



Small Business Builder: Boosting Minority Business

Programs Aim to Level the Playing Field

Second in a Series

By Mary Campbell

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Small business is big and getting bigger, and U.S. entrepreneurs are discovering abundant resources, from advice to investors. But conventional services don't always address the particular needs and circumstances of MWBEs — minority- and woman-owned business enterprises.

Scores of public and private organizations offer special MWBE assistance. You'll find many of them on the Web site of the Commerce Department's Minority Business Development Agency, or MBDA (see link at right). It has dozens of useful features.

A handy locator map, for instance, reveals sources of help in or near your zip code. I checked out the Chicago area, limiting my search to agencies offering "all types of services." The locator turned up about 30 organizations, including the Minority Network for Entrepreneurial Training, Accion Chicago, the Asian-American Alliance, Back of the Yards Neighborhood Council, the Chinatown Chamber of Commerce, and the Women's Self-Employment Project.

You can use the site's tools to &

Enter your business in the Phoenix Database — a listing of minority-owned enterprises doing business in the United States — and find minority vendors in the Opportunity Database.

Visit one of the comprehensive "virtual business centers," where you'll find technical, financial, business, and market assistance in aquaculture, manufacturing technology, franchising, and international trade.

Click on one of hundreds of links to the agency's regional and local centers, affiliates, and other organizations that support minority business development.

Find news and special reports, such as "Minority Business: Automotive Opportunities."

An Unfair Advantage?

Not everyone thinks this is a good idea. Some label special assistance for selected groups "reverse discrimination."

Adversity.net, for example, claims to represent "the victims and survivors of racial preferences, quotas, set-asides, and race-based 'targets' and 'goals' in hiring, promotion, school admissions, and government contracting." The organization is, frankly, "proud to be doing something about it."

The Adversity.net Web site argues that "White, male-owned businesses [are being] excluded from \$21.8 billion in federal contracts." And it criticizes the government's "partiality" to Small Business Administration "Section 8(a) businesses & [whose] owners are the correct race."

Such critics might not realize how their communities and their own businesses profit from (among other things) broader-based prosperity, community stability and safety.

For example, Enterprise Zone and HUBzone incentives, though generally race- and gender-neutral, stimulate business investment and employment in depressed areas where structural deterioration, crime, and joblessness can be costly and dangerous.

Most MWBE programs parallel forms of assistance already available to all. Though the Commerce Department agency was created specifically to "encourage the creation, growth, and expansion of minority-owned businesses in the United States," the MBDA, like the Small Business Administration, is not in the lending business.

Rather, the MBDA funds minority resource and development centers throughout the country, which (like the SBA's Small Business Development Centers) help with business plans, marketing, management and technical assistance and financial planning. Some services are free, others carry a "nominal charge."

Blacks, Hispanics, Asians, American Indians and women not only got a late start in the competitive arena, they were virtually excluded from the field □ historically held back by language, culture, lack of access to adequate education and capital, and exclusion from powerful informal networks.

That's why Hispanics account for 30 percent of California population but own just 13 percent of the state's businesses, which generate only 2.4 percent of revenues. Average receipts for U.S. companies are about \$892,000 annually; for woman-owned U.S. companies, about \$151,000; and for African American-owned, under \$90,000.

An editor since the age of 6, when she returned a love letter with corrections marked in red, Mary Campbell founded Zero Gravity in 1984 to provide writing, editing and marketing services. Small Business Builder is published on Wednesdays.

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