

MEET AHDC'S BUSINESS ENGAGEMENT SPECIALISTS. THEY'RE READY TO HELP

Arkansas Human Development Corporation (AHD) Business Engagement Specialist Kimberly Marshall is a businesswoman in her own right as founder and co-owner of KMPR Consulting Group, Little Rock, AR.



Kim Marshall

Just as intriguing is her 20-plus years of experience in mortgage banking and economic development.

Edna Isela Ramirez served AHDC as a contract Health Promoter for two years before joining the staff as a Business Engagement Specialist in 8-2022.

AHDC hopes that her fluency in Spanish and English will be especially welcoming to the Latina business community. Both Ms. Marshall and Ms. Ramirez have strong track records in community involvement.



Edna Isela

For no-cost technical assistance or referrals to business resources, email Ms. Marshall at kmarshall@arhdc.org or Ms. Ramirez at eramirez@arhdc.org or just call either at 800-482-7641 for help.



Mark Tiner & Helen Schlessinger

Brian Hargis & Andrew Schlessinger

Sherry Knight

Mindy Chambliss

Rev. Dominic Mayweather & Jaime Macklin

Johnna K. Bealer & Al Peer

Clevon Young, Renee Dycus, Christian Pennington, Adriene Brown, Janell Reeves & LaTwan Cheatham

Al Peer & Kim Marshall

Joe Britton

Brian Hargis, Aimee Weaver & Mark Tiner

Olivia Stafford

Marvin Jones & Dr. Hagit Gregory

Andrew Schlessinger & Helen Schlessinger

Johnna K. Bealer, Mindy Chambliss & Tammi Nowlin

Laremy Miller and Clarissa Pace

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U.S. Small Business Administration

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Simmons Bank;
Southern Arkansas University;
Southwest Arkansas Planning & Development District;
Top Sarge Entertainment and Catering;
Union Bank;
U.S. Department of Labor;
U.S. Small Business Administration Office of Advocacy;
University of Arkansas Cooperative Extension Service; &
University of Arkansas at Monticello



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Arkansas Human Development Corporation is proud to be a partner in the Arkansas Business Navigator program, through which we're expanding outreach to underrepresented communities for no-cost business services.

Arkansas Human Development Corporation
300 South Spring Street, Ste. 700
Little Rock, AR 72201
800-482-7641 or 501-374-1103
Fax: 501-374-1413
www.arhdc.org
cyoung@arhdc.org

2023 Southwest Arkansas - Rural Business Development Conference

Breaking Barriers: Engaging Minds, Empowering Success



ARKANSAS BUSINESS NAVIGATOR

Promoting Opportunity in Underrepresented Communities

CONFERENCE PROCEEDINGS NEWSLETTER JUNE 9, 2023, EDITION MONTICELLO, AR

TOP SARGE SALUTES ASBTDC, SAU

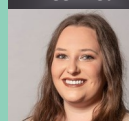
Thanks to the work of staffers like Janell Reeves, Florence Nunn and Aimee Weaver, Arkansas Small Business and Technology Development Center (ASBTDC) gets great reviews for helping businesses. Services are free and include: business consulting, market research, technology and Training



Janell Reeves



Aimee Weaver



Florence Nunn



From Left: Kim Marshall, Joe Britton, Johnna Bealer, Tammi Nowlin, Sherry Knight, Marvin Jones, Mindy Chambliss, Laremy Miller, Helen Schlessinger, Andrew Schlessinger, Dr. Hagit Gregory, Rev. Dominic Mayweather & Al Peer



The Business Spotlight on: Top Sarge Entertainment LLC. From Left: Florence Nunn, Jody Mallory, Sheila Pearson & Janell Reeves

NEW SBA DISTRICT DIRECTOR CONNECTS, MAKES IT PERSONAL, RELEVANT

My father ... he was a dreamer," said new U.S. Small Business Administration (SBA) District Director, Arkansas District Office, Adriene Brown, "he always wanted to start a business."

She said, her father would have benefited from attending the 2023 Southwest Arkansas Rural Business Development Conference.

He never knew about the SBA or the many programs presented at the conference, such as the no-cost technical assistance and many financing options, she said. The procurement help alone can create generational wealth.

She joined SBA after a stellar career working in the nonprofit, private and government sectors. Her track record includes serving as Deputy Division Chief for Shared Services, and Outreach and Engagement Branch Chief for the Center for Development of Security Excellence for the Department of Defense.

Ms. Brown said she joined SBA because "I like to help people ... like to see people win and love connecting people."

The SBA connects people to resources and partners but also supports many of the resource providers through funding and loan guarantees.

So what else is the SBA doing? Ms. Brown said SBA has goals for increasing procurement among women-owned businesses and small economically disadvantaged businesses. The goals for them getting part of the \$560 billion in federal contracts is 5 percent for women-owned businesses and 12 percent for small disadvantaged businesses.

Ms. Brown's team does a great deal of online training. She encouraged participants to follow her Office through social media to learn about the training. For help, reach her Office at 501-404-7781.



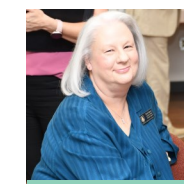
Adriene Brown

She also encouraged conference attendees to take advantage of the many resources discussed at the conference. "It really is going to be up to you to reach out to them [the resource providers] whenever you need them, she said.

PROFESSOR SAYS SOCIAL MEDIA NOT JUST SOCIAL

Young people are embracing social media, but they think it's just social, said Southern Arkansas University's Sheila Pearson, Associate Professor of Information Systems, Marketing and Management. Professor Pearson, who teaches social media,

says it's a mistake not to recognize the business aspects of social media. That goes not only for young people but also for entrepreneurs. To emphasize the error, she shared the following thoughts from other leading thinkers:



Sheila Pearson

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POWERED BY SBA
U.S. Small Business Administration

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LENDERS PANEL ANSWERS BIG QUESTIONS ABOUT GETTING FINANCED

Everything you ever wanted to ask a banker but was afraid to ask would have been a good name for

the Lenders Panel at the 2023 Southwest Arkansas Rural Business Development Conference.

Panel moderator Christian Pennington, Lender Relations Specialist, U.S. Small Business Administration (SBA) came prepared with questions, and the five business lenders had answers. Here's the list of the institutions:

- ✓ **Arkansas Capital Corporation Group (ACCG)** is a 65 year old nonprofit organization, which mission is to assist people in underserved communities.
- ✓ **Bodcaw Bank** is a traditional lender that makes loans ranging from car loans to houses to commercial loans.
- ✓ **FORGE** is a nonprofit lender that specializes in loans under \$50,000 to borrowers who aren't ready for traditional lenders because they may not have the collateral, credit or loan size that banks require.
- ✓ **Simmons Bank** is a one of the larger banks in Arkansas. It and ACCG are SBA preferred lenders, which means they can generally approve an SBA 7(a) guaranteed loan faster.
- ✓ **Union Bank and Trust** is a 130 year-old community bank which loans range from \$500 personal loans to \$6 million business loans.

Question #1: What is Collateral? Bodcaw Bank Vice President, Lending Tom Sawyer answered by



Tom Sawyer

saying that collateral is an asset that borrowers are asked to pledge so that the lender has some assurance that the borrower will pay. Generally, the asset must be worth more than the loan amount, he said. That way, the lender has some assurance that it will recover what's owed if the borrower doesn't pay, and the asset must be sold to pay off the loan.

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Christian Pennington

Question #2: How does the SBA 504 program help finance asset development?

ACCG Vice President, Lending LaTwan Cheatham responded that the 504 program is designed to finance fixed assets like real estate and heavy equipment. The 1st lender (usually a bank) lends 50 percent of the project; an SBA 504 lender, like ACCG, lends 40 percent; and the borrower usually injects 10.

The borrower makes one loan payment to the bank and another one to the 504 lender, which takes a second mortgage and provides fixed rate financing up to 25 years at below market interest rates.

Question #3: Please explain the difference between an SBA 7(a) loan and conventional financing.

Brian Hargis, Community President, Simmons, explained that the SBA 7(a) program guarantees business loans. The up to 85 percent SBA guarantee on loans up to \$5 million allows lenders to take more risk and improve terms, such as:

1. Conventional loans usually mature in three-to-five years, whereas 7(a) guaranteed loans often mature in 10-to-20 years.
2. Under conventional lending, borrowers generally must inject 15-to-20 percent, but that might be reduced if there is a 7(a) guarantee.

Mr. Pennington added that 7(a) doesn't allow balloon payments, meaning that 7(a) loan payments are generally level, and lenders can't schedule a large balance to come due at one time.

Mr. Hargis advised that businesses need: (1) a good idea, (2) a plan and (3) good data. He suggested that the Arkansas Small Business and Technology Development Center (ASBTDC) can help provide data and help entrepreneurs flesh out their plans.

Question #4: What is working capital?

Megan Whitehead, South Arkansas Regional Director, FORGE, explained that working capital is cash-on-hand to make sure a business can pay its bills on time.



LaTwan Cheatham



Brian Hargis

Startups need enough working capital to cashflow until the business starts to generate positive cash, she said. Businesses are usually told they need three-to-six months of working capital.

In reality, the need varies by business, said Ms. Whitehead, and the ASBTDC can help figure out the best amount for a specific business.

Question #5: What do you consider when making a business loan?

Mark Tiner, Senior Vice President, Union Bank answered by listing several items he considers.



Megan Whitehead

1. He wants to see tax returns, a balance sheet and an income statement. His bank generally requires owners to inject up to 20 percent of the capital required. That can be cash or a pledge of another asset, he said.
2. Another critical item is cashflow, which he measures as a year-over-year increase in cash.
3. Mr. Tiner said that he prefers to see at least a 1.2 debt coverage ratio, which means that the business had 20 percent more cash than it needed to pay its expenses and service debt.



Mark Tiner

SBA OMBUDSMAN OFFICE, A VOICE FOR SMALL BUSINESS

Janea Jamison is a voice for small business in government. Her title is Regional Advocate for Region 6, Small Business Administration Office of Advocacy. Region 6 is one of 10 nationally. It includes Arkansas.

Congress created the Office of Advocacy (OA) in 1976 to be a watchdog agency and an independent voice for small business in government. Run by the Chief Counsel for Advocacy, the agency's three pronged approach includes a regulatory mission, research mission and legislative mission.

The research component emphasizes economic matters like business turnover and employment. Ms. Jamison reported, for example, that between 3-2020 and 3-2021, 8,644 businesses opened in Arkansas.

Overregulation can overburden and be costly to small businesses, so OA's advocacy in rulemaking is essential. Speaking at the Rural Business Development Conference, she encouraged attendees to get involved by commenting on proposed rules. For guidance, contact Ms. Jamison at Janea.Jamison@sba.gov. Also sign up for regulatory alerts at <https://advocacy.sba.gov/>.



Janea Jamison

BUSINESS RESOURCE GUIDE. ALSO VISIT WWW.DELTATAGUIDE.COM		
LEGEND: Dir stands for Direct Lender/Loans; M is Microlender; Gaur is Guarantor; 2nd is Junior lien under SBA 504; Grant is Grant; & TA is Technical Assistance		
Simmons Bank Brian Hargis 870-460-7000	Dir	Direct lenders like these may be the best place to start looking for financing. They make a variety of loans and offer good advice.
Union Bank & Trust Mark Tiner (870) 460-6400	Dir	
Bodcaw Bank Tom Sawyer (870) 626-3400	Dir	
RMI, Inc. Mindy Murray 573-635-0136 or 800-234-4971	Dir 2nd Mort	These lenders provide a variety of investments but also SBA 504 loans for fixed assets. The 504 program lends up to 40% of a project but accepts a 2 nd mortgage. Borrowers only needs 10%-to-20% down.
Arkansas Capital Corporation Group LaTwan Cheatham 501-374-9247	Dir 2nd Mort	
USDA Business & Industry Loan Tim Smith 501-301-3280	80% Guar	These agencies guarantee loans to make it easier to borrow. The maximums guarantee are shown at left. Step 1 is to find a direct lender like the banks listed, ACCG or RMI, Inc.
SBA 7(a) Loan Program Christian Pennington 501-404-7795	85% Guar	
FORGE Megan Whitehead 479-738-1585	M, Dir & TA	These lenders make \$500 to \$50,000 microloans, which qualify borrowers for 25 hours of free technical assistance. With other funds, CU lends up to \$100,000. FORGE up to \$200,000.
Communities Unlimited Marnell Love 479-443-2700 Ext 242	M, Dir & TA	
Arkansas Small Business & Technology Development Center Janell Reeves 870-235-5033	TA	ASBTDCs provide free business consulting, training & market research. Occasionally, the ASBTDC charges a small training fee to recoup costs.
Arkansas APEX Accelerator Tierra Hutley 501-671-2393	TA	Arkansas PTAC provides free help with securing government contracts.

SWAPDD EXECUTIVE BUILDS SUCCESS THROUGH STRATEGIC PARTNERSHIPS

Executive Director Renee Dycus was making a point when she listed the services provided by her Southwest Arkansas Planning and Development District. Everything SWAPDD does requires partners.

"You can't plan or develop anything on your own," she said, "you have to have help."

Ms. Dycus's 34 year career at SWAPDD took her from being a bookkeeper sitting behind an adding machine to having to develop specific, high level partnerships to implement projects. Her accounting degree

didn't teach her that, she said. When she got started doing community and economic development work, there was a lot she didn't know. "You'll never know everything," she said, "but don't be afraid to ask."

Her advice was to develop relationships with people who have specific relevant knowledge. Other key points included:

1. Make acquaintances.
2. Be friendly.
3. Build trust over time.
4. Do what you say you will do.
5. Remember that a partnership is a two way street with give and take.



Renee Dycus

ASBTDC COLLABORATES WITH TRUSTED PARTNERS ON OUTREACH

Arkansas Small Business and Technology Development Center is partnering with trusted partners, including Arkansas Human Development Corporation, to reach underrepresented communities. Other partners and their lead contacts are: East Arkansas Enterprise Community - Ebony Mills 870-630-2005; Phoenix Youth and Family Services - Christie Lindsey 870-364-1676; Arkansas State Chamber of Commerce - Trish Villines 501-804-7409; Central Arkansas Library System - Leah Patterson 501-320-5748; and University of Arkansas Division of Agriculture Cooperative Extension Service - Brandon Matthews 501-671-2085.

Social Isn't Just Social from Page 1

1. "Social media for business is no longer optional." Stacey McLachlan
2. "Social technologies stand to unlock \$1.3 trillion in business value." McKinsey Global Institute Report
3. "Attention is the scarcest resource companies must compete for 24 hours a day seven days a week." Susan Chesley Fant, Univ. of Alabama

Qualman research lists these challenges of using social media:

1. Not enough human and financial resources
2. Lack of a formal strategy
3. Building a community of followers and influencers

Professor Pearson shared the following list by Statista of

- the eight most popular platforms and their number of active users in millions.
1. Facebook - 2,958
 2. YouTube - 2,514
 3. WhatsApp - 2,000
 4. Instagram - 2,000
 5. WeChat - 1,309
 6. TikTok - 1,051
 7. Facebook Messenger - 931
 8. Snapchat - 635

She said, the most valuable are, in order: Facebook; LinkedIn; YouTube; Twitter; and Instagram. Professor Pearson not only teaches social media, she oversees class projects in which students help businesses with social media. An example is Top Sarge Entertainment LLC. Read all about it on Page 1.

Business Spotlight from Page 1

Conference, he let everyone to know about the help he received from Arkansas Small Business and Technology Development Center (ASBTDC) and the Southern Arkansas University (SAU) social media class led by Professor Sheila Pearson.

"If you use them, you will get the resources," said Sargent Mallory, as he applauded the ASBTDC's and SAU's work and encouraged entrepreneurs. When he started his business, he only wanted to do entertainment; i.e., provide porta-potties, tables, fans, chairs, etc. for outdoor events. However, people recognized his cooking skills and convinced him to expand into catering. He has stayed in the entertainment business but has grown his catering operation from one day a month to four days a week.



SgtMaj Jody Mallory

Conference attendees experienced his skills firsthand since Top Sarge catered the conference.

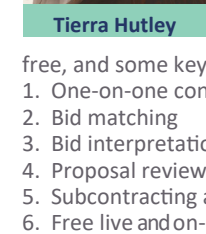
Turns out, he is a good speaker too. Attendees heard the following key points from Sargent Mallory.

1. No one cares more about "your" business than "you."
2. Business is seven days a week, 24 hours a day.
3. Be disciplined.
4. Advertising works, and social media is essential.
5. Provide good service, and be open when "you" say you will be open.
6. "You have to ... put your all into your business. If you put your all into it, it [success] will come.
7. You first have to have a goal and a dream," and "you" should like what you do.

AR APEX COUNSELOR SAYS MARKETING = SELLING

Tierra Hutley is a procurement counselor for Arkansas APEX Accelerator (AAPEX) who radiates enthusiasm for helping Arkansas small businesses get government contracts. She and her agency are getting results.

From July 2021 to June 2022, AAPEX helped Arkansas businesses win 1,951 contracts valued at \$169,300,688. That work created or maintained 3,598 jobs.



Tierra Hutley

All AAPEX services are free, and some key ones include:

1. One-on-one consulting
2. Bid matching
3. Bid interpretation
4. Proposal review
5. Subcontracting assistance
6. Free live and on-demand training

Marketing to the government generally means selling, says Ms. Hutley. Government buyers buy products not the process.

There are three types of Business Opportunity Abounds at ADWS, Conference

Business opportunity abounded at the 2023 Southwest Arkansas Rural Business Development Conference. Arkansas Division of Workforce Services (ADWS) Program Manager Ida Emerson and Division Manager Carla Morris described several opportunities that should interest businessowners.



Ida Emerson

Carla Morris

First, the Arkansas Temporary Assistance for Needy Families (TANF) program contracts with businesses to provide services and goods that foster independence, responsibility and productive behavior among families. TANF procures things like clothing,

transportation, education and employment skills development. A second opportunity is the Individual Development Account (IDA) program. It matches savings by persons who want to go into business, rehabilitate their homes, buy a house or pay for post secondary education.

For each dollar saved by an eligible household, IDA provides three dollars, not to exceed \$2,000 per account holder or \$4,000 per household, said Ms. Emerson. She also described other programs designed to encourage employment, career development and work ethic.

Ms. Morris announced that TANF would become part of the Department of Human Services effective July 1, 2023. Contact Ms. Emerson at 501-683-1786 or ida.emerson@arkansas.gov.

Special Thanks to Southwest Arkansas Planning and Development District, and the University of Arkansas at Monticello for providing great conference space and a courteous, professional staff.

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