



# Entrepreneurship Ecosystem Development

## *Findings and Recommendations*

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## Place-Based

This factor relates to the physical spaces, building fabric, amenities, and place assets that collectively provide the environment for entrepreneurs to be successful. Place-based indicators tend to focus on real estate support tools, like incubators, drop-in spaces, and maker spaces. However, amenities such as trail systems, diversity of housing options, and “fail fast” pipelines (like pop-ups, pitch it contests, and in-store product displays) represent critical indicators to having a place-based ecosystem factor.

Place-Based Factor in Lisbon	
<b>Owner</b>	Lisbon Development Committee
<b>LDC Role</b>	Primary Lead, Convener, Developer
<b>Existing Strengths</b>	<ul style="list-style-type: none"><li>• Geographic proximity to major Maine business centers.</li><li>• Worumbo Infill Location has great promise for supporting new, local entrepreneurs as well as providing new consumer traffic (e.g. housing, recreation, retail anchors)</li><li>• Property, while limited, was found to be affordable</li></ul>
<b>Primary Gaps</b>	<ul style="list-style-type: none"><li>• Start-up space beyond the entrepreneurs’ residence.</li><li>• Entrepreneurship programming and “pipeline” development.</li><li>• Lisbon’s place brand/market niches are still unsettled. How to capture “moxie?”</li><li>• Housing diversity beyond single family, especially focused on downtown.</li></ul>



## Government Policy/Regulations

This factor focuses on the public sector’s role within the Ecosystem. Indicators reflect the government’s role in developing supportive business policies and creating streamlined regulatory, permitting, and zoning practices that encourage a broad range of business ventures, while also making critical capital investments in cell service and internet fiber that result in strong public infrastructure.

Government Policy/ Regulations Factor in Lisbon	
<b>Owner</b>	Town of Lisbon
<b>LDC Role</b>	Supporter, Advocate
<b>Existing Strengths</b>	<ul style="list-style-type: none"><li>• Town is leading the effort around the Worumbo Mill site development, which is a leading anchor development to support entrepreneurs.</li><li>• Town is a supporter and new affiliate Maine Main Street community.</li><li>• Town has several funding options (Brownfields, Facades, RLF)</li></ul>
<b>Primary Gaps</b>	<ul style="list-style-type: none"><li>• Lack of third spaces and public amenities, but vision is there</li></ul>



## Financial Capital

This factor examines the depth and breadth of financial resources available to entrepreneurs at all stages of the business life cycle, including traditional bank lending, crowdfunding, and microlending initiatives.

Financial Capital in Lisbon	
<b>Owner</b>	CEI
<b>LDC Role</b>	Supporter, Advocate, Connector
<b>Existing Strengths</b>	<ul style="list-style-type: none"><li>The region is also rich in microfinancing and low-interest loans (LA Chamber, CEI, Town, Community Concept and ADCOG) and supportive banks.</li><li>Property and rents are thought to be affordable when available.</li></ul>
<b>Primary Gaps</b>	<ul style="list-style-type: none"><li>In terms of the financial capital spectrum, aside from early stage personal capital (self-financing and credit cards), and public sector funding tools, non-traditional tools such as angel and crowdfunded community capital important for scaling businesses is missing.</li><li>While there is the availability of financing, there appears to be a disconnect between the “supply” and the “demand” of new entrepreneurs.</li></ul>



## Social Capital

Entrepreneurs exist in a world where relationships, trust, and connections are significant in all aspects of the launch, growth, and sustainability of a business. This factor evaluates the community programs and activities that either proactively and/or organically add value to the entrepreneurship social network by promoting trust, reciprocity, and cooperation.

Social Capital in Lisbon	
<b>Owner</b>	LA Chamber
<b>LDC Role</b>	Supporter, Advocate, Connector
<b>Existing Strengths</b>	<ul style="list-style-type: none"><li>SCORE is present but no indication as to frequency and depth of engagement relative to mentorship.</li><li>There was acknowledgement that if you know the right people or actively engage, the local business community is supportive of new entrepreneurs.</li></ul>
<b>Primary Gaps</b>	<ul style="list-style-type: none"><li>It was apparent in the Entrepreneurs Focus Group that there was energy and peer networking occurring as a result of the group coming together. Group indicated a desire for some additional connectivity as well as learning how to become more involved in the community.</li><li>Formalized welcome and connector group for new entrepreneurs.</li></ul>



## Education and Training

Technical assistance in the form of education and training opportunities represents a critical factor for the Entrepreneurship Ecosystem. Indicators examine opportunities for entrepreneurs to participate in the basics of entrepreneurship, as well as more sophisticated programming in logistics, multi-channel marketing, etc. Communities should have a sound grounding in both public and private education and training programming.

Education and Training in Lisbon	
<b>Owner</b>	CEI, ADCOG, LA Chamber
<b>LDC Role</b>	Supportive, Advocate, Connector
<b>Existing Strengths</b>	<ul style="list-style-type: none"><li>CEI, the ADCOG SBDC, and LA Chamber offer a broad range of business education and training programs.</li><li>The “Top Gun” program, which offers a mentor program and helps with pitches, could be offered as an extension within Lisbon.</li></ul>
<b>Primary Gaps</b>	<ul style="list-style-type: none"><li>Education and Training is widely available regionally, but it was also felt that training hosted locally is important but currently a void.</li><li>There was an indicated lack of new people coming into the “funnel.” This could also relate to gaps within marketing and communication locally as the number of programs is quite high regionally.</li></ul>



## Culture

Localized attitudes toward entrepreneurship as a career option and as a social activity define regional entrepreneurship culture, which in turn impacts personal choices to engage in entrepreneurial activities, as well as investor confidence. This factor contains indicators that examine a community’s perspectives on risk-taking, innovation, career self-determination, business regulation, and acceptance from outsiders and their ideas, as well as how entrepreneurship is portrayed in the media.

Culture in Lisbon	
<b>Owner</b>	Town of Lisbon, Positive Change Lisbon
<b>LDC Role</b>	Supporter, Advocate, Connector
<b>Existing Strengths</b>	<ul style="list-style-type: none"><li>There is an emerging “vibe” under the “Moxie” moniker that should be further exploited as part of the ecosystem.</li></ul>
<b>Primary Gaps</b>	<ul style="list-style-type: none"><li>Events or activities that feature/celebrate local entrepreneurs.</li><li>Branding strategy that markets the local, historical and present entrepreneurial spirit.</li><li>It was felt that there was little involvement from entrepreneurs in existing civic and/or other community groups.</li></ul>



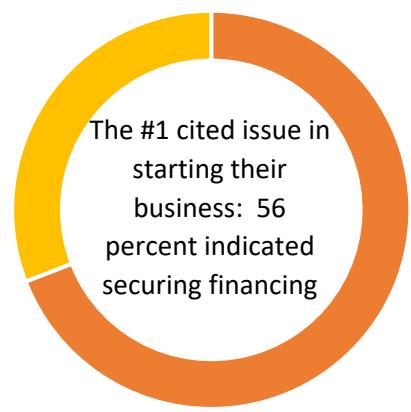
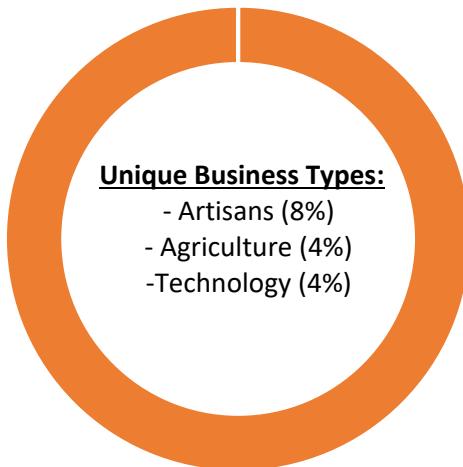
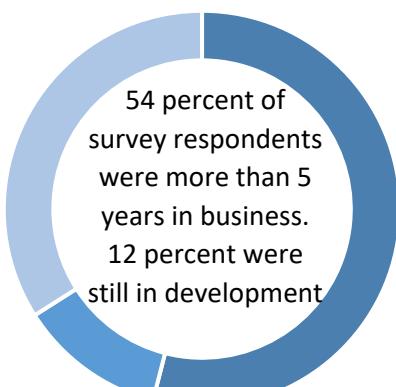
## Human Capital

Human Capital explores whether communities are creating pipelines of entrepreneurial talent from example academic institutions and whether they have the human capital in their workforce to fill positions as entrepreneurs grow their businesses. This is especially important in areas facing workforce shortages and/or areas where entrepreneurs operating in niche fields need specialized talent.

Human Capital in Lisbon	
<b>Owner</b>	CEI
<b>LDC Role</b>	Connector
<b>Existing Strengths</b>	<ul style="list-style-type: none"><li>• Geographic proximity provides foundation for talent attraction.</li><li>• Rumble Mill Site provides tremendous opportunity to incorporate a mixed-use development featuring a diversity of housing for talent attraction as well as co-working/incubation space.</li><li>• CEI has dedicated programming for workforce development, including skills training and immigration programs.</li></ul>
<b>Primary Gaps</b>	<ul style="list-style-type: none"><li>• Several businesses acknowledged challenges with retention and attraction with workforce. This may lessen post-Covid.</li><li>• Housing diversity is a continuing issue in many Maine communities. This is important component to supporting entrepreneurship and talent.</li><li>• While currently not present, there was a belief the school system could be actively engaged in entrepreneurial programming – future generation pipeline.</li></ul>

## Lisbon Entrepreneurs Survey Summary

 Place-Based	<ul style="list-style-type: none"> <li>40 percent cited building condition as a problem in launching, and nearly 30 percent indicated securing their business location was an issue.</li> <li>Finding Space, Right Space, Space for Growth were called out as part of their three primary needs, along with parking.</li> </ul>
 Financial Capital	<ul style="list-style-type: none"> <li>Most entrepreneurs used traditional forms (e.g. credit cards, self-funding, banks)</li> <li>Interestingly while there are many non-traditional forms of capital regionally, like microfinancing and minority/women grants, they were thought to not exist, suggesting communications/marketing issues locally.</li> <li>Many indicated more revenues and customer growth as primary needs.</li> </ul>
 Education /Training	<ul style="list-style-type: none"> <li>More than 50 percent felt that place-based forms of technical assistance found in incubators, co-work spaces, or maker space were not available.</li> <li>Top education/training assistance used were found with website development, legal assistance, and marketing/graphic design.</li> </ul>



## Lisbon Entrepreneurs Focus Group – Strengths

Place-Based	<ul style="list-style-type: none"> <li>Growing and geographic proximity positions businesses near plenty of services and resources. Area was also thought of as affordable.</li> <li>Worumbo site has potential to add needed retail and mixed-use space, as well as possibility incubator/kitchen start-up space.</li> </ul>
Social Capital	<ul style="list-style-type: none"> <li>Entrepreneurs desire more opportunities to connect and cross-market.</li> <li>Positive Change Lisbon thought of as a strong asset for the community.</li> </ul>
Culture	<ul style="list-style-type: none"> <li>Entrepreneurial spirit is present and growing. Other entrepreneurs are willing to pitch in and help.</li> </ul>
Education and Training	<ul style="list-style-type: none"> <li>Overall technical services from regional organizations was highly utilized and helpful.</li> </ul>

## Lisbon Service Providers Focus Group – Strengths

- Lisbon Area Chamber:
  - Offers a host of business programming, including Business to Business Networking, Business Advocacy, and Workforce Training
  - Launched New “Local Farms-Local Places” initiative
  - Entrepreneurial Programming – “Top Gun” Start-Up Program, Micro Loans, and Start-Up Saturday event.
- Town of Lisbon:
  - EDA Brownfields Program
  - Façade Grants and USDA-Backed Revolving Loan Fund
  - Worumbo Mill Site Redevelopment
- Coastal Enterprises Inc.:
  - Micro-financing (CDFI) and equity injection provider
  - SBDC and Women’s Business Center Host
  - Workforce Development initiatives
- Community Concepts:
  - Gap Lending Program
  - One of Maine’s largest micro lenders (\$50K or less)
- ADCOG Small Business Development Center:
  - Covid-Related Micro Grant Program (\$5K)
  - Small business counseling and training/education.
  - Quick Loan Program (up to \$10K)
- Southern Mid-Coast Chamber:
  - Developing Tech Space Incubator,

## Critical Gaps Summary

	Place-Based	<ul style="list-style-type: none"><li>• Local programming that builds future pipeline of entrepreneurs.</li><li>• Downtown lacks ready-made spaces for new businesses.</li><li>• Dedicated facilities for emerging entrepreneurs to help scale such as an incubator, maker space, etc.</li></ul>
	Financial Capital	<ul style="list-style-type: none"><li>• Communication/Marketing tools to local &amp; regional financial capital programs.</li></ul>
	Social Capital	<ul style="list-style-type: none"><li>• Formal and/or informal programming for entrepreneurs.</li></ul>
	Govt - Regulatory	<ul style="list-style-type: none"><li>• Town is still in the midst of defining the Worumbo Mill Development Site uses and functions. As part a market study should help to identify key market niches.</li></ul>
	Education and Training	<ul style="list-style-type: none"><li>• Regionally, there is an extensive list of training and educational programming for multiple stages in business life cycle as well as types. However, programming is not offered locally.</li></ul>
	Human Capital	<ul style="list-style-type: none"><li>• Programming designed to leverage skills sets of unemployed for new entrepreneurial endeavors. This will be critical post-Covid.</li></ul>

## Lisbon Development Committee's Role in the Ecosystem

	Place-Based	Government Policy & Regulatory	Financial Capital	Social Capital	Education/Training	Culture	Human Capital/Workforce
Primary	LDC	Town of Lisbon	CEI	LA Chamber	CEI, LA Chamber, SBDC ADCOG	Town of Lisbon, Positive Change Lisbon	CEI
Supporter	MDC, Farm Drop	LDC	Lisbon CU, LDC	LDC	LDC	Farm Drop, LDC	CEI
Convener	LDC	Town of Lisbon	CEI	LA Chamber	CEI, LA Chamber	Positive Change Lisbon	CEI, LA Chamber
Advocate	CEI, Lisbon CU, MDC	CEI, SMMC, Lisbon CU, LA Chamber, LDC	Lisbon CU, LDC	Lisbon CU, LDC	CEI, LA Chamber, Lisbon CU, LDC	CEI, Lisbon CU, LDC	
Provider	Farm Drop, MDC, Lisbon CU		CEI, Lisbon CU, LA Chamber	SMMC	Lisbon School District?		
Connector	Lisbon CU, MDC		CEI, SMMC, Lisbon CU, LDC	CEI, Lisbon CU, LDC	SMMC, CEI, LDC	LDC	CEI, LDC
Developer	Town of Lisbon (Rec Dept), LDC		CEI, Lisbon CU				SMMC

## Lisbon Development Committee Recommendations

1. Conduct retail market analysis for the Lisbon to better understand key market drivers and niches. Use outcomes to develop target “wish list” of entrepreneurs for the Worumbo site. This would also help to better understand more place-based facilities that may be needed to support strong niches. (For example, food niches may require night kitchen or shared-production facilities. Artisan/Artists may require a maker space).
2. Align local funding programs with newly developed entrepreneurship programming (i.e. pitch contest, pop-up programs).
3. Develop an entrepreneurship “pipeline” program plan. This plan would outline calendar of activities (pitch contests, soup events, pop-up programs), lead groups, budgets, etc.
4. Conduct a building inventory and maintain local database. Information should include building condition, current/past uses and functions, fixtures (eg. Kitchen), owner, sale/rental rates, etc. Use this information for marketing purposes along with assigning “wish list” uses/functions.
5. Regroup the Entrepreneurs Focus Group participants. Engage them organically to discuss how they view their role in supporting entrepreneurship programming in Lisbon, and how/if they would like to either informally or formally continue to engage with each other.
6. Catalog local and regional technical and financial programming for entrepreneurs and set up as a share web page shared with all the organization stakeholders. Create a marketing plan and tools for communication.

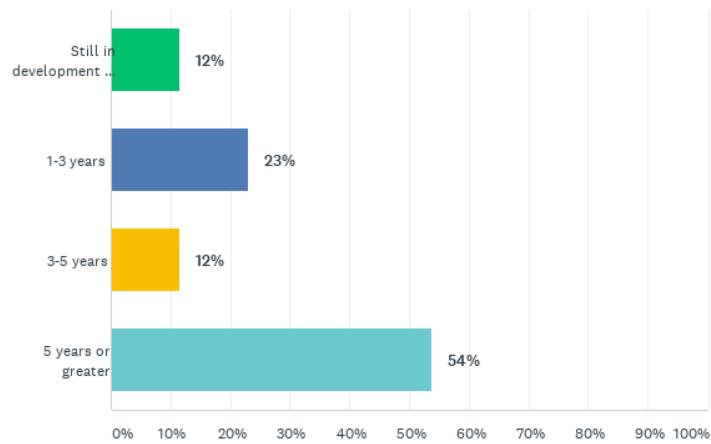
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| 7.  | Formalize the E.E. Stakeholder Group by creating a joint workplan focused on programming within Lisbon. Meet with the group every quarter to update.  |
| 8.  | Develop a Lisbon brand identity that highlights the economic market position for the community. This brand should take into account key economic drivers/assets, natural resources, past identity mixed with future thinking. The brand should be used with all entrepreneurial programming and economic development efforts. |
| 9.  | Catalog the potential “pipeline” of new micropreneurs by maintaining a database of local Etsy vendors, participants in SBDC(SCORE training programs, micro grant applicants, pitch contests, pop-up programming, etc.   |
| 10. | The Town of Lisbon should develop a “How to Get Started in Lisbon” checklist and/or guide. This effort could be combined with the technical and financial resources catalog in #6.  |

## Appendix – COVID Impacts & Entrepreneurs Survey Results

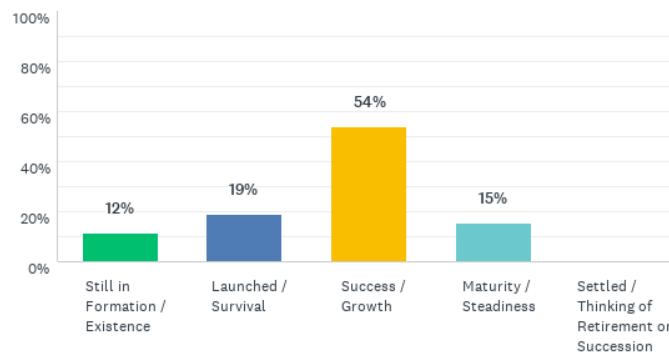
- Etsy, the online marketplace for artisans, makers, and artists, may represent the best COVID insight into the future impacts on experiential retailing. While overall e-commerce is up 18 percent in 2020, Etsy's April 2020 sales exploded up more than 100 percent year over year to \$781 million. This drastic expansion represents the site's largest sales increase since becoming public in 2015. What this demonstrates is that consumers remain interested in unique, experiential products from artisans and makers.
- Research demonstrates that in times of high unemployment (40+million to date), there is a large increase in rates of entrepreneurship proceeding (typically a year lag). Look for 2021 to bring about massive increases in entrepreneurship. There have already been 3.2 million new filings in 2020 versus 2.7 million in 2019 (September #) – Faster rate than 2007.
- A September 2020 survey of 2,000+ small businesses by Main Street America demonstrated that more than 70 percent of existing retail businesses launched in the same town/city as the owner lived. The number is 75 percent for manufacturers.
- Likely vacancies in restaurants, presents an opportunity for food-based small-scale producers to occupy at potentially leveraged rental rates to utilize commercial kitchens for production.
- Expect more “pop-up” or shared space opportunities for new entrepreneurs in existing stores, as inventory shifts create space for complementary producers and existing stores seeking to drive more foot traffic.
- Increases in remote workforce, will attract some to seek out rural lifestyles. Remote work grew by a whopping 159% between 2005 and 2017. They usually bring with them higher incomes than local economies. Those with trailing spouses/partners represent pipeline opportunities for entrepreneurs.
- New consumer and economic trends have created new entrepreneurial opportunities in the following areas:
  - Health – More natural and organic products, as well as gardening aimed toward increasing our overall health and immunity
  - Recreation – Bike sales for example have dramatically increased – anything related to recreation accessories, “craft” bikes, trail users, blue trails, rentals, used repurposed recreation equipment, etc.
  - Home – stay at home orders have increased our focus on products for cooking, our new home offices, and home décor to make living more pleasant/enjoyable.
  - Upcycled – household saving rate increases coupled with high unemployment will have consumers looking for “used” but creative products that speak to lifestyle.
  - Hobbies – boredom creates time for learning new talents, so products geared toward the arts, “brain training,” music, etc.



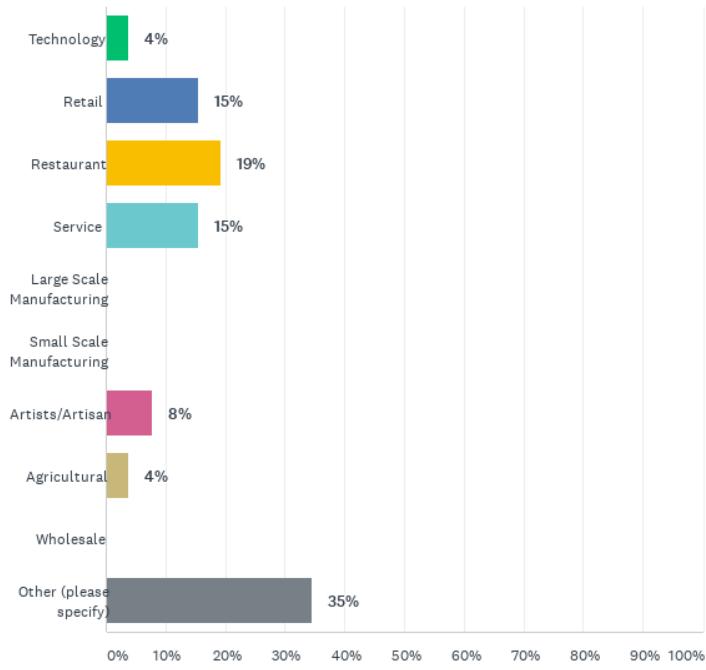
### Q1 How long have you been in business?



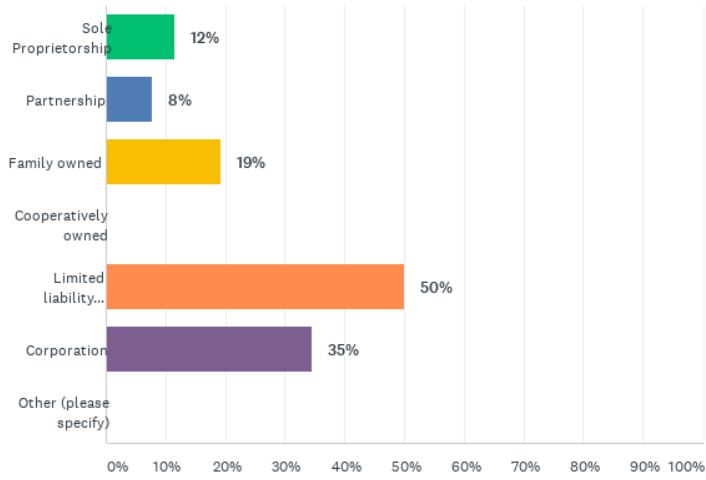
### Q2 What stage best characterizes you and your business's current state?



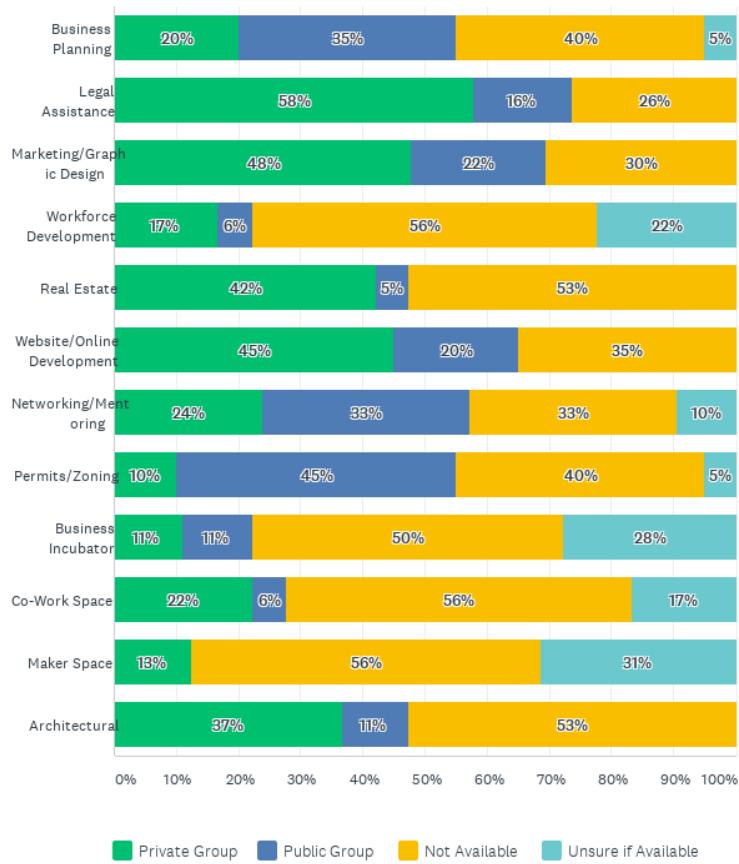
### Q3 What sector best describes your business or idea?



### Q4 How would you characterize the ownership structure of your business or idea? (Please choose all that apply.)

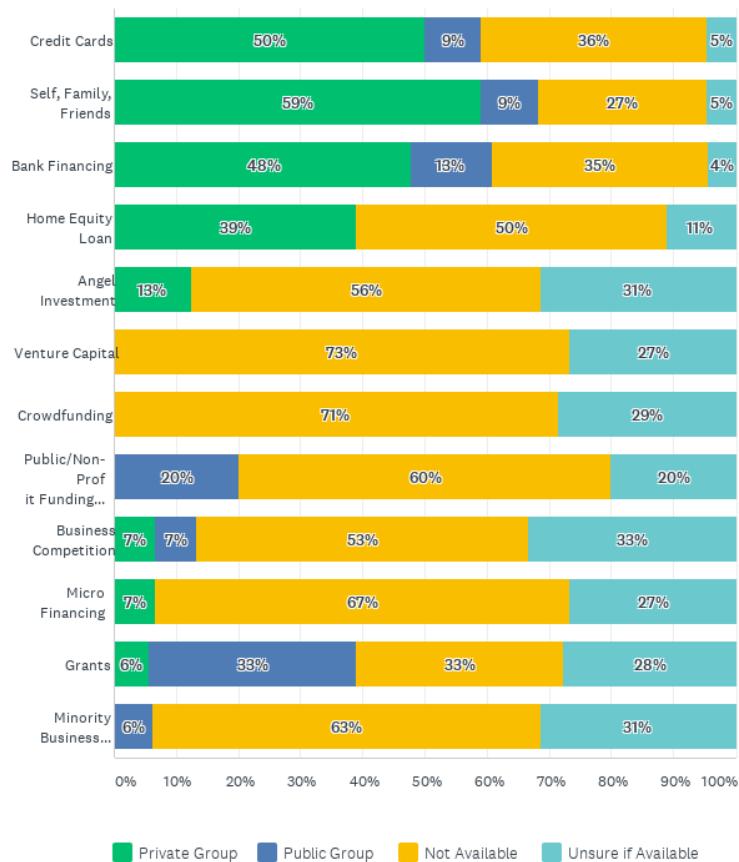


**Q5 What forms of technical assistance from a public or private group have you used as part of your entrepreneurial journey? For the following, please check all that apply:**

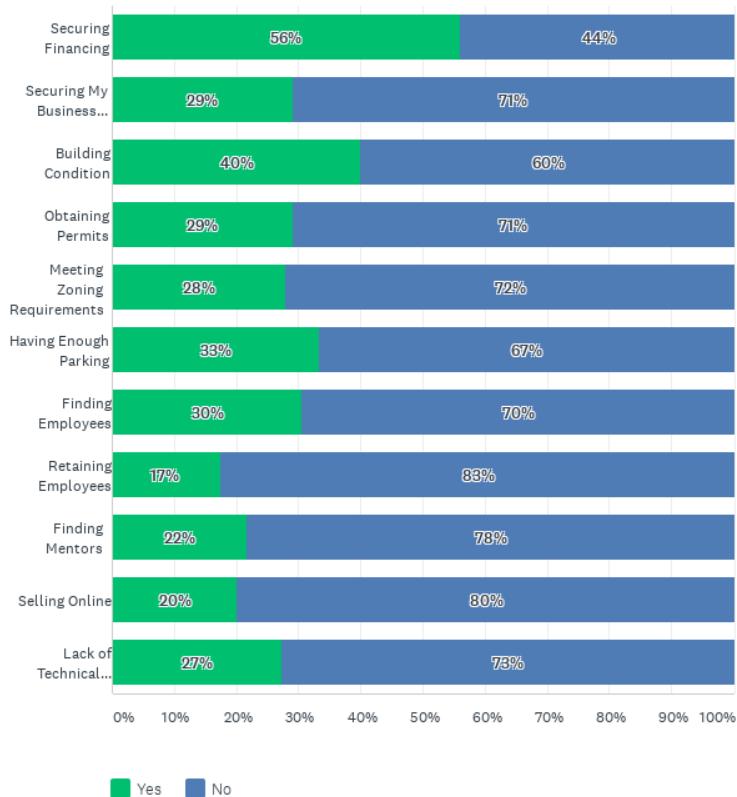


■ Private Group ■ Public Group ■ Not Available ■ Unsure if Available

**Q6 What forms of financial assistance have you used as part of your entrepreneurial journal? For the following, please check all that apply:**



**Q7 What issues/barriers did you face in launching your business? (please answer all that apply)**



**Q8**

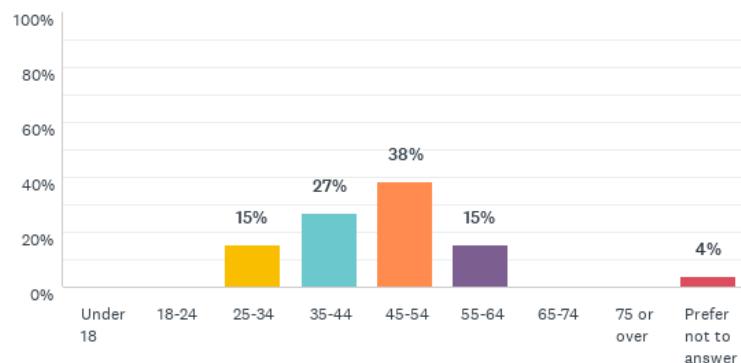


What is your greatest current need for your business? (Or, if you can't choose one, your top three greatest needs for your business at the present moment?)

Answered: 40 Skipped: 4

1. Cash/Money/Capital/Sales Revenue
2. Finding Space, Right Space, Space for Growth
3. Finding More Customers/Marketing
4. Staffing/Finding Employees
5. Parking

## Q9 How old are you?



## Q10 Location of your business:

