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Plains Angels starts Eastern Iowa chapter

By James Heggen
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CORRIDOR—The Corridor is looking for angels – angel investors, that is.

Plains Angels, an angel investor group based out of Des Moines, has started a new chapter in Eastern Iowa in an effort to make securing investments easier for starting companies.

Mark Nolte, president of the Iowa City Area Development (ICAD) Group, said there had been talk of setting up an angel investor group in Eastern Iowa. They decided to set up another chapter of Plains Angels, which the Greater Des Moines Partnership began in 2012.

"They've created the Plains Angels model, and we're just piggybacking on that," he said.

Mike Colwell, executive director of the Business Innovation Zone, an organization that connects entrepreneurs with resources, said it made more sense to build onto the Central Iowa group rather than creating a separate organization in the Corridor given Iowa's population.

"There's not a lot of reason to divide up," he said.

Filling in the gap

Mr. Colwell said Plains Angels was designed to help entrepreneurs find more access to capital.

There were those in the area looking to invest in new startups and there were startups looking for investors, he said. But there was a gap.

Startups had problems finding the angel investors because they lacked a method to reach out to several at the same time.

It was a long process, going from person to person, getting referrals to others and meeting with them, Mr. Colwell added.

"Three months later, you were worn out and broke," he said.

Mr. Nolte said the Eastern Iowa chapter hopes to solve the same problem.

"What we're trying to do is just make the model more efficient," he said.

Mr. Nolte said, currently, if there's a new company looking for capital, the process could take weeks to set up meetings and make pitches.

Plains Angels gives investors the opportunity to be in the same room together to listen to the ideas, but also to listen to other investors' thoughts and questions.

Mr. Nolte said that any Iowa or Midwestern company can apply. A review committee looks over the applications to decide if they feel the prospective compa-

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| RETAIL |

Retail recruiting



A sign advertises the new retail space coming soon at an addition to the Edgewood Station retail center next to Westdale Mall on March 19. City leaders are working with Realtors to recruit more retail to Cedar Rapids, and Edgewood Station is expected to host some of the businesses losing leases at Westdale due to its redevelopment.

CR leaders pursue leads at trade show

By Dave DeWitte
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CEDAR RAPIDS—When Cedar Rapids City Manager Jeff Pomerantz and city council member Scott Olson head off to recruit retailers at one of the world's biggest retail conventions each spring, they come prepared.

They bring the "good news list," a comprehensive listing of all the positive rankings and other good news Cedar Rapids has amassed in the recent past. They bring a calendar of appointments with retailers that citizens have said they'd like to see in their community. They bring plenty of hard data about the community. And of course, they bring their Midwestern sincerity and perseverance.

Mr. Olson and Mr. Pomerantz have attended the International Council of Shopping Centers' huge RECON convention in Las Vegas together to represent Cedar Rapids for three years in a row after years of attending separately to represent other interests. The tag-teaming approach to the annual spring event appears to be paying off for Cedar Rapids. Just in the past year, about seven national retailers on the Cedar Rapids wish list have committed to open stores in Cedar Rapids' Lindale Mall area soon.

Fresh Market, Home Goods, Hobby Lobby and Shoe Carnival have all committed to come to the redeveloped Collins Crossing Shopping Center where Kmart was formerly located on Collins Road.

Ashley Furniture recently announced the opening of a new store in a former Target location not far from Westdale Mall.

Two restaurant concepts, Cheddar's and Chipotle Mexican Grill, are coming to Lindale Mall.

This year, Cedar Rapids will be even better prepared. Mayor Ron Corbett is interested in accompanying Mr. Pomerantz and Mr. Olson as they meet with retail representatives, Mr. Olson said.

"It's impressive when the mayor comes out," said Mr. Olson. He said some of the larger city mayors even come with an entourage that includes bodyguards and photographers.

With a serious emphasis on attracting retail under Mr. Corbett's leadership, the city is facilitating the redevelopment of Westdale Mall and working with new retail projects, including The Fountains and Collins Crossing on the northeast side.

Mr. Pomerantz already knew many retailers from his experience as city manager in West Des Moines during the development of Jordan Creek Town Center, the state's largest retail development. He attended RECON to meet with its developer, General Growth, and interested retailers. While there, he sometimes encountered representatives of the city of Coralville, home to General Growth's Coral Ridge Mall, who were there with similar intentions.

Cedar Rapids has important reasons for pursuing retail businesses more actively than in the past, according to Mr. Pomerantz.

"On top of everyone's mind is sales tax, particularly with the 1 percent option tax being dedicated for streets," Mr. Pomerantz said. "The more retail in the commu-

nity, the more revenue in the community."

"Second, and just as important, is quality of life. When we build our economy, as companies look at Cedar Rapids, retail is seen as an important amenity. It's a quality of life amenity that is directly tied to economic development."

The Cedar Rapids delegation intends to sharpen its approach by attending sessions such as a panel discussion on public-private partnerships for retail development, and a panel of mayors discussing how they have led efforts to revitalize their communities through retail development.

Mr. Olson has gained a much better knowledge of how to recruit national retailers by attending RECON at least 10 times, initially to represent properties under his listing, and later to recruit more generally for the city.

One of the first challenges is determining which retail chains are even open to considering expansion in the region. If a chain is only expanding in Oregon and California, Mr. Olson doesn't want to waste that retailer's time telling Cedar Rapids' story.

The next challenge, and possibly the largest, is a siting checklist. Virtually every retail chain has one. It's typically a long list of requirements for a site to be considered, and covers stats like traffic counts, average household income, age, unemployment rate and many other statistics and trends.

Another challenge is the vital role of franchisees to bring some restaurant and other retail concepts to a community. Mr. Olson said companies are expanding

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ny is ready for a chance at angel investing.

"The criteria are pretty strong," Mr. Colwell said.

The group looks at potential companies based on a set of several different criteria, including the team, its experience and skills, the product, the market and the terms of the deal.

In addition to the presentation and business plan, Mr. Colwell said a potential company needs to be past the idea stage, saying it's important that the company has financials, even if it doesn't have a lot of revenue.

How it works

Each month, two companies will be selected to make a pitch to the Plains Angels investors. The presentations will take place on the second Monday of the month in Des Moines. The next night, they'll get a chance to go in front of the Eastern Iowa group.

The meeting in the Corridor will alternate between Iowa City and Cedar Rapids monthly. The Eastern Iowa chapter had its second informational meeting March 19, which was immediately followed by a meeting from two companies.

At that time, Eastern Iowa has about 30 angel investors, and they're looking for more, Mr. Colwell said, adding that in order to be in the group, he or she has to be a university-credited investor.

The Des Moines chapter has about 10 angel investors, Mr. Colwell said, while Mr.

Nolte hopes the Eastern Iowa chapter grows to about 50.

At the end of the night, the investors get a chance to write down if they're interested in investing that month as well as provide any feedback they have for the company. Mr. Colwell said it's been nice to see how well the two sides have worked together, noting it's better for both Central and Eastern Iowa that way.

"There's so much more power in one, in one large group of diverse experiences – than a bunch of small groups," he said. CBJ

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in this area only through their franchise systems. Several of the most successful restaurant franchisees in the Cedar Rapids area are nearing retirement and are not taking on new franchises in this market, Mr. Olson said, making it necessary to recruit franchisees from outside the area.

About 32,000 attend RECON. The busiest place is the "leasing mall" where more than 900 retailers and shopping center development companies are available for meetings at booths.

Mr. Pomerantz and Mr. Olson call on retailers such as Massage Envy, Trader Joe's, Marshalls and Macy's. They also call on restaurants such as Firehouse Subs, Joe's Crab Shack and P.F. Chang. Before they even arrive in Las Vegas, they have

most of their meetings scheduled.

Mr. Pomerantz said decisions by Fresh Market and Ashley Furniture to come to Cedar Rapids were two examples in which the city's contacts at RECON had a positive influence. He said city representatives had built relationships with both companies, answering questions such as how the planned Collins Road construction work would affect access to Collins Crossing, where Fresh Market will be locating. The Ashley Furniture store will fill a long vacant onetime Target Store space near the Cedar Rapids Public Library's west side branch when it opens this summer.

Mr. Olson said the retailers reacted favorably to Cedar Rapids' long "good news" list, which establishes the positive momentum in the community.

"We always come armed with plenty of data," Mr. Pomerantz said.

Mr. Corbett emphasized the importance of everyday citizens sharing the positives of their community in his 2014 State of the City speech, and urged residents to avoid disparaging remarks that could hinder investment.

Mr. Olson hopes that message is heard, because he's learned that retailers often send representatives unannounced and unidentified into the communities they are scouting for possible locations, talking to residents. He said the Internet and social media also makes it easy for retailers to pick up on the buzz in every community.

This year's RECON will be May 18-20, and will cover topics as diverse as new mo-

bile technologies that retailers can use to track customers movement through their facilities, to the benefits of "green leases" for building comfort, health and energy efficiency. CBJ

WOMEN

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most important mentee in her life, because that's how she makes us feel. Her drive and ambition to help women lead successful lives, to 'pay it forward' as she would say, is limitless," Tatum Buse, vice president, finance and corporate controller at Rockwell Collins, stated in her nomination.

Between raising four children and working as a medical professional, Ginny Ryan Buresh has found the time to mentor young girls through the Girls on the Run program. "I think it is just instinctive that I help out where I can and try to make a difference," she said.

Although Jean Lloyd-Jones has accomplished much in her many years as a women's rights activist and legislator, at 84, she shows no signs of slowing down. As co-founder of the 50/50 by 2020 Campaign, it is her goal by 2020 to have women fill half of the elected positions in Iowa's legislature and "break the barrier of never having elected a woman to Congress or governor."

These incredible women are featured in profiles in this issue. Enjoy and be inspired. CBJ