

Agency 085
Wyoming Business Council Annual Report
FY 08

General Information

Agency name:

Wyoming Business Council

Director's name and official title:

Robert K. Jensen, Chief Executive Officer

Agency contact person:

Robert K. Jensen

Agency contact phone:

307-777-2800 (switchboard)

Mailing address:

214 W. 15th Street
Cheyenne, WY 82002

Web address (URL):

Wyoming Business Council's Web sites:

1. www.wyomingbusiness.org (Business and community assistance site)
2. www.whywyoming.org (Business relocation site)
3. www.wyospace.com (Entrepreneur blog)
4. www.wyomingfirst.org (Wyoming-made products)
5. www.wyomingmainstreet.org (Revitalization of historic downtown districts)
6. www.wyomingrural.org (Wyoming Rural Development Council)

Web sites in partnership with others:

1. www.wylead.org (Wyoming Leadership Education and Development Program)
2. www.wyomingfarmersmarkets.org (Wyoming Farmers' Marketing Association)
3. www.wyobeef.com (Wyoming beef cattle listing service)
4. www.wyolamb.com (Wyoming lamb listing service)
5. www.wyohaylist.com (Wyoming hay listing service)
6. www.wyomingwomenscouncil.org (Wyoming Council for Women's Issues)

University of Wyoming collaborative partnerships' Web sites:

1. www.uwyo.edu/sbdc (Wyoming Small Business Development Center)
2. www.manufacturing-works.com (Manufacturing-Works)
3. www.uwyo.edu/sbir (Wyoming SBIR/STTR Initiative)
4. www.gro-biz.com (Wyoming Procurement Technical Assistance Center (GRO-Biz))
5. www.uwyo.edu/wmrc (Wyoming Market Research Center)

6. www.uwyo.edu/rpc (Wyoming Research Products Center)
7. www.wyomingwomen.org (Wyoming Women's Business Center)

Other Locations:

Casper, Cheyenne, Gillette, Powell, Riverton, Rock Springs, and Kemmerer

Statutory References:

W.S. 9-12-101 through 9-12-113	General
W.S. 9-12-201 through 9-12-202	Science, Technology and Energy Financial Aid
W.S. 9-12-301 through 9-12-307	Partnership Challenge Loan Program
W.S. 9-12-501 through 9-12-502	Wyoming Council for Women's Issues
W.S. 9-12-601 through 9-12-603	Business Ready Communities Grant & Loan Program
W.S. 9-12-801 through 9-12-804	Community Facilities Grant & Loan Program
W.S. 9-12-901 through 9-12-905	Community Workforce Housing Loan Program
W.S. 9-12-1101 through 9-12-1105	Main Street Program
W.S. 9-4-701	Investment of State Funds
W.S. 11-34-303	Area Development Funds
W.S. 21-18-104	Small Business Development Centers
W.S. 35-12-110	Industrial Facility Permitting
W.S. 37-5-103	Natural Gas Pipeline Authority
W.S. 40-11-102	Foreign Trade Zones

Clients Served:

The Wyoming Business Council serves communities, businesses, start-ups and entrepreneurs in Wyoming, and works to recruit businesses to the state.

Budget Information (Expenditures for FY08):

\$58,288,703 – Total FY08 expenditures, which are broken down into the following:

- \$46,556,419 - FY08 expenditures from 2007/08 biennium budget (excludes intra-agency transfers)
- \$11,732,284 – FY08 expenditures from 2005/06 biennium budget (payments against grant agreements - primarily from the Business Ready Community Grant and Loan Program and the Community Facilities Grant and Loan Program - and contract agreements)

Wyoming Business Council Annual Report FY 2008

Name of Department/Division/Program: Wyoming Business Council

Plan Period: FY2008 (July 1, 2007 through June 30, 2008)

Wyoming Quality of Life Result:

- **Strong Economy:** Wyoming has a diverse economy that provides a livable income and ensures wage equality.
- **Technology and Workforce:** Advanced technologies and a quality workforce allow Wyoming businesses and communities to adapt and thrive.

Contribution to Wyoming Quality of Life:

The Wyoming Business Council serves the citizens of Wyoming by working to increase wages and helping communities grow and diversify their economies. The Wyoming Business Council accomplishes this by providing assistance for existing Wyoming companies and start-ups; helping communities meet their development and diversification needs; and recruiting new firms and industries targeted to complement the state's assets.

Basic Facts:

The Wyoming Business Council has 52 staff positions with a total 2007/2008 biennium budget of \$143.2 million (\$133.6 million from general funds and budget reserve funds, \$7.8 million federal funds and \$1.8 million special revenue funds). While under the Wyoming Economic Development Act, Wyoming Travel and Tourism is being presented as a separate operating budget and is submitting a separate annual report.

In 1998, the State of Wyoming dramatically changed its approach to economic development by creating the Wyoming Business Council. Wyoming Statute 9-12-101 charges the Wyoming Business Council to encourage, stimulate and support the development and expansion of the economy of the state. The directives of this statute are incorporated into the Wyoming Business Council's two main functions:

Community Assistance: The Wyoming Business Council allocated \$107 million of its budget on community assistance activities. Expenditures help build attractive, high quality-of-life communities that have "business ready" infrastructure. These efforts can be broken down into:

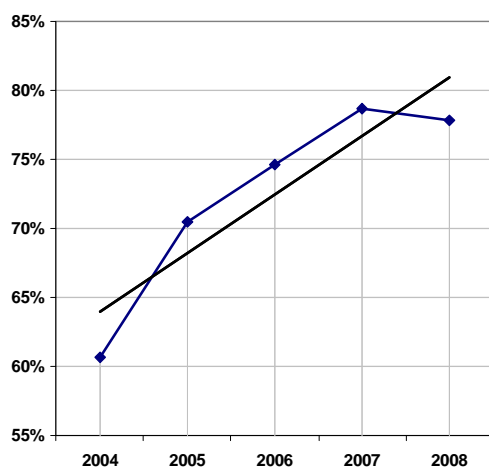
- **Grants and Loans:** The Wyoming Business Council offers communities the following programs: Business Ready Communities Grant and Loan Program; Community Development Block Grant Program (federally funded); Community Facilities Grant and Loan Program; Residential Photovoltaic Grant Program; Workforce Housing Infrastructure Loan Program; Anemometer Loan Program; and the Main Street Revolving Loan Fund.
- **Services to Help Communities Grow:** Through its Regional Directors and programs, the Wyoming Business Council helps communities develop physical infrastructure that will help expand existing businesses and attract new ones. These efforts include working with communities on planning, writing successful grant applications, becoming energy efficient, and developing attractive communities.

Business Assistance: The Wyoming Business Council allocated \$32.7 million of its budget to help existing businesses and recruit new ones to the state. In addition to targeted business recruitment efforts, the Wyoming Business Council concentrates its services to help existing businesses stay in Wyoming and entrepreneurs to start new ones. These efforts can be broken down into:

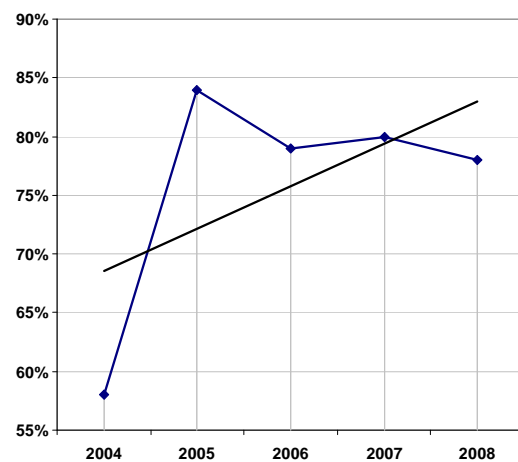
- **Cost Share, Awards, Grants and Loans:** The Wyoming Business Council and its partners offer the following: cooperative advertising and marketing programs; Farmers' Market Promotional Grants; Wyoming Verified Cost Share Grants; Organic Certification Grant Program; Small Business Innovation Research Phase 0 Awards; Trade Show Incentive Grant Program; Wyoming Partnership Challenge Loans; Main Street Revolving Loan Fund; and Wyoming Women's Business Center Microloan Program.
- **Services to Help Grow Business:** Through the Regional Directors, programs, and partners, the Wyoming Business Council offers a wide range of services all designed to help expand and retain existing businesses, as well as to assist start-ups on their journey to success. The Wyoming Business Council also works with businesses interested in relocating to the state. Business assistance services include: agribusiness assistance, business plans, business permitting, business counseling, financial tools, government contracts, grant station database, human resources consulting, intellectual property, international business, leadership development, marketing assistance, manufacturing help, product development, research services, Small Business Energy Audits, starting a business, State Energy Program, Wyoming product promotion and workforce assistance. Some of these services are provided by our partners through contracts with the University of Wyoming.

Performance:

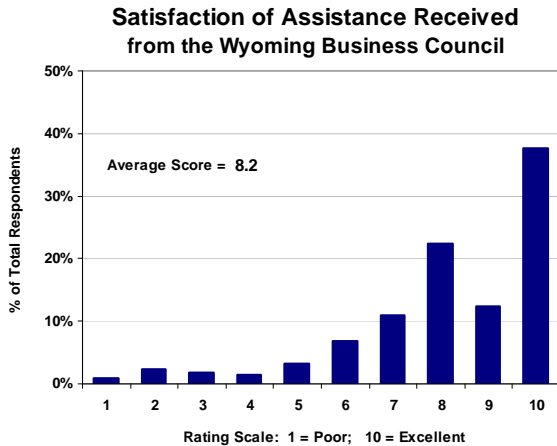
Performance Measure #1: Percentage of cities, towns and counties receiving services from the Wyoming Business Council to total of 23 counties and 99 incorporated cities and towns.



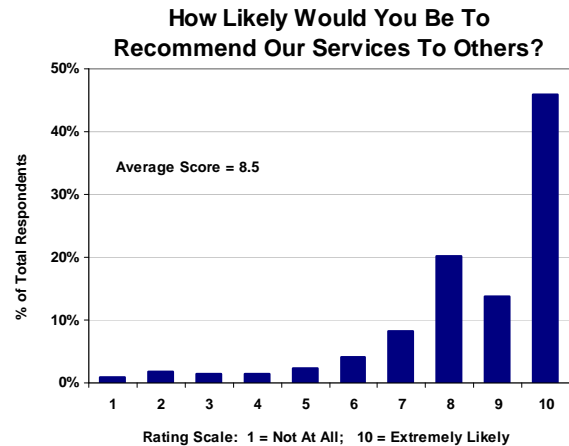
Performance Measure #2: Community grants awarded to total grant applications.



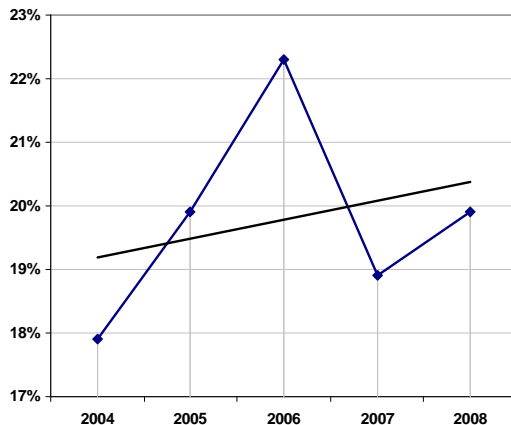
Performance Measure #3: Percentage of total respondents to the client satisfaction survey responding that they were satisfied with the assistance received from the Wyoming Business Council.



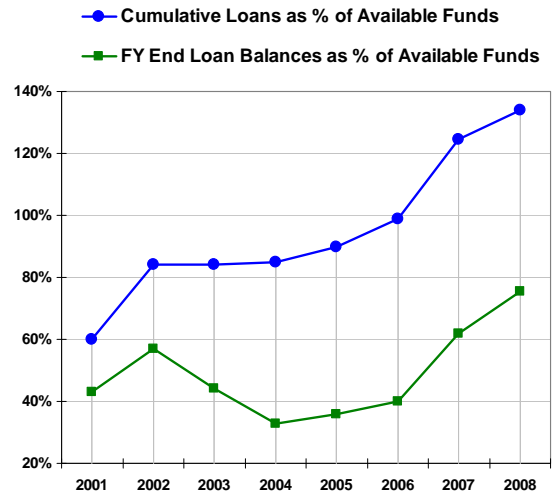
Performance Measure #4: Percentage of total respondents to the client satisfaction survey that said they would recommend the Wyoming Business Council's services to others.



Performance Measure #5: Percentage of businesses receiving services from the Wyoming Business Council to total businesses.



Performance Measure #6: Wyoming Partnership Challenge Loan Cumulative Totals and Year End Balances to Total Available Funds.



Story behind the performance plotted above:

Performance Measure #1 Communities Served to Total Communities: One of the Wyoming Business Council's goals is to provide quality services to all communities within the state. Communities are defined as the 23 counties and 99 incorporated cities and towns. Help toward unincorporated towns is counted toward the counties. A city, town or county may use multiple

services from the Wyoming Business Council and its partners. Community help includes assistance to government-funded entities such as schools, colleges and Joint Powers Boards.

A considerable amount of community outreach comes from the seven Regional Directors who help communities develop successful grant applications as well as offering consulting on quality of life and development projects. Demand for Regional Directors' assistance continues to climb.

Several new programs have helped expand the services available to communities. The Wyoming Main Street Program and the Wyoming Rural Development Council transferred to the Wyoming Business Council in July 2007. The Workforce Housing Infrastructure Loan Program applications are available and may be submitted at any time. The Data Center Incentive Program, enacted as a one-year program as budget footnote to the Business Ready Community Program, did not receive any applications; however, there was interest in the program by two start-up data centers.

Performance Measure #2 Community Grants Awarded to Total Grant Applications: The Wyoming Business Council does not fund every communities' grant application. Some of this is due to demand exceeding funding. Some potential applications are also not ready for submission. The Regional Directors help the communities navigate the application process and determine if their application meets program requirements.

Three grant programs are serving the pent-up demand for infrastructure:

- Since its first grants were awarded in 2004, there have been 113 Business Ready Community grants and one Business Ready Community loan totaling \$121 million awarded in 59 communities. About \$56.5 million of the Business Ready Community grants awarded have created community owned infrastructure that has helped grow or recruit new businesses.
- Since 2002, the Community Development Block Grant Program has awarded \$17.8 million in grants to 55 communities and 23 counties. These include planning, infrastructure, downtown development, technical assistance, and health safety grants.
- The Community Facilities Grant and Loan Program, created in 2005, has awarded 24 Community Facility grants, totaling \$26.1 million. Additionally, seven projects have completed construction and are now serving their communities.

Performance Measure #3 Client Satisfaction with Assistance: The Wyoming Business Council sent out its first client satisfaction survey in January 2008 with the second sent out in July 2008. Both surveys make up this data set. The clients were asked: "How satisfied are you with the overall assistance you received from the Wyoming Business Council?" Among the respondents, the average score was 8.2, where "1" was rated as poor and "10" was excellent.

Performance Measure #4 Client Willingness to Recommend Services to Others: In its January 2008 and July 2008 client satisfaction surveys, the Wyoming Business Council also asked: "How likely would you be to recommend our services to others?" Among the respondents, the average score of the combined surveys was 8.5, where "1" was rated as not at all and "10" was extremely likely.

Performance Measure #5 Businesses Served to Total Businesses: One of the Wyoming Business Council's goals is to provide quality services to help retain and grow existing businesses in the state. A business may use one or multiple services from the Wyoming Business Council and its

partners. Total businesses are defined by U.S. Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

In addition to the services it provides, the Wyoming Business Council contracts with several entities in the University of Wyoming to provide many valuable business assistance services targeted to entrepreneurs and growing existing businesses. These partners include the: Wyoming Small Business Development Center, Manufacturing-Works, Wyoming Women's Business Center, Wyoming Research Products Center, Wyoming SBIR/STTR Initiative, Wyoming Market Research Center and Wyoming Procurement Technical Assistance Center (GRO-Biz).

The percentage of businesses served in 2008 has begun to rebound from the marked decline in 2007 in comparison to 2006. The 2007 drop resulted from the combination of an increase in overall business numbers in the state skewing the percentage calculation and changes introduced into the Small Business Development Center (SBDC) program, both within and directed by the Small Business Administration, which reduced their base service numbers. With the changes at the SBDC now fully implemented, these numbers are expected to improve.

Performance Measure #6 Wyoming Partnership Challenge Loan Cumulative Totals and Year End Balances to Total Available Funds: The Wyoming Partnership Challenge Loan Program helps businesses grow by reducing the interest rate on their loan. Since 1998, the Wyoming Business Council has made or participated in 154 loans totaling \$39.2 million. The Wyoming Business Council's portion of these loans has been \$16.9 million. The Wyoming Business Council is able to reinvest interest income and principal repayments back into additional loans. This is how the cumulative loan total is 134 percent of available funds.

What has been accomplished?

Performance Measure #1 Communities Served to Total Communities: The Wyoming Business Council has provided services to 95 of the 122 cities, towns and counties in Wyoming by doing the following:

- Helping through the Regional Directors over 80 communities with projects ranging from writing grant applications to recruiting companies. Their efforts have contributed to, among other things, 46 grants and one loan (See Performance Measure #2) to communities. Every county in the state now has a Business Ready Community project.
- Helping economic development groups promote their communities by distributing 20 business recruitment leads to members of the Wyoming Economic Development Association; holding one site selector tour in Fremont County; and helping with company site visits to five communities. Four economic development groups joined the Business Council in attending CoreNet, a site selector conference, and two groups attended the Mid Pak trade show. A Site Selection Boot Camp, hosted by the Business Council, helped 19 Wyoming communities learn how to develop a proposal for a business development lead.
- Conducting community and county assessments of Hartville, Elk Mountain, Sundance, Moorcroft, Hudson, Platte County, Big Horn County and Johnson County, including six five year follow-up assessments of Diamondville, Riverton, Lander, Ranchester, Saratoga and Chugwater. To date, the Wyoming Rural Development Council has conducted 88 community and five county assessments.

- Adding Evanston as a Main Street community, bringing the total communities participating in the program to six.
- Holding a statewide historic preservation conference, entitled “Preserve Wyoming 2008: Main Street and Beyond,” in May 2008 with 100 participants. The conference was held in conjunction with the Wyoming State Historic Preservation Office.
- Providing 46 grants and one loan through the Business Ready Community Grant and Loan Program; the Community Facilities Grant and Loan Program; and the Community Development Block Grant Program. For the breakout please read Performance Measure #2 below.
- Promoting energy efficiency in public buildings through the development of the Wyoming Energy Conservation Improvement Programs with six counties, 11 cities/towns, six schools, one hospital and two nonprofits. One county and five cities/towns have signed up for an Investment Grade Audit.
- Consulting with one community on human resources.
- Responding to research and grant requests from 71 communities and government agencies.

Performance Measure #2 Community Grants Awarded to Total Grant Applications: The Regional Directors and Investment Ready Communities staff have worked with communities on their grant applications to determine if projects qualify for the grant programs and help them fill out the application. Three grant programs have helped communities by doing the following:

- Awarding 24 Community Development Block Grants, totaling \$2.5 million and impacting 19 communities. It is projected that 1,223 people will benefit from the public facilities and infrastructure. An estimated 23 jobs will be created for low and moderate income people by infrastructure investments for business development.
- Awarding 13 Business Ready Community grants and one Business Ready Community loan, totaling \$20.6 million and impacting 13 communities. Over the three-year period after construction is completed, grants targeting business start-up or expansion project are projected to create an estimated 402 jobs with an estimated average hourly wage of over \$21.
- Awarding nine Community Facilities grants, totaling \$10.7 million and impacting nine communities. It is projected that 78,870 people will have access to these facilities.

Performance Measure #3 and #4 Customer Satisfaction Surveys: The client satisfaction survey in January 2008 was the Wyoming Business Council’s initial effort with its second in July 2008. The client management system is still being standardized and modified to meet the Wyoming Business Council’s unique requirements.

Performance Measure #5 Businesses Served to Total Businesses: The Wyoming Business Council and its partners have provided services to 4,920 Wyoming businesses and entrepreneurs in FY 2008. The Wyoming Business Council and its collaborative partners through the University of Wyoming helped companies, start-ups and agribusinesses by doing the following:

- Helping 150 businesses through assistance by the Regional Directors.
- Expanding the certifications in the Wyoming Verified Program, a marketing tool which allows producers to capture added value through premiums offered for certified livestock. So far 52 Wyoming producers are enrolled in the program with 37 of them receiving cost share

grants to assist with enrollment and data handling fees. A survey of participants indicated producers received an average of over \$15 per head premium by participating in the program, with some producers reporting as much as \$40-\$50 per head in additional premium.

- Providing leadership education to 17 members from the state's agriculture community through the Wyoming LEAD Program.
- Increasing exposure of 59 Wyoming agribusinesses and producers to domestic and international markets at the following trade show events: National Western Stock Show; World Dairy Expo; Western United States Agricultural Trade Association (WUSATA) Fine Food Australia and other trade missions; U.S. Livestock Genetics Export Marketing Program trade missions; Wyoming State Fair Farmers' Market; and Natural Products Expo West.
- Facilitating the creation of a Wyoming Horse Council by providing start-up funding and developing marketing materials.
- Holding events and producing publications that increased awareness of marketing and business development opportunities for Wyoming farmers and ranchers. Taking a leadership role in coordinating the Wyoming Winter Ag Expo, Diversified Ag Tour, Wyoming State Fair Hay Show, Wyoming State Fair Farmers' Market, and Agriculture Innovative Marketing Exhibition (AIME) conference. The Business Council with partner organizations held a conference for small landowners, called "Living and Working on the Land: The Building Blocks of Success" that was attended by over 100 producers. A quarterly *Activities* newsletter is distributed to over 2,100 and the Wyoming Farm, Ranch and Agribusiness Directory lists 454 agribusinesses in online and in a print publication.
- Increasing technical assistance to Wyoming producers through a part-time agricultural diversification specialist. As a result, two large ag diversification projects were developed involving more than 50 producers.
- Providing 11 promotional grants to Wyoming farmers' markets; 15 educational and leadership grants through the Wyoming Rural Rehabilitation Program; and 15 organic cost share certification reimbursement grants.
- Working to increase food safety principles training. The U.S. Department of Agriculture awarded the Business Council a grant to foster the development of the specialty food sector in Wyoming and train producers and processors on food safety principles. Development of the training manual is in process, with training to be conducted next year.
- Helping two Sheridan businesses with building improvements by approving two Wyoming Main Street Revolving Loan Fund applications, totaling \$129,000. These applications were submitted after the rules were revised in February 2008.
- Providing business training through the 2007 Idea Expo, a business to business conference, with a total attendance of 249 people. The Idea Expo is held in partnership with the Wyoming Business Council, Wyoming Small Business Development Center, Wyoming Procurement Technical Assistance Center (GRO-Biz), Manufacturing-Works, Wyoming Market Research Center, Wyoming SBIR/STTR Initiative and the Wyoming Research Products Center.
- Promoting Wyoming-made products through publications, local and national trade shows and events. The Wyoming Business Council marketed and sold Wyoming products from 46 companies at the Cheyenne Frontier Days General Mercantile and from 57 companies at the Wyoming State Fair Pavilion. These two events generated \$13,172 in sales for these companies and exposure to thousands of potential customers. In addition, the Wyoming First

Catalog, promoting Wyoming-made products from 291 companies, was distributed at trade shows and events.

- Encouraging the promotion and sales of Wyoming products and services statewide, nationally and internationally. Trade Show Incentive grants, totaling \$46,110, helped 38 Wyoming companies attend trade shows. The Wyoming Business Council also helped 23 Wyoming companies attend SHOT Show, Denver Merchandise Mart, West Pack Trade Show, Salt Lake International Sportsman Expo and the Denver International Sportsman Expo. These efforts have resulted in an estimated 6,800 contacts and over \$1 million in sales for these companies.
- Providing training to eight businesses at the Site Selection Boot Camp to create a proposal for a business, development lead.
- Providing important contact introductions to European and Front Range businesses through a contract with U.S.-European Enterprises. Several Front Range businesses have expressed interest in potential facilities in Wyoming. Additionally, a German high-tech manufacturer is enthusiastic about establishing a U.S. presence in Wyoming after completing a site exploration visit. The relationship also led directly to academic exchange agreements between University of Wyoming Schools of Business and Engineering with their counterparts at Pforzheim University in Germany. These collaborations hold promise for developing further relationships with German businesses involved with Pforzheim.
- Promoting 65 companies in the national, regional and local media through familiarization trips, taking products on the KGWN-TV Wyoming Made segment, writing press releases and setting up interviews with targeted publications. Efforts to promote Wyoming's business environment resulted in coverage in the Denver Post, Popular Science, New York Times, Oprah magazine, Christian Science Monitor, Der Tagesspiegel and Fortune Small Business.
- Responding to 2,096 (1,227 resident, 869 non-resident) requests for permitting information, and conducted licensing and permitting workshops in Jackson, Cheyenne and Douglas. In addition, the Permitting Office sent out client satisfaction surveys. When asked, "Overall, were you satisfied with the efforts of this office?" the average score from respondents was 4.94 where "5" indicated that they strongly agreed.
- Helping businesses become more energy efficient by conducting energy audits of four businesses, distributing 14 anemometers to test wind speeds, and holding nine training workshops and one seminar. In addition, the State Energy Offices helped residents explore renewable energy by awarding Resident Photovoltaic grants to 21 individuals in the state.
- Consulting with 18 businesses on human resources.
- Responding to research and grant requests from five businesses.

The Wyoming Business Council's collaborative partners at the University of Wyoming helped businesses and entrepreneurs by doing the following:

- Providing 4,754 hours of business consulting to 1,658 clients at the Wyoming Small Business Development Center. In addition, 416 participants attended 39 training programs, and the Small Business Development Center assisted clients raise \$13,504,989 in capital.
- Helping 305 clients obtain 260 government contracts totaling \$8,338,095 through the efforts of the Wyoming Procurement Technical Assistance Center (GRO-Biz). In addition, GRO-Biz trained 1,186 clients on procurement topics at 33 training events and held 1,185 counseling sessions. The overall economic impact was 166 jobs retained or created as a result of the government contracts.

- Providing market research to 329 clients (+ 15.4 percent from the previous year) with 401 separate projects (+20.8 percent) via the Wyoming Market Research Center. Research was provided for clients from every county in the state. The Market Research Center provided research services to Wyoming businesses with a market value of \$306,450.
- Providing assistance to over 168 manufacturing and technology oriented companies through Manufacturing-Works, including 88 that took advantage of free added value services offered through the commitment with the Wyoming Business Council to provide at least eight hours of free service for qualifying candidates. The other 80 companies that were helped were accomplished under contract with a fee. The economic impact that these clients anticipated receiving from Manufacturing-Works include: increased sales of \$13.6 million; decreased costs of \$1/3 million; increased capital investment of \$5.4 million; and 143 jobs created/retained. These numbers are validated a year after project completion with the customer by an independent research firm conducting a separate survey approach.
- Working with 119 inventors and entrepreneurs on 146 projects to identify and protect their intellectual property and develop their technology innovations into marketable products through the Wyoming Research Products Center.
- Giving \$120,000 in awards through the Wyoming SBIR/STTR Initiative's Phase 0 Program to 17 Wyoming businesses to help them access federal funds to develop their innovative technologies and businesses. In addition, seven Wyoming companies received over \$2 million in federal awards.
- Assisting 269 clients at the Wyoming Women's Business Center with 702 individual contacts, providing 596 online training sessions to 48 clients, holding 55 seminars with 485 attendees, and disbursing four microloans for a total amount of \$26,759.

Performance Measure #6 Wyoming Partnership Challenge Loan Program Participation to Total Loan Volume: The Wyoming Challenge Loan Program had 154 active loans to businesses during FY 2008. The state portion was \$16.9 million of the total loan volume, which was \$39.2 million. These loans resulted in retention and/or expansion of 614 jobs.

