

HAZLETON 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 Hazleton 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.

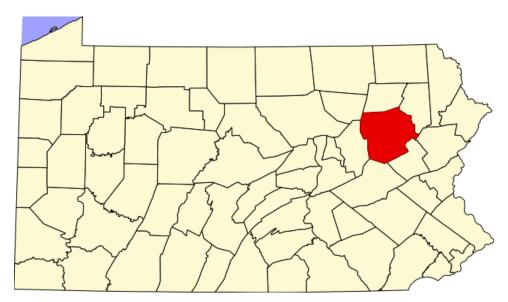


Image source: Wikipedia

The City of Hazleton, located in Luzerne County in northeastern Pennsylvania, anchors a broader economic region characterized by its diverse population, rich industrial heritage, and growing entrepreneurial spirit. Once dominated by coal mining, Hazleton has transformed into a hub for manufacturing, logistics, and food processing while embracing the cultural vibrancy of its predominantly Hispanic community. This report captures perspectives from local stakeholders to highlight Hazleton's unique strengths, explore the challenges faced by its entrepreneurs, and provide strategic recommendations for building a sustainable and inclusive entrepreneurial ecosystem.

Elevating Local Voices*

Entrepreneur interviewed

1

Community partners interviewed

6

LaunchBox faculty interviewed

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 Hazleton 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.

a region with unique challenges...

The Hazleton region faces distinct challenges as a micropolitan area with a growing entrepreneurial ecosystem constrained by resource gaps, accessibility issues, and regulatory complexities. While the region benefits from strong engagement and collaborative efforts like the Hazleton Innovation Collaborative (THinC), entrepreneurs often encounter barriers due to limited funding opportunities and unclear pathways to support. Many minority entrepreneurs, in particular, struggle to identify available resources. As one Hazleton community partner explained, many entrepreneurs are actively seeking financial support but remain unaware of where to look:

"We see a lot of entrepreneurs looking for funding. And it is impossible, especially (for) minority-based funding, to know there are funding sources available."

Financial barriers continue to be among the most pressing issues. Entrepreneurs often face difficulty securing even modest startup capital, limiting their ability to pursue and grow their ventures. A LaunchBox faculty member echoed this concern, stating:

"Obviously the biggest barrier is funding... People have large dreams, but small wallets."

Additionally, gaps in financial literacy, such as understanding credit scores and business planning, hinder long-term success, specifically for first-time business owners. Access to technology and digital tools presents another critical obstacle, particularly as broadband infrastructure and digital literacy remain inconsistent across the region.

Entrepreneurs also encounter challenges navigating the regulatory landscape, including federal, state, and local policies related to immigration, food safety, and taxation. This lack of clarity on regulatory expectations often adds complexity and costs for startups, stalling their progress. In

fact, one entrepreneur noted, "I think the interaction between organizations, like universities and local government, could be a lot better."

Additional Barriers to Business Success Include-

- Language and Cultural Accessibility: Although strides have been made in bilingual programming, a significant need remains for expanding these resources to ensure the Hispanic community has equitable access to entrepreneurial support.
- **Education Gaps:** Limited higher education opportunities in the region and insufficient financial literacy programs further constrain entrepreneurial growth.
- **Fragmented Collaboration:** While organizations like the Hazleton LaunchBox were "built within the community by the community," better coordination and communication between universities, local government, and support organizations is needed to streamline assistance.

Addressing these challenges will require expanding access to capital and bilingual resources, improving digital and regulatory literacy, and fostering stronger collaboration between key organizations to create a more inclusive and supportive ecosystem for entrepreneurs in Hazleton.

...and extraordinary opportunity!

Despite its challenges, Hazleton maintains a resilient and collaborative entrepreneurial ecosystem enriched by cultural diversity and community-driven initiatives. Programs like THinC foster a culture of partnership among local organizations, enabling entrepreneurs to access a wide range of resources and networking opportunities. This interconnectedness provides a strong foundation for economic growth, highlighting the collaborative spirt that fosters success in the region.

"We create a very good network of serving people."

The Hispanic and Latino community is a cornerstone of Hazleton's entrepreneurial energy, with its cultural values deeply engrained in business practices. Many entrepreneurs emphasize a culture of mutual support, as one participant observed: "The culture of the Latino population is one to help somebody else whenever they can, from accounting services to taxes." This cultural foundation has spurred the growth of Hispanic-owned businesses, making Hazleton a model of diversity-driven economic development.

As discussed by interviewees, Hazleton's affordable housing and employment opportunities also contribute to its appeal for entrepreneurs and their families. The availability of multigenerational housing options and local jobs makes the region an attractive place to live and start a business.

Looking to the future, Hazleton is investing in the next generation of entrepreneurs, with a strong focus on self-reliance and local growth.

"We understand that economic growth has to come from within. We have to grow our entrepreneurs as much as we recruit businesses to the area. So, it is economic giveback."

By leveraging its cultural assets, expanding employment opportunities, and fostering local entrepreneurship, Hazleton is well-positioned for sustainable growth that reflects its unique identity and community values.

Hazleton LaunchBox

The Hazleton LaunchBox, strategically located in downtown Hazleton, is an essential resource for entrepreneurs, providing innovative and inclusive programming tailored to the community's diverse needs. As a member of the Invent Penn State Network and a key player in THinC, the LaunchBox is committed to fostering entrepreneurship through bilingual services, K-12 initiatives, and unique food and beverage programming.

A hallmark of the Hazleton LaunchBox is its bilingual programming, which ensures accessibility for the city's predominantly Hispanic population. "Anything we did in English, we did in Spanish," explained one LaunchBox faculty participant, emphasizing the organization's dedication to inclusivity. This approach strives to eliminate cultural and language barriers, with another noting, "We haven't had to worry about language or culture struggle at all." This commitment extends Penn State's reach, as one participant remarked, "You see the impact that you create here to make Penn State more diverse."

The LaunchBox also supports the next generation of entrepreneurs through robust K-12 programming. Recognizing that "our largest demographic is under the age of 18," the LaunchBox offers business plan competitions and dual enrollment courses at local high schools. These initiatives empower young entrepreneurs, preparing them to contribute to Hazleton's entrepreneurial ecosystem.

Accessibility is another cornerstone of the LaunchBox's mission. Acknowledging the community's reliance on mobile technology, the LaunchBox delivers programming via podcasts, Facebook Live, and other smartphone-compatible platforms. This inclusive communication strategy ensures that resources are available to those who may face barriers due to the region's digital divide.

Food and beverage entrepreneurship is one of the LaunchBox's prominent programs, with initiatives like the food renewal program providing specialized support. "One of our biggest successes is food and beverage entrepreneurship programs," shared a participant, highlighting the LaunchBox's unique offerings in this high-demand sector.

Despite its strengths, the Hazleton LaunchBox faces challenges in visibility, with many potential users unaware of its offerings. The findings indicate that strengthening marketing efforts and leveraging its partnerships within THinC and the broader Invent Penn State Network, including connections with other LaunchBoxes like Berks, could enhance its impact.

By continuing to prioritize inclusivity, accessibility, and collaboration, the Hazleton LaunchBox is poised to remain a critical driver of entrepreneurship and community growth in the region.

Manufacturing as an Economic Anchor

Manufacturing and distribution serve as the cornerstone of Hazleton's economy, reflecting the region's industrial heritage and strategic location at the crossroads of Interstates 80 and 81. This logistical advantage has established Hazleton as a hub for warehousing, transportation, and

supply chain operations, creating significant employment opportunities and fostering community growth. One participant remarked on their location at the intersection of 80 and 81, noting that logistics and transportation are pivotal to Hazleton's economic vitality.

A critical component of Hazleton's manufacturing sector is food manufacturing, which plays a significant role in job creation and economic sustainability. Companies like Cargill, a prominent meat processing plant, exemplify this sector's impact by providing steady employment and contributing to the local economy. Food manufacturing is deeply integrated into Hazleton's entrepreneurial ecosystem, with community resources like the Kitchen Incubator offering low-barrier entry points for aspiring food entrepreneurs. "Entrepreneurial food manufacturing is a big business," one community partner shared, emphasizing the importance of this industry for small businesses and startups.

Programs supporting food and beverage entrepreneurship further amplify the economic potential of this anchor. The Kitchen Incubator enables local entrepreneurs to scale their operations while leveraging the area's robust manufacturing and distribution infrastructure. This ecosystem approach not only supports small-scale producers but also links them to larger manufacturing and logistics networks, fostering innovation and economic integration.

"Strong manufacturing has been the bread and butter of our community for a long time," a stakeholder explained, underscoring the sector's historical and ongoing importance. To sustain and expand this anchor economy, Hazleton's innovation centers and community partners are actively connecting manufacturers with higher education institutions to retain jobs and upskill the workforce. "We connect manufacturers to colleges and universities to help retain jobs in some of our strongest manufacturing companies in the region," remarked another community partner.

By aligning its strategic advantages in food manufacturing, logistics, and industrial production with entrepreneurial initiatives, Hazleton ensures its manufacturing and distribution sectors remain vital. This approach supports job creation, fosters small business growth, and strengthens the region's position as an economic anchor for Pennsylvania.



Image source: Left, Hazleton Standard Speaker; Right, PAhomepage.com

Opportunities for Sustainable Growth

To foster sustainable economic growth in Hazleton, targeted improvements in inclusivity, ecosystem integration, and infrastructure development are vital. By building on the region's strengths and addressing its challenges, Hazleton can create a more robust and inclusive entrepreneurial ecosystem. Key areas for action include:

- Expanding Inclusivity for Hispanic Entrepreneurs: With Hazleton's predominantly
 Hispanic population, fostering bilingual services and culturally relevant programming is
 essential. Partnerships with community organizations and efforts like the LaunchBox's
 bilingual programs should be expanded to ensure that entrepreneurs feel supported at
 every stage of their journey. Tailoring programs to meet cultural and linguistic needs will
 empower more entrepreneurs to succeed while strengthening the region's diverse
 entrepreneurial ecosystem.
- Strengthening Connections to the Manufacturing Anchor: Given Hazleton's reliance on manufacturing and distribution, increasing support for local entrepreneurs to tap into these industries is crucial. Initiatives like the Kitchen Incubator provide a blueprint for leveraging the region's manufacturing strength to foster entrepreneurship in food production and beyond. Expanding access to shared facilities, training programs, and mentorship in these sectors will enable entrepreneurs to integrate into the local supply chain and contribute to economic growth.
- Improving Ecosystem Communication and Awareness: While Hazleton benefits from a collaborative network through THinC, gaps in communication still hinder its potential. Entrepreneurs often remain unaware of available resources. Strengthening outreach efforts, such as through digital platforms and community events, will ensure that more entrepreneurs can connect with the support they need. Enhanced collaboration between organizations will also reduce fragmentation and maximize resource utilization.

By focusing on inclusivity, leveraging its manufacturing strengths, and improving ecosystem awareness, Hazleton is well-positioned to grow a sustainable and thriving entrepreneurial ecosystem that reflects the needs and diversity of its community.

For More Information:

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

- Hazleton LaunchBox: hazletonlaunchbox@psu.edu
- The Hazleton Innovation Collaborative (THInC): thinc@hazleton.org
- CAN BE Innovation Hub: info@canbe.biz
- Greater Hazleton Chamber of Commerce: info@hazletonchamber.org
- Hazleton Art League: info@hazletonartleague.org

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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