



MICRO BUSINESS INITIATIVE

WHY: Traditionally, communities have focused economic development efforts to attract large employers. While large existing employers warrant our full support and attention, micro businesses have become a dynamic part of the economy, providing goods and services and a gateway by which millions of people in the U.S. enter the economic and social mainstream. Small businesses account for 94% of all firms in the U.S. By 2002, 50.1% of the country's million private sector workers were employed by micro business firms. Part of Manistee County Economic Development Offices Envision Strategy is to develop small business infrastructure.

"While in its infancy, the program is showing what we have known all along," said George Ott, Self-Determination Coordinator of the MBCMH. "People with special challenges can create and run small businesses and in the process, build their confidence and develop some income that improves their quality of life. Like many of us, they just need a helping hand."

WHAT: Efforts are underway in Manistee and Benzie counties to ramp up support for micro businesses and entrepreneurs, beginning with a special project to help people who are recovering from mental illness in these two rural, northern Michigan counties. From artistic fish carved out of wood to custom jewelry to denim purses, micro-businesses are bursting forth in Manistee and Benzie counties thanks to a Micro-Business Initiative that is encouraging entrepreneurs, focusing on people who are recovering from mental illness.

"The businesses are at different stages of development," said Deborah Nale. "We have some that have filed their DBA's with the county clerk, others that are completing their business plan and still others who are in a product development stage."

HOW: Under the contract with Manistee-Benzie Community Mental Health with funds provided by the Michigan Department of Community Health, the Manistee Economic Development Office is coordinating a Micro Business Initiative for both counties to provide product development, marketing and networking services to help entrepreneurs develop their micro businesses. The program is led by Deborah Nale, Manistee Economic Development Office with a Project Team with representatives in both counties. Grant Period ending 9/30/08.

WHEN: Now! The level of community support the initiative has already received since it was officially kicked-off in April is very tangible. Along with the growing micro loan fund, pro bono accounting services have been offered by David E. Wilson, CPA to the micro-business entrepreneurs to assure a strong financial foundation. Partnerships have been formed with both the Benzie Area Chamber of Commerce and the Manistee Area Chamber of Commerce to provide office and conference room space, and Members Credit Union has agreed to work with the entrepreneurs while they are in their incubation stages providing low-cost business checking account management services.

A Micro Loan Fund is being developed thru which entrepreneurs can borrow money needed to start up their ventures. With a Loan Committee in place, business plans are required from each of our micro-business entrepreneurs that must meet bank approval as a condition of a loan from this new fund. "The needs of our business start-ups are modest but, as with any small business, having a source of capital to get started is essential so that products or services can be marketed and sold and generate profits so that the loans can be re-paid. The loan fund is off to a strong start with monetary donations by local businesses. The goal is to build the revolving Micro Loan Fund to \$5,000 by September 2008, with an additional goal of launching 30-35 micro businesses.

Organizations or individuals who may be interested in donating to increase the micro loan fund size or to offer their talents as mentors are encouraged to call the Economic Development Office to learn more about the program. Deborah Nale, Micro Business Income Development Specialist.