

# **Insights from Australia**

Entrepreneurship Down Under

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#### Introduction

Thanks to Marcus Oldham College (based in Geelong), I had the opportunity to spend two weeks in Victoria, Australia sharing and learning. Twenty years ago I was introduced to rural Australia thanks to Peter Kenyon



with the <u>Bank of IDEAS</u>. Peter brought numerous study groups from rural Australia, New Zealand and South Africa to Nebraska and the Midwest to learn about rural development and agriculture. Despite Peter's numerous invitations, this is the first time that I have visited Australia. Someday I hope to visit Peter's home in Western Australia. Like America, Australia is a physically large and diverse country. I want to share my insights gained during this fast- paced visit.

#### Marcus Oldham College – My Host

Last year Tom Lyons was hosted by <u>Marcus Oldham College</u> through their <u>EntreBIZ initiative</u>. Tom is one of the founders of the Entrepreneurial League System and now the <u>RISE technology</u>. Tom was kind enough to suggest that my community work could be helpful to the College and its entrepreneurship work. An invitation was extended, and I spent April 16 through May 2 in Australia.

Yasmin Chalmers, John Grace and the College were fantastic hosts. Yasmin is the Director and John is a Research Fellow with the Centre for the Study of Rural Australia at the College. These folks shared their energy and hospitality with me. John and his wife Lori were particularly kind taking me all over the Geelong area including the Torquay ANZAC Centennial Memorial Service, a trip in his motorcycle and side car to beautiful Queenscliff, and a motor trip down the Great Ocean Road and the Great Otway National Park.



John Grace, Yasmin Chalmers and Don Macke

For those of you not familiar with <u>ANZAC Day</u>, it stands for the Australian and New Zealand Army Corps that mobilized in World War II. Fighting at Gallipoli in Turkey and the Western Front, these two young countries experienced severe losses. For Australia, this experience is tied to the emergence of a national identity independent of its former colony status with Great Britain.







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#### Victoria, Melbourne, Geelong and Rural Regions



Don Macke and Marcus Oldham College alumni

Folks are proud of their home state of Victoria. They talk about Victoria and Melbourne as the most dynamic region in Australia. Melbourne is a world class city with about 5 million residents within the expanded metropolitan area. It dominates Victoria economically and socially. Its skyline is impressive, and it is a vibrant and dynamic urban center. Like other cities in maturing industrial counties, Melbourne is changing from its legacy of heavy industry and shipping to becoming a community rooted in urbanization (attracting new residents to Melbourne), knowledge industries and tourism.

Melbourne is located on a remarkable body of water called Port Phillip Bay. Its setting is comparable to San Francisco or New York. One of my talks was at historic Murray's in downtown Melbourne. I addressed alumni and corporate friends of Marcus Oldham College. It was a fantastic setting for giving a talk. I shared development perspectives and stories from the United States, including a deep dive into NetWork Kansas.

#### Implications of De-Industrialization

Geelong is part of the greater Melbourne metropolitan region. Geelong is about the size of my hometown of Lincoln, Nebraska, but open country exists between Geelong and Melbourne. Geelong has a rich history rooted in sheep, wool and woolen products. As late as the early 2000s, wool was being processed into products like cloth and carpets. At one time, Geelong hosted wool-related industries that employed thousands. During World Wars I and II, Geelong and its wool-related industries boomed as woolen products like cloth for uniforms were in high demand for the war effort.

Today, most of Australia's wool is exported to be processed in offshore factories. I shared the story of America's loss of its furniture manufacturing industries, and folks could relate given what has happened to Australia's wool processing and manufacturing industries. Geelong is a historical industrial center undergoing deindustrialization with the loss of its woolen mills, an aluminum production plant and soon the closing of its Ford engine plant. Over the years, thousands of well-paying industrial jobs have been lost to lower cost off-shore locations in the Pacific Rim.



Geelong, Australia

Geelong is in search of its future. The <u>G21 Agribusiness Forum</u> is visioning a new future. Some growth is coming from destination tourism. The oceanfront has been redeveloped with green space, swimming areas, attractions, cafes, bars, shops and other amenities. Other growth is coming from folks seeking lower cost







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housing compared to the higher costs in Melbourne. There is a historic and active agricultural sector. I had several meetings with a G21 group focused on agriculture. Mark Kelly shared his work with this group and an earlier group that focused on sports-related commercialization. All these experiences confirmed that entrepreneurs are in Australia and there are efforts to grow stronger economies by supporting entrepreneurial talent.

#### The Beehive Project - Beechworth

One of my best finds was the Beehive Project based in rural Beechworth. For more information about the Beehive Project, check out <a href="www.beehiveproject.com.au">www.beehiveproject.com.au</a>. I spent an afternoon with social entrepreneurs Matt Pfahlert and board chair Jonathan Chapman. They are remarkable with a powerful dream focused on economic and social renewal in rural Australia. First, they are creating Beechworth into a world destination for cycling. But their newest dream is the Australia Center for Rural Entrepreneurship. The name alone peaked my interest and further research confirmed that we were going to have a great conservation. Matt is a Churchill Fellow and has studied rural development in the States and Canada. He has met <a href="Craig Schroeder">Craig Schroeder</a> and <a href="Milan Wall">Milan Wall</a> during these travels. Jonathan is familiar with community philanthropy and has studied our transfer of wealth and community foundation work. Bottom line, there is a collaboration in the works. Together our Center and the Beehive Project are destined to do some work together. This whole experience reminded me of the power of social entrepreneurs and the need for us to grow social entrepreneur talent as part of our community and economic development work.

#### **Bendigo Bank**

Later, I had a chance to meet Rob Hunt, founder of Bendigo Bank. Like in the states, there is massive bank consolidation in Australia. Folks speak of the big four banks that dominate the financial sector Down Under. With bank consolidation, many rural communities and urban neighborhoods have lost access to banking. This void is being filled by <a href="Bendigo Bank">Bendigo Bank</a>. Bendigo Bank has an interesting venture model. It is a community bank in the purest sense. Unserved or underserved communities are able to raise capital and can locate a Bendigo franchise. In a lot of ways, it is like a regional community foundation with community affiliates.



This model is apparently very successful now serving over 500 urban and rural communities in Australia (now over 6,500 employees and over 1.5 million customers). Founded in the rural Victorian community of Bendigo (originally 150 years ago), Bendigo bank has become an economic force for community revitalization. In addition to providing banking services, Bendigo Bank returns a portion of net earnings to the communities that can be used for betterment programs and projects. To date, over \$130 million (Australian) have been granted back to member communities for betterment projects and programs.







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Part social venture and part business venture, Bendigo has created a niche in the midst of the banking giants. Rob Hunt, the founder of Bendigo Bank speaks with passion as he tells his <u>story</u>. This is a movement forged on the desire to ensure the success of rural communities in Australia. The idea has spread throughout Australia and begun rooting in urban neighborhoods in the shadow of the dominant banking firms.

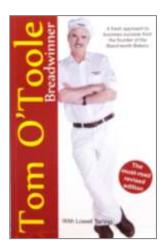
#### Australian Entrepreneur – Tom O'Toole



Tom O'Toole shares his story

During my travels in Victoria, I met a number of remarkable entrepreneurs working in business, civic, social and community spaces. One of my favorite encounters was with an entrepreneur by the name of Tom O'Toole – the founder of Beechworth Bakery. Tom is the son of Irish immigrants to Australia. He is an extremely smart experiential learner. Tom has lust for life and a genuine entrepreneurial spirit. He really listens to customers and is able to inspire great teams.

The <u>Beechworth Bakery</u>, located in northwestern rural Victoria is a destination eatery. People come from near and far to try what this bakery has to offer. Its remarkable success has enabled a tourism industry to grow up in this rather isolated area. Tom is semi-retired these days but active on the speaking circuit sharing his insights and story. He is inspiring and speaks to the power of a driven entrepreneur to create a life and success where the environment really does not justify it. I have read Tom's book <u>Breadwinner – A Fresh Approach to Business Success</u>. It is a fun read and speaks to a life journey that is both interesting and rewarding.



#### **5 Million New Residents**

While in Australia, I made a point to watch both the local and national news. One story caught my eye — focusing on the estimated 5 million annual VISAs issued to foreigners like me each year. While many of these VISAs are temporary like mine, many become permanent residents. The sources of these VISAs are Great Britain, China, India and New Zeeland. Like in the United States, there is an infusion of foreign talent impacting Australia. The storyline was positive talking about how these new residents are bringing passion, investment and entrepreneurship to Australia. In today's world some residents are making clear choices as to where they want to live and then figuring out how to make a living and generate a career. Places like Australia and the U.S. that attract new human talent are enriched in the process. The lesson for communities is to become known and attractive so new residents with their diversity come to our communities and revitalize them. An increasingly important strategy is people attraction ranging from young families to early retirees.







## **Some Final Thoughts**

Everywhere I go in North America, I find helpful and friendly people. My experience in Australia is no different. I imagine that everywhere in the world people wake up every day with the hope of making a living and life. We are in the pursuit of happiness. Geelong, Melbourne and Victoria are remarkable places. I could see myself living in this corner of the world with its big cities, ocean coastlines, mountain ranges and rural communities.

**The Center for Rural Entrepreneurship's** mission is to help community leaders build a prosperous future by supporting and empowering business, social and civic entrepreneurs. With our roots and hearts in rural America, we help communities of all sizes and interests by bringing *empowering research* together with *effective community engagement* to advance *community-driven strategies* for prosperity.

Our **Solution Area Teams** empower community leaders to find their own answers to the economic development challenges and opportunities they face:

- Community Development Philanthropy provides effective strategies to build local philanthropic capacity and generate development resources.
- New Generation Partnerships provides a framework for engaging young people now and attracting them in the future.
- Entrepreneurial Communities provides a roadmap for designing and delivering entrepreneurship strategies that work.

For tools and resources, visit the departments in e2 University at http://www.energizingentrepreneurs.org/library/e2university.html.

To learn more about the Center, go to www.energizingentrepreneurs.org.

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