



**MEP • MANUFACTURING  
EXTENSION PARTNERSHIP**

*Making an Impact on  
U.S. Manufacturing*

# Innovation Challenge for Coal Reliant Communities: From Downturn to Transition

Heidi Sheppard

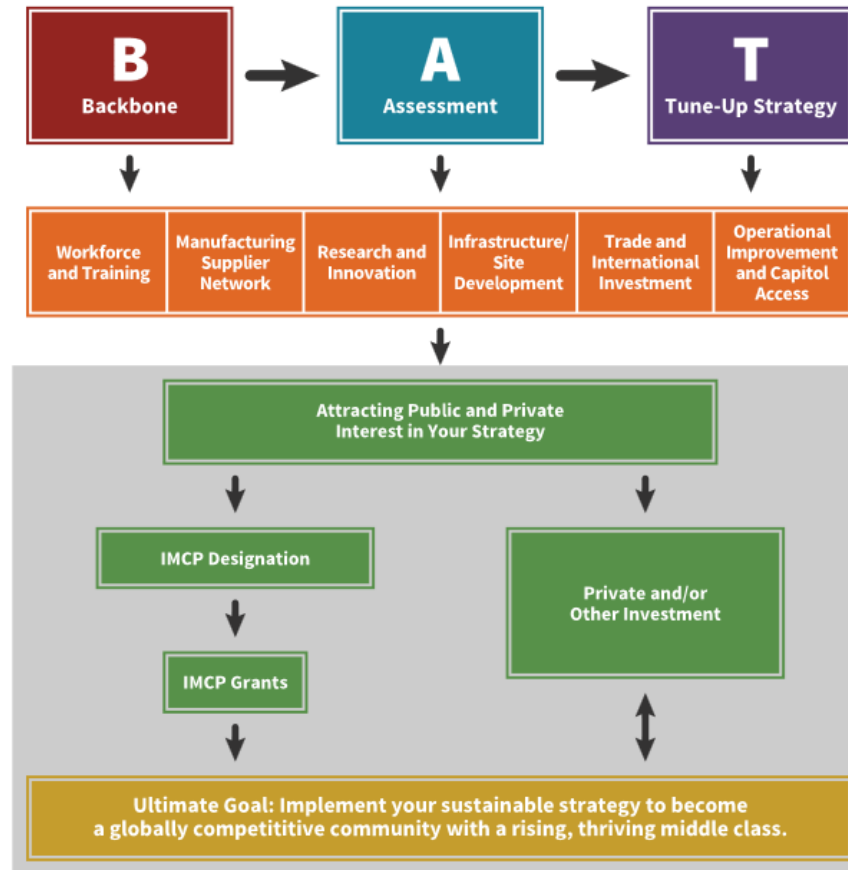
Advisor for Technology Collaborations

April 22, 2015

# Playbook: <http://manufacturing.gov/imcp/index.html>

Playbook Home > Playbook Flowchart

## Playbook Flowchart



# Strengths, Weaknesses, Opportunities and Threats (SWOT)

## SWOT Analysis Considerations

- Which clusters, and which industries and occupations within each cluster, are growing or declining, and why?
- What short- and long-term supply chain challenges exist for the local economy along the region's proposed development path?
- How are firms connected to each other? What role do trade and other associations play? How might customers or suppliers (even outside the region) support suppliers within the region? What examples exist of projects/shared assets across these firms?
- What processes or institutions (industrial parks, foundations, medical or educational institutions, etc.) exist to promote innovation or upgrade supplier capability?
- Are there institutions that convene suppliers and customers to discuss improved ways of working together, plan complementary investments, etc.?

Head Start's website provides assistance for conducting a SWOT analysis <http://eclkc.ohs.acf.hhs.gov/hslc/tta-system/operations/mang-sys/planning/2SWOTAnalysisS.htm>

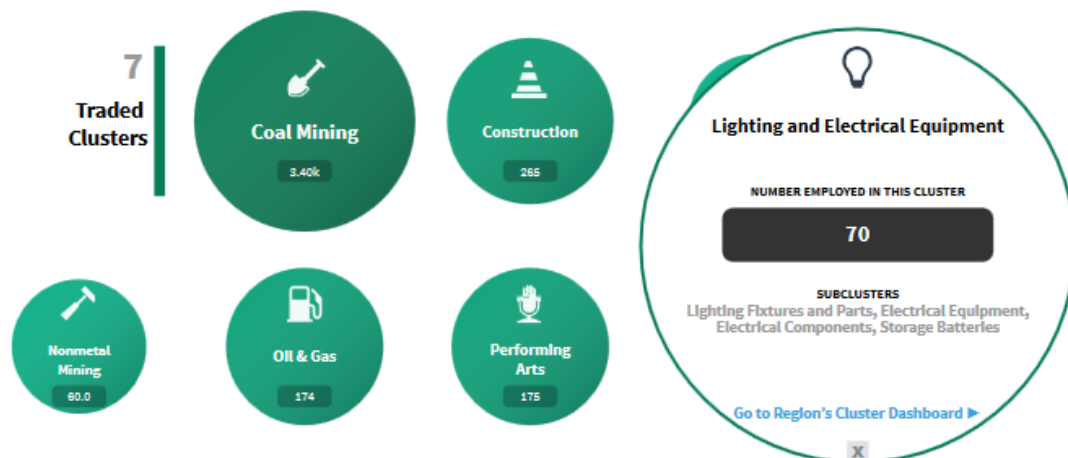
# Gather data about your cluster

- See the [U.S. Cluster Mapping Tool](http://www.clustermapping.us/) for more information on clusters and the assessment of clusters.
- <http://www.clustermapping.us/>

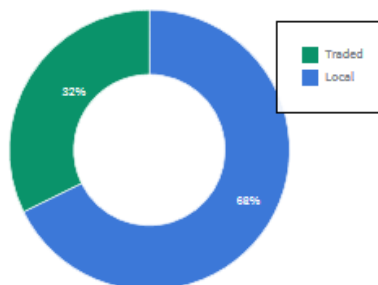
## Pike County, KY

### Cluster Portfolio

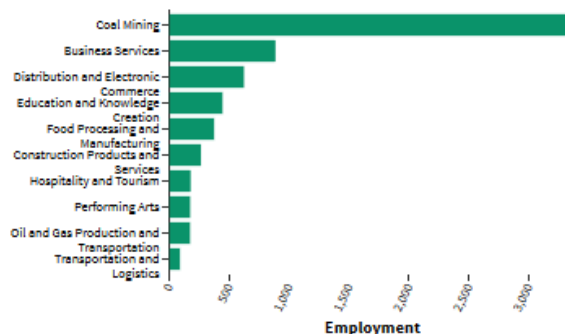
The Cluster Portfolio page illustrates the strongest traded clusters in this region, as well as its top performing traded and local clusters. Click the link below to view the full set of charts.



### Traded vs. Local Clusters



### Top Clusters by Employment



[DIVE INTO THIS REGION'S CLUSTERS](#) →

## Panelists

- Peter Hille, President, Mountain Association for Community Economic Development, Berea, KY.
- Hon. Matt Wender, Commissioner, Fayette County, WV.
- Glenn Cox, Executive Director, Handmade in America, Asheville, N.C.



# Strategies for Appalachian Transition

Peter Hille, President  
MACED

# **The decline of coal**

“There should be no doubt in anyone’s mind that [coal’s] role as an employer is reducing...To ignore that is to blindfold ourselves and stick our heads in the sand.”

Kentucky Governor Steve Beshear  
December 2013 SOAR Summit



# **Factors impacting Central Appalachian coal**

The easy coal has been mined out

Acid rain regulations from decades ago resulted in scrubbers on plants, higher sulfur coal can now be burned and is cheaper

Natural gas has become cheaper than coal

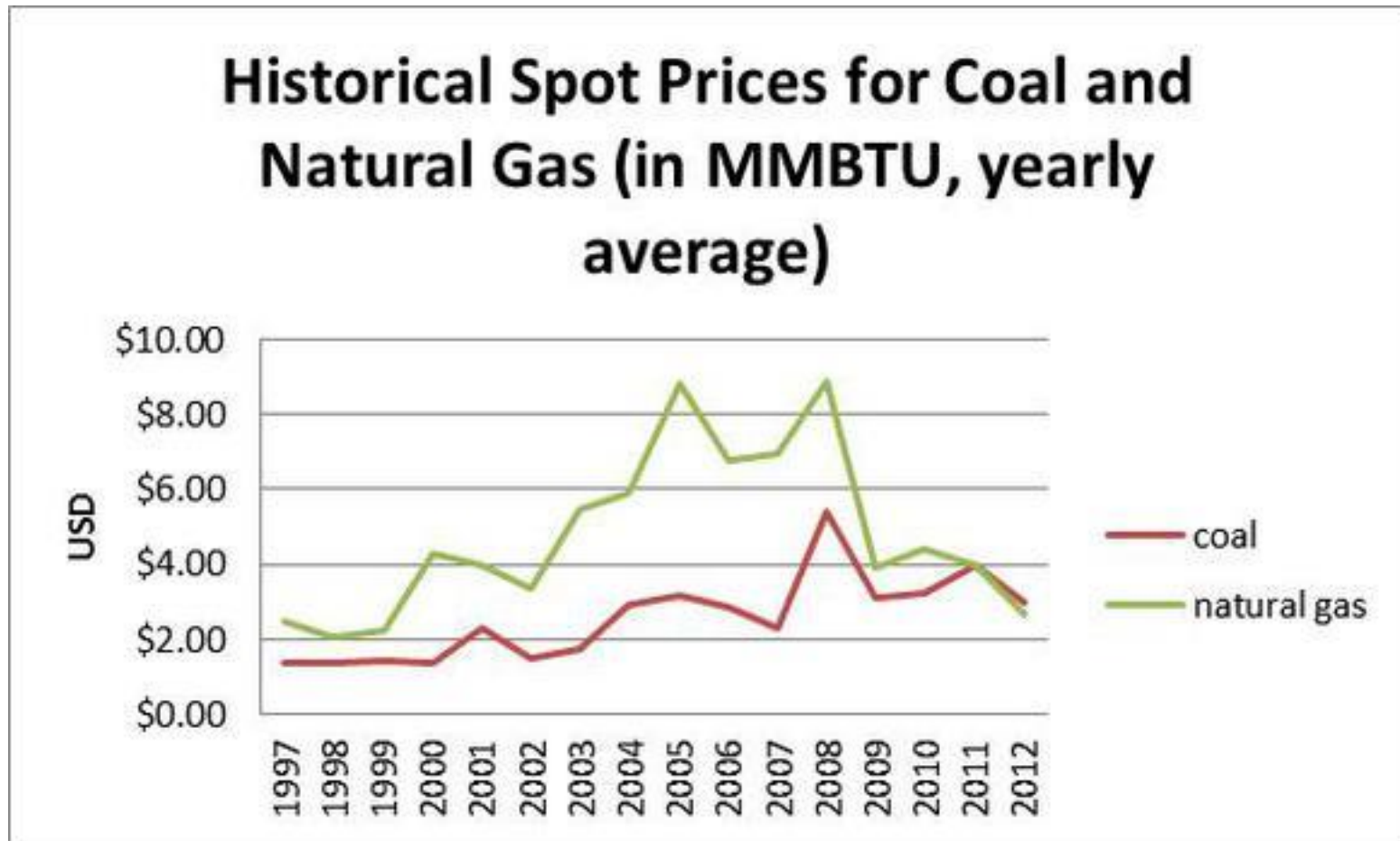
Increasing CO<sub>2</sub>/climate change awareness poses future challenges to coal

# **Coal prices as of March 6, 2015**

## **Dollars per short ton**

- Central Appalachia      \$53.06
- Illinois Basin      \$40.32
- Powder River Basin      \$11.55

# Coal vs Natural Gas 1997-2012

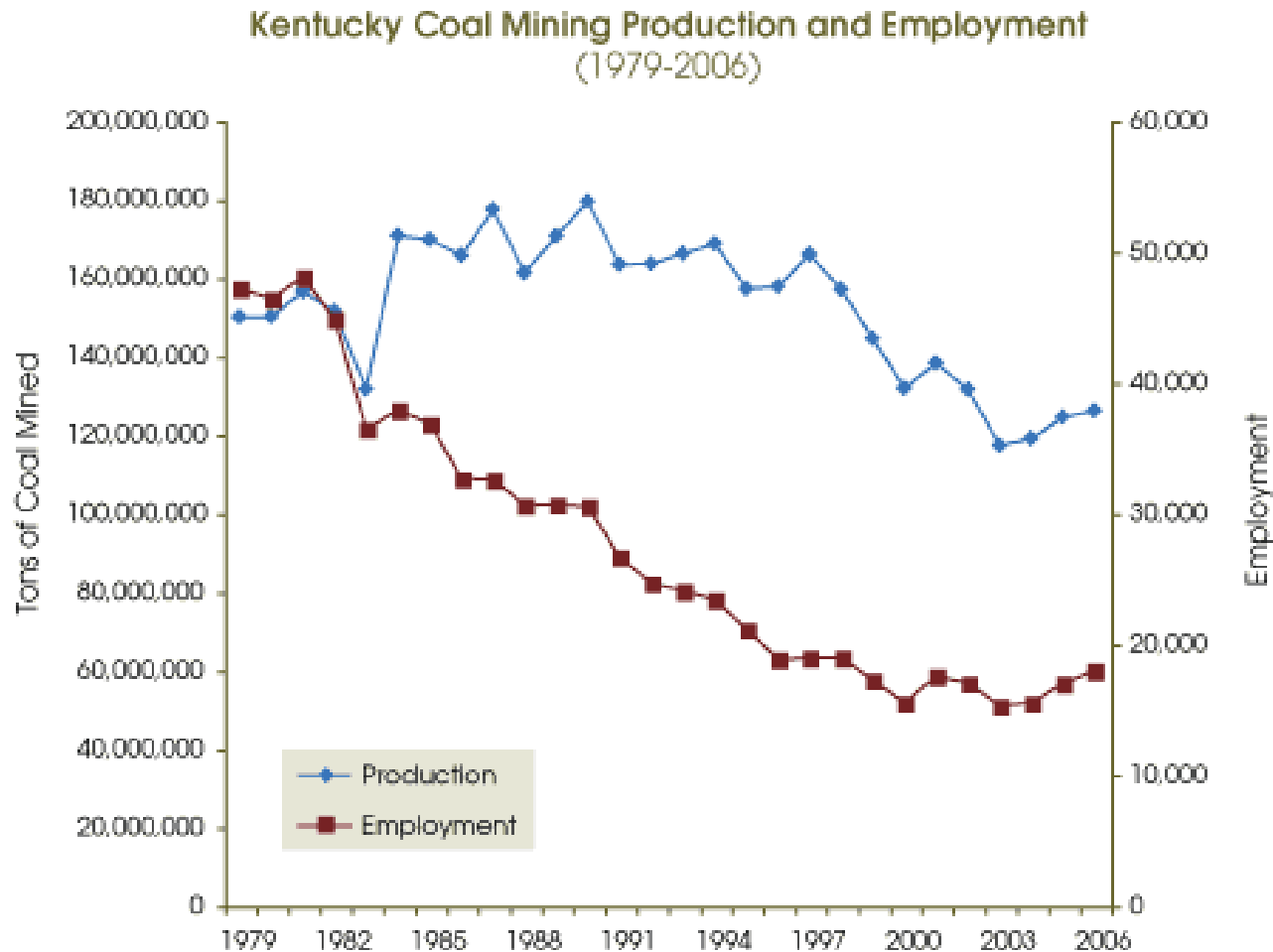


As much as coal has meant to us, it still has not built for us a self-sustaining economy. We had more high tech jobs than we could ever imagine in the coal industry, and it still didn't solve the chronic problems of the region. So we have to build that basic economic foundation.

Former Governor Paul  
Patton

July 12, 2000

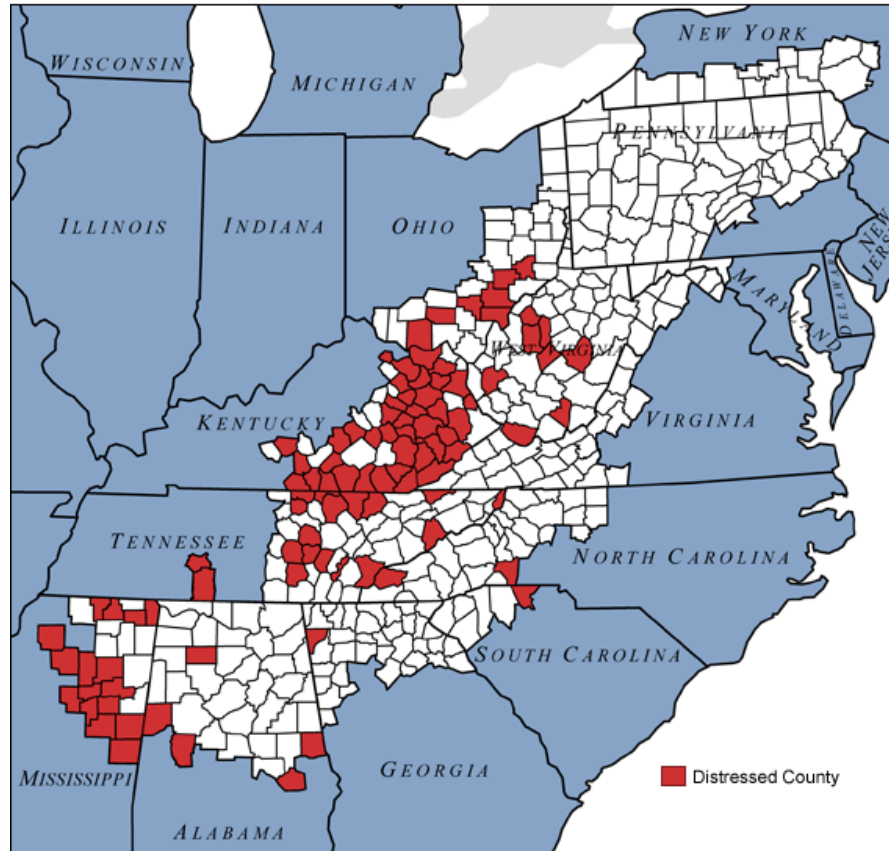
# We lost the jobs before we lost the mines



Sources: Kentucky Office of Energy Policy, Kentucky Coal Association, Energy Information Administration

# Economically distressed communities—even before we lost the iobs

*ARC-Designated Distressed Counties, Fiscal Year 2013*



*Prepared by the Appalachian Regional Commission*

*Data Sources:*

*Unemployment data: U.S. Department of Labor, Bureau of Labor Statistics, LAUS, 2008–2010*

*Income data: U.S. Department of Commerce, Bureau of Economic Analysis, REIS, 2009*

*Poverty data: U.S. Department of Commerce, Bureau of the Census, American Community Survey, 2006–2010*

# **Appalachian Transition**

- A moment that demands and allows action
- A vision of a renewed region
- Strategies and approaches that create new opportunities
- Grounded in place and people
- Gathering political will for change

# **Economic opportunities**

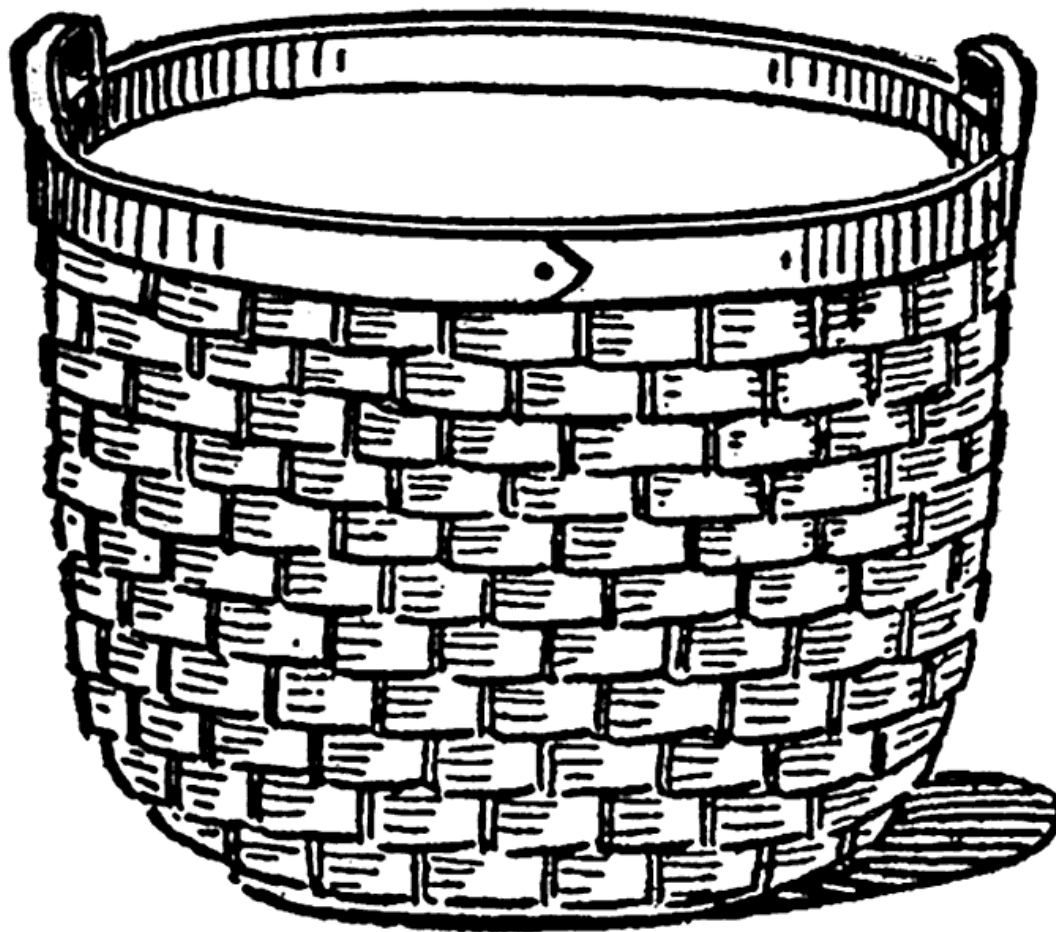
- Entrepreneurship
- Energy
- Forestry
- Health care
- Tourism
- Local foods



# **Policy Opportunities**

- SOAR: Shaping our Appalachian Region
- President's POWER+ Plan
- 111(d) Rules
- Divestment/Reinvestment

# The Basket



# 10.8 kW Solar Electric System





# Strategies for Appalachian Transition

Peter Hille, President  
MACED





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*in* AMERICA

# Replacing a Regional Manufacturing Economy with Arts, Heritage & Culture

April 22, 2015

Innovation Challenge for Coal Reliant Communities

Past Industry Transitions Panel



# *What drives us...*

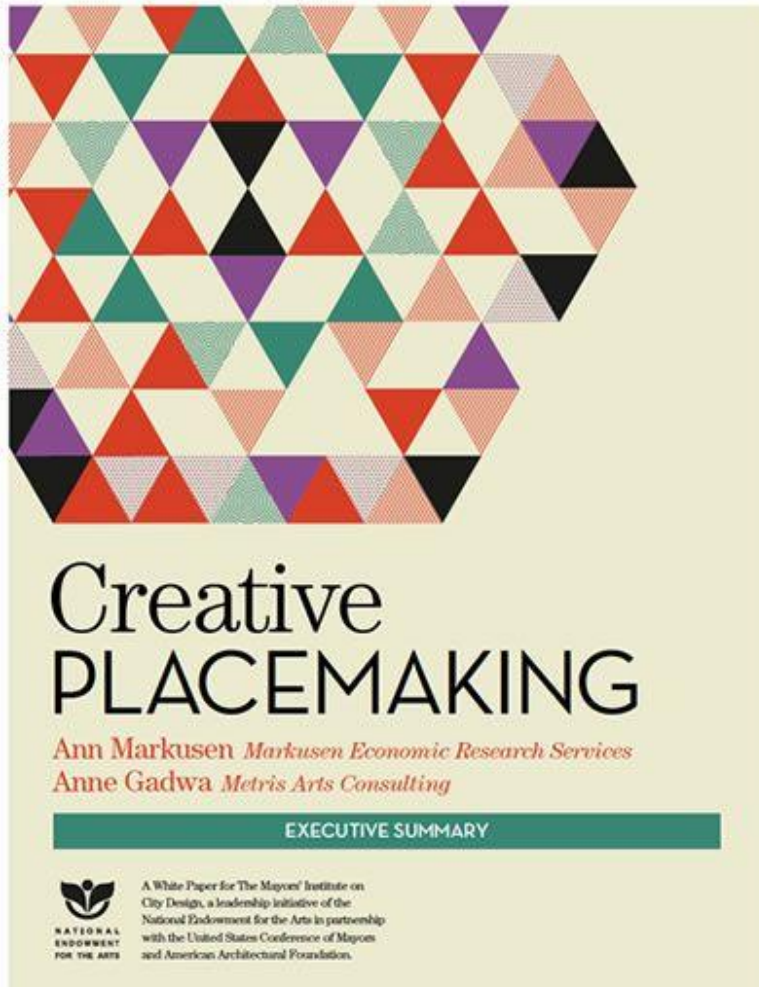
**Our Mission:** To *grow economies through craft & creative placemaking.*

**Our Belief:** Art, heritage, and culture are key investments for personal, community and economic growth.

**Our Focus Areas:**

- 1. Helping rural communities in our region spark economic renewal through asset-based creative placemaking.**
- 2. Training artists and women to develop the business skills they need to be successful, economic contributors.**

# What is Creative Placemaking?



In creative placemaking public, private, not-for-profit, and community sectors partner to strategically shape the physical and social character of a neighborhood, town, tribe, city, or region around arts and cultural activities.

**Why?...**

To create and recreate vibrant places to live, work and play!

# Economic Development: Small Town Revitalization Program

- 25 Counties – 11,000 square miles
- 14 Small Towns
- Populations of 2,000 or less



Money



Volunteers



Expertise



Events

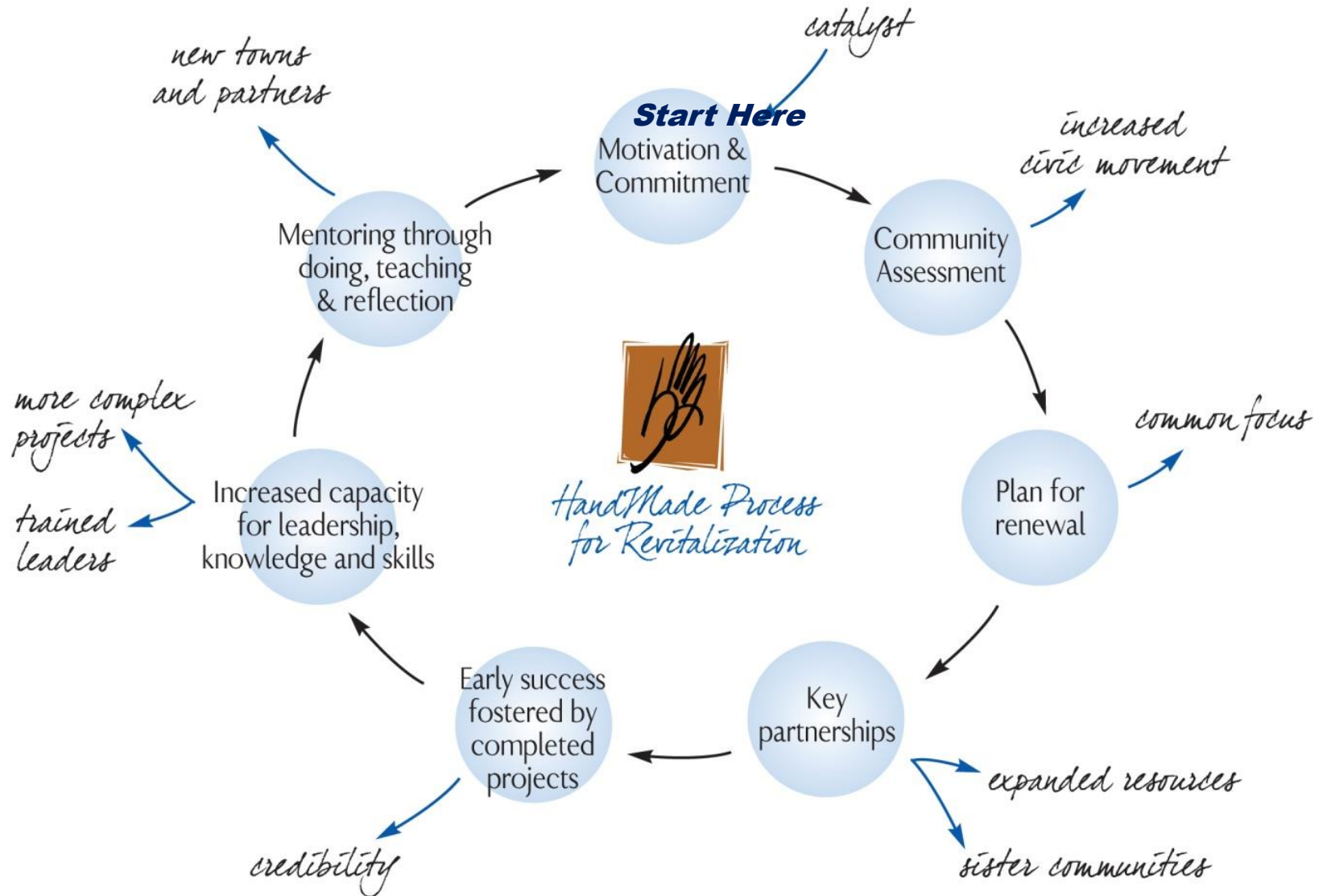


Rehab





# Our Small Town Economic Development Model...



# Learning From One Another and Staying Connected

## Town Gatherings:

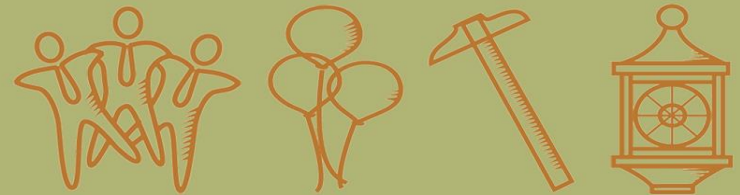
- Annual Small Towns Summit
  - September 23, 2015
  - Keynote - Ed McMahon
- Two Regional Clusters:
  - Western
  - High Country
- Coffee & Conversations
  - Town-by-Town



HANDMADE  
*in* AMERICA

Annual Small Towns  
Summit

*Save the Date!*  
*May 21, 2014*  
*Asheville, NC*



Networking • Collaborative Learning  
Peer Mentoring • Leadership Development

A day-long conference for those  
passionate about revitalizing  
small towns through creative  
placemaking.

For more information, please visit  
[handmadeinamerica.org](http://handmadeinamerica.org).



# Economic Development & Best Practices via Peer-to-Peer Mentoring

- Crafting Studio Tours
- Crafting a Community Parade
- Over the River and Through the Woods-Let's Build Trails
- Building-Rehabilitation Basics
- Renovating Big Buildings in Small Towns
- Developing a Cultural Heritage Attraction
- Successful Grant Applications



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Funded by National Endowment for the Arts



**CRAFTING A STUDIO TOUR**



# Entrepreneurship Programs

Appalachian Women Entrepreneurs

**AWTE**



AWE program was created to support all Western North Carolina women interested in creating or growing their small business.

**CRAFT  
LABS**

Two-hour classes on business subjects, industry-specific skills, creativity, and access-to-market courses that are tailored to meet the unique needs of our craft artists in today's economy.

# Key Components

- Partnerships are imperative
- Identify your assets and opportunities

Art

Music

Theater

Food/Brewing/Distilling

Recreation

Trails

Gateways

Public Spaces

Dark Sky Designation

Historic/Cultural Sites

Lodging

Restaurants

# At HandMade we...

- use an asset-based approach with a focus on natural and cultural resources.
- believe in demand driven, community-based (grassroots) methods with a high expectation for collaborations and partnerships.
- provide technical support and entrepreneurship and leadership training.
- infuse arts/culture within projects and programs wherever & whenever possible.

# How does this work for you?

- Are the arts & artisans growing?
- Is entrepreneurship rising?
- How have the needs of your town or community changed over the years?
- Would *Creative Placemaking* work for your town or community?
- Do you have or are there opportunities for unique lodging?
- Do you have or are there opportunities for locally-sourced, non-franchised restaurants?

**3 questions that help define a town's  
or community's willingness and  
desire to change.**

**1.What do you hold sacred in your  
town?**

**2.What do you want to keep to  
yourself?**

**3.What do you want to share with the  
outside world?**





**HANDMADE**  
*in* **AMERICA**

**125 South Lexington Avenue  
Suite 101  
Asheville, NC 28801**

**[www.handmadeinamerica.org](http://www.handmadeinamerica.org)**  
**[glenncox@handmadeinamerica.org](mailto:glenncox@handmadeinamerica.org)**

**Office: 828/252-0121, x 308**

