GROW MINNESOTA!SM

QUARTERLY UPDATE | SUMMER **2016**

Assisting the next generation of food and beverage businesses

MINNESOTA CHAMBER *of* COMMERCE

GROW MINNESOTA! ASSISTS WITH BUSINESS START-UPS

Bootlegger Brewing LLC, Apple Valley

Jake Haneman, president of Bootlegger Brewing, contacted Grow Minnesota! for assistance with the start-up of his Kombucha tea business. Staff met with Haneman and were able to assist in a number of ways to identify potential building spaces, connect him to organic certification training through the Minnesota Department of Agriculture, assist with business permitting, and research potential organic juice suppliers. The business settled in Apple Valley where it received a warm welcome. Bootlegger has been in operation for only three months, but its fermented tea is already being sold in 45 locations throughout the Midwest.

GROW MINNESOTA! MISSION AND VALUE

Grow Minnesota! is the business retention, expansion and assistance program of the Minnesota Chamber of Commerce. The program is in its 13th year and operates in partnership with more than 75 local and regional chambers of commerce and their private-sector economic development organizations. The primary focus is to retain Minnesota businesses and encourage them to expand here.

Every business retention visit has four parts: First, we thank the business owner or manager for having a business in our state and employing Minnesotans; second, we learn as much as we can about the business and its Minnesota activities; third, we ask if we can assist the company to stay and grow in our state; and, fourth, we ask what policymakers can do to improve our state's overall business environment.

Visit Results
2003-2016 YTD

10,006 business visits.

1,770 businesses assisted.

18,609 jobs protected*

*Data tracked since 2009

CONTACT US Or your local Grow Minnesota! Partner

BILL BLAZAR 651.292.4658
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GROW MINNESOTA! ENCOURAGES ENTREPRENEURS

BIZZY
www.bizzycoffee.com

BIZZY is a new Minneapolis startup that delivers their concentrated organic cold brew coffee to consumers through Amazon Prime and their website on a subscription service.

After Grow MN! staff met BIZZY's co-founders Alex French and Andrew Healy at a Minnesota Entrepreneur event, they wanted to learn more.

Staff engaged the co-founders in a comprehensive business conversation that resulted in Grow MN! staff identifying several relevant resources that were shared with the growing business.

GROW MINNESOTA! CREATES A POSITIVE IMPACT ON VOLUNTEERS, BUSINESSES, AND COMMUNITIES. More than 450 volunteers participate in visits statewide.

Grow MN! presented the VHEDC with a check for successful completion of a U of MN BRE/Grow MN! retention effort. Pictured l to rt; Kevin Watson, city administrator Vadnais Heights, Ling Becker, executive director VHEDC, Kathi Schaff, director Grow MN!.

Vadnais Heights Economic Development Corp. (VHEDC)
www.vhedc.com

"The Grow Minnesota! program is a critical component to our business retention strategy in our community. The program serves as an effective tool for our ongoing efforts to stay engaged with our local businesses. We have found Grow Minnesota! to be a great complement to the University of Minnesota's Business Retention & Expansion program which we recently completed. The Grow Minnesota! effort has and continues to be our sustaining channel to reach out to businesses, to listen to their needs, and ensure resources are available for their long-term local success." Ling Becker, VHEDC executive director.

2014-2016 YTD VISITS Businesses Less Than Five Years Old

134 visits; of those

54% added jobs in the previous year, and

59% plan new investments.

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GROW MINNESOTA! WORKS TO ADDRESS WORKFORCE SHORTAGE - THE BUSINESS EDUCATION NETWORK

www.mnchamber.com/advocate/business-education-network

DEVELOPING A WORKFORCE PIPELINE IN WINONA

Winona Area Chamber of Commerce
www.winonachamber.com

Grow Minnesota! visit data was used in Winona to address the increasing difficulty that companies were experiencing in attracting and retaining employees. Visits identified a gap between the preparation of the workforce and the job skills required by employers. "Through the Grow Minnesota! program we all have a clearer understanding of the scope of workforce challenges facing Minnesota employers. The Business Education Network was formed in direct response to the Grow Minnesota! business retention visits."
Della Schmidt, president and CEO at the Winona Area Chamber of Commerce.

GROW MINNESOTA! PROMOTES HOME-GROWN BUSINESS

JonnyPops
jonnypops.com

Grow MN! visited with JonnyPops at their St Louis Park facility this summer to learn about how their company is quickly gaining prominence in the frozen treat industry. Started by three college entrepreneurs in 2011, the business now sells their all-natural frozen fruit bars across the Midwest and Southern United States. The company adds to the long list of successful, Minnesota-grown food companies that contribute to the State's thriving economy.

RESEARCH STUDY RESULTS: THE FUTURE OF RURAL GROCERY STORES

University of Minnesota Extension
www.extension.umn.edu/community/news/future-rural-grocery-stores

UNIVERSITY OF MINNESOTA EXTENSION

The Regional Sustainable Development Partnerships staff and colleagues throughout the University of Minnesota Extension set out to study rural grocery store change. The survey was sent to 279 Minnesota grocery stores, and 69 percent responded. The staff is using these survey results to better describe current conditions, and to consider what resources should be mobilized to help rural grocery stores thrive.

A critical finding is that rural grocery store owners want to pass the baton to a new generation. In fact, 63 percent of store owners said they do not intend to own their store 10 years from now. But these intentions haven't resulted in plans. In fact, a large percentage of respondents said they do not have a plan to transition their business.

Kathi Schaff, director of Grow Minnesota! at the Minnesota Chamber of Commerce, notes that rural grocery store owners are not alone. "Urban, rural, large and small businesses all struggle with succession planning. Over the past three years, 1,210 businesses responded to our survey question about succession planning, and 38 percent reported having no succession plan in place."

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JUST LAUNCHED! - GROW MINNESOTA! ONLINE BUSINESS RESOURCES

www.mnchamber.com/grow-minnesota-business-resources

We are excited to announce the Grow Minnesota! Business Resource web pages are now live on the Minnesota Chamber's website! During Grow Minnesota! visits, many businesses voiced their frustration in trying to locate relevant resources, as well as connect with the appropriate resource contact person. The goal of the Business Resource pages is to get individuals to the correct person and resource/s faster, in order to reduce time and frustration on the part of business people.

Users will be able to access state and regional level resources related to seven categories; business financing, entrepreneurship, environmental & energy, exporting/importing, research & data tools, start & manage a business, and workforce development. For local level resource requests, users can easily link to the appropriate Grow Minnesota! partner.

NUMBER OF BUSINESSES REQUESTING ASSISTANCE

2012: 1 in 10
2013: 1 in 4
2014: 1 in 4
2015: 1 in 3
2016 YTD: 1 in 3

PARTNERS:

Over 70 Local chambers of commerce and economic development entities

Albert Lea-Freeborn County
Albert Lea Economic Development Authority*
Alexandria Lakes Area
APEX
Duluth Area
Apple Valley
Austin Area
Belle Plaine
Belle Plaine Community Development*
Bemidji Area
Bloomington
Blooming Prairie
Brainerd Lakes
Brainerd Lakes Area Economic Development Corp.*
Burnsville
Dakota County Regional
Detroit Lakes Regional
Eden Prairie
Edina
Elk River Area
Fairmont Area
Fairmont Economic Development*
Faribault Area
Fergus Falls Area
Forest Lake Area
Grand Forks and East Grand Forks
East Grand Forks EDA*
Grand Rapids Area
Itasca Economic Development Corp.*
Greater Mankato Growth Inc.
Hastings Area
Hibbing Area
I94 West
International Falls Area
Lake City
Lake City Economic Development*
Lakeville Area
Laurentian
Litchfield
Long Prairie Area
Marshall Area
Martin County IGNITE*
MetroNorth
Minneapolis Regional
New Ulm Area
North 65
North Hennepin Area
Northfield Area
Owatonna Area
Park Rapids Area
Pipestone Area
Princeton Area
Princeton Economic Development*
River Heights
Progress Plus *
Redwood Area
Richfield
Rochester Area
Rochester Area Economic Development Inc.*
Saint Cloud Area
Shakopee Area
SouthWest Metro
TwinWest
Two Harbors Area
Vadnais Heights Economic Development Corp.*
Waconia
Waseca Area
White Bear Area
White Bear Lake Economic Development Corp.*
Willmar Lakes Area
Winona Area
Worthington Area

Statewide Affiliate Partners:
University of Minnesota Extension
TriState Manufacturers Association (TSMA)

Denotes local economic development organization co-partners.