

Create Wealth in NE Ohio through a Community Investment Portfolio System

Ag-Bio Cluster in NE Ohio: Community Investment Portfolio

The goal of the Ag-Bio Cluster Initiative (the Initiative) is to favorably impact the Advance Northeast Ohio [Dashboard of Economic Indicators](#). Headed by the Ag-Bio Cluster Leadership Council (ABCLC), the Initiative will collect data to track industry trends according to the metrics of the dashboard of indicators. These metrics, coupled with the current national [administration's](#) push to grow the [small business sector](#) in the U.S., will open up a [blue ocean](#) of possibilities to launch and expand small businesses within the Ag-Bio Cluster in NE Ohio.

Thus, a strategy to proliferate small businesses in the Ag-Bio Cluster is critical to accomplishing the goal and is being developed. The time line to yield results is short. Accordingly, a process to populate the investment portfolio and provide constructive triage on candidates that favors local ownership and control, targets local markets, and advocates open collaboration is the subject of this document.

Building Business Cases

The primary deliverable of the ABCLC is a collection of business cases that warrant further investigation and investment. These business cases are worthy of additional intellectual resources (business planning, expert review, partnership networking), physical resources (land, facilities, equipment), and economic resources (funds, corporate structures, trademarks, etc) to advance them. These cases constitute an investment portfolio (cluster) with a high rate of return with on [triple bottom lines](#) (social, environmental and economic).

This type of portfolio investment is designed to create sustained wealth for the operators and investors while providing a higher quality of life for the customers and patrons of those businesses. Thus, sound management of the investment portfolio is critical.

This process begins with the determination of what business cases go into the portfolio followed closely by the application of a sound plan to develop those cases in ways that assure their successful launch. In the parlance of the ABCLC, triage is necessary to give each business case the kind of support it needs to develop further and stay on course for successful launch.

Obviously, not all business cases are equal. Some will focus on local market opportunities whereas others will target opportunities more global in scope. Some businesses will take a more collaborative approach in their development whereas others will be treated confidential and held 'close to the vest'. Some will foster local ownership and control whereas others will embrace absentee ownership and remote control. Some will follow a more thorough rationale, consider a greater range of alternatives, and thus leverage more resources than others.

A business case, as submitted, is the most refined draft at that time. The challenge of the ABCLC is establish a process by which owners / entrepreneurs are coached in how to strengthen their business cases. Meeting this challenge, then, is the true mark of effective triage.

Portfolio Development Process

1. Solicit business cases to be submitted in the format of the [AgPlan](#) template as candidates for inclusion in an Ag-Bio Cluster investment portfolio to grow NE Ohio business operations
2. Establish an Ag-Bio Cluster Business Case Advisory Board (ABCAB) that reviews submissions, assesses them (Triage) and directs them to one of three folders: ready for inclusion in the investment portfolio; all sections are completed, but more details are needed before inclusion in the investment portfolio; one or more sections are incomplete and need attention before another review cycle
3. Post business cases from each of the three folders on the SLED site whereupon ABCAB members, business owners and entrepreneurs can easily collaborate in the development of the cases
4. Provide access to [mentorship](#) and [coaching](#) services for entrepreneurs and business owners to develop their business cases in preparation for launch
5. Load completed cases into the investment portfolio and determine its value in terms of financial return for investors and advantages to communities through employment, commercialization, and inclusiveness--the three metrics on the ANEO Dashboard
6. Develop the financial story line to present to potential investors in order to gain funding and resources sufficient to implement the business cases in the portfolio
7. Allocate resources contributed by investors to those business cases deemed ready for launch by the ABCAB, monitor performance, provide access to business support services to entrepreneurs and business owners through rough spots

Triage Assessment Criteria

1. Profitability (\$ gross per year, wages paid, taxes paid, Dashboard Indicators)
2. Volume of business (# customers, # units produced, etc)
3. Environmental Benefits (pollution impact, energy impact, etc)
4. Ability to build bridges / cooperability / "coolness" of the business leaders to collaborate / share with other cluster candidates
5. Current assets vs needed resources

Recommended steps for the ABCLC for Q1 2010:

1. Draft and Post the business case solicitation on LFS and other networks
2. Draft and Post a call for ABCAB candidates - 1 Feb 2010
3. Convene ABCAB to refine the Portfolio Development Process and Triage Assessment Criteria - 1 Mar 2010
4. Develop list of service providers and willing investors who will partner with the ABCAB in the review
5. Develop investment vehicle (funds, LPs, etc) scenarios
6. Develop a story board to present the portfolio to potential investors
7. Schedule for group and individual presentations - Q2 2010

Current Candidates (Please ADD MORE to this list)

[Munnell Run Farm Kitchen](#) (PA)