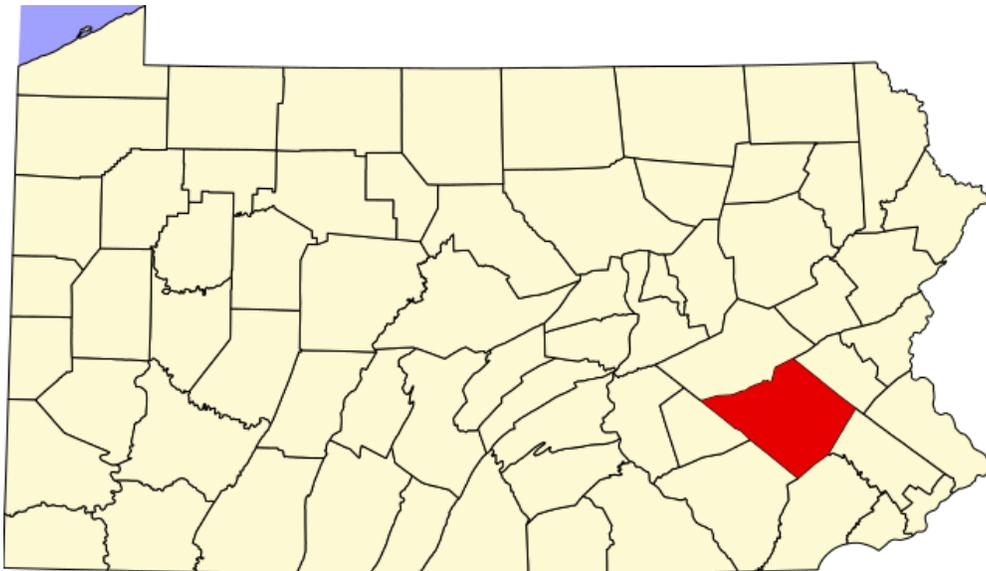




## BERKS FINDINGS: Challenges, Strengths, and Pathways for Entrepreneurship and Sustainable Growth

This report is part of a broader research initiative which examines the dynamics of entrepreneurial ecosystems in rural and micropolitan areas of Pennsylvania, focusing on how anchor economies and institutions shape economic development, support entrepreneurship, and impact community resilience in the North Central Pennsylvania/Pennsylvania Wilds, Hazleton, and Berks regions. It highlights the role of the Invent Penn State LaunchBox Network, a strategic initiative aimed at fostering entrepreneurship and innovation across the Commonwealth.

This summary report highlights findings for the Berks region. Grounded in the larger research project, which entailed in 41 key informant interviews, document and website reviews, and participant observation, this study provides new insights into how anchors, such as tourism and outdoor recreation in the Pennsylvania Wilds, manufacturing in Hazleton, and education and healthcare in Berks, contribute to sustainable economic development. It underscores the importance of place-based entrepreneurial support systems, highlights the potential for innovation and business growth in often-overlooked regions, and offers recommendations to inform policy and practice that strengthen long-term community resilience.



*Image source: Wikipedia*

The Berks region, centered in Reading, Pennsylvania, is defined by its vibrant culture, diverse population, and a robust blend of historical and emerging industries that drive its entrepreneurial ecosystem. While Berks remains strong in manufacturing, it has also expanded its focus to include education, biomedical innovation, and social entrepreneurship as foundational elements of its economic growth. This report synthesizes insights from local stakeholders to showcase the region's unique assets, examine the challenges faced by its entrepreneurs, and outline actionable strategies to foster a thriving, inclusive entrepreneurial landscape.

<i>Elevating Local Voices*</i>	<b>3</b> Entrepreneurs interviewed	<b>7</b> Community partners interviewed	<b>2</b> LaunchBox faculty interviewed
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**Methods** This research draws on interviews with entrepreneurial community members, insights rooted in their lived experiences, direct observations during research visits to the region, and a review of relevant documents, websites, and literature. The findings in this report are based on a limited sample and are not necessarily definitive. While these perspectives provide valuable firsthand accounts of the ecosystem in the Berks region, they are not all-encompassing. The findings reflect individual experiences and should be considered as part of a broader, ongoing conversation about entrepreneurship in the region. Statements from the Berks LaunchBox specifically were gathered in fall 2023, spring 2024, and spring 2025, with documented shifts in focus and transitions reflected throughout this report.

## *a region with unique challenges...*

The Berks region faces distinct challenges as a vibrant urban and suburban area with an abundance of resources but also significant gaps in accessibility and coordination. While the region contains a dense network of entrepreneurial organizations, the sheer number of programs often leaves entrepreneurs confused about where to start. Many interviewees noted that the lack of a centralized hub to guide them, making it more difficult to navigate the landscape. As one entrepreneur noted, "There is not really a central place for entrepreneurs to go."

For others, knowledge about available resources often comes through word of mouth, with one entrepreneur noting:

*"We had to know somebody that went through that program to know about it. Otherwise, we would have never heard about it."*

Entrepreneurs also struggle with financial barriers, as micro-loan availability is limited, leaving many unable to secure the small but necessary funding they need to scale their businesses. One community partner observed, "You don't need a million dollars, you need \$25K or \$50K sometimes, and that can be hard to do." Additionally, high costs for necessities like liability insurance further constrain early-stage businesses. Beyond funding, gaps in financial literacy and business planning present additional hurdles. Another community partner emphasized:

*"If you want to continue to grow and evolve, you are going to have to have these basic pieces of business knowledge: financial literacy, business planning, and strategic decision making."*

## Additional Barriers to Business Success Include-

- **Fragmented Ecosystem:** The region’s entrepreneurial support system is vast but somewhat disconnected among providers, with some organizations duplicating efforts or failing to collaborate effectively.
- **Communication Gaps:** Despite initiatives like Elevate Berks, many entrepreneurs remain unaware of key programs due to insufficient outreach and unclear messaging strategies.
- **Resource Awareness:** Entrepreneurs report challenges in identifying sustainable programs that support long-term business growth beyond the startup phase.

Addressing these challenges will require targeted improvements in communication, better alignment among support organizations, and an enhanced focus on financial accessibility and literacy to ensure all entrepreneurs can fully engage with the ecosystem.

## *...and extraordinary opportunity!*

Despite its challenges, Berks is home to a deeply interconnected entrepreneurial ecosystem and vibrant cultural diversity, both of which create opportunities for sustainable economic growth. The region’s entrepreneurial networks, bolstered by initiatives like Elevate Berks, facilitate collaboration among community partners, enabling entrepreneurs to access diverse resources and referrals. While our research shows some entrepreneurs remain unaware of these programs, there is potential for greater awareness and alignment. When functioning effectively, this ecosystem fosters a sense of belonging. One entrepreneur put it simply:

*“I feel like I am part of a village.”*

The Hispanic and Latino population, which makes up nearly 70 percent of Reading’s residents, is a driving force behind the region’s entrepreneurial energy. Entrepreneurs from these communities draw upon their cultural heritage to shape their businesses, contributing unique products and services that enrich the local economy. One participant highlighted this impact:

*“There is a really high level of Spanish-speaking immigrants in the City of Reading, and there is a high rate of entrepreneurship from those communities.”*

The community-driven passion for entrepreneurship is evident, with another participant stating, “Entrepreneurship is a natural element in Latinos’ DNA from a culture perspective... It’s just something that we naturally do, and we do it with a lot of passion.” By leveraging its diverse entrepreneurial base, promoting regional collaboration, and enhancing ecosystem visibility, Berks can further support its entrepreneurs while celebrating its unique cultural and economic identity.

## **Berks LaunchBox**

The Berks LaunchBox, located in downtown Reading at the GoggleWorks Center for the Arts, strives to serve as a vital hub for social entrepreneurship and innovation in Berks County. As part of the Invent Penn State Network, it provides critical resources tailored to the needs of early-

stage entrepreneurs, including legal support, customer discovery programming, and technical assistance. Entrepreneurs praise the LaunchBox for its accessible location and its ability to address multiple business needs, with one study participant describing it as “a one-stop shop, from legal support, tech support, marketing support, and everything else.”

In the past, the LaunchBox has played a key role in supporting social entrepreneurship and healthcare-related innovation, partnering with organizations like Penn State Health St. Joseph to drive advancements in medical devices and community health solutions. Its initiatives included a social impact accelerator program designed to help businesses with missions centered on improving community well-being. These efforts positioned the LaunchBox as a critical player in fostering innovation with a tangible impact on public health and social enterprise.

However, since the spring of 2024, the LaunchBox has evolved its focus to prioritize early entrepreneur mentorship and technical support. While its healthcare partnerships remain valuable, its emphasis has expanded to meet the broader needs of emerging businesses through its makerspace, mentorship, and customer discovery programs. This shift highlights the LaunchBox’s adaptability, ensuring it remains a responsive and effective resource for local entrepreneurs. Through its makerspace, entrepreneurs gain hands-on experience working alongside engineers to develop minimum viable products, acquire critical feedback, and refine their designs for market readiness. Additionally, K-12 programming has become a growing strength, reinforcing the LaunchBox’s commitment to fostering entrepreneurship at all levels of the community.

To foster connections among local entrepreneurs, the LaunchBox hosts happy hours and mixers, which strive to address the isolation often felt by small business owners. These events have been well-received, with participants expressing a “strong hunger for that connection.”

Despite its strengths, the LaunchBox struggles with visibility, with many entrepreneurs unaware of its offerings. One business owner remarked, “It’s like a hidden secret. Unless you find out, you don’t really know the LaunchBox is there.”

The LaunchBox’s staff, who work part-time, do their best to maximize their impact, but limited resources and staffing constrain their outreach and programming. Expanding targeted marketing, increasing virtual offerings, and leveraging its central location in downtown Reading could help the LaunchBox connect with more entrepreneurs and broaden its impact. By addressing these challenges, the Berks LaunchBox can continue its efforts to empower early-stage entrepreneurs while advancing social entrepreneurship and innovation across Berks County.

## **Education & Healthcare as an Economic Anchor**

Education and healthcare serve as pivotal economic anchors in Berks County, driving innovation, workforce development, and community health. Institutions such as Alvernia University, Penn State Berks, and Reading Area Community College contribute significantly to workforce readiness while fostering entrepreneurship through partnerships with local organizations. Similarly, the region’s healthcare institutions, including Tower Health and Penn State Health St. Joseph, not only rank among the top employers but also act as catalysts for medical innovation and social entrepreneurship.

Berks County’s emphasis on social entrepreneurship has historically stemmed from these strong educational and healthcare collaborations. Initiatives like the Berks Biomedical

Innovation Collaborative have promoted advancements in medical devices and other health-related innovations, providing entrepreneurs with opportunities to address critical community health needs. One entrepreneur observed, “If you don’t have a very specific purpose and mission that is helping society overall, it’s not going to work.”

This foundation in healthcare-driven innovation initially influenced the Berks LaunchBox, which played a role in supporting medical entrepreneurship. However, as other institutions in the region expanded their focus on healthcare innovation, the LaunchBox adapted by shifting toward broader entrepreneurial mentorship to avoid duplicating services. By prioritizing makerspace programming, mentorship, and customer discovery, the LaunchBox ensures that it complements rather than competes with existing regional resources.

Beyond healthcare and education, this anchor economy extends its influence to manufacturing and food processing, industries that leverage Berks County’s historical strengths while adapting to modern entrepreneurial needs. While the county maintains a rural agricultural economy, educational institutions and healthcare providers (“eds and meds”) remain key drivers of regional economic stability and growth. By fostering collaboration between these institutions and local businesses, Berks County works to create a dynamic, innovation-driven economy rooted in addressing community challenges and opportunities.



Image source: Left, Alvernia University; Right, Penn State Health

## Opportunities for Sustainable Growth

To build a resilient entrepreneurial ecosystem in Berks County, targeted strategies in resource coordination, inclusivity, and ecosystem awareness are essential. These opportunities leverage existing community strengths while addressing key gaps to promote sustainable growth. Key areas for action include:

- **Enhancing Inclusivity for Spanish-Speaking Entrepreneurs:** With Reading’s predominantly Hispanic and Latino population, expanding bilingual services and partnerships with organizations like the Latino Chamber of Commerce can bridge cultural and language barriers. Offering multilingual support and tailored programs will empower Spanish-speaking entrepreneurs to access resources, grow their businesses, and contribute to the region’s economic vitality.
- **Establishing a Centralized Hub for Resources:** While Berks boasts a robust entrepreneurial ecosystem, the lack of a central entry point creates confusion for many

business owners. Developing a centralized online or physical hub, potentially through initiatives like Elevate Berks, can simplify resource navigation and foster greater collaboration among community partners, streamlining support for entrepreneurs.

- **Promoting Ecosystem Awareness and Collaboration:** Increased marketing and outreach efforts are needed to raise awareness of programs like the Berks LaunchBox and the Kutztown SBDC. Entrepreneurs who understand the resources available to them can better leverage these opportunities. Additionally, strengthening collaboration between community organizations can reduce duplication of services and maximize the impact of existing programs, fostering a more connected and efficient ecosystem.

These strategies, when implemented, can position Berks County as a model for inclusive, sustainable, and community-centered economic growth.

### *For More Information:*

Community members and entrepreneurs looking to learn more about available resources or to connect with local support organizations in Berks County can reach out to:

- Berks LaunchBox: [bk-innocationhub@psu.edu](mailto:bk-innocationhub@psu.edu)
- Small Business Development Center: [sbdc@kutztown.edu](mailto:sbdc@kutztown.edu)
- Latino Chamber of Commerce: [info@latinochamberofcommerce.pa](mailto:info@latinochamberofcommerce.pa)
- Elevate Berks: [elevateberks@greaterreading.org](mailto:elevateberks@greaterreading.org)

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This report is part of a series of entrepreneurial ecosystems research briefs prepared by undergraduate research assistants and faculty members based in Penn State's Center for Economic and Community Development: Olivia Karoly, Maggie Fechtman, Emma Walker, C. Daniel Azzara, and Theodore R. Alter.

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