Opinions expressed in this newsletter are those of the author and do not reflect positions of organizations with which he is affiliated.

Herbster, WI, December 29th, 2006 – Volume 2: Number 52

"Laughter is like an instant vacation."

-Milton Berle-

MEETINGS and EVENTS:

Links will provide additional information. Dates for new additions are in **bold**.

What	Date	Time	here
Inventors & Entrepreneur's Club	Jan 4 th	5:30 PM	Iron River Community Center
BCEDC Board Meeting	Jan. 8 th	10 AM – Noon	ТВА
Lake Superior Binational Forum	Jan. 26-27	All Day	Ashland Area, TBD
Inventors & Entrepreneur's Club	Feb. 1 st	5:30 PM	Iron River Community Center
Sustainable Forestry Conference	Feb. 27 th	All Day	Keshena WI
Staying Competitive in Today's Markets (Wood Products)	Feb. 28 th	All Day	Oshkosh WI
Superior Days	Feb. 27-28 th	All Day	Madison WI
Fusion 2007 CEI-CIO Symposium	Feb. 27-28 th	1	Fluno Center, Madison WI
Inventors & Entrepreneur's Club	Mar. 1 st	5:30 PM	Iron River Community Center
Renewable Energy Conference	Mar. 8 th & 9 th	All Day	Milwaukee
2007 Entrepreneur's Conference	June. 12-13	All day	Milwaukee

HAPPY InNEWvation YEAR!

Senator Bob Jauch has been highly supportive of our efforts to promote Eco-Industrial Development. **Jerry Hembd**, Director of the UW-Superior Center for Community and Economic Development, **Bob Browne**, Douglas County Supervisor, and I greatly appreciated an opportunity to meet with him on Wednesday and explain how our nascent organization, the Coalition for Eco-Industrial Development or **CEID Ltd** will amplify and support, not compete, with existing economic development organizations.

The matter of competition is real and can take on multiple dimensions. A recent Newsletter from the **Wisconsin Innovation Network** commented about making a 90-second pitch. One of their bullets was: *They don't necessarily like to hear that you "don't have" any competition,* **because you do**, and you're at a disadvantage if you don't know who it is and why customers will choose you instead. (emphasis added)

What seemed so obvious to some of us at the start, that CEID Ltd is unique and not in competition with other organizations, now seems less obvious and needs to be addressed.

As we talk to more of our potential supporters we are frequently asked something like *Why not just have* do that? The "blank" is usually an economic development organization.

Although CEID Ltd is committed to economic development, it is more than economic development. The challenge of **Industrial Ecology** is to bring existing, but widely disbursed, expertise, intellectual capital, to bear on *innovative solutions to industrial development*. In particular, CEID Ltd will add value to existing economic development organizations by supplying organized intellectual capital – ideas, knowledge, analysis, strategy, planning – for eco-industrial development. The goal is improving both new and existing commercial and industrial operations, adding value to the *triple bottom line*; economic profit, social justice and environmental values, through efficiencies in acquisition and use of raw material, reductions of water and energy use and most importantly discovery of better uses of industrial waste.

Biggest key in my mind to the success of CEID Ltd is the formation of the *EID Network*. This network of experts – architects, biologists, chemists, designers, engineers, CAD/CAM specialists, early-stage finance experts, creative managers – clearly lies outside the scope of any actual and perceived competition. Not only will CEID Ltd become a market-maker for members of the EID Network, CEID Ltd will be uniquely able to assemble teams of experts able to design industrial sites with innovative methods, processes, products and services. Design combinations of raw materials, recycled waste as feedstock, distributed and alternative energy solutions, all enclosed in (and surrounded by) high performance manufacturing facilities will enable existing commercial enterprise to operate with reduced costs and new businesses to more rapidly develop a robust bottom line.

These challenges are not confined to reduction of the environmental footprint of new and existing industrial parks in NW Wisconsin and NE Minnesota. Our economic growth can be enhanced if we rearrange our thinking, or ideas, about how to use our resources going forward.

<u>Cellulosic ethanol</u> is often cited, and was cited by Senator Jauch, as a critically important key to economic development in the northland. An enormous amount of energy is captured every

summer day by our northern Wisconsin trees and stored in the cellulose that makes up the cell walls comprising every ring of every tree ring. Wisconsin **Governor Jim Doyle** and his staff are constructing a new budget. Indications are that the budget will contain a major initiative to foster development of transportation fuels from plants – biofuels – ethanol and biodiesel. For our NW Wisconsin economy to grow, we will be best served by looking critically at how our resource base will mesh with these initiatives.

Economic growth is a troubling problem for some well-meaning folks in NW Wisconsin. Division exists about what growth is appropriate for our area. Some with a commercial perspective advocate for robust growth of housing, transportation, businesses and uses of natural resources. Others see the northwoods as sacred and eschew any growth. A recent review of the draft Comprehensive Land Use Plan from the **Town of Barnes** quite obviously and, I think successfully, treads a narrow path between "no growth" and "controlled growth." Eco-industrial Development is, I strongly believe, a necessary and wide path between extreme mind-sets.

Stanford University Economist **Paul Romer**, son of former Colorado Governor **Roy Romer**, emphasizes the importance of innovation by calling attention to the constant need to rearrange the way we use resources. Economic growth, he emphasizes, is a function of these rearrangements. He has used as metaphor an epicurean function in the kitchen.

"Economic growth occurs whenever people take resources and rearrange them in ways that are more valuable. A useful metaphor for production in an economy comes from the kitchen. To create valuable final products, we mix inexpensive ingredients together according to a recipe. The cooking one can do is limited by the supply of ingredients, and most cooking in the economy produces undesirable side effects. If economic growth could be achieved only by doing more and more of the same kind of cooking, we would eventually run out of raw materials and suffer from unacceptable levels of pollution and nuisance. History teaches us, however, that economic growth springs from better recipes, not just from more cooking. New recipes generally produce fewer unpleasant side effects and generate more economic value per unit of raw material.

"Every generation has perceived the limits to growth that finite resources and undesirable side effects would pose if no new recipes or ideas were discovered. And every generation has underestimated the potential for finding new recipes and ideas. We consistently fail to grasp how many ideas remain to be discovered. Possibilities do not add up. They multiply."

Economic Growth, by Paul M. Romer: The Concise Encyclopedia of Economics: Library of Economics and Liberty

As WSN regional coordinator in 2003, I attended **Superior Days** and introduced the theme of *Improving Northern Capital*. I suggested that our economic, environmental and social circumstance in NW Wisconsin would benefit if lawmakers in Madison would attend to improvements in our *Venture Capital*, *Intellectual Capital* and *Natural Capital*. My narrative pointed out that our available Wisconsin venture capital is paltry compared to surrounding states and NW Wisconsin's share is a dismally small subset of what Wisconsin has. Wisconsin's University System, like most major university systems, has many pockets of excellence. Most

are concentrated in Madison. I raised a suggestion that digital technology should be exploited to transfer some of the rich intellectual resources of Madison, Milwaukee, Stevens Point campuses to receptive locations in NW Wisconsin. Taking Great Ideas Forward – and Northward – from university research labs is an important source of innovation to expand our economy. Our large quantity of forest land is a huge natural resource providing not only wood fiber but natural capital including clean water, wildlife habitat and a huge sink for excess carbon dioxide.

Ingredients for innovation and improvements are here.

We should adjust the speed dial on our mixer.

Making some modest mind-space for innovation and improvement to happen has been a worthy struggle that I hope to continue in 2007. Thank you, TGIF Readers, for your indulgences with my weekly ramblings.

Take care and have another great long weekend to begin a super New Year!

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Bruce Lindgren is Principal of <u>B.Lindgren CONSULTING</u>. The consulting practice serves small business, local government, school districts and non-profits providing support for research, grant development, technical writing, marketing support and project management. Bruce brings his background in biological sciences, education, small business and media technology to generate and implement ideas contributing solutions to mission critical challenges.

In addition Bruce maintains the following affiliations:

Bayfield County Economic Development Corporation, (BCEDC) Director

Inland Sea Society, Director

Lake Superior Binational Forum, US Delegation Co-Chair

Raindrop Garden Gallery, Co-owner

IDEA Consortium LLC, Owner

Chequamegon Institute, Inc. Initial Registered Agent

The encircled fractal triangle represents an integrated cluster of seven ideas – economics, ecology, equity, ethics, education, experience and energy – that may be considered a core for sustainability studies. Bruce is available to present illustrated lectures and facilitate discussions about Sustainable Economic Development and the Sustainability Revolution.