

Presidential Awards for Excellence in Microenterprise Development

Excellence in Program Innovation

Center for Economic Options

Location: Charleston, West Virginia
Program Type: Comprehensive business support services, with a focus on access to markets
Service Area: West Virginia
Target Market: Economically vulnerable individuals in West Virginia, particularly women
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The Center for Economic Options (the Center) was selected to receive a Presidential Award because of its success in developing strategies to meet the unique needs of microentrepreneurs living in isolated rural communities. The Center provides a holistic approach to microenterprise development for economically vulnerable West Virginia residents. Its comprehensive set of business support services includes: business development training and technical assistance; access to markets, marketing assistance; and product assessment and production services within sector networks.

Founded in 1979, the Center began providing service to small-scale entrepreneurs in 1983. In 1995, the Center changed its mission to exclusively focus on microenterprise development as a strategy for promoting rural economic development. By 1999 the Center was serving nearly 900 current and prospective small-scale entrepreneurs annually. The Center realizes that micro-businesses play a crucial role in West Virginia's economy, and in 2000, contracted with Marshall University's Lewis School of Business to explore the scope of micro-businesses' economic impact on West Virginia's economy. Preliminary research indicates that there are over 3,600 registered micro-businesses in the state employing over 73,000 people – or over 10 percent of the workforce!

The key innovation that the Center is recognized for is the creation of sectoral enterprise networks. Sectoral networks are groups of very small, rural businesses that cooperatively access training and marketing opportunities, as well as share information and lessons learned. As a group, the businesses that are members of the networks may achieve outcomes that one business alone could not accomplish. The Center's most famous sectoral network is Appalachian by Design. This network was so successful that it was spun off into an independent nonprofit organization in 1995. Today, many-hand crafted items bearing the Appalachian by Design label can be found in upscale craft and home décor retail stores and catalogues. The Center currently coordinates three networks—the Appalachian Flower Network, the Forest Enterprise Network, and the Small Farms Network.

A new Center innovation is the creation of “road show” events. The road shows bring the Center's training and technical assistance services to entrepreneurs who reside in rural, mountain communities – far from urban centers where training services are usually provided. Begun in 1999, the road shows have already had several early successes. Through the road shows, the

Center heard again and again the need for access to markets and marketing training. Based on this information, in 2000 the Center hosted *The People's Market Place* – a buyer's market where over 60 micro-businesses showcased their products to local and regional wholesale and retail buyers. Over 60% of the micro-business owners made sales during the two-day event. In October 2000, the Center opened *Showcase West Virginia* – a retail shop featuring the products of small-scale West Virginia businesses – at the Charleston Town Center Mall. Many of the over 70 micro-business owners that are participating in *Showcase West Virginia* are based in rural communities and have limited retail experience. Originally conceived as a three-month pilot project, *Showcase West Virginia* was extremely well received during the holiday shopping season, and the mall management has requested the Center keep *Showcase West Virginia* open throughout the year. In its first two-and-a-half months, *Showcase West Virginia* grossed \$44,000. The Center is now being approached by communities and resort developers to replicate the *Showcase West Virginia* retail model.

Customer Profile: Charlotte Chandler, Honey of an Herb Farm

Charlotte Chandler is a true entrepreneur. After winning a bet with her husband, who is a stonemason, he had to build her a stone herb garden. From that first small garden, Charlotte has grown her business, Honey of an Herb Farm.

“I've always enjoyed flowers and herbs, and owning my own greenhouse business is a dream come true,” said Charlotte. “Having my own business is wonderful. I have flexible hours, and I really enjoy what I do. I don't dread getting up in the morning and going to work.”

But like all entrepreneurs, Charlotte did have her challenges. Her farm is located in a rural, mountain community far from towns and commercial resources, but this did not deter Charlotte. In 1994, Charlotte learned about the Center's new Appalachian Flower Network. She attended the first meeting a few months later. Through network training provided by the Center, she has learned production, business development, and marketing skills. Charlotte has become a consummate networker who has taken advantage of marketing events sponsored by the Center to meet new customers and expand her market.

Though her original intent was to keep her business strictly wholesale, an emerging market for value-added products such as bath products, potpourris and dried wreaths lead her to retail sales. During the 1998 holiday season, Charlotte hosted Honey of an Herb Farm's first Open House. Relying only on word of mouth advertising, the first Open House was a remarkable success. She originally believed that her rural location would limit customer traffic. However, the great success of the Open House in 1998 made Charlotte see that retail is a viable option.

The problems and challenges of growth have not kept Charlotte from moving forward in a positive manner. For instance, in August 2000, lightning struck a tree, which then fell and burned the building where all of the value-added products were being stored. Despite this tragedy, the Farm is still thriving.

Charlotte says that the Center's comprehensive support has been the key to her ability to start and grow her very successful business. “One of the most important things that the Center has given me is encouragement,” states Charlotte, “Every time I lost faith in myself, someone from the Center was there to encourage and help me. I couldn't have done it without that.”

