ACEnet’s mission is to grow the regional economy by supporting entrepreneurs and strengthening economic sectors.

We envision a resilient economy in which all people have the resources and opportunities to prosper.
From the Executive Director

Friends,

“You can’t connect the dots looking forward; you can only connect them looking backwards. So you have to trust that the dots will connect in your future.”

Steve Jobs, June 2005

Connecting the Dots:
Where We Were, Where We Are, Where We’re Going

We have been busy connecting the dots at ACEnet! In 2016, we undertook the challenge of strategic planning to layout the future for this successful organization. We stopped and looked backwards at all the dots created over the past 31 years of community economic development. We then took a deep breath and looked at all the dots we are currently making. Finally, we dared to dream about the dots we want to form in our future.

In presenting our annual report, we want to share with you the dots that remind us of where we were, the dots that tell us today where we are, and the dots that will reveal where we’re going. Join me, as you read through these pages, in a simple and promising game of dot to dot. Here’s to connecting the dots, past, present and future!

Thank you.

Larry Fisher,
Executive Director

Did You Know...

- ACEnet infrastructure was utilized by 92 food businesses and 51 nonfood businesses in 2016
- ACEnet has had 85 businesses “graduate” in the past 12 years

"I can't see myself where I am today without the existence of ACEnet. It was a lucky thing for me that I landed in Athens. They've been a part of pretty much every step of my growth."

Christine Hughes, Village Bakery & Café
In 1985, a small group of community members committed to economic justice and building a healthy regional economy in Appalachia Ohio created ACEnet. Originally known as the Worker Owned Network, ACEnet focused on helping low-income people start worker-owned businesses. After receiving initial funding from the State of Ohio and the Commission on Religion in Appalachia, the three staff members began working in an office above the Athens College Bookstore. Their efforts gave rise to ten worker cooperatives including Casa Nueva Restaurant & Cantina and Crumbs Bakery, which are both still thriving businesses.

In 1990, ACEnet established a small business incubator designed to give start-up businesses a head start by providing below-market rates for space and services such as reception, fax, computers and other resources. Headquarters relocated to the incubator facility on Columbus Road and the space was designed to promote collaboration and networking among low-income small business owners.

In 1993, ACEnet began developing the Food Ventures Center, a sector-specific incubator focused on the needs of companies producing specialty food products. The Food Ventures Center provided licensed commercial kitchen space for entrepreneurs to develop and produce their product lines without the financial burden of paying individually for licensing. By this time, the ACEnet staff had grown to twelve. In October of 1996, ACEnet celebrated the grand opening of the Food Ventures Center.

In 2006, ACEnet purchased the 100,000 sq/ft former Rocky Boots warehouse building in Nelsonville and turned it into the Nelsonville Business Center & Food Hub, an additional business incubator serving both food and non-food businesses. Project funding included $1.2M from a Federal Economic Development Administration (EDA) grant, $450K from a state Appalachian Regional Commission (ARC) grant, $165K from the Athens County revolving loan fund and $50K from SBC Communications.

Today, ACEnet continues to provide incubation space and operate the Food Ventures Center, serving 143 clients in 2016, with 26 of these being clients new to ACEnet.
Where We Are

The Appalachian Center for Economic Networks (ACEnet) is a community-based economic development organization serving the 32 counties of Appalachia Ohio. The mission of ACEnet is to grow the regional economy by supporting entrepreneurs and strengthening economic sectors.

ACEnet staff accomplishes this mission by partnering with regional microenterprise and development practitioners to create a healthy local economy, allowing opportunity for all residents to start businesses, obtain quality jobs, and connect with other entrepreneurs for mutual benefit.

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Did You Know...

- ACEnet has **61 business tenants** with more than $82M in wholesale/retail sales and **370 employees**

- ACEnet serves **300+ businesses annually** through facilities, trainings, marketing programs & direct technical assistance

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The ACEnet Approach

ACEnet has a four part approach:

- **Build capacity** through business incubation, network expansion, training & technical assistance, and access to markets initiatives
- **Provide** flexible, diverse, and specialized **facilities and infrastructure**
- **Increase access to business capital through partnerships & referrals**
- **Engage in outreach** to communities and stakeholders to educate, inform and collaborate

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Counties Served by ACEnet

48 Counties in Ohio Served 13 Counties in West Virginia

“I can’t tell you how having ACEnet available for local businesses is the difference between the Athens local food community and almost every other local food community in this region. The ability to have that kind of expertise available, it sets Athens apart from everybody.”

Becky Rondy, Green Edge Gardens
At ACEnet, a great deal of our work focuses on Food Policy & Healthy Food Access. The 2016 Legislative Day & Food Microbusiness Showcase in May is a great example of the ways we make food policy innovative and effective.

In 2015, thanks to a Central Appalachian Network small grant, the Appalachian Ohio Kitchen Incubator Network was formed. This network consists of ACEnet, Youngstown's Common Wealth Kitchen Incubator, Muskingum County's FoodWorks Alliance and the Perry County Community Kitchen. The project’s purpose was to bring together four local shared-use kitchens to create a peer-learning community in an effort to share best practices and strengthen the network of food hubs in the region. Our goal is to increase distribution and affect local and state food policy.

As a follow-up to the 2015 Small Grant, May 2016, representatives and business owners from ACEnet and the other three shared-use kitchen incubators traveled to the Museum Gallery of the Columbus Statehouse for a Showcase of Ohio Micro Food Businesses.

This legislative day in Columbus, done in collaboration with the SBDC based at Columbus State, brought together the state representatives and senators that represent the four facilities and other state officials to meet clients and to hear about the collective impact of these facilities. This was a great opportunity to promote and support the expansion of the Appalachian Ohio Kitchen Incubator Network.
Healthy Food Access: Food Policy

USDA Visit

U.S. Department of Agriculture officials from the agency’s national and statewide branches visited Athens County in 2016 to explore the region's local food system. They began their tour in Nelsonville, at ACEnet's Nelsonville Business Center & Food Hub.

The group continued to Athens to tour ACEnet's Food Ventures Center. ACEnet Director of Programs & Business Development, Leslie Schaller, and Executive Director, Larry Fisher were on hand to walk them through our shared-use kitchen, warehouse storage space and thermal processing room.

The next stop was to tour ACEnet client Little Fish Brewing Company and sample their new beer, "No Fracking Way," which is the first beer ever to be brewed with all Ohio ingredients, including Ohio-grown hops. While there, the USDA officials were able to meet with more ACEnet clients and partners.

The last stop on the tour was for dinner at locavore restaurant, Casa Nueva, a worker-owned restaurant dedicated to sourcing local & seasonal ingredients. Casa has been an ACEnet client since the beginning and still utilizes ACEnet's shared-use kitchen.

Did You Know...

- ACEnet’s Food Ventures Facility has produced over $7.8M (wholesale) of food products
- ACEnet clients introduce 40 new products & 500 existing products into the marketplace annually

“I was lucky that ACEnet was here. I couldn’t have done it without ACEnet. From the community kitchen, to the infrastructure needed; we were doing a new, innovative thing and we wouldn’t have been able to do this. They helped a lot with me figuring out the food processing, food safety, putting pawpaws in the jars.”

Chris Chmiel, Integration Acres
In 2016 ACEnet provided technical assistance to many micro-businesses and helped increase local food access in Athens County through our partnerships with the Athens Farmers Market, Nelsonville Farmers Market and Lakeside Farmers Market, which included the creation of marketing materials, incentives programs, special event organization and social media trainings.

Thanks to generous support from the Rocky Community Improvement Fund, marketing materials were created for the Nelsonville Farmers Market and posted within the city of Nelsonville. These were also supported and promoted through the Athens County Visitor's Bureau and many local businesses within the Nelsonville Community. ACEnet provided financial management and social media marketing trainings to the Nelsonville Farmers Market Vendors and secured free Supplemental Nutrition Assistance Program (SNAP) equipment for the 2017 market season. We also worked with local businesses in Nelsonville to create an incentives program for customers shopping at the market through the “Punch Card Promotion Program,” increasing business for both the Farmers Market and local small businesses.

Our team coordinated a series of events for the Nelsonville Farmers Market as well, including the Farm Fresh Foods for Your Junior Chefs event. This event collaborated with the Hocking College Epicurean Club and Live Healthy Appalachia to teach kids about healthy foods and healthy cooking.

ACEnet has partnered with the Athens County Health Department and the Ohio Department of Health to implement the "Double Up Produce Perks Program" at the Nelsonville and Athens Farmers Markets. This program allows customers redeeming SNAP benefits to get dollar for dollar match up to ten dollars to spend on fruits and vegetables.

Finally, we supported the Athens and Nelsonville Farmers Markets participation in the Farmers Market Coalition's national #LoveMyMarket Instagram contest during the 2016 National Farmers Market Week.
Distribution

For a community to thrive, all residents must have access to fresh healthy foods. To help achieve this goal, ACEnet is highly involved in strengthening access to markets, partnering with Farm-to-School initiatives and working to increase healthy food access for vulnerable populations in the Appalachian region.

In 2016, ACEnet partnered with Appalachian Sustainable Development (ASD), Unlimited Future Inc. (UFI) and Kanawha Institute for Social Research & Action, Inc. (KISRA,) along with regional organizational and social enterprise partners, receiving Appalachian Regional Commission (ARC) POWER funding to support distribution expansion and food processing diversification through The Central Appalachian Food Enterprise Corridor. This initiative spurs new business development, promotes established food business expansion and attracts new entrepreneurial investment in ARC designated distressed and at-risk counties.

ACEnet is coordinating the distribution network, creating new market access for producers, processors and farmers in Ohio. We will continue to provide technical assistance and training on food processing, hazard analysis and critical control points (HACCP), licensing and food safety inspection for processors and producers in Ohio, Kentucky and West Virginia.

Did You Know...

- ACEnet serves 20+ startup businesses annually
- ACEnet clients create 30+ new jobs annually

“Kroger customers value locally produced products and want to see more in our stores. Working with ACEnet, Kroger is able to accomplish that. Some of the products that have been developed through ACEnet are now sold in Kroger stores.”

Kathy Watkins, Natural Foods Specialist, Kroger
Regional Food Economy

Many of our clients are food and beverage entrepreneurs. To better serve them, we’re undertaking research and analysis of the regional needs of food and beverage entrepreneurs for processing, distribution & aggregation Infrastructure. Our first step is to convene businesses to collect infrastructure and industry needs for five year growth. We’re also looking to identify challenges they face, as well as opportunities where we can provide training and technical assistance. Most of our energy will be focused on the intersection between infrastructure and changing food regulations.

One major goal that will strengthen farming businesses throughout Southeast Ohio is the continued development of The Food Production Center in Nelsonville. Currently, Athens County farmers have to travel a minimum of 45 miles one-way to have their animals processed into a limited number of value-added products. ACEnet is ready to invest in new food production space within the Nelsonville facility that will enable local farmers to create value-added meat products in a licensed meat processing facility, the only such facility in Southeast Ohio. The new Food Production Center in Nelsonville will also provide an opportunity to advance local Farm-to-School and Farm-to-Institution programs that will support area farmers and bring healthy, local meal options to our children and others. This expansion is funded in part through a POWER grant from the Appalachian Regional Commission, but we still need help in making this investment work for our farmers.

"As two people, not only having no experience in starting a business let alone a food manufacturing business, let alone a mill in this kind of industry, we have needed a lot of technical assistance in understanding & learning business management and ACEnet has been one of the organizations in town to come to our aid.”
Brandon Jaeger, Shagbark Seed & Mill
Where We’re Going

Women in Business

At ACEnet, many of our businesses are also women-owned. As we reflect on the number of women-owned business within our client base and our region, it has become apparent that our region needs an opportunity to bring these women together to form a network that offers support and development.

We are excited to announce our upcoming Women in Business Conference on May 5th, 2017 at the newly renovated Lodge at Hocking College in Nelsonville. The conference will unite women entrepreneurs in all stages of business development for a one day conference that will focus on three main objectives: professional development, personal development, and networking with other women who own and operate small businesses.

Workforce Development

ACEnet also recognizes a need in our community for more programs aimed to support those exiting incarceration. Those returning home often lack the training and support to obtain meaningful employment. We realize that many employers have reservations about hiring those with a criminal history. Moving forward, ACEnet plans to offer workshops for employers to inform them of the current state and federal programs available that provide financial incentive to get ex-offenders working again. Through a partnership with the Athens County Department of Job and Family Services, as well as the Ohio CDC Association who has provided an AmeriCorps VISTA, ACEnet has become an active member in the Athens Reentry Task Force, facilitating partnerships through our Workforce Development Program. With Task Force partners’ collaboration, we are excited to see what programs can be offered to the community.

Did You Know...

- ACEnet client mix includes 55% women-owned or operated businesses
- ACEnet facilities house 25 women-owned or operated businesses

“IT’S TOUGH TO GET STARTED. NO ONE IS THERE TO HOLD OUR HAND, BUT THEN WITH ACENET, THEY HAVE THE RESOURCES, SHIPPING ... THINGS I DIDN’T KNOW A WHOLE LOT ABOUT WHEN I STARTED. I JUST HAD THIS DREAM, THIS PASSION.”

Danielle Young, Nature’s Magic
2016 Financial Information

Total Revenue: $894,554
Total Expenses: $878,158
Total Fixed Assets After Depreciation: $3,169,485

* 2016 Financial Information is Pre-Audit
Larry Fisher is the Executive Director at ACEnet. Previously, Mr. Fisher served as the Director of ACEnet’s Food Ventures Program for 13 years, overseeing the operation of the 4,000 sq. ft. shared-use kitchen, assisting clients in all aspects of product development and packaging, batching and recipe development, product costing, food safety, FDA labeling requirements, and development of nutrition labels that comply with industry standards. Along with his work within the Food Ventures Program, Mr. Fisher assists a variety of new and existing businesses within the scope of the Business Incubation Program at ACEnet. This assistance generally involves working on business plans, financial management plans, and employment practices.

Leslie Schaller is ACEnet’s Director of Programs. She has directed multiple training and technical assistance programs which assist micro-entrepreneurs through small business curriculum development, contract services and the formation of support networks of resource providers. Ms. Schaller secures public and private funding through grants and fees for services to support regional brand initiatives, targeted sector training, financial management support and capital access. She is responsible for working directly with entrepreneurs throughout the intake and assessment process, start-up and expansion stages and is currently a partner of the Aspen Institute’s Scale Academy, the Central Appalachian Network, the Ohio Food Policy Network, the Ohio Food Hub Network and UpGrade Athens County.

Barbara Volsko is ACEnet’s Financial Assistant. Her primary responsibilities include accounts payable/receivable, payroll and audit assistance. She also provides support for data collection, reporting, fundraising and event planning. Ms. Volsko received her Bachelor’s degree in Medical Technology from Thiel College, Greenville, Pa. and a Masters of Library and Information Science degree from the University of Washington, Seattle. Prior to joining ACEnet, she worked for more than 15 years as an office manager of a private medical practice in Seattle, and served for three years as Administrative Coordinator at the non-profit Foundation for Appalachian Ohio in Nelsonville.

Meggan Loveland is ACEnet’s Programs & Communications Coordinator. Ms. Loveland provides program and grant development support, organizational branding and communications, regional brand program support, coordinates events, fundraising and promotions, utilizes social media outlets, ACEnet website and monthly e-newsletters to highlight client stories and upcoming events, and provides administrative support. Prior to joining ACEnet, she served as ACEnet’s Food Enterprise VISTA, through the Ohio CDC AmeriCorps VISTA program, working to increase healthy food access.

Grace Kroeger is ACEnet’s Programs & Development Specialist. Ms. Kroeger provides program and development support to ACEnet staff through grant writing, identifying funding opportunities, organizing data and program outcomes into grant reports and program implementation. She works with program staff to collect data, conduct surveys and needs assessments for a variety of consulting projects. Program specialties include trainings and technical assistance to ACEnet clients, farmer’s markets, and social media marketing for small business. She also assists in event planning opportunities to strengthen the public image of ACEnet, the organization and its services. Prior to joining ACEnet staff, Ms. Kroeger served a year at ACEnet as their Food Enterprise VISTA.

Rosemary Roe is ACEnet’s Special Projects Coordinator. Ms. Roe is working with public and private sector partners to support economic development and job retention in coal impacted communities across portions of Ohio, Virginia, West Virginia, Kentucky and Tennessee. Prior to joining ACEnet staff, she was Food Access Coordinator for the Appalachia Accessible Food Network. Ms. Roe worked to strengthen three systems designed to make fresh local food available to limited resource populations: Farm to School Programming; the Donation Station, a farmer to food pantry system; and Country Fresh Stops, an initiative that brings fresh food into rural food deserts with few options for fresh food. Ms. Roe serves on the leadership committee for the Ohio and West Virginia Food Hub Network and is a member of the Ohio Farm to School advisory group.
**Adam Kody** is ACEnet’s Kitchen Manager of the Food Ventures Center shared-use kitchen incubator. Mr. Kody assists in providing training and technical assistance to food and farm microenterprises. He is licensed by the Better Process Control School, having received training in thermal processing, sanitation, and food safety procedures. Mr. Kody supervises production in the thermal processing room and trains new entrepreneurs to use processing equipment and comply with food safety and good manufacturing practices. In addition to ensuring that food producers maintain a high level of sanitation, he also assists in the scaling up of recipes to suit the level of production that the client hopes to attain, ensuring a beneficial and informative process for all clients.

**Sam Rife** is ACEnet’s Facilities Manager. Mr. Rife maintains all ACEnet campuses, including facilities, equipment and grounds. He also manages preventive maintenance and inventory of supplies, researches and advises for purchases of equipment, assists with tenant relations and supervises any support staff assigned to facility operations. Mr. Rife provides support services for housekeeping and maintenance in the form of insuring that all areas of all buildings and grounds on the campus are kept clean, neat and sanitary for the use of the employees and the public and also makes appropriate suggestions for ways to continually improve the overall operation of all the businesses and buildings.

**Erin Phillips** is serving a year as ACEnet’s Workforce Development VISTA through the Ohio CDC AmeriCorps VISTA program. Ms. Phillips’ goal is to find solutions to the unemploy-ment and underemployment issues facing low income individuals in impoverished areas of rural Appalachia Ohio through the Appalachian Workforce Development Project. Her research primarily focuses on women in poverty and ex-offender reentry individuals. She hopes that her research, data collection, and push toward community partnerships will help others become self-sufficient through economic independence. Ms. Phillips received her Bachelor of Arts in Communication Studies, a Bachelor of Science in Political Science from Ohio University and has also obtained a Certificate in War and Peace Studies.
MISSION
Our mission is to grow the regional economy by supporting entrepreneurs and strengthening economic sectors.

STAY CONNECTED
Facebook: Appalachian Center For Economic Networks
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Website: acenetworks.org

Appalachian Center for Economic Networks (ACEnet)
94 Columbus Road, Athens, OH 45701