

## **FOR IMMEDIATE RELEASE**

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### **Non-Profit Initiative Opens Doors to Capital and Credit for Minority and Women-Owned Business Enterprises (MWBEs)**

Introduces Minorities and Women to Myriad Resources for Business Capital and Credit

**Virginia Beach, VA** - Ask most minority or women-owned businesses what challenges they face in starting, growing, or expanding their business and they'll tell you capital and credit rank at the top of the list. Ask them what resources are available and you'll either hear dead silence or they'll describe some loan program or brief you on the tax incentives marketed by the federal government, or their state or local municipality.

In the realm of capital and credit for Minority and Women-owned Business Enterprises (MWBEs), there is a majority consensus existing federal, state, and local small business development programs over-emphasize the use of debt capital, such as business loans, loan guarantees and micro-loans (business loans of less than \$35,000), to aid the disadvantaged business owner. Tax credits and incentives (rebates and reductions on business earnings, property improvements, and new equipment purchases) do encourage business development in low-income, distressed communities, but have little to no effect on creating small business enterprises at the grass roots. Also, MWBEs are rarely introduced to or assisted with other forms of capital and credit, essential to starting, growing, and expanding their business.

It is interesting to note many of these programs are targeted to distressed communities, communities characterized by low-income individuals with little to no equity (money of their own) to start, grow, and expand a small business. It's precisely this population that needs and demands access to diverse capital and credit resources, yet most programs are not designed to, nor do they, put such resources at the disposal of those entrepreneurs.

Virginia Housing and Community Development Corporation (VHDC) is opening the doors to capital and credit for MWBEs. Through its MBE Capital Call - Conference, Exhibition and Venture Forum, VHDC seeks to introduce minority business owners to myriad resources for capital and credit and expose private and public capital markets to business opportunities with MWBEs. The MBE Capital Call is a call to private investors, asset managers, banks, insurance companies, investment banks, private equity firms, 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 markets, and resources to achieve wealth through business creation and expansion.

Highlights of the planned 2005 MBE Capital Call include: an MBE Business Plan Competition, with five awards ranging from \$2,500 to \$25,000 (total of \$50,000 in cash, products, and services); a venture forum, providing ten MWBEs the opportunity to present their business plan to private investors, private equity firms, and lenders for funding and strategic partnerships; presentations by a panel of experts and successful MBEs on the present and future investment climate for MWBEs, MWBE financing, challenges and opportunities, urban renewal, small disadvantaged business investment strategies, and recommendations to attendees; exhibits by asset managers, asset recovery firms, commercial banks, credit card processors, factors, government agencies, insurance companies, investment banks, leasing companies, private equity firms, and accounting and law firms specializing in structured finance and lending; a VIP reception; a networking mixer for MWBEs and finance industry professionals; and, an assortment of seminars on capital and credit. Plans are underway to host the event in Hampton Roads, Virginia in June, 2005.

VHCDC encourages and looks forward to the support and participation of private and public entities dedicating financial and other resources supporting the startup, growth, and expansion of minority and women-business enterprises. VHCDC is particularly interested in the participation and support of minority-owned accounting firms, commercial insurance companies, investment banks, law firms, and private equity firms. Companies interested in marketing and sponsorship opportunities, exhibit booths, and investment opportunities may obtain event information at: [www.vhcdc.org/CapitalCall](http://www.vhcdc.org/CapitalCall)

MWBEs interested in competing in the MBE Business Plan Competition may obtain registration information and application at: [www.vhcdc.org/MBEBPC](http://www.vhcdc.org/MBEBPC)

**About Virginia Housing and Community Development Corporation:** VHCDC is a private, non-profit community development corporation serving disadvantaged, low-income communities. The Corporation is focused on initiatives that advance the success and growth of disadvantaged micro and small business enterprises, stimulate job creation, and rebuild and revitalize low-income, distressed communities. Through affordable housing, business development, and commercial and retail development, VHCDC is committed to initiatives that support community, in action!

VHCDC depends on contributions, sponsorships, and other forms of support to design, develop and operate projects and services that assist small disadvantaged businesses and residents of low-income, distressed communities. Your investment can make a difference in alleviating barriers to starting or expanding a small business and creating jobs, empowering disadvantaged individuals and families to improve their quality of life, and transforming low-income, distressed communities into vibrant places to live, do business, and work. VHCDC is exempt from federal income tax under section 501(c)3 of the Internal Revenue Code. Your support is important. To make your contribution, of any amount, download the Charitable Contribution Form at: [www.vhcdc.org/support](http://www.vhcdc.org/support) and mail it with your check or money order to VHCDC, PO Box 61733, Virginia Beach, VA 23466-1733.

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