

## 1. Project Description and Overview

### a. Executive Summary

The roots of a digital economy are beginning to take hold in the Shenandoah Valley, a region historically seen as fertile only for agriculture and manufacturing with little space for innovation. The region currently has over 3,400 open digital jobs, but with a median income trailing the Commonwealth by 24.4%, it is difficult for employers to retain talent and fill vacancies. This, along with an aging population, illustrates the need to implement entrepreneur-led economic development strategies to harness the tech knowledge that exists within the region.

The REV Initiative, a Venture Challenge Build grant, will capitalize on existing momentum within the entrepreneurial ecosystem by elevating the region's innovation and creating pathways to scalable tech entrepreneurship.

The REV Initiative will create this vibrant scalable tech startup ecosystem by:

1. Engaging our local community to create a **R**egional vision and share our region's story
2. Building a digital, interactive hub to host our **E**ntrepreneurial ecosystem resources and participants
3. Incubating **V**alley Tech Entrepreneurs

Leveraging the region's existing collaborative relationships, the REV Initiative will identify entrepreneurs with scalable tech ideas; provide equitable access to support, resources, dedicated tech incubation and acceleration; and demonstrate that the Valley can create alternative pathways to startup success. Over the project period, the REV Initiative will create at least 15 scalable technology businesses, support 36 new tech entrepreneurs, and generate 50 new high-paying jobs. The positive spillover effects of spending by these businesses and employees will have an outsized impact on this rural region.

### b. Organizational Mission and Role in the Innovation Ecosystem

The Shenandoah Community Capital Fund (SCCF), formerly known as the Staunton Creative Community Fund, is an entrepreneurial support organization serving the Shenandoah Valley. Over the past 14 years the organization has expanded and innovated alongside the region's entrepreneurs to become one of the leading conveners in the region's entrepreneurial ecosystem. SCCF's ability to nimbly move throughout the region gives the organization a unique advantage in serving entrepreneurs and connecting resource providers. Since 2019, SCCF has responded to a gradual transition in the region's entrepreneurial landscape. Whereas the organization's typical clients prior to 2019 were primarily "Main Street" and "lifestyle" businesses, SCCF has seen a steady increase in clients launching innovative, scalable businesses. This shift sparked a new focus within SCCF, and the organization embraced an entrepreneurial ecosystem-building approach to economic and community development. Although SCCF's mission has broadened, the organization has retained an emphasis on equity and accessibility and creating pathways to entrepreneurship for all communities in the Shenandoah Valley. As a result, SCCF, along with 17 partner organizations, created the first region-wide ecosystem collaboration in the Valley. Through the support of a GO Virginia grant, SCCF launched the Startup Shenandoah Valley (S2V) program, which included hiring Entrepreneurial Ecosystem Builders, creating an accelerator/incubator program, and convening regional partners to begin supporting scalable businesses. With the momentum SCCF created through this program, the organization is uniquely positioned to lead new initiatives to connect and elevate the Shenandoah Valley entrepreneurial and scalable tech ecosystem.

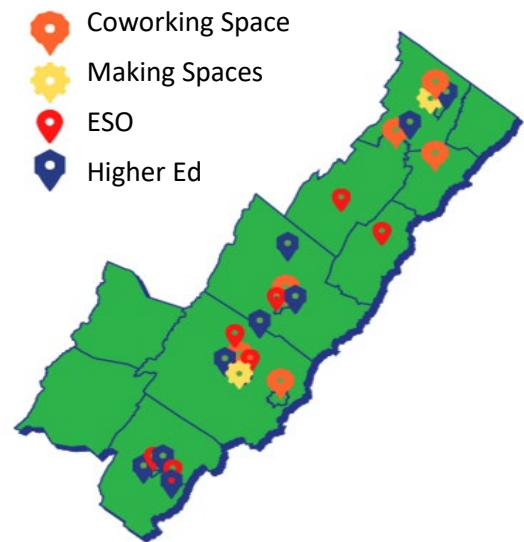
## 2. Ecosystem Resources and Assets

### a. Location and Region

The Shenandoah Valley is a vast rural region, with a population of 523,000 (US Census Bureau). The aging population (increase of 2.5 years since 2010) is 83% white, 5.1% Black, 8% Hispanic, and 4.2% people of color. Over 85% of the Valley's population have a high school diploma and only 25% have a bachelor's degree, almost 10% lower than the national average. The primary population centers are six independent cities: Buena Vista (FIPS Code 51530), Harrisonburg (51660), Lexington (51678), Staunton (51790), Waynesboro (51820), and Winchester (51840). These hubs

have high speed broadband, 11 higher education institutions, high-quality K-12 schools, and are a short drive to other more mature ecosystems like Charlottesville, Richmond, Washington D.C., and Roanoke. Outside of these hubs, the region spans a 143-mile drive along I-81 to include the counties of Augusta (51015), Clarke (51043), Frederick (51069), Page (51139), Rockbridge (51163), Rockingham (51165), Shenandoah (51171), and Warren (51187). The Economic Development Administration identifies seven of these eight counties as rural. Additionally, the region includes eight Economic Distress Tracts and seven localities have at least one low-income area (CDFI CIMS mapping).

The Valley is truly a place where people can have it all — quality jobs, affordable living, work/life balance, and access to world-class outdoor recreation, but while the Shenandoah Valley’s reputation as an idyllic, rural, and tourist-friendly destination has encouraged positive economic growth in certain sectors, it has also fed the misconception that digital, tech-based job opportunities do not or cannot exist. Oftentimes, this limiting mindset inhibits growth. Earlier efforts to remedy this, like a regionwide speaker series and small meet-and-greets, failed because they lacked a cohesive regional strategy that aligned key players and bridged the large geography into a unified vision and set of priorities. This limiting mindset is compounded by the idea that the Valley can only support agriculture, manufacturing, and Main Street businesses, even though, as seen in the image to the right, many entrepreneurial and innovation assets exist in the region, such as 11 higher education institutions, 6 coworking spaces, 7 entrepreneur support organizations (ESO), and 2 maker spaces. There is 60.2% participation in the labor force, and as of December 2018, there were 3,406 (BLS.gov) digital jobs available regionally. However, with an unemployment rate of 2.3% (USCB annual projections) and a “tech-does-not-exist-here” mindset, it is difficult for business owners to fill open jobs. This obstacle is exacerbated by the fact that 18.4% (weighted average across selected counties by 2018 population) of the Valley’s population commutes from the region for work opportunities and the region’s median income trails the Virginia Commonwealth’s by 24.2% (US Census Bureau). To many, it is more advantageous to commute on a weekly or monthly basis to Washington D.C. or Richmond than take a job in the Valley. For example, Chiedo John, founder of digital service agencies Generate Impact and Chiedo Labs, despite a deep love for the Shenandoah Valley and a desire to raise his family in the area, left the company he founded to join the Silicon Valley-based firm GitHub to adequately provide for his family. Chiedo is not alone; and without support for the region’s digital economy and scalable tech entrepreneurs, Chiedo’s story will remain the rule and not the exception.



## b. Opportunity

Like a promising early-stage startup company, the Shenandoah Valley ecosystem has achieved initial traction and developed a proven model. The region is at a make-or-break point, where investment will enable scaling and solidify early gains. Specifically, reinforcing the region’s value proposition for entrepreneurs and investors, creating more channels for entrepreneurial access, and training and scaling the next generation of tech companies will synthesize the region’s growing economic momentum into significant job creation, increasingly equitable access to opportunity, and a more cohesive, vibrant ecosystem. A negative feedback loop currently exists in the region where the lack of awareness of startup resources and successes and connectedness creates barriers to access, a limited and scarcity mindset, and efforts that are not aligned with scalable tech entrepreneur needs.

*A Limiting and Scarcity Mindset* - The Shenandoah Valley has many of the key ingredients necessary to become a thriving digital economy that retains young talent and brings new opportunities to the region, yet this vision is hindered by

regional entities (both private and public) operating in silos. Formed in 2012, the Shenandoah Valley Innovation Coalition (SVIC) was an early attempt as a region to bring people and resources together, as many of the players were unaware of other entrepreneurial support initiatives or afraid of how collaboration could affect their ability to achieve their organization's mission. Oftentimes, this territorial and limiting mindset inhibited growth. These fizzling initiatives like the SVIC, an entrepreneurial speaker series, and small-scale events illustrate the absence of a cohesive regional strategy that aligns key players and bridges the large geography into a unified vision and set of priorities to move the needle. Additionally, a scarcity mindset, exacerbated by those who only see the Valley as agriculture, manufacturing, and Main Street businesses, has inhibited tech startup companies from gaining a foothold.

While the scarcity mindset does exist, a shift is starting to occur to break the negative feedback loop, driven by the efforts of SCCF and others, to create momentum for entrepreneurial development in the region. SCCF, in partnership with 17 other organizations, was awarded a \$1 million GO Virginia grant in 2020 to begin to connect the ecosystem by hiring two Entrepreneurial Ecosystem Builders and developing and implementing an accelerator/incubator hybrid program specifically designed for our rural region. The region has begun to rally alongside SCCF with many of the localities coming to the table to participate in the **regional** entrepreneurial ecosystem for the first time, like Frederick and Winchester. (Letters of Support).

*Barriers to access of entrepreneurial resources* – The Shenandoah Valley lacks a common entry point to the region's resources. This gap creates high barriers to entry and leaves many entrepreneurs confused about where to start or where to go next. The region needs a comprehensive, publicly accessible set of resources to guide entrepreneurs from idea-stage to exit.

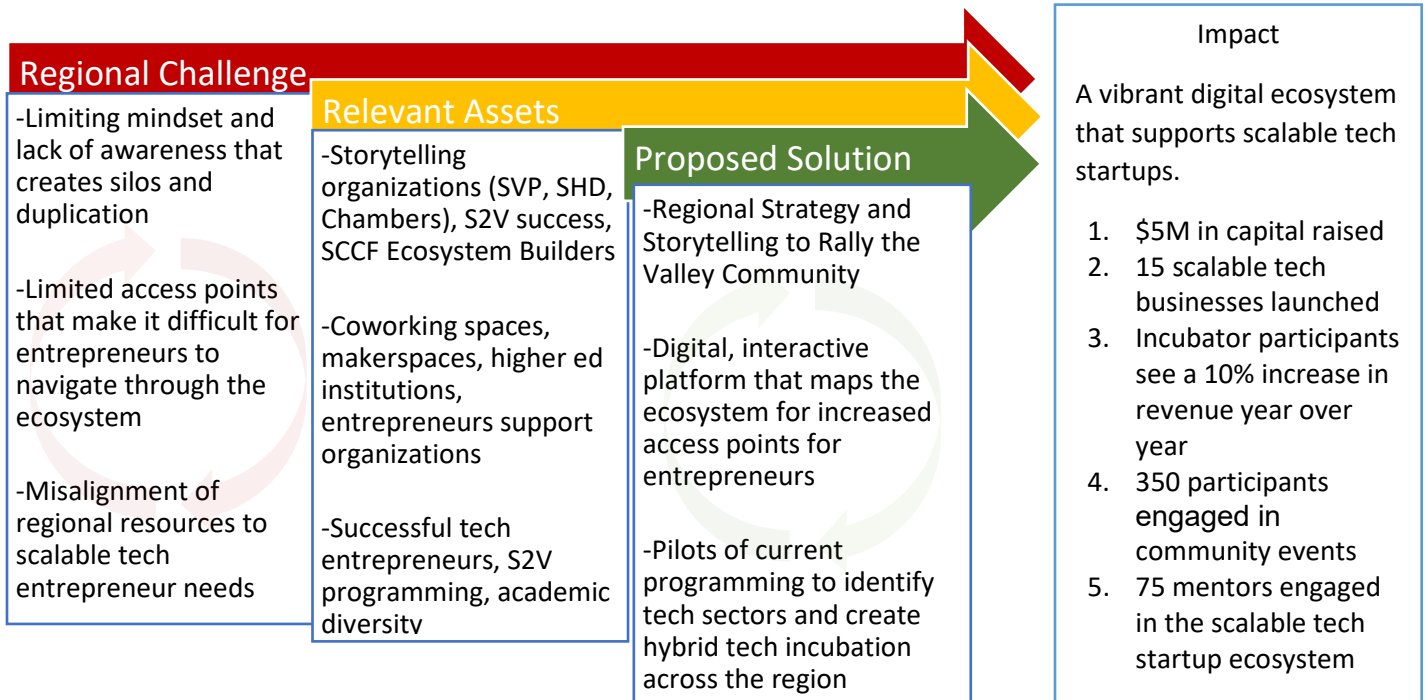
The ecosystem still operates on a "who you know" rather than "what you know" mindset. The ecosystem's informality creates exclusivity and limits knowledge sharing. This particularly impacts communities of color and women in the region, who see chronic underinvestment locally and nationally. Ruth, a screen-free toy maker, planned to leave the region because of the challenges she faced in obtaining capital. Many investors did not take her seriously because she is a woman from a rural area with a business focused on children. She has had many doors closed in her face because she did not have the support needed to identify the right kind of investor.

While the Shenandoah Valley lacks a common entry point, members of the entrepreneurial ecosystem have begun mapping the region's existing assets. The Valley hosts eight coworking spaces and Innovation Hubs, two makerspaces, two Small Business Development Centers, multiple revolving loan funds, 11 higher education institutions, the Shenandoah Valley Tech Council, and the Shenandoah Valley Angel Investor Network, which has invested over \$8 million in 26 businesses over the past six years. Despite these resources, few entrepreneurs know how they connect to each other and how to successfully navigate the entrepreneurial journey.

Without these connections, many entrepreneurs feel isolated and compelled to walk away from their ventures. Mary Lou Bourne, who oversees the tech transfer program at James Madison University, is an example of an entrepreneur who had a strong business model, the knowledge and ability to execute, but who was unable to scale a tech venture because of lack of access. Had she been able to navigate investor and resource networks inside and outside the Valley, her venture might have thrived. The REV Initiative has the potential to change "might have been" to "this is" through connections of knowledge, human, and financial capital. According to Brad Feld's *Startup Community Way*, "...The best startup communities are interconnected with other startup communities. Startup communities become stronger when they share ideas and resources with others. Continued exposure and engagement strengthen bonds forged across geographic boundaries."

*Resources and Support Misaligned with Scalable Tech Needs* – Rural entrepreneurs and the community at large do not relate to scalable technology, even though 25% of Valley residents have started their own business or sole proprietorship. The support and expertise currently available to these individuals is limited to traditional entrepreneurial models. Business owners can easily gain knowledge on filing taxes, managing employees, developing business plans, and preparing for traditional financing opportunities. Through SCCF’s program, Startup Shenandoah Valley (S2V), scalable businesses can also get support for testing and iterating on their business models and building stronger customer acquisition and go-to-market strategies. This program has already helped eight businesses begin scaling, four of which have a scalable tech focus. Ruth, a local toy maker and potential scalable tech entrepreneur, hired her first employee because of the program, and is now thinking bigger and more strategically about her next steps to achieving sustainable growth. While this program has helped founders like Ruth, SCCF has found that scalable tech entrepreneurs need programming that is better aligned with their specific needs. Scalable tech entrepreneurs need investors and alternative financing to make earlier stage investments; staff or program partners that can coach high-growth tech topics, such as user experience design, wireframing, modeling, and data analytics; as well as mentors who have successfully created scalable tech startups. Scalable tech entrepreneurs also need incubation and acceleration programs specifically designed for their unique needs and challenges. Without this targeted programming and support, scalable tech entrepreneurs, like Chiedo, will continue to seek growth opportunities outside the region.

### 3. Proposed Solution



#### a. Solution

##### 1. Regional Vision to Rally the Community

To build on the momentum mentioned in Section 2b, SCCF will unify a regional coalition focused on outreach strategies, regional visioning, and effective storytelling around scalable tech entrepreneurship in the Shenandoah Valley. This outreach and storytelling will inspire more entrepreneurs to launch ventures, draw investors to the region, keep tech workers local, and engage community members to create a positive feedback loop. Critically, this component of the REV Initiative will break down the “it can’t happen here” mindset, engage stakeholders in the ecosystem, and drive home the message that scalable tech entrepreneurship is possible here and that those startups need custom support for their specific needs. This effort will increase the awareness of opportunity in the region to encourage more entrepreneurs to take their concept from ideation to launch and will encourage the mindset of “I’ve seen them do it, I can do it too.”

SCCF will hire a Director of Outreach charged with building the coalition described above. These stakeholders, consisting of scalable tech entrepreneurs, entrepreneurs of color, women entrepreneurs, early-stage investors, economic development offices, higher education institutions, and entrepreneur support organizations, many of whom have already expressed support for this effort, will prepare a regional vision and outreach strategy that highlights the opportunities and unique assets the Shenandoah Valley has to offer. After developing the strategy, the coalition will work together to collect stories and create an amplification plan for promoting the stories of Shenandoah Valley entrepreneurs regionally and nationally. The amplification plan will consist of converting the stories gathered into multiple shareable formats for distribution to various mediums including podcasts, blog posts, virtual showcases, entrepreneur interviews, press stories, social media, etc. Capturing the entrepreneurial stories will continue throughout content creation and amplification including follow-up sessions to continually map the progress of particularly impactful entrepreneurs. As the regional coalition continues the amplification effort, the team will target specific communities that experience more barriers in accessing the entrepreneurial ecosystem, like entrepreneurs of color, women, youth entrepreneurs, and low-to-moderate income communities. SCCF will do this by partnering with community organizations and organizers, internally installing comprehensive diversity and inclusion policies, hosting informational sessions on programs and support available for historically marginalized communities, and creating regional events, such as community hackathons, high school pitch competitions, showcase events, subject-specific workshops, entrepreneurship summits, peer-to-peer meetups, and a tech entrepreneur podcast series.

### *2. Create Structure and Access Channels around the Entrepreneurship Ecosystem*

To increase knowledge of the resources and social capital that exists within the region, SCCF will create a centralized, dynamic virtual hub of ecosystem resources, known as an ecomap. This virtual space for collaboration will link the Valley's physical innovation spaces and provide clear on-ramps to the ecosystem for entrepreneurs, specifically entrepreneurs who have a limited knowledge of what currently exists. This digital hub, which will leverage artificial intelligence-enabled information gathering to align training programs with startup needs, will increase companies' access to the talent they need to grow through a job board, and break down the knowledge and access barriers created by traditional business networks for historically marginalized entrepreneurs. The centralized, accessible hub will do this by removing the limiting factors that are created by human knowledge keepers by translating that social capital into a virtual environment that can be accessed at any time. Structuring the ecosystem will kickstart a more active and vibrant tech entrepreneurship ecosystem.

SCCF will hire a Hub Coordinator reporting to the Outreach Director. The Hub Coordinator will establish an ecosystem platform and drive engagement with users of existing entrepreneurship communication channels, such as the 500 members of the regional tech entrepreneurship Slack channel. This platform will become the active central online hub for the ecosystem.

### *3. Tech Incubation Specific to the Region's Needs*

SCCF launched the first incubator/accelerator hybrid program in the region in January 2021, and while companies in the program have already made notable achievements, including closing \$3 million in contracts, and projecting the creation of more than 35 jobs, a more targeted approach is critical to support the specific needs of scalable tech entrepreneurs. In order to create and amplify the right resources for tech entrepreneurs, SCCF will build a formal mentor network of at least 30 mentors with hands-on experience building scalable tech companies to help guide the next generation of Valley scalable tech founders. These mentors will have experience taking on investment, a deep understanding of software development best practices, and other key subject-specific topics that relate to scalable tech entrepreneurship.

In addition to the mentor network, SCCF will launch a tech-focused incubator cohort in the Startup Shenandoah Valley program to pinpoint the needs of the tech entrepreneurs in the region and provide custom, targeted support to accelerate their scalable startups. Upon the launch of the initiative cohort, we will evaluate needs and create 5

additional cohorts over the three-year project period. This will build pathways for scalable tech entrepreneurs by creating a hybrid tech incubator distributed virtually across the region that creates a network of support for tech-focused founders. The program will include content specific to each entrepreneur, along with SBIR/STTR training workshops, pitch prep appointments with Center for Innovative Technology, demo day opportunities, and other topics that we will identify through the first scalable tech entrepreneur cohort. We project that the program will follow some of the similar models that have been implemented in rural regions, such as the Conductor in Conway, Arkansas, and the Actuator Program in Springfield, Vermont. The program will launch with eight weeks of coaching from a dedicated scalable tech business coach, where the entrepreneur will set goals for achieving the next stage of growth. After the first eight weeks, the entrepreneurs will enter an implementation period where they can put their new knowledge into practice. During these implementation periods, we will work directly with them through the Entrepreneurial Ecosystem Builders to identify space or mentorship needs and create the necessary connections to fill those gaps.

We will use the 6 incubation cohorts to determine whether or not the programming should be generally focused on scalable tech entrepreneurship or if there is enough density within industry verticals to create specific tech incubators in the region. Some verticals have already been identified, such as agricultural technology, food innovation, cybersecurity, and drone technology. SCCF will implement an iterative approach to programming and continue to explore additional industries where the region can create productive collaboration.

	<b>Milestone</b>	<b>Launch/Completion</b>	<b>Activity</b>	
<b>Regional Vision &amp; Storytelling</b>	Convene Regional Coalition	Complete Oct. 2021	<b>Hire Outreach Director</b>   Executive Director led	
		Complete Nov. 2021	<b>Identify partner organizations</b>   Outreach Director   Output: 10 organizations engaged in regional coalition	
	Build Regional Vision and Storytelling Strategy	Complete Jun. 2022	<b>Draft Regional Vision and Storytelling Strategy</b>   Outreach Director & Coalition   Outcome: 5-year regional strategy	
		Launch Oct. 2022	<b>Launch Storytelling and Outreach Strategy</b>   Outreach Director & Coalition   <b>Output:</b> 26 entrepreneur stories collected   Outcome: 6 national stories	
	Launch Community Programming	Launch Jan. 2022	<b>Launch Workshops and Info Sessions</b>   Ecosystem Builders   Outputs: 6 workshops, 36 info sessions	
		Launch Oct. 2021	<b>Launch Entrepreneur Meetups</b>   Ecosystem Builders   Outputs: 72 meetups events	
		Jul. '21, Jul. '22, Jul. '23	<b>Launch Community Hackathons</b>   Ecosystem Builder supported by Hub Coordinator and Director of Outreach   Outputs: 3 hackathons	
		Jul. '21, Jul. '22, Jul. '23	<b>Host Entrepreneurship Summit</b>   Ecosystem Builder Led supported by regional coalition and Director of Outreach   Outcome: once per year, 75+ attendees	
	<b>Eco-mapping Platform</b>	Launch Ecosystem Mapping Platform	Complete Oct. 2021	<b>Hire Hub Coordinator</b>   Executive Director
			Complete Mar. 2022	<b>Build Digital, Interactive Ecosystem Platform</b>   Hub Coordinator   Outputs: 200 resources added to the mapping tool   Outcome: 10% webpage visit increase year over year
Complete Jun. 2022			<b>Establish Onboarding Process</b>   Hub Coordinator   Outcome: 200 entrepreneurs engaged with digital, interactive ecosystem	

Incubating Valley Tech Startups	Run Incubator Program	Launch Oct. 2021	<b>Develop Additional Curriculum</b>   Ecosystem Builders supported by network and existing S2V curriculum   Output: Scalable Tech Startup Incubator Program
		Launch Nov. 2021	<b>Recruit to Accelerator</b>   Ecosystem Builders supported by ED & Interns   Output: 36 scalable tech entrepreneurs enrolled
		Launch Jan. 2022	<b>Run Incubator</b>   Ecosystem Builder led   Outcome: 15 scalable tech startups launched
		Launch Jun. 2022	<b>Analyze Incubator Results</b>   SCCF Staff   Analyze results to inform future cohorts and possible industry vertical specification   Output: decision made on addition of industry vertical cohorts
	Build Scalable Tech Mentor & Resource Network	Complete Dec. 2022	<b>Build mentor network</b>   SCCF Staff   Add to existing S2V mentor network through regional partnerships, CIT, and Rural Innovation Network   Outputs: 12 mentor training & appreciation events   Outcomes: 75 mentors in the network
		Launch Mar. 2022	<b>Build financial opportunities</b>   Executive Director, CBIC, CAN led   build out additional grant programs, angel, and venture funding training and opportunities   Output: in person and virtual pitch prep session   Outcome: \$7 million in capital and revenue raised
		Launch Mar. 2022	<b>Enhance Additional Resources</b>   JMU tech trade, Maker Space & JMU X Labs prototyping, CIT wrap around support, industry specific subject matter experts

## b. Achievability

We will incorporate proven models of success in the REV Initiative. Storytelling, ecosystem mapping, and the SCCF S2V program have successful track records both inside and outside the region. As noted in *Creating Startup Junkies*, “Storytelling creates momentum within a community and informs external stakeholders about progress and business opportunities - clear and frequent messaging is vital to cultivating an environment that is open to risk-taking and innovation.” The Kauffman Foundation recently released a list of the top 20 up-and-coming ecosystems, and a common theme across all of them is an ecosystem brand that captures the essence of what the region has and will accomplish. When storytelling is paired with ecosystem mapping, stronger ecosystems emerge. According to Jeff Bennett, founder of the Ecosystem Builder Hub, “Assessing who the players are in your ecosystem and what they’re doing not only helps you point out those resources to others, but it helps you to identify gaps.” This approach is critical to lowering barriers to the ecosystem’s resources. When the elements of an ecosystem are mapped and categorized, budding entrepreneurs can bypass existing gatekeepers by logging into the system and finding answers to their questions.

SCCF has demonstrated the ability to manage a high caliber grant-backed program, through the S2V program, a Virginia-backed, industry agnostic accelerator/incubator for scalable companies. The 8 companies in the program’s first cohort have already closed more than \$3 million in contracts and sales and created over 35 jobs, with 75% of those jobs being tech and cybersecurity based. SCCF has successfully recruited a second cohort of 10 companies, which include technology companies working in professional services, agricultural technology, sustainability, and unmanned aerial systems. Despite expectations to the contrary, demand for this program proves the Valley has a pipeline of technology companies and needs an incubator program that supports the specific needs of scalable tech entrepreneurs.

The REV Initiative fills a gap in entrepreneurial support in the region for scalable technology companies. Other regions in Virginia and across the United States, including Richmond, Roanoke, and as noted before, Conway, Arkansas, have demonstrated success by supporting companies at this stage through the Lighthouse Labs program, RAMP program, and Conductor program, respectively. Implementing a similar program that has been adapted to meet the specific needs of Shenandoah Valley entrepreneurs is critical.

### c. Stakeholders and Target Participants

1. *Regional Vision and Outreach* – Our target audience for regional outreach includes emerging entrepreneurs unsure if they can launch, sustain, and grow a scalable tech business in the Valley; investors seeking alternative investment opportunities; and resource providers that overlook underrepresented business owners. We will specifically target entrepreneurs of color through strategic outreach events and identification of community champions. Historically, 78% of SCCF clients are women and entrepreneurs of color. The REV Initiative will aim to serve 45 scalable tech entrepreneurs, 10 investor firms or individuals, and engage with 50 regional leaders through the regional vision coalition and outreach efforts.

2. *Mapping the Ecosystem* – Building the digital hub for the Shenandoah Valley Entrepreneurial Ecosystem will engage, at minimum: 50 resource partners, 10 state-wide and other regional ecosystem builders, 300 entrepreneurs, and 150 tech workers.

3. *Valley Scalable Tech Incubation* – We will target scalable tech ventures with a particular focus on entrepreneurs of color and women. 45.5% of our current applicant pool for S2V identifies as female while 22.7% identify as BIPOC and 9% identify as LGBTQIA+. We will serve 36 scalable tech entrepreneurs with 15 of those ventures moving from ideation to launch and beyond. In addition to the 36 entrepreneurs served through incubation over the three-year project period, 20 entrepreneurs will be served by the mentor network each year for a total of 60 entrepreneurs served.

## 4. Partnerships

While the success of this project hinges upon collaboration with multiple resources and assets throughout the region, SCCF has identified the following essential partners for the REV Initiative's success.

- a. **Center for Innovative Technology (CIT):** CIT accelerates early commercialization and funding support for Virginia innovations, entrepreneurs, startups, and market development initiatives. CIT concentrates on the early commercialization and seed funding stages of innovation, helping innovators and tech entrepreneurs launch and grow new companies, create high paying jobs, and accelerate economic growth throughout the entire state of Virginia. To support pillar 1 and pillar 3, CIT will be conducting SBIR and investment ready workshops, pitch prep sessions, and participating in the regional coalition to assist with regional strategy development.
- b. **GO Virginia Region 8:** GO Virginia is a bipartisan, business-led economic development initiative for the Commonwealth of Virginia. GO Virginia supports programs to create more high-paying jobs through incentivized collaboration between business, education, and government, to diversify and strengthen the economy in every region of the Commonwealth. Ashley Shickel with the GO Virginia Region 8 team will support pillar 1 by participating in the regional coalition to assist with regional strategy development through a cash match.
- c. **James Madison University Technology Innovation and Economic Development (TIED) and the Gilliam Center for Entrepreneurship (GCFE):** TIED promotes innovation, enhances research by connecting inventors and the business community, and fosters economic development through protecting and commercializing intellectual property. JMU will support the project through intellectual property guidance, event management support, mentorship, and pre-incubation efforts needed in the region.
- d. **Shenandoah Valley Tech Council (SVTC):** SVTC supports technology businesses in the area succeed and grow through education, networking, and business development. SVTC representatives will serve on the regional visioning and storytelling coalition and assist with the development of tech-based events and stories across the region, an integral part of the outreach plan.
- e. **Shenandoah Valley Partnership (SVP):** SVP works with public and private partners at the local, regional, and state level to develop an economic climate for business success throughout the Shenandoah Valley. Through regional cooperation, the SVP brings together business, government, and education leaders to attract new business to the area, help existing businesses expand, and guide strategic workforce development to grow and sustain a healthy economic future for our region. They will be supporting the project through the leadership of the regional storytelling and outreach coalition.

- f. **Shenandoah Valley Regional Airport:** The Shenandoah Valley Regional Airport is a general aviation facility that serves Harrisonburg, Staunton, Waynesboro, and the surrounding counties. The airport has undertaken a multi-year project focused on improving connectivity of the Shenandoah Valley for business and recreational travel. Accordingly, they are well suited to lead the REV Initiative’s regional storytelling and outreach coalition.
- g. **Charlottesville Business Innovation Council (CBIC) and Charlottesville Angel Network:** CBIC was founded in 1977 as a regional technology council and the Charlottesville Angel Network is a growing group of nearly 70 accredited investors and family offices. These two powerhouse organizations in the neighboring region to the Shenandoah Valley will be assisting in the education, celebration and advocacy of the scalable technology community and helping to accelerate technology innovation and entrepreneurship in the region. CBIC and CAN will provide a connection point to a more developed ecosystem and will be a partner in deploying an ecosystem mapping tool with whom we can share best practice, regional data, and resources.

**Project Leaders:** The team collectively has over 75 years of experience in entrepreneurship development, tech trade, commercialization, growth advising, and economic development. All of the project leaders have worked extensively together through active participation in the Shenandoah Valley Regional Cohort, Shenandoah Valley Innovation Coalition, and the GO Virginia Region 8 Entrepreneurial Ecosystem Advisory Committee.

## 5. Measurable Goals & Feasibility

The outputs and outcomes are based on current entrepreneurial activity within the Shenandoah Valley, as well as the data from Fluent, an SCCF vendor that oversees entrepreneurial support programs in other states and rural communities. Over the past 3 years, members of the Shenandoah Valley entrepreneurial ecosystem have developed a collaborative and entrepreneurial mindset. SCCF has engaged over 300 youth entrepreneurs through the Startup Experience, served over 100 Main Street and lifestyle business entrepreneurs, and coordinated 17 organizations to the successful acquisition of a \$1 million grant that has already produced 35 jobs and over \$3 million in revenue and contracts in the first quarter of 2021. Building on this momentum, we expect the activities of the REV Initiative will increase these outputs and result in new scalable business and job creation in the area, advancing the Shenandoah Valley regional economy, and resulting in greater economic opportunity for the region’s 500,000-plus residents.

The metrics listed below will be measured continuously over the 3-year performance period through data gathered from activity summaries reported by collaborating organizations, SCCF intake forms, and required bi-annual follow-up surveys from startups utilizing the incubation programming. All data will be maintained in a machine-readable client management system (SCCFs current Salesforce database with the transition to the ecomapping database) that will be accessible to the collaborating organizations and will be used to generate periodic progress reports. Furthermore, the SCCF steering committee and regional vision coalition will review these metrics regularly to identify specific areas for improvement.

Outputs by End of the Project Period		Outcomes by End of the Project Period		Stretch Goal
Organizations in Regional Coalition	10	Regional Vision and Outreach Strategy Plan	3 yr.	5 yr.
Media Articles or Stories Published to illustrate the growth community	36	Participants in community events (summits, hackathons, meetups)	375	750
Info Sessions Hosted to Drive Awareness	36	Entrepreneurs engaged with platform	200	500
Entrepreneur Meetups	72	Webpage visit increase	10%	17%
Annual Entrepreneurship Summit	3	Tech Startups that move from Ideation to Launch	15	24
Community Hackathons	3	Mentors in the Network	75	115

Resources added to the mapping platform	200
Mentor Training & Appreciation Events	12
Subject Specific Workshops (CIT & Partners)	6
Coaching & Mentor Hours	900
Tech Startups Enrolled in Incubator	36

Yearly Revenue increase from Tech Startups	10%	15%
High Wage Jobs Created	50	75
Early-Stage Capital Raised	\$5 mil	\$7 mil

## 6. Sustainability

SCCF has already identified challenges and potential barriers due to our past work with GO Virginia and the ecosystem development that we have led over the past 3 years. These potential barriers are addressed within our program structure:

1. Lack of early-stage investors, particularly equity investors comfortable with 5–10-year return cycles, non-equity and equity capital resources and investors. The digital ecosystem created by this project will directly tie into and enhance the Shenandoah Valley’s Entrepreneurial Ecosystem’s rapid growth and growing credibility as an investment opportunity worthy of attention.
2. Due to our region’s large geographic scope, hybrid in-person and virtual models are critical to our project’s success. We will expand upon SCCF’s traction with virtual programming, increasing access across the region using our regional vision coalition and ecosystem partners to create cultural change. Our digital hub and regional vision pillars are critical to attract and drive participation in our region.

**Forecast of Post Award Period Operations:** The REV Initiative will immediately begin testing the market for fee-based training, space, and service models, as well as equity options as applicable. We will also plan and deploy a resource development campaign to grow regional support funding and seek additional grant opportunities for other elements of the total ecosystem solution, e.g., developing more advanced accelerator opportunities. We will seek additional funding to sustain programming and curriculum from the sources listed below. Funds will be used to maintain the eomapping platform, support SCCF staff positions, cover participation fees in the incubator and cover expenses associated with running entrepreneurship events and meetups.

CIT - Regional Innovation Fund	This fund was created by VIPA and is managed by CIT. It awards entrepreneur support organizations up to \$200,000 per year to sustain successful programs and personnel.	\$200,000
Localities	We have already been added to two localities’ yearly line-item budget and will partner with other localities to be included in their economic development budgets to cover program fees	\$50,000
Corporate Sponsorships	We have already built partnerships with corporations in the region to acquire \$75,000 in unrestricted grants. We will continue to identify and attract mission-aligned organizations for sponsorships ranging from \$2,500 to \$50,000	\$200,000
Bank/Family Foundations	SCCF Development Director has extensive knowledge of the bank and family foundations that align with our mission. She has successfully raised \$60,000 in foundation dollars which is certainly replicable in future years.	\$75,000

The Shenandoah Valley is at an inflection point. SCCF and its partners are positioning the region to be a thought leader in rural entrepreneurship, and this momentum will launch us into the next phase of growth. An EDA investment at this juncture creates a positive feedback loop that will have a catalyzing effect on innovation, business formation, job creation, and inclusion that can become a national model for entrepreneur-enabled economic development.