



**The Brookings Institution
Reimagine Rural podcast**

**“A modern twist on company towns:
Humboldt, Kansas, and New Berlin, New York”**

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PAUL CLOUTIER, Partner, A Bolder Humboldt
COLE HERDER, City Administrator, City of Humboldt, Kansas
PETER LENNON, Mayor, Village of New Berlin, New York
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Episode Summary:

The history of rural America includes "company towns," when one employer controlled pretty much everything in town, from retail to housing to jobs, to get as much as possible out of their workers. The fortunes of many rural communities remain closely tied to a major employer even today, and Tony travels to Humboldt, KS and New Berlin, NY to learn what it means to rural renewal when community investment and partnership—rather than extraction—comprise the guiding ethos of a local business.

[00:00]

BARLOW: I think there's a tendency in small towns for us to settle for this is good enough.

[music]

You know, let's, let's slap a little paint on the front and open the doors and that's just not really what we wanted to do. It's not really what we thought we wanted to be affiliated with. It's not what we deserve.

I think that we often settle, and we think we don't deserve for the place to actually look nice. It just needs to function. And, gosh, if I open a candy store, I want it to I want it to be beautiful. You know, I want it to be a destination .

[00:48]

PIPA: That's Beth Barlow displaying the attitude that is making Humboldt, Kansas, a town of about 1,800 located two hours south of Kansas City, a destination in its own right. Such a destination, in fact, that in January 2022, just as the nation was emerging from the worst of the COVID-19 pandemic, the *New York Times* listed Humboldt as one of 52 places to visit that year. That put the town in pretty heady company alongside exotic locales such as Monaco, Greenland, and Vanuatu. How did that happen? And what might it mean for other rural communities?

[music]

I'm Tony Pipa, a senior fellow in the Center for Sustainable Development at the Brookings Institution. Welcome *back* to *Reimagine Rural*, the podcast where I talk to local people, hear their stories of change happening in their rural communities, and explore the implications and intersections with public policy.

For this second season, I'm going to dive more deeply into the kinds of opportunities available to rural communities in the 21st century. Throughout the history of rural America, much of that opportunity has often been shaped by outside interests or external markets. You'll hear how that still remains part of the equation for many rural towns today.

The last Congress set aside lots of new resources to update our physical infrastructure, incentivize new manufacturing, and boost clean energy. There have been big changes in the housing markets. Digital technology is increasingly woven into every aspect of our working and social lives.

This season will give us a chance to follow the impacts, both positive and negative, as rural communities experience these changes. As your host, I'm going to be particularly interested in hearing how local residents and leaders are organizing themselves, both to maximize the benefits of investments and to mitigate any potential negative effects.

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During today's episode you'll have the chance to hear stories of renewal in two different places, Humboldt, Kansas, and the region around New Berlin in upstate New York. I'll dive more deeply into how the fortunes of these rural places are intertwined with major businesses that are headquartered there.

Some of you might be familiar with the history of "company towns," where one employer basically built and owned everything in a particular town—all the stores, housing, and, of course, the jobs. Some of them even had their own sort of currency, called company scrip. This is the history of many small towns, often tied to extractive industries, and it was often just one more way for a business to exploit its workers.

But, on the other side of the spectrum, many of today's businesses have made it a priority to pursue corporate social responsibility, or CSR, based on a view that they have a responsibility to society that goes beyond maximizing their profits. In today's polarized political environment, that has generated backlash and denunciations of companies going "woke," with some policymakers even coming up with proposals to constrain these efforts.

So, how does this all play out today in rural places, where the well-being of the community can be closely tied with the major employers in town? Today's stories will give us the chance to experience how at least a couple of businesses view their role in their hometowns, which I think hints at a vision of a modern relationship that cuts through these caricatures.

[music]

Let's go back to Humboldt and Beth Barlow. Beth is a general manager at B&W Trailer Hitches, a company based in Humboldt, and she's also part of a group called A Bolder Humboldt. She grew up in town, but like many young people who grow up rural, she left, went off to college, then overseas to Germany when her husband was in the military.

[05:00]

BARLOW: And that was quite an eye-opening experience for me, being exposed to the world.

PIPA: They had their first child in Florida and were flooded out during a hurricane.

BARLOW: So, we sort of thought if it was ever time to move home, now is kind of the time to move home.

I think like lots of people who grew up in a small town, your small town is your small town. It's just your roots it. I feel connected to this place, to these people, to the history here. I feel connected to the goings on.

PIPA: While Beth was pleased to be home, she did notice changes.

BARLOW: The downtown was boarded up pretty much. But everything else seemed really reasonable to me, I mean, as I left it, sort of. There was industry. People were working. people were friendly. Pace was slow. All the things I loved were still here. It was a change for sure coming from larger cities. The thing you notice right away is

there's no place to eat and there's lots of things missing that you, you know, your grocery store doesn't have the variety you're used to.

[music]

The shopping isn't there. Some of the movie selections aren't there.

PIPA: Indeed, Humboldt's main street had fallen on hard times. Here's how Cole Herder, who is the town administrator, describes it.

[06:35]

HERDER: I grew up here, and through the '80s and '90s there were hardware stores and jewelry stores and things downtown. So, around the early 2000s, we started noticing there was just sort of this decline with population had been declining since the '70s.

This town used to have 2,500 people, now we have 1,800. We noticed in the early 2000s that we lost the church and then we almost lost a grocery store. We lost the oldest newspaper in the state for a while. It eventually was revived, but there's a gap in service. I started worrying about, are we going to lose our identity?

PIPA: It's a situation that many small towns across America have been facing. Humboldt isn't alone in wanting to revitalize their downtown.

[music]

But from the beginning of my conversations with people around town, I could sense a certain attitude here. A bit of chutzpah and creativity combined with some confidence, and a whole lot of willingness to get their hands dirty. It was evident when I spoke to Paul Cloutier, who is a town councilor as well as a member of A Bolder Humboldt.

[07:44]

CLOUTIER: Humboldt, like most of these small towns in rural America, we just sort of took our eyes off the ball in a lot of these places. We sort of assumed that bigger is better, whether that means our young people need to leave to go seek out something bigger, or bigger is better as in we need bigger stores and places like Walmart and Dollar General. And that has taken power away from everyday people and put all that power into a small number of corporations' hands.

And so, what we've seen is these towns have really struggled. The individual, small mom and pop shops have all gone away. People don't have a lot of control over their day-to-day lives in terms of the work that they get to do. And so, Humboldt was, like a lot of these towns, was struggling that way. Almost every business on our town square had gone out of business.

It is a very rural place that has for much of the country has kind of been forgotten. And so, because of that, it has meant there is the flip side of that, there is a lot of opportunity to improve things to make him to have an impact here. And that's really a big part of what's so attractive about it.

PIPA: Paul is also originally from Kansas. A military brat, he moved around a lot, but always had family in the Wichita area. He moved to Humboldt from the west coast, attracted by the opportunity to be directly involved in shaping the town.

[08:56]

CLOUTIER: And in 2016, I was sort of looking for something else, a little bit burned out on the work I was doing, increasingly. It was software development and automated stuff and things that I didn't really feel like I was doing the world too much good with and was looking for something else. And we met some friends who were from Humboldt that had moved back. And we came out and visited and saw the opportunity to make the town we wanted to live in here, and it's not too often that you get to participate in town making quite this way.

PIPA: Size had something to do with that. Paul allowed that in towns that are even just a little bigger, it might be more complicated to make progress or have an immediate direct personal impact. Plus, the culture of Humboldt had something to do with it, too.

CLOUTIER: There's always this kind of farmer-like mentality to, like, roll up your sleeves and get out some baling wire and figure out how to make this work.

The other part I think that drives a certain amount of the nature of this place is this general philosophy that many people here in town share, which is build the town you want to live in. And it's really as simple as that. What drives the work we're doing here versus, say, a traditional approach of economic development, where you kind of do this very top down, tax incentive driven model where you got to get a big business in and then you have jobs and then people will spend money.

That generally never works. And to the extent that you see it done here, it's almost always blown up in towns' faces when that business eventually leaves. We see it the other way around, which is build a town you want to live in, build a town you want to spend money in, build the town you want to stay in rather than leave to go spend money somewhere else. And you will start to see regeneration happening.

[music]

PIPA: Well, that seems like a pretty bold statement for a place that some residents describe as in the middle of everywhere, two hours from Kansas City, Tulsa, Wichita, and Springfield, Missouri. And yep, that audaciousness is right there in the name of the group that is key to this revitalization: A Bolder Humboldt.

[10:54]

CLOUTIER: A Bolder Humboldt is a purpose-driven organization that is really focused on three key things. There's a kind of for-profit commercial development aspect, which is fixing up buildings, getting buildings back in fighting shape, keeping them from falling down, getting to the point that they can be rented out or put into service in some way or the other.

Second part is a not-for-profit economic development wing, which is focused on helping folks start businesses, in some cases starting businesses ourselves. We

provide some sort of design services and various other support services for the business businesses. What we're really trying to do there is get all of these small local businesses on an equal playing field against places like Walmart and Dollar General and other chain formula businesses, try to elevate them and give them that sort of running start so that they can kind of compete at that level.

And then the third aspect is a kind of community development organization. And that's really focused on, as I said earlier, this idea of stitching together the fabric of our community back together a little bit by creating events and opportunities for gathering.

[music]

Anything that we can do to create the sort of emotional connection between people in our community so that they feel that they feel committed to the place for reasons that are not purely economic. It's one thing to have a job and a house here. It's another thing to feel like all of your friends and family and joy are rooted here.

PIPA: Paul is a part of A Bolder Humboldt. So, is Beth and Beth's brother, Josh. There are six core members of A Bolder Humboldt, and a number of people that help out in lots of ways. As we'll see later on a walk through the town, the group is the beating heart of Humboldt's downtown renewal.

[12:34]

But A Bolder Humboldt owes its existence to another local institution: B&W Trailer Hitches.

[sound of hitches being polished]

That's the sound of burrs of steel being ground off a steel hitch that has just come out of a mold. Beth is giving me a tour of the factory floor of B&W Trailer Hitches, where she's general manager at the company that her father co-founded. The amount of activity is energizing—and it's a big place for a small town!

PIPA: How big is the campus? How many buildings do you have out here?

BARLOW: Well, it's mostly one building. It's, uh, 700,000 square feet. Getting close to 700,000.

PIPA: Yeah, that looks like a far way away.

BARLOW: Yeah, it's a long way. It's a long way. We won't go all the way out there.

PIPA: The story of B&W Trailer Hitches is one of heartland innovation, and actually it's not too different from that Silicon Valley lore of Bill Hewlett and Dave Packard building computers in Packard's garage.

[13:36]

BARLOW: My dad in the '80s was a farmer.

[music]

He went to Kansas State University and then moved home to take over the family farm. And in the '80s, farming was really terrible, and he wasn't making enough money. And so, he and my mom both went to work. My mom was a schoolteacher and she had not been working, but she got a job and my dad started welding in the evenings at a local manufacturing business.

And he and another, what ended up being his partner in B&W, worked in the evenings on building custom truck beds. And in the process of building these truck beds, they sort of came across a design for a trailer hitch that was really innovative. And after a few years, they were making enough money on the side that they were able to quit their day jobs and work on this project full time. And that's when B&W was really born.

After that, B&W over the years has really been innovative in solving problems as it relates to towing and trailer hitches. And we've really built a large brand, a recognizable brand nationwide and right now we have in the neighborhood of 500 employees.

PIPA: But this is hardly a story of how a company's growth brings employment to a small town.

[music]

The business philosophy of Joe Works, Beth's dad and founder of the company, on what it takes to have a successful company—that includes the town. Here's what they did back when things got tough around the Great Recession of 2008. Cole Herder, the town administrator, tells the story.

[15:31]

HERDER: And actually, during that time it was sort of another high spot, if you can say so, because B&W Trailer Hitches had a couple hundred employees and no work. They had filled up their warehouse with inventory and didn't want to lay people off. And finally, it came to the point where they just didn't have any more work to do.

And so, Joe Works said, what are we going to do with these people? And they got together, and staff said, well, there's some things we can do in town to keep them busy for a little while longer. So, they started working in the community and built ball fields and built the bleachers for the fairgrounds in lola. And painted churches and did things for public places and nonprofit places, not for commercial so much.

And I think we decided that nobody was going to save us. And this happened clear back to 2007. Nobody's gonna save us. We're gonna have to do this on our own. And during that time, I think there was enough positive momentum that we kept doing the right thing.

PIPA: Those efforts continued into the 2010s, and the town kept working on economic development, housing, and recreation, priorities that had come out of a community planning process. Things picked up a bit more steam around 2016 with some streetscaping investments. Paul tells the story.

[16:50]

CLOUTIER: One was an effort to regenerate all of the sidewalks and lighting standards throughout the town. And so, an effort between the two largest employers—Monarch Cement and B&W—paid to develop, redevelop, tear about all the sidewalks, build new sidewalks, put in lighting. And that, that immediately gave everyone a sense of like, oh, there's something going on here. Maybe there is life in this. And it was just that simple act of care that showed this is a place worth caring about. This is a place worth doing something in.

PIPA: And as Beth says, that just led to other investments, and new dreams.

[music]

[17:25]

BARLOW: Sometime around 2018, my dad bought some buildings on the square in Humboldt. They were without roofs. They were dilapidated sort of thing. And I think he bought them really just to shore them up, basically. He bought them and then had new roofs put in, on them just to keep them from further falling apart.

But it sort of awakened in me like, gosh, what could we put in those? And I remember, I remember a family vacation somewhere around 2018 where my daughter and I were sort of just dreaming, you know, what would we put in one of those buildings? And I said, oh, we definitely need a candy store. And, you know, we need to have French macarons available in Humboldt for sure.

So, I really just set about building the fanciful candy store that I wanted to exist when I was a kid. And, you know, there aren't many impediments in a small town to doing something like that.

PIPA: It's those kinds of dreams that are fueling A Bolder Humboldt, and those kinds of investments being made by B&W Trailer Hitches that are making it possible.

BARLOW: So, the relationship between B&W and Humboldt is really a close one. I mean, of course, B&W benefits greatly from the people that live in Humboldt. You know, notoriously, ingenuity, hard work, you know, a strong work ethic, sort of the qualities of people in this area. And, you know, B&W would not be what it is today without all of these folks that live in this area being who they are.

[music]

So, I think because of that and because my dad's roots in Humboldt, I think he has always felt like giving back to Humboldt. And he made some money in the course of B&W's success. And he's really just wanted to sort of reinvest that in our hometown. And that's sort of what's been funding A Bolder Humboldt's projects.

PIPA: The relationship between B&W Trailer Hitches and Humboldt strikes me as a constructive, beneficial, and modern take on the relationship between a rural business and its community. While the old company town model was often about owning everything to suck as much value out of the residents as possible, this is the opposite: it's an investment mentality. It's a willingness to invest time, human capital,

and financing in order to help the town and its residents thrive. At the center of this philosophy is a belief that If the town thrives, it will help the business thrive.

[20:24]

Well, with all this talk about *how* Humboldt is going about this, I haven't talked too much about *what* they've done, and why they are becoming seen as such a destination. But before we take a walk together about town, I'm going to travel clear across the country to upstate New York to a town called New Berlin that's also been impacted by a local business. And, honestly, this local business is more widely known than B&W Trailer Hitches. It's a pretty recognizable global brand. I'm talking about Chobani, the company that makes Greek yogurt.

LENNON: New Berlin, like many upstate New York communities, has felt the impact of a slow decline over the previous decades. A lot of the industry has moved out. And a lot of the basic services are no longer here within these small communities. And many of the family farms have, I don't want to say gone away because agriculture is still the major employer here and the major producer of revenue, but it's not the same. And a lot of this is corporate level farming, mega farms.

But it is a rural community. It is a community that I described as not having a lot of disposable income, but it has absolutely wonderful work ethic, it has great water, clean air, low crime, and the people really care about each other. And I appreciate that. That's what drew me back.

PIPA: That's Pete Lennon, mayor of New Berlin. He's a retired two-star Army general who grew up in the area but spent his entire career in other parts of the world, then came back to New Berlin because of the qualities he just described.

LENNON: After I moved back, and this may be off, but this gives a little bit of the character of the village in New Berlin. I'm walking up the street to the pizzeria with my wife and somebody leans their head out the window of their pickup truck and yells, Pete Lennon, we haven't seen you in a while! Where have you been? Well, yeah, it's been 39 years, you know. But they knew who I was, and I guess I haven't changed that much. Maybe my hair has gotten a little grayer, but everybody knows everybody else up here and it's a wonderful community.

[music]

PIPA: It's also a place and an area that drew Hamdi Ulukaya. Hamdi was born in the Kurdish region of eastern Turkey, where his family had a small dairy farm. He came to upstate New York in the 1990s to learn English and worked on farms in the area, ultimately starting a small-scale cheese business. Around 2005 he saw a piece of junk mail advertising a fully equipped yogurt plant for sale. The plant had been around for seven or eight decades. As Pete Lennon says, it had been through lots of iterations.

[23:21]

LENNON: But, while I was in college, I worked actually at the facility that was later to become Chobani. My whole family had worked at that plant, whether it be, at one

point it was a Phoenix cheese plant. Then it became Kraft. And then when I was up there it was Breyer's yogurt, and Breakstone ricotta cheese.

PIPA: Hamdi ended up buying it from Kraft, who were getting out of the yogurt business. He bought with the help of a loan from the Small Business Administration. That's right, Chobani is a story of successful federal policy if ever there was one. That SBA loan enabled Hamdi to move quickly and buy the plant before anything else happened. Not that any of that success was a guarantee.

[music]

To start, Hamdi hired four of the employees that had been laid off from the Kraft plant, established a kind of makeshift office in a booth at the local pizzeria where he spent all his time, and began experimenting with recipes to create the rich, creamy yogurt that he remembered from his childhood. By 2007, his products began to hit grocery shelves. And by 2011, they had already grown significantly. And that was the year of Chobani's first major investment in the community. Here's Terry Potter, who was New Berlin's mayor before Pete Lennon.

[24:43]

POTTER: So, in 2011 I was a youth commissioner at the time. We had a growing need in our youth sports, and we really had a rundown complex, and it was our little league field and when I say that it was pretty much a backstop.

PIPA: Terry decided to try to involve some of the local businesses in upgrading the town's ballfield. He figured that if he could get one business, he could get others to match whatever contribution they would make. So, he talked to Hamdi and others at Chobani.

POTTER: So, my first ask was \$10,000, was what we were hoping to raise. And they said, let us think about it. And they got back within a couple of weeks, and they said, do you have time to come meet with us again? And, I said, yeah. And Hamdi had said, this is what I would like for the community. This is what I feel the youth of this community deserve. This is what you deserve. And he had pushed a rendering of a Field of Dreams type field.

And so, the \$10,000 ask became a vision, and a vision for ... for I guess the community and Hamdi. It really became something that took on a life of its own. It turned out to be almost a \$300,000 investment from Chobani.

[music]

And today that field is still state of the art. It was stadium lights, a home run fence, dugouts, an industrial concession stand with an announcer's booth. It was something that our community never would have dreamed of. And it all started with the generosity of Hamdi and envisioning and we had always said he's a visionary.

PIPA: That vision is ambitious. Chobani has grown to be the top-selling Greek yogurt brand in the United States, with a 20% market share of the overall yogurt industry. But while that vision is global, it also remains local. This is Don Brown, who

eventually became Chobani's community impact manager. Don grew up in rural Waterville, a town of about 1,700 about 30 miles from the Chobani plant.

[27:02]

BROWN: Been there for most of my entire life. I absolutely love the area that I live in. I like the ruralness. I guess growing up with, you know, watching Frank Capra's *It's a Wonderful Life* and just knowing that community spirit and people helping each other. We live in a community where I could leave the front door unlocked and either the neighbors are checking on us or I can safely leave my house and it won't be bothered. That everybody kind of checks in on each other. Everybody helps each other out. Just that small community spirit is really what I thrive at doing. And that's why I continue to stay in a small rural town of Waterville.

PIPA: Don studied communications at college and then came back home, where he worked for 14 years at his hometown high school doing whatever was asked of him: teaching assistant, substitute teacher, class advisor. He was the guy who built the sets for the high school musicals and ran all the audio and video equipment for the auditorium. A friend's girlfriend encouraged him to apply at Chobani to help the local events coordinator. Not only was he surprised to get a call back after his interview, he was even more surprised that it was to talk with Hamdi himself.

BROWN: But in that conversation was us talking about how do we feed people? How do we help people? How do we change the world? I thought I was here to sell yogurt and get yogurt out. And it was really more about how do we help our communities.

And at the time, there was always trouble everywhere, you know, across the world, but he said we need to help the starving people in Somalia. And I said, okay, how do we do that? And this is what he said next that really got me was, but before we do that, we have to help out our families here. And I'm like, sign me up. This is the place that I need to be. This is a company that is way beyond food, beyond the yogurt. It's a company that has a mission that wants to change the world and that we can do it with that power of the food, which has grown into the power of our food, to the power of our people, to the power of our mission.

PIPA: The culture of the company, and its hometown roots continue to keep it grounded locally even as it seeks to have a global impact.

BROWN: From the outside, I know everyone looks at us as this global corporation. From the inside, we are very small business minded and family oriented. And from that first day that I started 12 years ago, it was about giving back to the community. We've done some legacy projects from a little league field to some community centers to helping to build a firehouse, a fit path to help with wellness.

[music]

And we've always wanted to give back and be a part of the community because the community has supported our growth. Without the community and without the people in this rural area that embraced Hamdi's vision and what Chobani has become, we wouldn't be the success we are today without that for sure.

PIPA: Like B&W Trailer Hitches, Chobani sees itself as an investor in the town. Terry Potter, the former mayor, describes the investment in the community center and the firehouse.

[30:05]

POTTER: I mean, even fast forwarding to right before I did step down as mayor, the community center and the firehouse, that was another investment that they had made. And they had joked because this time I came prepared, and I had a folder and with some ideas. And we were trying to get matching funds, we worked with the state. And that was when I had my folder ready and said, this is what others are doing. Do you think this is something that Chobani would consider getting on? Without hesitation they said, let's learn more about this.

So, it's a beautiful structure on Route 8 as you're coming into the village of New Berlin. Instead of looking at an open field, you're looking at a brand-new firehouse and community center. And it's called the Chobani Community Center. And the firehouse is right there. So, that's the first sight you see now as you're coming, heading north into the village, which brings a lot of pride to the community.

[music]

Chobani proved how private and public relationships and just working together can really pull a community together and we were able to build a \$1.5 million dollar firehouse and community center and Chobani donated upwards of \$700,000 to that project to see it through.

PIPA: As Don Brown mentioned previously, one of Chobani's main objectives is to reduce hunger. That's a charitable aim that fits squarely with a food company. But Hamdi is also a leader in supporting refugees—he's created a global coalition of 300 employers willing to employ refugees—and Chobani has a record of employing immigrants from its earliest days. How was this received in a small town in upstate New York, I asked Mayor Pete Lennon?

[32:01]

LENNON: I may be naive on this, but I think that the people up here realize that it is a combination of local—what I would call natives, folks such as myself—who are working up at the facility and folks that are coming over here to transition from immigrant to producers in the elements of the American Dream. And, without both pieces of this, we wouldn't have a product.

[music]

And it has been the waves of immigrants that have reestablished and reinvigorated the city of Utica. I mean, it is a different city than it was probably 20 some odd years ago. There are really some very, very positive signs of life. And I think that the community up there realizes it. And I think that anybody who listens to the Utica TV station realizes this and sees that what the power is of folks that just happen to have a separate nationality of birth. And that this can be the area of the American Dream.

So, I don't think it's as anti-immigrant as you would think if in fact it were an area that had not seen the positive impacts of having, I think there's maybe 23 different languages that are spoken up there at Chobani. I think that there's a lot of pressure to relook at the visas and work visas and things like that just to see, how do we, how do we take advantage of the folks that are here and want to contribute and want to be partners and want to be Americans and to leverage the capability that and the platform that America provides.

PIPA: And of course, just like many rural towns, they are providing new opportunities to keep young people here or see it as a place that they might return. Don Brown explains how some of his colleagues were students he used to see in his old job at the high school.

[33:53]

BROWN: We've got several manufacturers in the area and some really great businesses. We have G.E. Aviation. We have Raymond Corporation, which does forklifts. We've got Golden Artist Colors that does paint. We've got insurance agencies and really successful banks in the area.

The jobs are here. Now, how do we get our young folks to be able to see that there are careers here? So, at Chobani at some of these other local places. And inspire them to like, yes, you can go away, and you can come back, or you can get all your training here and you could start working at one of these places and you can work your way up.

[music]

Personal story: as a teacher and senior class advisor, there're maybe 2 or 3 of my former students that are now working at Chobani and one of them is now, I think, a high-level manager supervisor and I saw him the other day and I said, 12 years ago, we were both sitting in a classroom, you were my student, I was the teacher. Here you are, excelling at what you do, and I'm on a whole different career path, and I said, I don't think I could be more proud of seeing that happen.

PIPA: Mayor Pete Lennon sums what he thinks Hamdi and Chobani has meant to New Berlin.

[35:05]

LENNON: And I think it's a situation where he's created an environment that we should be taking advantage of, that we should be leveraging with, and using Chobani as one of the platforms for opportunities and recovery rather than waiting for the next good thing to happen to us, from either Washington or Albany.

[music]

Good things don't happen to you. Good things happen for you when you work. And that's what I see the direction that I hope that we're moving in. That New Berlin is believing in itself again. That's one of my goals as mayor, is to try to get people to believe in the character and the capability of this workforce and this community. And

to pick ourselves up a little bit and say, hey, listen, I'm pretty proud to be from New Berlin.

PIPA: Pride of place. I hear a lot about its importance in the towns that I've been visiting for the podcast. But I have to say, Humboldt, Kansas, is putting its own audacious spin on this. By being willing to work so hard to make their community their own, one-of-a-kind place, it's easy to see why they've attracted outside attention as a destination. Let's take a walk with Paul Cloutier.

[36:24]

CLOUTIER: Well, so we're walking here past the Bailey Hotel, which has been a hotel since the '20s, on and off, a lot of other things, but it's been one of our signature projects, is to kind of bring, uh, places for, places for people to stay back to town. Uh, it also has within it our brunch place, a kind of place for folks to go out for breakfast and lunch, uh, most days of the week.

PIPA: The Honey Bee Brunchery.

CLOUTIER: The Honey Bee Brunchery, yeah. And it was a, it's been really popular. It draws people from all around. And as we kind of keep on moving down here, we've got this, this building, this is the oldest building in town, uh, on the square. This whole, this houses the, the Hitching Post. A kind of honky tonk, a local bar, music, deep whiskey selection, uh, and gathering place. But it was a really interesting project where we really had to try to be true to what it was, but really rebuild the entire building, um, while we were going along.

PIPA: We passed a couple of hip clothing stores, Beth's candy store that frankly feels like a portal to Paris, a couple of Airbnbs, and some buildings that were still being gutted.

CLOUTIER: This building here, this is a great example of kind of where, well, this is beyond where it was when we started, but this is one that's under construction now. When we first started this project, this was a, we put the shave ice stand in here and it was a pretty, in pretty rough shape. As you can sort of see, there's no floor, there's no ceiling. There's very little of even of the facade left, but it is now under underway being being redeveloped and you know gutted, had to dig out the basement. We're gonna have to rebuild the floor, rebuild all the various stages. But the idea is to have retail downstairs and kind of residency upstairs as well.

PIPA: Looking at the state of that building in person gave me a good sense of the amount of hard work and elbow grease that A Bolder Humboldt has put into this revitalization. They are not just about designing and doing the project development. They are getting their hands dirty.

CLOUTIER: This is the Fussman Building. Uh, you know, just an extraordinary bit of Richardsonian Romanesque architecture. Just lovely brickwork. These great cast iron columns.

PIPA: The Fussman Building is already home to a golfing simulator called Sticks where people use projection screens to hit golf balls. There's a sort of sports bar in

the back with other screens that makes it popular on a Friday or Saturday night. A bookstore is also going into the building, and just looking at the space, you can imagine it will be comfortable and, well, unique to Humboldt.

[38:46]

CLOUTIER: When you think about the advantages of a of a place like this, you think a lot about the value of the small, the things that are small. We have a lot of large things in this world, and the small is personal. It's, uh, it's unique. It's not something you can get at every single town. You know, increasingly, big cities are the same like, you know, whether there're Starbucks and Gaps or whether or not they're just, they're, they're unique, but they're all kind of unique in the same way.

So, the idea here is that we can have something that is rooted in the place and has some unique qualities that really feel like the area. Something that you can only find in Humboldt is kind of the idea. As a destination, it's hard to, you get, this is one of the few ways you can get folks to come to a place like this, is be a destination, be the place that only you can, you can only get that in that place.

PIPA: As we looked at the adjoining demolition, we found a perfect example of what Paul means.

CLOUTIER: There's still a little bit of demolition left happening in here. It was interesting in this one, when we took the floor up, we found an old well, um, which is still right smack in the middle of the floor. You can look down into it, an old stone well. And there's a great story about how during the Civil War, when the Confederates came to town to burn the town, somebody stashed all of the the town deeds and documents in the well, roughly at this address. So, it's possible that's the well that saved the town's, you know, history, um, at some point. We're certainly going to put a piece of glass over it and say that's what the case was.

[music]

PIPA: That's a great story.

Two rural towns, thousands of miles apart. Two area businesses investing directly in their towns, providing leadership and inspiration. But will it work? Will it be enough of a catalyst to sustain these places? Beth Barlow acknowledged that there's been some skepticism about the bold steps that A Bolder Humboldt has taken.

[40:35]

BARLOW: Frankly, I think people have been incredulous about it. Cole Herder, for instance, has told me several times when he saw a candy store going up, he was like, what? How can that work?

So, for good reason, I think people are a little bit skeptical, like, are you really, you're really investing? You're really investing in Humboldt. Is this just a gift? Or is this something viable? And to be honest, I think the question hasn't yet been answered. For now, it's a gift, but it's a gift with a lot of hope behind it and sort of a master plan.

PIPA: Part of that master plan is to customize and experiment with different approaches. Here's Paul describing one approach to establishing new businesses.

[41:25]

CLOUTIER: You never really know what's going to work or not. And so, a lot of times we will start with this kind of relatively low risk approach by having, one, a high traffic business like a cafe or a restaurant or something like that, and then we'll dedicate space adjacent to that that allows you to kind of create a business that sort of leans on that traffic. So, we call it a bit of a lean-to model. It's a bit like a pop-up store, but fundamentally the idea is it allows you to reduce the amount of labor that's required because you can double up. It allows you to reduce the amount of attention that's required and some of the effort, even from a real estate standpoint.

And then after about a year, you know, it's like, all right, this is working great, and now it's worth spinning out, or maybe after a year, you're like, well, this wasn't as successful as I thought. Let's go ahead and either retool or perhaps not proceed with this idea.

And it's that kind of both sort of iterative model of incubating things and testing and sort of adjusting in a relatively low risk way that allows us to sort of get a lot done here.

PIPA: They're willing to experiment with ownership models in the same way.

[42:22]

CLOUTIER: We have a lot of different approaches, a lot of different ownership models, a lot of different business types here in town where we're experimenting with reinventing the way that works. So, on the one hand, it means sometimes a business is owned by a development organization that can sort of spread the cost out of this maybe one thing that wouldn't do quite as well, is owned by something that also does pretty well. It's a little bit like that lean-to model where it allows you to spread the risk out a little bit by having it in a mix or a portfolio of other things that you know are going to do okay.

We have other things where we have a kind of just a standard traditional private ownership model where you're renting a building, or you own a building and you run a business in it. And then we try to support that as much as possible because it's very simple and clean and legally it's easy, it doesn't require creating new, weird contracts.

And then a third approach we have is just simply nonprofit and recognizing that there are certain things that this town, that any town needs, but particularly our town needs because we want them that are never going to be by traditional metrics successful businesses, that were never intended to be businesses.

[music]

So, whether that's a, you know, a music venue or a music hall or any kind of cultural arts center, or even things like our, you know, campground Base Camp, we operate

many of these as nonprofits because we want them to survive, but we don't need to extract a bunch of money out of them. We need them to simply be here.

PIPA: Certainly, both Humboldt and New Berlin are focused on investing in their young people and changing the narrative of their future. Making sure that their youth see their hometowns as a place of opportunity, as place for their future home. Cole Herder explains the motivation.

[44:03]

HERDER: The other thing we looked at or the thing we discovered was the majority of those businesses were run or owned by people that had grown up in Humboldt, or had, this was their hometown. So, that's where we focused on. We weren't going to draw the big corporations or the big manufacturing companies that were stationed in another state or another place. Our tack was to grow from within.

We have very smart, intelligent people that are leaving to go do something somewhere else. So, why don't we make it possible for them to stay or at least make them interested in staying and grow their garage business into a real business, which is the way B&W started.

PIPA: He's been involved in designing a program for Humboldt's graduating high school seniors to help them think of Humboldt as the hometown they can always come back to, no matter where they are in life. Each graduating senior receives a mailbox painted black and orange, the school colors, with a card inside that says:

[music]

HERDER: You're invited to make Humboldt your home. And Humboldt will always be your hometown. And so, this card was an invitation that never expires. And so, we arranged for the school that we would present these mailboxes during graduation, 45 graduates or whatever was graduating that year.

And so, I've made the presentation to the students. And part of my presentation to them I know is falling on the ears of their brothers and sisters, their aunts and uncles who may have come from out of town, maybe grew up here and came back to see their nieces and nephews and grandkids graduate.

And so, the message to them is, all we're asking is you consider Humboldt when you think about your future.

[music]

So, when you go out, we want you to go get your education and we want you to go work in corporate world or in some other place. And learn those trades, learn the trade secrets. And then when the time is right, ask yourself is it time to go to Humboldt and go back? And when the time is right, you're welcome to come back.

PIPA: Certainly, both B&W Trailer Hitches and Chobani provide concrete opportunities for those youth, as do the other major employers in their respective towns. But as Terry Potter, New Berlin's mayor pointed out to me, there's active speculation that Chobani might go public and do an initial public offering. Like many

rural towns, both Humboldt and New Berlin owe major portions of their economies to these businesses. How resilient will the community be if a major event changes things?

Interestingly, both companies have shared equity with the employees. And A Bolder Humboldt, for example, has built significant capacity using the backing from B&W Hitches. They've been successful winning major public grants from state and federal sources.

But at the end of the day, both places are depending on an emotional connection to be the thing that keeps their communities thriving; an emotional connection to their place, to each other, and to a willingness to work hard to keep it going.

[music]

This is one of the things that motivated Paul to establish The Hitching Post, his modern version of a honky tonk.

[47:21]

CLOUTIER: I was keen on a bar, especially in a rural place, because we, regardless of whatever you think about politics in this country right now, I don't think anyone would disagree that there is a high degree of polarization, a degree of people backing away from each other because they differ slightly.

And we need more gathering places. We need places where people can come together and find common ground with one another that maybe are not selecting those places. That we see all of the time people come to visit here from the city, sitting next to locals, having conversations about things that they never would have had if they were simply on Facebook or online or whatever. And having real empathy for one another.

And just the importance of a third space, of a bar, of a café, these gathering places, is really critical. It's one of the most important jobs I think we do in a place like this is to just re-stitch together the fabric of the relationships with other people within our communities.

PIPA: While the talk about national politics can be as toxic in Humboldt as anywhere else in the country these days, Paul's been pleasantly surprised by the lack of politics when working on projects around town.

CLOUTIER: We're not really concerned about politics particularly other than how do we create a working community. And that kind of national level stuff often just gets in the way. And so, what we've found here is at a local level, the kind of lowercase politics of how people interact with each other in practical, everyday kinds of ways, is surprisingly good. Like it's surprisingly practical.

PIPA: There is still work to be done in Humboldt. But if I were a betting man, I'd give Humboldt some pretty darn good odds.

[48:55]

CLOUTIER: I see the things that our organization and other folks around here have been able to do, and it gives me real hope that, you know, not only is Humboldt going to be okay, and Kansas is going to be okay, but there is a way forward for small places to not only just stay alive, but to really be a kind of economic engine and a cultural engine again.

You know, you can make things happen here without killing yourself in the way that the sort of devil's bargain of, like, tech and venture capital and all that stuff in cities—it's a fool's game. You rarely see the benefit from that. You work your butt off to sort of see success there, and really, you're just making someone else rich. And at the end of the day, what do you have to show for it other than a house you never get to spend any time in?

Whereas here, you get to build the world you want to live in. And, yeah, there's days where you don't get everything you want, and where maybe things aren't the way you want them to be. But in the general arc of things, you're moving in the right direction.

[music]

Humboldt is one of the most hopeful things I've ever been a part of. I've worked on lots of projects over my life, designed lots of things. And for how the news sometimes portrays life in America these days with a sort of sense of doom and gloom and challenge, there is a real joy and optimism that comes from being able to put your hands on the wheel and just steer a little bit, and you can do that in a place like this.

[50:09]

BARLOW: My hope for Humboldt is that the vibrancy of our businesses, vibrancy of our people, our schools being healthy. In small towns, there's risk of your schools closing or losing population and losing your post office. My plan is to live here for the rest of my life. I want those things to be open. And so, my hope is that we're vibrant, and that people are coming here and enjoying their time here, but mostly that local people get to continue to enjoy the life we love.

PIPA: Both Humboldt and New Berlin are towns on their way to sustaining that vibrancy, thanks to the support and investments of anchor businesses. Company town? Corporate social responsibility? Call it what you will. But for these rural towns, it's about relationships, partnership, and mutual sustainability. It is helping hometowns be bold. Thanks for visiting with me.

[music]

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I'm Tony Pipa, and this is *Reimagine Rural*.