

FOR IMMEDIATE RELEASE

February 15, 2005

Contact:

Virginia Housing and Community Development Corporation
(757) 671-8333
www.vhcdc.org

Deadline Looms for Minority Business Owners

MBE Capital Call seeks Minority Business Plans for Equity Grants and more!

Virginia Beach, Virginia – Minority and women business owners seeking capital to start, grow or expand their small business have only a few days remaining to be considered for funding in the 2005 MBE Business Plan Competition, sponsored by Virginia Housing and Community Development Corporation (VHDC). On December 20, 2004, VHDC issued a nationwide Call for Executive Summaries to identify companies to present their business plan for funding to venture capitalists, investment bankers, lenders, and private equity investors during its 2005 MBE Capital Call – Conference, Exhibition and Venture Forum.

The MBE Capital Call will introduce Minority and Women-owned Business Enterprises (MWBEs) to myriad resources for capital and credit and expose private and public entities to business opportunities with MWBEs. The MBE Capital Call is a call to venture capitalists, asset managers, banks, insurance companies, investment bankers, private equity investors, and other segments of the financial services industry, to introduce MWBEs to their products and services, to educate MWBEs about various forms of capital and credit, and to identify MWBEs for investment and strategic partnership opportunities. It's a call to MWBEs to avail themselves of the knowledge of varied financial products and services, capital and credit markets, and resources to achieve wealth through business creation and expansion.

According to James R. Taylor, Director, Virginia Housing and Community Development Corporation, "the Capital Call is a timely initiative for what I believe will be a very challenging environment for small business and community development in the not-so-distant future. As the President and Congress rein-in government spending and redirect federal resources to address domestic priorities and our strategic interests overseas, I'm afraid the business, social, and community development programs of decades past may experience significant challenges assisting distressed communities, minorities, and women. It's clear to me the time is ripe for innovative measures to assist those who will be most affected."

During the Capital Call Venture Forum, up to 10 Minority and Women-owned Business Enterprises (MWBEs) will formally present their business plan for funding to a diverse audience of venture capitalists, investment bankers, private equity investors, and commercial lenders. The Capital Call is a must for minority business enterprises experiencing limited capital and credit resources, aspiring entrepreneurs with an innovative idea for a new product or service, and successful minority business enterprises with established earnings, but need additional capital to finance growth or expansion. Those selected will have up to 15 minutes to present their business plan, persuade investors, and answer questions about their plan.

The Capital Call Seminars provide a wealth of knowledge resources and training. Twenty-three seminars, lead by notable experts in their fields, provide an in-depth view of the financial tools and capital and credit resources to start, grow, and expand their business. The range and content of topics are designed to provide minority and women business owners, financial managers, and non-financial managers keen insight to financial reporting, retirement plans, credit and collections, lines of credit, financial markets and investments, SBA loan programs,

private equity, customer financing vehicles, venture capital, innovation and research grants, and much, much more.

The Capital Call Conference will present a series of in-depth panel discussions on a variety of small business financial topics, including accessing business capital and credit. Experts from the U.S. Minority Business Development Agency and the U.S. Small Business Administration, along with representatives of leading business law firms, venture capital firms, community banks, and successful small businesses will share their wisdom, experience, and advice for minority and women business owners. And, capital and credit providers will be on-hand to present their financial products and services.

"It important they [minorities and women] not only understand how our financial, capital, and credit markets work and what resources and tools are out there, but how to employ those resources and tools effectively to achieve their business, community, and personal goals", Mr. Taylor said. "Access to capital and credit has been a significant problem for minority and women-owned businesses. There are perhaps several reasons. However, with literally billions of dollars of private equity capital available, I pray this initiative enables more of those dollars to flow to minority-owned businesses."

The 2005 MBE Capital Call will host more than 1,200 guests, including minority business owners, private investors, venture capitalists, lenders, vendors, community and economic development officials, small business technical service providers, and non-profit community action agencies from throughout the U.S. It is a "must attend" networking opportunity for minority and women entrepreneurs, investors, financial and technical services providers, and others interested in minority business development.

"The MBE Business Plan Competition is an effort to assist minority and women entrepreneurs to build the kind of business they imagined. We want to invest in disadvantaged small business enterprises and help them raise the capital needed to develop and deliver their products and services to market", Taylor said. VHDCDC plans to award up to \$50,000 in cash, products, and services – in the form of Equity Grants and Equity-Match Grants – to aid up to five Virginia-based minority and women-owned businesses. Such grants would provide an injection of working-capital, office equipment and software, and professional services. The Competition enables VHDCDC to select which businesses to make an award and which businesses to present to investors for funding. The remaining business plans (Executive Summaries) will be distributed to angel investors and venture capitalists listed in their database of more than 3,000 firms. Review of the Executive Summaries begins March 1st. Minority Business Owners have until February 28th [2005] to submit an Executive Summary of their business plan. Additional information and registration forms are available at: www.vhcdc.org/capitalcall

The 2005 MBE Capital Call will be held June 5-7 at the Holiday Inn – Virginia Beach Executive Center, located at 5655 Greenwich Road, Virginia Beach, Virginia. Rates for attending the MBE Capital Call vary. Visit www.vhcdc.org for details. Advance registration and hotel reservations are strongly encouraged.

About VHDCDC:

Virginia Housing and Community Development Corporation (VHDCDC) is a private, non-profit community development corporation serving disadvantaged, low-income communities in the cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, and Virginia Beach, Virginia. VHDCDC is a 501(c)3, charitable Corporation, focused on innovative, community-based initiatives that advance the success and growth of disadvantaged micro and small business enterprises, stimulate job creation, and rebuild and revitalize distressed communities. For more information, visit VHDCDC online at: www.vhcdc.org

###