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MI-SBTDC Region 8

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Governor Holds Roundtable at LCC to Discuss Initiatives to Help Grow Michigan's Economy, Create Jobs

New tools are available to help small and medium-sized businesses grow and create jobs in Michigan.

LANSING – Governor Jennifer M. Granholm today joined with the Michigan Small Business and Technology Development Centers (MI-SBTDC), Michigan Credit Union League (MCUL), and FastTrac NewVenture program clients at Lansing Community College to discuss new tools available to help small and medium-sized businesses grow in Michigan. The governor discussed a new partnership that will be launched this year with the MCUL and the MI-SBTDC to provide an initial \$43 million for eligible small business loans.

“Small businesses are vital sources of innovation and job creation in Michigan,” Granholm said. “Through collaboration and tools like the FastTrac program, and the Michigan Small Business Financing Alliance with the Michigan Credit Union League, the state will enable even more Michigan citizens to develop their entrepreneurial talents that will help continue the diversification of Michigan’s economy.”

FastTrac NewVenture, a program of the Ewing Marion Kauffman Foundation, offers real world guidance to people who want to become entrepreneurs. During the ten-week course, entrepreneurs evaluate the feasibility of their business concept, make contacts, and learn how to start profitable small businesses, attract new clients or customers, retain employees, and improve service and product offerings.

The Michigan Economic Development Corporation has pledged \$200,000 to expand the program in 2010 in other areas of the state. This practical hands-on business development program will help 1,000 prospective entrepreneurs hone the skills they need to create, manage and grow a successful, job creating business.

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“Michigan is committed to creating a robust, supportive culture of entrepreneurship that will strengthen and diversify the state’s economy,” Michigan Economic Development Corporation President and CEO Greg Main said. “These new partnerships will be a driving force in this effort, empowering small business owners and entrepreneurs to pursue their dreams and helping them to succeed.”

"Michigan is committed to the growth of small businesses, which will play a critical role in rebuilding Michigan's economy," stated Carol Lopucki, State Director of the Michigan Small Business and Technology Development Center. "The FastTrac programs allow entrepreneurs and small business owners an opportunity to test the feasibility of an idea and develop a plan before they launch a small business or take their business in a new direction. FastTrac is one of the many tools that are available to entrepreneurs here in Michigan."

The governor also discussed today with the Michigan Credit Union League that over 30 credit unions have committed an initial \$43 million for small business loans in partnership with the MEDC and MI-SBTDC.

The Michigan Credit Union League and its subsidiary CUcorp will coordinate the alignment of Michigan’s 335 credit unions with the MI-SBTDC. A critical element of the program will be the alignment of applications for credit union capital with a technical assistance process administered by the MEDC and MI-SBTDC, which will include training and individual counseling. This assistance will increase the program’s success since these types of loans carry higher-than-average credit risk, and credit unions will apply their normal careful underwriting standards for each loan.

With the initial pledged funds of \$43 million, assuming an average loan size of \$20,000, credit unions hope to help at least 2,150 small businesses statewide.

A formal working group to outline the step by step process will be immediately formed. The MCUL will also seek to advocate for state and federal legislation that will strengthen and expand access to funding leverage programs like the 21st Century Jobs Fund and the Capital Access Program in order to maximize the availability of capital to the Michigan small business community.

“Credit unions, as not-for-profit cooperatives, have demonstrated their desire and capacity to lend during these difficult economic times,” said Michigan Credit Union League CEO Dave Adams. “We are fueling loan growth for the auto industry through our Invest in America program (www.lovemycrreditunion.org) and now we see great opportunities to expand small business lending. It is what our state badly needs.”

Inquiries regarding the new credit union small business loan alliance should be directed to the Michigan Credit Union League at 800-262-6285. Further details regarding this program will be made available within the next 90 days. In the interim, interested potential borrowers can also contact their

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credit unions as a majority of credit unions do make small business loans. However, inquiries regarding this specific alliance should be directed to MCUL. To register for the FastTrac NewVenture program or for more information, that is scheduled to start on April 6, 2010 please contact the Michigan Small Business and Technology Development Center at 517-483-1921 or visit www.misbtDC.org/region8.

About the MI-SBTDC

The Michigan Small Business & Technology Development Center provides counseling, training and market research for Michigan's new business ventures, existing small businesses, expanding new businesses and new technology companies. The MI-SBTDC™ Region 8 office is located at Lansing Community College, in Lansing, Michigan. It also hosts two satellite offices located at the Shiawassee Regional Chamber of Commerce in Owosso, Michigan and at the Greater Brighton Area Chamber of Commerce in Brighton, Michigan. Entrepreneurs and small business owners may access our services by calling (517) 483-1921 or visiting www.misbtDC.org/region8.

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