Director’s Cut

Why business development is crucial for building communities

By D. Craig Taylor, Executive Director

We believe that business development is the cornerstone of a community’s economic development strategy. It is also where we believe substantial resources must be invested to bring about the type of transformational change that builds a community’s capacity and makes it a vibrant and healthy place to live. Business development includes three primary activities: Business Retention, Business Attraction, and New Business/Entrepreneurship Development, all of which are important to a community’s healthy business climate.

One of the fundamental goals of our Office is to help facilitate entrepreneurship, new business development, expansion and diversification, because we recognize that doing so will create jobs, diversify our economic base, generate tax revenues, stimulate commerce, and initiate community reinvestment and revitalization. The by-product of these outcomes is an enhanced quality of life for the families and citizens of these communities.

We also know that if we are going to succeed in building stronger, healthier, more economically vibrant urban areas, we must first understand how structural changes in our economy have not only reshaped the business landscape, but created new challenges and opportunities for economic growth and development. Our goal is simple: to contribute to our community’s economic growth and development. Fulfilling this goal is inextricably linked to building partnerships and collaborations that complement our core capabilities and position us to leverage the broad range of University assets and resources.

To learn more about BCED and its mission, visit our newly updated website at bced.umn.edu/About-Uls.

Spotlight

Bruininks recognized for service

In October 2011, BCED recognized former University President Robert Bruininks for his outstanding leadership in building meaningful partnerships between the University and community. Under President Bruininks’ tenure, the University saw significant growth in the amount of business done with minority- and women-owned businesses, as well as the creation of new enterprises designed to grow those businesses. With a vision of leveraging University resources as tools to be placed in the hands of the community, President Bruininks also oversaw the creation of the Urban Research & Outreach-Engagement Center (UROC) located in North Minneapolis.

For these and other accomplishments, president Bruininks was presented with the 2011 “Fitz” Award, which recognizes those University representatives who have shown an exceptional commitment to fostering economic development in our urban communities. In his remarks before an audience of 180 people, he reflected on his work in the community and thanked everyone for the opportunity to lead.

For more information on the AIR awards program for University purchasers, please visit www.bced.umn.edu/air or contact Aron Khoury at khou0012@umn.edu.
EVENT SERIES

First unConference engages local entrepreneurs

On January 21, 2012, BCED attracted over 100 aspiring entrepreneurs of color to participate in the first unConference at its Business and Technology (B-Tech) center at the Urban Research and Outreach-Engagement Center (UROC) in north Minneapolis. A new addition to the portfolio of services provided through B-Tech, the unConference is an informal gathering for entrepreneurs looking to network, gather information on the latest trends in startups, and learn business basics from the experts. Google, the Milestone Growth Fund, and the Minnesota Trade Office hosted workshops to assist entrepreneurs with online business tools and financing options, while BCED’s Manager of Business Development Services, Jeffrey Seltz, walked them through business model design. The participants received surprise visits from Rep. Joe Mullery, Rep. Bobby Joe Champion, and Sen. Jeff Hayden, who came out to show their support to Minnesota’s future urban entrepreneurs. unConferences will continue quarterly as gatherings to build a community of aspiring urban entrepreneurs. Future workshops at the unConference will include marketing, legal assistance, and effective use of social networking tools to drive business.

For more information about unConference and other business development services, visit www.bced.umn.edu/bds or contact Jeffrey Seltz at selt0012@umn.edu.

PROGRAM UPDATE

jEM workshops help youth make their mark

Three jEM (Junior Entrepreneurs of Minnesota) Workshops were offered in Fall 2011: Entrepreneurial Entrées, myProduct Inventors Challenge, and Strong Suit: Sport-Minded Entrepreneurs. Each workshop focuses on a specific area that is interesting and engaging for area youth, providing students with enjoyable opportunities to explore new ideas in a team-oriented, hands-on learning environment.

Entrepreneurial Entrées students developed unique restaurant concepts while cooking delicious meals and learning about nutrition. myProduct participants got creative as they re-imagined everyday items as new products. Strong Suit students were introduced to the wide range of career paths available in the sports world through various activities, including a TCF Bank Stadium tour. The workshops proved to be fun learning experiences for students and leaders alike.

For more information about jEM workshops and other youth entrepreneurship programs, visit www.bced.umn.edu/jem or contact program administrator Selemon Asfaw at asfaw007@umn.edu.

PROGRAM UPDATE

MTAP begins Spring Term projects

The Office for Business and Community Economic Development (BCED) offers the Management and Technical Assistance Program (MTAP) for Nonprofits to improve the quality of life in Minnesota’s urban communities by enhancing the performance and effectiveness of community-based nonprofit organizations that serve such communities.

Through the technical assistance component of MTAP, Student Consultants will provide the management and technical assistance to nonprofits that can help them improve operational, management and organizational effectiveness, enhance their overall performance and build capacity.

BCED offers this unique program as a service to link nonprofit organizations to students, faculty and other resources at the University of Minnesota.

MTAP received 15 applications from organizations and over 25 student applications for its Spring 2012 projects.

Nonprofits send in detailed project requests and are matched with U of M graduate students who wish to gain hands-on consulting experience and apply classroom knowledge to real-life nonprofit organizational situations.

Spring 2012 semester projects are underway, with participant organizations that cover several human service needs, such as housing, education, youth, seniors, health, mentoring and economic development. MTAP received 15 applications from organizations and over 25 student applications for its Spring projects.

The variety of organizations that apply for MTAP provides student consultants with many great ways to gain diverse knowledge and skills while enhancing their community outreach experience.

For more information on MTAP offerings, visit www.bced.umn.edu/mtap or contact Nedy Windham at windh003@umn.edu or 612-625-2053.
SUCCESS STORY

Litin Paper helps U food service go green

In November of 2011, after nearly a year of sales efforts, Litin Paper Company became the sole supplier of compostable products to the University’s cafeterias and food courts. Litin, a women-owned company based in north Minneapolis, is one of the Upper Midwest’s top distributors of packaging equipment, commercial paper supplies, bubble wrap & food service products. In its new role, Litin will be key in helping the University’s cafeterias go completely compostable by supplying plates, napkins, tableware and other items that are 100% biodegradable.

The Office for Business and Community Economic Development helped Litin Paper pursue this business for almost 1 year. In the end, Litin earned the business by beating out numerous competitors by providing the best price and meeting the stringent logistical requirements imposed to suppliers delivering on campus. Paper representative Simon Hefty keeps his eye on the prize: “The next step is getting the stadiums and arenas to go green. If 40,000+ people came to the TCF Bank Stadium and left without anything going in the garbage!” As he looks forward to future partnerships with the U, he has the feeling this is going to be a winning relationship for everyone.

For more information on BCED’s programs to connect local targeted businesses with University purchasers, please contact Aron Khouary at khou0012@umn.edu.

PROGRAM UPDATE

Refurbished computers donated to 78 users

The Computer Refurbishing Program at BCED’s B-Tech Center (located at UROC in North Minneapolis) relies on donations of used computers from individuals, organizations, and corporations to ensure that families and communities have technology access and education to expand their economic and educational opportunities. Donated computers are wiped of existing data in compliance with Federal data-wiping standards before being prepared for donation to local individuals, families, and organizations. Individuals receiving computers participate in free computer literacy classes to maximize the benefit they receive from donated computers.

Between September 2011 and February 2012, the Computer Refurbishing Program distributed 78 refurbished computers to 25 nonprofit agencies and 53 individuals or families. This was made possible thanks to individuals and companies who donated their computers for refurbishing. BCED thanks the following donors from 2011: North American Membership Group, UMN Graduate School Data Management, U of M OVPR Technology Services, Select Source International, Dan Junk, Karin Brink, Rebecca Michalski, and the National Cristina Foundation.

If you are ready to donate and decommission your old PCs, or for more information about the computer refurbishing program, please contact Wilson Maceno at wmaceno@umn.edu.

QUARTERLY HIGHLIGHTS

BCED website gets new look

In March 2012, BCED launched an updated, easier-to-navigate website. We look forward to continuing to improve our partners’ experience with our site. Check it out at bced.umn.edu.

UMN sets new record for Targeted Business spending

In Fiscal Year 2011, the University set a new record for dollars spent with non-construction Targeted Business vendors. Over $14.9 million in spending went to Women-and Minority-owned businesses, with $755,000 in spending from AIR prize winners the University of Minnesota Press, Parking & Transit, the Humphrey School and the Carlson School.

The 9-month Growth Accelerator Program (GAP) kicked off its first session in Fall 2011. 12 teams of three—one entrepreneur, one student, and one professional adviser—will present on their projects in May 2012.

BCED’s Computer Refurbishment Center continues to accept donations of computers for secure decommissioning and donation to low-income individuals. To donate your computer, please contact Wilson Maceno at wmaceno@umn.edu.
The Metro Area Small Contractors Alliance (MASCA) was created to address a need in the construction community. Requirements for MBE and Section 3 contractors are being enforced more strictly, due primarily to changes in the economic environment. Silas Houston, the originator of the MASCA concept, saw a need for an entity that could work with general contractors, small contractors and funders to help fulfill these requirements. In 2010, Houston teamed up with Keillen Curtis and Robert Belton to create MASCA.

The MASCA concept is simple but essential: utilize resources, of which a significant number exist already, as part of an efficient developmental process. MASCA has a positive effect on the market by being the mediator of a relationship between general contractors, small contractors, and lenders, and by providing services to each. MASCA provides general contractors with access to highly competent WBE, MBE and Section 3 contractors for project compliance on a one-to-many basis, as well as an assessment of the skills, experience and capabilities of the small contractors MASCA assists. To do so, MASCA provides small contractors with a common platform, process improvement and administrative services to allow them to develop into highly competent contractors. MASCA provides project management support, back office support, appropriate project identification assistance and quality assurance assistance to each small contractor to the level they require. Through MASCA’s relationship with lenders, MASCA provides small contractors with the means to access capital they could not otherwise access. As a result, MASCA helps projects meet WBE, MBE and Section 3 requirements, helps small contractors grow their efficiency and work capacity, and helps general contractors identify qualified small contractors to meet specific needs.

The members of MASCA are allowed and encouraged to own units of MASCA. The majority of them do. While MASCA does help general contractors meet compliance, MASCA does not exclusively work with MBE, WBE and Section 3 contractors. This is because the challenges that MASCA addresses relate to all small contractors. This allows MASCA to assist a wide group of small contractors.

For more information about MASCA, contact Silas Houston at (612)251-4602.