

Small Business Development Center: Northland Pioneer College -2005

0100 Advocacy

In 2005, the Northland Pioneer College Small Business Development Center (NPC SBDC) took an active role in advocacy by participating with several organizations, including:

- The Navajo County Board of Supervisors concerning the new tissue manufacturing plant in Snowflake, Arizona.
- White Mountain Regional Development Corporation Board of Directors.
- Pinetop-Lakeside Chamber of Commerce Board of Directors.
- Show Low Chamber of Commerce Customer Service workshop.
- Snowflake-Taylor "Shop Local Campaign" Committee.
- Pinetop-Lakeside Business Advisory Group.
- Pinetop-Lakeside Chamber Business of the Year nomination committee.
- Pinetop-Lakeside A.P.P.L.E. Corporation.
- Government Contracting Opportunities Seminar in St. Michaels, Arizona and the Navajo Nation.
- Pinetop-Lakeside Tourism Committee.
- Heber-Overgaard Chamber of Commerce.
- White Mountain Rotary Club.
- Northern Arizona Wood Products Association.
- Small Business Resource Seminar in Show Low, Arizona.
- Northeast Arizona Trade and Procurement Fair in Show Low.
- The Contractors Workshop on the Hopi Reservation.
- Small Business Tax Workshop with the Department of Revenue.
- Power Net Small Business Networking Group meetings in Snowflake, Arizona.
- Economic Development for Apache County.
- Economic Development for the White Mountain Apache Tribe.
- Economic Development for the Navajo Nation.
- Economic Development for the Hopi Tribe.

0200 Capital Formation

The Northland Pioneer College Small Business Development Center assisted with \$6.8 million dollars in debt and equity financing in 2005. This has partly been accomplished by building a productive working relationship with local area lenders and providing much needed technical assistance to entrepreneurs. In particular, Sunstate Bank and National Bank provide local assistance for SBA commercial loans and commonly refer clients to NPC SBDC for assistance with financial projections and proposals.

The NPC SBDC also works closely with the local SBA Marketing & Outreach Specialist in identifying potential candidates as SBA loan participants. SBDC provides technical assistance in preparing proposals that meet SBA guidelines. The NPC SBDC has built a relationship with Mountain West Small Business Finance, a SBA 504 Certified Development Company, to build awareness of SBA 504 loan programs in our area.

NPC SBDC conducts Small Business Workshops creating awareness of financing programs and often makes public presentations regarding capital resources and procedures.

0300 Innovation and Technology Transfer

NPC SBDC primarily assists e-commerce type technology-based clients. The center conducted several e-bay for small business seminars in 2005. The center also held two-day computer workshop classes each month teaching web site applications, e-commerce and advanced HTML. NPC SBDC maintains a computer lab on-site with the latest applications.

NPC SBDC assisted clients with procurement information through Pro-Net on-line service and uses the IRS.GOV, Arizona Department of Commerce and SBA.GOV websites routinely in client counseling sessions.

NPC SBDC assisted forestry entrepreneurs in technology transfer involving conversion of small diameter timber into usable products for new uses. An example is our work with the first U.S. Stewardship Contract on the National forest, which involved helping start a new mill designed to process small logs into merchantable lumber, while utilizing the biomass for thermal fuel usage.

NPC SBDC participated in the Quickbooks online point of sale software seminar to provide better information to clients on computer related inventory, accounting and customer management controls.

0400 International Trade

NPC SBDC has limited clients who deal in international trade. Import/export clients are referred to the Arizona Department of Commercial – International Trade Department and to our sister center at Maricopa Community College.

0500 Minority Small Business Development

The NPC SBDC territory is comprised of Apache and Navajo County. The population of Apache County is approximately 77% Native American and the average wage is \$12.32. Navajo County is approximately 50% Native American with an average wage of \$12.02. NPC SBDC continues to focus on Native American assistance by providing the Native American Enterprise program, seminars and one-on-one counseling. NPC SBDC has one Small Business Analyst that serves the Hopi and Navajo Nation exclusively. We have worked with the Whiteriver Housing Authority to provide business training classes and have made several joint presentations with the Navajo, Apache and Hopi Economic Development Centers regarding entrepreneurship, finding capital and government procurement.

0600 Resource Development

We continue to work with a collaborative partnership consisting of small businesses and government support organizations, dealing with restoration of local forests by creating utilization of small diameter material for new uses. We host the partnership meetings and regularly provide technical assistance to clients needing help with business plans, grant applications and other needs.

0700 Procurement

The NPC SBDC serves as a reference site for SBA and has two Internet stations at our office in Show Low to assist clients. We provide information on state contracting opportunities and procedures, and assist clients with 8(a) applications. We also assist clients with Pro-Net certifications and Hub-Zone. We have cosponsored procurement fairs and seminars with our local SBA representative.

0800 Special Emphasis Groups

The NPC SBDC has a special interest in working with the Northern Arizona Wood Products Association to assist in the utilization and marketing of small diameter wood in our area. The NPC SBDC works with entrepreneurs interested in developing uses for the harvesting of small diameter trees. The NPC SBDC also works with the Show Low and Pinetop Main Street organizations to promote retail redevelopment.

0900 Economic Development, Faith Based and Community Initiatives

NPC SBDC actively participates in the economic development efforts of our local Chambers of Commerce and the White Mountain Regional Development Corporation. The NPC SBDC also has a positive working relationship with the Economic Development Authorities for Navajo, Apache and Hopi.

In 1987, the Arizona legislature created the Rural Economic Development Initiative (REDI) program to 'promote economic development in rural areas and communities of the state.' The Arizona REDI program provides direct assistance to rural communities in organizing an economic development program or effort, and evaluating community resources. Qualified rural economic development programs and organizations with an on-going commitment to economic development can be recognized through REDI accreditation. The REDI program provides both technical and matching fund assistance. NPC SBDC is located in a REDI area. We seek assistance from this program to help in rural economic development.

1000 Research

NPC SBDC continues to expand its reference library at the Show Low Campus. NPC SBDC utilizes the Hillsource.Org research service and the SBDC.NET research center. NPC SBDC produced several small business booklets covering topics from start up to exiting strategies. These booklets are available through our website and at the NPC SBDC location. NPC SBDC analysts help clients find research on their industry and competition.

1100 Other Activity

No activity to report.

1200 Success Stories

(2005 Success Award winners will be used for annual report; Centers only need to complete this section for the semi-annual report)

1300 Travel

There is no unexpected travel to report.

1400 Problems

The NPC SBDC experienced an unplanned turn-over of the center Director in the summer of 2005. The center was managed by an interim director for several months. The college also experienced an unplanned turnover of the President at nearly the same time. These changes resulted in a loss of strong leadership for the center for a limited time. At the end of 2005, a new Director was appointed to the NPC SBDC and a veteran Small Business Analyst signed an annual contract to serve the

center. These changes will serve to strengthen NPC SBDC in 2006, and we look forward to a productive year.

The economic health of the two Counties in our service area continues to be among the poorest in the state of Arizona and in the nation. Our unemployment rates are among the highest in the state, 12% and 10.5%, respectively, for Apache and Navajo Counties, compared with 4.7% for Arizona and 4.8% for the U.S. Our annual per capita incomes are also among the lowest, with Apache County per capita income of \$16,457, 13th out of 15 Arizona counties, and Navajo County at \$15,917, the lowest in the State. We have the three largest Native American reservations in the state in our service area, and Native Americans comprise nearly 59% of the total population. The economic progress on the reservations continues to be slow with extremely high unemployment and an overall lack of business and tax base. All of the above serve to underscore the importance of the small business sector's contribution to the local economy. The NPC SBDC is one of the best means to help with small business success and help the local economy progress.

1500 Financial Reports

(To be provided separately; centers do not need to complete this section)

1600 Women-Owned Businesses

Women comprised the majority of NPC SBDC clientele in 2005. The 2005 NPC SBDC Success award winner is female and an SBA 8(a) Certified Minority Contractor. NPC SBDC also works with our local area SBA outreach specialist to provide information on the SBA Small Disadvantaged Business and 8(a) certifications to our community. The NPC-SBDC and SBA local outreach specialist also held a Women's Roundtable event to discuss the concerns and needs of women business owners in the community.

1700 Economic Impact

(The State Office will complete this section on an aggregate basis on the annual report; centers do not need to complete this section)

1800 Veterans, Service Connected-Disabled Veteran-Owned Businesses, Reservists on Active Duty and Other Reserve Component Members of the U.S. Military

The NPC-SBDC collaborated with the local area SBA outreach specialist to provide an informative seminar on Veteran's Outreach programs in April of 2005.

1900 Manufacturing

The White Mountain area has started a strong effort to utilize and market small diameter trees harvested from our local forests. An example is our work with the first U.S. Stewardship Contract on the National forest, which involved helping start a new mill designed to process small logs into merchantable lumber, while utilizing the biomass for thermal fuel usage.

2000 Online Activity

The NPC-SBDC maintains an active online presence, through an interactive web site that meets SBA specifications in their Program Announcement, and provides online counseling, training resources and help for startup and expanding small businesses. Through Northland the SBDC offers an series

of online classes, which are offered in the college schedule each semester, and is administered and taught by SBDC personnel.