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SBA Extends Help to Minority-Owned Businesses

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In July 2010, the Census Bureau reported that the number of minority-owned businesses increased by 46 percent from 2002 to 2007. This is good news. These new businesses are creating jobs and driving local economic growth all across the country.

However, this is no time to lessen the commitment or resources available to help minority small businesses grow and create jobs.

At the Small Business Administration, three core mission areas – access to capital, opportunities in federal contracting and business counseling – are being leveraged to build on the growth that has occurred in minority business ownership.

Minority-owned firms struggle with access to capital, and when they do receive a loan, it is often too small or the interest too high. That's why, according to the Urban Institute, minority small businesses are three to five times more likely to get a loan if the SBA guarantees it. Moreover, enhancements made possible by the Recovery Act have helped the SBA provide support for more than 14,000 recovery loans, worth \$5 billion, to minority-owned small firms. President Obama has called on Congress to extend funding for these successful recovery loan programs, which ran out several weeks ago, resulting in a 60 percent drop in SBA lending. Lenders and small-business owners have also been clear: Now is not the time to pull back.

The Recovery Act has also been a critical tool in helping minority-owned small firms compete for and win federal contracts. Already, billions of dollars in Recovery Act contracts have been awarded to socially and economically disadvantaged firms that participate in SBA's 8(a) program. Meanwhile, the SBA and its resource partners train and counsel hundreds of thousands of minority business owners each year.

Throughout the month of August, the SBA is sponsoring Minority Enterprise Development (MED) Week events across the country. Minority business owners can learn about the tools and resources available and they can network, learn from one another and find out ways to build their businesses and create jobs. For more information on attending a MED Week event near you, visit www.medweek.gov.

As one of the fastest-growing segments of the small-business community, minority-owned businesses are key to the strength of our economy and our global competitiveness. From loans, to

contracting, counseling to business development, SBA will continue to ensure that minority-owned small businesses and entrepreneurs continue to have the tools to grow, drive our economy and create jobs.

For more information about SBA resources in New Mexico, visit www.sba.gov/localresources/district/nm. To find a SBA lender in your community, go to www.sba.gov/idc/groups/public/documents/nm_albuquerque/nm_lenders_022210.pdf.

Finance New Mexico is an initiative of the New Mexico Small Business Investment Corporation (NMSBIC) and its partners to assist individuals and businesses in obtaining skills and funding-resources for their business or idea. To learn more, go to www.FinanceNewMexico.org.

