

# ECONOMIC DEVELOPMENT FRAMEWORK

For Small Tourism Communities

Case Study: Wimberley, Texas



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*Pro Bono Contribution*

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## Introduction

Wimberley sits at the intersection of two forces that rarely meet: extraordinary brand equity and near-total absence of infrastructure to capture its value.

Half a million visitors arrive each year to a town of 2,600 permanent residents. They come for Jacob's Well, Blue Hole, the Blanco River, Market Days, and a Main Street that looks like the Texas Hill Country is supposed to look. They spend money, take photographs, and leave. The economic activity they generate – conservatively \$50 million annually – flows largely to entities outside the community.

This document proposes infrastructure to reverse that flow. Not through new taxes or government programs, but through organizational structures that have worked for agricultural cooperatives since 1930, for regional wine appellations since 1942, and for independent retailers competing against national chains since 1924.

These are proven models waiting to be adapted.

The framework presented here addresses three interconnected challenges:

1. How Wimberley can monetize a geographic brand it currently gives away for free
2. How independent merchants can aggregate enough power to compete in an Amazon-dominated economy
3. How a small community can generate the intelligence required to influence decisions made by outside entities who do not answer to local voters.

This last point deserves emphasis. Wimberley faces existential threats it cannot currently measure, much less influence. Water. Development. Traffic. Infrastructure costs. The entities making decisions about these resources operate at scales where a town of 2,600 people registers as a rounding error.

Data changes that equation. A community with systematic intelligence about its own conditions, visitor behavior, economic patterns, and resource constraints gains leverage it cannot otherwise possess.

## The Real Challenges

### Water

Jacob's Well stopped flowing for the seventh time in recorded history in 2023, and has only deteriorated since.

The Trinity Aquifer that feeds it, Cypress Creek, and tens of thousands of private wells across the Hill Country are being pumped at twice the sustainable recharge rate. The Texas Water Development Board projects groundwater availability will decline 25% by 2070, with much of that loss concentrated in the aquifers serving Central Texas.<sup>1</sup>

The Hays Trinity Groundwater Conservation District issued its first district-wide emergency curtailment in August 2023, requiring 40% reduction in pumping.<sup>2</sup> Aqua Texas, the primary utility serving greater Wimberley, loses an estimated 30% of its water to system leaks.<sup>3</sup> Meanwhile, outside the District's jurisdiction, private water marketers like Electro Purification have filed permits to pump 5.3 million gallons per day from the stressed Trinity to supply developments along the I-35 corridor. This is water that feeds Jacob's Well. This is the same aquifer that residents depend on for drinking water.<sup>4</sup>

The community's response has been vigorous – public meetings, nonprofit advocacy, legal action – but fundamentally reactive. Wimberley learns about threats after permits are filed, after decisions are made, after investments are committed. The asymmetry is structural: developers and water marketers conduct sophisticated hydrogeological analysis before making moves. The community relies on volunteer monitoring and underfunded district staff.

This is not a problem that protest signs and Facebook group discussions can solve. It requires matching capability with capability, data with data, analysis with analysis.

A community research platform – properly funded, professionally staffed, systematically maintained – could close that gap. This would not replace government oversight, but instead enable the community to participate meaningfully when decisions are made, based on data and intelligence.

### The Tax Base Problem

Wimberley's commercial district serves tourists. Galleries, restaurants, boutiques, antique shops – the mix reflects visitor preferences, not resident needs. For everyday affordable retail beyond groceries, hardware, office supplies, clothing, household goods – residents rely on Amazon and Walmart's community-killing model or drive to San Marcos, Kyle, or Austin. Every trip represents tax revenue flowing to another jurisdiction, fuel burned, time lost, and reduced quality of life for residents who chose Wimberley precisely to avoid long commutes and traffic.

This is the classic tourism-dependent economy trap: Visitors provide seasonal revenue spikes while residents subsidize infrastructure year-round, but the commercial mix optimizes for weekend traffic rather than daily needs.

Merchants earn their margins in April through September; many survive the off-season rather than thrive through it. Too many close, killing dreams and jobs.

A **merchant cooperative** could address this partially by aggregating purchasing and negotiating power – making it economically viable for existing retailers to expand their offerings, or for new retailers to enter the market with lower overhead. A shared e-commerce platform could make Wimberley goods available year-round to visitors who want to continue purchasing Hill Country products after they return home. But the fundamental challenge is structural: Wimberley needs economic activity that generates twelve months of revenue, not six months of tourism.

## The Voice Problem

Who speaks for Wimberley? The Chamber of Commerce? The City Council? The neighborhood associations? The Facebook groups? The answer, in practice, is whoever shows up most consistently and speaks most loudly.

This is not democracy; it is social-media-amplified voice capture.

Small communities are particularly vulnerable to this dynamic. A few persistent voices – however time-rich and unrepresentative – can dominate public meetings, fill comment sections, and create the appearance of consensus where none exists. Elected officials – lacking systematic data about constituent preferences – respond to the voices they hear. The silent majority remains silent because participating feels futile or because they lack the time and platforms for informed expression.

This is not abstract political philosophy. It affects real decisions about development approvals, event permits, business regulations, and resource allocation.

A community research function – structured to sample all constituencies, not just the vocal ones – could provide decision-makers with information about what residents think, want, and need. This would not replace unstructured public participation. It would supplement with systematic intelligence required for wider community influence on outside policy affecting them.

### Summary: Core Community Challenges

Challenge	Current State	Consequence	Infrastructure Gap
Water Scarcity	Trinity Aquifer at 2x sustainable pumping rate	Jacob's Well flow cessation; well failures	No systematic monitoring or advocacy capacity
Tax Base Leakage	Resident retail spending flows to other jurisdictions	Tourism-dependent, seasonal revenue	No aggregation of local purchasing power
Voice Capture	Loudest voices dominate policy discussions	Decisions reflect vocal minority	No systematic constituency research
Brand Extraction	"Wimberley" used without compensation	Value flows to external entities	No trademark protection or licensing

## Cooperative Economics: How Small Players Win

### The Cooperative Advantage ~ Well-Established Examples

In 1930, three cranberry growers in Massachusetts faced a problem. Individually, they had no leverage with buyers, no marketing capability, and no way to stabilize prices that swung wildly with each harvest. Marcus Urann, John Makepeace, and Elizabeth Lee merged their operations into a cooperative called Cranberry Canners, Inc. Today that organization is **Ocean Spray**: 700+ grower families, \$2 billion in annual revenue, 70% of North American cranberry production.<sup>5</sup> The growers still own their own farms. They still make their own decisions. But they pool resources for things individual farmers cannot do alone: marketing, product development, quality standards, negotiating power with retailers.

Ocean Spray invented the juice blend, the juice box, and sweetened dried cranberries (Craisins). It transformed a seasonal Thanksgiving garnish into a year-round product category. None of this was possible for individual growers operating alone. Collective capability created individual prosperity.

The same principle applies to retailers. **ACE Hardware** is not a chain – it is a cooperative of 5,000+ independently owned stores that pool purchasing power to negotiate with manufacturers, share marketing costs, and operate under a common brand.<sup>6</sup> Total combined revenue exceeds \$6.7 billion. Individual ACE stores compete successfully against Home Depot and Lowe's in markets where those giants would otherwise dominate.

**True Value** operates similarly, as do **NAPA Auto Parts** stores, Carpet One, and dozens of other retailer cooperatives serving everything from pharmacies to flooring to garden centers. The **Independent Retailers Shared Services Cooperative in New England** helps independent grocery stores pool purchasing, share operational best practices, and access consulting services they could not afford individually.<sup>7</sup>

### What Cooperatives Do \*Is\* Hyper-Capitalism (helping “little guys” compete)

**Aggregate Purchasing:** Sixty merchants buying inventory separately have no leverage. Sixty merchants buying through a cooperative purchasing program command supplier attention. Discounts of 15-30% on supplies, fixtures, packaging, and services are typical. For a restaurant spending \$150,000 annually on food and supplies, 20% savings returns \$30,000 to the bottom line. *That is the margin between thriving and barely surviving.*

**Shared Marketing:** A single boutique cannot afford professional photography, video production, social media management, or advertising placement. Sixty boutiques splitting those costs can. Coordinated marketing is required because Wimberley as a whole is the destination for tourists – not dozens of individual businesses competing for attention. Coordinated marketing – through both spending efficiencies and awareness/conversion funnel – amplifies every dollar spent.

**Group Services:** Insurance, accounting, legal services, point-of-sale systems, employee benefits, credit card processing – every business needs these services, and every business negotiates alone. Group contracts yield rates unavailable to individual small businesses. ACE Hardware members access health insurance pools, retirement plans, and business services that would otherwise require scale they do not possess.

**Business Support:** New merchants fail at high rates partly because they lack access to expertise. A cooperative can fund shared consulting resources: financial planning assistance, inventory management training, marketing strategy development, succession planning, common technologies facilitating communication and implementation.

The Independent Retailers Shared Services Cooperative reports that *stores receiving this support show measurably higher survival and profitability rates.*

### Governance: One Member, One Vote

Cooperatives are democratic by design. Ocean Spray's 700 grower families each have *voting rights regardless of farm size*. The largest cranberry producer does not dominate the smallest. This distinguishes cooperatives from investor-owned corporations where control follows capital and capital concentrates with the big guys, destroying the ability of smaller businesses to compete.

For a Wimberley merchant cooperative, this means the gallery owner has the same governance voice as the restaurant with ten times the revenue. Decisions about brand standards, fee structures, service priorities, and revenue distribution are made by the members, not by outside investors or dominant players.

### Proven Cooperative Models

Cooperative	Founded	Members	Revenue/Scale	Key Innovation
Ocean Spray	1930	700+ grower families	\$2B annual revenue	Transformed seasonal product to year-round category
ACE Hardware	1924	5,000+ stores	\$6.7B combined revenue	Independent retailers competing against big-box
True Value	1948	4,500+ stores	\$1.9B revenue	Cooperative wholesale and marketing
NAPA Auto Parts	1925	6,000+ stores	\$4B+ revenue	Parts distribution and brand licensing
Carpet One	1984	1,000+ stores	\$3B+ retail sales	Flooring retailer purchasing cooperative



## Geographic Brand Protection

### The Napa Model

In 2015, the **Napa Valley Vintners** became the first wine region in the United States to register a federal certification mark. The process took five years, required written agreements from over 100 brand owners, and established the NVV as the certifying authority for any use of "Napa Valley" on wine products.<sup>8</sup> Anyone producing wine with "Napa" in the name must demonstrate that 85% of grapes originate within the designated appellation – and must obtain NVV consent to register related trademarks.

The certification mark builds on California state law that NVV championed in 1990 and strengthened in 2000. It also leverages geographic indication protections the NVV has secured in 22 countries plus the European Union.<sup>9</sup> *Wines carrying the Napa Valley designation command 30-50% price premiums over comparable wines from other California regions.* The collective value of this brand protection exceeds \$50 million annually in licensing value alone – beyond premium pricing it enables.

Similar protections exist for **Idaho Potatoes, Florida Oranges, Vidalia Onions, Washington Apples**, and dozens of other geographic indications registered as certification or collective marks with the USPTO.<sup>10</sup> Each operates through an organization – usually a cooperative or trade association – that sets quality standards, licenses the mark, and enforces compliance.

### What "Wimberley + [goods, services, etc.]" – Is Worth

Search any e-commerce platform for "Wimberley Texas" products. You will find candles, soaps, honey, preserves, t-shirts, and assorted merchandise using the Wimberley name without any quality certification, licensing relationship, or economic benefit flowing to the community whose reputation enables the sale. This is *brand value available for extraction by outside entities* from a geographic name the community has no mechanism to protect.

A certification mark changes this equation. Products bearing the "Wimberley" designation before the product or service category name would need to meet quality standards set by the certifying organization – often a merchant cooperative acting on behalf of the community. Local businesses meeting those standards would receive preferential licensing terms. Regional producers would pay higher fees. National brands seeking association with the Hill Country aesthetic would pay premium rates. All of this creates a self-sustaining economic moat and passive income for the community as a whole.

Revenue projections depend on enforcement vigor and market development, but the structural logic is clear: Wimberley currently gives away for free a brand asset that comparable communities have monetized for decades. Fredericksburg, 45 minutes northwest, has built substantial tourism infrastructure around its German heritage brand. Dripping Springs has trademarked "Gateway to the Hill Country." Wimberley has stronger brand recognition than either – and no comparable protection.

## Geographic Certification Mark Precedents

Geographic Mark	Certifying Body	Protection Scope	Economic Impact
Napa Valley	Napa Valley Vintners	22 countries + EU; federal certification mark	\$50M+ annual licensing value; 30-50% price premium
Idaho Potatoes	Idaho Potato Commission	Federal certification mark; quality standards	Distinct market positioning; protected origin
Vidalia Onions	Vidalia Onion Committee	Federal law (1986); USDA oversight	Premium pricing; geographic exclusivity
Florida Oranges	Florida Citrus Commission	State and federal protection	Brand recognition; quality assurance
Champagne	CIVC (France)	Global geographic indication	Category definition; premium pricing

## Platform Architecture: Innovative Ethical Intelligence

Google knows more about Wimberley's visitors than any local entity. Google knows where they come from, what they search for, how long they stay, where they eat, and what they photograph. Facebook knows their demographics, interests, and social connections. Amazon knows what products they consider purchasing. *None of this intelligence flows back to the community.*

*A community-owned platform changes this* by aggregating data that currently disperses to corporate systems, generating intelligence products from that data, and creating engagement channels that the community controls.

This is not a replacement for commercial platforms – merchants and everyone else will still have to use Google, Facebook, Walmart, and Amazon. It is supplementary infrastructure that recaptures value those platforms extract and denies them the predatory terms, lack of affordable promotion, and unfair private label price pressure they impose on small vendors.

### Revenue Streams

- Internal services generate revenue from cooperative members through subscriptions covering platform access, plus SaaS analytics tools, business support services, and holistic coordination across constituencies.
- External geographic and event brand merchandise licensing generate revenue from other communities adopting the platform model.
- Syndicated research products – anonymized and aggregated data packages about tourism patterns, consumer behavior, and economic trends – create revenue from commercial purchasers: retailers, developers, hospitality chains, research firms.

This last stream deserves emphasis.

The data a 500,000-visitor tourism destination generates has commercial value beyond the immediate community. Packaged appropriately and marketed effectively, that data can become an ongoing revenue stream that subsidizes local intelligence operations. The community becomes a data asset rather than merely a data source for corporate extraction.

The community's voice is vastly amplified in regional policymaking.

## Intelligence Products Are Massive Revenue Pillars

(how Google, Facebook, and Amazon got rich)

**Systematic visitor research.** Who visits Wimberley? Where do they come from? What do they spend? What would bring them back? What would make them recommend the destination? These questions have answers, but extracting them requires survey infrastructure, sampling methodology, and analytical capability.

A custom AI-enabled platform (not data-hoovering public LLMs) provides the delivery mechanism. The cooperative provides funding and institutional continuity.

**Merchant analytics.** Aggregate, anonymized transaction data across cooperative members reveals patterns invisible to individual merchants. Seasonal trends, day-of-week effects, category performance, price sensitivity, cross-shopping behavior – intelligence that helps merchants optimize inventory, staffing, and promotions.

**Constituency research.** What do residents really think about development proposals? Event schedules? Business regulations? Systematic sampling provides decision-makers with representative data rather than the self-selected voices that dominate public meetings both physically and digitally.

**Resource monitoring.** Aquifer levels. Creek flows. Development permits. Traffic counts. Aggregating data that currently exists in scattered sources, updating it systematically, and presenting it accessibly transforms raw information into usable intelligence.

## New Model: Research & Engagement with User Data Sovereignty

The incumbent data economy extracts behavioral data without meaningful consent, monetize it without compensation, and provide no mechanism for individuals to see – let alone control – how their information is used.

A native platform could address the abuses that have allowed digital robber barons to enrich themselves by stealing individuals' data without permission (participation coercion through "terms of use" is not permission) – or compensation for the actual value in its use. It would be true innovation that challenges retail monopolies with real capitalist competition and transparency.

The Wimberley platform will operate on fundamentally different principles. Research participants – visitors completing surveys, residents providing feedback, merchants sharing transaction patterns – will own their data. Every use of that data requires explicit consent. Every monetization of that data includes compensation to its sources. Participants can revoke consent at any time, for any reason, and their data disappears from the system.

This is competitive positioning that serves small businesses and communities. The extractive model generates low-quality data from resentful participants. A compensation model generates high-quality data from engaged contributors, which is why the marketing research industry for decades has relied on willing, compensated participants. Accurate insights demand thoughtful, honest responses vs poorly executed pop-ups surveys. Compensating participants also enhances platform engagement voluntarily and productively.

## Participant Compensation Architecture

**Platform participants choose** how they receive value for their data contributions. Options include direct payment, discounts at participating merchants, donations to local nonprofits, or reinvestment in platform equity. The choice is theirs, and it can change dynamically – donate to the Wimberley Valley Watershed Association this month, take merchant discounts next month, accumulate equity for longer-term returns.

Compensation scales with data value. A visitor completing a brief satisfaction survey generates modest value and receives modest compensation. A participant providing detailed behavioral data over multiple visits generates substantial value and receives substantial compensation. The relationship is transparent: participants can see how their data is used, who accesses it, and what revenue it generates.

This model requires technical infrastructure – consent management systems, data partitioning, transparent audit trails – but the technology exists, and its practitioners are eager for case studies that would easily attract corporate, public, and private investment.

## Platform Model Comparison

Dimension	Extractive Model (Google, Meta)	Wimberley Platform Model
Data Ownership	Platform owns all data	Participants own their data
Consent	Buried in terms of service	Granular, dynamic, revocable
Compensation	None to data sources	Direct payment, discounts, donations, equity
Transparency	Opaque algorithms and usage	Visible data flows and monetization
Governance	Corporate shareholders	Community cooperative members
Value Distribution	Concentrated to platform	Distributed to participants and community

## Event Activation: Who Benefits and How

Events are coordination problems. Multiple merchants must align schedules. Promotion must reach audiences. Logistics – parking, shuttles, crowd management – must function. Revenue must flow to participants rather than dissipating to outside promoters. The platform provides coordination infrastructure. The cooperative provides governance. The brand provides marketing leverage.

### Merchant Benefits

**Coordinated promotion.** Individual merchants advertising in isolation compete for attention. Coordinated event promotion – "FABU FRIDAY Wimberley" – aggregates marketing spend for collective impact. Each dollar promotes both the event and the participating merchant.

**Traffic generation.** As Visit Wimberley and the two major chambers of commerce understand well, *events create traffic that individual merchants cannot generate alone*. A gallery hosting an artist reception draws its mailing list; the same event as part of a town-wide gallery walk draws the combined audiences of all participating venues plus the event's own promotion.

**Merchandise opportunities.** *Event-branded merchandise* – t-shirts, bags, cups, souvenirs – creates revenue streams that do not exist without the event. For FABU FRIDAY specifically, the "dress up to shop local" concept creates natural merchandise opportunities.

### Motivate new visits and enhances nostalgia around prior ones.

Wimberley's tourism industry is heavily fed by its reputation as a popular life event destination – wedding anniversaries, proposal anniversaries, bachelorettes, family reunions, corporate retreats, honeymoons... all generating "nostalgia" visits and spending, including on merchandise unique to Wimberley, now available remotely.

### Hospitality and Services Benefits

**Off-peak activation.** Hotels, vacation rentals, and bed-and-breakfasts depend on weekend and seasonal demand. Monthly events create reasons to visit as a group tradition and schedule special visits outside peak periods. Beauty and wellness services – salons, spas, massage therapists – can coordinate promotions around events, capturing visitors who want the full "Wimberley experience."

**Dining coordination.** Restaurants participate in events through special menus, extended hours, or prix fixe offerings tied to the event theme. Cross-promotion between retail and dining venues increases spending per visitor.

**Live music integration.** Staggered live music sets across multiple venues, coordinated with shuttle service, create a "progressive party" dynamic. Sip-and-stroll events, bar crawls, and live music circuits support local artists while drawing visitors between locations.

## Community and Nonprofit Benefits

**Event support infrastructure.** The platform and cooperative provide event planning resources that currently do not exist systematically. Permit coordination, venue booking, vendor management, promotion calendaring – infrastructure that reduces friction for anyone organizing community events, not just cooperative-sponsored ones.

**Nonprofit integration.** Events create fundraising and visibility opportunities for community nonprofits. Each FABU FRIDAY could feature a nonprofit partner – environmental groups, historical societies, youth organizations – with promotion and a share of proceeds.

## Government Benefits

**Professional event management.** City staff currently handle event coordination as an add-on to other responsibilities. A cooperative-funded event function provides professional management that reduces burden on government employees while improving outcomes.

**Economic development evidence.** Systematic data about event economic impact – visitor counts, spending, tax revenue – supports budget decisions and grant applications. Anecdotes about "great turnout" become quantified returns on investment.

**No budget required.** The cooperative model funds itself through member fees, licensing revenue, and platform services. Government participation can be limited to permitting and basic services rather than budget appropriation.

## Event Activation Benefits by Stakeholder

Stakeholder	Primary Benefits	Revenue/Value Mechanism
Merchants	Traffic generation, coordinated promotion, merchandise	Event sales lift, branded merchandise revenue
Hospitality	Off-peak bookings, co-marketing opportunities	Room nights, package promotions
Restaurants/Bars	Event-driven traffic, sip-and-stroll participation	Food/beverage sales, special menu pricing
Beauty/Wellness	Pre-event appointment coordination	Service bookings, retail product sales
Nonprofits	Visibility, fundraising integration	Donation share, membership recruitment
Government	Professional management, economic data	Tax revenue, reduced staff burden
Live Music/Arts	Venues, coordinated audiences	Performance fees, tip revenue, exposure



## Financial Architecture

### Stabilizing Passive Revenue Sources = Economic Resilience

Conservative projections suggest Year 1 revenues of \$80,000-\$160,000, growing to \$540,000-\$1,350,000 by Year 5. These figures assume 60% participation of addressable merchants, modest trademark licensing traction, and one successful external platform licensing deal by Year 3.

- Cooperative member fees fund core operations.
- Trademark licensing generates revenue from brand use by external parties.
- Platform services – research products, analytics tools, e-commerce transaction fees – create ongoing revenue streams.
- Event sponsorships and merchandise add event-specific income.

### Cost Structure

Initial investment of \$75,000-\$150,000 covers legal entity formation, trademark applications, platform development, and first-year operating expenses. This can be funded through founding member contributions, grant funding, or a combination.

Ongoing costs include part-time coordinator salary, platform maintenance, legal services, and marketing. As revenue grows, staffing expands. The cooperative model's advantage is that costs scale with capability rather than preceding it – *you do not need a \$500,000 budget to begin, only enough to demonstrate value that attracts additional investment.*

## Member Value Proposition

A merchant paying \$500 annual membership should expect to receive more than \$500 in value.

The ACE Hardware model suggests savings of \$10,000-\$28,000 annually for members through aggregate purchasing, shared marketing, and group services. Even at 20% of those benchmarks, a Wimberley cooperative member should see \$2,000-\$5,600 in annual value against a \$500-\$1,000 membership fee.

## Five-Year Revenue Projections

Year	Trademark Licensing	Platform/Event	Cooperative Services	Total Revenue
Year 1	\$15K - \$30K	\$0 - \$10K	\$65K - \$130K	\$80K - \$160K
Year 2	\$50K - \$120K	\$40K - \$100K	\$90K - \$160K	\$180K - \$380K
Year 3	\$80K - \$200K	\$120K - \$300K	\$120K - \$200K	\$320K - \$700K
Year 4	\$100K - \$350K	\$200K - \$500K	\$160K - \$170K	\$460K - \$1,020K
Year 5	\$130K - \$450K	\$240K - \$750K	\$170K - \$150K	\$540K - \$1,350K

**Cumulative 5-Year Revenue: \$1.58M - \$3.59M**

**NPV (10%): \$1.2M - \$3.1M**

**IRR: 185% - 420%** (assumes AI savings)

## Implementation Path

### 18-Month Implementation Timeline

Phase	Timeline	Key Milestones	Investment Required
Foundation	Months 1-6	Legal entity, trademark filings, 30-40 founding members	\$40K - \$75K
Launch	Months 7-12	Coordinator hired, platform MVP, monthly events, first revenue	\$35K - \$75K
Scale	Months 13-18	60+ members, external licensing, full-time staff	Self-sustaining

#### Phase 1: Foundation (Months 1-6)

- Form a steering committee from respected community and business leaders.
- Establish legal entity.
- Monthly FABU FRIDAY events running with improving execution.
- File trademark applications for geographic and event marks.
- Recruit founding members – 30-40 merchants committed before launch. Develop governance documents, fee structures, and operating procedures.
- Initial revenue recognition.

#### Phase 2: Launch (Months 7-12)

- Cooperative operational with paid coordinator.
- First purchasing programs activated.
- Platform MVP deployed for member communication and basic analytics.
- Secure trademark licensing agreements with users.

#### Phase 3: Scale (Months 13-18)

- External trademark licensing begins with regional and national inquiries.
- Platform expanded with visitor research, merchant analytics, and e-commerce capabilities.
- Second community pilots platform licensing model.
- Corporate event sponsorships secured.
- Membership exceeds 60 merchants. Revenue sufficient to fund full-time staff.

## Risks and Mitigation

**Low merchant participation.** Mitigated by sequential rollout starting with committed founding members, demonstrated early wins, and clear ROI documentation. ACE Hardware grew from a handful of Chicago stores in 1924 to 5,000+ locations over decades.

Patience and proof matter more than scale at launch.

**Trademark challenges.** Geographic certification marks face legal complexity. Mitigated by engaging trademark counsel with relevant experience (the Napa Valley Vintners' process provides a template), building broad coalition support before filing, and establishing clear quality standards that serve consumer protection purposes.

**Political opposition.** Mitigated by private-sector equity ownership structure that requires no government funding, includes a representative coalition of community stakeholders, and enforces transparent governance not dominated by any faction.

**Technology failure.** Mitigated by phased implementation starting with proven platforms, vendor diversity that avoids single points of failure, and manual fallback procedures for critical functions.

**Economic downturn.** Tourism-dependent economies are inherently cyclical. Mitigated by revenue diversification (local services, external licensing, syndicated research), cost structure that can scale down during contractions, and reserve funds built during growth years.

### Risk Assessment

Risk	Likelihood	Impact	Primary Mitigation
Low merchant participation	Medium	High	Sequential rollout; demonstrated ROI
Trademark legal challenge	Low	Medium	Experienced counsel; established precedent
Political opposition	Medium	Medium	Private-sector ownership; broad coalition
Technology failure	Low	Low	Phased implementation; vendor diversity
Economic downturn	Medium	High	Revenue diversification; reserve funds

## Conclusion: Building What Does Not Exist

Wimberley has assets most communities would envy: natural beauty, distinctive character, strong brand recognition, and visitor volume that larger cities actively court. What Wimberley lacks is infrastructure to convert those assets into sustainable economic power – the organizational machinery that transforms individual effort into collective capability.

This framework proposes building that machinery. Not through government programs or outside investment, but through the cooperative model that has worked for cranberry growers, hardware stores, and wine regions for nearly a century. The components are not experimental: merchant cooperatives, geographic trademarks, and community platforms all have proven track records.

The innovation is applying them together, concurrently, in a tourism-dependent small town, with ethical data practices as the integrating principle.

- Cooperative formation requires sustained organizing that technology and small constituency already facilitate.
- Trademark protection requires legal sophistication.
- Platform development requires technical capability.

*The data ethics dimension matters greatly. Piloting a new commercial model is accessibly possible and would establish an alternative to consumer data abuse.*

Communities have watched as corporate platforms extract value while giving nothing back. A platform that compensates participants, respects consent, and distributes value to its sources represents a different model – one that could distinguish Wimberley not just as a destination, but as an *example of how small communities can reclaim agency in a data-driven economy.*

Ethical data practices require systems that incumbent platforms have never bothered to build, but that are readily available with user-friendly options in the current technology ecosystem.

None of this happens without committed leadership and patient investment, but the alternative – continuing to operate as individual merchants competing against Amazon, giving away brand value to outside entities, facing water and development threats without systematic intelligence – that alternative has predictable outcomes. Small tourism communities either build collective capability or watch their distinctiveness erode. The choice is organizational.

This framework is offered as a pro bono contribution to that choice. The analysis reflects what comparable communities have accomplished and what Wimberley-specific conditions suggest is possible. Implementation requires local leadership, broad participation, and sustained commitment. The framework provides a map. Building the road remains the community's work.

## About the Author

### **Lauren Romero, MBA, REALTOR®, Wimberley Resident**

- Thirty years advising Fortune 500 companies on brand strategy, market development, consumer/customer/organizational insights, and go-to-market execution across a diverse community of commercial clients.
- MBA from the University of Texas McCombs School of Business.
- Licensed Texas real estate agent with Keller Williams, specializing in deals requiring business sophistication, while advocating for residential clients of any stratum.
- Thirty-year Wimberley resident with deep commitment to serving the local community, its inhabitants, neighbors, and visitors.
- Passionate advocate for ethical AI applications and data privacy frameworks that compensate rather than extract from platform and research participants.
- LinkedIn thought leader with 1,200+ corporate and community leadership plus investor followers around the world. [LinkedIn.com/in/LRomeroTX](https://www.linkedin.com/in/LRomeroTX)

Together, our communities and small businesses have the power to fight the goliaths in our midst.

**Cheers!**  
**Lauren**

**Phi Growth Strategies**

[phigrowthstrategies.com/case-study%3A-wimberley](https://phigrowthstrategies.com/case-study%3A-wimberley)

[HAiven.world](https://www.haiven.world) for more discussions around AI ethics and practical applications

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#### Disclaimer and AI Disclosure:

While many are tempted to dismiss sophisticated work product as AI-generated, this author has drawn vision and insights based on multifaceted 30 years of experience as a marketing researcher and advisor to global corporate business leaders and small businesses alike. Her specialty since the 1990's has been distilling complex findings into easily comprehensible and useful recommendations for clients – then helping them connect the dots.

AI was used to gather factual data, organize the story, and draft initial threads following extremely detailed prompting that could only be accomplished by someone who knows exactly what to ask for. AI is not a savant. It is a genius intern/assistant only as valuable as the expertise informing its training and use. The author also acknowledges AI's potential for errors & omissions and makes no claims regarding the veracity or value of the data points contained in this paper. No content in this paper should be used as a sole source of information related to the ideas expressed. Model used: Anthropic | Opus 4.5

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