**A Cluster-Based Approach to BR&E**

OHIO STATE UNIVERSITY EXTENSION

*Facilitator’s Guide*

**Overview**

This module explores how a BR&E program could be targeted within an Agribusiness & Food Processing Cluster (Agribusiness) and how to find data on a community or region’s Agribusiness Cluster.

**Using the Participant’s Guide**

The Participant’s Guide is designed to assist participants in exploring the resources and topics associated with this module.

**Exercises**

1. Getting familiar with the types of firms in the cluster

2. Using the cluster tool

**References**

*Unlocking Rural Competitiveness: The Role of Regional Clusters*

[statsamerica.org/innovation/reports/sections/appendix\_I.pdf](http://www.statsamerica.org/innovation/reports/sections/appendix_I.pdf)

Innovation in American Regions’

[statsamerica.org/innovation/](http://www.statsamerica.org/innovation/)

**Slide 1:**

Title Slide

**Slide 2:**

**Overview of Module**

This module will cover four specific areas: (1) Understand the definition of the Agribusiness cluster, (2) Why a cluster-based BR&E approach might make sense for your community or region, (3) Finding data on your community or region’s Agribusiness, Food Processing, and Technology Cluster, (4) Identifying specific firms in the Agribusiness, Food Processing, and Technology Cluster.

**Slide 3:**

**Understand the definition of the Agribusiness**

Agribusiness is one of 17 clusters and 6 sub-clusters defined by the Purdue Center for Regional Development and used by the U.S. Economic Development Administration. These clusters definitions can be usefully applied to analyzing regions in the United States. One of these clusters, the manufacturing super-cluster, is disaggregated into six more-specialized sub-clusters. The term super-cluster was given to the manufacturing cluster in order to highlight the fact that it is broken into sub-clusters. We will be focusing specifically on the Agribusiness Cluster. A “cluster” is different than a “sector” in that it can contain all the firms that are related to one another in a supply or value chain. When we talk about a cluster “definition” we mean the collection of the types of firms typically in a supply or value chain. The Agribusiness cluster includes 120 different types of firms in 12 categories as identified by their NAICS code (North American Industrial Classification System). You can go to the link on this slide to see all 120 types of firms.

**Slide 4:**

**Exercise (15 minutes)**

Look at the list in your participant guide and put a check by any of the 12 categories you think are likely represented in your community or region. Which 3-5 do you think are most significantly represented? Why do you think that is the case? Share your thoughts with a partner.

**Slide 5:**

**Why a cluster-based BR&E approach might make sense for your community or region**

If you are a rural region, chances are you will have a critical mass of firms that are in the Agribusiness cluster. In a few minutes we will show you how you can find out just how significant this cluster is in your region. Before we do that, however, lets consider some of the potential benefits of a “cluster-based” BR&E approach. When you focus your BR&E efforts on a specific sector (1) provides an opportunity to build a deeper understanding of the needs and opportunities related to the cluster, (2) opens the door for facilitating new business-to-business relationships, and (3) it might be easier to measure impact of your efforts down the road.

**Slide 6:**

**Finding Data on your Community or Region’s Agribusiness Cluster**

Cluster data using Purdue’s cluster definitions can be found on the Innovation in American Regions website.

Let’s walk through an example. Here are the steps, then the following screen shots will show you what each screen looks like

1. Click on View Industry Clusters (left side)
2. Under 2. Select Geography Click on Go to Custom Regions
3. Under “Select Data” click on Agribusiness, Food Processing, & Technology from the dropdown menu.
4. Choose the geography you want (State, County, Metro Area, etc.)
5. Click on Get Data

**Slides 7-11 Screen Shots**

**Slide 12:**

**What Does the Data Mean?**

In our example we see that Boone County, Indiana has 51 firms and 594 jobs in the Agribusiness cluster and that all the location quotients – establishments, jobs, and wages, are higher than 1.00 which means that this community is more highly concentrated than the U.S.

**Slide 13:**

**Exercise (10 minutes)**

Now spend some time using this tool to look at your own community or region. See how it compares to you state. If you are looking at one county, see how it compares with other counties around it.

**Slide 14:**

**Identifying Specific Firms in the Agribusiness Cluster**

Finding firm names is a little bit more difficult but it can be done. With the cluster definition you have all the NAICS codes for the types of firms in your cluster. You can use these codes to find firms within a specific geography using several data sources like Dun and Bradstreet, LexisNexis, Sorkins, NETS, and others. Chances are your university subscribes to at least one of these databases. Your public library or SBDC might be able to help as well.