE 68421  
(800) 742-4412  
[www.peru.edu](http://www.peru.edu)

---

**University of Nebraska at Kearney**

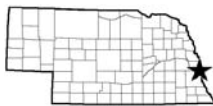
905 West 25th Street  
Kearney, NE 68849  
(308) 865-8441  
[www.unk.edu](http://www.unk.edu)

---

**University of Nebraska at Lincoln**

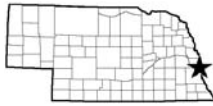
332 Canfield Administration Building  
Lincoln, NE 68588  
(402) 472-7211  
[www.unl.edu](http://www.unl.edu)

---

**University of Nebraska at Omaha**

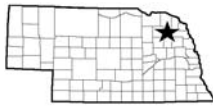
6001 Dodge Street  
Omaha, NE 68182  
(402) 554-2312  
[www.unomaha.edu](http://www.unomaha.edu)

---

**University of Nebraska Medical Center**

42<sup>nd</sup> and Emile  
Omaha, NE 68198  
(402) 559-4000  
[www.unmc.edu](http://www.unmc.edu)

---

**Wayne State College**

1111 Main Street  
Wayne, NE 68787  
(800) 228-9972  
[www.wsc.edu](http://www.wsc.edu)

---

## University of Nebraska Programs

Nebraska Business Development Center (NBDC)  
*Business Assistance, Procurement and Manufacturing Assistance*  
[www.nbdc.unomaha.edu](http://www.nbdc.unomaha.edu)

University of Nebraska – Kearney  
West Center Building, Room 135C  
1917 West 2<sup>nd</sup> Street  
Kearney, NE 68849  
(308) 865-8344

Nebraska Land Bank Bldg  
121 North Dewey, Suite 208  
North Platte, NE 69101  
(308) 534-5115

Lincoln Chamber Building  
1135 M Street, Suite 200  
Lincoln, NE 68588  
(402) 472-3358

Entrepreneur Shop  
10868 West Dodge Road  
Omaha, NE 68154  
(402) 595-1158

US Bank Bldg  
1620 Broadway, Suite 201  
Scottsbluff, NE 69361  
(308) 635-7513

Wayne State College  
1111 Main Street  
Wayne, NE 68787  
(402) 375-7575

Nebraska Center for Applied Rural Innovation  
58 H. C. Filley Hall  
Lincoln, NE 68583-0947  
(402) 472-1772  
[cari.unl.edu](http://cari.unl.edu)

Also the contact for:

- Nebraska EDGE  
(Enhancing, Developing & Growing Entrepreneurs)
- Nebraska Cooperative Development Center

Nebraska Center for Entrepreneurship  
CBA 209  
PO Box 880487  
Lincoln, NE 68588-0487  
(402) 472-3353  
[www.cba.unl.edu/outreach/ent/](http://www.cba.unl.edu/outreach/ent/)

Nebraska Food Processing Center  
143 Filley Hall  
Lincoln, NE 68583  
(402) 472-2831  
[www.fpc.unl.edu](http://www.fpc.unl.edu)

Nebraska Rural Initiative  
110 Agricultural Hall  
PO Box 830710  
Lincoln, NE 68583-0710  
(402) 472-2940  
[ruralinitiative.unl.edu](http://ruralinitiative.unl.edu)

University of Nebraska Cooperative Extension  
211 Agricultural Hall  
Lincoln, NE 68583  
(402) 472-2966  
[www.extension.unl.edu](http://www.extension.unl.edu)

Northeast Research and Extension Center  
601 E. Benjamin Ave., Suite 104  
Norfolk, NE 68701  
(402) 370-4001  
[www.nerec.unl.edu](http://www.nerec.unl.edu)

Panhandle Research and Extension Center  
4502 Avenue I  
Scottsbluff, NE 69361  
(308) 632-1230  
[www.panhandle.unl.edu](http://www.panhandle.unl.edu)

West Central Research and Extension Center  
461 West University Drive  
North Platte, NE 69101  
(308) 532-3611  
[www.westcentral.unl.edu](http://www.westcentral.unl.edu)

University of Nebraska Technology Park  
4701 Innovation Drive  
Lincoln, NE 68521-5330  
(402) 472-4200  
[www.unebtechpark.com](http://www.unebtechpark.com)

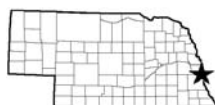
# Nebraska Community Colleges


**Central Community College**

3134 West Hwy 34  
PO Box 4903  
Grand Island, NE 68802  
(308) 398-4222  
www.cccneb.edu

**Campuses:**

- Grand Island
- Hastings
- Columbus


**Metro Community College**

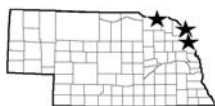
PO Box 3777  
Omaha, NE 68103  
(402) 457-2400  
www.mccneb.edu


**Mid-Plains Community College**

1101 Halligan Drive  
North Platte, NE 69101  
(800) 658-4308  
www.mpcca.cc.ne.us

**Campuses:**

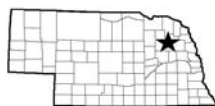
- McCook
- North Platte


**Nebraska Indian Community College**

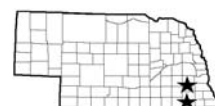
College Hill, PO Box 428  
Macy, NE 68039  
(402) 837-5078

**Campuses:**

- Macy
- Santee
- South Sioux City


**Northeast Community College**

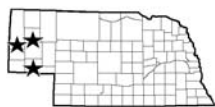
801 East Benjamin Ave  
PO Box 469  
Norfolk, NE 68702  
(800) 348-9033  
www.northeastcollege.com


**Southeast Community College**

8800 O Street  
Lincoln, NE 68520  
(402) 471-3333  
www.southeast.edu

**Campuses:**

- Beatrice
- Lincoln
- Milford


**Western Nebraska Community College**

1601 East 27th Street  
Scottsbluff, NE 69361  
(308) 635-3606  
www.wncc.net

**Campuses:**

- Alliance
- Scottsbluff
- Sidney

## National Entrepreneur Education Programs

---

### **Coleman Foundation**

575 W. Madison Street Suite 4605  
Chicago, IL 60661  
(312) 902-7120  
[www.colemanfoundation.org](http://www.colemanfoundation.org)

### **Consortium for Entrepreneurship Education**

1601 West Fifth Avenue, #199  
Columbus, OH 43212  
[www.entre-ed.org](http://www.entre-ed.org)

### **Corporation for Enterprise Development**

777 N Capitol St NE Suite 800  
Washington, D.C. 20002  
(202) 408-9788  
[www.cfed.org](http://www.cfed.org)

### **Kauffman Foundation**

480 Rockhill Road  
Kansas City, MO 64110  
(816) 932-1000  
[www.kauffman.org](http://www.kauffman.org)

### **National Foundation for Teaching Entrepreneurship**

120 Wall Street 29<sup>th</sup> Floor  
New York, NY 10005  
(800) 367-6383  
[www.nfte.com/](http://www.nfte.com/)

### **Marketing Education Resource Center (MarkED)**

1375 King Avenue  
Columbus, OH 43212  
(800) 448-0398  
[www.mark-ed.com](http://www.mark-ed.com)

### **Making Cent\$ International**

1424 L Street NW Suite 370  
Washington, DC 20005  
(202) 783-4090  
[www.makingcents.com](http://www.makingcents.com)

# Nebraska Entrepreneur Education Programs

## **Center for Rural Entrepreneurship**

317 S. 12<sup>th</sup> Street, Suite 200  
Lincoln, NE 68508  
(402) 323-7389  
[www.ruraleship.org](http://www.ruraleship.org)

## **DECA**

301 Centennial Mall South  
Box 94987  
Lincoln, NE 68509-4987  
(402) 471-4803  
[www.deca.org](http://www.deca.org)

## **Family, Career, and Community Leaders of America (FCCLA)**

301 Centennial Mall South  
PO Box 94987  
Lincoln, NE 68509  
(402) 471-2295  
[www.nde.state.ne.us/FCS/FCS.html](http://www.nde.state.ne.us/FCS/FCS.html)

## **Future Business Leaders of America (FBLA)**

Nebraska Department of Education  
PO Box 94987  
Lincoln, NE 68509  
(402) 471-4865  
[www.fbbl-pbl.org](http://www.fbbl-pbl.org)

## **Health Occupations Students of America (HOSA)**

Nebraska Department of Education  
301 Centennial Mall South  
Lincoln, NE 68509  
(402) 471-2995  
[www.hosa.org](http://www.hosa.org)

## **Junior Achievement**

11248 Davenport Street  
Omaha, NE 68154  
(402) 471-4865  
[www.ja.org](http://www.ja.org)

## **Nebraska Center for Entrepreneurship**

CBA 209  
PO Box 880847  
Lincoln, NE 68588  
(402) 472-3353  
[www.cba.unl.edu/outreach/ent/](http://www.cba.unl.edu/outreach/ent/)

## **Nebraska Council on Economic Education**

CBA 508G  
University of Nebraska at Omaha  
Omaha, NE 68182  
(402) 554-2357  
[ecedweb.unomaha.edu/nebreced.htm](http://ecedweb.unomaha.edu/nebreced.htm)

## **Nebraska EDGE**

(Enhancing, Developing, and Growing  
Entrepreneurs)  
58 Filley Hall  
University of Nebraska at Lincoln  
Lincoln, NE 68583  
(800) 328-2851  
<http://nebraskaedge.unl.edu>

## **Nebraska FFA Association**

301 Centennial Mall South  
PO Box 94987  
Lincoln, NE 68509-4987  
(402) 471-2441  
[www.ffa.org](http://www.ffa.org)

## **SkillsUSA**

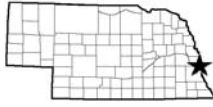
Nebraska Department of Education  
301 Centennial Mall South  
Lincoln, NE 68509-0898  
(402) 471-0898  
[www.skillsusa.org](http://www.skillsusa.org)

## **Southwest Nebraska**

### **Youth Entrepreneur Partnership (YEP)**

1205 E 3<sup>rd</sup> Street  
McCook, NE 69001  
(800) 658-4348 ext. 8124

## Additional Resources

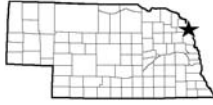


### Applied Information Management Institute (AIM)

118 S. 19<sup>th</sup> Street, Suite 1A  
Omaha NE 68102  
(402) 345-5025

[www.aiminstitute.org](http://www.aiminstitute.org)

- Research
- Technical Assistance
- Training/Education



### Center for Rural Affairs

145 Main St, PO Box 136  
Lyons, NE 68038  
(402) 656-3091  
[www.cfra.org/reap](http://www.cfra.org/reap)

REAP (Rural Enterprise Assistance Project)  
PO Box 274  
Plymouth, NE 68424-0274  
(402) 656-3091  
[www.cfra.org/reap/default.htm](http://www.cfra.org/reap/default.htm)

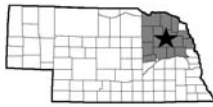
- Finance
- Marketing
- Research
- Technical Assistance
- Training/Education



### Center for the Study of Rural America

Federal Reserve Bank of Kansas City  
925 Grand Boulevard  
Kansas City, MO 64198  
(816) 881-2599  
[www.kc.frb.org/RuralCenter](http://www.kc.frb.org/RuralCenter)

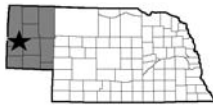
- Research



### Northeast Nebraska Economic Development District

111 South 1st Street  
Norfolk, NE 68701  
(402) 379-1150  
[www.nenedd.org](http://www.nenedd.org)

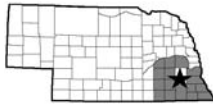
- Finance
- Technical Assistance
- Training/Education



### Panhandle Area Development District

1432 10th Street  
Gering, NE 69341  
(308) 436-6584  
[www.nepadd.com](http://www.nepadd.com)

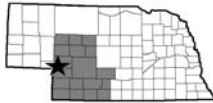
- Finance
- Technical Assistance
- Training/Education



### Southeast Nebraska Development District

2631 O St.  
Lincoln, NE 68510  
(402) 475-2560

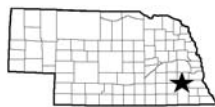
- Finance
- Technical Assistance
- Training/Education



### West Central Nebraska Development District

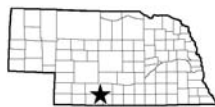
PO Box 599  
Ogallala, NE 69153  
(308) 284-6077

- Finance
- Technical Assistance
- Training/Education

**Experience Works**

1010 N Street, Suite 150  
Lincoln, NE 68508  
(402) 435-7750  
[www.experienceworks.org](http://www.experienceworks.org)

- Training /Education

**Grow Nebraska**

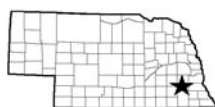
416 Center Ave  
PO Box 7  
Holbrook, NE 68948  
(888) 476-9632  
[www.growneb.com](http://www.growneb.com)

- Marketing
- Technical Assistance
- Training/Education

**Heartland Center for Leadership Development**

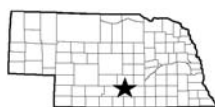
914 O Street, Suite 920  
Lincoln, NE 68508  
(402) 474-7672  
[www.heartlandcenter.info](http://www.heartlandcenter.info)

- Training/Education

**Invest Nebraska**

4701 Innovation Drive  
Lincoln, NE 68521  
(402) 472-2063  
[www.investnebraska.com](http://www.investnebraska.com)

- Finance
- Mentoring

**Kearney Area Ag Producers Alliance (KAAPA)**

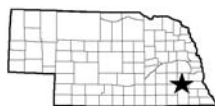
1007 2nd Ave, PO Box 1301  
Kearney, NE 68848  
(308) 234-2712  
[www.kaapa.com](http://www.kaapa.com)

- Marketing
- Technical Assistance

**National Business Incubation Association**

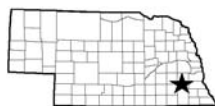
20 East Circle Drive, Suite 190  
Athens, OH 45701  
(740) 593 4331  
[www.nbia.org](http://www.nbia.org)

- Technical Assistance

**Nebraska Ag in the Classroom**

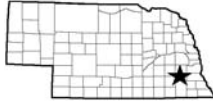
5225 South 16<sup>th</sup> Street  
Lincoln, NE 68512  
(402) 421-4408

- Education

**Nebraska Chamber of Commerce**

1320 Lincoln Mall  
PO Box 95128  
Lincoln, NE 68509  
(402) 474-4422  
[www.nechamber.com](http://www.nechamber.com)

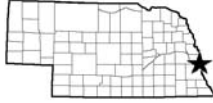
- Marketing



**Nebraska Economic Development Association**

PO Box 94666  
301 Centennial Mall, South  
Lincoln, NE 68509  
(308) 784-3902  
[www.neda1.org](http://www.neda1.org)

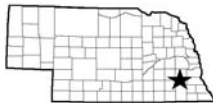
- Mentoring
- Training/Education



**Nebraska Export Assistance**

11133 O Street  
Omaha, NE 68137  
(402) 597-0193  
[www.export.gov](http://www.export.gov)

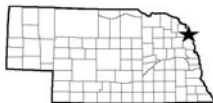
- Marketing
- Research
- Technical Assistance



**Nebraska Investment Finance Authority**

200 Commerce Court  
1230 O Street  
Lincoln, NE 68508  
(402) 434-3900  
[www.nifa.org](http://www.nifa.org)

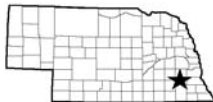
- Finance
- Technical Assistance



**Nebraska Micro Enterprise Partnership Fund**

PO Box 99  
312 Main Street, #8  
Walthill, NE 68067  
(402) 846-5757  
[www.nebbiz.org](http://www.nebbiz.org)

- Finance
- Technical Assistance



**Nebraska Municipal Power Pool**

PO Box 95124  
Lincoln, NE 68509  
(800) 234-2595  
[www.nmppenergy.org](http://www.nmppenergy.org)

- Compliance
- Technical Assistance



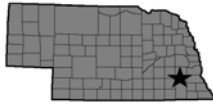
**Nebraska Public Power District**

1414 15th Street  
PO Box 499  
Columbus, NE 68602  
(877) 275-6773  
[www.nppd.com](http://www.nppd.com)

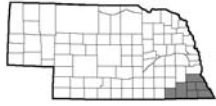
- Managment
- Research
- Technical Assistance



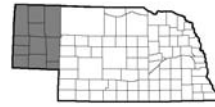
## Resource Conservation and Development Offices



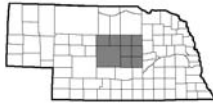
- Technical Assistance
- Training/Education



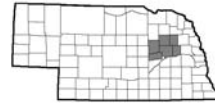
**Five Rivers RC&D**  
140 N 4th St, PO Box 626  
Tecumseh, NE 68450  
(402) 335-3347



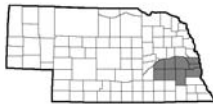
**Panhandle RC&D**  
1517 Broadway, Suite 101  
Scottsbluff, NE 69361-3184  
(308) 632-1311



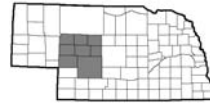
**Loup Basin RC&D**  
801 S Street, Suite 2  
Ord, NE 68862  
(308) 728-3393  
[www.loupbasinrcd.net](http://www.loupbasinrcd.net)



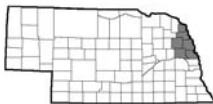
**Prairie Land RC&D**  
PO Box 350  
Madison, NE 68748  
(402) 454-2026



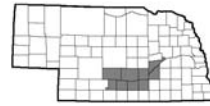
**Nebraska Great Plains RC&D**  
402 5<sup>th</sup> Street, PO Box 377  
David City, NE 68632  
(402) 367-0510



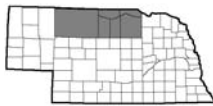
**Sandhills RC&D**  
102 SE 2nd Street  
Mullen, NE 69152  
(308) 546-0636



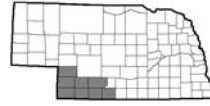
**Nebraska Loess Hills RC&D**  
408 N Oakland Ave  
Oakland, NE 68045  
(402) 685-5175



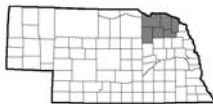
**South Central RC&D**  
PO Box 250, 125 W. Plum Street  
Doniphan, NE 68832-0250  
(402) 845-6678



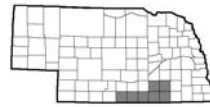
**North Central Nebraska RC&D**  
E. Hwy 20, PO Box 130  
Bassett, NE 68714  
(402) 684-3346  
[www.nebraskaoutback.com/rcd](http://www.nebraskaoutback.com/rcd)



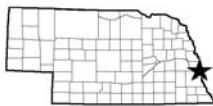
**Southwest Nebraska RC&D**  
PO Box 86  
Cambridge, NE 69022  
(308) 697-3477  
[www.swrcd.org](http://www.swrcd.org)



**North East Nebraska RC&D**  
RR2 Box 67  
Plainview, NE 68769  
(402) 582-4866  
[www.northeastrcd.org](http://www.northeastrcd.org)



**Trailblazer RC&D**  
437 N Elm  
Red Cloud, NE 68970  
(402) 746-3560  
[www.trailrcd.org](http://www.trailrcd.org)



**SCORE – Service Corps of Retired Executives**  
11145 Mill Valley Road  
Omaha, NE 68154  
(402) 221-4691

- Mentoring
- Technical Assistance

## Endnotes

- <sup>1</sup> Kayne, Jay. "State Entrepreneurship Policies and Programs." Kansas City, Missouri: Kauffman Center for Entrepreneurial Leadership. p. 3. Online. Available: <http://www.ncoe.org/research/ngastudy.pdf>. 28 August 2003.
- <sup>2</sup> Center for Rural Entrepreneurship. *Civic Entrepreneurs and Entrepreneurship*. Monograph 3, June 2003. Online. Available: <http://www.ruraleship.org>. 7 October 2003.
- <sup>3</sup> Center for Rural Entrepreneurship. *Community Environment for Entrepreneurship*. Monograph 5, June 2003. Online. Available: <http://www.ruraleship.org>. 7 October 2003.
- <sup>4</sup> Gallup Organization, Inc. and the National Center for Research in Economic Education. *Entrepreneurship and Small Business in the United States: A Survey Report on the Views of the General Public, High School Students, and Small Business Owners and Managers*. Kansas City: Center for Entrepreneurial Leadership, 1994.
- <sup>5</sup> Information available from the U.S. Small Business Administration at <http://www.sba.gov/advo/stats/data.html>. 23 September 2003.
- <sup>6</sup> Henderson, Jason. *Economic Review: Third Quarter 2002*. Federal Reserve Bank of Kansas City. p. 47.
- <sup>7</sup> Except where otherwise noted, all of the information used in the Success Stories section was gathered and written by the staff of Congressman Tom Osborne or obtained through personal communication with the entrepreneur profiled or a company representative.
- <sup>8</sup> Merrick, Beverly G. "Hometown Welder Proves His Worth as Inventor." *Custer County Chief* 27 February 2003. p. 5.
- <sup>9</sup> Merrick, Beverly G. "Family business at Dunning serves community, provides outlet for entrepreneurial trade skills." *Custer County Chief* 27 February 2003: 13-14.
- <sup>10</sup> Nebraska District Office of the Small Business Administration. *Nebraska Small Business Resource Guide, 2002 Edition*. Winter Haven, FL: RENI Publishing, 2002. p. 4.
- <sup>11</sup> Small Business Administration Online Women's Business Center. "Narrowing Your Focus." Online. Available: [www.online.wbc.gov/docs/starting/narrowing.html](http://www.online.wbc.gov/docs/starting/narrowing.html). 11 March 2003.
- <sup>12</sup> Gallup Organization, Inc. and the National Center for Research in Economic Education. *Entrepreneurship and Small Business in the United States: A Survey Report on the Views of the General Public, High School Students, and Small Business Owners and Managers*. Kansas City: Center for Entrepreneurial Leadership, 1994.
- <sup>13</sup> Rasheed, Howard S. "The Effects of Entrepreneurship Training and Venture Creation on Youth Entrepreneurial Attitudes and Academic Performance." Online. Available: [http://www.coba.usf.edu/departments/management/faculty/rasheed/youth\\_entrepreneurship](http://www.coba.usf.edu/departments/management/faculty/rasheed/youth_entrepreneurship). 2 September 2003.
- <sup>14</sup> Rasheed, Howard S. "The Effects of Entrepreneurship Training and Venture Creation on Youth Entrepreneurial Attitudes and Academic Performance." Online. Available: [http://www.coba.usf.edu/departments/management/faculty/rasheed/youth\\_entrepreneurship](http://www.coba.usf.edu/departments/management/faculty/rasheed/youth_entrepreneurship). 2 September 2003.
- <sup>15</sup> Center for Rural Entrepreneurship. Online. Available: [http://www.ruraleship.org/index\\_html?page=content/about\\_the\\_center.htm](http://www.ruraleship.org/index_html?page=content/about_the_center.htm). 16 August 2004.
- <sup>16</sup> DECA Inc. Online. Available: <http://www.deca.org/index.html>. 18 August 2004.
- <sup>17</sup> DECA Inc. Online. Available: <http://www.deca.org/index.html>. 18 August 2004.
- <sup>18</sup> Family, Career, and Community Leaders of America, Inc. Online. Available: <http://www.fcclainc.org/about/index.tpl>. 18 August 2004.
- <sup>19</sup> What is Nebraska FBLA? Online. Available: <http://www.nde.state.ne.us/BUSED/fbla/fblainfo.htm>. 18 August 2004.
- <sup>20</sup> Health Occupation Students of America, Online. Available: <http://www.hosa.org>. 20 January 2005
- <sup>21</sup> Personal interview. Ken Carlson. Junior Achievement. 6 July 2004.
- <sup>22</sup> Personal interview. Elaine Warren. Nebraska Center for Entrepreneurship. 12 August 2004.
- <sup>23</sup> Personal interview. Dr. Tammis Fischer. Nebraska Council on Economic Education. 16 August 2004.
- <sup>24</sup> NebraskaEDGE-Helping Small Businesses Succeed, Center for Applied Rural Innovation. Online. Available: <http://nebraskaedge.unl.edu>. 16 August 2004.
- <sup>25</sup> Frequently asked FFA questions. Online. Available: <http://www.ffa.org>. 18 August 2004.
- <sup>26</sup> SkillsUSA: Champions at Work. Online. Available: <http://www.skillsusa.org>. 20 January 2005
- <sup>27</sup> Youth Entrepreneur Partnership (YEP). Online. Available: [http://www.thenelsoninstitute.com/youth\\_entrepreneur\\_partnership.htm](http://www.thenelsoninstitute.com/youth_entrepreneur_partnership.htm). 16 August 2004.
- <sup>28</sup> The Coleman Foundation. Online. Available: <http://www.colemanfoundation.org/splash.html>. 18 August 2004.
- <sup>29</sup> The Consortium for Entrepreneurship Education. Online. Available: <http://www.entre-ed.org/>. 16 August 2004.
- <sup>30</sup> Entrepreneurship Education. Online. Available: <http://www.cfed.org/focus.m?parentid=32&siteid=43&id=43>. 16 August 2004.
- <sup>31</sup> Kauffman Foundation. "Entrepreneurship Support Overview." Online. Available: <http://www.emkf.org/pages/150.cfm>. 16 August 2004.

- 
- <sup>32</sup> Making Cents-Specializing in Entrepreneurship and Microenterprise Education and Training. Online. Available: <http://www.makingcents.com/>. 16 August 2004.
- <sup>33</sup> Personal interview. Jim Gleason. Marketing Education Resource Center. 13 August 2004.
- <sup>34</sup> The National Foundation for Teaching Entrepreneurship. Online. Available: <http://www.nfte.com/about/>. 16 August 2004.
- <sup>35</sup> Center for Rural Entrepreneurship. *Community Environment for Entrepreneurship*. Monograph 5, June 2003. Online. Available: <http://www.ruraleship.org>. 30 September 2003.
- <sup>36</sup> Baldwin County Economic Development Alliance. Online. Available: <http://www.baldwinincubator.com/whatsanincubator.html>. 23 September 2003.
- <sup>37</sup> Knopp, Linda. "The Role of Incubators in Cultivating Small Business." Online. Available: <http://www.frbsf.org/publications/community/investments/0308/article3a.html>. 23 September 2003.
- <sup>38</sup> DeBolt, Don. "Ten Questions to Ask Before Buying a Franchise." Online. Available: [www.franchise1.com/articles](http://www.franchise1.com/articles). 24 September 2003.
- <sup>39</sup> Information available from Franchise Opportunities. Online. Available: <http://www.franchiseopportunities.com/faq.asp>. 24 September 2003.
- <sup>40</sup> DeBolt, Don. "Ten Questions to Ask Before Buying a Franchise." Online. Available: <http://www.franchise1.com/articles>. 24 September 2003.
- <sup>41</sup> Information in this section was adapted from the Association for Enterprise Opportunity. Available: <http://www.microenterpriseworks.org/about>. 30 September 2003.
- <sup>42</sup> Information in this section was adapted from the Association for Enterprise Opportunity. Available: <http://www.microenterpriseworks.org/about>. 30 September 2003.
- <sup>43</sup> Small Business Administration. *The State of Small Business: A Report of the President 1999-2000*. Washington: United States Government Printing Office, 2001. Available: <http://www.sba.gov/advo/stats>. 29 September 2003.
- <sup>44</sup> Small Business Administration. "Small Business Startup Guide." Online. Available: [http://www.sba.gov/starting\\_business/startup/guide.html](http://www.sba.gov/starting_business/startup/guide.html). 2 October 2003.
- <sup>45</sup> Gordon, Kim T. "Write a Simple Marketing Plan." Online. Available: [www.Entrepreneur.com/article/0,4621,306980,00.thml](http://www.Entrepreneur.com/article/0,4621,306980,00.thml). 29 August 2003.
- <sup>46</sup> Small Business Administration, HubZone Empowerment Contracting Program brochure, page 2
- <sup>47</sup> USDA Office of Rural Development. "Value Added Product Development Grant Program." Online. Available: [http://www.rurdev.usda.gov/ne/value\\_added\\_product\\_development\\_grant\\_program.htm](http://www.rurdev.usda.gov/ne/value_added_product_development_grant_program.htm). 2 October 2003.
- <sup>48</sup> Information available from Investorwords.com. Online. Available: <http://www.investorwords.com/cgi-bin/getword.cgi?1728>. 24 September 2003.
- <sup>49</sup> Nebraska Department of Economic Development. "The Nebraska Community Tax Increment Finance Process." Online. Available: <http://crd.neded.org/pubs/tif.html>. 24 September 2003.
- <sup>50</sup> Kauffman Center for Entrepreneurial Leadership Clearinghouse on Entrepreneurship Education. "How to Prepare for an Angel Investor." Online. Available: <http://www.celcee.edu/publications/edinfo/ED02-15.html>. 24 September 2003.
- <sup>51</sup> Fetting, Linda. Nebraska Department of Economic Development. "Nuts and Bolts." Public presentation made in Hastings, Nebraska. 3 June 2003.
- <sup>52</sup> Information available from the University of Central Florida Libraries. Online. Available: <http://library.ucf.edu/Line/BusinessRef/VentureCapital.htm>. 6 October 2003.
- <sup>53</sup> Midlands Venture Forum. Online. Available: [http://www.mvforum.com/about\\_factsheet.asp](http://www.mvforum.com/about_factsheet.asp). 6 October 2003.
- <sup>54</sup> McDaniel, Kendall. "Venturing Into Rural America." *The Main Street Economist* November 2002. Kansas City: Center for the Study of Rural America, Federal Reserve Bank of Kansas City. Online. Available: [http://www.kc.frb.org/RuralCenter/mainstreet/MSE\\_1102.pdf](http://www.kc.frb.org/RuralCenter/mainstreet/MSE_1102.pdf). 7 October 2003.
- <sup>55</sup> "Johanns Proposes Economic Development Initiative." Press Release. Office of Nebraska Governor Mike Johanns. Online. Available: <http://gov.nol.org/Johanns/News/dec00/economicdev.htm>. 7 October 2003.
- <sup>56</sup> Realtor.com: Official Site of National Association of Realtors. "Salary Calculator." Online. Available: <http://www.homefair.com/homefair/calc/salcalc.html>. 30 December 2004.