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April 16, 2012

More than Microloans: Acción Helps Trio Launch New Brewery

By Walt Taylor, Commercial Loan Officer, Acción New Mexico · Arizona · Colorado

A new brewery is coming to Albuquerque in June, run by three local beer-loving entrepreneurs. Bosque Brewing is the brainchild of partners Jotham Michnovicz, Kevin Jameson and Gabe Jensen; in their corner is nonprofit lender Acción, which extended a loan of \$100,000 to help the partners build a brew house and cover their initial operating expenses.

The idea for the brewery started two years ago, before any of the partners had ever made a batch of home brew, Jameson said. The three were united by longtime friendships, one family tie — Michnovicz and Jensen are cousins — and membership in the same church. All three attended New Mexico State University in Las Cruces.

After intensive study, practice and research, the men had the recipes they wanted for several types of European-style beers: German ale, brown ale, red rye, India pale ale and English-style ale. They wrote a business plan that drew on their collective experience in the business and technology fields and prepared to approach potential lenders.

First stop was the Small Business Administration, but Jameson said SBA wasn't positioned to lend such a small amount of money and required a much greater investment from the entrepreneurial team. "A microbrewery is considered high risk, like a restaurant," he said.

A friend told the trio about Acción New Mexico · Arizona · Colorado; since 1994, the organization has underwritten the startup or expansion of nearly 3,500 small businesses with loans as small as \$200 and as large as \$300,000. Typically thought of as a microlender, Acción's loans can go even higher – up to \$500,000 – if Acción partners with the SBA on a loan such as the 504 loan that is secured by a business's property.

Acción liked the men's credit histories and their plan to have two partners support the brewery financially with income from their day jobs while the third runs the brewery full time until it's capable of supporting all the owners. Both Acción and Bosque Brewing share a commitment to the local economy.

"Our experience was right, and they liked our business plan," Jameson said of Acción. That plan is to begin by producing 42 barrels of beer each month or 500 barrels per year — first for regional distribution as a canned product. As their production capacity increases, they plan to provide draft beer to local restaurants and pubs.

Acción can support its new clients by connecting them to a mentor – sometimes other entrepreneurs who have borrowed from Acción. By providing support to its borrowers to help them succeed — including one-on-one education, workshops, mentorship and marketing assistance — Acción specializes in serving entrepreneurs who want more than just money when starting a new business. “They won’t tell us how to run the business, but they’ll help us if we need it,” Jameson said.

Many businesses turn to Acción because they can’t get the capital they need from traditional financial sources, often because their credit needs are too modest or they lack business or credit history or collateral. The organization also offers more established businesses a range of credit products. For more information about Acción, visit <http://www.accionnm.org/>.

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