Introduction

Historical reflections on the growth of small towns have illustrated that “serving the productive countryside” often provided their initial raison d’être, where rural areas were seen as places of resource extraction and agricultural production (Powe and Hart, 2017). Following economic, social and demographic change, often resulting from a decline in agricultural employment, exhaustion of natural resources and deindustrialisation, revival of these former growth towns has often been slow. Drawing from cases in Canada, US, Australia and the UK, amenity-based strategies linked to quality of life issues have selected potential for revival. In-migration has been a key driver for such change, encouraged by amenity factors of landscape/heritage/culture and supported by urban accessibility (Smith, 1998; Tonts and Greive, 2002; Gill, 2002; Jackson and Illsley, 2006). Such processes have often been supported through leisure-based efforts which build on the conservation of heritage buildings and/or are based on a leisure-oriented theme around perhaps counter-culture ideas, specialist independent retail, local food and/or creative art and culture (Barnes and Hayter, 1992; Smith, 1998; Paradis, 2000; Westerhausen and Macbeth, 2003; Macleod, 2009). Yet, “amenity” towns (rich in terms of local landscape/heritage/culture) are likely to represent only a small proportion of rural towns and not all places are conducive to amenity-led strategies (Powe and Hart, 2008). There is also the question of for whom the places are being revived. In-migration can lead to displacement of pre-existing residents, and, more generally, to a disruption to place character and attachment, where change ‘can result in people's sense of continuity with the socio-physical environment being severely disrupted’ (Green, 2000: 76). Indeed, amenity-led revival can directly clash with residents’ ideas of place (Hester, 1993).

As not all towns are conducive to amenity-led revival, there is a need to extend understanding to other complementary or alternative strategies. Indeed, academic research needs to provide
inspiration by ‘enlarging the imagination which strategy makers bring to their struggle to grasp what is going on and what is at stake in a particular situation’ (Healey, 2009: 447). In attempting to enlarge our imagination of the opportunities emerging for strategy formation, this paper considers the potential for business growth in non-amenity sectors. Approaches to business growth focus on improving the demand for and supply of local products and services. Demand policies focus on enhancing the economic base through, for example, industrial attraction, business retention, growth and start-ups (Barkley, 2001). Supply side policies attempt to improve the efficiency of local business, perhaps through tackling remoteness and improving the labour supply (Barkley, 2001).

Whilst many studies have previously considered the potential for business growth in rural areas, there has been a lack of focus on place. Whilst insightful, previous studies have often considered “rural” or sub-sectors of “rural” such as “peripheral rural” as generic categories, with nuanced contextual issues consequently being neglected (Patterson and Anderson, 2003; Lee and Cowling, 2014). Other studies have looked at specific sectors, areas of potential or challenges, but the realities for place-based revival have remained unclear (Bosworth, 2010; Kalantaridis and Bika, 2006; Salemink et al., 2016). Micro studies, such as Yarwood (1996), are rare and do not make the necessary links to place-based strategies for change. Whilst detailed longitudinal studies have explored how amenity-led strategies can lead to place-based revival, there is an absence of such studies relating to business growth strategies. Wirth et al. (2016) provides a notable exception upon which this paper builds. In order to better understand the potential for business non-amenity growth strategies to support small town revival there is a need for further in-depth place-based studies.
Situationing these findings within the relevant international literature, this paper helps to widen imagination on what is possible in considering the potential for business growth to support small town revival. In exploring if business growth has potential to support small town revival three questions emerge:

- Is there potential for non-amenity business growth within small towns?
- How well do non-amenity business growth strategies fit with other related strategies and residents’ imaginations of place?
- How can non-amenity business growth be supported?

These issues are investigated through longitudinal analysis of two former resource town case studies in Northern England that have both attempted business-led revival. In order to broaden the relevance of the findings, a series of contextual interviews were also undertaken within other areas of Northern England.

**Exploring the likelihood of small town business growth**

When exploring the potential for small town business growth it is important to understand the reasons businesses might locate within rural areas and small towns in particular. As suggested by Leigh and Blakley (2013: 84) ‘different firms require different mixes of … factors to be competitive’. Once in-situ, firms adopt strategies to counterbalance any deficiencies in their chosen location (Vaessen and Keeble, 1995). Building on this, Lee and Cowling (2014; 27) suggest that firms are affected by sorting and adaptive effects. The sorting process ensures that firms that survive will ‘locate in areas which suit their business models’. Some firms will need to locate within large urban areas and/or in close proximity to a large agglomeration or related/complementary firms (Boschma, 2015). For other firms, rural areas may represent feasible locations which would not restrict their ability to remain competitive. Once a business location has been chosen, firms then need to adapt to ensure they ‘adopt strategies which
compensate for the relative disadvantages of their locations’ (Lee and Cowling, 2014: 27). Firms that do not sort or adapt are unlikely to survive. Given that firms usually operate in a situation of imperfect information and inflexibility, there is a possibility that some firms will simply not move to small towns, or set up there, because doing so would be too risky.

Whilst locating in rural areas may lead to higher transaction costs in input and output markets, particularly in post-industrial areas, there might be fewer constraints on land, cheaper land may be available and wages may be lower (Patterson and Anderson, 2003; Wirth et al. 2016). Whilst the urban to rural industrial shift occurring in the 1970s and 1980s was based on these business motivations (Healey and Ilbery, 1985; Hart, 1988), this trend has now largely shifted elsewhere, as there are ‘many other places across the globe that provide cheap labor to produce goods that can be inexpensively shipped to markets due to logistics advances’ (Leigh and Blakley, 2013: 93).

Whilst working in rural places may inspire some, Anderson et al. (2016: 15) found rural locations a poor place for creativity, where the use and ‘application of creativity, is not performed alone but with others and is thus a socialised activity’. Such networking activity was found to be significantly constrained by rural location. Whilst there may be benefits of rural association as part of marketing strategies (Keeble and Tyler, 1995; North and Smallbone, 1996; Powe, 2006), this may only relate to very specific firms. Rather than any direct business advantages, motivations for rural location have become more about residential desirability for entrepreneurs. Indeed, there is a body of research that links rural population shifts to small business growth, where proximity to the founders’ home is the most important reason for business location (Keeble and Tyler, 1995; Dahl and Soenson, 2009; Bosworth, 2010; Mitchell and Madden, 2014).
The regional/sub-regional context may also affect small town business opportunity (Daniels, 1989; Scott, 2010). For example, Markusen (1996) refers to state-anchored clusters, such as defence contractors, where political location decisions can lead to significant growth within the region. Similarly, “hub-and-spoke” relationships can develop from key anchor firms within an area. Less attractive are what Markusen (1996) called “satellite platforms”, where, consistent with life cycle theory, branch plants perhaps attracted by subsidy are set up locally but with few local linkages, where the lack of local embeddedness means the plant can be easily shut down and moved elsewhere (Simmie and Martin, 2010).

**Preparing for and creating “moments of opportunity”**

Progress towards revival usually comes through creating and taking advantage of “moments of opportunity” (Healey, 2007). Opportunity may come from demand side policies of business retention and expansion, and through enhancing the entrepreneurial culture. Business growth in a small town context is unlikely to result from external business investment (Daniels, 1989; Markusen, 2007; Nel and Stevenson, 2014; Wirth et al., 2016). More generally, Barkley and Henry (1997: 322) suggest demand side policies are most effective when offered to ‘existing, well-established agglomerations in dynamic, rapidly growing industries’. In terms of business growth, however, whilst there is much debate as to whether the age of a firm makes a significant difference to its growth potential, high growth firms can occur within all firm sizes, places, ages and sectors (Mason et al., 2015). This may include small towns.

In the context of limited opportunity, recognising potential requires detailed local knowledge of the business environment and the aspirations, preferences and needs of local entrepreneurs. Barkley and Henry (1997: 319) suggest this may require ‘industry-specific information on
production trends, labor requirements, locations of product markets and input and service suppliers, and historical location patterns’. For specific or proposed businesses, this is likely to require dialogue and understanding of their potential and the challenges faced (Mole et al., 2011). Small business growth is ‘dependent on the alignment of multiple attributes, some of which are intractable to policy influence, such as family and employment history of business owners’ (Perry, 2010: 78). There is also a generic problem that only a minority of small firms are likely to grow (OECD, 2014; Mason et al., 2015; Brown and Mawson, 2016). This is further hindered in the rural context, where many businesses are driven by more “lifestyle” than “growth” orientated concerns (Bosworth and Willett, 2011; Bennett et al., 2015). In terms of developing a positive enterprise culture in post-industrial towns, it is important to move away from a “dependency culture” of relying on large industrial employers, where there is unlikely to be a ‘tradition of becoming self-employed or setting up businesses’ (North and Smallbone, 2006: 54). There is a need to recognise the long-term nature of this challenge (Huggins et al., 2015).

In the context of austerity and urbancentric government support, where larger places are perhaps perceived to have greater importance and potential, revival activity is likely to fall increasingly on the rural communities themselves and be heavily dependent on self-help and self-dependence (Nel and Stevenson, 2014; Harrison and Heley, 2015). This raises the question of what small town governance can do to help business growth. There may be potential for the required dialogue and understanding to be supported by small town actors, particularly those involved in business themselves, where firms prefer peer support to that from public sector employees (Fischer and Reuber, 2003; Van Cauwenberge et al., 2013; Nel and Stevenson, 2014). Encouragement for local networking, business breakfasts and mentoring from non-competitive firms may enable places to build on local business knowledge. This
could help to ensure that opportunities for business growth are appreciated and acted upon. Moments of opportunity may also arise from national/regional support schemes and local governance needs to be ready to take advantage of such opportunities should they occur (Powe and Hart, 2017). Whilst there is a need for place-based efforts, on some issues small towns are simply too small to be considered in isolation. Indeed, this is particularly the case when considering supply side policies. Rural areas can be characterised in terms of poor transport infrastructure, slow broadband speeds, lack of skilled labour and premises for small businesses (Lee and Cowling, 2014; Salemink et al., 2016). There is also a need for co-ordinated territorial growth to ensure opportunities for agglomeration and complementarity across the area are not missed (Scott, 2010). Town level governance may have a role in lobbying for inclusion within wider policy formation. Whether at the town or the territorial level, economic growth is most likely when ‘economic opportunities “fit” the human resources and utilize or maximize the existing natural and institutional resource base’ (Leigh and Blakley, 2013: 95). The necessity for such coherence needs to be realised and some coordination is required.

**Business growth and small town revival**

A detailed longitudinal study by Wirth et al. (2016) researched how the former resource town of Johanngeorgenstadt (Saxony, Germany) managed an industrial revival under communism. Opening up industry to global competition, however, following German reunification led to de-industrialisation and significant decline for the town. In the absence of a protective command economy that prioritises small town industrial renewal, business-led revival is unlikely. Despite this finding, business growth should not be neglected. Indeed, Nel and Stevenson (2014: 495) suggest that, in the New Zealand context at least, whilst new jobs are ‘seldom replacing the loss of employment from a traditional core industry’, they still create a ‘degree of employment, vibrancy and hope’. For small town revival to be realised, moments
of opportunity need to add to the overall town offer and be in keeping with local goals (Powe and Hart, 2017). In terms of evolutionary economics, such coherence can lead to positive feedback mechanisms for revival and growth (positive place identity; demand linkages; low transaction costs due to inter-firm trading links; skilled employees/local expertise; and affluence) (Martin, and Sunley, 2011). Revival is most likely when coherence exists within the occurring activity. Indeed, not all business growth is seen as positive or having positive outcomes for the majority of residents (Westerhausen and Macbeth, 2003; Courtney et al., 2008). Building on a series of related “moments of opportunity”, a “coherent diversity” of activity may occur spontaneously or simply by accident (Powe and Hart, 2017). However, in places that lack market activity, such as deprived small towns, some form of leadership and coordination is usually required to enable such potential to be realised.

Case study towns and research methods undertaken

The potential for business growth to support small town revival was initially explored through two Northern English case study towns located in South West Cumbria on the Edge of the Lake District National Park: Millom in the Borough of Copeland; and Ulverston in the District of South Lakeland1. Case study selection was based on the idea of maximising information content (Flyvbjerg, 2006). This was achieved by choosing a rural area remote from large urban areas within which business-led growth has occurred (through advanced manufacture) and is likely to continue in the future. Whilst the area shown in Figure 1 was previously known for mining, chemical works and steel production, more recent drivers for business growth have come from BAE Systems, based within the town of Barrow-in-Furness (approximately 57,000 residents), the large nuclear complex of Sellafield, and there are plans for a further nuclear power station nearby. Underpinned by government grants and contracts, this wider economic

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1 For a more detailed treatment of these case studies see Powe and Pringle (2017).
context represents a “state-anchored district” where its future is very much situated within the political realm.

Figure 1: Location and context of the case study towns

The towns of Ulverston and Millom were chosen to illustrate the diversity of challenges faced and outcomes which can occur within a similar context. Ulverston (approximately 11,500 residents) provides perhaps an exemplar, or extreme case, of business growth and economic success (Flyvbjerg, 2006; Gerring, 2007). Ulverston has significant advanced manufacturing, a vibrant town centre and cultural attractions, provides desirable residential locations and has strong local governance. Although only 17 miles from Ulverston and sharing a similar history based on employment within resource based industries, Millom is a very different place. Millom (population just under 6,000) boomed in the mid-nineteenth century when huge iron ore deposits were discovered nearby. Unlike Ulverston, which has always had a more diverse economy, Millom became highly dependent on the iron industry and since the closure of the mine and ironworks in 1968 the town has experienced population decline and has only managed to stabilize since this decline. In terms of the case study methodology, different questions were asked of these two towns. In Ulverston, it was important to understand why the town has been successful and the degree to which this revival has been supported/led by business growth. In Millom, it was important to understand the reasons for the lack of economic revival and the importance of business growth in stabilizing the town’s fortunes.

The research within the case studies began with a desk study of relevant statistics on the two towns and the surrounding area, a review of material on prior efforts to develop the business sector in the Millom/Ulverston area, and research into the policy context within which the area
This research was supplemented by interviews with key actors in Millom/Ulverston (local councillors, business groups, managers/owners of local businesses, and business advisors). Interviews were also undertaken with a range of other local/Cumbrian/regional experts. 22 people were interviewed about the South West Cumbria case study area. As most people knew both towns well, Millom and Ulverston were discussed within all the interviews. In order to gain a better understanding of longitudinal change within these towns, extensive review of newspaper articles was also undertaken, with a focus on the history of the firms operating in the towns and policy efforts to encourage revival. A wider contextual study of small town business growth elsewhere within Northern England (West Yorkshire, Northumberland and Derbyshire) supports the Cumbrian case study by exploring issues of more generic significance and adding to the depth of understanding. 20 interviews (property consultants/developers, economic development officers, rural advocates, those giving business advice/support, business owners/managers and consultants) were undertaken within this research. Where possible the semi-structured interviews were recorded and transcribed. Given the sensitivities involved in this project, it is not possible to give further details of those interviewed and all quotes are anonymous.

Potential for business-led strategies of revival

Ulverston – A centre for advanced manufacturing

Ulverston is dependent on the economy in the wider Furness area (consisting of the peninsular upon which it is located – see Figure 1). In the early 1990s, the Furness area experienced the loss of nearly 8,000 jobs from the shipyard, formally known as Vickers Shipbuilding and Engineering, Ltd (VSEL) (now run by BAE Systems) in Barrow-in-Furness, and the closure of other unrelated manufacturing firms in the area (Hansard, 1992). As a result of these job losses
a development agency, Furness Enterprise, was established in 1991 to support the regeneration of the Furness area as a whole. Firms in Ulverston have benefited from grants and other support provided by Furness Enterprise until it was dissolved in 2016.

Growth in Ulverston’s economy has come from the expansion of advanced manufacturing (28% of local employment is in manufacturing) (National Statistics, 2015). Whilst there are semi-autonomous branch plants (GlaxoSmithKline and two high-tech maritime and offshore engineering firms (Siemen’s Tronic and TriTech)), they are not “satellite platforms”, where businesses, perhaps attracted by subsidy, are set up locally but with few local linkages. The branch plants in Ulverston are high tech innovative firms leading in their niche markets and, despite being branch plants, have continued to expand and invest significantly within the town. Whilst GlaxoSmithKline’s presence on the former iron works site would be seen as the result of industrial attraction policies in 1947, the origin of the other businesses is more local. Tronic (taken over by Siemens in 2012), the largest employer in Ulverston (approximately 400 employees), was set up by a former employee of VSEL at Barrow-in-Furness in the 1970s. Whilst Ulverston is not a natural site for an oil and gas-related company, when asked why the company had not left Ulverston the managing director stated: “as the company has grown, the specific skills have grown alongside it. This has been a location that has served us very well. It is also a very nice place to live” (Jackson, 2012: 17).

Perhaps resembling more the desired “Marshallian industrial districts” is the cluster of LED lighting businesses within Ulverston (Markusen, 1996). Originally moving to Ulverston to escape the blitz in the Second World War, Freddie Oxley expanded his electrical components

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2 The future of GlaxoSmithKlein in the town was uncertain at the time of writing in 2017 as the company had pulled out of their plans for major new investment.
business to form Oxley Developments Co Ltd which now employs over 150 people across two sites in the area (Ulverston and Barrow-in-Furness). A further firm, Marl, was established in 1972 by a former employee of Oxley and employs over 80 people (NWEM, 2010). It was reported how “Ulverston is regarded as the silicon glen of the LED world because of 4 or 5 companies that have spun out of Oxleys and Marl”. There are also other small electrical engineering firms in Ulverston. The existence of this cluster is a key reason for the continued location of these businesses in the town, where the benefits it provides outweigh the difficulties of attracting and retaining skilled staff common within rural areas. More recent growth has benefited significantly from national government “Rural Growth Network” funding\(^3\). Such short-term schemes can have long-term benefits, which include new business space and improved networking within this cluster, and a key role of local governance is to be ready to help realise such moments of opportunity should they occur.

With Ulverston becoming a centre for advanced manufacturing, it is important to understand why this has occurred in Ulverston. The story of manufacturing growth in Ulverston illustrates the importance of making the most of regional talent for business enterprise, where people tend to set up businesses close to home and, in advanced manufacturing at least, tend to stay in that location once their businesses start to grow. A key success factor within Ulverston is its attraction as a residential location, where the nearby larger town of Barrow-in-Furness has high levels of deprivation but also advanced manufacturing employment. Whilst there is significant leakage of retail trade to Barrow-in-Furness, Ulverston is viewed as providing a more attractive place to live, work and visit. Ulverston has: “some really lovely shops and there is the choice

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\(^3\) This was a pilot programme running between 2012-2013 and implemented in five English rural counties. Networks of rural enterprise hubs were set up as part of this scheme, with much local autonomy in terms of how they were developed. Within the case study area of Cumbria this scheme focused on developing an electrical engineering cluster in Ulverston and in Millom a training hub. Whilst not transforming the fortunes of the towns, they have added to the positive activity occurring.
the theatre, the cinema, the folk music, the comedy clubs, the quizzes”. Consistent with the findings in the academic literature, the location of businesses has become more about residential desirability for entrepreneurs and, through its amenity appeal, Ulverston would appear to have benefited significantly from spill over effects from Barrow-in-Furness’s advance manufacturing. Apprentices from BAE Systems Ltd in Barrow-in-Furness have gone on to support business growth within Ulverston. This has been supported by other attractive business aspects of Ulverston.

In terms of the businesses interviewed, Ulverston was seen as a comparatively low cost location to run a business (lower salaries), with a low cost of living and short travel times for many staff. The town and surrounding area provide a good quality of life and the workforce was thought to be much more loyal than in more urban locations. Ulverston has clearly benefited from being located close to Barrow-in-Furness. However, as a place of desirable residence and leisure for Barrow-in-Furness employees this “state-anchored district” is also susceptible to swings in BAE employment.

Considering supply side issues, future business growth is likely to depend on Ulverston remaining an attractive location for business. Ulverston firms face the challenges of retaining staff and the political focus within the area towards larger companies, not present within Ulverston. Having a range of employment opportunities within the electrical engineering cluster in Ulverston does, however, help recruitment. As suggested by an interviewee, “what’s going to happen if the job doesn’t work out? Is there somewhere else we can go? That’s where I think clustering works”. If you need to move to another job, there is at least a chance you can stay in that location. This is rare within a rural context. Broadband and transport infrastructure (road and rail) were constraints on the location, where it was difficult to get clients to visit the
Ulverston offices/works. Challenges of congestion and residential desirability may emerge as Ulverston continues to grow (population is expected to rise from approximately 11,500 to 14,000 by 2025 (SDLC, 2010)).

Local governance did not plan for Ulverston’s economic growth directly, but success resulted from “accidents of history and geography and it just sort of plain happened”. However, there does appear to have been a consistent positive attitude towards business expansion within the town, where the helpful and welcoming nature of South Lakeland District Council (partly funded by high parking receipts in the wider amenity area) has been conducive to business growth. As suggested by Barkley and Henry (1997: 322), there is a need to ‘give these communities a receptive environment for the historical accident or serendipitous event which could be nurtured into a new industrial cluster’. Indeed, serendipity has clearly played its part in Ulverston, but the fundamentals for success are there. Being a comparatively attractive residential location compared to Barrow in Furness would appear to have been central to the town’s success. Whilst small towns like Ulverston will never be the “big city”, issues of culture and image were very important within recruitment and retention, as well as keeping businesses in the area. It was suggested, for example, that: “the more we can improve the reputation of Ulverston the easier it is going to be for employers to recruit – whether that is cultural; whether that is festivals; whether that is about the good schools here; and that is about new housing”. In contrast to Ulverston, potential new employees in Millom were reported as seeing it as the “back and beyond”. Indeed, Ulverston was favoured as a residential location for some higher income Millom employees.
Millom – Not quite a post-industrial town

Whilst it is unclear how many people were employed in the former iron works (an old postcard suggests it was about 900 people), at their peak the mines also employed over 1,000 people (NWEM, 2007). Since the closure of the mines and works in 1968, significant efforts have been undertaken to support the remaining businesses within the town. The two largest businesses in 1968 were a tannery and a hosiery factory. Both these factories became victims of the changing nature of manufacturing, where production of these goods is now in cheaper locations abroad. The Tannery closed at the end of the 1970s, but the hosiery factory lasted until the early 1990s. A further early hope for the town was hovercraft manufacture. Heavily reliant on charitable and public subsidy, by 1975 it had gone into receivership. Shoe manufacture also provided potential, but production has now moved overseas.

As there have also been success stories it would perhaps be unfair to describe the town as post-industrial. These include a brush manufacturer (operating since 1970), a manufacturer of metal closing rings (established in 1951) and the largest manufacturing business, which is perhaps the leading manufacturer of fencing in the UK. The latter business was attracted in its infancy, in the 1970s, by public subsidy and now employs over 50 people in Millom. Whilst spread over three UK sites, all their manufacturing (fence weaving) is undertaken in Millom and, benefiting from modern logistics systems, their products are transported from the Millom site throughout the UK and abroad. This firm has seen gradual growth in the last few years and would seem to have much potential for continued expansion in Millom.

Unusually and unexpectedly, Millom also hosts a major leading UK publishing firm. The founder and owner was born and brought up in the smaller nearby town of Broughton-in-Furness (Sawer and Lefort, 2009; Luck, 2009). After studying at university he returned to
Broughton-in-Furness where he obtained a job teaching. Unsatisfied with the study guides available at the time he started writing his own material and that proved successful. In 1994, this led to the printing of his first book. The business grew from this success and now claims to be the most popular education publisher in the UK. The headquarters is located near Broughton-in-Furness, but the company’s biggest office and distribution centre is located in Millom. This is a successful and expanding business in the town. The evidence suggests that the only reason that the office and distribution centre is located in Millom is the owner’s connection with the area. This is an example of the importance of making the most of local talent and encouraging people to not only return to the area after university, but also to support local “winners” in terms of business growth. This, combined with the fence manufacturer, also illustrates that businesses can thrive in Millom and that, with the aid of modern logistics, national and international distribution is also possible.

Whilst Millom has not experienced transformational business growth, businesses can thrive in this peripheral town. Yet, why should they locate here? Although there are remoter towns in Scotland, for example, Millom represents the least accessible town within the area. Indeed, this was reinforced by the “detrunking” of the main road to Millom in 1998 (transferring responsibility from Highways England to the Local Authority) which effectively means that sizeable investment to improve the roads linking up Millom west and east is unlikely. Whilst modern logistic systems and access to broadband, for example, mean that it is feasible for businesses to thrive in Millom, the quality of road access was, according to the interviewees, the most critical factor affecting future investment and business expansion. Although it is only 17 miles from Millom, Ulverston benefits from much better transport linkages. Millom is “out on a limb” in the sense that there is no through traffic and it is an hour away from the M6
motorway, whereas Ulverston has significant through traffic to Barrow-in-Furness and is only just over thirty minutes from the motorway.

Internationally, large local authority units tend to generate feelings of remoteness and neglect in rural communities, where delivery is often more focused on the needs of the largest town/urban area (O’Toole and Burdess, 2004; Markey et al., 2012). Consistent with this literature, politically, there is a feeling of neglect from local government within Millom, with revival efforts more focused on the largest town in the borough - Whitehaven. Whilst the local authority might argue against this perception, both Ulverston and Whitehaven remain accessible by trunk roads. Millom has been “detrunked”.

Given its comparatively remote context within the area, what is the potential for future business expansion? In answering this question, it was suggested: “I don’t think that anyone would set up a major business in Millom … I can’t see why they would when there are other places where they could go”. This comment was corroborated by evidence from the local property market for business space, where there was little demand, particularly for the larger units. The lack of contemporary business motivation for locating in Millom suggests the need to look for potential amongst local entrepreneurs who have chosen to be located in this area and are keen to stay – often for personal reasons. In the absence of the residential desirability advantages of Ulverston, people with local ties to the area perhaps represent the best opportunity for business growth.
Synergies between business growth and other emerging opportunities

Exploring the synergies between business growth and emerging opportunities for the towns as leisure destinations and housing local-income commuters, these two cases illustrate contrasting opportunity structures for revival.

Becoming a leisure destination

As described in the introduction to this paper, becoming a leisure destination can provide an important element within amenity-oriented revival. Located near the Lake District National Park clearly has some potential for both case study towns, but there are many other locations within the area with more to offer for the overnight tourist. Away from the tourism honey pots, “most of the visitor economy benefits are derived from people travelling within the county – trips that are beyond their normal travel pattern”. As one interviewee stated: “I wouldn’t lead with a leisure investment … because I think it needs a chimney pot. There needs to be wealth generated from other investment”. Such investment could be in terms of business and/or residential growth. This would lead to “community pride”, “celebrating the place” and interest in local history, and culture; and leisure facilities would then follow. Ulverston would appear to be following such a sequence, where the town centre has transformed from a failing comparison and convenience “retail centre” in the early 1990s to a popular leisure destination for locals and day-trippers. It has also become a popular festival location. In terms of more direct synergies, since 2015, Ulverston Business Improvement District (BID) has been in place. This has helped to develop initiatives to improve footfall in the town centre, including subsidising car parking on a Saturday, helping to fund new Christmas lights, improving the digital footprint of the town, as well as advertising the town within nearby counties. All Ulverston firms contribute to the BID.
Housing low-income commuters

Nineteenth century growth towns such as Millom lack the heritage, wider functionality and the affluent past experienced within historic towns such as Ulverston (with over 200 listed buildings that are now in a good state of repair). Millom has always been a working class town and still provides a cheap housing location for low-income employees. By local and national standards, the house prices are cheap. Yet, Millom has a low crime rate, fantastic views of the Dudden Estuary and the Southern Lake District, and access to basic local services (education, health, retail and leisure). Whilst a Millom resident suggested that the town is “a very pleasant place to be”, the outsider perspective of moving to Millom is a “step down”. There are strong local feelings about maintaining local services in the town, which are essential to the town’s raison d'être housing low-income groups. Without such services the population may decline further (Wirth et al., 2016).

In terms of synergies with business growth and creating an entrepreneurial culture, various interviewees mentioned a low level of employment and entrepreneurial aspiration within this low-income town, which relates to the psychological impact of the iron industry closure. As one interviewee stated “that was generations ago – but still that is what people have grown up with; that sense of everything finished when the mines closed ... So there is a psychological factor to step over”. With economic growth likely to occur both east and west of the town there is potential for aspirations to be raised. New employment opportunities within the town would raise these further, particularly through apprenticeships for local residents. As part of the national scheme in the early noughties, the Market Town Initiative, a “moment of opportunity” emerged to help address these concerns through public funding. Focusing on issues of training

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4 Millom has recently benefited from external investment in a small leisure complex, but this is largely self-contained. This is a legacy of the former mines, where remediation led to the creation of a large freshwater lake near the seafront.
and enterprise, the Millom Network Centre was set up as an independent development trust. Business support has focused on enterprise coaching and improving local networking through business breakfasts and an SME network. The feedback obtained as part of this research was very supportive of these efforts. In a similar way to the charitable trusts elsewhere (Powe and Hart, 2017), the Millom Network Centre Ltd may continue to provide a long-term source of support within the town. Such policies have resonance with the economic and social/political realities. Other proposals within the town were not as favourably received, with many of those interviewed suggesting a local resistance to change (NEWM, 2009). Gentrification would not be popular, but new employment opportunities would. As opportunities for revival often need to come through self-help and self-dependence, community support and consensus for revival will be crucial in the future. Within Ulverston, such a consensus has been achieved and has significantly enhanced the town’s prospects.

In terms of employment, there is a need to move away from the dependency culture of relying on external firms to develop new businesses. Trying to translate a clear passion for the town into an enterprise culture is a significant challenge. Answers how to achieve this are not provided in the Millom Action Plan and there would appear to be little desire for a transformation in the town’s fortunes (MAPSG, 2012). Yet, focusing on issues of training and enterprise alone, rather than the wider more controversial issues that may clash with residents’ ideas of place, the Millom Network Centre would appear to be a good fit for the challenges experienced in the town. There seems to be a local acceptance of the Centre, which has never been achieved by other local revival efforts.
Preparing for/creating “moments of opportunity”

This section draws together the findings within the case study towns and the wider contextual interviews.

Strategies for business growth

Consistent with previous research, one clear finding is that industrial attraction strategies are unlikely to be successful in the small town context (Markusen, 2007; Nel and Stevenson, 2014; Wirth et al., 2016). It was suggested that the “reality is there are another three hundred districts they can do business with, and most of them are significantly easier and they don’t have our constraints”. The value of developed sites is likely to be low within depressed peripheral towns. Former industrial sites are also often complex to develop. These factors have discouraged workspace development. More broadly, interviewees expressed their frustrations that residents of these peripheral towns are still “looking for the outside to come and sort their problems for them”. There is a need to move away from this “dependency culture” and take a more realistic approach to policy that makes the most of local entrepreneurial potential. Local firms are adapted to their location and already have their key workforce. They know their business can function in the peripheral rural area and the loyalty of the owner to the area is often a key motivation for the business remaining. Whilst small towns do contain “lifestyle businesses”, there are a number who are driven to succeed and, if given sufficient encouragement and support, will grow.

Consistent with the academic literature on business support, in order to realise this potential, there is a need to engage with local firms, understand their potential, have a dialogue in terms of what is possible and help them address the constraints restricting their business. In the absence of such support, firms may just carry on and not take advantage of their potential for
growth. These are business decisions, but there is a need to at least inform businesses and encourage them to recognise the possibilities for growth.

Workspace requirements, for example, would seem important to business retention and growth. Normally, speculative developer-led workspace is only built within recognised “high demand areas”, where you “know that the occupier is going to come”. Occupier-led development is more likely in a small town context, where the focus needs to be on encouraging local businesses with potential to expand and develop purpose built new premises. This then frees up their previous premises for other businesses. Rather than this being a generic supply side issue, business expansion requires specific help for individual firms.

Whilst statutory planning may be seen as a constraint, a freer policy was viewed as inadequate to encourage business. It is not sufficient to merely allocate land and “hope they will come”. It was suggested “they have allocated and they haven’t come”. Planners were seen not to have that “detailed understanding” of local businesses and landowners to know what their plans are and whether any help can be provided to aid business expansion. A proactive, more facilitative approach is needed which requires a dialogue with local firms. This could be through improved business networking within the towns themselves for example. At a basic level, there may only need to be some dialogue, support and assistance such as “putting the right people in touch with each other”. Such local entrepreneurial-driven economic development needs to be encouraged (Nel and Stevenson, 2014).

In attempting to develop such an entrepreneurial culture, local people with ideas need to be encouraged to have a go and form a business. However, trying to generate a positive enterprise culture is very challenging (Huggins et al., 2015). Residents of ex-mining or mill towns tend
to lack aspirations either to look for better employment or attempt to set up business. There is also often the need to look beyond the town to market their goods, as there may be little “point creating a business when your sales are based on an impoverished population”. Success is more likely within vibrant locations. In the context of result-orientated funding, external support for low returns is less likely. For example, figures from a study in one town, for example, suggest that less than 10% of people given one-to-one help actually set up a business and some of these businesses did not last long. Self-help is possible and success may help gain policy attention.

*Improving competitiveness*

Consistent with the findings of DEFRA (2014), accessibility by road is a key factor constraining business activity. Whilst the contextual interviews were insightful on this issue, the comparison between Millom and Ulverston best illustrates this. Millom is simply too small to command much say in transport decisions. Ulverston is also small, but has benefited from being on the road to Barrow-in-Furness. The prioritisation of the Whitehaven route to the Sellafield nuclear plant would appear to have prevented a revival in Millom, whose road links have been “detrunked”. Those businesses that have thrived in Millom have managed due to modern logistic services. Rural areas also lag behind in terms of their digital connectivity. Recent updates within the case study towns indicate that this connectivity was seen as crucial to business viability. However, this is not a short-term issue. There is a tendency for a rural deficit in terms of the delivery of connection technology (Salemink, et al., 2016). Neglect in terms of transport and communication infrastructure would appear inevitable.

A key challenge facing peripheral small towns is recruiting skilled and professional staff. A coping strategy increasingly adopted is the use of apprentices. It was suggested “graduates
tend to come – do the graduate programme and then go”. In contrast, former apprentices were more likely to stay, especially if the employees are from the area. There is a “buying into the culture” of the firm and increased loyalty. Local firms also worked within local schools to encourage future employment. Yet, in the context of larger firms poaching skilled employees, some SMEs may need encouragement to set up what might be risky apprenticeships.

_Gaining policy attention and small town business support_

Policies for business support in England are outlined within the Industrial Strategy (HM Government, 2017). The approach is primarily productivity and growth sector driven. Delivery is place-based, but largely through one of the 38 “regional” and voluntary Local Enterprise Partnerships (LEPs) covering England. Guided by their growth agenda, it is natural for government support to focus on those places with the greatest potential for business formation and expansion. Indeed, LEPs tend to focus on strategic projects with benefits that extend beyond the specific firm or location receiving the funding. There were frustrations that it was difficult to demonstrate such strategic significance within small towns. Within the context of small town neglect by local authorities (O’Toole and Burdess, 2004; Markey et al., 2012), it was suggested that politicians/policy makers at all levels are “reluctant to do something positive for an area if they consider it to be marginal, insignificant or small”. Small towns are likely to be labelled as such.

Within Ulverston, a consensus for revival has helped enhance the business environment, regeneration of the town centre and its leisure offer, together with indigenous business start-ups, retention and growth. Such a consensus is constructive on intra-town issues, but also when seeking external attention/funding. Indeed, external agencies prefer to deal with a single community body rather than individual groups, or even settlements (Powe et al., 2015).
Collaboration between similar peripheral towns ‘can bring a force of weight to policy debates and the market place’ that might not otherwise be achieved (Markey et al., 2012: 247). For policy coherence to be achieved, however, there is a need to align such bottom-up calls for attention with the requirements of external organisations such as LEPs. This would usually involve demonstrating either the important role that small towns play in terms of the “key strategic drivers for growth and/or careful alignment to what policy makers are already working on”. Individual small towns, or groups of towns, need to make the case for greater attention by better demonstrating “what small towns offer that perhaps other places do not, or what they offer which matches what policy makers are thinking”. Achieving policy coherence, whereby bottom-up calls for attention can be aligned with the priorities of external organisations, is challenging. Small town governance needs to be ready should “moments of opportunity” arise. This led, for example, to the Millom Network Centre, whose delivery has a strong resonance with local needs, was aligned with government policy at the time and may provide a long-term source of support within the town. In the context of austerity, achieving such policy coherence is even more challenging. Key to making the case for small towns requires an appreciation that, whilst not the most dynamic of places, they do still make a significant contribution to business growth and how, in turn, that business growth can contribute to small town revival.

**Conclusion**

Following structural change, the revival of former industrial/resource growth towns has often been slow. Whilst detailed case studies of revival are available in the academic literature, they tend to focus on amenity-based strategies linked to quality of life characteristics. Yet, not all rural places are conducive to such processes of change and amenity strategies may not be sufficient to achieve place-based revival. Whilst rural non-amenity business growth is not an under researched topic, there are few studies that have explored it as a strategy for place-based
revival. Previous studies researching business growth have focused on firms, generic rural categories and/or exploring individual sectors. These studies neglect the nuanced contextual issues underpinning settlement level outcomes and lack insight into how non-amenity business growth can link to place-based revival. In order to address this gap in the academic literature, this paper provides one of the first in-depth place-based analyses to explore the potential for non-amenity business growth to support small town revival.

In exploring the potential for non-amenity business growth in small towns, the findings suggest that even within peripheral low-income settlements their SMEs can be leading firms within their particular market niche. This was clearly demonstrated within Millom, where despite its apparent unfavourable context, a leading publishing and fencing firm has thrived. Researching the evolving history within these case study towns also illustrates the failure of industrial attraction policies in Millom (with the exception of the then fledgling fencing firm) and how non-amenity business growth helped stabilize but not revive its fortunes. Whilst not transforming the town, consistent with the findings of Nel and Stevenson (2014: 495), whilst new jobs are ‘seldom replacing the loss of employment from a traditional core industry’, they still create a ‘degree of employment, vibrancy and hope’. The Ulverston case study illustrates a contrasting evolution of advanced manufacturing helped by its amenity as a place to live, work and enjoy leisure, transport linkages as well as its close proximity to significant industry in a nearby larger town. For both case study towns, serendipity has played its part, but for Ulverston more has been achieved in part due to its favourable conditions for growth. This process has been assisted through a combination of national policy and local endeavour, however, the fundamental principle remains that most of the businesses emerging were set up by people with personal links in some way to the towns (resident by choice, family, grew up there).
Exploring the role of non-amenity business growth within small town revival it is also necessary to consider the strategic fit of this approach with other revival strategies and acceptability to residents’ imaginations of place. For low-income dormitory settlements, such as Millom, business growth helps them to become “working” towns, tackle local deprivation and is likely to have resonance with their economic/social/political realities. Amenity-led revival activity related to quality of life and place improvement may have less resonance to their local assets, place aspirations and raise concerns of displacement. Similar to findings elsewhere (Powe and Hart, 2011), in the context of resistance to change, non-amenity employment growth may still be reviewed favourably. In Ulverston the amenity provided by the now successful town centre was seen as helpful to the recruitment and retention of skilled employees. Through BID contributions non-amenity business growth helps support the town centre directly as well as indirectly through the leisure expenditure of the employees. In comparison to other strategies, non-amenity business growth in the form of non-polluting SMEs has almost universal appeal.

Whilst serendipity has certainly played an important part within small town business growth, as suggested by Barkley and Henry (1997), there is a need to develop a business-friendly environment should “moments of opportunity” emerge for business start-up, growth or even external attraction. Given a political context which focuses on national business growth, austerity and urban-centric government policy, this will often place the onus on the rural communities themselves for self-help activities to create such a business friendly environment (Nel and Stevenson, 2014; Harrison and Heley, 2015). In helping non-amenity businesses grow, recommendations from the case study and contextual interviews suggest a key factor may be occupier-led business space development, where the easiest option for local firms with
potential for growth is simply to do nothing or move elsewhere. Recognising and supporting this potential within indigenous firms requires local dialogue, knowledge and support. This may come from local authorities, but could also be encouraged through local business leadership and networking. At the settlement level, there is a need for whole town planning, where business success is likely to be inseparable from social, cultural and environmental issues. Indeed, the importance of quality of life issues in rural areas would seem to be ubiquitous. This is particularly the case in terms of residential desirability, which is likely to remain an important factor within business location and employee attraction. For places lacking such potential, place loyalty and belonging may be the strongest assets to indigenous growth. Local leadership can come in many forms and from many sources. As opportunity ‘grows and expands, or contracts and fades away’ (Healey, 2009: 444), local consensus for revival is needed to support such moments as and when they occur. Within Ulverston a consensus for revival has helped enhance the business environment, regeneration of the town centre and its leisure offer, together with indigenous business start-ups, retention and growth. However this process has also been supported significantly through external public funding.

A consistent theme within this paper is neglect by external organisations and there is a need to appreciate how small towns can better lobby for external public business support. Gaining external support requires an alignment of bottom-up calls for attention with the goals and priorities of external organisations. As other places usually have more potential for business growth, this is a significant challenge in the context of a growth agenda. However, small towns do contribute, to some degree, to business potential and growth. Calls for attention are likely to require an appeal to inclusive discourses, whereby opportunity needs support wherever it occurs. Appreciation of the benefits of business growth in small towns, however, requires an alternative policy perspective around discourses related to the importance of place-based
revival. This would require a shift in the goals and orientation of external organisations away from contemporary national growth-orientated perspectives. Such a shift engages with much wider debates concerning the “rolling back” of attachment to dominant growth-based ideologies and a focus instead on “places”. Coherence and consensus around enhancing and reviving places needs to become a key goal of external organisations if calls for support for business growth within small towns are to gain significant external attention.

References


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