

*Together, Shaping the Future*

# Innovation, the Essential Strategy in a Changing World

## Accelerator Report by Daniel Pitts Winegarden, JD

Change is inevitable. Customers change, competitors change, markets change. You can get rolled over by the wave of change, ride the change, or lead the change. The great ones lead and shape the change. Successful entrepreneurial companies seek to lead the change. But, like many things in life, saying it and doing it are very different. Reading the market is no easy task, and it takes the fundamental skills or tools to deliver on the vision. The Pappajohn Accelerator recently organized a fee-based seminar to share the playbooks of some of North Iowa's most successful leaders of entrepreneurial, innovative companies.



*Dan Winegarden,  
Accelerator Director*

We offered everyone a chance to learn what it takes to lead change through innovation.

The October 10, 2017 Innovation Roadshow was co-sponsored by the NIACC Pappajohn Accelerator and the BrownWinick Law Firm, and hosted by Sukup Manufacturing Co in their Tech Center auditorium.

Collective efforts drew 129 attendees to this fee-based event, including many from outside of the NIACC service territory. However, the real stars were the area leaders who shared the methods behind their companies' success on a national and international scale.



**Steve Sukup,  
CFO Sukup  
Manufacturing  
Co.** shared the importance of cultivating a culture of innovation. Corporate culture is the one thing

that a leader cannot delegate. It must start from the top-down. Innovation can then originate from anywhere in the company because the team knows that innovation is encouraged and rewarded.

Sukup shared examples of the origin of recent innovations in both product and process. He made an important point echoed by other speakers: Innovation is more than just new products. Don't ignore opportunities for creativity in channels of distribution, manufacturing, back office processes, and more.

The new Sukup steel structures line features both product and process innovation. It leverages a successful sales and distribution network, and involved acquiring competitors for their skilled work force and geographic footprint. The Sukup Safe T Home is another example of innovation that bubbled up from below to become a major success story in philanthropy and corporate partnerships.



**Steve Doerfler,  
CEO of  
Metalcraft,  
Inc.** was the inspiration for the Innovation Roadshow. Doerfler previously shared Metalcraft's

implementation of Gino Wickman's Traction methodology for strategic planning with the NIACC Pappajohn Center and SBDC Advisory Board. Doerfler agreed to a return engagement before other business owners. Traction uses a Keep It Simple Stupid (KISS)

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# Director's Notes

## Exciting times ahead.

With everything we have been hearing and reading in the news and on social media, it can be hard to be optimistic about the future. But if you look beyond the headlines and take the time to watch and listen to what people are doing around you, you'll see some really amazing things happening!

Here at the NIACC Pappajohn Center we have the privilege of helping aspiring entrepreneurs turn their ideas and dreams into actionable plans that, in many cases, leads to these dreams coming true (although let's not forget to acknowledge the hard work, persistence, and perspiration that makes all this happen as well).

So why am I optimistic about the future? Let me recap a few things we've been a part of and things I've observed.

> **Innovation Roadshow:** In October, the NIACC Pappajohn Accelerator delivered the Innovation Roadshow (see full story on pages 1, 3 and 4), hosted by Sukup Manufacturing Co. The roadshow brought business leaders, professionals, and leading innovators in North Iowa together to share how they are moving their companies forward and creating value for their customers and employees.

> **NIACC Marketplace:** In November we celebrate Global Entrepreneurship week, and we like to place the spotlight on a handful of the entrepreneurs we have worked with or are currently working with. During this week we host the Marketplace event on the NIACC campus to give the opportunity to students, faculty, staff, alumni, and some of our new start-up businesses to learn how to better market and promote their products and services. What I enjoy



*Tim Putnam, Director  
John Pappajohn  
Entrepreneurial Center*

the most is when we have students who have been through our Entrepreneur for a Day program and the Youth Entrepreneurial Academy take us up on our offer to set up a booth to test the market viability of their new venture.

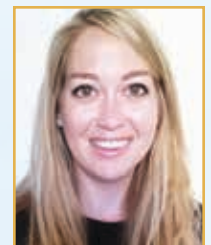
> **River City Renaissance Project:** Now this is what has me the most excited and as the saying goes, the voters have spoken! I have lived in North Iowa since 1993 and this is the first time to my recollection that the community has worked together to get a positive outcome on a ballot measure. While there is much work to be done, probably the most important step was to get a favorable vote. In the entrepreneurial world we would call this a version of customer discovery to find out what the level of support of this project really is in the community. For the vote to pass by 76% I would say this project has a lot of traction.

Why I also like this is it demonstrates how an idea becomes a reality, or in this case starts to become a reality. As I mentioned earlier, we talk to a lot of people about their ideas and dreams, but you have to do more than just talk. One of the best first steps an entrepreneur can take is not to go out raising money but rather to build a qualified team around the idea. The Renaissance idea went from being one person's good idea to getting traction with Mason City officials as well as a number of other people and organizations, and then on to being put on the November 9th ballot.

While there are a number of other reasons to be excited for the future of North Iowa, these three examples are on the top of my list.

## Joyce Martin

Joyce Martin is the new Communications and Program Coordinator for the Pappajohn Center. She comes to NIACC after nearly 10 years of working as an antiques buyer, cataloger, photographer, and marketer. Although her background is in antiques and art, she soon found herself designing advertising materials, creating websites, and working through the intricacies of search engine optimization. Joyce received a Masters degree in Art History from the University of Edinburgh in Scotland, and graduated Summa Cum Laude from Northwest Missouri State University with a Bachelors of Science in History and a Minor in Art. Although she misses the accents (and kilts) of Scotland and the walking-distance-craft-breweries of New York, she's excited to be back in the Midwest and closer to her family. As the Communications and Program Coordinator, Joyce organizes, creates, and edits promotional materials and social media initiatives.



*Joyce Martin*

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approach to focus change in a one-page strategic plan, with no more than a handful of big rocks to move.

Doerfler shared the artful process of engaging team leaders to ensure ownership of the goals, tasks, deadlines, and metrics. Traction was a take it home and use it tomorrow tool. The audience asked about the dangers in giving away your playbook. Steve's answer? If it's done right, you can give the competition your playbook and it won't matter. The competition will never be able to execute your plan as well as you, because it's been tailored to you and your team, as evidenced by Metalcraft's sales growth.



**Matt Schroeder, Engineering Manager of Stellar Industries, Inc.** brought the biggest visual aid – a brand new TMAX aluminum service truck. It's a perfect

example of solving a new problem for an existing customer base. Stellar is a leader in providing service trucks tailored to specific end-customer needs like heavy equipment tire mechanics.

Iowa manufacturers and logistics companies are familiar with the growing shortage of middle skill workers. Heavy service trucks require a commercial driver's license (CDL), an increasingly scarce and expensive skill. The lack of tire mechanics with a CDL is a bottleneck for growth.

However, it turns out that aluminum is good for more than just improving EPA-ratings in passenger vehicles. An aluminum-bodied service body on a straight-frame truck is light enough to fall below the weight that requires a CDL to drive. Suddenly, any tire mechanic in a Stellar TMAX aluminum service truck can now deploy to the field – no CDL required. Solving this customer pain point requires deep understanding of the day-to-day business of the customer, but the reward is outsized. The patent-pending

solution improves a customer's financial performance by reducing labor costs and improving labor flexibility. It's worth a premium, and it's selling like hotcakes.



**Steve Weiss, President of NutriQuest, LLC,** shared his team's rebranding effort and how it changed their strategy and strengthened customer

relationships. NutriQuest's brand offers innovation driven by servitude – identifying as customer servants informs every aspect of the business. It's the livestock-producing customer that demands innovation in agriculture; Innovation requires ingenuity; Practical solutions to difficult problems require hard work, thinking "outside the box", and persistence. The resulting brand vision or promise is:

*Improve the way animal producers succeed and flourish by delivering breakthrough solutions, built on trusting personal relationships.*

Weiss shared the branding process and values focus. Great process delivers meaningful results, including deeper client relationships as a trusted partner and sales growth - another "go home and do likewise" tool.



**Camille Urban, Attorney, BrownWinick Law Firm** leads the firm's IP practice. Too many IP attorneys bury entrepreneurial clients in a legal

seminar of chapter and verse of the U.S. Patent and Trademark Act. Clients don't need to know how to practice law. They need to know what to do before calling the IP attorney and when to call. Camille delivered a business-focused to-do list (and what not to do) for innovators to keep IP defense both effective and affordable.

Urban used the analogy of building a picket fence, with a simple step-by-step process to build the fence one picket at a time. Done right, you want a fence strong enough to keep proprietary intellectual property inside the company and tall enough to keep the competitors out. Initially, the value of any particular innovation is unproven but you want to preserve the right to build a bigger fence as the value of an idea grows.

BrownWinick uniquely emphasizes empowering the client to do their own routine work so the client can afford to bring in the heavy guns for the high-return opportunities that really require IP counsel expertise. To this they add business savvy that keeps in mind the business objective, not just the legal objective.

**Emily Schmitt, General Counsel Sukup Manufacturing Co. and Christopher Proskey, Attorney BrownWinick Law Firm,** did a team presentation on how a rural advanced manufacturing client and local counsel can work effectively with specialized IP counsel. These are the practical examples of implementing Urban's picket fence.

Intellectual Property can't be ignored. Innovation without the defense of intellectual property is just charity to your competitors.

Schmitt and Proskey both gave tips on process for early involvement of IP counsel and specific examples of successful interactions and tactics that produced successful business outcomes. BrownWinick works to transfer routine processes to Sukup (and other clients) to keep IP fence-building costs in line with value delivered. Schmitt and Proskey both





emphasized the value of the under-utilized design patent to set yourself apart from competitors.

One way to improve performance is to listen to the best. North Iowa's best shared their secrets at the Innovation Roadshow. Three themes repeat in the best advanced manufacturers:

1. **Leadership** – clear vision of a better future and effective team communication to get there
2. **Innovation** – intentional creativity in product, relationships, and processes to solve new problems
3. **Partnership** – willingness to work with other experts, to stay focused on unique advantages

We plan to hold more Innovation Roadshows around different topics or industries. Upcoming potential topics include big data, information technology, marketing, and sales channel innovation. Let us know what you want next. What's your biggest pain point? How do you choose where to pursue innovation?

## Global Entrepreneurship Week November 13-19, 2017

For one week each November, millions of young people around the world join a growing movement of entrepreneurial people to generate new ideas and to seek better ways of doing things. Countries across six continents come together to celebrate *Global Entrepreneurship Week (GEW)*, an initiative to inspire young people to embrace innovation, imagination and creativity, to think big, and to turn their ideas into reality.



Students, educators, entrepreneurs, business leaders, employees, non-profit leaders, government officials and many others participate in a range of activities, from online to face-to face, and from large-scale competitions and events to intimate networking gatherings. Through this initiative, the next generation of entrepreneurs are inspired to emerge. In doing so, they will begin to acquire the knowledge, skills and networks needed to grow innovative, sustainable enterprises that have a positive impact on their lives, their families and communities. Global Entrepreneurship Week is powered by the Ewing Marion Kauffman Foundation.

\*[www.genglobal.org/gew](http://www.genglobal.org/gew)

\*2017 Global Entrepreneurship Network



Madalyn Schott – Madis's Magnet Boards



Bruce G. McKee – Nature Photos



Samantha Schupanz – Sami's Sock Monkeys



Alyssa Thoreson – Festive Foods

# Pappajohn Launch & Grow Your Business

Instructor: Michael Brown  
When: Thursdays, February 15-April 19, 2018  
Time: 6:00 - 9:30 pm  
Where: NIACC Pappajohn Center room #117  
Tuition: \$259\* Includes LivePlan 6 month subscription

\*If you plan to attend with a business partner and will be sharing materials, it is an additional **\$149** for the second person.

Launch & Grow Your Business is a ten-week program which is an interactive hands on learning experience facilitated by entrepreneurs and business coaches. It helps entrepreneurs

and business owners maximize the likelihood of success. You will be using the *Business Model Canvas*, LivePlan, and with group interaction and shared experiences of other entrepreneurs. Participants will develop their own business idea through the course.

LivePlan is an on-line software tool that will help simplify the business planning, budgeting and forecasting of your small business. LivePlan works for all types of business, at any stage in its development and has tools for performance tracking for once your business is up and running. Take a look at [www.liveplan.com](http://www.liveplan.com).

## December – February Start Smart Workshops – Wednesday: #

<b>December 6</b>	10:00-Noon	IowaWORKS, 600 S. Pierce Ave., Mason City, IA
<b>December 13</b>	6:00-8:00pm	NIACC, PC 117 500 College Dr., Mason City, IA
<b>January 10</b>	6:00-8:00 pm	NIACC, PC 117 500 College Dr., Mason City, IA
<b>January 24</b>	6:00-8:00 pm	NIACC, PC 117 500 College Dr., Mason City, IA
<b>February 7</b>	6:00-8:00 pm	NIACC, PC 117 500 College Dr., Mason City, IA
<b>February 21</b>	6:00-8:00 pm	NIACC, PC 117 500 College Dr., Mason City, IA



**#Start Smart** – This free two hour workshop is designed for anyone who is considering starting a business or expanding their current business. Participants will learn how to create a business plan, do market research, consider different types of business ownership and learn how to register a business. Registration is required for Start Smart. Please call 641-422-4111 or email [mary.spitz@niacc.edu](mailto:mary.spitz@niacc.edu).

## Iowa State University – Startup Factory

Iowa State University - Startup Factory Network is partnering with the North Iowa Small Business Development and Pappajohn Entrepreneurial Centers in North Iowa in 2018.

The Startup Factory movement is led by serial entrepreneur and Iowa native-turned-Silicon-Valley-success-story Bill Adamowski. Adamowski joined the ISU Economic Development and Industrial Relations team to focus on growing the network of innovation throughout campus. He crafted the framework for the Startup Factory using best practices from the likes of MIT, Stanford and other successful accelerators.

Entrepreneurs in the Startup Factory will receive formal training, resources, and access to a network of business mentors, advisors, counselors and investors in two 26-week blocks: the first a formal curriculum centered on business validation, and the second, customized to their individual business needs. You can contact Brook Boehmler, Director of the America's SBDC located in the Pappajohn Center at NIACC for more details [Brook.Boehmler@niacc.edu](mailto:Brook.Boehmler@niacc.edu).





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Q and A

**"How do we find you on the NIACC website?"**

ANSWER: Scroll to the bottom of the page & click on the PAPPAJOHN CENTER logo



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