

The Entrepreneurial Edge

A NIACC John Pappajohn Entrepreneurial Center Publication



NIACC's John Pappajohn Entrepreneurial Center co-hosted the 2014 Advanced Manufacturing Symposium with Sukup Manufacturing Co. The event attracted two hundred attendees to Sheffield, Iowa to tour Sukup's new corporate headquarters building and expanded production facilities. The event's theme of Sustaining Advanced Manufacturing All-Stars in North Iowa was reinforced by a keynote luncheon speech by a great All-Star player and leader, New York Yankee's Manager, Joe Girardi.

The day featured an opening address by Debi Durham, Director of the Iowa Economic Development Authority, focused on the importance of manufacturing to Iowa. Director Durham observed, "In Iowa, manufacturing is big business. In fact, the percentage of the state's GDP derived from manufacturing has consistently ranked in the top 10 in the country. The advanced manufacturing sector is so strong in Iowa because the public and private sectors work together to ensure conditions are favorable for growth to remain competitive in the global marketplace."

The event featured technology demonstrations by leading industrial solutions providers including Motoman Robotics, Stratasys 3D Printing, and Lincoln Electric virtual welding. Sponsors highlighted their technology on plant tours and explained their products to attendees. (A full list of sponsors follows.) Leaders from industry, education and government discussed lowa challenges and opportunities.

Zane Michael from Motoman Robotics explained, "Employers are responding to the shortage of skilled workers by giving existing workers more powerful, automated tools to improve productivity. Robotic welders and similar solutions don't replace existing workers, but rather secure their jobs by improving productivity and repeatable quality." In worldwide competition workers with the best tools win.

Dave Zrostlik, CEO of Stellar Industries highlighted the importance of innovation in solving customer problems with concrete examples from Stellar's product lineup. "Our Hooklift solution lets municipal customers use the same truck for multiple roles, quickly switching back and forth. Our tire service trucks are custom tailored to keep valuable equipment working. Heavy mining truck tires are serviced or replaced on the spot, minimizing downtime in customer operations that run 24/7."

Emily Schmitt, General Counsel for Sukup Manufacturing Co. explained her company's decision to make a major new investment in Sheffield, IA "I don't stay awake at night worrying about the competition. We emphasize innovation to make sure the competition is responding to us. We have a wall of patents, but the value to customers is in the solutions we offer to their problems. We've built a company on grain handling and storage technology by understanding and serving our customer and working as a team. Innovation is how we assure Sukup Manufacturing Co. is the leader." As a result Sukup Manufacturing Co. has grown by a factor of eight times in the last twelve years. Eighty percent of Sukup product offerings today are new in that period of time. That's how entrepre-

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neurial companies grow.

Service providers from the lowa Innovation Corporation, NIACC and the State's public universities highlighted existing and new programs to assist advanced manufacturing companies and workers. From internships and training, to financing programs, and assistance in rapid prototyping for new product development, the State offers multiple forms of assistance. Innovation was a continuing theme as the speakers all addressed the pressures to stay ahead of the curve. Gregg Barcus of the lowa Innovation Corporation highlighted, "We're all here focused on leading change. Failure to change is not an option. Inaction means competitors and customers all change around us, leaving the complacent behind. Far better to lead the change and capture the benefits of innovation for our customers and our team."

And leadership was also the theme of Joe Girardi's keynote address. Joe spoke for more than thirty minutes with an engaging personal story, illustrating leadership in baseball, business and life. He concluded, "If you have a passion and you have a vision. If you're willing to work hard, to make yourself better and others around you better. If you're willing to check your ego at the door, and sometimes that's not easy to do, but you have to do it. If you're willing to be attentive, to be in tune to what others need, what they're asking for. If you're willing to change and to share ideas, you'll be a great team member. That's what I ask of my guys — be team members. How do you make that guy next to you. . .We win as a team. If you don't work together you can't achieve greatness."

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DIRECTOR'S NOTES

Wow, where have the last 11 ½ years gone? Seems like yesterday I was writing my first "Directors Notes" for our quarterly newsletter and here I am just a few weeks from "retiring" from a formal role at NIACC and its John Pappajohn Entrepreneurial Center. I can't be more proud of the team I have been fortunate to lead and all the local, state and national recognition we have received. It matters to me and to North Iowa that we make a difference. I expect work to only accelerate and grow in the months and years ahead. I plan to stay engaged with NIACC and the Pappajohn Center in several ways, including mentoring, advisory board participation, and work at the state level to support innovation along with continuing support of the North Iowa Venture Capital Fund.

We have a strong team to continue to move entrepreneurship in North Iowa forward and assist companies in reaching their growth goals. Tim, Dan, Brook and Kelley are supported by two great administrative assistants in Mary Spitz and Anna LaVallee. The team is looking ahead to developing a more structured program to assist businesses throughout the region by engaging successful entrepreneurs, business leaders and corporate managers to "donate" a little of their time each year to help existing and startup companies deal with the complex problems associated with business development and growth. It's a way to address the full range of questions from clients, improve networking, and advance the area's economy. I expect some of you will be hearing directly from

the team regarding this new initiative.

That is just one of the planned new activities to support business growth in North Iowa. Other activities will include internships, New Iowa Venture School sessions, expanding the advisory board and finding new sources of funding to help support the work that the NIACC John Pappajohn Entrepreneurial Center does in our communities. Of course, the NIACC Pappajohn Center will continue to provide the services it has in the past and continue with Entrepreneurship Exchanges, E4D, Regional Symposiums on Entrepreneurship, support local community activities on entrepreneurship, and education both "Launch and Grow" as well as the more formal entrepreneurship education. You can expect the continuation the tradition of reporting out each year our success with assisting business starts, employees, entrepreneurship program participants and funding, will allow easy monitoring of its success.

The NIACC Pappajohn Center is the organizer and host of an event in June. The Midwest Educators Forum on Entrepreneurship; will be held here at NIACC on June 24-26, 2015. The federally grant funded event will bring together educational and entrepreneurial leaders from across the country. Colleges and schools can come together and learn how to drive and support entrepreneurship education and propel our communities and our regions. Tim Putnam is the principal organizer of this event.

Yes, the NIACC JPEC is in good and steady hands. With new leadership expect new programs to support our businesses and industry sector in North Iowa, whether with funding, business consulting, education, prototype development, business planning, strategic planning or many more services, the NIACC JPEC is here to serve you, our valued clients of business and industry. I want to thank John and Mary Pappajohn for their continuing commitment to NIACC and the JPEC here in the support of entrepreneurship to help sustain and grow North Iowa. Clearly, without their vision and support, North Iowa, as well as the rest of the state, would not look

Happy Holidays!

the same.

All the Best!

Jamie T. Zanios



Jamie T. Zanios NIACC Vice President & JPEC Director

BEST BUSINESS MODEL PRESENTATION AWARD

Iowa Venture School – Douglass Campbell, Campbell Industries

The NIACC John Pappajohn Entrepreneurial Center, partnering with the Pappajohn Center at the University of Iowa in offering the national Lean LaunchPad program in lowa to help businesses clearly define their business model. NIACC's Business Accelerator Director, Dan Winegarden is an instructor for lowa Venture School. One of the tenants in NIACC's Business Incubator, Douglass Campbell, participated in the most recently completed cohort in Iowa City and his team's success was recognized with a \$1,000 prize for the Best Business Model Presentation from among twelve other business teams.

Key steps in the Lean LaunchPad include understanding exactly who are your best customers and learning to describe your business's unique value proposition in the form of benefits that customers' value. Stated another way, a business needs to learn how to explain what results the business produces for the customer, not what the business does or what its technology does. Clients don't buy technology for technology's sake; they buy solutions to remedy pain points (or passions).

Doug is a licensed pharmacist and his lead product offering is a unique skin crème formulation using compounds with known anti-aging and anti-cancer properties designed to protect users' skin from the harmful effects of sun exposure. He has a proprietary process to make the anti-aging and sun damage benefits affordably concentrated or bioavailable in topical or skin application. Before the Lean LaunchPad experience Doug readily admits, "I'm a scientist and had a hard time getting off the technology of how these compounds work. I wanted to explain how I came up with the idea. I could see listeners' eyes glaze over when I started talking my language, chemistry."

The central benefit of Lean LaunchPad is learning how to structure a business model in terms the customer can understand. "Moving away from technical function to customer benefits is hard work. It's fighting old habits, by putting the business model into the customer's voice paid big benefits. We found new opportunities for partnering with some big brand names we previously saw as competitors. There were huge benefits from talking to customers and others already serving our target customer pain point."

Another big benefit was the technical assistance offered by team members from the University of Iowa and mentors. Doug observed, "Jason Haase is a chemical engineering graduate and current MBA student in the Tippie School, Jason's addition to my team was an immense help. He spoke both my language of chemistry and the language of business. Jason helped to translate into business opportunity and the customer-centric voice. And the mentor and networking connections give me new options in building the back-office components of the business model. When I close that first big order, I know how to deliver in volume using lowa partners for production."

lowa Venture School was a success for Campbell Industries, according to Doug, "I'm so glad I did Lean LaunchPad. It was hard work, but I advanced the ball and I found new opportunities that I hadn't seen before. It works because it forces you to understand the customer's viewpoint first. What are customers willing and able to buy, and why, not what are you trying to sell? It also expanded my business network and my opportunity horizon. The people I connected with are invaluable, from teammate Jason and lowa-based mentors to national distribution partners and end customers. I recommend it to other entrepreneurs working to get customers or capital. I feel like I have a much more focused roadmap for business success than before."

The ten-week Fall JPEC Launch & Grow Your Business class recently concluded in the Communities of Charles City and Osage thanks to a partnership with Charles City and Osage Economic Development Corporations. The class of fifteen produced well-developed business plans and several entrepreneurs are ready to proceed to the next level. The class was taught by Michael Brown, an experienced and successful Forest City area business owner.

The participants who approved publication include: Paul & Sandra DeSloover, Jason & Katie Elgin, Britani Evans, Eric Klaehn, Jone Marquardt, Heidi & Ryan Marguardt, Melanie Ondrashek, Matt Rottler, Bryant Stump and Troy Stille.

The next class is scheduled to begin....

Thursday Evenings, 6 - 9:30 pm February 19 - April 23, 2015



AMES, Iowa – Lisa Shimkat, a regional director for the Iowa Small Business Development Center, started her new role as statewide director of the organization on August 18. She succeeds our own Ted Bair, Interim State Director. Ted will continue to serve clients in the Ames SBDC Office.

For nearly 10 years, Shimkat has worked in the SBDC's North Central Iowa region based in Fort Dodge, counseling clients looking to start or expand an existing business. Her efforts helped her center earn the 2014 Small Business Development Center Excellence and Innovation Award from the U.S. Small Business Administration.

Shimkat was also recognized in 2010 by the SBDC's national organization as lowa's "State Star" for her contributions to the SBDC's economic development efforts and commitment to small businesses. She completed both her undergraduate and MBA degrees at Iowa State University.

In keeping with the new logo from the National Small Business Development Center, the state and regional offices will be rolling out the new logo.



Lisa Shimkat, State Director



Iowa SBDC has a new logo

NIACC'S SMALL BUSINESS DEVELOPMENT CENTER HONORED AT STATE MEETING

The annual numbers for the Iowa SBDC ending September 30, 2014 were released and the 15 regional centers provided 11,000 consulting hours working with over 2,600 clients. Here's how the numbers break down: in the state of lowa a new business was helped to start every 35 hours and a new job created every 7 hours. There was over \$52million in new capital infused in these businesses, which translates into \$4.1million increase in sales.

The North Iowa Area SBDC, under the direction of Brook Boehmler, hosted by the NIACC Pappajohn Entrepreneurial Center was honored at the state meeting by being one of only a few centers to exceed all 8 of the state assigned goals. Some of the impressive numbers exceeded the goals by 330% for New Capital Infused, 329% for New Businesses Created, 195% of Jobs Retained, and 141% of Jobs Created.

By leveraging and working together with the College and John Pappajohn Entreprenurial Center, North Iowa benefits by teaching, growing and retaining the entrepreneurial spirit that it's name sake John Pappajohn strived to create. This same collaborative spirit that lives on the NIACC campus is also used in working with all eight counties involving the local Economic Developers, Chamber s of Commerce, Main Street Programs and Extension offices.

GARNER JOINS OTHER COMMUNITIES BY HOSTING FREE START SMART SEMINAR

Garner had 12 people on the evening of November 25 attend the Start Smart 2 hour session hosted by the Garner Chamber of Commerce. Start Smart is a two-hour workshop designed for anyone who is considering starting a business. You will learn how to create a business plan, do market research, evaluate demand and business strength, consider different types of business ownership, and how to register your business. Garner joins other communities in the NIACC area to host the event in their community. The Clear Lake Area Chamber of Commerce is hosting the free seminar on Wednesday, January 14 from 6-8 at the Clear Lake Chamber Commerce Center. Be looking for the next one in your area or call Mary Spitz to attend or host one in yours.



North Iowa Tech Brew

Meets the 3rd Tuesday of the month 5-7 PM

TechBrews are informal networking events designed to bring together entrepreneurs, technology and business people. North Iowa TechBrews are sponsored by the Technology Association of Iowa, the NIACC John Pappajohn Entrepreneurial Center and the North Iowa *Corridor EDC with a local or area business as a principal sponsor each month.*

FOR DATES & LOCATIONS: www.niacc.edu/pappajohn/resources/tech-brew

Check Our Website

ALL-STARS EVENT CONTINUED TAKE AWAYS:

• Increasing automation and changing technology will change the skills NIACC and other community colleges will have to train and support, as the bar for the most skilled technical positions continue to rise. Money and talent for new training programs in robotics, additive manufacturing and more will be necessary. Supporting new technology is part of entrepreneurial growth.

• Students, parents, teachers and school counselors need to understand the difference between a career path and a major. The career path has many steps, including the critical practical experience "doing" in an industry, before managing or leading. A generic four year degree without practical experience is worth far less than starting with technical training, real world work experience, and then adding two more years for a four year degree with practical context. Going straight to a four year college or university is not the right or best answer for many students.



Left to Right: Mr. Dan Winegarden, Dr. Steven Schulz, Mr. Steve Sukup & Mr. Joe Girardi

• NIACC is the front line intake center and coordinator of a wide variety of advanced manufacturing programming through state agencies and universities. NIACC will have to continue to partner to bring the full range of services to North Iowa employers. Success will require investments to update NIACC's equipment such as its 3D printer (additive manufacturing) to stay current. The equipment serves both students learning the technology and employers pursuing product innovation through rapid prototyping.

• Local government and development agencies are used to thinking of business recruitment and retention around the issues of real estate, buildings and workforce. There may be opportunities for local governments to offer creative financing for the technology, tools and fixtures of advanced manufacturing that multiply local workforces and keep companies anchored to North lowa.

• North Iowa needs to import more students and workers from out-of-state to service the growing demand for skilled workers. We offer competitive cost of technical education at NIACC, career opportunities, favorable cost-of-living, and rural lifestyle amenities for families seeking great schools and outdoor recreation. We also have easy access to metro markets. Few states offer the strong employment opportunities of Iowa's advanced manufacturers. Successful families grow best here.

The New York Yankees baseball memorabilia charity auction raised \$30,250 for NIACC Industrial Tech scholarships with items signed by Joe Girardi. Steve Sukup presents a \$20,000 donation from Sukup Manufacturing Co. to NIACC co-hosts, President Steve Schulz & Pappajohn Accelerator Director Dan Winegarden.

For highlights & sponsor list please go to http://www.niacc.edu/pappajohn/resources/advanced-manufacturing-symposium-recap/

NIACC COLLEGIATE ENTREPRENEURS' ORGANIZATION

NIACC COLLEGIATE ENTREPRENEURS' ORGANIZATION (CEO) members attended the National CEO Conference in Orlando, Florida, October 30 – November 1. Participants experienced stories from nationally renowned entrepreneurs such as Redbox Founder, Mike DeLazzer and Kevin Harrington, As Seen on TV. Students were exposed to over 50 entrepreneurs and 1,200 college students nationwide. Keynotes presented their challenges and successes to students and breakout sessions

provided valuable information from experts. Some of the topics included: crowd funding, social media, pitch competitions, idea creation workshops, and building blocks for a successful startup.

The NIACC CEO students fundraised for their trip & received sponsorship assistance from the following businesses: Brakke Implement, INC, Brown's Shoe Fit, Clay Ashley Trucking, L.L.C., Clear Lake Bank & Trust, Culvers of Mason City, D&D Sales, Iowa Cell Phones and Repair, LN Carpentry, Metal Craft, Manufacturer's Bank and Trust, Metal Craft, Moorman Clothiers, PowderCraft, Tesene, Maurer & Maurer D.D.S., Stifel, Titan Pro SCI, INC and YohnCo. NIACC students who attended the conference were, Tyler Beemer, Keely Branstad, Becca Herwig, Ben Fahrmann, Dylan Firsching, Kayla Kearns, Angelica Post, Dakota Richardson, and Brittani Watson.

P.P. Alterstel



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Visit us online @ www.niacc.edu/pappajohn

Watch for the January E-Exchange!



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