

AZSBDCnetwork
SMALL BUSINESS DEVELOPMENT CENTERS



**Small Business
Success Starts Here**

A to Z

**Arizona's Small
Business Resource**

January 2011

Vol 2. No. 1

Coming Events

Feb. 16

Legislative Luncheon on the Lawn, hosted by AAED Governmental Affairs Committee. 11:30 a.m. - 1 p.m., Arizona State Capitol, Senate side. [Details HERE](#).

March 22

2011 AZSBDC Success Awards Luncheon, held on the lawn at the Arizona State Capitol. Save the date. Details to come.

2010 Network Performance Shows Strong Economic Impact

Our statewide scorecard through mid-December 2010:

Jobs Created: 1,844
Jobs Retained: 492

Sales Increase by Client Companies: \$63.615 million

New Capital Sourced by Clients: \$61.190 million

New Business Starts: 248

New Clients: 1,734
Total Clients: 3,037

Events Hosted: 245
Event Attendance: 2,867

Capital ROI: \$23.61
Sales ROI: \$24.54

Front and Center



By AZSBDC State Director

Janice C. Washington, CPA

AZSBDC Network Allocated \$837,000 for Jobs Initiative

The **AZSBDC Network** could receive a significant grant award as a result of the recently enacted **Small Business Jobs Act of 2010**, which includes nearly \$50 million over the next two years for Small Business Development Centers across the U.S. Arizona has been allocated \$837,000 in job development funding and the **AZSBDC Network** has submitted an application for the entire amount.

This is a real opportunity for us to show what we can do as a Network. AZSBDC Center Directors worked with the State Office team to identify programs and services that are 'ready to roll' ... and therefore capable of producing a fast and discernible impact. The goal? Job creation and job retention, across Arizona, quickly -- to encourage economic recovery.

This is a tremendous opportunity for our Network to increase our impact on Arizona small business development and growth by increasing our counseling capacity and by expanding SBDC program and service delivery throughout Arizona. We intend to make full use of this great opportunity. 2011 is off to a very good start!

I am honored to have been appointed to serve on the **Accreditation Committee** of the **Association of Small Business Development Centers (ASBDC)**, the national organization which links 60 SBDC networks across the United States. Members of this committee work with individual networks to educate, advise and ensure compliance with ASBDC standards for quality in programs, service, outreach and organizational development that are required for accreditation. The AZSBDC has been commended for our commitment to accreditation standards and for our progress over the past year. I will work



SBDC locations across Arizona are working to keep up with a growing demand for services and to increase the small business survival rate.

The results of their efforts are shown in job growth and capital investment throughout our state, and by a high return on investment (ROI) for each dollar that is invested in client services.

SBA National Success Story: Lake Havasu Restaurant Group Cooks Up A Plan To Navigate Tough Times

Provided by Robert Blaney, SBA District Director for Region IX



An SBA ARC loan helped two Mohave County small business owners keep their operations afloat during challenging times.

Restaurants in small communities provide a local fabric that connects generations of families who enjoy good food, good value and a friendly, neighborhood setting. Unfortunately, they can be hit early -- and often hardest -- in a struggling economy where everyone is tightening their belts.

Long-time restaurateurs, **Mendy and Carl Jackson**, own a corporation that had three companies under one umbrella; **Taco Hacienda, Bad Miguel's and MJ Commander Center**. All three businesses had been operating successfully prior to the recession that began in late 2007.

As incomes faltered and discretionary spending fell in Arizona and across the country, the Jacksons began to experience

hard to bring that same level of energy to other state networks across the U.S.

The AZSBDC Stakeholders and Investors Council met for the first time last month in Tempe. The group is chaired by **Dr. Maria Harper-Marinick, Executive Vice Chancellor and Provost** of the **Maricopa County Community Colleges** and is comprised of administrators from our Host institutions and (ex-officio) from the U.S. Small Business Administration (SBA). The AZSBDC State Office team and the Network's Center Directors collectively host the group when it gathers. It's 'the big WE', as **Coconino Community College's Executive Director of Community & Corporate Learning John Cardani** so aptly put it.

Members of the group have four roles, according to Dr. Harper-Marinick: 1) To act as an advocate for their community; 2) To meet annually to review programs and performance; 3) To bring and share their community's unique perspectives on small business issues and needs; and 4) To act as a focus group and provide input on AZSBDC programs and services.

Members act as liaisons between the Network and its Host institutions and are 'engaged voices' that provide input, information and ideas. "Collaboration and partnership is very evident throughout this Network," noted Dr. Harper-Marinick, as she thanked the 25 attendees for making the council's first meeting so productive.

The **AZSBDC Network** was excited to learn that it has received a grant to fund a second year of our **Clean Tech Initiative**, beginning in April 2011. The Clean Tech program provides us with an opportunity to offer a unique set of skills to our clients that will improve their chances for a successful 'launch' AND 'landing'. The AZSBDC wants to be a leader in the movement to bring clean technologies to Arizona. *(See related story below.)*

On the Horizon: The AZSBDC Friends of Small Business Advisory Board will celebrate its 15th anniversary in June 2011 ... The AZSBDC Network will host the **2011 Success Awards Luncheon** on March 22 at the Arizona State Capital Complex. Nearly 350 legislators, stakeholders and partners attended the 2010 event and we are expecting to top 400 guests in March. Invitations will go out in February.

Please join us in congratulating the 16 graduates of the **Maricopa SBDC's NxLevel program**. These forward-thinking business owners completed the 12-week program and participated in a graduation ceremony in December.



Shown, left to right, are Shea Joachim, Economic Development Specialist for the City of Mesa; Erin Jaicks, Owner of Polestar Distributing and NxLevel grad; Luis Reynoso, Business Analyst at the AZSBDC Mesa satellite office. Erin is planning a \$500,000 expansion of her company that will add four employees in 2011.

declining sales and profits. Like many business owners, they started to use personal funds to keep their businesses alive, only to find themselves burdened with increasing amounts of debt. In 2009, Mendy and Carl attended a free workshop that the **SBA District Office** held in Lake Havasu, entitled *Managing Your SBA Loan in a Time of Adversity*. The workshop, which was developed by Bruce Hodgman, Arizona's SBA Deputy District Director at the time, was designed to help borrowers by providing ideas on how to manage a business in difficult economic times. It also provided specific information on the **America's Recovery Capital (ARC) Loan Program**.

An ARC Loan can provide up to \$35,000 in short-term relief for viable small businesses facing immediate financial hardship to help them ride out uncertain economic times and return to profitability. Mendy and Carl attended the workshop and were very excited about the quality of the information provided. It was there that they also met **Kelley Keffer-Marsh, Director of the Mohave Community College Small Business Development Center**. Mendy made an appointment to begin working with Kelley to improve the profitability of the Jackson businesses.



Kelley Keffer-Marsh

Working together, Kelley and Mendy developed strategies for reducing the Jackson's debt by utilizing information gained from the workshop to restructure their approach to creditors. Kelley also assisted Mandy in developing a loan proposal to obtain an ARC Loan.

Mendy and Carl submitted their application to several lenders and were repeatedly turned down. Kelley went the extra mile for her clients and contacted the SBA

Betsey Bayless has retired from her service as a charter member of the AZSBDC Network's **Friends of Small Business Advisory Board (FOSB)**. **Bayless** is a former Arizona Secretary of State, a former Chairman of the Maricopa Board of Supervisors and the current CEO of Maricopa Integrated Health Systems, among her many other accomplishments. She has been an active member of FOSB since it was founded in 1996. Thank you, Betsey, for your unwavering dedication and commitment to the Arizona business community!

The Network congratulates **Mark Schmitt** on his new position as Center Director of the **Cochise Community College SBDC**. Mark has been a Business Analyst at the Center since 2008. He will continue to work with new and growing small businesses throughout southeastern Arizona. He replaces Mignonne Hollis, who left the Network late last year to become **Executive Director of the Sierra Vista Economic Development Foundation**.



Mark Schmitt

The **AZSBDC Network** is a front-line, immediate response program for facilitating small business growth, job creation, capital creation and economic recovery throughout Arizona. We are fully accredited by the **Association of Small Business Development Centers (ASBDC)** and committed to high quality service and continuous improvement in everything that we do.

The value of AZSBDC programs and services far exceeds their cost, which makes SBDC program delivery -- in both Arizona and around the country -- cost efficient *and* effective. Learn more about the impressive national impact of SBDC initiatives [HERE](#).

First Statewide Procurement Conference Considered A Success!



More than 100 Arizona small businesses, stakeholders and government partners attended the AZSBDC Network's first statewide **Procurement Opportunities Conference** in November. It proved to be a great opportunity for women and minority-owned businesses to meet and interact with major players in the procurement industry and to earn the ABC's of successful government bidding.

The free event was hosted by the **AZSBDC Network** and **Phoenix College** and sponsored by partners including **USBank**, the **Associated Minority Contractors of America**, the **U.S. Small Business Administration (SBA)** and the **City of Phoenix Dept. of Community and Economic Development**. The AZSBDC plans to make the conference an annual event.



District Office to ask staff to review the proposal and offer some insight. Mendy took all of the advice that was offered, never gave in and never gave up.

Working with Kelley, she continued to improve her cash flow and went back to the bank in April to reapply for an ARC loan. This time the request was approved.

The Jacksons also sold the MJ Commander Center in June, which enabled them to concentrate on Taco Hacienda and Bad Miguel's. Business is better, cash flow is better and Mendy is applying for additional financing to strengthen the remaining companies, using the strategies that she learned from her first experience.

Thanks to a lot of hard work and determination -- and the support of **Kelley Keffer-Marsh** and the team at the **Mohave Community College SBDC** -- Taco Hacienda and Bad Miguel's should be serving *'the best Mexican food on the Colorado River'* for many years to come!

[Learn more about the Mohave Community College SBDC HERE](#)

Contact Keffer-Marsh and the Mohave SBDC team at (928) 757-0894

AZSBDC Clean Tech Initiative Reaches Throughout State

Nearly 50 companies are participating in the **AZSBDC Network's Clean Tech Initiative**, which provides guidance and planning support to Arizona businesses and ventures that are focused on processes, products or services that promote and utilize renewable energy.



Participating firms produce products or systems that reduce CO2 emissions or use renewable energy sources in the operation of their businesses. Participants are guided through a six-phase process, which includes the development of a technology assessment and action plan, intellectual property management, small business research, investor readiness, business planning and development and beta testing. The goal is rollout, graduation, launch and commercialization -- all with the input of AZSBDC counselors and partner experts.

The AZSBDC Network recently received notice from the SBA that it has been awarded a second year of grant funding for the program, beginning in April 2011.

The **Clean Tech Workshop** hosted by the **Microbusiness Advancement Center SBDC** last month was well received and has become a model for other such events. Attendees in Tucson heard from speakers who identified opportunities in renewable energy fields explained Department of Energy programs ... previewed a website that offers information on the SBIR grant process ... and provided examples of how to obtain and use research and data sources for project development.

The **Coconino Community College SBDC** hosted a similar **Clean Tech Workshop** on January 18 at the **Northern Arizona Center for Entrepreneurship & Technology (NACET)**. The free event included presentations by renewable industry experts and Clean Tech Initiative program information. Twenty technology-driven entrepreneurs from across northern Arizona attended the event. View summaries of the some of the presentations [HERE](#).

The **AZSBDC Network**, the **Maricopa SBDC** and **Chandler's Innovations Incubator** have teamed up to host a series of quarterly networking events for business owners, entrepreneurs and potential partners who are interested in Clean Tech projects and enterprise. 2011 events will be held from 7:30 a.m. to 9 a.m. at Innovations (145 S. 79th St., Chandler, 85226) on these dates:

- Thursday, April 21, 2011
- Thursday, July 21, 2011
- Thursday, October 20, 2011

Call (480) 784-0591 or email [Sanjay Dhole](#) for more information.

Learn more about the Clean Tech program [HERE](#).

Learn about Arizona's Research Income Tax Credit [HERE](#).

Our Partners



The AZSBDC is an Accredited Member of the ASBDC

And Our Valued Host Institutions:

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[Central Arizona College](#)

[Coconino Community College](#)

[Cochise College](#)

[Eastern Arizona College](#)

[Gila Community College](#)

[Maricopa Community Colleges](#)

[Microbusiness Advancement Center](#)

[Mohave Community College](#)

[Northland Pioneer College](#)

[Yavapai Community College](#)

District and Program News

Elizabeth Echols has been named **SBA Regional Administrator in Region IX**. Echols oversees programs and services in Arizona, California, Nevada, Hawaii and Guam, including 120 employees in 12 offices. Her impressive background includes work as the Director of the U.S. Green Building Council, co-chair of a National Telecommunications and Information Administration review board and as the former Director of Policy at Google. Echols worked on Internet and telecommunications issues at the White House and in the Department of Commerce during the Clinton administration and is a Yale graduate with a law degree from Stanford University. Our Region is very fortunate to have such strong leadership.



SBA District Director Robert Blaney has announced the promotion of **Cathleen Lease** to the position of **Assistant District Director for Capital Access** in the Arizona District Office. Lease will lead the District's financing division, where she will oversee SBA loan programs and the agency's ongoing relationship with its participating lenders. She will also lead the District's lender recruitment and training programs.

SBA Associate District Director Shivani Desai has been appointed to the **Excellence in Government Fellows Program**, sponsored by the Partnership for Public Service in Washington DC. The Partnership works to revitalize government by inspiring a new generation of leaders. Shivani will continue to serve our District as she participates in the one-year program.

The lending limit on **SBA 7(a) loans** has been increased from \$2 million to \$5 million. The lending limit on **SBA microloans** has been increased from \$35,000 to \$50,000.

The SBA plans to release details of its forthcoming **Women-Owned Small Business (WOSB) Contracting Program** in January. The initiative identifies 83 target industries where women-owned businesses are substantially under-represented in the contracting marketplace. It will include a set-aside component and guidelines for WOSB certification. Watch for details on this and other SBA initiatives at www.sba.gov.

AZSBDC Veteran-Owned Small Business Registry

A statewide database resource has been developed to identify and register Veteran-owned small businesses (VOSBs) in Arizona. There is no cost for eligible businesses to register.

Access the VOSB Registry gateway [HERE](#).

The database is part of a multi-state Veterans entrepreneurship partnership between the **AZSBDC** and SBDC state networks in **Colorado, Montana and Kansas**. The multi-network program is funded by a \$100,000 grant from the **SBA** to provide information and high quality, cost-effective assistance to Veteran small business owners in the participating regions. The ongoing program will also include Internet-based consulting, training and social networking and a database resource registry.



Learn more about Veterans Assistance Resources [HERE](#)

Your Statewide Small Business Resource

We Have What It Takes To Succeed ... From A to Z!

We're Arizona's largest and most accessible source of assistance for small business, with 23 locations throughout the state staffed by professional business counselors, analysts and technology specialists. Each is dedicated to providing education and support to new and expanding businesses.

The **AZSBDC** works with entrepreneurs in all industries and in all stages of business development. We work with the **SBA** and our host institutions and partners to promote entrepreneurship, economic sustainability and growth across Arizona. Make our team your team and let's work together to build a stronger Arizona economy!

[Request an AZSBDC Network Brochure HERE](#)

What Your Business Needs To Succeed ...

From **A** to **Z**



Make Our Team Your Team

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