

## A Message from Purdue University President France A. Córdoba

This is a turbulent period for our state, nation and world; yet, this instability can be the catalyst for new perspectives and innovation. How can we recognize and provide adequate support to new approaches brought forth by Indiana entrepreneurs and small businesses?

Indiana's vision includes a well-established investment in resources for entrepreneurs and small businesses. A network of offices through the Indiana Economic Development Corporation (IEDC) Small Business Development Center provides local support and access throughout all phases of a small business's start-up and development.

The U.S. Small Business Administration has classified 97% of Indiana employers as "small businesses," so the state's investment is both prudent and progressive. Indiana's pro-business environment garnered a top 20 ranking in the 2008 Small Business Survival Index, which is conducted by the Small Business & Entrepreneurship Council. The Indiana Companies to Watch distinction further validates the importance placed upon Indiana small businesses and entrepreneurs.

Indiana's higher education institutions also are key contributors to the development of small businesses and entrepreneurs. At Purdue, the epicenter for activity resides in the Center for Regional Development, the Office of Engagement and Discovery Park. But the deliverables also come from the university's centers, colleges, schools and departments, regional campuses, statewide locations and the 92 extension centers across Indiana. In addition, the Purdue Research Park hosts a network of four incubation centers across the state. About 185 companies reside within these centers, which employ nearly 3,800 Indiana residents with average annual salaries of \$54,000.

Partnering with Indiana's entrepreneurs and small businesses is closely aligned with "New Synergies," our university's strategic plan. The innovation that results from these partnerships benefits us all. I am proud of the Purdue faculty, staff and students who take part and deliver on our promises to these companies.

Congratulations to the recipients of this year's Indiana Companies to Watch. This is truly a distinguishing honor – one we hope will position them favorably in a highly competitive marketplace. We, at Purdue, wish future success to these and all of Indiana's small businesses.



France A. Córdoba

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President, Purdue University

## The Bigger Picture

When Ed and I founded the Edward Lowe Foundation in 1985, we wanted to encourage entrepreneurship and a vibrant U.S. economy.

In recent years the foundation has concentrated its efforts on two key audiences: 1) second-stage companies, which have moved beyond the start-up phase and are focused on growth issues rather than survival; and 2) entrepreneur support organizations (ESOs) that assist second-stage businesses and are the catalysts for growing their economies from the inside out by helping existing companies in the community.

To serve these audiences, we have developed a variety of tools and initiatives. In many ways, Companies to Watch creates a pipeline for these programs by identifying outstanding second-stage companies.

Celebration and recognition – Companies to Watch generates greater visibility in the marketplace, drawing attention to second-stage companies as a whole and to individual businesses. Honorees tell us that the program has boosted confidence levels for them with existing customers and suppliers. It has led to new opportunities for many firms. And for second-stage CEOs who spend so much time cheering on the troops, the award is a rare pat on their backs.

Life beyond the awards ceremony – honorees have taken advantage of other Edward Lowe Foundation programs, such as our leader retreats at Big Rock Valley. In fact, we've created a retreat format especially for Companies to Watch, which gives Indiana awardees a chance to meet and learn from honorees from other states.

Finding peers – this kind of networking is important because second-stage companies typically fly under the radar screen. By their very nature, second-stage entrepreneurs are fixated on their businesses, pressed for time and skeptical of joining groups. This makes it hard for them to find peers to share best practices.

It also makes it difficult for ESOs to reach out to second-stage companies. And even though many ESOs originally focused on start-ups, more organizations are starting to target second-stage

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Photo by John Kelly photography

Darlene Lowe

### Vision

The Edward Lowe Foundation actively embraces and encourages entrepreneurship as the source and strategy for economic growth, community development and economically independent individuals.

### Mission

To champion the entrepreneurial spirit by providing information, research and educational experiences that support entrepreneurship and the free enterprise system, consistent with the intentions of our founders, Edward and Darlene Lowe.

## Darlene Lowe

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companies because of their immediate, sustainable impact on the economy. Through its application and nomination process, Companies to Watch helps ESOs discover new clients to serve, better assess their needs and tailor resources especially for these growing businesses.

What's more, Companies to Watch creates a ready-made pool for researchers and policymakers to study second-stage entrepreneurs and track their impact. This is especially true in Indiana, which now counts two classes of honorees.

By helping second-stage entrepreneurs on their growth journey and by helping ESOs expand their reach and capacity, the foundation hopes to be a catalyst for innovation and change. Even though Ed supported entrepreneurship broadly,

he always believed that it was the second stage that was the greatest source of job creation.

He would be delighted with the foundation's focus on this important group because the success of second-stage companies benefits not only the local communities in which they do business, but our entire nation.



Darlene Lowe  
Chairman  
Edward Lowe Foundation