



**Multiple investment objectives** – Investors often have multiple objectives or motivations. In addition to personal economic benefits from increased commodity prices or investment returns, many investors are motivated by a desire to promote local economic development or by pride of ownership. These investor motivations can make site selection and other decisions difficult. Several of the organizations interviewed reported that plant siting decisions, while always difficult, can be complicated by parochial influences.

An example was a community that was the runner-up location for what turned out to be a very successful farmer-owned business. Regardless, the leaders and farmer-investors from the community were eager to establish a processing operation in their community and set out to do so. The business failed within a few years. When the desire to locate a business in a specific community supersedes sound business decisions, the likelihood of success can be seriously compromised.

Another example of multiple investment objectives was resolved when investors unhappy about the site selection were offered a refund of their investment. The refunds resolved a dispute that threatened to derail the entire project and the remaining investors and board members were able to move forward as a united group. Multiple motivations can complicate the effort to launch a new venture. But an awareness of these alternative motivations can help to mitigate future conflicts.

**Shared business vision** – A shared vision of the business venture's goals and priorities by management and the board of directors is critical. It can have a profound effect on business viability. For example, management may see a need to reinvest to grow the business in order to insure long term viability whereas the board may be sensitive to members' desire for substantial pay-outs from the net proceeds. The vision for the business is something that should be discussed very early in the process and prior to recruiting the management team. Regardless of what the shared vision looks like, it is critical that management and the board of directors have a compatible vision of the future of the business.

---

. . . and justice for all

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964.

Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Jack M. Payne, director, Cooperative Extension Service, Iowa State University of Science and Technology, Ames, Iowa.