

Director's Message

Greetings all!

A few updates since last time: The Tennessee Smart Start Guide was published in hard copy and made available online. It looks completely different from previous versions so you might not recognize it right away! There were a number of successful conferences, events and trainings around the state, not mention elsewhere. A few of them were TDOT's [DBE Small Business Annual Meeting](#), MMBC's [Economic Development Forum](#), the West TN Veteran's Conference and just recently, the first ever [CO.STARTERS Summit](#). Each one targeted different topics and provided interesting learning experiences. In the not too distant future, we will highlight some microenterprise projects that are in the works. We are really excited about them, and we will get to those in a later newsletter.

Would you like more information on small businesses in our region? Me too! If you have the capacity, please assist the Federal Reserve Bank to "Better Understand the Conditions of Small Businesses in the Southeast," through a survey that opened September 9 and runs through November 7. Look for details in the "[From the field...](#)" section.

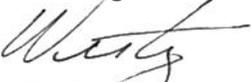
Events, conferences and activities seem to run a bit seasonally, and much like this last spring, this fall has a lot to offer across the state. Look in the [Events and Items of Note](#) section for details related to the deadline to apply for a national USDA grant in November; Global Entrepreneurship Week, which falls the week before Thanksgiving; MED Week activities in Memphis and Nashville in November and December; and Small Business Saturday, the Saturday following Thanksgiving.

On a fun note: There are a lot of things to do across the state this fall that also happen to support Tennessee's agritourism and agribusinesses! Whether you are looking for corn mazes or horseback riding, a quick get away at a bed and breakfast, where to get this year's turkey (or other main course) or gifts for your family and friends, be sure to check out what's available at [PickTNProducts](#).

We want to hear from you. Look towards the bottom for [Call for Entries](#) to see how.

I look forward to seeing you soon!

Warm regards,



Wisty Pender
Director, BERO

What's in the Fall 2014 quarterly?

- ❖ [DBE/Veteran Practices and Highlights](#): the TN Smart Start Guide arrived; Federal Reserve Survey assistance...
- ❖ [Access to Capital](#): Update on lending; USDA Grant Deadline: November 12; and...
- ❖ [Upcoming Events and Items of Note](#): There are so many great opportunities!
- ❖ [Call for Entries](#): Haven't heard from you in bit...
- ❖ [Articles of Interest from the Last Quarter](#): There are quite a few, but remember you can see them at www.tn.gov/ecd/bero.
- ❖ [Contact Information](#)

➤ **From the Field...**



TN Smart Start Guide has arrived!

It's here! We are excited to have the new startup and small business guide for you! We have hard copies and postcard/rack cards available, and of course you can get the PDF online at tn.gov/ecd/bero/pdf/TNSmartStartupGuide.pdf. It's a good resource for your website; and if you use it, we recommend linking directly to the PDF because it gets updated more often than the hard copy and will be the most current version.

Why would you have the link on your website? To answer a question with a question... Did you know there are about 475K non-employer firms, or self-employed in Tennessee?

Or that about 73% of all establishments in the state have less than 10 employees? That's a lot of small businesses who need information and resources!



Assist the Federal Reserve Bank to Better Understand the Conditions of Small Businesses in the Southeast

Submitted: Emily Mitchell, Community and Economic Development Research Senior Analyst Federal Reserve Bank of Atlanta – Nashville Branch

Overall, businesses were somewhat more optimistic than last year based on their responses to the spring 2014 [Atlanta Fed Small Business Survey](#) (for a retrospective look at the survey results check out this [macroblog](#)). Hiring and sales expectations over the next 12 months increased whereas plans for capital investment remained flat. Actual business performance was consistent with the October findings with 21 percent of respondents reporting increased sales and 9 percent of firms reporting hiring new staff.

Meanwhile, financing opportunities for small businesses appear to be improving. Thirty percent of respondents applied for credit with about 60 percent of businesses having most or all of their requests filled. This represents a significant increase over the first quarter of 2013 when only 40 percent of respondents reported having their requests mostly satisfied. Businesses had the greatest success with attaining financing by applying to regional or community banks.

Still, a significant portion of small businesses were discouraged from applying for credit. Sixteen percent of respondents said that they anticipated bad credit terms or being turned down so they chose not to apply even though they needed capital. Notably, young firms were nearly twice as likely to be discouraged from seeking financing as mature firms.

What's new?

This survey started in 2010 when there were many questions about credit conditions and it has remained a valuable tool to tell the changing story of small businesses, adding hiring, expansion, and sales expectations. As a result of this survey, the Atlanta Fed has hosted credit forums with banks and technical assistance providers, convened sessions with young firms, and continued a dialogue with policy and regulatory decision makers about small businesses and their credit needs.

The survey has reached over 500 businesses in the Southeast (AL, FL, GA, LA, MS, and TN). This fall we are piloting the expansion of the survey to work with the Federal Reserve Banks of Cleveland, New York, and Philadelphia. The result of this partnership will be significantly larger geographic coverage and an ability to compare conditions across states.

How can you participate?

This survey is successful because of organizations like yours. More than 50 chambers of commerce, small business development centers, lenders, and other technical assistance and advisory organizations have invited their members to participate in previous surveys. We need your support to make the expanded survey a success. In order to be able to compare small business conditions across the states we need at least 200 small businesses to participate in each state, so participation will need to increase.

If you would like to partner with us to reach small businesses in your area you can post the announcement below on your website, in newsletters, through social media platforms, or whatever communications tools work best. We suggest that you make the initial announcement in your next scheduled communications. If it is possible, you could also issue a reminder on or around Monday, October 20 to ensure that small businesses in your area have a chance to participate. The survey will be open September 9 through November 7.

Thank you so much for your help! Small businesses, especially young businesses, are difficult to reach, but we know that they are an instrumental part of the economy. That makes your help crucial to the success of this survey and the information that it conveys to policy makers. If we hope to be able to share state-by-state results we need at least 200 businesses to respond in every state.

Sample announcement to use:

Small Business Owners: Make your voice heard!

The Atlanta Fed, in partnership with the Cleveland, New York, and Philadelphia Federal Reserve Banks, is conducting a survey of small business owners/managers. They want to hear from you about the current business climate, your financing needs and credit experiences. Individual responses are confidential. Summary results will be shared with you and will be used to brief policymakers. Take the survey today!

The survey closes November 7, 2014. Questions? Contact SmallBusinessResearch@atl.frb.org.

If you have problems with the link above, copy and paste the following URL into a new browser window:

http://frb.co1.qualtrics.com/SE?SID=SV_3waKbU91byPYxyR&RID=MLRP_7OJVBK5sh5Xj6eh

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A note on veterans...

TDVA Veteran's Outreach and Job Fairs: The Tennessee Department of Veteran's Affairs has hosted a series of resource events across the state since early 2014. The final two are scheduled for Cleveland and Knoxville, October 29 and November 5, respectively. These events assist veterans and their families with claims assistance, employment opportunities, educational and business resources. For more information visit TDVA at www.state.tn.us/veteran/tdvaevents.shtml.

❖ Access to Capital ❖



Small Business Lending Is Improving But Early Stage Companies Still Need Non-Traditional Lenders. Fortunately, Access to Affordable Loan Capital is Available for Both Companies and Their Lenders!

Submitted: Amy Bunton, Sr. Vice President, Pathway Lending

As the economy has stabilized since the Great Recession, business lending overall has improved but many small businesses still have difficulty accessing traditional loans. Banks are keeping close oversight on small business customers and heavily scrutinizing new loan applications. So what does this mean for potential early stage borrowers? Some companies are electing to self-fund from personal resources. Some are strategically managing growth so that they don't have to take on outside debt. Others are borrowing, but intentionally limiting the amount of debt put onto their balance sheets.

The Bagel Exchange, owned by Keith Cunningham, in Kingsport, TN is the perfect example of an entrepreneur who intentionally manages growth while strategically balancing his personal investment with outside debt. Keith served 20 years as a Captain in the Counter-Terrorism Division with the New York City Police Department and retired with his family to the Appalachian Region of East Tennessee. Once they relocated, Keith found he missed a little piece of New York – fresh bagels, and he was inspired to open The Bagel Exchange in October of 2011.

Mr. Cunningham turned to several sources for help during the early phase of his businesses. His mentor, a New York bagel shop owner and operator since 1963, taught him how to run a shop and provided Keith with the recipes necessary to make gourmet New York style bagels. To fund the operation, Keith invested his own money and received a loan equal to half of his personal investment from Pathway Lending a Tennessee based Community Development Financial Institution. Success came very quickly and in 2012 and The Bagel Exchange won the KOSBE (Kingsport Office of Small Business and Entrepreneurship) Best New Business Award.

The momentum hasn't stopped and Keith continues to strategically maximize his growth while limiting the need to take on additional debt. Seating at The Bagel Exchange has been rearranged to accommodate larger crowds. Additional counter tops have been added. To further grow revenue without having to take on additional fixed costs, Mr. Cunningham is now focused on maximizing the catering division of his company.

Not all early stage companies are like The Bagel Exchange and plan to take advantage of what alternative lenders can offer. The U.S. Small Business Administration (SBA) describes alternative lenders as organizations which provide services to businesses, not individuals, and do not hold depository accounts. In particular, the SBA encourages businesses to consider Community Development Financial Institutions (CDFI's) that are certified by the U.S. Treasury Department. Nearly 1,000 CDFI's across the county focus on small business lending and can offer the following advantages:

- Specialize in working with early stage businesses or companies with credit challenges;
- Facilitate loans that may seem fall slightly out of the guidelines of other lenders;
- Offer loan underwriting flexibility in comparison to bank lenders;
- Provide business counseling to help companies strategically growth their business.

CDFI's strive to understand the needs of small businesses and are really very similar in many ways to the companies which borrower from them. Like growing businesses, CDFI's must strategically determine whether to maximize the use of their own equity when making loans or leverage outside debt to fully maximize community impacts. Clint Gwin, president of Pathway Lending is often heard to say, "We are as entrepreneurial as the clients we serve." For the past 14 years, Pathway Lending, which is a CDFI, has been committed to expanding the availability of capital to as many small businesses as possible. In order to fulfill its mission and maximize business lending, the statewide non-profit can now turn to its own "alternative lender" for CDFI's in the Appalachian Region. Appalachian Community Capital or ACC was created in June 2013 so that CDFI's located in the 13-state Appalachian Region have a ready source of capital to borrow and re-lend into the region. More information on CDFI's can be found at www.ofn.org.

ACC partnered with the Appalachian Regional Commission with the goal of raising more than \$40 million from bank, philanthropic and public investors. Early indications are that ACC is well on its way to ensuring that CDFI's can readily access the loan capital they need to meet the demand of small businesses. It is reassuring to know that even with a stabilizing economy and improving trends there is an alternative lending network of CDFI's that stand by ready and able to lend. Early stage companies, such as The Bagel Exchange, count on it.

For more information, visit www.TheBagelExchange.biz, www.AppalachianCommunityCapitalCDFI.org or www.PathwayLending.org.

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Report released: 21st Century Barriers to Women's Entrepreneurship

www.sbc.senate.gov/public/?a=Files.Serve&File_id=3f954386-f16b-48d2-86ad-698a75e33cc4

...the Senate Committee on Small Business and Entrepreneurship identified three primary challenges: fair access to capital, fair access to federal contracts and business training and counseling specific to female entrepreneurs.

HBSWK: Is a Gap in Small-Business Credit Holding Back the American Economy?

<http://hbswk.hbs.edu/item/7581.html>

...There is disagreement over whether there is indeed a credit gap when it comes to small business. Banks say that there is currently a lack of demand and that they can't find enough qualified borrowers. Small business owners feel that despite being creditworthy today, banks remain either wary or entirely unwilling to lend to them.

INDIEGOGO: 100 Girls of Code: Changing girls' lives, one line of code at a time

<http://vimeo.com/107413600>

They are their second tour and second raise! Recent post: "7 days ago: Ok, we've hit the typical lull in the crowd-funding push. If you have a moment today, please pass along this link: www.indiegogo.com/projects/100-girls-of-code--101/x/6328412 as well as the hashtag [#100GirlsofCode](https://twitter.com/100GirlsofCode) to help us keep the campaign moving! We had 22 girls show up for our first workshop in Chattanooga, and we look forward to all our stops!"

There are several more articles worth reading on lending, crowdfunding and access to capital overall in the [Articles of Interest from Last Quarter](#) section.

❖ **Events and Items of Note** ❖

➤ **October:** Hispanic Heritage Month (September 14 – October 15)

- October 3: National Manufacturing Day, nationwide. See what happened at www.mfgday.com.
- October 6-9: RES WI, The Reservation Economic Summit, Milwaukee, WI. More information at <http://res.ncaied.org>.
- October 15: Hispanic Heritage Business and Community Excellence Awards, Nashville. More information at <http://nahcc.weebly.com/2014-hispanic-heritage-month-sponsorship-opportunities.html>.
- October 18: Cumberland Hispanic Festival, Crossville. For more information visit www.tnimmigrant.org/cumberlandhispanicfestival.
- October 19-20: Economic Summit for Women, Nashville Airport Marriott, Nashville. More information at www.womenseconomicfoundation.org.
- October 25: TN Dept. of Veteran's Affairs Outreach event in Cleveland. For details, visit www.tn.gov/veteran/tdvaevents.shtml.
- October 25: TEDxUTChattanooga, Chattanooga. More information at <http://tedxutchattanooga.com>.

➤ **November:** National American Indian & Alaska Native Heritage Month, Filipino American History Month

- November 2-5: The National Minority Supplier Development Council (NMSDC) Conference and Business Opportunity Fair, Orlando, FL. More information at www.nmsdcconference.com.
- November 5: TN Dept. of Veteran's Affairs Outreach event in Knoxville. For details, visit www.tn.gov/veteran/tdvaevents.shtml.
- November 5-7: MED Week, MBDA Memphis. More information visit www.mmbc-memphis.org/CalendarofEvents.aspx?pid=7&spid=36.
- November 6- December 4: Minority Enterprise Development Week, Nashville area. For information visit www.minoritybusinesscenter.com.
- November 7-9, Memphis Startup Weekend: Women's Edition (Men welcome too), Memphis. More information at www.up.co/communities/usa/memphis-tn-usa/startup-weekend/3737.
- November 12: Deadline to apply for USDA's [Rural Community Development Initiative Grants](#). Uses and restrictions language includes "(b) training sub-grantees to conduct a program for minority business entrepreneurs; (c) providing technical assistance to sub-grantees on how to effectively prepare a strategic plan; (d) provide technical assistance to sub-grantees on how to access alternative funding sources." Review details [here](#).
- November 13-14: Governor's Conference on Economic and Community Development, Nashville. More info at www.govcon.tnecd.com.
- November 17-18: Global Action Summit, Nashville. (\$1M Challenge: Guidelines and Deadline: August 29, 2014; Early Stage Challenge: Guidelines and Deadline: September 29, 2014). More information at <http://globalactionplatform.org/pages/view/global-action-summit>.
- November 17-23: Global Entrepreneurship Week. More information at <http://us.gew.co>.

- November 29: Small Business Saturday. Various websites have information, find ways to engage and promote at www.americanexpress.com/us/small-business/shop-small.
- **December:** Political Correctness Awareness Month
 - December 1- 4: Minority Enterprise Development Week, Nashville area. For information visit www.minoritybusinesscenter.com.
- **And coming up in 2015...**
 - April 7-9: GROWCO, Nashville. For more information visit <http://growco.inc.com>.
 - April 29-30: USDA Rural Development Annual Conference, Murfreesboro. Look for more details to come.

❖ Call for Entries ❖

Case Studies: We would like to spotlight how your organization worked with a client. How you plugged the company into resources, and what things that company or individual sought to accomplish. This serves two purposes, to highlight (1) your range of services and (2) the company itself statewide.

Best Practices: Which ones have worked for your organization? Send a short paragraph with any links explaining how and why, and the challenges. Your best practices can be anything from how you process a client to programs developed to fill gaps that are producing good results (i.e. business matchmaking, mentor-protégée programs, loan programs, etc.).

Events: What impactful events are you planning, co-planning or promoting for DBEs? Include the basics of who, what, when, where and how, with a link for more information. Also include the expected number of participants.
Send events that take will place in the next 6 months.

How to submit: There is a lot of great work being done across the state for DBEs. If you have questions that you would like to see how other groups are solving and/or addressing, send them along. Provide enough contextual information so your question can be answered in a relevant manner.

SEND YOUR BEST PRACTICES, QUESTIONS, WELL WISHES, ETC. TO ecd.bero@tn.gov.
WE LOOK FORWARD TO HEARING FROM YOU! REALLY! ALSO, PLEASE FEEL FREE TO FORWARD THIS ON TO OTHERS.

❖ Articles of Interest from the Last Quarter ❖

Do you need a different option to look through these articles?
These articles are also posted in "DBE Topics in the News" section of BERO's website at www.tn.gov/ecd/bero.

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Fox Business: Crowdfunding Challenges Most Startups Don't Expect

<http://smallbusiness.foxbusiness.com/finance-accounting/2014/07/02/crowdfunding-challenges-most-startups-dont-expect/>
Consumer-use platforms like Kickstarter or Indiegogo are great for raising smaller amounts of money, but equity crowdfunding portals are best for entrepreneurs looking for sums in the millions. If you're interested in the latter, it's important to do your research and find the platform that will meet your needs.

Center for American Progress: How Women of Color Are Driving Entrepreneurship

www.americanprogress.org/issues/race/report/2014/06/10/91241/how-women-of-color-are-driving-entrepreneurship
Women of color are a principal force behind one of the most important components of America's current marketplace and our nation's future economy: entrepreneurship. Today, women of color are the majority owners of close to one-third of all women-owned firms in the nation.

Forbes: Female Innovators In The Business Of Law

www.forbes.com/sites/maryjuetten/2014/07/03/female-innovators-in-the-business-of-law/
...While female legal technology leadership should certainly be discussed and applauded, I believe another notable area is innovation in the business of law—and the women entrepreneurs who excel in the legal and business space.

Crowdfund Insider: Equity Crowdfunding: Leveling the playing field for female entrepreneurs and investors

www.crowdfundinsider.com/2014/07/43384-equity-crowdfunding-leveling-playing-field-female-entrepreneurs-investors
... Being the most powerful consumer, they will become powerful investors in the crowdfunding space. They have the ability to identify product potential and thus have good chances of picking winner companies. Risk aversion, which is more common with female than male investors (Borghans et al., 2009) can be turned into strength in crowd investing which relies on conscientious decision-making.

Business Climate: Best Cities for Entrepreneurs: High Marks for 'Business Friendly'

<http://businessclimate.com/blog/2014/07/best-cities-for-entrepreneurs-high-marks-for-business-friendly>
...Nashville TN, also on the Thumbtack A list, ranked second on the Young Entrepreneur Council's list of "startup paradise" cities, owing in no small measure to the specialized programs offered for entrepreneurs at local universities, including Vanderbilt, Belmont and Lipscomb. The city also home to the Entrepreneur Center, a public-private partnership that supports and promotes innovation and one of nine regional accelerator organizations that are part of LaunchTN, a state-led entrepreneur support and resource initiative.

Entrepreneurship.org: Maximizing Dividends from Female Entrepreneurs

<http://entrepreneurship.org/Blogs/Policy-Forum-Blog/2014/July/Maximizing-Dividends-from-Female-Entrepreneurs.aspx>

...In the United States, women entrepreneurs get just 19 percent of angel funding and about 6 percent of venture capital, hurting their companies' chances to scale. Interestingly, a new study shows that this might be in part because there are fewer women investors in those forms of early-stage investing.

BizWomen: Women-owned firms growing in Tennessee

www.bizjournals.com/twincities/bizwomen/news/latest-news/2014/07/women-owned-firms-growing-in-tennessee.html?page=all

Tennessee has shown respectable growth in the number of women-owned firms since the late 1990s, according to a new report.

The Volunteer State ranked 14th in the nation in the growth of women-owned firms between 1997 and 2013, according to American Express OPEN's 2013 State of Women-Owned Businesses Report, which also measured revenue and employment data to get an overall picture of conditions.

Chicago tribune: Challenges turn baby boomers to entrepreneurship

http://articles.chicagotribune.com/2014-07-10/business/sc-cons-0710-journey-20140710_1_boomers-business-startups-stock-market

Despite the challenges, these baby boomers, and others, are taking over a growing share of business startups, even as overall rates of entrepreneurship decline.

Over the decade ended in 2013, boomers ages 55 to 64 went from starting 18.7 percent of new businesses to 23.4 percent, according to the Kauffman Index of Entrepreneurial Activity, which was released in April.

Entrepreneur: How Minority Founders Overcame the Challenge of Finding VC Investors

www.entrepreneur.com/article/235500

... While 11 percent of Americans are African-American, a scant 1 percent of founders of venture-backed companies identify as such. Women are also massively underrepresented in VC funding, with rates as low as 8 percent commonly quoted. Other groups, including Hispanic populations, receive so little funding that it is difficult to quantify.

News Channel 6: Memphis ranks as one of top 10 cities to start a business (video)

<http://wnow.worldnow.com/story/26000448/memphis-ranked-as-one-of-top-10-cities-to-start-a-business>

Did you know that Memphis could be one of the best places to start up a business? According to CNN Money, it ranks as one of the top 10 cities in the country.

White House: Fact Sheet - Increasing Investment in Rural America

www.whitehouse.gov/the-press-office/2014/07/23/fact-sheet-increasing-investment-rural-america

... In conjunction with this event, the White House Rural Council is announcing a \$10 billion dollar investment fund to promote rural economic development. This fund will continue to grow the rural economy by increasing access to capital for rural infrastructure projects and speeding up the process of rural infrastructure improvements. The fund is immediately open for business and more investors can now add to the initial \$10 billion in available capital.

Business News Daily: Business News Daily: Women of Tech: 8 Amazing Female Entrepreneurs

www.businessnewsdaily.com/6779-women-tech-entrepreneurs.html

...But some women are changing the status quo, and inspiring other women to join one of the fastest growing and most exciting sectors to work in. Here are eight ambitious female entrepreneurs who are making strides in the tech world.

SCORE: Tips to Start and Grow a Nonprofit (Social Enterprise)

www.score.org/resources/expert-tips-non-profits

Many people find that the best outlet for their entrepreneurial spirit is to improve the quality of their communities and their world by starting a non-profit organization. But while non-profit and for-profit organizations share many similarities, there are also key differences that can doom even the best of intentions.

Policy Dialogue on Entrepreneurship: Committee Calls for More Data, Support Targeted to Female Entrepreneurs

<http://entrepreneurship.org/Blogs/Policy-Forum-Blog/2014/July/Committee-Calls-for-Supported-Targeted-to-Female-Entrepreneurs.aspx>

While female entrepreneurs continue to increase their contributions to the U.S. economy, a new report suggests that Congress can and should do more to help them start and scale new firms. 21st Century Barriers to Women's Entrepreneurship, a report released last week by the Senate Committee on Small Business and Entrepreneurship identified three primary challenges: fair access to capital, fair access to federal contracts and business training and counseling specific to female entrepreneurs.

Accion Texas: Eva Longoria and the Dallas-based Hispanic 100 Partner to Fund DFW Latina Businesses

www.acciontexas.org/news/hispanic-100-accion-texas-raise-250000-loan-fund-latina-entrepreneurs-north-texas

...The fund disbursed 58 small business loans totaling \$500,000 last year. Of that amount, 22 loans totaling \$161,000 were given to Latina business owners in the Dallas-Fort Worth region, according to Accion.

Over the next year, the local fundraising campaign to raise \$250,000 for the Latina Loan Fund will be allotted specifically for the Dallas region. The campaign is seeking corporate and individual donations.

VNC: Southland Update: Pitch winner Sr.Pago in Bay Area this week

www.venturenashville.com/southland-update-pitch-winner-sr-pago-in-bay-area-this-week-cms-924

...The Southland prize was a contingent offer totaling \$110,000, conferred after a vote by a panel of 11 judges who were recruited for the Nashville conference. The on-stage agreement that day was that the Southland investors will invest \$10K each after the founders have secured at least \$3.9MM from other investors.

HBSWK: A Scholarly Crowd Explores Crowdsourcing

<http://hbswk.hbs.edu/item/7587.html>

... Whether it's called crowdsourcing or open innovation, the growth of methods for yoking together groups of experts in various fields to work on vexing problems or groundbreaking ideas has become one of the hottest areas of academic research.

Forbes: SEC Crowdfunding Barriers At South By Southwest

www.forbes.com/sites/realspin/2014/07/31/sec-crowdfunding-barriers-at-south-by-southwest

...Unfortunately, digital innovation keeps running into a brick wall from 1930s-era Securities and Exchange Commission (SEC) rules that treat a promise of a share of a business's earnings a "securities offering." This would subject entrepreneurs making a simple pitch for funding movies or music to the panopoly of federal securities laws – including the behemoth Sarbanes-Oxley and Dodd-Frank laws – that publicly traded corporations must contend with every day at a cost of millions of dollars per year.

Minneapolis / St. Paul Business Journal: N.D. nonprofit's pitch to rich immigrants: Back a U.S. company, get a green card

www.bizjournals.com/twincities/news/2014/07/31/matchmaker-for-businesses-foreign-investors.html

...North Dakota/Minnesota EB-5 Regional Center helps businesses find funding through the federal government's EB-5 program. Passed by Congress in 1990, EB-5 lets foreign nationals obtain a two-year visa if they invest at least \$500,000 in a U.S. company. Those immigrants can then get a green card if their investment creates at least 10 jobs.

Federal Reserve Bank of Atlanta: Should Microbusinesses Matter to Your Local Community? (podcast)

www.frbatlanta.org/podcasts/transcripts/economicdevelopment/140728_alleyne.cfm?d=1&s=email

... AEO released a report in 2011 titled The Power of One in Three: Creating Opportunities for All Americans to Bounce Back, and that report showed that if one in three Main Street microbusinesses hired a single employee, the United States would reach full employment. Now, that's a very powerful and it's also a very accurate statement[.]

▫ AUGUST ▫

Inc.: Federal Contracting at Small Companies Has Never Been This Good

www.inc.com/jeremy-quittner/small-business-scorecard-results-2014.html

Small business contracting notched significant improvements for minority and disadvantaged businesses, but women-owned businesses have a way to go... In 2013, the U.S. met its small business spending goal for the first time in eight years.

UpGlobal: Memphis Women's Startup Weekend 2014

<http://blog.up.co/2014/08/04/memphis-womens-startup-weekend>

We are excited to announce that Startup Weekend has selected Memphis to host a special edition focusing on connecting and showcasing the talents of women and aspiring female entrepreneurs (men are also encouraged to attend). In conjunction with Google for Entrepreneurs, Memphis is one of 20 cities worldwide hosting a Women's Edition event. The Commercial Appeal has already stepped up to support the event along with Start Co.

HBSWK: Why Small-Business Lending Is Not Recovering (2nd article in series)

<http://hbswk.hbs.edu/item/7595.html>

Lending to small businesses has not returned to levels seen before the financial crisis. Karen Mills, former head of the US Small Business Administration, explains the reasons and why the situation is not likely to improve anytime soon.

Forbes: Already Backed With Millions, Startups Turn To Crowdfunding Platforms For The Marketing

www.forbes.com/sites/ryanmac/2014/08/06/backed-with-millions-startups-turn-to-crowdfunding-for-marketing

...These days crowdfunding platforms like Kickstarter and Indiegogo have become a key tool for more established startups and entrepreneurs trying to gauge reception for their products and find fervent support for their brands. While crowdfunding sites still feature plenty of bootstrapped proposals dreamt up in bedrooms and built in garages, they are also seeing an influx of projects from venture-backed companies, which aren't necessarily partnering with these platforms for the funding.

UT Chattanooga: COB teaches veteran entrepreneurs

<http://blog.utc.edu/news/2014/08/cob-teaches-veteran-entrepreneurs/>

Courtney R. Lewis called the third consecutive Veterans Entrepreneurship Program (VEP) offered at The University of Tennessee at Chattanooga a "tough but very rewarding experience."

Lewis served in the Army from 2000-2010 as an electronic maintenance tech, recruiter, and a trainer for newly enlisted soldiers. She currently owns her own production company producing commercials, promos, company training videos, educational videos, and voiceovers.

Small Business Trends: Cantwell Proposes Bill to Aid Women Owned Businesses

<http://smallbiztrends.com/2014/08/cantwell-proposes-bill-improve-training-funding-women-owned-businesses.html>

If passed, here are some of the specific issues the bill is designed to address.

- Improve Lending Opportunities for Women Owned Businesses
- Boost the Women-Owned Small Business Federal Contract Program
- Increase Funding for the Women's Business Center Program
- Gather Data on Women-Owned Businesses

Fast Company: A Few Simple Tricks Make Starting A Business Overseas Cheap And Easy

www.fastcoexist.com/3034106/destination-entrepreneurs/a-few-simple-tricks-make-starting-a-business-overseas-cheap-and-ea

(Podcast at <http://hughwhalan.com/high-fashion-bags-and-the-ultimate-low-risk-approach-to-starting-a-business/>)

Pursuing destination entrepreneurship can sometimes seem expensive and risky... but what if there was a bulletproof way to test your business idea while receiving a guaranteed weekly paycheck? What if you could pursue your passion while knowing that your travel and living expenses are covered? Zoe Cohen has figured out the secret sauce to making this approach work.

Wall Street Journal: Joanne Wilson: Build a Gender-Balanced Workforce From the Onset

<http://blogs.wsj.com/accelerators/2014/08/11/joanne-wilson-build-a-gender-balanced-workforce-from-the-onset>

JW: When I started angel investing, I made a commitment to invest in women. Almost 70% of the 60-plus investments I have made over the past eight-plus years have been in startups either led by a woman entrepreneur or one of the co-founders is a woman. It has been a very wise decision.

Huffington Post: Women Are Killing It On Kickstarter (video)

www.huffingtonpost.com/2014/08/14/women-business-kickstarter_n_5679443.html?utm_hp_ref=career--money

...Companies led by women are more likely than to reach their fundraising goals on crowdfunding site Kickstarter than companies led by men, according to a study of 1,250 projects by researchers at New York University and the University of Pennsylvania.

WBBJ: West Tennessee veterans learn about starting their own businesses

www.wbbjtv.com/news/local/West-Tennessee-veterans-learn-about-starting-their-own-business-270949961.html

West Tennessee military veterans attended a conference at a Jackson college Tuesday. Speakers talked to veterans at Jackson State Community College Tuesday morning, about services offered to military men and women. The event was put on by JSCC, the Small Business Administration and the Tennessee Small Business Development Center.

Forbes: Preseason Success: How Student Entrepreneurs Can Shape Up For The Coming College Term

www.forbes.com/sites/nishacharya/2014/08/19/pre-season-success-how-student-entrepreneurs-can-shape-up-for-the-coming-college-term/

... Indeed, according to a 2011 study, nearly 45% of teenagers and colleges students in the United States want to be entrepreneurs at some point in their life. And the chances of them launching a successful business for themselves has to be higher than them making it to the NFL or Major League Soccer. I don't know that for sure, because nobody has done a double-blind, randomized-trial, controlled comparison of this, but I am pretty comfortable with my guess.

Entrepreneur: Franchise Players: How I Brought My Franchise to Puerto Rico

www.entrepreneur.com/article/236712

...After graduating from the University of Puerto Rico, Columna had moved to Florida, where she became an Anago franchisee in 1997. But her goals were bigger than a single franchise. Today, as Anago's only master franchisee in Puerto Rico, she has the ability to open 100 to 150 units in the territory.

Women 2.0: This Is What An Angel Investor Looks Like: Jenn Viane Riese

<http://women2.com/2014/08/23/angel-investor-looks-like-jenn-viane-riese/>

Describe the moment when you decided to become an angel:

I was part of an incubator program with a team of other women and when we pitched our startup to a panel of five male investors, they told us having an all-female team was distracting.

VTC: Chattanooga's JumpFund makes 1st investment in push to support Women in startup companies

www.venturetennessee.com/chattanoogas-jumpfund-makes-1st-investment-br-in-push-to-support-women-in-startup-companies-cms-734

...Louisville-based SuperFanU, serving schools and sports teams with analytics and loyalty-rewards program, got JumpFund's inaugural investment, as part of a \$1MM Seed round led by Lexington, Ky.-based Bluegrass Angels, JumpFund Managing Partner Kristina Montague told VentureTennessee.

HBSWK: Family Businesses Need Entrepreneurs for Long-Run Success

<http://hbswk.hbs.edu/item/7598.html>

...This constraint often kills the family business.

We think it is time to reassess the importance of entrepreneurs for not only the continuation of the family company, but for the continued success of the family itself.

Hawaii 24/7: Food producers gain new access to business capital

www.hawaii247.com/2014/08/25/food-producers-gain-new-access-to-business-capital

...The new fund provides 0 percent interest loans to farmers and value-added food producers through Kiva Zip, which is a pilot program of Kiva.org, the world's first and largest non-profit micro-lending website.

Inc.: The New Incubator: Mom and Dad's House?

www.inc.com/graham-winfrey/the-new-incubator-is-mom-and-dads-house.html

Moving back in with your parents may feel like taking a step backwards, but for some entrepreneurs, it's a great way to get ahead.

A significant number of small business owners are cutting back on costs by living at home during the early days of their startups, and many seem happy to do it. While the need to minimize expenses in a post-recession environment should come as no surprise, entrepreneurs are riding a broader trend.

Southern Alpha: Breaking: Nashville's First Female Led Tech Acquisition

<http://southernalpha.com/female-tech-acquisition/>

Southern/alpha has just learned from a source that Salesforce.com Cloud Alliance Partner, Virsys12 has just acquired Velox Consulting LLC, which, according to their website, is a Nashville-based consulting company specializing in Business and IT Strategy, and Implementation Management... The Founder and President of Virsys12, Tammy Hawes, is one of the only women in Nashville who leads a tech-driven company. She is the first female in the tech startup sector in Nashville that is leading the acquisition of another company.

Huffington Post: A Taste of Honey: Women Entrepreneurs Succeed Differently Than Men,
www.huffingtonpost.com/jane-d-wurwand/a-taste-of-honey-women-en_b_5715441.html

...The linear, vertical model for success found in many companies is strikingly masculine. But the path for women to that million-dollar mark and beyond may include far more curves, literally and figuratively, and a lot more conversation. I believe, having spent my entire career in an industry where 98% of the business are owned by women, we process our information through discussion, and reach decisions through collaborative input.

Wall Street Journal: How to Close the Startup Gender Gap (infographic)

<http://online.wsj.com/articles/how-to-close-the-startup-gender-gap-1408912047?KEYWORDS=women+business>

There's a huge gender imbalance in the entrepreneurship world. For all the strides women have made in launching startups and driving the economy forward, they face persistent obstacles that hamper their progress—as documented in a recent Senate committee [report](#) that shows how far women lag behind men in areas like access to capital.

▫ SEPTEMBER ▫

Inc.: How to Turn Your Company Into an International Melting Pot

www.inc.com/yuriy-boykiv/how-to-turn-your-company-into-an-international-melting-pot.html

The multicultural market is booming. By 2043, people who identify as black, Hispanic, or Asian-American will make up the majority of the U.S. population. Multicultural consumers are driving trends in every industry in America, and forward-thinking companies are looking beyond the U.S. to international markets.

VNC: Khosla-backed Brentwood youth takes Strut to SiValley, yet thinks Nashville could become a true 'startup hub'

www.venturenashville.com/khosla-backed-brentwood-youth-takes-strut-to-sivalley-br-yet-thinks-nashville-could-become-a-true-startup-hub-cms-957

Mark D. Daniel Jr., the 20-year old Tennessean, who just raised \$1.5MM Seed capital in Silicon Valley... said he suspects that if Nashville draws more heavily on the "tons of talent at Vanderbilt," the city could become a "startup hub in the Southeast." It'll be interesting, he said, to "see if a lot of early-stage stuff starts to come out of Nashville."

Inc.: The Archaic Lending Tactic That's (Likely) Still Holding African American Business Owners Back

www.inc.com/jeremy-quittner/new-york-redlining-case-shows-and-business-disparities.html

... Both practices [redlining and reverse redlining], it seems, got a boost immediately prior to and during the financial crisis, when it became harder for borrowers in general to get [bank financing](#). And redlining has likely extended financial difficulties for thousands of minority-owned small businesses.

Women 2.0: Building Meaningful Diversity in the Startup Ecosystem

<http://women2.com/2014/09/03/building-meaningful-diversity-startup-ecosystem/>

The eye catching headlines of Google, Facebook, Yahoo, and Pinterest announcing abysmal statistics on the diversity of their workforces sparked a firestorm about how to improve diversity in tech. While growing the talent pipeline through organizations such as CODE2040, Black Girls Code, The Hidden Genius Project, and #YesWeCode has offered unprecedented opportunities for African Americans and Latinos, the issue of diversity in tech is not just a pipeline problem. Underrepresented minorities often leave tech because of the daily toll of microaggressions, or minor insults and actions that reinforce negative stereotypes in addition to structural obstacles such as the lack of career advancement opportunities.

HBSWK: Food Stamp Entrepreneurs: How Public Assistance Enables Business Bootstrapping

<http://hbswk.hbs.edu/item/7589.html>

... The family lived paycheck to paycheck. And yet, when Olds was a teenager, his parents garnered the nerve and bootstrapped the funds to launch a vocational training program for dental assistants. Revenue from the new business pushed them out of poverty and into the middle class. Olds, a budding economist, was intrigued.

SBA Spurs Economic Growth, Announces 50 Awards to Accelerators

www.sba.gov/content/sba-spurs-economic-growth-announces-50-awards-accelerators

Today, the U.S. Small Business Administration announced, after reviewing more than 800 applications, the 50 winners of the first Growth Accelerator Fund competition. ...Jumpstart Foundry- Nashville, Start Co Integration Accelerator- Memphis

Stanford Online: DFJ Entrepreneurial Thought Leaders Series (live and/or video)

<http://etl.stanford.edu>

Featuring talks from leaders in technology, business, finance, education and philanthropy, the DFJ Entrepreneurial Thought Leaders Series continues to educate and inspire.

Kevin and Julia Hartz, Co-Founders, Eventbrite: October 1 ([view talk](#))

Liz Wiseman, Author, *Multipliers* and *Rookie Smarts*: October 8

Women 2.0: AOL Launches \$10M Fund for Women-Led Startups,

<http://women2.com/2014/09/08/aol-launches-10m-fund-women-led-startups-appoints-susan-lyne-head/>

... The company's most recent move was the launch of The BBG Fund, a venture geared towards investments in women-led consumer internet startups. The new venture continues the trend of women-focused projects for AOL, who in 2013 launched Makers, the largest online video collection of women's stories. Susan Lyne, the company's Brand Group CEO, will lead the fund as president.

Wall Street Journal: Goldman: Women Entrepreneurs Find Success Without Outside Investors

<http://blogs.wsj.com/moneybeat/2014/09/10/goldman-women-entrepreneurs-find-success-without-outside-investors>

... Yet the survey found that most achieved those results without raising money from external sources, the report said, raising questions on how much bigger their businesses would've grown had their entrepreneurs sought financing sources other than themselves or retained profits.

The Commercial Appeal: Refugee women learn sewing, life skills

www.commercialappeal.com/lifestyle/faith-and-values/refugee-women-learn-sewing-life-skills 81016640

... Peace of Thread, a not-for-profit organization, makes one-of-a-kind designer purses in various sizes and eyeglass cases from fine fabrics. The wares are sewn by women like Esiteri who have come to this country as legal refugees. The bag Esiteri is working on sells for \$40, and as a contract worker, she will keep half.

Forbes: Student Debt And The Millennial Entrepreneurship Paradox

www.forbes.com/sites/kauffman/2014/09/15/student-debt-and-the-millennial-entrepreneurship-paradox/

The millennial generation is living in what one could call a paradox as it relates to entrepreneurship. On one hand, the millennials could be the new great generation... On the other hand, millennials could be the new lost generation. They are heavily saddled with student debt, weak career prospects, and for all this expanded entrepreneurship exposure, most measures of entrepreneurship among younger workers are stagnant to falling.

Inc.: Resources for the Growth of Latino-Owned Businesses

www.inc.com/rohit-arora/resources-for-the-growth-of-latino-owned-businesses.html

Former SBA Chief Hector Barreto, now the chairman of The Latino Coalition, believes that many business owners in his community are young and don't have a much experience in the banking system.

"Capital is the oxygen that small businesses need to grow," Barreto says. "It sometimes takes numerous attempts to secure financing, and the process can often be daunting. Accessing capital is important not just to get started, but also to grow in the long-term."

Biz2Credit: How Latinos Can Overcome Small Business Financing Hurdles (webinar/video)

www.biz2credit.com/knowledge-center/webinar/how-latinos-can-overcome-financing-hurdles

Latinos are the fastest growing ethnic group in the U.S., and they are among the most entrepreneurial of all groups. There are more than 3 million Latino-owned companies, and the figure is predicted to double in five years. Overall, Latino companies are now generating an estimated \$500 billion in annual sales. However, Latino entrepreneurs face steeper challenges than others in securing financing and are more likely to borrow money from high interest, non-bank lenders.

The Daily News: Care2Manage Draws on Local Startup Resources

www.memphisdailynews.com/news/2014/sep/18/care2manage-draws-on-local-startup-resources/

Ela Emami's startup Care2Manage is an example of how the startup ecosystem in Memphis is supposed to work, and what the fruits of that ecosystem's labor can be.

Her venture is a service platform for families with an aging loved one that connects them to social workers and local elder care resources and organizes total health care needs.

BizWomen: If tech companies are looking for female employees, Pooja Sankar knows where they can find 65,000...

www.bizjournals.com/bizwomen/news/latest-news/2014/09/if-tech-companies-are-looking-for-female-employees.html?page=all

... Because of Piazza Careers' success, the company announced this month that it is now opening up the platform for companies targeting female talent. That decision could allow a tech company to reach out to 65,000 female STEM students — a demographic that is normally hard to find.

News Channel 9: Checking Chattanooga's Business Environment On American Businesswomen's Day

www.newschannel9.com/news/top-stories/stories/checking-chattanoogas-business-environment-american-businesswomens-day-12851.shtml

... It turns out, there's a growing movement in the Scenic City to jumpstart businesses, with women in the lead.

Of the 44,000 businesses in the greater Chattanooga area, the Chamber of Commerce says only 26 percent are owned by women, something Mary Sedrick of the Women's Business Center would like to see change.

The Tennessean: Hispanic business owners to share their experiences

www.tennessean.com/story/opinion/2014/09/23/hispanic-business-owners-share-experiences/16071159/

...Tennessee has one of the fastest-growing immigrant communities in the U.S., earning Nashville the sobriquet as an "Ellis Island." Immigrants are making notable contributions to the region's economic development. Music City has become a hub, attracting a steady stream of immigrants. Davidson County alone has an immigrant population of about 40,000, or 7 percent of the total, followed by Williamson County (4 percent) and Rutherford County (3.6 percent).

Wall Street Journal: Weekend Read: Why I Invest in Women- and Minority-led Startups

<http://blogs.wsj.com/accelerators/2014/09/26/weekend-read-why-i-invest-in-women-and-minority-led-startups>

... One might suspect there is a systematic disadvantage for women- and minority-led companies that keeps them undervalued. As a woman, a minority and a first-generation immigrant myself, I believe the perceived disadvantage is actually an advantage. If a female/minority founder can overcome the obstacles to get her company funded, she will be more prepared for the daunting challenges down the road. These entrepreneurs have to endure more rejections and setbacks compared to their more privileged counterparts. The fact that they persevered through the early obstacles to build a viable product with meaningful traction makes them stronger players in the startup game.

Inc.: The Best Startup Advice From My Father: 'Serve Your People'

www.inc.com/leigh-buchanan/inc.500-how-i-did-it-victoria-vasques-tribal-tech.html

For decades, Victoria Vasques has fought to give American Indians a voice in government. Now, as founder and CEO of Tribal Tech (#508 on the Inc. 5000), a \$3 million government contractor based in Alexandria, Virginia, she is working to improve life in Indian communities across the country.

Huffington Post: How This Group Of Women Entrepreneurs Increased Their Revenue By 480 Percent

www.huffingtonpost.com/2014/09/30/goldman-10000-women_n_5901052.html?utm_hp_ref=career--money

... “If you have this human capital embedded in women and if for whatever reason they’re underrepresented in any sphere of economic activity, then that’s a wasted resource, you’re wasting at least half of the talent pool,” said Guillen. “It’s impossible for any country in the world to be rich without having a very high labor participation rate by women.”

Special thanks to Courtney Corlew at LaunchTennessee for her assistance with articles!

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About BERO: The Business Enterprise Resource Office (BERO) is housed within the Department of Economic and Community Development. BERO serves as a voice for and advocate of disadvantaged businesses (DBE); analyzes, disseminates and promotes best practices and access to capital to service providers; and reports on status of DBEs statewide.

About ECD: The Tennessee Department of Economic and Community Development's mission is to develop strategies which help make Tennessee the No. 1 location in the Southeast for high quality jobs. The department seeks to attract new corporate investment in Tennessee and works with Tennessee companies to facilitate expansion and economic growth.

