



University of Pittsburgh

Entrepreneurship in the Mon Valley

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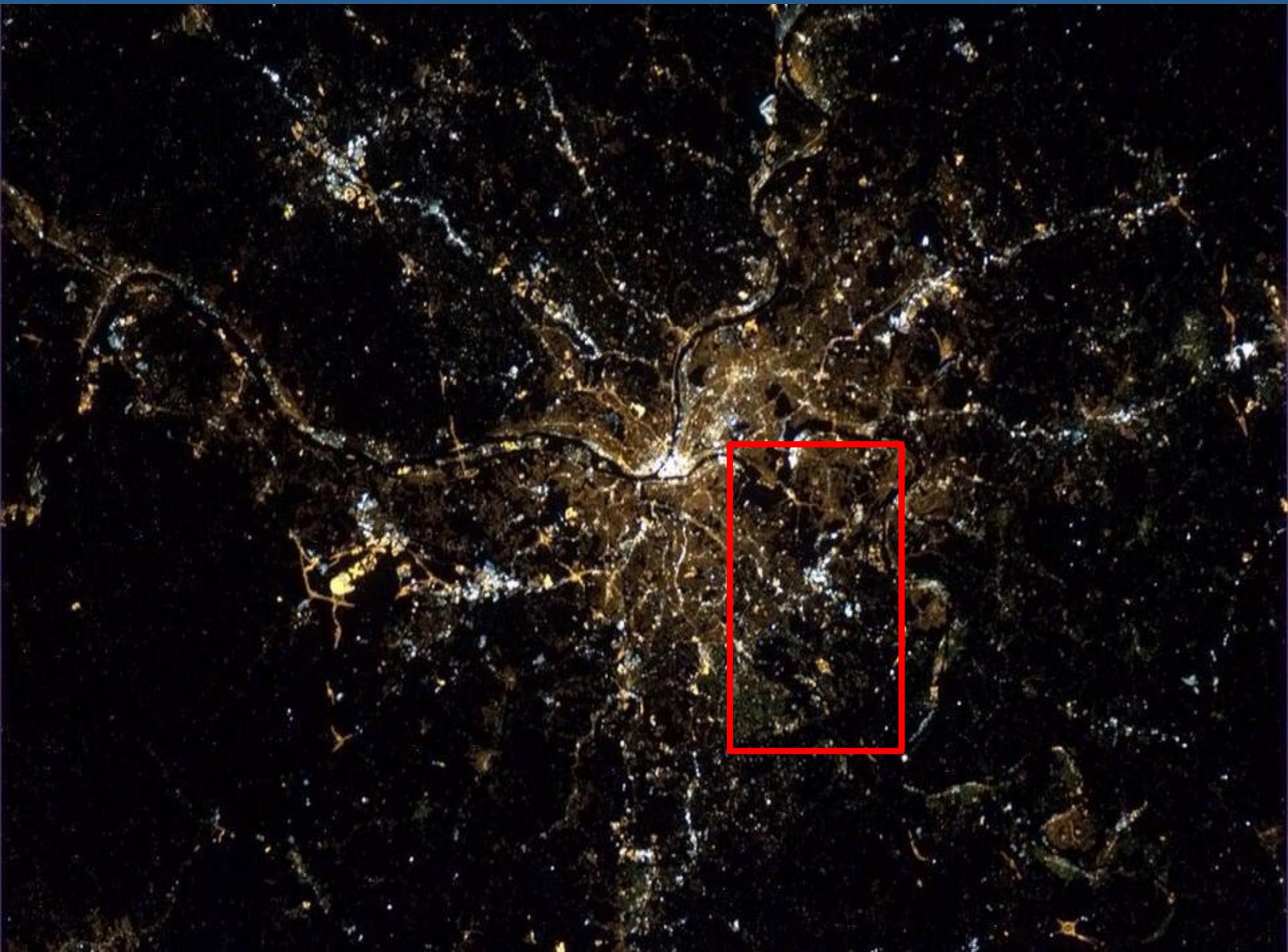
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This presentation

- Mon Valley industrial legacy
- Challenges to rebuilding an entrepreneurial climate in an old industrial region
- Project overview

Homestead Steel Works, 1946



Nailed!





University Center for Social and Urban Research

Former Homestead Steel Works - 1998



ALMONO (former J&L/LTV) site Hazelwood



Braddock Edgar Thomson Plant - 2015



Project Scope

- **Partnership with Pitt Institute for Entrepreneurial Excellence (IEE)**
- **Focused training on business formation and development in the Mon Valley**
- **Effort on outreach and recruiting across 70 communities in 4 counties of Southwestern Pennsylvania**
- **Funded by U.S. Department of Commerce, Economic Development Administration**

Ben Chinitz (1961)

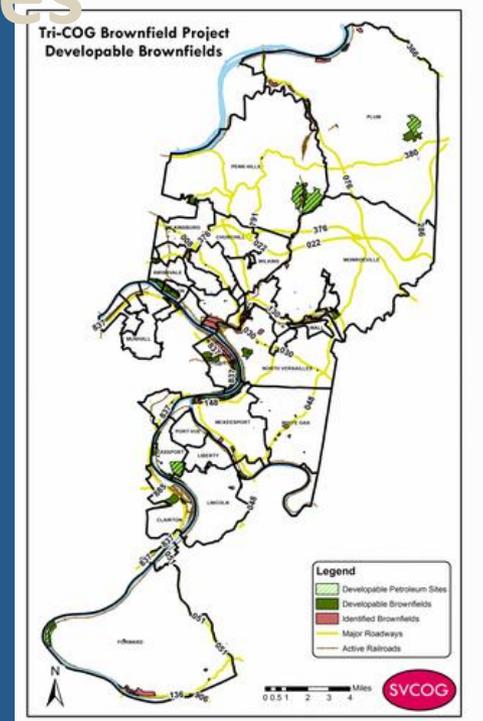
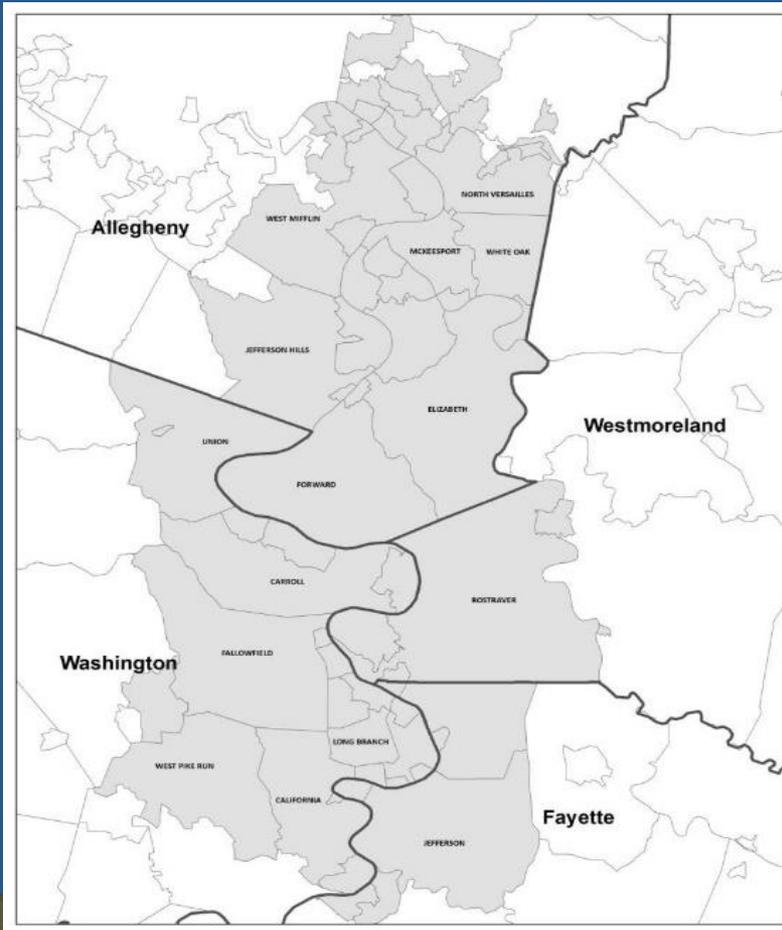
“The entrepreneurial supply curve is ... heavily influenced by the character of the area’s historic specializations. The proposition I offer is this: An industry which is competitively organized ... has more entrepreneurs per dollar of output than an industry which is organized along oligopolistic lines ... My feeling is that you do not breed as many entrepreneurs per capita in families allied with steel as you do in families allied (with other competitively organized industries)”

Role of the entrepreneur (1964)

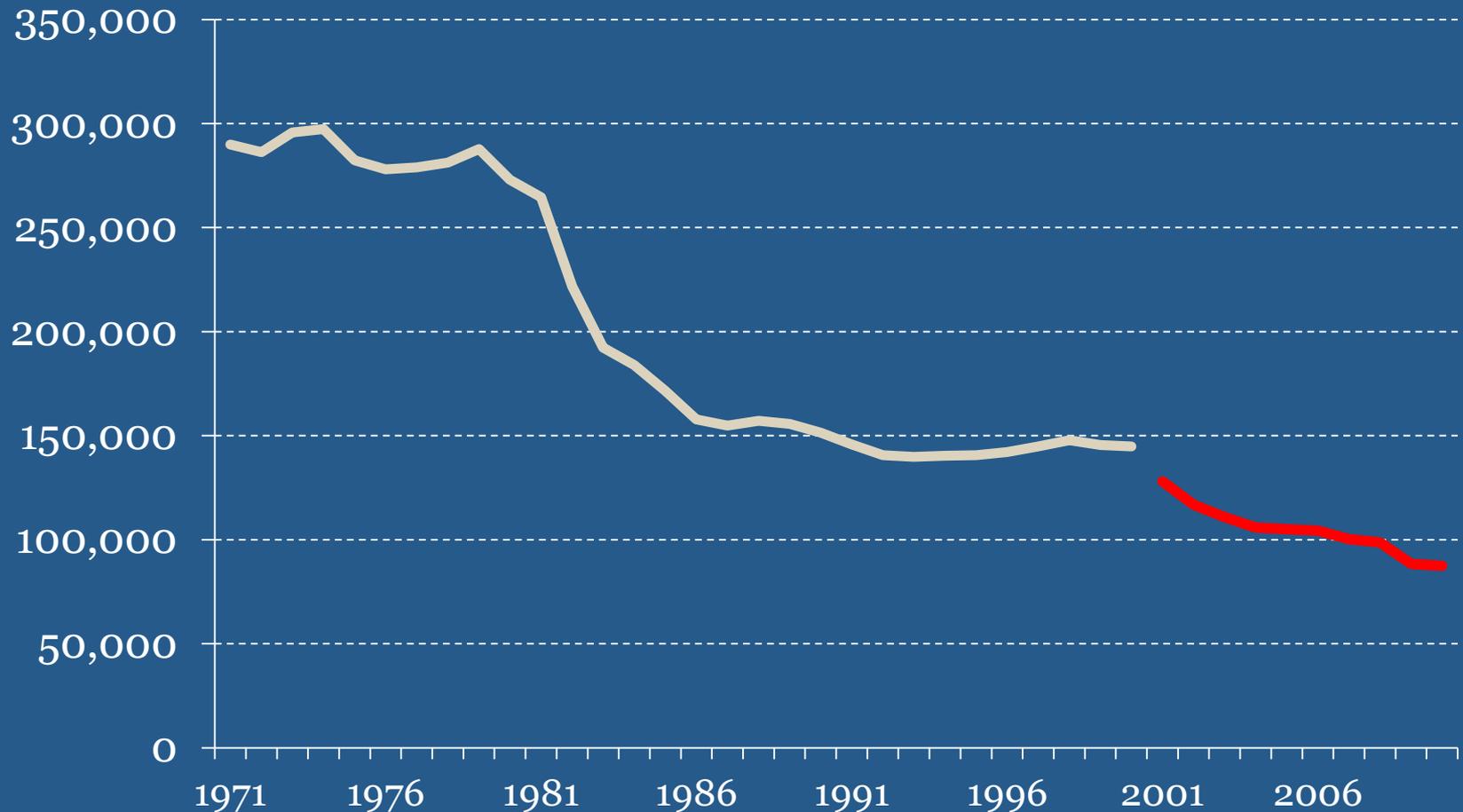
“...the Pittsburgh region's future depends to such a major extent upon retaining and attracting highly qualified and professional and technical people and business enterprisers, who are in demand everywhere and who command a high standard of residential amenity and cultural and professional opportunities.”

*From: Region With a Future. Volume 3 of the
Economic Study of the Pittsburgh Region.
1964.*

Study Region – 69 municipalities



Pittsburgh Region Manufacturing Employment 1969-2013



April 2013 = 89K Manufacturing Jobs in the Pittsburgh Region = ~7.4% of jobs

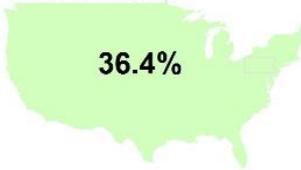
Current Trends in the Mon Valley

- Continued population loss
- High economic distress
- Low entrepreneurial activity
- High concentration of industrial (brownfields) and commercial and residential vacancy

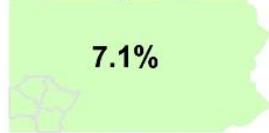


Percent Population Change: 1980 - 2010

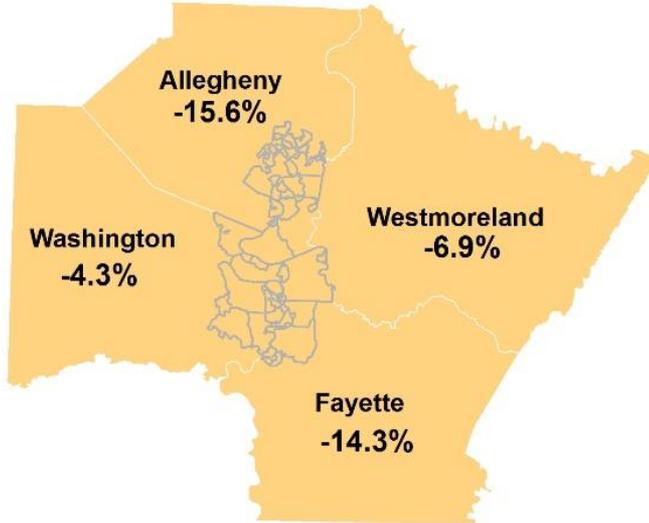
United States



Pennsylvania

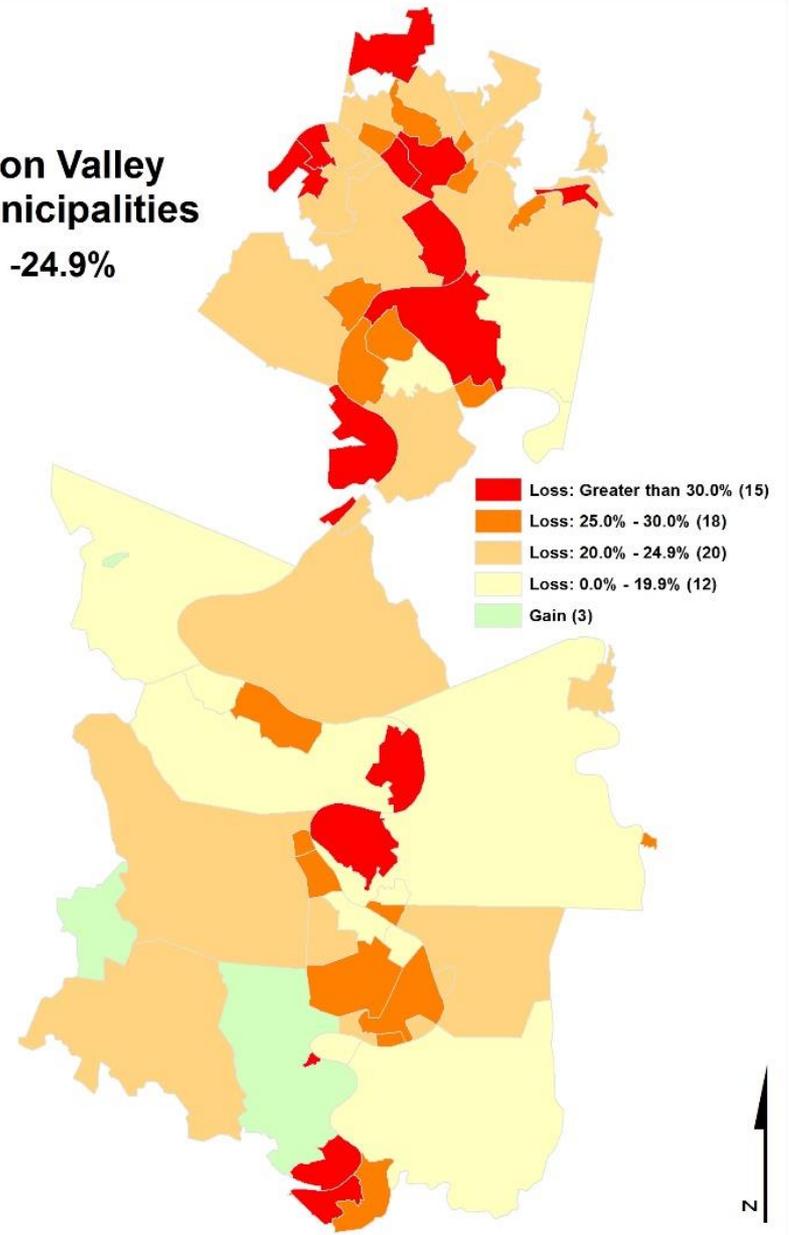


Counties

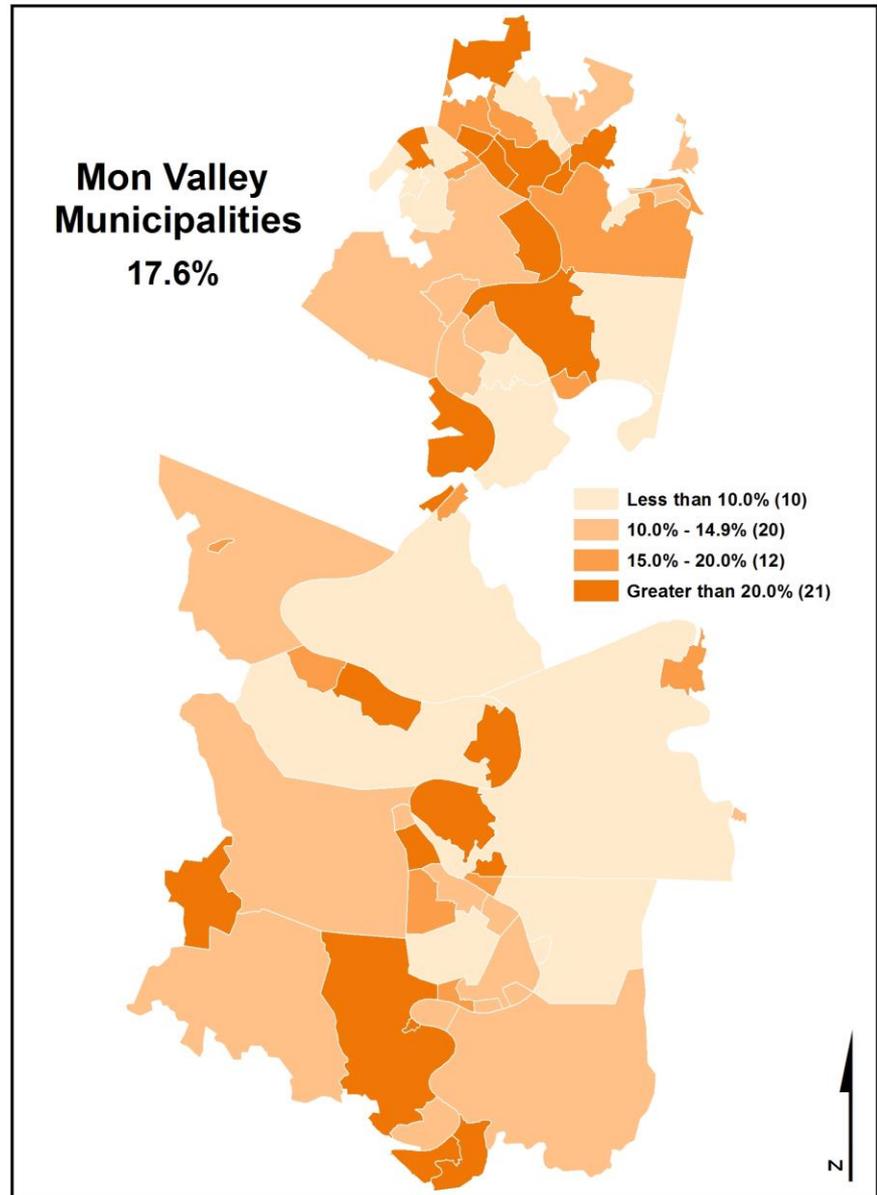
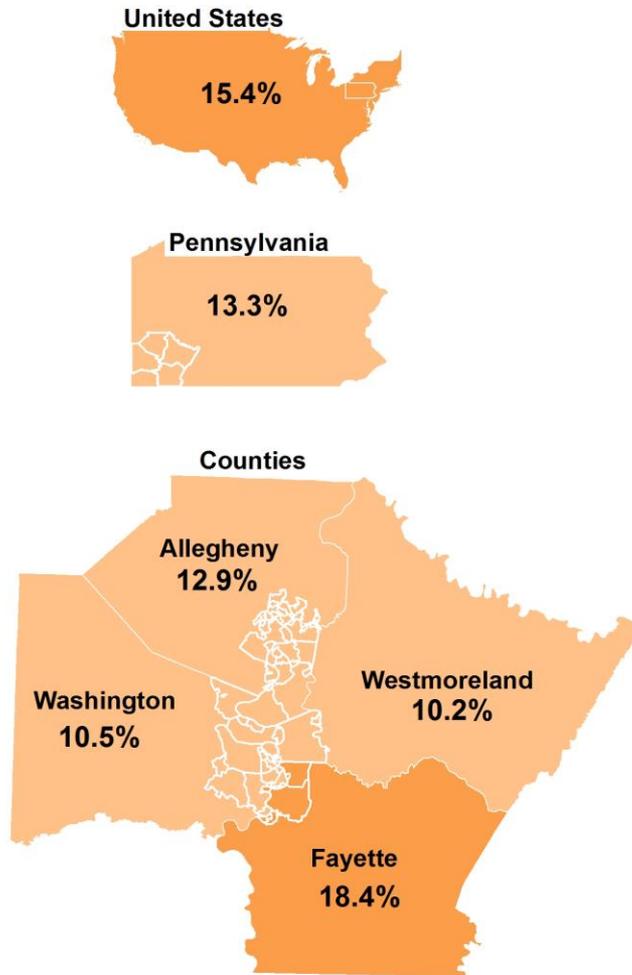


Mon Valley Municipalities

-24.9%

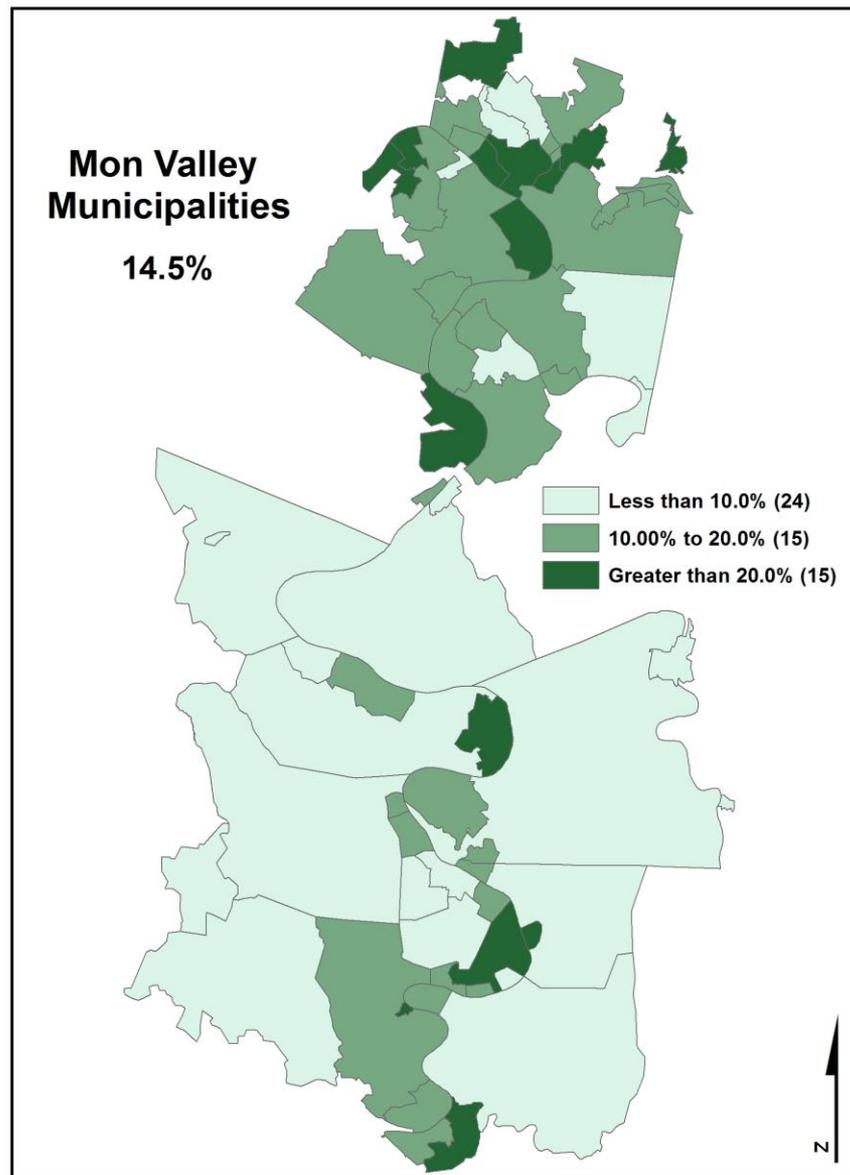
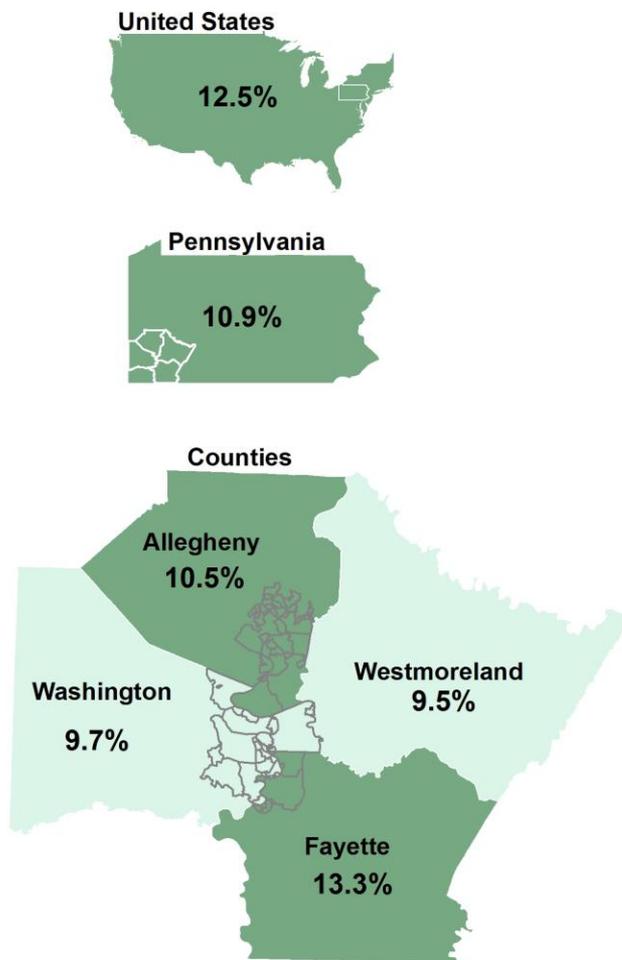


Poverty Rate



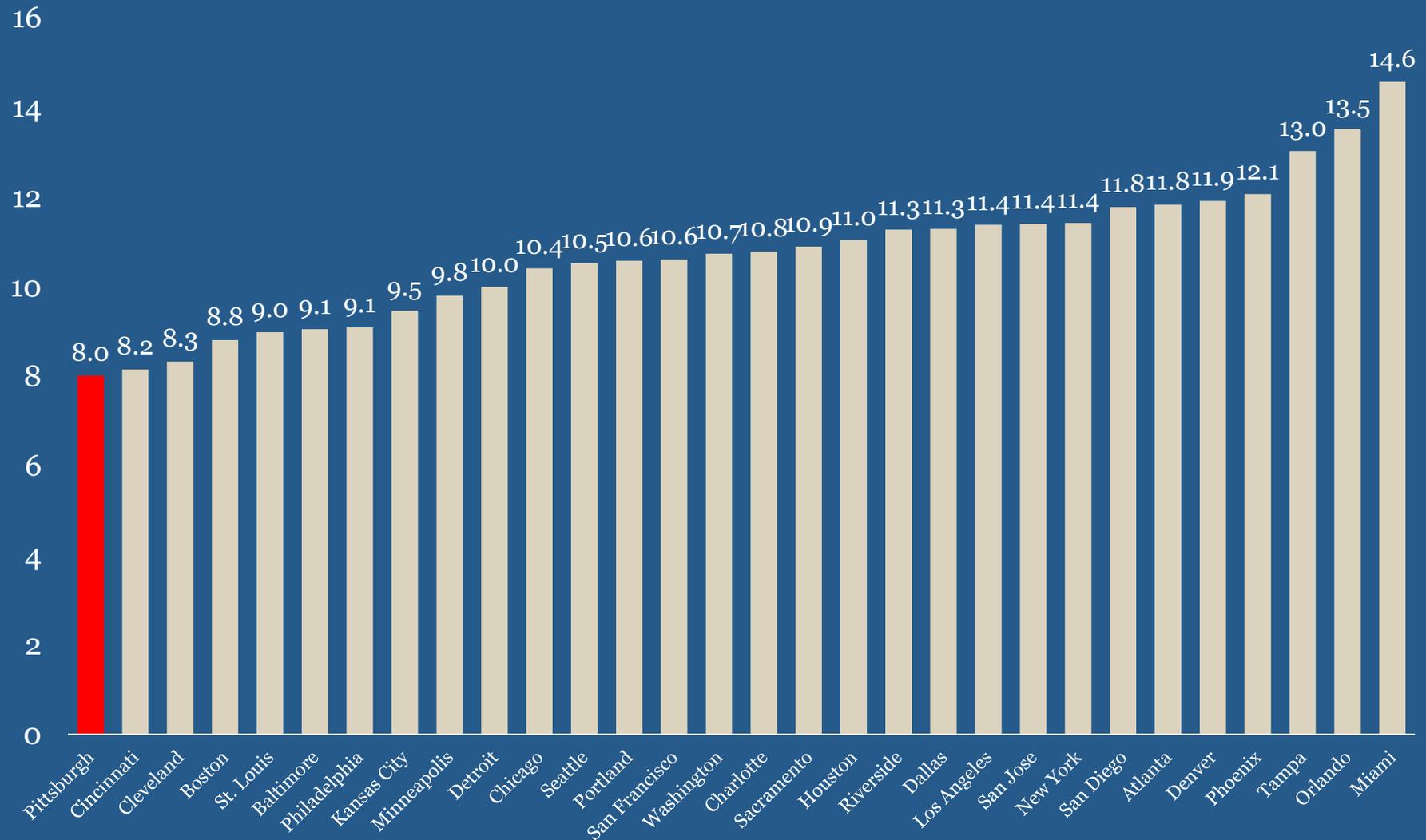
Compiled from U.S. Census Bureau, American Community Survey 5-year (2009-2013) estimates

Housing Vacancy Rate

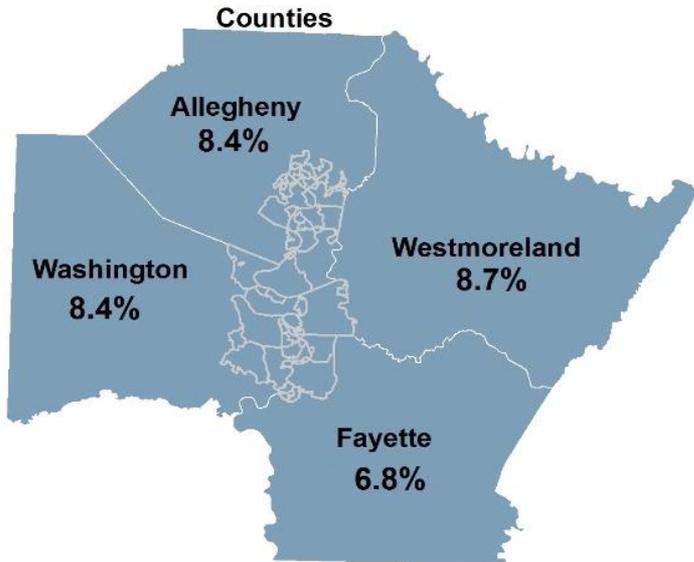


Compiled from U.S. Census Bureau, American Community Survey 5-year (2009-2013) estimates

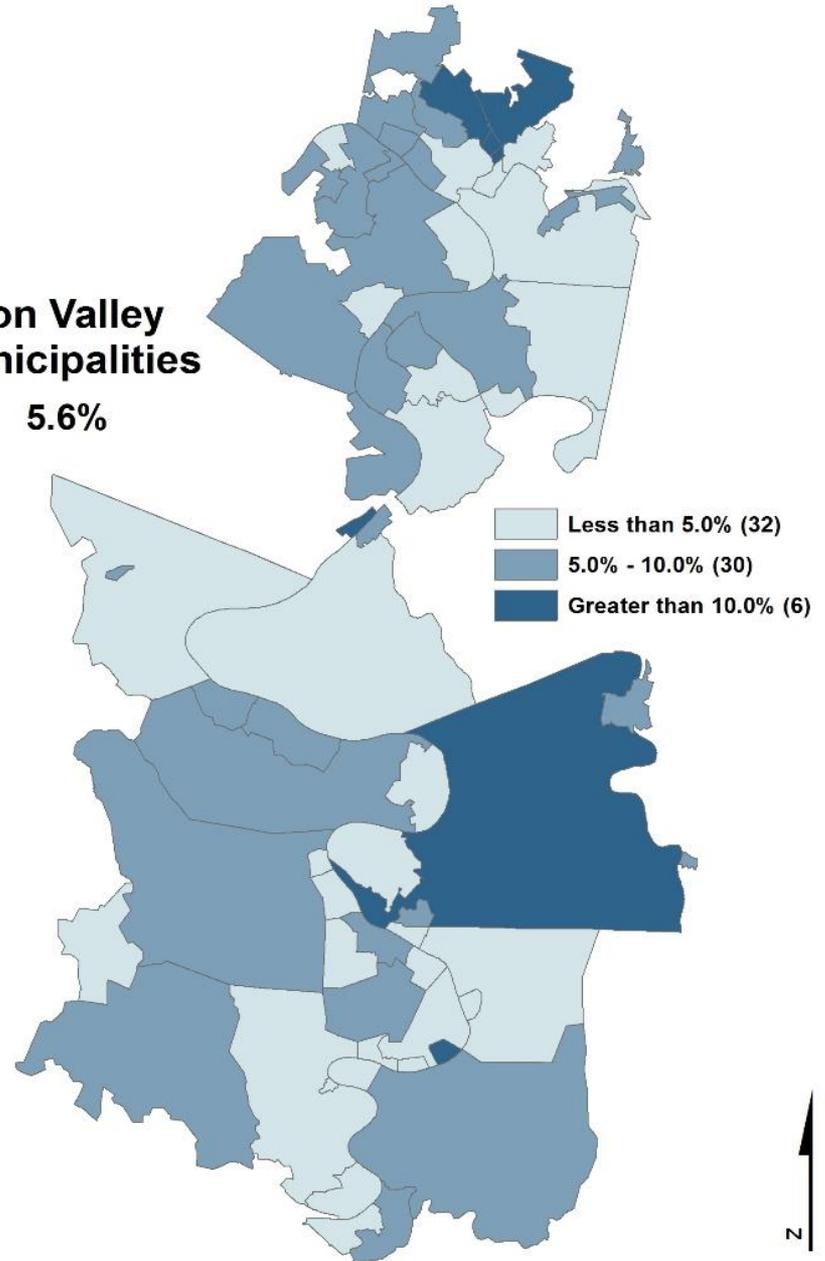
Ratio of new establishment births (2010-2011) to 100 Total Establishments (2011) – 30 Largest MSAs



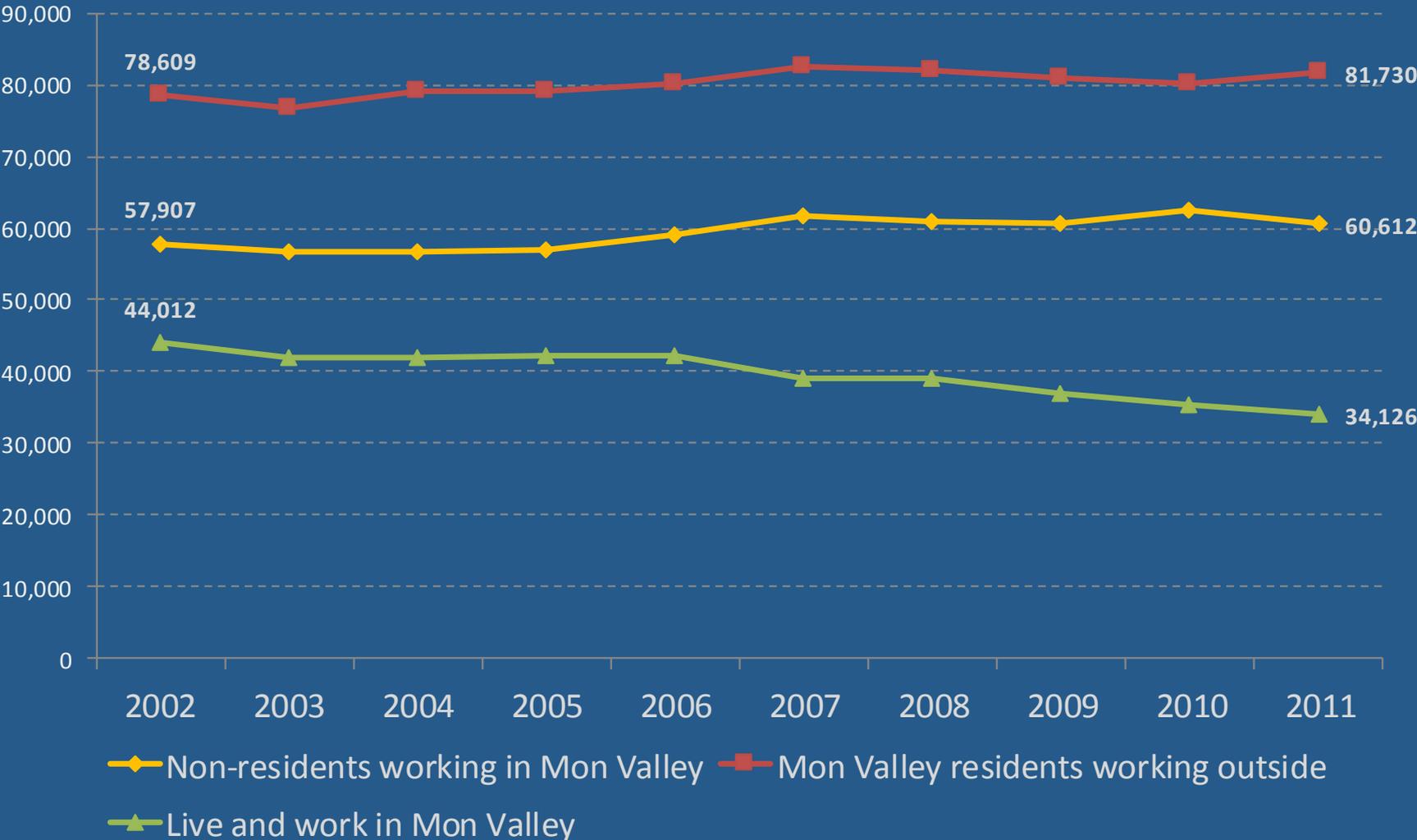
Percentage of Households with Self-Employment Income



Mon Valley Municipalities
5.6%



Employment/Commuting Trends Mon Valley Communities



Today's Regional Entrepreneurs



Preliminary Conclusions

- Economic divergence within study area
- Brownfield development still dominating economic development efforts (ALMONO)
- Little Innovation-Based Entrepreneurial (IBE) activity
- Most entrepreneurs SMEs – Small & Medium Enterprises

