

ECONOMIC DEVELOPMENT FRAMEWORK

For Rural Communities: Case Study in Tourism Reliance



Wimberley, Texas

Population: 2,600 (city) / 15,000+ (greater area)

Annual visitors: 500,000+

Tourism activity: \$50M+ annually

Overview

Our History

Wimberley has historically relied on tourism centered on the Blanco River and Cypress Creek, as well as local water features such as Blue Hole, Jacob's Well, and Hamilton Pool.

Unfortunately, all of these have degraded in recent years due to drought and abuses associated with rapid regional growth.

The tragic 2015 Memorial Day flood elicited high community cohesion and shared vision around a tourism-heavy economy, formalizing municipal restrictions that prioritize small local businesses over chains, particularly in the retail and hospitality sectors.

This recommendation does not address natural and infrastructure resource challenges.

It describes potential revenue sources designed to promote community economic resilience.

Our Challenges

Coordinated merchant financial stabilization: None

New businesses struggle through multiple annual boom/bust revenue cycles and rent increases, leading to closures

Merchants compete individually vs e-commerce

Regional planning on insufficient data, analytics

Critical decisions based on anecdotes, agendas, and municipal activity attendance more often than data

Community influence gatekept by few players, lacking structured coordination and balanced representation

Lack of business composition planning & support

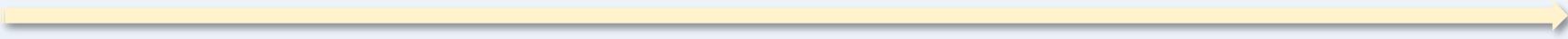
Limited non-tourist retail and other service options, resulting in **massive revenue drain** outside the community

Geographic brand monetization: None

"Wimberley + []" used without compensation

No infrastructure to capture licensing revenue

Economic Diversification + Merchant Stabilization



4 proven revenue pathways to incremental **Revenue Year 5 ~ \$540k - \$1.35M annually**



- 1 Geographic Trademark Licensing**
“Wimberley + []” ~ \$130K - \$720K annually
- 2 Merchant Cooperative Infrastructure**
\$600K - \$2M annual cost savings
- 3 Co-Op Enabling, Licensable Platform Technology + Business & ED Research**
\$256K - \$1.27M revenue
- 4 Branded/Licensable Community Engagement + Periodic Events**
E.g., “FABU FRIDAY” monthly recurring 3rd Friday

Proven Revenue Diversification Models



Each component has 20+ years of proven performance across diverse geographies.

Strategy	Comparable Model	Scale	Research Source
Geo Trademark Licensing	Napa Valley Appellation	\$50M+ annual licensing	Wine Institute (2022)
Merchant Cooperative	ACE Hardware	\$6.7B revenue, 5,000+ stores	NCBA
Platform Technology	Main Street America	1,600+ communities	Main Street Impact (2023)
Event Franchise	Small Business Saturday	5,000+ communities, \$20B+	AmEx/NRF (2023)

Comparable Communities: Texas Hill Country



Wimberley matches or exceeds visitor volume of larger communities while lacking brand monetization & merchant support infrastructure.

Community	Population	Annual Visitors	Brand Infrastructure
Fredericksburg	11,000+	1.5M+	Robust trademark/branding programs
Dripping Springs	4,600+	300K+	"Gateway to Hill Country" trademark
Boerne	17,000+	500K+	Main Street designation, merchant cooperative
Wimberley	2,600	500K+	OPPORTUNITY

Pathway 1: Geographic Trademark Licensing

Revenue Potential: \$130K - \$720K annually

The Model

Protect & monetize "Wimberley" as geographic brand:

- Goods classes: food products, artisan goods, apparel
- Services classes: hospitality, tourism, professional
- Quality standards: co-op controlled certification
- Tiered licensing: local discount, external premium



Comparable: Napa Valley

- Trademark protection since 1942
- Wines command 30-50% premium
- \$50M+ licensing value annually
- Quality standards enforced by grower co-op

Sample Revenue Tiers

Tier	Annual Fee	Est. Licensees	Annual Revenue
Local Business	\$250 - \$1,000	60-80	\$15K - \$80K
Regional Producer	\$2,500 - \$10,000	10-25	\$25K - \$250K
National/Corporate	\$25,000 - \$100,000	2-5	\$50K - \$500K

Pathway 2: Merchant Cooperative

Member Value: \$10K - \$28K saved per merchant annually

The Model

Member-owned infrastructure for collective power:

- **Aggregate purchasing:** 15-30% savings on supplies
- **Shared marketing:** 40-60% cost reduction
- **Group rates:** POS, insurance, services
- **One business = one vote:** Democratic governance



Comparable: ACE Hardware

- 5,000+ independently owned stores
- \$6.7B combined revenue
- Compete successfully vs. Home Depot
- Members own the cooperative

Projected Impact (60~80 - member base)

Benefit Category	Per Member Savings	Total Annual Value
Aggregate Purchasing	\$4,000 - \$12,000	\$240K - \$960K
Shared Marketing	\$3,000 - \$8,000	\$180K - \$640K
Group Services	\$3,000 - \$8,000	\$180K - \$640K
TOTAL	\$10,000 - \$28,000	\$600K - \$2.24M

Pathway 3: Platform Technology + Data

Revenue Potential: \$256K - \$1.27M annually

The Model

Community-owned data and engagement infrastructure:

- **Research tools:** measured constituency feedback systems
- **Marketing aggregation:** coordinated campaigns
- **Data analytics:** visitor behavior, spending patterns
- **White-label licensing:** other communities pay to use



Comparable: Main Street America

- 1,600+ communities served
- Shared research infrastructure
- Best practice exchange network
- Data-driven revitalization tools

Revenue Streams

Revenue Source	Model	Year 3 Potential
Internal Services	Member subscriptions (\$200-500/mo)	\$96K - \$240K
External Licensing	5-10 communities @ \$25-50K/yr	\$125K - \$500K
Data Products	Research reports, analytics	\$35K - \$150K
TOTAL		\$256K - \$890K+

Pathway 4: Recurring Event Branding

The Concept ~ A Monthly Holiday!

Monthly community-led event where residents dress in community-selected theme attire while supporting local businesses.

Resident ritual establishes tourism marketing hooks around town character.

Beneficiaries

- Merchants shared consumer “awareness funnel”
 - Co-marketing, holistic experiences
 - Events & promotions elevating individual merchant sites
 - Traffic to e-commerce shoppers, reducing costs for both merchants and artisan suppliers
- Visitors & residents plan activities throughout town
- Chain sponsorships for local nonprofits
- Entertainment/ enhanced live music event coordination

Proof of Concept + Replicable Model

~ FABU FRIDAY ~

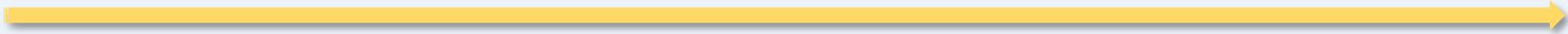
Scalability

- Licensable to other communities
- Sponsorship revenue model
- Theme/format standardization enables quality control (key to brand protection)

December 2025 Pilot Results

- Validated community appetite for coordinated commerce
- Revealed need for professional coordination + extended lead times
- Identified merchant participation patterns and barriers

Integration: How the Pathways Amplify Each Other



Co-op Membership Benefits

- Awareness of shared or divergent needs & interests **WITH** explanation
- Discounted trademark fees
- Priority platform access
- Free targeted research & reporting
- Governance voice in all 4 streams

Platform Benefits

- Guaranteed user base
- Real-world testing ground
- Educational, financial, operational, and planning resources for merchants
- Substantial transaction & licensing revenue
- Shared research insights + revenue from syndicated reports

Community Benefits

- Economic resilience
- Balanced & data-driven constituent representation
- Preserved local character
- Data-driven governance
- National recognition, thus stronger state/county voice

Network Effect: Each pathway strengthens the others. Integration creates competitive moat.

5-year Financial Projections *Conservative Implementation Scenario*

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

Year	Trademark	Event/Platform	Cooperative	Total
Year 1	\$15K - \$30K	\$0	\$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 - \$1.02M
Year 5	\$130K - \$450K	\$240K - \$750K	\$170K - \$150K	\$540K - \$1.35M

Performance Metrics

- **NPV (10% discount):** \$1.2M - \$3.1M
- **IRR:** 185% - 420% (AI-enabled cost reductions)
- **Break-even:** Month 9-12

Key Assumptions

- Sequential implementation
- 60% merchant participation
- Year 1-2 revenue reinvested
- Year 3+ profit distribution ~ co-op + other equity

18-Month Implementation Roadmap

Investment Required ~ \$75K - \$150K
(recoverable within 12 months)

PHASE 1: FOUNDATION

Months 1-6

- FABU FRIDAY™ monthly
- Market research ongoing
- Form steering committee
- Governance structure
- Legal entity formation
- Trademark applications
- Initial member recruitment
- Platform MVP development

PHASE 2: LAUNCH

Months 7-12

- Cooperative operational
- First licensing agreements
- Platform beta launch
- FABU FRIDAY test license/s
- Marketing campaign
- First revenue recognition

PHASE 3: SCALE

Months 13-18

- External licensing begins
- Platform full release
- Second community pilot
- Corporate partnerships
- Profit distribution
- National recognition fuels regional influence

Governance Structure

Member-Owned, Professionally Managed

Cooperative Principles

- One business owner = one vote (regardless of size, # of locations)
- Board elected by members
 - Transparent financials
- Member benefits prioritized over profit extraction

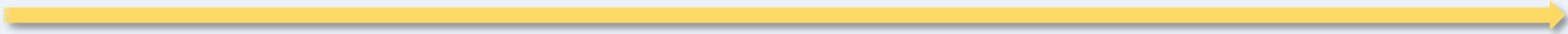
Professional Management

- Hired executive director (accountable to board)
- Contracted specialists: legal, trademark, technology
- Shared costs across 60-80 members = affordable for each

Community Accountability

- Quality standards protect brand integrity
- Revenue reinvestment decisions made collectively
- Annual public reporting on community impact

Risk Mitigation



None of this is new. Every risk has proven mitigation from comparable well-established implementations.

Risk	Likelihood	Mitigation Strategy
Low merchant participation	Medium	Sequential rollout; early adopter incentives; demonstrated ROI
Trademark challenge	Low	Professional legal counsel; established precedent in similar communities
Political opposition	Medium	Private sector ownership; no city budget required; broad coalition
Technology failure	Low	Proven platforms; phased implementation; vendor diversity
Economic downturn	Medium	Diversified revenue streams; cost-sharing model; essential services focus

Next Steps



1. Review full white paper (detailed implementation guide)
2. Identify initial steering committee candidates
3. Begin discussing where these initiatives might be housed organizationally
4. Begin foundational research with various stakeholder constituencies ~ residents, visitors, merchants by type, government, nonprofits, etc.
5. Schedule stakeholder presentation
6. Begin legal entity formation & IP protections

Thank You

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