

Cedar Valley Ecosystem: Lessons Learned

Cultivate Cycles of Champions

Previous waves of entrepreneurs have circled back to contribute in substantial ways to the ecosystem. Mark Kittrell, Andy Van Fleet and others like them fill gaps in the ecosystem that might otherwise go unfilled, slowing the pace of innovation. We should look for and celebrate these individuals and their contributions and encourage others to continue the cycle.

Entrepreneurs Are Rising

Decades of entrepreneurship support resources and programs built terrific momentum in the Cedar Valley but failed to hold a sustained flame until entrepreneurs rose to meet them. The organic rise of entrepreneurial leadership has been disruptive but brought innovation, passion and lasting connections to the startup process, improving and expanding the environment for all. Bringing entrepreneurs to the center is critical to this ecosystem and likely others.

Ecosystem Structure Matters

Vibrant ecosystems require communities to fundamentally shift traditional economic development thinking toward collaboration, nontraditional leadership and entirely new economic development tools. Navigation of these changes—especially collaborative efforts between entrepreneur support organizations and entrepreneurs—has been improved by the creation of the nonprofit Red Cedar. Because of Red Cedar, entrepreneurship is now part of the language of economic development, and entrepreneurs have a place at the table.

Relationships Drive Resources

Within this ecosystem are a small number of relationship drivers, individuals who cultivate a set of relationships that drive better organizational collaboration, resulting in improved sharing of resources, credit and leadership. Patrick Luensmann at UNI and Danny Laudick at Red Cedar are among a handful of individuals who have been instrumental in building trust, collaboration and support among collaborating partners.

The Talent Pipeline

The University of Northern Iowa, placemaking efforts and the supportive culture of the ecosystem have collectively created a rich pipeline of incoming innovators and talent. To date, it is more organic than systemic. Measuring, formalizing and celebrating this pipeline are critical next steps for the valley.

Bandwidth

The municipally owned utility CFU brought bandwidth to Cedar Falls as early as 1996 and continues to lead the nation in connection speeds. There is evidence of stunning economic impact among startups, scale-ups and talent attraction as a direct result of CFU's efforts. The lack of bandwidth in Waterloo has arguably stifled innovation and startup activity, contributing to slower ecosystem development.

This Ecosystem Emerged From Place

The Cedar Valley ecosystem has coalesced around the colorful vibrancy and placemaking energy of the central business district in Cedar Falls. Although not a goal of either the entrepreneurs or entrepreneur support organizations, “place” has been central to early ecosystem building here. As community builders like Danny Laudick and Trace Steffen strive to widen the arc, they intend to move the focus from place to connections between people.

Guide and Support vs. Regulate and Bar

Changes in the regulatory environment to reflect new economy business models and the needs of fast-moving innovators have been slow. Political champions like the mayor of Cedar Falls can guide and support innovation rather than regulate and bar it. When leaders at the top take even small steps to improve these processes, culture change results and new innovative approaches from innovators like Paul Farmer can emerge and be tested in the marketplace.

Connections in Crisis

While most ecosystems focus solely upon creating a supportive environment around startups and later scale-ups, community connections are even more critical during times of crisis. These key connections, labeled “The Greats” by Andy Van Fleet during his own business crisis, can be leveraged to guide and support, rally resources and bring ideas together to solve unimaginable challenges.

Inclusion

There is so much to learn about the intersection of inclusion and diversity in this ecosystem, and there is widespread desire to be more inclusive. Red Cedar has an opportunity to reset the community culture by extending leadership roles to women and African Americans and through the implementation of new tools to listen to voices outside the current community.

Widening the Arc

The assets, economic drivers and entrepreneurial populations of Cedar Falls and neighboring Waterloo are strikingly different. Ecosystems are emerging in both communities but not in tandem. Waterloo can learn from the experiences of Cedar Falls, but their self-determination is to build an appropriate culture for themselves. This offers an opportunity for novel collaboration and new models of entrepreneurial support.

Measuring Success

Powerful evidence is emerging to validate the good work in the Cedar Valley but it is largely anecdotal, with the exception of ongoing data collection from the University of Northern Iowa. Support for new and rigorous collection of data – including community and social metrics— comes from entrepreneurs and service organizations alike improving support and validation for this good work.