Wealth Creation

EDD LEARNING COHORT

Session 5: Mapping a Value Chain

August 13, 2026

NADO Research Foundation

EDD CoP
Economic Development District Community of Practice

Objectives

Get to know each other.

Reflect on our demand research and potential market opportunities.

Learn about how and why to map a value chain.

Icebreaker

- Name
- Organization
- *Best vacation*

Principles of Wealth Creation

#1 – **Create wealth**, broadly defined, and aspire to do no harm.

#2 – Root wealth in local people, places and firms through **local ownership, control and influence.**

#3 – Build **lasting livelihoods** by intentionally including people and firms on the economic margins.

Wealth Components: Eight Capitals

Key Concept

Capital	Description
Intellectual	Knowledge and innovation
Individual	Skills, education, health
Social	Trust and relationships
Natural	Natural resources
Built	Infrastructure
Political	Influence on decision makers and shapers
Financial	Savings and investment
Cultural	Traditions, customs and ways of doing

Assessment
Design
Measurement

A Continuum for EDDs

Focus on Assets - CEDS

- SWOT
- Measuring outcomes

Sector-specific

- Collaboration
- Coopetition

X

Value chain development

- Value chain mapping
- Filling gaps in the chain

What it means to be “demand-driven”

1. Know your demand partners, understand what they need and help them understand what you need to be able to meet their needs.

2. Organize your value chain to meet the needs of your demand partners while creating multiple forms of wealth inclusively.

Value Chain Selection: Identifying a Market Opportunity

Wealth Creation

Defining a Market Opportunity

Sector – A grouping of businesses in the economy that share related products/services.

Market Opportunity - Great potential to generate multiple forms of wealth locally

Tourism – rural bicycle tourism	Grains – malting barley for beer	Biofuels – camelina based fuels	Textiles – high end “green” Clothing production.

Select market opportunity

- Define target groups and goals
- Compare market opportunities – criteria
- Preliminary demand research
- Stakeholder decision making process.

Compare Market Opportunities

		Rating		
	Criteria	High	Medium	Low
Relevance to target market	# of people form target group with potential to be active in the sector/value chain			
	Potential for target group to own businesses			
Wealth building potential	Market demand with potential for growth			
	# of new jobs or businesses that can be created.			
	Potential to increase ownership & control over local assets			
	Potential to build multiple forms of community wealth.			
Feasibility	Demand partners identified			
	Willingness of market players to adopt new practices			
	Prospects for attracting investment			

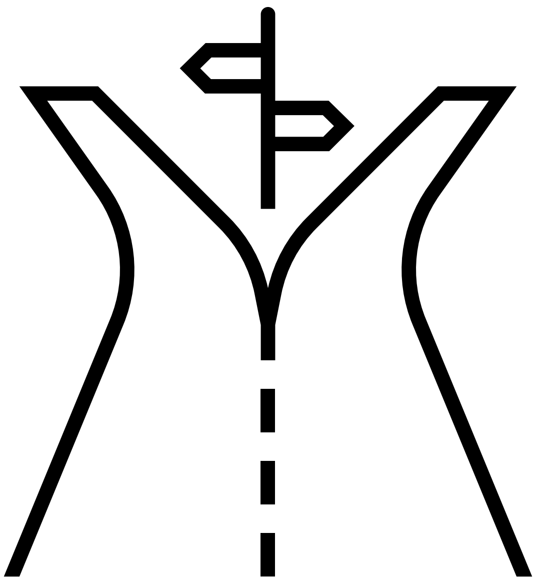
Preliminary Demand Research

Talk with businesses

What are other sources of demand – scale, buyer types, added value, replacing imports.

Talk with current and potential buyers (demand partners)

Stakeholder Decision-Making Process



Assets: Build on regional assets and businesses' interests.

Competition: What is the competition like?

Scale: Is it scalable?

Attainable: Is it attainable?

Energy/Enthusiasm - Where is the energy?

Tie wealth to place and connect regionally

Wealth Creation Value Chains connect local production to regional demand to bring fresh money into rural communities, defined as:

A network of people, businesses,
institutions, and non-profits
who collaborate to meet market demand
for specific products or services –
each advancing individual self-interest
while together creating greater local wealth.

Relationships…Relationships… Relationships

- Build relationships **with other community partners** to focus on a sector
- Build relationships **with demand**
- Build relationships **with other producers, suppliers, etc.**
- Build relationships **with support partners** (e.g., educational institutions, financial institutions, Cooperative Extension)
- And many, many others!

Connecting a Value Chain

Demand: Final consumers/end market - Buyers

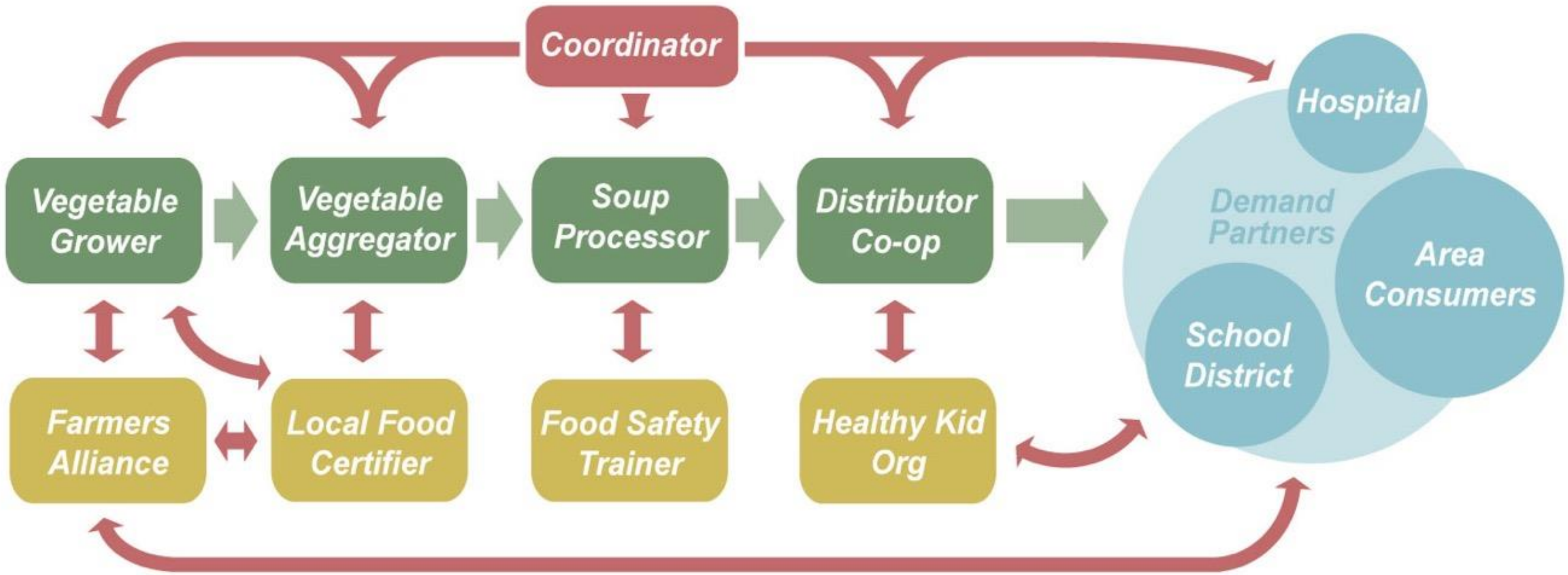
Functions: Those things that have to happen to deliver the product or service

Transactional partners: Those people, businesses, or organizations that play a direct role in sourcing, aggregating, distributing, processing, purchasing the product, etc.

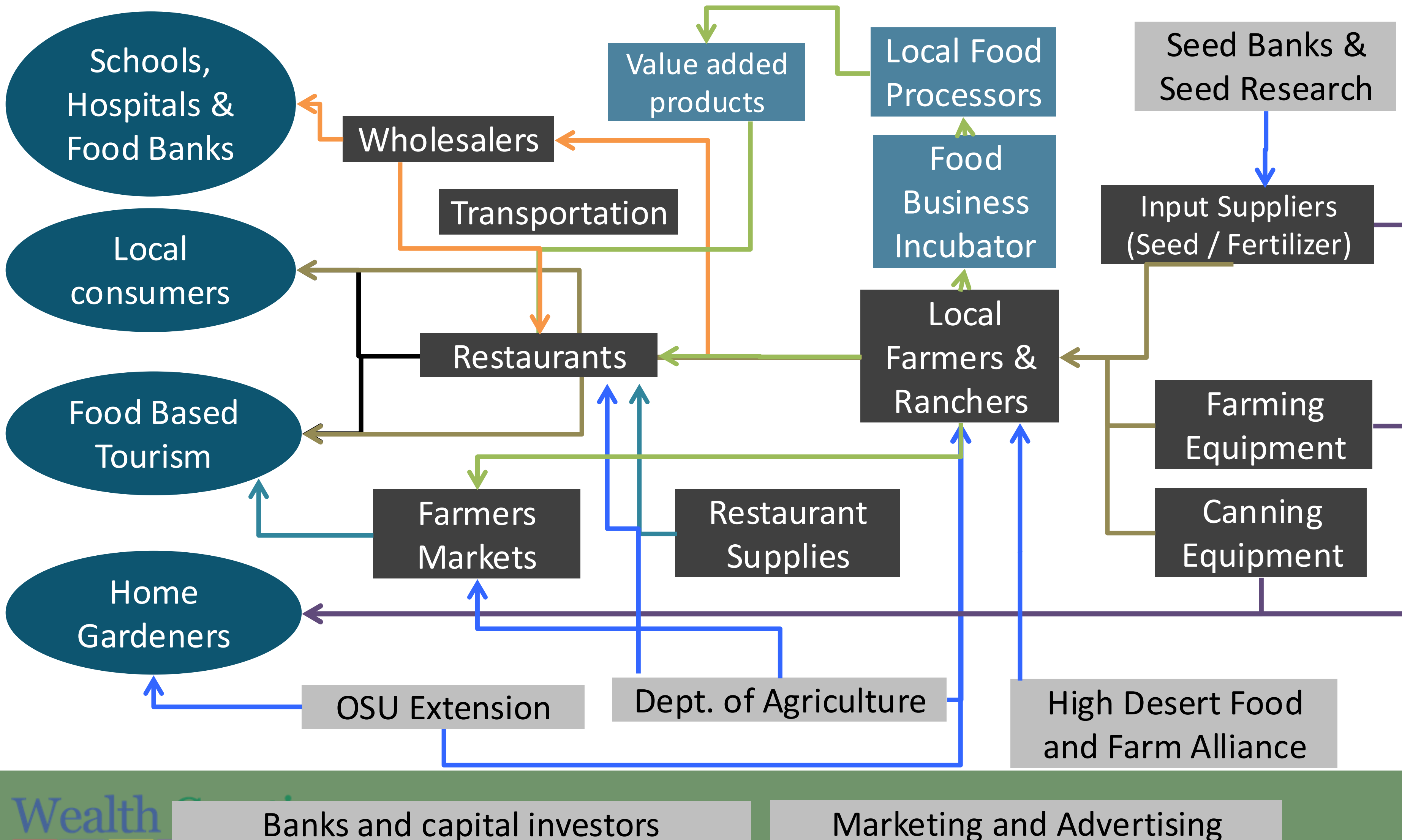
Support partners: Those people, businesses, or organizations that provide the infrastructure, technical assistance and support that helps the transactional partners to produce

We are really talking about a Value Chain System!

Value Chain Example: Tomato Soup



OR Local Food Value Chain Map



Newaygo County Trails Value Chain

Supporting Functions

- Financing
- Education
- Collaboration
- Capacity Building
- Supportive Policies
- Health Care

Transactional Functions

- Trails & Pathways Infrastructure Development & Management
- Parks & Campgrounds Development & Management
- Marketing
- Event Organizers
- Outfitters
- Guides
- Restaurants
- Retailers
- Lodging

Underutilized Assets

- Green Infrastructure
- Blue (Water) Infrastructure
- Cultural / Historical Sites

Demand Partners

- Bikers
- Paddlers / Kayakers
- Hikers / Campers
- Runners / Joggers Walkers
- Cross Country Skiers / Snowshoers
- Naturalists (birders, foragers, etc.)
- Boaters
- ORV users
- Snowmobilers

Regional Outdoor Recreation / Tourism Value Chain

SUPPLY (ASSETS)

- Historic Main Street Districts / Buildings
- LSP, DEC State Parks, Forests, Public Lands
- Agriculture
- Lakes / River
- Arts, Culture, History
- Trails, Bike Path Connectivity
- Volunteers / Retirees

KEY

- Gaps
- Priorities

TRANSACTIONAL PARTNERS
(Function)

- Guides / Outfitters
- Restaurants
- Retailers
- Breweries, Cideries, Wineries
- Visitor Centers
- Events
- Lodging
- Cross-cultural awareness / inclusive access
- Marketing / Information
- Interpretive Services / Wayfinding / Storytelling
- Transportation
- Community Orgs (Main St. Assoc, Rotary, Kiwanis)

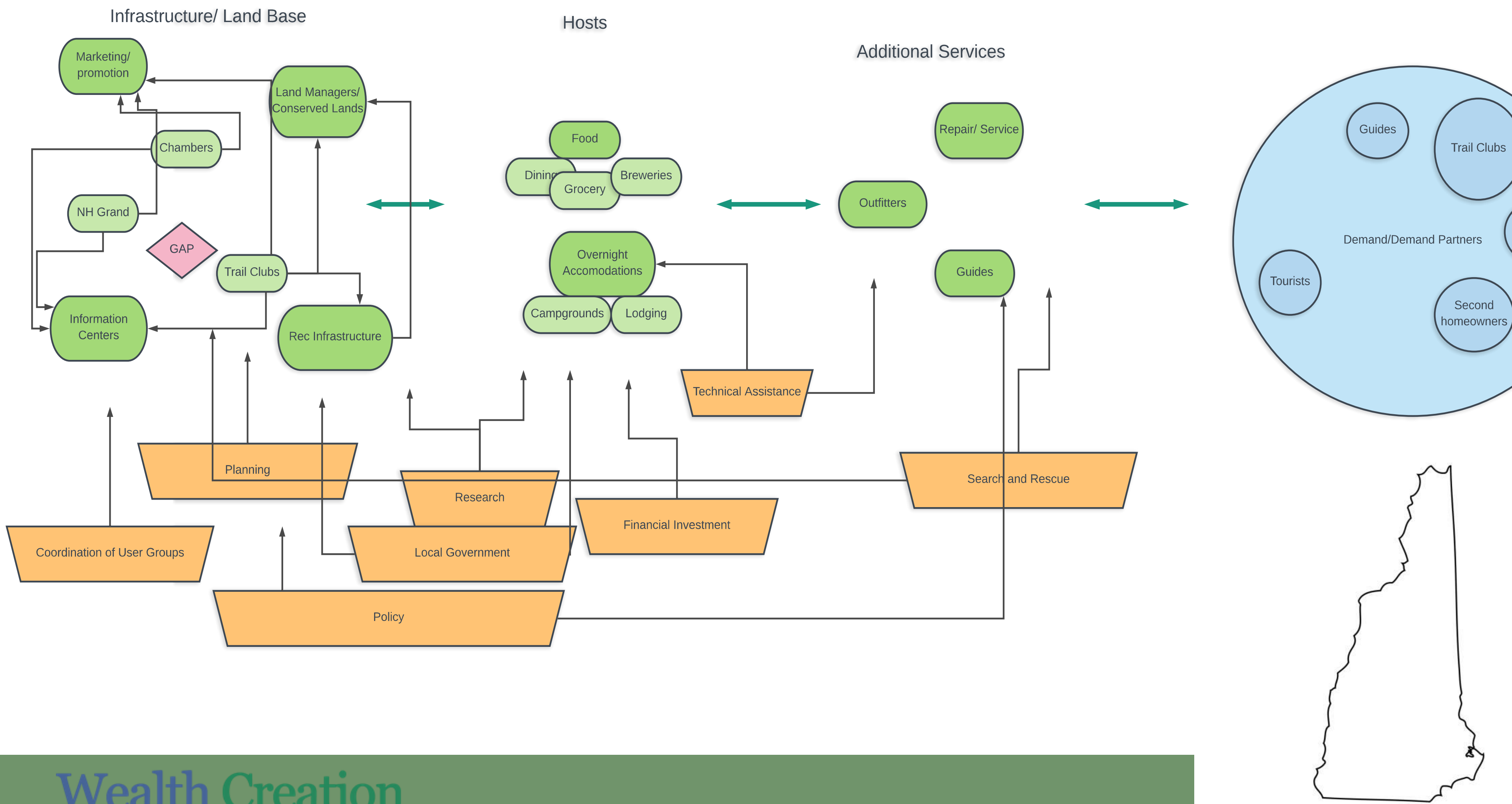
SUPPORT PARTNERS
(Function)

- Workforce Development
- Hospitality Training
- Educational Institutions
- Policies / Infrastructure
- TA / Resources / Biz Coaching
- Networking / Collaboration
- Broadband
- Regional / Interpretive Planning
- Entrepreneurship
- Investors / Developers

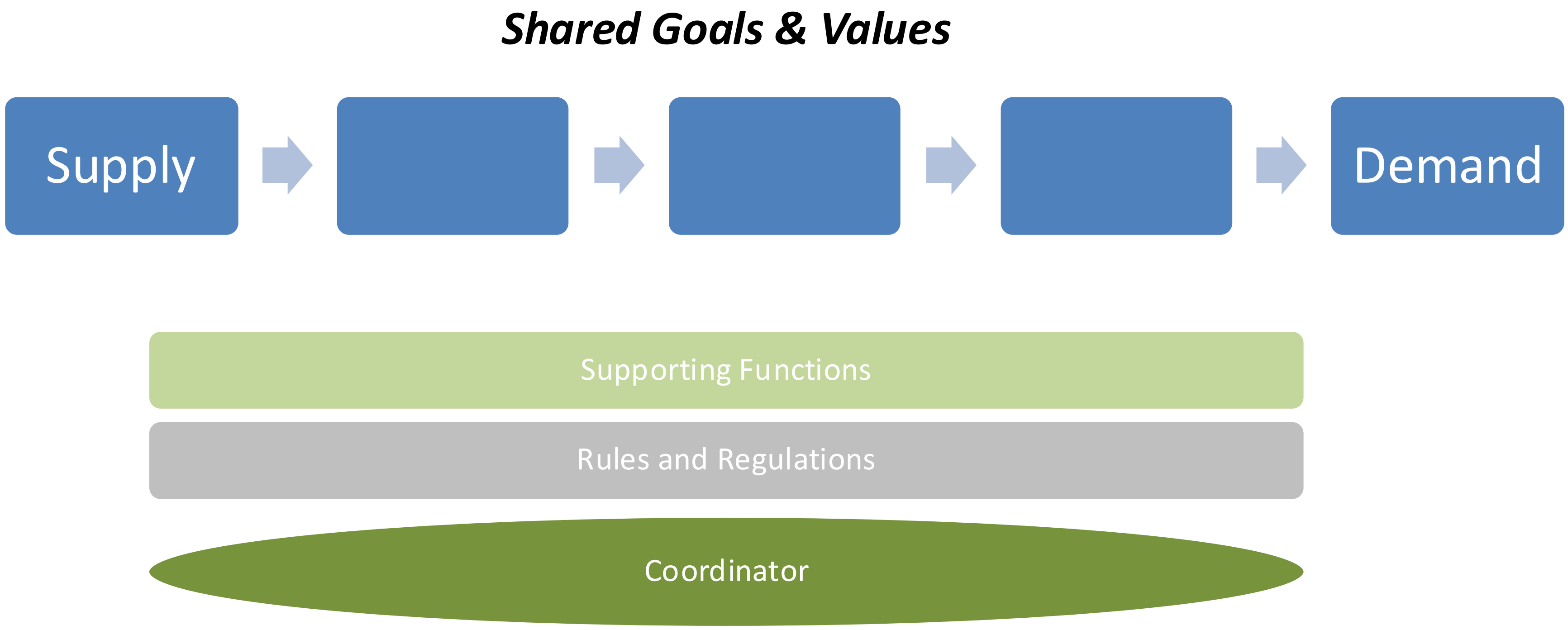
DEMAND PARTNERS

- Millennials / Young Families (Rochester, Buffalo, SUNY Geneseo)
- Baby Boomers (International, NYS, Out-of-State, SUNY Parents)
- Antiquers / History Buffs
- Runners, marathoners, triathletes
- Outdoor Enthusiasts (Hikers, Cyclists, Campers, Hunters, Fishers, Showmobilers)
- Paddlers / Kayakers / Boaters
- Naturalists / Photographers

New Hampshire Recreation

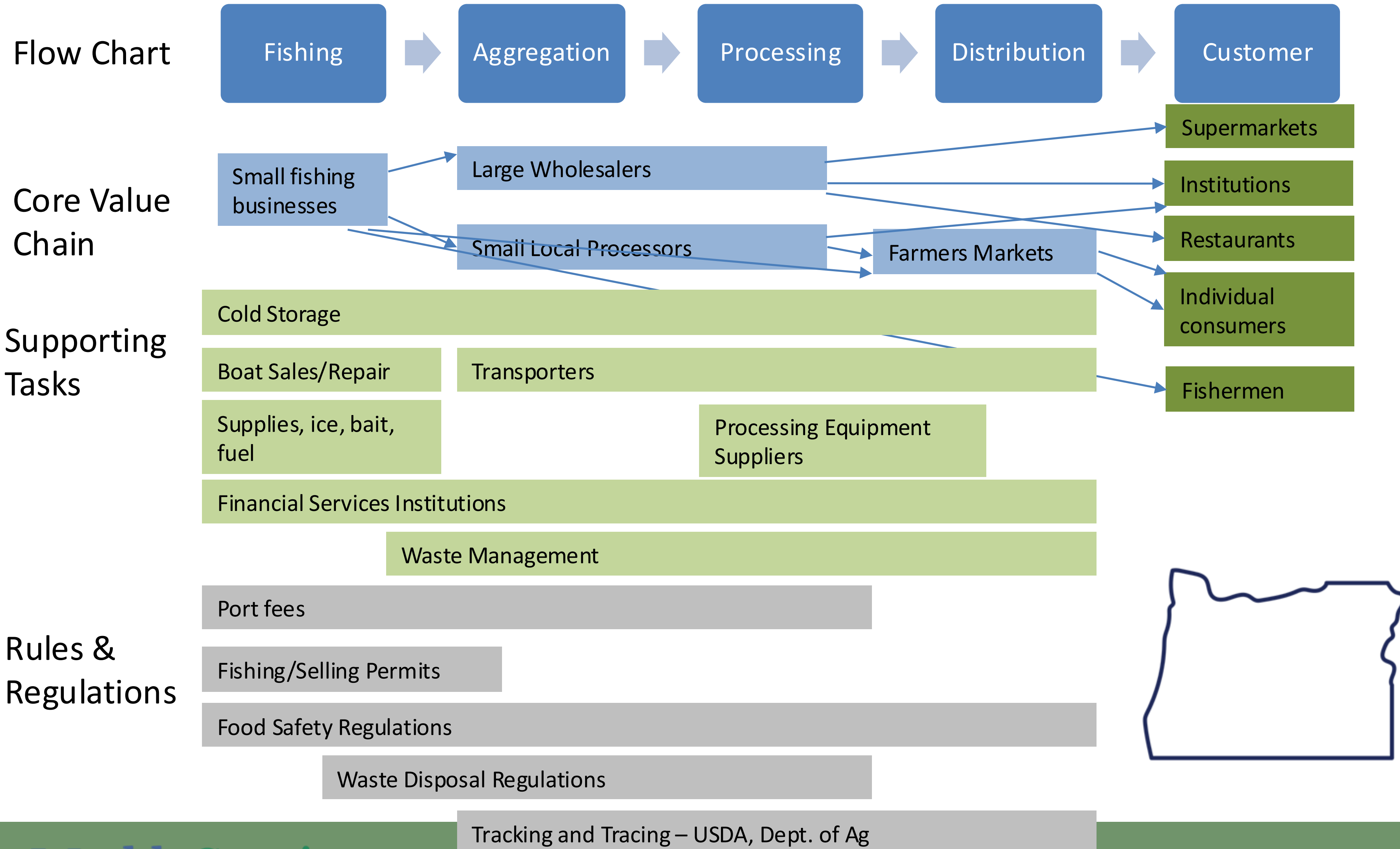


Value chain mapping



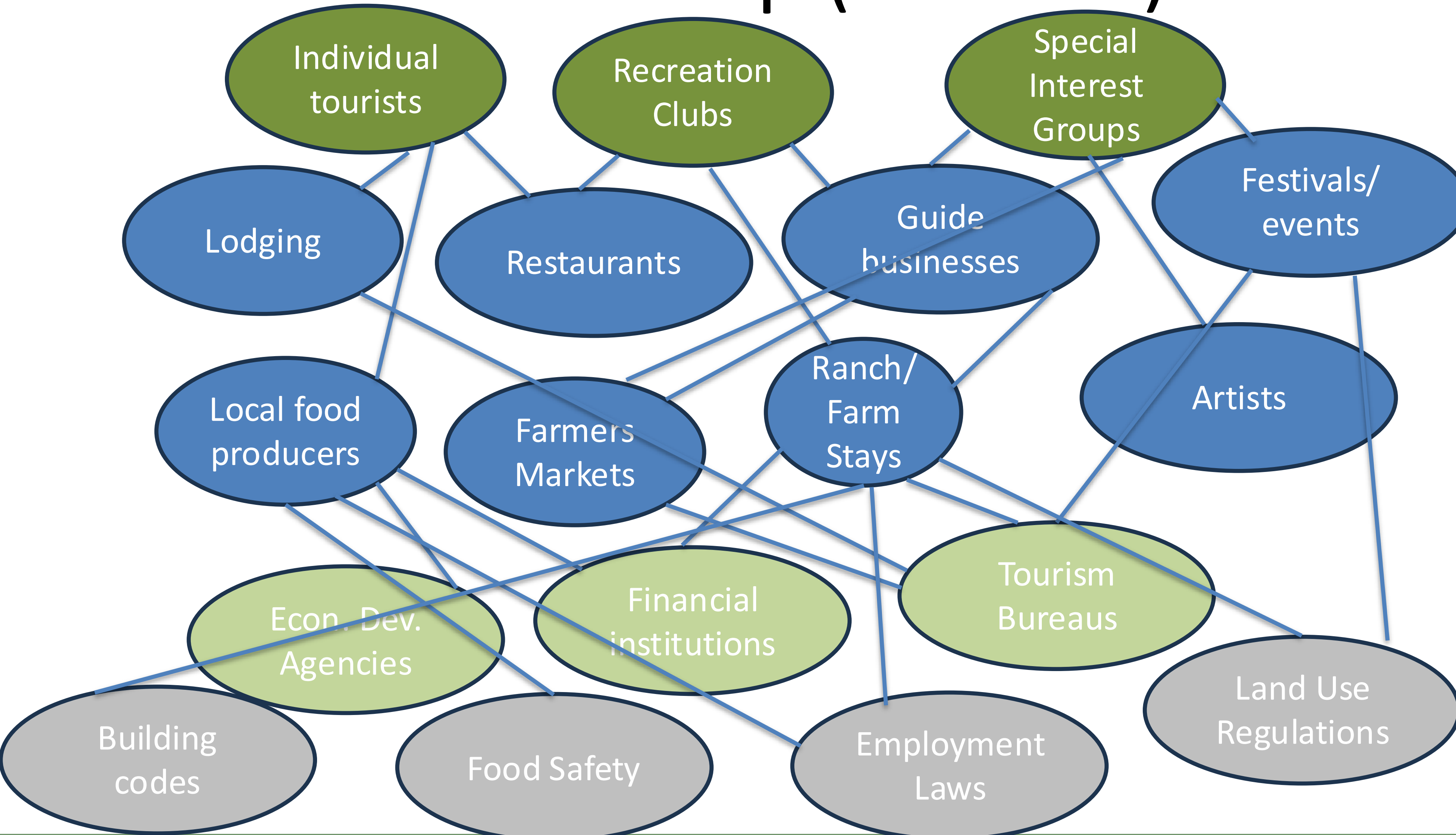
Shared Goals & Values

- Increase incomes for small fishing businesses
- Improve livelihoods opportunities for crew members



Wealth Creation

Network Map (Tourism)



Wealth Creation

Mapping and Analyzing a Value Chain

Step 1	Identify and engage market players
Step 2	Refine your goals
Step 3	Map the value chain
Step 4	Identify and research challenges and opportunities
Step 5	Revise and revisit

Identify & Engage Market Players

Talk to local businesses and stakeholders

Understand challenges and opportunities.

Who else should you talk to?

Take inventory of market players – start with demand (Customers), then Core Chain, then Support Partners, then Rules and Regulations.

Refine your goals

Use wealth creation principles.

Examples:

- NH - not the # of tourists, but the amount of $ they were spending.
- OR – increasing incomes for small fishing businesses and livelihoods of crew members.

Uncovering Motivation for Engaging

What is their self-interest in engaging further?
What benefits can we/the product offer that they value?
This is their "value proposition."

Three levels of Interests:

Self: What's in it for me?

Shared: What's in it for us?

Common: What's in it for other people/the region?

Build Collaborative Networks That Flex

Forging and nurturing relationships between business, organizations, government, and people based on self-interests

- **Find your voice** and talk to folks you've never talked to before, using language you've never used before.
- Identify people you **think might "value"** the product, service, or associated benefits created by your efforts.
- Explore their **value propositions**.

E

Opportunities to Build Partnerships

Community Capital	Current committee members (or other leadership)	Potential partners working to build these assets	Why would they be interested in participating in your work? How would you engage them?
Individual capital (health, wellness, workforce, education, other skills)			
Intellectual capital (innovation partners)			
Natural capital (businesses, organizations, or agencies focused on land, water, air, etc.)			
Built capital (owners and operators of infrastructure, including private sector)			

Gaps and Opportunities

Gaps represent opportunities for local businesses to expand or new businesses to fill a function.

What gaps, if addressed, will have the most impact?

Which challenges if addressed will have the greatest ripple through the chain?

Which gaps/opportunities are feasible to address?

Where is the energy/excitement?

The Coordinator

Value chains do not self-organize.

Coordinators often already have assets to support the goals of their value chains, but may need to deploy them in a different way.

- Hold and steward the **vision** of the value chain
- Build **relationships** among and between partners in the value chain
- Guide activities and partnerships to build **multiple forms of capital**
- Ensure **low-income people, firms, and places** participate and benefit
- Help create and deploy structures to **manage risk**
- Maintain **flows of information** to keep mutual benefit going and growing

Strategies to Sustain Wealth Building

Start with **market demand!**

Choose market opportunities with the greatest "wealth-building" **potential**

Connecting community assets to real **market demand**

Start by serving local demand – it may be more flexible

Find regional customers / demand partners to bring initiative to scale

Map process and partners from input to end customer (**value chain** is a great tool)

Identify the **gaps** – create opportunities for new entrepreneurs

Remember our Goal

Build rooted wealth, community prosperity, lasting livelihoods.

Look for ways to build wealth by…

- **Filling a gap** in the value chain (e.g., creating a waste oil recycling business)
- **Removing a barrier** (e.g., providing GAP certification to minority farmers)
- Building multiple capitals that are **rooted in place** (e.g., creating a green building program at the community college)
- Finding ways to **include residents on the economic margins** in the activity (e.g., providing entrepreneurial training to self-employed, low income contractors to build green houses)

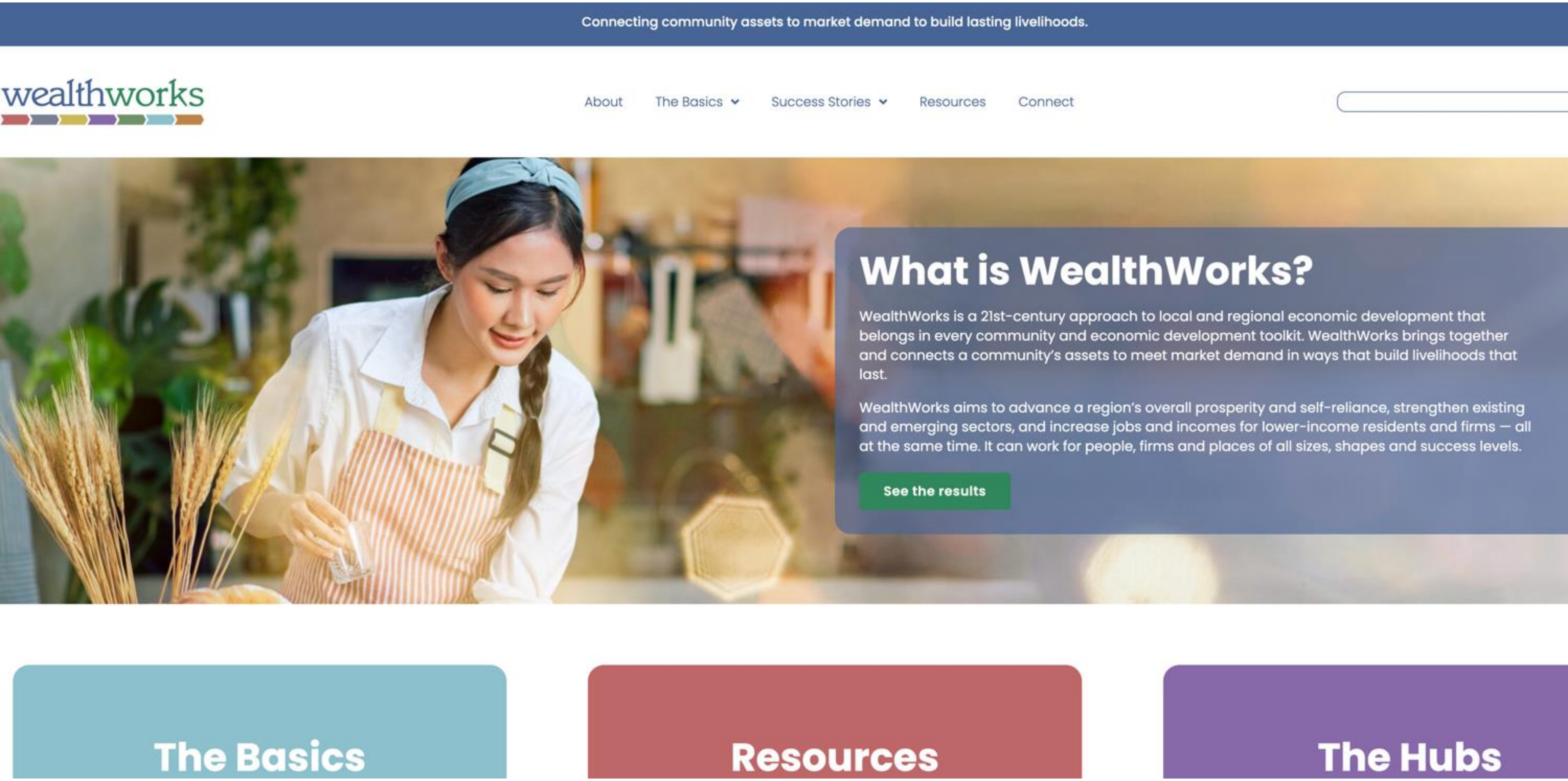
Homework

- Compare the market opportunities you're considering using methods we've identified.
- Map a value chain for a market opportunity or sector you're thinking about.

Cohort Timeline

Session	Topic	Dates
1	Intro to Wealth Creation	4/8 and 29
2	Wealth Creation & CEDS	5/6 and 20
3	Sector Collaboration	6/3 and 17
4	Understanding Demand/Identifying a Market Opp.	7/8 and 22
5	Mapping a Value Chain	8/12 and 19
6	Identifying Gaps, Bottlenecks, Underutilized Assets	9/2 and 16
7	What's next?	10/7

WealthWorks Website - www.wealthworks.org



NADO Wealth Creation Website – www.nado.org/wealthcreation

Wealth Creation

Wealth Creation Home | Wealth Creation Reports | Blog | Training Materials and Resources

For several years, the NADO Research Foundation has trained EDD staff and partners on a wealth creation framework known as *WealthWorks* that seeks to build multiple types of capitals or assets in a community or region. This approach, recognized as a best practice in EDA's CEDS Content Guidelines, emphasizes support for local ownership and control of businesses and assets in order to root wealth in a region. It is also intentionally inclusive, seeking ways to incorporate a variety of voices as planners and owners, not only as intended beneficiaries or consumers. A handful of EDDs are using wealth creation in CEDS and other EDD regional planning efforts, demonstrating that this approach can influence EDD operations, including improving consideration of equity and access when designing stakeholder participation or even procurement and hiring. Through the Economic Development District Community of Practice (EDD CoP), made possible through an award from the Economic Development Administration, the NADO Research Foundation is coordinating with EDD practitioners and other rural and regional development practitioners to incorporate this wealth creation model where appropriate.

Wealth creation is an approach to economic development that connects a region's assets to market demand in ways that build rooted wealth for local people, places and firms. It brings together a range of public, private and non-profit sector partners who have self-interest in the outcomes and an openness to discovering shared or common interests.

October 19-22   Reno, Nevada

For More Information

Melissa Levy
NADO
mlevy@nado.org
www.nado.org

NADO Research Foundation

EDD CoP
Economic Development District
Community of Practice